

# **Palm Beach County, Florida**

Single Audit Report  
September 30, 2023

**PALM BEACH COUNTY, FLORIDA**

**SINGLE AUDIT REPORT**

**Fiscal Year Ended September 30, 2023**

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## **Single Audit Report**

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## Independent Auditor's Report

RSM US LLP

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

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying 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, 2023, 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, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the respective budgetary comparisons for the General Fund, Palm Tran, Fire Rescue and COVID-19 Special Revenue Fund, 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 collectively represent 100% of the total assets, net position and revenue of the aggregate discretely presented component units. Those financial 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, are 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 1 and 9 to the financial statements, the County adopted Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* as of October 1, 2022. As a result of the adoption, the County restated beginning assets and liabilities of the governmental activities and recorded other subscription-related items in the financial statements. In addition, as discussed in Note 18 to the financial statements, the County adopted the provisions of GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* as of October 1, 2022. Our opinions are not modified with respect to these matters.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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, and the pension and other post-employment benefit plan schedules 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 the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance Projects is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.550, Rules of Auditor General, and are also 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.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2024, 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  
March 26, 2024



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## 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, 2023. We encourage reading this narrative and the accompanying financial statements (beginning on page I-2).

### Financial Highlights

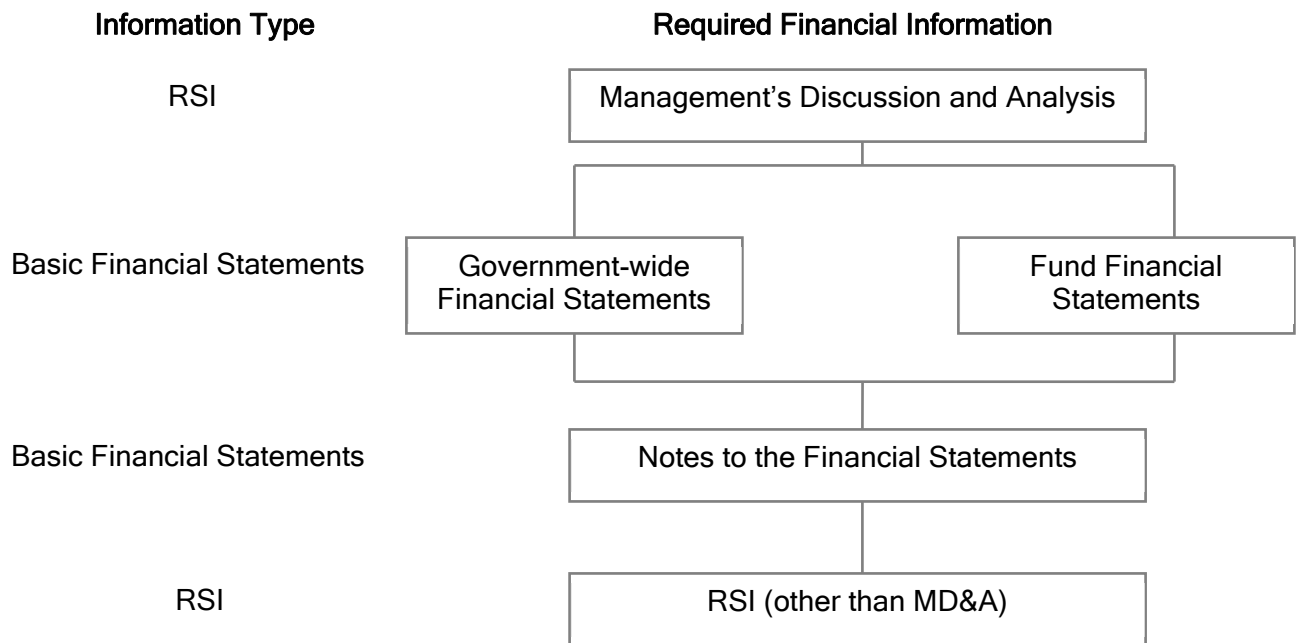
- The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources (net position) by approximately \$4.932 billion and \$4.565 billion at the close of fiscal years 2023 and 2022, respectively. Of these amounts, \$3.581 billion and \$3.437 billion were the net investment in capital assets. In addition, \$1.884 million and \$1.641 million were restricted by law, grant agreements, debt covenants, or for capital projects. As a result, (\$533) million and (\$513) million were available at year-end to meet the County's ongoing obligations to residents, creditors, and enterprise fund customers.
- The County's total liabilities at September 30, 2023 and 2022 were \$3.974 billion and \$3.597 billion, respectively.
- During the year, the County's total net position increased by \$367 million, compared to an increase of \$663 million during the previous fiscal year. Business-type activities increased by \$114 million, and governmental activities increased by \$253 million.
- As of September 30, 2023, the County's governmental funds reported a combined ending fund balance of \$2.956 billion, an increase of \$546.7 million or approximately 23% from the previous year.
- As of September 30, 2023, the fund balance for the General Fund, including Constitutional Officers, was \$564.8 million, an increase of \$111 million from the previous year.
- The County's two enterprise funds had a combined increase in net position of \$113 million. The Department of Airports increase was \$47 million, and the Water Utilities Department had an increase of \$66 million.
- The County implemented GASB Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*" during fiscal year 2023. This Statement establishes definitions of public-private and public-public partnership arrangements (PPPs) and availability payment arrangements (APAs) and provides uniform guidance on accounting and financial reporting for transactions that meet those definitions. Refer to Note 18 for additional information.
- The County implemented GASB Statement No. 96, "*Subscription-Based Information Technology Arrangements*" during fiscal year 2023. This Statement provides guidance on the accounting and financial reporting for subscription-based technology arrangements (SBITAs) for government end users. Refer to Note 9 for additional information.



## 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, 2023. 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. Budget and actual comparison statements are also presented in this section for the General Fund and each major special revenue fund with an annually adopted budget. 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 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 73% and 75% as of September 30, 2023 and 2022, 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, 2023 and 2022.

<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>2023</b>	<b>2022 *</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>Assets</b>						
Current and other assets	\$ 3,482	\$ 2,855	\$ 849	\$ 814	\$ 4,331	\$ 3,669
Capital assets	2,672	2,596	1,721	1,650	4,393	4,246
Total assets	6,154	5,451	2,570	2,464	8,724	7,915
<b>Total deferred outflows of resources</b>						
	550	599	20	22	570	621
<b>Liabilities</b>						
Current	370	348	71	72	441	420
Long-term debt due in more than one year	1,225	1,046	184	196	1,409	1,242
Net pension liability	1,710	1,491	55	49	1,765	1,540
Net OPEB liability	357	393	2	2	359	395
Total liabilities	3,662	3,278	312	319	3,974	3,597
<b>Total deferred inflows of resources</b>						
	332	315	56	59	388	374
<b>Net Position</b>						
Net investment in capital assets	2,080	2,009	1,501	1,428	3,581	3,437
Restricted	1,797	1,559	87	82	1,884	1,641
Unrestricted (deficit)	(1,167)	(1,111)	634	598	(533)	(513)
Total net position	\$ 2,710	\$ 2,457	\$ 2,222	\$ 2,108	\$ 4,932	\$ 4,565

\* Revised for GASB 96 implementation

The (\$533) 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, 2023. Consequently, these long-term considerations have a significant impact on the resulting net

position. The unrestricted deficit of (\$533) 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 increase in the unrestricted deficit was directly related to the increase in the net pension liability and the net OPEB 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 \$703 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 and the one-cent infrastructure surtax.
- The increase of \$179 million in long-term debt for Governmental activities is directly attributable to three (3) new debt issuances that totaled approximately \$170 million, offset by regularly scheduled debt service payments.
- The net pension liability for Governmental activities increased \$219 million. This increase 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 increase is related to the Florida Retirement System (FRS) and was caused primarily by changes in actuarial assumptions related to the Health Insurance Subsidy (HIS) portion of the FRS.

Governmental activities were responsible for a \$253 million increase in the County's net position during fiscal year 2023, as compared with a \$563 million increase during the previous fiscal year. This year's increase in net position from governmental activities is attributed to several factors:

*Operating grants and contributions* revenue decreased by \$248 million or 58% from the previous fiscal year. Most of this decrease was the result of the reduced revenue received from the CARES Act that was used for individual and business assistance related to COVID-19 as well as ARPA funding.

*Ad-valorem tax* revenue increased approximately \$191 million to a record high of \$1.6 billion, or 13% from the previous fiscal year. The increase is due to higher overall taxable values and new construction adding to the property tax base. Fiscal year 2023 was the first time after 11 straight years that the County's operating millage was reduced from 4.7815 to 4.7150.

*State shared revenues* increased approximately \$15 million, or 5% from the previous fiscal year. This increase was primarily attributable to higher receipts of regular sales tax and the one-cent infrastructure surtax due to hefty increases in consumer spending after the negative impact COVID-19 had during the last three fiscal years.

*Investment income* increased \$121 million or 403% from the previous fiscal year due to higher overall portfolio balances as well as higher investment rates of return. For 2023, the portfolio benefited from money invested in short-term investments – such as money market accounts, small business administration pools and Israel bonds. Funds in the \$3.6 billion-plus portfolio include conservative financial instruments such as Certificates of Deposit, Money Market Accounts, SBA Pools, and Israel Bonds.

*Human services* expenses increased at \$7 million or 5% over the previous fiscal year. This smaller increase, as compared to the previous year increase of 34%, is mainly attributable to the leveling off of spending for COVID-19 related programs.

*Public safety* expenses increased by \$270 million or 22% over the previous fiscal year. This is attributable primarily to the increased costs overall for the Sheriff and Fire Rescue departments, including pension liabilities.

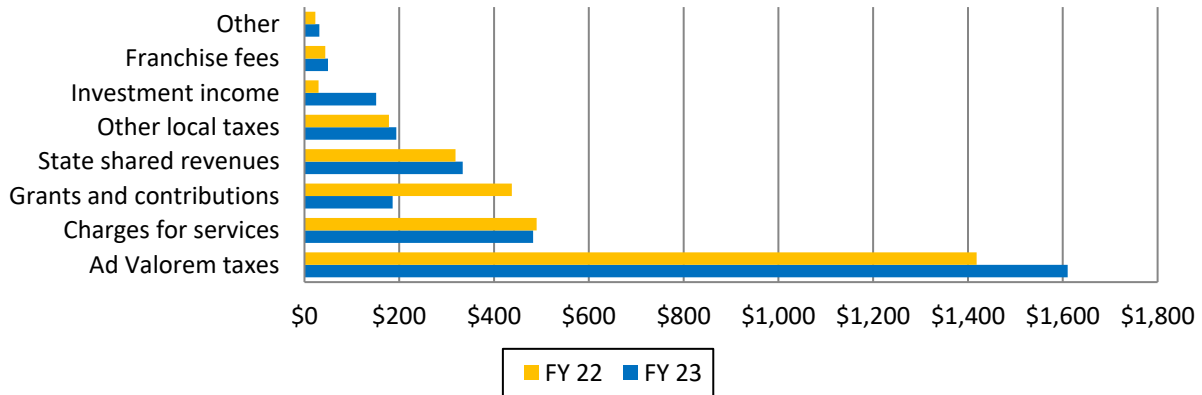
*Transportation* expenses increased \$31 million or 14% over the previous fiscal year due in part to higher fuel costs and overall operating costs for the County’s motor pool fleet as well for Palm Tran, the County’s public bus transportation system.

*Interest expense* increased slightly by approximately \$4 million from the previous fiscal year. This is due in part to the three (3) new debt issuances that occurred in fiscal year 2023.

*The net pension liability* increased by \$219 million. This increase was caused primarily by changes in the HIS actuarial assumptions in 2023 related to the discount rate as well as Senate Bill 7024 which increased the level of monthly benefits from \$5 (times years of service) to \$7.50.

The County’s governmental activities had net expenses after program revenues of \$2.119 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 \$251 million.

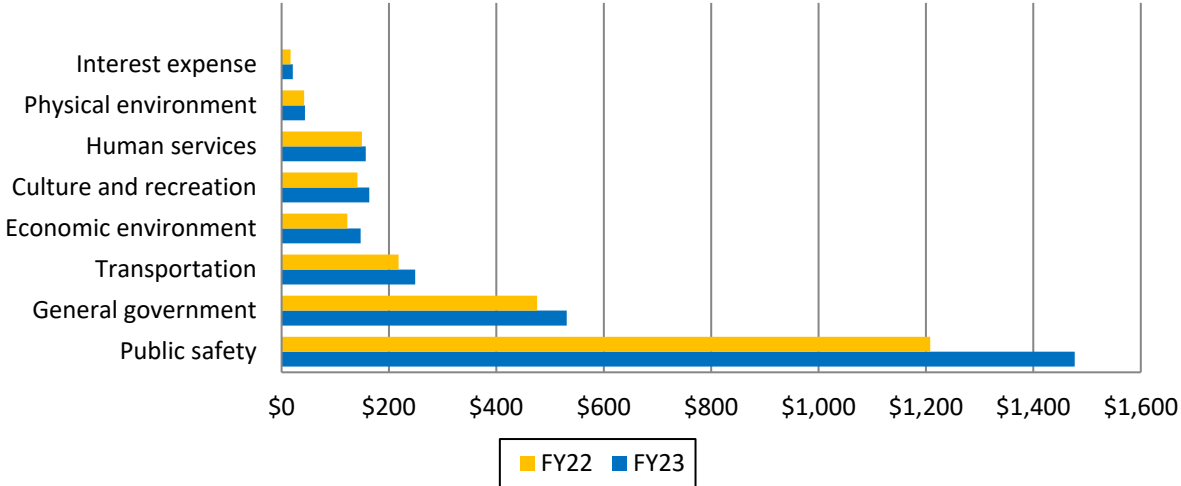
**REVENUES BY SOURCE**  
**Governmental Activities**  
**Fiscal Years 2023 and 2022**  
(Amounts in millions)



**Business-type activities**

The County’s business-type activities reported total revenues of \$434 million which exceeded total expenses by \$116 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 \$35 million, an increase in capital assets of \$71 million and an increase in the net pension liability of \$6 million.

**EXPENDITURES BY FUNCTION**  
**Governmental Activities**  
**Fiscal Years 2023 and 2022**  
 (Amounts in millions)





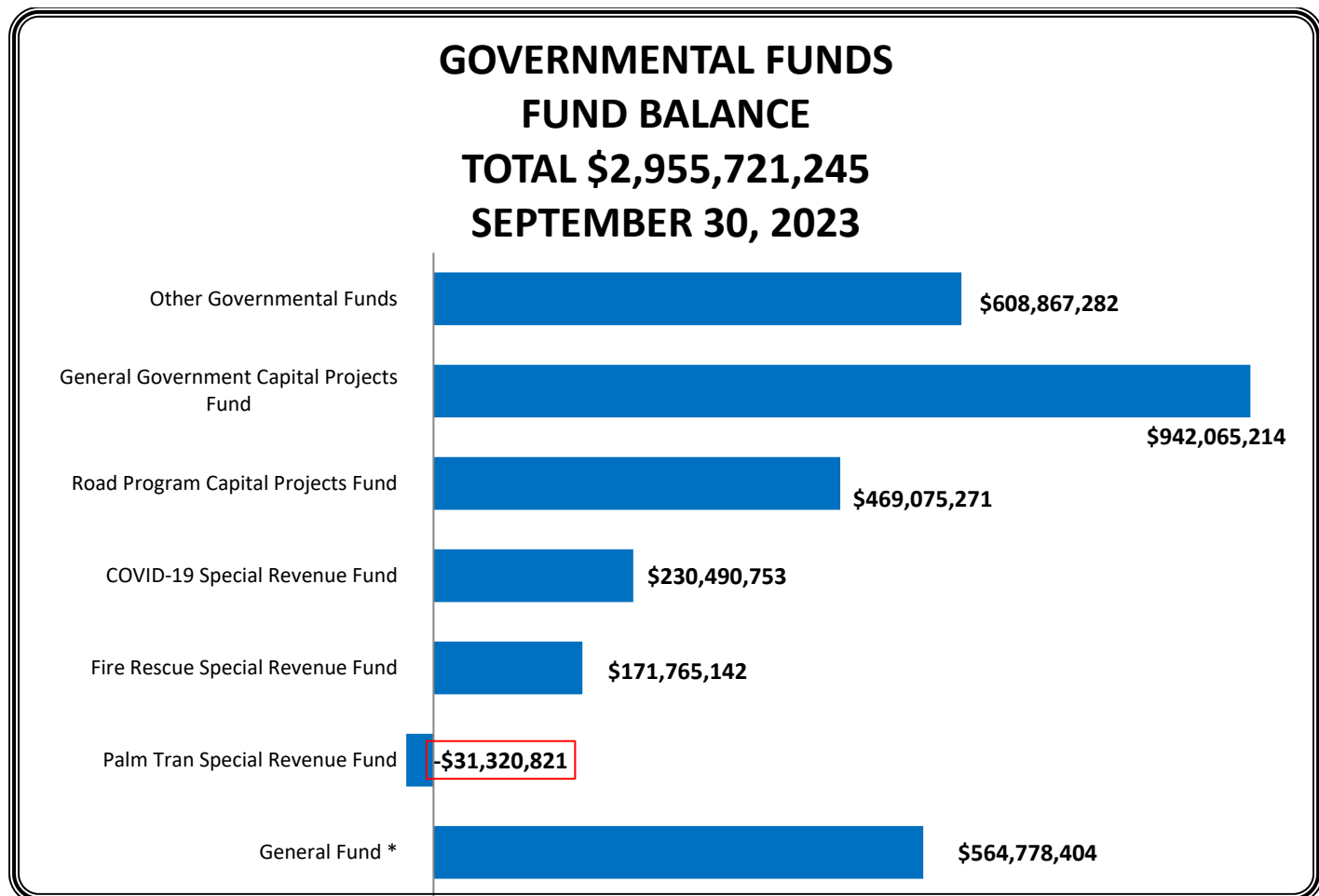
**Palm Beach County, Florida**  
**Changes in Net Position (in millions)**

	Governmental Activities		Business-type Activities		TOTAL PRIMARY GOVERNMENT	
	2023	2022	2023	2022	2023	2022
<b>Revenues</b>						
Program Revenues:						
Charges for services	\$ 483	\$ 490	\$ 332	\$ 313	\$ 815	\$ 803
Operating grants and contributions	183	431	12	13	195	444
Capital grants and contributions	3	6	62	52	65	58
	<u>669</u>	<u>927</u>	<u>406</u>	<u>378</u>	<u>1,075</u>	<u>1,305</u>
General Revenues:						
Ad valorem taxes	1,610	1,419	-	-	1,610	1,419
Other local taxes	194	178	-	-	194	178
State shared revenues	334	319	-	-	334	319
Franchise fees	50	44	-	-	50	44
Investment income	151	30	28	6	179	36
Other	31	21	-	-	31	21
Total revenues	<u>3,039</u>	<u>2,938</u>	<u>434</u>	<u>384</u>	<u>3,473</u>	<u>3,322</u>
<b>Expenses</b>						
General government	531	476	-	-	531	476
Public safety	1,477	1,207	-	-	1,477	1,207
Physical environment	43	42	-	-	43	42
Transportation	249	218	-	-	249	218
Economic environment	147	123	-	-	147	123
Human services	157	150	-	-	157	150
Culture and recreation	163	141	-	-	163	141
Interest expense	21	17	-	-	21	17
Department of Airports	-	-	90	80	90	80
Water Utilities Department	-	-	228	205	228	205
Total expenses	<u>2,788</u>	<u>2,374</u>	<u>318</u>	<u>285</u>	<u>3,106</u>	<u>2,659</u>
<b>Excess of revenues over (under) expenses</b>						
	251	564	116	99	367	663
Transfers In (Out)	2	(1)	(2)	1	-	-
<b>Change in net position</b>	<u>253</u>	<u>563</u>	<u>114</u>	<u>100</u>	<u>367</u>	<u>663</u>
Beginning net position	2,457	1,894	2,108	2,008	4,565	3,902
<b>Ending net position</b>	<u>\$ 2,710</u>	<u>\$ 2,457</u>	<u>\$ 2,222</u>	<u>\$ 2,108</u>	<u>\$ 4,932</u>	<u>\$ 4,565</u>

## 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.



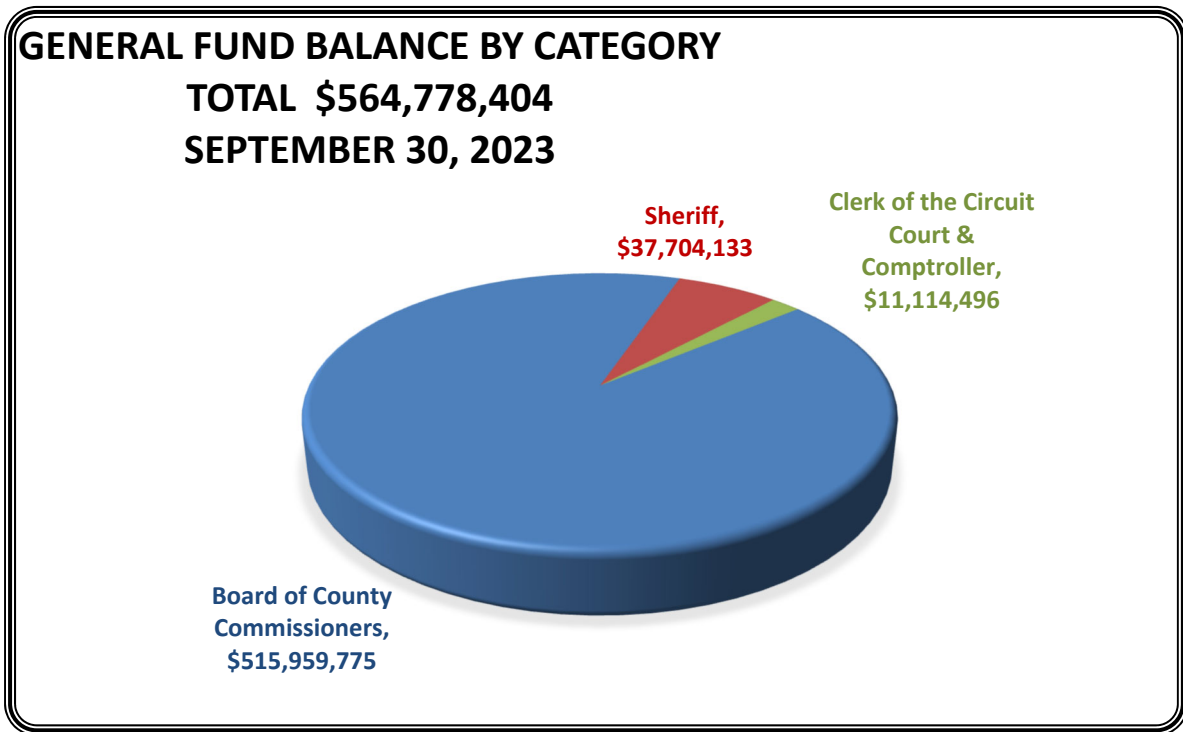
\* Includes the Board of County Commissioners, Sheriff, and the Clerk of the Circuit Court & Comptroller

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

At September 30, 2023, the County's governmental funds reported combined ending fund balances of \$2.956 billion, an increase of \$546.7 million from the previous year. Below are highlights of the change in fund balance.

- The increase of \$111.0 million in the General Fund's fund balance is comprised of revenues outpacing expenditures and transfers out in the Board of County Commissioner's (BOCC) General Fund. Overall, the BOCC portion of the General Fund increased \$110.6 million during fiscal year 2023. The Sheriff's General Fund had overall revenues and transfers in outpace expenditures and transfers out by \$2.9 million. Total revenues in the BOCC General Fund were \$1.553 billion, a decrease of \$69 million over the previous year. A large part of this decrease was due to the lower amounts received from ARPA funds due to the subsiding of the COVID-19 pandemic.
- The decrease in the Palm Tran Special Revenue Fund of \$12.5 million is due primarily to an increase in costs of running the County's public transit system, which were up \$17 million due in part to higher fuel and maintenance costs. Federal and state grant revenue also fell by \$3.2 million or 11% from the prior year.
- The increase in the Fire Rescue Special Revenue Fund of \$27.6 million is attributable to an increase in the total revenues for this fund which went up \$65.6 million, or 17% over the previous year. Most of this increase came from higher tax revenues, which were up \$46.9 million over the previous fiscal year. This can be attributed in part to overall higher property tax valuations. Total expenditures in this category were \$397 million.
- The decrease in the COVID-19 Special Revenue Fund of \$5.4 million is attributable primarily to fewer federal dollars for ARPA response replacement funding coming in during the fiscal year related to the COVID-19 pandemic.
- The increase of \$12.2 million in the Road Program Capital Projects Fund is primarily due to total revenues outpacing expenditures by \$11.7 million. Capital outlay expenditures were up to \$40.1 million compared with \$32.8 million in fiscal year 2022. This can be attributed primarily to catching up with some additional road improvements now that the significant effects of COVID-19 are over.
- The increase of \$294.3 million in the General Government Capital Projects Fund is primarily due to the issuance during the current fiscal year of three (3) new non-ad valorem revenue bonds totaling approximately \$170 million. The bond proceeds from these new issuances will be spent in future years on renovations to the Roger Dean stadium in Jupiter, Florida as well as other various County facility projects. This year's total revenue in this fund reached \$167.9 million, up 27% or \$35.9 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 sixth full year of collecting this surtax which is used primarily for infrastructure type projects. Overall intergovernmental revenues were \$126.9 million for this fiscal year, compared with \$119.9 million in fiscal year 2022.

- The increase of \$119.5 million in Other Governmental Funds is due primarily to several factors; Total tax revenue was up \$15.8 million, or 10% to a \$174.7 million. This is attributable to overall higher tax values bringing in this additional revenue. Total revenue for Other Governmental Funds was \$445.5 million, or 16% higher than the previous fiscal year. Economic environment expenditures continued to rise, which went up by \$13.5 million or 22% from the previous year. This can be attributed to additional spending on programs for individuals and businesses from the CARE and ARPA funds received by the federal government during the past four (4) fiscal years. Also included in this fund category is the Housing and Economic Development fund which issued \$900,000 of Housing and Urban Development (HUD) loans in fiscal year 2023 to help assist small businesses.



**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 \$46.8 million in fiscal year 2023, compared to an increase of \$33.5 million in fiscal year 2022.
- ➔ Compared to the prior year, operating revenues increased to \$90.6 million, an increase of \$11.5 million. Revenue increases were primarily driven by increased passenger growth in the areas of parking, other concessions, Airline terminal rent, and car rental concessions.

- ➔ Compared to the prior year, operating expenses increased 15% or \$8.1 million. Contracted security costs increased by 1% for a total cost of \$9.5 million. Contracted Fire-Rescue services increased by 6% for a total cost of \$7.9 million.
- ➔ Investment earnings increased by \$8.8 million which was a 488% increase for a total of \$10.7 million. Investments are managed by the Clerk of the Circuit Court & Comptroller under County approved guidelines. Refer to page xxiii for more information on this year's investment income increase.

*Water Utilities Department:*

- ◆ The Department's net position increased by \$65.8 million in fiscal year 2023, compared to an increase of \$65.3 million in fiscal year 2022.
- ◆ Long-term debt (net of the current portion) decreased by \$8.3 million, or 6.3%, 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 2023 totaled \$241.1 million, an increase of \$8.7 million or 4.0% from fiscal year 2022. Fiscal year 2023 included the effect of rate indexing and a 1.12% increase in the customer base.
- ◆ Operating expenses before depreciation and amortization and equity interest in net gain of joint venture totaled \$174.7 million, an increase of \$25.1 million or 16.8%.
- ◆ Non-operating income increased by \$15.0 million in fiscal year 2023, compared to a fiscal year 2022 increase of \$1.0 million.
- ◆ The Department showed net income before capital contributions and transfers of \$28.8 million for fiscal year 2023, a decrease of \$1.8 million from fiscal year 2022.

**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 2023, supplemental appropriations to the Board of County Commissioners' budget for all funds, excluding component units, were approximately \$926.5 million, or 14% of the original adopted budget.

Differences between the original budget for FY 2023 and the final amended budget for the General Fund can be summarized as follows:

- On March 14, 2023, 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 \$53.5 million adjustment to the reserves for balances forward in the General Government budget and other miscellaneous adjustments.
- 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 96.1% 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 \$13.5 million.
- Major Revenues
  - ✓ Actual Electric Utility Service Tax and Franchise Fee revenues were 18.8% over budget. This revenue source is based on usage and is affected by area temperatures. Actual revenues are difficult to project. However, actual FY 2023 revenues were 15.5% above actual FY 2022.
  - ✓ Actual Communications Services Tax revenue was 5.9% over budget. These revenues have been unpredictable in recent years, as a result, the FY 2023 Budget remained flat compared to the FY 2022 Actual. Actual Communications Services Tax revenue for FY 2023 was 4.2% over FY 2022.
  - ✓ Sales Tax collections were over budget by 3.9%, actual collections for FY 2023 were 3.8% over the FY 2022 amounts.
  - ✓ Overall, the major revenues budget was set at a total of \$267.4 million, or 4.3% less than the actual FY 2022 collections. FY 2023 actual collections came in at \$301.5, or 8% above FY 2022 actual. For the past few years, major revenue budgets have been done conservatively due to the uncertainty of post-pandemic results.
- Sheriff actual revenues were \$13.1 million, or 14.3%, over budget. Revenue estimates were kept flat with FY 2022 due to the uncertainty of post-pandemic services.
- Investment income was approximately \$20.8 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 have been steadily rising over the past year, which is not consistent

with the prior few years of results. 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 \$312.7 million, which represents 84.1% of the total unexpended appropriations in the fund. These unexpended funds will be carried over into FY 2024 and re-appropriated.
- The Property Appraiser's and Tax Collector's net cost was \$3.8 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 down \$303 thousand. This is due to position vacancies and unexpended operating expenses and reserves.
- General Government Utilities expenses were \$65 thousand over budget. The FY 2024 Budget was increased based on the FY 2023 results.
- The remaining unspent funds can be primarily attributed to County departments spending less than budgeted. Actual expenses were \$29.8 million, or 8.7%, 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 \$34.3 million, \$32.8 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, 2023, amounts to \$4.393 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 2023 increased by \$147 million; governmental activities increased by \$76 million over the previous fiscal year, while business-type activities increased by \$71 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		
	2023	2022*	2023	2022	2023	2022	
Land	\$ 720	\$ 720	\$ 140	\$ 140	\$ 860	\$ 860	
Buildings & improvements	771	772	239	234	1,010	1,006	
Improvements other than buildings	170	179	1,062	1,048	1,232	1,227	
Equipment	267	269	27	28	294	297	
Infrastructure	337	352	-	-	337	352	
Intangible - easement rights	-	-	8	8	8	8	
Right-to-use assets	56	9	-	-	56	9	
Construction in progress	351	295	245	192	596	487	
<b>TOTALS</b>	<b>\$ 2,672</b>	<b>\$ 2,596</b>	<b>\$ 1,721</b>	<b>\$ 1,650</b>	<b>\$ 4,393</b>	<b>\$ 4,246</b>	

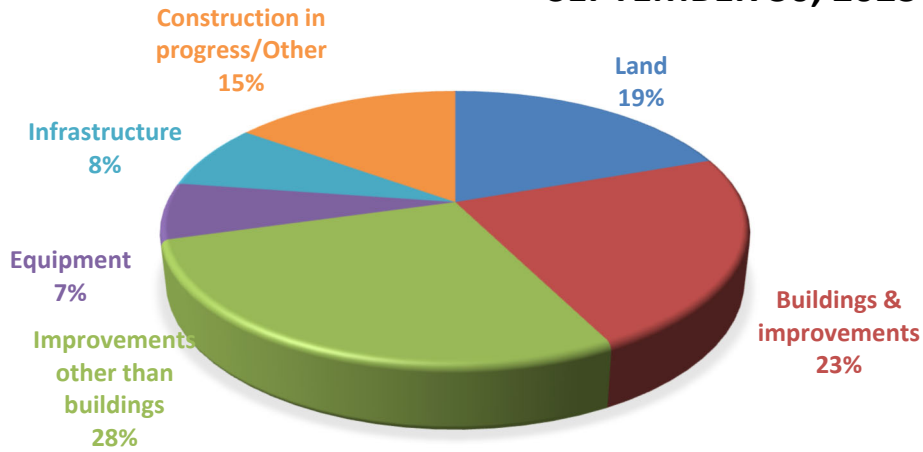
\* Revised for GASB 96 implementation

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

- The balance of Governmental activities Net Capital Assets was \$2.672 billion at the end of fiscal year 2023, which was an increase of \$76 million. With the majority of the effects of COVID-19 behind, additional construction and project activity was accomplished during the fiscal year. Completed projects of \$78 million were transferred to their respective category. Included in those completed projects was \$2.7 million for the expansion of the Osprey Point Golf Course clubhouse and \$7.3 million for road and intersection improvements at Haverhill Road/north of Caribbean Boulevard to the Bee Line Highway.
- Business-type activities Net Capital Assets increased overall by \$71 million to \$1.721 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 2023 included utility resurfacing in Belle Glade for \$3.5 million and system-wide water main improvements for \$3.3 million.
- The Department of Airports expended \$40.1 million on capital activities. Completed projects during 2023 totaling \$54.2 million were transferred from *Construction in Progress* to their respective capital accounts. Major projects completed in FY 2023 included improvements to Taxiway C (\$12.8 million), North Terminal Remote Apron Rehabilitation (\$14.3 million) and the PBIA Public Address System (\$5.6 million).



**CAPITAL ASSETS, NET  
TOTAL PRIMARY GOVERNMENT  
SEPTEMBER 30, 2023**



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

**Long-term liabilities.** At September 30, 2023, the primary government had 26 issues of bonded debt totaling \$865 million. Of this amount, \$18 million comprises debt backed by the full faith and credit of the government, \$730 million is special obligation debt secured by dedicated revenue sources, and \$185 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	
	2023	2022 *	2023	2022	2023	2022
General obligation bonds	\$ 18	\$ 29	\$ -	\$ -	\$ 18	\$ 29
Non-ad valorem revenue bonds	694	565	-	-	694	565
Notes from direct borrowings and direct placements	36	43	-	-	36	43
Revenue bonds	-	-	185	196	185	196
Notes and loans payable	15	17	5	5	20	22
Other obligations	503	488	6	5	509	493
Lease liability	5	6	-	-	5	6
Subscription liability (SBITA)	48	3	-	-	48	3
Net pension liability	1,711	1,491	55	49	1,766	1,540
Net OPEB liability	367	393	2	2	369	395
<b>TOTALS</b>	<b>\$ 3,397</b>	<b>\$ 3,035</b>	<b>\$ 253</b>	<b>\$ 257</b>	<b>\$ 3,650</b>	<b>\$ 3,292</b>

\* Revised for GASB 96 implementation

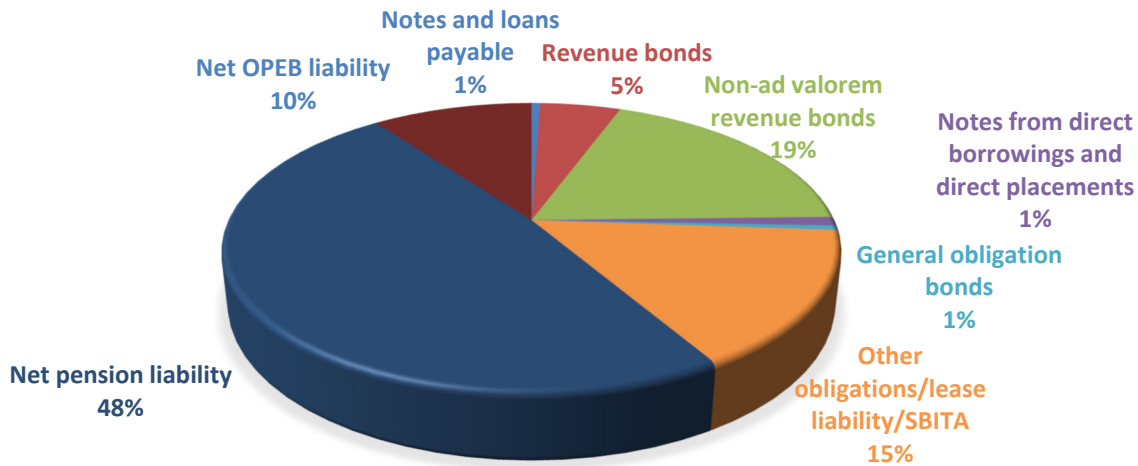
**Bonded Debt.** The County’s bond issues are rated by three primary bond rating agencies: Moody’s Investors Service, Standard & Poor’s, and Fitch Ratings. These ratings, which are listed in the following chart, are indicative of the County’s strong management team, broad-based economy, continually well-performing tax base, increasingly strong financial position, minimal debt requirements and high-quality residential tax base. At September 30, 2023, the County’s non-ad-valorem revenues were 7.89 times the debt service required in the current or any future fiscal year.

Palm Beach County, Florida, Debt Ratings at September 30, 2023

<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	Aa1	AA+	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+	A+

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

**LONG-TERM LIABILITIES  
TOTAL PRIMARY GOVERNMENT  
SEPTEMBER 30, 2023**



See Note 13, *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 1,518,152 in 2022 to 1,532,718 in 2023, an increase of 14,566 or approximately 1%.
- The civilian labor force for Palm Beach County increased from 762,722 at September 30, 2022 to 780,272 at September 30, 2023. The County's unemployment rate increased slightly 2.7% in fiscal year 2022 to 2.9% in fiscal year 2023.
- Gross property taxes levied increased from \$1.472 billion in 2022 to \$1.672 billion for 2023, an increase of \$200 million or 14%.
- Palm Beach County has a diversified property tax base. The ten largest property taxpayers in the County represent 12% of the total ad valorem property taxes levied. Florida Power & Light remains at the top of the list, paying just over \$133 million in property taxes.
- The median sales price for a single-family home in Palm Beach County rose from \$545,000 in 2022 to \$580,000 in 2023, an increase of 6%. Statewide, the median sales prices for a single-family home rose from \$395,000 to \$410,000, an increase of 4%.
- Palm Beach County's local economy continued to recover after the effects of the COVID-19 pandemic. Sales tax revenue for fiscal year 2023 totaled \$126 million, which was an increase of \$5 million from fiscal year 2022. In addition, the local government infrastructure one-cent surtax rose from \$119 million in fiscal year 2022 to \$124 million for fiscal year 2023. Both of these sales taxes were up a total of \$10 million, or 4% from the prior year. Fiscal year 2023 was the sixth full year of receiving this additional infrastructure surtax revenue. Local Option Gas Tax revenues also grew 3% in fiscal year 2023 to just over \$53 million.
- Property Tax revenues for the County reached a record high for fiscal year 2023 at \$1.6 billion. This was an increase of approximately \$192 million from fiscal year 2022, or 14%. 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.
- The County's tourism industry has shown great recovery after being impacted by the COVID-19 pandemic. Tourist Development Tax revenues increased from \$78 million in fiscal year 2022 to just over \$84 million in fiscal year 2023, or by 8%. Fiscal year 2023 is the new record high year.

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



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**PALM BEACH COUNTY, FLORIDA**  
**Statement of Net Position**  
**September 30, 2023**

Primary Government

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash, cash equivalents, and investments	\$ 2,136,836,608	\$ 544,292,560	\$ 2,681,129,168
Interest receivable	103,877	167,595	271,472
Accounts receivable - net	41,050,344	30,785,437	71,835,781
Internal balances	(22,028,557)	22,028,557	-
Due from primary government	-	-	-
Due from other governments	108,364,432	5,299,858	113,664,290
Due from component units	345,878	-	345,878
Inventories	24,349,688	17,056,537	41,406,225
Other assets	17,106,086	1,949,595	19,055,681
Other receivables	12,283,978	5,443,430	17,727,408
Investment in joint ventures	-	71,367,920	71,367,920
Lease receivable	10,056,102	55,831,975	65,888,077
Public-private partnership (PPP) receivable	21,546,871	-	21,546,871
Noncurrent restricted cash, cash equivalents and investments	1,131,905,272	94,860,853	1,226,766,125
Capital assets :			
Capital assets not being depreciated	1,071,012,410	387,454,665	1,458,467,075
Capital assets, net of accumulated depreciation and amortizator	1,601,437,407	1,333,234,453	2,934,671,860
<b>Total assets</b>	<b>6,154,370,396</b>	<b>2,569,773,435</b>	<b>8,724,143,831</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related (Note 11)	378,297,824	11,385,436	389,683,260
OPEB related (Note 12)	155,577,365	1,273,373	156,850,738
Deferred charges on refunding	15,665,336	4,163,894	19,829,230
Goodwill	-	3,216,182	3,216,182
<b>Total deferred outflows of resources</b>	<b>549,540,525</b>	<b>20,038,885</b>	<b>569,579,410</b>
<b>LIABILITIES</b>			
Vouchers payable and accruals	125,451,831	45,227,721	170,679,552
Due to primary government	-	-	-
Due to other governments	29,983,488	1,383,460	31,366,948
Due to component units	13,259,029	288,756	13,547,785
Due to individuals	19,729,116	5,534,763	25,263,879
Accrued interest payable	12,005,493	2,892,561	14,898,054
Unearned revenue	43,119,776	3,570,031	46,689,807
Other current liabilities	21,626,237	-	21,626,237
Long-term liabilities			
Long-term liabilities due within one year	105,021,377	10,926,994	115,948,371
Long-term liabilities due in more than one year	1,224,638,158	184,089,302	1,408,727,460
Net pension liability due in more than one year	1,710,433,180	55,468,924	1,765,902,104
Net OPEB liability due in more than one year	356,809,324	2,322,752	359,132,076
<b>Total liabilities</b>	<b>3,662,077,009</b>	<b>311,705,264</b>	<b>3,973,782,273</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related (Note 11)	86,701,154	2,199,091	88,900,245
OPEB related (Note 12)	211,521,359	276,142	211,797,501
Leases (Note 8)	10,056,102	52,624,755	62,680,857
PPP (Note 18)	21,546,871	-	21,546,871
Other	2,197,896	556,580	2,754,476
<b>Total deferred inflows of resources</b>	<b>332,023,382</b>	<b>55,656,568</b>	<b>387,679,950</b>
<b>NET POSITION</b>			
Net investment in capital assets	2,080,163,477	1,500,826,466	3,580,989,943
Restricted for:			
Debt service	-	10,781,628	10,781,628
Capital projects	1,155,892,760	76,736,867	1,232,629,627
Library services	25,037,567	-	25,037,567
Fire rescue services	144,718,061	-	144,718,061
Tourist development programs	54,564,039	-	54,564,039
Grant and economic development programs	350,715,508	-	350,715,508
Environmental protection programs	13,386,693	-	13,386,693
Public safety and judicial programs	50,086,800	-	50,086,800
Other services and programs	2,488,323	-	2,488,323
Unrestricted (deficit)	(1,167,242,698)	634,105,527	(533,137,171)
<b>Total net position</b>	<b>\$ 2,709,810,530</b>	<b>\$ 2,222,450,488</b>	<b>\$ 4,932,261,018</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
\$ 7,101,274	\$ 2,808,724	\$ 379,441,574
31,124	-	1,347,805
80,141	4,790	7,372,794
-	-	-
7,688,957	1,716,260	5,858,828
-	-	636,673
-	-	-
-	-	2,904,938
-	14,260,675	4,400,847
436,824	-	-
-	-	-
-	-	3,748,150
-	-	-
-	-	113,321,350
-	3,924,003	50,772,842
-	3,812,789	830,683,012
<u>15,338,320</u>	<u>26,527,241</u>	<u>1,400,488,813</u>
-	93,209	9,098,800
-	-	344,000
-	-	-
-	-	-
<u>-</u>	<u>93,209</u>	<u>9,442,800</u>
86,049	291,193	20,146,467
-	-	345,878
-	-	1,224,693
-	-	-
-	-	1,287,865
-	-	7,237,205
-	11,561	-
110,000	-	367,084
-	638,194	29,595,419
-	10,012,893	557,813,447
-	397,501	40,898,945
-	-	644,000
<u>196,049</u>	<u>11,351,342</u>	<u>659,561,003</u>
-	34,614	2,285,824
-	-	247,000
-	-	3,626,253
-	-	-
-	-	6,185,916
<u>-</u>	<u>34,614</u>	<u>12,344,993</u>
-	7,448,337	433,375,480
-	143,274	26,000,533
-	-	65,325,749
-	-	-
-	-	-
-	7,642,883	-
-	-	-
-	-	-
-	-	34,063,054
15,142,271	-	179,260,801
<u>\$ 15,142,271</u>	<u>\$ 15,234,494</u>	<u>\$ 738,025,617</u>



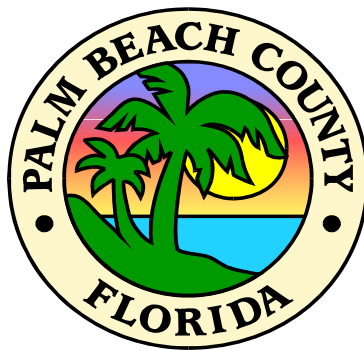
PALM BEACH COUNTY, FLORIDA  
Statement of Activities  
For the fiscal year ended September 30, 2023

	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	\$ 552,010,721	\$ (21,054,824)	\$ 197,308,585	\$ 5,079,150	\$ 1,074,324
Public Safety	1,469,139,867	7,999,440	203,157,212	15,475,064	281,453
Physical Environment	43,472,111	-	7,870,283	5,573,850	12,556
Transportation	248,799,659	-	32,336,040	61,250,187	1,109,814
Economic Environment	146,805,690	397,819	7,424,813	35,545,375	-
Human Services	156,837,653	-	2,085,641	59,120,403	-
Culture and Recreation	159,066,328	4,336,361	32,460,731	1,219,610	358,173
Interest Expense	20,964,197	-	-	-	-
<b>Total Governmental Activities</b>	<b>2,797,096,226</b>	<b>(8,321,204)</b>	<b>482,643,305</b>	<b>183,263,639</b>	<b>2,836,320</b>
Business Activities					
Department of Airports	88,448,032	1,144,525	91,857,416	11,500,525	22,596,885
Water Utilities Department	220,380,326	7,176,679	241,104,459	-	39,190,183
<b>Total Business Activities</b>	<b>308,828,358</b>	<b>8,321,204</b>	<b>332,961,875</b>	<b>11,500,525</b>	<b>61,787,068</b>
<b>Total Primary Government</b>	<b>\$ 3,105,924,584</b>	<b>\$ -</b>	<b>\$ 815,605,180</b>	<b>\$ 194,764,164</b>	<b>\$ 64,623,388</b>
<b>COMPONENT UNITS</b>					
Housing Finance Authority	\$ 305,840	\$ -	\$ 835,574	\$ 645,373	\$ -
Westgate/Belvedere Homes CRA	5,265,279	-	-	1,724,760	-
Solid Waste Authority	334,790,371	-	357,540,228	20,867,615	-
<b>Total Component Units</b>	<b>\$ 340,361,490</b>	<b>\$ -</b>	<b>\$ 358,375,802</b>	<b>\$ 23,237,748</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					
<u>    Total general revenues and transfers</u>					
Increase in net position					
<u>Beginning net position, October 1, 2022</u>					
<u>Ending net position, September 30, 2023</u>					

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	Westgate/ Belvedere Homes		
			Housing Finance Authority	Community Redevelopment Agency	Solid Waste Authority
\$ (327,493,838)	\$ -	\$ (327,493,838)	\$ -	\$ -	\$ -
(1,258,225,578)	-	(1,258,225,578)	-	-	-
(30,015,422)	-	(30,015,422)	-	-	-
(154,103,618)	-	(154,103,618)	-	-	-
(104,233,321)	-	(104,233,321)	-	-	-
(95,631,609)	-	(95,631,609)	-	-	-
(129,364,175)	-	(129,364,175)	-	-	-
(20,964,197)	-	(20,964,197)	-	-	-
<u>(2,120,031,758)</u>	<u>-</u>	<u>(2,120,031,758)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	36,362,269	36,362,269	-	-	-
-	<u>52,737,637</u>	<u>52,737,637</u>	-	-	-
-	89,099,906	89,099,906	-	-	-
<u>\$ (2,120,031,758)</u>	<u>\$ 89,099,906</u>	<u>\$ (2,030,931,852)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 1,175,107	\$ -	\$ -
-	-	-	-	(3,540,519)	-
-	-	-	-	-	43,617,472
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,175,107</u>	<u>\$ (3,540,519)</u>	<u>\$ 43,617,472</u>
\$ 1,610,480,858	\$ -	\$ 1,610,480,858	\$ -	\$ 3,480,912	\$ -
56,322,095	-	56,322,095	-	-	-
53,260,999	-	53,260,999	-	-	-
84,190,398	-	84,190,398	-	-	-
250,252,872	-	250,252,872	-	-	-
49,650,540	-	49,650,540	-	-	-
83,620,177	-	83,620,177	-	-	-
152,501,662	28,283,784	180,785,446	-	88,239	-
(1,423,327)	(291,084)	(1,714,411)	-	-	-
30,858,340	-	30,858,340	-	45,511	-
521,303	-	521,303	-	-	-
2,238,117	(2,238,117)	-	-	-	-
<u>2,372,474,034</u>	<u>25,754,583</u>	<u>2,398,228,617</u>	<u>-</u>	<u>3,614,662</u>	<u>-</u>
252,442,276	114,854,489	367,296,765	1,175,107	74,143	43,617,472
<u>2,457,368,254</u>	<u>2,107,595,999</u>	<u>4,564,964,253</u>	<u>13,967,164</u>	<u>15,160,351</u>	<u>694,408,145</u>
<u>\$ 2,709,810,530</u>	<u>\$ 2,222,450,488</u>	<u>\$ 4,932,261,018</u>	<u>\$ 15,142,271</u>	<u>\$ 15,234,494</u>	<u>\$ 738,025,617</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.

**COVID-19 Special Revenue Fund** - To account for activities related to the funding received from the U.S Treasury and other sources under the CARES Act for COVID-19 as well as the distribution of these funds to individuals and businesses.

**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, 2023

	MAJOR FUNDS			
	General Fund	Palm Tran Special Revenue Fund	Fire Rescue Special Revenue Fund	COVID-19 Special Revenue Fund
<b>ASSETS</b>				
Cash, cash equivalents, and investments	\$ 667,087,196	\$ 500	\$ 168,469,861	\$ 243,968,719
Accounts receivable, net	18,070,531	274,099	9,496,681	-
Due from other county funds	70,623,198	19,403,651	6,649,242	67,479
Due from other governments	17,722,855	44,659,377	3,775,744	6,760,817
Due from component unit	345,185	-	-	-
Inventory	12,329,439	2,981,245	3,996,919	-
Lease receivable	4,547,663	-	-	-
Public-private partnership (PPP) receivable	21,546,871	-	-	-
Other assets	2,206,234	5,000	38,975	-
Other receivables, noncurrent	-	-	-	-
<b>Total assets</b>	<b>\$ 814,479,172</b>	<b>\$ 67,323,872</b>	<b>\$ 192,427,422</b>	<b>\$ 250,797,015</b>
<b>LIABILITIES</b>				
Vouchers payable and accrued liabilities	\$ 57,573,783	\$ 2,134,351	\$ 15,773,159	\$ 3,697,550
Due to other county funds	52,764,550	59,356,560	230,029	-
Due to other governments	28,203,486	19,426	10,295	429
Due to component unit	13,244,017	22	-	-
Due to individuals	19,500,725	406	-	-
Insurance claims payable	2,341,125	-	-	-
Unearned revenue	27,126,192	-	-	13,142,874
Other liabilities	21,625,190	-	-	-
<b>Total liabilities</b>	<b>222,379,068</b>	<b>61,510,765</b>	<b>16,013,483</b>	<b>16,840,853</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	1,227,166	37,133,928	4,648,797	3,465,409
Leases	4,547,663	-	-	-
PPP	21,546,871	-	-	-
<b>FUND BALANCES</b>				
Non-Spendable				
Inventory	12,329,439	2,981,245	3,996,919	-
Prepaid items	1,908,500	5,000	-	-
Spendable				
Restricted for:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Library services	-	-	-	-
Fire rescue services	-	-	167,768,223	-
Tourist development programs	-	-	-	-
Grant and economic development programs	-	-	-	233,789,336
Environmental protection programs	-	-	-	-
Public safety and judicial programs	41,681,411	-	-	-
Other services and programs	-	-	-	-
Assigned to:				
Capital projects	-	-	-	-
Tourist development programs	-	-	-	-
Other services and programs	-	-	-	-
Unassigned (deficit)	508,859,054	(34,307,066)	-	(3,298,583)
<b>Total fund balances</b>	<b>564,778,404</b>	<b>(31,320,821)</b>	<b>171,765,142</b>	<b>230,490,753</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 814,479,172</b>	<b>\$ 67,323,872</b>	<b>\$ 192,427,422</b>	<b>\$ 250,797,015</b>

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

Road Program Capital Projects	General Government Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 474,406,224	\$ 938,978,589	\$ 593,673,789	\$ 3,086,584,878
-	17,500	9,472,613	37,331,424
930,612	724,540	24,359,643	122,758,365
1,827,089	20,679,576	12,597,834	108,023,292
-	-	-	345,185
-	-	3,815,023	23,122,626
-	-	5,508,439	10,056,102
-	-	-	21,546,871
-	-	9,111,629	11,361,838
-	-	12,283,977	12,283,977
<u>\$ 477,163,925</u>	<u>\$ 960,400,205</u>	<u>\$ 670,822,947</u>	<u>\$ 3,433,414,558</u>
\$ 6,687,435	\$ 18,274,488	\$ 19,149,446	\$ 123,290,212
460,298	60,003	14,008,292	126,879,732
10,309	500	1,661,448	29,905,893
-	-	14,990	13,259,029
-	-	227,985	19,729,116
-	-	-	2,341,125
930,612	-	1,920,098	43,119,776
-	-	1,047	21,626,237
<u>8,088,654</u>	<u>18,334,991</u>	<u>36,983,306</u>	<u>380,151,120</u>
-	-	19,463,920	65,939,220
-	-	5,508,439	10,056,102
-	-	-	21,546,871
-	-	3,815,023	23,122,626
-	-	601,504	2,515,004
-	-	2,597,317	2,597,317
375,575,006	684,422,649	307,386,472	1,367,384,127
-	-	27,663,630	27,663,630
-	-	-	167,768,223
-	-	54,564,039	54,564,039
-	-	104,895,018	338,684,354
-	-	10,210,362	10,210,362
-	-	41,092,412	82,773,823
-	-	437,776	437,776
93,500,265	257,642,565	24,597,908	375,740,738
-	-	18,598,651	18,598,651
-	-	14,006,359	14,006,359
-	-	(1,599,189)	469,654,216
<u>469,075,271</u>	<u>942,065,214</u>	<u>608,867,282</u>	<u>2,955,721,245</u>
<u>\$ 477,163,925</u>	<u>\$ 960,400,205</u>	<u>\$ 670,822,947</u>	<u>\$ 3,433,414,558</u>

PALM BEACH COUNTY, FLORIDA  
 Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position - Governmental Activities  
 September 30, 2023

**Fund balances for total of governmental funds (page 9)** \$ 2,955,721,245

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

**Report internal service funds as governmental activities**

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	\$ 168,147,181	
Less amount due to business-type activities for 'look-back' allocation	(23,164,217)	
		144,982,964

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

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	(16,370,000)	
Notes from direct borrowings and direct placements	(36,225,952)	
Non-ad valorem bonds payable	(645,115,000)	
Notes and loans payable	(14,238,984)	
Arbitrage liability	(2,101,556)	
Compensated absences	(250,703,641)	
Lease liability	(4,565,188)	
Subscription liability	(47,802,806)	
Claims and judgements	(177,960,875)	
Unamortized premium	(50,483,288)	
		(1,245,567,290)

**Report refunding losses as deferred outflow** 15,665,336

**Report refunding gains as deferred inflow** (2,197,896)

**Report net deferred outflow/inflow - pension related** 291,596,670

**Report net deferred outflow/inflow - OPEB related** (55,943,994)

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

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	1,071,012,410	
Capital assets, net of accumulated depreciation/amortization	1,558,329,181	
		2,629,341,591

**Report other adjustments to convert from modified accrual to full accrual**

*Net Pension Liability*

Net pension liability that is not due and payable in the current period is not reported in the governmental fund statements. (1,710,433,180)

*Net OPEB Liability*

Net OPEB liability that is not due and payable in the current period is not reported in the governmental fund statements. (367,288,643)

*Accrued Interest Payable*

Accrued interest payable that is not due and payable in the current period is not reported in the governmental fund statements. (12,005,493)

*Unavailable Revenue*

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. 65,939,220

(2,023,788,096)

**Net position of governmental activities (page 2)** \$ 2,709,810,530

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, 2023

	MAJOR FUNDS			
	General Fund	Palm Tran Special Revenue Fund	Fire Rescue Special Revenue Fund	COVID-19 Special Revenue Fund
Revenues:				
Taxes (net of discount)	\$ 1,238,416,485	\$ 33,894,191	\$ 369,628,331	\$ -
Special assessments	-	-	281,454	-
Licenses and permits	52,869,482	40,039	27,446	-
Intergovernmental	183,714,824	25,075,917	3,368,646	29,584,020
Charges for services	301,396,853	12,510,795	60,121,926	-
Less - excess fees paid out	(54,314,218)	-	-	-
Fines and forfeitures	4,525,053	-	-	-
Interest Income	35,977,548	-	11,740,017	11,679,510
Net change in fair value of investments	(208,938)	6,562	(97,292)	(134,542)
Miscellaneous	9,223,490	846,949	1,541,904	56,945
<b>Total revenues</b>	<b>1,771,600,579</b>	<b>72,374,453</b>	<b>446,612,432</b>	<b>41,185,933</b>
Expenditures:				
Current:				
General government	352,541,395	-	-	-
Public safety	801,405,470	2,663	383,432,249	13,792,004
Physical environment	15,413,200	-	-	-
Transportation	4,235,000	128,391,599	-	-
Economic environment	64,084,471	-	1,472,800	4,956,830
Human services	86,462,011	-	-	26,025,207
Culture and recreation	72,221,861	-	-	-
Capital outlay	86,325,596	18,274,457	11,698,373	1,043,240
Debt service	13,030,939	-	65,000	-
<b>Total expenditures</b>	<b>1,495,719,943</b>	<b>146,668,719</b>	<b>396,668,422</b>	<b>45,817,281</b>
<b>Excess of revenues over (under) expenditures</b>	<b>275,880,636</b>	<b>(74,294,266)</b>	<b>49,944,010</b>	<b>(4,631,348)</b>
Other financing sources (uses):				
Transfers in	34,235,873	61,899,461	11,738,973	-
Transfers out	(254,727,168)	(94,800)	(34,405,200)	(751,980)
Issuance of long-term debt	-	-	-	-
Premium on long-term debt	-	-	-	-
Lease financing	1,045,652	-	-	-
Subscription financing	54,484,930	-	-	-
<b>Total other financing sources (uses)</b>	<b>(164,960,713)</b>	<b>61,804,661</b>	<b>(22,666,227)</b>	<b>(751,980)</b>
<b>Net change in fund balances</b>	<b>110,919,923</b>	<b>(12,489,605)</b>	<b>27,277,783</b>	<b>(5,383,328)</b>
Fund balances (deficit), October 1, 2022	453,792,635	(18,835,195)	144,175,530	235,874,081
<b>Change in nonspendable fund balances</b>	<b>65,846</b>	<b>3,979</b>	<b>311,829</b>	<b>-</b>
<b>Fund balances (deficit), September 30, 2023</b>	<b>\$ 564,778,404</b>	<b>\$ (31,320,821)</b>	<b>\$ 171,765,142</b>	<b>\$ 230,490,753</b>

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

Road Program Capital Projects	General Government Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 10,725,306	\$ -	\$ 174,733,056	\$ 1,827,397,369
25,697,017	1,491,787	29,285,842	56,756,100
-	-	35,166,925	88,103,892
107,772	126,918,804	105,014,574	473,784,557
-	1,115,052	35,046,839	410,191,465
-	-	-	(54,314,218)
-	975,517	1,580,442	7,081,012
21,398,773	37,277,662	27,686,988	145,760,498
(246,036)	(385,403)	(276,886)	(1,342,535)
673,683	513,721	37,281,235	50,137,927
58,356,515	167,907,140	445,519,015	3,003,556,067
3,195,681	47,758,367	34,598,883	438,094,326
-	363,365	35,471,083	1,234,466,834
-	-	24,290,590	39,703,790
3,369,705	12,691,408	50,234,630	198,922,342
-	-	75,179,778	145,693,879
-	1,125,147	40,063,633	153,675,998
-	728,602	63,972,145	136,922,608
40,066,748	58,183,668	29,274,350	244,866,432
-	2,047,547	90,854,447	105,997,933
46,632,134	122,898,104	443,939,539	2,698,344,142
11,724,381	45,009,036	1,579,476	305,211,925
2,629,947	84,116,312	192,920,011	387,540,577
(2,178,336)	(16,576,570)	(76,555,206)	(385,289,260)
-	170,010,000	900,000	170,910,000
-	11,764,586	-	11,764,586
-	-	-	1,045,652
-	-	-	54,484,930
451,611	249,314,328	117,264,805	240,456,485
12,175,992	294,323,364	118,844,281	545,668,410
456,899,279	647,741,850	489,389,649	2,409,037,829
-	-	633,352	1,015,006
\$ 469,075,271	\$ 942,065,214	\$ 608,867,282	\$ 2,955,721,245

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, 2023

Net change in fund balances for total governmental funds (page 13) \$ 545,668,410

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	\$ 26,248,329	
Adjusted for current year allocation of internal service funds to business-type activities	<u>(2,250,410)</u>	23,997,919

***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	(170,910,000)	
Current year lease issuance	(1,045,652)	
Current year subscription issuance	(54,484,930)	

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 (premium) discount on debt issued	(11,764,586)	
Current year amortization of premium / discount	4,945,460	

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	(2,646,443)	
Current year amortization of deferred refunding gain	1,050,296	

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.

82,522,964

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	5,698,250	
Net change in arbitrage liability	(2,101,556)	
Net change in compensated absences liability	<u>(21,249,694)</u>	

(169,985,891)

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. 244,866,432

Acquisition of capital assets from contributions do not generate current financial resources and therefore are not reported in the governmental fund statements as revenue. 2,992,075

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. (159,320,622)

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. (15,142,485)

73,395,400

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

Net change in inventory 1,015,006  
 Net change in accrued interest payable (3,191,202)  
 Net change in unavailable revenue 18,688,096  
 Net change in net pension liability (223,515,731)  
 Net change in net OPEB liability (13,629,731)

(220,633,562)

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

**\$ 252,442,276**

PALM BEACH COUNTY, FLORIDA  
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)  
General Fund  
For the fiscal year ended September 30, 2023

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes (net of discount)	\$ 1,273,739,890	\$ 1,273,739,890	\$ 1,238,416,485	\$ (35,323,405)
Licenses and permits	42,722,964	42,722,964	51,476,671	8,753,707
Intergovernmental	163,388,365	165,808,633	180,111,968	14,303,335
Charges for services	48,853,137	48,829,737	50,204,694	1,374,957
Fines and forfeitures	2,144,500	2,144,500	3,364,925	1,220,425
Interest income	3,031,700	3,031,700	24,713,690	21,681,990
Net change in fair value of investments	-	-	(208,938)	(208,938)
Miscellaneous	4,148,085	4,457,232	5,092,596	635,364
<b>Less 5% anticipated revenues</b>	<b>(81,208,050)</b>	<b>(81,208,050)</b>	<b>-</b>	<b>81,208,050</b>
<b>Total revenues</b>	<b>1,456,820,591</b>	<b>1,459,526,606</b>	<b>1,553,172,091</b>	<b>93,645,485</b>
<b>Expenditures</b>				
<b>Current:</b>				
<b>General government:</b>				
Youth Services Department	258,687	258,687	223,389	35,298
County Administrator	3,085,282	3,085,282	2,804,745	280,537
Office of Resilience	1,336,436	1,836,436	699,034	1,137,402
County Attorney	7,103,484	7,104,258	7,104,258	-
Commission on Ethics	863,325	863,325	775,636	87,689
County Commission	4,348,362	4,420,485	3,955,787	464,698
Human Resources	4,070,469	4,070,469	3,944,552	125,917
Engineering & Public Works	5,439,178	5,439,178	5,287,353	151,825
Facilities Development & Operations	48,898,368	48,916,856	44,319,003	4,597,853
Office of Financial Management & Budget	4,672,561	4,647,561	4,234,553	413,008
Information Systems Services	38,763,962	38,810,601	37,380,238	1,430,363
Internal Auditor	1,353,712	1,370,474	1,370,473	1
Judicial	3,283,603	3,283,603	3,186,138	97,465
Planning, Zoning & Building	11,469,334	11,421,334	9,948,553	1,472,781
Public Affairs	6,466,180	6,449,180	6,080,629	368,551
Intergovernmental Affairs	684,254	684,254	598,122	86,132
Public Safety	4,096,480	4,372,998	3,677,866	695,132
Office of Diversity, Equity and Inclusion	348,083	348,083	-	348,083
Purchasing	5,060,034	5,135,034	4,424,002	711,032
Risk Management	460,485	460,485	433,000	27,485
General Government Operations	51,804,971	53,062,463	43,397,273	9,665,190
Value Adjustment Board	799,000	949,000	931,955	17,045
Non-departmental specific reserves	261,262,817	312,760,405	-	312,760,405
Office of Small Business Assistance	1,695,834	1,695,834	1,638,953	56,881
<b>Total General government</b>	<b>467,624,901</b>	<b>521,446,285</b>	<b>186,415,512</b>	<b>335,030,773</b>
<b>Public safety:</b>				
Sheriff - PBC Expenses	285,000	336,085	326,691	9,394
Facilities Development & Operations	3,676,527	3,806,527	3,711,767	94,760
Parks & Recreation	-	-	39,992	(39,992)
Planning, Zoning & Building	5,274,975	5,344,975	5,103,793	241,182
Public Safety	9,204,569	9,517,069	8,098,441	1,418,628
Medical Examiner	5,906,531	5,908,794	5,393,334	515,460
Other County Funded Programs	2,206,737	2,345,850	2,345,849	1
General Government Operations	541,136	541,136	661,580	(120,444)
Criminal Justice Commission	1,521,317	1,733,887	1,133,424	600,463
<b>Total Public safety</b>	<b>28,616,792</b>	<b>29,534,323</b>	<b>26,814,871</b>	<b>2,719,452</b>

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

PALM BEACH COUNTY, FLORIDA  
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)  
General Fund  
For the fiscal year ended September 30, 2023

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Physical environment:				
County Cooperative Extension Service	2,717,486	2,715,116	2,293,348	421,768
Engineering & Public Works	590,801	590,801	572,784	18,017
Environmental Resources Management	12,915,330	13,511,790	12,547,068	964,722
<b>Total Physical environment</b>	<b>16,223,617</b>	<b>16,817,707</b>	<b>15,413,200</b>	<b>1,404,507</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	398,859	398,859	355,830	43,029
Equal Opportunity	1,338,494	1,458,755	1,381,562	77,193
Office Of Community Revitalization	1,015,445	1,015,445	898,051	117,394
Community Redevelopment Agencies	61,379,899	61,379,899	61,242,788	137,111
General Government Operations	234,330	234,330	206,240	28,090
<b>Total Economic environment</b>	<b>64,367,027</b>	<b>64,487,288</b>	<b>64,084,471</b>	<b>402,817</b>
Human services:				
Community Services	3,391,784	3,391,784	3,353,828	37,956
Behavioral Health Programs	2,706,865	3,892,263	3,009,335	882,928
Community Services/Human Services	23,501,495	24,125,335	21,276,747	2,848,588
Youth Services Department	9,730,476	9,734,922	8,304,318	1,430,604
Youth Services Community Based Programming	1,471,878	1,489,386	1,427,515	61,871
Youth Services-New Evidenced Based Programming	4,419,580	4,519,580	4,404,273	115,307
Environmental Resources Management	3,248,576	3,248,576	2,965,072	283,504
Equal Opportunity	125,076	44,015	27,779	16,236
Health Department	2,192,546	2,374,014	2,374,014	-
Public Safety	12,843,125	12,689,674	11,068,095	1,621,579
Financially Assisted Agencies	13,766,971	13,766,971	12,976,823	790,148
Other County Funded Programs	15,275,000	15,275,000	15,274,212	788
<b>Total Human services</b>	<b>92,673,372</b>	<b>94,551,520</b>	<b>86,462,011</b>	<b>8,089,509</b>
Culture and recreation:				
Parks & Recreation	77,843,848	77,496,844	72,122,800	5,374,044
Parks & Recreation - Grants	767,013	767,364	99,061	668,303
<b>Total Culture and recreation</b>	<b>78,610,861</b>	<b>78,264,208</b>	<b>72,221,861</b>	<b>6,042,347</b>
Capital outlay:				
Community Services/Human Services	30,450	330,450	218,389	112,061
Environmental Resources Management	39,000	47,500	40,994	6,506
Facilities Development & Operations	150,000	150,000	-	150,000
Office of Financial Management & Budget	-	25,000	-	25,000
Information Systems Services	20,000	-	-	-
Planning, Zoning & Building	30,000	8,000	7,164	836
Public Affairs	91,700	388,700	364,225	24,475

**PALM BEACH COUNTY, FLORIDA**  
**Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)**  
**General Fund**

For the fiscal year ended September 30, 2023

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Public Safety	229,000	411,800	111,952	299,848
<b>Total Capital outlay</b>	<b>590,150</b>	<b>1,361,450</b>	<b>742,724</b>	<b>618,726</b>
Debt service:				
Sheriff - PBC Expenses	-	-	5,132	(5,132)
Facilities Development & Operations	-	-	90,828	(90,828)
Information Systems Services	-	-	349,865	(349,865)
Public Affairs	-	-	122,104	(122,104)
<b>Total Debt service</b>	<b>-</b>	<b>-</b>	<b>567,929</b>	<b>(567,929)</b>
<b>Total expenditures</b>	<b>752,941,720</b>	<b>810,697,781</b>	<b>456,957,579</b>	<b>353,740,202</b>
<b>Excess of revenues over expenditures</b>	<b>703,878,871</b>	<b>648,828,825</b>	<b>1,096,214,512</b>	<b>447,385,687</b>
Other financing sources (uses)				
Transfers in	95,342,224	99,168,256	144,007,766	44,839,510
Transfers out	(1,144,946,222)	(1,148,173,461)	(1,129,631,105)	18,542,356
<b>Total other financing sources (uses)</b>	<b>(1,049,603,998)</b>	<b>(1,049,005,205)</b>	<b>(985,623,339)</b>	<b>63,381,866</b>
<b>Net change in fund balances</b>	<b>(345,725,127)</b>	<b>(400,176,380)</b>	<b>110,591,173</b>	<b>510,767,553</b>
Fund balances, October 1, 2022	345,725,127	400,176,380	405,302,756	5,126,376
<b>Change in nonspendable fund balance</b>	<b>-</b>	<b>-</b>	<b>65,846</b>	<b>65,846</b>
<b>Fund balances, September 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>515,959,775</b>	<b>\$ 515,959,775</b>

Perspective difference between budget basis and GAAP 48,818,629

**Fund balances, September 30, 2023 (GAAP) \$ 564,778,404**

Reconciliation of Budget to GAAP:	Revenues	Expenditures	Transfers in	Transfers out	Lease & Subscription Financing	Net change in fund balance
Board of County Commissioners	\$ 1,553,172,091	\$ (456,957,579)	\$ 144,007,766	\$ (1,129,631,105)	\$ -	\$ 110,591,173
Sheriff	98,838,951	(879,759,031)	855,358,736	(127,095,223)	55,530,582	2,874,015
Clerk & Comptroller	45,374,723	(65,539,617)	18,355,180	(735,551)	-	(2,545,265)
Tax Collector	46,799,560	(46,799,560)	-	-	-	-
Property Appraiser	25,612,615	(25,612,615)	-	-	-	-
Supervisor of Elections	1,802,639	(21,051,541)	21,840,966	(2,592,064)	-	-
Eliminations	-	-	(1,005,326,775)	1,005,326,775	-	-
<b>Totals</b>	<b>\$ 1,771,600,579</b>	<b>\$ (1,495,719,943)</b>	<b>\$ 34,235,873</b>	<b>\$ (254,727,168)</b>	<b>\$ 55,530,582</b>	<b>\$ 110,919,923</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.

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

PALM BEACH COUNTY, FLORIDA  
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Palm Tran Special Revenue Fund  
For the fiscal year ended September 30, 2023

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes (net of discount)	\$ 34,040,000	\$ 34,040,000	\$ 33,894,191	\$ (145,809)
Licenses and permits	36,000	36,000	40,039	4,039
Intergovernmental	64,257,744	133,719,930	25,075,917	(108,644,013)
Charges for services	9,163,600	9,163,600	12,510,795	3,347,195
Net change in fair value of investments	-	-	6,562	6,562
Miscellaneous	1,600,308	1,542,000	846,949	(695,051)
Less 5% anticipated revenues	(2,334,705)	(2,334,705)	-	2,334,705
<b>Total revenues</b>	<b>106,762,947</b>	<b>176,166,825</b>	<b>72,374,453</b>	<b>(103,792,372)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	-	-	2,663	(2,663)
Transportation	135,031,102	143,985,403	128,391,599	15,593,804
Capital outlay	46,026,293	73,581,858	18,274,457	55,307,401
<b>Total expenditures</b>	<b>181,057,395</b>	<b>217,567,261</b>	<b>146,668,719</b>	<b>70,898,542</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(74,294,448)</b>	<b>(41,400,436)</b>	<b>(74,294,266)</b>	<b>(32,893,830)</b>
<b>Other financing sources (uses):</b>				
Transfers in	74,389,248	63,312,697	61,899,461	(1,413,236)
Transfers out	(94,800)	(94,800)	(94,800)	-
<b>Total other financing sources (uses)</b>	<b>74,294,448</b>	<b>63,217,897</b>	<b>61,804,661</b>	<b>(1,413,236)</b>
<b>Net change in fund balances</b>	<b>-</b>	<b>21,817,461</b>	<b>(12,489,605)</b>	<b>(34,307,066)</b>
<b>Fund balances (deficit), October 1, 2022</b>	<b>-</b>	<b>(21,817,461)</b>	<b>(18,835,195)</b>	<b>2,982,266</b>
<b>Change in nonspendable fund balance</b>	<b>-</b>	<b>-</b>	<b>3,979</b>	<b>3,979</b>
<b>Fund balances (deficit), September 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (31,320,821)</b>	<b>\$ (31,320,821)</b>

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



PALM BEACH COUNTY, FLORIDA  
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fire Rescue Special Revenue Fund  
For the fiscal year ended September 30, 2023

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes (net of discount)	\$ 384,416,703	\$ 384,416,703	\$ 369,628,331	\$ (14,788,372)
Special assessments	291,547	291,547	281,454	(10,093)
Licenses and permits	17,000	17,000	27,446	10,446
Intergovernmental	460,577	7,212,161	3,368,646	(3,843,515)
Charges for services	52,147,378	52,147,378	60,121,926	7,974,548
Interest income	2,091,550	2,091,550	11,740,017	9,648,467
Net change in fair value of investments	-	-	(97,292)	(97,292)
Miscellaneous	232,000	657,000	1,541,904	884,904
<b>Less 5% anticipated revenues</b>	<b>(21,585,110)</b>	<b>(21,585,110)</b>	<b>-</b>	<b>21,585,110</b>
<b>Total revenues</b>	<b>418,071,645</b>	<b>425,248,229</b>	<b>446,612,432</b>	<b>21,364,203</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	511,790,803	507,652,217	383,432,249	124,219,968
Economic environment	1,472,676	1,472,676	1,472,800	(124)
Capital outlay	34,129,725	34,924,877	11,698,373	23,226,504
Debt service	-	-	65,000	(65,000)
<b>Total expenditures</b>	<b>547,393,204</b>	<b>544,049,770</b>	<b>396,668,422</b>	<b>147,381,348</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(129,321,559)</b>	<b>(118,801,541)</b>	<b>49,944,010</b>	<b>168,745,551</b>
<b>Other financing sources (uses):</b>				
Transfers in	12,078,024	12,852,262	11,738,973	(1,113,289)
Transfers out	(34,541,161)	(34,541,161)	(34,405,200)	135,961
<b>Total other financing sources (uses)</b>	<b>(22,463,137)</b>	<b>(21,688,899)</b>	<b>(22,666,227)</b>	<b>(977,328)</b>
<b>Net change in fund balances</b>	<b>(151,784,696)</b>	<b>(140,490,440)</b>	<b>27,277,783</b>	<b>167,768,223</b>
Fund balances, October 1, 2022	151,784,696	140,490,440	144,175,530	3,685,090
<b>Change in nonspendable fund balance</b>	<b>-</b>	<b>-</b>	<b>311,829</b>	<b>311,829</b>
<b>Fund balances, September 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 171,765,142</b>	<b>\$ 171,765,142</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 fund financial statements 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.

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

PALM BEACH COUNTY, FLORIDA  
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
COVID-19 Special Revenue Fund  
For the fiscal year ended September 30, 2023

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 57,355,225	\$ 29,584,020	\$ (27,771,205)
Interest income	-	500,000	11,679,510	11,179,510
Net change in fair value of investments	-	-	(134,542)	(134,542)
Miscellaneous	-	-	56,945	56,945
<b>Total revenues</b>	<b>-</b>	<b>57,855,225</b>	<b>41,185,933</b>	<b>(16,669,292)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	-	204,330,517	13,792,004	190,538,513
Economic environment	-	16,117,011	4,956,830	11,160,181
Human services	-	40,222,773	26,025,207	14,197,566
Capital outlay	-	32,307,026	1,043,240	31,263,786
<b>Total expenditures</b>	<b>-</b>	<b>292,977,327</b>	<b>45,817,281</b>	<b>247,160,046</b>
<b>Excess of revenues over (under) expenditures</b>	<b>-</b>	<b>(235,122,102)</b>	<b>(4,631,348)</b>	<b>230,490,754</b>
<b>Other financing sources (uses):</b>				
Transfers out	-	(751,980)	(751,980)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(751,980)</b>	<b>(751,980)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>-</b>	<b>(235,874,082)</b>	<b>(5,383,328)</b>	<b>230,490,754</b>
<b>Fund balances, October 1, 2022</b>	<b>-</b>	<b>235,874,082</b>	<b>235,874,081</b>	<b>(1)</b>
<b>Fund balances, September 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 230,490,753</b>	<b>\$ 230,490,753</b>

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

PALM BEACH COUNTY, FLORIDA  
Statement of Net Position  
Proprietary Funds  
September 30, 2023

	Business-type Activities -	
	Airports	Water Utilities
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 163,757,002	\$ 362,059,208
Cash and cash equivalents - restricted	82,482	14,467,760
Cash with fiscal agent - restricted	3,926,108	-
Interest receivable - restricted	-	167,595
Accounts receivable, net	2,180,720	26,267,806
Due from other county funds	122,784	84,826
Due from other governments	5,299,858	-
Due from component unit	-	-
Inventory	2,593,441	14,463,096
Current portion of other receivables	-	743,435
Lease receivable	2,972,462	33,634
Other assets	1,268,370	681,225
<b>Total current assets</b>	<b>182,203,227</b>	<b>418,968,585</b>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	82,945,761	11,915,092
Accounts receivable, net	2,336,911	-
Lease receivable	52,416,023	409,856
<b>Total noncurrent restricted assets</b>	<b>137,698,695</b>	<b>12,324,948</b>
Capital assets:		
Land	124,669,756	15,626,971
Buildings	493,951,144	147,793,707
Improvements other than buildings	345,597,185	1,825,708,562
Furniture, fixtures and equipment	43,554,101	99,006,166
Intangible - easement rights	13,754,957	1,678,030
Right to use assets, lease	-	393,014
Accumulated depreciation and amortization	(641,283,316)	(995,241,067)
Construction in progress	71,932,558	173,547,350
<b>Total capital assets</b>	<b>452,176,385</b>	<b>1,268,512,733</b>
Investment in joint ventures	-	71,367,920
Other receivables, noncurrent	-	4,699,995
<b>Total noncurrent assets</b>	<b>589,875,080</b>	<b>1,356,905,596</b>
<b>Total assets</b>	<b>\$ 772,078,307</b>	<b>\$ 1,775,874,181</b>
DEFERRED OUTFLOWS OF RESOURCES		
Pension related	\$ 2,613,918	\$ 8,771,518
OPEB related	284,941	988,432
Deferred charges on refunding	399,290	3,764,604
Goodwill	-	3,216,182
<b>Total deferred outflows of resources</b>	<b>\$ 3,298,149</b>	<b>\$ 16,740,736</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	
\$ 525,816,210	\$ 182,157,002
14,550,242	-
3,926,108	-
167,595	-
28,448,526	3,822,797
207,610	5,290,940
5,299,858	341,140
-	693
17,056,537	1,227,062
743,435	-
3,006,096	-
1,949,595	5,744,249
<u>601,171,812</u>	<u>198,583,883</u>
94,860,853	-
2,336,911	-
52,825,879	-
<u>150,023,643</u>	<u>-</u>
140,296,727	-
641,744,851	206,558
2,171,305,747	512,286
142,560,267	123,212,830
15,432,987	-
393,014	-
(1,636,524,383)	(80,823,448)
245,479,908	-
<u>1,720,689,118</u>	<u>43,108,226</u>
71,367,920	-
4,699,995	-
<u>1,946,780,676</u>	<u>43,108,226</u>
\$ 2,547,952,488	\$ 241,692,109
\$ 11,385,436	\$ -
1,273,373	-
4,163,894	-
3,216,182	-
<u>\$ 20,038,885</u>	<u>\$ -</u>

PALM BEACH COUNTY, FLORIDA  
Statement of Net Position  
Proprietary Funds  
September 30, 2023

	Business-type Activities -	
	Airports	Water Utilities
<b>LIABILITIES</b>		
Current liabilities payable from current assets:		
Vouchers payable and accrued liabilities	\$ 17,776,212	\$ 27,033,158
Due to other county funds	176,321	1,166,949
Due to other governments	-	1,383,460
Due to component unit	779	287,977
Unearned revenue	3,570,031	-
Compensated absences	158,425	414,000
Insurance claims payable	-	-
Lease liability	-	112,273
Other liabilities	418,351	-
<b>Total current liabilities payable from current assets</b>	<b>22,100,119</b>	<b>30,397,817</b>
Current liabilities payable from restricted assets:		
Customers' deposits	263,109	5,271,654
Current portion of long-term debt	2,645,000	7,597,296
Interest payable on bonds	1,293,751	1,598,810
<b>Total current liabilities payable from restricted assets</b>	<b>4,201,860</b>	<b>14,467,760</b>
<b>Total current liabilities</b>	<b>26,301,979</b>	<b>44,865,577</b>
Noncurrent liabilities:		
Compensated absences	1,297,105	3,501,878
Revenue bonds payable, net	55,555,797	123,609,421
Insurance claims payable	-	-
Net pension liability	12,734,797	42,734,127
Total OPEB liability	519,759	1,802,993
Lease liability	-	125,101
<b>Total noncurrent liabilities</b>	<b>70,107,458</b>	<b>171,773,520</b>
<b>Total liabilities</b>	<b>\$ 96,409,437</b>	<b>\$ 216,639,097</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension related	\$ 504,877	\$ 1,694,214
OPEB related	61,791	214,351
Leases	52,198,178	426,577
Other	-	556,580
<b>Total deferred inflows of resources</b>	<b>\$ 52,764,846</b>	<b>\$ 2,891,722</b>
<b>NET POSITION</b>		
Net investment in capital assets	\$ 382,431,759	\$ 1,118,394,707
Restricted for:		
Debt service	2,632,704	8,148,924
Capital projects	76,736,867	-
Unrestricted	164,400,843	446,540,467
<b>Total net position</b>	<b>\$ 626,202,173</b>	<b>\$ 1,573,084,098</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>	<u>Governmental Activities Internal Service Funds</u>
Totals	
\$ 44,809,370	\$ 2,161,617
1,343,270	33,913
1,383,460	77,595
288,756	-
3,570,031	-
572,425	-
-	21,388,855
112,273	-
418,351	-
<u>52,497,936</u>	<u>23,661,980</u>
5,534,763	-
10,242,296	-
2,892,561	-
<u>18,669,620</u>	<u>-</u>
<u>71,167,556</u>	<u>23,661,980</u>
4,798,983	785,822
179,165,218	-
-	49,097,126
55,468,924	-
2,322,752	-
125,101	-
<u>241,880,978</u>	<u>49,882,948</u>
<u>\$ 313,048,534</u>	<u>\$ 73,544,928</u>
\$ 2,199,091	\$ -
276,142	-
52,624,755	-
556,580	-
<u>\$ 55,656,568</u>	<u>\$ -</u>
\$ 1,500,826,466	\$ 43,108,226
10,781,628	-
76,736,867	-
610,941,310	125,038,955
2,199,286,271	<u>\$ 168,147,181</u>
23,164,217	
<u>\$ 2,222,450,488</u>	

PALM BEACH COUNTY, FLORIDA  
Statement of Revenues, Expenses, and Changes in Net Position  
Proprietary Funds  
For the fiscal year ended September 30, 2023

	<u>Business-type Activities -</u>	
	Airports	Water Utilities
Operating revenues:		
Charges for services	\$ 86,161,500	\$ 235,671,244
Miscellaneous	4,474,391	5,433,215
<b>Total operating revenues</b>	<b>90,635,891</b>	<b>241,104,459</b>
Operating expenses:		
Aviation services	61,668,152	-
Water and sewer services	-	174,689,478
Transportation services	-	-
Self-insurance services	-	-
Equity interest in net gain of joint ventures	-	(134,224)
Depreciation and amortization	25,505,871	53,914,020
<b>Total operating expenses</b>	<b>87,174,023</b>	<b>228,469,274</b>
<b>Operating income</b>	<b>3,461,868</b>	<b>12,635,185</b>
Nonoperating revenues (expenses):		
Interest income	10,739,045	17,544,739
Net change in fair value of investments	(89,009)	(202,075)
CARES Grant	5,277,367	-
Airport Coronavirus Response Grant	5,103,734	-
Airport American Rescue Plan	1,119,424	-
Interest expense	(2,587,500)	(3,189,807)
Other revenues	1,221,525	2,020,632
<b>Total nonoperating revenues</b>	<b>20,784,586</b>	<b>16,173,489</b>
<b>Income before capital contributions and transfers</b>	<b>24,246,454</b>	<b>28,808,674</b>
Capital contributions	22,596,885	39,190,183
Transfers in	30,004	-
Transfers out	(53,100)	(2,215,021)
<b>Change in net position</b>	<b>46,820,243</b>	<b>65,783,836</b>
<b>Net position, October 1, 2022</b>	<b>579,381,930</b>	<b>1,507,300,262</b>
<b>Net position, September 30, 2023</b>	<b>\$ 626,202,173</b>	<b>\$ 1,573,084,098</b>

Some amounts reported for business-type activities in the statement of activities (page 5) 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

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

<u>Enterprise Funds</u>	Governmental Activities Internal Service Funds
<u>Totals</u>	
\$ 321,832,744	\$ 167,342,721
9,907,606	-
<u>331,740,350</u>	<u>167,342,721</u>
61,668,152	-
174,689,478	-
-	25,229,934
-	116,393,150
(134,224)	-
<u>79,419,891</u>	<u>12,395,147</u>
<u>315,643,297</u>	<u>154,018,231</u>
<u>16,097,053</u>	<u>13,324,490</u>
28,283,784	7,507,734
(291,084)	(80,792)
5,277,367	-
5,103,734	-
1,119,424	-
(5,777,307)	-
<u>3,242,157</u>	<u>5,510,097</u>
<u>36,958,075</u>	<u>12,937,039</u>
53,055,128	26,261,529
61,787,068	-
30,004	6,000,000
<u>(2,268,121)</u>	<u>(6,013,200)</u>
112,604,079	26,248,329
	<u>141,898,852</u>
	<u>\$ 168,147,181</u>
2,250,410	
<u>\$ 114,854,489</u>	



PALM BEACH COUNTY, FLORIDA  
Statement of Cash Flows  
Proprietary Funds  
For the fiscal year ended September 30, 2023

	<u>Business-type Activities -</u>	
	Airports	Water Utilities
<b>Cash flows from operating activities:</b>		
Cash received from customers	\$ 89,212,580	\$ 236,018,445
Cash received from other funds for goods and services	-	-
Cash payments to vendors for goods and services	(27,805,799)	(97,652,041)
Cash payments to employees for services	(15,269,496)	(43,695,836)
Cash payments to other funds	(21,925,130)	(29,943,910)
Claims paid	-	-
Other receipts	-	5,341,681
<b>Net cash provided by operating activities</b>	<b>24,212,155</b>	<b>70,068,339</b>
<b>Cash flows from noncapital financing activities:</b>		
Cash contributed to joint ventures	-	(5,779,717)
Operating grants and other	11,791,979	1,062,305
Transfers in	30,004	-
Transfers out	(53,100)	(2,215,021)
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>11,768,883</b>	<b>(6,932,433)</b>
<b>Cash flows from capital and related financing activities:</b>		
Proceeds from sale of capital assets	89,358	111,466
Contributed capital	5,844,427	21,531,073
Purchase and construction of capital assets	(35,702,431)	(94,620,537)
Principal payments on debt	(2,520,000)	(7,345,367)
Interest payments on debt	(2,650,500)	(3,356,857)
Paying agent fees	-	(4,300)
Passenger facility charges received	13,445,017	-
Cash contributed by other governments	-	3,749,965
<b>Net cash (used in) capital and related financing activities</b>	<b>(21,494,129)</b>	<b>(79,934,557)</b>
<b>Cash flows from investing activities:</b>		
Interest and gains or losses on investments	10,650,034	17,380,193
<b>Net cash provided by investing activities</b>	<b>10,650,034</b>	<b>17,380,193</b>
<b>Net increase in cash and cash equivalents</b>	<b>25,136,943</b>	<b>581,542</b>
<b>Cash and cash equivalents, October 1, 2022</b>	<b>225,574,410</b>	<b>387,860,518</b>
<b>Cash and cash equivalents, September 30, 2023</b>	<b>\$ 250,711,353</b>	<b>\$ 388,442,060</b>

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

<u>Enterprise Funds</u>	Governmental Activities Internal Service Funds
Totals	
\$ 325,231,025	\$ 9,091,418
-	154,580,694
(125,457,840)	(38,538,549)
(58,965,332)	(8,648,734)
(51,869,040)	(2,798,984)
-	(94,429,234)
5,341,681	3,177,117
<u>94,280,494</u>	<u>22,433,728</u>
(5,779,717)	-
12,854,284	-
30,004	6,000,000
(2,268,121)	(6,013,200)
<u>4,836,450</u>	<u>(13,200)</u>
200,824	2,673,709
27,375,500	-
(130,322,968)	(14,849,944)
(9,865,367)	-
(6,007,357)	-
(4,300)	-
13,445,017	-
3,749,965	-
<u>(101,428,686)</u>	<u>(12,176,235)</u>
<u>28,030,227</u>	<u>7,426,942</u>
<u>28,030,227</u>	<u>7,426,942</u>
25,718,485	17,671,235
<u>613,434,928</u>	<u>164,485,767</u>
<u>\$ 639,153,413</u>	<u>\$ 182,157,002</u>

PALM BEACH COUNTY, FLORIDA  
Statement of Cash Flows  
Proprietary Funds  
For the fiscal year ended September 30, 2023

	<u>Business-type Activities -</u>	
	Airports	Water Utilities
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 3,461,868	\$ 12,635,185
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	25,505,871	53,914,020
Equity interest in net gain of joint ventures	-	(134,224)
Provision for doubtful accounts	-	(48,500)
Miscellaneous nonoperating revenue (expense)	(986,621)	-
Changes in assets, deferred outflows, liabilities, and deferred inflows:		
(Increase) decrease in accounts receivable	300,889	243,417
(Increase) decrease in due from other county funds	7,128	(9,055)
(Increase) in due from other governments	-	-
(Increase) decrease in inventory	(290,949)	(2,098,672)
(Increase) in other assets	(411,941)	(142,980)
Decrease in deferred outflows	305,633	903,899
Decrease in due from component unit	-	183,991
(Decrease) in vouchers payable and accrued liabilities	(4,305,650)	(340,160)
Increase (decrease) in due to other county funds	(12,090)	(40,925)
Increase (decrease) in due to other governments	-	159,787
(Decrease) in lease liability	-	(168,433)
(Decrease) in unearned revenue	(744,707)	-
(Decrease) in customer deposits	-	(309,692)
Increase in insurance claims payable	-	-
(Decrease) in other long-term liabilities	(56,976)	-
Increase in deferred inflows	31,520	125,953
Increase in net pension liability	1,410,672	5,194,455
Increase (decrease) in total OPEB liability	(2,492)	273
<b>Net cash provided by operating activities</b>	<b>\$ 24,212,155</b>	<b>\$ 70,068,339</b>
Supplemental disclosure of noncash capital and related financing activities:		
Amortization of premium on bonds	\$ 885,582	\$ 694,948
Amortization of bond refunding costs	\$ -	\$ 703,388
Payables related to capital asset acquisition	\$ 11,943,122	\$ 21,881,959
Receivables related to passenger facility charges	\$ 2,330,299	\$ -
Contribution of capital assets	\$ -	\$ 14,220,458
Disposal of fully depreciated capital assets	\$ 466,183	\$ 969,739
Receivables related to capital grants	\$ 4,503,821	\$ -

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

<u>Enterprise Funds</u>	Governmental Activities Internal Service Funds
Totals	
\$ 16,097,053	\$ 13,324,490
79,419,891	12,395,147
(134,224)	-
(48,500)	-
(986,621)	3,177,117
544,306	(3,374,382)
(1,927)	(272,369)
-	(24,812)
(2,389,621)	21,904
(554,921)	(1,446,578)
1,209,532	-
183,991	955
(4,645,810)	(108,874)
(53,015)	115,370
159,787	(8,370)
(168,433)	-
(744,707)	-
(309,692)	-
-	571,878
(56,976)	(1,937,748)
157,473	-
6,605,127	-
(2,219)	-
<u>\$ 94,280,494</u>	<u>\$ 22,433,728</u>
<u>\$ 1,580,530</u>	<u>\$ -</u>
<u>\$ 703,388</u>	<u>\$ -</u>
<u>\$ 33,825,081</u>	<u>\$ -</u>
<u>\$ 2,330,299</u>	<u>\$ -</u>
<u>\$ 14,220,458</u>	<u>\$ -</u>
<u>\$ 1,435,922</u>	<u>\$ 6,090,641</u>
<u>\$ 4,503,821</u>	<u>\$ -</u>

PALM BEACH COUNTY, FLORIDA  
Statement of Fiduciary Net Position  
Custodial Funds  
September 30, 2023

	Total Custodial Funds
<b>ASSETS</b>	
Cash, cash equivalents, and investments	\$125,254,893
Accounts receivable, net	1,141,166
Due from other governments	49,177
	<b>Total assets</b>
	126,445,236
<b>LIABILITIES</b>	
Vouchers payable and accrued liabilities	356,380
Due to other governments	68,614,655
Due to individuals	5,499,453
	<b>Total liabilities</b>
	74,470,488
<b>NET POSITION</b>	
Amount held for individuals, organizations, and other governments	51,974,748
	<b>Total net position</b>
	<b>\$ 51,974,748</b>

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, 2023

	Total Custodial Funds
<b>ADDITIONS</b>	
Investment income	\$ 22,690
Motor vehicle tag fees	787,089
Taxes collected on behalf of other governments	3,386,979,058
Inmate trust	5,984,962
Seized currency and evidence	3,737,847
Tax deeds	3,484,763
Criminal cash bonds	2,097,062
General deposit and cash bonds	1,539,063
Circuit registry	78,872,455
Foreclosure sales and deposits	41,684,825
Other additions	115,460,873
Total additions	3,640,650,687
<b>DEDUCTIONS</b>	
Distributions to other governments	3,387,973,403
Inmate trust	6,053,133
Seized currency and evidence	2,394,136
Tax deeds	6,452,956
Criminal cash bonds	916,906
General deposit and cash bonds	829,543
Circuit registry	87,330,804
Foreclosure sales and deposits	42,393,097
Other deductions	113,847,783
Total deductions	3,648,191,761
Change in net position	(7,541,074)
Net position, October 1, 2022	59,515,822
Net position, September 30, 2023	\$ 51,974,748

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, 2023**

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**PALM BEACH COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**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

**PALM BEACH COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

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, 2022, the date of the most recent audited financial statements, the Facility had total assets and deferred outflows of \$347,613,733 and total net position of \$182,555,754 including \$127,022,796 invested in capital, net of related debt, and \$5,319,455 of unrestricted net position. September 30, 2023 amounts are expected to approximate the above figures. As of September 30, 2023, the County's investment in this joint venture was \$69.5 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, 2023, Palm Beach County had a 34.29% interest.

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The participants and each entity's interest on September 30, 2023 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

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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 \$1,737,400 for the year ended September 30, 2023. As of September 30, 2023, the County's investment in the BPF is \$1.9 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.

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**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 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.



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*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. Although this fund does not meet the test as a major fund based on quantitative calculations, County management has deemed it to be a major fund for consistency purposes as well as for public interest.

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

The **COVID-19 Special Revenue Fund** is to account for activities related to the funding received from the U.S Treasury and other sources under the CARES Act and American Rescue Plan Act (ARPA) for COVID-19 as well as the distribution of these funds to individuals and businesses. Although this fund does not meet the test as a major fund based on quantitative calculations, County management has deemed it to be a major fund for consistency purposes as well as for public interest.

*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.

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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 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

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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.

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

The County implemented the following GASB Statements during the fiscal year ended September 30, 2023:

- GASB Statement No. 91, “*Conduit Debt Obligations*”. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.
- GASB Statement No. 94, “*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*”. This Statement will improve financial reporting by establishing the definitions of public-private and public-public partnership arrangements (PPPs) and availability payment arrangements (APAs) and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions.
- GASB Statement No. 96, “*Subscription-Based Information Technology Arrangements*”. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments).
- GASB Statement No. 99, “*Omnibus 2022*”. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to more easily locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements. The requirements related to leases, public-private and

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public-public partnerships, and subscription-based information technology arrangements were implemented in the current year.

**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. 99, “*Omnibus 2022*”. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to more easily locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for the fiscal year ending September 30, 2024.
- GASB Statement No. 100, “*Accounting Changes and Error Corrections*”. The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections. This Statement is effective for the fiscal year ending September 30, 2024.
- 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. This Statement is effective for the fiscal year ending September 30, 2025.
- 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.

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As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. This Statement is effective for the fiscal year ending September 30, 2025.

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

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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 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

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trends and analysis of current economic factors. As of September 30, 2023, there was an allowance of \$19.4 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 section Y) are defined as those assets with an initial, individual cost of over \$5,000. 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.

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

<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



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OPEB related deferred inflows of resources represent changes in assumptions or other inputs and 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**

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, the County accrues a liability for compensated absences, as well as certain other salary-related costs associated with the payment of compensated absences. Vacation leave is accrued as a liability as the benefits are earned by the employees. Sick leave is also accrued as a liability as the benefits are earned by the employees, but only to the extent that it is probable that the County will compensate the employees for the benefits through cash payments at termination or retirement.

Under the accrual basis of accounting used in the government-wide financial statements and the separate proprietary fund financial statements, the entire compensated absences liability (long-term and short-term) is reported when earned as described above. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

**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 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 participants.

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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.

**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

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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 2023, supplemental appropriations amounted to a net increase of \$926.5 million or approximately 14% 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 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 fund financial statements 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.

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**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 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.

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**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 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

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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”.

#### **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

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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, 2023.

#### **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 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

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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.

- 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.



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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 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 life of the related contract.

The costs of normal maintenance and repairs that do not add to the values of the assets or materially extend the asset lives are not capitalized and are expensed as incurred.

The 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 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.

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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, 2023, cash and investments consisted of the following:

	Bank Balance	Carrying Value	Investments
Deposits in Financial Institutions	\$ 258,207,636	\$ 227,940,160	\$ -
Cash on Hand		316,165	-
Internal Investment Pool		3,723,067,888	3,716,595,163
Business-Type Activities/ Constitutional Officers Cash Equivalents:			
Money Market Funds		80,999,142	80,999,142
State Board of Administration Investment Pool		826,831	826,831
Total		\$ 4,033,150,186	\$ 3,798,421,136

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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:

Statement of Net Position

Primary Government

Cash, cash equivalents & investments	\$	2,681,129,168	
Restricted cash, cash equivalents & investments		1,226,766,125	
			\$ 3,907,895,293

Fiduciary Funds

Cash, cash equivalents & investments	\$	125,254,893	
			125,254,893
			\$ 4,033,150,186

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>				
Small Business Administration	\$ 358,633,041	\$ 358,633,041	\$ -	\$ -
Florida Local Govt Investment Trust	11,097,834	11,097,834	-	-
Florida Coop. Liquid Assets Securities System	467	467	-	-
	369,731,342	\$ 369,731,342	\$ -	\$ -
<b>Other Investments:</b>				
State Board of Administration Florida PRIME	15,215,698			
Certificates of Deposit	422,286,897			
State of Israel Bonds*	40,000,000			
Bank Money Market Accounts	2,850,962,740			
Money Market Funds	12,094,685			
Cash and Receivables	6,303,801			
<b>Business-Type Activities/Constitutional</b>				
<b>Officers Cash Equivalents:</b>				
Money Market Funds	80,999,142			
State Board of Administration Florida PRIME	826,831			
	\$ 3,798,421,136			

\*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, 2023:

Investment	Amount	Fair Value		
		Level 1	Level 2	Level 3
Small Business Administration	\$ 358,633,041	\$ -	\$ 358,633,041	\$ -
Total Investments in the Fair Value Hierarchy	358,633,041	-	358,633,041	-
Investments Measured at the Net Asset Value:				
State Board of Administration Florida PRIME	15,215,698			
Florida Local Government Investment Trust	11,097,834	-	-	-
Florida Coop. Liquid Assets Securities System	467	-	-	-
Business-Type Activities/Constitutional Officers:				
State Board of Administration Florida PRIME	826,831	-	-	-
Total Investments Measured at Net Asset Value*	27,140,830	-	-	-
Total Investments	\$ 385,773,871	\$ -	\$ 358,633,041	\$ -

\*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 \$3,412,647,265.

**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, 2023:

Investments	Amount	Percentage of Total Portfolio	Credit Rating
Small Business Administration	\$ 358,633,041	9.5%	AA+
State Board of Administration Florida PRIME	15,215,698	0.4%	AAAm
Certificates of Deposit	422,286,897	11.0%	Not rated
Florida Local Govt Investment Trust	11,097,834	0.3%	AAAf
Florida Coop. Liquid Assets Securities System	467	0.0%	AAAm
State of Israel Bonds	40,000,000	1.1%	AA-
Bank Money Market Accounts	2,850,962,740	75.1%	N/A
Money Market Funds	12,094,685	0.3%	AAAm
Cash and Receivables	6,303,801	0.2%	N/A
Business-Type Activities/Constitutional Officers Cash Equivalents:			
Money Market Funds	80,999,142	2.1%	AAAm
State Board of Administration Florida PRIME	826,831	0.0%	AAAm
	\$ 3,798,421,136	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 Israel Bonds are allowable only if the State of Israel’s foreign debt at the time of purchase is at least A or higher by Standard & Poor’s and Moody’s rating services. Investments in intergovernmental investment pools do not have a minimum credit rating requirement. All 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.

Investment Issuer	Amount	Percentage of Total
Small Business Administration	\$ 358,633,041	9.5%
State Board of Administration Florida PRIME	15,215,698	0.4%
TD Bank CD/MMKT	1,440,741,102	37.9%
Synovus Bank MMKT	443,486,267	11.7%
Centennial Bank CD/MMKT	10,476	0.0%
City National Bank CD/MMKT	637,649,289	16.8%
Bank United MMKT	957,296	0.0%
Service 1st Bank MMKT	468,527,005	12.3%
Amerant Bank MMKT	208,602,313	5.5%
U.S. Century Bank MMKT	73,275,889	1.9%
Florida Local Government Investment Trust (FLGIT)	11,097,834	0.3%
Florida Coop. Liquid Assets Securities System	467	0.0%
State of Israel Bonds	40,000,000	1.1%
Money Market Funds	12,094,685	0.3%
Cash and Receivables	6,303,801	0.2%
Business-Type Activities/Constitutional Officers Cash Equivalents:		
Money Market Funds	80,999,142	2.1%
State Board of Administration Florida PRIME	826,831	0.0%
	\$ 3,798,421,136	100.0%

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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 3% (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, 2023:

Bank balance of deposits with financial institutions (including customer deposits)	\$ 24,698,905
Carrying value	
Deposits with financial institutions	\$ 24,773,192
Petty cash and cash drawers	8,400
Money market mutual funds	237,087,659
Florida Prime	230,893,673
Total cash and cash equivalents	<u>\$ 492,762,924</u>

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

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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. The SWA holds Treasury Securities – State and Local Government Series (“SLGS”) issues that are reported at historical cost (face value). U.S. Treasury SLGS were issued to meet the debt service requirements of Refunding Revenue Bonds, Series 2019 until the crossover date of October 1, 2021. There is no market for these securities as they may only be redeemed at the U.S. Department of Treasury on or before their stated maturity date at face value plus accrued interest.



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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:

- 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, 2023 are as follows:

	Fair Value	Weighted Average Maturity
Investments reported at Amortized Cost:		
Cash equivalents:		
Money market mutual funds	\$ 237,087,659	90 days or less
Florida Prime	230,893,673	35 days
Total Investments	\$ 467,981,332	

**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.

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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.

The credit quality ratings of the investments held at September 30, 2023 are as follows:

	Fair Value	Credit Quality Ratings	
		S&P	Moody's
Money Market mutual funds	\$ 237,087,659	AAAm	Aaa-mf
Florida Prime	230,893,673	AAAm	Not Rated
Total Investments	<u>\$ 467,981,332</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, 2023.

At September 30, 2023, 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	\$ 230,893,673	46.9%
Money Market Mutual Funds:		
Dreyfus Government	146,352,146	29.7%
Fidelity Government	90,735,513	18.4%

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, 2023.

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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>				
Non-depreciable assets:				
Land	\$ 719,527,489	\$ 969,083	\$ (25,000)	\$ 720,471,572
Construction In Progress	295,184,811	133,393,715	(78,037,688)	350,540,838
Total non-depreciable assets	<u>1,014,712,300</u>	<u>134,362,798</u>	<u>(78,062,688)</u>	<u>1,071,012,410</u>
Depreciable assets:				
Buildings and improvements	1,412,572,016	37,673,659	-	1,450,245,675
Improvements other than buildings	520,169,182	4,913,420	-	525,082,602
Equipment	852,865,078	75,867,506	(51,844,032)	876,888,552
Infrastructure	1,692,530,683	18,821,596	-	1,711,352,279
Total depreciable assets	<u>4,478,136,959</u>	<u>137,276,181</u>	<u>(51,844,032)</u>	<u>4,563,569,108</u>
Less accumulated depreciation for:				
Buildings and improvements	(640,670,637)	(38,412,520)	-	(679,083,157)
Improvements other than buildings	(340,707,821)	(14,705,215)	-	(355,413,036)
Equipment	(584,153,884)	(76,553,978)	50,524,439	(610,183,423)
Infrastructure	(1,340,791,768)	(33,033,024)	-	(1,373,824,792)
Total accumulated depreciation	<u>(2,906,324,110)</u>	<u>(162,704,737)</u>	<u>50,524,439</u>	<u>(3,018,504,408)</u>
Total capital assets, being depreciated, net	<u>1,571,812,849</u>	<u>(25,428,556)</u>	<u>(1,319,593)</u>	<u>1,545,064,700</u>
Right-to-use assets:				
Buildings and improvements	9,003,289	929,767	(743,156)	9,189,900
Improvements other than buildings	125,608	-	-	125,608
Equipment	570,986	115,886	(28,767)	658,105
Subscription-based assets	3,403,430	54,484,929	-	57,888,359
Total right-to-use assets	<u>13,103,313</u>	<u>55,530,582</u>	<u>(771,923)</u>	<u>67,861,972</u>
Less accumulated amortization for:				
Buildings and improvements	(3,092,573)	(3,054,185)	743,156	(5,403,602)
Improvements other than buildings	(48,373)	(48,373)	-	(96,746)
Equipment	(82,291)	(91,008)	28,767	(144,532)
Subscription-based assets	-	(5,844,385)	-	(5,844,385)
Total accumulated amortization	<u>(3,223,237)</u>	<u>(9,037,951)</u>	<u>771,923</u>	<u>(11,489,265)</u>
Total right-to-use assets, net	<u>9,880,076</u>	<u>46,492,631</u>	<u>-</u>	<u>56,372,707</u>
Total capital assets being depreciated/amortized, net	<u>1,581,692,925</u>	<u>21,064,075</u>	<u>(1,319,593)</u>	<u>1,601,437,407</u>
Total governmental capital assets	<u>\$ 2,596,405,225</u>	<u>\$ 155,426,873</u>	<u>\$ (79,382,281)</u>	<u>\$ 2,672,449,817</u>

\* Revised to include Subscription-based assets as a result of the implementation of GASB Statement No. 96 effective as of 10/1/22.

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	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance</b>
<b>Business-type Activities:</b>				
Non-depreciable assets:				
Land	\$ 140,180,004	\$ 116,723	\$ -	\$ 140,296,727
Intangible - easement rights	1,678,030	-	-	1,678,030
Construction In Progress	192,078,437	128,039,529	(74,638,058)	245,479,908
Total non-depreciable assets	<u>333,936,471</u>	<u>128,156,252</u>	<u>(74,638,058)</u>	<u>387,454,665</u>
Depreciable assets:				
Buildings and improvements	620,612,856	21,131,995	-	641,744,851
Improvements other than buildings	2,102,912,192	68,393,555	-	2,171,305,747
Equipment	138,838,729	5,348,135	(1,626,597)	142,560,267
Intangible - easement rights	13,754,957	-	-	13,754,957
Total depreciable assets	<u>2,876,118,734</u>	<u>94,873,685</u>	<u>(1,626,597)</u>	<u>2,969,365,822</u>
Less accumulated depreciation for:				
Buildings and improvements	(386,575,643)	(16,506,166)	-	(403,081,809)
Improvements other than buildings	(1,055,548,314)	(54,199,116)	-	(1,109,747,430)
Equipment	(111,286,413)	(6,226,374)	1,594,089	(115,918,698)
Intangible - easement rights	(7,285,784)	(343,874)	-	(7,629,658)
Total accumulated depreciation	<u>(1,560,696,154)</u>	<u>(77,275,530)</u>	<u>1,594,089</u>	<u>(1,636,377,595)</u>
Total capital assets, being depreciated, net	<u>1,315,422,580</u>	<u>17,598,155</u>	<u>(32,508)</u>	<u>1,332,988,227</u>
Right-to-use assets:				
Equipment	401,826	139,975	(148,787)	393,014
Total right-to-use assets	<u>401,826</u>	<u>139,975</u>	<u>(148,787)</u>	<u>393,014</u>
Less accumulated amortization for:				
Equipment	(163,558)	(132,017)	148,787	(146,788)
Total accumulated amortization	<u>(163,558)</u>	<u>(132,017)</u>	<u>148,787</u>	<u>(146,788)</u>
Total right-to-use assets, net	<u>238,268</u>	<u>7,958</u>	<u>-</u>	<u>246,226</u>
Total capital assets being depreciated/amortized, net	<u>1,315,660,848</u>	<u>17,606,113</u>	<u>(32,508)</u>	<u>1,333,234,453</u>
Total business-type capital assets	<u>\$ 1,649,597,319</u>	<u>\$ 145,762,365</u>	<u>\$ (74,670,566)</u>	<u>\$ 1,720,689,118</u>

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

**Governmental activities:**

General government	\$ 35,820,879
Public safety	48,588,977
Physical environment	2,535,716
Transportation	50,308,899
Economic environment	820,561
Human services	1,058,084
Culture and recreation	20,214,425

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.

	<u>12,395,147</u>
Total increases to accumulated depreciation/amortization - governmental activities	<u><u>\$ 171,742,688</u></u>

**Business-type Activities:**

Department of Airports	\$ 25,505,871
Water Utilities Department	51,901,676

Total increases to accumulated depreciation/amortization - business-type activities	<u><u>\$ 77,407,547</u></u>
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**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>
Non-depreciable assets:				
Land	\$ 50,626,126	\$ -	\$ -	\$ 50,626,126
Construction In Progress	14,881	146,716	(14,881)	146,716
Total non-depreciable assets	<u>50,641,007</u>	<u>146,716</u>	<u>(14,881)</u>	<u>50,772,842</u>
Depreciable assets:				
Buildings and improvements	781,466,370	-	(18,931,471)	762,534,899
Improvements other than buildings	172,300,950	122,540	(416,165)	172,007,325
Equipment	766,486,632	11,255,782	(16,167,831)	761,574,583
Total depreciable assets	<u>1,720,253,952</u>	<u>11,378,322</u>	<u>(35,515,467)</u>	<u>1,696,116,807</u>
Less accumulated depreciation for:				
Buildings and improvements	(407,494,361)	(26,363,673)	18,931,471	(414,926,563)
Improvements other than buildings	(98,114,817)	(6,290,734)	416,165	(103,989,386)
Equipment	(335,728,154)	(28,836,641)	16,150,565	(348,414,230)
Total accumulated depreciation	<u>(841,337,332)</u>	<u>(61,491,048)</u>	<u>35,498,201</u>	<u>(867,330,179)</u>
Total capital assets, being depreciated, net	<u>878,916,620</u>	<u>(50,112,726)</u>	<u>(17,266)</u>	<u>828,786,628</u>
Right-to-use assets:				
Equipment	2,516,013	-	-	2,516,013
Total right-to-use assets	<u>2,516,013</u>	<u>-</u>	<u>-</u>	<u>2,516,013</u>
Less accumulated amortization for:				
Equipment	(413,086)	(206,543)	-	(619,629)
Total right-to-use assets, net	<u>2,102,927</u>	<u>(206,543)</u>	<u>-</u>	<u>1,896,384</u>
Total capital assets being depreciated/amortized, net	<u>881,019,547</u>	<u>(50,319,269)</u>	<u>(17,266)</u>	<u>830,683,012</u>
Total component unit capital assets	<u>\$ 931,660,554</u>	<u>\$ (50,172,553)</u>	<u>\$ (32,147)</u>	<u>\$ 881,455,854</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 2023 was \$21,054,824.

**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 90.4% of total passenger traffic (enplaned plus deplaned) at PBIA as follows: Jet Blue – 27.9%, Delta Airlines – 25.3%, American – 18.8%, United – 11.0%, and Southwest – 7.4%.

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**6. INTERFUND RECEIVABLE AND PAYABLE BALANCES**

Interfund balances at September 30, 2023, are expected to be repaid within one year. Interfund receivable and payable balances at September 30, 2023 were as follows:

Payable Fund	Receivable Fund				
	General Fund	Special Revenue Funds			Road Program Capital Projects
		Palm Tran	Fire Rescue	COVID-19	
General Fund	\$ -	\$19,403,651	\$6,649,242	\$ 67,479	\$ 930,612
Palm Tran Special Revenue Fund	59,150,209	-	-	-	-
Fire Rescue Special Revenue Fund	-	-	-	-	-
COVID-19 Special Revenue Fund	-	-	-	-	-
Road Program Capital Projects	253,596	-	-	-	-
General Government Capital Projects	53,017	-	-	-	-
Nonmajor Governmental Funds	11,147,827	-	-	-	-
Airports	-	-	-	-	-
Water Utilities	1,238	-	-	-	-
Internal Service	17,311	-	-	-	-
<b>Total</b>	<b>\$70,623,198</b>	<b>\$19,403,651</b>	<b>\$6,649,242</b>	<b>\$ 67,479</b>	<b>\$ 930,612</b>

The majority of the \$59.1 & \$11.1 million due to the General Fund from the Palm Tran Special Revenue Fund and Nonmajor Governmental Funds respectively, represent advances that will be paid upon collection of federal and state grants receivable related to Palm Tran, Law Enforcement Grants, and Community & Social Development. The \$19.4 due from the General Fund to Palm Tran Special Revenue Fund relates to operating subsidies to Palm Tran. The majority of the \$6.6 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 \$22.6 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					
	General Fund	General Government Capital Projects	Nonmajor Governmental Funds	Fleet Management	Combined Insurance	Total
Primary Government:						
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Palm Tran	-	-	-	-	-	-
Nonmajor Governmental Funds	-	-	-	-	-	-
Airports	-	-	-	-	-	-
Water Utilities	-	-	-	-	-	-
Component Units:						
Solid Waste Authority	345,185	-	-	693	-	345,878
<b>Total</b>	<b>\$ 345,185</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 693</b>	<b>\$ -</b>	<b>\$ 345,878</b>

The \$7.7 million due to the HFA from the General Fund relates to the HFA resources held by the County's investment pool. The \$5.8 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
\$ 706,889	\$ 22,603,801	\$ 50,361,674	\$ -	\$ 6,841	\$ 6,841	\$ 2,396,035	\$ 52,764,550
-	-	59,150,209	-	-	-	206,351	59,356,560
-	-	-	-	-	-	230,029	230,029
-	-	-	-	-	-	-	-
16,943	145,943	416,482	-	-	-	43,816	460,298
-	6,986	60,003	-	-	-	-	60,003
708	1,602,913	12,751,448	38,065	3,574	41,639	1,215,205	14,008,292
-	-	-	-	74,014	74,014	102,307	176,321
-	-	1,238	84,719	-	84,719	1,080,992	1,166,949
-	-	17,311	-	397	397	16,205	33,913
\$ 724,540	\$ 24,359,643	\$ 122,758,365	\$ 122,784	\$ 84,826	\$ 207,610	\$ 5,290,940	\$ 128,256,915

**Receivable From - Component Units**

Housing Finance Authority (HFA)	Westgate Belvedere Homes Community Redevelopment	Solid Waste Authority (SWA)	Total
\$ 7,688,957	\$ -	\$ 5,555,060	\$ 13,244,017
-	-	22	22
-	-	14,990	14,990
-	-	779	779
-	-	287,977	287,977
-	-	-	-
\$ 7,688,957	\$ -	\$ 5,858,828	\$ 13,547,785



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**7. INTERFUND TRANSFERS**

<b>Transfers In</b>	General Fund	Palm Tran Special Revenue Fund	Fire Rescue Special Revenue Fund	COVID-19 Special Revenue Fund
General Fund	\$ -	\$ -	\$ -	\$ 604,556
Palm Tran Special Revenue Fund	61,752,037	-	-	147,424
Fire Rescue Special Revenue Fund	10,808,052	-	-	-
Road Program Capital Projects	-	-	-	-
General Government Capital Projects	63,043,356	94,800	565,200	-
Nonmajor Governmental Funds	113,123,723	-	33,840,000	-
Airport	-	-	-	-
Internal Service Funds	6,000,000	-	-	-
<b>Total</b>	<b>\$ 254,727,168</b>	<b>\$ 94,800</b>	<b>\$ 34,405,200</b>	<b>\$ 751,980</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	General	Nonmajor		Water	Internal		
Capital Projects	Governments	Governmental	Airports	Utilities	Service	Funds	Total
\$ -	\$ 12,787,692	\$ 13,294,941	\$ -	\$ 1,548,684	\$ 6,000,000		\$ 34,235,873
-	-	-	-	-	-	-	61,899,461
-	-	389,088	-	541,833	-	-	11,738,973
-	1,569,892	1,060,055	-	-	-	-	2,629,947
1,143,207	-	19,108,949	53,100	94,500	13,200	-	84,116,312
1,035,129	2,218,986	42,702,173	-	-	-	-	192,920,011
-	-	-	-	30,004	-	-	30,004
-	-	-	-	-	-	-	6,000,000
<b>\$ 2,178,336</b>	<b>\$ 16,576,570</b>	<b>\$ 76,555,206</b>	<b>\$ 53,100</b>	<b>\$ 2,215,021</b>	<b>\$ 6,013,200</b>		<b>\$ 393,570,581</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, 2023, the County’s receivable for lease payments and corresponding deferred inflows was \$10,056,102. 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 does *not* consist of leasing assets to other entities. For the fiscal year ended September 30, 2023, 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 \$21,647.

The following are brief descriptions of each of the County’s leases existing as of September 30, 2023:

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. The external party is required to make annual principal and interest payments of \$135,455.

*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 term of the lease 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. 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. Annually, on the anniversary of the commencement date, the lease payment is adjusted for a change in the Consumer Price Index (CPI).

*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 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 is required to make semi-annual principal and interest payments of \$209,346. During fiscal year ended September 30,

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2023, the lease was extended one year commencing July 1, 2023 through June 30, 2024. Each year on the anniversary of the commencement date the annual rent rate is subject to an adjustment based on the change in the Consumer Price Index.

*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. The lease provides the tenant an option to extend the term of the agreement for a period of five years – it is not reasonably certain that the tenant will exercise the option as it relates to the initial lease receivable measurement. 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 external party is required to make monthly principal and interest payments of \$1,785.

**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 \$11,977,469 for the fiscal year ended September 30, 2023.

Rental car leases provide for minimum rentals, plus a contingency portion specified as a percentage of gross revenues; however, during fiscal year 2021 and 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. Minimum future receipts, exclusive of contingent rentals under such leases, are approximately:

Fiscal year ending September 30	Principal	Interest	Total
2024	\$ 2,972,462	\$ 2,680,183	\$ 5,652,645
2025	1,803,386	2,564,060	4,367,446
2026	1,850,454	2,478,526	4,328,980
2027	1,123,031	2,408,657	3,531,688
2028	964,464	2,365,433	3,329,897
2029-2033	5,614,943	11,115,306	16,730,249
2034-2038	4,794,150	9,922,912	14,717,062
2039-2043	2,935,233	8,921,043	11,856,276
2044-2048	2,610,629	8,244,144	10,854,773
2049-2053	2,432,853	7,446,947	9,879,800
2054-2058	3,693,183	6,527,606	10,220,789
2059-2063	6,102,819	5,230,024	11,332,843
2064-2068	8,388,124	3,425,758	11,813,882
2069-2073	7,917,089	1,219,709	9,136,798
2074-2078	2,185,665	36,489	2,222,154
Total	<u>\$ 55,388,485</u>	<u>\$ 74,586,797</u>	<u>\$ 129,975,282</u>

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Revenue from regulated leases (as defined by GASB 87) amounted to \$5,383,694 for the year ended September 30, 2023. Regulated leases include Airline and Fixed Based Operator agreements which are regulated by the Federal Aviation Administration.

A schedule of the carrying value of property held for lease, by major classification, as of September 30, 2023 is as follows:

Buildings	\$ 370,538,350
Less: accumulated depreciation	(254,807,888)
Buildings, net	115,730,462
Land	60,592,762
Total property held for lease	\$ 176,323,224

**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 \$54,183 for the fiscal year ended September 30, 2023. Minimum future receipts under this lease are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total
2024	\$ 33,634	\$ 22,174	\$ 55,808
2025	36,990	20,493	57,483
2026	40,564	18,643	59,207
2027	44,369	16,615	60,984
Thereafter	287,933	45,553	333,486
Total	\$ 443,490	\$ 123,478	\$566,968

**County as Lessee**

**Governmental Funds:**

As of fiscal year ended September 30, 2023, the County's right-of-use lease asset and related accumulated amortization was \$9,973,613 and \$5,644,880, respectively. The related lease liability at fiscal year ended September 30, 2023 was \$4,565,188. 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, 2023 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 \$36,855.

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The following are brief descriptions of each of the County's leases existing as of September 30, 2023:

**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 is required to make annual principal and interest payments of \$49,905. The annual lease payment is adjusted due to the change in the Consumer Price Index.

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 is required to make annual principal and interest payments of \$41,054. The annual lease payment is adjusted due to the change in the Consumer Price Index (CPI).

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 1/13/2020 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 \$4,317.

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. On an annual basis, the lease payment is adjusted due to the change in the Consumer Price Index (CPI).

South Florida Water Management District - On 8/1/2020 the County entered into a 3-year lease agreement for the use of office space. After the initial term, the County has two successive options each for a period of one year to extend the initial term; during the renewal options, either party may terminate the agreement upon sufficient notice. The County is required to make annual principal and interest payments in equal monthly installments. For the periods 8/1/2021 – 7/31/2022 and 8/1/2022 – 7/31/2023, the fixed monthly payments are stated as \$35,275 and \$36,333, respectively.

**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.

RREEF America REIT II Corp (Supervisor of Elections) - On 6/22/2016 the Supervisor of Elections entered into a five-year lease agreement for the use of warehouse space. Pursuant to an amendment dated 7/14/2020, the term of the lease was extended for an additional thirty-months commencing on 6/22/2021. The Supervisor of Elections is required to make monthly principal and interest payments of \$49,473 from 6/22/2021 – 6/30/2022. For the periods 7/1/2022 – 6/30/2023 and 7/1/2023 – 12/31/2023, the fixed monthly payments are \$50,957 and \$52,473, respectively, which reflect a 3% annual increase.

Pitney Bowes, Inc. (Supervisor of Elections) - On 3/25/2022 the Supervisor of Elections entered into a three-year lease agreement for the use of mail processing equipment. The Supervisor of Elections is required to make quarterly

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principal and interest payments of \$5,687. The discount rate utilized to measure the initial lease liability was 6.25% which reflected the County's incremental borrowing rate at the time, respectively.

*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 60 months and are not mutually cancellable. As of September 30, 2023, the value of the right-to-use lease assets were \$6,949,692 and the accumulated amortization is \$3,529,784.

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
2024	\$ 2,263,554	\$ 202,841	\$ 2,466,395
2025	1,115,526	112,519	1,228,045
2026	868,339	50,081	918,420
2027	261,250	11,809	273,059
2028	56,519	1,489	58,008
Total	<u>\$ 4,565,188</u>	<u>\$ 378,739</u>	<u>\$ 4,943,927</u>

**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, 2023:

Water Utilities - Lease Assets	
Beginning balance	\$ 238,268
Leases initiated during the fiscal year	139,975
Lease amortization expense	<u>(132,017)</u>
Lease assets, net	<u>\$ 246,226</u>

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.

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Water Utilities - Lease Liability

Years Ending September 30	Principal	Interest	Total
2024	\$ 112,273	\$ 15,579	\$127,852
2025	72,169	12,866	85,035
2026	36,424	8,358	44,782
2027	16,508	3,558	20,066
Total	<u>\$ 237,374</u>	<u>\$ 40,361</u>	<u>\$277,735</u>

**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.

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). For the year ended September 30, 2023, the CPI adjustment of \$21,462 was not included in the initial measurement of the lease.

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 are indicated below. These amounts are also included in the SWA's Long-Term Debt note.

Solid Waste Authority - Lease Liability			
Years Ending September 30	Principal	Interest	Total
2024	\$ 115,277	\$ 75,988	\$ 191,265
2025	97,067	72,105	169,172
2026	97,166	68,216	165,382
2027	88,310	64,614	152,924
2028	91,842	61,082	152,924
2029-2033	517,345	247,275	764,620
2034-2038	629,429	135,191	764,620
2039-2040	288,430	17,419	305,849
Total	<u>\$ 1,924,866</u>	<u>\$ 741,890</u>	<u>\$ 2,666,756</u>



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***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. For the year ended September 30, 2023, the PPI adjustment of \$11,871 was included in the initial measurement of the lease.

*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. For the year ended September 30, 2023, the CPI adjustment of \$21,372 was not included in the initial measurement of the lease.

*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, 2023, the SWA recognized \$365,317 in lease revenue and \$112,445 in interest revenue related to leases.

Solid Waste Authority - Lease Receivable			
Years Ending September 30	Principal	Interest	Total
2024	\$ 324,295	\$ 112,445	\$ 436,740
2025	335,392	102,716	438,108
2026	346,863	92,654	439,517
2027	358,720	82,248	440,968
2028	370,977	71,486	442,463
2029-2033	1,267,076	205,829	1,472,905
2034-2038	744,827	62,842	807,669
Total	<u>\$ 3,748,150</u>	<u>\$ 730,220</u>	<u>\$ 4,478,370</u>

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

**Governmental Funds:**

As of the October 1, 2022 implementation date for the new Subscription-Based Information Technology Arrangements (SBITA) accounting standard, the County had three (3) SBITA agreements in existence with a value of \$3,403,430 at implementation. As of fiscal year ended September 30, 2023, the County's right-to-use subscription-based information technology asset and related accumulated amortization was \$57,888,359 and \$5,844,385, respectively. The related subscription liability at fiscal year ended September 30, 2023 was \$47,802,806. Refer to Note 3. Capital Assets for a summary of changes in the right-to-use subscription-based information technology asset. Unless otherwise noted below, the initial lease liability was measured utilizing a

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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 SBITAs existing as of September 30, 2023:

**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 10/1/2020 the Clerk’s Office entered into a three-year SBITA (*initial term ends 10/31/23*) regarding an organization-wide Office 365 application suite. The Clerk’s Office is required to make annual principal and interest payments of \$360,689.

*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 and are not mutually cancellable. As of September 30, 2023, the value of the right-to-use subscription-based information technology assets were \$56,291,152 and the accumulated amortization was \$5,100,721.

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

Years Ending September 30	Governmental Activities - SBITA Liability		
	Principal	Interest	Total
2024	\$ 4,123,192	\$ 5,900,139	\$ 10,023,331
2025	5,681,089	3,656,871	9,337,960
2026	4,183,981	3,170,736	7,354,717
2027	4,210,977	2,799,188	7,010,165
2028	4,941,249	2,411,718	7,352,967
2029-2033	24,662,318	4,809,354	29,471,672
Total	<u>\$ 47,802,806</u>	<u>\$ 22,748,006</u>	<u>\$ 70,550,812</u>

**10. 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, 2023, 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.

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**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, 2023 is \$11,941,601. During claim years 2023 and 2022, 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>
2022	\$ 13,226,185	\$ 2,271,957	\$ (3,436,955)	12,061,187
2023	12,061,187	3,306,007	(3,425,593)	11,941,601

**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 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, 2023 is \$51,013,380.

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During claim years 2023 and 2022, changes recorded to the claims liability for workers' compensation insurance were as follows:

	Beginning of Fiscal Year	Claims and Changes in	Claim	Balance at Fiscal
<u>Fiscal Year</u>	<u>Liability</u>	<u>Estimates</u>	<u>Payments</u>	<u>Year-End</u>
2022	\$ 60,971,335	\$ (459,517)	\$ (7,429,688)	\$ 53,082,130
2023	53,082,130	7,137,752	(9,206,502)	51,013,380

**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, 2023 is \$6,929,000.

During claim years 2023 and 2022, changes recorded to the claims liability for employee health insurance were as follows:

	Beginning of Fiscal Year	Claims and Changes in	Claim	Balance at Fiscal
<u>Fiscal Year</u>	<u>Liability</u>	<u>Estimates</u>	<u>Payments</u>	<u>Year-End</u>
2022	\$ 5,353,000	\$ 78,609,706	\$ (77,801,706)	\$ 6,161,000
2023	6,161,000	68,062,067	(67,294,067)	6,929,000

**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 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, 2023 is \$16,795,000. 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

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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 2023 and 2022, changes recorded to the claims liability for general liability were as follows:

<u>Fiscal Year</u>	Beginning of Fiscal Year	Claims and Changes in <u>Estimates</u>	Claim Payments	Balance at Fiscal <u>Year-End</u>
2022	\$ 19,949,000	\$ 4,663,486	\$ (5,127,486)	\$ 19,485,000
2023	19,485,000	3,722,804	(6,412,804)	16,795,000

**Workers' Compensation Insurance**

The Sheriff's office is self-funded for its workers' compensation exposure. The claims liability reported at September 30, 2023 is \$163,507,000. 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 2023 and 2022, changes recorded to the claims liability for workers' compensation were as follows:

<u>Fiscal Year</u>	Beginning of Fiscal Year	Claims and Changes in <u>Estimates</u>	Claim Payments	Balance at Fiscal <u>Year-End</u>
2022	\$ 192,972,000	\$ (11,186,834)	\$ (15,330,166)	\$ 166,455,000
2023	166,455,000	14,708,109	(17,656,109)	163,507,000

**Employee Group Health Insurance**

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

**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 \$602,000 and is actuarially determined.

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During claim years 2023 and 2022, changes recorded to the claims liability for health 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>
2022	\$ 725,000	13,240,190	\$ (13,416,190)	\$ 549,000
2023	549,000	14,358,241	(14,305,241)	602,000

**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 \$1.18 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 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.

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Changes in the claims liability amount for workers' compensation benefits for the years ended September 30, 2023 and 2022 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>
2022	\$ 679,000	\$ (325,822)	\$ (67,578)	\$ 285,600
2023	285,600	514,550	(444,350)	355,800

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

**11. 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>.

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

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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 \$424,388,594 for the fiscal year ended September 30, 2023. The County's aggregate net pension liability for all plans was \$1,765,902,104 with balances of deferred outflows of resources related to pensions of \$389,683,260 and deferred inflows of resources related to pensions of \$88,900,245 as of September 30, 2023.

**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 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



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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, 2023:

<u>Membership Class</u>	<u>Employee Contribution Rate</u>	<u>Employer Contribution Rate *</u>
Regular	3.00%	13.57%
Special Risk	3.00%	32.67%
State Attorney/Public Defender	3.00%	62.72%
County, City, Special District Elected Officers	3.00%	58.68%
Special Risk Administrative Support	3.00%	39.82%
Senior Management	3.00%	34.52%
Deferred Retirement Option Program	N/A	21.13%

\* 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 \$189.7 million and employee contributions totaled \$28.5 million for the fiscal year ended September 30, 2023. 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, 2023, the County reported a liability of \$1.323 billion for its proportionate share of the FRS Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined

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by an actuarial valuation as of July 1, 2023. The County's proportionate share of the net pension liability was based on the County's 2022-23 fiscal year contributions relative to the 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the County's proportionate share was 3.32%, which was a decrease of 1.08% from its proportionate share measured as of June 30, 2022.

For the fiscal year ended September 30, 2023, the County recognized pension expense of \$265.7 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:

	<u>Deferred Outflows</u> <u>of Resources</u>	<u>Deferred Inflows</u> <u>of Resources</u>
Differences between expected and actual experience	\$ 124,214,674	\$ -
Change of assumptions	86,241,609	-
Net difference between projected and actual earnings on pension plan investments	55,250,455	-
Changes in proportion and differences between County contributions and proportionate share of contributions	15,546,795	43,630,597
County contributions subsequent to the measurement date	48,930,429	-
<b>Total</b>	<u><u>\$ 330,183,962</u></u>	<u><u>\$ 43,630,597</u></u>

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, 2024. 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:

<u>Fiscal Year Ending</u> <u>September 30:</u>	<u>Deferred Outflows/</u> <u>(Inflows), net</u>
2024	\$ 29,847,332
2025	(27,715,941)
2026	208,076,513
2027	22,089,631
2028	5,325,401
	<u><u>\$ 237,622,936</u></u>

**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

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the Ultimate Entry Age Normal cost allocation method used in the actuarial valuation for funding purposes for the System.

Valuation Date	July 1, 2023
Discount rate	6.70%
Inflation	2.40%
Salary Increases	3.25%, 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-2018. The actuarial assumptions that determined the total pension liability as of June 30, 2023 were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

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

<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%	2.9%	2.9%	1.1%
Fixed Income	19.8%	4.5%	4.4%	3.4%
Global Equity	54.0%	8.7%	7.1%	18.1%
Real Estate	10.3%	7.6%	6.6%	14.8%
Private Equity	11.1%	11.9%	8.8%	26.3%
Strategic Investments	3.8%	6.3%	6.1%	7.7%
<b>TOTAL</b>	<b>100.0%</b>			
Assumed inflation - Mean			2.4%	1.4%

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

**Discount Rate**

The discount rate used to measure the total pension liability was 6.70%. The Plan's fiduciary net position was projected to be available to make all projected 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, 2023 calculations were determined by the Plan's consulting actuary to be

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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	\$ 2,259,887,704	\$ 1,322,961,544	\$ 539,110,706

**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, 2023, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. 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, 2023, 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 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.

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The County's employer contributions to the HIS Program totaled \$16.4 million for the fiscal year ended September 30, 2023. 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, 2023, the County reported a liability of \$387.7 million for its proportionate share of the HIS Program's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The County's proportionate share of the net pension liability was based on the County's 2022-23 fiscal year contributions relative to the 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the County's proportionate share was 2.44%, which was a decrease of 2.58% from its proportionate share measured as of June 30, 2022.

For the fiscal year ended September 30, 2023, the County recognized pension expense of \$147.2 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	\$ 5,675,727	\$ 910,001
Change of assumptions	10,192,633	33,595,898
Net difference between projected and actual earnings on pension plan investments	200,216	-
Changes in proportion and differences between County contributions and proportionate share of contributions	9,075,611	7,952,301
County contributions subsequent to the measurement date	5,152,775	-
<b>Total</b>	<b>\$ 30,296,962</b>	<b>\$ 42,458,200</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, 2024.

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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:

<b>Fiscal Year Ending September 30</b>	<b>Deferred Outflows/ (Inflows), net</b>
2024	\$ (2,250,767)
2025	(1,295,812)
2026	(2,601,439)
2027	(6,354,835)
2028	(4,199,770)
2029	(611,390)
	\$ (17,314,013)

**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, 2022
Discount rate	3.65%
Inflation	2.40%
Salary Increases	3.25%, including inflation
Municipal Bond Rate	3.65%

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018.

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 3.65%. 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 3.65%, as well as what the County's proportionate share of the net

**PALM BEACH COUNTY, FLORIDA  
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pension liability would be if were calculated using a discount rate that is 1-percentage point lower (2.65%) or 1-percent higher (4.65%) than the current rate:

	<b>1% Decrease (2.65%)</b>	<b>Current Discount Rate (3.65%)</b>	<b>1% Increase (4.65%)</b>
County's proportionate share of the Net Pension Liability	\$ 442,310,286	\$ 387,704,465	\$ 342,439,907

**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, 2023, 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 \$11.9 million for the fiscal year ended September 30, 2023.

**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.

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**Membership Statistics**

Number of:

Inactive members or beneficiaries receiving benefits	436
Inactive members entitled to but not yet receiving benefits	107
Active Members	561
TOTAL	1,104

**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 \$6.2 million for the fiscal year ended September 30, 2023.

**Net Pension Liability**

The components of the net pension liability at December 31, 2022 were as follows:

Total pension liability	\$ 173,884,982
Plan fiduciary net position	(127,446,195)
Net pension liability	\$ 46,438,787

Plan fiduciary net position as percentage of the total pension liability: 73.29%

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of January 1, 2023 using the following actuarial assumptions applied to all periods included in the measurement:

Salary increases	5% to 12.5%, including inflation
Investment rate of return	7.0% 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 (asset) for fiscal year ended September 30, 2023:

	<b>1% Decrease (5.5%)</b>	<b>Current Discount Rate (6.5%)</b>	<b>1% Increase (7.5%)</b>
Net Pension Liability	\$ 65,297,670	\$ 46,438,787	\$ 30,489,888

**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.

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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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Asset Group Contribution</u>
Domestic Equity	30.0%	7.1%	2.1%
International Equity	15.0%	3.7%	0.6%
Bonds	24.5%	2.1%	0.5%
Convertibles	10.0%	6.3%	0.6%
Private Real Estate	10.0%	6.3%	0.6%
REITS	5.0%	6.9%	0.3%
Infrastructure	5.0%	6.1%	0.3%
Cash	0.5%	-0.1%	0.0%
	<u>100%</u>		
		<b>Weighted Real Return</b>	<b>5.0%</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, 2021</b>	\$ 168,061,915	\$ 154,520,407	\$ 13,541,508
Changes for the year:			
Service cost	4,933,132	-	4,933,132
Interest	10,943,325	-	10,943,325
Differences between expected and actual experience	(1,480,540)	-	(1,480,540)
Change of assumptions	-	-	-
Contributions - employer	-	6,390,895	(6,390,895)
Contributions - employee	-	1,012,503	(1,012,503)
Net investment income	-	(25,591,793)	25,591,793
Benefit payments, including refunds of employee contributions	(8,572,850)	(8,572,850)	-
Administrative expense	-	(312,967)	312,967
<b>Net changes</b>	<u>5,823,067</u>	<u>(27,074,212)</u>	<u>32,897,279</u>
<b>Balances at December 31, 2022</b>	<u>\$ 173,884,982</u>	<u>\$ 127,446,195</u>	<u>\$ 46,438,787</u>

**Pension Expense and Deferrals**

For the year ended September 30, 2023, the County recognized pension expense of \$10.9 million. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions.

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The following table illustrates the deferred inflows and outflows under GASB 68 as of September 30, 2023:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 2,811,448
Change of assumptions	3,085,474	-
Net difference between projected and actual earnings	16,894,989	-
Employer contributions subsequent to the measurement date	6,189,910	-
<b>Total</b>	<b>\$ 26,170,373</b>	<b>\$ 2,811,448</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, 2024. 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>
2024	\$ 2,804,256
2025	2,292,559
2026	5,016,463
2027	7,055,737
	<b>\$ 17,169,015</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		30
Inactive, Nonretired members		1
Active Members		<u>2</u>
TOTAL		<u><u>33</u></u>

**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 \$777,320 and employee contributions totaled \$163,002 for the fiscal year ended September 30, 2023.

**Net Pension Liability**

The components of the net pension liability at September 30, 2023 were as follows:

Total pension liability		\$ 58,647,145
Plan fiduciary net position		<u>(49,849,837)</u>
Net pension liability		<u><u>\$ 8,797,308</u></u>

Plan fiduciary net position as percentage of the total pension liability: 85.00%

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of September 30, 2022 and rolled forward to the measurement date of September 30, 2023 using the following actuarial assumptions applied to all periods included in the measurement:

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-2018.

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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 4.63%, 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, 2023:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net Pension Liability	\$15,498,779	\$8,797,308	\$3,328,848

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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, 2022</b>	\$ 57,742,971	\$ 45,876,053	\$ 11,866,918
Changes for the year:			
Service cost	151,816	-	151,816
Interest	3,415,467	-	3,415,467
Differences between expected and actual experience	(874,254)	-	(874,254)
Assumption Changes	-	-	-
Contributions - employer and state	-	1,009,175	(1,009,175)
Contributions - employee	-	163,002	(163,002)
Net investment income	-	4,664,337	(4,664,337)
Benefit payments, including refunds of employee contributions	(1,788,855)	(1,788,855)	-
Administrative expense/Other	-	(73,875)	73,875
<b>Net changes</b>	<b>904,174</b>	<b>3,973,784</b>	<b>(3,069,610)</b>
<b>Balances at September 30, 2023</b>	<b>\$ 58,647,145</b>	<b>\$ 49,849,837</b>	<b>\$ 8,797,308</b>

**Pension Expense and Deferrals**

For the year ended September 30, 2023, the County recognized pension expense of \$496,125. 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>
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	3,031,963	-
<b>Total</b>	<b>\$ 3,031,963</b>	<b>\$ -</b>

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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
2024	\$ 567,666
2025	689,902
2026	2,160,893
2027	(386,498)
	\$ 3,031,963

**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 \$489,896 for the fiscal year ended September 30, 2023.

**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 \$3,308,685 for the fiscal year ended September 30, 2023.

At September 30, 2023, the SWA reported a liability of \$28,370,063 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The SWA's proportionate share of the net pension liability was based on the SWA's 2022-23 plan year contributions relative to the 2022-23 plan year contributions of all participating members. At June 30, 2023, the SWA's proportionate share was 0.071197784 percent, which was a decrease of .002602586 percent from its proportionate share measured as of June 30, 2022. For the fiscal year ended September 30, 2023, the SWA recognized pension expense of \$6,243,172 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	\$ 2,663,704	\$ -
Change of assumptions	1,849,396	-
Net difference between projected and actual earnings on pension plan investments	1,184,811	-
Change in proportion and differences between SWA pension plan contributions and proportionate share of contributions	1,440,479	812,851
Pension plan contributions subsequent to the measurement date	1,050,051	-
<b>Total</b>	<b>\$ 8,188,441</b>	<b>\$ 812,851</b>

The deferred outflows of resources related to the Pension Plan, totaling \$1,050,051 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, 2024.

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

<b>Fiscal Year Ending September 30</b>	<b>Deferred outflows/ (inflows), net</b>
2024	\$ 1,154,076
2025	43,223
2026	4,770,642
2027	272,713
2028	84,885
Thereafter	-
	<b>\$ 6,325,539</b>



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**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	\$ 48,461,845	\$ 28,370,063	\$ 11,560,884

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

SWA’s contributions to the HIS Plan totaled \$559,792 for the fiscal year ended September 30, 2023.

At September 30, 2023, the SWA reported a liability of \$12,528,882 for its proportionate share of the HIS Plan’s net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The SWA’s proportionate share of the net pension liability was based on the SWA’s 2022-23 plan year contributions relative to the 2022-23 plan year contributions of all participating members. At June 30, 2023, the SWA's proportionate share was .078890617 percent, which was a decrease of 0.002679916 percent from its proportionate share measured as of June 30, 2022. For the fiscal year ended September 30, 2023, the SWA recognized pension expense of \$4,701,208.

**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	\$ 183,414	\$ 29,407
Change of assumptions	329,381	1,085,670
Net difference between projected and actual earnings on pension plan investments	6,469	-
Change in proportion and differences between SWA pension plan contributions and proportionate share of contributions	218,335	357,896
Pension plan contributions subsequent to the measurement date	172,760	-
<b>Total</b>	<b>\$ 910,359</b>	<b>\$ 1,472,973</b>

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The deferred outflows of resources related to the HIS Plan, totaling \$172,760 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Deferred outflows/ (inflows), net
2024	\$ (100,465)
2025	(62,723)
2026	(121,920)
2027	(261,149)
2028	(166,172)
Thereafter	(22,945)
	\$ (735,374)

**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 3.65%, 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 (2.65%) or one percentage point higher (4.65%) than the current rate:

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Proportionate share of the net pension liability	\$ 14,293,499	\$ 12,528,882	\$ 11,066,133

**INVESTMENT PLAN**

The SWA’s Investment Plan pension expense totaled \$698,100 for the fiscal year ended September 30, 2023.

**12. 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 \$33,394,498 for the fiscal year ended September 30, 2023. The County's aggregate net OPEB liability for all plans was \$369,611,395 with balances of deferred outflows of resources related to OPEB of \$156,850,738 and deferred inflows of resources related to OPEB of \$211,797,501, as of September 30, 2023.

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	\$ 13,419,296	\$ -	\$ 13,419,296	\$ 7,356,688	\$ 1,595,368	\$ 1,620,327
Tax Collector	2,787,706	-	2,787,706	1,141,424	3,800,682	(112,038)
Property Appraiser	1,400,532	-	1,400,532	43,788	1,312,817	156,661
Clerk & Comptroller	7,420,945	-	7,420,945	1,949,045	3,984,370	295,231
Sheriff	260,310,062	-	260,310,062	88,975,114	118,575,748	23,583,689
Fire-Rescue Union	150,107,723	(93,495,938)	56,611,785	36,206,589	75,672,306	5,651,805
<b>Supplemental Disability Plan:</b>						
Fire-Rescue	27,661,069	-	27,661,069	21,178,090	6,856,210	2,198,823
<b>TOTALS</b>	<b>\$ 463,107,333</b>	<b>\$ (93,495,938)</b>	<b>\$ 369,611,395</b>	<b>\$ 156,850,738</b>	<b>\$ 211,797,501</b>	<b>\$ 33,394,498</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 90% of medical and dental premiums for employee or employee-plus-one coverage is offered to the Sheriff, 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, 2023, the following employees were covered by the benefit terms:

	<b>County</b>	<b>Tax Collector</b>	<b>Property Appraiser</b>	<b>Clerk &amp; Comptroller</b>	<b>Sheriff</b>
Retirees and Beneficiaries	183	-	3	26	1,241
Active Members	4,529	267	195	606	3,555
TOTAL	4,712	267	198	632	4,796

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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	\$ 13,419,296	\$ 2,787,706	\$ 1,400,532	\$ 7,420,945	\$260,310,062
Measurement Date	9/30/2023	9/30/2023	9/30/2023	9/30/2022	9/30/2023
Actuarial Valuation Date	9/30/2022	9/30/2023	9/30/2023	9/30/2021	9/30/2022

**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%	4.00%	2.50%	2.50%
Salary increases	3.00%	4.00%	4.00%	2.50%	3.00%
Discount Rate	4.09%	4.87%	4.87%	4.77%	4.09%

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 7.0% to grade uniformly to 4.0% over a 12-year period
<b>Tax Collector:</b>	Initially 6.25% grading ultimately to 3.94% over a 53-year period
<b>Property Appraiser:</b>	Initially 6.25% to grading ultimately to 3.94% over a 53-year period
<b>Clerk &amp; Comptroller:</b>	Initially 7.50% grading ultimately to 4.0% over a 54-year period
<b>Sheriff:</b>	Initially 7.0% to grade uniformly to 4.0% over a 12-year period

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Mortality rates were based as follows:

<b>County:</b>	Pub-2010 Generational, Scale MP-2021
<b>Tax Collector:</b>	Pub-2010 Generational, Scale MP-2021
<b>Property Appraiser:</b>	Pub-2010 Generational, Scale MP-2021
<b>Clerk &amp; Comptroller:</b>	Pub-2010 Generational, Scale MP-2020
<b>Sheriff:</b>	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:

<b>County:</b>	Florida Retirement System
<b>Tax Collector:</b>	Reasonableness/consistency with typical industry standards
<b>Property Appraiser:</b>	Reasonableness/consistency with typical industry standards
<b>Clerk &amp; Comptroller:</b>	Florida Retirement System
<b>Sheriff:</b>	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, 2022</b>	\$ 13,885,965	\$ 4,274,549	\$ 2,524,886	\$ 9,134,772	\$ 247,551,883
Changes for the year:					
Service cost	561,901	332,087	86,050	468,586	7,527,003
Interest	549,303	110,794	62,461	228,605	10,083,239
Experience losses(gains)	55,006	(1,080,660)	(957,003)	-	-
Changes of benefit terms	-	-	-	-	6,471,030
Change of assumptions	(65,655)	(801,865)	(275,324)	(2,017,132)	(2,818,979)
Benefit payments	(1,567,224)	(47,199)	(40,538)	(393,886)	(8,504,114)
<b>Net changes</b>	(466,669)	(1,486,843)	(1,124,354)	(1,713,827)	12,758,179
<b>Balance at September 30, 2023</b>	<b>\$ 13,419,296</b>	<b>\$ 2,787,706</b>	<b>\$ 1,400,532</b>	<b>\$ 7,420,945</b>	<b>\$ 260,310,062</b>

**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:

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	County		
	1% Decrease	Current Discount Rate	1% Increase
	(3.09%)	(4.09%)	(5.09%)
<b>Total OPEB Liability</b>	\$ 14,478,000	\$ 13,419,296	\$ 12,482,000

	Tax Collector		
	(3.87%)	(4.87%)	(5.87%)
	<b>Total OPEB Liability</b>	\$ 3,058,099	\$ 2,787,706

	Property Appraiser		
	(3.87%)	(4.87%)	(5.87%)
	<b>Total OPEB Liability</b>	\$ 1,499,280	\$ 1,400,532

	Clerk & Comptroller		
	(3.77%)	(4.77%)	(5.77%)
	<b>Total OPEB Liability</b>	\$ 8,206,944	\$ 7,420,945

	Sheriff		
	(3.09%)	(4.09%)	(5.09%)
	<b>Total OPEB Liability</b>	\$ 300,746,000	\$ 260,310,062

**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:

	County		
	1% Decrease	Current Rate	1% Increase
	<b>Total OPEB Liability</b>	6.0% decreasing to 3.0% over 12 years \$ 12,138,000	7.0% decreasing to 4.0% over 12 years \$ 13,419,296

	Tax Collector		
	1% Decrease	Current Rate	1% Increase
	<b>Total OPEB Liability</b>	5.25% decreasing to 2.94% over 53 years \$ 2,474,657	6.25% decreasing to 3.94% over 53 years \$ 2,787,706

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<b>Property Appraiser</b>			
	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
	5.25% decreasing to 2.94% over 53 years	6.25% decreasing to 3.94% over 53 years	7.25% decreasing to 4.94% over 53 years
<b>Total OPEB Liability</b>	<b>\$ 1,285,557</b>	<b>\$ 1,400,532</b>	<b>\$ 1,531,056</b>

<b>Clerk &amp; Comptroller</b>			
	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
	6.50% decreasing to 3.0% over 54 years	7.50% decreasing to 4.0% over 54 years	8.50% decreasing to 5.0% over 54 years
<b>Total OPEB Liability</b>	<b>\$ 6,563,328</b>	<b>\$ 7,420,945</b>	<b>\$ 8,451,560</b>

<b>Sheriff</b>			
	<b>1% Decrease</b>	<b>Current Rate</b>	<b>1% Increase</b>
	6.0% decreasing to 3.0% over 12 years	7.0% decreasing to 4.0% over 12 years	8.0% decreasing to 5.0% over 12 years
<b>Total OPEB Liability</b>	<b>\$ 237,460,000</b>	<b>\$ 260,310,062</b>	<b>\$ 288,741,000</b>

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

For the fiscal year ended September 30, 2023, these Healthcare OPEB plans recognized OPEB expense of \$25,543,870. At September 30, 2023, 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	\$ 1,259,260	\$ 1,141,424	\$43,788	\$ 1,476,908	\$ 55,810,358
Experience losses(gains)	6,097,428	-	-	47,160	33,164,756
Contributions subsequent to the measurement date	-	-	-	424,977	-
Total	<u>\$ 7,356,688</u>	<u>\$ 1,141,424</u>	<u>\$ 43,788</u>	<u>\$ 1,949,045</u>	<u>\$ 88,975,114</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	\$ 1,595,368	\$ 687,313	\$ 220,259	\$ 3,564,474	\$ 81,053,709
Experience losses(gains)	-	3,113,369	1,092,558	419,896	37,522,039
Total	<u>\$ 1,595,368</u>	<u>\$ 3,800,682</u>	<u>\$ 1,312,817</u>	<u>\$ 3,984,370</u>	<u>\$ 118,575,748</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, 2024.

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>					
2024	\$ 509,123	\$ (554,919)	\$ (388,050)	\$ (409,060)	\$ (497,583)
2025	509,123	(554,919)	(388,050)	(409,058)	(497,583)
2026	509,123	(505,778)	(246,466)	(272,493)	(497,583)
2027	509,123	(505,777)	(246,463)	(159,496)	(497,583)
2028	509,123	(268,932)	-	(30,586)	369,818
Thereafter	3,215,705	(268,933)	-	(1,179,609)	(27,980,120)
Totals	<u>\$ 5,761,320</u>	<u>\$ (2,659,258)</u>	<u>\$ (1,269,029)</u>	<u>\$ (2,460,302)</u>	<u>\$ (29,600,634)</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 Fire-Rescue Union Healthcare OPEB plan does not issue a separate standalone financial report.

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 does not issue a separate standalone financial report.

**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, 2023, 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 September 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of September 30, 2023.

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**Actuarial Assumptions and Other Inputs**

The Fire-Rescue total healthcare OPEB liability based on the September 30, 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	6.21%
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 6.21%. 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</b>	<b>Plan Fiduciary Net Position</b>	<b>Net OPEB Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a) - (b)</b>
<b>Balances at September 30, 2022</b>	\$ 172,328,928	\$ 83,739,205	\$ 88,589,723
Changes for the year:			
Service Cost	3,380,390	-	3,380,390
Interest	8,453,854	-	8,453,854
Differences between expected and actual experience	(937,285)	-	(937,285)
Changes in assumptions or other inputs	(27,460,420)	-	(27,460,420)
Contributions-employer	-	6,941,939	(6,941,939)
Net investment income	-	8,505,868	(8,505,868)
Benefit payments	(5,657,744)	(5,657,744)	-
Administrative expense	-	(33,330)	33,330
<b>Net changes</b>	<b>(22,221,205)</b>	<b>9,756,733</b>	<b>(31,977,938)</b>
<b>Balances at September 30, 2023</b>	<b>\$ 150,107,723</b>	<b>\$ 93,495,938</b>	<b>\$ 56,611,785</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 (5.21%) or 1-percent higher (7.21%) than the current discount rate.

	<b>Current</b>		
	<b>1% Decrease</b>	<b>Discount Rate</b>	<b>1% Increase</b>
	<b>(5.21%)</b>	<b>(6.21%)</b>	<b>(7.21%)</b>
<b>Net OPEB liability</b>	<b>\$ 72,453,498</b>	<b>\$ 56,611,785</b>	<b>\$ 43,617,779</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>\$ 48,747,258</b>	<b>\$ 56,611,785</b>	<b>\$ 66,540,548</b>

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

For the year ended September 30, 2023, the County recognized OPEB expense of \$5,651,805 regarding the Fire-Rescue Healthcare plan.

At September 30, 2023, 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	\$ -	\$ 20,860,980
Changes of assumptions	29,703,488	54,811,326
Net difference between projected and actual earnings on OPEB plan investments	6,503,101	-
Total	\$ 36,206,589	\$ 75,672,306

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>
2024	\$ (1,170,290)
2025	(1,011,020)
2026	1,481,160
2027	(3,206,995)
2028	(2,602,562)
Thereafter	(32,956,010)
	\$ (39,465,717)

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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, 2023, the following employees were covered by the benefit terms:

Retirees and Beneficiaries	75
Active Members	<u>1,374</u>
TOTAL	<u><u>1,449</u></u>

**Total OPEB Liability**

The total supplemental disability OPEB liability of \$27,661,069 was measured as of October 1, 2022 and was determined by an actuarial valuation as of October 1, 2022.

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**Actuarial Assumptions and Other Inputs**

The total supplemental disability OPEB liability in the October 1, 2022 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	4.40%
Actuarial Cost Method	Entry Age Normal based on level percent of pay

The discount rate was based on the Fidelity 20-Year Municipal GO AA Index - daily rate closest or equal to but not later than the respective measurement date.

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, 2022</b>	<u>\$ 29,361,484</u>
Changes for the year:	
Service cost	239,907
Interest	624,413
Differences between expected and actual experience	6,146,910
Assumption changes	(6,532,901)
Benefit payments	<u>(2,178,744)</u>
<b>Net change</b>	<u>(1,700,415)</u>
<b>Balance at September 30, 2023</b>	<u><u>\$ 27,661,069</u></u>

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**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 using a discount rate that is 1-percent lower (3.40%) or 1-percent higher (5.40%) than the current discount rate:

	<b>1% Decrease (3.40%)</b>	<b>Current Discount Rate (4.40%)</b>	<b>1% Increase (5.40%)</b>
<b>Total OPEB liability</b>	\$ 30,333,721	\$ 27,661,069	\$25,409,656

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

For the fiscal year ended September 30, 2023, the Fire-Rescue supplemental disability OPEB plan recognized OPEB expenses of \$2,198,823. At September 30, 2023, 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	\$ 17,839,730	\$ -
Changes of assumptions	3,338,360	6,856,210
Total	\$ 21,178,090	\$ 6,856,210

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><u>Deferred Outflows/ (Inflows), net</u></b>
2024	\$ 1,326,688
2025	1,326,688
2026	1,326,688
2027	1,326,688
2028	1,326,688
Thereafter	7,688,440
	\$ 14,321,880



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**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).

**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 September 30, 2023, the following employees were covered by the benefit terms:

Active Employees	385
Inactive employees currently receiving benefits	<u>12</u>
TOTAL	<u><u>397</u></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 \$644,000 was measured as of September 30, 2023 and was determined by the actuarial valuation as of December 1, 2023.

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**Actuarial Assumptions and Methods**

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

Valuation Date:	December 1, 2023
Measurement Date:	September 30, 2023
Salary Increase Rates:	3.40% to 7.80%
Discount Rate:	4.63%
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 2024 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.

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**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 4.63%, as of September 30, 2023.

**Changes in the Total OPEB Liability**

	Total OPEB Liability
Balance at September 30, 2022	\$ 571,000
Changes for the year:	
Service cost	33,000
Interest cost	24,000
Differences Between expected and actual experience	89,000
Changes of assumptions and other inputs	25,000
Benefit payments	<u>(98,000)</u>
Net change in total OPEB liability	<u>73,000</u>
Balance at September 30, 2023	<u><u>\$ 644,000</u></u>

**Changes in Assumptions**

As of September 30, 2023, all assumptions, methods, and results are based on the fiscal year 2023 GASB 75 actuarial report dated January 30, 2024. Changes to the assumptions since the actuarial report dated November 11, 2021 are as follows:

- The discount rate was updated from 4.40% to 4.63%.
- The per capita claims cost assumption was updated to use the 2024 premium rates.
- The mortality improvement scales was updated from MP-2020 to MP-2021.
- The healthcare cost trend assumption was updated based on the 2024 Getzen model released by the SOA.
- The salary scale assumption was updated to be consistent with the latest FRS valuation assumptions.

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**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 (3.63%) or 1-percentage-point higher (5.63%) than the current discount rate:

	<b>1.0% Decrease (3.63%)</b>	<b>Discount Rate (4.63%)</b>	<b>1.0% Increase (5.63%)</b>
Total OPEB Liability	<u>\$ 666,000</u>	<u>\$ 644,000</u>	<u>\$ 619,000</u>

**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-point lower (6.50% decreasing to 3.04%) or 1-percentage-point higher (8.50% decreasing to 5.04%) than the current healthcare cost trend rates:

	<b>1.0% Decrease (6.50% decreasing to 3.04%)</b>	<b>Healthcare cost Trend Rates (7.50% decreasing to 4.04%)</b>	<b>1.0% Increase (8.50% decreasing to 5.04%)</b>
Total OPEB Liability	<u>\$ 592,000</u>	<u>\$ 644,000</u>	<u>\$ 702,000</u>

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

For the fiscal year ended September 30, 2023, the SWA recognized OPEB expense of \$72,000. At September 30, 2023, 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	\$ 116,000	\$ 205,000
Changes of Assumptions/Inputs	<u>228,000</u>	<u>42,000</u>
Total	<u>\$ 344,000</u>	<u>\$ 247,000</u>

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

<u>Year ending September 30:</u>	<u>Deferred Outflows/ (Inflows), net</u>
2024	\$ 15,000
2025	15,000
2026	15,000
2027	15,000
2028	14,000
Thereafter	23,000
	<u>\$ 97,000</u>

**13. DEFICIT FUND BALANCE**

Major Governmental Funds – The Palm Tran Special Revenue Fund has a deficit fund balance of \$31,320,821 as of September 30, 2023. This deficit is due to delays in receipt of intergovernmental (grant) revenue in fiscal year 2023. Palm Tran management has reported it is a timing issue related to the filing of applications for certain formula-based grants and that additional intergovernmental grant revenue is anticipated to be received by the third quarter of fiscal year 2024 which will alleviate this deficit.

**14. REFUNDING OF DEBT**

Advance Refundings:

There were no advanced refundings for the year ended September 30, 2023.

The amount of in-substance defeased bonds outstanding, as of September 30, 2023, consists of the following:

<u>Bond Issues</u>	<u>Amount</u>
Governmental Funds:	\$22,140,000
Proprietary Funds:	-
Total Defeased Bonds Outstanding	<u>\$22,140,000</u>

Current Refundings - There were no current year refundings for the year ended September 30, 2023.

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**15. 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, 2023 for both governmental activities and business-type activities:

<b>Governmental activities:</b>	Beginning Balance *	Additions	Reductions	Ending Balance	Due within One Year
<b>Bonds payable:</b>					
General obligation bonds	\$ 26,250,000	\$ -	\$ 9,880,000	\$ 16,370,000	\$ 6,395,000
Notes from direct borrowings and direct placements	43,386,640	-	7,160,688	36,225,952	7,339,534
Non-ad valorem revenue bonds	523,770,000	170,010,000	48,665,000	645,115,000	47,790,000
Unamortized bond premiums	43,664,162	11,764,586	4,945,460	50,483,288	-
<b>Total bonds payable</b>	<b>637,070,802</b>	<b>181,774,586</b>	<b>70,651,148</b>	<b>748,194,240</b>	<b>61,524,534</b>
Notes and loans payable	16,944,537	900,000	3,605,553	14,238,984	1,238,290
Arbitrage liability	-	2,101,556	-	2,101,556	-
Compensated absences	230,238,300	104,439,267	83,188,106	251,489,461	1,662,507
Estimated Self-Insurance liability	257,793,317	111,294,980	118,300,316	250,787,981	23,729,981
Lease liability	6,645,704	1,045,652	3,126,168	4,565,188	2,263,554
Subscription liability	3,403,430	54,484,930	10,085,554	47,802,806	4,123,192
Sub-total	1,152,096,090	456,040,971	288,956,845	1,319,180,216	94,542,058
Net pension liability	1,490,829,895	219,603,285	-	1,710,433,180	-
Net OPEB liability	392,998,291	-	25,709,648	367,288,643	10,479,319
<b>Governmental activities long-term liabilities</b>	<b>\$ 3,035,924,276</b>	<b>\$ 675,644,256</b>	<b>\$ 314,666,493</b>	<b>\$ 3,396,902,039</b>	<b>\$ 105,021,377</b>

Long-term liabilities other than debt (bonds and loans) are liquidated by the governmental funds incurring the expenditure. Specifically for compensated absences, the General Fund liquidates 84%, with the Fire Rescue Special Revenue Fund liquidating 11% and the Road Program Capital Projects Fund liquidating less than 1%. The remaining 4% is liquidated by the Palm Tran Special Revenue Fund, other Special Revenue Funds, and the Internal Service Funds. For the estimated Self-Insurance liability, the General Fund liquidates 72% with the remaining 28% liquidated by the Internal Service Funds. The lease liability is liquidated 80% by the General Fund, 18% by the General Government Capital Project Fund and the remaining 2% by the Fire Rescue Special Revenue 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.

<b>Business-type activities:</b>	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Bonds payable:</b>					
Revenue bonds	\$ 184,390,000	\$ -	\$ 9,240,000	\$ 175,150,000	\$ 9,605,000
Unamortized bond premiums	11,388,689	-	1,580,530	9,808,159	-
<b>Total bonds payable</b>	<b>195,778,689</b>	<b>-</b>	<b>10,820,530</b>	<b>184,958,159</b>	<b>9,605,000</b>
Notes and loans payable	5,074,721	-	625,366	4,449,355	637,296
Compensated absences	5,132,239	378,126	138,957	5,371,408	572,425
Lease liability	249,004	139,975	151,605	237,374	112,273
Sub-total	206,234,653	518,101	11,736,458	195,016,296	10,926,994
Net pension liability	48,863,797	6,605,127	-	55,468,924	-
Total OPEB liability	2,324,971	-	2,219	2,322,752	-
<b>Business-type activities long-term liabilities</b>	<b>\$ 257,423,421</b>	<b>\$ 7,123,228</b>	<b>\$ 11,738,677</b>	<b>\$ 252,807,972</b>	<b>\$ 10,926,994</b>

\* Revised to include Subscription Liability as a result of the implementation of GASB Statement No. 96 effective as of 10/1/22.

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**Governmental Activities General Long-Term Debt**

General long-term debt, including current maturities, at September 30, 2023 consisted of the following:

**General Obligation Bonds**

\$28,700,000 General Obligation Refunding Bonds (Recreational and Cultural Facilities), Series 2010 were issued for paying and defeasing a portion of the County's outstanding General Obligation Bonds (Recreational and Cultural Facilities), Series 2003 maturing on and after July 1, 2014 and a portion of its General Obligation Bonds (Recreational and Cultural Facilities), Series 2005 maturing on and after July 1, 2016. The annual installments range from \$1,725,000 to \$3,335,000 through July 1, 2025, with an interest rate of 5.00% payable semi-annually on January 1 and July 1 of each year. The bonds are general obligations of the County and are payable from ad valorem revenues. \$ 3,535,000

\$11,865,000 General Obligation Refunding Bonds (Library District Improvement Projects), Series 2014 were issued for paying and defeasing a portion of the County's outstanding General Obligation Bonds (Library District Improvement Project), Series 2006 maturing on and after August 1, 2016. The annual installments range from \$1,445,000 to \$1,565,000 through August 1, 2025, 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. \$ 3,080,000

\$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 \$3,010,000 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. \$ 9,755,000

Total General Obligation Bonds \$ 16,370,000

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**Notes from Direct Borrowings and Direct Placements**

<p>\$11,598,107 Taxable Public Improvement Revenue Bonds (Convention Center Hotel Project), Series 2010 were issued to pay the principal on the County's Taxable Public Improvement Revenue Bond Anticipation Notes (Convention Center Hotel Project), Series 2007. The annual installments range from \$958,277 to \$1,066,262 through November 1, 2024, with an interest rate of 5.484% 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.</p>	\$ 2,077,091
<p>\$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 \$1,118,965 to \$1,176,435 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.</p>	\$ 4,618,636
<p>\$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 \$898,564 to \$1,039,886 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.</p>	\$ 5,875,806
<p>\$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 \$1,955,000 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.</p>	\$ 6,180,000
<p>\$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 \$1,645,000 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.</p>	\$ 14,550,000



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<p>\$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.</p>	<p style="border-top: 1px solid black;">\$ 2,924,419</p>
<p style="text-align: center;">Total Notes from Direct Borrowing and Direct Placements</p>	<p style="border-top: 1px solid black;">\$ 36,225,952</p>

**Non-Ad Valorem Bonds**

\$28,075,000 Taxable Public Improvement Revenue Bonds (Convention Center Hotel Project), Series 2013 was issued for the purpose of providing funds to finance a portion of the costs of development, acquisition, construction, and equipping of a convention center hotel to be located adjacent to the County’s convention center pursuant to written agreements related to this development, and to the pay costs of issuance of the Bonds. This was partially refunded in fiscal year 2020. The annual installments range from \$645,000 to \$665,000 through November 1, 2023, with an interest rate of 3.75% 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. \$ 665,000

\$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 \$7,025,000 to \$8,570,000 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. \$ 39,605,000

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\$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 \$5,070,000 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. \$ 36,015,000

\$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 \$2,715,000 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. \$ 45,485,000

\$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 \$2,715,000 to \$3,425,000 through December 1, 2045, with an interest rate from 2.858% 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. \$ 51,955,000

\$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 \$4,450,000 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. \$ 100,805,000

\$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 \$4,180,000 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. \$ 36,655,000

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\$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 \$340,000 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. \$ 24,140,000

\$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 \$1,660,000 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. \$ 48,005,000

\$44,705,000 Taxable Public Improvement Revenue Bonds, Series 2021B were issued in Fiscal Year 2021 to finance the costs of refunding all or a portion of the County's Public Improvement Revenue Refunding Bonds, Series 2012. The annual installments range from \$12,310,000 to \$18,780,000 through December 1, 2024 with an interest rate of 3.00% 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. \$ 24,575,000

\$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 \$1,085,000 to \$2,245,000 through December 1, 2045 with an interest rate range from 1.00% to 2.75% payable semi-annually on May 1 and December 1 of each year. The bond is not a general obligation and is payable from non-ad valorem revenues. \$ 67,200,000

\$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

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\$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 \$2,765,000 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. \$ 88,145,000

\$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. \$ 47,315,000

Total Non-Ad Valorem Revenue Bonds	\$ 645,115,000
Total Face Amount of Bonds Payable	\$ 697,710,952
Unamortized bond premiums	\$ 50,483,288
Total Governmental Activities Bonds Payable	\$ 748,194,240

**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 \$45,000 through August 1, 2033, with a variable rate of interest in effect of 5.31% 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.

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As of September 30, 2023 the outstanding individual loans are as follows:

878,000	- Muslet Brothers, 2010	315,000	
592,000	- America's Sound, 2012	<u>251,000</u>	
			\$ 566,000

\$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 5.31% 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, 2023 the outstanding individual loans are as follows:

\$ 5,948,000	- Oxygen Development LLC, 2011	\$ 2,289,000	
265,000	- Donia Adams Roberts PA, 2011	98,000	
257,000	- F&T of Belle Glade, 2011	91,000	
1,412,000	- Glades Plaza Enterprises LLC, 2012	598,000	
244,000	- A&E Auto Sales, 2012	104,000	
244,000	- SSB Investments, 2013	114,000	
196,000	- GUS Distribution Corporation, 2014	67,000	
			\$ 3,361,000

\$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 5.31% 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.

**PALM BEACH COUNTY, FLORIDA**  
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As of September 30, 2023 the outstanding individual loans are as follows:

\$	152,000 - Circle S Pharmacy, 2010	\$ 56,000	
	1,963,000 - Pahokee Revitalization Program, 2015	<u>1,251,000</u>	
			\$ 1,307,000

\$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 5.31 % 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, 2023, the outstanding individual loans are as follows:

	7,442,000 - Final Draw, 2017	<u>5,790,000</u>	
			\$ 5,790,000

\$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 \$861 to \$9,392 through April 15, 2044, 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, 2023 the outstanding individual loans are as follows:

\$	150,000 - IRP BI Development Group, 2014	\$ 114,945	
	25,000 - IRP Gus Distributing Corp, 2014	19,158	
	150,000 - IRP EHR LLC, 2014	114,945	
	75,000 - IRP PR Local Electric, 2014	<u>57,473</u>	
			\$ 306,521

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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 5.31% 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, 2023 the outstanding loans are as follows:

1,437,000 - Economic Development Loan Project Fund, 2018	1,077,000	\$ 1,077,000
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\$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 \$1,074 to \$5,556 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.

\$ 100,000 - IRP - Glades Plaza Enterprises, LLC, 2019	\$ 91,561	
90,522 - IRP - Madina Sod Corporation, 2019	82,883	
150,000 - IRP - ARK 305, LLC, 2020	137,342	
100,000 - IRP - ARC Realty Holding LLC, 2020	91,561	
34,000 - IRP - ARC Development Global LLC, 2020	31,131	
29,000 - IRP - Myr's Management Services LLC, 2020	26,553	
150,000 - IRP - JEM Farms, 2021	137,342	
39,375 - IRP - Cutting Edge Landscape Services LLC, 2021	36,052	
150,000 - IRP - Performance Napa, LLC, 2022	145,084	
157,103 - IRP - Sheraton Oz Fund, LLC, 2022	151,954	
		\$ 931,463

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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 5.31% 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, 2023, the outstanding individual loans are as follows:

900,000 - Daniel Madistin LLC, 2023	900,000	
		\$ 900,000
<b>Total Notes and Other Loans Payable</b>		<b>\$ 14,238,984</b>

**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.

\$ 2,101,556



**PALM BEACH COUNTY, FLORIDA**  
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**Compensated Absences**

Compensated absences are liquidated by the governmental fund incurring the expense.

General Fund

Board of County Commissioners	\$	18,071,196	
Clerk & Comptroller		-	
Sheriff		190,687,007	
Tax Collector		145,794	
Property Appraiser		2,275,776	
Supervisor of Elections		267,274	
Total General Fund	\$	211,447,047	
Special Revenue Funds		38,606,166	
Capital Project Funds		650,426	
Internal Service Funds		785,822	
			\$ 251,489,461
Estimated Self-Insurance Obligation (see note on Risk Management)			250,787,981
Lease liability			4,565,188
Subscription liability			47,802,806
Total governmental activities general long-term debt including current portion			\$ 1,319,180,216

**Business-type Activities Long-Term Debt**

Business-type long-term debt, including current portion, at September 30, 2023 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 \$1,735,000 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. \$ 39,375,000

**PALM BEACH COUNTY, FLORIDA**  
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\$72,430,000 Water and Sewer Revenue Refunding Bonds, Series 2013 were issued to pay the cost of advance refunding a portion of the County's Water and Sewer Revenue Bonds, Series 2006A. The annual installments range from \$3,740,000 to \$3,900,000 through October 1, 2024, with interest rates from 4.500% 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. \$ 3,900,000

\$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 \$1,325,000 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. \$ 56,740,000

\$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 \$2,645,000 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. \$ 51,750,000

Total face value of Revenue Bonds Payable	\$ 175,150,000
Unamortized bond premiums	9,808,159
Net Revenue Bonds, Business-Type Activities	<u>\$ 184,958,159</u>

**PALM BEACH COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**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 \$12,048 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, 2023 the outstanding loans are as follows:

\$ 430,015	- Pahokee SRF Loan	\$ 194,708	
722,989	- Belle Glade SRF Loan	239,834	
6,515,388	- Belle Glade SRF Loan	2,808,459	
2,037,950	- Belle Glade SRF Loan	<u>1,206,354</u>	
			<u>\$ 4,449,355</u>

**Compensated Absences**

Compensated absences are liquidated by the governmental fund incurring the expense.

Business-Type Fund			
	Water Utilities Department	\$ 3,915,878	
	Department of Airports	<u>1,455,530</u>	
			\$ 5,371,408
Lease liability			<u>237,374</u>
Total Business-Type Activities Long-Term Debt, including current portion			<u><u>\$ 195,016,296</u></u>

**PALM BEACH COUNTY, FLORIDA**  
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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	
2024	\$ 6,395,000	\$ 561,800	\$ 47,790,000	\$ 24,997,568	\$ 7,339,534	\$ 1,055,660	\$ 1,238,290	\$ 702,733	\$ 90,080,585
2025	6,625,000	335,450	49,365,000	23,243,017	7,521,987	812,323	1,239,291	639,234	89,781,302
2026	3,350,000	100,500	38,580,000	21,659,348	6,588,486	593,146	1,239,290	575,681	72,686,451
2027	-	-	40,475,000	20,088,317	4,547,004	429,102	1,239,290	512,128	67,290,841
2028	-	-	40,820,000	18,575,471	3,435,039	306,838	1,222,291	448,576	64,808,215
2029-2033	-	-	145,135,000	75,331,051	6,793,902	366,283	4,690,448	1,369,611	233,686,295
2034-2038	-	-	141,480,000	47,160,428	-	-	2,721,442	413,695	191,775,565
2039-2043	-	-	94,170,000	20,805,338	-	-	466,668	43,897	115,485,903
2044-2048	-	-	47,300,000	4,836,107	-	-	181,974	5,351	52,323,432
Total	\$ 16,370,000	\$ 997,750	\$ 645,115,000	\$ 256,696,645	\$ 36,225,952	\$ 3,563,352	\$ 14,238,984	\$ 4,710,906	\$ 977,918,589

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	
2024	\$ 9,605,000	\$ 5,528,278	\$ 637,296	\$ 86,631	\$ 15,857,205
2025	9,920,000	5,200,521	649,644	74,463	15,844,628
2026	10,180,000	4,934,088	661,876	62,051	15,838,015
2027	10,455,000	4,646,205	674,535	49,391	15,825,131
2028	10,740,000	4,336,469	624,880	36,746	15,738,095
2029-2033	58,850,000	16,296,283	1,201,124	58,995	76,406,402
2034-2038	61,945,000	5,514,609	-	-	67,459,609
2039-2043	3,455,000	259,125	-	-	3,714,125
Total	\$ 175,150,000	\$ 46,715,578	\$ 4,449,355	\$ 368,277	\$ 226,683,210

**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, 2023, there were twenty-six series of Industrial Revenue Bonds outstanding, with an aggregate principal payable of \$580,799,897.

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,

**PALM BEACH COUNTY, FLORIDA**  
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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, 2023, there were three series of Authority Bonds outstanding with an aggregate principal payable of \$66,350,000.

The Industrial Revenue Bonds and the 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, 2023 are summarized as follows:

Direct Placement Revenue Bonds:	
Series 2021	\$ 57,420,000
Series 2019	345,825,000
Revenue Bonds:	
Series 2017	39,230,000
Series 2015	50,330,000
Unamortized premium	4,278,665
Net revenue bonds payable	<u>497,083,665</u>
Less current maturities	<u>(25,980,000)</u>
Revenue bonds payable, long-term portion	<u><u>\$ 471,103,665</u></u>

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.

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The debt service requirements and interest rates of the Series 2021 Bonds are as follows:

Year Ending September 30	Interest Rate %	Principal	Interest	Total
2024	0.67	\$ -	\$ 384,484	\$ 384,484
2025	0.67	17,820,000	324,823	18,144,823
2026	0.67	39,600,000	132,581	39,732,581
		\$ 57,420,000	\$ 841,888	\$ 58,261,888

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.

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 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%.

In 2022, the advance refunding of the Series 2011 Bonds by the SWA reduced its aggregate debt service payments by approximately \$44,364,596 over the life of the bonds and produced an economic gain (the difference between the present values of the old and new debt service payments) of approximately \$35,494,113.

Interest on the Series 2019 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, 2031.

**PALM BEACH COUNTY, FLORIDA**  
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The debt service requirements and interest rates of the Series 2019 Bonds are as follows:

Year Ending September 30	Interest Rate %	Principal	Interest	Total
2024	2.88	\$ 1,845,000	\$ 9,933,192	\$ 11,778,192
2025	2.88	1,910,000	9,879,120	11,789,120
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	1,015,341	71,525,341
		<b>\$ 345,825,000</b>	<b>\$ 62,378,997</b>	<b>\$ 408,203,997</b>

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.

Interest on the Series 2017 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, 2024.

The debt service requirements and interest rates of the Series 2017 Bonds are as follows:

Year Ending September 30	Interest Rate %	Principal	Interest	Total
2024	2.44	\$ 24,135,000	\$ 691,869	\$ 24,826,869
2025	2.64	15,095,000	198,952	15,293,952
		<b>\$ 39,230,000</b>	<b>\$ 890,821</b>	<b>\$ 40,120,821</b>

On July 15, 2020 the SWA deposited approximately \$23.6 million of available SWA monies into an escrow account to defease \$22,975,000 of Federally Taxable Series 2017 Refunding Revenue Bonds with a scheduled maturity date of October 1, 2021.

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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.

The debt service requirements and interest rates of the Series 2015 Bonds are as follows:

Year Ending September 30	Interest Rate %	Principal	Interest	Total
2024	5.00	\$ -	\$ 2,516,500	\$ 2,516,500
2025	5.00	-	2,516,500	2,516,500
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	\$ 10,451,250	\$ 60,781,250

Series 2011: \$599,860,000 Solid Waste Authority of Palm Beach County Refunding Revenue Bonds, Series 2011 dated October 26, 2011. The Series 2011 Bonds, in conjunction with the refunded Series 2010 Bonds, provided funding for the acquisition and construction of the Renewable Energy Facility #2 (REF #2) mass burn facility, funding for the corresponding Debt Service Reserve Account, and funds for the cost of issuance of the Series 2011 Bonds.

Interest on the Series 2011 Bonds was payable semi-annually on April 1st and October 1st and principal payments were due on October 1<sup>st</sup>.

**DEFEASED DEBT**

On September 1, 2016 SWA deposited approximately \$7.5 million of available SWA monies into an escrow account to defease \$735,000 of 2011 Refunding Revenue Bonds that have a scheduled maturity date of October 1, 2025 and to defease \$5,450,000 of 2011 Refunding Revenue Bonds that have a schedule maturity date of October 1, 2031 for a total defeasance of \$6,185,000 of 2011 Refunding Revenue Bonds.

On July 6, 2021, the proceeds of the sale of the Series 2021 Bonds, together with funds contributed by the SWA, after payment of costs of issuance, were deposited into the Series 2011 special fund, an irrevocable escrow fund with an independent trustee created under the Indenture. The trustee of the Special Fund invested the amounts on deposit in cash and U.S. Government Securities to provide for refunding all future debt service payments when due. As a result, the \$119,055,000 of the Series 2011 Bonds are considered to be “defeased” and do not constitute a debt or indebtedness



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of the SWA, nor is the SWA obligated for repayment of these bonds. The total defeasance of \$119,055,000 of Series 2011 Bonds were called and retired on October 1, 2021.

On October 1, 2021, funds held in escrow refunded Series 2011 Refunding Revenue Bonds in the amount of \$336,665,000 and \$6,140,000 of the Series 2011 Refunding Revenue Bonds using the SWA's debt service reserve fund. The total outstanding principal balance of \$363,415,000 for the Series 2011 Bonds were retired October 1, 2021, which included a principal payment of \$20,340,000.

As of September 30, 2023, all Series 2011 Bonds have been retired.

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.

The Series 2011 Bonds includes an Extraordinary Optional Redemption clause allowing for redemption of prior to maturity at a redemption price of one hundred percent (100%) of the principal amount, plus accrued interest, if any, to the redemption date, in whole or in part at any time, in the event of damage, condemnation or loss of title of the REF#1 and REF#2 renewable energy facilities.

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Annual Maturities: Maturities for the outstanding bonds of the SWA are as follows:

Revenue Bonds			
Year Ending September 30,	Principal	Interest	Total
2024	\$ 24,135,000	\$ 3,208,369	\$ 27,343,369
2025	15,095,000	2,715,452	17,810,452
2026	10,870,000	2,244,750	13,114,750
2027	11,525,000	1,684,875	13,209,875
2028-2029	27,935,000	1,488,625	29,423,625
	\$ 89,560,000	\$ 11,342,071	\$ 100,902,071

Series 2021 and Series 2019 Refunding Revenue Bonds  
Direct Placement

Direct Placement			
Year Ending September 30,	Principal	Interest	Total
2024	\$ 1,845,000	\$ 10,317,676	\$ 12,162,676
2025	19,730,000	10,203,943	29,933,943
2026	41,580,000	9,955,685	51,535,685
2027	39,875,000	9,220,392	49,095,392
2028	46,700,000	7,973,712	54,673,712
2029-2032	253,515,000	15,549,477	269,064,477
	\$ 403,245,000	\$ 63,220,885	\$ 466,465,885

Interest Expense: Total interest costs incurred on all SWA debt for the year ended September 30, 2023 was \$12,707,575. For the year ended September 30, 2023, net interest costs (net of revenue on construction funds of \$635,979) \$12,071,596 was expensed.

Defeased Bonds: As of September 30, 2023, no defeased bonds remain outstanding.

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**Changes in Noncurrent Liabilities**

Changes in long-term debt for the year ended September 30, 2023 are summarized as follows:

September 30, 2023	Beginning Balance	Increases	Decreases & Retirements	Ending Balance	Due within One Year
Compensated absences	\$ 5,925,987	\$ 3,729,388	\$ (3,418,807)	\$ 6,236,568	\$ 518,882
Lease liability	2,101,158	-	(176,292)	1,924,866	115,277
Net pension liability	36,099,291	4,799,654	-	40,898,945	-
Total other postemployment liability	571,000	171,000	(98,000)	644,000	-
Advance capacity payment	35,154,025	-	(2,981,260)	32,172,765	2,981,260
Landfill closure and postclosure care costs	52,957,283	-	(2,966,281)	49,991,002	-
Notes and bonds from direct borrowings and placements:					
Revenue Bond, Series 2019	347,605,000	-	(1,780,000)	345,825,000	1,845,000
Revenue Bond, Series 2021	95,300,000	-	(37,880,000)	57,420,000	-
Revenue bonds:					
Series 2017	62,760,000	-	(23,530,000)	39,230,000	24,135,000
Series 2015	50,330,000	-	-	50,330,000	-
Totals	<u>\$ 688,803,744</u>	<u>\$ 8,700,042</u>	<u>\$ (72,830,640)</u>	624,673,146	<u>\$ 29,595,419</u>
Unamortized premium				4,278,665	
Current maturities				<u>(29,595,419)</u>	
Net long-term debt				<u>\$ 599,356,392</u>	

**16. PLEDGED REVENUES**

The County has pledged a portion of future non-ad valorem revenues to repay \$681.3 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 \$941.6 million with annual requirements ranging from \$81.2 million in fiscal year 2024 decreasing to \$6.7million in fiscal year 2048. The pledged non-ad valorem revenues, from which the appropriations will be made, have averaged \$453 million per year over the last 10 years. Principal and interest paid for the current year and total pledged non-ad valorem revenues were \$75.2 million and \$592.1 million, respectively.

The County has pledged future airport revenues net of specified operating expenses to repay \$51.8 million in airport revenue bonds issued between May 17, 2006 and July 26, 2016. 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 paid on the bonds is

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\$71.9 million with annual requirements ranging from \$5.2 million in fiscal year 2024 decreasing to \$5.1 million in fiscal year 2035. Annual principal and interest payments on the bonds are expected to require less than 10% of projected future net revenues. Principal and interest paid for the current year and net operating income before interest expense were \$5.1 million and \$49.6 million, respectively.

The County has pledged future water utility revenues net of specified operating expenses to repay \$127.8 million in water and sewer revenue bonds issued between February 27, 2013 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 \$154.8 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 \$10.9 million and \$106.3 million, respectively.

## **17. TAX ABATEMENTS**

### **Economic Development Tax Exemption**

Palm Beach County enters into property tax abatement agreements with local businesses under Ordinance 2013-022, the “Economic Development Ad Valorem Tax Exemption Ordinance of Palm Beach County, Florida”. Article VII, Section 3, of the Constitution of the State of Florida and Section 196.1995, Florida Statutes, empowers the County to grant economic development ad valorem tax exemptions after the electors of the County authorized such exemptions in a referendum held in November 2012. These ad valorem exemptions apply to new businesses relocating to Palm Beach County as well as to the expansions of businesses already situated in the County. The exemption applies only to taxes levied by Palm Beach County. The exemption does not apply to taxes levied by a municipality, school district, or water management district. This ordinance will expire August 31, 2024.

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.

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%) 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

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a business an exemption. For the fiscal year ended September 30, 2023, the County abated property taxes totaling \$510,441 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, 2023, the County abated property taxes totaling \$544,940 under this program.

**18. 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, 2023, the County is *only the transferor* in Public-Private Partnerships (PPP) within the scope of GASB Statement No. 94.

**County as Transferor - Governmental Funds:**

At September 30, 2023, the PPP receivable for payments and corresponding deferred inflows was \$21,546,871. Discount rates utilized to measure the initial PPP receivable were 10% which was based on the PPP arrangement’s existing underlying asset property type. Additionally, the acquisition value of the capital improvements made by each operator to the County’s existing

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underlying PPP assets have not met the materiality threshold to be recorded as part of the deferred inflows measurement. *The County's principal ongoing operations do not consist of transferring the use of existing underlying assets to operators under PPP arrangements.* For the fiscal year ended September 30, 2023, 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 \$2,559,987. The following are brief descriptions of each of the County's PPP arrangements existing as of September 30, 2023:

*HW Spring Training Complex, LLC* - On 8/18/2015 the County granted to 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.

*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 is the first day the operator open 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 the operator will exercise the options to renew. 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 to 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 \$1,250,0000. 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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**19. 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, 2023:

<b>Governmental Activities:</b>	Amount
<b>Major funds:</b>	
General Fund	\$ 11,320,406
Palm Tran	4,861,840
Fire Rescue Special Revenue Fund	19,409,964
COVID-19	22,463,597
Road Program Capital Projects Fund	89,486,828
General Government Capital Projects Fund	103,649,471
Total major funds	251,192,106
<b>Nonmajor governmental activities</b>	70,668,432
Total governmental activities	321,860,538
 <b>Business-type Activities:</b>	
Airports	49,114,974
Water Utilities	122,824,000
Total business-type activities	171,938,974
Total commitments	\$ 493,799,512

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.

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

Contract Commitments: SWA had outstanding purchase commitments for various equipment, goods and services totaling approximately \$15.6 million at September 30, 2023.

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, 2023 and entered into a new 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 \$2,528,561 during fiscal year 2023. SWA is required to pay \$2,604,418 under the new agreement for the fiscal year ended September 30, 2023. The amount due each year can increase up to 3% per year.

**Landfill Closure and Post-closure Care Costs**

The SWA operated one active landfill site for the year ended September 30, 2023. 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 2023, 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, 2023 are as follows:

Accrued closure and postclosure care costs	\$ 49,991,002
Total Accrued Landfill Closure Costs	<u>\$ 49,991,002</u>

The \$49,991,002 of accrued closure and postclosure care liabilities at September 30, 2023 represents the cumulative cost based on the use of 47.5% of the estimated capacity of the operating landfill. The SWA will recognize the remaining estimated cost of closure and postclosure care of approximately \$78.2 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 post-closure care in 202. Based on current demographic information and engineering estimates of landfill consumption, the SWA expects to close the landfill in approximately 2054. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The SWA is required by state laws and regulations to make annual contributions to an escrow account to finance all closure costs and one year of postclosure care for landfills closed after 1991. The SWA is in compliance with these requirements, and at September 30, 2023 cash and cash equivalents of \$45,753,979 were held for these purposes and exceeds the minimum required escrow amount as shown on the next page. These amounts are reported as noncurrent restricted assets on the statements of net position. The SWA expects that future inflation costs will be paid



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from interest earnings on these invested amounts and subsequent annual contributions. However, if interest earnings are inadequate or additional closure or postclosure care requirements are determined (due to changes in technology or applicable laws or regulations), these costs may need to be covered by charges to future users of the solid waste system or from future non-ad valorem assessments.

At September 30, 2023, the statutorily required escrow account balances were as follows:

Site	
Site 7 closure costs	\$ 39,973,240
	\$ 39,973,240

State laws and regulations specify that required landfill escrow account balances must be calculated using either the “Pay-in” or the “Balance” method, as they are statutorily defined. During 2006 the SWA changed from the Pay-in method to the Balance method. The SWA will be required to continue using the Balance method through the remaining design life of the Site 7 landfill. Although the SWA is not legally required by state or federal laws and regulations to provide funding for the landfill sites closed prior to 1991, the SWA has accepted financial responsibility for these sites. The annual long-term care funding requirements for these sites were not estimated or accrued at September 30, 2023; however, management does not believe that the annual costs are material to the SWA, and these costs will be adequately funded through future, annual operating budgets.

**20. 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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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>2023</b>	<b>2022</b>	<b>2021</b>
County's proportion of the FRS net pension liability	3.32%	3.36%	3.32%
County's proportionate share of the FRS net pension liability	\$ 1,322,961,544	\$ 1,248,868,077	\$ 250,485,166
County's covered payroll	\$ 808,030,797	\$ 757,558,440	\$ 724,901,768
County's proportionate share of the FRS net pension liability as a percentage of its covered payroll	163.7%	164.9%	34.6%
FRS Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%

**Notes to Schedule:**

(1) Amounts are as of June 30 of each year.

<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
3.54%	3.46%	3.46%	3.48%	3.37%	3.15%	3.16%
\$ 1,533,076,137	\$ 1,191,182,897	\$ 1,043,413,647	\$ 1,030,547,249	\$ 850,558,352	\$ 406,204,159	\$ 192,829,398
\$ 709,843,999	\$ 677,246,998	\$ 664,620,014	\$ 641,557,064	\$ 606,858,696	\$ 585,549,661	\$ 575,072,943
216.0%	175.9%	157.0%	160.6%	140.2%	69.4%	33.5%
78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

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>2023</b>	<b>2022</b>	<b>2021</b>
County's proportion of the HIS net pension liability	2.44%	2.51%	2.46%
County's proportionate share of the HIS net pension liability	\$ 387,704,465	\$ 265,417,189	\$ 301,533,078
County's covered payroll	\$ 808,030,797	\$ 757,558,440	\$ 724,901,768
County's proportionate share of the HIS net pension liability as a percentage of its covered payroll	48.0%	35.0%	41.6%
HIS Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%

**Notes to Schedule:**

(1) Amounts are as of June 30 of each year.

<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
2.42%	2.40%	2.40%	2.39%	2.32%	2.32%	2.32%
\$ 295,240,919	\$ 268,508,328	\$ 254,212,376	\$ 255,558,701	\$ 270,836,258	\$ 236,405,210	\$ 216,601,747
\$ 709,843,999	\$ 677,246,998	\$ 664,620,014	\$ 641,557,064	\$ 606,858,696	\$ 585,549,661	\$ 575,072,943
41.6%	39.6%	38.2%	39.8%	44.6%	40.4%	37.7%
3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

PALM BEACH COUNTY, FLORIDA  
Schedule of County Contributions-  
Florida Retirement System Pension Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Contractually required FRS contribution	\$ 189,679,317	\$ 163,162,224	\$ 145,197,857	\$ 132,801,047
FRS contributions in relation to the contractually required contribution	\$ 189,679,317	\$ 163,162,224	\$ 145,197,857	\$ 132,801,047
FRS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 821,902,249	\$ 768,205,558	\$ 728,936,093	\$ 714,839,553
FRS contributions as a percentage of covered payroll	23.1%	21.2%	19.9%	18.6%

<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$ 122,515,156	\$ 111,481,570	\$ 103,862,641	\$ 95,494,431	\$ 89,482,686	\$ 83,794,037
\$ 122,515,156	\$ 111,481,570	\$ 103,862,641	\$ 95,494,431	\$ 89,482,686	\$ 83,794,037
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 684,295,776	\$ 663,077,145	\$ 638,616,378	\$ 612,666,217	\$ 579,003,748	\$ 563,609,163
17.9%	16.8%	16.3%	15.6%	15.5%	14.9%



PALM BEACH COUNTY, FLORIDA  
Schedule of County Contributions-  
Health Insurance Subsidy Pension Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Contractually required HIS contribution	\$ 16,438,045	\$ 12,752,212	\$ 12,100,339	\$ 11,866,337
HIS contributions in relation to the contractually required contribution	\$ 16,438,045	\$ 12,752,212	\$ 12,100,339	\$ 11,866,337
HIS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 821,902,249	\$ 768,205,558	\$ 728,936,093	\$ 714,839,553
HIS contributions as a percentage of covered payroll	2.0%	1.7%	1.7%	1.7%

<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$ 11,359,310	\$ 11,007,081	\$ 10,601,032	\$ 10,170,259	\$ 7,295,447	\$ 6,763,310
\$ 11,359,310	\$ 11,007,081	\$ 10,601,032	\$ 10,170,259	\$ 7,295,447	\$ 6,763,310
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 684,295,776	\$ 663,077,145	\$ 638,616,378	\$ 612,666,217	\$ 579,003,748	\$ 563,609,163
1.7%	1.7%	1.7%	1.7%	1.3%	1.2%

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>2023</b>	<b>2022</b>	<b>2021</b>
Proportion of the FRS net pension liability	0.0711978%	0.0738004%	0.0750208%
Proportionate share of the FRS net pension liability	\$ 28,370,063	\$ 27,459,669	\$ 5,666,969
SWA's covered payroll	\$ 25,786,960	\$ 25,385,048	\$ 25,444,717
SWA's proportionate share of the FRS net pension liability as a percentage of its covered payroll	110.02%	108.17%	22.27%
FRS Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%

**Notes to Schedule:**

(1) Amounts are as of June 30 each year.

<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
0.0669098%	0.0644148%	0.0636583%	0.0635171%	0.0648132%	0.0626365%	0.0630379%
\$ 28,999,693	\$ 22,183,563	\$ 19,174,210	\$ 18,787,926	\$ 16,365,396	\$ 8,090,343	\$ 3,848,240
\$ 24,654,558	\$ 23,546,088	\$ 22,671,421	\$ 21,795,240	\$ 21,647,567	\$ 19,555,196	\$ 19,815,911
117.62%	94.21%	84.57%	86.20%	75.60%	41.37%	19.42%
78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

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>2023</b>	<b>2022</b>	<b>2021</b>
Proportion of the HIS net pension liability	0.0788906%	0.0815705%	0.0828142%
Proportionate share of the HIS net pension liability	\$ 12,528,882	\$ 8,639,622	\$ 10,158,401
SWA's covered payroll	\$ 31,258,955	\$ 29,750,795	\$ 29,322,513
SWA's proportionate share of the HIS net pension liability as a percentage of its covered payroll	40.08%	29.04%	34.64%
HIS Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%

**Notes to Schedule:**

(1) Amounts are as of June 30 each year.

<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
0.0813023%	0.0797253%	0.0784037%	0.0776703%	0.0795028%	0.0739556%	0.0745754%
\$ 9,926,884	\$ 8,920,460	\$ 8,298,340	\$ 8,304,865	\$ 9,265,726	\$ 7,542,309	\$ 6,972,985
\$ 28,213,241	\$ 26,663,556	\$ 25,608,028	\$ 24,772,565	\$ 24,543,064	\$ 22,436,802	\$ 22,152,039
35.19%	33.46%	32.41%	33.52%	37.75%	33.62%	31.48%
3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

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>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Contractually required FRS contribution	\$ 3,308,685	\$ 2,879,011	\$ 2,788,809	\$ 2,186,868	\$ 1,903,110
FRS contributions in relation to the contractually required contribution	\$ 3,308,685	\$ 2,879,011	\$ 2,788,809	\$ 2,186,868	\$ 1,903,110
FRS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
SWA's covered payroll	\$26,272,136	\$ 25,238,228	\$26,432,730	\$24,883,857	\$ 23,834,076
FRS contributions as a percentage of covered payroll	12.59%	11.41%	10.55%	8.79%	7.98%

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$	1,717,280	\$ 1,570,296	\$ 1,429,340	\$ 1,426,153	\$ 1,332,111
\$	1,717,280	\$ 1,570,296	\$ 1,429,340	\$ 1,426,153	\$ 1,332,111
\$	-	\$ -	\$ -	\$ -	\$ -
\$	22,823,877	\$ 22,024,734	\$ 21,051,861	\$ 20,091,083	\$ 19,772,903
	7.52%	7.13%	6.79%	7.10%	6.74%



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>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Contractually required HIS contribution	\$ 559,792	\$ 496,879	\$ 505,610	\$ 474,046	\$ 448,920
HIS contributions in relation to the contractually required contribution	\$ 559,792	\$ 496,879	\$ 505,610	\$ 474,046	\$ 448,920
HIS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
SWA's covered payroll	\$31,952,658	\$29,932,457	\$30,458,468	\$28,556,970	\$27,043,385
HIS contributions as a percentage of covered payroll	1.75%	1.66%	1.66%	1.66%	1.66%

<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$ 427,278	\$ 415,575	\$ 396,210	\$ 310,975	\$ 257,664
\$ 427,278	\$ 415,575	\$ 396,210	\$ 310,975	\$ 257,664
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 25,739,685	\$ 25,034,650	\$ 23,868,058	\$ 22,716,328	\$ 22,185,466
1.66%	1.66%	1.66%	1.37%	1.16%

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>2022</b>	<b>2021</b>	<b>2020</b>
<b>Total pension liability</b>			
Service cost	\$ 4,933,132	\$ 5,049,308	\$ 5,043,856
Interest	10,943,325	10,585,772	10,204,584
Differences between expected and actual experience	(1,480,540)	(1,611,163)	(1,464,749)
Change of assumptions	-	-	-
Benefit payments, including refunds of member contributions	(8,572,850)	(8,241,414)	(7,606,438)
<b>Net change in total pension liability</b>	<b>5,823,067</b>	<b>5,782,503</b>	<b>6,177,253</b>
<b>Total pension liability- beginning</b>	<b>168,061,915</b>	<b>162,279,412</b>	<b>156,102,159</b>
<b>Total pension liability- ending (a)</b>	<b>173,884,982</b>	<b>168,061,915</b>	<b>162,279,412</b>
<b>Plan fiduciary net position</b>			
Contributions - employer	6,390,895	6,268,796	6,338,056
Contributions - employee	1,012,503	987,691	976,061
Net investment income	(25,591,793)	17,116,840	19,587,534
Benefit payments, including refunds of member contributions	(8,572,850)	(8,241,414)	(7,606,438)
Administrative expense	(312,967)	(287,715)	(277,662)
<b>Net change in plan fiduciary net position</b>	<b>(27,074,212)</b>	<b>15,844,198</b>	<b>19,017,551</b>
<b>Plan fiduciary net position - beginning</b>	<b>154,520,407</b>	<b>138,676,209</b>	<b>119,658,658</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>127,446,195</b>	<b>154,520,407</b>	<b>138,676,209</b>
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 46,438,787</b>	<b>\$ 13,541,508</b>	<b>\$ 23,603,203</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>73.3%</b>	<b>91.9%</b>	<b>85.5%</b>
<b>Covered payroll</b>	<b>\$ 33,641,561</b>	<b>\$ 32,799,623</b>	<b>\$ 32,525,195</b>
<b>Net pension liability as a percentage of covered payroll</b>	<b>138.0%</b>	<b>41.3%</b>	<b>72.6%</b>

**Notes to Schedule:**

- (1) GASB Statement No. 68, "Accounting and Financial Reporting for Pensions", was implemented in fiscal year 2015 requiring ten-year trend data. Additional years will be displayed as the data becomes available.
- (2) Amounts are as of December 31 of each year.

2019	2018	2017	2016	2015	2014
\$ 4,040,432	\$ 4,022,548	\$ 3,657,542	\$ 3,614,568	\$ 3,699,372	\$ 3,517,163
10,357,277	10,013,496	9,655,384	9,070,466	8,602,255	7,920,953
(1,085,883)	(1,801,094)	(2,489,675)	260,004	(2,653,460)	1,780,535
16,457,786	3,193,461	(523,606)	-	1,585,562	-
(7,205,264)	(6,625,328)	(5,898,029)	(5,467,344)	(5,009,083)	(4,626,680)
22,564,348	8,803,083	4,401,616	7,477,694	6,224,646	8,591,971
133,537,811	124,734,728	120,333,112	112,855,418	106,630,772	98,038,801
156,102,159	133,537,811	124,734,728	120,333,112	112,855,418	106,630,772
5,809,852	5,509,648	5,421,844	5,589,705	5,215,491	7,205,534
943,170	923,986	912,362	867,999	777,273	684,731
19,052,799	(4,414,367)	12,590,071	5,754,084	(1,839,676)	4,845,252
(7,205,264)	(6,625,328)	(5,898,029)	(5,467,344)	(5,009,083)	(4,626,680)
(276,527)	(372,153)	(213,695)	(157,019)	(182,444)	(223,302)
18,324,030	(4,978,214)	12,812,553	6,587,425	(1,038,439)	7,885,535
101,334,628	106,312,842	93,500,289	86,912,864	87,951,303	80,065,768
119,658,658	101,334,628	106,312,842	93,500,289	86,912,864	87,951,303
\$ 36,443,501	\$ 32,203,183	\$ 18,421,886	\$ 26,832,823	\$ 25,942,554	\$ 18,679,469
76.7%	75.9%	85.2%	77.7%	77.0%	82.5%
\$ 31,395,399	\$ 30,674,568	\$ 30,402,375	\$ 30,061,310	\$ 27,512,115	\$ 24,661,404
116.1%	105.0%	60.6%	89.3%	94.3%	75.7%

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>2023</b>	<b>2022</b>	<b>2021</b>
<b>Total pension liability</b>			
Service cost	\$ 151,816	\$ 366,047	\$ 415,027
Interest	3,415,467	3,279,547	3,481,788
Differences between expected and actual experience	(874,254)	2,029,933	118,547
Change of assumptions	-	1,457,264	1,987,636
Benefit payments, including refunds of member contributions	(1,788,855)	(3,359,102)	(3,132,053)
<b>Net change in total pension liability</b>	<b>904,174</b>	<b>3,773,689</b>	<b>2,870,945</b>
<b>Total pension liability- beginning</b>	<b>57,742,971</b>	<b>53,969,282</b>	<b>51,098,337</b>
<b>Total pension liability- ending (a)</b>	<b>58,647,145</b>	<b>57,742,971</b>	<b>53,969,282</b>
<b>Plan fiduciary net position</b>			
Contributions - employer and state	1,009,175	1,100,046	1,202,802
Contributions - employee	163,002	180,176	172,670
Net investment income	4,664,337	(9,226,068)	10,677,774
Benefit payments, including refunds of member contributions	(1,788,855)	(3,359,102)	(3,132,053)
Administrative expense	(73,875)	(65,141)	(53,138)
Other	-	-	8,500
<b>Net change in plan fiduciary net position</b>	<b>3,973,784</b>	<b>(11,370,089)</b>	<b>8,876,555</b>
<b>Plan fiduciary net position - beginning</b>	<b>45,876,053</b>	<b>57,246,142</b>	<b>48,369,587</b>
Prior Period Adjustment	-	-	-
<b>Plan fiduciary net position - ending (b)</b>	<b>49,849,837</b>	<b>45,876,053</b>	<b>57,246,142</b>
<b>Net pension liability (asset) - ending (a) - (b)</b>	<b>\$ 8,797,308</b>	<b>\$ 11,866,918</b>	<b>\$ (3,276,860)</b>
<b>Plan fiduciary net position as a percentage of the total pension liability (asset)</b>	<b>85.0%</b>	<b>79.4%</b>	<b>106.1%</b>
<b>Covered payroll</b>	<b>\$ 389,773</b>	<b>\$ 1,007,285</b>	<b>\$ 1,260,134</b>
<b>Net pension liability as a percentage of covered payroll</b>	<b>2257.0%</b>	<b>1178.1%</b>	<b>-260.0%</b>

**Notes to Schedule:**

(1) Amounts are as of September 30 of each year,

	2020	2019	2018	2017	2016	2015	2014
\$	442,804	\$ 407,991	\$ 452,953	\$ 357,804	\$ 470,342	\$ 450,605	\$ 535,323
	3,440,516	3,401,092	3,192,834	2,973,158	2,823,508	2,605,711	2,494,851
	(574,240)	(421,152)	1,077,328	125,354	(977,800)	1,014,242	-
	-	1,247,869	-	3,182,878	1,711,466	-	-
	(2,279,155)	(2,550,001)	(1,106,244)	(915,763)	(887,761)	(1,828,169)	(1,375,968)
	1,029,925	2,085,799	3,616,871	5,723,431	3,139,755	2,242,389	1,654,206
	50,068,412	47,982,613	44,365,742	38,642,311	35,502,556	33,260,167	31,605,961
	51,098,337	50,068,412	47,982,613	44,365,742	38,642,311	35,502,556	33,260,167
	1,351,331	1,546,558	1,343,726	1,411,935	1,478,818	1,725,181	1,761,403
	166,072	182,155	206,043	222,479	235,009	244,101	263,191
	3,762,711	1,757,509	3,710,228	3,954,054	2,569,228	(550,596)	2,671,295
	(2,279,155)	(2,550,001)	(1,106,244)	(915,763)	(887,761)	(1,828,169)	(1,375,968)
	(69,001)	(71,412)	(59,078)	(59,121)	(52,104)	(60,354)	(48,365)
	1,012	8,012	35,938	18,471	19,741	18,127	13,310
	2,932,970	872,821	4,130,613	4,632,055	3,362,931	(451,710)	3,284,866
	45,436,617	44,563,796	40,433,183	35,801,128	32,438,197	32,889,907	28,314,454
	-	-	-	-	-	-	1,290,587
	48,369,587	45,436,617	44,563,796	40,433,183	35,801,128	32,438,197	32,889,907
\$	2,728,750	\$ 4,631,795	\$ 3,418,817	\$ 3,932,559	\$ 2,841,183	\$ 3,064,359	\$ 370,260
	94.7%	90.7%	92.9%	91.1%	92.6%	91.4%	98.9%
\$	1,342,839	\$ 1,315,467	\$ 1,442,292	\$ 1,334,186	\$ 1,847,095	\$ 1,914,133	\$ 2,119,708
	203.2%	352.1%	237.0%	294.8%	153.8%	160.1%	17.5%

PALM BEACH COUNTY, FLORIDA  
 Schedule of Investment Returns  
 Palm Tran Pension Plan  
 Last Ten Fiscal Years  
 (Required Supplementary Information)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	-16.3%	12.3%	16.4%	18.9%	-4.0%	14.0%	7.4%	-1.6%	6.6%

**Notes to Schedule:**

- (1) GASB Statement No. 68, "Accounting and Financial Reporting for Pensions", was implemented in fiscal year 2015 requiring ten-year trend data. Additional years will be displayed as the data becomes available.
- (2) The above is as provided by the investment monitor.
- (3) 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>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Annual money-weighted rate of return, net of investment expense	10.10%	-16.57%	22.58%	8.15%	3.86%	9.01%	10.80%	7.66%	-1.81%	8.84%

**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,	2023	2022	2021	2020
Actuarially determined contribution	\$ 6,189,910	\$ 6,390,895	\$ 7,853,310	\$ 6,206,005
Contributions in relation to the actuarially determined contribution	6,189,910	6,390,895	7,853,310	6,206,005
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
<b>Covered payroll</b>	<b>\$ 36,075,031</b>	<b>\$ 33,479,879</b>	<b>\$ 32,689,367</b>	<b>\$ 32,216,091</b>
<b>Actuarially determined contribution as a percentage of covered payroll</b>	17.2%	19.1%	24.0%	19.3%
<b>Actual contributions as a percentage of covered payroll</b>	17.2%	19.1%	24.0%	19.3%

**Notes to Schedule:**

GASB Statement No. 68, "Accounting and Financial Reporting for Pensions", was implemented in fiscal year 2015 requiring ten-year trend data. Additional years will be displayed as the data becomes available.

**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>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
\$ 5,734,801	\$ 5,487,697	\$ 5,436,974	\$ 5,392,773	\$ 5,029,111
5,734,801	5,487,697	5,436,974	5,392,773	5,148,840
\$ -	\$ -	\$ -	\$ -	\$ (119,729)
\$ 31,302,673	\$ 30,734,855	\$ 31,146,308	\$ 28,194,510	\$ 28,129,612
18.3%	17.9%	17.5%	19.1%	17.9%
18.3%	17.9%	17.5%	19.1%	18.3%

PALM BEACH COUNTY, FLORIDA  
Schedule of Contributions  
Lantana Firefighters' Pension Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Actuarially determined contribution	\$ 952,320	\$ 1,090,438	\$ 1,203,761	\$ 1,365,725
Contributions in relation to the actuarially determined contribution	952,320	1,090,438	1,203,761	1,365,725
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
<b>Covered payroll</b>	<b>\$ 389,773</b>	<b>\$ 1,007,285</b>	<b>\$ 1,260,134</b>	<b>\$ 1,342,839</b>
<b>Actuarially determined contribution as a percentage of covered payroll</b>	<b>244.3%</b>	<b>108.3%</b>	<b>95.5%</b>	<b>101.7%</b>
<b>Actual contributions as a percentage of covered payroll</b>	<b>244.3%</b>	<b>108.3%</b>	<b>95.5%</b>	<b>101.7%</b>

**Notes to Schedule:**

(1) Amounts are as of September 30 of each year.

**Valuation Date** September 30, 2022

**Methods and assumptions used to determine contributions:**

Actuarial cost method	Entry-Age Normal
Amortization method	Level Percent-of-Payroll, closed
Remaining amortization period	3-15 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	4.63%
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-2018.

**Other Information:**

Notes	The Employer Contribution for FYE 9/30/23 was determined in the 9/30/21 actuarial valuation report dated 1/28/2022.
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>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$ 1,550,859	\$ 1,363,707	\$ 1,370,424	\$ 1,413,772	\$ 1,697,036	\$ 1,721,439
1,550,859	1,363,707	1,370,424	1,413,772	1,697,036	1,721,439
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 1,315,467	\$ 1,442,292	\$ 1,334,186	\$ 1,847,095	\$ 1,914,133	\$ 2,119,708
117.9%	94.6%	102.7%	76.5%	88.7%	81.2%
117.9%	94.6%	102.7%	76.5%	88.7%	81.2%

PALM BEACH COUNTY, FLORIDA  
Schedule of Changes in the Total OPEB Liability and Related Ratios  
County Healthcare OPEB Plan  
Last Ten Fiscal Years  
(Required Supplementary Information)

	2023	2022	2021	2020
<b>Total OPEB liability</b>				
Service cost	\$ 561,901	\$ 505,554	\$ 489,247	\$ 309,920
Interest	549,303	207,280	224,185	227,062
Experience losses (gains)	55,006	6,350,176	-	831,102
Change of assumptions	(65,655)	(1,616,209)	46,272	1,122,868
Benefit payments	(1,567,224)	(1,392,431)	(1,165,980)	(958,674)
<b>Net change in total OPEB liability</b>	(466,669)	4,054,370	(406,276)	1,532,278
<b>Total OPEB liability- beginning</b>	13,885,965	9,831,595	10,237,871	8,705,593
<b>Total OPEB liability- ending</b>	<b>\$ 13,419,296</b>	<b>\$ 13,885,965</b>	<b>\$ 9,831,595</b>	<b>\$ 10,237,871</b>

**Covered-employee payroll** \$ 282,556,000 \$ 274,325,988 \$ 272,210,000 \$ 263,004,364

**Total OPEB liability as a percentage of covered-employee payroll** 4.7% 5.1% 3.6% 3.9%

**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 and mortality rate each period.

- The following are the discount rates used in each period:

2023	4.09%
2022	4.02%
2021	2.15%
2020	2.21%
2019	2.66%
2018	4.24%

- The following are the mortality tables used in each period:

2023	Pub-2010 Generational, Scale MP-21
2022	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-18
2018	RP 2014 Generational, Scale MP-18

	<b>2019</b>		<b>2018</b>
\$	306,536	\$	294,067
	349,340		374,513
	-		-
	683,798		(265,057)
	(1,133,411)		(885,972)
	206,263		(482,449)
	8,499,330		8,981,779
\$	<u>8,705,593</u>	\$	<u>8,499,330</u>

\$ 270,894,495    \$ 263,004,364

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)

	2023	2022	2021	2020
<b>Total OPEB liability</b>				
Service cost	\$ 332,087	\$ 409,063	\$ 495,676	\$ 472,072
Interest	110,794	101,407	195,303	173,465
Experience losses (gains)	(1,080,660)	-	(1,916,433)	-
Change of assumptions	(801,865)	-	258,512	-
Benefit payments	(47,199)	(80,447)	(75,715)	(109,311)
<b>Net change in total OPEB liability</b>	(1,486,843)	430,023	(1,042,657)	536,226
<b>Total OPEB liability- beginning</b>	4,274,549	3,844,526	4,887,183	4,350,957
<b>Total OPEB liability- ending</b>	<u>\$ 2,787,706</u>	<u>\$ 4,274,549</u>	<u>\$ 3,844,526</u>	<u>\$ 4,887,183</u>
<b>Covered-employee payroll</b>	\$ 15,021,867	\$ 13,488,864	\$ 12,970,062	\$ 13,712,189
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	18.6%	31.7%	29.6%	35.6%

**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:

2023	4.87%	2020	3.68%
2022	2.43%	2019	3.68%
2021	2.43%	2018	3.64%

- The following are the assumed trend rates for the medical claims used in each period:

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:

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.

	<b>2019</b>		<b>2018</b>
\$	449,592	\$	295,336
	166,642		146,822
	(3,821,944)		-
	3,477,957		-
	(101,685)		(104,149)
	170,562		338,009
	4,180,395		3,842,386
\$	4,350,957	\$	4,180,395

\$ 13,184,797    \$ 14,485,421

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)

	2023	2022	2021	2020
<b>Total OPEB liability</b>				
Service cost	\$ 86,050	\$ 168,086	\$ 177,736	\$ 171,427
Interest	62,461	59,899	109,509	102,002
Experience losses (gains)	(957,003)	-	(817,390)	-
Change of assumptions	(275,324)	-	109,470	-
Benefit payments	(40,538)	(80,472)	(75,738)	(73,964)
<b>Net change in total OPEB liability</b>	(1,124,354)	147,513	(496,413)	199,465
<b>Total OPEB liability- beginning</b>	2,524,886	2,377,373	2,873,786	2,674,321
<b>Total OPEB liability- ending</b>	\$ 1,400,532	\$ 2,524,886	\$ 2,377,373	\$ 2,873,786
<b>Covered-employee payroll</b>	\$ 13,878,560	\$ 13,557,798	\$ 13,036,344	\$ 15,845,410
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	10.1%	18.6%	18.2%	18.1%

**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) 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:

2023	4.87%	2020	3.68%
2022	2.43%	2019	3.68%
2021	2.43%	2018	2.98%

- The following are the assumed trend rates for the medical claims used in each period:

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 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:

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.

	<b>2019</b>		<b>2018</b>
\$	163,264	\$	49,905
	24,609		16,618
	(188,335)		-
	2,169,327		-
	(68,804)		(9,692)
	<u>2,100,061</u>		<u>56,831</u>
	574,260		517,429
\$	<u>2,674,321</u>	\$	<u>574,260</u>

\$ 15,235,971    \$ 12,276,256

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)

	2023	2022	2021	2020
<b>Total OPEB liability</b>				
Service cost	\$ 468,586	\$ 376,045	\$ 232,600	\$ 263,756
Interest	228,605	220,688	272,120	346,840
Differences between expected and actual experience	-	58,950	-	(839,792)
Change of assumptions	(2,017,132)	(1,301,476)	2,363,054	(191,497)
Benefit payments	(393,886)	(310,181)	(288,540)	(201,247)
<b>Net change in total OPEB liability</b>	(1,713,827)	(955,974)	2,579,234	(621,940)
<b>Total OPEB liability- beginning</b>	9,134,772	10,090,746	7,511,512	8,133,452
<b>Total OPEB liability- ending</b>	<b>\$ 7,420,945</b>	<b>\$ 9,134,772</b>	<b>\$ 10,090,746</b>	<b>\$ 7,511,512</b>
<b>Covered-employee payroll</b>	<b>\$ 31,530,199</b>	<b>\$ 30,761,170</b>	<b>\$ 31,989,926</b>	<b>\$ 31,209,684</b>
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	23.5%	29.7%	31.5%	24.1%

**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) 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:

2023	4.77%
2022	2.43%
2021	2.14%
2020	3.58%
2019	4.18%
2018	3.64%

-The following are the assumed trend rates for the medical claims used in each period:

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.

	<b>2019</b>		<b>2018</b>
\$	306,313	\$	362,040
	320,696		290,214
	-		-
	(903,998)		(1,092,518)
	(185,481)		(170,557)
	(462,470)		(610,821)
	8,595,922		9,206,743
\$	<u>8,133,452</u>	\$	<u>8,595,922</u>

\$ 32,369,379    \$ 30,809,641

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)

	2023	2022	2021	2020
<b>Total OPEB liability</b>				
Service cost	\$ 7,527,003	\$ 10,204,876	\$ 10,107,135	\$ 10,442,576
Interest	10,083,239	6,506,772	6,215,121	7,617,507
Changes of benefit terms	6,471,030	-	-	-
Differences between expected and actual experience	-	38,557,399	-	(51,788,487)
Change of assumptions	(2,818,979)	(81,442,605)	(1,986,106)	36,202,604
Benefit payments	(8,504,114)	(7,959,855)	(7,541,860)	(7,026,152)
<b>Net change in total OPEB liability</b>	12,758,179	(34,133,413)	6,794,290	(4,551,952)
<b>Total OPEB liability- beginning</b>	247,551,883	281,685,296	274,891,006	279,442,958
<b>Total OPEB liability- ending</b>	<u>\$ 260,310,062</u>	<u>\$ 247,551,883</u>	<u>\$ 281,685,296</u>	<u>\$ 274,891,006</u>
<b>Covered-employee payroll</b>	\$ 338,606,480	\$ 323,237,820	\$ 313,651,000	\$ 303,301,000
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	76.9%	76.6%	89.8%	90.6%

**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:

2023	4.09%
2022	4.02%
2021	2.26%
2020	2.21%
2019	2.66%
2018	4.18%

-The following are the mortality rates used in each period:

2022 & 2023	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

	<b>2019</b>		<b>2018</b>
\$	6,792,711	\$	6,520,168
	9,082,529		9,372,090
	-		-
	-		-
	56,795,524		(16,009,828)
	(7,440,977)		(6,723,270)
	65,229,787		(6,840,840)
	214,213,171		221,054,011
\$	<u>279,442,958</u>	\$	<u>214,213,171</u>

\$ 287,690,000    \$ 274,322,952

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)

	2023	2022	2021	2020
<b>Total OPEB liability</b>				
Service cost	\$ 3,380,390	\$ 5,001,839	\$ 4,944,326	\$ 6,048,097
Interest	8,453,854	6,860,219	6,177,025	6,299,432
Differences between expected and actual experience	(937,285)	-	(21,294,954)	-
Change of assumptions	(27,460,420)	(35,413,330)	10,790,807	2,885,481
Benefit payments	(5,657,744)	(5,370,607)	(4,938,530)	(4,832,587)
<b>Net change in total OPEB liability</b>	<b>(22,221,205)</b>	<b>(28,921,879)</b>	<b>(4,321,326)</b>	<b>10,400,423</b>
<b>Total OPEB liability- beginning</b>	<b>172,328,928</b>	<b>201,250,807</b>	<b>205,572,133</b>	<b>195,171,710</b>
<b>Total OPEB liability- ending (a)</b>	<b>150,107,723</b>	<b>172,328,928</b>	<b>201,250,807</b>	<b>205,572,133</b>
<b>Plan fiduciary net position</b>				
Contributions - employer	6,941,939	6,742,126	6,025,766	5,812,118
Net investment income	8,505,868	(16,692,990)	17,897,312	6,423,430
Benefit payments	(5,657,744)	(5,370,607)	(4,938,530)	(4,832,587)
Administrative expense	(33,330)	(43,103)	(26,108)	(24,812)
<b>Net change in plan fiduciary net position</b>	<b>9,756,733</b>	<b>(15,364,574)</b>	<b>18,958,440</b>	<b>7,378,149</b>
<b>Plan fiduciary net position - beginning</b>	<b>83,739,205</b>	<b>99,103,779</b>	<b>80,145,339</b>	<b>72,767,190</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>93,495,938</b>	<b>83,739,205</b>	<b>99,103,779</b>	<b>80,145,339</b>
<b>Net OPEB liability - ending (a) - (b)</b>	<b>\$ 56,611,785</b>	<b>\$ 88,589,723</b>	<b>\$ 102,147,028</b>	<b>\$ 125,426,794</b>

<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	62.3%	48.6%	49.2%	39.0%
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<b>Covered payroll</b>	\$ 173,308,137	\$ 167,447,475	\$ 161,785,000	\$ 156,314,000
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<b>Net OPEB liability as a percentage of covered payroll</b>	32.7%	52.9%	63.1%	80.2%
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**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) Changes of assumptions/other inputs reflect the effects of changes in the discount, mortality, & healthcare cost trend rates:

-Discount rate: 2023: 6.21% 2022: 4.89% 2021: 3.37% 2020: 2.99% 2019: 3.19% 2018: 5.20%

-Mortality tables: 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: 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%.

	<b>2019</b>	<b>2018</b>
\$	4,149,539	\$ 3,942,933
	8,193,937	7,914,881
	(8,869,299)	-
	39,132,189	-
	(4,421,791)	(6,274,000)
	<u>38,184,575</u>	<u>5,583,814</u>
	<u>156,987,135</u>	<u>151,403,321</u>
	<u>195,171,710</u>	<u>156,987,135</u>
	1,425,000	5,287,973
	3,261,852	5,173,323
	-	(3,756,640)
	(163,465)	(58,974)
	<u>4,523,387</u>	<u>6,645,682</u>
	<u>68,243,803</u>	<u>61,598,121</u>
	<u>72,767,190</u>	<u>68,243,803</u>
\$	<u>122,404,520</u>	<u>\$ 88,743,332</u>

37.3%                      43.5%

\$ 151,027,985    \$ 172,274,026

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)

	2023	2022	2021	2020	2019	2018
Annual money-weighted rate of return, net of investment expense	10.1%	-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) 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)

	2023	2022	2021	2020
Actuarially determined contribution	\$ 7,581,000	\$ 5,084,000	\$ 6,309,000	\$ 5,508,571
Contributions in relation to the actuarially determined contribution	6,941,939	6,742,126	6,025,766	5,812,118
Contribution deficiency (excess)	\$ 639,061	\$ (1,658,126)	\$ 283,234	\$ (303,547)
<b>Covered payroll</b>	<b>\$ 173,308,137</b>	<b>\$ 167,447,475</b>	<b>\$ 161,785,000</b>	<b>\$ 156,314,000</b>
<b>Actual contributions as a percentage of covered payroll</b>	<b>4.0%</b>	<b>4.0%</b>	<b>3.7%</b>	<b>3.7%</b>

**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.

<b>Valuation Date</b>	2023: 9/30/23	2021: 9/30/21	2019: 9/30/19
	2022: 9/30/22	2020: 9/30/19	2018: 9/30/17

**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:		
	2023: 17.8 years	2021: 10.9 years	2019: 10.3 years
	2022: 10.9 years	2020: 10.3 years	2018: 9.7 years
Asset valuation method	Fair Value		
Inflation	2023: 3.0%	2021: 3.0%	2019: 3.0%
	2022: 3.0%	2020: 3.0%	2018: 2.5%
Healthcare cost trend rates	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	2023: 10.1%	2021: 22.3%	2019: 4.5%
	2022: (16.9%)	2020: 8.8%	2018: 8.4%
Long-term municipal bond rate	2023: 6.21%	2021: 3.37%	2019: 3.19%
	2022: 3.37%	2020: 3.19%	2018: 5.20%
Retirement age	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	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>2019</b>		<b>2018</b>
\$	5,508,571	\$	9,846,994
	1,425,000		6,274,000
\$	<u>4,083,571</u>	\$	<u>3,572,994</u>
\$	151,027,985	\$	172,274,026
	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)

	2023	2022	2021	2020
<b>Total OPEB liability</b>				
Service cost	\$ 239,907	\$ 111,544	\$ 156,718	\$ 129,198
Interest	624,413	609,871	580,904	678,538
Changes of benefit terms	-	-	-	5,355
Differences between expected and actual experience	6,146,910	3,753,380	3,794,811	2,075,188
Change of assumptions	(6,532,901)	849,052	1,225,927	2,244,232
Benefit payments	(2,178,744)	(1,896,796)	(1,736,174)	(1,614,934)
<b>Net change in total OPEB liability</b>	(1,700,415)	3,427,051	4,022,186	3,517,577
<b>Total OPEB liability- beginning</b>	29,361,484	25,934,433	21,912,247	18,394,670
<b>Total OPEB liability- ending</b>	\$ 27,661,069	\$ 29,361,484	\$ 25,934,433	\$ 21,912,247

**Covered-employee payroll** \$ 153,798,400 \$ 142,652,898 \$ 139,407,954 \$ 136,324,750

**Total OPEB liability as a percentage of covered-employee payroll** 18.0% 20.6% 18.6% 16.1%

**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) 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:

2023	4.40%	2020	2.74%
2022	2.19%	2019	3.83%
2021	2.43%	2018	3.50%

-The following are the mortality tables used in each period:

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:

2023, 2022, 2021	Florida Retirement System, July 1, 2019
2020, 2019	Florida Retirement System, July 1, 2014
2018	Florida Retirement System, July 1, 2014

	<b>2019</b>		<b>2018</b>
\$	127,209	\$	127,083
	520,764		434,063
	-		-
	4,467,181		2,442,940
	(611,644)		(635,227)
	(1,721,178)		(1,262,950)
	2,782,332		1,105,909
	15,612,338		14,506,429
<b>\$</b>	<b>18,394,670</b>	<b>\$</b>	<b>15,612,338</b>

\$ 126,347,132    \$ 125,516,712

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)

	2023	2022	2021	2020
<b>Total OPEB liability</b>				
Service cost	\$ 33,000	\$ 42,000	\$ 30,000	\$ 28,000
Interest	24,000	13,000	17,000	18,000
Differences between expected and actual experience	89,000	(87,000)	-	(206,000)
Change of assumptions	25,000	(49,000)	1,000	336,000
Benefit payments, including refunds of member contributions	(98,000)	(103,000)	(63,000)	(93,000)
<b>Net change in total OPEB liability</b>	73,000	(184,000)	(15,000)	83,000
<b>Total OPEB liability- beginning</b>	571,000	755,000	770,000	687,000
<b>Total OPEB liability- ending</b>	<u>\$ 644,000</u>	<u>\$ 571,000</u>	<u>\$ 755,000</u>	<u>\$ 770,000</u>

**Covered-employee payroll** \$ 29,171,140 \$ 27,904,563 \$ 27,218,216 \$ 26,199,000

**Total OPEB liability as a percentage of covered-employee payroll** 2.2% 2.0% 2.8% 2.9%

**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 - For the September 30, 2023 valuation, all assumptions, methods, and results are based on the FY 2023 GASB 75 actuarial report dated 1/30/24. Changes to the assumptions since the last actuarial valuation include the discount rate was increased from 4.40% to 4.63%, per capita claims cost assumption was updated to use 2024 premium rates; mortality improvement scale was updated from MP-2020 to MP-2021; and healthcare cost trend assumption was updated based on the 2024 Getzen model released by the SOA. For the September 30, 2022 valuation, all assumptions, method and results are based on the fiscal year 2021 GASB 75 actuarial report dated November 11, 2021. Changes to the assumptions since the last actuarial valuation include the discount rate was increased from 2.15% to 4.40% in FY22 and 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. For the September 30, 2021 and 2020 valuation, all assumptions, methods, and results are based on the fiscal year 2020 GASB 75 actuarial report dated February 1, 2021. Changes to the assumptions since the last actuarial valuation include the discount rate was decreased from 2.66% to 2.21% in fiscal year 2020 and decreased from 2.21% to 2.15% in fiscal year 2021; 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 (next page)

	<b>2019</b>		<b>2018</b>
\$	22,000	\$	21,000
	28,000		30,000
	-		-
	26,000		(11,000)
	(96,000)		(79,000)
	(20,000)		(39,000)
	707,000		746,000
\$	<u>687,000</u>	\$	<u>707,000</u>

\$ 25,841,000    \$ 23,959,000

2.7%                  3.0%

termination assumptions based on the 2020 FRS actuarial valuation. For the September 2019 and 2018 valuations, all assumptions, methods and results are based on the fiscal year 2018 GASB 75 report dated November 13, 2018 except the discount rate which decreased from 4.18% to 2.66% in fiscal year 2019.





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Palm Beach County

Schedule of Expenditures of Federal Awards and State Financial Assistance  
For the Year Ended September 30, 2023

Grantor	Program 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 – 3	14.218	B08UN120013	N/A	\$ 20,375	\$ -
	Neighborhood Stabilization Program – 3	14.218	B11UN120013	N/A	2,543	-
	FY16 Community Development Block Grant	14.218	B16UC120004	N/A	8,399	6,885
	FY17 Community Development Block Grant	14.218	B17UC120004	N/A	87,206	86,837
	FY18 Community Development Block Grant	14.218	B18UC120004	N/A	459,934	403,210
	FY19 Community Development Block Grant	14.218	B19UC120004	N/A	13,127	13,127
	FY20 Community Development Block Grant	14.218	B20UC120004	N/A	406,295	406,295
	FY21 Community Development Block Grant	14.218	B20UW120004	N/A	3,250,351	-
	COVID-19 Community Development Block Grant Program	14.218	B21UC120004	N/A	747,680	400,298
	FY22 Community Development Block Grant	14.218	B22UC120004	N/A	2,795,490	584,963
	Total 14.218				7,791,400	1,901,615
	Total CDBG – Entitlement Grants Cluster				7,791,400	1,901,615
<b><u>Fish and Wildlife Cluster</u></b>						
<u>US Fish &amp; Wildlife Service</u>						
Passed through: FL Fish and Wildlife Conservation Commission						
Sport Fish Restoration Program:						
	2022 FWC Artificial Reef Project	15.605	21030	21030	60,000	-
	2023 Delray Dredge Hole Artificial Reef Project	15.605	F20AF11284-A2	F20AF11284-A2	57,557	-
	Total US Dept of the Interior				117,557	-
	Total US Fish & Wildlife Service Cluster				117,557	-
<b><u>Federal Transit Cluster</u></b>						
<u>US Dept of Transportation</u>						
Direct Programs:						
Federal Transit Formula Grants:						
	Fed. Transit Formula Grants - FY19 Sec 5307/5339 Supergrant	20.507	109820192	N/A	1,132,323	-
	Fed. Transit Formula Grants-FY20&21 Section 5307/5339 Superg	20.507	109820221	N/A	16,648,279	-
	Fed. Transit Formula Grants - FY22 Sec 5307/5339 Supergrant	20.507	109820231	N/A	10,188,660	-
	Fare Technology Supergrant	20.507	FL201907100	N/A	1,452,274	-
	COVID-19 - Fed. Transit Formula Grants - FY20 CARES Act Section 5307	20.507	FL2020087	N/A	147,225	-
	Fed. Transit Formula Grants - FY12 Section 5307	20.507	FL90X812	N/A	108,551	-
	Fed. Transit Formula Grants - FY15 Section 5307	20.507	FL90X881	N/A	5	-
	Palm Tran Interface with MDT and SFRTA	20.507	FL95X06300	N/A	101,566	-
	Total Federal Transit Cluster				29,778,883	-
<b><u>Highway Safety Cluster</u></b>						
<u>US Dept of Transportation</u>						
Direct Programs:						
State and Community Highway Safety:						
	PBC Speeding & Aggressive Enforcement Strategy Fy23	20.600	G2E04	N/A	200,000	-
Passed Through: Florida Department of Transportation						
	PBC Occupant Protection Community-Wide Strategy-FY23	20.600	G2G41	G2G41	200,000	-
					400,000	-
Direct Programs:						
National Priority Safety Programs:						
	Impaired Driving Strategy Program FY23	20.616	G2D99	N/A	100,000	-
	Total Highway Safety Cluster				500,000	-

(Continued)

Palm Beach County

Schedule of Expenditures of Federal Awards and State Financial Assistance  
For the Year Ended September 30, 2023

Grantor	Program 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>						
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers:						
Passed Through: Area Agency on Aging of Palm Beach/Treasure Coast						
	2022 OAA Title III B Support Services	93.044	IA0229500(3B)(GY22)	IA0229500(3B)(GY22)	\$ 386,238	\$ -
	2023 OAA Title III B Support Services	93.044	IA0239500(3B)(GY23)	IA0239500(3B)(GY23)	1,540,247	-
	COVID-19 - 2022 ARPA Title III B Vulnerable Seniors	93.044	IRP229500(RP3B)	IRP229500(RP3B)	212,666	-
Total 93.044					<u>2,139,151</u>	<u>-</u>
Passed Through: Area Agency on Aging of Palm Beach/Treasure Coast						
Special Programs for the Aging, Title III, Part C, Nutrition Services:						
	2022 OAA Title III C2 Home Delivered Meals	93.045	IA0229500(3C2)(GY22)	IA0229500(3C2)(GY22)	167,991	-
	2023 OAA Title III C2 Home Delivered Meals	93.045	IA0239500(3C2)(GY23)	IA0239500(3C2)(GY23)	336,806	-
	COVID-19 - 2022 ARPA Title III C1 Vulnerable Seniors	93.045	IRP229500(RP3C1)	IRP229500(RP3C1)	645,507	-
	COVID-19 - 2022 ARPA Title III C2 Vulnerable Seniors	93.045	IRP229500(RP3C2)	IRP229500(RP3C2)	84,128	-
	2022 OAA Title III C1 Congregate Meals	93.045	IA0229500(3C1)(GY22)	IA0229500(3C1)(GY22)	8,104	-
	2023 OAA Title III C1 Congregate Meals	93.045	IA0239500(3C1)(GY23)	IA0239500(3C1)(GY23)	87,982	-
Total 93.045					<u>1,330,518</u>	<u>-</u>
Passed Through: Area Agency on Aging of Palm Beach/Treasure Coast						
	22 Nutrition Services Incentive Program	93.053	IA0229500 (GY22)	IA0229500 (GY22)	51,417	-
	23 Nutrition Services Incentive Program	93.053	IA0239500 (GY23)	IA0239500 (GY23)	128,213	-
Total 93.053					<u>179,630</u>	<u>-</u>
Total Aging Cluster					<u>3,649,299</u>	<u>-</u>
<b>Non-Clustered Grants</b>						
<u>US Dept of Agriculture</u>						
Direct Programs:						
	PBC Intermediary Relending Program	10.767	PBCIRP	N/A	19,587	-
Total US Dept of Agriculture					<u>19,587</u>	<u>-</u>
<u>US Dept of Commerce</u>						
Passed Through: FL Dept of Environmental Protection						
Coastal Zone Management Administration Awards:						
	Florida Coastal Partnership Initiative	11.419	CZ420	CZ420	6,854	-
Total US Dept of Commerce					<u>6,854</u>	<u>-</u>
<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:						
	Vulnerability Assessment CDBG-MIT	14.228	MT026	MT026	105,000	-
Total 14.228					<u>105,000</u>	<u>-</u>
Direct Programs:						
	COVID-19 - Emergency Solutions Grant Coronavirus Program	14.231	E20UW120004	N/A	1,706,479	1,688,830
	FY22 Emergency Solutions Grant Program	14.231	E21UC120004	N/A	26,675	26,675
	FY23 Emergency Solutions Grant Program	14.231	E22UC120004	N/A	436,325	-
Total 14.231					<u>2,169,479</u>	<u>1,715,505</u>
Direct Programs:						
	FY17 HOME Investment Partnership	14.239	M16UC120215	N/A	78,219	78,219
	FY18 HOME Investment Partnership	14.239	M17UC120215	N/A	707,105	707,105
	FY19 HOME Investment Partnership	14.239	M18UC120215	N/A	712,576	712,576
	FY20 HOME Investment Partnership	14.239	M19UC120215	N/A	104,752	104,752
	FY21 HOME Investment Partnership	14.239	M20UC120215	N/A	448,267	448,267
	FY23 HOME Investment Partnership	14.239	M22UC120215	N/A	186,553	-
Total 14.239					<u>2,237,472</u>	<u>2,050,919</u>
Passed Through: City of West Palm Beach						
	20-23 Housing Opportunity for Persons with Aids	14.241	FLH19F006-CV	FLH19F006-CV	120,725	-
Total 14.241					<u>120,725</u>	<u>-</u>

(Continued)

**Palm Beach County**

**Schedule of Expenditures of Federal Awards and State Financial Assistance  
For the Year Ended September 30, 2023**

<b>Grantor</b>	<b>Program Title</b>	<b>Federal Assistance Listing No./Catalog of State Financial Assistance No.</b>	<b>Contract/Grant #</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Expenditures</b>	<b>Passed Through to Subrecipients</b>
Direct Programs:						
	CDBG-Section 108 Loan Program - Pahokee	14.248	B09UC120004 - 108	N/A	\$ -	\$ -
	FY10 HUD Section 108 Loan	14.248	B10UC120004 - 108	N/A	-	-
	FY11 HUD Section 108 Loan	14.248	B11UC120004 - 108	N/A	-	-
	FY21 HUD Section 108 Loan	14.248	B21UC120004 - 108	N/A	-	-
Total 14.248					-	-
Direct Programs:						
	NEIGHBORHOOD STABILIZATION PROGRAM-2	14.256	B09LNFL0021	N/A	3,425	-
Direct Programs:						
	Continuum of Care Homeless Management Information System Grant	14.267	FL0823L4D052102	N/A	281,530	-
	Continuum of Care Collaborative Planning Grant	14.267	FL0927L4D052100	N/A	236,845	-
Total 14.267					518,375	-
Direct Programs:						
	Fair Housing Assistance Program - SEE Funds	14.401	FF204K224086	N/A	24,000	-
	FY22&FY23 Fair Housing Assistance Program - Case Processing	14.401	FF204K234043	N/A	216,000	-
	FY2023 Fair Housing Assistance Program - Administrative Cost	14.401	FF204K234044	N/A	60,000	-
	FY2023 Fair Housing Assistance Program - Training Funds	14.401	FF204K234045	N/A	8,100	-
Total 14.401					308,100	-
Total US Dept of Housing & Urban Dev					13,253,976	5,668,039
<u>US Bureau of Land Management</u>						
Direct Programs:						
	Plant Conservation and Restoration Management: Jupiter Inlet Lighthouse Outstanding Natural Area	15.245	L22AC00513	N/A	24,639	-
Total US Bureau of Land Management					24,639	-
<u>US Dept of Justice</u>						
Passed Through: FL Dept Council Against Sexual Violence (FCASV): Sexual Assault Services Program						
	Sexual Assault Services Program Formula Grant	16.017	18SAS26	18SAS26	81,363	-
Total 16.017					81,363	-
Direct Programs:						
	Prosecuting Cold Cases Using DNA FY20	16.036	2020DNBX0155	N/A	137,153	-
Total 16.036					137,153	-
Services for Trafficking Victims:						
Direct Programs:						
	2019 Enhanced Collaborative Model to Combat Human Trafficking	16.320	2019VTBXK018	N/A	174,617	-
	2019 Direct Services to Support Victims of Human Trafficking	16.320	2019VTBXK029	N/A	325,975	-
Total 16.320					500,592	-
Crime Victim Assistance:						
Direct Programs:						
	FY22 Victims of Crime Act	16.575	VOCA2022903	N/A	217,659	-
Passed Through: FL Dept of Legal Affairs and Attorney General						
	FY23 Victims of Crime Act	16.575	VOCA-2022-902	VOCA-2022-902	523,195	-
Total 16.575					740,854	-
Crime Victim Assistance/Discretionary Grants:						
Direct Programs:						
	Law Enforcement-Based Victim Specialist Prog FY20	16.582	2020V3GX0017	N/A	476,592	-
Total 16.582					476,592	-
Violence Against Women Formula Grants:						
Passed Through: FL Dept of Children and Families						
	Law Enforcement Project Grant FY23	16.588	LN265	LN265	5,314	-
Total 16.588					5,314	-
Direct Programs:						
	FY16 State Criminal Alien Assistance	16.606	2016APBX0377	N/A	51,852	-
	FY17 State Criminal Alien Assistance	16.606	2019APBX0415	N/A	49,989	-
Total 16.606					101,841	-

(Continued)

Palm Beach County

Schedule of Expenditures of Federal Awards and State Financial Assistance  
For the Year Ended September 30, 2023

Grantor	Program 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 Responses	16.590	15JOVW21GG02012ICJR	N/A	\$ 297,200	\$ -
	Criminal and Juvenile Justice and Mental Health Collaboration Program - PBC Violence Prevention Task Force FY19	16.745	2018MOBX0009	N/A	178,644	-
	Second Chance Act Reentry Initiative - FY22 Community Reentry Program	16.812	15PBJA22GK04898CSCR	N/A	396	-
	Byrne Criminal Justice Innovation Program - City of Lake Worth - South End Crime Reduction Strategy FY19	16.817	2018BJBX0004	N/A	39,387	-
	2019 USDJ Comprehensive Opioid Abuse Site-Based Program	16.838	2019ARBXX023	N/A	320,094	-
Edward Byrne Memorial Justice Assistance Grant Program:						
Direct Programs:						
	FY22 Criminal Justice Commission Initiatives	16.738	15PBJA22GG02127JAGX	N/A	96,022	96,022
	Gun Crime Intelligence Center FY20	16.738	2020DGBX0012	N/A	277,344	-
Passed Through: FL Dept of Law Enforcement						
	FDLE Countywide Reentry Program TLP	16.738	8C169	8C169	56,442	56,442
	FDLE Countywide Reentry Program GGI	16.738	8C152	8C152	24,107	24,107
	FDLE Countywide Reentry Program RB	16.738	8C170	8C170	94,940	94,940
Total 16.738					548,855	271,511
DNA Backlog Reduction Program:						
Direct Programs:						
	Forensic DNA Backlog Reduction Program FY21	16.741	15PBJA21GG02985DNAX	N/A	286,265	-
	FY22 DNA Capacity Enhancement and Backlog Reduction Program	16.741	15PBJA22GG01633-DNAX	N/A	74,238	-
	Prosecuting Cold Cases Using DNA FY22	16.741	15PBJA22GG03125DNAX	N/A	40,645	-
Total 16.741					401,148	-
Paul Coverdell Forensic Sciences Improvement Grant Program:						
Passed Through: FL Dept of Law Enforcement						
	2021 Paul Coverdell FSIG	16.742	15PBJA21GG02897COVE	15PBJA21GG02897COVE	8,539	-
	PCFSI Paul Coverdell Forensic Service Improvement GY22	16.742	15PBJA21GG02897COVE	15PBJA21GG02897COVE	2,475	-
	FY22 Paul Coverdell Forensic Sciences Improvement Grant	16.742	15PBJA22GG01948COVE	15PBJA22GG01948COVE	80,558	-
Total 16.742					91,572	-
Total US Dept of Justice					3,921,005	271,511
<u>US Dept of Transportation</u>						
Direct Programs:						
Airport Improvement Program:						
	COVID-19 - AIP - Pahokee (Glades) CARES Act	20.106	31200600082020	N/A	8,158	-
	COVID-19 - AIP - Glades Airport Coronavirus Relief Grant Prog - PHK	20.106	31200600092021	N/A	5,124	-
	AIP - Pahokee (Glades) Airport Rescue Grant	20.106	31200600102022	N/A	2,327	-
	AIP - PBI A Sustainable Management Plan	20.106	31200850622019	N/A	12,388	-
	AIP - PBI A Stormwater Management Master Plan Update	20.106	31200850632020	N/A	45,694	-
	AIP - PBI A Terminal Imp Escalator Rehab / Repairs	20.106	31200850642020	N/A	189,799	-
	COVID-19 - AIP - PBI A CARES Act	20.106	31200850652020	N/A	5,262,269	-
	COVID-19 AIP - PBI A - Coronavirus Relief Grant Prog (ACRGP)	20.106	31200850662021	N/A	5,049,500	-
	AIP - PBI A Airport Rescue Grant	20.106	31200850692022	N/A	988,297	-
	AIP - PBI A James L. Turnage Blvd. Bridge Repairs	20.106	31200850712022	N/A	1,639,282	-
	AIP - Wind Cone Relocation & Replacement PBI	20.106	31200850722023	N/A	7,663	-
	AIP - Lantana Noise Compatibility Plan Study	20.106	31200860172019	N/A	249,025	-
	COVID-19 AIP - Lantana Airport CARES Coronavirus Aid Relief and Econo	20.106	31200860182020	N/A	6,940	-
	COVID-19 AIP - Lantana Airport Coronavirus Relief Grant Prog - LNA	20.106	31200860192021	N/A	23,000	-
	COVID-19 AIP - Lantana Airport Coronavirus Relief Grant Prog - LNA	20.106	31200860202022	N/A	40,635	-
	AIP - North County Conduct Environmental Study	20.106	31201130182019	N/A	58,501	-
	COVID-19 AIP - North PBC Airport Coronavirus Relief Grant Prog - F45	20.106	31201130202021	N/A	26,110	-
	AIP - North PBC Airport Rescue Grant - F45	20.106	31201130212022	N/A	108,165	-
Total 20.106					13,702,877	-

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**Palm Beach County**

**Schedule of Expenditures of Federal Awards and State Financial Assistance  
For the Year Ended September 30, 2023**

<u>Grantor</u>	<u>Program Title</u>	<u>Federal Assistance Listing No./Catalog of State Financial Assistance No.</u>	<u>Contract/Grant #</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Expenditures</u>	<u>Passed Through to Subrecipients</u>
Direct Programs:						
	Consolidated Rail Infrastructure and Safety Improvements - PBSO Strategy for Reducing Railroad Trespassing FY22	20.325	69A36523420040CRSFL	N/A	\$ 27,007	\$ -
Total 20.325					27,007	-
Highway Planning and Construction:						
Passed Through: FL Dept of Transportation						
	Belvedere Heights Phase I	20.205	44153015801	44153015801	(8,650)	-
	CR-A1A/Ocean Dr from N of Donald Ross Rd to S Indiantown Rd	20.205	44436615801	44436615801	693,225	-
	Belvedere Heights Phase II	20.205	44436715801	44436715801	251,261	-
	Lyons Rd/Sansbury's Way-Forest Hill Blvd to Okeechobee Blvd	20.205	44437015801	44437015801	958,023	-
	Westgate Avenue-Wabasso Dr to Congress Ave lane reduction	20.205	44437115801	44437115801	(422)	-
	Seminole Boulevard from Oswego Avenue to Okeechobee Blvd	20.205	44607715801	44607715801	255	-
	UNF High Visibility Enforcement FY22	20.205	G2A92	G2A92	108,713	-
	UNF High Visibility Enforcement FY23	20.205	G2M61	G2M61	42,848	-
Total 20.205					2,045,253	-
Formula Grants for Rural Areas and Tribal Transit Program:						
Direct Programs:						
	FY23 CRRSAA RURAL	20.509	40718438401	N/A	923,227	-
Passed Through: FL Dept of Transportation						
	FY21/22 Section 5311 Formula Grant - Rural	20.509	G1V57	G1V57	228,499	-
Total 20.509					1,151,726	-
Total US Dept of Transportation					47,205,746	-
<u>US Dept of Treasury</u>						
Direct Programs:						
	COVID-19 - Emergency Rental Assistance Program 2	21.023	ERAP 2	N/A	25,878,172	-
Total 21.023					25,878,172	-
Total US Department of the Treasury					25,878,172	-
<u>US Environmental Protection Agency</u>						
Direct Programs:						
	Brownfields Assessment and Cleanup Cooperative Agreements	66.818	00D12713	N/A	887	-
Total US Environmental Protection Agency					887	-
<u>US Election Assistance Commission</u>						
Passed Through: FL Dept of State and Secretary of State						
	2018 HAVA Election Security Grants - Election Security-24	90.404	MOA2023001	MOA2023001	315,260	-
Total US Election Assistance Commission					315,260	-
<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						
	2022 OAA Title III E Caregiver Support Services	93.052	IA0229500(3E)(GY22)	IA0229500(3E)(GY22)	94,682	-
	2023 OAA Title III E Caregiver Support Services	93.052	IA0239500(3E)(GY23)	IA0239500(3E)(GY23)	270,908	-
	COVID-19 - 2022 ARPA Title III E Vulnerable Seniors	93.052	IRP229500(RP3E)	IRP229500(RP3E)	88,556	-
Total 93.052					454,146	-
Injury Prevention and Control Research and State and Community Based Programs:						
Passed Through: Florida Council Against Sexual Violence FCASV Program						
		93.136	21RPE26	21RPE26	74,437	-
Passed Through: Treasure Coast Health Council, Inc.						
	FY23 CDC Overdose Data to Action OD2A DOH Grant	93.136	CDCOD2A FY23	CDCOD2A FY23	423,579	-
Total 93.136					498,016	-
Low Income Household Water Assistance Program:						
Passed Through: FL Department of Commerce						
	21-23 Low Income Household Water Assistance Program	93.499	G2102FLLWC5	G2102FLLWC5	157,611	-
	21-23 Low Income Household Water Assistance Program	93.499	G2102FLLWC6	G2102FLLWC6	711,740	-
	23-24 Low Income Household Water Assistance Program	93.499	G2102FLLWC6 (GY23)	G2102FLLWC6 (GY23)	291,213	-
Total 93.499					1,160,564	-
Passed Through: FL Dept of Revenue						
	Child Support Enforcement	93.563	COC50	COC50	676,232	-
Total 93.563					676,232	-

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**Palm Beach County**

**Schedule of Expenditures of Federal Awards and State Financial Assistance  
For the Year Ended September 30, 2023**

<b>Grantor</b>	<b>Program Title</b>	<b>Federal Assistance Listing No./Catalog of State Financial Assistance No.</b>	<b>Contract/Grant #</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Expenditures</b>	<b>Passed Through to Subrecipients</b>
<u>Low Income Home Energy Assistance:</u>						
Passed Through: Area Agency on Aging of Palm Beach/Treasure Coast, Inc.						
	21-23 EHEAEP Intake Center Referral Agreement	93.568	IP0219500	IP0219500	\$ 21,774	\$ -
	22-22 EHEAEP Intake Center Referral Agreement	93.568	IPP0219500	IPP0219500	12,310	-
Passed Through: FL Department of Commerce						
	20-23 Low Income Home Energy Assistance Program	93.568	G2102FLLIEA	G2102FLLIEA	4,376,270	-
	21-23 Low Income Home Energy Assistance Program	93.568	G2202FLLIEA	G2202FLLIEA	68,609	-
	23-24 Low Income Home Energy Assistance Program	93.568	G2202FLLIEA (GY23)	G2202FLLIEA (GY23)	1,695,337	-
Passed Through: FL Department of Economic Opportunity						
	21-23 Low Income Home Energy Assistance Program	93.568	2102FLE5C6	2102FLE5C6	2,101,292	-
<b>Total 93.568</b>					<b>8,275,592</b>	<b>-</b>
<u>Direct Programs:</u>						
	Ending the HIV Epidemic: A Plan for America - Ryan White HIV/Aids Program Parts A and B (B) - 20-25 Ending the HIV Epidemic	93.686	UT8HA33954	N/A	1,803,615	7,902
<u>Direct Programs:</u>						
	22-23 HIV Emergency Relief Project Grants	93.914	H89HA000342900	N/A	5,421,510	5,039,213
	23-24 HIV Emergency Relief Project Grants	93.914	H89HA000343000	N/A	4,772,511	3,253,452
<b>Total 93.914</b>					<b>10,194,021</b>	<b>8,292,665</b>
<u>Passed Through: FL Dept of Economic Opportunity</u>						
	2020-23 Community Services Block Grant	93.569	G2101FLCOSR	G2101FLCOSR	100,682	-
<u>Passed Through: FL Dept of Commerce</u>						
	2021-23 Community Services Block Grant	93.569	G2201FLCOSR	G2201FLCOSR	633,559	-
	2023-24 Community Services Block Grant	93.569	G2203FLCOSR	G2203FLCOSR	109,547	-
<b>Total 93.569</b>					<b>843,788</b>	<b>-</b>
<b>Total US Dept of Health &amp; Human Services</b>					<b>27,555,273</b>	<b>8,300,567</b>
<u>US Executive Office Of The President</u>						
<u>Direct Programs:</u>						
<u>High Intensity Drug Trafficking Areas Program:</u>						
	FY20 High Intensity Drug Trafficking Area	95.001	G20M0011A	N/A	277,513	-
	Palm Beach County Narcotics Task Force FY2021	95.001	G21M0011A	N/A	33,745	-
	FY22 High Intensity Drug Trafficking Area	95.001	G22M0011A	N/A	192,591	-
	FY23 High Intensity Drug Trafficking Area	95.001	G23M0011A	N/A	23,556	-
<b>Total US Executive Office of the President</b>					<b>527,405</b>	<b>-</b>
<u>US Dept of Homeland Security</u>						
<u>Direct Programs:</u>						
	Homeland Security Preparedness Technical Assistance Program - Law Enforcement Officer Reimbursement Program	97.007	70T02021T6114N251	N/A	291,454	-
<b>Total 97.007</b>					<b>291,454</b>	<b>-</b>
<u>Passed Through: United Way of Palm Beach County</u>						
	FY 22-23 Emergency Food & Shelter National Board Program	97.024	PHASE 39	PHASE 39	65,000	-
	COVID-19 - FY 22-23 Emergency Food & Shelter National Board Program ARPA-R	97.024	PHASE ARPA-R	PHASE ARPA-R	400,000	-
<b>Total 97.024</b>					<b>465,000</b>	<b>-</b>
<u>Disaster Grants - Public Assistance (Presidentially Declared Disasters):</u>						
<u>Passed Through: FL Div of Emergency Management</u>						
	Disaster Grants - Public Assistance - Matthew	97.036	17PAU5106002119	17PAU5106002119	(863)	-
	Disaster Grants Public Assistance - Matthew-STATE	97.036	17PAU5106002119-	17PAU5106002119-	(144)	-
	Disaster Grants Public Assistance - Irma Federal	97.036	Z0596	Z0596	(190,673)	-
	Disaster Grants Public Assistance - Irma-State	97.036	Z0596-	Z0596-	(10,593)	-
	Disaster Grants Public Assistance - Dorian-Federal	97.036	Z1557	Z1557	(31,029)	-
	Disaster Grants Public Assistance - Dorian-State	97.036	Z1557-	Z1557-	(5,172)	-
<b>Total 97.036</b>					<b>(238,474)</b>	<b>-</b>
<u>Passed Through: FL Div of Emergency Management</u>						
	22-23 Hazard Mitigation Grant Program	97.039	H0864	H0864	52,500	-
<b>Total 97.039</b>					<b>52,500</b>	<b>-</b>
<u>Passed Through: FL Div of Emergency Management</u>						
	22-23 Emergency Management Performance Grant	97.042	G0415	G0415	280,997	-
<b>Total 97.042</b>					<b>280,997</b>	<b>-</b>

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**Palm Beach County**

**Schedule of Expenditures of Federal Awards and State Financial Assistance  
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<b>Grantor</b>	<b>Program Title</b>	<b>Federal Assistance Listing No./Catalog of State Financial Assistance No.</b>	<b>Contract/Grant #</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Expenditures</b>	<b>Passed Through to Subrecipients</b>
Direct Programs:						
	FY21 Assistance to Firefighters Grant (AFG)	97.044	EMW2021FG00794	N/A	\$ 711,956	\$ -
Total 97.044					<u>711,956</u>	<u>-</u>
Homeland Security Grant Program:						
Passed Through: FL Div of Emergency Management						
	State Homeland Security Grant Program FY19	97.067	R0096	R0096	86,217	-
	Operation Stonegarden FY20	97.067	R0235	R0235	4,979	-
	State Homeland Security Grant Program FY20	97.067	R0286	R0286	80,306	-
	FY 2021 Operation Stonegarden	97.067	R0402	R0402	120,016	-
	State Homeland Security Grant Program FY21	97.067	R0515	R0515	980,547	-
	FY 2022 Operation Stonegarden	97.067	R0563	R0563	188,371	-
	FY19 SHSGP-Bomb Training	97.067	R0737	R0737	74,000	-
Passed Through: OTHER – City of Miami						
	FY20 Urban Area Security Initiative	97.067	R0232	R0232	895,719	-
	FY20 Urban Area Security initiative Grant Prgm	97.067	R0232	R0232	313,995	-
	FY21 Urban Area Security initiative Grant Prgm	97.067	R0521	R0521	92,516	-
Passed Through: State of Florida, City of Miami						
	FY21 Urban Area Security Initiative (UASI)	97.067	R0521	R0521	978,180	-
Total 97.067					<u>3,814,846</u>	<u>-</u>
Direct Programs:						
	FY21 Staffing for Adequate Fire and Emergen Response (SAFER)	97.083	EMW2021FF00908	N/A	1,256,168	-
Total 97.083					<u>1,256,168</u>	<u>-</u>
Direct Programs:						
	Financial Assistance for Countering Violent Extremism - Targeted Violence & Terrorism Prevention Program FY21	97.132	EMW2021GR00016S01	N/A	612,967	-
Total 97.132					<u>612,967</u>	<u>-</u>
Total US Dept of Homeland Security					<u>7,247,414</u>	<u>-</u>
<b>Total Federal Grants – All Departments</b>					<b>\$ 126,073,775</b>	<b>\$ 14,240,117</b>
<b>STATE GRANTS</b>						
<u>FL Executive Office of the Governor</u>						
Passed Through: FL Div of Emergency Management						
	22-23 Emergency Management Program	31.063	A0281	A0281	\$ 101,514	\$ -
	23-24 Emergency Management Program	31.063	A0388	A0388	15,909	-
Total 31.063					<u>117,423</u>	<u>-</u>
Passed Through: FL Div of Emergency Management						
	22-23 Hazardous Materials Plan & Prevent	31.067	T0211	T0211	7,933	-
Total 31.067					<u>7,933</u>	<u>-</u>
Direct Programs:						
	Urban Search & Rescue Sustainment Program	31.078	T0280	N/A	11,595	-
Total 31.078					<u>11,595</u>	<u>-</u>
Total FL Executive Office of the Governor					<u>136,951</u>	<u>-</u>
<u>FL Dept of Environmental Protection</u>						
Beach Management Funding Assistance Program:						
Direct Programs:						
	South Jupiter Hurricane Irma Recovery Project	37.003	19PB16	N/A	(2,862)	-
	South Lake Worth Inlet Management Plan Implementation	37.003	20PB11	N/A	111,275	-
	Juno Beach Nourishment	37.003	20PB2	N/A	371,092	-
	South Jupiter Feasibility Study	37.003	21PB13	N/A	133,056	-
	South Lake Worth Inlet Management Plan Implementation	37.003	22PB9	N/A	327,862	-
	South Lake Worth Inlet Management Plan	37.003	23PB5	N/A	48,888	-
Total 37.003					<u>989,311</u>	<u>-</u>

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<b>Grantor</b>	<b>Program Title</b>	<b>Federal Assistance Listing No./Catalog of State Financial Assistance No.</b>	<b>Contract/Grant #</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Expenditures</b>	<b>Passed Through to Subrecipients</b>
Florida Recreation Development Assistance Program:						
Direct Programs:						
	Canyon District Park Development Project – Phase 1	37.017	A1004	N/A	\$ 134,134	\$ -
Passed Through: FL Recreation Development Assistance Program						
	Bert Winters Park Redevelopment Project	37.017	A3033	A3003	2,555	-
Total 37.017					136,689	-
Direct Programs:						
	Western Region WRWWTP Sand & Grit Removal	37.035	SG070	N/A	231,573	-
Total 37.035					231,573	-
Statewide Water Quality Restoration Projects:						
Direct Programs:						
	Lake Worth Lagoon Initiative	37.039	LP50202	N/A	678,414	-
	Sawfish Island Restoration Project	37.039	LPA0238	N/A	370,186	-
Total 37.039					1,048,600	-
Direct Programs:						
	Resilient Florida Programs - Flooding & Sea Level Rise Vulnerability Assessment	37.098	22PLN73	N/A	103,250	-
Total 37.098					103,250	-
Passed Through: South FL Water Management District						
	Alternative Water Supply - SFWMD Palm Beach-Broward Interconnect Phase IA	37.100	4600004796	4600004796	2,926,886	-
Total 37.100					2,926,886	-
Total FL Dept of Environmental Protection					5,436,309	-
<u>FL Dept of Economic Opportunity</u>						
Direct Programs:						
	Economic Development Partnerships - Spring Training Facility Funding Agreement	40.040	SB16007	N/A	2,000,004	-
Total FL Dept of Economic Opportunity					2,000,004	-
<u>FL Housing Finance Corporation</u>						
Direct Programs:						
	State Housing Initiatives Partnership Program 21/22-CAH	40.901	HFC0121	N/A	1,846,300	1,745,859
	State Housing Initiatives Partnership Program 22/23-CAH	40.901	HFC0122	N/A	2,441,273	1,784,066
	State Housing Initiatives Partnership Program 22/23-CAH	40.901	HFC0123	N/A	161	-
Total 40.901					4,287,734	3,529,925
Total FL Housing Finance Corporation					4,287,734	3,529,925
<u>FL Dept of State and Secretary of State</u>						
Direct Programs:						
	State Aid to Libraries	45.030	23ST54	N/A	883,428	-
Total FL Dept of State and Secretary of State					883,428	-
<u>FL Dept of Education</u>						
Direct Programs:						
	Coach Aaron FEIS Guardian Program - Safe Schools Security Guard Training Program FY23	48.140	97K902102D001	N/A	54,890	-
Total FL Dept of Education					54,890	-
<u>FL Dept of Transportation</u>						
Florida Commission for the Transportation Disadvantaged(CTD) Trip and Equipment Grant Program:						
Direct Programs:						
	FY22-23 TD Trip & Equipment Grant	55.001	G2A37	N/A	2,906,430	-
	FY23-24 TD Trip & Equipment Grant	55.001	G2K74	N/A	730,524	-
Total 55.001					3,636,954	-

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Schedule of Expenditures of Federal Awards and State Financial Assistance  
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Grantor	Program Title	Federal Assistance Listing No./Catalog of State Financial Assistance No.	Contract/Grant #	Pass-Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
Aviation Grant Programs:						
Direct Programs:						
	Aviation Dev Grant - NC Const Add Tie-down Apron Phase 2	55.004	43314329401G1W22	N/A	\$ 147,250	\$ -
	Aviation Dev Grant - PBIA Maintenance Compound Redevelopment	55.004	43462619401GI646	N/A	29,676	-
	Aviation Dev Grant - Lantana Perimeter Fence Improvements	55.004	43639819401GI541	N/A	35,584	-
	Aviation Dev Grant -Lantana Runway 10-28 (Prior Runway 9-27)	55.004	44010219401GIH08	N/A	99,493	-
	Aviation Dev Grant - PBIA Concourse B Expansion	55.004	44066419401GIJ70	N/A	352,163	-
	Aviation Dev Grant - PBIA Golfview West Canal Reloc/ Culvert	55.004	44160819401GIJ71	N/A	56,858	-
	Aviation Dev Grant - LN Security Infra and Oper Imp	55.004	44322929401GIV60	N/A	140,701	-
	Aviation Dev Grant - PBIA Conversion of Gate B1	55.004	44417719401GI653	N/A	1,124,546	-
	Aviation Dev Grant - Pahokee Emergency Generator for Fuel	55.004	44544519401GI702	N/A	5,624	-
	Aviation Dev Grant - Lantana Security Infrastructure	55.004	44594519401GIK56	N/A	34,548	-
	Aviation Dev Grant - Southside Redevelopment Project	55.004	44595619401G2485	N/A	146,431	-
	Aviation Dev Grant - PBIA Terminal Roof Improvements	55.004	44761819401GIV74	N/A	1,003,192	-
	Aviation Dev Grant - PBIA Terminal Humidity & Condensation	55.004	44761919401GIV75	N/A	(1,766)	-
	Aviation Dev Grant - PBIA - Air Cargo Facility Roadway Imp	55.004	44807719401G2405	N/A	152,161	-
	Aviation Dev Grant - PBI Expand Air Cargo Ramp	55.004	44809119401G2C27	N/A	15,000	-
	Aviation Dev Grant - PBIA Terminal Chiller Improvements	55.004	44889319401GIV06	N/A	1,674,826	-
	Aviation Dev Grant - PBIA Storm Hardening Fac Imp - Ph 2	55.004	44898119401GIW30	N/A	2,324	-
	Aviation Dev Grant - PBIA CCTV Camera Improvements	55.004	44898219401G1W33	N/A	157,907	-
	Aviation Dev Grant - LNA T-Hangar Electrical Improvements	55.004	45212819401G2E27	N/A	288,376	-
Total 55.004					5,464,894	-
County Incentive Grant Program (CIGP):						
Direct Programs:						
	Military Trail and Forest Hill, Intersection	55.008	43787814B42434501	N/A	299,483	-
	CIGP-SR-7 at Weisman Way Intersection Improvements	55.008	44045613401	N/A	198,098	-
Total 55.008					497,581	-
Direct Programs:						
	2023 Public Transit Block Grant Program	55.010	G2F43	N/A	6,099,129	-
Total 55.010					6,099,129	-
Direct Programs:						
	Public Transit Service Development Program - Mobility on Demand	55.012	44467119401 FY20	N/A	50,310	-
	Public Transit Service Development Program - Mobility Management	55.012	44674218401	N/A	29,232	-
Total 55.012					79,542	-
Total FL Dept of Transportation					15,778,100	-
<u>FL Dept Children &amp; Families</u>						
Direct Programs:						
	Homeless Grants In-Aid - 2019 Unified Homeless Grant	60.021	IP004	N/A	278,231	140,912
Total FL Dept Children & Families					278,231	140,912

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<b>Grantor</b>	<b>Program Title</b>	<b>Federal Assistance Listing No./Catalog of State Financial Assistance No.</b>	<b>Contract/Grant #</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Expenditures</b>	<b>Passed Through to Subrecipients</b>
<u>FL Dept of Health</u>						
Palm Beach County Rape Crisis Treatment Center:						
Direct Programs:						
	FY23-26 Sexual Assault Services	64.121	COHEC	N/A	\$ 56,984	\$ -
	Sexual Assault Services	64.121	COHO3	N/A	193,174	-
Total 64.121					250,158	-
County Grant Awards - Emergency Medical Services FY22						
Total 64.005					110,518	-
Total 64.005					110,518	-
Passed Through: FL Council Against Sexual Violence						
	Rape Crisis Program Trust Fund - Sexual Battery Victims Access to Services Act	64.061	16TFGR26 (TF)	16TFGR26 (TF)	80,615	-
Total 64.061					80,615	-
Passed Through: FL Council Against Sexual Violence						
	Rape Crisis Center	64.069	16TFGR26 (GR)	16TFGR26 (GR)	83,638	-
	Rape Crisis Centers GR+	64.069	16TFGR26 (GR+)	16TFGR26 (GR+)	110,756	-
Total 64.069					194,394	-
Total FL Dept of Health					635,685	-
<u>FL Dept of Elder Affairs</u>						
Passed Through: OTHER – Area Agency on Aging of Palm Beach/Treasure Coast						
	22-23 Home Care for the Elderly	65.001	IH0229500 (GY22)	IH0229500 (GY22)	134,316	-
	23-24 Home Care for the Elderly	65.001	IH0239500 (GY23)	IH0239500 (GY23)	79,806	-
Total 65.001					214,122	-
Passed Through: OTHER – Area Agency on Aging of Palm Beach/Treasure Coast						
	22-23 Alzheimer's Respite Services	65.004	IZ0229500 (GY22)	IZ0229500 (GY22)	1,860,075	-
	23-24 Alzheimer's Respite Services	65.004	IZ0239500 (GY23)	IZ0239500 (GY23)	627,005	-
Total 65.004					2,487,080	-
Passed Through: OTHER – Area Agency on Aging of Palm Beach/Treasure Coast						
	22-23 Respite for Elders Living in Everyday Families	65.006	IR0229500 (GY22)	IR0229500 (GY22)	19,920	-
Total 65.006					19,920	-
Passed Through: OTHER – Area Agency on Aging of Palm Beach/Treasure Coast						
	22-23 Community Care for the Elderly	65.010	IC0229500 (GY22)	IC0229500 (GY22)	2,547,623	-
	23-24 Community Care for the Elderly	65.010	IC0239500 (GY23)	IC0239500 (GY23)	1,391,402	-
Total 65.010					3,939,025	-
Total FL Dept of Elder Affairs					6,660,147	-
<u>FL Dept of Corrections</u>						
Direct Programs:						
	Transitional Services - Post-Release - C00082 DOC FY23	70.011	C00082	N/A	337,760	337,760
Total 70.011					337,760	337,760
Total FL Dept of Corrections					337,760	337,760
<u>FL Dept of Law Enforcement</u>						
Direct Programs:						
	Statewide Criminal Analysis Laboratory System FY23	71.002	2L004	N/A	323,844	-
	FY22 Identity Theft & Fraud Grant Program	71.042	8F013	N/A	1,845	-
Total FL Dept of Law Enforcement					325,689	-
<u>FL Fish and Wildlife Conservation Commission</u>						
Direct Programs:						
	FFWCC Florida Boating Improvement Program	77.006	19031	N/A	10,030	-
Total FL Fish and Wildlife Conservation Commission					10,030	-
<b>Total State Grants – All Departments</b>					<b>\$ 36,824,958</b>	<b>\$ 4,008,597</b>
<b>TOTAL FEDERAL AND STATE GRANTS</b>					<b>\$ 162,898,733</b>	<b>\$ 18,248,714</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, 2023**

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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 financial assistance projects of Palm Beach County, Florida (the County) for the year ended September 30, 2023. The federal awards and state financial assistance received by the Solid Waste Authority, a major 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 to use a 19.36% indirect cost rate as allowed under the Uniform Guidance. The County elected not to use the 10% *de minimis* indirect cost rate as allowed under Section 2 CFR 200.414(f).



RSM US LLP

**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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 26, 2024. Our report includes a reference to other auditors who audited the financial statements of the Solid Waste Authority, a major 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 reported on separately by those auditors. Our report also included an emphasis of matter paragraph for the adoption of Governmental Accounting Standards Board (GASB) Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* and GASB 96, *Subscription-Based Information Technology Arrangements*, effective October 1, 2022.

**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 the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 County'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 a deficiency in internal control, described in the accompanying schedule of findings as item 2023-001, that we consider to be a material weakness.

### **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 Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the finding identified in our audit and described in the accompanying schedule of findings. 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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**RSM US LLP**

West Palm Beach, Florida  
March 26, 2024



**Report on Compliance for Each Major Federal Program and State Project; Report on Internal Control Over Compliance;  
Required by The Uniform Guidance and Chapter 10.550, Rules of the Auditor General,  
State of Florida**

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 Joseph Abruzzo  
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 State Financial Assistance Project**

***Opinion on Each Major Federal Program and State Project***

We have audited Palm Beach County, Florida (the County's) compliance with the types of compliance Requirements identified as subject to audit in the OMB Compliance Supplement and the requirements described in the state of Florida Department of Financial Services' State Projects Compliance Supplement, that could have a direct and material effect on each of County's major federal programs and state financial assistance projects for the year ended September 30, 2023. The County's major federal programs and state financial assistance 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 the major federal programs and state financial assistance projects for the year ended September 30, 2023.

The County's basic financial statements include the operations of the Solid Waste Authority, a major 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 projects which are not included in the schedule of expenditures of federal awards and state financial assistance during the year ended September 30, 2023. Our audit, described below, did 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 of the State of Florida*.

***Basis for Opinion on Each Major Federal Program and State Project***

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

We are required to be independent of the 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 the major federal programs and state projects. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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



### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, which are described in the accompanying schedule of findings and questioned costs as items 2023-004 and 2023-005. Our opinion on each major federal program and each major state project is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the noncompliance findings identified in our compliance audit 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 compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

*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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-002 and 2023-003, to be significant deficiencies.

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.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our compliance audit 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 compliance and, accordingly, we express no opinion on the response.

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.

**RSM US LLP**

West Palm Beach, Florida  
June 26, 2024

**Palm Beach County, Florida**

**Schedule of Findings and Questioned Costs  
Year Ended September 30, 2023**

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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>  X  </u>	Yes	<u>      </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>  X  </u>	Yes	<u>      </u>	No
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The programs tested as major included the following:

<u>Federal Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.218	CDBG - Entitlement Grants Cluster
21.023	COVID-19 Emergency Rental Assistance Program
97.067	Homeland Security Grant

Dollar threshold used to distinguish between type A and type B programs: \$ 3,000,000

Auditee qualified as low-risk auditee?   X   Yes        No

(Continued)

**Palm Beach County, Florida**

**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended September 30, 2023**

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***State Financial Assistance***

Internal control over major state projects:

Material weakness(es) identified?	<u>          </u> Yes	<u>  X  </u> No
Significant deficiency(ies) identified?	<u>  X  </u> Yes	<u>          </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*?

  X   Yes                 No

The projects tested as major included the following:

<u>Catalog of State Financial Assistance Number(s)</u>	<u>Name of State Financial Assistance Project</u>
37.100	Alternate Water Supply
40.901	State Housing Initiatives Partnership Program
55.001	Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program
55.010	Public Transit Block Grant Program
65.010	Community Care for the Elderly

Dollar threshold used to distinguish between type A and type B projects:

\$ 1,104,749

(Continued)

**Palm Beach County, Florida**

**Schedule of Findings and Questioned Costs (Continued)  
Year Ended September 30, 2023**

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**II – Findings Relating to the Financial Statement Audit as Required to be Reported in Accordance with *Government Auditing Standards***

**A. *Internal Control***

**IC 2023-001 – Capital Assets**

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

**Condition:** We noted that management did not detect material errors in reporting its contributed land balances. It was noted that there was duplication of an entry by the County's Fixed Asset Management Office (FAMO) of land assets that were pre-existing but were added in the system with new asset numbers in the current year. This resulted in new capital assets being recorded as contributed land which was then recorded at the government wide level as a current year addition resulting in a duplicate recording of the land.

**Cause:** Upon initial receipt of the contributed land in prior years, the County recorded the donation as one asset. During the current year, the County separately tagged each land parcel therefore triggering the capital asset system to recognize them as current year capital asset additions.

**Effect:** The governmental activities financial statements capital contributions and capital assets were overstated by approximately \$139 million and the amounts had to be corrected through an audit adjusting entry. Also, necessary supporting schedules were updated and required additional work to verify the accuracy of the financial statement reported balances to ensure there were no other similar errors that occurred.

**Recommendation:** We recommend that management review its policies and procedures for review of capital asset additions, including obtaining supporting documentation to verify the existence of significant asset additions to ensure that they were purchased/donated during the current year. Also additional oversight and training should be provided to members of the FAMO team to address how best to handle future system cleanup activities to avoid the risk of errors like these inadvertently being created while enhancing the accuracy and thoroughness of the supporting system documentation.

**Views of Responsible Officials:** Recognizing property control numbers are integral to land acquisition transactions, there are standard operating and data entry procedures in place. FAMO's financial analyst staff are instructed and trained to follow these procedures. This includes performing a record search to determine whether an asset already exists. As a result of the capital asset errors detailed above, position changes have been made as well as bolstering the reconciliation process and procedures.

**B. *Instance of NonCompliance***

**No matters to report.**

**Palm Beach County, Florida**

**Schedule of Findings and Questioned Costs (Continued)  
Year Ended September 30, 2023**

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**III – Findings and Questioned Costs for Federal Awards and State Financial Assistance**

**A. Internal Control**

*Federal Awards*

**2023-002 Reporting**

**U.S. Department of Housing and Urban Development - Community Development Block Grants  
Entitlement Cluster (CDBG) (ALN No. 14.218)  
Federal award year 2016-2023**

**Criteria:** Grantee must provide a *Cash on Hand Quarterly Report* to the grantor certifying that information within report is accurate. The County is required to review the quarterly reports before submission to the grantor.

**Condition:** The County was unable to provide evidence that a timely review took place for four out of four quarterly reports selected for testing as the reports were submitted after the due date.

**Questioned costs:** Not applicable.

**Context:** This condition is considered to be systemic in nature.

**Identification as a repeat finding, if applicable:** No

**Cause:** The County's control over this grant's reporting requirement was not operating effectively. Due to staff constraints, the County was unable to submit the reports timely.

**Effect:** Failure to comply with program reporting requirements may result in a disallowance of program expenditures and/or loss of future grant funding.

**Recommendation:** We recommend that the County review its current policies for oversight of compliance with reporting requirements for this grant. Personnel in charge of administering grant compliance should review the County's grant reports to ensure the timeliness and regulatory compliance are met prior to submission to grantors and should establish some form of available evidence to demonstrate the review was completed whether it be a signoff, an email or other evidence the reports were reviewed timely before being filed.

**Views of responsible officials:** The department has an internal process in place requiring the review and signature by Finance Director prior to the submission of quarterly report. This policy has been reviewed with staff and Management has counseled staff regarding the submission time frames and will take necessary measures to ensure review, signoff and timely submission of quarterly Cash on Hand Reporting.

**Palm Beach County, Florida**

**Schedule of Findings and Questioned Costs (Continued)  
Year Ended September 30, 2023**

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*State Financial Assistance*

**2023-003 Special Tests**

**State of Florida Housing and Finance Corporation - State Housing Initiatives Partnership Program (SHIP) (Catalog of State Financial Assistance No. 40.901)  
State financial assistance award year 2021-2023**

**Criteria:** Loans or grants for eligible rental housing constructed, rehabilitated, or otherwise assisted from the local housing assistance trust fund must be subject to recapture requirements as provided by the county or eligible municipality in its local housing assistance plan unless reserved for eligible persons for 15 years or the term of the assistance, whichever period is longer. (Florida Statutes Part VII, Section 420.9071(25) and Section 420.9075(5)(i and j)). Per the promissory notes issued by the County, the agreement states, "the property shall remain the principal residence of the Mortgagor throughout the Term of the Note. If the Mortgagor fails to occupy the dwelling as a principal residence, uses the premises for business or economic purposes, sells, leases or rents all or a portion thereof, assigns the Note and/or this Mortgage or in any manner transfers title, use, or occupancy of the dwelling before the last day of the Term of the Note, the entire principal amount of the Note becomes immediately due and payable in full. In the event of the death of the Mortgagor prior to the end of the Term of the Note, the outstanding balance of the loan becomes immediately due and payable." The County is required to monitor and evaluate the owner to ensure that the property remains the principal residence of the owner.

**Condition:** For two out of 60 loans selected for testing, the County was unable to provide evidence of their review over the residency requirement.

**Questioned costs:** \$84,878.

**Context:** As of September 30, 2023, there were more than 1,000 loans with outstanding balances.

**Identification as a repeat finding, if applicable:** No

**Effect:** Failure to properly document and review all grant requirements may result in disallowance by the grantor of project expenditures.

**Cause:** Due to staff constraints, the County was unable to perform due diligence over all SHIP loans outstanding as of year-end.

**Recommendation:** We recommend that the County review and revise its policies and procedures over the review of all SHIP loans to provide for creation and retention of supporting documentation to demonstrate that reviews and validation of accuracy of information has been conducted in compliance with all grant requirements.

**Views of responsible officials:** Staffing has had an impact on our ability to review existing and new loans on an annual basis. The MHI Division Director will revise our policy and procedure to ensure existing loans are reviewed at least once every 3 years during the period of affordability.

**Palm Beach County, Florida**

**Schedule of Findings and Questioned Costs (Continued)  
Year Ended September 30, 2023**

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***Instances of NonCompliance***

*Federal Awards*

**2023-004 Reporting**

**U.S. Department of Housing and Urban Development - Community Development Block Grants  
Entitlement Cluster (CDBG) (ALN No. 14.218)  
Federal award year 2016-2023**

**Criteria:** Grantee must provide a *Cash on Hand Quarterly Report* to the grantor certifying that information within report is accurate. The County is required to review the quarterly reports before submission to the grantor.

**Condition:** It was noted four out of four quarterly reports selected for testing were filed after the due date stipulated by the agency.

**Questioned costs:** Not applicable.

**Context:** This condition is considered to be systemic in nature.

**Identification as a repeat finding, if applicable:** No

**Cause:** Due to staff constraints, the County was unable to submit the reports timely.

**Effect:** Failure to comply with program reporting requirements may result in a disallowance of program expenditures and/or loss of future grant funding.

**Recommendation:** We recommend that County personnel in charge of administering grant compliance, review the County's grant reports to ensure the reports are submitted on a timely basis in accordance with the provisions of the grant agreement to the grantors.

**Views of responsible officials:** The department has an internal process in place requiring the timely review and submittal of grant reports. This policy has been reviewed with staff and Management has counseled staff regarding the submission time frames and will take necessary measures to ensure review, signoff and timely submission of quarterly Cash on Hand Reporting.

**Palm Beach County, Florida**

**Schedule of Findings and Questioned Costs (Continued)  
Year Ended September 30, 2023**

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*State Financial Assistance*

**2023-005 Special Tests**

**State of Florida Housing and Finance Corporation - State Housing Initiatives Partnership Program (SHIP) (Catalog of State Financial Assistance No. 40.901)**

**State financial assistance award year 2021-2023**

**Criteria:** Loans or grants for eligible rental housing constructed, rehabilitated or otherwise assisted from the local housing assistance trust fund must be subject to recapture requirements as provided by the county or eligible municipality in its local housing assistance plan unless reserved for eligible persons for 15 years or the term of the assistance, whichever period is longer. (Florida Statutes Part VII, Section 420.9071(25) and Section 420.9075(5)(i and j)). Per the promissory notes issued by the County, the agreement states, "the property shall remain the principal residence of the Mortgagor throughout the Term of the Note. If the Mortgagor fails to occupy the dwelling as a principal residence, uses the premises for business or economic purposes, sells, leases or rents all or a portion thereof, assigns the Note and/or this Mortgage or in any manner transfers title, use, or occupancy of the dwelling before the last day of the Term of the Note, the entire principal amount of the Note becomes immediately due and payable in full. In the event of the death of the Mortgagor prior to the end of the Term of the Note, the outstanding balance of the loan becomes immediately due and payable."

**Condition:** For two out of 60 loans selected for testing, we were unable to determine if the recipient complied with the residency requirement per recapture requirements either because there was no homestead exemption filed per review of the 2022/2023 tax bill or the recipient was no longer the owner of the property.

**Questioned costs:** \$84,878.

**Context:** As of September 30, 2023, there were more than 1,000 loans with outstanding balances.

**Identification as a repeat finding, if applicable:** No

**Effect:** Failure to comply with grant requirements may result in disallowance by the grantor of project expenditures.

**Cause:** Due to staff constraints, the County was unable to perform due diligence over all SHIP loans outstanding as of year-end.

**Recommendation:** We recommend that the County establish policies and procedures over the review of all SHIP loans in accordance with grant requirements to ensure they are maintaining proper compliance.

**Views of responsible officials:** One of the properties was sold October 2021. We have no record of a payoff. Staff will attempt to contact the title company that closed the sale in October 2021 to get an explanation of why our loan was not paid off. Then we will consult with the County Attorney's Office regarding next steps.

The second property is still occupied by the approved applicant. The Annual Certification of Residency was completed on May 21, 2024.



**Palm Beach County, Florida**

**Summary Schedule of Prior Year Audit Findings  
Year Ended September 30, 2023**

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**I – Financial Statement Findings**

**No matters to report.**

**II – Federal Award and State Financial Assistance Findings and Questioned Costs**

**No matters to report.**



**Office of  
Financial Management & Budget**

P.O. Box 1989  
West Palm Beach, FL 33402-1989  
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**Palm Beach County  
Board of County  
Commissioners**

Maria Sachs, Mayor  
Maria G. Marino, Vice Mayor  
Gregg K. Weiss  
Michael A. Barnett  
Marcy Woodward  
Sara Baxter  
Mack Bernard

**County Administrator**

Verdenia C. Baker

*"An Equal Opportunity  
Affirmative Action Employer"*

Official Electronic Letterhead

June 26, 2024

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 Number 2023-001 – Capital Assets. Please find the attached corrective action plan.

Regards,

Robyn Lawrence  
Division Director  
Financial Management Division  
Office of Financial Management & Budget

c. Sherry Brown  
Angelo DiPerro

<b>Finding Number</b>	<b>Planned Corrective Action</b>	<b>Anticipated Completion Date</b>	<b>Responsible Contact Person</b>
2023-001	The Fixed Assets Management Office has established standard operating and data entry procedures in place. Management has met with financial analyst staff to reinforce the adherence to existing rules, regulations, policies and procedures under which FAMO operates, and made some position changes within the Office.	Completed	Robyn Lawrence, Division Director, Financial Management Division



**Palm Beach County Board of County Commissioners  
Department of Housing and Economic Development**

*Finance and Administrative Services*

100 Australian Avenue, Suite #500

West Palm Beach, FL 33406

(561) 233-3600

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**PALM BEACH COUNTY  
CORRECTIVE ACTION PLAN  
FISCAL YEAR ENDING SEPTEMBER 30, 2023**

<b>Finding Number</b>	<b>Planned Corrective Action</b>	<b>Anticipated Completion Date</b>	<b>Responsible Contact Person</b>
2023-002	The department has an internal process in place requiring the review and signature by Finance Director prior to the submission of quarterly report. This policy has been reviewed with staff and Management has counseled staff regarding the submission time frames and will take necessary measures to ensure review, signoff and timely submission of quarterly Cash on Hand Reporting.	07/01/2024	Valerie Alleyne Division Director PBC DHED Finance & Administrative Services
2023-003	Staffing has had an impact on our ability to review existing and new loans on an annual basis. The MHI Division Director will revise our policy and procedure to ensure existing loans are reviewed at least once every 3 years during the period of affordability.	07/31/2024	Dorina Jenkins-Gaskin Division Director PBC DHED Mortgage & Housing Investments



**Palm Beach County Board of County Commissioners**  
**Department of Housing and Economic Development**

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Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2023-004	The department has an internal process in place requiring the timely review and submittal of grant reports. This policy has been reviewed with staff and Management has counseled staff regarding the submission time frames and will take necessary measures to ensure review, signoff and timely submission of quarterly Cash on Hand Reporting.	07/01/2024	Valerie Alleyne Division Director PBC DHED Finance & Administrative Services
2023-005	<ul style="list-style-type: none"> <li>• One of the properties was sold October 2021. We have no record of a payoff. Staff will attempt to contact the title company that closed the sale in October 2021 to get an explanation of why our loan was not paid off. Then we will consult with the County Attorney's Office regarding next steps.</li> <li>• The second property is still occupied by the approved applicant. The Annual Certification of Residency was completed on May 21, 2024.</li> </ul>	August 31, 2024	Dorina Jenkins-Gaskin Division Director III PBC DHED Mortgage and Housing Investments (MHI)