

# **Palm Beach County, Florida**

Single Audit Report  
September 30, 2025

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## Independent Auditor's Report

Honorable Chair and Members of the  
Board of County Commissioners  
Palm Beach County, Florida

Honorable Ric L. Bradshaw  
Sheriff

Honorable Mike Caruso  
Clerk and Comptroller

Honorable Wendy Sartory Link  
Supervisor of Elections

Honorable Dorothy Jacks  
Property Appraiser

Honorable Anne Gannon  
Tax Collector

### Report on the Audit of the Financial Statements

#### **Opinions**

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

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

We did not audit the financial statements of the Solid Waste Authority, the Westgate/Belvedere Homes Community Redevelopment Agency, and the Housing Finance Authority, discretely presented component units, which represent 100% of the assets, net position and revenues of the aggregate discretely presented component units as of September 30, 2025. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Solid Waste Authority, Westgate/Belvedere Homes Community Redevelopment Agency, and Housing Finance Authority, is based solely on the reports of the other auditors.

#### **Basis for Opinions**

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

As discussed in Notes 1D and 20 to the financial statements, the County adopted the recognition and disclosure requirements of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, as of October 1, 2024. As a result of the adoption, the County restated the beginning balance of compensated absence liabilities and net position of the governmental activities, business-type activities, aggregate discretely presented component units and proprietary fund financial statements. Our opinions are 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 County's ability to continue as a going concern for 12 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County'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 schedules for the General Fund, Palm Tran Special Revenue Fund and Fire Rescue Special Revenue Fund, and the schedules related to the pension and other postemployment benefit plans as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2026, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

**RSM US LLP**

West Palm Beach, Florida  
April 15, 2026



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# Management's Discussion & Analysis

The Management's Discussion and Analysis subsection provides a narrative introduction to and overview and analysis of the basic financial statements.

It includes a description of the government-wide and fund financial statements, as well as an analysis of Palm Beach County's overall financial position and results of operations.



## **Management’s Discussion and Analysis**

Our discussion and analysis provide an overview of the financial activities of Palm Beach County, Florida (the “County”) for the fiscal year ended September 30, 2025. We encourage reading this narrative in conjunction with the additional information provided in the transmittal letter (beginning on page i) and the accompanying financial statements (beginning on page 2).

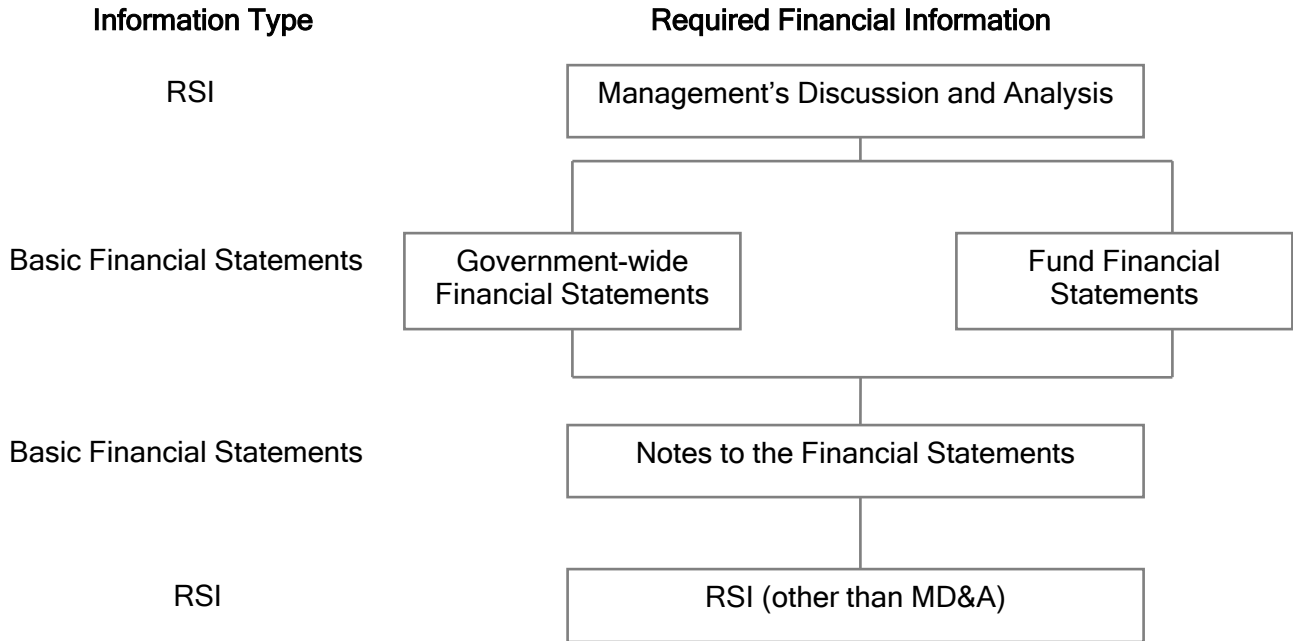
### **Financial Highlights**

- The County’s assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources (net position) by approximately \$6.428 billion and \$5.670 billion at the close of fiscal years 2025 and 2024 respectively. Of these amounts, \$4.078 billion and \$3.825 billion were the net investment in capital assets. In addition, \$2.496 million and \$2.249 million were restricted by law, grant agreements, debt covenants, or for capital projects. As a result, (\$146) million and (\$404) million were available at year-end to meet the County’s ongoing obligations to residents, creditors, and enterprise fund customers. (Refer to page xxi and xxii for more information related to these amounts).
- The County’s total liabilities at September 30, 2025 and 2024 were \$3.915 billion and \$4.100 billion, respectively.
- During fiscal year 2025, the County’s total net position increased by \$758 million, compared to an increase of \$682 million during the previous fiscal year. Business-type activities increased by \$246 million, and governmental activities increased by \$512 million.
- As of September 30, 2025, the County’s governmental funds reported a combined ending fund balance of \$3.754 billion, an increase of \$261.8 million or approximately 7.5% from the previous year.
- As of September 30, 2025, the fund balance for the General Fund, including Constitutional Officers, was \$572.0 million, a decrease of \$11.8 million from the previous year.
- The County’s two enterprise funds had a combined increase in net position of \$244 million. The Department of Airports increase was \$82 million, and the Water Utilities Department had an increase of \$162 million.

### **Overview of the Financial Statements**

This Annual Comprehensive Financial Report consists of the Basic Financial Statements and other statements. The County’s basic financial statements contain three components: government-wide financial statements, fund financial statements, and notes to the financial statements.

## Minimum Financial Reporting Requirements



### Government-wide Financial Statements

The government-wide financial statements provide an overview of the County's financial position using the accrual basis of accounting, which is similar to the accounting used by private-sector businesses. The Statement of Net Position shows the County's assets plus deferred outflows less its liabilities plus deferred inflows as of September 30, 2025. The difference between these assets and deferred outflows and liabilities and deferred inflows is reported as net position. Changes in net position may serve as an indicator of whether the financial position of the County is improving or deteriorating. The Statement of Activities follows the Statement of Net Position and presents information showing how the County's net position changed during the fiscal year. Changes in net position are reported as soon as the underlying economic transactions occur, regardless of when cash is received or paid. Therefore, some of the revenues or expenses reported in the statement of activities will have cash flows in future fiscal periods. For example, certain sales taxes are shown as revenues although cash receipts will occur early in the following fiscal year. Alternatively, an increase in unused vacation leave is recorded as an expense although related cash outflows will occur in the future.

The government-wide financial statements show a distinction between activities that are supported primarily by taxes and intergovernmental revenues (governmental activities) and activities that are supported by the recovery of all or most of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services, and culture and recreation functions. The business-type activities of the County are the Department of Airports and the Water Utilities Department.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also the legally separate entities for which the County is financially accountable (known as *component units*). The discretely presented component units of the County are the Housing Finance Authority of Palm Beach County, the Westgate/Belvedere Homes Community Redevelopment Agency, and the Solid Waste Authority. The financial activity of these component units is reported separately from the financial information of the primary government.

To obtain the separately issued financial statements of the discretely presented component units, see *Note 1 – Summary of Significant Accounting Policies*, in the Notes to the Financial Statements for contact information.

## **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 County uses fund accounting to ensure and demonstrate compliance with legal, legislative, contractual, and other finance-related provisions. All of the County's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

### **Governmental funds**

Most of the County's basic services are reported in governmental funds, which focus on the inflow and outflow of money or other spendable resources and on the level of balances remaining at year-end that are available for expenditure. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general governmental operations to account for available financial resources and demonstrate fiscal accountability. Governmental fund information helps illustrate the extent of financial resources that are available for expenditure on County programs. Reconciliations of the differences between the government-wide and fund financial statements are provided immediately after the *Balance Sheet-Governmental Funds* and *Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds*, respectively, in the *Basic Financial Statements*.

Funds that are significant in terms of revenues, expenditures, assets or liabilities are identified as *major* funds in the *Basic Financial Statements* and reported separately. The County's nonmajor funds, and budget and actual comparisons schedules for any nonmajor funds with annually appropriated budgets are presented in the *Combining and Individual Fund Statements and Schedules* section of this report.

### **Proprietary funds**

The County uses both types of proprietary funds, Enterprise and Internal Service Funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Airports and Water Utilities operations. Both of these operations are considered to be major proprietary funds of the County. *Internal Service funds* are used to accumulate and allocate costs

internally among the County's other functions. The County uses internal service funds to account for its Fleet Management and Risk Management programs. These programs are included within governmental activities in the government-wide financial statements because they predominantly benefit governmental rather than business-type functions. The three internal service funds are combined into a single presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the *Combining and Individual Fund Statements and Schedules* section of this report. The proprietary fund financial statements can be found in the *Basic Financial Statements*.

### **Fiduciary funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Custodial funds are the only type of fiduciary fund used by the County. The amounts in these custodial funds are not included in the government-wide financial statements because the resources of these funds are not available to support the County's own programs. However, the *Statement of Fiduciary Net Position – Custodial Funds* and the *Statement of Changes in Fiduciary Net Position – Custodial Funds* in the *Basic Financial Statements* is provided for information on the custodial funds. In addition, the individual custodial funds are presented in the *Combining and Individual Fund Statements and Schedules* section of this report.

### **Notes to the financial statements**

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

### **Other information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information containing budget and actual comparison statements for the General Fund and each major special revenue fund with an annually adopted budget, along with pension and other post-employment benefits (OPEB) data as listed in the table of contents. The combining statements for the nonmajor funds, internal service funds, fiduciary funds, as well as individual fund budget and actual comparison schedules are found in the *Combining and Individual Fund Statements and Schedules* section of this report.

### **Government-wide Financial Analysis**

Palm Beach County's net investment in capital assets such as land, roads, parks, buildings, machinery and equipment, as a percentage of net position, amounts to 63% and 67% as of September 30, 2025 and 2024, respectively. These asset values are presented less any outstanding debt related to the acquisition and accumulated depreciation of those assets. The County uses capital assets to provide services to the citizens and consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the capital assets themselves cannot be used to liquidate that liability, and other resources will be needed to repay any associated debt.

Another portion of the County’s net position is *restricted* net position which represents resources that are subject to constraints such as debt covenants, grantors, laws or regulations. *Unrestricted* net position is that portion of County resources that are available to meet the ongoing obligations to residents, creditors, and enterprise fund customers.

The following table provides a comparative analysis of the County’s net position for the fiscal years ended September 30, 2025 and 2024.

<b>Palm Beach County, Florida</b>						
<b>Net Position at Year-End (in millions)</b>						
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>TOTAL PRIMARY GOVERNMENT</b>	
	<b>2025</b>	<b>2024 *</b>	<b>2025</b>	<b>2024 *</b>	<b>2025</b>	<b>2024 *</b>
<b>Assets</b>						
Current and other assets	\$ 4,384	\$ 4,137	\$ 1,142	\$ 902	\$ 5,526	\$ 5,039
Capital assets	2,906	2,762	1,961	1,840	4,867	4,602
Total assets	<u>7,290</u>	<u>6,899</u>	<u>3,103</u>	<u>2,742</u>	<u>10,393</u>	<u>9,641</u>
<b>Total deferred outflows of resources</b>	<u>579</u>	<u>621</u>	<u>18</u>	<u>20</u>	<u>597</u>	<u>641</u>
<b>Liabilities</b>						
Long-term liabilities	3,187	3,475	329	240	3,516	3,715
Other liabilities	314	322	85	63	399	385
Total liabilities	<u>3,501</u>	<u>3,797</u>	<u>414</u>	<u>303</u>	<u>3,915</u>	<u>4,100</u>
<b>Total deferred inflows of resources</b>	<u>591</u>	<u>457</u>	<u>56</u>	<u>54</u>	<u>647</u>	<u>511</u>
<b>Net Position</b>						
Net investment in capital assets	2,334	2,199	1,744	1,626	4,078	3,825
Restricted	2,406	2,163	90	86	2,496	2,249
Unrestricted (deficit)	(963)	(1,096)	817	692	(146)	(404)
Total net position	<u>\$ 3,777</u>	<u>\$ 3,266</u>	<u>\$ 2,651</u>	<u>\$ 2,404</u>	<u>\$ 6,428</u>	<u>\$ 5,670</u>

\* Restated for implementation of GASB #101 in FY25

The (\$146) million unrestricted deficit in net position reflects the shortfall the County would face in the event it would have to liquidate all of its non-capital liabilities, including insurance claims payable, compensated absences, pensions, and other post-employment benefits at September 30, 2025. Consequently, these long-term considerations have a significant impact on the resulting net position. The unrestricted deficit of (\$146) million resulted primarily from the implementation of GASB Statements No. 68 and 71 in fiscal year 2015 and GASB Statement No. 75 in fiscal year 2018. These GASB Statements required the County to record its proportionate share of net pension liabilities for its various defined benefit retirement plans for County employees as well its liabilities for its various other post-employment benefits and the related deferred outflows and inflows for each. The decrease in the unrestricted deficit was directly related to the decrease in the net pension liability. Net pension liabilities and OPEB liabilities represent the amounts to be paid in the future when employees retire and will be funded through future contributions to the

retirement plans. A deficit in unrestricted net position should not be considered, solely, as evidence of economic financial difficulties.

## **Governmental activities**

Significant changes in the Statement of Net Position are as follows:

- Total assets for Governmental activities increased by \$391 million. This was due primarily to overall higher cash, cash and cash equivalents, and investment balances on hand at the end of the fiscal year. These higher balances are partially attributable to additional property tax revenue received as well as higher receipts from sales tax, the one-cent infrastructure surtax and record-high investment income.
- The decrease of \$288 million in long-term liabilities for Governmental activities is attributable in part to regularly scheduled debt service payments as well as a decrease in the net pension liability of \$244 million. This decrease is attributed to the recording of the County's proportionate share of net pension liabilities for its various defined benefit retirement plans for County employees as determined by the plans' actuaries. The majority of this decrease is related to the Florida Retirement System (FRS) and was caused primarily by an increase in the fiduciary net position of the FRS Pension Plan which was due to higher overall investment returns.

Governmental activities were responsible for a \$512 million increase in the County's net position during fiscal year 2025, as compared with a \$498 million increase during the previous fiscal year. This year's increase in net position from governmental activities is attributed to several factors:

*Ad-valorem tax* revenue increased approximately \$174 million to a record high of \$1.937 billion, or 10% from the previous fiscal year. The increase is due to higher overall taxable values and new construction adding to the property tax base. The County's fiscal year 2025 operating millage was 4.5000, which was the same as fiscal year 2024.

*Investment income* remained strong for fiscal year 2025 at \$200 million. Contributing factors include daily active management of the portfolio and strategically lengthening maturities while maintaining a short overall portfolio duration. During the fiscal year, short-term interest rates fell, benefitting the slightly longer-term investments added during the year. The conservatively managed portfolio includes liquid money market accounts and Small Business Administration Pools, as well as short duration Israel bonds and Certificates of Deposit.

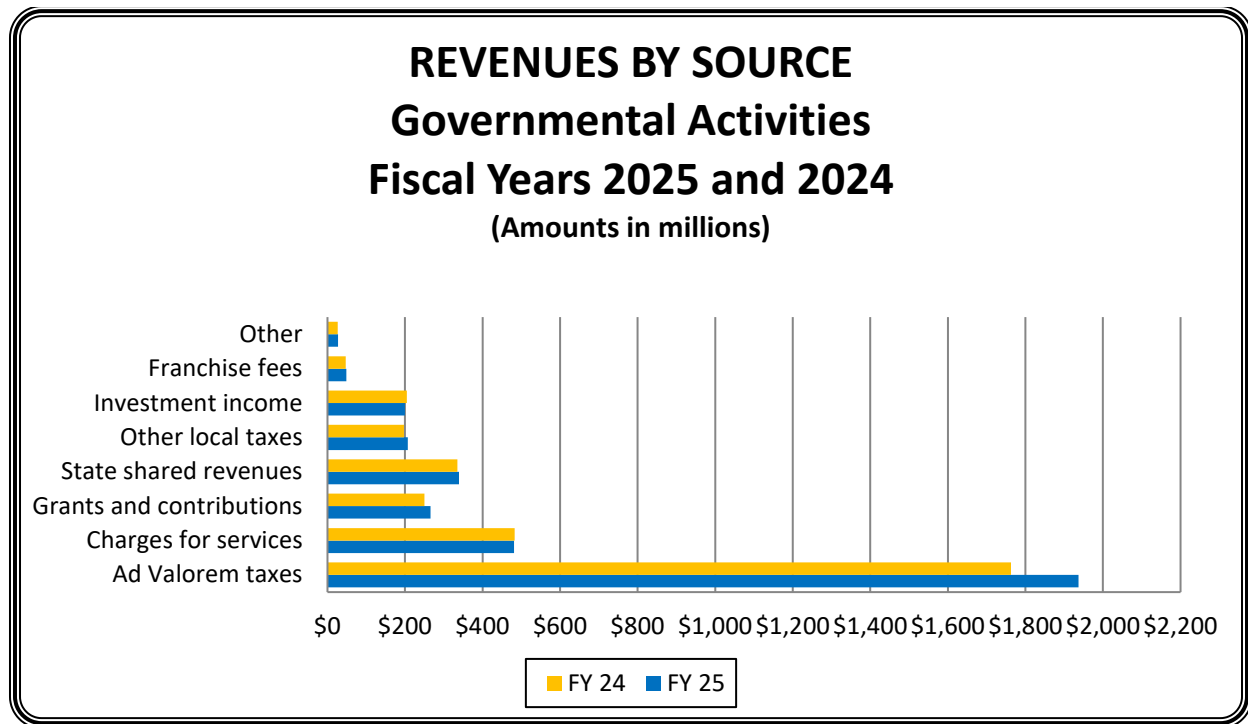
*General government* expenses increased by \$69 million or 12% from the previous fiscal year. This increase is attributable in part to a large increase in capital projects activity related to the County's buildings. Capital outlay in this category increased \$44 million from the prior year, or about 44%. The Tax Collector also saw a 9% increase in spending due to building of a new Tax Collector Service Center within the County.

*Public safety* expenses increased by \$65 million or 4% from the previous fiscal year. This is attributable primarily due to an overall increase in personnel costs, including higher FRS pension contribution rates, for the Sheriff and Fire Rescue departments.

*Transportation* expenses remained relatively flat, increasing by \$4 million or 1% over the previous fiscal year due in part to the leveling off of fuel costs for the County’s motor pool fleet as well as for Palm Tran, the County’s public bus transportation system.

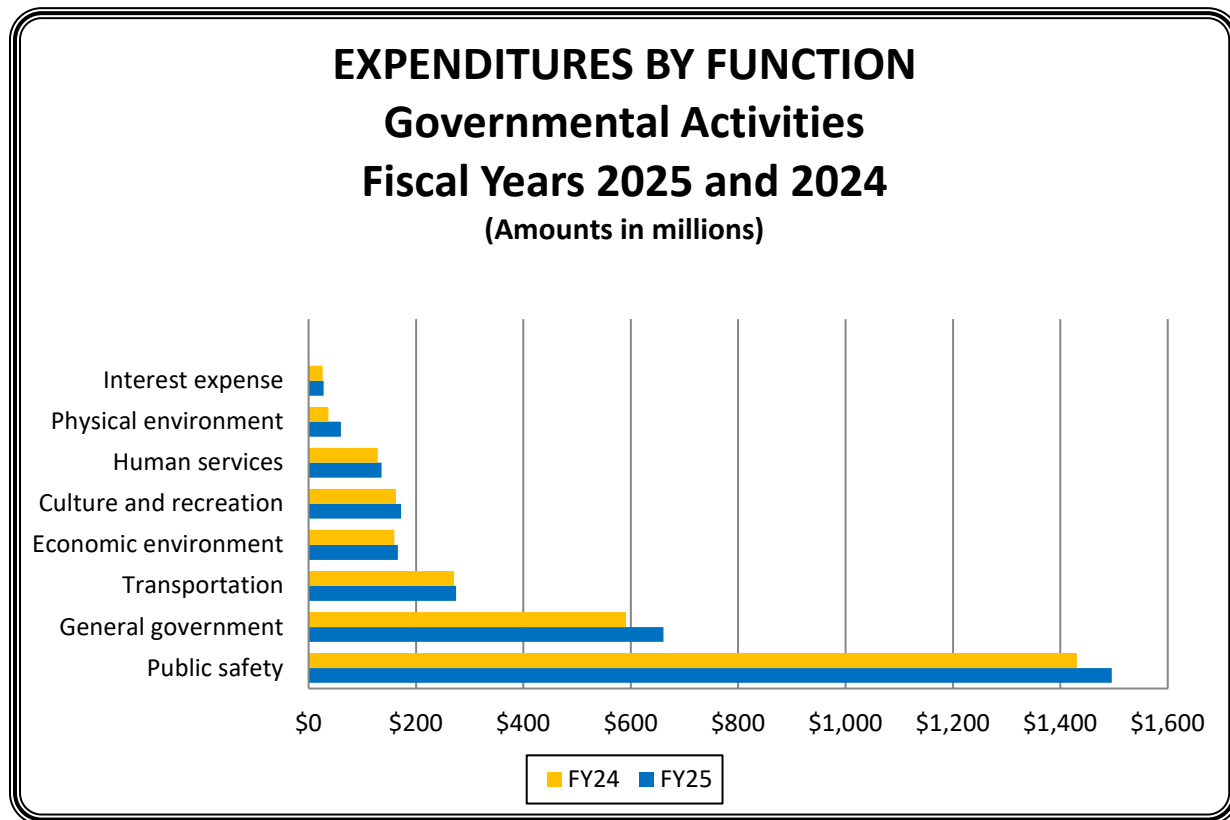
*Interest expense* increased by approximately \$2 million from the previous fiscal year. This increase was mainly due to the issuance of the new \$95 million housing and workforce bond that occurred last fiscal year.

The County’s governmental activities had net expenses after program revenues of \$2.247 billion. These services are intended to be primarily funded by taxes and other general revenues as opposed to charges for services and grants. Total revenues (program and general revenues) were greater than total expenses by \$512 million.



## Business-type activities

The County's business-type activities reported total revenues of \$515 million which exceeded total expenses by \$246 million (refer to the **Proprietary funds** section of **Financial Analysis of the Government's Funds** which follows for more information on the changes in the County's business-type activities). Significant changes in the business-type activities Statement of Net Position included an increase in current and other assets of \$240 million, an increase in capital assets of \$121 million and an increase in long-term liabilities of \$89 million.



**Palm Beach County, Florida**  
**Changes in Net Position (in millions)**

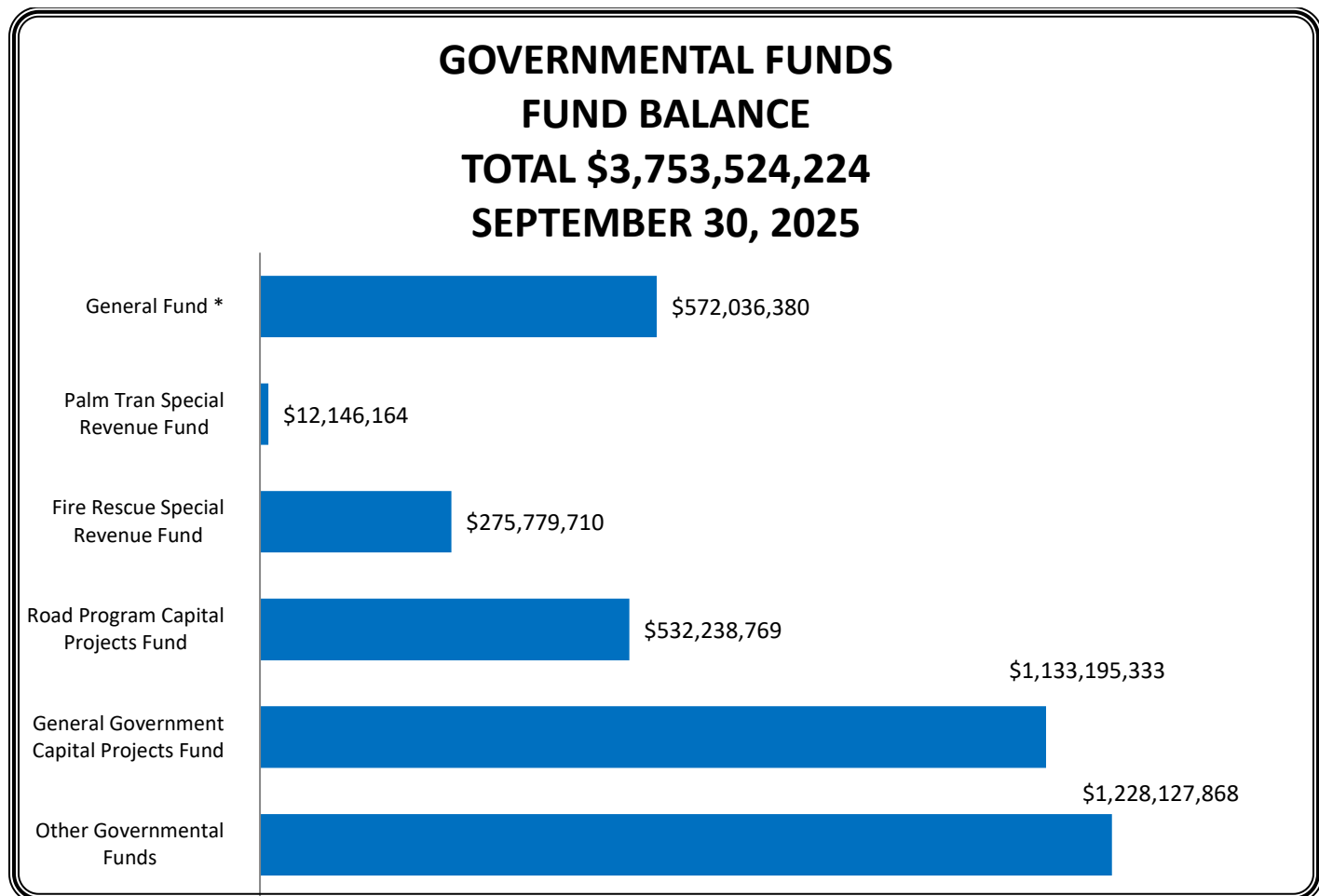
	Governmental Activities		Business-type Activities		TOTAL PRIMARY GOVERNMENT	
	2025	2024	2025	2024	2025	2024
<b>Revenues</b>						
Program Revenues:						
Charges for services	\$ 481	\$ 483	\$ 365	\$ 351	\$ 846	\$ 834
Operating grants and contributions	253	243	12	15	265	258
Capital grants and contributions	13	8	103	93	116	101
	<u>747</u>	<u>734</u>	<u>480</u>	<u>459</u>	<u>1,227</u>	<u>1,193</u>
General Revenues:						
Ad valorem taxes	1,937	1,763	-	-	1,937	1,763
Other local taxes	207	197	-	-	207	197
State shared revenues	339	335	-	-	339	335
Franchise fees	49	47	-	-	49	47
Investment income	200	205	35	34	235	239
Other	27	26	-	-	27	26
Total revenues	<u>3,506</u>	<u>3,307</u>	<u>515</u>	<u>493</u>	<u>4,021</u>	<u>3,800</u>
<b>Expenses</b>						
General government	660	591	-	-	660	591
Public safety	1,496	1,431	-	-	1,496	1,431
Physical environment	60	37	-	-	60	37
Transportation	275	271	-	-	275	271
Economic environment	167	160	-	-	167	160
Human services	136	129	-	-	136	129
Culture and recreation	172	163	-	-	172	163
Interest expense	28	26	-	-	28	26
Department of Airports	-	-	105	92	105	92
Water Utilities Department	-	-	164	218	164	218
Total expenses	<u>2,994</u>	<u>2,808</u>	<u>269</u>	<u>310</u>	<u>3,263</u>	<u>3,118</u>
<b>Excess of revenues over (under) expenses</b>						
	512	499	246	183	758	682
Transfers In (Out)	-	(1)	-	1	-	-
<b>Change in net position</b>	<u>512</u>	<u>498</u>	<u>246</u>	<u>184</u>	<u>758</u>	<u>682</u>
<b>Net position, beginning</b>	3,265	2,766	2,405	2,222	5,670	4,988
Restatement adjustment to beginning net position *	-	2	-	(2)	-	-
<b>Net position, ending</b>	<u>\$ 3,777</u>	<u>\$ 3,266</u>	<u>\$ 2,651</u>	<u>\$ 2,404</u>	<u>\$ 6,428</u>	<u>\$ 5,670</u>

\* Implementation of GASB #101, *Compensated Absences*

## Financial Analysis of the Government's Funds

As mentioned earlier, the County uses fund accounting to ensure and demonstrate compliance with legal, legislative, contractual, and other finance-related provisions.

**Governmental funds.** The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in determining the County's financing resources.



\* Includes the Board of County Commissioners, Sheriff, and the Clerk of the Circuit Court & Comptroller

### *Changes in Fund Balance – Governmental Funds*

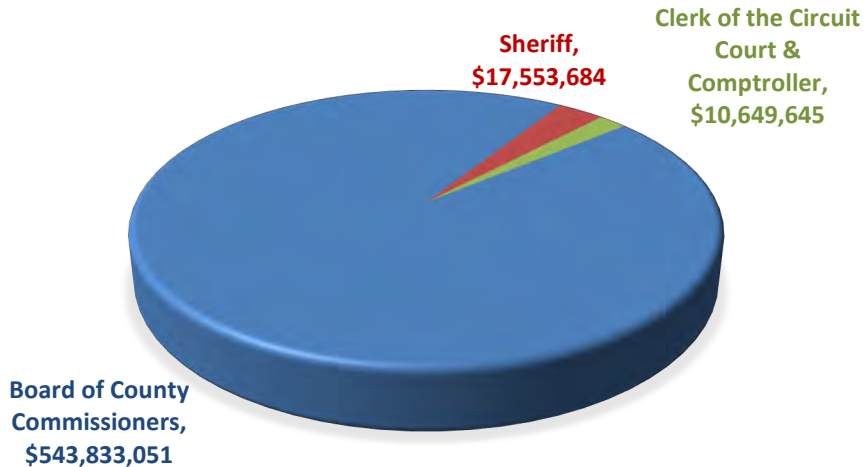
At September 30, 2025, the County's governmental funds reported combined ending fund balances of \$3.754 billion, an increase of \$261.8 million from the previous year. Below are highlights of the change in fund balance.

- The decrease of \$11.8 million in the General Fund's fund balance is due primarily to an overall decrease in the fund balance of the Sheriff. The revenue of the Sheriff was down \$2.9 million from the prior, or 3%, while total expenditures were up \$98.6 million over the prior year. Attributing to the increase in total expenditures is due in part to rising personal costs. Overall, the BOCC portion of the General Fund increased \$8.4 million during fiscal year 2025. Total revenues in the BOCC General Fund were \$1.788 billion, an increase of \$135 million over the previous year. A large part of this increase was due to higher tax revenue from the previous year, or about \$125 million.
- The decrease in the Palm Tran Special Revenue Fund of \$8.3 million is due primarily to a decrease in federal and grant revenue being received during fiscal year 2025. Intergovernmental revenue decreased \$58.2 million overall, or approximately 59% due to a decrease in grant activity. Overall expenditures remained flat at approximately \$163 million for both fiscal year 2024 and fiscal year 2025.
- The increase in the Fire Rescue Special Revenue Fund of \$41.5 million is attributable to an increase in the total revenues for this fund which went up \$34.3 million, or 7% over the previous year. Most of this increase came from higher tax revenues, which were up \$37.3 million or 9% over the previous fiscal year. This can be attributed in part to overall higher property tax valuations. Total expenditures in this category were \$453 million.
- The increase of \$21.4 million in the Road Program Capital Projects Fund is primarily due to total revenues outpacing expenditures by \$22.9 million. Capital outlay expenditures were up to \$55.7 million compared with \$46.2 million in fiscal year 2024. This can be attributed primarily to catching up with some additional road and bridge improvements that had been delayed during the COVID-19 pandemic several years ago.
- The increase of \$68.3 million in the General Government Capital Projects Fund is primarily due to revenue outpacing expenditures in this fund. This year's total revenue in this fund reached \$199.1 million, up 6% or \$10.4 million from the previous year. This increase was mainly from intergovernmental revenues and was due to higher receipts of the one-cent infrastructure surtax. This was the eighth full year of collecting this surtax which is used primarily for infrastructure type projects. Overall intergovernmental revenues were \$137.5 million for this fiscal year, compared with \$130.7 million in fiscal year 2024.
- The increase of \$150.7 million in Other Governmental Funds is due mainly to higher interfund transfers from the General Fund. Fiscal year 2025 transfers in were \$309.6 million, up \$74.4 million or 32% from the prior year.

## GENERAL FUND BALANCE BY CATEGORY

TOTAL \$572,036,380

SEPTEMBER 30, 2025



**Proprietary funds.** The proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Financial highlights of each of the County's enterprise funds are as follows:

### Department of Airports:

- The Department's net position increased by \$82.2 million in fiscal year 2025, compared to an increase of \$61.5 million in fiscal year 2024.
- In 2025, non-airline operating revenues were significantly more than the prior year with expenses being relatively stable compared to the prior year. Significant revenue gains were achieved in various non-airline revenues including parking, which increased partly due to an increase in parking rates during fiscal year 2025. Passenger traffic increased by 3.9% for the fiscal year, driving volume increases in various concession categories.
- Compared to the prior year, operating expenses increased 9% or \$5.7 million. Contracted security costs increased by 6% for a total cost of \$11.2 million. Contracted Fire-Rescue services increased by 11% for a total cost of \$9 million.
- Investment earnings increased by \$2.8 million to just under \$16 million, which was a 21% increase. Investments are managed by the Clerk of the Circuit Court & Comptroller under County approved guidelines. Refer to page xxii for more information on this year's investment income increase.

Water Utilities Department:

- ◆ The Department's net position increased by \$161.5 million in fiscal year 2025, compared to an increase of \$122.7 million in fiscal year 2024.
- ◆ Long-term debt (net of the current portion) decreased by \$8.3 million, or 7.2%, during the year. This decrease was due to the annual debt service payments being made in accordance with the debt service schedules.
- ◆ Operating revenues in fiscal year 2025 totaled \$268.9 million, an increase of \$13.2 million or 5.2% from fiscal year 2024. Fiscal year 2025 included the effect of rate indexing and a .59% increase in the customer base.
- ◆ Operating expenses before depreciation and amortization and equity interest in net gain of joint venture totaled \$174.4 million, an increase of \$11.7 million or 7.2%.
- ◆ Non-operating income increased by \$65.1 million in fiscal year 2025, compared to a fiscal year 2024 increase of \$1.9 million.
- ◆ The Department showed net income before capital contributions and transfers of \$122.3 million for fiscal year 2025, an increase of \$62.8 million from fiscal year 2024.

**Budgetary Highlights**

Budget and actual comparison statements are presented in the Basic Financial Statements for the General Fund and all major special revenue funds with annually appropriated budgets. Budget and actual comparison schedules are also provided in the Combining and Individual Fund Statements and Schedules section for all nonmajor funds with annually appropriated budgets. The budget and actual comparison statements and schedules show the original adopted budget, the final revised budget, actual results and a variance between the final budget and actual results. There were no funds with total actual expenditures in excess of the final revised budget.

After the original budget is approved, it may be revised for a variety of reasons such as unforeseen circumstances, corrections of errors, new bond or loan proceeds, new grant awards and other revenues. During FY 2025, supplemental appropriations to the Board of County Commissioners' budget for all funds, excluding component units, were approximately \$730 million, or 8% of the original adopted budget.

Differences between the original budget for FY 2025 and the final amended budget for the General Fund can be summarized as follows:

- On March 11, 2025, the Board amended the budget to reflect the "true up" of the original budgeted beginning fund balance to the actual fund balance, which accounts for a \$3.771 million adjustment to contingency reserves in the General Government budget, and other miscellaneous adjustments. Also included in this adjustment was \$25 million in additional funding that was provided to the Sheriff for Presidential Protection activities.

- The remaining amendments were primarily associated with new grants and carry forward of existing grant funds.

*Budget to Actual Revenues*

- Ad valorem tax collections were 96.2% of budget, in line with the historical collection rate. Florida Statutes require revenues to be budgeted at 95% of reasonably anticipated receipts. Palm Beach County budgets a negative 5% statutory reserve to accomplish this. Allowing for the reserve, ad valorem taxes were actually over collected by \$16.6 million.
- Major Revenues
  - ✓ Actual Electric Utility Service Tax and Franchise Fee revenues were 2.5% below budget. This revenue source is based on usage and is affected by area temperatures. Actual revenues are difficult to project. However, actual FY 2025 revenues were 3.8% higher than actual FY 2024.
  - ✓ Actual Communications Services Tax revenue was 4.9% over budget. These revenues have been unpredictable in recent years, as a result, the FY 2025 Budget remained flat compared to the FY 2024 Actual. Actual Communications Services Tax revenue for FY 2025 was 5.2% over FY 2024.
  - ✓ Sales Tax collections were under budget by 8.6%, actual collections for FY 2025 were 1.2% below the FY 2024 amounts. These amounts have been difficult to project in recent years due to lower overall sales tax collections by the state.
  - ✓ Overall, the major revenues budget was set at a total of \$322.5 million, and FY 2025 actual collections came in at \$301.1 million, or 6.6% below budget, but 1.4% above FY 2024 actual. Major revenue budgets have been difficult to project due to the uncertainty of post-pandemic results. FY 2025 actual results are showing a leveling off of major revenue recovery.
- Sheriff actual revenues were \$879 thousand, or 0.8%, over budget. Revenue estimates were moderately increased in FY 2025 to coincide with recent trends.
- Investment income was approximately \$4.8 million over budget. While interest income is reasonably estimable, GASB 31 has made it difficult to project investment income that will be recognized. Fair market gains and losses cannot be projected as they are driven by real time market conditions, resulting in possible variances in recognized income. In addition, interest rates reached a recent high in FY 2023 but have been stable to slightly declining since then. Future budget years will be adjusted to reflect current rate of return.
- The remaining variance is primarily associated with Department specific revenues.

### *Budget to Actual Expenditures*

- The year-end General Fund reserves budget was \$412.8 million, which represents 83.9% of the total unexpended appropriations in the fund. These unexpended funds will be carried over into FY 2026 and re-appropriated.
- The Property Appraiser's and Tax Collector's net cost was \$8.1 million under budget primarily due to higher than expected excess fees returned to the County.
- The actual interfund transfer to the Office of Inspector General Fund was \$336 thousand less than budgeted. This is due to position vacancies and unexpended operating expenses and reserves.
- General Government Utilities expenses were \$20 thousand under budget. The FY 2026 Budget was increased based on the FY 2025 results.
- The remaining unspent funds can be primarily attributed to County departments spending less than budgeted. Actual expenses were \$36.7 million, or 9.4%, under budget.

### *Budget to Actual – Other financing sources*

- Transfers-In
  - ✓ Actual excess fees received from the Sheriff, Supervisor of Elections, and the Clerk amounted to \$19.5 million, \$18.5 million more than the budget, primarily due to the Sheriff returning more than budgeted, including a portion of the Presidential Protection dollars that were provided during the March 2025 budget amendment. The County will be receiving reimbursement from the Federal Government for all Presidential Protection expenses, and we anticipate receiving those funds during FY 2026.
- Transfers-out
  - ✓ The remaining unspent funds can be primarily attributed to County departments spending less than budgeted and other available funding sources.

### *Budget to Actual Expenditures*

- The year-end General Fund reserves budget was \$383.7 million, which represents 82.8% of the total unexpended appropriations in the fund. These unexpended funds will be carried over into FY 2025 and re-appropriated.
- The Property Appraiser's and Tax Collector's net cost was \$1.7 million under budget primarily due to higher-than-expected excess fees returned to the County.

- The actual interfund transfer to the Office of Inspector General Fund was \$64 thousand less than budgeted. This is due to position vacancies and unexpended operating expenses and reserves.
- General Government Utilities expenses were \$45 thousand over budget. The FY 2025 Budget was increased based on the FY 2024 results.
- The remaining unspent funds can be primarily attributed to County departments spending less than budgeted. Actual expenses were \$37.7 million, or 10.2%, under budget.

*Budget to Actual – Other financing sources*

- Transfers-In
  - ✓ Actual excess fees received from the Sheriff, Supervisor of Elections, and the Clerk amounted to \$14.5 million, \$13.5 million more than the budget, primarily due to the Sheriff returning more than budgeted.
- Transfers-out
  - ✓ The remaining unspent funds can be primarily attributed to County departments spending less than budgeted and other available funding sources.

**Capital Assets and Debt Administration**

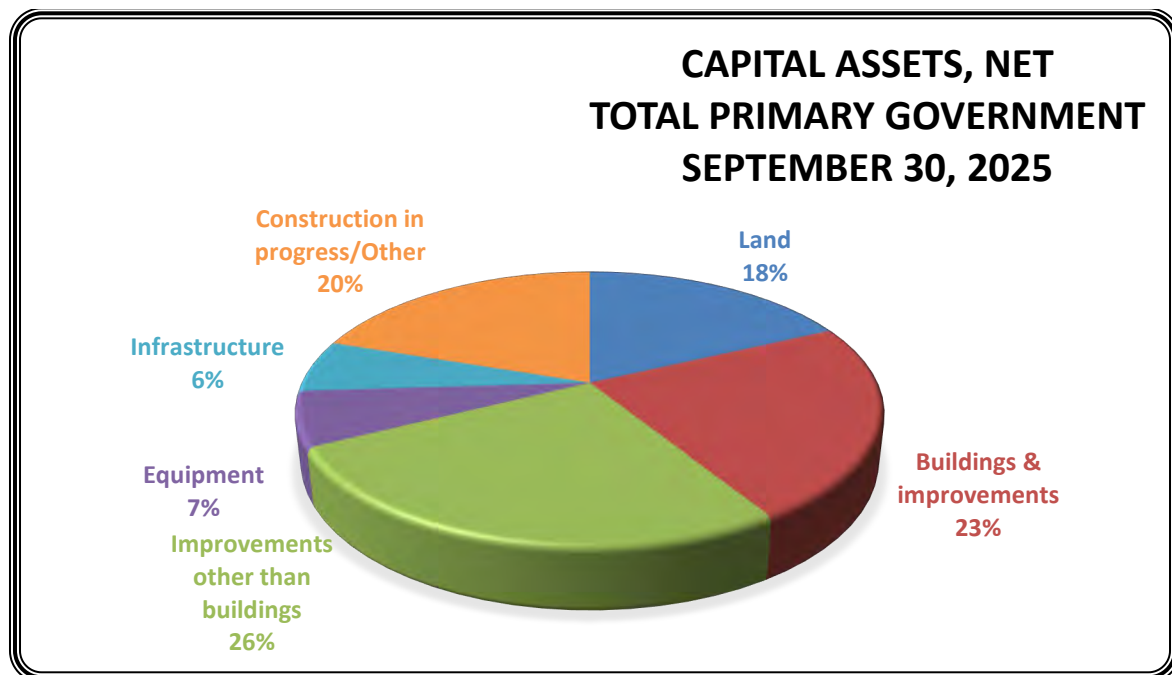
**Capital assets.** The County’s capital assets for its governmental and business-type activities as of September 30, 2025, amounts to \$4.867 billion (net of accumulated depreciation). This investment in capital assets includes a broad range of capital assets, including land, buildings and improvements, improvements other than buildings, equipment, infrastructure, and construction in progress. The County’s capital assets for FY 2025 increased by \$265 million; governmental activities increased by \$144 million over the previous fiscal year, while business-type activities increased by \$121 million.

Palm Beach County, Florida							
Capital Assets, net of Accumulated Depreciation/Amortization at Year-End (in millions)							
	Governmental Activities		Business-type Activities		TOTAL PRIMARY GOVERNMENT		
	2025	2024	2025	2024 *	2025	2024	
Land	\$ 734	\$ 728	\$ 141	\$ 141	\$ 875	\$ 869	
Buildings & improvements	882	816	245	248	1,127	1,064	
Improvements other than buildings	162	167	1,125	1,074	1,287	1,241	
Equipment	288	272	26	29	314	301	
Infrastructure	299	305	-	-	299	305	
Intangible - easement rights	-	-	7	7	7	7	
Right-to-use assets	95	78	-	-	95	78	
Construction in progress	446	396	417	341	863	737	
<b>TOTALS</b>	<b>\$ 2,906</b>	<b>\$ 2,762</b>	<b>\$ 1,961</b>	<b>\$ 1,840</b>	<b>\$ 4,867</b>	<b>\$ 4,602</b>	

\* Certain amounts were reclassified from Construction in progress to their respective asset categories during fiscal year 2025.

Major capital asset events during the fiscal year include the following:

- The balance of Governmental activities Net Capital Assets was \$2.906 billion at the end of fiscal year 2025, which was an increase of \$144 million. Completed projects of \$147 million were transferred to their respective category. Included in those completed projects was \$14.8 million for improvements of 6<sup>th</sup> Ave S over Lake Osborne Drive, \$30.5 million for a new Sheriff’s Evidence Building, \$20.4 million for the Sheriff District 1 Substation and Marine Unit, \$6.4 million for new Fire Station 40, \$26 million for the Canyon Branch Library and \$11.6 million for the new Central County Housing Resource Center.
- Business-type activities Net Capital Assets increased overall by \$121 million to \$1.961 billion. This increase is the direct result of increased projects related to renovations of various facilities occurring in both the County Water Utilities Department (especially in the Glades area) as well as to various updates to the main Terminal at the Department of Airports.
- Major capital asset additions by the Water Utilities Department in fiscal year 2025 included the Green Cay Wetlands Expansion for \$25.6 million and the West Region Water Reclamation Facility Improvements for \$7.3 million.
- The Department of Airports expended \$130.1 million on capital activities. Completed projects during 2025 totaling \$47.4 million were transferred from *Construction in Progress* to their respective capital accounts. Major projects completed in FY 2025 included PBIA Taxiway R rehabilitation (\$4.9 million), PBIA terminal escalator (\$10 million), Lantana Airport perimeter fencing (\$1.4 million) and PBIA CCTV camera improvements (\$2.5 million).



See Note 3, *Capital Assets*, in the *Notes to the Financial Statements* for additional information.

**Long-term liabilities.** At September 30, 2025, the primary government had 23 issues of bonded debt totaling \$932 million. Of this amount, \$96 million comprises debt backed by the full faith and credit of the government, \$609 million is special obligation debt secured by dedicated revenue sources, and \$271 million is secured by specified enterprise revenue sources. Other obligations consist primarily of self-insurance liabilities and compensated absences. (See chart below for more information).

Palm Beach County, Florida							
Long-Term Liabilities at Year-End (in millions)							
	Governmental Activities		Business-type Activities		TOTAL PRIMARY GOVERNMENT		
	2025	2024	2025	2024	2025	2024	
General obligation bonds	\$ 96	\$ 106	\$ -	\$ -	\$ 96	\$ 106	
Non-ad valorem revenue bonds	588	642	-	-	588	642	
Notes from direct borrowings and direct placements	21	29	-	-	21	29	
Revenue bonds	-	-	271	174	271	174	
Notes and loans payable	13	13	3	4	16	17	
Other obligations	578	538	10	9	588	547	
Lease liability	30	8	-	-	30	8	
Subscription liability (SBITA)	64	66	-	-	64	66	
Net pension liability	1,445	1,689	43	51	1,488	1,740	
Net OPEB liability	352	384	2	2	354	386	
<b>TOTALS</b>	<b>\$ 3,187</b>	<b>\$ 3,475</b>	<b>\$ 329</b>	<b>\$ 240</b>	<b>\$ 3,516</b>	<b>\$ 3,715</b>	

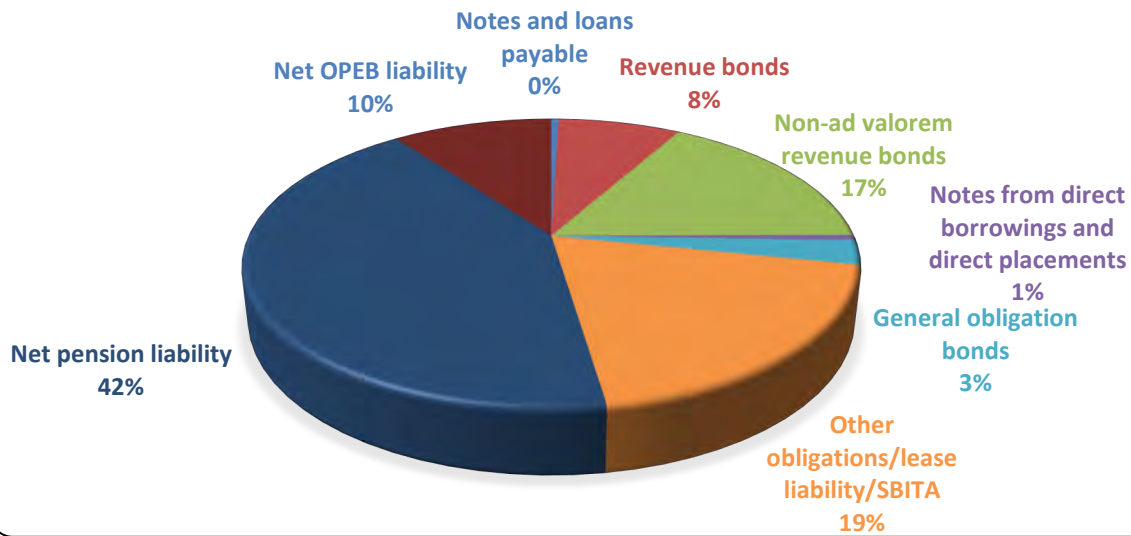
**Bonded Debt.** The County’s bond issues are rated by three primary bond rating agencies: Moody’s Investors Service, Standard & Poor’s, and Fitch Ratings. These ratings, which are listed in the following chart, are indicative of the County’s strong management team, broad-based economy, continually well-performing tax base, increasingly strong financial position, minimal debt requirements and high-quality residential tax base. At September 30, 2025, the County’s non-ad-valorem revenues were 7.49 times the debt service required in the current or any future fiscal year.

Palm Beach County, Florida, Debt Ratings at September 30, 2025

<u>Type of Debt Issue</u>	<u>Moody's</u>	<u>Fitch Ratings</u>	<u>S&amp;P</u>
General obligation bonds	Aaa	AAA	AAA
Non-ad valorem revenue bonds	Aaa	AAA	AAA
Water and Sewer System Enterprise revenue bonds	Aaa	AAA	AAA
Water and Wastewater System Enterprise revenue bonds	Aaa	AAA	AAA
Airport System Enterprise revenue bonds	A1	A+	AA-

Note: Highest rating: AAA/Aaa, Investment grade ratings: AAA/Aaa through BBB/Baa, Lowest Rating: C

**LONG-TERM LIABILITIES  
TOTAL PRIMARY GOVERNMENT  
SEPTEMBER 30, 2025**



See Note 14, *Long-Term Debt*, in the *Notes to the Financial Statements* for additional information.

**Economic Factors**

Local, national, and international economic factors influence the County’s revenues in a variety of ways. Positive economic growth is correlated with increased revenues from property taxes, sales taxes, fuel taxes, charges for services, state revenue sharing as well as state and federal grants. Economic growth may be measured by a variety of indicators such as job growth, employment, tourism, new construction and assessed values, diversification of the property tax base, and Enterprise Fund revenue and net position growth.

- The County’s population increased from 1,547,735 in 2024 to 1,556,161 in 2025, an increase of 8,426 or just under 1%.
- The County’s unemployment rate increased slightly from 3.4% in fiscal year 2024 to 4.3% in fiscal year 2025.
- Gross property taxes levied increased from \$1.831 billion in 2024 to \$2.011 billion for 2025, an increase of \$180 million or 10%.
- Palm Beach County has a diversified property tax base. The ten largest property taxpayers in the County represent 11% of the total ad valorem property taxes levied. Florida Power & Light remains at the top of the list, paying just over \$148 million in property taxes.
- The median sales price for a single-family home in Palm Beach County rose slightly from \$622,500 in 2024 to \$632,500 in 2025, an increase of 1.6%. Statewide, the median sales price for a single-family home remained the same as 2024, which is \$415,000.
- Sales tax revenue for fiscal year 2025 totaled \$121 million. In addition, the local government infrastructure one-cent surtax rose from \$128 million in fiscal year 2024 to \$132 million for fiscal year 2025. The infrastructure one-cent surtax will end on December 31, 2025 as collections reach the maximum cap of \$2.7 billion in total for all participating entities. Tourist Development Tax revenues increased from \$87 million in fiscal year 2024 to just over \$93 million in fiscal year 2025, or by 7%.
- Property Tax revenues for the County reached a record high for fiscal year 2025 at \$1.9 billion. This was an increase of approximately \$174 million from fiscal year 2024, or 10%. The primary reasons contributing to higher property tax revenues was due to higher overall taxable property values as well as the effects of new construction.

More information on economic factors is provided in the *Statistical Section*.

### **To Obtain Further Information**

This financial report was designed to provide an overview of the County’s finances. If you have any questions concerning budgets, long-term financial planning, future debt issuances or questions related to the management of County operations, please contact the County Administrator at:

County Administrator  
 301 North Olive Avenue, 11<sup>th</sup> Floor  
 West Palm Beach, FL 33401

If you have any questions concerning the Basic Financial Statements or other accounting information in this report, please contact the Financial Reporting Manager at:

Clerk of the Circuit Court & Comptroller, Palm Beach County  
 Finance Department  
 301 North Olive Avenue, 2<sup>nd</sup> Floor  
 West Palm Beach, FL 33401



# Basic Financial Statements

The Basic Financial Statements subsection includes the government-wide financial statements, which incorporate governmental and business-type activities of Palm Beach County and activities of component units in order to provide an overview of the financial position and results of operation for the reporting entity.

This subsection also includes the fund financial statements of the County and the accompanying notes to the financial statements.





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PALM BEACH COUNTY, FLORIDA  
Statement of Net Position  
September 30, 2025

Primary Government

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash, cash equivalents, and investments	\$ 2,479,447,019	\$ 751,761,067	\$ 3,231,208,086
Interest receivable	72,727	97,333	170,060
Accounts receivable - net	31,400,954	36,164,709	67,565,663
Internal balances	(26,847,709)	26,847,709	-
Due from primary government	-	-	-
Due from other governments	117,525,477	17,899,200	135,424,677
Due from component units	377,741	-	377,741
Inventories	24,937,627	19,097,212	44,034,839
Other assets	18,891,519	2,355,961	21,247,480
Other receivables	10,604,865	57,340,290	67,945,155
Investment in joint ventures	-	79,458,999	79,458,999
Lease receivable	13,809,516	51,088,357	64,897,873
Public-private partnership (PPP) receivable	61,413,115	-	61,413,115
Noncurrent restricted cash, cash equivalents and investments	1,650,673,657	100,256,454	1,750,930,111
Capital assets :			
Capital assets not being depreciated	1,180,542,665	559,689,017	1,740,231,682
Capital assets, net of accumulated depreciation and amortization	1,725,379,554	1,401,250,600	3,126,630,154
<b>Total assets</b>	<b>7,288,228,727</b>	<b>3,103,306,908</b>	<b>10,391,535,635</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related (Note 12)	420,665,957	10,764,425	431,430,382
OPEB related (Note 13)	147,736,148	1,287,718	149,023,866
Deferred charges on refunding	10,828,961	2,993,714	13,822,675
Goodwill	-	2,782,272	2,782,272
<b>Total deferred outflows of resources</b>	<b>579,231,066</b>	<b>17,828,129</b>	<b>597,059,195</b>
<b>LIABILITIES</b>			
Vouchers payable and accruals	173,193,118	69,421,312	242,614,430
Due to primary government	-	-	-
Due to other governments	36,821,263	2,198,426	39,019,689
Due to component units	15,332,224	141,587	15,473,811
Due to individuals	17,203,087	5,825,510	23,028,597
Accrued interest payable	10,187,487	5,069,839	15,257,326
Unearned revenue	33,738,733	3,089,017	36,827,750
Other current liabilities	26,294,552	-	26,294,552
Long-term liabilities			
Long-term liabilities due within one year	143,268,798	17,287,046	160,555,844
Long-term liabilities due in more than one year	1,258,970,886	266,073,354	1,525,044,240
Net pension liability due in more than one year	1,445,304,029	43,144,173	1,488,448,202
Net OPEB liability due in more than one year	339,436,626	2,207,387	341,644,013
<b>Total liabilities</b>	<b>3,499,750,803</b>	<b>414,457,651</b>	<b>3,914,208,454</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related (Note 12)	287,909,895	8,581,090	296,490,985
OPEB related (Note 13)	226,528,881	486,444	227,015,325
Leases (Note 8)	13,809,516	46,156,637	59,966,153
PPP (Note 17)	61,413,115	-	61,413,115
Deferred gain on refunding	848,357	418,629	1,266,986
<b>Total deferred inflows of resources</b>	<b>590,509,764</b>	<b>55,642,800</b>	<b>646,152,564</b>
<b>NET POSITION</b>			
Net investment in capital assets	2,334,047,336	1,743,559,463	4,077,606,799
Restricted for:			
Debt service	-	14,471,601	14,471,601
Capital projects	1,556,017,040	76,083,360	1,632,100,400
Library services	27,486,381	-	27,486,381
Fire rescue services	246,018,844	-	246,018,844
Tourist development programs	92,739,260	-	92,739,260
Grant and economic development programs	392,077,846	-	392,077,846
Environmental protection programs	15,467,989	-	15,467,989
Public safety and judicial programs	73,985,854	-	73,985,854
Other services and programs	2,375,757	-	2,375,757
Unrestricted (deficit)	(963,017,081)	816,920,162	(146,096,919)
<b>Total net position</b>	<b>\$ 3,777,199,226</b>	<b>\$ 2,651,034,586</b>	<b>\$ 6,428,233,812</b>

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

Component Units		
Housing Finance Authority	Westgate/ Belvedere Homes Community Redevelopment Agency	Solid Waste Authority
\$ 6,283,851	\$ 4,989,445	\$ 538,455,350
23,714	-	1,100,010
192,304	-	10,405,388
-	-	-
8,473,864	-	6,999,947
-	-	1,510,205
-	-	-
-	-	3,078,572
-	4,416,800	4,304,111
2,759,138	-	-
-	-	-
-	-	3,088,463
-	-	-
-	-	70,225,144
-	4,011,002	50,626,126
-	3,477,651	728,863,482
<u>17,732,871</u>	<u>16,894,898</u>	<u>1,418,656,798</u>
-	104,055	7,075,862
-	-	776,490
-	-	-
-	-	-
<u>-</u>	<u>104,055</u>	<u>7,852,352</u>
96,843	238,111	20,830,167
-	-	377,741
-	-	-
-	-	-
-	-	1,207,824
-	-	6,557,848
-	-	-
165,000	-	889,100
-	709,565	39,825,721
-	8,731,972	458,649,516
-	349,446	32,389,276
-	-	1,188,846
<u>261,843</u>	<u>10,029,094</u>	<u>561,916,039</u>
-	69,319	6,953,651
-	-	194,676
-	-	2,895,618
-	-	-
-	-	4,781,601
<u>-</u>	<u>69,319</u>	<u>14,825,546</u>
-	7,307,760	401,867,561
-	200,703	32,332,616
-	-	53,086,799
-	-	-
-	-	-
-	-	-
-	(607,923)	-
-	-	-
-	-	-
-	-	37,217,383
17,471,028	-	325,263,206
<u>\$ 17,471,028</u>	<u>\$ 6,900,540</u>	<u>\$ 849,767,565</u>

PALM BEACH COUNTY, FLORIDA  
Statement of Activities  
For the fiscal year ended September 30, 2025

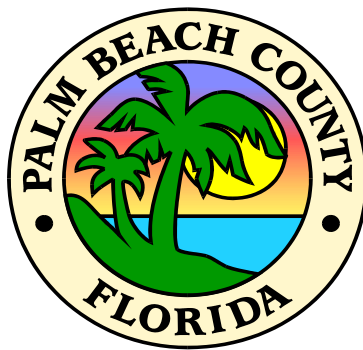
	Expenses		Program Revenues		
	Direct	Indirect	Fines, Fees and Charges for Services	Operating Grants, Contributions and Restricted Interest Income	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT</b>					
Governmental Activities					
General Government	\$ 682,578,342	\$ (22,403,263)	\$ 194,333,252	\$ 105,407,946	\$ 2,590,080
Public Safety	1,487,735,305	8,795,188	199,305,881	24,810,512	285,309
Physical Environment	59,798,064	-	9,520,156	4,205,040	189,200
Transportation	274,800,947	-	34,906,024	53,262,492	9,565,095
Economic Environment	166,406,727	254,680	10,661,707	24,633,325	-
Human Services	135,813,501	-	1,620,864	38,942,474	-
Culture and Recreation	167,753,062	4,281,608	31,910,295	1,004,086	97,886
Interest Expense	28,424,525	-	-	-	-
<b>Total Governmental Activities</b>	<b>3,003,310,473</b>	<b>(9,071,787)</b>	<b>482,258,179</b>	<b>252,265,875</b>	<b>12,727,570</b>
Business Activities					
Department of Airports	104,042,421	1,177,440	95,349,785	12,349,539	64,080,181
Water Utilities Department	155,560,480	7,894,347	268,854,789	-	39,281,001
<b>Total Business Activities</b>	<b>259,602,901</b>	<b>9,071,787</b>	<b>364,204,574</b>	<b>12,349,539</b>	<b>103,361,182</b>
<b>Total Primary Government</b>	<b>\$ 3,262,913,374</b>	<b>\$ -</b>	<b>\$ 846,462,753</b>	<b>\$ 264,615,414</b>	<b>\$ 116,088,752</b>
<b>COMPONENT UNITS</b>					
Housing Finance Authority	\$ 449,860	\$ -	\$ 868,748	\$ 689,690	\$ -
Westgate/Belvedere Homes CRA	8,169,964	-	-	-	-
Solid Waste Authority	361,930,657	-	399,302,358	26,105,340	-
<b>Total Component Units</b>	<b>\$ 370,550,481</b>	<b>\$ -</b>	<b>\$ 400,171,106</b>	<b>\$ 26,795,030</b>	<b>\$ -</b>

General Revenues
Taxes - levied by the County
Ad-valorem taxes
Utility service taxes
Local option gas taxes
Tourist development taxes
State shared sales tax-unrestricted
Franchise gross receipts fee
State shared revenues-unrestricted
Interest income
Net change in fair value of investments
Other general revenues
Gain on disposal of capital assets
Transfers - net
<b>Total general revenues and transfers</b>
Increase in net position
Net position, October 1, 2024, as previously reported
<b>Change in accounting principle - GASB 101 (Note 20)</b>
Net position, October 1, 2024, as restated
<b>Net position, September 30, 2025</b>

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

Net (Expense) Revenue and Changes in Net Position

Primary Government			Component Units		
Governmental Activities	Business-Type Activities	Total	Housing Finance Authority	Westgate/ Belvedere Homes Community Redevelopment Agency	Solid Waste Authority
\$ (357,843,801)	\$ -	\$ (357,843,801)	\$ -	\$ -	\$ -
(1,272,128,791)	-	(1,272,128,791)	-	-	-
(45,883,668)	-	(45,883,668)	-	-	-
(177,067,336)	-	(177,067,336)	-	-	-
(131,366,375)	-	(131,366,375)	-	-	-
(95,250,163)	-	(95,250,163)	-	-	-
(139,022,403)	-	(139,022,403)	-	-	-
(28,424,525)	-	(28,424,525)	-	-	-
<u>(2,246,987,062)</u>	<u>-</u>	<u>(2,246,987,062)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	66,559,644	66,559,644	-	-	-
-	144,680,963	144,680,963	-	-	-
-	211,240,607	211,240,607	-	-	-
<u>\$ (2,246,987,062)</u>	<u>\$ 211,240,607</u>	<u>\$ (2,035,746,455)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 1,108,578	\$ -	\$ -
-	-	-	-	(8,169,964)	-
-	-	-	-	-	63,477,041
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,108,578</u>	<u>\$ (8,169,964)</u>	<u>\$ 63,477,041</u>
\$ 1,935,732,850	\$ -	\$ 1,935,732,850	\$ -	\$ 4,497,886	\$ -
60,431,368	-	60,431,368	-	-	-
52,599,434	-	52,599,434	-	-	-
93,530,930	-	93,530,930	-	-	-
253,536,114	-	253,536,114	-	-	-
49,169,888	-	49,169,888	-	-	-
85,718,711	-	85,718,711	-	-	-
205,118,904	36,296,473	241,415,377	-	47,905	-
(5,218,229)	(926,351)	(6,144,580)	-	-	-
24,879,102	-	24,879,102	-	20,937	-
2,931,816	-	2,931,816	-	-	-
184,779	(184,779)	-	-	-	-
<u>2,758,615,667</u>	<u>35,185,343</u>	<u>2,793,801,010</u>	<u>-</u>	<u>4,566,728</u>	<u>-</u>
511,628,605	246,425,950	758,054,555	1,108,578	(3,603,236)	63,477,041
3,263,118,574	2,407,442,428	5,670,561,002	16,362,450	10,534,580	786,290,524
<u>2,452,047</u>	<u>(2,833,792)</u>	<u>(381,745)</u>	<u>-</u>	<u>(30,804)</u>	<u>-</u>
3,265,570,621	2,404,608,636	5,670,179,257	16,362,450	10,503,776	786,290,524
<u>\$ 3,777,199,226</u>	<u>\$ 2,651,034,586</u>	<u>\$ 6,428,233,812</u>	<u>\$ 17,471,028</u>	<u>\$ 6,900,540</u>	<u>\$ 849,767,565</u>



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## DESCRIPTIONS OF MAJOR FUNDS

### GOVERNMENTAL FUNDS

**General Fund** - To account for all financial resources of the general government except those required to be accounted for in other funds. The General Fund is subdivided into the following categories: Board of County Commissioners (BOCC), Sheriff, Clerk & Comptroller, Tax Collector, Property Appraiser and the Supervisor of Elections.

**Palm Tran Special Revenue Fund** - To account for activities related to the operation of the County-owned public bus transportation system.

**Fire Rescue Special Revenue Fund** - To account for ad-valorem taxes and other revenues designated for fire rescue services.

**Road Program Capital Projects** - To account for costs related to the design, acquisition of rights-of-way and construction of improvements to the County's major thoroughfare road system, primarily represented by the County's Five Year Road Program.

**General Government Capital Projects** - To account for costs of capital improvements not included in any other category.

### PROPRIETARY FUNDS

**Airports** - To account for activities related to the operation of the four County-owned airports - Palm Beach International Airport in West Palm Beach and three general aviation airports located in Lantana, Pahokee and Palm Beach Gardens.

**Water Utilities** - To account for activities related to the operation of the County-owned water and sewage system, which provides water and sewer services to portions of the unincorporated area of the County, as well as to certain municipalities.

PALM BEACH COUNTY, FLORIDA  
Balance Sheet  
Governmental Funds  
September 30, 2025

	MAJOR FUNDS			
	General Fund	Palm Tran Special Revenue Fund	Fire Rescue Special Revenue Fund	Road Program Capital Projects
<b>ASSETS</b>				
Cash, cash equivalents, and investments	\$ 725,900,392	\$ 300	\$ 277,037,234	\$ 534,838,035
Accounts receivable, net	18,498,403	432,865	4,416,359	-
Due from other county funds	42,582,578	14,226,566	7,480,738	-
Due from other governments	15,926,787	53,665,816	3,479,011	5,656,541
Due from component unit	376,750	-	575	-
Inventory	9,357,908	4,108,835	4,644,364	-
Lease receivable	4,574,498	-	-	-
Public-private partnership (PPP) receivable	61,413,115	-	-	-
Other assets	3,675,623	5,000	6,615	-
Other receivables, noncurrent	-	-	-	-
<b>Total assets</b>	<b>\$ 882,306,054</b>	<b>\$ 72,439,382</b>	<b>\$ 297,064,896</b>	<b>\$ 540,494,576</b>
<b>LIABILITIES</b>				
Vouchers payable and accrued liabilities	\$ 53,609,446	\$ 4,733,512	\$ 19,168,350	\$ 7,337,648
Due to other county funds	62,265,712	25,260,822	198,719	918,152
Due to other governments	34,594,207	1,672	59,828	7
Due to component unit	15,332,214	-	-	-
Due to individuals	16,966,458	406	-	-
Insurance claims payable	3,045,625	-	-	-
Unearned revenue	32,141,842	-	-	-
Other liabilities	26,293,503	-	-	-
<b>Total liabilities</b>	<b>244,249,007</b>	<b>29,996,412</b>	<b>19,426,897</b>	<b>8,255,807</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	33,054	30,296,806	1,858,289	-
Leases	4,574,498	-	-	-
PPP	61,413,115	-	-	-
<b>Total deferred inflows of resources</b>	<b>66,020,667</b>	<b>30,296,806</b>	<b>1,858,289</b>	<b>-</b>
<b>FUND BALANCES</b>				
Non-Spendable				
Inventory	9,357,908	4,108,835	4,644,364	-
Prepaid items	2,943,130	5,000	-	-
Spendable				
Restricted for:				
Debt service	-	-	-	-
Capital projects	-	-	-	428,364,213
Library services	-	-	-	-
Fire rescue services	-	-	271,135,346	-
Tourist development programs	-	-	-	-
Grant and economic development programs	-	31,312,073	-	-
Environmental protection programs	-	-	-	-
Public safety and judicial programs	22,016,075	-	-	-
Other services and programs	-	-	-	-
Assigned to:				
Capital projects	-	-	-	103,874,556
Tourist development programs	-	-	-	-
Other services and programs	-	-	-	-
Unassigned (deficit)	537,719,267	(23,279,744)	-	-
<b>Total fund balances</b>	<b>572,036,380</b>	<b>12,146,164</b>	<b>275,779,710</b>	<b>532,238,769</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 882,306,054</b>	<b>\$ 72,439,382</b>	<b>\$ 297,064,896</b>	<b>\$ 540,494,576</b>

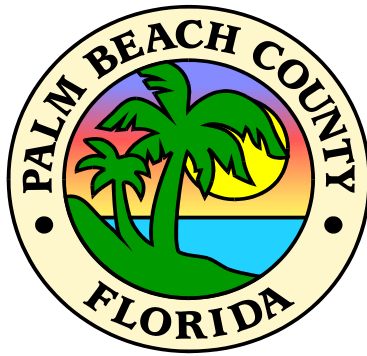
The notes to the financial statements are an integral part of this statement.

General Government Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 1,147,791,302	\$1,227,005,695	\$ 3,912,572,958
17,351	5,847,818	29,212,796
1,086,289	38,500,008	103,876,179
22,249,195	16,243,989	117,221,339
-	-	377,325
-	5,779,841	23,890,948
-	9,235,018	13,809,516
-	-	61,413,115
-	9,788,928	13,476,166
-	10,604,865	10,604,865
<u>\$ 1,171,144,137</u>	<u>\$1,323,006,162</u>	<u>\$ 4,286,455,207</u>
\$ 37,509,477	\$ 47,455,593	\$ 169,814,026
439,327	20,071,476	109,154,208
-	2,111,550	36,767,264
-	10	15,332,224
-	236,223	17,203,087
-	-	3,045,625
-	1,596,891	33,738,733
-	1,047	26,294,550
<u>37,948,804</u>	<u>71,472,790</u>	<u>411,349,717</u>
-	14,170,486	46,358,635
-	9,235,018	13,809,516
-	-	61,413,115
<u>-</u>	<u>23,405,504</u>	<u>121,581,266</u>
-	5,779,256	23,890,363
-	709,070	3,657,200
-	1,688,516	1,688,516
799,669,306	466,995,612	1,695,029,131
-	32,777,017	32,777,017
-	-	271,135,346
-	92,739,260	92,739,260
-	447,858,282	479,170,355
-	15,467,989	15,467,989
-	65,946,494	87,962,569
-	315,905	315,905
<u>333,526,027</u>	<u>54,807,483</u>	<u>492,208,066</u>
-	24,628,974	24,628,974
-	20,432,185	20,432,185
-	(2,018,175)	512,421,348
<u>1,133,195,333</u>	<u>1,228,127,868</u>	<u>3,753,524,224</u>
<u>\$ 1,171,144,137</u>	<u>\$1,323,006,162</u>	<u>\$ 4,286,455,207</u>

PALM BEACH COUNTY, FLORIDA  
 Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position - Governmental Activities  
 September 30, 2025

<b>Fund balances for total of governmental funds (page 9)</b>	\$	3,753,524,224
<b>Amounts reported for governmental activities in the statement of net position are different because:</b>		
<b>Report internal service funds as governmental activities</b>		
Internal service funds are used by management to charge the costs of certain activities, such as insurance, computer services, and vehicles to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		
Net position per fund statements	\$	202,371,823
Less amount due to business-type activities for 'look-back' allocation		<u>(27,922,764)</u>
		174,449,059
<b>Report as a liability general long-term debt obligations</b>		
Liabilities that are not due and payable in the current period are not payable from current financial resources and therefore are not reported in the governmental fund statements.		
General obligation bonds payable		(95,565,000)
Notes from direct borrowings and direct placements		(21,371,117)
Non-ad valorem bonds payable		(547,960,000)
Notes and loans payable		(12,508,510)
Arbitrage liability		(6,443,962)
Compensated absences		(293,252,568)
Lease liability		(30,245,388)
Subscription liability		(63,666,867)
Claims and judgements		(200,873,382)
Unamortized premium		(40,490,116)
Unamortized discount		<u>504,022</u>
		(1,311,872,888)
<b>Report refunding losses as deferred outflow</b>		10,828,961
<b>Report refunding gains as deferred inflow</b>		(848,357)
<b>Report net deferred outflow/inflow - pension related</b>		132,756,062
<b>Report net deferred outflow/inflow - OPEB related</b>		(78,792,729)
<b>Report as an asset the cost of general capital assets and accumulated depreciation/amortization</b>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental fund statements.		
Capital assets not being depreciated		1,180,542,665
Capital assets, net of accumulated depreciation/amortization		<u>1,677,772,139</u>
		2,858,314,804
<b>Report other adjustments to convert from modified accrual to full accrual</b>		
<i>Net Pension Liability</i>		
Net pension liability that is not due and payable in the current period is not reported in the governmental fund statements.		
		(1,445,304,029)
<i>Net OPEB Liability</i>		
Net OPEB liability that is not due and payable in the current period is not reported in the governmental fund statements.		
		(352,027,029)
<i>Accrued Interest Payable</i>		
Accrued interest payable that is not due and payable in the current period is not reported in the governmental fund statements.		
		(10,187,487)
<i>Unavailable Revenue</i>		
Revenue is recognized when earned and received within the availability period in the governmental fund statements. However, revenue is not available until the current financial resources are received in the governmental fund statements.		
		46,358,635
		<u>(1,761,159,910)</u>
<b>Net position of governmental activities (page 2)</b>	<b>\$</b>	<b><u>3,777,199,226</u></b>

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



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PALM BEACH COUNTY, FLORIDA  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the fiscal year ended September 30, 2025

	MAJOR FUNDS			
	General Fund	Palm Tran Special Revenue Fund	Fire Rescue Special Revenue Fund	Road Program Capital Projects
<b>Revenues:</b>				
Taxes (net of discount)	\$ 1,462,223,377	\$ 33,735,943	\$ 456,460,636	\$ 18,863,491
Special assessments	-	-	285,309	17,819,798
Licenses and permits	53,660,529	37,350	27,574	-
Intergovernmental	183,780,324	40,333,431	5,532,033	24,372,108
Charges for services	261,793,151	13,824,598	62,249,416	-
Less - excess fees paid out	(10,968,396)	-	-	-
Fines and forfeitures	8,647,341	-	-	-
Interest Income	43,795,766	-	16,738,309	24,232,315
Net change in fair value of investments	(394,129)	-	(294,133)	(792,267)
Miscellaneous	11,259,910	2,480,855	1,711,479	2,489,302
<b>Total revenues</b>	<b>2,013,797,873</b>	<b>90,412,177</b>	<b>542,710,623</b>	<b>86,984,747</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	403,008,706	-	-	3,353,692
Public safety	986,748,367	2,675	439,081,173	-
Physical environment	18,015,376	-	-	-
Transportation	4,235,000	153,700,974	-	5,039,991
Economic environment	77,761,055	-	1,954,504	-
Human services	93,997,935	-	-	-
Culture and recreation	78,935,470	-	-	-
Capital outlay	52,618,937	24,544,898	13,266,976	55,694,175
Debt service	15,972,147	-	439,780	-
<b>Total expenditures</b>	<b>1,731,292,993</b>	<b>178,248,547</b>	<b>454,742,433</b>	<b>64,087,858</b>
<b>Excess of revenues over (under) expenditures</b>	<b>282,504,880</b>	<b>(87,836,370)</b>	<b>87,968,190</b>	<b>22,896,889</b>
<b>Other financing sources (uses):</b>				
Transfers in	46,581,160	64,722,446	12,304,145	2,054,240
Transfers out	(356,545,589)	(125,799)	(61,802,180)	(3,588,220)
Issuance of long-term debt	-	-	-	-
Lease financing	8,258,954	15,046,923	2,208,193	-
Subscription financing	7,467,055	-	-	-
<b>Total other financing sources (uses)</b>	<b>(294,238,420)</b>	<b>79,643,570</b>	<b>(47,289,842)</b>	<b>(1,533,980)</b>
<b>Net change in fund balances</b>	<b>(11,733,540)</b>	<b>(8,192,800)</b>	<b>40,678,348</b>	<b>21,362,909</b>
<b>Fund balances (deficit), October 1, 2024</b>	<b>583,808,288</b>	<b>20,244,923</b>	<b>234,378,082</b>	<b>510,875,860</b>
<b>Change in nonspendable fund balances</b>	<b>(38,368)</b>	<b>94,041</b>	<b>723,280</b>	<b>-</b>
<b>Fund balances, September 30, 2025</b>	<b>\$ 572,036,380</b>	<b>\$ 12,146,164</b>	<b>\$ 275,779,710</b>	<b>\$ 532,238,769</b>

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

General Government Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 195,872,462	\$ 2,167,155,909
3,163,441	28,889,363	50,157,911
-	31,624,273	85,349,726
137,522,329	180,368,827	571,909,052
1,124,906	37,438,780	376,430,851
-	-	(10,968,396)
1,108,651	2,130,638	11,886,630
53,804,287	56,227,606	194,798,283
(1,757,995)	(1,664,933)	(4,903,457)
4,204,005	40,352,786	62,498,337
<u>199,169,624</u>	<u>571,239,802</u>	<u>3,504,314,846</u>
89,124,412	128,358,642	623,845,452
22,122	59,024,772	1,484,879,109
-	39,276,940	57,292,316
17,430,434	56,805,021	237,211,420
418,142	86,216,907	166,350,608
438,852	43,226,321	137,663,108
724,224	77,502,819	157,162,513
102,354,650	53,433,579	301,913,215
266,907	96,802,338	113,481,172
<u>210,779,743</u>	<u>640,647,339</u>	<u>3,279,798,913</u>
<u>(11,610,119)</u>	<u>(69,407,537)</u>	<u>224,515,933</u>
115,172,816	308,430,576	549,265,383
(35,880,861)	(89,236,591)	(547,179,240)
-	950,000	950,000
630,784	-	26,144,854
-	-	7,467,055
<u>79,922,739</u>	<u>220,143,985</u>	<u>36,648,052</u>
68,312,620	150,736,448	261,163,985
1,064,882,713	1,077,322,632	3,491,512,498
-	68,788	847,741
<u>\$ 1,133,195,333</u>	<u>\$ 1,228,127,868</u>	<u>\$ 3,753,524,224</u>

PALM BEACH COUNTY, FLORIDA  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
 of Governmental Funds to the Statement of Activities - Governmental Activities  
 For the fiscal year ended September 30, 2025

Net change in fund balances for total governmental funds (page 13) \$ 261,163,985

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

***Report internal service funds as governmental activities***

Internal service funds are used by management to charge the cost of certain activities, such as vehicles and insurance to individual funds. The net income of the internal service funds is reported with governmental activities.

Net income per fund statements	\$ 9,712,440	
Adjusted for current year allocation of internal service funds to business-type activities	(2,750,675)	
		6,961,765

***Report as a liability long-term debt obligations***

Debt issuance

Debt issuances provide current financial resources to governmental funds, but such activities increase long-term liabilities in the statement of net position.

Current year face value of debt issued	(950,000)	
Current year lease issuance	(26,144,853)	
Current year subscription issuance	(7,467,055)	

Governmental funds report the premium and discount as other financing sources/uses when debt is issued, but in the statement of activities these amounts are amortized to interest expense over the term of the debt.

Current year amortization of premium / discount	5,511,622	
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Governmental funds report the effect of gains and losses on refundings when the debt is first issued, but in the statement of activities these amounts are deferred and amortized.

Current year amortization of deferred refunding loss	(2,417,101)	
Current year amortization of deferred refunding gain	313,737	

Debt retirement

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not result in an expense.

81,081,954

The change in accrued liabilities reported as long-term obligations do not require the use of current financial resources and therefore are not reported in the governmental fund statements.

Net change in estimated self-insurance obligation	(9,765,375)	
Net change in arbitrage liability	(1,564,194)	
Net change in compensated absences liability	(23,809,075)	
		14,789,660

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

***Report as an asset the cost of general capital assets and accumulated depreciation***

Acquisition of capital assets

Governmental funds report capital outlays as expenditures, but capital purchases increase assets in the statement of net position and do not result in an expense.

301,913,215

Depreciation/amortization expense

The cost of capital assets is allocated over their useful life as depreciation/amortization expense. However, depreciation and amortization does not require the use of current financial resources and therefore is not reported in the governmental fund statements.

(163,627,604)

Retirement of capital assets

In the statement of activities, only the gain on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance.

550,368

138,835,979

***Report other adjustments for converting from modified accrual to full accrual***

Net change in inventory

847,741

Net change in accrued interest payable

1,028,559

Net change in unavailable revenue

(10,416,735)

Net change in net pension liability

105,571,427

Net change in net OPEB liability

(7,153,776)

89,877,216

**Change in net position of governmental activities (page 5)**

**\$ 511,628,605**

PALM BEACH COUNTY, FLORIDA  
Statement of Net Position  
Proprietary Funds  
September 30, 2025

	Business-type Activities -	
	Airports	Water Utilities
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 188,150,873	\$ 436,080,366
Cash and cash equivalents - restricted	-	15,029,656
Cash with fiscal agent - restricted	112,500,172	-
Interest receivable - restricted	-	97,333
Accounts receivable, net	4,045,989	29,641,901
Due from other county funds	-	479,425
Due from other governments	17,899,200	-
Due from component unit	-	-
Inventory	2,713,874	16,383,338
Current portion of other receivables	-	37,824,686
Lease receivable	1,745,951	40,564
Other assets	1,598,709	757,252
<b>Total current assets</b>	<b>328,654,768</b>	<b>536,334,521</b>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	88,951,697	11,304,757
Accounts receivable, net	2,476,821	-
Lease receivable	48,969,541	332,301
<b>Total noncurrent restricted assets</b>	<b>140,398,059</b>	<b>11,637,058</b>
Capital assets:		
Land	124,940,855	15,626,971
Buildings	533,176,041	148,147,569
Improvements other than buildings	368,014,970	1,977,698,124
Furniture, fixtures and equipment	45,685,352	102,431,157
Intangible - easement rights	13,754,957	1,678,030
Right-to-use lease asset, equipment	-	410,694
Right-to-use subscription asset	444,724	-
Accumulated depreciation and amortization	(691,537,744)	(1,096,975,244)
Construction in progress	169,036,523	248,406,638
<b>Total capital assets</b>	<b>563,515,678</b>	<b>1,397,423,939</b>
Investment in joint ventures	-	79,458,999
Other receivables, noncurrent	-	19,515,604
<b>Total noncurrent assets</b>	<b>703,913,737</b>	<b>1,508,035,600</b>
<b>Total assets</b>	<b>\$ 1,032,568,505</b>	<b>\$ 2,044,370,121</b>
DEFERRED OUTFLOWS OF RESOURCES		
Pension related	\$ 2,607,950	\$ 8,156,475
OPEB related	311,558	976,160
Deferred charges on refunding	298,202	2,695,512
Goodwill	-	2,782,272
<b>Total deferred outflows of resources</b>	<b>\$ 3,217,710</b>	<b>\$ 14,610,419</b>

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

<u>Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
Totals	
\$ 624,231,239	\$ 217,547,718
15,029,656	-
112,500,172	-
97,333	-
33,687,890	2,260,885
479,425	6,382,841
17,899,200	304,138
-	416
19,097,212	1,046,679
37,824,686	-
1,786,515	-
2,355,961	5,415,353
<hr/>	<hr/>
864,989,289	232,958,030
<hr/>	<hr/>
100,256,454	-
2,476,821	-
49,301,842	-
<hr/>	<hr/>
152,035,117	-
<hr/>	<hr/>
140,567,826	-
681,323,610	206,558
2,345,713,094	512,286
148,116,509	138,919,230
15,432,987	-
410,694	-
444,724	-
(1,788,512,988)	(92,030,659)
417,443,161	-
<hr/>	<hr/>
1,960,939,617	47,607,415
<hr/>	<hr/>
79,458,999	-
19,515,604	-
<hr/>	<hr/>
2,211,949,337	47,607,415
<hr/>	<hr/>
\$ 3,076,938,626	\$ 280,565,445
<hr/>	<hr/>
\$ 10,764,425	\$ -
1,287,718	-
2,993,714	-
2,782,272	-
<hr/>	<hr/>
\$ 17,828,129	\$ -

PALM BEACH COUNTY, FLORIDA  
Statement of Net Position  
Proprietary Funds  
September 30, 2025

	Business-type Activities -	
	Airports	Water Utilities
<b>LIABILITIES</b>		
Current liabilities payable from current assets:		
Vouchers payable and accrued liabilities	\$ 38,017,761	\$ 31,403,551
Due to other county funds	218,800	1,335,681
Due to other governments	639,113	1,428,868
Due to component unit	1,278	140,309
Unearned revenue	3,089,017	-
Compensated absences	780,628	2,471,079
Insurance claims payable	-	-
Lease liability	-	110,822
Subscription liability	147,641	-
<b>Total current liabilities payable from current assets</b>	<b>42,894,238</b>	<b>36,890,310</b>
Current liabilities payable from restricted assets:		
Customers' deposits	252,259	5,573,251
Due to other governments	-	130,445
Current portion of long-term debt	5,850,000	7,926,876
Interest payable on bonds	3,670,755	1,399,084
<b>Total current liabilities payable from restricted assets</b>	<b>9,773,014</b>	<b>15,029,656</b>
<b>Total current liabilities</b>	<b>52,667,252</b>	<b>51,919,966</b>
Noncurrent liabilities:		
Compensated absences	2,034,631	3,295,542
Revenue bonds payable, net	153,468,452	107,087,469
Insurance claims payable	-	-
Net pension liability	10,452,751	32,691,422
Total OPEB liability	534,069	1,673,318
Lease liability	-	187,261
<b>Total noncurrent liabilities</b>	<b>166,489,903</b>	<b>144,935,012</b>
<b>Total liabilities</b>	<b>\$ 219,157,155</b>	<b>\$ 196,854,978</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension related	\$ 2,078,983	\$ 6,502,107
OPEB related	117,692	368,752
Leases	45,824,855	331,782
Deferred gain on refunding	-	418,629
<b>Total deferred inflows of resources</b>	<b>\$ 48,021,530</b>	<b>\$ 7,621,270</b>
<b>NET POSITION</b>		
Net investment in capital assets	\$ 484,283,355	\$ 1,259,276,108
Restricted for:		
Debt service	6,010,207	8,461,394
Capital projects	76,083,360	-
Unrestricted	202,230,608	586,766,790
<b>Total net position</b>	<b>\$ 768,607,530</b>	<b>\$ 1,854,504,292</b>

Some amounts reported for business-type activities in the statement of net position (page 2) are different because certain internal service fund assets and liabilities are included with business-type activities

Net position of business-type activities

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

<u>Enterprise Funds</u>	Governmental Activities Internal Service Funds
Totals	
\$ 69,421,312	\$ 3,379,092
1,554,481	29,756
2,067,981	53,999
141,587	-
3,089,017	-
3,251,707	-
-	21,681,300
110,822	-
147,641	-
<u>79,784,548</u>	<u>25,144,147</u>
5,825,510	-
130,445	-
13,776,876	-
5,069,839	-
<u>24,802,670</u>	<u>-</u>
<u>104,587,218</u>	<u>25,144,147</u>
5,330,173	845,261
260,555,921	-
-	52,204,214
43,144,173	-
2,207,387	-
187,261	-
<u>311,424,915</u>	<u>53,049,475</u>
<u>\$ 416,012,133</u>	<u>\$ 78,193,622</u>
\$ 8,581,090	\$ -
486,444	-
46,156,637	-
418,629	-
<u>\$ 55,642,800</u>	<u>\$ -</u>
\$ 1,743,559,463	\$ 47,607,415
14,471,601	-
76,083,360	-
<u>788,997,398</u>	<u>154,764,408</u>
2,623,111,822	<u>\$ 202,371,823</u>
27,922,764	
<u>\$ 2,651,034,586</u>	

PALM BEACH COUNTY, FLORIDA  
Statement of Revenues, Expenses, and Changes in Net Position  
Proprietary Funds  
For the fiscal year ended September 30, 2025

	<u>Business-type Activities -</u>	
	Airports	Water Utilities
Operating revenues:		
Charges for services	\$ 90,385,459	\$ 264,078,953
Miscellaneous	4,447,003	4,775,836
<b>Total operating revenues</b>	<b>94,832,462</b>	<b>268,854,789</b>
Operating expenses:		
Aviation services	69,460,885	-
Water and sewer services	-	174,368,067
Transportation services	-	-
Self-insurance services	-	-
Equity interest in net gain of joint ventures	-	21,979
Depreciation and amortization	29,112,930	55,286,614
<b>Total operating expenses</b>	<b>98,573,815</b>	<b>229,676,660</b>
<b>Operating income (loss)</b>	<b>(3,741,353)</b>	<b>39,178,129</b>
Nonoperating revenues (expenses):		
Interest income	16,263,440	20,033,033
Net change in fair value of investments	(304,714)	(621,637)
Airport American Rescue Plan	12,349,539	-
Interest expense	(6,933,913)	(2,912,318)
Other revenues (expenses)	517,323	66,671,343
<b>Total nonoperating revenues</b>	<b>21,891,675</b>	<b>83,170,421</b>
<b>Income before capital contributions and transfers</b>	<b>18,150,322</b>	<b>122,348,550</b>
Capital contributions	64,080,181	39,281,001
Transfers out	(60,343)	(124,436)
<b>Change in net position</b>	<b>82,170,160</b>	<b>161,505,115</b>
Net position, October 1, 2024, as previously reported	687,633,998	1,694,636,341
<b>Change in accounting principle - GASB 101 (Note 20)</b>	<b>(1,196,628)</b>	<b>(1,637,164)</b>
Net position, October 1, 2024, as restated	686,437,370	1,692,999,177
<b>Net position, September 30, 2025</b>	<b>\$ 768,607,530</b>	<b>\$ 1,854,504,292</b>

Reconciliation:

Change in net position for total enterprise funds as shown above:

Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain internal service funds is reported with business-type activities.

Change in net position of business-type activities (page 5)

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

<u>Enterprise Funds</u>	Governmental Activities Internal Service Funds
Totals	
\$ 354,464,412	\$ 165,766,401
9,222,839	-
<u>363,687,251</u>	<u>165,766,401</u>
69,460,885	-
174,368,067	-
-	25,329,063
-	138,840,190
21,979	-
84,399,544	12,473,477
<u>328,250,475</u>	<u>176,642,730</u>
<u>35,436,776</u>	<u>(10,876,329)</u>
36,296,473	10,320,620
(926,351)	(314,772)
12,349,539	-
(9,846,231)	-
67,188,666	12,484,285
<u>105,062,096</u>	<u>22,490,133</u>
140,498,872	11,613,804
103,361,182	-
(184,779)	(1,901,364)
<u>243,675,275</u>	<u>9,712,440</u>
2,382,270,339	192,659,383
<u>(2,833,792)</u>	<u>-</u>
2,379,436,547	192,659,383
<u>\$ 2,623,111,822</u>	<u>\$ 202,371,823</u>
243,675,275	
2,750,675	
<u>\$ 246,425,950</u>	

PALM BEACH COUNTY, FLORIDA  
Statement of Cash Flows  
Proprietary Funds  
For the fiscal year ended September 30, 2025

	<u>Business-type Activities -</u>	
	Airports	Water Utilities
<b>Cash flows from operating activities:</b>		
Cash received from customers	\$ 94,663,008	\$ 261,552,195
Cash received from other funds for goods and services	-	-
Cash payments to vendors for goods and services	(21,996,167)	(94,592,497)
Cash payments to employees for services	(18,795,333)	(47,367,599)
Cash payments to other funds	(21,908,602)	(31,431,349)
Claims paid	-	-
Other receipts	-	6,233,557
<b>Net cash provided by operating activities</b>	<b>31,962,906</b>	<b>94,394,307</b>
<b>Cash flows from noncapital financing activities:</b>		
Cash contributed to joint ventures	-	(4,220,923)
Operating grants and other	12,349,539	-
Transfers out	(60,343)	(124,436)
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>12,289,196</b>	<b>(4,345,359)</b>
<b>Cash flows from capital and related financing activities:</b>		
Proceeds from sale of capital assets	43,713	270,023
Contributed capital	40,645,635	21,145,843
Purchase and construction of capital assets	(89,897,129)	(88,481,944)
Bond issuance costs paid	(604,854)	-
Principal payments on debt	(2,775,000)	(7,794,463)
Interest payments on debt	(4,490,783)	(2,904,949)
Paying agent fees	-	(3,150)
Passenger facility charges received	16,281,065	-
Proceeds from legal settlement	-	11,697,182
Proceeds on issuance of revenue bonds	108,505,511	-
Cash contributed by other governments	-	3,090,930
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>67,708,158</b>	<b>(62,980,528)</b>
<b>Cash flows from investing activities:</b>		
Interest and gains or losses on investments	15,958,726	19,517,626
<b>Net cash provided by investing activities</b>	<b>15,958,726</b>	<b>19,517,626</b>
<b>Net increase in cash and cash equivalents</b>	<b>127,918,986</b>	<b>46,586,046</b>
Cash and cash equivalents, October 1, 2024	261,683,756	415,828,733
<b>Cash and cash equivalents, September 30, 2025</b>	<b>\$ 389,602,742</b>	<b>\$ 462,414,779</b>

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

<u>Enterprise Funds</u>	Governmental Activities Internal Service Funds
Totals	
\$ 356,215,203	\$ 20,349,352
-	144,511,400
(116,588,664)	(37,866,569)
(66,162,932)	(9,770,757)
(53,339,951)	(3,105,023)
-	(108,849,251)
6,233,557	10,260,859
<u>126,357,213</u>	<u>15,530,011</u>
(4,220,923)	-
12,349,539	-
(184,779)	(1,901,364)
<u>7,943,837</u>	<u>(1,901,364)</u>
313,736	2,105,037
61,791,478	-
(178,379,073)	(17,631,339)
(604,854)	-
(10,569,463)	-
(7,395,732)	-
(3,150)	-
16,281,065	-
11,697,182	-
108,505,511	-
3,090,930	-
<u>4,727,630</u>	<u>(15,526,302)</u>
<u>35,476,352</u>	<u>10,005,848</u>
<u>35,476,352</u>	<u>10,005,848</u>
174,505,032	8,108,193
<u>677,512,489</u>	<u>209,439,525</u>
<u>\$ 852,017,521</u>	<u>\$ 217,547,718</u>

PALM BEACH COUNTY, FLORIDA  
Statement of Cash Flows  
Proprietary Funds  
For the fiscal year ended September 30, 2025

	<u>Business-type Activities -</u>	
	Airports	Water Utilities
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	\$ (3,741,353)	\$ 39,178,129
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation and amortization	29,112,930	55,286,614
Equity interest in net gain of joint ventures	-	21,979
Provision for doubtful accounts	-	475,700
Miscellaneous nonoperating revenue (expense)	(835,296)	-
Changes in assets, deferred outflows, liabilities, and deferred inflows:		
(Increase) decrease in accounts receivable	72,946	(2,439,312)
(Increase) decrease in due from other county funds	105,509	(9,553)
(increase) in due from other governments	-	-
(Increase) decrease in inventory	(134,360)	421,035
Decrease in other assets	193,690	31,676
Decrease in deferred outflows	338,312	1,280,455
(Increase) decrease in due from component unit	-	12,955
Increase in vouchers payable and accrued liabilities	6,969,814	3,381,282
Increase in due to other county funds	66,401	130,470
Increase (decrease) in due to other governments	-	110,411
(Decrease) in lease liability	-	(115,626)
Increase in unearned revenue	492,792	-
Increase (decrease) in customer deposits	(5,405)	128,285
Increase in insurance claims payable	-	-
Increase in other long-term liabilities	147,002	-
Increase in deferred inflows	977,918	2,977,411
(Decrease) in net pension liability	(1,774,638)	(6,352,989)
(Decrease) in total OPEB liability	(23,356)	(124,615)
<b>Net cash provided by operating activities</b>	<b>\$ 31,962,906</b>	<b>\$ 94,394,307</b>
Supplemental disclosure of noncash capital and related financing activities:		
Amortization of premium on bonds	\$ 1,127,540	\$ 387,871
Amortization of bond refunding costs	\$ -	\$ 524,472
Payables related to capital asset acquisition	\$ 23,068,465	\$ 25,410,370
Receivables related to passenger facility charges	\$ 2,465,593	\$ -
Contribution of capital assets	\$ -	\$ 15,872,417
Disposal of fully depreciated capital assets	\$ 4,908,754	\$ 1,886,101
Receivables related to capital grants	\$ 17,875,196	\$ -
Acquisition of equipment related to lease inception	\$ -	\$ 245,642

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

<u>Enterprise Funds</u>	Governmental Activities Internal Service Funds
Totals	
\$ 35,436,776	\$ (10,876,329)
84,399,544	12,473,477
21,979	-
475,700	-
(835,296)	10,260,859
(2,366,366)	(1,752)
95,956	(815,136)
-	(88,741)
286,675	(152,948)
225,366	268,676
1,618,767	-
12,955	(21)
10,351,096	46,189
196,871	65,255
110,411	(9,441)
(115,626)	-
492,792	-
122,880	-
-	623,534
147,002	3,736,389
3,955,329	-
(8,127,627)	-
(147,971)	-
<u>\$ 126,357,213</u>	<u>\$ 15,530,011</u>
<u>\$ 1,515,411</u>	<u>\$ -</u>
<u>\$ 524,472</u>	<u>\$ -</u>
<u>\$ 48,478,835</u>	<u>\$ -</u>
<u>\$ 2,465,593</u>	<u>\$ -</u>
<u>\$ 15,872,417</u>	<u>\$ -</u>
<u>\$ 6,794,855</u>	<u>\$ 5,950,171</u>
<u>\$ 17,875,196</u>	<u>\$ -</u>
<u>\$ 245,642</u>	<u>\$ -</u>

PALM BEACH COUNTY, FLORIDA  
Statement of Fiduciary Net Position  
Custodial Funds  
September 30, 2025

	Total Custodial Funds
ASSETS	
Cash, cash equivalents, and investments	\$125,698,484
Accounts receivable, net	1,947,853
Due from other governments	612,522
Total assets	128,258,859
LIABILITIES	
Vouchers payable and accrued liabilities	1,457,029
Due to other governments	74,801,111
Due to individuals	7,610,349
Total liabilities	83,868,489
NET POSITION	
Amount held for individuals, organizations, and other governments	44,390,370
Total net position	\$ 44,390,370

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

PALM BEACH COUNTY, FLORIDA  
Statement of Changes in Fiduciary Net Position  
Custodial Funds  
For the fiscal year ended September 30, 2025

	Total Custodial Funds
ADDITIONS	
Investment income	\$ 21,333
Motor vehicle tag fees	1,201,565
Taxes collected on behalf of other governments	3,997,459,005
Civil operations	567,889
Inmate trust	6,538,135
Seized currency and evidence	4,114,952
Tax deeds	2,070,328
Criminal cash bonds	2,839,456
General deposit and cash bonds	1,229,905
Circuit registry	69,843,525
Foreclosure sales and deposits	32,403,099
Other additions	112,593,275
	4,230,882,467
DEDUCTIONS	
Distributions to other governments	3,998,561,469
Civil operations	555,188
Inmate trust	6,553,736
Seized currency and evidence	3,629,169
Tax deeds	4,600,900
Criminal cash bonds	3,434,848
General deposit and cash bonds	1,479,734
Circuit registry	70,957,208
Foreclosure sales and deposits	34,534,065
Other deductions	113,058,971
	4,237,365,288
Change in net position	(6,482,821)
Net position, October 1, 2024	50,873,191
Net position, September 30, 2025	\$ 44,390,370

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



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**PALM BEACH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2025**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Palm Beach County, Florida reporting entity (the County) have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County's more significant accounting policies are described below.

**A. Financial Reporting Entity**

Palm Beach County is a political subdivision of the State of Florida pursuant to Article VIII, Section (1) of the Constitution of the State of Florida. It is governed by a seven-member elected Board of County Commissioners (the Board) which is regulated by State Statutes and a local County Charter, operating under a County Manager form of government with separation of legislative and executive functions. In addition to the members of the Board, there are five elected Constitutional Officers: The Tax Collector, Property Appraiser, Clerk & Comptroller, Sheriff, and the Supervisor of Elections. The Board and the Constitutional Officers comprise the Palm Beach County primary government.

Palm Beach County Fire-Rescue and the County Library Taxing District are dependent districts under the control of the Board of County Commissioners. They levy millages that apply to all property owners in the unincorporated portion of the County and residents of the municipalities that have elected to join the districts rather than provide the services themselves. They are reported as special revenue funds of the County.

As required by GAAP, these financial statements cover the Palm Beach County reporting entity which includes the Palm Beach County primary government as well as its component units. Component units are legally separate entities for which the primary government is financially accountable. In accordance with GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, component units are either classified as blended component units or discretely presented component units, depending on the nature of the entity's relationship with the primary government. GASB Statement No. 14 provides the following criteria for determining whether or not an entity is a component unit of the reporting entity:

The definition of the reporting entity is based primarily on the concept of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of the separate organization's governing body and either is able to impose its will on that organization or there is the potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it and provide a financial benefit or impose a financial burden.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, activities of, or the level of services performed or provided by the organization. A financial benefit or burden relationship exists if the primary government is entitled to the organization's resources, is legally obligated or has otherwise assumed the obligations to finance

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the deficits of, or provide financial support to, the organization, or is obligated in some manner for the debt of the organization.

Some organizations are included as component units because of their fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government. In addition, any entity, for which the primary government is not financially accountable but for which exclusion would cause the primary government's financial statements to be misleading, should be included as a component unit.

In accordance with GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units: an Amendment of GASB Statement No. 14*, a government must include certain legally separate, tax-exempt entities in the government's financial reporting entity as discretely presented component units if they meet all three of the following conditions: (a) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (b) the primary government or its component units, are entitled to or have the ability to otherwise access a majority of the economic resources received or held by the separate organizations; or (c) the economic resources received or held by an individual organization that the specific primary government is entitled to, or has the ability to otherwise access, are significant to that primary government. GASB Statement No. 39 had no effect on determining the County's discretely presented component units and therefore had no effect on the financial statements. Based on the criteria specified above, the Palm Beach County reporting entity includes both blended component units and discretely presented component units.

**Blended Component Units**

The following organization is presented as a blended component unit because either (a) the organization's governing body is substantially the same as the governing body of the County and (1) there is a financial benefit or burden relationship between the primary government and component unit or (2) management of the primary government has operational responsibility, (b) the organization provides services almost entirely to the primary government and (c) the component unit's total debt outstanding is expected to be repaid entirely or almost entirely with resources of the primary government.

**Transportation Authority (Palm Tran, Inc.)** – This corporation was created by Palm Beach County Resolution 95-1636D pursuant to Chapter 617, Florida Statutes. Its purpose is to operate for the advancement of public transportation and lessening the burden on Palm Beach County to provide a transportation system. The Board of Palm Tran, Inc. consists of the seven members of the Board of County Commissioners of Palm Beach County. The bylaws provide that the corporation shall have a president to act as the corporation's chief executive officer who shall be the County Administrator, a secretary/treasurer who shall be the Clerk to the Board of County Commissioners or a deputy clerk designated for such purposes, and an executive director who shall be responsible for the day-to-day management and operations of the corporation. Palm Tran, Inc. is reported as a special revenue fund.

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**Discretely Presented Component Units**

The Component Unit columns in the basic financial statements include the financial data of the County's discretely presented Component Units. They are reported in separate columns to emphasize that they are legally separate from the County. The following organizations are included in the reporting entity because the primary government (1) appointed a voting majority of the organization's board, (2) is able to impose its will on the organization, and (3) the organization provides services to the citizenry of Palm Beach County.

Additionally, as a result of GASB Statement No. 61, the following three (3) component units do not qualify to be reported as blended component units because (a) the governing body is not substantially the same as the primary government and (1) The Primary Government and the Component Unit are *not* financially interdependent (i.e. there is not a relationship of potential financial benefit or burden between them) and (2) Management is *not* responsible for the day-to-day operations of the component unit (i.e. operational responsibility), (b) the component unit does not provide services entirely or almost entirely to the primary government, and (c) the component unit's total debt outstanding is not expected to be repaid entirely or almost entirely with resources of the primary government.

**Housing Finance Authority of Palm Beach County, Florida (HFA)** – This public authority was created by Palm Beach County Ordinance 79-3 pursuant to Chapter 159, Florida Statutes, as amended and supplemented. It was created to alleviate the shortage of housing available at affordable rates in Palm Beach County and the shortage of capital for investments in such housing. The HFA has the power to issue single family and multi-family revenue bonds to finance the purchase of housing by families of low and moderate income through investing in mortgage loans to eligible families. The HFA is a discretely presented component unit because the Board of County Commissioners (BOCC) appoints the members of the HFA governing body and because the BOCC is able to impose its will on the HFA. The County Ordinance which created the HFA provides that the BOCC may remove members of the HFA's governing body without cause, and may change the structure, organization, or activities of the HFA, including terminating the HFA.

**Westgate/Belvedere Homes Community Redevelopment Agency (CRA)** – This agency was created by Palm Beach County Resolution 89-649 pursuant to Section 163.355, Florida Statutes. It was created in order to develop and revitalize the blighted area known as Westgate/Belvedere Homes with intent to benefit Palm Beach County as a whole by returning improved property to the County's tax base. The CRA has the power to issue redevelopment revenue bonds from time to time to finance its undertaking of community redevelopment to the designated area. The CRA is a discretely presented component unit because the BOCC appoints the members of the CRA governing body and because there also is a financial benefit/burden relationship with the County since the creation of the CRA allows tax increment financing to implement the provisions of the County's Redevelopment Plan to rehabilitate the Redevelopment Area. Also, the County has agreed to fund any deficiency in the reserve fund of the CRA's Redevelopment Revenue Bonds.

**Solid Waste Authority of Palm Beach County (SWA)** – The SWA is a dependent special district created by the Florida Legislature under the Palm Beach County Solid Waste Act,

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Chapter 75-473, Laws of Florida, Special Acts of 1975, as amended and supplemented (the Act). The Act gives the SWA the power to construct and operate solid waste disposal facilities sufficient to effectively manage all solid waste generated in Palm Beach County. Additionally, the Act provides the SWA with the jurisdiction to collect waste throughout the unincorporated areas of the County, which is handled by private haulers under contract with the SWA. The SWA is a discretely presented component unit because the SWA is governed by a seven-member board, consisting of the Board of County Commissioners of Palm Beach County and is financially accountable for the operations of the SWA.

Complete financial statements for each of the individual component units may be obtained at the respective entity's administrative offices as follows:

Westgate/Belvedere Homes Community  
Redevelopment Agency  
1280 North Congress Ave, Suite 215  
West Palm Beach, FL 33409

Housing Finance Authority  
of Palm Beach County  
100 Australian Ave, Suite 410  
West Palm Beach, FL 33406

Solid Waste Authority  
of Palm Beach County  
7501 North Jog Road  
West Palm Beach, FL 33412

**Related Organizations**

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations do not extend beyond making the appointments.

The following organizations are related organizations, which have not been included in the reporting entity:

**Palm Beach County Educational Facilities Authority (PBCEFA)** – This organization was created by Palm Beach County Resolution 79-1493 pursuant to Chapter 243.18, Florida Statutes. Members of the PBCEFA are appointed by the Board of County Commissioners of Palm Beach County, but the County does not provide funding, has no obligation for the debt issued by the authority and cannot impose its will.

**Palm Beach County Health Facilities Authority (PBCHFA)** – This organization was created pursuant to Part III – Chapter 154, Florida Statutes, and by Ordinance 77-379 and 77-398 adopted by the Board of County Commissioners. Members of the PBCHFA are appointed by the Board of County Commissioners of Palm Beach County, but the County does not provide the funding, has no obligation for the debt issued by the authority and cannot impose its will.

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**Palm Beach County Workforce Development Board, Inc. (WDB)** – The WDB was created pursuant to Palm Beach County Resolution 96-805D, as amended by Resolutions 96-1539D and 97-510Dm as a result of the enactment by the Florida Legislature of the Workforce Florida Act of 1996. Members of the WDB are appointed by the Board of County Commissioners of Palm Beach County, but the County does not provide the funding, has no obligation for the debt issued by the board and cannot impose its will.

**Equity Joint Ventures**

**East Central Regional Wastewater Facility**

Palm Beach County has a thirty-year joint interlocal agreement (the Agreement) with four municipalities for the East Central Regional Wastewater Facility (the Facility). The Facility was created to receive, treat and dispose of sewage generated within each municipality and the County. Under GAAP, the County is required to account for this joint venture using the equity method. Accordingly, the County recorded its initial investment at cost and is required to record its proportionate share of the Facility's income or loss as well as additional contributions made or distributions received. Palm Beach County's interest in the joint venture is recorded in the County's Water Utilities Enterprise Fund. As of September 30, 2024, the date of the most recent audited financial statements, the Facility had total assets and deferred outflows of \$384,488,387 and total net position of \$222,786,756 including \$133,113,226 net investment in capital assets, and \$5,883,039 of unrestricted net position. September 30, 2025 amounts are expected to approximate the above figures. As of September 30, 2025, the County's investment in this joint venture was \$78.2 million.

The Agreement provides for the establishment of a board comprised of one representative from each participating entity, with the City of West Palm Beach being designated to administer and operate the Facility. The Facility's board has the authority to accept and disburse funds, approve an annual budget, transact business, enter into contracts and decide all other matters related to the Facility.

The proportionate share for each entity is determined by the reserve capacity of the Facility allocated to each participant. At September 30, 2025, Palm Beach County had a 34.29% interest.

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The participants and each entity's interest on September 30, 2025 are as follows:

PARTICIPANT	RESERVE CAPACITY PERCENTAGES
City of West Palm Beach	29.29%
Palm Beach County	34.29%
City of Lake Worth	16.43%
City of Riviera Beach	11.42%
Town of Palm Beach	8.57%
TOTAL	100.00%

Separate financial statements for the Facility may be obtained at the following address:

East Central Regional Wastewater Facilities  
City of West Palm Beach  
P.O. Box 3506  
West Palm Beach, FL 33402

**Biosolids Processing and Recycling Facility**

The Board of County Commissioners, on behalf of the Water Utilities Department (WUD), has an interlocal agreement with the Solid Waste Authority (SWA) to fund a portion of the cost to design, build, and operate a Biosolids Processing and Recycling Facility (BPF). The BPF processes certain wastewater treatment residuals (biosolids) and is necessary to comply with increasingly stringent environmental regulations that have significantly decreased the number of land application sites available. Bulk land application was the method of disposing of the biosolids.

The agreement is for a period of twenty years beginning with the August 1, 2009 operations commencement. Upon the conclusion of the term of the agreement, the BPF will remain the property of SWA with each participating entity owning its share of the BPF, in perpetuity, for the life of the plant. Under accounting principles generally accepted in the United States of America, WUD is required to account for this arrangement as a joint venture. Therefore, an asset is reported on the WUD financial statements under the caption "Investment in Joint Ventures".

Since the BPF agreement does not state that the participants are to share in the profits and losses of the joint venture, the investment in joint venture account will not be adjusted to reflect the joint venture's results of operations. Rather, the investment in joint venture will be amortized using the straight-line method over the twenty-year life of the agreement. WUD's 27.5% share resulted in pro rata obligations of \$9.2 million for construction costs and \$580,000 annually for operating expenses for the twenty-year period. In July 2013, WUD sold excess capacity shares in the BPF to the ECR, leaving WUD with a 17.82% pro-rata share in the BPF's capacity. This amount was recorded as a reduction of WUD's investment in joint venture. WUD's total operating costs were

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\$1,554,200 for the year ended September 30, 2025. As of September 30, 2025, the County's investment in the BPF is \$1.2 million, which is shown as an asset – investment in joint ventures – on the statement of net position.

No separate financial statements are prepared for the BPF which is reported as part of SWA operations. SWA financial statements may be obtained from their office at 7501 North Jog Road, West Palm Beach, Florida, 33412.

**B. Basic Financial Statements**

The County's Basic Financial Statements contain three components: government-wide financial statements, fund financial statements and notes to the financial statements.

**Government-wide financial statements** - The government-wide financial statements provide an overview of the County's financial position using the accrual basis of accounting. The Statement of Net Position presents information on all of the assets and deferred outflows and liabilities and deferred inflows of the County as a whole, excluding fiduciary funds. The difference between assets and deferred outflows and liabilities and deferred inflows is reported as net position. Changes in net position may serve as an indicator of whether the financial position of the County is improving or deteriorating. The Statement of Activities presents information showing how the County's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying economic transactions occur, regardless of when cash is received or paid. Therefore, some of the revenues or expenses reported in the Statement of Activities will have cash flows in future fiscal periods. For example, uncollected taxes are reported as revenues although cash receipts will occur in the future. Unused vacation leave results in an expense although related cash outflows will occur in the future.

The government-wide financial statements presentation distinguishes between activities that are supported primarily by taxes and intergovernmental revenues (governmental activities) and activities that are intended to recover all or most of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services and culture and recreation. The business-type activities of the County include the Water Utilities Department and the Department of Airports.

The government-wide financial statements include not only the County itself (the primary government) but also its discretely presented component units, the legally separate entities for which the County is financially accountable.

**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 County uses fund accounting to ensure and demonstrate compliance with legal, legislative, contractual, and other finance-related provisions. All of the funds of the County may be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds** – Most of the County's basic services are reported in governmental funds, which focus on how money or other spendable financial resources flow into and out of those funds

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and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general governmental operations and the basic services it provides. The measurement focus is based upon determination of changes in financial resources. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. The governmental fund category includes the general fund, special revenue funds, debt service funds, and capital project funds. There is a reconciliation of the governmental activities presented in the Statement of Net Position and the Statement of Activities to the governmental funds presented in the fund financial statements.

The following are definitions of the governmental fund types:

**General Fund:** Used to account for and report all financial resources not accounted for and reported in another fund.

**Special Revenue Funds:** Used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The restricted or committed proceeds of specific revenue sources should be expected to continue to comprise a substantial portion of the inflows reported in the fund. The county uses a minimum of 50% as its definition of substantial.

**Capital Projects Funds:** Used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital related outflows financed by proprietary funds or assets that will be held in trust for individuals, private organizations or other governments.

**Debt Service Funds:** Used for and reports financial resources that are restricted, committed or assigned to expenditures for principal and interest.

The following is a description of the County's major governmental funds:

The **General Fund** is the primary operating fund of the County. It is used to account for all financial resources of the general government except those required to be accounted for in other funds. The General Fund is subdivided into the following categories representing each of the elected officials of the County: BOCC, Sheriff, Clerk & Comptroller, Tax Collector, Property Appraiser and the Supervisor of Elections.

*Special Revenue Funds:*

The **Palm Tran Special Revenue Fund** is used to account for the activities related to the operation of the County-owned public bus transportation system. Revenue sources for this fund include a portion of the gas tax that the County receives, intergovernmental grant revenue from both the federal and state government, as well as charges for services which are in the form of bus fares.

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The **Fire Rescue Special Revenue Fund** is used to account for ad valorem taxes and other revenues designated for fire rescue services.

*Capital Projects Funds:*

The **Road Program Capital Projects Fund** is used to account for costs related to the design and acquisition of rights of way and the construction of improvements to the County's major thoroughfare road system, primarily represented by the County's Five-Year Road Program.

The **General Government Capital Projects Fund** is used to account for costs of capital improvements not included in any other category. Based on the nature of this fund's activities, management has determined it is particularly important to the financial statement users and for consistency from year to year.

All other nonmajor governmental funds are aggregated into a single column for presentation purposes.

**Proprietary Funds** – The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Water Utilities Department and the Department of Airports. These two operations are considered to be major proprietary funds of the County. Internal Service Funds are used to accumulate and allocate costs internally among the County's other functions. The County uses internal service funds to account for Fleet Management and Risk Management programs. These programs are included in the governmental activities column of the government-wide financial statements because they predominantly benefit governmental rather than business-type functions. The measurement focus is based on changes in economic resources. The three internal service funds are aggregated into a single column for presentation in the proprietary fund financial statements. The County's two major proprietary funds are described in the next two following paragraphs.

The **Water Utilities Department Fund** is used to account for the operations of the water and wastewater system in the unincorporated areas of the County. Water and wastewater fees are determined annually by rate studies and are set at levels to recover the expenses of operations, including debt service, in a manner similar to private business enterprises. Activities necessary to provide water and wastewater service are accounted for in this fund, including customer service, engineering, operations and maintenance.

The **Department of Airports Fund** is used to account for the operations of the four County-owned airports – Palm Beach International Airport in West Palm Beach and three general aviation airports located in Palm Beach Gardens, Lantana and Pahokee.

**Fiduciary Funds** account for resources held for the benefit of parties outside the government. Custodial funds are used to account for resources held by the government as an agent for individuals, private organizations, and other governments. Assets held include cash bonds, purchasing bid bonds, security deposits, fines and forfeitures, tax deeds, tax payments, and license and registration payments. These funds are not included in the government-wide financial

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statements because the resources in these funds are not available to support the County's own programs.

**C. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment for transactions is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets and deferred outflows less current liabilities and deferred inflows) or economic resources (all assets and deferred outflows and liabilities and deferred inflows). The basis of accounting indicates the timing of transactions or events for recognition in the financial reports.

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

With the economic resources measurement focus, all assets and deferred outflows and liabilities and deferred inflows associated with the operation of these funds are included on the balance sheet. With the accrual method of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Government-wide financial statements and proprietary fund financial statements show increases (revenues) and decreases (expenses) in net position. Governmental fund financial statements are presented using the current financial resources and the modified accrual basis of accounting. With this measurement focus, only current assets and deferred outflows and current liabilities and deferred inflows are generally included on the balance sheet. Operating statements of these funds show increases (i.e., revenues and other financing resources) and decreases (i.e., expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, that is, when they become both measurable and available to pay liabilities of the current period. For this purpose, the County considers revenue to be available if they are collected within 60 days of year-end, with the exception of intergovernmental revenue associated with Palm Tran Special Revenue Fund, which considers revenue to be available if collected within 180 days. Revenues not considered available are recorded as deferred inflows. Property taxes (when levied for, intergovernmental revenue when all eligibility requirements have been met), franchise fees, utility taxes, licenses and permits, charges for services, and investment income 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. Expenditures generally are recorded when a liability is incurred; however, debt service and SBITA expenditures, as well as expenditures related to pensions, compensated absences, claims and judgments, leases, and other postemployment benefits are recorded only when payment is due.

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**D. Implementation of New Governmental Accounting Standards Board (GASB) Statements**

The County implemented the following GASB Statements during the fiscal year ended September 30, 2025:

- GASB Statement No. 101, “*Compensated Absences*”. The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. Refer to Section L in this note for more information as well as the Restatement Note 20.
- GASB Statement No. 102, “*Certain Risk Disclosures*”. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government’s financial condition. There was no significant impact due to the implementation of this standard.

**E. Unadopted GASB Statements**

GASB has also issued new statements effective in future years. Management has not completed its analysis of the effects, if any, of these GASB Statements on the financial statements of the County.

- GASB Statement No. 103, “*Financial Reporting Model Improvements*”. The requirements of this Statement will improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues. This Statement is effective for the fiscal year ending September 30, 2026.
- GASB Statement No. 104, “*Disclosure of Certain Capital Assets*”. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. This Statement is effective for the fiscal year ending September 30, 2026.
- GASB Statement No. 105, “*Subsequent Events*”. The requirements of this Statement will improve financial reporting related to subsequent events by (1) clarifying the subsequent events time frame and the subsequent events that constitute recognized and nonrecognized events and (2) specifying the information items that are required to be disclosed about

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subsequent events. Those improvements will assist preparers and auditors in applying the requirements more consistently, thereby reducing diversity in practice and providing information that better meets the needs of financial statement users. This Statement is effective for the fiscal year ending September 30, 2027.

**F. Cash and Investments**

**Deposits**

All deposits are held in qualified public depositories pursuant to the Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act" and are covered by either federal depository insurance or collateral held by the Chief Financial Officer of Florida. In the event of a default by a qualified public depository, all claims for government deposits would be satisfied by the Chief Financial Officer of Florida from the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool.

**Cash Equivalents**

Highly liquid investments with maturities of three months or less when purchased are reported as cash equivalents. The County maintains an internal investment pool for substantially all funds. Earnings are allocated daily to each fund based on their equity balances in the pool. Each fund reports their equity in the County's internal investment pool as a cash equivalent.

**Investments**

All investments are reported at fair value except for the money market funds and commercial paper, which are reported at amortized cost as permitted by GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

Although the investments in the Florida Local Government Investment Trust Short Term Bond Fund and the Florida Cooperative Liquid Assets Securities System are external investment pools, both pools do not meet the criteria as established by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, to be reported at amortized cost. In particular, these pools are not operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Hence, the fair value of the County's balance in these pools is determined by the fair value per share of each pool's underlying portfolio as permitted by GASB Statement No. 31.

Additionally, the County categorizes its applicable fair value measurements within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Types and amounts of investments held at fiscal year-end are described in a subsequent note. Normally excluded from GASB Statement No. 72 hierarchy reporting are cash equivalent investments,

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certificates of deposit, money market funds, commercial paper, and time deposit-like foreign bonds.

State statutes and local ordinances authorize County investments in obligations of the U.S. Government, its agencies and instrumentalities, repurchase agreements, interest-bearing time deposits, savings accounts, Florida Prime Investment Pool (formerly known as the Local Government Surplus funds Trust Fund LGIP administered by the State Board of Administration), the Florida Local Government Investment Trust (FLGIT), collateralized mortgage obligations (CMO), certain corporate securities, instruments backed by the full faith and credit of the State of Israel, bankers acceptances, and money market mutual funds.

State statutes authorize Solid Waste Authority (SWA) investments in the Florida Prime Investment Pool (formerly known as the Local Government Surplus funds Trust Fund LGIP administered by the State Board of Administration), interest-bearing time deposits, savings accounts, negotiable direct obligations of or obligations unconditionally guaranteed by the U.S. Government, obligations of the Federal Farm Credit Banks, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank or its districts, interest rate swap agreements, and obligations guaranteed by the Government National Mortgage Association and obligations of the Federal National Mortgage Association and mutual funds limited to U.S. Government securities.

The following external investment pools are not SEC-registered:

The *Florida Local Government Investment Trust* (FLGIT) is a local government investment pool developed jointly by the Florida Association of Court Clerks and the Florida Association of Counties. The FLGIT has no regulatory oversight but has been recognized by an Internal Revenue Service private letter ruling as a tax-exempt organization, has received a Standard and Poor's rating and is governed by a six-member Board of Trustees. The County invests in the Short-Term Bond fund. The share price of this investment represents the fair value of the fund's underlying investments.

The *Florida Cooperative Liquid Assets Securities System* (FLCLASS) is an independent local government investment pool open to all political subdivisions, instrumentalities of political subdivisions, and State agencies in the State of Florida. FLCLASS is supervised by an appointed Board of Trustees comprised of eligible participants of the FLCLASS program. As of September 30, 2016, the Board consisted of four members. The Board appoints an external Investment Advisor-Administrator, as well as a Custodian. FLCLASS has been rated AAA by Standard and Poor's rating. The share price of this investment represents the fair value of the fund's underlying investments. Additional information is provided in the Cash and Investments Note.

#### **G. Accounts and Other Receivables**

Accounts receivable are recorded net of allowances for bad debts. Allowance for uncollectible receivables is based upon historical trends and the periodic aging of receivables. These allowances relate to the enterprise funds and are not significant. Billings to water utility customers are based on metered consumption which is determined at various dates each month. Estimated unbilled consumption at year-end is recognized as revenue in the Water Utilities Fund. Other receivables include low-income housing loans to individuals and developers, a loan to the convention center,

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a Water Utilities litigation settlement of \$53.5 million, and a contribution receivable from FAU as part of the Scripps project and Fire Rescue ambulatory services. The allowance for uncollectible receivables for Fire Rescue services is based on historic trends and analysis of current economic factors. As of September 30, 2025, there was an allowance of \$23.5 million for these receivables.

#### **H. Inventories and Prepaid Items**

Inventories consisting primarily of materials and supplies are stated at cost based upon the first-in, first-out method. Purchases of inventories for governmental funds are reported as expenditures in the period purchased, except for the Sheriff, which is accounted for using the consumption method. Inventories for governmental fund types, which use the purchases method, are reported on the governmental funds balance sheet as an asset of the fund with a corresponding amount recorded as non-spendable fund balance. Inventories of proprietary type funds are reported as an expense when consumed in the operations of the fund.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Expenditures for insurance and similar services extending over more than one accounting period are accounted for as expenditures of the period of acquisition, except for the Sheriff, which is accounted for using the consumption method.

#### **I. Restricted Assets**

Assets are reported separately as 'restricted' in proprietary funds and the entity-wide statement of net position when restrictions on asset use change the nature or normal understanding of the availability of the asset. Consistent with this principle, the following assets are reported as restricted assets:

1. Assets that are restricted as to withdrawal or use for other than current operations.
2. Assets that are restricted for expenditure in the acquisition or construction of noncurrent assets.

#### **J. Capital Assets**

Property, plant, and equipment and infrastructure assets (such as roads, sidewalks, bridges, and drainage systems) are reported in the applicable governmental or business-type activities columns of the government-wide financial statements and proprietary fund financial statements. All work in process for the current and prior fiscal years has been capitalized as Construction in Progress as the related projects have not yet been completed. Capital assets (except for intangible right-to-use assets, the measurement of which is discussed later in this note under sections Y and Z, and building improvements) are defined as those assets with an initial, individual cost of over \$5,000. Regarding building improvements, the capitalization threshold equals or exceeds \$25,000. Contributed capital assets are recorded at their estimated acquisition value at the time received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation is calculated using the straight-line method over estimated useful lives as follows:

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<u>Asset Classification</u>	<u>Estimated Useful Life (In Years)</u>
Buildings, Utility Plants and Systems	10-50
Furniture, Fixtures and Equipment	2-15
Improvements Other Than Buildings	5-40
Infrastructure	20-30

In the governmental fund financial statements, the costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures. Capital assets are not shown on the governmental fund balance sheets.

Goodwill is determined based on the difference between the acquisition price and the fair value of all assets acquired. Amortization of goodwill related to the utility system acquisition is also computed on the straight-line method. The Water Utilities Department has two items of goodwill: 1) the goodwill resulting from the acquisition of the Village of Royal Palm Beach’s Utility System is amortized over 30 years which represents the period the bonds issued to fund the acquisition will be outstanding, and 2) the goodwill resulting from the acquisition of the Indian Trail Improvement District Utility System is amortized over 40 years.

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

In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources that represents a consumption of net assets that applies to future periods and pension contributions subsequent to the measurement date and will not be recognized as outflows or resources (expense/expenditure) until that time. The pension related deferred outflows of resources in the Statement of Net Position represents the difference between expected and actual experience, changes in assumptions, the net difference between projected and actual earnings on pension plan investments, changes in the proportion and differences between the County’s contributions and proportionate share of contributions relating to pension plans. The OPEB related deferred outflows of resources represent the net difference between projected and actual earnings on OPEB plan investments and differences between expected and actual experience. The County has also reported the deferred loss on refunding of debt in this category. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. All of these deferred outflows are reported in the government-wide statement of net position and the proprietary funds statement of net position.

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources, which represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow (revenue) until that time. The pension related deferred inflows of resources in the Statement of Net Position represents the difference between expected and actual experience, changes in assumptions, the net difference between projected and actual earnings on pension plan investments, changes in the proportion and differences between the County’s contributions and proportionate share of contributions relating to pension plans. The OPEB related deferred inflows of resources represent changes in assumptions or other inputs and

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the net difference between projected and actual earnings on OPEB plan investments. The lease related deferred inflows of resources represent the value of lease receivables plus any payments received at or before the start of the lease term that relate to future periods. The public-private partnership (PPP) deferred inflows of resources represent the value of installment payments expected to be received during the PPP non-cancellable term. These deferred inflows related to pensions, OPEB, leases and deferred gains on refunding are reported in the government-wide statement of net position and the proprietary funds statement of net position. The deferred inflows related to PPP's are reported in the government-wide statement of net position and governmental funds balance sheet. The County also reports deferred inflows related to unavailable revenue and leases in the governmental funds balance sheet.

**L. Compensated Absences**

A compensated absence is leave (e.g. employee vacation leave and sick leave) for which employees may receive one or more (a) cash payments when the leave is used for time off; (b) other cash payments, such as payment for unused leave upon termination of employment; or (c) noncash settlements. Leave earned in the earliest fiscal years is considered used before unused leave earned in current fiscal years. County employees may accumulate unused vacation and sick leave up to a specific amount depending on their date of hire.

In accordance with GASB Statement No. 101, compensated absences are estimated and accrued as liabilities on the government-wide financial statements to the extent that it is more likely than not that the leave will be used for time off or otherwise paid in cash or settled through noncash means. The liability is measured at the employee's pay rate in effect at the financial reporting date and includes the employer's share of applicable taxes and retirement contributions. For types of compensated absences that are dependent upon the occurrence of a sporadic event that affects a relatively small proportion of employees in any particular reporting period (parental leave, military leave, and jury duty), a liability is not recognized until the leave commences. For unlimited leave and holiday leave, a liability is recognized when the leave is taken.

For governmental funds, an expenditure is recognized as payments come due each period (e.g. as a result of employee resignations and retirements) and is recognized by the fund where the related payroll expenditures are recorded. The amount of compensated absences not recorded at the fund level represents a reconciling item between the fund-level and government-wide presentations. The portion of the liability related to employees in the enterprise and internal service funds is recorded at the fund level. Refer to the long-term debt note for more information.

**M. Amortization of Discount/Premium on Bonds and Debt Issuance Costs**

Amortization of discount and premium on bonds is determined by using the outstanding principal method over the life of the related debt. The amortization of discount or premium is recorded as an adjustment to interest expense. Bonds payable are reported net of the applicable bond discount or premium. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued and premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Bond issuing costs are expensed when incurred. In the fund

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financial statements, governmental fund types recognize bond issuance costs during the current period as debt service expenditures.

**N. Self-Insurance**

The County maintains a Risk Management (Workers' Compensation) self-insurance program, a Casualty self-insurance program, and an Employee health self-insurance program which are accounted for as internal service funds. The County has elected to essentially self-insure itself for health benefits to County employees and employees of component units of the County electing to participate in the plan. The plan covers approximately 4,500 employees.

The three-(3) self-insurance programs are designed to be self-sustaining through actuarially determined premiums established annually to cover expected claims, administration and a margin for unexpected losses or expenses. Claims are recorded as incurred with an estimate added at year-end based on an actuarially determined estimate of incurred but not reported claims.

**O. Pensions and Other Post-Employment Benefits Disclosure**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS), Health Insurance Subsidy (HIS) deferred benefit plans, and the Palm Tran and Lantana plans additions to/deductions from all three plans fiduciary net position have been determined on the same basis as they are reported by the plans and are recorded in the government-wide and proprietary fund statements. For this purpose, benefit payments (including refunds of employee contributions), are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The County applies GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, for the measurement, recognition, and display of OPEB expenditures or expenses, liabilities and assets as discussed in a subsequent note.

**P. Elimination of Internal Activity**

In the government-wide Statement of Activities, interfund activity, such as transfers in and out as well as transfers within the Internal Service Funds and within the Governmental Activities category is eliminated. Interfund activity between governmental and business-type activities is not eliminated. Interfund services provided and used between functions are not eliminated because removing interfund services would distort the functional expenses presented in the Statement of Activities.

**Q. Program Revenues**

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

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**R. Budgets**

**BOARD OF COUNTY COMMISSIONERS**

Pursuant to Chapter 129, Florida Statutes, General Budget Policies, the following procedures are followed by the Board of County Commissioners in establishing, adopting and maintaining the operating budget:

1. On or before July 15, the County Administrator, through the Office of Financial Management and Budget (OFMB) submits to the Board of County Commissioners a tentative budget for the fiscal year commencing the following October 1. This is a detailed plan outlining all programs and estimated departmental revenues and expenditures for the upcoming year.
2. Taxpayers are informed of the proposed budget and tentative millage rates through advertising and public hearings which are held to elicit taxpayer comments.
3. The budget is legally adopted through Board of County Commission action for the fiscal year beginning October 1.
4. The Board at any time within a fiscal year may amend a budget for that year as follows:
  - a. Appropriations for expenditures in any fund may be decreased and other appropriations in the same fund correspondingly increased by action recorded in the minutes, provided that the total of the appropriations of the fund are not changed. The Board of County Commissioners, however, may establish procedures by which the designated budget officer may authorize certain intradepartmental budget amendments, provided that the total appropriation of the department shall not be changed.
  - b. Appropriations from reserves may be made to increase appropriations by resolution of the Board, but no expenditures shall be directly charged to any reserve.
  - c. A receipt from a source not anticipated in the budget and received for a particular purpose including, but not limited to, grants, donations, gifts or reimbursements for damages may, by resolution of the Board recorded in its minutes, be appropriated and expended for that purpose, in addition to the appropriations and expenditures provided for in the budget. Such receipts and appropriations shall be added to the budget in the proper fund. During fiscal year 2025, supplemental appropriations amounted to a net increase of \$730 million or approximately 8% of the original budget.
5. It is unlawful for the Board to expend or contract for the expenditures in any fiscal year more than the amount budgeted in each individual fund's budget, and in no case shall the total appropriations of any budget be exceeded. In addition, to comply with the above statutory requirements, the Board of County Commissioners has elected to adopt management controls and approved guidelines, which provide for the budget to be controlled at a detail level greater than the statutory level of control. The effective legal

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budgetary control is at the department level for the General Fund and special revenue funds with approved budgets which is reflected in the budget-to-actual statements presented in the Required Supplementary Information section and the combining and individual fund statements and schedules section. It should be noted that in some instances the name of the Special Revenue fund reflects the department such that further department breakout in the budget to actual schedule is not necessary – an example of this would be the Library Taxing District Special Revenue Fund. Also, concerning debt service and capital project funds with annually appropriated budgets, the effective legal budgetary control is at the fund level, which is reflected in the budget to actual schedule presentation. Annual budgets are legally adopted for all governmental and proprietary fund types. Budgetary comparisons presented herein are on a basis consistent with GAAP.

#### CLERK OF THE CIRCUIT COURT

Chapter 218.35, Florida Statutes, governs the preparation, adoption and administration of the Clerk & Comptroller's (the Clerk) annual budget. The Clerk, as county fee officer, establishes an annual budget for his office, which clearly reflects the revenues available to the office and the functions for which the money is to be expended.

The Clerk, functioning in his capacity as Clerk of the Circuit and County Courts and as Clerk of the Board of County Commissioners, prepares his budget in two parts:

1. The budget for funds necessary to perform court-related functions as provided for in Florida Statute 28.36, which details the methodologies used to apportion costs between court-related and non-court-related functions performed by the Clerk.
2. The budget relating to the requirements of the Clerk as Clerk of the Board of County Commissioners, County Auditor, and Custodian or Treasurer of all county funds and other county related duties.

#### SHERIFF

Chapter 30.49, Florida Statutes, governs the preparation, adoption and administration of the Sheriff's annual budget. By May 1 each year, the Sheriff shall certify to the Board a proposed budget of expenditures for performing the duties of his office for the ensuing fiscal year. The Sheriff's budget is legally adopted by Board of County Commission action for the fiscal year beginning October 1.

#### TAX COLLECTOR AND PROPERTY APPRAISER

Chapter 195.087, Florida Statutes, governs the preparation, adoption and administration of the budgets of the Tax Collector and Property Appraiser. On or before a legally designated date each year, the Tax Collector and the Property Appraiser shall submit to the Florida Department of Revenue a budget for the ensuing fiscal year. A copy of such budget shall be furnished at the same

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time to the Board of County Commissioners. Final approval of the budgets is given by the Florida Department of Revenue.

#### **SUPERVISOR OF ELECTIONS**

Chapter 129, (sections .02 and .202), Florida Statutes, governs the preparation, adoption and administration of the budget of the Supervisor of Elections. On or before June 1 of each year, the Supervisor of Elections shall submit to the Board of County Commissioners a tentative budget for the ensuing fiscal year. However, the Board of County Commissioners of Palm Beach County, by resolution R-95-1195, requires the tentative budget to be submitted by May 1 of each year.

#### **S. Encumbrances**

The County uses encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded to assign that portion of the applicable appropriation. Encumbrances represent the estimated amount of expenditures ultimately to result if unperformed contracts and open purchase orders are completed. Although encumbrances lapse at year-end, it is the County's intention to substantially honor these encumbrances under the authority provided in the subsequent year's budget. Refer to the Commitments Note for more information.

#### **T. Operating versus Non-Operating Revenues and Expenses**

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues of the County's Enterprise and Internal Service funds are charges to customers for sales and services. Operating revenues for the Enterprise funds include water and wastewater service fees, as well as airport fees and charges. For the Internal Service funds, operating revenues include charges to other departments for various maintenance, communications and insurance services. Operating expenses for the Enterprise and Internal Service funds include costs of sales and services, administrative fees, insurance payments and depreciation. All revenues and expenses not meeting this definition are considered non-operating items.

#### **U. Fund Balance**

Fund balances are reported in classifications based on whether the amounts are non-spendable or spendable.

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

Spendable amounts are classified based on the extent to which there are external and/or internal constraints in how the fund balance amounts may be spent.

Amounts that are restricted to specific purposes either by constraints (a) placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other

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governments or (b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances.

Amounts that are constrained for specific purposes that are internally imposed by the County's highest level of decision-making authority, the BOCC, are classified as committed fund balances. Formal action in the form of a County Ordinance must be taken by the BOCC prior to the end of the fiscal year. The same formal action must be taken by the BOCC to remove or change the limitations placed on the funds.

Amounts that are constrained by the County's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. Assignments are made by the County Administrator. Palm Beach County is a Charter County and operates under a County Manager form of Government (as previously stated in Note 1, Section A, *Financial Reporting Entity*). The Charter of Palm Beach County, Florida, Article II, Sections 2.1 and 2.4 provide for the County Administrator to assign fund balance. As such, the County Administrator is responsible for preparing and managing the County's budget along with the establishment and classification of all its funds.

Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. Unassigned fund balance also includes any deficit fund balance of other governmental funds.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. When unrestricted resources are available for use it is the County's policy to use committed resources first, then assigned resources and then unassigned resources as they are needed.

The County has not formally adopted a minimum fund balance policy.

## **V. Net Position**

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is comprised of three categories:

*Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition and any related deferred inflows or outflows from refunding of debt, construction or improvement of these assets reduce the balance in this category.

*Restricted Net Position* - This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

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

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**W. Property Tax**

Taxes in Palm Beach County are levied by the Board of County Commissioners for the County. The millage levies are determined on the basis of estimates of revenue needs and the total taxable valuations within the jurisdiction of the Board of County Commissioners. No aggregate ad valorem tax millage in excess of 10 mills on the dollar is levied against property of the County as specified in Chapter 200.071, Florida Statutes.

Each year the total taxable valuation is established by the County Property Appraiser and the list of property assessments is submitted to the State Department of Revenue for approval. County ad valorem taxes are a lien on the property against which they are assessed from January 1 of the year of assessment until paid or barred by operation of law (statute of limitations). Taxes are levied on October 1, become due and payable on November 1 of each year, or as soon thereafter as the assessment roll is opened for collection, and are delinquent on April 1 of the following year.

Discounts for payment prior to April 1st were determined as follows:

4%	if paid by November 30th
3%	if paid by December 31st
2%	if paid by January 31st
1%	if paid by February 28th

Pursuant to Florida law, the Tax Collector advertises and sells tax certificates on all real property for which there are unpaid taxes. Accordingly, there is no property taxes receivable as of September 30, 2025.

**X. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Y. Leases**

**County as Lessee**

The County is a lessee in lease arrangements regarding building space, warehouse space, communication towers, and office equipment. The County recognizes a lease liability and an intangible right-of-use lease asset in the government-wide and proprietary fund financial statements. The County recognizes lease liabilities with an initial, individual value of \$25,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as

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the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

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

- The County uses the interest rate charged by the lessor as the discount rate - this rate is rarely indicated in lease agreements. When the interest rate charged by the lessor is not provided, Palm Beach County utilizes its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The initial incremental borrowing rate at the date of implementation was determined based on a fiscal year ended 2021 public improvement serial bond. Thereafter, the incremental borrowing rate was set quarterly based on an analysis of US Treasury and AA investment bond rates – this rate reference will continue to be utilized whenever the County does not issue a serial bond.

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

Lease asset totals are reported with other capital assets and itemized by major asset class in the capital asset note. Lease liabilities are reported with long-term debt on the Statement of Net Position.

### **County as Lessor**

The County is a lessor in lease arrangements regarding building space, agricultural reserve land, and urban related land. In addition, the Department of Airports leases a major portion of its property to airlines, rental car companies and concessionaires. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental and proprietary fund financial statements. The County recognizes lease receivables with an initial, individual value of \$25,000 or more.

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

Key estimates and judgments include how the County determines (1) the discount rate utilized to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

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- As an interest rate is not typically denoted in a County provided lease arrangement, the County utilizes the underlying asset's long-term rate of return as the discount rate. This is deemed reasonable given that the County periodically performs market surveys to assess rental rates on a new lease.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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

**Z. Subscription-Based Information Technology Arrangements**

The County has recorded subscription-based information technology arrangement (SBITA) assets and liabilities as a result of implementing GASB Statement No. 96. The County recognizes SBITA liabilities with an initial, individual value of \$250,000 or more. The SBITA right-to-use assets are initially measured at an amount equal to the initial measurement of the related SBITA liability plus any SBITA payments made prior to the subscription term, less SBITA incentives, plus any ancillary charges necessary to place the SBITA into service. The SBITA assets are amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying IT assets.

The costs of normal maintenance and repairs that do not add to the values of the assets or materially extend the asset lives are not capitalized and are expensed as incurred. The County monitors changes in circumstances that would require a remeasurement of its SBITAs and will do so if certain changes occur that would be expected to significantly affect the amount of the liability.

SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the Statement of Net Position.

**AA. Public-Private Partnerships**

**County as Transferor**

The County is a transferor in public-private partnerships (PPPs) regarding underlying existing assets related to sport facilities and concessionaire services. The County recognizes a PPP receivable and deferred inflow of resources in the government-wide and governmental fund financial statements. The County recognizes PPP receivables with an initial, individual value of \$250,000 or more.

At the commencement of the PPP arrangement, the County initially measures the PPP receivable at the present value of installment payments expected to be received during the PPP non-cancellable term with a corresponding offset to deferred inflows. Additionally, capital improvements to existing underlying assets made by the operator and to which ownership passes to the County at the end of the PPP arrangement are measured at acquisition value when placed in service with a corresponding offset to a deferred inflows. The County recognizes capital improvements associated with a PPP arrangement with an acquisition value of \$500,000 or more at the time the value of such can be determined. Subsequently, the PPP receivable is reduced by

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the principal portion of the operator’s payments received, capital improvements are depreciated as applicable over the expected useful life of the improvement using the straight-line method, and deferred inflows are amortized and revenue recognized over the term of the PPP arrangement.

Key estimates and judgments include how the County determines (1) the discount rate utilized to discount the expected PPP receipts to present value, (2) PPP term, and (3) PPP receipts.

- As an interest rate is not typically denoted in a PPP arrangement, the County utilizes the underlying asset’s long-term rate of return as the discount rate. This is deemed reasonable given that the County periodically performs market assessments regarding typical returns on underlying assets.
- The PPP term includes the noncancellable period of the PPP arrangement. PPP receipts included in the measurement of the PPP receivable are composed of fixed payments from the operator to the County as transferor in the arrangement.

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

**2. CASH AND INVESTMENTS**

Additional cash and investment information is provided in Note 1, paragraph F (Summary of Significant Accounting Policies - Cash and Investments).

At September 30, 2025, cash and investments consisted of the following:

	<u>Bank Balance</u>	<u>Carrying Value</u>	<u>Investments</u>
Deposits in Financial Institutions	\$ 260,201,231	\$ 234,218,603	\$ -
Cash on Hand		412,873	-
Internal Investment Pool		4,660,601,567	4,630,739,982
Business-Type Activities/ Constitutional Officers Cash Equivalents:			
Money Market Funds		211,688,958	211,688,958
State Board of Administration Investment Pool		914,680	914,680
Total		<u>\$ 5,107,836,681</u>	<u>\$ 4,843,343,620</u>

The carrying value of the internal investment pool includes cash, accrued interest receivable, and investments. Cash and investments are reported in the financial statements as follows:

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Statement of Net Position

Primary Government

Cash, cash equivalents & investments	\$	3,231,208,086		
Restricted cash, cash equivalents & investments		1,750,930,111		
			\$ 4,982,138,197	

Fiduciary Funds

Cash, cash equivalents & investments	\$	125,698,484		
			125,698,484	
			\$ 5,107,836,681	

Investment Type	Amount	Effective Duration in Years		
		Less Than 2 Years	2 Years but Less Than 5 Years	5 Years but Less Than 10 Years
<b>Investments Subject to Interest Rate Risk:</b>				
Collateralized Mortgage Obligation	\$ 340,822,672	\$ -	\$ 340,822,672	\$ -
Small Business Administration	1,003,911,558	1,003,911,558	-	-
Florida Local Govt Investment Trust	12,694,550	12,694,550	-	-
Florida Coop. Liquid Assets Securities System	515	515	-	-
	1,357,429,295	\$ 1,016,606,623	\$ 340,822,672	\$ -
<b>Other Investments:</b>				
State Board of Administration Florida PRIME	512,056,544			
Certificates of Deposit	1,212,021,583			
State of Israel Bonds*	735,000,000			
Bank Money Market Accounts	761,081,702			
Money Market Funds	36,095,736			
Cash and Receivables	17,055,122			
<b>Business-Type Activities/Constitutional</b>				
<b>Officers Cash Equivalents:</b>				
Money Market Funds	211,688,958			
State Board of Administration Florida PRIME	914,680			
	\$ 4,843,343,620			

\*The State of Israel Bonds are carried at historic cost and not priced in the open market. They are purchased directly from the State of Israel.

**GASB Statement No. 72, *Fair Value Measurement and Application***, requires the County to categorize the fair value measurements of its applicable investments within the fair value hierarchy established by generally accepted accounting principles. Additional details of GASB Statement No. 72 are provided in the Summary of Significant Accounting Policies.

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The following table summarizes the assets of the County for which fair values are determined as of September 30, 2025:

Investment	Amount	Fair Value		
		Level 1	Level 2	Level 3
Collateralized Mortgage Obligation	\$ 340,822,672	\$ -	\$ 340,822,672	\$ -
Small Business Administration	1,003,911,558	-	1,003,911,558	-
Total Investments in the Fair Value Hierarchy	1,344,734,230	-	1,344,734,230	-
Investments Measured at the Net Asset Value:				
Money Market Funds	36,095,736	-	-	-
State Board of Administration Florida PRIME	512,056,544	-	-	-
Florida Local Government Investment Trust	12,694,550	-	-	-
Florida Coop. Liquid Assets Securities System	515	-	-	-
Business-Type Activities/Constitutional Officers:				
State Board of Administration Florida PRIME	914,680	-	-	-
Total Investments Measured at Net Asset Value*	561,762,025	-	-	-
Total Investments	\$ 1,906,496,255	\$ -	\$ 1,344,734,230	\$ -

\*In accordance with GASB 72, the investments measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy.

Additionally, the Small Business Administration investment was valued using a rules-based pricing application model.

Other investments (which include certificates of deposit, foreign government bonds, and money market funds) are exempt from the GASB Statement No. 72 fair value hierarchy. These investments totaled \$2,936,847,365.

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

In accordance with the County Investment Policy, the Clerk & Comptroller manages the County's internal investment pool's exposure to declines in fair values by managing overall effective duration appropriate to the risk tolerance in meeting stated objectives. The Policy states that at the time of purchase, the County's investments must have a final maturity or average life of 10 years or less.

**Credit Risk**

Credit risk is the risk that an issuer will not fulfill its obligations.

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The following table summarizes the credit risk of the County’s investments as of September 30, 2025:

Investments	Amount	Percentage of Total Portfolio	Credit Rating
Collateralized Mortgage Obligation	\$ 340,822,672	7.0%	AA+
Small Business Administration	1,003,911,558	20.7%	AA+
State Board of Administration Florida PRIME	512,056,544	10.6%	AAAm
Certificates of Deposit	1,212,021,583	25.0%	Not rated
Florida Local Govt Investment Trust	12,694,550	0.3%	AAAf
Florida Coop. Liquid Assets Securities System	515	0.0%	AAAm
State of Israel Bonds	735,000,000	15.2%	N/A
Bank Money Market Accounts	761,081,702	15.7%	N/A
Money Market Funds	36,095,736	0.7%	AAAm
Cash and Receivables	17,055,122	0.4%	N/A
Business-Type Activities/Constitutional Officers Cash Equivalents:			
Money Market Funds	211,688,958	4.4%	AAAm
State Board of Administration Florida PRIME	914,680	0.0%	AAAm
	\$ 4,843,343,620	100.0%	

In accordance with the County’s Investment Policy for the internal investment pool, investments in commercial paper and bankers’ acceptances are limited to ratings of A-1 or P-1 or higher by Standard and Poor’s or Moody’s, respectively. Investments in certificates of deposit with maturities of less than one year are allowable if the issuer maintains a short-term debt rating of at least A-1 or P1, respectively. Investments in certificates of deposit with maturities greater than one year are allowable if the issuer maintains a long-term debt rating of A or better, as determined by Standard & Poor’s or Moody’s. If an issuer of a certificate of deposit is not rated, it may still be an issuer if it maintains a quarterly average ranking of at least 50 as published by the State of Florida’s Chief Financial Officer in conjunction with the Florida public deposits program. Investments in corporate securities are limited to ratings of AA or higher by Standard and Poor’s and Moody’s. The Investment Policy allows for the timely and appropriate disposal when an investment credit rating falls below a minimum threshold. No-load money market mutual funds are allowable if rated in the highest rating category of a Nationally Recognized Statistical Rating Organization (NRSRO). Investments in intergovernmental investment pools do not have a minimum credit rating requirement. All marketable securities shall be transferred “Delivery versus Payment.”

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**Custodial Credit Risk - Investments**

This type of risk would arise in the event of the failure of a custodian of County investments, after which the government would not be able to recover the value of its investments that are in the possession of the third-party custodian.

To guard against this risk, the County’s investment policy for the internal investment pool requires that all securities (including Business-Type Activities/Constitutional Officers money market funds and Small Business Administration) be insured or registered in the name of the County and held by a third party custodial institution, with capital and surplus stock of at least \$500 million and a separate custody account at the Federal Reserve Bank (FED) specifically designated by the FED as restricted for the safekeeping of the member-bank’s customer-owned securities only. All securities purchased or sold are transferred “delivery versus payment” or “payment versus delivery” to ensure that funds or securities are not released until all criteria relating to the specific transactions are met.

**Concentration Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Below is a list of individual issuers over 5% and other investments that do not have individual issuers over 5% included to reconcile total investments to other tables in this note.

Investment Issuer	Amount	Percentage of Total
Collateralized Mortgage Obligation	\$ 340,822,672	7.0%
Small Business Administration	1,003,911,558	20.7%
State Board of Administration Florida PRIME	512,056,544	10.6%
TD Bank CD/MMKT	478,256,253	9.9%
Synovus Bank MMKT	455,368,654	9.4%
Centennial Bank CD/MMKT	101,908,710	2.1%
City National Bank CD/MMKT	362,922,805	7.5%
Bank United MMKT	192,449	0.0%
Servis 1st Bank MMKT	316,990,852	6.5%
U.s Century Bank CD/MMKT	76,900,168	1.6%
ConnectOne	102,265,960	2.1%
Ameris Bank MMKT	878,991	0.0%
Anchor Bank	77,418,443	1.6%
Florida Local Government Investment Trust (FLGIT)	12,694,550	0.3%
Florida Coop. Liquid Assets Securities System	515	0.0%
State of Israel Bonds	735,000,000	15.2%
Money Market Funds	36,095,736	0.7%
Cash and Receivables	17,055,122	0.4%
Business-Type Activities/Constitutional Officers Cash Equivalents:		
Money Market Funds	211,688,958	4.4%
State Board of Administration Florida PRIME	914,680	0.0%
	<b>\$ 4,843,343,620</b>	<b>100.0%</b>

**PALM BEACH COUNTY, FLORIDA**  
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Investments in intergovernmental investment pools are limited to no more than 20% with one entity. Investments in Small Business Administration pools are limited to no more than 20% (at fair value) at the time of purchase. Investments in State of Israel bonds are limited to no more than 15% (at fair value) of the total portfolio at the time of purchase. Corporate securities are limited to no more than 20% of the investment pool's total fair value, excluding commercial paper, which is limited to 25% of the total fair value. The County's investment policy limits investments in corporate securities to 2% of total pool fair value per single issuer at time of purchase. Investments in collateralized mortgage obligations (CMO) are limited to 20% of total value of the County's internal investment pool. Investments in IO (interest only), PO (principal only), inverse floaters, other volatile CMO types, and corporate convertible securities are all prohibited. All CMO issues must pass the Federal Financial Institutions Examination Council (FFIEC) High Risk Security Test on a quarterly basis, or as specified in any Trust Indenture.

**Foreign Currency Risk:**

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. There was no exposure to foreign currency risk. The County investment in foreign bonds is denominated in U.S. dollars.

**COMPONENT UNIT – Solid Waste Authority (SWA)**

Cash and Cash Equivalents: The bank balance and carrying value of the SWA's cash and cash equivalents, including restricted balances, were as follows at September 30, 2025:

Bank balance of deposits with financial institutions (including customer deposits)	\$ 14,457,062
Carrying value	
Deposits with financial institutions	\$ 14,279,001
Petty cash and cash drawers	8,000
Money market mutual funds	224,319,307
Florida Prime	370,074,186
Total cash and cash equivalents	\$ 608,680,494

The deposits with financial institutions were entirely covered by a combination of federal depository insurance and a collateral pool pledged to the State Treasurer of Florida by financial institutions that comply with the requirements of Florida Statutes and have been designated as a qualified public depository by the State Treasurer. Qualified public depositories are required to pledge collateral to the State Treasurer with a fair value equal to a percentage of the average daily balance of all government deposits in excess of any federal deposit insurance. In the event of a default by a qualified public depository, all claims for government deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool. Accordingly, all deposits with financial institutions are

**PALM BEACH COUNTY, FLORIDA**  
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considered fully insured in accordance with pronouncements of the Governmental Accounting Standards Board.

The money market mutual funds consist of investments with financial institutions in open end, institutional, money market funds complying with Securities and Exchange Commission (SEC) Rule 2a7 and investing only in U.S. Government and Agency. Rule 2a7 allows SEC registered mutual funds to use amortized cost rather than fair value to report net assets used to compute share prices if certain conditions are met. Those conditions include restrictions on the types of investments held, restrictions on the term-to-maturity of individual investments and the dollar-weighted average of the portfolio, requirements for portfolio diversification, and requirements for divestiture considerations in the event of security downgrades and defaults and required actions if the fair value of the portfolio deviates from amortized cost by a specified amount.

The investment in Florida Prime consists of equity in an external, investment pool managed by the State of Florida that was available to be withdrawn by SWA on an overnight basis. Florida Prime meets the requirements with GASB Statement No. 79 *Certain External Investment Pools and Pool Participants*, which allows reporting the investment at amortized cost. The fair value of the position in Florida Prime was considered to be the same as SWA's account balance (amortized cost) in the pool. The money market mutual funds and Florida Prime are classified as cash equivalent in the statements of net position and statements of cash flows.

Investments: Florida Statutes and SWA policy authorize investments in Florida administered by the State, negotiable direct obligations of or obligations unconditionally guaranteed by the U.S. Government, interest-bearing time deposits or savings accounts in financial institutions located in Florida and organized under federal or Florida laws, obligations of the Federal Farm Credit Banks, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank or its district banks, obligations guaranteed by Ginnie Mae, obligations of Fannie Mae, SEC registered money market mutual funds with the highest credit quality rating, mutual funds limited to U.S. Government securities, interest rate swaps, interest rate exchange agreements, investment contracts, or contracts providing for payments based on levels of or changes in interest rates, or contracts to exchange cash flows, a series of payments, or to hedge payment rate, spread or similar exposure, and repurchase agreements fully collateralized by SEC registered money market mutual funds with the highest credit quality ratings.

The SWA's bond resolutions authorize the investment of bond proceeds in obligations of certain federal government agencies or obligations guaranteed by those agencies, obligations of the United States Government or obligations guaranteed by the United States Government, guaranteed investment contracts meeting certain restrictions, or certain certificates of deposit, repurchase agreements, and investments that are insured or collateralized and otherwise permitted by Florida law.

GASB Statement No. 72, *Fair Value Measurement and Application*, requires governments to disclose the fair value hierarchy for each type of asset or liability measured at fair value in the notes to the financial statements. The standard also requires governments to disclose a description of the valuation techniques used in the fair value measurement and any significant changes in valuation techniques. GASB 72 established a three-tier fair value hierarchy. The hierarchy is based on valuation inputs used to measure the fair value as follows:

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

The level in which an asset is assigned is not indicative of its quality but an indication of the source of the valuation inputs. Money market mutual funds and Florida Prime are exempt from the GASB 72 fair value hierarchy disclosures.

The fair value of the SWA’s investments, including unrestricted and restricted asset balances at September 30, 2025 are as follows:

	Fair Value	Weighted Average Maturity
Investments reported at Amortized Cost:		
Cash equivalents:		
Money market mutual funds	\$ 224,319,307	90 days or less
Florida Prime	370,074,186	47 days
Total Investments	\$ 594,393,493	

**Custodial Credit Risk:** Custodial credit risk is defined as the risk that the SWA may not recover the securities held by another party in the event of a financial failure. The SWA’s investment policy for custodial credit risk requires all investment securities to be held in the SWA’s name by a third-party safekeeping institution. All deposits with financial institutions are considered fully insured or collateralized pursuant to the custodial credit risk categories of GASB pronouncements. The investments in money market mutual funds and Florida Prime are considered *unclassified* pursuant to the custodial credit risk categories of GASB pronouncements.

**Interest Rate Risk:** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The money market mutual funds and Florida Prime have a weighted average maturity of less than 90 days, resulting in minimal interest rate risk.

**Credit Risk:** Credit risk is the risk that an issuer will not fulfill its obligations. The SWA’s investment policy addresses credit risk by limiting allowable investments to the SBA Florida Prime investment pool, deposits with a financial institution meeting the requirements of a Florida qualified public depository, securities guaranteed by the U.S. Government, or investments that are otherwise fully collateralized or secured. The credit quality rating by a Nationally Recognized Statistical Rating Organization (NRSRO) is also an indication of credit risk.

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The credit quality ratings of the investments held at September 30, 2025 are as follows:

	Fair Value	Credit Quality Ratings	
		S&P	Moody's
Money Market mutual funds	\$ 224,319,307	AAAm	Aaa-mf
Florida Prime	370,074,186	AAAm	Not Rated
Total Investments	<u>\$ 594,393,493</u>		

Concentration of Credit Risk: Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. The SWA's investment policy addresses the concentration of credit risk by limiting the maximum amount that may be invested in certain investments and in any one issuer, except for investments in Florida Prime, U.S. Treasury obligations and money market mutual funds which are not limited. Time and savings deposits are limited to 20% of the portfolio value, but no more than 5% per issuer. U.S. Government Agency and Instrumentality securities are limited to 40% of the portfolio value. Guaranteed investment contracts are limited to the total debt service reserve balance. Interest rate swap and repurchase agreements are generally limited to 50% of the portfolio fair value and must be fully collateralized or otherwise insured.

The SWA was in compliance with these limitations at September 30, 2025.

At September 30, 2025, certain individual investments exceeded 5% of the total investment portfolio (including cash and cash equivalents) as follows:

	Fair Value	Percentage of Total Investment Portfolio
Florida Prime	\$ 370,074,186	60.8%
Money Market Mutual Funds:		
Dreyfus Government	166,494,702	27.4%
Fidelity Government	57,824,605	9.5%

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. There was no exposure to foreign currency risk in the SWA's investments at September 30, 2025.

**PALM BEACH COUNTY, FLORIDA**  
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**3. CAPITAL ASSETS**

A summary of changes in capital assets follows:

**Primary Government**

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance</b>
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 727,729,756	\$ 6,732,178	\$ -	\$ 734,461,934
Construction In Progress	396,093,269	197,447,737	(147,460,275)	446,080,731
Total capital assets not being depreciated	<u>1,123,823,025</u>	<u>204,179,915</u>	<u>(147,460,275)</u>	<u>1,180,542,665</u>
Capital assets being depreciated/amortized:				
Buildings and improvements	1,530,551,139	104,262,093	-	1,634,813,232
Improvements other than buildings	536,548,500	8,623,168	-	545,171,668
Equipment	920,027,065	97,594,732	(62,767,210)	954,854,587
Infrastructure	1,711,363,204	23,174,719	-	1,734,537,923
Right-to-Use Lease assets:				
Land	77,798	-	-	77,798
Buildings and improvements	14,884,156	25,644,715	(3,046,978)	37,481,893
Improvements other than buildings	345,965	-	-	345,965
Equipment	669,654	500,137	-	1,169,791
Right-to-Use subscription assets	85,719,106	8,108,305	-	93,827,411
Total capital assets being depreciated/amortized	<u>4,800,186,587</u>	<u>267,907,869</u>	<u>(65,814,188)</u>	<u>5,002,280,268</u>
Less accumulated depreciation/amortization for:				
Buildings and improvements	(714,051,426)	(38,584,353)	-	(752,635,779)
Improvements other than buildings	(370,010,239)	(13,517,253)	-	(383,527,492)
Equipment	(647,940,350)	(77,156,445)	58,353,011	(666,743,784)
Infrastructure	(1,406,038,448)	(30,393,916)	-	(1,436,432,364)
Right-to-Use Lease assets:				
Land	(30,255)	(25,933)	-	(56,188)
Buildings and improvements	(8,375,600)	(3,714,670)	3,046,978	(9,043,292)
Improvements other than buildings	(75,201)	(67,278)	-	(142,479)
Equipment	(20,720)	(245,810)	-	(266,530)
Right-to-Use subscription assets	(15,657,383)	(12,395,423)	-	(28,052,806)
Total accumulated depreciation/amortization	<u>(3,162,199,622)</u>	<u>(176,101,081)</u>	<u>61,399,989</u>	<u>(3,276,900,714)</u>
Total capital assets being depreciated/amortized, net	<u>1,637,986,965</u>	<u>91,806,788</u>	<u>(4,414,199)</u>	<u>1,725,379,554</u>
Governmental activities capital assets, net	<u>\$ 2,761,809,990</u>	<u>\$ 295,986,703</u>	<u>\$ (151,874,474)</u>	<u>\$ 2,905,922,219</u>

**PALM BEACH COUNTY, FLORIDA**  
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	Beginning Balance *	Additions/ Transfers	Deductions/ Transfers	Ending Balance
<b>Business-type Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 140,567,826	\$ -	\$ -	\$ 140,567,826
Intangible - easement rights	1,678,030	-	-	1,678,030
Construction In Progress	341,342,518	183,469,516	(107,368,873)	417,443,161
Total capital assets not being depreciated	<u>483,588,374</u>	<u>183,469,516</u>	<u>(107,368,873)</u>	<u>559,689,017</u>
Capital assets being depreciated/amortized:				
Buildings and improvements	668,335,092	15,338,242	(2,349,724)	681,323,610
Improvements other than buildings	2,238,633,665	107,079,429	-	2,345,713,094
Equipment	147,782,163	4,788,871	(4,454,525)	148,116,509
Intangible - easement rights	13,754,957	-	-	13,754,957
Right-to-Use Lease asset - Equipment	381,516	245,642	(216,464)	410,694
Right-to-Use subscription assets	444,724	-	-	444,724
Total capital assets being depreciated/amortized	<u>3,069,332,117</u>	<u>127,452,184</u>	<u>(7,020,713)</u>	<u>3,189,763,588</u>
Less accumulated depreciation/amortization for:				
Buildings and improvements	(420,021,830)	(18,858,965)	2,349,724	(436,531,071)
Improvements other than buildings	(1,164,716,411)	(56,050,914)	-	(1,220,767,325)
Equipment	(120,161,448)	(6,782,771)	4,454,204	(122,490,015)
Intangible - easement rights	(7,972,135)	(340,532)	-	(8,312,667)
Right-to-Use Lease asset - Equipment	(209,246)	(117,741)	216,463	(110,524)
Right-to-Use subscription assets	(147,389)	(153,997)	-	(301,386)
Total accumulated depreciation/amortization	<u>(1,713,228,459)</u>	<u>(82,304,920)</u>	<u>7,020,391</u>	<u>(1,788,512,988)</u>
Total capital assets being depreciated/amortized, net	<u>1,356,103,658</u>	<u>45,147,264</u>	<u>(322)</u>	<u>1,401,250,600</u>
Business-type activities capital assets, net	<u>\$ 1,839,692,032</u>	<u>\$ 228,616,780</u>	<u>\$(107,369,195)</u>	<u>\$ 1,960,939,617</u>

\* During the fiscal year ended September 30, 2025, the Department of Airports identified certain capital projects included in construction in progress were substantially complete in prior years but had not been reclassified to depreciable capital assets. Management reclassified these amounts by revising the opening balances in the roll forward schedule and recorded the related depreciation through current year adjustments in fiscal year 2025. The reclassification did not materially impact total capital assets, total net position, or cash flows.

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

**Governmental activities:**

General government	\$ 36,806,944
Public safety	52,726,898
Physical environment	2,308,803
Transportation	50,175,044
Economic environment	775,026
Human services	960,467
Culture and recreation	19,874,422
	<u>163,627,604</u>

In addition, depreciation on capital assets held by the County's internal service funds is charged to the various functions based on their usage of assets.

Total increases to accumulated depreciation/amortization - governmental activities	<u>\$ 176,101,081</u>
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**Business-type Activities:**

Department of Airports	\$ 29,112,928
Water Utilities Department	53,191,992
Total increases to accumulated depreciation/amortization - business-type activities	<u>\$ 82,304,920</u>

**PALM BEACH COUNTY, FLORIDA**  
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**COMPONENT UNIT – Solid Waste Authority**

A summary of changes in capital assets for the Solid Waste Authority follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance</b>
Capital assets, not being depreciated:				
Land	\$ 50,626,126	\$ -	\$ -	\$ 50,626,126
Construction In Progress	-	-	-	-
Total capital assets not being depreciated	<u>50,626,126</u>	<u>-</u>	<u>-</u>	<u>50,626,126</u>
Capital assets being depreciated/amortized:				
Buildings and improvements	762,670,765	-	-	762,670,765
Improvements other than buildings	172,464,306	-	-	172,464,306
Equipment	765,280,731	12,526,521	(5,352,611)	772,454,641
Right-to-Use Lease asset - Property	2,240,908	-	-	2,240,908
Right-to-Use Lease asset - Equipment	372,902	-	-	372,902
Total capital assets being depreciated/amortized	<u>1,703,029,612</u>	<u>12,526,521</u>	<u>(5,352,611)</u>	<u>1,710,203,522</u>
Less accumulated depreciation/amortization for:				
Buildings and improvements	(441,263,319)	(26,334,446)	-	(467,597,765)
Improvements other than buildings	(110,278,424)	(6,316,072)	-	(116,594,496)
Equipment	(371,558,775)	(30,143,076)	5,294,064	(396,407,787)
Right-to-Use Lease asset - Property	(487,581)	(121,895)	-	(609,476)
Right-to-Use Lease asset - Equipment	(55,935)	(74,581)	-	(130,516)
Total accumulated depreciation/amortization	<u>(923,644,034)</u>	<u>(62,990,070)</u>	<u>5,294,064</u>	<u>(981,340,040)</u>
Total capital assets being depreciated/amortized, net	<u>779,385,578</u>	<u>(50,463,549)</u>	<u>(58,547)</u>	<u>728,863,482</u>
Component unit capital assets, net	<u>\$ 830,011,704</u>	<u>\$ (50,463,549)</u>	<u>\$ (58,547)</u>	<u>\$ 779,489,608</u>

**4. RELATED PARTY TRANSACTIONS**

Various departments within the County provide goods, administration, public safety, maintenance and various other services to other operating departments. Charges for these services are determined using direct and indirect cost allocation methods or amounts determined based upon direct negotiations between the related parties. The most significant of these transactions involves the reimbursement of indirect costs in accordance with the indirect cost plan. Accordingly, the reimbursement of these indirect costs in fiscal year 2025 was \$22,403,263.

**5. MAJOR CUSTOMERS**

A significant portion of the Department of Airports' earnings and revenues are directly or indirectly attributed to a number of major airlines operating out of Palm Beach International Airport (PBIA). The Department of Airports' earnings and revenues could be materially and adversely affected should any of those airlines discontinue operations and not be replaced with other airlines providing similar activity. Five airlines account for 91.4% of total passenger traffic (enplaned plus deplaned) at PBIA as follows: Jet Blue – 26.5%, Delta Airlines – 25.4%, American – 20.6%, United – 11.7%, and Southwest – 7.2%.

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**6. INTERFUND RECEIVABLE AND PAYABLE BALANCES**

Interfund balances at September 30, 2025, are expected to be repaid within one year. Interfund receivable and payable balances at September 30, 2025 were as follows:

Payable Fund	Receivable Fund			
	General Fund	Special Revenue Funds		Road Program
		Palm Tran	Fire Rescue	Capital Projects
General Fund	\$ -	\$14,226,566	\$7,480,738	\$ -
Palm Tran Special Revenue Fund	24,955,256	-	-	-
Fire Rescue Special Revenue Fund	-	-	-	-
Road Program Capital Projects	864,970	-	-	-
General Government Capital Projects	12,886	-	-	-
Nonmajor Governmental Funds	16,747,830	-	-	-
Airports	-	-	-	-
Water Utilities	1,636	-	-	-
Internal Service	-	-	-	-
<b>Total</b>	<b>\$42,582,578</b>	<b>\$14,226,566</b>	<b>\$7,480,738</b>	<b>\$ -</b>

The majority of the \$17 million due to the General Fund from the Nonmajor Governmental Funds respectively, represent advances that will be paid upon collection of federal and state grants receivable related Law Enforcement Grants, and Community & Social Development and County Transportation Trust. The \$14 million due from the General Fund to Palm Tran Special Revenue Fund relates to operating subsidies to Palm Tran. The majority of the \$7.5 million owed by the General Fund to the Fire Rescue Special Revenue Fund relates to the return of excess fees from the Property Appraiser and Tax Collector. The majority of the \$37.2 million owed by the General Fund to the Nonmajor Governmental Funds relate to Sheriff excess appropriations and accrued revenue owed to the County's special revenue fund related to Sheriff's grants; operating subsidies to Community & Social Development and County Transportation Trust; and excess fees owed by the Constitutional Officers.

Payable Fund	Receivable From - Primary Government						Total
	General Fund	Fire	Nonmajor	Fleet Management	Combined Insurance		
		Rescue Special Revenue Fund	Governmental Funds				
Primary Government:							
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Palm Tran	-	-	-	-	-	-	-
Nonmajor Governmental Funds	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-
Water Utilities	-	-	-	-	-	-	-
Component Units:							
Solid Waste Authority	376,750	575	-	416	-	-	377,741
<b>Total</b>	<b>\$ 376,750</b>	<b>\$ 575</b>	<b>\$ -</b>	<b>\$ 416</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 377,741</b>

The \$8.5 million due to the HFA from the General Fund relates to the HFA resources held by the County's investment pool. The \$7 million due from the General Fund to SWA represents the return of excess fees and undistributed taxes.

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**Receivable Fund**

General Government Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds	Airports	Water Utilities	Total Enterprise Funds	Internal Service	Total
\$ 597,472	\$ 37,247,600	\$ 59,552,376	\$ -	\$ 5,122	\$ 5,122	\$ 2,708,214	\$ 62,265,712
-	-	24,955,256	-	-	-	305,566	\$ 25,260,822
-	-	-	-	-	-	198,719	198,719
-	-	864,970	-	-	-	53,182	918,152
-	426,441	439,327	-	-	-	-	439,327
480,635	825,967	18,054,432	-	396,260	396,260	1,620,784	20,071,476
8,182	-	8,182	-	77,635	77,635	132,983	218,800
-	-	1,636	-	-	-	1,334,045	1,335,681
-	-	-	-	408	408	29,348	29,756
\$ 1,086,289	\$ 38,500,008	\$ 103,876,179	\$ -	\$ 479,425	\$ 479,425	\$ 6,382,841	\$ 110,738,445

**Receivable From - Component Units**

Housing Finance Authority (HFA)	Westgate Belvedere Homes Community Redevelopment	Solid Waste Authority (SWA)	Total
\$ 8,473,864	\$ -	\$ 6,858,350	\$ 15,332,214
-	-	-	-
-	-	10	10
-	-	1,278	1,278
-	-	140,309	140,309
-	-	-	-
\$ 8,473,864	\$ -	\$ 6,999,947	\$ 15,473,811

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**7. INTERFUND TRANSFERS**

<b>Transfers In</b>	General Fund	Palm Tran Special Revenue Fund	Fire Rescue Special Revenue Fund
General Fund	\$ -	\$ -	\$ -
Palm Tran Special Revenue Fund	64,722,446	-	-
Fire Rescue Special Revenue Fund	11,821,666	-	-
Road Program Capital Projects	-	-	-
General Government Capital Projects	99,250,000	125,799	652,180
Nonmajor Governmental Funds	180,751,477	-	61,150,000
Water Utilities	-	-	-
<b>Total</b>	<b>\$ 356,545,589</b>	<b>\$ 125,799</b>	<b>\$ 61,802,180</b>

Transfers are used to:

1. Move revenues from within the fund which a statute or budget requires them to be collected to a fund from which a statute or budget requires them to be expended.
2. Move receipts which are restricted to debt service from the funds where the receipts are collected into the debt service fund, as debt service payments become due.
3. Provide matching funds for the County's portion of grant agreements.
4. Use and transfer unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.
5. Provide funding for various capital projects by means of transfers.

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Road Program Capital Projects	General Governments Capital Projects	Nonmajor Governmental Funds	Airports	Water Utilities	Internal Service Funds	Total
\$ -	\$ 26,701,001	\$ 19,880,159	\$ -	\$ -	\$ -	\$ 46,581,160
-	-	-	-	-	-	64,722,446
-	-	482,479	-	-	-	12,304,145
-	2,043,833	10,407	-	-	-	2,054,240
2,563,239	-	10,495,455	60,343	124,436	1,901,364	115,172,816
1,024,981	7,136,027	58,368,091	-	-	-	308,430,576
-	-	-	-	-	-	-
<b>\$ 3,588,220</b>	<b>\$ 35,880,861</b>	<b>\$ 89,236,591</b>	<b>\$ 60,343</b>	<b>\$ 124,436</b>	<b>\$ 1,901,364</b>	<b>\$ 549,265,383</b>

**8. LEASES**

Under Governmental Accounting Standards Board Statement No. 87, “Leases”, the County is categorized, depending on the lease arrangement, as either the lessor or the lessee in such arrangements.

**County as Lessor**

**Governmental Funds:**

At September 30, 2025, the County’s receivable for lease payments and corresponding deferred inflows was \$13,809,516. Discount rates utilized to measure the initial lease receivable ranged from 6% - 10% depending on the underlying leased property type. *The County’s principal ongoing operations do not consist of leasing assets to other entities.* For the fiscal year ended September 30, 2025, the amount of the inflows of resources recognized during the fiscal year for variable payments not previously included in the measurement of the lease receivable was \$7,733.

The following are brief descriptions of each of the County’s leases existing as of September 30, 2025:

*Bender Farms, Inc.*- On 6/1/2001 the County agreed to lease for agricultural use 246 acres of land to an external party initially for a one-year term with the tenant having the option to renew the term of the lease for nine successive periods of one year each. Subsequent amendments revised the agreement to extend the one-year successive periods through 5/31/2053 – based on past precedent, it is deemed reasonably certain the tenant will exercise the option to renew over this period of time for purposes of the initial lease receivable measurement. Additionally, an amendment dated 1/12/2010 states that either the County or tenant may decide prior to June 1 of each year whether an appraisal of the premises is warranted for purposes of adjusting the annual rental rate. The external party is required to make semi-annual principal and interest payments of \$61,459.

*Pero Family Farms, LLC* - On 9/11/2001 the County agreed to lease for agricultural use 270 acres of land to an external party for a ten-year term with two extension options, each for a period of five years subject to the approval

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of the County. An amendment dated 1/12/2010 indicates that either the County or tenant may determine prior to September 11 of each year whether the annual rental rate should be adjusted. An amendment dated 7/13/2021 extended the lease term for an additional two years until 6/30/2023. During fiscal year ended September 30, 2023, the lease was extended one year commencing July 1, 2023 through June 30, 2024. Then, in fiscal year ended September 30, 2024, the County entered into a new lease agreement with the tenant for a term of five years commencing July 1, 2024 through June 30, 2029, plus three successive five-year renewal options through 6/30/2044 - based on past precedent, it is deemed reasonably certain the tenant will exercise the options to renew for purposes of the initial lease receivable measurement. The external party is required to make annual principal and interest payments of \$160,000.

*Bowman Growers, Inc.* - On 7/1/2002 the County agreed to lease for agricultural use three separate parcels of land totaling approximately 912 acres to an external party for a one-year term with the tenant having the option to renew the lease term for ten successive periods of one year each. Subsequent amendments revised the agreement to extend the one-year successive periods through 5/31/2053 - based on past precedent, it is deemed reasonably certain the tenant will exercise the option to renew over this period for purposes of the initial lease receivable measurement. Additionally, an amendment dated 1/12/2010 states that either the County or tenant may decide prior to June 1 of each year whether an appraisal of the premises is warranted for purposes of adjusting the annual rental rate. The external party is required to make semi-annual principal and interest payments related to these three parcels of land for a combined total of \$206,992.

*Floral Acres, LLC* - On 6/4/2002 the County agreed to lease for agricultural use 38 acres of land to an external party for a five-year term. The agreement allowed the tenant options to extend the term for four successive periods of five years subject to the approval of the County. A subsequent amendment dated 9/14/21 updated the 'extend through' date to 6/30/26. The external party is required to make semi-annual principal and interest payments of \$18,790.

*Trump International Golf Club II, L.C.* - On 7/23/2002 the County agreed to lease for use as a golf course 62 acres to an external party for an approximate twenty-seven-year term expiring 10/31/2029. The lease provided the tenant two options to extend the term of the lease for twenty years and twenty-five years, respectively, which the tenant has exercised. Annual rental rates are fixed in varying amounts for lease years 1-30 from \$293,000 to \$439,500. Commencing with lease year 31 and going forward, the annual rental rate will be influenced by a change in the Consumer Price Index. The external party is required to make monthly principal and interest payments of \$31,742.

*Actualidad 1040AM, LLC* - On 5/16/2006 the County began leasing a section of high guyed towers to an external party for a five-year term. The agreement allows the tenant the option to extend the term of the lease for four successive periods of five years each. The County may, at any time after the fifteenth anniversary of the commencement date, terminate this lease, with or without cause. The tenant is required to make monthly principal and interest payments of \$3,262. Annually, on the anniversary of the commencement date, the lease payment is adjusted for a change in the Consumer Price Index.

*The Historical Society of Palm Beach County* - On 1/1/2008 the County agreed to lease a historical courthouse to an external party for the purpose of operating a museum for a 30-year term. The parties will have the right to extend the lease by mutual agreement for such period of time and upon such terms as the parties shall agree to. Prior to rent being abated, the external party was required to make monthly principal and interest payments of \$3,762. Annually, on the anniversary of the commencement date, the lease payment is adjusted for a change in the Consumer Price Index (CPI). Amendments dated 4/4/2014 and 10/18/2018 abated rent for the periods 11/1/2013 through 10/31/2018 and 11/1/2018 through 10/31/2023, respectively. No rent was paid during fiscal year ended September 30, 2024 as the external party had requested an extension of the rent abatement to 10/31/2028 which was pending the County's approval as of 9/30/2024. The County approved in fiscal year ended September 30, 2025 an amendment dated 12/10/2024 that extended the rent abatement retroactively from 11/1/2023 through 10/31/2028. This resulted in a modification of the lease utilizing a 10% discount rate which was based on the underlying leased property type.

*Floral Acres, LLC* - On 11/15/2011 the County agreed to lease for agricultural use 20 acres of land to an external party for four and a quarter-year term commencing 3/27/2012. The agreement allows the tenant the option to extend the term of the lease for five successive periods of five years each. The first two five-year options were exercised by the tenant at its sole discretion. The final three successive five-year extension options shall be subject to approval by the County – such approval is not reasonably certain of occurring for purposes of the initial lease receivable measurement. The external party is required to make semi-annual principal and interest payments of \$10,000. Commencing on

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7/1/2016, and each anniversary thereafter, either the County or the tenant may determine whether an appraisal of the premises is warranted to determine whether the annual rental rate should be adjusted.

*Pero Family Farms, LLC* - On 6/13/2013 the County and local water management district agreed to lease for agricultural use 570 acres of land to an external party for a 10-year term commencing 7/1/2013. On 11/1/2019 the local water management district conveyed to the County its remaining interest in the property. The external party was required to make semi-annual principal and interest payments through June 30, 2023. During fiscal year ended September 30, 2023, the lease was extended one year commencing July 1, 2023 through June 30, 2024. Then, in fiscal year ended September 30, 2024, the County entered into a new lease agreement with the tenant for a term of five years commencing July 1, 2024 through June 30, 2029, plus three successive five-year renewal options through 6/30/2044 - based on past precedent, it is deemed reasonably certain the tenant will exercise the options to renew for purposes of the initial lease receivable measurement. The external party is required to make annual principal and interest payments of \$350,000.

*LJL Food Management, Inc.* - On 7/25/2019 the County agreed to lease to an external party building space for the use as a restaurant facility to provide services to County employees, visitors, and the public for a five-year term commencing 8/1/2019. Commencing on the second anniversary date of the commencement date, and on each subsequent anniversary thereafter, the annual rental rate will increase by 2%. The lease provides the tenant an option to extend the term of the agreement for a period of five years through 7/31/2029 which the tenant exercised during fiscal year ended September 30, 2024. The external party is required to make monthly principal and interest payments of \$1,973.

*Closter Farms, Inc.* - On 03/11/2025 the County agreed to lease for agricultural use 7.3 acres of land to an external party for a ten-year term commencing 4/01/2025. The external party is required to make annual principal and interest payments of \$4,015. Annually, on the anniversary of the commencement date, the lease payment is adjusted for a change in the Producers Price Index. The discount rate utilized to measure the initial lease receivable was 10% which was based on the underlying leased property type.

### **Enterprise Funds – Department of Airports**

The Department of Airports leases a major portion of its property to airlines, rental car companies and concessionaires. Certain concessionaire leases provide for minimum rentals, plus a contingency portion specified as a percentage of the tenants' gross revenues; however, the majority of these concession leases provide for the automatic abatement of minimum guarantees based on declines in passenger traffic levels. Contingent rental income under such arrangements amounted to \$2,315,645 for the fiscal year ended September 30, 2025.

Rental car leases provide for minimum rentals, plus a contingency portion specified as a percentage of gross revenues; however, during fiscal year 2022, minimum guarantees were temporarily abated due to passenger traffic declines associated with the COVID-19 pandemic. Car rental agreements expired September 30, 2022; however all car rental companies have contracted for a new term commencing October 1, 2022 and expiring September 30, 2027. Management does not expect any ongoing impact to car rental agreements from COVID-19.

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Minimum future receipts, exclusive of contingent rentals under such leases, are approximately:

Fiscal year ending September 30	Principal	Interest	Total
2026	\$ 1,745,951	\$ 2,478,526	\$ 4,224,477
2027	1,123,002	2,408,657	3,531,659
2028	964,464	2,365,433	3,329,897
2029	1,013,807	2,322,224	3,336,031
2030	1,065,676	2,275,816	3,341,492
2031-2035	5,310,964	10,620,538	15,931,502
2036-2040	4,552,014	9,464,605	14,016,619
2041-2045	2,459,614	8,664,835	11,124,449
2046-2050	2,667,448	7,932,999	10,600,447
2051-2055	2,312,772	7,110,582	9,423,354
2056-2060	4,893,501	6,061,595	10,955,096
2061-2065	6,949,177	4,576,364	11,525,541
2066-2070	9,332,271	2,534,510	11,866,781
2071-2075	5,376,566	525,870	5,902,436
2076-2080	948,265	-	948,265
Total	<u>\$ 50,715,492</u>	<u>\$ 69,342,554</u>	<u>\$ 120,058,046</u>

Revenue from regulated leases (as defined by GASB 87) amounted to \$8,321,403 for the year ended September 30, 2025. Regulated leases include Airline and Fixed Based Operator agreements which are regulated by the Federal Aviation Administration.

A summary of future lease revenue for regulated leases is as follows:

2026	\$ 2,884,192
2027	2,884,192
2028	2,884,192
2029	2,884,192
2030	2,548,397
2031-2035	12,626,231
2036-2040	3,986,742
2041-2045	154,010
	<u>\$ 30,852,148</u>

A schedule of the carrying value of property held for lease, by major classification, as of September 30, 2025 is as follows:

Buildings	\$ 380,670,275
Less: accumulated depreciation	(271,701,605)
Buildings, net	<u>108,968,670</u>
Land	60,592,762
Total property held for lease	<u>\$ 169,561,432</u>

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**Water Utilities Department**

The Water Utilities Department leases space on the rooftop of its Southern Region Water Reclamation Facility pretreatment building to Verizon Wireless for six wireless communications antennas. The lease is for a five-year term covering fiscal years 2023 through 2027 and has two five-year renewal options. Rental income was \$57,483 for the fiscal year ended September 30, 2025. Minimum future receipts under this lease are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total
2026	\$ 40,564	\$ 18,643	\$ 59,207
2027	44,369	16,615	60,984
2028	48,417	14,397	62,814
2029	52,722	11,976	64,698
2030	57,299	9,340	66,639
2031-2035	129,494	9,841	139,335
Total	<u>\$ 372,865</u>	<u>\$ 80,812</u>	<u>\$453,677</u>

**County as Lessee**

**Governmental Funds:**

As of fiscal year ended September 30, 2025, the County’s right-of-use lease asset and related accumulated amortization was \$39,075,447 and \$9,508,489, respectively. The related lease liability at fiscal year ended September 30, 2025 was \$30,245,388. Refer to Note 3. Capital Assets for a summary of changes in the right-of-use lease assets by major underlying asset class. *Unless otherwise noted below*, the initial lease liability was measured utilizing a discount rate of 5% which was deemed the County’s incremental borrowing rate as of 10/1/2021. For fiscal year-ended September 30, 2025 the amount of outflows of resources recognized in the reporting period for variable payments not previously included in the measurement of the lease liability was \$70,793.

The following are brief descriptions of each of the County’s leases existing as of September 30, 2025:

**Board of County Commissioners:**

*American Tower, L.P.* - On 12/1/1998 the County entered into a twenty-year lease agreement for the use of space on a communication tower for the purpose of enhancing public safety communications. Pursuant to an amendment dated 12/5/2017, the term of the agreement was extended for a period of five years, commencing on 12/1/2018. The County was required to make annual principal and interest payments of \$49,905. During this timeframe the annual lease payment was adjusted due to the change in the Consumer Price Index. An amendment dated 11/28/2023 extended the term for a period of five years commencing 1/1/2024 with the new annual principal and interest payment initially set at \$57,771. Thereafter, the annual payment will be increased by five percent. Additionally, both parties have the option to renew the term of this agreement for three successive periods of five years each.

*Connemara Association, Inc.* - On 2/23/1999 the County entered into a twenty-five-year lease agreement for the use of a condominium’s common area roof space for the purpose of installing public safety communication equipment. The County was required to make annual principal and interest payments of \$41,055 through fiscal year ended September 30, 2024. An amendment dated 3/12/2024 extended the term for an additional twenty-five years commencing 11/1/2024 with the new annual principal and interest payment initially set at \$55,000. Thereafter, the annual payment will continue to be adjusted due to the change in the Consumer Price Index (CPI); however, increases cannot exceed three percent.

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City of Boynton Beach/New Cingular Wireless PCS, LLC - On 2/23/1999 the County entered into a thirty-year lease agreement for the use of space on a communication tower for the purpose of operating and maintaining public safety communications equipment. The County is required to make annual principal and interest payments of \$5,000.

Town of Lantana - On 10/1/2011 the County entered into a nine-year lease agreement for the use of building space to operate a fire station. An amendment dated 9/15/2020, extended the term of the agreement for a period of five years, commencing on 10/1/2020. An option exists to renew for one additional five-year term, whereby either party can choose not to extend the lease. The County is required to make annual principal and interest payments of \$65,000.

Canon Financial Services, Inc. - On 3/1/2024 the County entered into a four-year lease agreement for the use of a digital graphics copier. The County is required to make monthly principal and interest payments of \$4,989.

Oxbridge Academy Foundation, Inc. - On 5/1/2020 the County entered into a five-year lease agreement for the use of office space commencing 10/1/20. The County is required to make monthly principal and interest payments of \$21,803 after considering a rent credit incentive related to the County's reimbursement to the lessor for improvement costs. An amendment dated 8/22/2025 extended the term for an additional two years commencing 1/1/2026. At that time, the County is required to make monthly principal and interest payments of \$27,074. On an annual basis, the lease payment is adjusted due to the change in the Consumer Price Index (CPI). This amendment resulted in the modification of the lease utilizing a 5% discount rate which was the incremental borrowing rate at the time.

SBA Towers VI, LLC - On 7/11/2023 the County entered into a three-year lease agreement for the use of space on a communication tower for the purpose of operating and maintaining communications equipment associated with the Countywide Broadband project. The agreement may be renewed by the County for four additional terms of three-years each. The County is required to make monthly principal and interest payments of \$750. Annually, payments are increased by three percent.

SBA Properties, LLC - On 7/11/2023 the County entered into a three-year lease agreement for the use of space on a communication tower for the purpose of operating and maintaining communications equipment associated with the Countywide Broadband project. The agreement may be renewed by the County for four additional terms of three-years each. The County is required to make monthly principal and interest payments of \$750. Annually, payments are increased by three percent.

SBA Steel II, LLC - On 7/11/2023 the County entered into a three-year lease agreement for the use of space on a communication tower for the purpose of operating and maintaining communications equipment associated with the Countywide Broadband project. The agreement may be renewed by the County for four additional terms of three-years each. The County is required to make monthly principal and interest payments of \$750. Annually, payments are increased by three percent.

John C. Bills Enterprises, Ltd. - On 4/23/2023 the County entered into a five-year lease agreement for the use of office space to accommodate public safety personnel. The agreement may be renewed by the County for an additional term of five-years. The County is required to make monthly principal and interest payments of \$31,243. The discount rate utilized to measure the initial lease liability was 6.25%, which reflected the County's incremental borrowing rate at the time. Annually, the lease payment is adjusted due to the change in the Consumer Price Index (CPI); however, increases cannot exceed seven percent.

RREEF America REIT II Corp - Effective 10/01/2024 the Board of County Commissioners assumed a lease from the Supervisor of Elections for the use of warehouse space. For the periods 1/1/2024 - 12/31/2024, 1/1/2025 - 12/31/2025, and 1/1/2026 - 12/31/2026, the fixed monthly payments are \$60,644, \$63,070, and \$65,623, respectively, which reflects a 4% annual increase. An amendment dated 2/28/2025 extended the term for an additional five years commencing 1/1/2027. At that time, the County is required to make monthly principal and interest payments of \$82,647. Annually thereafter, payments are increased by four percent. This amendment resulted in the modification of the lease utilizing a 5% discount rate which was the incremental borrowing rate at the time.

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MG Congress, LLC - On 04/08/2025 the County entered into an eight-year lease agreement commencing on 06/02/2025 for the use of office building space for purposes of operational and ancillary support related to paratransit services. The County is required to make monthly principal and interest payments of \$172,083. The agreement may be renewed by the County for two additional terms of seven-years each. Annually, payments are increased by three percent.

**Constitutional Officers:**

Xerox Corporation (Clerk of the Circuit Court & Comptroller) - On 11/30/2020 the Clerk’s Office entered into a five-year lease agreement for the use of digital copier equipment – in total, two digital copiers exceeded the \$25,000 lease threshold. The Clerk’s Office is required to make monthly principal and interest payments of \$1,392.

Pitney Bowes, Inc. (Supervisor of Elections) - On 3/25/2025 the Supervisor of Elections entered into a five-year lease agreement for the use of mail processing equipment. The Supervisor of Elections is required to make quarterly principal and interest payments of \$4,349.

Sheriff - The Sheriff’s Office has entered into various leases for the use of buildings and equipment which are classified as long-term leases for accounting purposes. The lease terms range from 13 to 92 months and are not mutually cancellable. As of September 30, 2025, the value of the right-to-use lease assets were \$11,382,844 and the accumulated amortization was \$4,023,731.

The annual principal and interest payment requirements for the County’s governmental activities lease liability are indicated below. These amounts are also included in the Long-Term Debt note under Governmental activities.

Governmental Activities - Lease Liability			
Years Ending September 30	Principal	Interest	Total
2026	\$ 4,304,510	\$ 1,422,233	\$ 5,726,743
2027	4,554,262	1,200,201	5,754,463
2028	4,306,518	968,040	5,274,558
2029	4,245,267	758,356	5,003,623
2030	4,387,066	540,315	4,927,381
2031-2035	4,055,250	587,165	4,642,415
2036-2040	2,538,994	226,374	2,765,368
2041-2045	1,853,521	59,600	1,913,121
Total	\$ 30,245,388	\$ 5,762,284	\$ 36,007,672

**Enterprise Funds:**

**Water Utilities Department**

The Water Utilities Department leases all its copiers, utility bill printers, and folding machine from outside vendors for a certain number of years with no option to purchase said equipment or renew the lease thereof at the end of the lease term. Copiers are leased for three years, bill printers for five years, and the folding machine for four years. The following table presents the Department’s lease assets as of September 30, 2025:

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Water Utilities - Lease Assets

Beginning balance	\$ 172,270
Leases initiated during the fiscal year	245,641
Lease amortization expense	(117,741)
Lease assets, net	\$ 300,170

The annual principal and interest payment requirements for the Water Utilities Department lease liability are indicated below. These amounts are also included in the Long-Term Debt note under Business-type activities.

Water Utilities - Lease Liability

Years Ending September 30	Principal	Interest	Total
2026	\$ 110,822	\$ 12,671	\$123,493
2027	84,639	14,121	98,760
2028	65,963	10,653	76,616
2029	36,659	7,021	43,680
Total	\$ 298,083	\$ 44,466	\$342,549

**COMPONENT UNIT – Solid Waste Authority (SWA)**

*Lessee*

Canon Solutions America - The SWA has entered into multiple lease agreements with Canon Solutions America to lease various equipment. The lease agreements have an initial term from 36 to 60 months paid monthly with a starting date ranging from December 2018 to January 2021. The discount rate was 4% using the SWA's estimated incremental borrowing rate. The SWA entered into multiple new lease agreements with Canon Solutions America to lease equipment. The lease agreements have an initial term of 60 months paid monthly with a starting date of January 2024. The discount rate was 4% using the SWA's estimated incremental borrowing rate.

City of Delray Beach - The SWA has entered into a lease agreement with the City of Delray Beach to lease the Delray Beach transfer station. The initial term of the lease was for a 20-year period commencing on October 1, 2000 and was extended for an additional 20 years starting October 1, 2020 under the existing terms of the original lease. The discount rate was 4% using the SWA's estimated incremental borrowing rate. Per the agreement, annual lease payments may be adjusted due to the change in the Consumer Price Index (CPI).

Scripps Media, Inc. - The SWA has entered into a lease agreement with Scripps Media, Inc. to lease space on a transmission tower. The initial term of the lease was for a 3-year period commencing on July 1, 2014 with the option to extend for nine (9) additional years in three (3) year increments. The discount rate was 4% using the SWA's estimated incremental borrowing rate. Per the agreement, monthly lease payments are increased 3% on each anniversary date.

The annual principal and interest payment requirements for the SWA lease liability as of September 30, 2025 are indicated in the following table. These amounts are also included in the SWA's Long-Term Debt note.

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Solid Waste Authority - Lease Liability			
Years Ending September 30	Principal	Interest	Total
2026	\$ 170,643	\$ 76,876	\$ 247,519
2027	164,780	70,281	235,061
2028	171,428	63,633	235,061
2029	115,914	57,544	173,458
2030	99,337	53,587	152,924
2031-2035	559,560	205,060	764,620
2036-2040	680,791	83,829	764,620
Total	<u>\$ 1,962,453</u>	<u>\$ 610,810</u>	<u>\$ 2,573,263</u>

***Lessor***

*Stofin Co., Inc* - The SWA has entered into a lease agreement with Stofin Co., Inc. which allows the use of the SWA's property for agricultural purposes. The initial term of the lease was for a 10-year period commencing on December 16, 1996 with the option to extend for six (6) additional terms in four (4) year increments. The discount rate was 3% using the implicit rate of the lease. Per the agreement, annual lease payments may be adjusted due to the change in the Producer Price Index (PPI) for raw cane sugar.

*D.S. Eakins Construction* - The SWA has entered into a lease agreement with D.S. Eakins Construction which allows the use of the SWA's land for a transmission tower site. The initial term of the lease was for a 10-year period commencing on December 10, 2018 with the option to extend for two (2) successive terms in five (5) year increments. The discount rate was 3% using the implicit rate of the lease. Per the agreement, annual lease payments may be adjusted due to the change in the Consumer Price Index (CPI) for all Urban Consumers All Items.

*Vertical Bridge CC FM, LLC* - The SWA has entered into a lease agreement with D.S. Eakins Construction which allows the use of the SWA's land for storage purposes. The initial term of the lease was for a 5-year period commencing on January 18, 2016 with three (3) automatic renewal periods of five (5) years each. The discount rate was 3% using the implicit rate of the lease. Per the agreement, annual lease payments are increased 3% on each anniversary date.

For the year ended September 30, 2025, the SWA recognized \$365,317 in lease revenue and \$92,654 in interest revenue related to leases.

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Solid Waste Authority - Lease Receivable			
Years Ending September 30	Principal	Interest	Total
2026	\$ 346,863	\$ 92,654	\$ 439,517
2027	358,720	82,248	440,968
2028	370,977	71,486	442,463
2029	383,646	60,357	444,003
2030	396,741	48,848	445,589
2031-2035	844,984	136,046	981,030
2036-2038	386,532	23,421	409,953
Total	<u>\$ 3,088,463</u>	<u>\$ 515,060</u>	<u>\$ 3,603,523</u>

**9. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS**

**Governmental Funds:**

As of fiscal year ended September 30, 2025, the County’s right-to-use subscription-based information technology asset and related accumulated amortization was \$93,827,411 and \$28,052,806, respectively. The related subscription liability at fiscal year ended September 30, 2025 was \$63,666,867. Refer to Note 3. Capital Assets for a summary of changes in the right-to-use subscription-based information technology asset. Also, refer to Note 14 Long-Term Debt for a summary of changes in the subscription liability. Unless otherwise noted below, the subscription liability was measured utilizing a discount rate of 8.25% which was deemed the County’s incremental borrowing rate as of the October 1, 2022 implementation date.

The following are brief descriptions of each of the County’s Subscription-Based Information Technology Arrangements (SBITAs) existing as of September 30, 2025:

**Board of County Commissioners:**

CDW Government, LLC/CISCO Systems, Inc. - On 11/1/2021 the County entered into a five-year SBITA agreement regarding a Webex collaborative video conferencing platform. The County is required to make annual principal and interest payments of \$349,865.

**Constitutional Officers:**

SHI International Corporation/Microsoft (Clerk of the Circuit Court & Comptroller) - On 11/1/2023 the Clerk’s Office entered into a three-year SBITA regarding an organization-wide Office 365 application suite. The Clerk’s Office is required to make annual principal and interest payments of \$457,112. The subscription liability was measured utilizing a discount rate of 5% which was the incremental borrowing rate during fiscal year ended September 30, 2024. Effective 11/01/2024 an additional subscription was added to the SBITA agreement which increased the annual principal and interest payments to \$468,055. This resulted in the remeasurement of the subscription liability utilizing a discount rate of 5% which was the incremental borrowing rate at the time.

Dell Technologies (Clerk of the Circuit Court & Comptroller) – On 05/01/2025 the Clerk’s Office entered into a five-year SBITA regarding an APEX subscription related to the control, security, and performance of on-premise IT infrastructure and its relationship to a dedicated cloud. The Clerk’s office is required to make monthly principal and

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interest payments of \$28,909. The subscription liability was measured utilizing a discount rate of 5% which was the incremental borrowing rate at the time.

*Sheriff* - The Sheriff's Office has entered into various SBITA agreements for the provision of public safety services and related administrative support operations. The SBITA terms range from 2 to 10 years and are not mutually cancellable. During fiscal year ended September 30, 2025, the subscription liability related to new SBITA agreements was measured utilizing a discount rate of 5.00%. As of September 30, 2025, the value of the right-to-use subscription-based information technology assets were \$89,728,086 and the accumulated amortization was \$25,756,195.

The annual principal and interest payment requirements for the County's Governmental activities SBITA liability are indicated below. The total for principal reflected below is also shown as the subscription liability ending balance in the changes in long-term liabilities under governmental activities in the Long-Term Debt Note (refer to Note 14).

Governmental Activities - SBITA Liability			
Years Ending September 30	Principal	Interest	Total
2026	\$ 9,453,253	\$ 3,131,812	\$ 12,585,065
2027	9,088,894	2,558,945	11,647,839
2028	9,210,366	2,093,929	11,304,295
2029	9,386,262	1,622,548	11,008,810
2030	8,675,225	1,161,763	9,836,988
2031-2034	17,852,867	1,034,910	18,887,777
Total	<u>\$ 63,666,867</u>	<u>\$ 11,603,907</u>	<u>\$ 75,270,774</u>

**10. ACCOUNTS PAYABLE, ACCRUED LIABILITIES and RETAINAGE PAYABLE**

Accounts payable, accrued liabilities and retainage payable at September 30, 2025 were as follows:

<u>Governmental Activities</u>	Vendors	Salaries and Benefits	Total
General Fund	\$ 47,508,276	\$ 6,101,170	\$ 53,609,446
Palm Tran Special Revenue Fund	3,703,839	1,029,673	4,733,512
Fire-Rescue Special Revenue Fund	1,402,267	17,766,083	19,168,350
Road Program Capital Projects Fund	7,133,310	204,338	7,337,648
General Government Capital Projects Fund	37,509,477	-	37,509,477
Other non-major governmental funds	42,054,287	5,401,306	47,455,593
Internal Service Funds	3,102,110	276,982	3,379,092
Total governmental activities	<u>\$ 142,413,566</u>	<u>\$ 30,779,552</u>	<u>\$ 173,193,118</u>

<u>Business-type Activities</u>	Vendors	Salaries and Benefits	Total
Airports	\$ 37,429,212	\$ 588,549	\$ 38,017,761
Water Utilities	29,839,473	1,564,078	31,403,551
Total business-type activities	<u>\$ 67,268,685</u>	<u>\$ 2,152,627</u>	<u>\$ 69,421,312</u>

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**11. RISK MANAGEMENT**

The County maintains various self-insurance programs which are accounted for as internal service funds. Following is a brief description of each of the County’s insurance programs. The claims liability reported in each of the funds at September 30, 2025, is actuarially determined based on the requirements of GASB Statement No. 10, which specifies that a liability for claims be reported if information prior to the issuance of the financial statements indicated that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

**Property and Liability**

The County self-insures its property and liability risks for up to \$500,000, transferring exposure above these amounts to an insurance company. Liability claims against Palm Tran are exceptions to the forgoing and are self-insured up to \$300,000. In addition, the County purchases other specialty insurance policies for risks it deems prudent not to retain. It should be noted that in accordance with Florida Statute 768.28, tort claims against the County are limited, with some exceptions, to \$200,000 for any one person per claim and \$300,000 for all persons in any one claim. The insurance program covers the Board of County Commissioners, and constitutional officers such as the Supervisor of Elections, Tax Collector, and the Clerk & Comptroller. The Property Appraiser participates in some, but not all of the program, as is more fully explained in the Self-Insured Retention Program.

Participants in the program make payments to the Property and Liability Insurance Fund, included in the Combined Insurance Fund, based on estimates of the amounts needed to pay prior and current year claims and to establish an additional liability for claims incurred but not reported. The claims liability reported in this fund at September 30, 2025 is \$8,386,359. During claim years 2025 and 2024, changes recorded to the claims liability for property and liability insurance were as follows:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year-End</u>
2024	\$ 11,941,601	\$ 3,586,297	\$ (4,476,398)	\$ 11,051,500
2025	11,051,500	1,956,481	(4,621,622)	8,386,359

**Workers’ Compensation Insurance**

The County self-funds its workers’ compensation exposure. The fund is professionally administered by a third-party claims administrator. This fund covers all employees of the Board of County Commissioners, the Supervisor of Elections, the Clerk & Comptroller, the Property Appraiser, and the Tax Collector. Although the Sheriff’s payroll and losses are reported to the State by the Risk Management Department, the Sheriff manages his own program using a third-party administrator. Under the County’s Self-Insurance Program, the Workers’ Compensation Fund provides full coverage pursuant to Florida Statute 440. The County purchases excess

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coverage for losses above the self-insured retention limit of \$2,250,000, for each workers' compensation occurrence.

Participants in the program make payments to the Workers' Compensation Insurance Fund, included in the Combined Insurance Fund, based on estimates of the amounts needed to pay prior and current year claims and to establish an additional liability for claims incurred but not reported. The claims liability reported in this fund at September 30, 2025 is \$57,514,155.

During claim years 2025 and 2024, changes recorded to the claims liability for workers' compensation insurance were as follows:

	Beginning of Fiscal Year	Claims and Changes in	Claim Payments	Balance at Fiscal Year-End
<u>Fiscal Year</u>	<u>Liability</u>	<u>Estimates</u>	<u>Payments</u>	<u>Year-End</u>
2024	\$ 51,013,380	\$ 6,197,169	\$(6,805,287)	\$ 50,405,262
2025	50,405,262	18,300,694	(11,191,801)	57,514,155

**Employee Group Health Insurance**

The County provides health insurance for its employees, retirees, and eligible dependents. The County has a \$625,000 specific excess insurance policy to protect the County against catastrophic health claims. The Health Insurance Fund covers all employees of the Board of County Commissioners and the Supervisor of Elections.

Participants in the program make payments to the Employee Health Insurance Fund, included in the Combined Insurance Fund, based on estimates of amounts needed to pay prior and current year claims and to establish an additional liability for claims incurred but not reported. The claims liability reported in the fund at September 30, 2025 is \$7,349,000.

During claim years 2025 and 2024, changes recorded to the claims liability for employee health insurance were as follows:

	Beginning of Fiscal Year	Claims and Changes in	Claim Payments	Balance at Fiscal Year-End
<u>Fiscal Year</u>	<u>Liability</u>	<u>Estimates</u>	<u>Payments</u>	<u>Year-End</u>
2024	\$ 6,929,000	\$ 74,741,418	\$ (74,242,418)	\$ 7,428,000
2025	7,428,000	78,943,787	(79,022,787)	7,349,000

**SHERIFF**

The Sheriff's office maintains a general liability self-insurance program, a workers' compensation self-insurance program and a commercially insured employee health insurance program which record current activity in the Sheriff's General fund and an obligation in the government-wide

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financial statements. The following is a brief description of each of the Sheriff’s insurance programs:

**General Liability Insurance**

The Sheriff’s office is exposed to various risks of loss related to torts, theft, damage and destruction of assets, errors and omissions, and natural disasters. The claims liability reported for general liability at September 30, 2025 is \$26,668,000. This amount is based on the requirements of GASB Statement No. 10 which specifies that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

During claim years 2025 and 2024, changes recorded to the claims liability for general liability were as follows:

<u>Fiscal Year</u>	<u>Fiscal Year</u>	<u>Liability</u>	<u>Changes in</u>	<u>Estimates</u>	<u>Claim</u>	<u>Payments</u>	<u>at Fiscal</u>	<u>Year-End</u>
2024	\$	16,795,000	\$	25,876,955	\$	(13,706,955)	\$	28,965,000
2025		28,965,000		7,173,488		(9,470,488)		26,668,000

**Workers’ Compensation Insurance**

The Sheriff’s office is self-funded for its workers’ compensation exposure. The claims liability reported at September 30, 2025 is \$177,251,000. This amount is the actuarially determined claims liability based on the requirements of GASB Statement No. 10 which specifies that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

During claim years 2025 and 2024, changes recorded to the claims liability for workers’ compensation were as follows:

<u>Fiscal Year</u>	<u>Beginning of</u>	<u>Fiscal Year</u>	<u>Liability</u>	<u>Changes in</u>	<u>Estimates</u>	<u>Claim</u>	<u>Payments</u>	<u>Balance</u>	<u>at Fiscal</u>	<u>Year-End</u>
2024	\$	163,507,000	\$	16,677,458	\$	(15,116,458)	\$	165,068,000		
2025		165,068,000		30,234,376		(18,051,376)		177,251,000		

**Employee Group Health Insurance**

The Sheriff’s office maintains a fully insured program for its employee group health insurance program.

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**CLERK & COMPTROLLER**

**Employee Group Health Insurance**

The Clerk’s office provides health insurance for its employees and eligible dependents. The Clerk’s office is self-insured for its health insurance coverage. The health insurance program is accounted for as an internal service fund. The claims liability reported in the internal service fund is \$636,000 and is actuarially determined.

During claim years 2025 and 2024, changes recorded to the claims liability for health insurance were as follows:

<u>Fiscal Year</u>	Beginning of Fiscal Year <u>Liability</u>	Claims and Changes in <u>Estimates</u>	Claim Payments	Balance at Fiscal <u>Year-End</u>
2024	\$ 602,000	15,055,997	\$ (14,961,997)	\$ 696,000
2025	696,000	15,896,881	(15,956,881)	636,000

**TAX COLLECTOR**

**Employee Group Health and Dental Insurance**

The Tax Collector’s office provides health and dental insurance to its employees and eligible dependents. The Tax Collector is fully insured for its health and dental coverage.

**PROPERTY APPRAISER**

**Employee Group Health and Dental Insurance**

The Property Appraiser’s office provides health and dental insurance to its employees and eligible dependents. The Property Appraiser is fully insured for its health and dental coverage.

**COMPONENT UNIT - Solid Waste Authority (SWA)**

The SWA is exposed to various risks of loss related to torts, theft, environmental damage and destruction of assets, errors and omissions, injuries to employees, life and health of employees, and natural disasters. The SWA purchases commercial insurance for property damage with coverage up to a maximum of \$1.2 billion. This is subject to various policy sub-limits, generally ranging from \$1.11 million to \$500 million and deductibles ranging from \$250,000 to \$1 million per location (2% for Renewable Energy Facility #1 and Renewable Energy Facility #2, per location, and 5% of total property damage values at all other locations for a named windstorm, subject to a minimum of \$250,000). The SWA also purchases excess auto and general liability coverage of \$25 million, subject to a self-insured retention of \$150,000. Auto and General liability claims are limited by the Florida constitutional doctrine of sovereign immunity to \$200,000 per claim and \$300,000 per occurrence unless a higher claim is approved by the Florida Legislature. The limits addressed in the Florida Statutes do not apply to claims filed in Federal courts. Settled

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claims for property damage and general liability insurance have not exceeded commercial insurance coverage in any of the last three years.

The SWA purchases commercial insurance for workers' compensation benefits with statutory coverage limits and employer's liability coverage of \$1,000,000 per occurrence and per employee, subject to a specific retention of \$250,000 per occurrence. Settled claims have not exceeded commercial insurance coverage in any of the last three years.

Changes in the claims liability amount for workers' compensation benefits for the years ended September 30, 2025 and 2024 were as follows:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year-End</u>
2024	\$ 355,800	\$ (105,695)	\$ (27,805)	\$ 222,300
2025	222,300	462,423	204,377	889,100

The SWA purchases health insurance through a commercial health insurance plan.

**12. RETIREMENT PLANS**

The County provides retirement benefits to County employees through the following plans:

**Plan Descriptions**

The **Florida Retirement System (FRS) Pension Plan** and the **Retiree Health Insurance Subsidy (HIS) Program** are cost-sharing, multiple-employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement. The FRS Pension Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. These benefits are established by Chapter 121, Florida Statutes, and may only be amended by the Florida legislature.

The HIS Program benefit is a monthly payment to assist retirees of the State-administered retirement systems in paying their health insurance costs. The HIS Program was established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time.

An annual comprehensive financial report including financial information and required supplementary information on both plans is publicly available on the web site of the Florida Department of Management Services (<http://www.dms.myflorida.com>).

The **Palm Tran, Inc. Amalgamated Transit Union Local 1577 (Palm Tran) Pension Plan** is a single employer defined benefit retirement program administered by The Resource Centers, LLC. The Palm Tran pension plan provides retirement, disability, and death benefits to plan members and beneficiaries. An annual comprehensive financial report that includes financial statements and required supplementary information for this plan is publicly available on the web at <http://www.resourcecenters.com>.

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The **Town of Lantana Firefighters' Pension Fund (LFPF)** is a combined single-employer defined benefit and defined contribution pension plan covering Town of Lantana (Town) firefighters employed by Palm Beach County who elected to remain in the Town plan when merged into the County's Fire-Rescue department. LFPF provides a defined-benefit retirement annuity to retiring participants and a defined contribution retirement benefit in the form of share accounts, payable upon retirement, death, or disability. LFPF is governed by a separate Board of Trustees made up of representatives of the firefighters and the Town, and is administered by The Resource Centers, LLC. The LFPF issues a stand-alone, publicly available financial report that includes financial statements and required supplementary information, which is available on the web at <http://www.resourcecenters.com>.

The County contributes to the **Florida Retirement System Investment Plan (Investment Plan)**, a defined contribution plan, for its eligible employees who elect to participate in the Investment Plan in lieu of participating in the FRS Pension Plan. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of FRS defined-benefit plan. County employees participating in the 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 County Officers, etc.) as the FRS Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. The Investment Plan is administered by the State Board of Administration (SBA) and is reported in the SBA's annual financial statements and in the State of Florida's Annual Comprehensive Financial Report. Financial information on this plan is available on the web at <http://www.sbafla.com/>.

**PENSION EXPENSE/EXPENDITURES**

The County's aggregate pension expense/expenditures for all plans amounted to \$146,425,956 for the fiscal year ended September 30, 2025. The County's aggregate net pension liability for all plans was \$1,488,448,202 with balances of deferred outflows of resources related to pensions of \$431,430,382 and deferred inflows of resources related to pensions of \$296,490,985 as of September 30, 2025.

**FLORIDA RETIREMENT SYSTEM (FRS) PENSION PLAN**

**Benefits Provided**

The Florida Retirement System was created on December 1, 1970. Members enrolled in the FRS and actively employed on July 1, 2001, or first enrolled between July 1, 2001 and June 30, 2011, will be vested, or eligible to receive future benefits after 6 years of creditable service. Participants first enrolled on or after July 1, 2011 will be vested, or eligible to receive future benefits after 8 years of creditable service. Retirement, disability, and death benefits are based on age, average final compensation and years-of-service credit. For members initially enrolled in the FRS before July 1, 2011, average final compensation is the average of the five highest fiscal years of salary

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earned during covered employment. For members initially enrolled in the FRS on or after July 1, 2011, average final compensation is the average of the eight highest fiscal years of salary earned during covered employment. Members are eligible for normal retirement when they have met the minimum requirements established by their membership class. For members initially enrolled in the FRS before July 1, 2011, Regular Class members are eligible for normal retirement if they are vested and age 62 or if they have 30 years of creditable service regardless of age. For members initially enrolled in the FRS on or after July 1, 2011, Regular Class members are eligible for normal retirement if they are vested and age 65 or if they have 33 years of creditable service regardless of age. Early retirement may be taken any time after vesting. However, there is a 5% reduction of benefits for each year prior to normal retirement age or date. The percentage level of employees' payroll contribution rates is determined using the frozen entry age actuarial cost method.

Beginning July 1, 1998, the FRS implemented the Deferred Retirement Option Program (DROP), which is a program available under the FRS Pension Plan. DROP is available when the member first reaches eligibility for normal retirement. The election to participate in DROP may be made any time after the member's normal retirement date. DROP allows a member to effectively retire by ceasing earning additional service credit while deferring termination and continuing up to 96 months. While a member is in DROP, the retirement benefits accumulate in the FRS Trust Fund, as of the DROP effective date, increase by a cost-of-living adjustment each July, and earn tax-deferred monthly interest equivalent to an annual rate of 4.00 percent.

The FRS was amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution plan is known as the FRS Investment Plan, which is described later in this note.

**Contributions**

The following membership classes and contribution rates, which apply to both the FRS Pension Plan and the FRS Investment Plan, were in effect at September 30, 2025:

<u>Membership Class</u>	<u>Employee Contribution Rate</u>	<u>Employer Contribution Rate *</u>
Regular	3.00%	14.03%
Special Risk	3.00%	35.19%
State Attorney/Public Defender	3.00%	62.66%
County, City, Special District Elected Officers	3.00%	54.57%
Special Risk Administrative Support	3.00%	39.48%
Senior Management	3.00%	33.24%
Deferred Retirement Option Program	N/A	22.02%

\* Employer contribution rates in the above table include a 2.00% contribution for the Retiree Health Insurance Subsidy Program

The County's employer contributions to the FRS Pension Plan totaled \$224.5 million and employee contributions totaled \$32.0 million for the fiscal year ended September 30, 2025. The

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County contributed 100 percent of its statutorily required contributions for the current and preceding two years.

**Net Pension Liability, Deferrals, and Pension Expense**

At September 30, 2025, the County reported a liability of \$1.129 billion for its proportionate share of the FRS Pension Plan’s net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The County’s proportionate share of the net pension liability was based on the County’s 2024-25 fiscal year contributions relative to the 2024-25 fiscal year contributions of all participating members. At June 30, 2025, the County’s proportionate share was 3.64%, which was an increase of 5.55% from its proportionate share measured as of June 30, 2024.

For the fiscal year ended September 30, 2025, the County recognized pension expense of \$128.7 million related to the FRS Pension Plan. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to the FRS Pension Plan from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 120,544,827	\$ -
Change of assumptions	131,058,109	-
Net difference between projected and actual earnings on pension plan investments	-	188,428,760
Changes in proportion and differences between County contributions and proportionate share of contributions	77,693,359	14,586,937
County contributions subsequent to the measurement date	60,949,648	-
<b>Total</b>	<b>\$ 390,245,943</b>	<b>\$ 203,015,697</b>

The County’s contributions to the FRS Pension Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the FRS Pension Plan will be recognized in pension expense as follows:

<b>Fiscal Year Ending September 30:</b>	<b>Deferred Outflows/ (Inflows), net</b>
2026	\$ 195,029,754
2027	(12,876,767)
2028	(28,658,483)
2029	(27,213,906)
	<b>\$ 126,280,598</b>

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**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below. The total pension liability is calculated using the Individual Entry Age Normal cost allocation method, which differs from the Ultimate Entry Age Normal cost allocation method used in the actuarial valuation for funding purposes for the System.

Valuation Date	July 1, 2025
Discount rate	6.70%
Inflation	2.40%
Salary Increases	3.50%, including inflation.
Investment rate of return	6.70%, net of investment expense

Mortality rates were based on PUB2010 base table (varies by member category and sex), projected generationally with Scale MP-2021. The actuarial assumptions that determined the total pension liability as of June 30, 2025 were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023.

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

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

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

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**Discount Rate**

The discount rate used to measure the total pension liability was 6.70%. The Plan’s fiduciary net position was projected to be available to make all projected benefit payments of current and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The 6.70% rate of return and discount rate assumption used in the June 30, 2025 calculations were determined by the Plan’s consulting actuary to be reasonable and appropriate per Actuarial Standards of Practice No. 27 (ASOP 27) for accounting purposes which differs from the rate used for funding purposes which is used to establish the contribution rates for the Plan.

**Sensitivity to Changes in the Discount Rate**

The following presents the County’s proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the County’s proportionate share of the net pension liability would be if were calculated using a discount rate that is 1-percentage point lower (5.70%) or 1-percent higher (7.70%) than the current rate:

	<b>1% Decrease (5.70%)</b>	<b>Current Discount Rate (6.70%)</b>	<b>1% Increase (7.70%)</b>
County's proportionate share of the Net Pension Liability	\$ 2,214,831,876	\$ 1,128,585,622	\$ 217,892,480

**Pension Plan Fiduciary Net Position**

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

**RETIREE HEALTH INSURANCE SUBSIDY (HIS) PROGRAM**

**Benefits Provided**

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

**Contributions**

The HIS Program is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2025, the contribution rate was 2.00 percent of payroll. The County contributed 100 percent of its statutorily required contributions for the current and preceding three years. The HIS Program contributions are deposited in a separate

**PALM BEACH COUNTY, FLORIDA**  
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trust fund from which payments are authorized. The HIS Program benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The County's employer contributions to the HIS Program totaled \$23.2 million for the fiscal year ended September 30, 2025. The County contributed 100 percent of its statutorily required contributions for the current and preceding two years.

**Net Pension Liability, Deferrals, and Pension Expense**

At September 30, 2025, the County reported a liability of \$326.7 million for its proportionate share of the HIS Program's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The County's proportionate share of the net pension liability was based on the County's 2024-25 fiscal year contributions relative to the 2024-25 fiscal year contributions of all participating members. At June 30, 2025, the County's proportionate share was 2.55%, which was an increase of 4.66% from its proportionate share measured as of June 30, 2024.

For the fiscal year ended September 30, 2025, the County recognized pension expense of \$10.1 million related to the HIS Program. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to the HIS Program from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 1,950,169	\$ 518,242
Change of assumptions	2,891,643	79,019,880
Net difference between projected and actual earnings on pension plan investments	-	271,913
Changes in proportion and differences between County contributions and proportionate share of contributions	21,151,922	6,922,509
County contributions subsequent to the measurement date	6,050,149	-
<b>Total</b>	<b>\$ 32,043,883</b>	<b>\$ 86,732,544</b>

The County's contributions to the HIS Program subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2026.

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

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<b>Fiscal Year Ending September 30</b>	<b>Deferred Outflows/ (Inflows), net</b>
2026	\$ (12,836,284)
2027	(16,727,387)
2028	(14,440,209)
2029	(10,654,994)
2030	(6,079,936)
	\$ (60,738,810)

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected to the measurement date.

Valuation Date	July 1, 2024
Discount rate	5.20%
Inflation	2.40%
Salary Increases	3.50%, including inflation
Municipal Bond Rate	5.20%

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

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.

**Discount Rate**

The discount rate used to measure the total pension liability was 5.20%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent of 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 bond index.

**Sensitivity to Changes in the Discount Rate**

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 5.20%, as well as what the County's proportionate share of the net pension liability would be if were calculated using a discount rate that is 1-percentage point lower (4.20%) or 1-percent higher (6.20%) than the current rate:

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	<b>1% Decrease (4.20%)</b>	<b>Current Discount Rate (5.20%)</b>	<b>1% Increase (6.20%)</b>
County's proportionate share of the Net Pension Liability	\$ 368,404,657	\$ 326,698,064	\$ 291,719,486

**Vesting Provisions**

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll, which is included in the FRS contribution rates, and by forfeited benefits of Investment Plan members. For the fiscal year ended September 30, 2025, the information for the amount of forfeitures was unavailable from the SBA, however, management believe that these amounts, if any, would be immaterial to the County. After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income. The County's employer contributions to the Investment Plan totaled \$47.8 million for the fiscal year ended September 30, 2025.

**PALM TRAN, INC. – DEFINED BENEFIT PLAN**

**Benefits Provided**

The Palm Tran Inc. Amalgamated Transit Union Local 1577 (Palm Tran) Pension Plan provides retirement, disability, and death benefits to plan members and beneficiaries. The Board of Trustees of the Palm Tran pension plan has the authority to establish and amend benefit provisions.

The Palm Tran Pension Plan is a Single-Employer plan in which the County is only required to fund the plan but has no fiduciary responsibility for the plan itself. The County also does not have any oversight responsibilities for the plan.

**PALM BEACH COUNTY, FLORIDA  
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**Membership Statistics**

Number of:

Inactive members or beneficiaries receiving benefits	464
Inactive members entitled to but not yet receiving benefits	119
Active Members	560
TOTAL	1,143

**Contributions**

The contribution requirements of plan members and Palm Tran, Inc. are established by the Pension Trust Agreement and may be amended by the Board of Trustees. Plan members hired after October 1, 2013 are required to contribute 3.0% of their annual salary. Plan members hired prior to October 1, 2013 have a contribution phase in period to match those hired after this date. For employees hired prior to October 1, 2013, the employee contribution is 2.5% of annual salary through September 30, 2014. For the period October 1, 2014 – September 30, 2015, the contribution is 2.75% of salary. Employee contributions after October 1, 2015 will be 3.0% of annual salary. Prior to October 1, 2014, the Employer made contributions to the Plan as specified in the collective bargaining agreement. Effective October 1, 2014, the Employer will make the minimum required contribution as determined by the Plan actuary and approved by the Board. The County’s employer contributions to the Palm Tran Pension Plan totaled \$6.1 million for the fiscal year ended September 30, 2025.

**Net Pension Liability**

The components of the net pension liability at December 31, 2024 were as follows:

Total pension liability	\$ 186,273,839
Plan fiduciary net position	(153,811,076)
Net pension liability	\$ 32,462,763

Plan fiduciary net position as percentage of the total pension liability: 82.57%

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of January 1, 2025 with a measurement date of December 31, 2024 using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.00%
Salary increases	5% to 12.5%, including inflation
Investment rate of return	7% net of investment expense, including inflation
Mortality	Pub G.H-2010 (B) fully generational mortality improvements using distinct Scale MP-2018.

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Other assumptions are based on the results of a five-year actuarial experience study performed as of January 1, 2018.

**Discount Rate**

The discount rate used to measure the total pension liability was 6.5%. This is the single rate that reflects the long-term expected net rate of return on pension plan investments expected to be used to finance the payment of benefits. A projection of cash flows used to determine the discount rate assumed that plan member contributions are made at the current contribution rate and that County contributions will be made equal to the difference between the actuarially determined contribution and the member contributions. Based on those assumptions, the pension plan's fiduciary net position is projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments is applied to all periods of projected benefit payments to determine the pension liability. For purposes of this determination, pension plan assets are expected to be invested using a strategy to achieve the discount rate.

**Sensitivity to Changes in Discount Rate**

The following table illustrates the impact of interest rate sensitivity on the net pension liability for fiscal year ended September 30, 2025:

	<b>1% Decrease (5.5%)</b>	<b>Current Discount Rate (6.5%)</b>	<b>1% Increase (7.5%)</b>
Net Pension Liability	\$ 52,376,227	\$ 32,462,763	\$ 15,610,253

**Expected Rate of Return**

The long-term expected net rate of return on investments was determined using a building-block method. Best-estimate ranges of expected future real rates of return (expected returns net of investment expenses and inflation) are developed for each major asset class. The long-term expected net rate of return on investments is the best-estimate ranges weighted by the asset allocation plus expected inflation.

Best estimates of arithmetic real rates of return for each major asset class as provided by the investment monitor are shown in the following table:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Asset Group Contribution</u>
Domestic Equity	45.0%	8.3%	3.7%
International Equity	15.0%	3.2%	0.5%
Bonds	25.0%	2.1%	0.5%
Convertibles	5.0%	6.6%	0.3%
Private Real Estate	8.0%	5.5%	0.4%
Cash	2.0%	0.0%	0.0%
	<u>100%</u>		
		<b>Weighted Real Return</b>	<b>5.5%</b>

**Changes in Net Pension Liability**

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
<b>Balances at December 31, 2023</b>	\$ 180,572,955	\$ 138,652,858	\$ 41,920,097
Changes for the year:			
Service cost	4,864,552	-	4,864,552
Interest	11,719,174	-	11,719,174
Differences between expected and actual experience	(1,536,621)	-	(1,536,621)
Change of assumptions	-	-	-
Contributions - employer	-	6,054,703	(6,054,703)
Contributions - employee	-	1,234,177	(1,234,177)
Net investment income	-	17,510,886	(17,510,886)
Benefit payments, including refunds of employee contributions	(9,346,221)	(9,346,221)	-
Administrative expense	-	(295,327)	295,327
<b>Net changes</b>	<u>5,700,884</u>	<u>15,158,218</u>	<u>(9,457,334)</u>
<b>Balances at December 31, 2024</b>	<u>\$ 186,273,839</u>	<u>\$ 153,811,076</u>	<u>\$ 32,462,763</u>

**Pension Expense and Deferrals**

For the year ended September 30, 2025, the County recognized pension expense of \$5.7 million. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions.

The following table illustrates the deferred inflows and outflows under GASB 68 as of September 30, 2025:

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<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 1,936,334
Change of assumptions	-	-
Net difference between projected and actual earnings	3,074,494	-
Employer contributions subsequent to the measurement date	6,066,062	-
<b>Total</b>	<b>\$ 9,140,556</b>	<b>\$ 1,936,334</b>

The employer contributions to the Palm Tran Pension Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Fiscal Year Ending September 30</b>	<b>Deferred Outflows/ (Inflows), net</b>
2026	\$ 1,926,139
2027	3,965,413
2028	(3,040,289)
2029	(1,713,103)
	<b>\$ 1,138,160</b>

**TOWN OF LANTANA FIREFIGHTERS' PENSION FUND**

**Benefits Provided**

The Town of Lantana Firefighters' Pension Fund (LFPF) provides a defined benefit retirement annuity to retiring participants and also provides a defined contribution retirement benefit in the form of share accounts, payable upon retirement, death or disability. The LFPF members are full-time certified firefighters employed in the fire department of Palm Beach County Fire Rescue. Members are eligible to retire at age 55 with 10 or more years of credited service; or any age with 20 or more years of credited service. The pension amount is three percent (3%) of average final compensation multiplied by credited service. The normal form of benefit is a benefit payable for life with the first 10 years guaranteed. Early retirement and other benefits may be available in accordance with Town of Lantana Code, Division 3 of Chapter 14, Article IV, as amended by Town Ordinances and Palm Beach County agreements pertaining to the fund.

The LFPF is a Single-Employer plan in which the County is only required to fund the plan but has no fiduciary responsibility for the plan itself. The County also does not have any oversight responsibilities for the plan.

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**Membership Statistics**

Number of:

Retirees and Beneficiaries	32	
Inactive, Nonretired members	1	
Active Members	-	
TOTAL	33	

**Contributions**

Plan members are required to contribute 10% of their salary to the Plan. Of this, 2% is allocated to the defined benefit portion of the Plan and 8% is allocated to the defined contribution portion. Pursuant to Chapter 175, Florida Statutes, the Town imposes a 1.85% tax on fire insurance premiums paid to insure real or personal property within its corporate limits. 100% of the net proceeds of this 1.85% excise tax are allocated to the defined benefit portion of the Plan. Because the County is ultimately responsible for the actuarial soundness of the Plan, the County must contribute an amount determined by the Trustees, in conjunction with the Plan’s actuary, to be sufficient, along with the employees’ contributions and the proceeds from the insurance tax, described above, to fund the defined benefits under the Plan. The County’s employer contributions to the Lantana Pension Plan totaled \$1,248,112 and employee contributions totaled \$157,363 for the fiscal year ended September 30, 2025.

**Net Pension Liability**

The components of the net pension liability at September 30, 2025 were as follows:

Total pension liability	\$ 64,936,165	
Plan fiduciary net position	(64,234,412)	
Net pension liability	\$ 701,753	

Plan fiduciary net position as percentage of the total pension liability: 98.92%

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of September 30, 2024 and rolled forward to the measurement date of September 30, 2025 using the following actuarial assumptions applied to all periods included in the measurement:

Price Inflation	2.50%	
Salary increases	6.50%, including inflation	
Investment rate of return	6.00%	
Mortality	Florida Retirement System (FRS) mortality tables which use variations of the fully generational Pub-2010 Mortality Tables with improvement scale MP-2021.	

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**Expected Rate of Return**

GASB Statement No. 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the total pension liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The plan’s net position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on the Bond Buyer 20-Bond Index of general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.00%, the municipal bond rate is 4.90%, and the resulting single discount rate is 6.00%.

**Discount Rate**

The discount rate used to measure the total pension liability was 6.00%. This is the single rate that reflects the long-term expected net rate of return on pension plan investments expected to be used to finance the payment of benefits, including inflation. The fiduciary net position is projected to be sufficient to make projected benefit payments. For purposes of this determination, pension plan assets are expected to be invested using a strategy to achieve the 6.00% discount rate.

**Sensitivity to Changes in the Discount Rate**

The following table illustrates the impact of interest rate sensitivity on the net pension liability for fiscal year ended September 30, 2025:

	<b>1% Decrease (5.00%)</b>	<b>Current Discount Rate (6.00%)</b>	<b>1% Increase (7.00%)</b>
Net Pension Liability (Asset)	\$7,484,021	\$701,753	(\$4,810,456)

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**Changes in Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
<b>Balances at September 30, 2024</b>	\$ 59,828,064	\$ 59,687,220	\$ 140,844
Changes for the year:			
Service cost	-	-	-
Interest	3,527,904	-	3,527,904
Differences between expected and actual experience	1,882,823	-	1,882,823
Assumption Changes	1,756,694	-	1,756,694
Contributions - employer and state	-	1,269,951	(1,269,951)
Contributions - employee	-	157,363	(157,363)
Net investment income	-	5,249,784	(5,249,784)
Benefit payments, including refunds of employee contributions	(2,059,320)	(2,059,320)	-
Administrative expense/Other	-	(70,586)	70,586
<b>Net changes</b>	<b>5,108,101</b>	<b>4,547,192</b>	<b>560,909</b>
<b>Balances at September 30, 2025</b>	<b>\$ 64,936,165</b>	<b>\$ 64,234,412</b>	<b>\$ 701,753</b>

**Pension Expense and Deferrals**

For the year ended September 30, 2025, the County recognized pension expense of \$1,907,591. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net difference between projected and actual earnings on pension plan investments	-	4,806,410
<b>Total</b>	<b>\$ -</b>	<b>\$ 4,806,410</b>

**PALM BEACH COUNTY, FLORIDA**  
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Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Deferred outflows/ (inflows), net
2026	\$ 79,932
2027	(2,467,459)
2028	(2,080,960)
2029	(337,923)
	\$ (4,806,410)

**OTHER PENSION PAYMENTS**

The County entered into agreements with the City of Lake Worth (City) for law enforcement services, effective October 1, 2008, and fire rescue services, effective October 1, 2009. Employees of the City who became County employees had the choice to remain in the appropriate City-sponsored retirement plan or to become a member of the Florida Retirement System (FRS). The County contributes to the City-sponsored plans the equivalent amount that would be required by FRS. The County's contributions for employees who elected to remain with the City-sponsored plans were \$394,132 for the fiscal year ended September 30, 2025.

**COMPONENT UNIT – Solid Waste Authority (SWA)**

Like the Primary Government, the SWA also participates in the **Florida Retirement System (FRS) Pension Plan**, the **Retiree Health Insurance Subsidy (HIS) Program** and the **Florida Retirement System Investment Plan**. Refer to those sections within this note for information on plan descriptions, contribution rates, actuarial assumptions and discount rates.

**FLORIDA RETIREMENT SYSTEM (FRS) PENSION PLAN**

SWA contributions to the FRS Pension Plan totaled \$4,039,226 for the fiscal year ended September 30, 2025.

At September 30, 2025, the SWA reported a liability of \$22,175,976 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The SWA's proportionate share of the net pension liability was based on the SWA's 2024-25 plan year contributions relative to the 2024-25 plan year contributions of all participating members. At June 30, 2025, the SWA's proportionate share was 0.071454430 percent, which was a decrease of .000522394 percent from its proportionate share measured as of June 30, 2024. For the fiscal year ended September 30, 2025, the SWA recognized pension expense of \$2,665,041 related to the Plan.

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The SWA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 2,368,628	\$ -
Change of assumptions	2,575,207	-
Net difference between projected and actual earnings on pension plan investments	-	3,702,503
Change in proportion and differences between SWA pension plan contributions and proportionate share of contributions	465,800	543,908
Pension plan contributions subsequent to the measurement date	1,162,293	-
<b>Total</b>	<b>\$ 6,571,928</b>	<b>\$ 4,246,411</b>

The deferred outflows of resources related to the Pension Plan, totaling \$1,162,293 resulting from SWA contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2026.

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

<b>Fiscal Year Ending September 30</b>	<b>Deferred outflows/ (inflows), net</b>
2026	\$ 3,715,892
2027	(797,238)
2028	(986,205)
2029	(769,225)
	<b>\$ 1,163,224</b>

**Sensitivity of the SWA's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following represents the SWA's proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the SWA'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:

	<b>1% Decrease (5.70%)</b>	<b>Current Discount Rate (6.70%)</b>	<b>1% Increase (7.70%)</b>
Proportionate share of the net pension liability	\$ 43,520,011	\$ 22,175,976	\$ 4,281,446

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**RETIREE HEALTH INSURANCE SUBSIDY (HIS) PROGRAM**

SWA's contributions to the HIS Plan totaled \$725,708 for the fiscal year ended September 30, 2025.

At September 30, 2025, the SWA reported a liability of \$10,213,300 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The SWA's proportionate share of the net pension liability was based on the SWA's 2024-25 plan year contributions relative to the 2024-25 plan year contributions of all participating members. At June 30, 2025, the SWA's proportionate share was .079682810 percent, which was an increase of 0.000087265 percent from its proportionate share measured as of June 30, 2024. For the fiscal year ended September 30, 2025, the SWA recognized pension expense of \$222,003.

**Deferred Outflows and Inflows of Resources Related to Pensions**

In addition, the SWA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 60,967	\$ 16,201
Change of assumptions	90,399	2,470,335
Net difference between projected and actual earnings on pension plan investments	-	8,501
Change in proportion and differences between SWA pension plan contributions and proportionate share of contributions	160,499	212,203
Pension plan contributions subsequent to the measurement date	192,069	-
<b>Total</b>	<b>\$ 503,934</b>	<b>\$ 2,707,240</b>

The deferred outflows of resources related to the HIS Plan, totaling \$192,069 resulting from the SWA's 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 ending September 30, 2026. Other amounts

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reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

<b>Fiscal Year Ending September 30</b>	<b>Deferred outflows/ (inflows), net</b>
2026	\$ (512,837)
2027	(653,080)
2028	(557,129)
2029	(411,027)
2030	(261,302)
	\$ (2,395,375)

**Sensitivity of the SWA’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

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

	<b>1% Decrease (4.20%)</b>	<b>Discount Rate (5.20%)</b>	<b>1% Increase (6.20%)</b>
Proportionate share of the net pension liability	\$ 11,517,140	\$ 10,213,300	\$ 9,119,792

**INVESTMENT PLAN**

The SWA’s Investment Plan pension expense totaled \$924,799 for the fiscal year ended September 30, 2025.

**13. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

The County provides post-employment benefits for healthcare to retirees of the County, which includes the Board of County Commissioners as well as all Constitutional Officers. The County also provides a Fire-Rescue Healthcare OPEB plan that provides benefits to all eligible retired employees and their dependents. In addition, the County provides a Fire-Rescue Supplemental Disability Plan that provides disability benefits to Firefighters and District Chiefs that meet eligibility requirements.

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The following information describes the Healthcare OPEB plans as well as the Fire-Rescue Supplemental Disability OPEB plan.

**COUNTY'S AGGREGATE NET OPEB LIABILITY, DEFERRED OUTFLOWS, DEFERRED INFLOWS, & OPEB EXPENSE**

The County's aggregate OPEB expense for all plans amounted to \$30,272,506 for the fiscal year ended September 30, 2025. The County's aggregate net OPEB liability for all plans was \$354,234,416 with balances of deferred outflows of resources related to OPEB of \$149,023,866 and deferred inflows of resources related to OPEB of \$227,015,325, as of September 30, 2025.

Below is a summary of the net OPEB liability, deferred outflows and deferred inflows for each of the County's OPEB plans:

<b>Healthcare Plans:</b>	<b>Total OPEB Liability</b>	<b>Plan Net Position</b>	<b>Net OPEB Liability</b>	<b>Deferred Outflows</b>	<b>Deferred Inflows</b>	<b>OPEB Expense</b>
County	\$ 13,550,331	\$ -	\$ 13,550,331	\$ 7,904,826	\$ 2,986,106	\$ 1,901,335
Tax Collector	3,454,828	-	3,454,828	426,188	1,907,302	(163,802)
Property Appraiser	583,537	-	583,537	-	1,320,918	(407,080)
Clerk & Comptroller	8,030,399	-	8,030,399	2,198,113	3,280,233	260,733
Sheriff	255,788,852	-	255,788,852	80,379,524	138,703,891	23,171,405
Fire-Rescue Union	153,457,459	(113,896,505)	39,560,954	33,382,368	72,661,671	1,956,373
<b>Supplemental Disability Plan:</b>						
Fire-Rescue	33,265,515	-	33,265,515	24,732,847	6,155,204	3,553,542
<b>TOTALS</b>	<b>\$ 468,130,921</b>	<b>\$ (113,896,505)</b>	<b>\$ 354,234,416</b>	<b>\$ 149,023,866</b>	<b>\$ 227,015,325</b>	<b>\$ 30,272,506</b>

**HEALTHCARE OPEB PLANS (BOARD OF COUNTY COMMISSIONERS AND CONSTITUTIONAL OFFICERS)**

**Plan Description**

The County's defined benefit post-employment healthcare OPEB plans provide OPEB to all eligible retired employees and their dependents. The plans are single employer plans which are administered by the employer for their employees. Regarding the County plan, the Supervisor of Elections (a Constitutional Officer) participates in this plan. The remaining Constitutional Officers (Clerk & Comptroller, Tax Collector, Property Appraiser, and Sheriff) each have separate OPEB plans. The authority to establish and amend the benefit terms and financing requirements is granted to the County Board, as well as each Constitutional Officer. All entities of the Primary

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Government are required by Florida Statute 112.0801 to allow their retirees (and eligible dependents) to continue participation in the group insurance plan. No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75. Additionally, there are no legal documents referencing a trust. The healthcare benefits OPEB plans do not issue separate standalone financial reports.

**Benefits Provided**

Retirees of all the healthcare benefit OPEB plans must be offered the same coverage as is offered to active employees at a premium cost of no more than the premium cost applicable for active employees which results in an implicit subsidy. In addition to the ‘implicit benefit’, the Sheriff’s healthcare OPEB plan provides a subsidy that retirees can use to partially or fully offset the cost of health insurance.

In particular, for Sheriff employees who retire in good standing after six years of service and who elect to retain the Sheriff’s Office group medical and/or dental coverage, the Sheriff’s Healthcare OPEB plan provides a subsidy of \$18 per month per year of service toward medical and dental coverage for the retiree and eligible family members, based on years of service to the Sheriff. This subsidy ends at the death of the retiree or when the retiree discontinues coverage under the Sheriff’s plan. A special subsidy of 100% of medical and dental premiums for employee or employee-plus one coverage is offered to the Sheriff. A special subsidy of 90% of medical and dental premiums for employee or employee-plus-one coverage is offered to the Chief Deputy, Deputy Director, Director, and Colonel. A special subsidy of 80% of medical and dental premiums for employee or employee-plus-one coverage is offered to Majors and the Bureau Director. A special subsidy of 100% of medical and dental premiums for employee or employee-plus-one coverage is offered to employees who become disabled in the line of duty and spouses of employees who die in the line of duty.

**Employees Covered By Benefit Terms**

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

	<b>Tax County</b>	<b>Property Collector</b>	<b>Property Appraiser</b>	<b>Clerk &amp; Comptroller</b>	<b>Sheriff</b>
Retirees and Beneficiaries	141	1	5	19	1,260
Active Members	4,585	298	214	621	3,666
TOTAL	4,726	299	219	640	4,926

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**Total OPEB Liability**

The total healthcare OPEB liability amount consisted of the following:

	<b>County</b>	<b>Tax Collector</b>	<b>Property Appraiser</b>	<b>Clerk &amp; Comptroller</b>	<b>Sheriff</b>
Total OPEB Liability	\$ 13,550,331	\$ 3,454,828	\$ 583,537	\$ 8,030,399	\$ 255,788,852
Measurement Date	9/30/2025	9/30/2025	9/30/2025	9/30/2024	9/30/2025
Actuarial Valuation Date	9/30/2024	10/1/2025	9/30/2025	9/30/2023	9/30/2024

**Actuarial Assumptions and Other Inputs**

The total healthcare OPEB liability in these actuarial valuations was determined using several actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The actuarial valuation method utilized was the entry age normal level percentage of pay. Other assumptions specific to each plan are noted below.

	<b>County</b>	<b>Tax Collector</b>	<b>Property Appraiser</b>	<b>Clerk &amp; Comptroller</b>	<b>Sheriff</b>
Inflation	3.00%	4.00%	2.50%	2.50%	2.70%
Salary increases	3.00%	4.00%	4.00%	2.50%	3.00%
Discount Rate	4.90%	4.50%	4.50%	4.06%	4.90%

The source of the discount rates was as follows:

<b>County:</b>	Bond Buyer 20-Bond GO Index
<b>Tax Collector:</b>	S&P Municipal Bond 20-Year High Grade Index
<b>Property Appraiser:</b>	S&P Municipal Bond 20-Year High Grade Index
<b>Clerk &amp; Comptroller:</b>	S&P Municipal Bond 20-Year High Grade Index
<b>Sheriff:</b>	Bond Buyer 20-Bond GO Index

Healthcare cost trend rates were based as follows:

<b>County:</b>	Initially 7.75% to grade uniformly to 4.00% over a 18-year period
<b>Tax Collector:</b>	Initially 7.50% grading ultimately to 4.04% over a 51-year period
<b>Property Appraiser:</b>	Initially 7.90% grading ultimately to 3.45% over a 50-year period
<b>Clerk &amp; Comptroller:</b>	Initially 7.00% grading ultimately to 4.00% over a 51-year period
<b>Sheriff:</b>	Initially 7.75% to grade uniformly to 4.00% over a 18-year period

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Mortality rates were based as follows:

**County:** Pub-2010 Generational, Scale MP-2021  
**Tax Collector:** Pub-G.H-2016, Scale MP-2021  
**Property Appraiser:** Pub-2010 Generational, Scale MP-2021  
**Clerk & Comptroller:** Pub-2010 Generational, Scale MP-2021  
**Sheriff:** Pub-2010 Generational, Scale MP-2021

Formal experience studies were not performed; however, the actuarial assumptions used in the specified valuations above were consistent with the following:

**County:** Florida Retirement System  
**Tax Collector:** Reasonableness/consistency with typical industry standards  
**Property Appraiser:** Reasonableness/consistency with typical industry standards  
**Clerk & Comptroller:** Florida Retirement System  
**Sheriff:** Florida Retirement System

**Changes in the Total OPEB Liability**

	<b>Total OPEB Liability</b>				
	<b>County</b>	<b>Tax Collector</b>	<b>Property Appraiser</b>	<b>Clerk &amp; Comptroller</b>	<b>Sheriff</b>
<b>Balance at September 30, 2024</b>	\$ 15,225,988	\$ 3,087,578	\$ 1,482,520	\$ 7,165,746	\$ 283,283,968
Changes for the year:					
Service cost	786,895	224,547	66,053	294,985	9,492,254
Interest	585,825	156,812	74,315	354,346	10,969,733
Experience losses(gains)	-	(324,594)	(94,120)	-	-
Change of assumptions	(1,774,599)	402,658	(899,467)	589,045	(38,243,666)
Benefit payments	(1,273,778)	(92,173)	(45,764)	(373,723)	(9,713,437)
<b>Net changes</b>	<b>(1,675,657)</b>	<b>367,250</b>	<b>(898,983)</b>	<b>864,653</b>	<b>(27,495,116)</b>
<b>Balance at September 30, 2025</b>	<b>\$ 13,550,331</b>	<b>\$ 3,454,828</b>	<b>\$ 583,537</b>	<b>\$ 8,030,399</b>	<b>\$ 255,788,852</b>

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**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following table presents the total OPEB liability for each healthcare OPEB plan, as well as what each plan's total OPEB liability would be if it were calculated using a discount rate that is 1-percent lower or 1-percent higher than the current discount rate:

	<b>County</b>		
	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
	<b>(3.90%)</b>	<b>(4.90%)</b>	<b>(5.90%)</b>
<b>Total OPEB Liability</b>	\$ 15,181,000	\$ 13,550,331	\$ 12,177,000
	<b>Tax Collector</b>		
	<b>(3.50%)</b>	<b>(4.50%)</b>	<b>(5.50%)</b>
<b>Total OPEB Liability</b>	\$ 3,801,758	\$ 3,454,828	\$ 3,146,041
	<b>Property Appraiser</b>		
	<b>(3.50%)</b>	<b>(4.50%)</b>	<b>(5.50%)</b>
<b>Total OPEB Liability</b>	\$ 622,627	\$ 583,537	\$ 547,500
	<b>Clerk &amp; Comptroller</b>		
	<b>(3.06%)</b>	<b>(4.06%)</b>	<b>(5.06%)</b>
<b>Total OPEB Liability</b>	\$ 8,840,410	\$ 8,030,399	\$ 7,311,320
	<b>Sheriff</b>		
	<b>(3.90%)</b>	<b>(4.90%)</b>	<b>(5.90%)</b>
<b>Total OPEB Liability</b>	\$ 299,397,000	\$ 255,788,852	\$ 220,971,000

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

The following presents the total OPEB liability for each healthcare OPEB plan, as well as what each plans total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the assumed trend rate:

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	<b>County</b>		
	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
	6.75% decreasing to 3.00% over 17 years	7.75% decreasing to 4.00% over 17 years	8.75% decreasing to 5.00% over 17 years
<b>Total OPEB Liability</b>	<b>\$ 11,804,000</b>	<b>\$ 13,550,331</b>	<b>\$ 15,734,000</b>

	<b>Tax Collector</b>		
	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
	6.50% decreasing to 3.04% over 51 years	7.50% decreasing to 4.04% over 51 years	8.50% decreasing to 5.04% over 51 years
<b>Total OPEB Liability</b>	<b>\$ 3,054,407</b>	<b>\$ 3,454,828</b>	<b>\$ 3,933,771</b>

	<b>Property Appraiser</b>		
	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
	6.90% decreasing to 2.45% over 50 years	7.90% decreasing to 3.45% over 50 years	8.90% decreasing to 4.45% over 50 years
<b>Total OPEB Liability</b>	<b>\$ 537,375</b>	<b>\$ 583,537</b>	<b>\$ 635,980</b>

	<b>Clerk &amp; Comptroller</b>		
	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
	6.00% decreasing to 3.00% over 51 years	7.00% decreasing to 4.00% over 51 years	8.00% decreasing to 5.00% over 51 years
<b>Total OPEB Liability</b>	<b>\$ 7,114,490</b>	<b>\$ 8,030,399</b>	<b>\$ 9,126,636</b>

	<b>Sheriff</b>		
	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
	6.75% decreasing to 3.00% over 18 years	7.75% decreasing to 4.00% over 18 years	8.75% decreasing to 5.00% over 18 years
<b>Total OPEB Liability</b>	<b>\$ 230,255,000</b>	<b>\$ 255,788,852</b>	<b>\$ 289,334,000</b>

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

For the fiscal year ended September 30, 2025, these Healthcare OPEB plans recognized OPEB expense of \$24,762,591. At September 30, 2025, these plans reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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	<b>Deferred Outflows of Resources</b>				
	<b>County</b>	<b>Tax Collector</b>	<b>Property Appraiser</b>	<b>Clerk &amp; Comptroller</b>	<b>Sheriff</b>
Changes of assumptions or other inputs	\$ 1,872,968	\$ 426,188	\$ -	\$ 1,761,259	\$ 39,937,958
Experience losses (gains)	6,031,858	-	-	35,370	40,441,566
Contributions subsequent to the measurement date	-	-	-	401,484	-
Total	<u>\$ 7,904,826</u>	<u>\$ 426,188</u>	<u>\$ -</u>	<u>\$ 2,198,113</u>	<u>\$ 80,379,524</u>

	<b>Deferred Inflows of Resources</b>				
	<b>County</b>	<b>Tax Collector</b>	<b>Property Appraiser</b>	<b>Clerk &amp; Comptroller</b>	<b>Sheriff</b>
Change of assumptions or other inputs	\$ 2,986,106	\$ 458,209	\$ 859,685	\$ 2,353,750	\$ 108,315,075
Experience losses (gains)	-	1,449,093	461,233	926,483	30,388,816
Total	<u>\$ 2,986,106</u>	<u>\$ 1,907,302</u>	<u>\$ 1,320,918</u>	<u>\$ 3,280,233</u>	<u>\$ 138,703,891</u>

Contributions to the applicable plans subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2026.

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

	<b>Deferred Outflows/(Inflows), net</b>				
	<b>County</b>	<b>Tax Collector</b>	<b>Property Appraiser</b>	<b>Clerk &amp; Comptroller</b>	<b>Sheriff</b>
<b>Year ending September 30:</b>					
2026	\$ 528,615	\$ (496,020)	\$ (412,064)	\$ (260,033)	\$ (2,719,406)
2027	528,615	(496,019)	(412,061)	(147,036)	(2,719,406)
2028	528,616	(259,174)	(165,598)	(18,126)	(1,852,005)
2029	528,615	(259,175)	(165,598)	(313,506)	(4,262,253)
2030	528,615	9,758	(165,597)	(313,506)	(6,628,082)
Thereafter	2,275,644	19,516	-	(431,397)	(40,143,215)
Totals	<u>\$ 4,918,720</u>	<u>\$ (1,481,114)</u>	<u>\$ (1,320,918)</u>	<u>\$ (1,483,604)</u>	<u>\$ (58,324,367)</u>

**FIRE-RESCUE UNION HEALTHCARE OPEB PLAN**

**Plan Description**

The Fire-Rescue Union Healthcare OPEB is a defined benefit post-employment healthcare OPEB plan that provides OPEB to all eligible retired employees and their dependents. The plan is a single employer plan which is administered by the Fire-Rescue Union for the employees. The authority to establish and amend the benefit terms and financing requirements is granted to the

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Fire-Rescue Union. Florida Statute 112.0801 allows retirees (and eligible dependents) to continue participation in the group insurance plan. Assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75.

The County is required, per the Collective Bargaining Agreement, to make contributions equal to 3% of the total current base annual pay plus benefits for the Fire Rescue employees. Since the plan is a trust, the County is not entitled to nor does it have the ability to otherwise access the economic resources received or held by the plan and the County has no reversionary interest in the economic resources received or held by the plan, nor is the County responsible for custody of the assets of the plan. Therefore, the plan is not reported as a fiduciary fund of the County. The Fire-Rescue Union Healthcare OPEB plan issues a separate standalone financial report and may be obtained by contacting the plan’s administrative offices at the following address:

PBC Firefighters Retirement Insurance Fund  
7240 7<sup>th</sup> Place N  
West Palm Beach, Florida 33411

**Benefits provided**

Retirees of the Fire-Rescue Union Healthcare OPEB plan must be offered the same coverage as is offered to active employees at a premium cost of no more than the premium cost applicable for active employees which results in an implicit subsidy. In addition to the ‘implicit benefit’, the plan offers an explicit benefit. Specifically, the Fire-Rescue Healthcare OPEB plan provides a subsidy that retirees can use to partially or fully offset the cost of health insurance. For employees who retired before September 27, 2005, the subsidy is a monthly benefit of \$75 plus \$12 per year of service. Unless otherwise precluded, for employees retiring on or after September 27, 2005, the subsidy is a monthly benefit of \$140 plus \$17 per year of service. This subsidy is payable for life and is assumed to remain fixed in the future. Employees who retire with at least ten years of service but before attaining normal retirement eligibility are eligible for a reduction to this benefit in the amount of 6% for each year between their age of retirement and age 55. This reduction remains fixed in the future.

**Employees Covered by Benefit Terms**

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

Retirees and Beneficiaries	817
Active Members	<u>1,629</u>
TOTAL	<u><u>2,446</u></u>

**Net OPEB Liability**

The Fire-Rescue’s net OPEB liability was measured as of December 31, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023.

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**Actuarial Assumptions and Other Inputs**

The Fire-Rescue total healthcare OPEB liability based on the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0%
Salary increases	3.5%
Discount rate	6.50%
Healthcare cost trend rate	6.75% to grade uniformly to 4.00% over 11-year period
Actuarial cost method	Entry Age Normal based on level percentage of projected salary

Mortality rates were based on the Pub-2010 table, scaled using MP-2021 and applied on a gender-specific basis.

A formal experience study was not performed; however, the actuarial assumptions used in the specified valuation above were consistent with the FRS valuation as of July 1, 2023.

The long-term expected rate of return on the plan’s investments was determined by weighting the expected future real rates of return (which included an additional 3.0% for inflation) by the target asset allocation percentage.

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

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Returns (with inflation) *</b>
Domestic equity	52.2%	10.1%
International Equity	10.7%	4.8%
Domestic Fixed Income	18.8%	1.0%
Real Return	9.4%	3.6%
Real Estate	8.9%	7.1%
Total	100%	6.9%

\* Target returns are 6.5%.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 6.50%. This was based on a blend of the plan’s estimated long-term rate of return and the 20-year Bond Buyer GO index.

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**Changes in the Net OPEB Liability**

	<b>Increase (Decrease)</b>		
	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability (a) - (b)</b>
<b>Balances at January 1, 2024</b>	\$ 147,835,698	\$ 99,558,058	\$ 48,277,640
Changes for the year:			
Service Cost	2,144,621	-	2,144,621
Interest	9,451,808	-	9,451,808
Differences between expected and actual experience	-	-	-
Changes in assumptions or other inputs	-	-	-
Contributions-employer	-	8,114,383	(8,114,383)
Net investment income	-	12,248,904	(12,248,904)
Benefit payments	(5,974,668)	(5,974,668)	-
Administrative expense	-	(50,172)	50,172
<b>Net changes</b>	<b>5,621,761</b>	<b>14,338,447</b>	<b>(8,716,686)</b>
<b>Balances at December 31, 2024</b>	<b>\$ 153,457,459</b>	<b>\$ 113,896,505</b>	<b>\$ 39,560,954</b>

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB liability of the Fire-Rescue Healthcare plan, as well as what the plan's net OPEB liability would be if it were calculated using a discount rate that is 1-percent lower (5.50%) or 1-percent higher (7.50%) than the current discount rate.

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
	<b>(5.50%)</b>	<b>(6.50%)</b>	<b>(7.50%)</b>
<b>Net OPEB liability</b>	<b>\$ 50,631,000</b>	<b>\$ 39,560,954</b>	<b>\$ 30,481,000</b>

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the net OPEB liability of the Fire-Rescue Healthcare plan, as well as what the plan's net OPEB liability would be if it were calculated using healthcare cost trend rates that

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were 1-percent lower (5.75 percent decreasing to 3.00 percent) or 1-percentage-point higher (7.75 percent decreasing to 5.00 percent) than the current healthcare cost trend rates:

	<b>Healthcare Cost Trend Rates</b>		
	<b>1% Decrease</b>	<b>Current</b>	<b>1% Increase</b>
	5.75%	6.75%	7.75%
	decreasing to 3.00%	decreasing to 4.00%	decreasing to 5.00%
	over 11 years	over 11 years	over 11 years
<b>Net OPEB liability</b>	<b>\$ 34,065,000</b>	<b>\$ 39,560,954</b>	<b>\$ 46,499,000</b>

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

For the year ended September 30, 2025, the County recognized OPEB expense of \$1,956,373 regarding the Fire-Rescue Healthcare plan.

At September 30, 2025, the Fire Rescue Healthcare plan reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 638,867	\$ 17,154,689
Changes of assumptions	24,629,118	53,965,678
Net difference between projected and actual earnings on OPEB plan investments	-	1,541,304
Contributions subsequent to the measurement date	8,114,383	-
Total	<b>\$ 33,382,368</b>	<b>\$ 72,661,671</b>

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

<b><u>Year ending September 30:</u></b>	<b>Deferred Outflows/ (Inflows), net</b>
2026	\$ (2,991,774)
2027	(499,594)
2028	(5,187,749)
2029	(3,901,864)
2030	(4,829,966)
Thereafter	(29,982,739)
	<b>\$ (47,393,686)</b>

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**FIRE-RESCUE SUPPLEMENTAL DISABILITY OPEB PLAN**

**Plan description**

The Fire-Rescue’s supplemental disability OPEB is a defined benefit plan, as well as a single employer plan which is administered by the Palm Beach County Fire-Rescue Department. The authority to establish and amend the benefit terms and financing requirements is granted through collective bargaining between Palm Beach County and the Professional Firefighters/Paramedics of Palm Beach County, Local 2928, IAFF, Inc. The earmarked funding, related earnings, expenditures, and administrative costs are recorded in a special revenue fund. No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75. Additionally, there are no legal documents referencing a trust. The long-term disability OPEB plan does not issue a separate standalone financial report.

**Benefits Provided**

The plan provides disability benefits to Firefighters and District Chiefs totally and permanently prevented from rendering useful and efficient service as a Firefighter/District Chief incurred in the line of duty.

**Employees Covered by Benefit Terms**

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

Retirees and Beneficiaries	81
Active Members	<u>1,492</u>
TOTAL	<u><u>1,573</u></u>

**Total OPEB Liability**

The total supplemental disability OPEB liability of \$33,265,515 was measured as of October 1, 2024 and was determined by an actuarial valuation as of October 1, 2024.

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**Actuarial Assumptions and Other Inputs**

The total supplemental disability OPEB liability in the October 1, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.40%
Projected salary increases	4.8% - 7.4%
Discount Rate	3.88%
Actuarial Cost Method	Entry Age Normal based on level percent of pay

The discount rate was based on the Fidelity 20-Year Municipal AA Index as of the measurement date October 1, 2024.

Mortality rates were based on the Pub-2010 Generational, Scale MP-2018.

The actuarial assumptions used in the specified valuation was based on the results of an actuarial experience study conducted by the Florida Retirement System as of July 1, 2019.

**Changes in the Total OPEB Liability**

	<b>Total OPEB Liability</b>
<b>Balance at September 30, 2024</b>	<u>\$ 28,373,073</u>
Changes for the year:	
Service cost	396,160
Interest	1,269,008
Differences between expected and actual experience	3,714,240
Assumption changes	2,234,745
Benefit payments	<u>(2,721,711)</u>
<b>Net change</b>	<u>4,892,442</u>
<b>Balance at September 30, 2025</b>	<u><u>\$ 33,265,515</u></u>

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability for the supplemental disability OPEB plan, as well as what the supplemental disability OPEB plan's total OPEB liability would be if it were calculated

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using a discount rate that is 1-percent lower (2.88%) or 1-percent higher (4.88%) than the current discount rate:

	<b>1% Decrease (2.88%)</b>	<b>Current Discount Rate (3.88%)</b>	<b>1% Increase (4.88%)</b>
<b>Total OPEB liability</b>	\$ 36,546,131	\$ 33,265,515	\$30,502,788

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

For the fiscal year ended September 30, 2025, the Fire-Rescue supplemental disability OPEB plan recognized OPEB expenses of \$3,553,542. At September 30, 2025, the supplemental disability plan reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 19,918,551	\$ -
Changes of assumptions	4,814,296	6,155,204
Total	\$ 24,732,847	\$ 6,155,204

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

<b>Year ending September 30:</b>	<b>Deferred Outflows/ (Inflows), net</b>
2026	\$ 1,880,323
2027	1,880,323
2028	1,880,323
2029	1,880,323
2030	1,880,323
Thereafter	9,176,028
	\$ 18,577,643

**COMPONENT UNIT – Solid Waste Authority (SWA)**

Retirees of the SWA pay an amount equal to the actual premium for health insurance charged by the carrier. The premium charged includes an implied subsidy, as the amount charged for all participants (active employee or retiree) is the same, regardless of age. Under GASB 75, an implied subsidy is considered other post-employment benefits (OPEB).

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**Plan Description**

The SWA provides a single employer defined benefit health care plan to all of its employees and the plan is administered by the SWA. The plan has no assets and does not issue a separate financial report.

**Benefits Provided**

The plan allows its employees and their beneficiaries, at their own cost, to obtain medical/Rx and other insurance benefits upon retirement. The benefits of the plan are in accordance with Florida Statutes, which are the legal authority for the plan.

**Employees Covered by Benefit Terms**

At January 1, 2026, the most recent actuarial valuation date, the following employees were covered by the benefit terms:

Active Employees	350
Pre-medicare retirees	5
Pre-medicare spouses	-
TOTAL	<u>355</u>

**Contributions**

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

**Total OPEB Liability**

The SWA's total OPEB liability of \$1,233,846 was measured as of September 30, 2025 and was determined by the actuarial valuation as of January 1, 2026.

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**Actuarial Assumptions and Methods**

The total OPEB liability was determined using the following actuarial assumptions and other methods:

Valuation Date:	January 1, 2026
Measurement Date:	September 30, 2025
Salary Increase Rates:	3.65% to 6.35%
Discount Rate:	4.50%
Cost Method:	Entry Age Normal Funding Method
Spouse Age:	Spouse dates of birth were provided by the SWA. Where this information is missing, male spouses are assumed to be three years older than female spouses.
Medicare Eligibility:	All current and future retirees are assumed to be eligible for Medicare at age 65.
Healthcare Cost Trend:	Assumption developed using Society of Actuaries (SOA) Long-Run Medical Cost Trend Model. Current valuation uses the 2026 version of the model with baseline assumptions.
Plan Participation Percentage:	20% of employees are assumed to elect to participate in the plan upon retirement/disability.
Mortality Rates:	Pub-2010 General Employees Headcount-Weighted Mortality Projected with Fully Generational MP-2021 Mortality Improvement Scale.

**Discount Rate**

The SWA does not have a dedicated Trust to pay retiree healthcare benefits. Per GASB 75, the discount rate is a yield or index rate for 20-year, tax-exempt municipal bonds. As a result, the calculation used a rate of 4.50%, as of September 30, 2025.

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**Changes in the Total OPEB Liability**

	<u>Total OPEB Liability</u>
Balance at September 30, 2024	\$ 675,462
Changes for the year:	
Service cost	43,952
Interest cost	26,729
Differences Between expected and actual experience	(46,619)
Changes of assumptions and other inputs	595,371
Benefit payments	(61,049)
Net change in total OPEB liability	558,384
Balance at September 30, 2025	\$ 1,233,846

**Changes in Assumptions**

As of September 30, 2025, all assumptions, methods, and results are based on the fiscal year 2025 GASB 75 actuarial report dated January 1, 2026. Changes to the assumptions since the actuarial report dated January 30, 2024 are as follows:

- The healthcare cost trend assumption was updated based on the 2026 Getzen model released by the SOA.
- The decrement and salary scale assumptions were updated based on those developed in the 2024 experience study for the Florida Retirement System.
- The discount rate assumption was updated from 3.88% to 4.50%.

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability of the SWA, as well as what the SWA's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.50%) or 1-percentage-point higher (5.50%) than the current discount rate:

	<b>1.0% Decrease (3.50%)</b>	<b>Discount Rate (4.50%)</b>	<b>1.0% Increase (5.50%)</b>
Total OPEB Liability	\$ 1,304,996	\$ 1,223,846	\$ 1,164,815

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

The following presents the total OPEB liability of the SWA, as well as what the SWA's total OPEB liability would be if it were calculated using healthcare cost trends that are 1-percentage-

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point lower (8.00% decreasing to 3.04%) or 1-percentage-point higher (10.00% decreasing to 5.04%) then the current healthcare cost trend rates:

	<b>1.0% Decrease (8.00% decreasing to 3.04%)</b>	<b>Healthcare cost Trend Rates (9.00% decreasing to 4.04%)</b>	<b>1.0% Increase (10.0% decreasing to 5.04%)</b>
Total OPEB Liability	<u>\$ 1,124,323</u>	<u>\$ 1,233,846</u>	<u>\$ 1,358,274</u>

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

For the fiscal year ended September 30, 2025, the SWA recognized OPEB expense of \$161,318. At September 30, 2025, the SWA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference Between Expected and Actual Experience	<u>\$ 100,374</u>	<u>\$ 167,443</u>
Changes of Assumptions/Inputs	<u>676,116</u>	<u>27,233</u>
Total	<u>\$ 776,490</u>	<u>\$ 194,676</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

<b><u>Year ending September 30:</u></b>	<b><u>Deferred Outflows/ (Inflows), net</u></b>
2026	\$ 90,637
2027	90,637
2028	89,797
2029	97,926
2030	75,629
Thereafter	<u>137,188</u>
	<u>\$ 581,814</u>

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**14. LONG-TERM DEBT**

Changes in Long-Term Liabilities – The following is a summary of changes in long-term liabilities for the year ended September 30, 2025 for both governmental activities and business-type activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 104,915,000	\$ -	\$ 9,350,000	\$ 95,565,000	\$ 6,475,000
Notes from direct borrowings and direct placements	28,890,207	-	7,519,090	21,371,117	6,588,486
Non-ad valorem revenue bonds	597,325,000	-	49,365,000	547,960,000	38,580,000
Unamortized bond premiums	46,032,118	-	5,542,002	40,490,116	-
Unamortized bond discounts	(534,402)	-	(30,380)	(504,022)	-
Total bonds payable	776,627,923	-	71,745,712	704,882,211	51,643,486
Notes and loans payable	12,747,974	950,000	1,189,464	12,508,510	1,244,291
Arbitrage liability	4,879,768	1,564,194	-	6,443,962	-
Compensated absences*	270,233,582	23,864,247	-	294,097,829	39,305,930
Estimated Self-Insurance liability	263,613,762	152,505,707	138,314,955	277,804,514	24,726,925
Lease liability	7,979,548	26,144,853	3,879,013	30,245,388	4,304,510
Subscription liability	65,979,197	7,467,055	9,779,385	63,666,867	9,453,253
Sub-total	1,402,061,754	212,496,056	224,908,529	1,389,649,281	130,678,395
Net pension liability	1,688,943,161	-	243,639,132	1,445,304,029	-
Net OPEB liability	384,541,155	-	32,514,126	352,027,029	12,590,403
Governmental activities long-term liabilities	\$ 3,475,546,070	\$ 212,496,056	\$ 501,061,787	\$ 3,186,980,339	\$ 143,268,798

Long-term liabilities other than debt (bonds and loans) are liquidated by the governmental funds incurring the expenditure. For the estimated Self-Insurance liability, the General Fund liquidates 73% with the remaining 27% liquidated by the Internal Service Funds. The lease liability is liquidated 77% by the General Fund, 7% by the General Government Capital Project Fund, 1% by Covid-19 Special Revenue Fund, 12 % by Transportation Fund and the remaining 3% by the Fire Rescue Special Revenue Fund. For the subscription liability, the General Fund liquidates 100%. The arbitrage liability is expected to be liquidated 100% by the General Government Capital Projects Fund. The net pension liability and net OPEB liability are liquidated in the respective General Fund, Special Revenue Fund or Internal Service Fund which incur personnel expenditures.

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Business-type activities:</b>					
Bonds payable:					
Revenue bonds	\$ 165,545,000	\$ 98,750,000	\$ 9,920,000	\$ 254,375,000	\$ 13,115,000
Unamortized bond premiums	8,555,099	9,755,513	1,515,411	16,795,201	-
Total bonds payable	174,100,099	108,505,513	11,435,411	271,170,201	13,115,000
Notes and loans payable	3,812,059	-	649,464	3,162,595	661,876
Compensated absences *	8,418,255	163,625	-	8,581,880	3,251,707
Lease liability	168,067	245,642	115,626	298,083	110,822
Subscription liability	301,515	-	153,874	147,641	147,641
Sub-total	186,799,995	108,914,780	12,354,375	283,360,400	17,287,046
Net pension liability	51,271,800	-	8,127,627	43,144,173	-
Total OPEB liability	2,355,358	-	147,971	2,207,387	-
Business-type activities long-term liabilities	\$ 240,427,153	\$ 108,914,780	\$ 20,629,973	\$ 328,711,960	\$ 17,287,046

\*Restated for implementation of GASB Statement No.101

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**Governmental Activities General Long-Term Debt**

General long-term debt, including current maturities, at September 30, 2025 consisted of the following:

**General Obligation Bonds**

\$28,035,000 General Obligation Refunding Bonds (Waterfront Access Projects), Series 2014 were issued for paying and defeasing a portion of the County's outstanding General Obligation Bonds (Waterfront Access Projects), Series 2006 maturing on and after August 1, 2016. The annual installments range from \$3,250,000 to \$3,350,000 through August 1, 2026, with interest rates from 3.00% to 5.00% payable semi-annually on February 1 and August 1 of each year. The bonds are general obligations of the County and are payable from ad valorem revenues.	\$ 3,350,000
\$94,940,000 General Obligation Bond, Series 2024 were issued in Fiscal Year 2024 to finance Workforce and Affordable Housing Units. The annual installments range from \$2,725,000 to \$7,180,000 through June 1, 2044, with interest rates from 4.5% to 5.00% payable semi-annually on December 1 and June 1 of each year. The bonds are general obligations of the County and are payable from ad valorem revenues.	\$ 92,215,000
	<hr/>
Total General Obligation Bonds	\$ 95,565,000

**Notes from Direct Borrowings and Direct Placements**

\$16,189,340 Capital Improvement Revenue Bonds (Four Points and Other Public Buildings Projects), Series 2012 was issued to pay the County's Capital Improvement Bond Anticipation Notes, Series 2009. The annual installments range from \$1,147,340 to \$1,180,225 through March 1, 2027, with an interest rate of 2.520% payable semi-annually on March 1 and September 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues.	\$ 2,344,919
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\$13,180,000 Public Improvement Revenue Bonds, (Max Planck 3 Project), Series 2013 was issued to fund the third installment of the grant to Max Planck Florida Corporation, and to pay the costs of issuing the Bond. The annual installments range from \$943,501 to \$1,038,901 through December 1, 2028, with an interest rate of 3.00% payable annually on December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 4,011,547

\$18,805,000 Public Improvement Revenue Bonds (Max Planck 3 Project), Series 2015B was issued to fund the fifth installment of the grant to Max Planck Florida Corporation, and to pay the costs of issuing the Bond. The annual installments range from \$2,060,000 to \$2,115,000 through December 1, 2025, with an interest rate of 2.73% payable semi-annually on June 1 and December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 2,115,000

\$22,540,000 Revenue Improvement Refunding Bonds (Ocean Avenue Lantana Bridge and Max Planck Florida Corporation Projects), Series 2018 was issued for paying the County's outstanding Revenue Improvement Bonds (Ocean Avenue Lantana Bridge and Max Planck Florida Corporation Projects), Series 2011. The annual installments range from \$1,720,000 to \$1,960,000 through August 1, 2031, with an interest rate of 2.89% payable semi-annually on February 1 and August 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 11,145,000

\$11,697,676 Public Improvement Revenue Note (Environmentally Sensitive Land Acquisition Project) Series 2008 was issued to pay the cost of the acquisition of environmentally sensitive land in Palm Beach County. The annual installments are \$584,884 through August 1, 2028, with a variable rate of interest in effect of 2.32% payable semiannually on February 1 and August 1 of each year. The note is not a general obligation of the County and is payable from non-ad valorem revenues. \$ 1,754,651

Total Notes from Direct Borrowing and Direct Placements \$ 21,371,117

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**Non-Ad Valorem Bonds**

\$72,445,000 Public Improvement Revenue Refunding Bonds, Series 2014A for the purpose of providing funds to refund and redeem the following outstanding obligations of the County: (a) a portion of the callable maturities of the Palm Beach County, Florida Public Improvement Revenue Bonds, Series 2006 (Parking Facilities Expansion Project), (b) a portion of the outstanding Palm Beach County, Florida Public Improvement Revenue Refunding Bonds, Series 2007A (Biomedical Research Park Project), (c) a portion of the outstanding Palm Beach County, Florida Taxable Public Improvement Revenue Refunding Bond, Series 2007B (Biomedical Research Park Project) and (d) a portion of the callable maturities of the Palm Beach County, Florida Public Improvement Revenue Bonds, Series 2007C (Biomedical Research Park Project). Proceeds of the bonds were used to pay the cost of issuance of the bonds. The annual installments range from \$7,755,000 to \$7,745,000 through November 1, 2027, with an interest rate from 3.00% to 5.00% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 24,465,000

\$63,635,000 Public Improvement Revenue Refunding Bonds, Series 2015 for the purpose of providing funds to refund and redeem the following outstanding obligations of the County: (a) all of the callable maturities of the Palm Beach County, Florida Refunding Public Improvement Sunshine State Government Finance Commission, Series 2008A and (b) a portion of the outstanding Palm Beach County, Florida Public Improvement Revenue Bonds, Series 2008-2. Proceeds of the bonds will also be used to pay the cost of issuance of the Bonds. The annual installments range from \$5,590,000 to \$6,655,000 through November 1, 2028, with an interest rate from 3.00% to 5.00% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 25,095,000

\$63,155,000 Public Improvement Revenue Bonds (Various Public Improvements Project) Series 2015A. The bond was issued by Palm Beach County for the purpose of providing funds for the construction of a public parking garage adjacent to the County Convention Center and the renovation of a portion of a County-owned office building. The annual installments range from \$2,880,000 to \$4,295,000 through November 1, 2035, with an interest rate from 3.00% to 4.00% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 39,805,000

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\$65,360,000 Public Improvement Revenue Bonds (Professional Sports Franchise Facility Project), Series 2015C was issued for the purpose of financing the cost of the construction and equipping of a professional sports franchise facility. The annual installments range from \$2,880,000 to \$3,425,000 through December 1, 2045, with an interest rate from 2.996% to 4.698% payable semi-annually on June 1 and December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 46,280,000

\$121,035,000 Public Improvement Revenue Refunding Bonds, Series 2016 were issued for paying and defeasing the County's outstanding Public Improvement Revenue Bond, Series 2008. The annual installments range from \$4,905,000 to \$9,250,000 through May 1, 2038, with an interest rate of 5.00% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 91,230,000

\$41,830,000 Taxable Public Improvement Revenue Bond (Convention Center Project), Series 2019A was issued in Fiscal Year 2020 as a non-ad valorem bond to partially refund the Public Improvement Revenue Refunding Bonds, Series 2011 for the Convention Center Project. The annual installments range from \$4,355,000 to \$4,910,000 through November 1, 2030 with an interest rate of 2.00% payable semi-annually on May 1 and November 1 of each year. The bond is not a general obligation and is payable from non-ad valorem revenues. \$ 28,030,000

\$25,180,000 Taxable Public Improvement Revenue Bond (Convention Center Hotel Project), Series 2019B was issued in Fiscal Year 2020 as a non-ad valorem bond to partially refund the Public Improvement Revenue Refunding Bond, Series 2013 for the Convention Center Hotel Project. The annual installments range from \$350,000 to \$1,425,000 through November 1, 2043 with an interest rate from 3.00% to 3.35% payable semi-annually on May 1 and November 1 of each year. The bond is not a general obligation and is payable from non-ad valorem revenues. \$ 22,740,000

\$51,050,000 Public Improvement Revenue Bonds (Supervisor of Elections Operations Building), Series 2021A were issued in Fiscal Year 2021 as a non-ad valorem bond to acquire, construct, develop and equip the Supervisor of Elections Operations Building and related facilities. The annual installments range from \$1,835,000 to \$3,715,000 through December 1, 2040 with an interest rate range from 4.00% to 5.00% payable semi-annually on June 1 and December 1 of each year. The bond is not a general obligation and is payable from non-ad valorem revenues. \$ 44,425,000

**PALM BEACH COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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\$69,235,000 Taxable Public Improvement Revenue Bonds (Professional Sports Franchise Facility Project), Series 2021C were issued in Fiscal Year 2021 to finance the costs of refunding all or a portion of the County’s Public Improvement Revenue Bonds (Professional Sports Franchise Facility Project), tax-exempt Series 2015D. The annual installments range from \$1,105,000 to \$2,245,000 through December 1, 2045 with an interest rate range from 0.5% to 2.75% payable semi-annually on June 1 and December 1 of each year. The bond is not a general obligation and is payable from non-ad valorem revenues. \$ 65,000,000

\$34,550,000 Tax-exempt Public Improvement Revenue Bonds (Professional Sports Franchise Facility Project), Series 2023A were issued in Fiscal Year 2023 to finance the costs of Roger Dean Chevrolet Stadium Project. The annual installments range from \$5,065,000 to \$6,500,000, starting from December 1, 2042 through December 1, 2047 with an interest rate of 5% payable semi-annually on June 1 and December 1 of each year. The bond is not a general obligation and is payable from non-ad valorem revenues. \$ 34,550,000

\$88,145,000 Taxable Public Improvement Revenue Bonds (Professional Sports Franchise Facility Project), Series 2023B were issued in Fiscal Year 2023 to finance the costs of Roger Dean Chevrolet Stadium Project. The annual installments range from \$3,205,000 to \$6,795,000 through December 1, 2041 with an interest rate range from 4.00% to 4.75% payable semi-annually on June 1 and December 1 of each year. The bond is not a general obligation and is payable from non-ad valorem revenues. \$ 82,175,000

\$47,315,000 Tax-exempt Public Improvement Revenue Bonds, Series 2023C were issued in Fiscal Year 2023 to finance the costs of certain capital improvement projects and pay the costs of the issuance with respect to these Bonds. The annual installments range from \$1,495,000 to \$3,600,000 through May 1, 2043 with an interest rate of 5% payable semi-annually on May 1 and November 1 of each year. The bond is not a general obligation and is payable from non-ad valorem revenues. \$ 44,165,000

Total Non-Ad Valorem Revenue Bonds	\$ 547,960,000
Total Face Amount of Bonds Payable	\$ 664,896,117
Unamortized bond premiums	\$ 40,490,116
Unamortized bond discounts	\$ (504,022)
Total Governmental Activities Bonds Payable	\$ 704,882,211

**PALM BEACH COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Notes and Loans Payable**

\$2,600,000 - HUD Section 108 Loan. \$2,600,000 is authorized leaving \$0 available for future financing. The HUD Loan was obtained to provide funding for County loans to various borrowers for the Belle Glade Avenue "A" Revitalization Project. The annual installments range from \$31,000 to 34,000 through August 1, 2033, with a variable rate of interest in effect of 4.24% payable quarterly on February 1, May 1, August 1, and November 1 of each year. The loans are general obligations of the County. The debt service will be paid using the cash flows received by the County from the sub-recipient borrowers. In the event the cash flows from the sub-recipients are not sufficient to service the HUD loans, the County is obligated to use other resources.

As of September 30, 2025 the outstanding individual loans are as follows:

\$ 592,000	- America's Sound, 2012	<u>\$ 189,000</u>	
			\$ 189,000

**PALM BEACH COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

\$13,340,000 - HUD Section 108 Loan. \$13,340,000 is authorized leaving \$0 available for future financing. The HUD Loan was obtained to provide funding for County loans to various borrowers for the Community Development Business Loan Program Project. The annual installments range from \$13,000 to \$327,000 through August 1, 2034, with a variable rate of interest in effect of 4.24% payable quarterly on February 1, May 1, August 1, and November 1 of each year. The loans are general obligations of the County. The debt service will be paid using the cash flows received by the County from the sub-recipient borrowers. In the event the cash flows from the sub-recipients are not sufficient to service the HUD loans, the County is obligated to use other resources.

As of September 30, 2025 the outstanding individual loans are as follows:

\$ 5,948,000	- Oxygen Development LLC, 2011	\$ 1,635,000	
265,000	- Donia Adams Roberts PA, 2011	70,000	
257,000	- F&T of Belle Glade, 2011	65,000	
1,412,000	- Glades Plaza Enterprises LLC, 2012	450,000	
244,000	- A&E Auto Sales, 2012	78,000	
244,000	- SSB Investments, 2013	88,000	
196,000	- GUS Distribution Corporation, 2014	<u>34,000</u>	
			\$ 2,420,000

\$2,824,000 - HUD Section 108 Loan. \$2,824,000 is authorized leaving \$0 available for future financing. The HUD Loan was obtained to provide funding for County loans to various borrowers for the Pahokee Downtown Revitalization Project. The annual installments range from \$8,000 to \$110,000 through August 1, 2035, with a variable rate of interest in effect of 4.24% payable quarterly on February 1, May 1, August 1, and November 1 of each year. The loans are general obligations of the County. The debt service will be paid using the cash flows received by the County from the sub-recipient borrowers. In the event the cash flows from the sub-recipient are not sufficient to service the HUD loans, the County is obligated to use other resources.

As of September 30, 2025 the outstanding individual loans are as follows:

\$ 152,000	- Circle S Pharmacy, 2010	\$ 40,000	
1,963,000	- Pahokee Revitalization Program, 2015	<u>1,063,000</u>	
			\$ 1,103,000

**PALM BEACH COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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\$10,000,000 - HUD Section 108 Loan. \$10,000,000 is authorized leaving \$0 available for future financing. The HUD Loan was obtained to provide funding for County loans to various borrowers for the Community Development Business Loan Program Project. The annual installments range from \$413,000 to \$421,000 through August 1, 2037, with a variable rate of interest in effect of 4.24% payable quarterly on February 1, May 1, August 1, and November 1 of each year. The loans are general obligations of the County. The debt service will be paid using the cash flows received by the County from the sub-recipient borrowers. In the event the cash flows from the sub-recipient are not sufficient to service the HUD loans, the County is obligated to use other resources.

As of September 30, 2025, the outstanding individual loans are as follows:

\$ 7,442,000 - Final Draw, 2017	\$ 4,964,000	
		\$ 4,964,000

\$400,000 - USDA Palm Beach County Relending Program (PBC IRP) funded by the U.S. Department of Agriculture. PBC IRP loans provide a dedicated, national source of low interest loans for use by individuals, a corporation, partnership, limited liability company, non-profit corporation, or entity with economic development projects located in the rural areas to alleviate poverty and increase economic activity and employment. The annual installments range from \$926 to \$10,018 through April 15, 2043, with an interest rate of 1.00% payable annually on April 15 of each year. The debt service will be paid using the cash flows received by the County from the sub-recipient borrowers. In the event the cash flows from the sub-recipient are not sufficient to service the USDA loans, the County is obligated to use other resources.

As of September 30, 2025 the outstanding individual loans are as follows:

\$ 150,000 - IRP BI Development Group, 2014	\$ 104,459	
25,000 - IRP Gus Distributing Corp, 2014	17,410	
150,000 - IRP EHR LLC, 2014	104,459	
75,000 - IRP PR Local Electric, 2014	52,230	
		\$ 278,558

**PALM BEACH COUNTY, FLORIDA  
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\$1,568,000 - HUD Section 108 Loan. \$1,568,000 is authorized leaving \$0 available for future financing. The HUD Loan was obtained to provide funding for County loans to various borrowers for the Community Development Business Loan Program Project. The annual installments range from \$71,000 to \$72,000 through August 1, 2038, with a variable rate of interest in effect of 4.24% payable quarterly on February 1, May 1, August 1, and November 1 of each year. The loans are general obligations of the County. The debt service will be paid using the cash flows received by the County from the sub-recipient borrowers. In the event the cash flows from the sub-recipients are not sufficient to service the HUD loans, the County is obligated to use other resources.

As of September 30, 2025 the outstanding loans are as follows:

\$ 1,437,000 - Economic Development Loan Project Fund, 2018	\$ 933,000		
		\$	933,000

\$1,000,000 - USDA Palm Beach County Relending Program (PBC IRP) funded by the U.S. Department of Agriculture. \$1,000,000 is authorized leaving \$0 available for future financing. PBC IRP loans provide a dedicated, national source of low interest loans for use by individuals, a corporation, partnership, limited liability company, non-profit corporation, or entity with economic development projects located in the rural areas to alleviate poverty and increase economic activity and employment. The annual installments range from \$994 to \$8,572 through November 21, 2047, with an interest rate of 1.00% payable annually on November 13 of each year. The debt service will be paid using the cash flows received by the County from the sub-recipient borrowers. In the event of cash flows from the sub-recipient are not sufficient to service the USDA loans, the County is obligated to use other resources.

As of September 30, 2025 the outstanding individual loans are as follows:

\$ 100,000 - IRP - Glades Plaza Enterprises, LLC, 2019	\$ 84,910		
90,522 - IRP - Madina Sod Corporation, 2019	76,862		
150,000 - IRP - ARK 305, LLC, 2020	127,365		
100,000 - IRP - ARC Realty Holding LLC, 2020	84,910		
34,000 - IRP - ARC Development Global LLC, 2020	28,870		
29,000 - IRP - Myr's Management Services LLC, 2020	24,624		
150,000 - IRP - JEM Farms, 2021	127,365		
39,375 - IRP - Cutting Edge Landscape Services LLC, 2021	33,434		
150,000 - IRP - Performance Napa, LLC, 2022	135,107		
157,103 - IRP - Sheraton Oz Fund, LLC, 2022	141,505		
		\$	864,952

**PALM BEACH COUNTY, FLORIDA**  
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\$14,000,000 - HUD Section 108 Loan. \$14,000,000 is authorized leaving \$13,100,000 available for future financing. The HUD Loan was obtained to provide funding for County loans to various borrowers for the Community Development Business Loan Program Project. The annual installments range from \$47,000 to \$54,000 through August 1, 2042, with a variable rate of interest in effect of 4.24% payable quarterly on February 1, May 1, August 1, and November 1 of each year. The loans are general obligations of the County. The debt service will be paid using the cash flows received by the County from the sub-recipient borrowers. In the event the cash flows from the sub-recipients are not sufficient to service the HUD loans, the County is obligated to use other resources

As of September 30, 2025, the outstanding individual loans are as follows:

\$ 900,000	- Daniel Madistin LLC, 2023	\$ 806,000	
\$ 950,000	- Kiss Kitchen LLC, 2024	950,000	
		\$ 1,756,000	

Total Notes and Other Loans Payable	\$ 12,508,510
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**Line of Credit**

The County does not have any outstanding line of credit agreements.

\$ -

**Arbitrage Liability**

Certain County debt obligations are subject to Section 148 of the Internal Revenue Code which requires that interest earned on proceeds from tax-exempt debt be rebated to the federal government to the extent that those earnings exceed the interest cost of the related tax-exempt debt. The arbitrage rebate must be calculated and paid to the federal government every five years from the date of issue until the debt matures. The County employs a consultant to make computations on an annual basis. However, since the rebate is cumulative (excess earnings in one year can be offset with deficit earnings in another year), the annually computed estimate may change significantly (increase or decrease) before the actual due date.

\$ 6,443,962

**PALM BEACH COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Compensated Absences**

Board of County Commissioners	\$	82,697,224	
Clerk & Comptroller		338,622	
Sheriff		207,370,812	
Tax Collector		525,995	
Property Appraiser		2,329,412	
Supervisor of Elections		835,764	
			\$ 294,097,829
Estimated Self-Insurance Obligation (see note on Risk Management)			277,804,514
Lease liability			30,245,388
Subscription liability			63,666,867
Total governmental activities general long-term debt including current portion			\$ 1,389,649,281

**Business-type Activities Long-Term Debt**

Business-type long-term debt, including current portion, at September 30, 2025 consisted of the following:

**Revenue Bonds**

\$44,105,000 Water and Sewer Revenue Refunding Bonds, Series 2019 (FPL Reclaimed Water Project) were issued to pay the cost of refunding the County's Water and Sewer Revenue Bonds, Series 2009 (FPL Reclaimed Water Project) which financed the acquisition and construction of additions to the County's Water and Sewer System and to reimburse Florida Power and Light for costs advanced by them. The annual installments range from \$1,820,000 to \$3,455,000 through October 1, 2040, with interest rates from 2.500% to 5.000% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are secured by a first lien on and pledge of the net revenues of the County's Water and Sewer System and a first lien on and pledge of the connection fees.

\$ 35,820,000

**PALM BEACH COUNTY, FLORIDA**  
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\$26,930,000 Water and Sewer Revenue Refunding Bonds, Series 2015 was issued to partially refund the Series 2006A Bonds through an in-substance defeasance. The Department placed into irrevocable trusts funds sufficient to meet future principal and interest payments on the defeased bonds, outstanding principal of which was \$25,300,000. The installments range from \$7,535,000 to \$8,080,000 through October 1, 2036, with an interest rate from 3.125% to 4.000% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are payable solely from and secured from the accounts pledged under the bond resolution. \$ 23,385,000

\$59,375,000 Water and Sewer Revenue Refunding Bonds, Series 2020 were issued to advance refund \$51,325,000 of the Series 2013 Water and Sewer Revenue Refunding Bonds maturing on or after October 1, 2024. The annual installments range from \$5,325,000 to \$5,865,000 through October 1, 2033, with an interest rate of 0.35% to 1.75% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are payable solely from and secured from the accounts pledged under the bond resolution. \$ 50,090,000

\$57,070,000 Airport System Revenue Refunding Bonds, Series 2016 were issued to advance refund the Airport System Revenue Bonds, Series 2006B. The annual installments range from \$2,775,000 to \$4,980,000 through October 1, 2036, with an interest rate of 5.000% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are payable solely from and secured from the net revenues available for Debt Service and the funds and accounts pledged under the bond resolution. \$ 46,330,000

\$24,190,000 Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT) were issued in Fiscal Year 2025. The annual installments range from \$760,000 to \$1,865,000 through October 1, 2044, with an interest rate of 5.000% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are payable solely from and secured from the net revenues available for Debt Service and the funds and accounts pledged under the bond resolution. \$ 24,190,000

**PALM BEACH COUNTY, FLORIDA**  
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\$74,560,000 Airport System Revenue Improvement Bonds, Series 2024B (AMT) were issued in Fiscal Year 2025. The annual installments range from \$2,330,000 to \$5,820,000 through October 1, 2044, with an interest rate from 5.00% to 5.25% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are payable solely from and secured from the net revenues available for Debt Service and the funds and accounts pledged under the bond resolution.

	\$ 74,560,000
Total face value of Revenue Bonds Payable	\$ 254,375,000
Unamortized bond premiums	16,795,201
Net Revenue Bonds, Business-Type Activities	\$ 271,170,201

**Notes and Loans Payable**

\$9,706,342 – Florida Department of Environmental Protection Loans. These State Revolving Fund Loans were assumed by the County on May 1, 2013 under the terms of the County’s absorption of the Glades Utility Authority (GUA). The annual installments range from \$12,757 to \$245,218 through May 15, 2033, with interest rates from 1.640% to 2.820% payable semi-annually. The bonds are not general obligations of the County and are secured by a first lien on and pledge of the net revenues of the County's Water and Sewer system and a first lien on and pledge of the connection fees.

As of September 30, 2025 the outstanding loans are as follows:

\$ 430,015 - Pahokee SRF Loan	\$ 145,116	
722,989 - Belle Glade SRF Loan	121,970	
6,515,388 - Belle Glade SRF Loan	1,904,184	
2,037,950 - Belle Glade SRF Loan	991,325	
		\$ 3,162,595

**Compensated Absences**

Business-Type Fund		
Water Utilities Department	\$ 5,766,621	
Department of Airports	2,815,259	
		\$ 8,581,880
Lease liability		298,083
Subscription liability		147,641
Total Business-Type Activities Long-Term Debt, including current portion		\$ 283,360,400

**PALM BEACH COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Annual debt service requirements to maturity for governmental activities long-term debt are as follows:

**Governmental Activities General Long-Term Debt**

Year Ending September 30	General Obligation Bonds		Non-Ad Valorem Revenue Bonds		Notes from Direct Borrowings and Direct Placements		Notes and Loans Payable		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2026	\$ 6,475,000	\$ 4,512,554	\$ 38,580,000	\$ 21,659,347	\$ 6,588,485	\$ 584,160	\$ 1,244,291	\$ 502,836	\$ 80,146,673
2027	3,275,000	4,263,616	40,475,000	20,088,317	4,553,692	423,084	1,244,291	443,467	74,766,467
2028	3,425,000	4,116,241	40,820,000	18,575,471	3,435,039	303,787	1,227,291	391,184	72,294,013
2029	3,575,000	3,962,116	34,300,000	17,240,468	2,913,901	197,507	1,230,290	340,841	63,760,123
2030	3,740,000	3,801,241	28,690,000	16,117,655	1,920,000	112,132	1,237,290	290,371	55,908,689
2031-2035	21,390,000	16,306,639	138,635,000	64,436,099	1,960,000	56,644	3,871,444	874,366	247,530,192
2036-2040	26,950,000	10,746,163	125,245,000	35,492,663	-	-	1,793,442	222,580	200,449,848
2041-2045	26,735,000	3,420,148	76,980,000	13,311,342	-	-	544,708	40,412	121,031,610
2046-2050	-	-	24,235,000	1,534,697	-	-	115,463	2,339	25,887,499
Total	\$ 95,565,000	\$ 51,128,718	\$ 547,960,000	\$ 208,456,059	\$ 21,371,117	\$ 1,677,314	\$ 12,508,510	\$ 3,108,396	\$ 941,775,114

Annual debt service requirements to maturity for business-type activities long-term debt are as follows:

**Business-type Activities Long-Term Debt**

Year Ending September 30	Revenue Bonds		Notes and Loans Payable		Total
	Principal	Interest	Principal	Interest	
2026	\$ 13,115,000	\$ 9,885,725	\$ 661,876	\$ 62,051	\$ 23,724,652
2027	13,545,000	9,447,218	674,535	49,391	23,716,144
2028	13,985,000	8,979,106	624,880	36,746	23,625,732
2029	14,475,000	8,478,663	636,972	24,653	23,615,288
2030	14,985,000	7,945,833	152,530	14,442	23,097,805
2031-2035	84,930,000	30,997,897	411,802	19,900	116,359,599
2036-2040	61,140,000	14,517,794	-	-	75,657,794
2041-2045	38,200,000	4,745,574	-	-	42,945,574
Total	\$ 254,375,000	\$ 94,997,810	\$ 3,162,595	\$ 207,183	\$ 352,742,588

The Water and Sewer Revenue Bonds are collateralized by a first lien on the Department's net revenues and connection fees as defined in the bonds' Resolutions. The Department is required to establish rates and fees sufficient to provide net revenues and connection fees which are at least 125% of the annual debt service requirements.

Pursuant to the Bond Resolution related to the Airports Revenue Bonds, the County covenants that it will fix, charge and collect rates, fees, rentals and charges for the use of the Airport System, and shall revise such rates, fees, rentals and charges as often as may be necessary or appropriate to produce revenues in each fiscal year at least equal to the sum of operation and maintenance expenses, including reserves therefore provided for in the annual budget, plus the greater of (A) an amount equal to the sum of 1.25 times the aggregate debt service for such fiscal year, or (B) the sum of (i) the amount to be paid during such fiscal year into the debt service account, plus (ii) the amount, if any, to be paid during the fiscal year into the debt service account (including amounts

**PALM BEACH COUNTY, FLORIDA**  
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payable to the issuer of any debt service reserve account facility and excluding amounts required to be paid into such account out of the proceeds of Bonds), plus (iii) the amount, if any, to be paid into the Renewal and Replacement Fund as provided in the annual budget, plus (iv) all other charges and liens whatsoever payable out of revenues during such fiscal year, plus (v) to the extent not otherwise provided for, all amounts payable on subordinated indebtedness.

**CONDUIT DEBT**

Conduit debt obligations are certain limited-obligation revenue bonds or similar debt instruments issued for the specific purpose of providing capital financing for a specific third party that is not a part of the County's financial reporting entity. To provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest, the County has issued Industrial Development Bonds. On September 30, 2025, there were twenty-two series of Industrial Revenue Bonds outstanding, with an aggregate principal payable of \$741,748,341.

The Palm Beach County Health Facilities Authority (the Authority) was created pursuant to Part III – Chapter 154, Florida Statutes, and by Ordinance 77-379 and 77-398 adopted by the Board of County Commissioners. Pursuant to the Ordinance, the Authority is authorized to acquire, construct, and equip projects suitable for use by not-for-profit health facilities in the provision of nursing and like care services; to issue revenue bonds to finance and refinance the cost of such projects; and to secure such revenue bonds by a pledge of the revenues derived from mortgages and security interests in such projects. The Authority has no taxing power and approval by the Board of County Commissioners is required prior to the creation of any indebtedness by the Authority. On September 30, 2025, there is one series of Authority Bonds outstanding with an aggregate principal payable of \$22,150,000.

The Industrial Revenue Bonds and Health Facilities Authority Bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership for the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner to repay the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

**COMPONENT UNIT – Solid Waste Authority (SWA)**

**Revenue Bonds Payable**

Revenue bonds payable by the SWA at September 30, 2025 are summarized as follows:

**PALM BEACH COUNTY, FLORIDA**  
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Direct Placement Revenue Bonds:	
Series 2021	\$ 19,600,000
Series 2019	342,070,000
Revenue Bonds:	
Series 2015	50,330,000
Unamortized premium	2,508,854
Net revenue bonds payable	414,508,854
Less current maturities	(32,450,000)
Revenue bonds payable, long-term portion	\$ 382,058,854

Series 2021: \$118,295,000 Solid Waste Authority of Palm Beach County Refunding Revenue Bonds, Series 2021 dated July 6, 2021. The Series 2021 Bonds, in conjunction with approximately \$2.5 million in the SWA’s Debt Service Reserve Fund and \$1.5 million from the Debt Service Fund provided funding to advance refund and defease \$119,055,000 of the SWA’s outstanding Refunding Revenue Bonds, Series 2011 and pay the cost of Issuance of the Series 2021 Bonds.

Interest on the Series 2021 Bonds is payable semiannually on April 1<sup>st</sup> and October 1<sup>st</sup> and principal payments are due on October 1<sup>st</sup>, with the final payment due on October 1, 2025.

The debt service requirements and interest rates of the Series 2021 Bonds are as follows:

Year Ending September 30	Interest Rate %	Principal	Interest	Total
2026	0.67	\$ 19,600,000	\$ 65,620	\$ 19,665,620
		\$ 19,600,000	\$ 65,620	\$ 19,665,620

On June 16, 2022, the SWA used approximately \$23.0 million of available SWA monies to call and retire \$22,995,000 of Series 2021 Refunding Revenue Bonds with a scheduled maturity date of October 1, 2023. On June 21, 2023, the SWA used approximately \$15.0 million of available SWA monies to call and retire \$15,000,000 of Series 2021 Refunding Revenue Bonds with a scheduled maturity date of October 1, 2024. On June 25, 2024, the SWA used approximately \$20.0 million of available SWA monies to call and retire \$20,000,000 of Series 2021 Refunding Revenue Bonds with a scheduled maturity date of October 1, 2025.

Series 2019: \$347,605,000 Solid Waste Authority of Palm Beach County Refunding Revenue Bonds, Series 2019 dated February 20, 2019. The Series 2019 Bonds provided funding to purchase U.S. Treasury Securities that were placed in an irrevocable trust to (i) pay the interest coming due on the Series 2019 Bonds through October 1, 2021 (the “Crossover Date”), (ii) on the Crossover Date, retire \$336,665,000 of SWA’s outstanding Refunding Revenue Bonds, Series 2011 maturing on October 1, 2031, and (iii) pay costs of issuing the Series 2019 Bonds. As a result, the Series 2011 Bonds will not be defeased at the time of issuance of the Series 2019 Bonds and will remain

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outstanding for all purposes until the Crossover Date. On the Crossover Date, the Series 2019 Bonds, in conjunction with approximately \$6.4 million in SWA's Debt Service Reserve Fund provided funding to advance refund and defease \$343,075,000 of the SWA's outstanding Refunding Revenue Bonds, Series 2011 on which date the Series 2011 Bonds were redeemed and discharged. The Series 2019 Bonds were initially issued at the Taxable Interest Rate of 3.65%. On or prior to the Crossover Date, SWA obtained and provided to the registered owners of the Series 2019 Bonds an unqualified opinion of bond counsel to the effect that as of the Crossover Date the interest thereafter payable on the Series 2019 Bonds is excluded from the gross income of the holders thereof for federal income tax purposes, then after the Crossover Date Series 2019 Bonds shall bear interest at the Tax-Exempt Interest Rate of 2.88%.

Interest on the Series 2019 Bonds is payable semiannually on April 1st and October 1st and principal payments are due on October 1st, with the final payment due on October 1, 2031.

The debt service requirements and interest rates of the Series 2019 Bonds are as follows:

Year Ending September 30	Interest Rate %	Principal	Interest	Total
2026	2.88	\$ 1,980,000	\$ 9,823,104	\$ 11,803,104
2027	2.88	39,875,000	9,220,392	49,095,392
2028	2.88	46,700,000	7,973,712	54,673,712
2029	2.88	49,390,000	6,590,016	55,980,016
2030	2.88	65,605,000	4,934,088	70,539,088
2031	2.88	68,010,000	3,010,032	71,020,032
2032	2.88	70,510,000	1,015,344	71,525,344
		\$ 342,070,000	\$ 42,566,688	\$ 384,636,688

Series 2017: \$107,985,000 Solid Waste Authority of Palm Beach County Refunding Revenue Bonds, Federally Taxable Series 2017 dated August 30, 2017. The Series 2017 Bonds, in conjunction with approximately \$16.2 million in the SWA's Debt Service Reserve Fund and \$2.3 million from the Debt Service Fund provided funding to advance refund and defease \$104,280,000 of the SWA's outstanding Improvement Revenue Bonds, Series 2009 and pay the cost of issuance of the Series 2017 Bonds. The Series 2017 Bonds were fully paid and retired on October 1, 2024.

Series 2015: \$50,330,000 Solid Waste Authority of Palm Beach County Refunding Revenue Bonds, Series 2015 dated February 19, 2015. The Series 2015 Bonds, in conjunction with approximately \$83.8 million in the SWA's 2008B Project Account, \$3.0 million from the 2008B Interest Account, and \$6.2 million from the Debt Service Reserve Fund provided funding to advance refund and defease all of the SWA's outstanding Improvement Revenue Bonds, Series 2008B and pay the cost of issuance of the Series 2015 Bonds.

Interest on the Series 2015 Bonds is payable semiannually on April 1<sup>st</sup> and October 1<sup>st</sup> and principal payments are due on October 1<sup>st</sup>, with the final payment due on October 1, 2028.

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The debt service requirements and interest rates of the Series 2015 Bonds are as follows:

Year Ending September 30	Interest Rate %	Principal	Interest	Total
2026	5.00	\$ 10,870,000	\$ 2,244,750	\$ 13,114,750
2027	5.00	11,525,000	1,684,875	13,209,875
2028	5.00	12,130,000	1,093,500	13,223,500
2029	5.00	15,805,000	395,125	16,200,125
		\$ 50,330,000	\$ 5,418,250	\$ 55,748,250

**LEGAL REQUIREMENTS**

In accordance with the requirements of the bond documents, revenues are first applied to the Operating Account in an amount sufficient to cover operating expenses. Revenues are next used for the required payments of principal and interest on the outstanding revenue bonds and then the subordinated indebtedness. Revenues are next used to fund the operating reserve and then for the renewal, replacement and capital improvement of the solid waste system. Remaining revenues are deposited in the General Reserve Account.

The Series 2021 Bonds include a provision that outstanding payments in default on this Bond shall bear interest at a rate of 3% above the current Interest Rate on this Bond; provided upon the occurrence of a payment default longer than 90 days, the outstanding principal on this Bond shall bear interest at a rate 3% above the current Interest Rate until such payment default has been cured.

The Series 2019 Bonds include a provision that during the continuance of an event of default or rating event, at the option of the Registered Owner, exercised in writing delivered by it to the Authority, the Interest Rate shall be increased to 12% per annum. If any payment due is not paid within fifteen days after the due date, SWA shall pay the Registered Owner on demand a rate equal to 4% of the overdue payment.

All other revenue bonds include a provision in the event of default that either the Trustee or the Holders of not less than twenty-five percent (25%) in principal amount of the bonds outstanding shall declare the principal of all the bonds then outstanding, and accrued interest thereon, to be due and payable immediately. If an event of default is not remedied, then SWA, upon the demand of the Trustee, will pay the net revenues pledged by the bond covenants to the Trustee.

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Annual Maturities: Maturities for the outstanding bonds of the SWA are as follows:

Year Ending September 30,	Revenue Bonds		
	Principal	Interest	Total
2026	\$ 10,870,000	\$ 2,244,750	\$ 13,114,750
2027	11,525,000	1,684,875	13,209,875
2028	12,130,000	1,093,500	13,223,500
2029	15,805,000	395,125	16,200,125
	\$ 50,330,000	\$ 5,418,250	\$ 55,748,250

Series 2021 and Series 2019 Refunding Revenue Bonds

Year Ending September 30,	Direct Placement		
	Principal	Interest	Total
2026	\$ 21,580,000	\$ 9,888,724	\$ 31,468,724
2027	39,875,000	9,220,392	49,095,392
2028	46,700,000	7,973,712	54,673,712
2029	49,390,000	6,590,016	55,980,016
2030-2032	204,125,000	8,959,464	213,084,464
	\$ 361,670,000	\$ 42,632,308	\$ 404,302,308

Interest Expense: Total interest costs incurred on all SWA debt for the year ended September 30, 2025 was \$11,095,127. For the year ended September 30, 2025, net interest costs (net of interest revenue on construction funds of \$0) and \$11,095,127 was expensed.

Defeased Bonds: As of September 30, 2025, no defeased bonds remain outstanding.

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**Changes in Noncurrent Liabilities**

Changes in long-term debt for the year ended September 30, 2025 are summarized as follows:

September 30, 2025	Beginning Balance	Increases	Decreases & Retirements	Ending Balance	Due within One Year
Compensated absences	\$ 6,183,489	\$ 4,467,305	\$ (3,766,861)	\$ 6,883,933	\$ 4,178,818
Lease liability	2,130,121	-	(167,668)	1,962,453	170,643
Net pension liability	39,784,131	-	(7,394,855)	32,389,276	-
Total other postemployment liability	675,462	666,052	(107,668)	1,233,846	45,000
Advance capacity payment	29,191,505	-	(2,981,260)	26,210,245	2,981,260
Landfill closure and postclosure care costs	46,794,414	2,115,338	-	48,909,752	-
Notes and bonds from direct borrowings and placements:					
Revenue Bond, Series 2019	343,980,000	-	(1,910,000)	342,070,000	1,980,000
Revenue Bond, Series 2021	37,420,000	-	(17,820,000)	19,600,000	19,600,000
Revenue bonds:					
Series 2017	15,095,000	-	(15,095,000)	-	-
Series 2015	50,330,000	-	-	50,330,000	10,870,000
Totals	<u>\$ 571,584,122</u>	<u>\$ 7,248,695</u>	<u>\$ (49,243,312)</u>	529,589,505	<u>\$ 39,825,721</u>
Unamortized premium				2,508,854	
Current maturities				<u>(39,825,721)</u>	
Net long-term debt				<u>\$ 492,272,638</u>	

**15. PLEDGED REVENUES**

The County has pledged a portion of future non-ad valorem revenues to repay \$569.3 million in revenue bonds, notes and loans issued between November 13, 2008 and June 8, 2023. A ten-year history of the pledged revenues is reported in Statistical Table X. Proceeds from the debt provided financing for capital additions, improvements, and expansion of County facilities, equipment and infrastructure. The bonds are payable solely from available non-ad valorem revenues and are payable through December 1, 2047. Total principal and interest remaining to be paid on the bonds is \$779.5 million with annual requirements ranging from \$67.4 million in fiscal year 2026 decreasing to \$6.7 million in fiscal year 2048. The pledged non-ad valorem revenues, from which the appropriations will be made, have averaged \$492 million per year over the last 10 years. Principal and interest paid for the current year and total pledged non-ad valorem revenues were \$80.9 million and \$606 million, respectively.

The County has pledged future airport revenues net of specified operating expenses to repay \$145.1 million in airport revenue bonds issued between July 26, 2016 and November 1, 2024. Proceeds from the bonds provided financing for the addition, improvements and expansion of the airport facilities, equipment, and infrastructure. The bonds are payable solely from the airport net revenues and are payable through October 1, 2036. Total principal and interest remaining to be

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paid on the bonds is \$219.3 million with annual requirements ranging from \$13.0 million in fiscal year 2026 and 2027 decreasing to \$12.9 million in fiscal year 2035. Annual principal and interest payments on the bonds are expected to require less than 18% of projected future net revenues. Principal and interest paid for the current year and net operating income before interest expense were \$9.7 million and \$53.3 million, respectively.

The County has pledged future water utility revenues net of specified operating expenses to repay \$112.5 million in water and sewer revenue bonds issued between March 11, 2015 and October 27, 2020. Proceeds from the bonds provided financing for the addition, improvements and expansion of the water and sewer facilities, equipment, and infrastructure. The bonds are payable solely from the water utility net revenues and are payable through October 1, 2040. Total principal and interest remaining to be paid on the bonds is \$133.4 million with annual requirements ranging from \$0.1 million in fiscal years 2039 and 2040 to \$11.4 million in fiscal year 2035. Annual principal and interest payments on the bonds are expected to require less than 25% of projected future net revenues and connection fees. Principal and interest paid for the current year and utility system net revenues and connection fees were \$10.7 million and \$128.7 million, respectively.

## **16. TAX ABATEMENTS**

### **Economic Development Tax Exemption**

The Palm Beach County Economic Development Ad Valorem Tax Exemption (AVTE) Program is designed to encourage economic development and to support new or expanding businesses within the County. The program offers an “economic exemption” for improvements made to real property and/or tangible personal property that are not already listed on the Palm Beach County Tax Roll. Property acquired to replace existing property is not considered an expansion of an existing business. The AVTE Program was created to stimulate economic growth, create jobs, and enhance the local economy. The exemption only applies to taxes levied by Palm Beach County, where the County is the taxing authority. Each individual business AVTE incentive is approved by the Board of County Commissioners (BCC) on a case-by-case basis.

The AVTE Program was initially established by voter approval of a Referendum in September 1994 and implemented through BCC adoption of Ordinance 1994-021. Pursuant to F.S. Section 196.1995, the authority to grant exemptions expires after 10-years but may be renewed for subsequent 10-year periods if reauthorized by Referendum. The AVTE program has been renewed pursuant to Referendums held in August 2004 and in November 2012. On August 20, 2024, the voters of Palm Beach County again approved a Referendum authorizing the BCC to renew the AVTE program. The BCC adopted the Ordinance on January 14, 2025.

A business granted an exemption for improvements to real and/or tangible personal property must have a positive economic impact on the County’s economy, including the creation and maintenance of new full-time jobs. Retail operations are ineligible for ad valorem tax exemptions. For any year that taxes may have been exempted and the County finds that the business was not entitled to the exemption, such taxes may be recovered, and the Property Appraiser will assist the Board to recover any taxes exempted.

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Any exemption granted may apply up to one hundred (100%) percent of the assessed value of all improvements to real property made by or for the use of a new business and of all tangible personal property of such new business, or up to one hundred (100%) percent of the assessed value of all added improvements to real property made to facilitate the expansion of an existing business and of the net increase in all tangible personal property acquired to facilitate such expansion of an existing business, provided that the improvements to real property are made or the tangible personal property is added or increased on or after the effective date of the ordinance specifically granting a business an exemption. For the fiscal year ended September 30, 2025, the County abated property taxes totaling \$576,462 under this program.

**Historic Property Tax Exemption**

Article VII, Section 3 of the Florida Constitution authorizes counties and municipalities to grant a partial ad-valorem tax exemption to owner(s) of historic properties for improvements to such properties which are the result of the restoration, renovation or rehabilitation of historic properties. On October 17, 1995, the Board of County Commissioners (BCC) adopted a historic property tax exemption ordinance, Ordinance No. 95-41, applicable countywide. The ordinance allows a qualifying local government to enter into an inter-local agreement with the County to perform review functions necessary to implement the ordinance within its municipal boundary. Currently, the following municipalities participate in the program, the cities of Boynton Beach, Delray Beach, Lake Park, Lake Worth Beach, West Palm Beach, and the Town of Palm Beach.

As a result, the BCC approved an ad-valorem tax exemption to property owners for a ten (10) year period on that portion of ad-valorem County taxes levied on the increase in assessed value resulting from the renovation, restoration, and rehabilitation of qualifying properties. Properties must meet the requirements for tax exemption under Section 196.1997, Florida Statutes. Prior to the ad-valorem exemption being effective, the property owners must execute and record a restrictive covenant in the form established by the State of Florida, Department of State, Division of Historical Resources, requiring the qualifying improvements be maintained during the period that the tax exemption is granted.

In the event of the non-performance or violation of the maintenance provision of the covenant by the owner or any successor-in-interest during the term of the covenant, the Local Historic Preservation Office will report such violation to the Property Appraiser and Tax Collector who shall take action pursuant to s. 196.1997 (7), F.S. The Owner shall be required to pay the difference between the total amount of taxes which would have been due in March in each of the previous years in which the covenant was in effect had the property not received the exemption and the total amount of taxes actually paid in those years, plus interest on the difference calculated as provided in s. 212.12 (3) F.S. For the fiscal year ended September 30, 2025, the County abated property taxes totaling \$641,653 under this program.

**17. PUBLIC-PRIVATE PARTNERSHIPS**

Under Governmental Accounting Standards Board Statement No. 94, “*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*”, the County is categorized, depending on the arrangement, as either the transferor or the operator in such arrangements. For the fiscal year ended September 30, 2025; the County is *only the transferor* in Public-Private Partnerships (PPP) within the scope of GASB Statement No. 94.

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**County as Transferor - Governmental Funds:**

At September 30, 2025, the PPP receivable for payments and corresponding deferred inflows was \$61,413,115. The discount rate utilized to measure the initial PPP receivable was 10% which was based on the PPP arrangement's existing underlying asset property type as of the 10/1/22 implementation date or start date of the arrangement after 10/1/2022. Additionally, at September 30, 2025, the capital assets being depreciated, net, related to operator capital improvements to the County's existing underlying PPP assets were \$900,293. For the fiscal year ended September 30, 2025, the amount of the inflows of resources recognized during the fiscal year for variable payments not previously included in the measurement of the PPP receivable was \$3,714,839. *The County's principal ongoing operations do not consist of transferring the use of existing underlying assets to operators under PPP arrangements.* The following are brief descriptions of each of the County's PPP arrangements existing as of September 30, 2025:

*HW Spring Training Complex, LLC* - On 8/18/2015 the County granted the operator the right to use, occupy, and operate a sports facility owned by the County. This PPP is not considered a service concession arrangement. The agreement is for a period of thirty years. The operator shall pay the County an annual fee commencing on the third anniversary (11/1/2018) of the issuance of the County bonds which funded the construction of the sports facility. The operator is required to make twenty-eight annual payments ranging in amounts of \$2,143,134 - \$2,581,503.

*Jupiter Stadium, Ltd* - On 5/17/2022 the County granted the operator the right to use, occupy, and operate a sports facility owned by the County. This PPP is not considered a service concession arrangement. The agreement is for a period of twenty-seven years. The operator will pay the County a semi-annual fee each November 1st and May 1st commencing on 11/1/23 following the issuance of the County bonds related to the renewal and renovation of the sports facility. The operator is required to make thirty-seven semi-annual payments ranging in amounts of \$161,381 - \$5,255,860.

*US Soccer 5, LLC* - On 12/18/2018 the County granted to the operator the right to use approximately a four-acre area for the operation of a mini-soccer complex within a park owned by the County. This PPP is considered a service concession arrangement. The agreement extends for a period of ten years from the commencement date, which reflects the first day the operator opened its business on the premises which was 10/1/2022. The operator has two successive options to extend the term of the agreement, each for a period of ten years. For purposes of the initial PPP receivable measurement, it is deemed reasonably certain that the operator will exercise these options. Consequently, the PPP term for this arrangement is deemed thirty years. The operator is required to make annual payments of \$48,000 which are paid in equal monthly installments. On each anniversary date of the commencement date the annual payment will be adjusted by multiplying the then current annual payment by one hundred and two percent. Additionally, the operator pays a monthly fee which corresponds to 10% of the preceding month's gross sales derived from operations that exceed the monthly required installment payment. Also, the operator is required to make a minimum of \$900,000 capital improvements to the premises *over the term of* the arrangement - these improvements become the property of the County at the end of the arrangement.

*Ovations Food Services, L.P.* - On 10/1/2022 the County granted the operator the exclusive right to provide the food and beverage operations at a convention center owned by the County. This PPP is considered a service concession arrangement. The term of the agreement is for five years. Upon the mutual agreement of *both* parties, the agreement may be extended for one additional five-year term, which is deemed a cancellable period. The operator is required *over the term of* the arrangement to make a capital investment of \$1,250,000 which primarily reflects food service equipment. There is *no fixed payment* that the operator pays to the County. Instead, the operator is entitled to seven percent of net profits with the remaining portion of net profits paid by the operator to the County monthly.

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**18. COMMITMENTS**

**Outstanding Purchase Orders and Contracts** - Purchase orders and contracts (including construction contracts) had been executed, but goods and services were not received in the amounts shown below as of September 30, 2025:

<b>Governmental Activities:</b>	Amount
<b>Major funds:</b>	
General Fund	\$ 10,257,800
Palm Tran	33,690,187
Fire Rescue Special Revenue Fund	46,312,343
Road Program Capital Projects Fund	68,204,295
General Government Capital Projects Fund	205,269,251
Total major funds	363,733,876
<b>Nonmajor governmental activities</b>	100,523,369
Total governmental activities	464,257,245
<b>Business-type Activities:</b>	
Airports	155,854,284
Water Utilities	141,550,000
Total business-type activities	297,404,284
Total commitments	\$ 761,661,529

Because the budget authority for these amounts lapses at fiscal year-end, they are not reported as either encumbrances or liabilities in the financial statements. Funds are appropriated at the beginning of each fiscal year to provide for these commitments. These amounts are presented as restricted, committed, or assigned in the Statement of Net Position or Balance Sheets, as appropriate, based on the purpose of the funding.

**County Home** - The County has an inter-local agreement with the Palm Beach County Health Care District (the District) regarding the Medicaid Match and the County Home and General Care Facility (County Home). The agreement ends in July 2035 and provides that the County will make a fixed annual payment of \$15 million to the District in exchange for the District's agreement to operate and manage the County Home and to pay 100% of the Medicaid Match funding as required by the State for hospital and nursing home care.

**Tri-County Commuter Rail Authority** - Pursuant to Chapter 343 of the Florida Statutes, the South Florida Regional Transportation Authority (SFRTA) was created and established as an agency of the State to own, operate, maintain, and manage a transit system in the tri-county area of Miami-Dade, Broward, and Palm Beach Counties. A state-authorized, local option recurring funding source available to the tri-counties is directed to SFRTA to fund its capital, operating, and maintenance expenses if the counties dedicate and transfer annually not less than \$2.67 million. In addition, each county shall continue to annually fund the operations of SFRTA in an amount not less than \$1.565 million. The total annual commitment for Palm Beach County is \$4.235 million.

**COMPONENT UNIT - Solid Waste Authority (SWA)**

Contract Commitments: SWA had outstanding purchase commitments for various equipment, goods and services totaling approximately \$31.0 million at September 30, 2025.

Inter-local Agreement: SWA entered into an inter-local agreement with Palm Beach County to provide funding for a hazardous materials emergency response team to provide regional hazardous materials investigation and mitigation services through the fiscal year ending September 30, 2032.

SWA paid \$2,682,550 during fiscal year 2025. SWA is required to pay \$2,763,027 under the new agreement for the fiscal year ended September 30, 2026. The amount due each year can increase up to 3% per year.

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**Landfill Closure and Post-closure Care Costs**

The SWA operated one active landfill site for the year ended September 30, 2025. In addition, the SWA is responsible for two landfill sites closed after 1991 and three landfill sites closed prior to 1991. State and federal laws and regulations require the SWA to place a final cover on its operating landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at that and other landfill sites closed after 1991, for thirty years after closure. Although the majority of closure and post-closure care costs will be paid near or after the date that the operating landfill stops accepting waste, the SWA reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each statement of net position date. For fiscal year 2022, pursuant to Rule 62-701.630, Florida Administrative Code, the SWA is no longer required to demonstrate financial assurance for long-term care of the Dyer Boulevard Landfill.

Landfill closure and post-closure care liabilities at September 30, 2025 are as follows:

Accrued closure and postclosure care costs	\$ 48,909,752
Total Accrued Landfill Closure Costs	<u>\$ 48,909,752</u>

The \$48,909,752 of accrued closure and postclosure care liabilities at September 30, 2025 represents the cumulative cost based on the use of 48.9% of the estimated capacity of the operating landfill. The SWA will recognize the remaining estimated cost of closure and postclosure care of approximately \$88.1 million for the operating landfill as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2025. Based on current demographic information and engineering estimates of landfill consumption, the SWA expects to close the landfill in approximately 2071. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

In March 2024, the SWA elected to demonstrate financial assurance for landfill closure and postclosure care using an alternative method permitted under Rule 62-701.630, Florida Administrative Code. As a result, amounts previously held for financial assurance purposes are no longer required to be restricted. The Authority remains responsible for funding landfill closure and postclosure care costs in accordance with applicable laws and regulations.

**19. CONTINGENCIES**

**Litigation** - The County is involved in various lawsuits arising in the ordinary course of operations. Where it has been determined that a loss is probable related to these matters, a liability has been recorded in our self-insurance obligations. In addition, the County is involved with other matters the outcome of which is not presently determinable; it is the opinion of management of the County, based upon consultation with legal counsel, that the outcome of these matters would not have a material adverse effect on the financial position of the County.

**State and Federal Grants** - Grant monies received and disbursed by the County are for specific purposes and are subject to audit by the grantor agencies. Such audits may result in requests for reimbursements due to disallowed expenditures. Based upon prior experience, management does not believe that such disallowances, if any, would have a material adverse effect on the financial position of the County.

**COMPONENT UNIT - Solid Waste Authority (SWA) - Environmental Liabilities**

SWA, in cooperation with other state and local regulatory agencies, maintains an extensive monitoring program for potential environmental contaminants at each of its sites and facilities. These monitoring programs have not identified any contaminants caused by landfill leachate or other operations of SWA. In the event that any environmental contaminants are identified, SWA may be financially responsible for the environmental assessment and cleanup costs, as well as potential fines imposed by governmental regulatory agencies.

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**20. RESTATEMENTS**

**Restatements for GASB Statement No. 101, “Compensated Absences”**

The County implemented GASB Statement No.101 in the current year. The requirements of GASB Statement No. 101 were applied retroactively by restating beginning net position (or fund balance, as applicable) as required by the standard.

**Governmental Activities:**

	Long-term Liabilities Due in More than one year	Net Position
As originally reported, October 1, 2024	\$ 1,300,827,210	\$ 3,263,118,574
Change in Accounting Principle - GASB 101	(2,452,047)	2,452,047
As restated, October 1, 2024	<u>\$ 1,298,375,163</u>	<u>\$ 3,265,570,621</u>

**Business-Type Activities:**

	Long-Term Liabilities Due in More than one year	Net Position
As originally reported, October 1, 2024	\$ 172,527,075	\$ 2,407,442,428
Change in Accounting Principle - GASB 101	2,833,792	(2,833,792)
As restated, October 1, 2024	<u>\$ 175,360,867</u>	<u>\$ 2,404,608,636</u>

**Component Unit – Westgate/Belvedere Homes  
Community Redevelopment Agency**

	Long-Term Liabilities Due in More than one year	Net Position
As originally reported, October 1, 2024	\$ 9,356,809	\$ 10,534,580
Change in Accounting Principle - GASB 101	30,804	(30,804)
As restated, October 1, 2024	<u>\$ 9,387,613</u>	<u>\$ 10,503,776</u>

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**Fund Financial Statements:**

**Airports:**

	Liability for Compensated Absences - Current	Liability for Compensated Absences - Noncurrent	Net Position
As originally reported, October 1, 2024	\$ 196,545	\$ 1,386,341	\$ 687,633,998
Change in Accounting Principle - GASB 101	556,403	640,225	(1,196,628)
As restated, October 1, 2024	<u>\$ 752,948</u>	<u>\$ 2,026,566</u>	<u>\$ 686,437,370</u>

**Water Utilities:**

	Liability for Compensated Absences - Current	Liability for Compensated Absences - Noncurrent	Net Position
As originally reported, October 1, 2024	\$ 419,000	\$ 3,582,577	\$ 1,694,636,341
Change in Accounting Principle - GASB 101	1,842,877	(205,713)	(1,637,164)
As restated, October 1, 2024	<u>\$ 2,261,877</u>	<u>\$ 3,376,864</u>	<u>\$ 1,692,999,177</u>

**21. SUBSEQUENT EVENTS**

In November 2025, the County issued Public Improvement Revenue Bonds, Series 2025, at a par amount of \$80,340,000 to fund the future needs of several County capital projects. These include the replacement of the County's building at 810 Datura Street located in downtown West Palm Beach, the expansion and renovation of the animal care and control facility on Belvedere Road, and redevelopment of the South County Administrative Complex located on Congress Avenue in downtown Delray Beach.



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# Required Supplementary Information

The Required Supplementary Information subsection includes the following schedules:

## ■ Budget-to-Actual Schedules

Schedules of Revenues, Expenditures, and Changes in Fund Balances- Budget-to-Actual for:

- General Fund
- Palm Tran Special Revenue Fund
- Fire-Rescue Special Revenue Fund

## ■ Pension

Palm Beach County and the Solid Waste Authority (A Component Unit) Florida Retirement System and Health Insurance Subsidy Pension Plans:

- Schedules of the Proportionate Share of the Net Pension Liability
- Schedules of Contributions

## ■ Palm Tran and Lantana Firefighters' Pension Plans

- Schedules of Changes in the Net Pension Liability and Related Ratios
- Schedules of Investment Returns
- Schedules of Contributions

## ■ Other Post-Employment Benefits (OPEB)

Schedules of Changes in the Total OPEB Liability and Related Ratios, Schedules of Investment Returns, and Schedules of Contributions for:

- County Healthcare Plan
- Clerk of the Circuit Court & Comptroller's Healthcare Plan
- Tax Collector Healthcare Plan
- Property Appraiser Healthcare Plan
- Sheriff Healthcare Plan
- Fire-Rescue Healthcare Plan
- Fire-Rescue Supplemental Disability Plan
- Solid Waste Authority (A Component Unit) Healthcare Plan



PALM BEACH COUNTY, FLORIDA  
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)  
 General Fund

For the fiscal year ended September 30, 2025

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes (net of discount)	\$ 1,516,066,351	\$ 1,516,066,351	\$ 1,462,223,377	\$ (53,842,974)
Licenses and permits	52,780,644	52,780,644	52,352,864	(427,780)
Intergovernmental	193,294,293	197,480,089	181,811,917	(15,668,172)
Charges for services	55,763,436	55,825,676	52,417,335	(3,408,341)
Fines and forfeitures	2,762,500	2,762,500	3,315,203	552,703
Interest income	25,031,700	25,031,700	31,247,782	6,216,082
Net change in fair value of investments	-	-	(394,129)	(394,129)
Miscellaneous	4,836,443	5,517,941	5,111,959	(405,982)
<b>Less 5% anticipated revenues</b>	<b>(97,416,263)</b>	<b>(97,416,263)</b>	<b>-</b>	<b>97,416,263</b>
<b>Total revenues</b>	<b>1,753,119,104</b>	<b>1,758,048,638</b>	<b>1,788,086,308</b>	<b>30,037,670</b>
<b>Expenditures</b>				
<b>Current:</b>				
<b>General government:</b>				
Youth Services Department	271,714	271,714	246,806	24,908
County Administrator	3,735,428	3,804,410	3,804,410	-
Office of Resilience	1,536,489	2,874,463	1,273,395	1,601,068
County Attorney	9,131,652	9,131,652	8,756,895	374,757
Commission on Ethics	1,025,491	1,038,344	1,038,344	-
County Commission	4,612,487	4,860,394	4,536,691	323,703
Human Resources	4,788,269	4,925,503	4,379,037	546,466
Engineering & Public Works	6,115,152	6,115,152	6,036,824	78,328
Facilities Development & Operations	56,728,740	56,925,240	51,529,067	5,396,173
Office of Financial Management & Budget	5,242,489	5,217,902	4,745,533	472,369
Information Systems Services	43,773,218	43,942,555	43,503,022	439,533
Internal Auditor	1,518,040	1,518,040	1,439,984	78,056
Judicial	3,581,474	3,581,474	3,068,630	512,844
Planning, Zoning & Building	12,487,859	12,487,859	10,766,818	1,721,041
Public Affairs	7,669,220	7,669,220	7,071,392	597,828
Intergovernmental Affairs	756,783	756,783	662,655	94,128
Public Safety	4,365,241	4,408,241	4,158,847	249,394
Ombudsman and Strategic Planning	-	24,587	24,587	-
Purchasing	5,921,128	5,921,128	4,526,663	1,394,465
Risk Management	466,654	466,654	453,755	12,899
General Government Operations	56,780,354	56,906,785	41,059,801	15,846,984
Value Adjustment Board	1,494,750	1,494,750	1,102,220	392,530
Office of Small Business Assistance	2,061,915	1,943,240	1,609,212	334,028
<b>Total General government</b>	<b>234,064,547</b>	<b>236,286,090</b>	<b>205,794,588</b>	<b>30,491,502</b>
<b>Public safety:</b>				
Sheriff - PBC Expenses	550,000	550,000	85,645	464,355
Facilities Development & Operations	4,147,241	4,402,641	4,214,179	188,462
Information Systems Services	-	-	(118,595)	118,595
Parks & Recreation	-	-	17,473	(17,473)
Planning, Zoning & Building	5,972,808	5,972,808	5,435,822	536,986
Public Safety	10,322,140	10,432,365	9,446,409	985,956
Medical Examiner	7,140,604	7,024,945	6,837,097	187,848
Other County Funded Programs	2,807,230	2,844,107	2,844,107	-
General Government Operations	534,058	534,058	806,900	(272,842)
Criminal Justice Commission	1,531,178	1,570,153	1,349,637	220,516
<b>Total Public safety</b>	<b>33,005,259</b>	<b>33,331,077</b>	<b>30,918,674</b>	<b>2,412,403</b>

PALM BEACH COUNTY, FLORIDA  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)  
General Fund  
For the fiscal year ended September 30, 2025

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Physical environment:				
County Cooperative Extension Service	3,353,160	3,353,160	2,456,962	896,198
Engineering & Public Works	629,862	629,862	590,737	39,125
Environmental Resources Management	15,247,504	15,247,504	14,967,677	279,827
<b>Total Physical environment</b>	<b>19,230,526</b>	<b>19,230,526</b>	<b>18,015,376</b>	<b>1,215,150</b>
Transportation:				
Other County Funded Programs	4,235,000	4,235,000	4,235,000	-
<b>Total Transportation</b>	<b>4,235,000</b>	<b>4,235,000</b>	<b>4,235,000</b>	<b>-</b>
Economic environment:				
Housing and Economic Development	438,495	557,170	542,308	14,862
Equal Opportunity	1,688,100	1,699,600	1,306,304	393,296
Office Of Community Revitalization	1,112,476	1,138,286	1,138,286	-
Community Redevelopment Agencies	74,813,668	74,831,478	74,628,824	202,654
General Government Operations	145,333	145,333	145,333	-
<b>Total Economic environment</b>	<b>78,198,072</b>	<b>78,371,867</b>	<b>77,761,055</b>	<b>610,812</b>
Human services:				
Community Services	4,161,741	4,161,741	3,786,679	375,062
Behavioral Health Programs	2,704,965	2,704,965	1,806,216	898,749
Community Services/Human Services	26,003,707	28,332,939	23,450,697	4,882,242
Youth Services Department	10,724,352	10,732,746	9,027,436	1,705,310
Youth Services Community Based Programming	1,389,026	1,389,026	1,333,668	55,358
Youth Services-New Evidenced Based Programming	5,618,443	5,988,056	5,826,092	161,964
Environmental Resources Management	3,005,108	2,990,108	2,836,518	153,590
Equal Opportunity	131,001	131,001	122,985	8,016
Health Department	2,417,282	2,417,282	2,417,282	-
Public Safety	15,413,823	15,355,299	13,791,716	1,563,583
Financially Assisted Agencies	14,605,379	14,605,379	14,166,479	438,900
Other County Funded Programs	15,435,000	15,435,000	15,432,167	2,833
<b>Total Human services</b>	<b>101,609,827</b>	<b>104,243,542</b>	<b>93,997,935</b>	<b>10,245,607</b>
Culture and recreation:				
Parks & Recreation	88,206,589	87,757,274	78,915,470	8,841,804
Parks & Recreation - Grants	-	20,000	20,000	-
<b>Total Culture and recreation</b>	<b>88,206,589</b>	<b>87,777,274</b>	<b>78,935,470</b>	<b>8,841,804</b>
Capital outlay:				
Community Services	30,450	30,450	-	30,450
Youth Services Department	50,000	50,000	34,601	15,399
Environmental Resources Management	-	15,000	13,588	1,412
Facilities Development & Operations	373,001	392,601	1,679,812	(1,287,211)
Information Systems Services	20,000	-	703,530	(703,530)
Parks & Recreation	448,657	750,889	310,544	440,345
Planning, Zoning & Building	30,000	30,000	21,640	8,360
Public Affairs	320,265	320,265	276,976	43,289
Public Safety	163,160	301,952	297,354	4,598

PALM BEACH COUNTY, FLORIDA  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)  
General Fund  
For the fiscal year ended September 30, 2025

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Medical Examiner	-	115,659	55,624	60,035
General Government Operations	-	100,000	-	100,000
<b>Total Capital outlay</b>	<b>1,435,533</b>	<b>2,106,816</b>	<b>3,393,669</b>	<b>(1,286,853)</b>
Debt service:				
Sheriff - PBC Expenses	-	-	381,791	(381,791)
Facilities Development & Operations	-	-	372,344	(372,344)
Information Systems Services	-	-	469,271	(469,271)
Public Affairs	-	-	59,868	(59,868)
<b>Total Debt service</b>	<b>-</b>	<b>-</b>	<b>1,283,274</b>	<b>(1,283,274)</b>
<b>Total expenditures</b>	<b>559,985,353</b>	<b>565,582,192</b>	<b>514,335,041</b>	<b>51,247,151</b>
<b>Excess of revenues over expenditures</b>	<b>1,193,133,751</b>	<b>1,192,466,446</b>	<b>1,273,751,267</b>	<b>81,284,821</b>
Other financing sources (uses)				
Transfers in	118,100,136	119,668,891	138,456,077	18,787,186
Transfers out	(1,386,268,947)	(1,431,017,343)	(1,405,987,091)	25,030,252
Lease financing	-	-	2,208,193	2,208,193
Reserves	(426,707,548)	(412,822,478)	-	412,822,478
<b>Total other financing sources (uses)</b>	<b>(1,694,876,359)</b>	<b>(1,724,170,930)</b>	<b>(1,265,322,821)</b>	<b>458,848,109</b>
<b>Net change in fund balances</b>	<b>(501,742,608)</b>	<b>(531,704,484)</b>	<b>8,428,446</b>	<b>540,132,930</b>
Fund balances, October 1, 2024	502,343,574	532,233,950	535,442,973	3,209,023
<b>Change in nonspendable fund balance</b>	<b>-</b>	<b>-</b>	<b>(38,368)</b>	<b>(38,368)</b>
<b>Fund balances, September 30, 2025</b>	<b>\$ 600,966</b>	<b>\$ 529,466</b>	<b>543,833,051</b>	<b>\$ 543,303,585</b>

Perspective difference between budget basis and GAAP 28,203,329

Fund balances, September 30, 2025 (GAAP) \$ 572,036,380

Reconciliation of Budget to GAAP:	Revenues	Expenditures	Transfers in	Transfers out	Lease & Subscription Financing	Net change in fund balance
Board of County Commissioners	\$ 1,788,086,308	\$ (514,335,041)	\$ 138,456,077	\$ (1,405,987,091)	\$ 2,208,193	\$ 8,428,446
Sheriff	101,302,068	(1,046,633,130)	1,026,944,358	(113,960,424)	11,888,004	(20,459,124)
Clerk & Comptroller	53,721,440	(75,522,877)	20,556,425	(11,123)	1,553,273	297,138
Tax Collector	41,170,525	(41,170,525)	-	-	-	-
Property Appraiser	28,968,396	(28,968,396)	-	-	-	-
Supervisor of Elections	549,136	(24,663,024)	27,568,982	(3,531,633)	76,539	-
Eliminations	-	-	(1,166,944,682)	1,166,944,682	-	-
<b>Totals</b>	<b>\$ 2,013,797,873</b>	<b>\$ (1,731,292,993)</b>	<b>\$ 46,581,160</b>	<b>\$ (356,545,589)</b>	<b>\$ 15,726,009</b>	<b>\$ (11,733,540)</b>

NOTE: Budgetary comparisons presented herein are on a basis consistent with GAAP and only include the operations of the Board of County Commissioners since that is what was legally adopted. In accordance with GASB 54, the individual County Constitutional Officers no longer met the definition to be reported as separate special revenue funds of the County and as a result their activities have been combined into the County general fund for GAAP reporting purposes. The above table provides a reconciliation of the amounts between the two schedules.

PALM BEACH COUNTY, FLORIDA  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Palm Tran Special Revenue Fund  
For the fiscal year ended September 30, 2025

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes (net of discount)	\$ 34,192,000	\$ 34,192,000	\$ 33,735,943	\$ (456,057)
Licenses and permits	36,000	36,000	37,350	1,350
Intergovernmental	115,194,735	179,909,510	40,333,431	(139,576,079)
Charges for services	11,635,767	11,635,767	13,824,598	2,188,831
Miscellaneous	1,450,000	1,450,000	2,480,855	1,030,855
<b>Less 5% anticipated revenues</b>	<b>(2,365,688)</b>	<b>(2,365,688)</b>	<b>-</b>	<b>2,365,688</b>
<b>Total revenues</b>	<b>160,142,814</b>	<b>224,857,589</b>	<b>90,412,177</b>	<b>(134,445,412)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	-	-	2,675	(2,675)
Transportation	150,536,931	169,658,415	153,700,974	15,957,441
Capital outlay	85,944,572	109,580,761	24,544,898	85,035,863
<b>Total expenditures</b>	<b>236,481,503</b>	<b>279,239,176</b>	<b>178,248,547</b>	<b>100,990,629</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(76,338,689)</b>	<b>(54,381,587)</b>	<b>(87,836,370)</b>	<b>(33,454,783)</b>
<b>Other financing sources (uses):</b>				
Transfers in	76,446,420	71,548,471	64,722,446	(6,826,025)
Transfers out	(107,731)	(125,800)	(125,799)	1
Lease financing	-	-	15,046,923	15,046,923
Reserves	(56,503,870)	(33,047,154)	-	33,047,154
<b>Total other financing sources (uses)</b>	<b>19,834,819</b>	<b>38,375,517</b>	<b>79,643,570</b>	<b>41,268,053</b>
<b>Net change in fund balances</b>	<b>(56,503,870)</b>	<b>(16,006,070)</b>	<b>(8,192,800)</b>	<b>7,813,270</b>
<b>Fund balances (deficit), October 1, 2024</b>	<b>56,503,870</b>	<b>16,006,070</b>	<b>20,244,923</b>	<b>4,238,853</b>
<b>Change in nonspendable fund balance</b>	<b>-</b>	<b>-</b>	<b>94,041</b>	<b>94,041</b>
<b>Fund balances (deficit), September 30, 2025</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,146,164</b>	<b>\$ 12,146,164</b>

PALM BEACH COUNTY, FLORIDA  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fire Rescue Special Revenue Fund  
For the fiscal year ended September 30, 2025

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes (net of discount)	\$ 474,884,213	\$ 474,884,213	\$ 456,460,636	\$ (18,423,577)
Special assessments	295,188	295,188	285,309	(9,879)
Licenses and permits	19,000	19,000	27,574	8,574
Intergovernmental	8,190,388	10,270,463	5,532,033	(4,738,430)
Charges for services	59,935,362	59,935,362	62,249,416	2,314,054
Interest income	5,955,547	5,955,547	16,738,309	10,782,762
Net change in fair value of investments	-	-	(294,133)	(294,133)
Miscellaneous	286,500	486,500	1,711,479	1,224,979
<b>Less 5% anticipated revenues</b>	<b>(26,646,046)</b>	<b>(26,646,046)</b>	<b>-</b>	<b>26,646,046</b>
<b>Total revenues</b>	<b>522,920,152</b>	<b>525,200,227</b>	<b>542,710,623</b>	<b>17,510,396</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	471,942,313	473,183,347	439,081,173	34,102,174
Economic environment	1,957,806	1,957,806	1,954,504	3,302
Capital outlay	63,745,140	64,039,140	13,266,976	50,772,164
Debt service	-	-	439,780	(439,780)
<b>Total expenditures</b>	<b>537,645,259</b>	<b>539,180,293</b>	<b>454,742,433</b>	<b>84,437,860</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(14,725,107)</b>	<b>(13,980,066)</b>	<b>87,968,190</b>	<b>101,948,256</b>
<b>Other financing sources (uses):</b>				
Transfers in	15,092,165	15,382,774	12,304,145	(3,078,629)
Transfers out	(61,805,590)	(61,802,180)	(61,802,180)	-
Lease financing	-	-	2,208,193	2,208,193
Reserves	(148,030,780)	(170,057,527)	-	170,057,527
<b>Total other financing sources (uses)</b>	<b>(194,744,205)</b>	<b>(216,476,933)</b>	<b>(47,289,842)</b>	<b>169,187,091</b>
<b>Net change in fund balances</b>	<b>(209,469,312)</b>	<b>(230,456,999)</b>	<b>40,678,348</b>	<b>271,135,347</b>
<b>Fund balances, October 1, 2024</b>	<b>209,469,312</b>	<b>230,456,999</b>	<b>234,378,082</b>	<b>3,921,083</b>
<b>Change in nonspendable fund balance</b>	<b>-</b>	<b>-</b>	<b>723,280</b>	<b>723,280</b>
<b>Fund balances, September 30, 2025</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 275,779,710</b>	<b>\$ 275,779,710</b>

NOTE: The effective legal budgetary control is at the department level for the General Fund and special revenue funds with approved budgets which is reflected in the budget to actual statements presented in the Required Supplementary Information section and the combining and individual fund statements and schedules section. The Fire Rescue Special Revenue Fund reflects the actual department. Annual budgets are legally adopted for all governmental and proprietary fund types. Budgetary comparisons presented herein are on a basis consistent with GAAP.



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PALM BEACH COUNTY, FLORIDA  
Schedule of the County's Proportionate Share of the Net Pension Liability-  
Florida Retirement System Pension Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	<b>2025</b>	<b>2024</b>	<b>2023</b>
County's proportion of the FRS net pension liability	3.64%	3.45%	3.32%
County's proportionate share of the FRS net pension liability	\$ 1,128,585,622	\$ 1,332,821,317	\$ 1,322,961,544
County's covered payroll	\$ 957,214,970	\$ 865,011,933	\$ 808,030,797
County's proportionate share of the FRS net pension liability as a percentage of its covered payroll	117.9%	154.1%	163.7%
FRS Plan fiduciary net position as a percentage of the total pension liability	87.26%	83.70%	82.38%

**Notes to Schedule:**

(1) Amounts are as of June 30 of each year.

<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
3.36%	3.32%	3.54%	3.46%	3.46%	3.48%	3.37%
\$ 1,248,868,077	\$ 250,485,166	\$ 1,533,076,137	\$ 1,191,182,897	\$ 1,043,413,647	\$ 1,030,547,249	\$ 850,558,352
\$ 757,558,440	\$ 724,901,768	\$ 709,843,999	\$ 677,246,998	\$ 664,620,014	\$ 641,557,064	\$ 606,858,696
164.9%	34.6%	216.0%	175.9%	157.0%	160.6%	140.2%
82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%

PALM BEACH COUNTY, FLORIDA  
Schedule of the County's Proportionate Share of the Net Pension Liability-  
Health Insurance Subsidy Pension Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	<b>2025</b>	<b>2024</b>	<b>2023</b>
County's proportion of the HIS net pension liability	2.55%	2.44%	2.44%
County's proportionate share of the HIS net pension liability	\$ 326,698,064	\$ 365,332,703	\$ 387,704,465
County's covered payroll	\$ 957,214,970	\$ 865,011,933	\$ 808,030,797
County's proportionate share of the HIS net pension liability as a percentage of its covered payroll	34.1%	42.2%	48.0%
HIS Plan fiduciary net position as a percentage of the total pension liability	6.36%	4.80%	4.12%

**Notes to Schedule:**

(1) Amounts are as of June 30 of each year.

<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
2.51%	2.46%	2.42%	2.40%	2.40%	2.39%	2.32%
\$ 265,417,189	\$ 301,533,078	\$ 295,240,919	\$ 268,508,328	\$ 254,212,376	\$ 255,558,701	\$ 270,836,258
\$ 757,558,440	\$ 724,901,768	\$ 709,843,999	\$ 677,246,998	\$ 664,620,014	\$ 641,557,064	\$ 606,858,696
35.0%	41.6%	41.6%	39.6%	38.2%	39.8%	44.6%
4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%

PALM BEACH COUNTY, FLORIDA  
Schedule of County Contributions-  
Florida Retirement System Pension Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	<b>2025</b>		<b>2024</b>		<b>2023</b>		<b>2022</b>
Contractually required FRS contribution	\$ 224,538,267	\$	199,700,986	\$	189,679,317	\$	163,162,224
FRS contributions in relation to the contractually required contribution	\$ 224,538,267	\$	199,700,986	\$	189,679,317	\$	163,162,224
FRS contribution deficiency (excess)	\$ -	\$	-	\$	-	\$	-
County's covered payroll	\$ 973,043,335	\$	881,995,069	\$	821,902,249	\$	768,205,558
FRS contributions as a percentage of covered payroll	23.1%		22.6%		23.1%		21.2%

<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
\$ 145,197,857	\$ 132,801,047	\$ 122,515,156	\$ 111,481,570	\$ 103,862,641	\$ 95,494,431
\$ 145,197,857	\$ 132,801,047	\$ 122,515,156	\$ 111,481,570	\$ 103,862,641	\$ 95,494,431
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 728,936,093	\$ 714,839,553	\$ 684,295,776	\$ 663,077,145	\$ 638,616,378	\$ 612,666,217
19.9%	18.6%	17.9%	16.8%	16.3%	15.6%

PALM BEACH COUNTY, FLORIDA  
Schedule of County Contributions-  
Health Insurance Subsidy Pension Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Contractually required HIS contribution	\$ 23,214,384	\$ 21,082,452	\$ 16,438,045	\$ 12,752,212
HIS contributions in relation to the contractually required contribution	\$ 23,214,384	\$ 21,082,452	\$ 16,438,045	\$ 12,752,212
HIS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 973,043,335	\$ 881,995,069	\$ 821,902,249	\$ 768,205,558
HIS contributions as a percentage of covered payroll	2.4%	2.4%	2.0%	1.7%

<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
\$ 12,100,339	\$ 11,866,337	\$ 11,359,310	\$ 11,007,081	\$ 10,601,032	\$ 10,170,259
\$ 12,100,339	\$ 11,866,337	\$ 11,359,310	\$ 11,007,081	\$ 10,601,032	\$ 10,170,259
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 728,936,093	\$ 714,839,553	\$ 684,295,776	\$ 663,077,145	\$ 638,616,378	\$ 612,666,217
1.7%	1.7%	1.7%	1.7%	1.7%	1.7%

PALM BEACH COUNTY, FLORIDA  
Solid Waste Authority - Component Unit  
Schedule of Proportionate Share of the Net Pension Liability-  
Florida Retirement System Pension Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	<b>2025</b>	<b>2024</b>	<b>2023</b>
Proportion of the FRS net pension liability	0.0714544%	0.0719768%	0.0711978%
Proportionate share of the FRS net pension liability	\$ 22,175,976	\$ 27,844,022	\$ 28,370,063
SWA's covered payroll	\$ 28,860,635	\$ 27,394,165	\$ 25,786,960
SWA's proportionate share of the FRS net pension liability as a percentage of its covered payroll	76.84%	101.64%	110.02%
FRS Plan fiduciary net position as a percentage of the total pension liability	87.26%	83.70%	82.38%

**Notes to Schedule:**

(1) Amounts are as of June 30 each year.

<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
0.0738004%	0.0750208%	0.0669098%	0.0644148%	0.0636583%	0.0635171%	0.0648132%
\$ 27,459,669	\$ 5,666,969	\$ 28,999,693	\$ 22,183,563	\$ 19,174,210	\$ 18,787,926	\$ 16,365,396
\$ 25,385,048	\$ 25,444,717	\$ 24,654,558	\$ 23,546,088	\$ 22,671,421	\$ 21,795,240	\$ 21,647,567
108.17%	22.27%	117.62%	94.21%	84.57%	86.20%	75.60%
82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%

PALM BEACH COUNTY, FLORIDA  
Solid Waste Authority - Component Unit  
Schedule of the Proportionate Share of the Net Pension Liability-  
Health Insurance Subsidy Pension Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	<b>2025</b>	<b>2024</b>	<b>2023</b>
Proportion of the HIS net pension liability	0.0796828%	0.0795955%	0.0788906%
Proportionate share of the HIS net pension liability	\$ 10,213,300	\$ 11,940,109	\$ 12,528,882
SWA's covered payroll	\$ 35,713,429	\$ 33,585,350	\$ 31,258,955
SWA's proportionate share of the HIS net pension liability as a percentage of its covered payroll	28.60%	35.55%	40.08%
HIS Plan fiduciary net position as a percentage of the total pension liability	6.36%	4.80%	4.12%

**Notes to Schedule:**

(1) Amounts are as of June 30 each year.

<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
0.0815705%	0.0828142%	0.0813023%	0.0797253%	0.0784037%	0.0776703%	0.0795028%
\$ 8,639,622	\$ 10,158,401	\$ 9,926,884	\$ 8,920,460	\$ 8,298,340	\$ 8,304,865	\$ 9,265,726
\$ 29,750,795	\$ 29,322,513	\$ 28,213,241	\$ 26,663,556	\$ 25,608,028	\$ 24,772,565	\$ 24,543,064
29.04%	34.64%	35.19%	33.46%	32.41%	33.52%	37.75%
4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%

PALM BEACH COUNTY, FLORIDA  
Solid Waste Authority - Component Unit  
Schedule of Employer Contributions-  
Florida Retirement System Pension Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Contractually required FRS contribution	\$ 4,039,226	\$ 3,816,136	\$ 3,308,685	\$ 2,879,011	\$ 2,788,809
FRS contributions in relation to the contractually required contribution	\$ 4,039,226	\$ 3,816,136	\$ 3,308,685	\$ 2,879,011	\$ 2,788,809
FRS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
SWA's covered payroll	\$29,067,902	\$ 27,685,181	\$26,272,136	\$25,238,228	\$ 26,432,730
FRS contributions as a percentage of covered payroll	13.90%	13.78%	12.59%	11.41%	10.55%

	<b>2020</b>		<b>2019</b>		<b>2018</b>		<b>2017</b>		<b>2016</b>
\$	2,186,868	\$	1,903,110	\$	1,717,280	\$	1,570,296	\$	1,429,340
<hr/>									
\$	2,186,868	\$	1,903,110	\$	1,717,280	\$	1,570,296	\$	1,429,340
<hr/>									
\$	-	\$	-	\$	-	\$	-	\$	-
<hr/> <hr/>									
\$	24,883,857	\$	23,834,076	\$	22,823,877	\$	22,024,734	\$	21,051,861
	8.79%		7.98%		7.52%		7.13%		6.79%

PALM BEACH COUNTY, FLORIDA  
Solid Waste Authority - Component Unit  
Schedule of Contributions-  
Health Insurance Subsidy Pension Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Contractually required HIS contribution	\$ 725,708	\$ 679,592	\$ 559,792	\$ 496,879	\$ 505,610
HIS contributions in relation to the contractually required contribution	\$ 725,708	\$ 679,592	\$ 559,792	\$ 496,879	\$ 505,610
HIS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
SWA's covered payroll	\$36,285,398	\$33,979,623	\$31,952,658	\$29,932,457	\$30,458,468
HIS contributions as a percentage of covered payroll	2.00%	2.00%	1.75%	1.66%	1.66%

<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
\$ 474,046	\$ 448,920	\$ 427,278	\$ 415,575	\$ 396,210
\$ 474,046	\$ 448,920	\$ 427,278	\$ 415,575	\$ 396,210
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 28,556,970	\$ 27,043,385	\$ 25,739,685	\$ 25,034,650	\$ 23,868,058
1.66%	1.66%	1.66%	1.66%	1.66%

PALM BEACH COUNTY, FLORIDA  
Schedule of Changes in the Net Pension Liability and Related Ratios  
Palm Tran Pension Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Total pension liability</b>			
Service cost	\$ 4,864,552	\$ 4,749,163	\$ 4,933,132
Interest	11,719,174	11,288,716	10,943,325
Differences between expected and actual experience	(1,536,621)	(227,930)	(1,480,540)
Change of assumptions	-	-	-
Benefit payments, including refunds of member contributions	(9,346,221)	(9,121,976)	(8,572,850)
<b>Net change in total pension liability</b>	<b>5,700,884</b>	<b>6,687,973</b>	<b>5,823,067</b>
<b>Total pension liability- beginning</b>	<b>180,572,955</b>	<b>173,884,982</b>	<b>168,061,915</b>
<b>Total pension liability- ending (a)</b>	<b>186,273,839</b>	<b>180,572,955</b>	<b>173,884,982</b>
<b>Plan fiduciary net position</b>			
Contributions - employer	6,054,703	6,189,910	6,390,895
Contributions - employee	1,234,177	1,049,253	1,012,503
Net investment income	17,510,886	13,337,512	(25,591,793)
Benefit payments, including refunds of member contributions	(9,346,221)	(9,121,976)	(8,572,850)
Administrative expense	(295,327)	(248,036)	(312,967)
<b>Net change in plan fiduciary net position</b>	<b>15,158,218</b>	<b>11,206,663</b>	<b>(27,074,212)</b>
<b>Plan fiduciary net position - beginning</b>	<b>138,652,858</b>	<b>127,446,195</b>	<b>154,520,407</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>153,811,076</b>	<b>138,652,858</b>	<b>127,446,195</b>
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 32,462,763</b>	<b>\$ 41,920,097</b>	<b>\$ 46,438,787</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>82.6%</b>	<b>76.8%</b>	<b>73.3%</b>
<b>Covered payroll</b>	<b>\$ 37,644,012</b>	<b>\$ 36,250,347</b>	<b>\$ 33,641,561</b>
<b>Net pension liability as a percentage of covered payroll</b>	<b>86.2%</b>	<b>115.6%</b>	<b>138.0%</b>

**Notes to Schedule:**

(1) Amounts are as of December 31 of each year.

2021	2020	2019	2018	2017	2016	2015
\$ 5,049,308	\$ 5,043,856	\$ 4,040,432	\$ 4,022,548	\$ 3,657,542	\$ 3,614,568	\$ 3,699,372
10,585,772	10,204,584	10,357,277	10,013,496	9,655,384	9,070,466	8,602,255
(1,611,163)	(1,464,749)	(1,085,883)	(1,801,094)	(2,489,675)	260,004	(2,653,460)
-	-	16,457,786	3,193,461	(523,606)	-	1,585,562
(8,241,414)	(7,606,438)	(7,205,264)	(6,625,328)	(5,898,029)	(5,467,344)	(5,009,083)
5,782,503	6,177,253	22,564,348	8,803,083	4,401,616	7,477,694	6,224,646
162,279,412	156,102,159	133,537,811	124,734,728	120,333,112	112,855,418	106,630,772
168,061,915	162,279,412	156,102,159	133,537,811	124,734,728	120,333,112	112,855,418
6,268,796	6,338,056	5,809,852	5,509,648	5,421,844	5,589,705	5,215,491
987,691	976,061	943,170	923,986	912,362	867,999	777,273
17,116,840	19,587,534	19,052,799	(4,414,367)	12,590,071	5,754,084	(1,839,676)
(8,241,414)	(7,606,438)	(7,205,264)	(6,625,328)	(5,898,029)	(5,467,344)	(5,009,083)
(287,715)	(277,662)	(276,527)	(372,153)	(213,695)	(157,019)	(182,444)
15,844,198	19,017,551	18,324,030	(4,978,214)	12,812,553	6,587,425	(1,038,439)
138,676,209	119,658,658	101,334,628	106,312,842	93,500,289	86,912,864	87,951,303
154,520,407	138,676,209	119,658,658	101,334,628	106,312,842	93,500,289	86,912,864
\$ 13,541,508	\$ 23,603,203	\$ 36,443,501	\$ 32,203,183	\$ 18,421,886	\$ 26,832,823	\$ 25,942,554
91.9%	85.5%	76.7%	75.9%	85.2%	77.7%	77.0%
\$ 32,799,623	\$ 32,525,195	\$ 31,395,399	\$ 30,674,568	\$ 30,402,375	\$ 30,061,310	\$ 27,512,115
41.3%	72.6%	116.1%	105.0%	60.6%	89.3%	94.3%

PALM BEACH COUNTY, FLORIDA  
Schedule of Changes in the Net Pension Liability and Related Ratios  
Lantana Firefighters' Pension Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	<b>2025</b>	<b>2024</b>	<b>2023</b>
<b>Total pension liability</b>			
Service cost	\$ -	\$ 59,338	\$ 151,816
Interest	3,527,904	3,430,328	3,415,467
Differences between expected and actual experience	1,882,823	700,607	(874,254)
Change of assumptions	1,756,694	-	-
Benefit payments, including refunds of member contributions	(2,059,320)	(3,009,354)	(1,788,855)
<b>Net change in total pension liability</b>	<b>5,108,101</b>	<b>1,180,919</b>	<b>904,174</b>
<b>Total pension liability- beginning</b>	<b>59,828,064</b>	<b>58,647,145</b>	<b>57,742,971</b>
<b>Total pension liability- ending (a)</b>	<b>64,936,165</b>	<b>59,828,064</b>	<b>58,647,145</b>
<b>Plan fiduciary net position</b>			
Contributions - employer and state	1,269,951	1,114,423	1,009,175
Contributions - employee	157,363	151,569	163,002
Net investment income	5,249,784	11,651,734	4,664,337
Benefit payments, including refunds of member contributions	(2,059,320)	(3,009,354)	(1,788,855)
Administrative expense	(70,586)	(70,989)	(73,875)
Other	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>4,547,192</b>	<b>9,837,383</b>	<b>3,973,784</b>
<b>Plan fiduciary net position - beginning</b>	<b>59,687,220</b>	<b>49,849,837</b>	<b>45,876,053</b>
Prior Period Adjustment	-	-	-
<b>Plan fiduciary net position - ending (b)</b>	<b>64,234,412</b>	<b>59,687,220</b>	<b>49,849,837</b>
<b>Net pension liability (asset) - ending (a) - (b)</b>	<b>\$ 701,753</b>	<b>\$ 140,844</b>	<b>\$ 8,797,308</b>
<b>Plan fiduciary net position as a percentage of the total pension liability (asset)</b>	<b>98.9%</b>	<b>99.8%</b>	<b>85.0%</b>
<b>Covered payroll</b>	<b>\$ -</b>	<b>\$ 159,618</b>	<b>\$ 389,773</b>
<b>Net pension liability as a percentage of covered payroll</b>	<b>N/A</b>	<b>88.2%</b>	<b>2257.0%</b>

**Notes to Schedule:**

(1) Amounts are as of September 30 of each year,

	2022	2021	2020	2019	2018	2017	2016
\$	366,047	\$ 415,027	\$ 442,804	\$ 407,991	\$ 452,953	\$ 357,804	\$ 470,342
	3,279,547	3,481,788	3,440,516	3,401,092	3,192,834	2,973,158	2,823,508
	2,029,933	118,547	(574,240)	(421,152)	1,077,328	125,354	(977,800)
	1,457,264	1,987,636	-	1,247,869	-	3,182,878	1,711,466
	(3,359,102)	(3,132,053)	(2,279,155)	(2,550,001)	(1,106,244)	(915,763)	(887,761)
	3,773,689	2,870,945	1,029,925	2,085,799	3,616,871	5,723,431	3,139,755
	53,969,282	51,098,337	50,068,412	47,982,613	44,365,742	38,642,311	35,502,556
	57,742,971	53,969,282	51,098,337	50,068,412	47,982,613	44,365,742	38,642,311
	1,100,046	1,202,802	1,351,331	1,546,558	1,343,726	1,411,935	1,478,818
	180,176	172,670	166,072	182,155	206,043	222,479	235,009
	(9,226,068)	10,677,774	3,762,711	1,757,509	3,710,228	3,954,054	2,569,228
	(3,359,102)	(3,132,053)	(2,279,155)	(2,550,001)	(1,106,244)	(915,763)	(887,761)
	(65,141)	(53,138)	(69,001)	(71,412)	(59,078)	(59,121)	(52,104)
	-	8,500	1,012	8,012	35,938	18,471	19,741
	(11,370,089)	8,876,555	2,932,970	872,821	4,130,613	4,632,055	3,362,931
	57,246,142	48,369,587	45,436,617	44,563,796	40,433,183	35,801,128	32,438,197
	-	-	-	-	-	-	-
	45,876,053	57,246,142	48,369,587	45,436,617	44,563,796	40,433,183	35,801,128
\$	11,866,918	\$ (3,276,860)	\$ 2,728,750	\$ 4,631,795	\$ 3,418,817	\$ 3,932,559	\$ 2,841,183
	79.4%	106.1%	94.7%	90.7%	92.9%	91.1%	92.6%
\$	1,007,285	\$ 1,260,134	\$ 1,342,839	\$ 1,315,467	\$ 1,442,292	\$ 1,334,186	\$ 1,847,095
	1178.1%	-260.0%	203.2%	352.1%	237.0%	294.8%	153.8%

PALM BEACH COUNTY, FLORIDA  
 Schedule of Investment Returns  
 Palm Tran Pension Plan  
 Last Ten Fiscal Years  
 (Required Supplementary Information)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Annual money-weighted rate of return, net of investment expense	12.5%	10.4%	-16.3%	12.3%	16.4%	18.9%	-4.0%	14.0%	7.4%	-1.6%

**Notes to Schedule:**

- (1) The above is as provided by the investment monitor.
- (2) Amounts are as of December 31 of each year.

PALM BEACH COUNTY, FLORIDA  
 Schedule of Investment Returns  
 Lantana Firefighters' Pension Plan  
 Last Ten Fiscal Years  
 (Required Supplementary Information)

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Annual money-weighted rate of return, net of investment expense	8.76%	23.63%	10.10%	-16.57%	22.58%	8.15%	3.86%	9.01%	10.80%	7.66%

**Notes to Schedule:**

(1) Amounts are as of September 30 of each year.

PALM BEACH COUNTY, FLORIDA  
Schedule of Contributions  
Palm Tran Pension Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

Year Ending September 30,	2025	2024	2023	2022
Actuarially determined contribution	\$ 6,066,062	\$ 6,054,703	\$ 6,189,910	\$ 6,390,895
Contributions in relation to the actuarially determined contribution	6,066,062	6,054,703	6,189,910	6,390,895
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
<b>Covered payroll</b>	<b>\$ 38,673,847</b>	<b>\$ 37,426,177</b>	<b>\$ 36,075,031</b>	<b>\$ 33,479,879</b>
<b>Actuarially determined contribution as a percentage of covered payroll</b>	15.7%	16.2%	17.2%	19.1%
<b>Actual contributions as a percentage of covered payroll</b>	15.7%	16.2%	17.2%	19.1%

**Methods and assumptions used to determine contributions:**

Actuarial cost method	Entry age
Amortization method	Level percent of pay, closed
Remaining amortization period	New amortization bases are set up over 25 years.
Asset valuation method	5-year smoothed fair value
Inflation	2.00%
Salary increases	5% to 12.5%, including inflation
Investment rate of return	7.0%, net of investment expenses, including inflation (changed from 7.25% at January 1, 2021)
Retirement age	Tier 1 Members with at least 10 years of service and who have not reached the Rule of 85 retire at a rate of 10% between age 62 and 64. Members with at least 5 years of service and who have not reached the Rule of 85 retire at a rate of 10% between age 65 and 68. Tier 1 Members who are age 69 or have met the Rule of 85 are assumed to retire immediately. Tier 2 and 3 Members are assumed to retire at the earliest of 65 with 5 years of service, age 62 with 10 years of service, or at 33 years of service regardless of age. Tier 4 Members are assumed to retire at the earliest of 65 with 8 years of service or 62 with 10 years of service.
Mortality	The following sex distinct table is used with fully generational mortality improvements using sex distinct Scale MP-2018: Healthy Active and Healthy Retiree: PubG.H-2010 (B) (male set back 1 year)

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
\$	7,853,310	\$ 6,206,005	\$ 5,734,801	\$ 5,487,697	\$ 5,436,974	\$ 5,392,773
	7,853,310	6,206,005	5,734,801	5,487,697	5,436,974	5,392,773
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
\$	32,689,367	\$ 32,216,091	\$ 31,302,673	\$ 30,734,855	\$ 31,146,308	\$ 28,194,510
	24.0%	19.3%	18.3%	17.9%	17.5%	19.1%
	24.0%	19.3%	18.3%	17.9%	17.5%	19.1%

PALM BEACH COUNTY, FLORIDA  
Schedule of Contributions  
Lantana Firefighters' Pension Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Actuarially determined contribution	\$ 1,248,112	\$ 1,074,072	\$ 952,320	\$ 1,090,438
Contributions in relation to the actuarially determined contribution	1,248,112	1,074,072	952,320	1,090,438
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
<b>Covered payroll</b>	<b>\$ -</b>	<b>\$ 159,618</b>	<b>\$ 389,773</b>	<b>\$ 1,007,285</b>
<b>Actuarially determined contribution as a percentage of covered payroll</b>	N/A	672.9%	244.3%	108.3%
<b>Actual contributions as a percentage of covered payroll</b>	N/A	672.9%	244.3%	108.3%

**Notes to Schedule:**

(1) Amounts are as of September 30 of each year.

**Valuation Date** September 30, 2024

**Methods and assumptions used to determine contributions:**

Actuarial cost method	Entry-Age Normal
Amortization method	Level Percent-of-Payroll, closed
Remaining amortization period	1-15 years
Asset valuation method	4-year smoothed fair value
Price Inflation	2.50%
Salary increases	6.5% including inflation
Investment rate of return	6.00%
Long-Term Municipal Bond Rate	4.90%
Retirement age	Age and Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The Florida Retirement System (FRS) mortality tables which use variations of the fully generational Pub-2010 Mortality Tables with improvement scale MP-2021.

**Other Information:**

Notes The Employer Contribution for FYE 9/30/25 was determined in the 9/30/23 actuarial valuation report dated 1/9/2024.

Cost-of-Living Adjustment For members receiving a retirement benefit and entering retirement on or after October 1, 2005, retirement income will be increased by 3.0% on October 1 of each year after the later of the date on which the retiree attains age 55 or one year after retirement.

<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
\$ 1,203,761	\$ 1,365,725	\$ 1,550,859	\$ 1,363,707	\$ 1,370,424	\$ 1,413,772
1,203,761	1,365,725	1,550,859	1,363,707	1,370,424	1,413,772
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 1,260,134	\$ 1,342,839	\$ 1,315,467	\$ 1,442,292	\$ 1,334,186	\$ 1,847,095
95.5%	101.7%	117.9%	94.6%	102.7%	76.5%
95.5%	101.7%	117.9%	94.6%	102.7%	76.5%



	2021	2020	2019	2018
\$	489,247	\$ 309,920	\$ 306,536	\$ 294,067
	224,185	227,062	349,340	374,513
	-	831,102	-	-
	46,272	1,122,868	683,798	(265,057)
	(1,165,980)	(958,674)	(1,133,411)	(885,972)
	(406,276)	1,532,278	206,263	(482,449)
	10,237,871	8,705,593	8,499,330	8,981,779
\$	9,831,595	\$ 10,237,871	\$ 8,705,593	\$ 8,499,330

\$ 272,210,000 \$ 263,004,364 \$ 270,894,495 \$ 263,004,364

3.6% 3.9% 3.2% 3.2%

PALM BEACH COUNTY, FLORIDA  
Schedule of Changes in the Total OPEB Liability and Related Ratios  
Tax Collector Healthcare OPEB Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	2025	2024	2023	2022
<b>Total OPEB liability</b>				
Service cost	\$ 224,547	\$ 206,521	\$ 332,087	\$ 409,063
Interest	156,812	143,382	110,794	101,407
Experience losses (gains)	(324,594)	-	(1,080,660)	-
Change of assumptions	402,658	-	(801,865)	-
Benefit payments	(92,173)	(50,031)	(47,199)	(80,447)
<b>Net change in total OPEB liability</b>	367,250	299,872	(1,486,843)	430,023
<b>Total OPEB liability- beginning</b>	3,087,578	2,787,706	4,274,549	3,844,526
<b>Total OPEB liability- ending</b>	<u>\$ 3,454,828</u>	<u>\$ 3,087,578</u>	<u>\$ 2,787,706</u>	<u>\$ 4,274,549</u>
<b>Covered-employee payroll</b>	\$ 20,852,597	\$ 15,622,742	\$ 15,021,867	\$ 13,488,864
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	16.6%	19.8%	18.6%	31.7%

**Notes to Schedule:**

(1) GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", was implemented in fiscal year 2018 requiring ten-year trend data. Additional years will be displayed as the data becomes available.

(2) Amounts are as of September 30 of each year.

(3) No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75.

(4) Change in assumptions: changes of assumptions and other inputs reflect the effects of changes in the discount rate, assumed trend rate for medical claims, and mortality rate each period.

- The following are the discount rates used in each period:

2025	4.50%	2021	2.43%	2018	3.64%
2024, 2023	4.87%	2020	3.68%		
2022	2.43%	2019	3.68%		

- The following are the assumed trend rates for the medical claims used in each period:

2025	7.50% grading uniformly to 6.60% over 3 years, then to an ultimate rate of 4.04% in 2075.
2024, 2023	6.25% grading uniformly to 5.20% over 2 years, then to an ultimate rate of 3.94% in 2075.
2022, 2021	6.25% grading uniformly to 5.75% over 2 years, then to an ultimate rate of 4.04% in 2075.
2020, 2019	7.50% grading uniformly to 6.75% over 3 years, then to an ultimate rate of 3.94% in 2075.
2018	8.00% graded down to 5% over 10 years.

- The following are the mortality tables used in each period:

2025	PubG.H-2016 with improvement, scale MP-2021.
2024, 2023	Pub-2010 generational, scale MP-2021.
2022, 2021	Pub-2010 generational, scale MP-2020.
2020, 2019	RP-2014 Total Dataset Adjusted to 2006 with Scale MP-2018.
2018	RP-2014 projected generationally using Scale MP-2016.

	2021	2020	2019	2018
\$	495,676	\$ 472,072	\$ 449,592	\$ 295,336
	195,303	173,465	166,642	146,822
	(1,916,433)	-	(3,821,944)	-
	258,512	-	3,477,957	-
	(75,715)	(109,311)	(101,685)	(104,149)
	(1,042,657)	536,226	170,562	338,009
	4,887,183	4,350,957	4,180,395	3,842,386
\$	3,844,526	\$ 4,887,183	\$ 4,350,957	\$ 4,180,395

\$ 12,970,062 \$ 13,712,189 \$ 13,184,797 \$ 14,485,421

29.6% 35.6% 33.0% 28.9%

PALM BEACH COUNTY, FLORIDA  
Schedule of Changes in the Total OPEB Liability and Related Ratios  
Property Appraiser Healthcare OPEB Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	2025	2024	2023	2022
<b>Total OPEB liability</b>				
Service cost	\$ 66,053	\$ 56,214	\$ 86,050	\$ 168,086
Interest	74,315	68,846	62,461	59,899
Experience losses (gains)	(94,120)	-	(957,003)	-
Change of assumptions	(899,467)	-	(275,324)	-
Benefit payments	(45,764)	(43,072)	(40,538)	(80,472)
<b>Net change in total OPEB liability</b>	(898,983)	81,988	(1,124,354)	147,513
<b>Total OPEB liability- beginning</b>	1,482,520	1,400,532	2,524,886	2,377,373
<b>Total OPEB liability- ending</b>	<u>\$ 583,537</u>	<u>\$ 1,482,520</u>	<u>\$ 1,400,532</u>	<u>\$ 2,524,886</u>
<b>Covered-employee payroll</b>	\$ 16,594,315	\$ 14,433,702	\$ 13,878,560	\$ 13,557,798
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	3.5%	10.3%	10.1%	18.6%

**Notes to Schedule:**

(1) GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", was implemented in fiscal year 2018 requiring ten-year trend data. Additional years will be displayed as the data becomes available.

(2) Amounts are as of September 30 of each year.

(3) No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75.

(4) Change in assumptions: changes of assumptions and other inputs reflect the effects of changes in the discount rate, assumed trend rate for medical claims, and mortality rate each period.

- The following are the discount rates used in each period:

2025	4.50%	2020	3.68%
2023, 2024	4.87%	2019	3.68%
2022	2.43%	2018	2.98%
2021	2.43%		

- The following are the assumed trend rates for the medical claims used in each period:

2025	7.90% grading to 5.20% over 4 years, then to an ultimate rate of 3.45% in 2075.
2023, 2024	6.25% grading uniformly to 5.20% over 2 years, then to an ultimate rate of 3.94% in 2075.
2022, 2021	6.25% grading uniformly to 5.75% over 2 years, then to an ultimate rate of 4.04% in 2076.
2020, 2019	7.50% grading uniformly to 6.75% over 3 years, then to an ultimate rate of 3.90% in 2076.
2018	8.00% graded down to 5.00% over 10 years.

- The following are the mortality tables used in each period:

2025, 2024, 2023	Pub-2010 generational, scale MP-2021.
2022, 2021	Pub-2010 generational, scale MP-2020.
2020, 2019	RP-2014 adjusted to 2006 generational using Scale MP-2018.
2018	RP-2014 adjusted to 2006 generational using Scale MP-2016.

	2021	2020	2019	2018
\$	177,736	\$ 171,427	\$ 163,264	\$ 49,905
	109,509	102,002	24,609	16,618
	(817,390)	-	(188,335)	-
	109,470	-	2,169,327	-
	(75,738)	(73,964)	(68,804)	(9,692)
	(496,413)	199,465	2,100,061	56,831
	2,873,786	2,674,321	574,260	517,429
\$	2,377,373	\$ 2,873,786	\$ 2,674,321	\$ 574,260

\$ 13,036,344 \$ 15,845,410 \$ 15,235,971 \$ 12,276,256

18.2% 18.1% 17.6% 4.7%

PALM BEACH COUNTY, FLORIDA  
Schedule of Changes in the Total OPEB Liability and Related Ratios  
Clerk and Comptroller Healthcare OPEB Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	2025	2024	2023	2022
<b>Total OPEB liability</b>				
Service cost	\$ 294,985	\$ 275,537	\$ 468,586	\$ 376,045
Interest	354,346	357,141	228,605	220,688
Differences between expected and actual experience	-	(895,669)	-	58,950
Change of assumptions	589,045	431,219	(2,017,132)	(1,301,476)
Benefit payments	(373,723)	(423,427)	(393,886)	(310,181)
<b>Net change in total OPEB liability</b>	864,653	(255,199)	(1,713,827)	(955,974)
<b>Total OPEB liability- beginning</b>	7,165,746	7,420,945	9,134,772	10,090,746
<b>Total OPEB liability- ending</b>	<u>\$ 8,030,399</u>	<u>\$ 7,165,746</u>	<u>\$ 7,420,945</u>	<u>\$ 9,134,772</u>
<b>Covered-employee payroll</b>	\$ 33,739,327	\$ 32,916,417	\$ 31,530,199	\$ 30,761,170
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	23.8%	21.8%	23.5%	29.7%

**Notes to Schedule:**

(1) GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", was implemented in fiscal year 2018 requiring ten-year trend data. Additional years will be displayed as the data becomes available.

(2) Amounts are as of September 30 of each year.

(3) No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75.

(4) Changes of assumptions: changes of assumptions and other inputs reflect the effects of changes in the discount rate and the assumed trend rate for medical claims each period.

-The following are the discount rates used in each period:

2025	4.06%	2021	2.14%
2024	4.87%	2020	3.58%
2023	4.77%	2019	4.18%
2022	2.43%	2018	3.64%

-The following are the assumed trend rates for the medical claims used in each period:

2025	Initially 7.0% grading down to the ultimate trend rate of 4.0% in the year 2075.
2024	Initially 7.0% grading down to the ultimate trend rate of 4.0% in the year 2075.
2020-2023	Initially 7.5% grading down to the ultimate trend rate of 4.0% in the year 2075.
2019	Initially 8.5% grading down to the ultimate trend rate of 4.0% in the year 2074.
2018	Initially 8.5% grading down to the ultimate trend rate of 4.0% in the year 2073.

	2021	2020	2019	2018
\$	232,600	\$ 263,756	\$ 306,313	\$ 362,040
	272,120	346,840	320,696	290,214
	-	(839,792)	-	-
	2,363,054	(191,497)	(903,998)	(1,092,518)
	(288,540)	(201,247)	(185,481)	(170,557)
	2,579,234	(621,940)	(462,470)	(610,821)
	7,511,512	8,133,452	8,595,922	9,206,743
\$	10,090,746	\$ 7,511,512	\$ 8,133,452	\$ 8,595,922

\$ 31,989,926 \$ 31,209,684 \$ 32,369,379 \$ 30,809,641

31.5% 24.1% 25.1% 27.9%

PALM BEACH COUNTY, FLORIDA  
Schedule of Changes in the Total OPEB Liability and Related Ratios  
Sheriff Healthcare OPEB Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	2025	2024	2023	2022
<b>Total OPEB liability</b>				
Service cost	\$ 9,492,254	\$ 8,572,444	\$ 7,527,003	\$ 10,204,876
Interest	10,969,733	10,812,279	10,083,239	6,506,772
Changes of benefit terms	5,428,824	-	6,471,030	-
Differences between expected and actual experience	-	14,786,540	-	38,557,399
Change of assumptions	(43,672,490)	(2,150,155)	(2,818,979)	(81,442,605)
Benefit payments	(9,713,437)	(9,047,202)	(8,504,114)	(7,959,855)
<b>Net change in total OPEB liability</b>	<b>(27,495,116)</b>	<b>22,973,906</b>	<b>12,758,179</b>	<b>(34,133,413)</b>
<b>Total OPEB liability- beginning</b>	<b>283,283,968</b>	<b>260,310,062</b>	<b>247,551,883</b>	<b>281,685,296</b>
<b>Total OPEB liability- ending</b>	<b>\$ 255,788,852</b>	<b>\$ 283,283,968</b>	<b>\$ 260,310,062</b>	<b>\$ 247,551,883</b>

**Covered-employee payroll** \$ 398,336,454 \$ 366,996,528 \$ 338,606,480 \$ 323,237,820

**Total OPEB liability as a percentage of covered-employee payroll** 64.2% 77.2% 76.9% 76.6%

**Notes to Schedule:**

(1) GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", was implemented in fiscal year 2018 requiring ten-year trend data. Additional years will be displayed as the data becomes available.

(2) Amounts are as of September 30 of each year.

(3) No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75.

(4) Changes of assumptions: changes of assumptions and other inputs reflect the effects of changes in the discount rate and the mortality rate each period.

-The following are the discount rates used in each period:

2025	4.90%	2021	2.26%
2024	3.81%	2020	2.21%
2023	4.09%	2019	2.66%
2022	4.02%	2018	4.18%

-The following are the mortality rates used in each period:

2025	Pub-2010 Generational, Scale MP-21
2022, 2023, & 2024	Pub-2010 Generational, Scale MP-21
2021	Pub-2010 Generational, Scale MP-19
2020	Pub-2010 Generational, Scale MP-19
2019	RP-2014 Generational, Scale MP-17
2018	RP-2014 Generational, Scale MP-17

	2021	2020	2019	2018
\$	10,107,135	\$ 10,442,576	\$ 6,792,711	\$ 6,520,168
	6,215,121	7,617,507	9,082,529	9,372,090
	-	-	-	-
	-	(51,788,487)	-	-
	(1,986,106)	36,202,604	56,795,524	(16,009,828)
	(7,541,860)	(7,026,152)	(7,440,977)	(6,723,270)
	6,794,290	(4,551,952)	65,229,787	(6,840,840)
	274,891,006	279,442,958	214,213,171	221,054,011
\$	281,685,296	\$ 274,891,006	\$ 279,442,958	\$ 214,213,171

\$ 313,651,000    \$ 303,301,000    \$ 287,690,000    \$ 274,322,952

89.8%                    90.6%                    97.1%                    78.1%

PALM BEACH COUNTY, FLORIDA  
Schedule of Changes in the Net OPEB Liability and Related Ratios  
Fire-Rescue Union Healthcare OPEB Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	2024	2023 (2)	2022	2021
<b>Total OPEB liability</b>				
Service cost	\$ 2,144,621	\$ 3,420,978	\$ 5,001,839	\$ 4,944,326
Interest	9,451,808	10,521,526	6,860,219	6,177,025
Differences between expected and actual experience	-	719,741	-	(21,294,954)
Change of assumptions	-	(31,918,287)	(35,413,330)	10,790,807
Benefit payments	(5,974,668)	(7,237,188)	(5,370,607)	(4,938,530)
<b>Net change in total OPEB liability</b>	5,621,761	(24,493,230)	(28,921,879)	(4,321,326)
<b>Total OPEB liability- beginning</b>	147,835,698	172,328,928	201,250,807	205,572,133
<b>Total OPEB liability- ending (a)</b>	153,457,459	147,835,698	172,328,928	201,250,807
<b>Plan fiduciary net position</b>				
Contributions - employer	8,114,383	9,276,060	6,742,126	6,025,766
Net investment income	12,248,904	13,843,051	(16,692,990)	17,897,312
Benefit payments	(5,974,668)	(7,237,188)	(5,370,607)	(4,938,530)
Administrative expense	(50,172)	(63,070)	(43,103)	(26,108)
<b>Net change in plan fiduciary net position</b>	14,338,447	15,818,853	(15,364,574)	18,958,440
<b>Plan fiduciary net position - beginning</b>	99,558,058	83,739,205	99,103,779	80,145,339
<b>Plan fiduciary net position - ending (b)</b>	113,896,505	99,558,058	83,739,205	99,103,779
<b>Net OPEB liability - ending (a) - (b)</b>	\$ 39,560,954	\$ 48,277,640	\$ 88,589,723	\$ 102,147,028
Plan fiduciary net position as a percentage of the total OPEB liability	74.2%	67.3%	48.6%	49.2%
Covered payroll	\$ 179,373,921	\$ 173,308,137	\$ 167,447,475	\$ 161,785,000
Net OPEB liability as a percentage of covered payroll	22.1%	27.9%	52.9%	63.1%

**Notes to Schedule:**

- (1) GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", was implemented in fiscal year 2018 requiring ten-year trend data. Additional years will be displayed as the data becomes available.
- (2) For this reporting period, the measurement date of the Net OPEB liability was changed from September 30, 2023 to December 31, 2023. This measurement of fifteen (15) months is a one-time adjustment to align with the OPEB trust's audited financial statements for the year ended December 31, 2023. The change in measurement date had no material financial effects
- (3) 2023, 2024: Amounts are as of December 31. 2018-2022: Amounts are as of September 30 of each year.
- (4) Changes of assumptions/other inputs reflect the effects of changes in the discount, mortality, & healthcare cost trend dates:
  - Discount rate: 2024, 2023: 6.50% 2022: 4.89% 2021: 3.37% 2020: 2.99% 2019: 3.19% 2018: 5.20%
  - Mortality tables: 2024, 2023: Pub-2010 generational, scale MP-2021; 2022 & 2021: Pub-2010 generational, scale MP-2020; 2020 & 2019: Pub-2010 generational, scale MP-2018; 2018: RP-2014 generational, scale MP-2017.
  - Healthcare cost trend rates: 2024, 2023: 6.75% initial, decreasing .25% per year to ultimate rate of 4.00%; 2022: 7.00% initial, decreasing .25% per year to ultimate rate of 4.00%; 2021: 7.25% initial, decreasing .25% per year to ultimate rate of 4.00%; 2018-2020: 6.50% initial, decreasing .50% per year to ultimate rate of 4.50%.

	2020	2019	2018
\$	6,048,097	\$ 4,149,539	\$ 3,942,933
	6,299,432	8,193,937	7,914,881
	-	(8,869,299)	-
	2,885,481	39,132,189	-
	(4,832,587)	(4,421,791)	(6,274,000)
	10,400,423	38,184,575	5,583,814
	195,171,710	156,987,135	151,403,321
	205,572,133	195,171,710	156,987,135
	5,812,118	1,425,000	5,287,973
	6,423,430	3,261,852	5,173,323
	(4,832,587)	-	(3,756,640)
	(24,812)	(163,465)	(58,974)
	7,378,149	4,523,387	6,645,682
	72,767,190	68,243,803	61,598,121
	80,145,339	72,767,190	68,243,803
\$	125,426,794	\$ 122,404,520	\$ 88,743,332

39.0%                      37.3%                      43.5%

\$ 156,314,000    \$ 151,027,985    \$ 172,274,026

80.2%                      81.0%                      51.5%

PALM BEACH COUNTY, FLORIDA  
Schedule of Investment Returns  
Fire-Rescue Union Healthcare OPEB Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	<b>2024</b>	<b>2023 (2)</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Annual money-weighted rate of return, net of investment expense	12.3%	16.5%	-16.9%	22.3%	8.8%	4.5%	8.4%

**Notes to Schedule:**

- (1) GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", was implemented in fiscal year 2018 requiring ten-year trend data. Additional years will be displayed as the data becomes available.
- (2) For this reporting period, the measurement date of the Net OPEB liability was changed from September 30, 2023 to December 31, 2023. This measurement of fifteen (15) months is a one-time adjustment to align with the OPEB trust's audited financial statements for the year ended December 31, 2023. The change in measurement date had no material financial effects.
- (3) 2023: Amounts are as of December 31. 2018-2022: Amounts are as of September 30 of each year.



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PALM BEACH COUNTY, FLORIDA  
Schedule of Contributions  
Fire-Rescue Union Healthcare OPEB Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	2024	2023 (2)	2022	2021
Actuarially determined contribution	\$ 6,416,926	\$ 7,656,810	\$ 5,084,000	\$ 6,309,000
Contributions in relation to the actuarially determined contribution	8,114,383	9,276,060	6,742,126	6,025,766
Contribution deficiency (excess)	\$ (1,697,457)	\$ (1,619,250)	\$ (1,658,126)	\$ 283,234
<b>Covered payroll</b>	<b>\$ 179,373,921</b>	<b>\$ 173,308,137</b>	<b>\$ 167,447,475</b>	<b>\$ 161,785,000</b>
<b>Actual contributions as a percentage of covered payroll</b>	4.5%	5.4%	4.0%	3.7%

**Notes to Schedule:**

- (1) GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", was implemented in fiscal year 2018 requiring ten-year trend data. Additional years will be displayed as the data becomes available.
- (2) For this reporting period, the measurement date of the Net OPEB liability was changed from September 30, 2023 to December 31, 2023. This measurement of fifteen (15) months is a one-time adjustment to align with the OPEB trust's audited financial statements for the year ended December 31, 2023. The change in measurement date had no material financial effects.
- (3) 2024, 2023: Amounts are as of December 31. 2018-2022: Amounts are as of September 30 of each year.

<b>Valuation Date</b>	2024: 12/31/24	2022: 9/30/22	2020: 9/30/20	2018: 9/30/18
	2023: 12/31/23	2021: 9/30/21	2019: 9/30/19	

**Methods and assumptions used to determine contributions:**

Actuarial cost method	Entry-Age Normal based on level percentage of projected salary			
Amortization method	Experience gains and losses are amortized over a closed period as follows:			
	2024: 17.8 years	2022: 10.9 years	2020: 10.3 years	2018: 9.7 years
	2023: 17.8 years	2021: 10.9 years	2019: 10.3 years	
Asset valuation method	Fair Value			
Inflation	2024: 3.0%	2022: 3.0%	2020: 3.0%	2018: 2.5%
	2023: 3.0%	2021: 3.0%	2019: 3.0%	
Healthcare cost trend rates	2024, 2023: 6.75% initial, decreasing .25% per year to an ultimate rate of 4.00%			
	2022: 7.00% initial, decreasing .25% per year to an ultimate rate of 4.00%			
	2021: 7.25% initial, decreasing .25% per year to an ultimate rate of 4.00%			
	2018-2020: 6.5% initial, decreasing .50% per year to an ultimate rate of 4.50%.			
Salary increases	3.50%			
Investment rate of return	2024: 16.5%	2022: (16.9%)	2020: 8.8%	2018: 8.4%
	2023: 16.5%	2021: 22.3%	2019: 4.5%	
Long-term municipal bond rate	2024: 6.50%	2022: 3.37%	2020: 3.19%	2018: 5.20%
	2023: 6.50%	2021: 3.37%	2019: 3.19%	
Retirement age	2024, 2023: Annual retirement rates based on FRS actuarial valuation as of July 1, 2023.			
	2022 & 2021: Annual retirement rates based on FRS actuarial valuation as of July 1, 2020.			
	2020 & 2019: Annual retirement rates based on FRS actuarial valuation as of July 1, 2018.			
	2018: Annual retirement rates based on FRS actuarial valuation as of July 1, 2017.			
Mortality tables	2024, 2023: Pub-2010 generational, scale MP-2021			
	2022 & 2021: Pub-2010 generational, scale MP-2020			
	2020 & 2019: Pub-2010 generational, scale MP-2018			
	2018: RP-2014 generational, scale MP-2017			

	<b>2020</b>	<b>2019</b>	<b>2018</b>
\$	5,508,571	\$ 5,508,571	\$ 9,846,994
	5,812,118	1,425,000	6,274,000
\$	<u>(303,547)</u>	\$ 4,083,571	\$ 3,572,994
\$	156,314,000	\$ 151,027,985	\$ 172,274,026
	3.7%	0.9%	3.6%

PALM BEACH COUNTY, FLORIDA  
Schedule of Changes in the Total OPEB Liability and Related Ratios  
Fire-Rescue Supplemental Disability OPEB Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	2025	2024	2023	2022
<b>Total OPEB liability</b>				
Service cost	\$ 396,160	\$ 345,975	\$ 239,907	\$ 111,544
Interest	1,269,008	1,178,644	624,413	609,871
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	3,714,240	2,064,358	6,146,910	3,753,380
Change of assumptions	2,234,745	(437,600)	(6,532,901)	849,052
Benefit payments	(2,721,711)	(2,439,373)	(2,178,744)	(1,896,796)
<b>Net change in total OPEB liability</b>	4,892,442	712,004	(1,700,415)	3,427,051
<b>Total OPEB liability- beginning</b>	28,373,073	27,661,069	29,361,484	25,934,433
<b>Total OPEB liability- ending</b>	\$ 33,265,515	\$ 28,373,073	\$ 27,661,069	\$ 29,361,484
<b>Covered-employee payroll</b>	\$ 171,059,303	\$ 164,716,636	\$ 153,798,400	\$ 142,652,898
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	19.4%	17.2%	18.0%	20.6%

**Notes to Schedule:**

(1) GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", was implemented in fiscal year 2018 requiring ten-year trend data. Additional years will be displayed as the data becomes available.

(2) Amounts are as of September 30 of each year.

(3) No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75.

(4) Changes of assumptions: changes of assumptions and other inputs reflect the effects of changes in the discount rate, mortality table, and experience study each period.

-The following are the discount rates used in each period:

2025	3.88%	2021	2.43%
2024	4.63%	2020	2.74%
2023	4.40%	2019	3.83%
2022	2.19%	2018	3.50%

-The following are the mortality tables used in each period:

2025, 2024, 2023, 2022, 2021 Pub-2010 Generational, Scale MP-2018  
2020, 2019 RP-2000 Healthy Participant, Scale BB  
2018 RP-2000 Healthy Participant, Scale BB

-The following are the actuarial experience studies used in each period:

2025, 2024, 2023, 2022, 2021 Florida Retirement System, July 1, 2019  
2020, 2019, 2018 Florida Retirement System, July 1, 2014

	2021	2020	2019	2018
\$	156,718	\$ 129,198	\$ 127,209	\$ 127,083
	580,904	678,538	520,764	434,063
	-	5,355	-	-
	3,794,811	2,075,188	4,467,181	2,442,940
	1,225,927	2,244,232	(611,644)	(635,227)
	(1,736,174)	(1,614,934)	(1,721,178)	(1,262,950)
	4,022,186	3,517,577	2,782,332	1,105,909
	21,912,247	18,394,670	15,612,338	14,506,429
\$	25,934,433	\$ 21,912,247	\$ 18,394,670	\$ 15,612,338

\$ 139,407,954   \$ 136,324,750   \$ 126,347,132   \$ 125,516,712

18.6%                      16.1%                      14.6%                      12.4%

PALM BEACH COUNTY, FLORIDA  
Solid Waste Authority - Component Unit  
Schedule of Changes in the Total OPEB Liability and Related Ratios  
Healthcare OPEB Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	2025	2024	2023	2022
<b>Total OPEB liability</b>				
Service cost	\$ 43,952	\$ 40,038	\$ 33,000	\$ 42,000
Interest	26,729	28,548	24,000	13,000
Differences between expected and actual experience	(46,619)	32,229	89,000	(87,000)
Change of assumptions	595,371	16,274	25,000	(49,000)
Benefit payments, including refunds of member contributions	(61,049)	(85,627)	(98,000)	(103,000)
<b>Net change in total OPEB liability</b>	558,384	31,462	73,000	(184,000)
<b>Total OPEB liability- beginning</b>	675,462	644,000	571,000	755,000
<b>Total OPEB liability- ending</b>	<u>\$ 1,233,846</u>	<u>\$ 675,462</u>	<u>\$ 644,000</u>	<u>\$ 571,000</u>
<b>Covered-employee payroll</b>	\$ 33,137,966	\$ 31,128,307	\$ 29,171,140	\$ 27,904,563
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	3.7%	2.2%	2.2%	2.0%

**Notes to Schedule:**

- (1) GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", was implemented in fiscal year 2018 requiring ten-year trend data. Additional years will be displayed as the data becomes available.
- (2) Amounts are as of September 30 of each year.
- (3) No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75.
- (4) Change of assumptions - The discount rate was 4.18% in 2018; 2.66% in 2019; 2.21% in 2020; 2.19% in 2021; 4.40% in 2022; 4.63% in 2023; 3.88% in 2024; 4.50% in 2025.  
The per capital claims cost assumption was updated to use the 2024 premium rates; mortality improvement scale was update from MP-2020 to MP-2021; and healthcare cost trend assumption was updated based on the 2024 Getzen model realised by the SOA in 2023. The mortality assumption was updated from Pub-2010 mortality table with generational scale MP-2019 to Pub-2010 General Employees Headcount-Weighted Mortality Projected with Fully Generational MP-2020 Mortality Improvement Scale in 2022. The mortality assumption was updated from RP-2014 mortality table with generational scale MP-2018 to Pub-2010 mortality table with generational scale MP-2019; plan participation rate for Medicare-eligible retirees was reduced from 5% to 1%; Excise Tax (ACA Cadillac Tax) on high cost employer sponsored health plans was replaced by a bill in December 2019; there were significant changes to the retirement and termination assumptions based on the 2020 FRS actuarial valuation in 2020.

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
\$	30,000	\$ 28,000	\$ 22,000	\$ 21,000
	17,000	18,000	28,000	30,000
	-	(206,000)	-	-
	1,000	336,000	26,000	(11,000)
	(63,000)	(93,000)	(96,000)	(79,000)
	(15,000)	83,000	(20,000)	(39,000)
	770,000	687,000	707,000	746,000
<b>\$</b>	<b>755,000</b>	<b>\$ 770,000</b>	<b>\$ 687,000</b>	<b>\$ 707,000</b>

\$ 27,218,216   \$ 26,199,000   \$ 25,841,000   \$ 23,959,000

2.8%                      2.9%                      2.7%                      3.0%



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Palm Beach County, Florida

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

Federal/State Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing No./Catalog of State Financial Assistance No.	Contract/Grant #	Pass-Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
<b>FEDERAL GRANTS</b>					
<b><u>CDBG - Entitlement Grants Cluster</u></b>					
<u>US Dept of Housing &amp; Urban Dev</u>					
Direct Programs:					
Community Development Block Grants/Entitlement Grants:					
NEIGHBORHOOD STABILIZATION PROGRAM	14.218	B08UN120013	N/A	\$ 95,438	\$ -
NEIGHBORHOOD STABILIZATION PROGRAM - 3	14.218	B11UN120013	N/A	20,631	-
FY16 Community Development Block Grant	14.218	B15UC120004	N/A	(36,934)	-
FY18 Community Development Block Grant	14.218	B17UC120004	N/A	27,401	27,401
FY20 Community Development Block Grant	14.218	B19UC120004	N/A	23,456	23,456
FY21 Community Development Block Grant Program	14.218	B20UC120004	N/A	39,276	39,276
Community Development Block Grant Coronavirus Program	14.218	B20UW120004	N/A	277,963	277,963
FY22 Community Development Block Grant Program	14.218	B21UC120004	N/A	2,796	2,796
FY23 Community Development Block Grant Program	14.218	B22UC120004	N/A	219,754	219,754
FY24 Community Development Block Grant Program	14.218	B23UC120004	N/A	667,734	588,398
FY25 Community Development Block Grant Program	14.218	B24UC120004	N/A	3,068,907	1,732,004
Total 14.218				4,406,422	2,911,048
Total CDBG - Entitlement Grants Cluster				4,406,422	2,911,048
<b><u>Federal Transit Cluster</u></b>					
<u>US Dept of Transportation</u>					
Direct Programs:					
Federal Transit Formula Grants (Urbanized Area Formula Program):					
Fed. Transit Formula Grants - FY19 Sec 5307/5339 Supergrant	20.507	109820192	N/A	521,547	-
Fed. Transit Formula Grants - FY22 Sec 5307/5339 Supergrant	20.507	109820231	N/A	423,825	-
Fed. Transit Formula Grants-FY23 Section 5307/5339 Superg	20.507	109820232	N/A	2,800,330	-
Fed. Transit Formula Grants-FY24 Section 5307/5339 Superg	20.507	109820241	N/A	1,202,483	-
FTA FLEX Supergrant 19-24	20.507	109820251	N/A	93,912	-
Fed. Transit Formula Grants-FY25 Section 5307/5339 Supergrant	20.507	109820252	N/A	9,386,705	-
Super Grant - Section 5307 FY16-17-18 and FHWA Flex Cap Asst	20.507	FL201905200	N/A	140,325	-
Fare Technology Supergrant	20.507	FL201907100	N/A	593,948	-
Fed. Transit Formula Grants-FY20&21 Section 5307/5339 Superg	20.507	FL202406001	N/A	465,109	-
Total 20.507				15,628,184	-
Total Federal Transit Cluster				15,628,184	-
<b><u>Transit Services Programs Cluster</u></b>					
<u>US Dept of Transportation</u>					
ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES					
Passed Through: FL Dept of Transportation					
FFY21 Section 5310 Capital Assistance Program	20.513		G2Z83	1,506,721	-
FFY22 Section 5310 Capital Assistance Program	20.513		G2Z85	136,786	-
FFY23 Section 5310 Capital Assistance Program	20.513		G2Z89	1,878,427	-
Total 20.513				3,521,934	-
Total Transit Services Program Cluster				3,521,934	-
<b><u>Highway Safety Cluster</u></b>					
<u>US Dept of Transportation</u>					
State and Community Highway Safety:					
Passed Through: Florida Department of Transportation					
Palm Beach County Impaired Driving Strategy FY25	20.600		G3452	223,069	-
Palm Beach County Motorcycle Safety Project-FY25	20.600		G3460	178,210	-
PBC Speed & Aggressive Driving Enforcement Strategy FY25	20.600		G3498	175,000	-
Palm Beach County Occupant Protection Project -FY25	20.600		G3570	200,000	-
Total Highway Safety Cluster				776,279	-

(Continued)

Palm Beach County, Florida

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

Federal/State Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing No./Catalog of State Financial Assistance No.	Contract/Grant #	Pass-Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
<b>Aging Cluster</b>					
<u>US Dept of Health &amp; Human Svcs</u>					
Passed Through: Area Agency on Aging of Palm Beach/Treasure Coast					
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers:					
2024 OAA Title III B Support Services	93.044		IA0249500(3B)(GY24)	\$ 365,000	\$ -
2025 OAA Title III B Support Services	93.044		IA0259500(3B)(GY25)	1,070,332	-
Total 93.044				1,435,332	-
Passed Through: Area Agency on Aging of Palm Beach/Treasure Coast					
Special Programs for the Aging, Title III, Part C, Nutrition Services:					
2024 OAA Title III C1 - Congregate Meals	93.045		IA0249500(C1)(GY24)	175,977	-
2024 OAA Title III C2 - Home Delivered Meals	93.045		IA0249500(C2)(GY24)	136,562	-
2025 OAA Title III C1 - Congregate Meals	93.045		IA0259500(C1)(GY25)	472,120	-
2025 OAA Title III C2 - Home Delivered Meals	93.045		IA0259500(C2)(GY25)	560,867	-
Total 93.045				1,345,526	-
Passed Through: Area Agency on Aging of Palm Beach/Treasure Coast					
Nutrition Services Incentive Program:					
24 Nutrition Services Incentive Program	93.053		IA0249500 (GY24)	8,945	-
25 Nutrition Services Incentive Program	93.053		IA0259500 (GY25)	120,242	-
Total 93.053				129,187	-
Total Aging Cluster				2,910,045	-
<b>Non-Clustered Grants</b>					
<u>US Dept of Housing &amp; Urban Dev</u>					
Passed Through: FL Dept of Economic Opportunity					
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii:					
Western Region North Wastewater Treatment Facility - CDBG	14.228		IO166	2,710,000	-
Vulnerability Assessment CDBG-MIT	14.228		MT026	238,000	-
Total 14.228				2,948,000	-
Direct Programs:					
COVID-19 - Emergency Solutions Grant Program	14.231	E20UW120004	N/A	(19,918)	-
FY23 Emergency Solutions Grant Program	14.231	E22UC120004	N/A	45,299	45,299
FY24 Emergency Solutions Grant Program	14.231	E23UC120004	N/A	86,760	80,992
FY25 Emergency Solutions Grant Program	14.231	E24UC120004	N/A	495,628	420,628
Total 14.231				607,769	546,919
Direct Programs:					
FY18 HOME Investment Partnership	14.239	M17UC120215	N/A	11,079	-
FY19 HOME Investment Partnership	14.239	M18UC120215	N/A	115,071	19,552
FY20 HOME Investment Partnership	14.239	M19UC120215	N/A	1,493	1,493
FY21 HOME Investment Partnership	14.239	M20UC120215	N/A	83,536	83,536
FY22 HOME Investment Partnership	14.239	M21UC120215	N/A	887,299	887,299
FY23 HOME Investment Partnership	14.239	M22UC120215	N/A	409,423	409,348
FY25 HOME Investment Partnership	14.239	M24UC120215	N/A	5,083	-
Total 14.239				1,512,984	1,401,228
Direct Programs:					
Community Development Block Grants Section 108 Loan Guarantees - FY10	14.248	B10UC120004 - 108	N/A	200,000	-
Community Development Block Grants Section 108 Loan Guarantees - FY11	14.248	B11UC120004 - 108	N/A	182,650	-
Community Development Block Grants Section 108 Loan Guarantees - FY21	14.248	B21UC120004 - 108	N/A	950,000	-
Total 14.248				1,332,650	-
Direct Programs:					
NEIGHBORHOOD STABILIZATION PROGRAM-2	14.256	B09LNFL0021	N/A	15,315	-
Total 14.256				15,315	-

(Continued)

Palm Beach County, Florida

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

Federal/State Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing No./Catalog of State Financial Assistance No.	Contract/Grant #	Pass-Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
Direct Programs:					
Continuum of Care Program:					
FY25-26 COC Homeless Management Information System Grant	14.267	FL0823L4D052304	N/A	\$ 281,530	\$ -
Continuum of Care (CoC) Pathway to Independence Program-PIP	14.267	FL0991L4D052200	N/A	72,314	72,314
Continuum of Care (CoC) Pathway to Independence Program- PIP	14.267	FL0991L4D052301	N/A	264,973	264,973
Continuum of Care (CoC) Planning Grant	14.267	FL1045L4D052300	N/A	415,776	-
Continuum of Care (CoC) Permanent Supportive Housing	14.267	FL1046L4D052300	N/A	374,264	374,264
Total 14.267				<u>1,408,857</u>	<u>711,551</u>
Direct Programs:					
FY2024 Fair Housing Assist Prog - Processing, Admin, Train	14.401	FF204K240014	N/A	10,505	-
Total 14.401				<u>10,505</u>	<u>-</u>
Total US Dept of Housing & Urban Dev				<u>7,836,080</u>	<u>2,659,698</u>
<u>US Dept of Interior</u>					
Direct Programs:					
Plant Conservation and Restoration Management:					
Jupiter Inlet Lighthouse Outstanding Natural Area	15.245	L22AC00513	N/A	77,403	-
Total 15.245				<u>77,403</u>	<u>-</u>
<u>US Dept of Justice</u>					
Sexual Assault Services Program Formula Grant:					
Passed Through: FL Dept Council Against Sexual Violence					
Family Violence Prevention and Services Act	16.017		23FVP26	203,200	-
Sexual Assault Services Program Formula Grant	16.017		23SAS26	120,082	-
Total 16.017				<u>323,282</u>	<u>-</u>
Services for Trafficking Victims:					
Direct Programs:					
Enhanced Collab Strategy to Combat Human Trafficking-FY23	16.320	15POVC23GK02727HT	N/A	225,511	-
Total 16.320				<u>225,511</u>	<u>-</u>
Crime Victim Assistance:					
Passed Through: FL Dept of Legal Affairs and Attorney General					
FY25 Victims of Crime Act	16.575		VOCA-C-2024-00075	450,082	-
Passed Through: State of Florida, Department of Legal Affairs, Office of the Attorney General					
Victims of Crime Act FY24	16.575		VOCAC2024PBSO00194	211,981	-
Total 16.575				<u>662,063</u>	<u>-</u>
Violence Against Women Formula Grants:					
Passed Through: FL Dept of Children and Families					
STOP Law Enforcement Project Grant FY23	16.588		LN265	162,267	-
Total 16.588				<u>162,267</u>	<u>-</u>

(Continued)

Palm Beach County, Florida

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

Federal/State Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing No./Catalog of State Financial Assistance No.	Contract/Grant #	Pass-Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
Direct Programs:					
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program					
Improve Criminal Justice Response	16.590	15JOVW21GG02012ICJR	N/A	\$ 187,926	\$ -
FY24 Improve Criminal Justice Response Program	16.590	15JOVW24GG01618ICJR	N/A	125,731	-
Total 16.590				<u>313,657</u>	<u>-</u>
Direct Programs:					
State Criminal Alien Assistance Program FY19					
Total 16.606	16.606	2020APBX1138	N/A	<u>119,174</u>	<u>-</u>
				<u>119,174</u>	<u>-</u>
Direct Programs:					
Public Safety Partnership and Community Policing Grants - FY24 Community Policing Development Microgrant					
Total 16.710	16.710	15JCOPS24GG02552PPSE	N/A	<u>32,833</u>	<u>-</u>
				<u>32,833</u>	<u>-</u>
Edward Byrne Memorial Justice Assistance Grant Program:					
Direct Programs:					
FY22 Criminal Justice Commission Initiatives					
	16.738	15PBJA22GG02127JAGX	N/A	35,505	35,505
FY24 Criminal Justice Commission Initiatives					
	16.738	15PBJA24GG05237JAGX	N/A	121,289	121,289
Passed Through: FL Dept of Law Enforcement					
FDLE JAG Program Equipment for Countywide Law Enforcement					
	16.738		6N153	2,805	2,805
FDLE JAG Reentry Program RB					
	16.738		6N251	213,361	213,361
FDLE JAG Program Equipment for Countywide Law Enforcement					
	16.738		R7091	30,451	30,451
Total 16.738				<u>403,411</u>	<u>403,411</u>
DNA Backlog Reduction Program:					
Direct Programs:					
Prosecuting Cold Cases Using DNA FY22					
	16.741	15PBJA22GG03125DNAX	N/A	162,378	-
Forensic DNA Backlog Reduction Program FY23					
	16.741	15PBJA23GG01271DNAX	N/A	263,634	-
Total 16.741				<u>426,012</u>	<u>-</u>
Paul Coverdell Forensic Sciences Improvement Grant Program:					
Passed Through: FL Dept of Law Enforcement					
Paul Coverdell Forensic Sciences Improvement Grant FY23					
	16.742		15PBJA23GG00945COVE	29,201	-
Paul Coverdell Forensic Sciences Improvement Grant FY24					
	16.742		C2405	65,147	-
Total 16.742				<u>94,348</u>	<u>-</u>
Direct Programs:					
Criminal and Juvenile Justice and Mental Health Collaboration Program					
Total 16.745	16.745	15PBJA23GG02188MENT	N/A	<u>156,128</u>	<u>-</u>
				<u>156,128</u>	<u>-</u>
Direct Programs:					
Second Chance Act Reentry Initiative - FY22 Community Reentry Program					
Total 16.812	16.812	15PBJA22GK04898CSCR	N/A	<u>201,352</u>	<u>95,004</u>
				<u>201,352</u>	<u>95,004</u>
Direct Programs:					
Equitable Sharing Program- Justice Funds					
Total 16.922	16.922	FLOR050000	N/A	<u>2,532,221</u>	<u>-</u>
				<u>2,532,221</u>	<u>-</u>
Direct Programs:					
Missing Alzheimer's Disease Patient Assistance Program					
Total 16.015	16.015	15PBJA24GG04027MAPX	N/A	<u>106,295</u>	<u>-</u>
				<u>106,295</u>	<u>-</u>
Direct Programs:					
Comprehensive Forensic DNA Analysis Grant Program					
Total 16.036	16.036	15PBJA24GG02649DNAX	N/A	<u>19,727</u>	<u>-</u>
				<u>19,727</u>	<u>-</u>
Direct Programs:					
Missing and Unidentified Human Remains Program-FY23					
Total 16.050	16.050	15PBJA23GG00825MISP	N/A	<u>80,025</u>	<u>-</u>
				<u>80,025</u>	<u>-</u>
Total US Dept of Justice				<u>5,858,306</u>	<u>498,415</u>

(Continued)

Palm Beach County, Florida

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

Federal/State Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing No./Catalog of State Financial Assistance No.	Contract/Grant #	Pass-Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
<u>US Dept of Transportation</u>					
Direct Programs:					
Airport Improvement Program:					
AIP - Stormwater Master Plan - Glades	20.106	31200600122023	N/A	\$ 4,345	\$ -
AIP - Various Rehabilitation/Resealing projects - Pahokee	20.106	31200600132024	N/A	43,872	-
AIG - PHK Pavement Rehabilitation	20.106	31200600142025	N/A	604	-
PHK - Reseal Taxiway A project	20.106	31200600152025	N/A	403	-
AIP - PBI Airport Rescue Grant	20.106	31200850692022	N/A	12,349,539	-
AIP - PBI Replacement of POU-PC 14 Units	20.106	31200850732023	N/A	3,168,406	-
AIP - PBI Replacement of POU-PC-16 Units	20.106	31200850742023	N/A	3,621,035	-
Bipartisan Infrastructure Law (BIL) - Airport Infrastructure	20.106	31200850752024	N/A	13,248,757	-
FAA Bipartisan Infrastructure Law - Airport Terminal Program	20.106	31200850762024	N/A	2,808,520	-
AIP -Runway 10L/28R Pavement Rehabilitation Project	20.106	31200850772024	N/A	1,144,784	-
AIP - Taxiway R Rehabilitation Project	20.106	31200850782024	N/A	3,330,846	-
Concourse B Expansion - Phase 2B	20.106	31200850792025	N/A	6,644,513	-
AIP - Taxiway M Improvement Projects - PBI	20.106	31200850812025	N/A	373,561	-
AIP - Stormwater Master Plan - Lantana	20.106	31200860222023	N/A	52,288	-
AIP - Lantana Rotating Beacon Reconstruction	20.106	31200860232024	N/A	5,179	-
AIP - Stormwater Master Plan - NPB	20.106	31201130232023	N/A	78,703	-
AIP - NC Rotating Beacon Reconstruction	20.106	31201130242024	N/A	335,775	-
Total 20.106				<u>47,211,130</u>	<u>-</u>
Highway Planning and Construction:					
Passed Through: FL Dept of Transportation					
Lyons Rd/Sansbury's Way-Forest Hill Blvd to Okeechobee Blvd	20.205		44437015801	361,064	-
Seminole Boulevard from Oswego Avenue to Okeechobee Blvd	20.205		44607715801	51,770	-
Cherry Road from Military Trail to Quail Drive	20.205		44830315801	539,486	-
UNF High Visibility Enforcement Grant FY24	20.205		G2X22	127,361	-
UNF High Visibility Enforcement Grant FY25	20.205		G3E95	20,697	-
Total 20.205				<u>1,100,378</u>	<u>-</u>
Formula Grants for Rural Areas and Tribal Transit Program:					
Passed Through: FL Dept of Transportation					
Public Transportation Grant Agreement Section 5311 Operating	20.509		G2X86	800,000	-
Public Transportation Grant Agreement Section 5311 Operating	20.509		G3635	651,827	-
Total 20.509				<u>1,451,827</u>	<u>-</u>
Direct Programs:					
2022 Safe Streets and Roads for All	20.939	693JJ32440062	N/A	347,241	-
Total 21.023				<u>347,241</u>	<u>-</u>
Total US Dept of Transportation				<u>50,110,576</u>	<u>-</u>
<u>US Dept of Treasury</u>					
Direct Programs:					
Equitable Sharing Program - Treasury Funds	21.016	Not Available	N/A	1,220,460	-
Total 21.016				<u>1,220,460</u>	<u>-</u>
Emergency Rental Assistance Program 2	21.023	ERAP 2	N/A	6,826,388	-
Total 21.023				<u>6,826,388</u>	<u>-</u>
Coronavirus State and Local Fiscal Recovery Funds:					
Passed Through: FL Dept of Environmental Protection:					
COVID-19 - Palm Beach County Wastewater Building Replacement	21.027		22FRP71	(920,376)	-
COVID-19 - Palm Beach County Wastewater Lift Station LS 0637 Hardening	21.027		22FRP75	754,000	-
COVID -19 - C-51 Reservoir Phase II Cell 12	21.027		APC01	15,063,415	-
Passed Through: South FL Water Management District					
COVID-19 - SFWMD Green Cay Wetlands Indirect Potable Reuse Project	21.027		4600004795	14,332	-
Total 21.027				<u>14,911,371</u>	<u>-</u>
Total US Dept of Treasury				<u>22,958,219</u>	<u>-</u>

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Federal/State Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing No./Catalog of State Financial Assistance No.	Contract/Grant #	Pass-Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
<u>US Environmental Protection Agency</u>					
Direct Programs:					
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818	02D60823	N/A	\$ 185,963	\$ 176,139
Total 66.818				<u>185,963</u>	<u>176,139</u>
Passed Through: FL Dept of Environmental Protection:					
Drinking Water State Revolving Fund	66.468		DW5020C0	849,309	-
Total 66.468				<u>849,309</u>	<u>-</u>
Direct Programs:					
Environmental Justice Government-to-Government (EJG2G) Program	66.312	03D03924-0	N/A	93,973	-
Total 66.312				<u>93,973</u>	<u>-</u>
Total US Environmental Protection Agency				<u>1,129,245</u>	<u>176,139</u>
<u>US Dept of Health &amp; Human Svcs</u>					
National Family Caregiver Support, Title III, Part E:					
Passed Through: Area Agency on Aging of Palm Beach/Treasure Coast					
2024 OAA Title III E-Caregiver Support Services	93.052		IA0249500(3E)(GY24)	84,595	-
2025 OAA Title III E-Caregiver Support Services	93.052		IA0259500(3E)(GY25)	142,267	-
Total 93.052				<u>226,862</u>	<u>-</u>
Injury Prevention and Control Research and State and Community Based Programs:					
Passed Through: Treasure Coast Health Council, Inc.					
FY24 CDC Overdose Data to Action OD2A Grant	93.136		CDCOD2A FY24	200,000	-
Total 93.136				<u>200,000</u>	<u>-</u>
Passed Through: FL Dept of Revenue					
Child Support Services	93.563		COC50	845,587	-
Total 93.563				<u>845,587</u>	<u>-</u>
Low Income Home Energy Assistance:					
Passed Through: Area Agency on Aging of Palm Beach/Treasure Coast, Inc.					
23-24 Low Income Home Energy Assistance Program	93.568		G2302FLLIEA	3,303,103	-
23-24 Low Income Home Energy Assistance Program	93.568		G2302FLLIEE	3,844,639	-
23-24 Low Income Home Energy Assistance Program	93.568		G2302FLLIEI	262,428	-
25-26 Low Income Home Energy Assistance	93.568		G2502FLLIEA	18,583	-
Passed Through: FL Department of Commerce					
24-25 EHEAEP Intake Center Referral Agreement	93.568		IP0249500	16,789	-
Total 93.568				<u>7,445,542</u>	<u>-</u>
Passed Through: FL Dept of Commerce					
2023-24 Community Services Block Grant	93.569		G2301FLCOSR	425,500	-
2024-25 Community Services Block Grant	93.569		G2401FLCOSR	848,117	-
2024-25 Community Services Block Grant	93.569		G2401FLCOSR2	332,701	-
Total 93.569				<u>1,606,318</u>	<u>-</u>
Direct Programs:					
Ending the HIV Epidemic 20-25	93.686	UT8HA33954	N/A	954,659	310,002
Ending the HIV Epidemic GY2025	93.686	UT8HA3395406	N/A	1,391,644	315,068
Total 93.686				<u>2,346,303</u>	<u>625,070</u>
Direct Programs:					
24-25 HIV Emergency Relief Project Grants-5	93.914	H89HA000343100	N/A	4,389,496	4,087,472
25-26 HIV Emergency Relief Project Grants	93.914	H89HA000343200	N/A	3,076,119	2,064,363
Total 93.914				<u>7,465,615</u>	<u>6,151,835</u>
Total US Dept of Health & Human Svcs				<u>20,136,227</u>	<u>6,776,905</u>

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Federal/State Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing No./Catalog of State Financial Assistance No.	Contract/Grant #	Pass-Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
<u>US Executive Office Of The President</u>					
Direct Programs:					
High Intensity Drug Trafficking Areas Program - FY23	95.001	G23M0011A	N/A	\$ 16,099	\$ -
High Intensity Drug Trafficking Areas Program - FY24	95.001	G24M0011A	N/A	119,962	-
High Intensity Drug Trafficking Areas Program - FY25	95.001	HID1225G0471	N/A	15,376	-
Total US Executive Office of the President				151,437	-
<u>US Dept of Homeland Security</u>					
Disaster Grants - Public Assistance (Presidentially Declared Disasters):					
Passed Through: FL Div of Emergency Management					
Public Assistance Grants - Matthew	97.036		17PAU5106002119	3,257	-
Public Assistance Grants - Matthew-STATE	97.036		17PAU5106002119-	(1,628)	-
Public Assistance Grants - Irma Federal	97.036		Z0596	5,280,515	-
Public Assistance Grants - Irma-State	97.036		Z0596-	(17,135)	-
Public Assistance Grant - Coronavirus-Federal	97.036		Z1877	97,000	-
Public Assistance Grants - Ian-Federal	97.036		Z3452	815,622	-
Hurricane Nicole Public Assistance Funding-Federal	97.036		Z3686	1,230,023	-
Hurricane Nicole Public Assistance Funding-State	97.036		Z3686-	205,004	-
Hurricane Milton Public Assistance Funding-Federal	97.036		Z4603	985,690	-
Total 97.036				8,598,348	-
Passed Through: FL Div of Emergency Management					
22-23 Hazard Mitigation Grant Program	97.039		H0864	105,000	-
Total 97.039				105,000	-
Passed Through: FL Div of Emergency Management					
23-24 Emergency Management Performance Grant	97.042		G0459	117,335	-
24-25 Emergency Management Performance Grant	97.042		G0553	89,691	-
Total 97.042				207,026	-
Direct Programs:					
Port Security Grant Program-FY24	97.056	EMW2024PU05585	N/A	760,709	-
Total 97.056				760,709	-
Homeland Security Grant Program:					
Passed Through: FL Div of Emergency Management					
State Homeland Security Grant Program FY21	97.067		R0515	35,289	-
State Homeland Security Grant Program FY22	97.067		R0569	125,526	-
State Homeland Security Grant Program FY23	97.067		R0916	144,993	-
Operation Stonegarden FY23	97.067		R0926	304,626	-
Operation Stonegarden FY24	97.067		R1185	329,106	-
Operation Stonegarden II - FY21	97.067		R1292	130,416	-
Operation Stonegarden II - FY22	97.067		R1293	15,783	-
Passed Through OTHER: City of Miami					
FY22 Urban Area Security Initiative Grant Prgm	97.067		R0588	107,673	-
FY23 Urban Area Security Initiative Grant Prgm	97.067		R0924	382,873	-
Passed Through: State of Florida, City of Miami					
Urban Area Security Initiative FY22	97.067		R0588	486,949	-
Urban Area Security Initiative FY23	97.067		R0924	638,989	-
Urban Area Security Initiative FY24	97.067		R1193	19,334	-
Total 97.067				2,721,557	-
Direct Programs:					
FY21 Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW2021FF00908	N/A	1,767,903	-
FY22 Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW2022FF00029	N/A	3,116,987	-
Total 97.083				4,884,890	-
Direct Programs:					
Targeted Violence & Terrorism Prevention Program FY23	97.132	EMW2023GR00059S01	N/A	195,033	-
Targeted Violence & Terrorism Prevention Program FY24	97.132	EMW2024GR05163	N/A	301,653	-
Total 97.132				496,686	-
Total US Dept of Homeland Security				17,774,216	-
<b>Total Expenditures of Federal Awards</b>				<b>\$ 153,274,573</b>	<b>\$ 13,022,205</b>

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Federal/State Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing No./Catalog of State Financial Assistance No.	Contract/Grant #	Pass-Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
<b>STATE GRANTS</b>					
<u>FL Executive Office of the Governor</u>					
Passed Through: FL Div of Emergency Management					
24-25 Emergency Management Performance Grant	31.063		A0438	\$ 79,539	\$ -
Total 31.063				79,539	-
Passed Through: FL Div of Emergency Management					
Emergency Management Projects:					
24-25 Hazardous Materials Plan & Prevent	31.067		T0371	9,155	-
Total 31.067				9,155	-
Total FL Executive Office of the Governor				88,694	-
<u>FL Dept of Environmental Protection</u>					
Beach Management Funding Assistance Program:					
Direct Programs:					
Ocean Ridge Shore Protection Project	37.003	21PB4	N/A	91,506	-
Singer Island Dune Nourishment Project	37.003	22PB4	N/A	710,737	-
Coral Cove Dune Nourishment	37.003	22PB6	N/A	12,092	-
South Jupiter Beach Restoration Project	37.003	23PB1	N/A	490,687	-
Coral Cove Dune Restoration Project	37.003	23PB2	N/A	565,700	-
Total 37.003				1,870,722	-
Florida Recreation Development Assistance Program:					
Passed Through: FL Recreation Development Assistance Program					
Bert Winters Park Redevelopment Project	37.017		A3003	(3,405)	-
Total 37.017				(3,405)	-
Statewide Water Quality Restoration Projects:					
Direct Programs:					
Loxahatchee Habitat Slough Restoration Project	37.039	LPA0356	N/A	43,945	-
Total 37.039				43,945	-
Direct Programs:					
C-51 Reservoir Implementation - Phase II Cell 13	37.091	OWP05	N/A	81,511,816	-
Total 37.091				81,511,816	-
Direct Programs:					
Resilient Florida Program - Palm Beach County Wastewater Building	37.098	22FRP71	N/A	1,541,837	-
Resilient Florida Program - Flooding & Sea Level Rise Vulnerability Assessment	37.098	24PLN05	N/A	293,250	-
Total 37.098				1,835,087	-
Direct Programs:					
Division of Recreation and Parks-The Local Trail Management Grant Program - Bluegill Trail Pothole Depression Repair Project	37.118	TG003	N/A	75,000	-
Total 37.118				75,000	-
Passed Through: South FL Water Management District					
Alternative Water Supply - SFWMD Green Cay Wetlands Indirect Potable Reuse Project	37.100	4600004795	N/A	3,053,940	-
Alternative Water Supply - SFWMD Palm Beach-Broward Interconnect Phase IA	37.100	4600004796	N/A	1,853,713	-
Total 37.100				4,907,653	-
Total FL Dept of Environmental Protection				90,240,818	-
<u>FL Housing Finance Corporation</u>					
Direct Programs:					
State Housing Initiatives Partnership Prgm 21/22-CAH	40.901	HFC0121	N/A	2,481,269	2,481,269
State Housing Initiatives Partnership Prgm 22/23-CAH	40.901	HFC0122	N/A	6,005,901	5,259,343
State Housing Initiatives Partnership Prgm 23/24-CAH	40.901	HFC0123	N/A	1,408,233	1,214,179
State Housing Initiatives Partnership Prgm 24/25-CAH	40.901	HFC0124	N/A	1,026,198	1,024,667
Total 40.901				10,921,601	9,979,458
Total FL Housing Finance Corporation				10,921,601	9,979,458
<u>FL Dept of Economic Opportunity</u>					
Direct Programs:					
Economic Development Partnerships - Spring Training Facility Funding	40.040	SB16007	N/A	2,000,004	-
Total 40.040				2,000,004	-
<u>FL Dept of State and Secretary of State</u>					
Direct Programs:					
State Aid to Libraries	45.030	24ST54	N/A	755,484	-
Total FL Dept of State and Secretary of State				755,484	-
<u>FL Dept of Education</u>					
Direct Programs:					
The Chris Hixon, Coach Aaron Feis, and Coach Scott Beigel Guardian Program - FY25 FDOE SSSGTP	48.140	97K902105D001	N/A	100,000	-
Total 48.140				100,000	-

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<u>FL Dept of Transportation</u>					
Florida Commission for the Transportation Disadvantaged(CTD) Trip and Equipment					
Direct Programs:					
FY24-25 TD Trip & Equipment Grant	55.001	G2Z40	N/A	\$ 2,251,719	\$ -
FY25-26 TD Trip & Equipment Grant	55.001	G3E13	N/A	792,867	-
Total 55.001				3,044,586	-
Aviation Grant Programs:					
Direct Programs:					
Aviation Dev Grant - NC Const Add Tie-down Apron Phase 2	55.004	43314329401G1W22	N/A	16,094	-
Aviation Dev Grant - PBIA GAFIS Facility Imp Phase 2	55.004	43461329401GIV58	N/A	152,210	-
Aviation Dev Grant - PBIA Maintenance Compound Redevelopment	55.004	43462619401GI646	N/A	257,201	-
Aviation Dev Grant -Lantana Runway 10-28 (Prior Runway 9-27)	55.004	44010219401GIH08	N/A	579,859	-
Aviation Dev Grant - PBIA Concourse B Expansion	55.004	44066419401GIJ70	N/A	8,119,519	-
Aviation Dev Grant - PBIA Golfview West Canal Reloc/ Culvert	55.004	44160819401GIJ71	N/A	507,176	-
Aviation Dev Grant - LN Security Infra and Oper Imp	55.004	44322929401GIV60	N/A	7,035	-
Aviation Dev Grant - Southside Redevelopment Project	55.004	44595619401G2485	N/A	76,063	-
AIP - Access Roadway Rehabilitation - Phase 1	55.004	44598619401G2G31	N/A	118,914	-
Aviation Dev Grant - PBIA - Construct New ARFF Facility	55.004	44807619401G2404	N/A	167,093	-
Aviation Dev Grant - PBIA - Air Cargo Facility Roadway Imp	55.004	44807719401G2405	N/A	14,136	-
Aviation Dev Grant - PBI Expand Air Cargo Ramp	55.004	44809119401G2C27	N/A	127,684	-
Aviation Dev Grant - Hangar and Infrastructure at NPBC Airpo	55.004	44809919401G2G32	N/A	251,590	-
Aviation Dev Grant - Holding Apron at PBI	55.004	44811119401G2Q52	N/A	17,967	-
Design & Construct New Taxiway Connector - PBI	55.004	44811219401G2Q53	N/A	52,034	-
Aviation Dev Grant - PBIA Storm Hardening Fac Imp - Ph 2	55.004	44898119401GIW30	N/A	60,703	-
Aviation Dev Grant - Lantana West Apron Rehabilitation	55.004	44940719401G2B05	N/A	931,069	-
Runway 4/22 Rehab - LNA	55.004	45146619401G2P34	N/A	34,502	-
R&R Grant - Runway 9R/27L at F45	55.004	45146719401G2Q54	N/A	44,434	-
Aviation Dev Grant - Fuel Farm Replacement	55.004	45150719401G2M91	N/A	2,400	-
Terminal and Concourse Modernization Phase 1 - PBI	55.004	4515469401G3A49	N/A	396,178	-
Design Runway 10L/28R Pavement Rehabilitation - PBI Airport	55.004	45334819401G2M89	N/A	190,797	-
PGTA Concourse B/C Secure Connector (Design) PBI	55.004	45334919401G2M90	N/A	500,000	-
Total 55.004				12,624,658	-
County Incentive Grant Program (CIGP):					
Direct Programs:					
Half Mile Rd and Atalntic Ave Intersection Improvements	55.008	22965845202	N/A	25,672	-
MILITARY TRAIL AND FOREST HILL, INTERSECTION	55.008	43787814B42434501	N/A	464,717	-
CIGP-SR-7 at Weisman Way Interestion Improvements	55.008	44045615401	N/A	36,237	-
Total 55.008				526,626	-
Direct Programs:					
FY 2025 Public Transit Block Grant Program	55.010	G3746	N/A	6,563,725	-
Total 55.010				6,563,725	-
Direct Programs:					
Public Transit Service Development Prog - Vehicles and Equip	55.012	44828518401	N/A	141,260	-
Public Transit Service Develop - Bus Passes	55.012	G2T29	N/A	1,365	-
Public Transportation Grant Agreement - Mobility on Demand	55.012	G2Y56	N/A	106,000	-
Total 55.012				248,625	-
Direct Programs:					
Transit Corridor Development Program Operating	55.013	G2S13	N/A	302,482	-
Transit Corridor Development Program Coach Lease	55.013	G2S14	N/A	367,087	-
Transit Corridor Development Program Okeechobee Blvd	55.013	G3A87	N/A	42,227	-
Total 55.013				711,796	-
Direct Programs:					
Intermodal Access Development Program - Public Transportation Grant	55.014	G2H55	N/A	1,153,691	-
Total 55.014				1,153,691	-
Direct Programs:					
Local Transportation Projects - Downtown West Palm Beach Signalization	55.039	45454815401	N/A	93,391	-
Total 55.039				93,391	-
Total FL Dept of Transportation				24,967,098	-
<u>FL Dept Children &amp; Families</u>					
Direct Programs:					
2019 Unified Homeless Grant	60.021	IP004	N/A	1,602,178	206,096
2025 Unified Homeless Grant	60.021	LP027	N/A	45,317	-
Total FL Dept Children & Families				1,647,495	206,096

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<u>FL Dept of Health</u>					
Direct Programs:					
Emergency Medical Services (EMS) Matching Grant	64.003	M2448	N/A	\$ 24,000	\$ -
Total 64.003				24,000	-
Direct Programs:					
Emergency Medical Services County Grant Awards FY24	64.005	C2450	N/A	\$ 193,278	\$ -
Total 64.005				193,278	-
Direct Programs:					
Palm Beach County Rape Crisis Treatment Center - FY23-26 Sexual Assault Services	64.121	COHEC	N/A	\$ 269,029	\$ -
Total 64.121				269,029	-
Passed Through: FL Council Against Sexual Violence					
Rape Crisis Program Trust Fund - Sexual Battery Victims' Access to Services Act	64.061	16TFGR26 (TF)	N/A	\$ 60,857	\$ -
Total 64.061				60,857	-
Passed Through: FL Council Against Sexual Violence					
Rape Crisis Center	64.069	16TFGR26 (GR)	N/A	\$ 213,793	\$ -
Total 64.069				213,793	-
Total FL Dept of Health				760,957	-
<u>FL Dept of Elder Affairs</u>					
Passed Through: OTHER – Area Agency on Aging of Palm Beach/Treasure Coast					
Home Care for the Elderly 24-25	65.001		IH0249500 (GY24)	345,493	-
Home Care for the Elderly 25-26	65.001		IH0259500 (GY25)	148,618	-
Total 65.001				494,111	-
Passed Through: OTHER – Area Agency on Aging of Palm Beach/Treasure Coast					
Alzheimer's Respite Services 24-25	65.004		IZ0249500 (GY24)	1,984,363	-
Alzheimer's Respite Services 25-26	65.004		IZ0259500 (GY25)	640,566	-
Total 65.004				2,624,929	-
Passed Through: OTHER – Area Agency on Aging of Palm Beach/Treasure Coast					
Community Care for the Elderly 24-25	65.010		IC0249500 (GY24)	2,722,354	-
Community Care for the Elderly 25-26	65.010		IC0259500 (GY25)	957,763	-
Total 65.010				3,680,117	-
Total FL Dept of Elder Affairs				6,799,157	-
<u>FL Dept of Law Enforcement</u>					
Direct Programs:					
Statewide Criminal Analysis Laboratory System - Crime Lab Subsidy FY 25	71.002	YR004	N/A	331,393	-
Total 71.002				331,393	-
Direct Programs:					
FDLE Drone Replacement Program FY23-24	71.092	3X010	N/A	338,903	-
FDLE Drone Replacement Program	71.092	3X093	N/A	248,824	-
Total 71.092				587,727	-
Direct Programs:					
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida - FY23 FLDE	71.122	2023-SAFE-SF-046	N/A	861,896	-
Total 71.122				861,896	-
Total FL Dept of Law Enforcement				1,781,016	-
<b>Total Expenditures of State Financial Assistance</b>				<b>\$ 140,062,324</b>	<b>\$ 10,185,554</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE</b>				<b>\$ 293,336,897</b>	<b>\$ 23,207,759</b>

See notes to schedule of expenditures of federal awards and state financial assistance.

## **Palm Beach County, Florida**

### **Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance Year Ended September 30, 2025**

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#### **1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the grant activity of certain federal award programs and state projects of Palm Beach County, Florida (the County) for the year ended September 30, 2025. The federal awards and state financial assistance received by the Solid Waste Authority, a discretely presented component unit, the Westgate/Belvedere Homes Community Redevelopment Agency, a discretely presented component unit, and the Housing Finance Authority, a discretely presented component unit, are not included in the Schedule. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General of the State of Florida*. Because this schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

#### **2. Summary of Significant Accounting Policies**

The Schedule is presented using the modified accrual basis of accounting for expenditures accounted for in governmental type funds and on the accrual basis of accounting for expenses of the proprietary fund types. Such expenditures/expenses are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures/expenses are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

#### **3. Indirect Cost Rate**

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

**Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance With  
Government Auditing Standards**

**Independent Auditor's Report**

Honorable Chair and Members of  
the Board of County Commissioners  
Palm Beach County, Florida

Honorable Ric L. Bradshaw  
Sheriff

Honorable Joseph Abruzzo  
Clerk and Comptroller

Honorable Wendy Sartory Link  
Supervisor of Elections

Honorable Dorothy Jacks  
Property Appraiser

Honorable Anne Gannon  
Tax Collector

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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Palm Beach County, Florida (the County) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated April 15, 2026. Our report includes an emphasis-of-matter paragraph for the adoption of Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*, effective October 1, 2024. Our opinions are not modified with respect to this matter.

Our report includes a reference to other auditors who audited the financial statements of the Solid Waste Authority, a discretely presented component unit, the Westgate/Belvedere Homes Community Redevelopment Agency, a discretely presented component unit, and the Housing Finance Authority, a discretely presented component unit, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2025-001, 2025-002, and 2025-003 that we consider to be material weaknesses.

### **Report on Compliance and Other Matters**

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

### **County's Response to Findings**

*Government Auditing Standards* require the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of This Report**

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

*RSM US LLP*

West Palm Beach, Florida  
April 15, 2026



**Report on Compliance for Each Major Federal Program and Each Major State Project; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General**

RSM US LLP

**Independent Auditor's Report**

Honorable Chair and Members of  
the Board of County Commissioners  
Palm Beach County, Florida

Honorable Ric L. Bradshaw  
Sheriff

Honorable Mike Caruso  
Clerk and Comptroller

Honorable Wendy Sartory Link  
Supervisor of Elections

Honorable Dorothy Jacks  
Property Appraiser

Honorable Anne Gannon  
Tax Collector

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

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

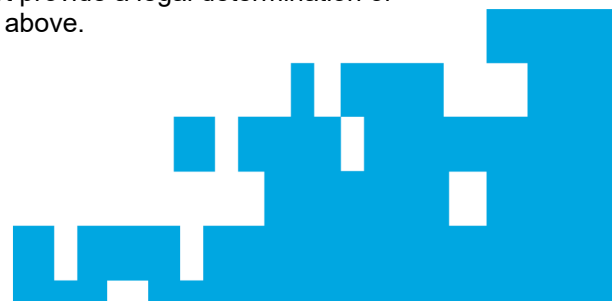
We have audited Palm Beach County, Florida's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the State of Florida Department of Financial Services' State Projects Compliance Supplement, that could have a direct and material effect on each of the County's major federal programs and major state projects for the year ended September 30, 2025. The County's major federal programs and 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 County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended September 30, 2025.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards, the Uniform Guidance and Chapter 10.550, Rules of the Auditor General 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 County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and each major state project. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.



### **Other Matters – Federal Expenditures and State Financial Assistance Not Included in the Compliance Audit**

The County's basic financial statements include the operations of the Solid Waste Authority, a discretely presented component unit, the Westgate/Belvedere Homes Community Redevelopment Agency, a discretely presented component unit, and the Housing Finance Authority, a discretely presented component unit, which received federal awards and state financial assistance which are not included in the schedule of expenditures of federal awards and state financial assistance during the year ended September 30, 2025. Our compliance audit, described in the "Opinion on Each Major Federal Program and Each Major State Project", does not include the operations of the Solid Waste Authority, the Westgate/Belvedere Homes Community Redevelopment Agency, and the Housing Finance Authority because other auditors were engaged to perform an audit in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County'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 County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the County'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 and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Projects Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon, dated April 15, 2026, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General* 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**RSM US LLP**

West Palm Beach, Florida  
June 30, 2026

**Palm Beach County, Florida**

**Schedule of Findings and Questioned Costs  
Year Ended September 30, 2025**

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**I – Summary of Independent Auditor’s Results**

***Financial Statements***

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP Unmodified

Internal control over financial reporting:			
Material weakness(es) identified?	<u>  X  </u> Yes	<u>      </u> No	
Significant deficiency(ies) identified?	<u>      </u> Yes	<u>  X  </u> None Reported	
Noncompliance material to financial statements noted?	<u>      </u> Yes	<u>  X  </u> No	

***Federal Awards***

Internal control over major federal programs:			
Material weakness(es) identified?	<u>      </u> Yes	<u>  X  </u> No	
Significant deficiency(ies) identified?	<u>      </u> Yes	<u>  X  </u> None Reported	

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

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

<u>      </u> Yes	<u>  X  </u> No
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Identification of major federal programs:

<u>Federal Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.267	Continuum of Care Program
20.106	Airport Improvement Program
20.507	Federal Transit Cluster- Federal Transit Formula Grants
20.513	Transit Services Programs Cluster- Section 5310 Capital Assistance Program
93.568	Low-Income Home Energy Assistance
93.569	Community Services Block Grant
97.036	Disaster Grants - Public Assistance

Dollar threshold used to distinguish between type A and type B programs: \$ 3,000,000

Auditee qualified as low-risk auditee?        Yes   X   No

(Continued)

**Palm Beach County, Florida**

**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended September 30, 2025**

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Internal control over major state projects:

Material weakness(es) identified?	_____ Yes	_____ <u>X</u> No
Significant deficiency(ies) identified?	_____ Yes	_____ <u>X</u> None Reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, *Rules of the Auditor General of the State of Florida* ?

_____ Yes	_____ <u>X</u> No
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Identification of major state projects:

<u>Catalog of State Financial Assistance Number(s)</u>	<u>Name of State Project</u>
37.091	C-51 Reservoir Implementation
37.098	Resilient Florida Program
55.004	Aviation Grant Programs

Dollar threshold used to distinguish between type A and type B projects:

\$ 4,201,870

(Continued)

**Palm Beach County, Florida**

**Schedule of Findings and Questioned Costs (Continued)  
Year Ended September 30, 2025**

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**II – Financial Statement Findings**

**A. Internal Control**

**IC 2025-001 – Classification of Completed Projects and Related Depreciation Expense (Material Weakness)**

**Criteria:** Generally Accepted Accounting Principles (GAAP) for state and local governments require that capital assets be capitalized and depreciated when placed into service.

- Under GASB Statement No. 34, enterprise funds report capital assets using the economic resources measurement focus and accrual basis of accounting. Construction in progress is reported as a capital asset and recorded at historical cost as construction costs are incurred. Construction in progress is not depreciated. Upon completion and when the asset is placed into service, the construction in progress balance is reclassified to the appropriate capital asset category, and depreciation begins over the estimated useful life of the asset.

**Condition:** The Department did not timely reclassify certain completed capital projects from Construction in Progress (CIP) to the appropriate capital asset categories when the assets were placed in service. As a result, depreciation expense related to those completed assets was not recorded beginning in the period the assets were available for use.

**Cause:** Due to miscommunication between the planning and development and finance departments, the Department did not have adequate controls or monitoring procedures in place to identify when construction projects were substantially complete and placed into service for purposes of ensuring the timely calculation of depreciation. As a result, capital asset records were not timely updated, and depreciation calculations were not initiated.

**Effect:** Failure to reclassify completed projects and record depreciation resulted in:

- Overstatement of CIP and understatement of depreciable capital assets including buildings and improvements other than buildings of approximately \$39,788,000.
- Understatement of accumulated depreciation and depreciation expense by approximately \$3,305,000. These misstatements could impact the accuracy of the Department's statement of net position and statement of revenues, expenses, and changes in net position.

Although the Department did not timely reclassify certain completed projects or initiate depreciation, the identified misstatements did not affect compliance with debt covenants in the prior, current, or future years. The issue was identified and corrected in the current year's financial statements as a revision to the opening balances and a revision of the amounts of transfers presented during the current fiscal period. As of September 30, 2025 the related balances were properly reported as of year-end; however, the issue represents a potential future risk if similar delays were to occur in subsequent periods, including affecting the accuracy of the statement of net position and the statement of revenues, expenses and changes in net position in future reporting periods if not addressed.

**Current Year Recommendation:** We recommend that management implement formal procedures to:

1. Periodically review CIP balances to identify projects that have been placed into service.
2. Timely reclassify completed projects from CIP to depreciable capital asset categories.
3. Begin recording depreciation in the period the asset is placed into service, in accordance with GAAP.
4. Document review and approval of capital asset reclassifications and depreciation calculations.

**Palm Beach County, Florida**

**Schedule of Findings and Questioned Costs (Continued)  
Year Ended September 30, 2025**

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**Views of Responsible Officials:** Management concurs with the finding and acknowledges that certain capital projects were not reclassified from Construction in Progress to the appropriate capital asset categories when the assets were placed into service, which delayed the initiation of depreciation. Upon identification of the issue, the Department reviewed the affected projects and corrected all related balances in the current year's financial statements. No restatement of the prior year's financial statements was required. Management will implement procedures to ensure the correct transfer from Construction in Progress (CIP) to the appropriate capital asset categories to ensure the recording of related depreciation.

**IC 2025-002 – Settlement Revenue Recognition (Material Weakness – Water Utilities Department)**

**Criteria:** Under generally accepted accounting principles (GAAP) applicable to proprietary funds, revenue is recognized when it is earned and measurable, and a receivable is recorded when the entity has an enforceable legal claim to resources. Executed settlement agreements that establish a fixed or determinable amount and do not contain unresolved contingencies should be recognized in the period in which the agreement becomes effective.

Under GASB loss contingency guidance (incorporated in GASB Statement No. 62), contingencies that result in gains are not recognized until realized or realizable. For legal settlements, this generally means revenue is recognized when:

- The settlement is final and enforceable, and
- The amount is reasonably estimable, and
- Collection is probable

Internal control policies and procedures should provide reasonable assurance regarding the reliability of financial reporting and management should maintain effective internal control over financial reporting to ensure transactions are recorded in the proper period and financial statements are prepared in conformity with GAAP.

**Condition and Effect:** Initially the Water Utilities Department did not fully recognize settlement revenue or record a related receivable for a settlement agreement that was executed prior to September 30, 2025. Although the agreement established an enforceable right to receive settlement proceeds and met the criteria for revenue recognition under GAAP, management did not record all of the related revenue and receivable in the financial statements as of fiscal year-end. As a result, settlement revenue and accounts receivable were materially understated in the Water Utilities enterprise fund as of September 30, 2025. The Water Utilities Department corrected the error and a settlement receivable and other revenue was recorded as of September 30, 2025. The failure to record settlement revenue and the related receivable would have resulted in a material misstatement of approximately \$53 million of the Water Utilities Department's financial statements as of and for the year ended September 30, 2025.

**Cause:** The Water Utilities Department did not have adequate controls to ensure that executed settlement agreements were timely identified, evaluated, and communicated for financial reporting purposes.

**Recommendation:** We recommend the Water Utilities Department, in coordination with the County's finance and legal functions, implement formal controls to ensure all executed settlement agreements are identified and evaluated for accounting and financial reporting purposes prior to year-end. This should include documented communication protocols, defined responsibilities, and timely review procedures to ensure settlement-related revenues and receivables are recorded in the appropriate reporting period.

## Palm Beach County, Florida

### Schedule of Findings and Questioned Costs (Continued) Year Ended September 30, 2025

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**Views of Responsible Officials:** Management concurs with the finding and recommendation. During the fiscal year-end financial statement review process, it was identified that the settlement agreement referenced in this finding had not initially been fully evaluated for financial reporting purposes. Once the matter was identified, the Water Utilities Department (WUD) promptly reviewed the agreement and recorded the appropriate settlement revenue and related receivable in the fiscal year 2025 financial statements prior to issuance. Accordingly, WUD's final financial statements for the year ended September 30, 2025, reflect the appropriate accounting treatment for the settlement. Although WUD maintains ongoing coordination with County Finance and Legal regarding agreements with potential financial reporting implications, this matter highlighted the need to further formalize procedures to ensure executed settlement agreements are consistently identified and evaluated in a timely manner for accounting treatment in accordance with GAAP.

To address this recommendation and further strengthen internal controls over financial reporting, WUD will implement enhanced internal control procedures in coordination with the County's Finance and Legal functions. These procedures will include establishing formal communication protocols to ensure executed settlement agreements are promptly communicated to the appropriate financial reporting personnel, defining responsibilities for evaluating agreements with financial reporting implications, and implementing additional year-end review procedures to ensure all applicable revenues and receivables are recorded in the appropriate reporting period. Procedures will be implemented during Fiscal Year 2026 and incorporated into the Department's year-end financial reporting review process.

#### **IC 2025-003 – Net Investment in Capital Assets Classification (Material Weakness – Department of Airports)**

**Criteria:** Management is responsible for preparing financial statements that comply with accounting principles generally accepted in the United State of America (U.S. GAAP). Net position transactions and events should be recorded in the proper accounts and categories and in accordance with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as amended by GASB 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*.

**Condition and effect:** Management classified unspent bond proceeds of \$103 million intended for capital projects as part of their restricted debt service category rather than include it as an offset to bonds payable in their net investment in capital assets calculation. The classification error did not impact the Department's total net position as a whole; however, the proper presentation within the applicable line items should be followed in accordance with U.S. GAAP. Management corrected the classification in the current year's financial statements, resulting in an increase to net investment in capital assets and a corresponding decrease to restricted net position.

**Cause:** Unspent bond proceeds related to capital borrowings were not properly included as an offset to total bonds payable in the net investment in capital calculation as of year-end.

**Recommendation:** We recommend that the Department update their calculation schedule to ensure that any unspent debt proceeds are properly identified and included in the net investment in capital calculation.

**Views of Responsible Officials:** Management concurs with the finding. Upon identification of the issue, the Department reviewed the applicable balances and corrected the classification in the current year's financial statements. While the classification error did not affect the Department's total equity position or overall financial position, Management is enhancing the Department's financial reporting review procedures, including strengthened review of bond proceeds classifications.

#### **B. Instance of NonCompliance**

**No matters to report.**

**Palm Beach County, Florida**

**Schedule of Findings and Questioned Costs (Continued)  
Year Ended September 30, 2025**

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**III – Findings and Questioned Costs for Federal Awards and State Financial Assistance**

***A. Internal Control***

*Federal Awards and State Financial Assistance*

**No matters to report.**

***B. Instances of NonCompliance***

*Federal Awards and State Financial Assistance*

**No matters to report.**



**Office of  
Financial Management & Budget**

P.O. Box 1989  
West Palm Beach, FL 33402-1989  
(561) 355-2580  
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**Palm Beach County  
Board of County  
Commissioners**

Sara Baxter, Mayor  
Marci Woodward, Vice Mayor  
Maria G. Marino  
Gregg K. Weiss  
Joel G. Flores  
Maria Sachs  
Bobby Powell Jr.

**County Administrator**

Joseph Abruzzo

June 25, 2026

RSM US, LLP  
1555 Palm Beach Lakes Blvd., Suite 500  
West Palm Beach, FL 33401

Re: Prior Audit Findings for FYE 2024

The County has reviewed the findings contained within the FYE 2024 Single Audit report. Please find the below corrective action plan.

Regards,

Robyn Lawrence  
Division Director  
Financial Management Division  
Office of Financial Management & Budget

c. Sherry Brown, Director of OFMB  
Laura Beebe, Director of Airports



## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED SEPTEMBER 30, 2024

### **Identifying Number: 2024-001**

#### Audit Finding: Restatement of Financial Statements.

The department administering a grant did not recognize grant revenue in the correct fiscal year. This resulted in restatement of October 1, 2023 governmental activities beginning net position and due from other governments balances and beginning balances for due from other governments and deferred inflows of resources.

#### Corrective Action Taken:

The Office of Financial Management and Budget (OFMB) continues to collaborate with County departments and agencies that administer grants, ensuring staff receive and participate in relevant training opportunities related to State and Federal grants. OFMB continues to monitor grant activity through its established agenda review and grant reconciliation processes. This helps to identify and address potential errors or omissions by County departments and agencies.

The Grants Cross-Departmental Team launched a foundational Uniform Guidance course (2 CFR 200) to educate fiscal staff on federal funds. Also, Palm Tran is currently developing an internal operating procedure to include protocols for identifying and recording non-routine grants to prevent timing omissions.

### **Identifying Number: 2024-002**

#### Audit Finding: Net Investment in Capital Assets Classification.

Capital related payables were not properly separated from trade payables on the year-end schedule of net position and, therefore, the review of the net position calculations did not identify the classification error.

#### Status of Prior-Year Finding: Partially Corrected

During the FY 2025 audit, a similar classification error occurred related to the calculation of Net Investment in Capital Assets. Specifically, unspent bond proceeds of \$103 million were not properly included as an offset to bonds payable. This resulted in a recurrence of the prior-year issue involving misclassification within the Net Investment in Capital Assets calculation. Because a materially similar error was identified in FY 2025, this finding is considered partially corrected.

#### Reason for Recurrence:

Although the Department of Airports created an internal policy and procedure regarding the Net Investment in Capital Assets calculation and has attended relevant training, these measures did not fully address the identification and treatment of all components required under GASB



GASB 34 and GASB 63. The finding in FY 2025 demonstrates the internal review process did not sufficiently detect the misclassification of unspent bond proceeds.

Planned Corrective Action:

The Department will strengthen corrective actions to address the identified gaps. It will revise internal procedures to include detailed guidance and the GFOA Comprehensive General-Purpose Checklist; update the Net Investment in Capital Assets calculation schedule to ensure unspent bond proceeds related to capital borrowings are separately identified and properly incorporated as an offset to total bonds payable; enhance year-end reconciliation procedures between bond proceeds, capital project expenditures, and outstanding payables to ensure all components are accurately classified; and provide targeted refresher training for accounting and financial reporting personnel on Net Investment in Capital Assets requirements under GASB 34 and GASB 63.

**Identifying Number: 2024-003**

Audit Finding: Schedule of Expenditures of Federal Awards and State Financial Assistance.

Improper reporting of federal expenditures from an ARPA transportation grant resulted in a material error on the Schedule of Expenditures of Federal Awards.

Corrective Action Taken:

The Office of Financial Management and Budget (OFMB) continues to collaborate with County departments and agencies that administer grants, ensuring staff receive and participate in relevant training opportunities related to State and Federal grants. OFMB continues to monitor grant activity through its established agenda review and grant reconciliation processes. This helps to identify and address potential errors or omissions by County departments and agencies.

The Grants Cross-Departmental Team launched a foundational Uniform Guidance course (2 CFR 200) to educate fiscal staff on federal funds. Also, Palm Tran is currently developing an internal operating procedure to include protocols for identifying and recording non-routine grants to prevent timing omissions.



**Office of  
Financial Management & Budget**

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**Palm Beach County  
Board of County  
Commissioners**

Sara Baxter, Mayor  
Marci Woodward, Vice Mayor  
Maria G. Marino  
Gregg K. Weiss  
Joel G. Flores  
Maria Sachs  
Bobby Powell Jr.

**County Administrator**

Joseph Abruzzo

June 17, 2026

RSM US, LLP  
1555 Palm Beach Lakes Blvd., Suite 500  
West Palm Beach, FL 33401

Re: Correction Action Plan

The Office of Financial Management & Budget has reviewed Finding Numbers 2025-001 - Classification of Completed Projects and Related Depreciation Expense; 2025-002 - Settlement Revenue Recognition; and 2025-003 - Net Investment in Capital Assets Classification. Please find the attached corrective action plans.

Regards,

Robyn Lawrence  
Division Director  
Financial Management Division  
Office of Financial Management & Budget

c. Sherry Brown, Office of Financial Management & Budget  
Laura Beebe, Department of Airports  
Ali Bayat, Water Utilities Department

<b>Finding Number</b>	<b>Planned Corrective Action</b>	<b>Anticipated Completion Date</b>	<b>Responsible Contact Person</b>
2025-001	The Department of Airports will develop and implement a policy and procedure manual to establish a formal review process for all Construction in Progress balances, ensuring timely reclassification and GAAP compliance.	3/31/27	Debbie Duncanson, Deputy Director of Airport Finance & Administration, Palm Beach International Airport
2025-002	The Water Utilities Department will implement enhanced internal control procedures in coordination with the County's Finance and Legal functions. These procedures will include establishing formal communication protocols to ensure executed settlement agreements are promptly communicated to the appropriate financial reporting personnel, defining responsibilities for evaluating agreements with financial reporting implications, and implementing additional year-end review procedures to ensure all applicable revenues and receivables are recorded in the appropriate reporting period.	7/31/26	Ebony Foreman, Division Director, Water Utilities Department
2025-003	The Department of Airports will update applicable policy and procedure manuals to include bond related items and will incorporate the recommended Government Finance Officers of America's year-end punch list.	3/31/27	Debbie Duncanson, Deputy Director of Airport Finance & Administration, Palm Beach International Airport