

# City of Lake Worth Beach, Florida



**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2024**

**CITY OF LAKE WORTH BEACH, FLORIDA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**SEPTEMBER 30, 2024**

**Prepared by**  
**City of Lake Worth Beach Finance Department**



# City of Lake Worth Beach, Florida

---

## TABLE OF CONTENTS

### INTRODUCTORY SECTION (UNAUDITED):

Letter of Transmittal	i-vi
List of Principal Officials	vii
Organizational Chart	viii

### FINANCIAL SECTION:

Independent Auditor's Report	1-3
Management's Discussion and Analysis (Unaudited)	4-15
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	16-17
Statement of Activities	18
Fund Financial Statements:	
Balance Sheet – Governmental Funds	19
Reconciliation of the Balance Sheet of Governmental Funds to Statement of Net Position	20
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
Statement of Net Position – Proprietary Funds	23-25
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	26
Statement of Cash Flows – Proprietary Funds	27-28
Statement of Net Position – Fiduciary Funds	29
Statement of Changes in Net Position – Fiduciary Funds	30
Notes to Basic Financial Statements	31-81

## City of Lake Worth Beach, Florida

---

### Required Supplementary Information (Unaudited):

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	82-83
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Beach Fund	84
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – American Rescue Plan Act Fund	85
Notes to the Required Supplementary Information	86
General Employees' Retirement System – Schedule of Changes in Net Position Liability and Related Ratios	87
Police Officers' Relief and Retirement System – Schedule of Changes in Net Pension Liability and Related Ratios	88
Firefighters' Pension Trust – Schedule of Changes in Net Position Liability and Related Ratios	89
General Employees' Retirement System – Schedule of Contributions	90
Police Officers' Relief and Retirement System – Schedule of Contributions	91
Firefighters' Pension Trust – Schedule of Contributions	92
Pension Trust Funds – Schedule of Investment Returns	93
Schedule of Changes in Total OPEB Liability and Related Ratios	94
Combining and Individual Fund Financial Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	95
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	96
Combining Balance Sheet – Nonmajor Special Revenue Funds	97
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	98
Combining Balance Sheet – Nonmajor Capital Projects Funds	99
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	100
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Building Permit Fund	101
Golf Fund	102
Code Remediation Fund	103
Grants Fund	104
Government Obligation Bond 2018	105
Discretionary Sales Tax Fund	106
Capital Projects Fund	107
Neighborhood Road Program Fund	108

## City of Lake Worth Beach, Florida

---

Combining Statement of Net Position – Nonmajor Enterprise Funds	109
Combining Statement of Revenues, Expenses and Changes in Net Position – Nonmajor Enterprise Funds	110
Combining Statement of Cash Flows – Nonmajor Enterprise Funds	111-112
Combining Statement of Net Position – Internal Service Funds	113
Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds	114
Combining Statement of Cash Flows – Internal Service Funds	115-116
Combining Statement of Fiduciary Net Position – Pension Trust Funds	117
Combining Statement of Changes in Fiduciary Net Position – Pension Trust Funds	118

### STATISTICAL SECTION (UNAUDITED):

#### Table of Contents:

Net Position by Component	119
Changes in Net Position	120-121
Fund Balances of Governmental Funds	122
Changes in Fund Balances of Governmental Funds	123
Net Assessed Value and Estimated Actual Value of Taxable Property	124
Property Tax Rates – Direct and Overlapping Governments	125
Property Tax Levies and Collections	126
Principal Property Taxpayers	127
Special Assessment Collections	128
Ratio of Outstanding Debt by Type	129
Ratios of General Bonded Debt Outstanding	130
Computation of Legal Debt Limit	131
Direct and Overlapping Governmental Activities Debt	132
Pledged Revenue Coverage	133-135
Demographic and Economic Statistics	136
Principal Employers	137
Full-Time Equivalent City Government Employees by Function	138
Operating Indicators by Function/Program	139-140
Capital Asset Statistics by Function/Program	141

*INTRODUCTORY SECTION*



FINANCIAL SERVICES DEPT.  
7 NORTH DIXIE HIGHWAY  
LAKE WORTH BEACH, FL 33460

June 30<sup>th</sup>, 2025

The Honorable Mayor,  
Members of the City Commission and  
Citizens of the City of Lake Worth Beach, Florida

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Lake Worth Beach, Florida (the "City"), for the fiscal year ended September 30, 2024. State law requires that all general-purpose local governments annually publish a complete set of financial statements within nine months of the close of each fiscal year. The financial statements are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards and government auditing standards by an independent auditing firm. We believe that this report complies with these requirements and continues to present the City's strong tradition of full financial disclosure. This philosophy is reflected by the informative financial analysis provided by the City's Finance Department and statistical tables included herein.

The ACFR's role is to assist in making economic, social and political decisions and to assist in assessing accountability to the citizenry by:

- Comparing actual financial results with the legally adopted budgets, where appropriate;
- Assessing financial condition and results of operations;
- Assisting in determining compliance with finance related laws, rules and regulations; and
- Assisting in evaluating the efficiency and effectiveness of City operations.

We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly present the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City.

Anthony Brunson P.A., our independent auditors, has issued an unmodified opinion on the City of Lake Worth Beach's financial statements for the fiscal year ended September 30, 2024. The independent auditor's report is located at the front of the financial section of this report.

The City's financial statements have been prepared using the reporting model in accordance with Governmental Accounting Standard Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis (MD&A)*. MD&A immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A compliments this letter of transmittal and should be read in conjunction with it.

## **PROFILE**

The City was incorporated as a municipality under the laws of the State of Florida in 1913. The City borders West Palm Beach on its northern boundary and the exclusive Town of Palm Beach to the northeast at the Intracoastal Waterway and the Atlantic Ocean. This location provides significant benefits in terms of the quality of life for its residents.

The City operates under a Commission-Manager form of government and provides general municipal services such as public safety, recreation, public works and others as well as certain enterprise activities such as electric, water, sewer, stormwater and waste removal service.

The City is primarily a residential community of approximately 7 square miles with a population of approximately 43,500. The median age has declined over the past two decades from 50 years to 37 years. Tourism, retail and construction are the main industries supporting the local economy. The quarter-mile, municipally-owned beach complex features original 1920's architecture which has an ocean fishing pier, ocean front shops and restaurants, makes this area a popular attraction for residents and tourists alike.

Lake Worth Beach is a dynamic, multi-cultural city with a strong social and environmental consciousness. People are drawn to the City by its independent character, acceptance of different cultures and lifestyles, many historic structures, hip downtown and distinctive residential neighborhoods. The City has a rich history and is protective of its historic architectural fabric. Over 1,000 historic buildings contribute to the human scale and charm of the downtown and residential areas.

The City is the geographic and artistic center of Palm Beach County. The downtown is considered the artistic soul of Lake Worth Beach with a historic theater and a museum, live music clubs, coffee houses, art galleries, antique malls, retail stores and many restaurants.

## **REPORTING ENTITY**

This report includes all of the funds of the City. In addition to general government activities, the Community Redevelopment Agency (CRA) is included as a discretely presented component unit.

## **ACCOUNTING AND INTERNAL CONTROL**

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

## **BUDGETARY CONTROLS**

In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. In accordance with state laws the Approved Budget is posted on the City's website within 30 days of adoption. Activities of the General Fund, Special Revenue Funds, Debt Service Fund and Capital Project Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department (by fund) level. The City maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end. All expenditures for other than personnel services are controlled by a procurement system, which encumbers purchase orders against budgets prior to issuance to the vendors. Purchase orders are not issued until appropriations are made available.

Administrative budget transfers may occur upon approval of the City Manager as long as the budget within a fund is not increased. Budget amendments are submitted to Council for their consideration and in accordance with state law are posted to the City's website within five days of adoption.

## **LOCAL ECONOMY**

The City obtains a significant portion of its General Fund annual financial resources from ad valorem property taxes. The City also operates electric, water and sewer utilities and solid waste collection and stormwater enterprises.

Taxable values consistently continue to increase since the recession in 2012. As of 2024, the City's taxable value equals approximately \$3,400,000,000. When compared to values in adjacent City, there is investment potential.

The City has adopted strategies to attract investment by removing disincentives to investment while also building stability through best practices and innovative approaches related to City rules and regulations.

As of the City's fiscal year end, September 30, 2024, the city's unemployment rate increased to 3.0%. This is slightly lower than the State of Florida's rate of 3.3% and lower than the national rate of 4.0%. The City of Lake Worth Beach's primary employment industries are service occupations, office workers, management, professional and government.

Property taxes have increased over the prior year due to an increase in the assessed value of residential property. Property tax revenues in 2024 provided resources of approximately \$16.6 million or 38% of the General Fund budgeted expenditures of approximately \$44 million.

The City's future financial challenges come primarily in the area of constrained property taxes, funding pension obligations and health insurance. However, the City has negotiated a Cash Option Plan, reducing future pension obligations and is evaluating other potential mitigation strategies with health insurance.

The City's utility operations have made significant progress in addressing the challenges regarding reliability, maintaining competitive billing rates and meeting capital infrastructure and maintenance needs. While these infrastructure "hardening" programs are developed, broader decisions regarding planning, testing and monitoring the City's electrical transmission grid and groundwater inflow to the wastewater system are being refined.

## **LONG RANGE FINANCIAL PLANNING**

Management constantly examines the strategic goals and objectives of the City of Lake Worth Beach and implements policies that will assist in taking advantage of the opportunities. The City utilizes long term financial planning to identify future financial challenges and opportunities through financial forecasting and analysis, then devises strategies based on the information to achieve financial sustainability.

The City currently processes all the major funds through an integrated financial system using multiple real time scenarios to model the best mix of working capital, appropriate levels of capital projects, adequate fund reserves, more accurate utility rates for residents and cash flow levels over a ten-year projection period. This integrated financial modeling provides both short-term and long-term information to aid in a better decision-making process.

The City's electric utility provides electricity to its customers using a variety of electric production resources. Among them are the City's entitlements in various Florida Municipal Power Agency (FMPA) projects, the City's own solar farm build atop a closed City landfill, the City's power plant, and a contract with Orlando Utilities Commission for supplemental energy and capacity effective 1/1/2019 with a term of up to seven years. City's entitlements and/or contracts with FMPA include participation in the St. Lucie Project, Stanton I and II Projects, and two FMPA Municipal Solar Projects. Participation in the St. Lucie and Stanton Projects date to the 1980s. Purchase agreements for solar energy from the FMPA Municipal Solar Projects were executed in 2019, have a term of 20 years and began delivering energy to the City in 2023. Combined with the announced retirement of the Stanton 1 unit which is fueled by a combination of coal and natural gas, the City's electric utility projects will achieve the status of having greater than 50% of its energy supply sourced from carbon-free resources and one of the lowest carbon footprints in the state of Florida by 2025.

The City's electric utility is currently undertaking upgrades of its electric transmission and distribution systems under its System Hardening and Reliability Improvement Program (SHRIP). The program includes a continuation of its efforts to upgrade components of its transmission system to include a second interconnection to Florida Power & Light's electric transmission system, conversions of 4 kV electric distribution systems to 26 kV, replacing aged components with newer versions designed to withstand Category 5 storm wind loads, adding new technology to more rapidly identify outages and restore service, adding field switching and sectionalizing capability to isolate areas of outages and minimize the number of customers impacted by outages, etc.

The City also conducts a cost-of-service study of the electric utility, as well as cash flow modeling as a part of the annual budgeting process, that will help ensure that the financial stability of the City's electric utility operations is maintained.

The City's other enterprise utilities which include water, sewer and stormwater activities are also being analyzed for additional infrastructure improvements including groundwater infiltration and treatment in the wastewater system.

## **RELEVANT FINANCIAL POLICIES**

The City operates under a set of Comprehensive Financial Policies that provide a framework for all financial and budgetary decisions and transactions. The City has implemented all Governmental Accounting Board Standards that are applicable as of the end of the current fiscal year.

## **MAJOR INITIATIVES**

The City of Lake Worth Beach placed major emphasis on creating the conditions for private investment in the municipality. The City's Comprehensive Plan has been updated. Significant infrastructure investments continue across the City with its Water Utilities Department major upgrades in the replacement of pipes and fire hydrants. As the City invests, developers and residents are also investing. The City's electric utility is continuing to upgrade its electric transmission and distribution systems under its System Hardening and Reliability Improvement Program (SHRIP).

### **Comprehensive Plan**

The City of Lake Worth Beach received an official Notice of In Compliance regarding the City's Evaluation Appraisal Report (EAR) based on amendments to its Comprehensive Plan and Future Land Use Map. The Florida Department of Economic Opportunity (DEO) issued the compliance letter on May 31, 2019 with an effective date of June 1, 2019. Following eighteen (18) months of effort, the City now has a completely re-vamped and progressive road map for its future development. The Comprehensive Plan provides clear, concise and consistent goals and objectives to guide the City's activities across all departments. City staff has already seen an uptick in interest in investment in the City as a result of adopted changes.

### **Neighborhood Road Program**

In November 2016, Lake Worth residents authorized the City to issue general obligation bonds to improve local roadways in an amount not to exceed \$40 million. Every neighborhood road was analyzed/ranked on a Pavement Condition Index and a four-year action plan was developed. All roads in Program Year 1, Year 2, and Year 3 were completed as of December 2020. The final Year 4 projects have been completed with the exception of 1 project currently under contract. For a City of less than seven square miles, a \$40 million investment in roads represents a major commitment to itself.

### **Working Capital and Capital Project Funding**

The City of Lake Worth Beach issued two bonds in late summer and early fall of 2020; a Non Ad Valorem Bond providing \$10,458,000 in project proceeds and a Combined Utility Bond providing \$51,959,240 in project proceeds. These two-bond series provided combined funding for City capital projects totaling \$62,417,240.

In addition to providing funding for capital projects, the City took advantage of the historically low interest rate environment by paying off, or refunding, two Bank of America bank notes totaling \$49,413,803 as part of the City's Combined Utility Bond. As part of paying off these bank notes, the City also extended the repayment term, thereby reducing the annual debt service associated with these borrowing and as a consequence, providing increased budgetary and rate flexibility for the City's utilities.

Another significant objective realized with the Non Ad Valorem borrowing is that the City was able to increase working capital and fund balances in the amount of \$16,135,803. This was accomplished by reimbursing itself for capital projects otherwise paid from reserves. This step increased working capital and fund balance thereby providing the City additional financial flexibility while managing the negative impacts of COVID-19.

In 2022, the City issued a Combined Utility Bond providing \$46,115,757 in project proceeds to finance the City's utilities infrastructure improvements consisting of mainly the System Hardening and Reliability Improvement Program (SHRIP).

## ACKNOWLEDGMENTS

The preparation of this report could not have been accomplished without the efforts of the entire Finance Department. I express my appreciation to all members of the department who assisted and contributed to its preparation. Credit must also be given to the City Commission and City Management for their commitment and support to improving the City's financial operations.

Respectfully yours,



Yannick Ngendahayo

Finance Director



# City of Lake Worth Beach, Florida

---

## List of Principal Officers For the Fiscal Year Ended September 30, 2024

---

### City Commission

The City Commission is comprised of five members who serve overlapping two-year terms and are elected on a nonpartisan basis by residents of the City. The Mayor is elected at-large to serve a two-year term as the presiding officer at City Commission meetings and as the official head of the City of Lake Worth Beach for legislative and ceremonial purposes. The City Commission is responsible for passing ordinances and other policy directives necessary for the operation of the City.

OFFICE HELD

NAME OF OFFICIAL

Mayor	Betty Resch
Vice Mayor/Commissioner – District 1	Sarah Malega
Commissioner – District 2	Christopher McVoy
Commissioner – District 3	Mimi May
Commissioner – District 4	Reinaldo Diaz

### Management Team:

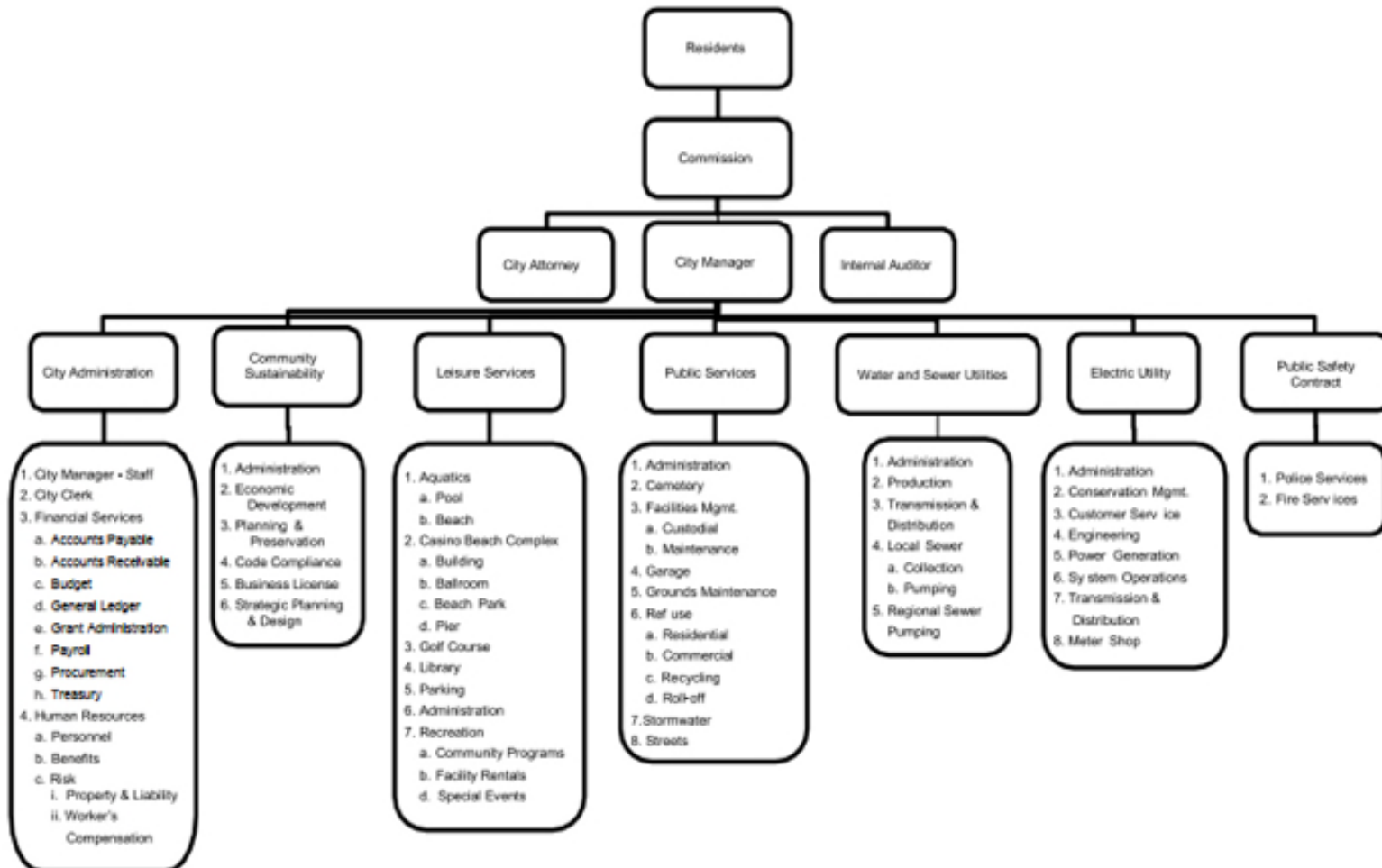
Interim City Manager	Jamie Brown
Assistant City Manager	Troy Perry
City Attorney	Christy L. Goddeau
City Clerk	Debbie Andrea
Community Sustainability Director	William Waters
Finance Director	Yannick Ngendahayo
Acting Information Technology Director	Nelly Peralta
Human Resources Director	Loren Slaydon
Interim Public Services Director	Michael Pierce
Water & Sewer Utility Director	Sam Heady
Electric Utility Director	Edward Liberty
Internal Auditor	William Brown
Leisure Services Director	Teanna McKay

Community Redevelopment Agency:  
Executive Director

Joan Oliva

# City of Lake Worth Beach, Florida

## Organizational Chart For the Fiscal Year Ended September 30, 2024



*FINANCIAL SECTION*



# ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council  
City of Lake Worth Beach, Florida

### 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 the City of Lake Worth Beach, Florida (the "City") as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

We did not audit the financial statements of the Pension Trust Funds for the General Employees' Retirement System, Police Officers' Relief and Retirement System and the Firefighters' Pension Trust (collectively Plans), which together represent 67%, 73% and 39% of the assets, net position/fund balance and additions/revenues, respectively of the aggregate remaining fund information for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for those Plans, is based solely on the report of the other auditors.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City 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 Note 15 of the financial statements, the City adopted Governmental Accounting Standard Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections-an Amendment of GASB Statement No. 62*, as of October 1, 2023. Management determined the Beach Fund, Discretionary Sales Tax are major funds in the current year. As a result of the change in reporting entity the beginning fund balances were restated. Our opinion is not modified with respect to this matter.



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

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 City'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 budgetary comparison schedules, and other post-employment and pension schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the

methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, such as the combining and individual nonmajor fund financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2025, on our consideration of the City'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 City'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 City's internal control over financial reporting and compliance.



Miramar, Florida  
June 30, 2025



# City of Lake Worth Beach, Florida

---

## Management's Discussion and Analysis (Unaudited)

### For the Fiscal Year Ended September 30, 2024

---

As management of the City of Lake Worth Beach (the "City"), we offer readers of these financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-vi of this report.

The information contained within this Management's Discussion and Analysis (MD&A) is only a component of the entire financial statement report. Readers should take time to read and evaluate all sections of the report, including the Notes to Financial Statements and the Required Supplementary Information that is provided in addition to this MD&A.

### Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by approximately \$268,137,000 (net position).
- The City's total net position increased by approximately \$28,039,000 or 11.7% in comparison to the prior year. The increase was a result of an increase in governmental activities and business-type activities of approximately \$19,716,000 and \$8,323,000, respectively. The City's net position increased as a result of this year's operations.
- At the end of the current fiscal year, fund balance for the General Fund was approximately \$22,786,000 or 52.1% of total General Fund expenditures. Of this balance, approximately \$1,679,000 has been restricted to the City's future capital projects, \$9,700 has been assigned to housing initiative, \$7,400 is classified as nonspendable and \$21,090,000 is classified as unassigned.
- The City's business-type activities reported total net position of approximately \$183,210,000, which is a \$8.3 million or 4.8% increase in comparison to the prior year's net position. Approximately \$75,028,000 or 41% is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's deferred outflows of resources and deferred inflows of resources significantly decreased by approximately \$8.0 million or 24.9% and \$1.4 million or 13.7%, respectively. This reduction was attributable to a decrease in the City's net pension liability determined by the actuaries. The City experienced significant gains in investments, which decreased the net pension liability as of the measurement date.

### Overview of the Financial Statements

This financial section of the annual comprehensive financial report consists of the following: independent auditor's report, management's discussion and analysis (this section), the basic financial statements, required supplementary information and a section that presents combining and individual fund statements and schedules. The basic financial statements include the following two kinds of statements that present different views of the City:

#### Government-Wide Financial Statements

The government-wide financial statements of the City provide a broad overview of the City's finances and report information about the City using accounting methods similar to those used by private sector companies.

# City of Lake Worth Beach, Florida

---

## Management's Discussion and Analysis (Unaudited)

### For the Fiscal Year Ended September 30, 2024

---

The Statement of Net Position includes all of the City's assets, deferred outflows, liabilities, and deferred inflows and provides information about the nature and amounts of investments in resources (assets) and the obligations to City creditors (liabilities). The assets, deferred outflows, liabilities and deferred inflows are presented in a classified format, which distinguishes between current and long-term assets and liabilities. Net position, the difference between assets and deferred outflows; and liabilities and deferred inflows, provide the basis for computing rate of return, evaluating the capital structure of the City and assessing the liquidity and financial flexibility of the City. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities measures the success of the City's operations over the past year and can be used to determine whether the City has successfully recovered all of its costs through its services provided, as well as its profitability and credit worthiness. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods.

The government-wide statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Governmental activities include general government, public safety, physical environment, transportation, culture and recreation. Business-type activities include water and electric utilities, local and regional sewer, stormwater utility, refuse collection and disposal systems.

### Fund Financial Statements

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, these funds focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. As a result of this difference in focus, a reconciliation is provided between the fund and government-wide statements in order to better understand the long-term impact of short-term financing decisions.

The City maintains individual governmental funds. Information is presented separately for the General Fund, Beach Fund, Discretionary Sales Tax Fund, and American Rescue Plan Act Fund, as these are considered to be major funds. Data for the other governmental funds are aggregated into a single presentation. Individual fund data for these other nonmajor funds is provided in the form of combining statements.

Proprietary Funds – The City 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 City uses enterprise funds to account for the operation of providing water service, electric utility service, local and regional sewer service, stormwater utility, refuse collection and disposal. The City uses internal service funds to account for the financing of insurance, garage, information technology services and employee benefits provided to other funds of the City on a cost-reimbursement basis. Because these services primarily support business-type rather than governmental, they have been included within business-type activities in the government-wide statements.

Proprietary funds provide the same type of information as the government-wide business-type statements, only in more detail. The water, electric and local and regional sewer funds are major funds and are presented separately. Data for the other enterprise funds are aggregated into a single presentation. Separate information is provided for each of the City's nonmajor enterprise funds in combining schedules.

# City of Lake Worth Beach, Florida

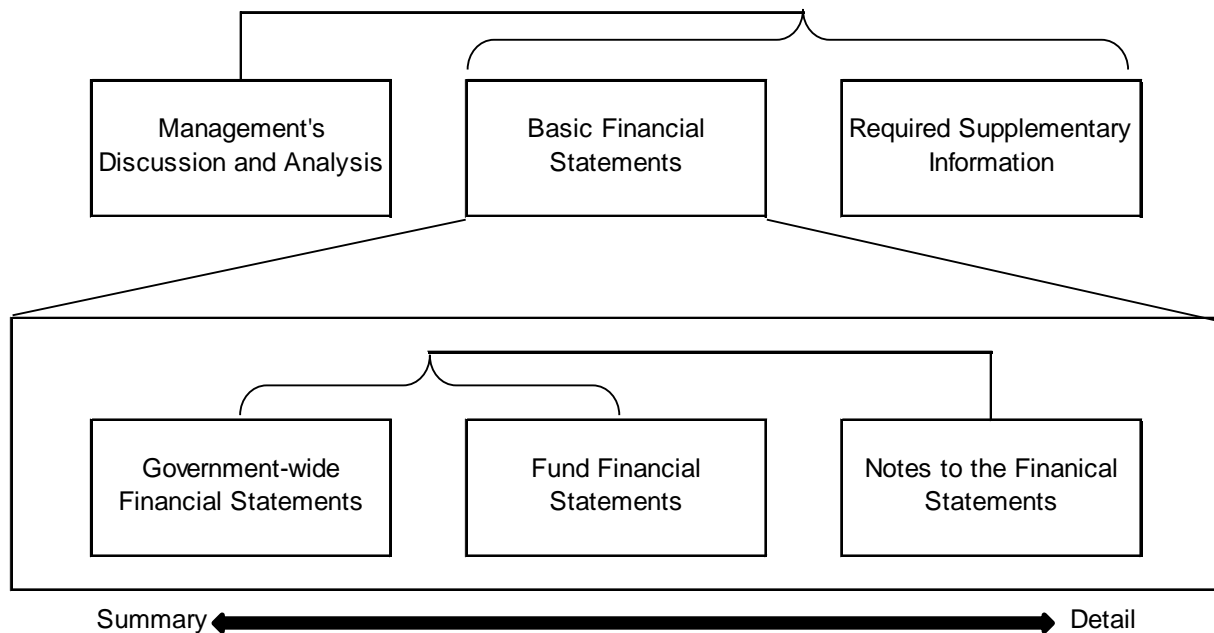
## Management's Discussion and Analysis (Unaudited)

### For the Fiscal Year Ended September 30, 2024

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside of the government and, consequently, are not reflected in the government-wide statements because the resources are not available to support the City's own programs. The accounting for fiduciary funds is much like that of proprietary funds.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that explains and supports the information in the financial statements. The required supplementary section presents certain information concerning the City's progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees. The figure below shows how the required parts of this annual report are arranged and relate to one another.

### Required Components of the City's Annual Comprehensive Financial Report



### Government-Wide Financial Analysis

Our analysis of the government-wide financial statements of the City begins on the next page. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City's activities in a way that will help answer this question. These two statements report the net position of the City and changes in them. You can think of the City's net position – the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, – as one way to measure the financial health or financial position. Over time, increases or decreases in the City's net position is one indicator of whether its financial health is improving or deteriorating. However, you will need to consider other non-financial factors such as changes in economic conditions, regulations and new or changed government legislation.

# City of Lake Worth Beach, Florida

## Management’s Discussion and Analysis (Unaudited)

### For the Fiscal Year Ended September 30, 2024

There are six basic transactions that will affect the comparability of the Statement of Net Position summary presentation as reflected below:

1. **Net results of activities** could impact (increase/decrease) current assets and unrestricted net position.
2. **Borrowing for capital** will increase noncurrent assets and long-term debt.
3. **Spending borrowed proceeds on new capital assets** will reduce noncurrent assets and increase capital assets.
4. **Spending of nonborrowed current assets on new capital assets** will reduce current assets and increase capital assets and will reduce unrestricted net position and increase net investment in capital assets.
5. **Principal payment on debt** will reduce current assets and reduce long-term debt and reduce unrestricted net position and increase net investment in capital assets.
6. **Reduction of capital assets through depreciation** will reduce capital assets and net investment in capital assets.

### Summary Statement of Net Position

The following schedule presents a Summary Statement of Net Position of the City as of September 30, 2024 and 2023:

### Summary Statement of Net Position September 30, 2024 and 2023

	Governmental Activities		Business-Type Activities		Total	Total
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 96,260,629	\$ 84,462,766	\$ 185,855,168	\$ 185,242,938	\$ 282,115,797	\$ 269,705,704
Capital assets	90,360,641	90,841,604	221,189,727	201,821,243	311,550,368	292,662,847
<b>Total assets</b>	<b>186,621,270</b>	<b>175,304,370</b>	<b>407,044,895</b>	<b>387,064,181</b>	<b>593,666,165</b>	<b>562,368,551</b>
<b>Deferred outflows of resources</b>	<b>18,330,395</b>	<b>24,241,434</b>	<b>5,976,084</b>	<b>8,112,321</b>	<b>24,306,479</b>	<b>32,353,755</b>
Long-term liabilities						
outstanding	93,541,430	105,766,267	214,379,132	206,412,156	307,920,562	312,178,423
Other liabilities	18,522,944	19,783,742	14,827,778	12,741,788	33,350,722	32,525,530
<b>Total liabilities</b>	<b>112,064,374</b>	<b>125,550,009</b>	<b>229,206,910</b>	<b>219,153,944</b>	<b>341,271,284</b>	<b>344,703,953</b>
<b>Deferred inflows of resources</b>	<b>7,960,362</b>	<b>8,784,874</b>	<b>604,032</b>	<b>1,135,678</b>	<b>8,564,394</b>	<b>9,920,552</b>
<b>Net position:</b>						
Net investment in capital assets	42,743,224	41,096,277	96,167,590	92,610,275	138,910,814	133,706,552
Restricted	35,395,367	32,216,327	12,014,192	9,068,621	47,409,559	41,284,948
Unrestricted (deficit)	6,788,338	(8,101,683)	75,028,255	73,207,984	81,816,593	65,106,301
<b>Total net position</b>	<b>\$ 84,926,929</b>	<b>\$ 65,210,921</b>	<b>\$ 183,210,037</b>	<b>\$ 174,886,880</b>	<b>\$ 268,136,966</b>	<b>\$ 240,097,801</b>

The overall position of the City increased in fiscal year 2024. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$268.1 million. The total net position of the City increased by \$28 million or approximately 11.7% from \$240.1 million in 2023 to \$268.1 million in 2024.

# City of Lake Worth Beach, Florida

---

## Management's Discussion and Analysis (Unaudited)

### For the Fiscal Year Ended September 30, 2024

---

The increase of \$12.4 million in the City's current and other assets is primarily driven by governmental activities due to excess revenues over expenditures within the general fund, discretionary sales tax fund by approximately \$6.0 million, \$5.0 million, respectively. In addition, the governmental activities internal balance increased by approximately \$1.6 million. Excess revenues were mainly due to an increase in property taxes, intergovernmental revenue and investment income.

The decrease in deferred outflows of resources is due primarily to a decrease in the net difference between projected and actual earnings on pension investments.

The decrease in long-term liabilities of approximately \$4.3 million is due to a significant decrease in net pension liability in the amount of approximately \$12 million as determined by the actuaries along with a reduction of bonds payable by \$6 million offset by a Capital Improvement Revenue Note, Series 2024 issued in June 2024 in the amount of \$15 million for the regional sewer force main break repair.

The decrease in deferred inflows of resources is due primarily to a decrease in the difference between expected and actual experience and changes in assumptions for the City general employee pension plan as determined by the actuaries.

The largest portion of the City's net position, \$138.9 million or 52%, reflects its investment in capital assets (for example: land, land improvements, buildings and structures, infrastructure, machinery and equipment, vehicles and construction in progress) less any related debt used to acquire these assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position in the amount of \$47.4 million or 18% is reported separately to show legal constraints from covenants and enabling legislation. Restricted net position increased by \$6.1 million primarily due to an increase in the regional sewer repair and replacement reserve, the establishment of the electric utility storm fund, as a special revenue fund, in the amount of \$0.5 million and \$1.7 million increase in capital projects from discretionary sales tax proceeds.

### **Summary of Changes in Net Position**

The following information is presented to assist the reader in understanding the different types of normal impacts that can affect revenue:

**Economic condition** can reflect a declining, stable, or growing environment and has an impact on property, non-ad valorem assessments, sales or other tax revenue as well as consumer spending habits for building permits, user fees and consumption.

**The City Commission** has the authority to set increases or decreases in the City's rates such as electric, water, sewer, permitting, impact fees, user fees and certain taxes.

**Changing patterns in intergovernmental and grant revenue** (both recurring and nonrecurring) can change and impact the annual comparisons.

**Market impacts on investment income** may cause investment revenue to fluctuate from year to year.

Introduction of new programs can have an impact on property, non-ad valorem assessments, sales, or other tax revenue as well as consumer spending habits for building permits, user fees and consumption.

# City of Lake Worth Beach, Florida

## Management's Discussion and Analysis (Unaudited)

### For the Fiscal Year Ended September 30, 2024

The following schedule presents a summary of the City's operations for fiscal year 2024, with comparative information for fiscal year 2023:

#### Summary Statement of Changes in Net Position

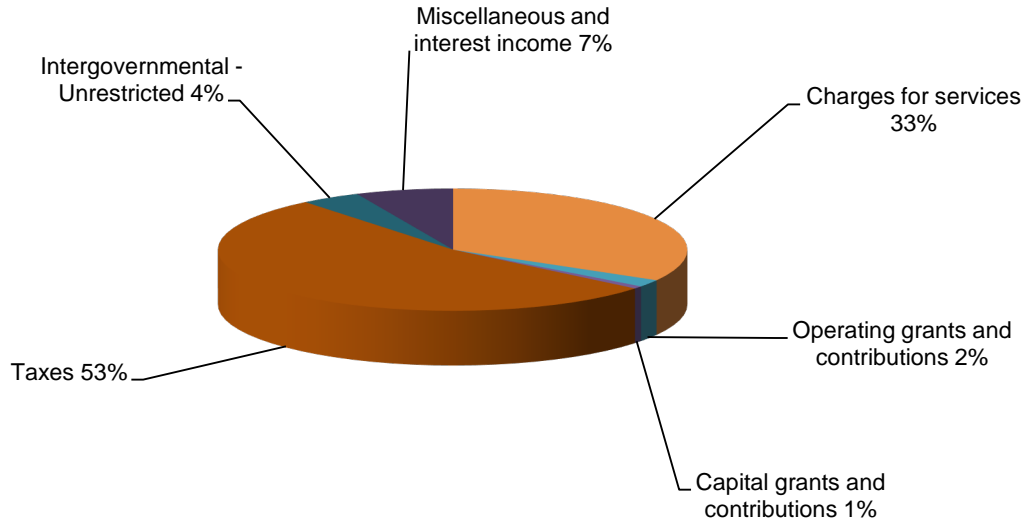
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenue:						
Program revenue:						
Charges for services	\$ 21,569,028	\$ 20,512,171	\$ 116,997,924	\$ 118,095,783	\$ 138,566,952	\$ 138,607,954
Operating grants and contributions	1,254,569	931,919	-	-	1,254,569	931,919
Capital grants and contributions	434,852	264,440	764,823	1,943,889	1,199,675	2,208,329
General revenue:						
Taxes	34,456,283	31,655,146	-	-	34,456,283	31,655,146
Intergovernmental - Unrestricted	2,656,878	2,696,507	-	-	2,656,878	2,696,507
Investment income	3,639,263	2,009,977	5,905,536	1,824,493	9,544,799	3,834,470
Miscellaneous	716,687	944,031	2,334,137	102,904	3,050,824	1,046,935
<b>Total revenue</b>	<b>64,727,560</b>	<b>59,014,191</b>	<b>126,002,420</b>	<b>121,967,069</b>	<b>190,729,980</b>	<b>180,981,260</b>
Expenses:						
General government	6,667,215	3,081,370	-	-	6,667,215	3,081,370
Public safety	21,631,692	23,613,179	-	-	21,631,692	23,613,179
Physical environment	1,932,558	2,257,275	-	-	1,932,558	2,257,275
Transportation	5,221,110	5,278,472	-	-	5,221,110	5,278,472
Culture and recreation	7,818,074	8,051,627	-	-	7,818,074	8,051,627
Interest and fiscal charges	1,720,738	1,803,398	-	-	1,720,738	1,803,398
Electric utility	-	-	61,215,267	60,403,096	61,215,267	60,403,096
Water utility	-	-	18,072,785	16,672,079	18,072,785	16,672,079
Local sewer	-	-	12,461,550	11,867,881	12,461,550	11,867,881
Regional sewer	-	-	16,666,157	9,307,473	16,666,157	9,307,473
Stormwater utility	-	-	2,085,626	1,814,278	2,085,626	1,814,278
Refuse collection and disposal	-	-	7,198,043	6,635,840	7,198,043	6,635,840
<b>Total expenses</b>	<b>44,991,387</b>	<b>44,085,321</b>	<b>117,699,428</b>	<b>106,700,647</b>	<b>162,690,815</b>	<b>150,785,968</b>
<b>Increases (decreases) in net position before transfers</b>	<b>19,736,173</b>	<b>14,928,870</b>	<b>8,302,992</b>	<b>15,266,422</b>	<b>28,039,165</b>	<b>30,195,292</b>
Transfers in (out)	(20,165)	2,120,344	20,165	(2,120,344)	-	-
<b>Change in net position</b>	<b>19,716,008</b>	<b>17,049,214</b>	<b>8,323,157</b>	<b>13,146,078</b>	<b>28,039,165</b>	<b>30,195,292</b>
Net position, beginning	65,210,921	48,161,707	174,886,880	161,740,802	240,097,801	209,902,509
Net position, ending	\$ 84,926,929	\$ 65,210,921	\$ 183,210,037	\$ 174,886,880	\$ 268,136,966	\$ 240,097,801

# City of Lake Worth Beach, Florida

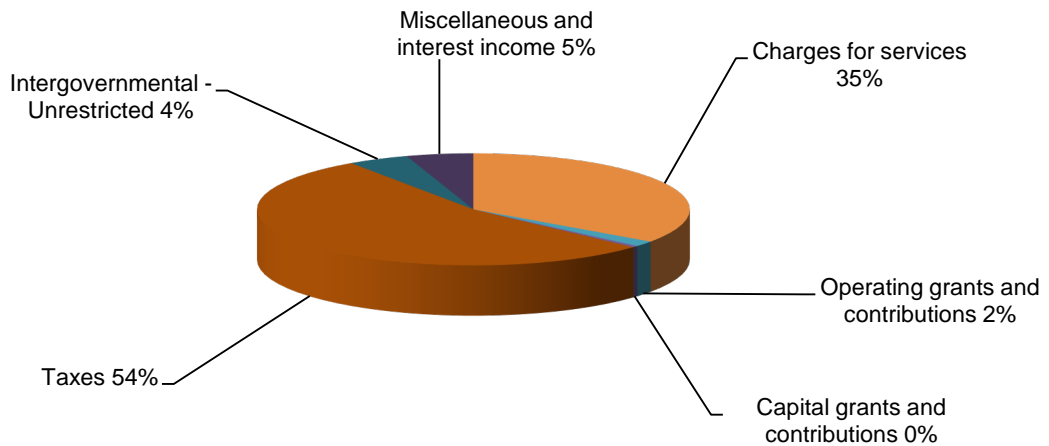
## Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended September 30, 2024

### FY 24 - Revenue by Source - Governmental Activities



### FY 23 - Revenue by Source - Governmental Activities

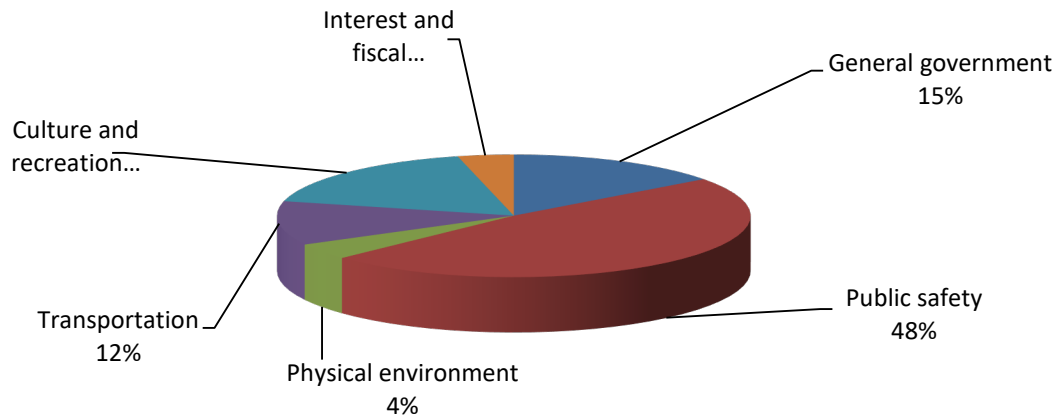


# City of Lake Worth Beach, Florida

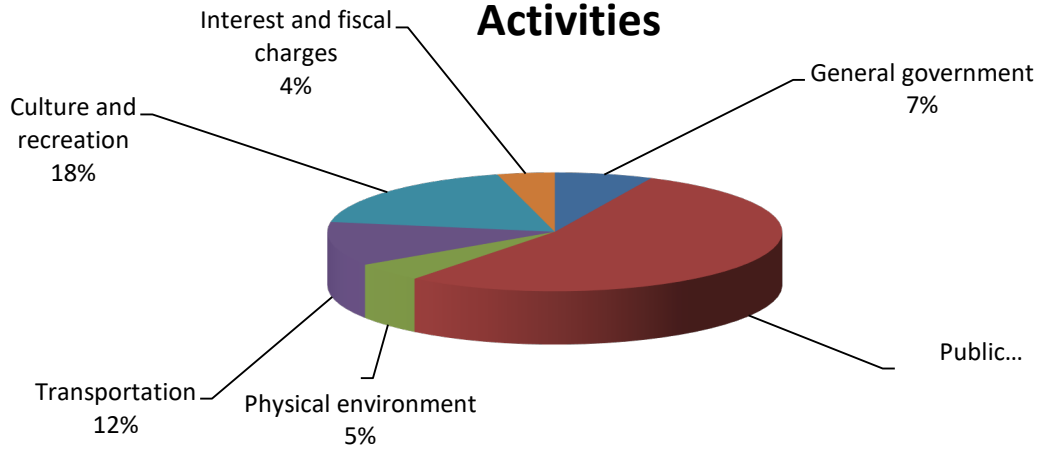
Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended September 30, 2024

## FY 24 Expenses by Program - Governmental Activities



## FY 23 Expenses by Program - Governmental Activities



# City of Lake Worth Beach, Florida

---

## Management's Discussion and Analysis (Unaudited)

### For the Fiscal Year Ended September 30, 2024

---

The City's governmental activities net position increased from \$65.2 million in 2023 to \$84.9 million in 2024. Total revenues from governmental activities increased by \$5.7 million or 9.7% from fiscal year 2023. The increase is due primarily to a \$2.8 million or 8.8% increase in tax revenues mainly from a 8% increase in the City's total taxable assessed value, an increase in investment income by \$1.6 million and a \$1.0 million increase in indirect charge backs from the enterprise funds.

The City's business-type activities net position increased from \$174.9 million in fiscal year 2023 to \$183.2 million in fiscal year 2024. The \$8.3 million increase is primarily due to investment income and miscellaneous income in the amount of approximately \$4.0 million and \$2.0 million, respectively.

## Financial Analysis of the City's Funds

### *Governmental Funds*

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

At September 30, 2024, the City's governmental funds reported combined fund balances of approximately \$71.0 million, an increase of approximately \$10.8 million in comparison to the prior year. Approximately 50% or \$35.4 million is restricted. The remainder of the fund balance is either non-spendable, committed, assigned or unassigned.

**General Fund** – The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance in the General Fund was approximately \$21.1 million compared to approximately \$15.2 million in 2023. The unassigned fund balance represents approximately 92.56% of the overall fund balance at September 30, 2024. The General Fund recognized approximately \$49.7 million of revenue during the year, offset by approximately \$43.8 million of expenditures. Property taxes increased to approximately \$16.6 million from approximately \$14.4 million in the prior year, which along with utility taxes, charges for services and intergovernmental revenues, are the largest sources of revenue. Public safety expenditures increased by approximately \$0.5 million to approximately \$24.3 million, still representing the largest portion (55.5%) of expenditures. Both the Police and Fire Rescue services are contracted out to the Palm Beach County Sheriff's Office and the Palm Beach Fire Rescue District, respectively. These expenditures are driven by the interlocal agreements with each governmental entity and associated pension costs for former police and fire employees.

# City of Lake Worth Beach, Florida

---

## Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended September 30, 2024

---

### *Proprietary Funds*

The City's Proprietary Funds include the City's Enterprise Funds – Electric, Water, Local Sewer, Regional Sewer, Stormwater Utility and the Refuse Collection and Disposal Fund. An Enterprise Fund is used to account for activities for which a fee is charged to external users for goods and services. These funds provide the same type of information found in the government-wide financial statements, but in more detail.

- Unrestricted net position of the Electric Fund, Water Fund, Local Sewer Fund, Regional Sewer Fund, Stormwater Utility Fund and the Refuse Collection and Disposal Fund at the end of the current fiscal year totaled approximately \$4,745,000, \$10,296,000, \$3,922,000, \$29,935,000, \$3,965,000 and \$7,050,000, respectively.
- The change in net position for the Electric Fund, Water Fund, Local Sewer Fund, Regional Sewer Fund, Stormwater Utility Fund and the Refuse Collection and Disposal Fund at the end of the current fiscal year totaled approximately \$5,635,000, \$261,000, \$1,094,000, (\$3,191,000), \$621,000 and \$753,000, respectively.
- The operating income for enterprise funds is primarily due to an increase in electric, sewer, stormwater and solid waste rates off set by a \$3.1 million operating loss in regional sewer as a result of the force main break repair of approximately \$7.9 million.

### **General Fund Budgetary Highlights**

The General Fund required some interdepartmental changes to the original budget. The difference between the adopted budget and the final budget for the General Fund was not significant and in keeping with the financial strategy adopted in the City's Business Plan for the 2024 fiscal year. General Fund revenue was greater than budgeted and expenditures were lower than budgeted. This year's operations resulted in a \$5.7 million increase to fund balance after all financial policies had been implemented.

General Fund revenue was more than budgeted by approximately \$3.7 million or 7.7%. This variance is due primarily to a favorable variance in taxes revenue, fines and forfeitures, intergovernmental revenue and other revenues of approximately \$0.6 million, \$1.7 million and \$1 million, respectively.

General Fund expenditures were lower than budgeted by approximately \$0.7 million or 1.6% due primarily to the general government departments that came under budget by approximately \$0.7 million.

### **Capital Assets and Debt Administration**

#### ***Capital Assets***

As of September 30, 2024, the City's investment in capital assets for its governmental and business-type activities amounts to approximately \$311.6 million invested in a variety of capital assets, which represents a net increase (additions, deductions and depreciation) of approximately \$18.9 million or 6.4%. Construction-in-progress increased by approximately \$5.2 million to a total of approximately \$48.4 million. The increase in capital assets is mainly attributable to various infrastructure projects throughout the City.

# City of Lake Worth Beach, Florida

## Management's Discussion and Analysis (Unaudited)

### For the Fiscal Year Ended September 30, 2024

The following schedule summarizes the City's capital assets as of September 30, 2024:

	Governmental		Business-Type		Total	
	Activities		Activities			
	2024	2023	2024	2023	2024	2023
Land	\$ 8,753,243	\$ 8,753,243	\$ 2,570,938	\$ 2,572,138	\$ 11,324,181	\$ 11,325,381
Construction in progress	4,832,406	3,905,717	43,606,600	39,296,464	48,439,006	43,202,181
Land improvements	7,024,436	7,024,436	468,972	468,972	7,493,408	7,493,408
Buildings and structures	44,309,252	44,309,252	99,193,485	99,193,485	143,502,737	143,502,737
Right of Use - Buildings	5,434,635	5,434,635	318,463	142,925	5,753,098	5,577,560
Subscription assets	-	-	749,841	749,841	749,841	749,841
Infrastructure	108,055,363	106,062,523	235,243,717	213,936,196	343,299,080	319,998,719
Machinery and equipment	5,061,559	5,037,267	34,672,078	34,199,851	39,733,637	39,237,118
Right of Use - Equipment	320,292	320,292	123,850	123,850	444,142	444,142
Vehicles	1,653,444	1,704,700	15,401,311	14,391,895	17,054,755	16,096,595
<b>Total Capital assets</b>	<b>185,444,630</b>	<b>182,552,065</b>	<b>432,349,255</b>	<b>405,075,617</b>	<b>617,793,885</b>	<b>587,627,682</b>
Accumulated depreciation	95,083,989	91,710,461	211,159,528	203,254,374	306,243,517	294,964,835
<b>Net Capital assets</b>	<b>\$ 90,360,641</b>	<b>\$ 90,841,604</b>	<b>\$ 221,189,727</b>	<b>\$ 201,821,243</b>	<b>\$ 311,550,368</b>	<b>\$ 292,662,847</b>

Major capital assets expenditure during the current fiscal year include the following:

- Roadway Projects – \$1,124,000
- System Hardening and Reliability Improvement Program (SHRIP) – \$17,437,000
- Raw Water Wells - \$551,000
- Membrane Replacement - \$582,000
- Sea level Pump Station - \$1,161,000
- Refuse fund vehicles – \$676,000
- Garage fund vehicles - \$529,000

Additional information on the City's capital assets can be found in Note 5.

# City of Lake Worth Beach, Florida

## Management’s Discussion and Analysis (Unaudited)

For the Fiscal Year Ended September 30, 2024

### Debt Administration

As of September 30, 2024, the City had debt outstanding of approximately \$231.4 million. Of this amount, approximately \$45.8 million and \$136.6 million are secured by specific governmental fund and enterprise fund revenue sources, respectively. The debt position of the City is summarized below and is explained further in Note 7 Long-Term Debt.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
State revolving fund loans	\$ -	\$ -	\$ 14,954,583	\$ 15,901,748	\$ 14,954,583	\$ 15,901,748
Note payable	-	-	15,000,000	-	15,000,000	-
Revenue bonds	45,760,613	47,782,977	136,605,509	139,797,019	182,366,122	187,579,996
Subscription liability	-	-	298,380	524,169	298,380	524,169
Leased liability	3,169,493	3,243,073	186,133	122,199	3,355,626	3,365,272
	<b>48,930,106</b>	<b>51,026,050</b>	<b>167,044,605</b>	<b>156,345,135</b>	<b>215,974,711</b>	<b>207,371,185</b>
Bond premium	1,622,187	1,705,665	13,869,624	14,460,268	15,491,811	16,165,933
<b>Total</b>	<b>\$ 50,552,293</b>	<b>\$ 52,731,715</b>	<b>\$ 180,914,229</b>	<b>\$ 170,805,403</b>	<b>\$ 231,466,522</b>	<b>\$ 223,537,118</b>

The City’s long-term debt increased by approximately \$7.9 million or 3.6% primarily due to the Capital Improvement Revenue Note, Series 2024 issued in June 2024 for the regional sewer force main break repair.

### Economic Factors and Next Year’s Budget

The City considered the following economic factors in developing its 2023-2024 fiscal year budget:

- The State of Florida, by constitution, does not have a state personal income tax and, therefore, the State operates primarily using sales, gasoline and corporate income taxes. Local governments (cities, counties and school boards) primarily rely on property taxes supplemented by a limited array of other permitted taxes (sales, gasoline and utilities) and fees (franchise and occupational license) for their governmental activities. During the past year these revenues increased and for fiscal year 2024, they are estimated to continue this trend.
- The General Fund budget for 2024 of approximately \$45.9 million is approximately \$2.0 million more than the fiscal year 2023 budget. The adopted budget reflected a level service budget with excess revenues strengthening fund balance and working capital.
- The fiscal year 2024 budget maintains and improves service levels wherever possible, with the restraint of gradual increases in revenues. The City of Lake Worth Beach, Florida continues to look for efficiencies and improved productivity in the reorganization of its departments and infrastructure planning of capital assets.

### Requests for Information

This financial report is designed to provide a general overview of the City’s finances for all those with an interest in the City’s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Lake Worth Beach, Finance Department, 7 North Dixie Highway, Lake Worth, FL 33460.

**City of Lake Worth Beach, Florida**

---



# City of Lake Worth Beach, Florida

## Statement of Net Position September 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
<b>Assets</b>				
Cash and cash equivalents	\$ 57,478,291	\$ 29,400,308	\$ 86,878,599	\$ 6,090,732
Investments	21,874,787	30,425,382	52,300,169	4,023,308
Accounts receivable, net	2,761,552	17,082,771	19,844,323	525,764
Lease receivable	8,115,837	-	8,115,837	-
Accrued interest receivable	82,313	150,524	232,837	16,691
Due from component unit	30	-	30	-
Internal balances	2,364,907	(2,364,907)	-	-
Inventories	10,966	16,397,170	16,408,136	-
Land held for resale	111,589	-	111,589	9,124,372
Prepaid items	7,444	-	7,444	3,437
Restricted assets:				
Cash and cash equivalents	3,452,913	51,011,263	54,464,176	137,750
Investments	-	5,825,887	5,825,887	-
Deposits	-	1,326,025	1,326,025	-
Investment in joint venture	-	36,600,745	36,600,745	-
Capital assets:				
Nondepreciable	13,585,649	46,177,537	59,763,186	773,206
Depreciable, net	76,774,992	175,012,190	251,787,182	4,222,548
<b>Total assets</b>	<b>186,621,270</b>	<b>407,044,895</b>	<b>593,666,165</b>	<b>24,917,808</b>
Deferred outflows of resources:				
Deferred outflows relating to pensions	18,283,132	5,909,691	24,192,823	-
Deferred outflows relating to OPEB	47,263	66,393	113,656	-
<b>Total deferred outflows of resources</b>	<b>18,330,395</b>	<b>5,976,084</b>	<b>24,306,479</b>	<b>-</b>
<b>Liabilities</b>				
Accounts and contracts payable	\$ 779,936	\$ 4,242,616	\$ 5,022,552	\$ 162,464
Accrued liabilities	544,392	7,069,816	7,614,208	31,937
Accrued interest payable	305,584	62,207	367,791	-
Due to primary government	-	-	-	30
Due to other government	21,056	-	21,056	-
Unearned revenue	14,631,684	-	14,631,684	1,955,741
Liabilities payable from restricted assets	-	1,065,663	1,065,663	-
Due within one year:				
Notes payable	-	1,022,726	1,022,726	556,588
Bonds payable	2,088,060	971,939	3,059,999	-
Lease liability	75,113	104,151	179,264	-
Subscription liability	-	241,655	241,655	-
Compensated absences	77,119	47,005	124,124	-
Due in more than a year:				
Notes payable	-	28,931,856	28,931,856	1,151,874
Bonds payable	45,294,740	149,503,195	194,797,935	-
Lease liability	3,094,380	81,982	3,176,362	-
Subscription liability	-	56,724	56,724	-
Compensated absences	1,077,146	761,406	1,838,552	-
Insurance claims payable	-	3,410,460	3,410,460	-
Total OPEB liability	486,246	683,047	1,169,293	-
Deposits payable	-	8,447,905	8,447,905	-
Net pension liability	43,588,918	22,502,557	66,091,475	-
<b>Total liabilities</b>	<b>112,064,374</b>	<b>229,206,910</b>	<b>341,271,284</b>	<b>3,858,634</b>

(Continued)

# City of Lake Worth Beach, Florida

## Statement of Net Position (Continued) September 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Deferred inflows of resources:				
Deferred inflows relating to pensions	167,402	240,037	407,439	-
Deferred inflows relating to leases	7,665,161	-	7,665,161	-
Deferred inflows relating to OPEB	127,799	179,522	307,321	-
Deferred inflow -other	-	184,473	184,473	523,345
<b>Total deferred inflows of resources</b>	<b>7,960,362</b>	<b>604,032</b>	<b>8,564,394</b>	<b>523,345</b>
Net position:				
Net investment in capital assets	42,743,224	96,167,590	138,910,814	3,287,292
Restricted for:				
Debt service	1,446,569	1,842,203	3,288,772	-
FMPA	-	1,326,025	1,326,025	-
Renewal and replacement	-	8,845,964	8,845,964	-
Grants	1,324,906	-	1,324,906	-
Capital projects	19,470,239	-	19,470,239	-
Public safety	8,564,083	-	8,564,083	-
Community redevelopment	-	-	-	17,248,537
Parking improvements	76,729	-	76,729	-
Rate stabilization	2,178,373	-	2,178,373	-
Electric Utility Storm	519,471	-	519,471	-
Tree preservation	43,266	-	43,266	-
Energy conservation	203,029	-	203,029	-
Culture and recreation	1,568,702	-	1,568,702	-
Unrestricted (deficit)	6,788,338	75,028,255	81,816,593	-
<b>Total net position</b>	<b>84,926,929</b>	<b>183,210,037</b>	<b>268,136,966</b>	<b>20,535,829</b>

See notes to financial statements

# City of Lake Worth Beach, Florida

## Statement of Activities

For the Fiscal Year Ended September 30, 2024

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 6,667,215	\$ 12,845,727	\$ 1,247,919	\$ 292,709	\$ 7,719,140	\$ -	\$ 7,719,140	\$ -
Public safety	21,631,692	1,758,050	-	-	(19,873,642)	-	(19,873,642)	-
Physical environment	1,932,558	83,370	-	-	(1,849,188)	-	(1,849,188)	-
Transportation	5,221,110	3,572,220	-	-	(1,648,890)	-	(1,648,890)	-
Culture and recreation	7,818,074	3,309,661	6,650	142,143	(4,359,620)	-	(4,359,620)	-
Interest and fiscal charges	1,720,738	-	-	-	(1,720,738)	-	(1,720,738)	-
<b>Total governmental activities</b>	<b>44,991,387</b>	<b>21,569,028</b>	<b>1,254,569</b>	<b>434,852</b>	<b>(21,732,938)</b>	<b>-</b>	<b>(21,732,938)</b>	<b>-</b>
Business-type activities:								
Electric	61,215,267	64,434,299	-	-	-	3,219,032	3,219,032	-
Water	18,072,785	17,578,009	-	246,397	-	(248,379)	(248,379)	-
Local sewer	12,461,550	12,345,916	-	132,925	-	17,291	17,291	-
Regional sewer	16,666,157	12,808,883	-	385,501	-	(3,471,773)	(3,471,773)	-
Stormwater utility	2,085,626	2,298,775	-	-	-	213,149	213,149	-
Refuse collection and disposal	7,198,043	7,532,042	-	-	-	333,999	333,999	-
<b>Total business-type activities</b>	<b>117,699,428</b>	<b>116,997,924</b>	<b>-</b>	<b>764,823</b>	<b>-</b>	<b>63,319</b>	<b>63,319</b>	<b>-</b>
<b>Total primary government</b>	<b>\$ 162,690,815</b>	<b>\$ 138,566,952</b>	<b>\$ 1,254,569</b>	<b>\$ 1,199,675</b>	<b>(21,732,938)</b>	<b>63,319</b>	<b>(21,669,619)</b>	<b>-</b>
Component unit:								
Lake Worth CRA	\$ 8,249,356	\$ -	\$ -	\$ 863,784				(7,385,572)
General revenue:								
Taxes:								
Property and other taxes					19,409,973	-	19,409,973	6,473,748
Franchise fees based on gross receipts					239,668	-	239,668	-
Utility services taxes					5,284,825	-	5,284,825	-
Gas taxes					948,511	-	948,511	-
State and other shared revenues					8,573,306	-	8,573,306	-
Intergovernmental – unrestricted					2,656,878	-	2,656,878	-
Investment income – unrestricted					3,639,263	5,905,536	9,544,799	480,815
Miscellaneous					716,687	2,334,137	3,050,824	15,049
Transfers					(20,165)	20,165	-	-
<b>Total general revenues and transfers</b>					<b>41,448,946</b>	<b>8,259,838</b>	<b>49,708,784</b>	<b>6,969,612</b>
<b>Change in net position</b>					<b>19,716,008</b>	<b>8,323,157</b>	<b>28,039,165</b>	<b>(415,960)</b>
Net Position beginning of year					65,210,921	174,886,880	240,097,801	20,951,789
Net Position end of year					<b>\$ 84,926,929</b>	<b>\$ 183,210,037</b>	<b>\$ 268,136,966</b>	<b>\$ 20,535,829</b>

See notes to financial statements.

# City of Lake Worth Beach, Florida

## Balance Sheet – Governmental Funds September 30, 2024

	General	Beach Fund	American Rescue Plan Act Fund	Discretionary Sales Tax	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 14,433,486	\$ 2,455,684	\$ 14,700,075	\$ 11,238,905	\$ 14,650,141	\$ 57,478,291
Investments	4,813,373	1,927,461	-	4,205,550	10,928,403	21,874,787
Accounts receivable, net	1,578,454	7,798	-	722,366	452,934	2,761,552
Lease receivable	68,353	7,603,315	-	-	444,169	8,115,837
Accrued interest receivable	12,086	7,731	-	17,528	44,968	82,313
Inventories	-	-	-	-	10,966	10,966
Land held for resale	-	-	-	-	111,589	111,589
Prepaid items	7,444	-	-	-	-	7,444
Due from other funds	1,955,385	-	-	-	-	1,955,385
Due from CU	30	-	-	-	-	30
Restricted assets:						
Cash and cash equivalents	1,678,904	535,587	-	-	1,238,422	3,452,913
<b>Total assets</b>	<b>\$ 24,547,515</b>	<b>\$ 12,537,576</b>	<b>\$ 14,700,075</b>	<b>\$ 16,184,349</b>	<b>\$ 27,881,592</b>	<b>\$ 95,851,107</b>
<b>Liabilities</b>						
Accounts and contracts payable	\$ 399,287	\$ 14,872	\$ 1,698	\$ -	\$ 364,079	\$ 779,936
Accrued liabilities	386,954	97,592	-	-	59,846	544,392
Due to other funds	-	-	-	-	1,054,086	1,054,086
Due to other government	17,544	-	-	-	3,512	21,056
Unearned revenue	890,654	-	13,648,503	-	92,527	14,631,684
<b>Total liabilities</b>	<b>1,694,439</b>	<b>112,464</b>	<b>13,650,201</b>	<b>-</b>	<b>1,574,050</b>	<b>17,031,154</b>
<b>Deferred Inflows of Resources</b>						
Deferred inflows from leases	67,353	\$ 7,174,218	-	-	423,590	7,665,161
Deferred inflows from other	-	-	-	-	180,843	180,843
<b>Total deferred inflows of resources</b>	<b>67,353</b>	<b>7,174,218</b>	<b>-</b>	<b>-</b>	<b>604,433</b>	<b>7,846,004</b>
<b>Fund balances:</b>						
<b>Nonspendable:</b>						
Prepaid items	7,444	-	-	-	-	7,444
Inventories	-	-	-	-	10,966	10,966
Land held for resale	-	-	-	-	111,589	111,589
<b>Restricted for:</b>						
Debt service	-	-	-	-	1,446,569	1,446,569
Public safety	-	4,715,307	-	-	3,848,776	8,564,083
Grants	-	-	-	-	1,324,906	1,324,906
Capital projects	1,678,904	535,587	1,049,874	16,184,349	21,525	19,470,239
Parking improvements	-	-	-	-	76,729	76,729
Rate stabilization	-	-	-	-	2,178,373	2,178,373
Electric Utility Storm	-	-	-	-	519,471	519,471
Tree preservation	-	-	-	-	43,266	43,266
Energy conservation	-	-	-	-	203,029	203,029
Culture and recreation	-	-	-	-	1,568,702	1,568,702
<b>Assigned to:</b>						
Capital projects	-	-	-	-	14,349,208	14,349,208
Housing initiative	9,666	-	-	-	-	9,666
Unassigned	21,089,709	-	-	-	-	21,089,709
<b>Total fund balances</b>	<b>22,785,723</b>	<b>5,250,894</b>	<b>1,049,874</b>	<b>16,184,349</b>	<b>25,703,109</b>	<b>70,973,949</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 24,547,515</b>	<b>\$ 12,537,576</b>	<b>\$ 14,700,075</b>	<b>\$ 16,184,349</b>	<b>\$ 27,881,592</b>	<b>\$ 95,851,107</b>

See notes to financial statements.

# City of Lake Worth Beach, Florida

**Reconciliation of the Balance Sheet of Governmental Funds  
to Statement of Net Position  
September 30, 2024**

Total fund balance – governmental funds		\$ 70,973,949
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities, net of depreciation, are not financial resources and, therefore, are not reported in the fund.		90,360,641
Accrued interest payable not reported in the governmental funds.		(305,584)
Other long-term assets are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the funds.		180,843
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the government funds. These liabilities are comprised of the following:		
Revenue bonds payable, net of premium	\$ (47,382,800)	
Lease liability	(3,169,493)	
Net pension liability	(43,588,918)	
Total OPEB liability	(486,246)	
Compensated absences	<u>(1,154,265)</u>	(95,781,722)
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.		
Deferred outflows relating to pensions	18,283,132	
Deferred inflows relating to pensions	(167,402)	
Deferred outflows relating to OPEB	47,263	
Deferred inflows relating to OPEB	<u>(127,799)</u>	18,035,194
Internal service funds are used by management to charge the costs risk management, IT services, City garage operations and employee benefits to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in business-type activities in the statement of net position.		
	18,397,973	
Less due to business-type activities for “Look Back” allocation	<u>(16,934,365)</u>	1,463,608
<b>Net position of governmental activities</b>		<u>\$ 84,926,929</u>

See notes to financial statements.

# City of Lake Worth Beach, Florida

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended September 30, 2024**

	General	Beach Fund	American Rescue Plan Act Fund	Discretionary Sales Tax	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Property taxes	\$ 16,628,031	\$ -	\$ -	\$ -	\$ 2,781,942	\$ 19,409,973
Utility and other taxes	5,831,312	-	-	-	641,692	6,473,004
Licenses and permits	1,150,128	-	-	-	1,748,177	2,898,305
Fines and forfeitures	1,346,846	1,056,369	-	-	-	2,403,215
Charges for services	16,629,164	3,581,044	-	-	2,006,038	22,216,246
Intergovernmental	7,013,022	-	1,247,919	4,275,291	474,385	13,010,617
Investment income	628,662	351,313	668,115	757,072	1,234,754	3,639,916
Rents and royalties	20,798	-	-	-	-	20,798
Miscellaneous	499,756	38,070	-	-	222,929	760,755
<b>Total revenues</b>	<b>49,747,719</b>	<b>5,026,796</b>	<b>1,916,034</b>	<b>5,032,363</b>	<b>9,109,917</b>	<b>70,832,829</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	10,975,378	-	4,100	-	109,356	11,088,834
Public safety	24,269,066	-	-	-	2,145,680	26,414,746
Physical environment	2,250,382	-	-	-	-	2,250,382
Transportation	1,978,236	1,149,424	-	4,167	50	3,131,877
Culture and recreation	3,339,895	2,817,695	-	-	1,379,930	7,537,520
Capital outlay	27,012	-	-	-	3,189,198	3,216,210
<b>Debt service:</b>						
Principal	638,192	504,307	-	-	953,445	2,095,944
Interest	291,158	168,667	-	-	1,271,975	1,731,800
<b>Total expenditures</b>	<b>43,769,319</b>	<b>4,640,093</b>	<b>4,100</b>	<b>4,167</b>	<b>9,049,634</b>	<b>57,467,313</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>5,978,400</b>	<b>386,703</b>	<b>1,911,934</b>	<b>5,028,196</b>	<b>60,283</b>	<b>13,365,516</b>
<b>Other financing sources (uses):</b>						
Transfers in	40,500	-	-	-	4,867,092	4,907,592
Transfers out	(276,890)	-	(1,243,818)	(3,328,337)	(2,653,278)	(7,502,323)
<b>Total other financing sources (uses)</b>	<b>(236,390)</b>	<b>-</b>	<b>(1,243,818)</b>	<b>(3,328,337)</b>	<b>2,213,814</b>	<b>(2,594,731)</b>
<b>Net change in fund balances</b>	<b>5,742,010</b>	<b>386,703</b>	<b>668,116</b>	<b>1,699,859</b>	<b>2,274,097</b>	<b>10,770,785</b>
Fund balances – beginning, as previously presented	17,043,713	-	381,758	-	42,777,693	60,203,164
Change within financial reporting entity (nonmajor to major fund)	-	4,864,191	-	14,484,490	(19,348,681)	-
Fund balances, beginning, as restated	17,043,713	4,864,191	381,758	14,484,490	23,429,012	60,203,164
Fund balances, end of year	\$ 22,785,723	\$ 5,250,894	\$ 1,049,874	\$ 16,184,349	\$ 25,703,109	\$ 70,973,949

See notes to financial statements.

# City of Lake Worth Beach, Florida

## Reconciliation of the Statement of Revenues, Expenditures and Changes In Fund Balances of Governmental Funds to the Statement of Activities For the Fiscal Year Ended September 30, 2024

Net change in fund balances, total governmental funds \$ 10,770,785

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period:

Capital outlay	\$ 3,201,370	
Disposition of capital assets and other adjustments	(173,563)	
Depreciation expense	<u>(3,508,770)</u>	(480,963)

Revenues that are earned but not received within the availability period are recognized in the statement of activities when earned and subsequently in the governmental fund financial statements when they become available. The net difference is recorded as a reconciling item. 180,843

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Change in accrued interest payable	11,063	
Principal payment on notes payable	73,580	
Principal payment revenue bonds	2,022,364	
Amortization of bond premium	83,478	
Change in compensated absences	(41,435)	
Change in OPEB liability	79,297	
Change in net pension liability	<u>9,915,324</u>	12,143,671

Certain changes in the statement activities related to pension assets and liabilities are not reported in the net change in the governmental funds:

Change in deferred outflows relating to pensions	(5,882,756)	
Change in deferred inflows relating to pensions	255,802	
Change in deferred outflows relating to OPEB	(28,283)	
Change in deferred inflows relating to OPEB	<u>106,115</u>	(5,549,122)

Internal service funds are used by management to change the cost of certain activities, such as insurance, to individual funds. The net revenue (expense) of internal service funds are reported with governmental activities:

Internal service fund change in net position	5,801,550	
Current year "Look Back" allocation to Enterprise Funds	<u>(3,150,756)</u>	2,650,794

**Change in net position of governmental activities \$ 19,716,008**

See notes to financial statements.

# City of Lake Worth Beach, Florida

## Statement of Net Position – Proprietary Funds September 30, 2024

	Business-Type Activities – Enterprise Funds						
	Major				Nonmajor	Total	Internal
	Electric	Water	Local Sewer	Regional Sewer	Enterprise Funds	Enterprise Funds	Service Funds
<b>Assets</b>							
Current assets:							
Cash and cash equivalents	\$ 1,877,458	\$ 7,898,048	\$ 2,527,585	\$ 2,687,681	\$ 2,216,034	\$ 17,206,806	\$ 12,193,502
Investments	596,739	5,646,523	1,811,243	914,494	12,058,096	21,027,095	9,398,287
Accounts receivable, net	11,975,372	2,316,921	1,690,539	437,528	662,411	17,082,771	-
Accrued interest receivable	2,125	40,892	7,320	9,963	47,760	108,060	42,464
Inventories	16,168,531	179,983	-	-	-	16,348,514	48,656
<b>Total current assets</b>	<b>\$ 30,620,225</b>	<b>\$ 16,082,367</b>	<b>\$ 6,036,687</b>	<b>\$ 4,049,666</b>	<b>\$ 14,984,301</b>	<b>\$ 71,773,246</b>	<b>\$ 21,682,909</b>
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	\$ 33,921,967	\$ 4,752,580	2,502,405	\$ 8,058,166	\$ 407,049	\$ 49,642,167	\$ 1,369,096
Investments	-	4,365,740	-	1,460,147	-	5,825,887	-
Deposits	1,326,025	-	-	-	-	1,326,025	-
Investment in joint venture	-	-	-	36,600,745	-	36,600,745	-
Capital assets:							
Land	1,527,194	305,948	5,750	-	732,046	2,570,938	-
Construction in progress	34,911,162	5,987,198	423,269	-	1,328,598	42,650,227	956,372
Land improvements	216,163	-	6,570	4,602	241,637	468,972	-
Buildings and structures	40,597,626	52,448,604	5,829,936	20,325	296,994	99,193,485	-
Right of use - Buildings	191,078	-	-	-	-	191,078	-
Infrastructure	89,108,915	75,219,719	33,833,664	27,195,400	9,886,019	235,243,717	-
Machinery and equipment	25,750,708	4,816,545	906,995	293,898	681,292	32,449,438	2,222,640
Vehicles	3,231,972	477,531	1,493,409	77,418	5,403,835	10,684,165	4,717,148
Right of use - Equipment	-	153,165	98,071	-	-	251,236	-
Subscription assets	176,429	-	-	-	-	176,429	573,412
Accumulated depreciation	(93,144,344)	(54,061,961)	(27,651,570)	(21,495,282)	(8,465,662)	(204,818,819)	(6,340,711)
<b>Total noncurrent assets</b>	<b>137,814,895</b>	<b>94,465,069</b>	<b>17,448,499</b>	<b>52,215,419</b>	<b>10,511,808</b>	<b>312,455,690</b>	<b>3,497,957</b>
<b>Total assets</b>	<b>168,435,120</b>	<b>110,547,436</b>	<b>23,485,186</b>	<b>56,265,085</b>	<b>25,496,109</b>	<b>384,228,936</b>	<b>25,180,866</b>

(Continued)

# City of Lake Worth Beach, Florida

## Statement of Net Position – Proprietary Funds (Continued) September 30, 2024

	Business-Type Activities – Enterprise Funds						Internal Service Funds
	Major				Nonmajor	Total Enterprise Funds	
	Electric	Water	Local Sewer	Regional Sewer	Enterprise Funds		
Deferred outflows of resources:							
Deferred outflows relating to pensions	3,311,794	1,054,608	474,775	96,300	972,214	5,909,691	-
Deferred outflows relating to OPEB	43,803	9,027	3	3	13,557	66,393	-
<b>Total deferred outflows of resources</b>	<b>3,355,597</b>	<b>1,063,635</b>	<b>474,778</b>	<b>96,303</b>	<b>985,771</b>	<b>5,976,084</b>	<b>-</b>
<b>Liabilities:</b>							
<b>Current liabilities:</b>							
Accounts and contracts payable	\$ 2,747,474	\$ 704,284	\$ 192,392	\$ 169,031	\$ 128,426	\$ 3,941,607	\$ 301,009
Accrued liabilities	4,592,776	\$ 159,732	61,977	806,360	122,124	5,742,969	1,326,847
Accrued interest payable	690	61,462	55	-	-	62,207	-
Due to other funds	901,299	-	-	-	-	901,299	-
Compensated absences	23,295	\$ 14,363	684	-	4,960	43,302	3,703
Notes payable	-	1,022,726	-	-	-	1,022,726	-
Revenue bonds payable	80,863	285,022	126,087	-	327,505	819,477	152,462
Payable from restricted assets:							
Accounts and contracts payable	673,262	299,516	9,135	-	83,750	1,065,663	-
<b>Total current liabilities</b>	<b>9,019,659</b>	<b>2,547,105</b>	<b>390,330</b>	<b>975,391</b>	<b>666,765</b>	<b>13,599,250</b>	<b>1,784,021</b>
<b>Noncurrent liabilities:</b>							
Insurance claims payable	-	-	-	-	-	-	3,410,460
Compensated absences	417,060	\$ 107,879	48,503	-	126,094	699,536	61,870
OPEB liability	381,164	124,163	35,360	5,144	137,216	683,047	-
Notes payable	-	13,931,856	-	15,000,000	-	28,931,856	-
Revenue bonds payable	108,753,296	31,410,804	4,778,535	-	3,234,667	148,177,302	1,325,893
Lease Liability	97,632	58,326	30,175	-	-	186,133	-
IT Subscription Liability	97,730	-	-	-	-	97,730	200,649
Net pension liability	13,189,142	3,409,319	1,510,455	450,469	3,943,172	22,502,557	-
Payable from restricted assets:							
Deposits payable	6,578,293	1,869,612	-	-	-	8,447,905	-
<b>Total noncurrent liabilities</b>	<b>129,514,317</b>	<b>50,911,959</b>	<b>6,403,028</b>	<b>15,455,613</b>	<b>7,441,149</b>	<b>209,726,066</b>	<b>4,998,872</b>
<b>Total liabilities</b>	<b>138,533,976</b>	<b>53,459,064</b>	<b>6,793,358</b>	<b>16,431,004</b>	<b>8,107,914</b>	<b>223,325,316</b>	<b>6,782,893</b>

(Continued)

# City of Lake Worth Beach, Florida

## Statement of Net Position – Proprietary Funds (Continued) September 30, 2024

	Business-Type Activities – Enterprise Funds						Internal Service Funds
	Major				Nonmajor	Total Enterprise Funds	
	Electric	Water	Local Sewer	Regional Sewer	Enterprise Funds		
Deferred inflows of resources:							
Deferred inflows relating to pensions	135,131	43,369	17,977	3,152	40,408	240,037	-
Deferred inflows relating to OPEB	91,454	32,324	11,720	-	44,024	179,522	-
Deferred charge on refunding	92,237	92,236	-	-	-	184,473	-
<b>Total deferred inflows of resources</b>	<b>318,822</b>	<b>167,929</b>	<b>29,697</b>	<b>3,152</b>	<b>84,432</b>	<b>604,032</b>	<b>-</b>
Net position:							
Net investment in capital assets	26,786,088	42,014,122	12,504,567	6,096,361	6,947,499	94,348,637	1,818,953
Restricted for:							
Debt service	80,863	1,307,748	126,087	-	327,505	1,842,203	152,462
FMPA	1,326,025	-	-	-	-	1,326,025	-
Renewal and replacement	-	4,365,740	584,620	3,895,604	-	8,845,964	-
Unrestricted	4,744,943	10,296,468	3,921,635	29,935,267	11,014,530	59,912,843	16,426,558
<b>Total net position</b>	<b>32,937,919</b>	<b>57,984,078</b>	<b>17,136,909</b>	<b>39,927,232</b>	<b>18,289,534</b>	<b>166,275,672</b>	<b>18,397,973</b>

Explanation of difference between proprietary funds statement of net position  
and the government-wide statement of net position:

<b>Total net position</b>	\$ 166,275,672
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time	<u>16,934,365</u>
<b>Net position – business-type activities</b>	<u><u>\$ 183,210,037</u></u>

See notes to financial statements.

# City of Lake Worth Beach, Florida

## Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds For the Fiscal Year Ended September 30, 2024

	Business-Type Activities – Enterprise Funds						
	Major				Nonmajor	Total	Internal
	Electric	Water	Local Sewer	Regional Sewer	Enterprise Funds	Enterprise Funds	Service Funds
Operating revenues:							
Charges for services	\$ 62,831,742	\$ 16,763,874	\$ 12,057,030	\$ 12,756,261	\$ 9,438,265	\$ 113,847,172	\$ 13,370,034
<b>Total operating revenues</b>	<b>62,831,742</b>	<b>16,763,874</b>	<b>12,057,030</b>	<b>12,756,261</b>	<b>9,438,265</b>	<b>113,847,172</b>	<b>13,370,034</b>
Operating expenses:							
Cost of services	47,563,642	9,680,821	10,310,712	15,444,053	6,917,164	89,916,392	10,855,658
General and administrative	7,532,750	3,545,985	1,328,574	616,286	1,410,517	14,434,112	-
Depreciation	2,300,085	3,607,241	660,943	429,844	862,532	7,860,645	400,832
<b>Total operating expenses</b>	<b>57,396,477</b>	<b>16,834,047</b>	<b>12,300,229</b>	<b>16,490,183</b>	<b>9,190,213</b>	<b>112,211,149</b>	<b>11,256,490</b>
<b>Operating income (loss)</b>	<b>5,435,265</b>	<b>(70,173)</b>	<b>(243,199)</b>	<b>(3,733,922)</b>	<b>248,052</b>	<b>1,636,023</b>	<b>2,113,544</b>
Non-operating revenues (expenses):							
Investment income	2,964,676	1,261,194	272,064	333,299	1,074,303	5,905,536	1,092,343
Interest and fiscal charges	(3,818,790)	(1,238,738)	(161,321)	(175,974)	(93,456)	(5,488,279)	(71,584)
Other	1,125,332	62,511	1,093,570	-	52,720	2,334,133	92,681
<b>Total non-operating revenues (expenses)</b>	<b>271,218</b>	<b>84,967</b>	<b>1,204,313</b>	<b>157,325</b>	<b>1,033,567</b>	<b>2,751,390</b>	<b>1,113,440</b>
<b>Income (loss) before transfers and capital contributions</b>	<b>5,706,483</b>	<b>14,794</b>	<b>961,114</b>	<b>(3,576,597)</b>	<b>1,281,619</b>	<b>4,387,413</b>	<b>3,226,984</b>
Capital contributions	-	246,397	132,925	385,501	-	764,823	-
Transfers in	1,428,278	-	-	-	91,887	1,520,165	2,574,566
Transfers out	(1,500,000)	-	-	-	-	(1,500,000)	-
<b>Change in net position</b>	<b>5,634,761</b>	<b>261,191</b>	<b>1,094,039</b>	<b>(3,191,096)</b>	<b>1,373,506</b>	<b>5,172,401</b>	<b>5,801,550</b>
Net position – beginning of year	27,303,158	57,722,887	16,042,870	43,118,328	16,916,028	161,103,271	12,596,423
Net position – end of year	\$ 32,937,919	\$ 57,984,078	\$ 17,136,909	\$ 39,927,232	\$ 18,289,534	\$ 166,275,672	\$ 18,397,973

Explanation of difference between proprietary funds statement of revenues, expenses and changes in net position and the government-wide statement of activities:

Change in net position – proprietary funds financial statements	\$ 5,172,401
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds	<u>3,150,756</u>
Change in net position – business-type activities	<u>\$ 8,323,157</u>

See notes to financial statements.

# City of Lake Worth Beach, Florida

## Statement of Cash Flows – Proprietary Funds For the Fiscal Year Ended September 30, 2024

	Business-Type Activities – Enterprise Funds						
	Major				Nonmajor	Total	Internal
	Electric	Water	Local Sewer	Regional Sewer	Enterprise Funds	Enterprise Funds	Service Funds
Cash flows from operating activities:							
Receipts from customers	\$ 62,847,018	\$ 16,861,471	\$ 11,952,607	\$ 13,125,032	\$ 9,284,093	\$ 114,070,221	\$ -
Receipts from interfund service charges	-	-	-	-	-	-	13,370,034
Payments to suppliers	(41,390,469)	(5,289,884)	(9,810,019)	(15,805,732)	(3,593,779)	(75,889,883)	(9,467,084)
Payments to employees	(9,569,882)	(2,948,951)	(1,243,549)	(177,737)	(2,478,007)	(16,418,126)	(1,517,386)
Payments for interfund services provided	(7,784,633)	(4,758,554)	(1,029,795)	(831,609)	(2,057,813)	(16,462,404)	-
<b>Net cash provided by operating activities</b>	<b>4,102,034</b>	<b>3,864,082</b>	<b>(130,756)</b>	<b>(3,690,046)</b>	<b>1,154,494</b>	<b>5,299,808</b>	<b>2,385,564</b>
Cash flows from non-capital financing activities:							
Payments made to other funds	-	-	-	-	-	-	(1,061,761)
Other receipts	1,125,332	62,511	1,093,570	-	52,720	2,334,133	92,681
Transfers in	1,428,278	-	-	-	-	1,428,278	2,574,566
Transfers out	(1,500,000)	-	-	-	-	(1,500,000)	-
<b>Net cash provided by non-capital financing activities</b>	<b>1,053,610</b>	<b>62,511</b>	<b>1,093,570</b>	<b>-</b>	<b>52,720</b>	<b>2,262,411</b>	<b>1,605,486</b>
Cash flows from capital and related financing activities:							
Acquisitions and construction of capital assets, net	(20,446,258)	(3,294,436)	(448,905)	-	(2,295,801)	(26,485,400)	(1,041,290)
Proceeds from issuance of debt	-	-	-	15,000,000	-	15,000,000	-
Proceeds of capital grants, cash transactions	-	246,397	132,925	385,501	-	764,823	-
Principal paid on revenue bonds, notes and lease liabilities	(1,971,789)	(1,536,849)	(188,936)	-	(315,945)	(4,013,519)	(333,131)
Interest and other fiscal charges	(4,219,811)	(1,383,382)	(181,820)	(175,974)	(117,614)	(6,078,601)	(71,584)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(26,637,858)</b>	<b>(5,968,270)</b>	<b>(686,736)</b>	<b>15,209,527</b>	<b>(2,729,360)</b>	<b>(20,812,697)</b>	<b>(1,446,005)</b>
Cash flows from investing activities:							
Purchase (sale) of investments	632,203	(401,610)	(1,469,390)	578,128	(752,665)	(1,413,334)	(7,772,217)
Investment in joint venture	-	-	-	(2,812,970)	-	(2,812,970)	-
Interest and gains or losses on investments	2,964,676	1,261,194	272,064	333,299	1,074,303	5,905,536	9,193,810
<b>Net cash provided by (used in) investing activities</b>	<b>3,596,879</b>	<b>859,584</b>	<b>(1,197,326)</b>	<b>(1,901,543)</b>	<b>321,638</b>	<b>1,679,232</b>	<b>1,421,593</b>
<b>Net change in cash and cash equivalents</b>	<b>(17,885,335)</b>	<b>(1,182,093)</b>	<b>(921,248)</b>	<b>9,617,938</b>	<b>(1,200,508)</b>	<b>(11,571,246)</b>	<b>3,966,638</b>
Cash and cash equivalents, beginning	53,684,760	13,832,721	5,951,238	1,127,909	3,823,591	78,420,219	9,595,960
Cash and cash equivalents, ending	\$ 35,799,425	\$ 12,650,628	\$ 5,029,990	\$ 10,745,847	\$ 2,623,083	\$ 66,848,973	\$ 13,562,598

(Continued)

# City of Lake Worth Beach, Florida

## Statement of Cash Flows – Proprietary Funds (Continued) For the Fiscal Year Ended September 30, 2024

	Business-Type Activities – Enterprise Funds						
	Major				Nonmajor	Total Enterprise Funds	Internal Service Funds
	Electric	Water	Local Sewer	Regional Sewer	Enterprise Funds		
Reconciliation of operating income (loss) to net cash (used in) provided by operating activities:							
Operating income (loss)	\$ 5,435,265	\$ (70,173)	\$ (243,199)	\$ (3,733,922)	\$ 248,052	\$ 1,636,023	2,113,544
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:							
Depreciation	2,300,085	3,607,241	660,943	429,844	862,532	7,860,645	400,832
Capital asset disposals	-	-	-	-	4,355	4,355	-
Decrease (increase) in assets and deferred outflows:							
Accounts receivable	(152,597)	(43,614)	(104,423)	368,771	(154,172)	(86,035)	-
Inventories	(4,067,267)	33,679	-	-	-	(4,033,588)	22,981
Deferred outflows relating to pensions	1,189,175	381,398	158,100	27,719	354,566	2,110,958	-
Deferred outflows relating to OPEB	11,483	6,387	2,279	-	5,127	25,276	-
Increase (decrease) in liabilities and deferred inflows:							
Accounts and contracts payable	(1,255,112)	225,353	(381,470)	(754,763)	168,344	(1,997,648)	119,727
Accrued liabilities	1,831,861	39,269	5,012	15,323	28,218	1,919,683	72,858
Compensated absences	(31,957)	(26,108)	(3,612)	-	15,620	(46,057)	2,550
Insurance claims payable	-	-	-	-	-	-	(346,928)
Customer deposits payable	167,873	141,211	-	-	-	309,084	-
Total OPEB liability	(1,315)	(807)	(376)	(47)	(647)	(3,192)	-
Net pension liability	(1,081,697)	(346,927)	(143,809)	(25,217)	(322,520)	(1,920,170)	-
Deferred inflows relating to pensions	(200,273)	(56,466)	(73,907)	(16,742)	(21,157)	(368,545)	-
Deferred inflows relating to OPEB	(43,490)	(26,361)	(6,294)	(1,012)	(33,824)	(110,981)	-
<b>Total adjustments</b>	<b>(1,333,231)</b>	<b>3,934,255</b>	<b>112,443</b>	<b>43,876</b>	<b>906,442</b>	<b>3,663,785</b>	<b>272,020</b>
<b>Net cash provided by operating activities</b>	<b>\$ 4,102,034</b>	<b>\$ 3,864,082</b>	<b>\$ (130,756)</b>	<b>\$ (3,690,046)</b>	<b>\$ 1,154,494</b>	<b>\$ 5,299,808</b>	<b>2,385,564</b>

See notes to financial statements.

# City of Lake Worth Beach, Florida

---

**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**September 30, 2024**

	Pension Trust Funds
<b>Assets</b>	
Cash and cash equivalents	\$ 2,522,047
Investments at fair value:	
Government securities	30,138,706
Corporate bonds	12,634,993
Equity securities	125,150,196
Real estate funds	18,510,933
Money market funds	1,977,115
Accrued interest, dividends and contributions receivable	531,272
Prepaid items	20,526
	<hr/>
<b>Total assets</b>	<b>191,485,788</b>
<b>Liabilities</b>	
Accounts payable	151,575
	<hr/>
<b>Deferred Inflows:</b>	
Advanced contributions from employer	2,774,373
	<hr/>
<b>Net position restricted for pension benefits</b>	<b>\$ 188,559,840</b>
	<hr/> <hr/>

See notes to financial statements.

# City of Lake Worth Beach, Florida

---

## Statement of Changes in Fiduciary Net Position Fiduciary Funds For the Fiscal Year Ended September 30, 2024

	Pension Trust Funds
Additions:	
Contributions:	
Employer	\$ 11,412,224
Chapter 175/185	612,066
Plan members	1,314,328
	<hr/>
<b>Total contributions</b>	<b>13,338,618</b>
	<hr/>
Investment income:	
Interest and dividends	5,821,666
Net change in fair value of investments	26,674,477
Other income	58,082
	<hr/>
<b>Total investment income</b>	<b>32,554,225</b>
	<hr/>
Less investment expenses	(783,805)
	<hr/>
<b>Net investment income</b>	<b>31,770,420</b>
	<hr/>
<b>Total additions</b>	<b>45,109,038</b>
	<hr/>
Deductions:	
Pension benefits	19,293,754
Refund of contributions	203,710
Administrative expenses	387,817
	<hr/>
<b>Total deductions</b>	<b>19,885,281</b>
	<hr/>
<b>Change in fiduciary net position</b>	<b>25,223,757</b>
	<hr/>
Fiduciary net position, beginning of year	163,336,083
	<hr/>
Fiduciary net position, end of year	<b>\$ 188,559,840</b>
	<hr/> <hr/>

See notes to financial statements.

City of Lake Worth Beach, Florida

---



# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 1. Summary of Significant Accounting Policies

The City of Lake Worth Beach, Florida (the City), was incorporated as a municipality in 1913 under Chapter 6713, Laws of Florida. It is located in Palm Beach County and is bordered by the City of West Palm Beach to the north, the Intracoastal Waterway and Atlantic Ocean to the east, the City of Lantana to the south and various municipalities and unincorporated county areas to the west. The City operates under a Commission-Manager form of government and provides a full range of municipal services, including police and fire protection, public works activities, park and recreation activities and general administrative services. The City also operates six enterprise activities: electric, water, local sewer, regional sewer, stormwater utility and refuse collection and disposal.

The basic financial statements of the City have been prepared in accordance with the generally accepted accounting principles (GAAP) in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's governmental accounting policies are described below:

#### A. Financial Reporting Entity

The financial statements were prepared in accordance with governmental accounting standards, which establish standards for defining and reporting on the reporting entity. The definition of the financial reporting entity is based on the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The City's reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for and which the nature and significance of their relationship with the primary government are such that exclusion would cause the City's financial statements to be misleading or incomplete.

In defining the City for financial reporting purposes, management has considered all potential component units. Component units are legally separate entities for which the primary government is financially accountable which should be included in the City's financial statements because of the nature and significance of their relationship with the primary government.

The decision to include a potential component unit in the City's reporting entity is based on the criteria stated in GASB Statement No 14 – *The Financial Reporting Entity* and GASB Statement No 39 – *Determining Whether Certain Organizations Are Component Units*, as amended by GASB Statement No. 61 – *The Financial Reporting Entity: Omnibus*, which includes the ability to appoint a voting majority of an organization's governing body and: (1) the ability of the City to impose its will on that organization, or (2) the potential for the organization to provide specific financial benefits to, or (3) impose specific financial burden.

Based upon the application of the criteria in GASB Statements Nos. 14 and 39, as amended by GASB Statement No. 61, the financial statements of the City's Component Unit, the Community Redevelopment Agency (CRA), have been included in the City's reporting entity as a discretely presented component unit. The CRA is a legally separate entity governed by a board comprised of seven citizens of the City appointed by the City Commission. It does not provide services entirely or almost entirely to the primary government or otherwise, exclusively or almost exclusively, benefits the City and therefore is presented as a discrete component unit. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separated from the government.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 1. Summary of Significant Accounting Policies (Continued)

#### B. Discretely Presented Component Unit

As required by generally accepted accounting principles, the financial statements in this report present the City, the primary government, and its component unit: The Community Redevelopment Agency (CRA). Although a legally separate entity, the CRA is included as a component unit in the City's financial statements because of the significance of their operational or financial relationships with the City which creates the potential of financial benefit/burden to the primary government.

The CRA was established under the authority of Florida Statute Chapter 163, Part III in 1989 to promote and guide the physical and economic redevelopment of targeted areas within the City. The CRA's board, appointed by the City Commission as required by State Statute has full administrative responsibility. Separate financial statements for the CRA are available. The financial statements and statutorily required report can be obtained by contacting the Lake Worth Community Redevelopment Agency office at 29 South J Street, Unit 1, Lake Worth, FL 33460.

#### C. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's various utility functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

#### D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### **Note 1. Summary of Significant Accounting Policies (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, OPEB and pensions, are recorded only when payment is due. Acquisitions of general capital assets, including entering into contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources. Property taxes, charges for services, franchise fees and other taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Revenues for expenditure driven grants are recognized when the qualifying expenditures are incurred, and all eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the City.

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 City's enterprise and internal service funds are charges to customers for sales and services. Operating revenues for the enterprise funds include water, electric and sewer service fees; as well as user fees related to the stormwater utility system and solid waste removal. For the internal service funds, operating revenues include charges to other departments for insurance services and information technology costs and other services. Operating expenses for the enterprise and internal service funds include costs of services, administrative fees, insurance payments and depreciation. All revenues and expenses not meeting this definition are considered non-operating items.

#### **Major Governmental Funds:**

**General Fund** – The General Fund is the general operating fund of the City. All general tax revenue and other receipts that are not allocated by law or contractual agreement in another fund are accounted for in this fund. The general operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

**American Rescue Plan Act Fund** – The American Rescue Plan Act Fund is a special revenue fund that was established to account for funds received from the federal government to facilitate the recovery from the economic impact and health effects of the COVID-19 pandemic.

**Beach Fund** – To account for revenues and expenditures associated with the services provided by the beach, pier, pool, beach parking and casino building.

**Discretionary Sale Tax Fund** – To account for the "Palm Beach County District School, Cities and County Government Infrastructure One-Cent Sales Surtax" for the acquisition or construction of major capital facilities and the purchase of capital items.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 1. Summary of Significant Accounting Policies (Continued)

#### Major Enterprise Funds:

The enterprise funds are used to account for operations that are financed and operated in a manner similar to a commercial enterprise, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of the revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The City's major enterprise funds accounts for the operations of providing electric, water and local and regional sewer services.

Electric – The Electric Fund is used to account for the provision of electric service to residents of the service area. All activities to provide such service are accounted for in this fund, including administration, generation, transmission, distribution and customer service.

Water – The Water Fund is used to account for the provision of water service to residents of the service area. All activities to provide such service are accounted for in this fund, including administration, generation, transmission, distribution and customer service.

Local Sewer – The Local Sewer Fund is used to account for the provision of sewer service to customers of the local service areas. All activities to provide such service are accounted for in this fund, including administration, collection, pumping, treatment, disposal and customer service. This fund has been determined by management to be a major fund.

Regional Sewer – The Regional Sewer Fund is used to account for the provision of sewer service to customers of the regional service areas. All activities to provide such service are accounted for in this fund, including administration, collection, pumping, treatment, disposal and customer service.

Additionally, the City reports the following fund types:

#### Nonmajor Special Revenue Funds:

These funds are used to account for the proceeds of specific revenue sources, other than expendable trusts or major capital projects that are legally restricted to expenditures for specified purposes. These funds include the Building Permit, Public Education, Electric Utility Rate Stabilization Golf, Parking Improvement, Code Remediation, Grants, Tree Beautification, Utility Conservation, Simpkin Trust, Library Trust, Law Enforcement and Firefighters Education, Law Enforcement Confiscated Property and Electric Utility Storm.

#### Nonmajor Debt Service Fund:

This fund is used to account for the financial resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

#### Nonmajor Capital Project Funds:

These funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds. The funds include the Park of Commerce, Capital Projects and the Neighborhood Road Program.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 1. Summary of Significant Accounting Policies (Continued)

#### Nonmajor Enterprise Funds:

These funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises. It is the intent of the City Commission that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the periodic determination of net income is appropriate for accountability purposes. These funds include the Stormwater Utility Fund and the Refuse Collection and Disposal Fund.

#### Internal Service Funds:

The Internal Service Funds account for the goods or services provided by one department to other departments of the City on a cost-reimbursement basis. These funds include Information Technology, Insurance, City Garage and Employee Benefits.

#### Pension Trust Funds:

The Pension Trust Funds are accounted for in essentially the same manner as proprietary funds, using the same measurement focus and basis of accounting. The City has the following pension trust funds: General Employees' Retirement System; Police Officers' Relief and Retirement System and the Firefighters' Pension Trust.

### E. Interfund Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds (i.e., amounts owed for goods/services rendered to a particular fund by another fund in the reporting entity) are reported as "due to/from other funds" (current portion). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in the applicable governmental funds to indicate that they are not available for appropriation and are not expendable financial resources.

### F. Receivables

Receivables include amounts due from other governments and others for services provided by the City. The City recognizes receivables in its various funds based on the accounting basis required for that fund.

Utility (electric, water, local and regional sewer, stormwater utility and refuse collection and disposal) operating revenue is generally recognized on the basis of cycle billings rendered monthly. The cycle with the meter-reading date closest to September 30, is selected as the cutoff for billing accrual purposes. The City accrues revenue for services delivered for which meters have not been read by September 30, as unbilled revenues.

All trade and other receivables are reported at original amount, net of an allowance for doubtful receivables based on a review of outstanding amounts on a regular basis. Management determines that allowance by specifically identifying uncollectible accounts and a general allowance is calculated based on the City's historic bad-debt experience.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 1. Summary of Significant Accounting Policies (Continued)

#### G. Inventories

Inventories consist principally of materials and supplies held for consumption and are recorded at cost using the first-in first-out method. The cost of inventories is reported using the consumption method, whereby inventories are recorded as expenditures/expenses when used. In the governmental funds, reported inventories are included in fund balance as non-spendable resources. Unless if they are acquired with restricted resources in which case, they remain restricted fund balance.

#### H. Land Held for Resale

The discretely present component unit reports land held resale. Such balances are recorded at lower of cost or net realizable value.

#### I. Prepaid Items

Prepaid items consist of certain costs which have been paid prior to the end of the fiscal year but represent items which are applicable to future accounting periods. Reported amounts in governmental funds are equally offset by non-spendable amounts of fund balance in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" and are accounted for on the consumption method.

#### J. Restricted Assets

Restricted assets in the governmental and enterprise funds consist of bond proceeds designated for construction; other monies required to be restricted for debt service, maintenance and improvements under the terms of various bonds, certificates and loans; and assets restricted by customers' deposits.

#### K. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., utility lines, roads, bridges, sidewalks and similar items), regardless of their acquisition date, are reported at cost or estimated historical cost (except for intangible right - to - use lease assets, the measurement of which is discussed below) in the applicable governmental or business-type activities columns in the government-wide financial statements. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value at the date of acquisition. Capital assets are defined as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Depreciation is charged as an expense against operations using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	4-40
Infrastructure	4-20
Buildings and structure	10-40
Machinery and equipment	3-15
Vehicles	5

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 1. Summary of Significant Accounting Policies (Continued)

#### L. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. The first item is the deferred outflows relating to the pension plans and is discussed in further detail in the pension note. The second item is the deferred outflows relating to other postemployment benefits other than pensions and is discussed in further detail in OPEB note.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has four items that qualify for reporting in this category. One is the deferred charge on refunding reported in the proprietary funds and government-wide statement of net position. A deferred charge 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 life of the refunded or refunding debt. The second item is deferred inflows relating to the pension plans and is discussed further in pension note. The third item is the deferred inflows relating to other postemployment benefits other than pensions and is discussed in further detail in OPEB note. The fourth item is the deferred inflows relating to leases and is discussed in further detail in Leases note.

#### M. Compensated Absences

It is the City's policy to permit employees to accumulate, within certain limits, earned but unused vacation time and sick leave, which will be paid to employees upon separation from City service. All vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

#### N. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line amortization method, which approximates the effective interest method. Bonds are reported net of the applicable bond premiums or discounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

#### O. Self-insurance

The City is partially self-insured for general and auto liability, property, workers' compensation and employees' health and dental. The operating funds are charged premiums by the City's Self-Insurance Fund, which is accounted for as an internal service fund. The accrued liability for estimated claims reported in the Self-Insurance Fund represents an estimate of the eventual loss on claims including claims incurred but not yet reported.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 1. Summary of Significant Accounting Policies (Continued)

#### P. Pensions

For the purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. 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. Investments in real estate are recorded at market using valuation techniques such as the market approach or the income approach for which sufficient and reliable data is available.

The City applies GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68* and GASB 82, *Pension Issues-An Amendment of GASB Statements No. 67, No. 68 and No. 73*, for the measurement, recognition and disclosure of pension expenditures or expenses, liabilities and assets.

#### Q. Other Post-Employment Benefits (OPEB)

The City applies GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefit Plans Other Than Pensions*, for the measurement, recognition and disclosure of OPEB expenditures or expenses, liabilities and assets. This plan is not accounted for in a trust fund and is funded on a pay as you go basis.

#### R. Leases

Lessee: The City is a lessee for various leases of equipment, and other assets. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$50,000 or more over the life of the lease agreement.

At the commencement of a lease, the City 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 its useful life.

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

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses 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 City is reasonably certain to exercise.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 1. Summary of Significant Accounting Policies (Continued)

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

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

Lessor: The City is a lessor for various leases of properties and other assets. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. The City recognizes lease receivables with an initial, individual value of \$50,000 or more over the life of the lease agreement.

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

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

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

The City 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.

### S. Subscription-Based Information Technology Arrangements

The City subscribes to various software programs. The City recognizes subscription liability and intangible right-to-use subscription asset (subscription asset) in the proprietary financial statements. The City recognizes subscription liabilities with an initial, individual value of \$50,000 or more.

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

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

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 1. Summary of Significant Accounting Policies (Continued)

Key estimates and judgments include how the City determines: (1) the discount rate it uses to discount the expected subscription payments to present value, and (2) subscription term.

- The City uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for subscription.
- The subscription term includes the non-cancellable period of the subscription.

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

### T. Property Taxes

The City's property tax is levied, becomes a lien on real and personal property located in the City, and is recorded as a receivable on November 1 of each year based upon the assessed value established by the County Property Appraiser as of the prior January 1. The City is permitted by Florida law to levy ad-valorem taxes for real and tangible personal property taxes up to \$10 per \$1,000 of assessed value, except for special benefits and debt service obligations which may be issued with the approval of those taxpayers subject to ad-valorem taxes. Taxes become payable on November 1st each year and are discounted 1% for each month for payment prior to the following March 1st. All unpaid taxes become delinquent on April 1st and are subject to the issuance of Tax Sale Certificates on June 1st.

The City's tax revenue is first paid to the County Tax Collector who then remits such collections to the City based on a calendar prescribed by law. The City's taxes are billed along with all other taxes due to the County taxing entities. The Tax Collector pays the City interest on monies held from the day of collection to the day of distribution. The City has no control over the investment program of the Tax Collector as this program is governed by Florida Statutes.

The City levied taxes at a rate of approximately 5.49 mills plus County-levied Fire Municipal Services Taxing Unit rate of 3.46 and debt service of 0.92, for a total of 9.87 on all City parcels.

### U. Nature and Purpose of Fund Balance

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent. Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Commission through an ordinance are classified as committed fund balances. These amounts cannot be used for any other purpose unless the City Commission removes or changes the specified use by ordinance. Amounts that are restricted to specific purposes either by: (a) constraints placed on the use of resources by creditors, grantors, contributors or laws and 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 by the City's intent to be used for specific purposes but are neither committed nor restricted are classified as assigned fund balances. Assignments are made by the City Manager.

The City Commission delegated this responsibility to the City Manager through an ordinance. 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. 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.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 1. Summary of Significant Accounting Policies (Continued)

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. 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. The general fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

### V. Minimum Fund Balance Policy

The City's policy is to maintain an adequate fund balance to provide liquidity in the event of an economic downturn or natural disaster. The City Commission has adopted a financial standard to maintain an adequate level of total unassigned/unrestricted fund balance in the General Fund to provide for necessary cash flow to minimize any short-term borrowings. As of September 30, 2024, this balance was approximately \$21.1 million.

### W. Net Position

Net position is the result of assets and deferred outflows of resources less liabilities and deferred inflows of resources. The net position of the government-wide and proprietary funds are categorized as: 1) net investment in capital assets; capital assets, reduced by accumulated depreciation and any outstanding debt incurred to acquire, construct or improve those assets excluding unexpended bond proceeds, 2) restricted, or 3) unrestricted. The first category represents net position related to property, plant, equipment, and infrastructure. The restricted category represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by legislation in excess of the related liabilities payable and deferred inflows of resources from restricted assets. Unrestricted net position consists of the net position not meeting the definition of either of the two other components.

### X. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets/deferred outflows and liabilities/deferred inflows and disclosure of contingent assets/deferred outflows and liabilities/deferred inflows at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from estimates.

### Y. New Accounting Pronouncements Adopted

GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Management adopted the requirements of Statement No. 100 as of October 1, 2023. The implementation impacted the beginning fund balance for the Beach fund, Discretionary Sales Tax fund and nonmajor governmental fund, resulting in a restatement of the prior year's balance as described in Note 15.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 1. Summary of Significant Accounting Policies (Continued)

#### Z. New Accounting Pronouncements Unadopted

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Management has not yet evaluated the impact that this pronouncement will have on the City's Financial Statements.

GASB Statement No. 102, *Certain Risk Disclosures*. This Statement establishes financial reporting requirements for risks related to vulnerability due to certain concentrations or constraints. The requirements of this Statement apply to the financial statements of all state and local governments. This Statement amends NCGA Interpretation 6, Notes to the Financial Statements Disclosure, paragraph 5. The objective of this Statement is to provide users of government financial statements with information about risks related to a government's vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Management has not yet evaluated the impact that this pronouncement will have on the City's Financial Statements.

GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing government accountability. The Statement enhances Management Discussion and Analysis, addresses unusual or infrequent items, and clarifies the presentation of proprietary fund statements. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Management has not yet evaluated the impact that this pronouncement will have on the City's Financial Statements.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34. The Statement also requires that capital assets held for sale be evaluated each reporting period and requires additional disclosures for capital assets held for sale. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Management has not yet evaluated the impact that this pronouncement will have on the City's Financial Statements.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 2. Deposits and Investments

**Deposits:** In addition to insurance provided by the Federal Depository Insurance Corporation (FDIC), all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or banking institution eligible collateral.

In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits are insured or collateralized with securities held by the entity or its agent in the entity's name. The City had deposits with financial institutions of \$82,017,250 with a carrying amount of \$79,904,432.

**Cash and Cash Equivalents:** Cash and cash equivalents are defined as deposits with financial institutions and highly liquid investments which are readily convertible to known amounts of cash. Each fund is able to withdraw cash at any time without prior notice or penalty and there is sufficient liquidity to meet the daily cash needs of each fund.

**Investments:** As required by Florida Statutes, the City has adopted a written investment policy, which, from time to time, is amended by the City. Investments are made in accordance with provisions of the Florida Statutes and the City's policies. The City is authorized to invest in the State Board of Administration funds (Florida Prime), the Florida Public Assets for Liquidity Management (FL PALM), obligations of the U.S. Treasury, its agencies, repurchase agreements collateralized by U.S. Treasury, and U.S. Government Agency-Backed Obligations, and money market mutual funds comprised of U.S. Treasury and/or U.S. Government Agency-Backed Obligations.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 2. Deposits and Investments (Continued)

The City's pension fund investment policies are determined by the respective Boards of Trustees. Their portfolios may consist of obligations guaranteed by the U.S. government, time or savings accounts, corporate bonds, common or preferred stocks, international equity funds, mutual funds and certain other investments.

The investment objectives of the Plans are to preserve the purchasing power of each Plan's assets and earn a reasonable rate of return over the long-term while minimizing short-term volatility. To achieve these objectives, the Plans seek to create a conservative, well diversified and balanced portfolio of high-quality equity, fixed income and money market securities. Unless authorized by law or local ordinance, investments of the assets of the Plans are subject to the limitations of state statutes.

The Pension Plans have investments in a combination of stocks, bonds, government securities and other investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect balances and the amounts reported in the statement of plan net position and the statement of changes in plan net position. The Plans, through their investment advisors, monitor the Plan's investments and the risks associated therewith on a regular basis, which the Plans believe minimizes these risks.

The Plans each issue stand-alone financial statements. Investment disclosures relating to each Plans' interest rate risk, credit risk, custodial credit risk, concentration of credit risk and related fair value measurement disclosures required by GASB are included in the separate stand-alone plan financial statements. Such disclosures are not required to be included in the City's financial statements herein.

### City Investments

At year end the City and the Discretely Present Component Unit had the following investments:

City Investments	Fair Value	Investment Maturities (in years)		
		Less than 1	1-5	More than 5
U.S. Treasuries	\$ 42,747,169	\$ -	\$ 42,747,169	\$ -
Mortgage-Backed Securities	12,792,609	-	12,792,609	-
Corporate Bonds	832,828	-	832,828	-
Money Market Mutual Fund	53,212,350	53,212,350	-	-
FL PALM	2,955,408	2,955,408	-	-
FL PRIME	49,868	49,868	-	-
	<u>\$ 112,590,232</u>	<u>\$ 56,217,626</u>	<u>\$ 56,372,606</u>	<u>\$ -</u>

**Credit Risk** – The City's investment policy does not address the requirement of ratings by a nationally recognized statistical rating organization (NRSRO), i.e. Standard and Poor's and Moody's Investment Services. The City's investment policy is designed to ensure the prudent management of public funds.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 2. Deposits and Investments (Continued)

At year end the City investments had the following ratings:

Investments	City	
	Balance	Ratings
U.S. Treasuries	\$ 42,747,169	AA+
Mortgage-Backed Securities	12,792,609	AA+
Corporate Bonds	832,828	A+
Florida PRIME	49,868	AAAm
Money Market Mutual Fund	53,212,350	Not rated
FL PALM	2,955,408	AAAm
	<u>\$ 112,590,232</u>	

**Concentration of Credit Risk** – The City’s investment policy limits its investments in the Florida PRIME and FL PALM to 25% at any one time. Investments in U.S. Treasuries can be up to 100% while federal agencies are limited to 50% of all City investment balances at any one time. GASB Statement No. 40 requires disclosure when the percentage is 5% or more in any one issuer. Investments guaranteed by the U.S. Government, mutual funds, external investment pools and other pooled investments are exempt from this disclosure.

**Interest Rate Risk** – The City has an investment policy that limits the maturities on individual investments to no more than ten years.

**Custodial Credit Risk** – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To avoid this risk, the City registers all securities in their name.

**Risks and Uncertainties** – The City’s Pension Plans have investments in a combination of stocks, bonds, government securities and other investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect balances and the amounts reported in the statement of plan net position and the statement of changes in plan net position. The Plans, through their investment advisors, monitor the Plan’s investments and the risks associated therewith on a regular basis, which the Plans believe minimizes these risks.

**Fair Value Hierarchy** – GASB Statement No. 72, *Fair Value Measurement and Application*, establishes a hierarchy disclosure framework which prioritizes and ranks the level of market price observability used in measuring investments at fair value. Various inputs are used in determining the fair value of investments. These inputs are categorized into a fair value hierarchy consisting of three broad levels for financial statement purposes as follows:

**Level 1:** Investments reflect unadjusted quoted prices in active markets for identical assets.

**Level 2:** Investments reflect prices that are based on similar observable assets, either directly or indirectly, which may include inputs in markets that are not considered to be active.

**Level 3:** Investments reflect prices based upon unobservable sources.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 2. Deposits and Investments (Continued)

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

The following are descriptions of the valuation methodologies used for assets measured at fair value:

**Government securities:** Valued using pricing models maximizing the use of observable inputs for similar securities.

**Mutual funds:** Valued at the daily closing price as reported by the plans. Mutual funds are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds are deemed to be actively traded.

**Corporate bonds:** Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yield of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote, if available.

Fair values of investments held by the City at year-end are classified as follows:

Investments	Balance	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasuries	\$ 42,747,169	\$ 42,747,169	\$ -	\$ -
Mortgage-Backed Securities	12,792,609	12,792,609	-	-
Corporate Bonds	832,828	832,828	-	-
Investments measured at fair value	<u>\$ 56,372,606</u>	<u>\$ 56,372,606</u>	<u>\$ -</u>	<u>\$ -</u>
Investments measured at amortized cost:				
Money market funds	53,212,350			
Florida PRIME	49,868			
	<u>53,262,218</u>			
Investments measured at net asset value (NAV)				
FL PALM	2,955,408			
Total investments	<u>\$ 112,590,232</u>			

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 2. Deposits and Investments (Continued)

The Florida Public Assets for Liquidity Management (FL PALM) offers a short-term investment program for Florida Public agency investors. FL PALM offers a fully liquid, variable rate investment option for participants to invest in shares of fixed-rate, fixed-term investments through the FL PALM Term Portfolio. The investment objective is to provide investors with the highest possible investment yield, while maintaining liquidity and preserving capital. FL PALM is directed by a Board of Trustees, which is made up of experienced school board members, superintendents, public agency officials, and an Advisory Committee of senior finance officers from member Districts and public agencies. The FL PALM investments are measured at the net asset value (NAV) per share, or equivalent. The redemption frequency is daily and unlimited. There are no unfunded commitments as of year-end.

### Note 3. Receivables

Accounts, special assessments and other receivables, including restricted accounts receivable and the related allowance for doubtful accounts at year-end are as follows:

	General Fund	Beach Fund	Discretionary Sales Tax Fund	Nonmajor Governmental Funds	Total
Customer accounts	\$ 44,439	\$ -	\$ 722,366	\$ 6,081	\$ 772,886
Utility and other taxes	906,579	-	-	101,935	1,008,514
Intergovernmental	834,559	-	-	352,379	1,186,938
Other receivables	165	8,466	-	153,796	162,427
Gross receivables	1,785,742	8,466	722,366	614,191	3,130,765
Less allowance for doubtful accounts	(207,288)	(668)	-	(161,257)	(369,213)
Total	\$ 1,578,454	\$ 7,798	\$ 722,366	\$ 452,934	\$ 2,761,552

	Electric Fund	Water Fund	Local Sewer Fund	Regional Sewer Fund	Nonmajor Enterprise Funds	Total
Customer accounts	\$ 12,486,560	\$ 2,804,775	\$ 1,915,119	\$ 437,528	\$ 830,917	\$ 18,474,899
Utility and other taxes	445,085	-	-	-	-	445,085
Other receivables	1,597,534	4,164	400	-	-	1,602,098
Gross receivables	14,529,179	2,808,939	1,915,519	437,528	830,917	20,522,082
Less allowance for doubtful accounts	(2,553,807)	(492,018)	(224,980)	-	(168,506)	(3,439,311)
Total	\$ 11,975,372	\$ 2,316,921	\$ 1,690,539	\$ 437,528	\$ 662,411	\$ 17,082,771

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 3. Receivables (Continued)

For fiscal year 2024, approximately 86% of the City's regional sewer fund revenues and 60% of corresponding receivables are generated from three major customers. The following table summarizes the concentration percentage by customer.

Customer	Revenues	Receivables
City Lake Worth Beach	53%	0%
Town of Lantana	16%	44%
Village of Palm Springs	17%	16%
	<u>86%</u>	<u>60%</u>

### Note 4. Interfund Receivables, Payables, Advances and Transfers

Interfund activity and balances for the City are summarized as follows as of and for the year ended:

#### Due to/from Other Funds

	<u>Receivable Fund</u>
Major Fund:	
General Fund	\$ 1,955,385
	<u>\$ 1,955,385</u>
	<u>Payable Fund</u>
Major Fund:	
Electric Fund	\$ 901,299
Nonmajor governmental funds:	1,054,086
	<u>\$ 1,955,385</u>

The amounts payable to the general fund and water fund were to cover cash shortages for the electric fund, utility conservation fund and employee benefits fund. The funds will be repaid in the fiscal year 2025.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 4. Interfund Receivables, Payables, Advances and Transfers (Continued)

#### Interfund Transfers

	Transfer In	Transfer Out
Major Governmental Funds:		
General Fund	\$ 40,500	\$ 276,890
American Rescue Plan Act Fund	-	1,243,818
Discretionary Sales Tax	-	3,328,337
Nonmajor Governmental Funds	4,867,092	2,653,278
Major Enterprise Funds:		
Electric Fund	1,428,278	1,500,000
Nonmajor Enterprise Funds	91,887	-
Internal Service Fund	2,574,566	-
	<u>\$ 9,002,323</u>	<u>\$ 9,002,323</u>

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted for debt service from the funds collecting the receipts to the appropriate fund making the debt service payments when it becomes due, and (3) use restricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Transfers of \$1,244,000 from the American Rescue Plan Act fund (ARPA) were made to cover various capital projects. Transfers of \$3,328,000 from the discretionary sales tax were mainly made to cover the public works fleet maintenance facility, ocean rescue beach property staff offices and information technology infrastructure in the amount of \$1 million, \$0.7 million and \$0.55 million, respectively. Transfers of \$2,653,000 were for the building department office renovations in the amount of \$0.75 million, the building department portion of the public works fleet maintenance facility in the amount of \$1.25 million and \$1.4 million to the electric fund from the rate stabilization fund to cover the purchasing power cost adjustment deficit at year end. Transfers of \$1,500,000 from the electric fund were made to fund a new electric utility storm fund in the amount of \$0.5 million and transfer excess funds from the purchasing power cost adjustment at the beginning of the fiscal year in the amount of \$1 million.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 5. Capital Assets

#### Governmental Activities Capital Assets

Summary of changes in the governmental activities capital asset balances for the year ended follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets not being depreciated:					
Land	\$ 8,753,243	\$ -	\$ -	\$ -	\$ 8,753,243
Construction in progress	3,905,717	3,093,092	(173,563)	(1,992,840)	4,832,406
<b>Total capital assets not being depreciated</b>	<b>12,658,960</b>	<b>3,093,092</b>	<b>(173,563)</b>	<b>(1,992,840)</b>	<b>13,585,649</b>
Capital assets being depreciated					
Land improvements	7,024,436	-	-	-	7,024,436
Buildings and structures	44,309,252	-	-	-	44,309,252
Right of Use - Buildings	5,434,635	-	-	-	5,434,635
Infrastructure	106,062,523	-	-	1,992,840	108,055,363
Machinery and equipment	5,037,267	24,292	-	-	5,061,559
Right of Use - Equipment	320,292	-	-	-	320,292
Vehicles	1,704,700	83,986	(135,242)	-	1,653,444
<b>Total capital assets being depreciated</b>	<b>169,893,105</b>	<b>108,278</b>	<b>(135,242)</b>	<b>1,992,840</b>	<b>171,858,981</b>
Accumulated depreciation					
Land improvements	2,558,837	49,017	-	-	2,607,854
Buildings and structures	19,890,574	985,959	-	-	20,876,533
Right of Use - Buildings	310,550	155,275	-	-	465,825
Infrastructure	63,311,817	1,971,822	-	-	65,283,639
Machinery and equipment	4,109,097	175,667	-	-	4,284,764
Right of Use - Equipment	125,468	62,734	-	-	188,202
Vehicles	1,404,118	108,296	(135,242)	-	1,377,172
<b>Total accumulated depreciation</b>	<b>91,710,461</b>	<b>3,508,770</b>	<b>(135,242)</b>	<b>-</b>	<b>95,083,989</b>
<b>Total capital assets being depreciated, net</b>	<b>78,182,644</b>	<b>(3,400,492)</b>	<b>-</b>	<b>1,992,840</b>	<b>76,774,992</b>
<b>Total capital assets</b>	<b>\$ 90,841,604</b>	<b>\$ (307,400)</b>	<b>\$ (173,563)</b>	<b>\$ -</b>	<b>\$ 90,360,641</b>

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

General Government	\$ 71,968
Physical Environment	4,495
Transportation	2,329,202
Public Safety	189,948
Culture and Recreation	913,157
<b>Total depreciation expense</b>	<b>\$ 3,508,770</b>

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 5. Capital Assets (Continued)

#### Business-Type Activities Capital Assets

Summary of changes in business-type activities capital asset balances for the year ended follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets not being depreciated:					
Land	\$ 2,572,138	\$ -	\$ (1,200)	\$ -	\$ 2,570,938
Construction in progress	39,296,464	23,821,205	(71,870)	(19,439,200)	43,606,599
<b>Total capital assets not being depreciated</b>	<b>41,868,602</b>	<b>23,821,205</b>	<b>(73,070)</b>	<b>(19,439,200)</b>	<b>46,177,537</b>
Capital assets being depreciated					
Land improvements	468,972	-	-	-	468,972
Buildings and structures	99,193,485	-	-	-	99,193,485
Right of Use - Buildings	142,925	175,538	-	-	318,463
Infrastructure	213,936,196	1,868,321	-	19,439,200	235,243,717
Machinery and equipment	34,199,851	472,227	-	-	34,672,078
Right of Use - Equipment	123,850	-	-	-	123,850
Subscription assets*	749,841	-	-	-	749,841
Vehicles	14,391,895	1,365,740	(356,322)	-	15,401,313
<b>Total capital assets being depreciated</b>	<b>363,207,015</b>	<b>3,881,826</b>	<b>(429,392)</b>	<b>19,439,200</b>	<b>386,171,719</b>
Accumulated depreciation					
Land improvements	465,009	632	-	-	465,641
Buildings and structures	66,291,865	2,471,307	-	-	68,763,172
Right of Use - Buildings*	83,373	74,228	-	-	157,601
Infrastructure	92,488,537	4,284,987	-	-	96,773,524
Machinery and equipment	31,224,783	331,699	-	38,595	31,595,077
Right of Use - Equipment	69,664	34,833	-	-	104,497
Subscriptions assets	182,129	232,568	-	-	414,697
Vehicles	12,449,014	831,223	(356,322)	(38,595)	12,885,320
<b>Total accumulated depreciation</b>	<b>203,254,374</b>	<b>8,261,477</b>	<b>(356,322)</b>	<b>-</b>	<b>211,159,529</b>
<b>Total capital assets being depreciated, net</b>	<b>159,952,641</b>	<b>(4,379,651)</b>	<b>-</b>	<b>19,439,200</b>	<b>175,012,190</b>
<b>Total capital assets</b>	<b>\$ 201,821,243</b>	<b>\$ 19,441,554</b>	<b>\$ (73,070)</b>	<b>\$ -</b>	<b>\$ 221,189,727</b>

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

Electric	\$ 2,300,085
Water	3,607,241
Local sewer	660,943
Regional sewer	429,844
Stormwater utility	336,644
Refuse collection and disposal	525,888
Information technology	228,210
Self insurance	5,780
Fleet	166,842
<b>Total depreciation expense</b>	<b>\$ 8,261,477</b>

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 5. Capital Assets (Continued)

#### Community Redevelopment Agency Capital Assets

Summary of changes in the discretely presented component unit capital asset balances for the year ended follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets not being depreciated:					
Land	\$ 773,206	\$ -	\$ -	\$ -	\$ 773,206
Total capital assets not being depreciated	773,206	-	-	-	773,206
Capital assets being depreciated					
Land improvements	223,831	-	-	-	223,831
Infrastructure	9,283,579	-	-	-	9,283,579
Buildings and structures	188,104	-	-	-	188,104
Machinery and equipment	178,804	-	-	-	178,804
Total capital assets being depreciated	9,874,318	-	-	-	9,874,318
Accumulated depreciation					
Land improvements	139,433	11,192	-	-	150,625
Infrastructure	4,915,513	370,271	-	-	5,285,784
Buildings and structures	58,514	6,270	-	-	64,784
Machinery and equipment	143,086	7,491	-	-	150,577
Total accumulated depreciation	5,256,546	395,224	-	-	5,651,770
Total capital assets being depreciated, net	4,617,772	(395,224)	-	-	4,222,548
Total capital assets	\$ 5,390,978	\$ (395,224)	\$ -	\$ -	\$ 4,995,754

Depreciation expense was charged to the function/program of the primary government as follows:

Community redevelopment	<u>\$ 395,224</u>
-------------------------	-------------------

### Note 6. Investment in Joint Venture

In September 1992, the City entered into a joint interlocal agreement (the Agreement) with Palm Beach County (the County) and three municipalities (Riviera Beach, Lake Worth and the Town of Palm Beach) (together with the City, the Entities) whereby prior separate agreements were consolidated into a single unified agreement to establish rules and procedures for the operation and management of the existing East Central Regional Wastewater Facility (ECR) in which each participating Entity has an equity interest. The ECR was created to receive, treat and dispose of sewage generated within each participating municipality and the County (the Members). The initial term of the Agreement is for 30 years with a renewable term of 30 years. In the event the ECR is sold or disposed of, proceeds of the sale or disposition shall be prorated among each Member, based on their reserve capacity as of the date of disposition.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 6. Investment in Joint Venture (Continued)

The Agreement provides for the establishment of a Governing Board (the Board), comprised of one Member representative participating in the Agreement, to administer the ECR. In accordance with the Agreement, the Board has the power to enter into contracts, employ personnel and enter into debt in accordance with Section 163.01(7) of Florida Statutes. The City of West Palm Beach operates and manages the ECR on behalf of the Board consistent with the terms of the Agreement. Annually, the Board establishes a schedule of wastewater flow charges to pass onto the Entities, so the ECR is self-sustaining. The Board shall not be authorized to create or distribute a profit or surplus to any Entity. In addition, the Board shall calculate an annual renewal and replacement fund contribution for the sole purpose of funding each Entity's pro-rata share of extraordinary expenses, renewal and improvements or replacement of capital assets or any other part thereof at the facility. The agreement may not be amended except upon the written agreement of the Entities holding a cumulative capacity allocation of 100%.

The City accounts for this Joint Venture using the equity method in accordance with GAAP. The City's investment in the joint venture at year-end was \$36,600,745.

Reserve capacity percentages are estimated to be as follows at year end:

Entity	Flow Allocation MGD	Reserve Capacity Percentage
Palm Beach County	24.0	34.3%
City of West Palm Beach	20.5	29.3%
City of Lake Worth Beach	11.5	16.4%
City of Riviera Beach	8.0	11.4%
Town of Palm Beach	6.0	8.6%
	<hr/>	<hr/>
	70.0	100.0%

Complete audited financial statements for ECR may be obtained at the City of West Palm Beach Finance Department, 200 Second Street, West Palm Beach, Florida 33402.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 7. Long-Term Debt

The following is a summary of the changes in long-term debt for the fiscal year ended for governmental and business-type activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Revenue bonds	\$ 47,782,977	\$ -	\$ (2,022,364)	\$ 45,760,613	\$ 2,088,060
Bond premium	1,705,665	-	(83,478)	1,622,187	-
Leased liability	3,243,073	-	(73,580)	3,169,493	75,113
Compensated absences	1,112,830	1,430,028	(1,388,593)	1,154,265	77,119
Total long-term debt	\$ 53,844,545	\$ 1,430,028	\$ (3,568,015)	\$ 51,706,558	\$ 2,240,292

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
State revolving loans	\$ 15,901,748	\$ -	\$ (947,166)	\$ 14,954,582	\$ 1,022,726
Notes payable	-	15,000,000	-	15,000,000	-
Revenue bonds	139,797,019	-	(3,237,631)	136,559,388	971,939
Leased liability	122,199	175,538	(111,604)	186,133	104,151
Subscription liability	524,169	-	(225,790)	298,379	241,655
Bond premium	14,460,268	-	(544,522)	13,915,746	-
Compensated absences	851,918	1,001,546	(1,045,053)	808,411	47,005
Total long-term debt	\$ 171,657,321	\$ 16,177,084	\$ (6,111,766)	\$ 181,722,639	\$ 2,387,476

For governmental activities, compensated absences and other postemployment benefits are generally liquidated by the General Fund.

### Governmental and Business-Type Activities Debt

**Consolidated utility revenue bonds – Series 2020** – In November 2020, the City issued \$88,930,000 of Consolidated utility revenue bonds, Series 2020 for the purpose of: (i) financing the acquisition, construction and equipping of certain improvements and additions to the City’s consolidated electric, water and sewer utility system, (ii) repaying the then outstanding Utility System Refunding Revenue Bonds, Series 2013 and the Master Lease note payable agreement in connection with the energy savings project with Siemens Industry, Inc. in the amount of approximately \$29,000,000 and \$20,000,000 respectively, and (iii) paying the costs of issuance of the 2020 Bonds. The series 2020 Bonds mature in October 2051 with an interest rate ranging from 3.0% to 5.0%. The bonds are due in annual principal and interest installments secured by the City’s net revenues of its utility systems through October 1, 2051, and subject to redemption prior to maturity as provided in the bond agreement.

Under the terms of the authorizing resolution related to the bonds, should the City default in any of its obligations or covenants created by such resolution, the bondholders may, in addition to any remedy set forth in such resolution, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Florida, or granted and contained in such resolution, and may enforce and compel the performance of all duties required by the resolution, or by any applicable statutes to be performed by the City or by any officer thereof. As of September 30, 2024, the principal amount outstanding on the Series 2020 was \$84,600,000.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 7. Long-Term Debt (Continued)

Debt service requirements to maturity on the revenue bonds are as follows:

#### 2020 UT Bond Series Debt Service Payments

Year(s)	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	-	13,575	-	1,682,450	-	1,696,025
2026	25,000	26,525	1,640,000	3,323,900	1,665,000	3,350,425
2027	25,000	25,275	1,725,000	3,239,775	1,750,000	3,265,050
2028	25,000	24,025	1,810,000	3,151,400	1,835,000	3,175,425
2029	30,000	22,650	1,910,000	3,058,400	1,940,000	3,081,050
2030-2034	170,000	90,325	11,870,000	13,786,950	12,040,000	13,877,275
2035-2039	210,000	52,475	15,625,000	10,977,600	15,835,000	11,030,075
2040-2044	185,000	14,200	18,625,000	7,991,525	18,810,000	8,005,725
2045-2049	-	-	22,825,000	3,948,100	22,825,000	3,948,100
2050-2053	-	-	7,900,000	263,000	7,900,000	263,000
	\$ 670,000	\$ 269,050	\$ 83,930,000	\$ 51,423,100	\$ 84,600,000	\$ 51,692,150

**Consolidated utility revenue bonds – Series 2022** – In May 2022, the City issued \$44,660,000 of Consolidated utility revenue bonds, Series 2022 for the purpose of: (i) financing the acquisition, construction and equipping of certain improvements and additions to the City’s consolidated electric, water and sewer utility system, and (ii) paying the costs of issuance of the 2022 Bonds. The series 2022 Bonds mature in October 2053 with an interest rate ranging from 3.0% to 5.0%. The bonds are due in annual principal and interest installments secured by the City’s net revenues of its utility systems through October 1, 2053, and subject to redemption prior to maturity as provided in the bond agreement.

Under the terms of the authorizing resolution related to the bonds, should the City default in any of its obligations or covenants created by such resolution, the bondholders may, in addition to any remedy set forth in such resolution, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Florida, or granted and contained in such resolution, and may enforce and compel the performance of all duties required by the resolution, or by any applicable statutes to be performed by the City or by any officer thereof. As of September 30, 2024, the principal amount outstanding on the Series 2022 was \$43,205,000.

#### 2022 UT Bond Series Debt Service Payments

Year(s)	Business-type Activities	
	Principal	Interest
2025	\$ -	\$ 942,275
2026	770,000	1,869,150
2027	805,000	1,837,650
2028	835,000	1,804,850
2029	880,000	1,766,150
2030-2034	5,100,000	8,108,750
2035-2039	6,545,000	6,660,875
2040-2044	8,315,000	4,882,800
2045-2049	10,195,000	3,004,900
2050-2053	9,760,000	799,800
	\$ 43,205,000	\$ 31,677,200

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 7. Long-Term Debt (Continued)

**Non-ad valorem revenue bonds, series 2020A and taxable series 2020B:** In August 2020, the City issued non-ad valorem revenue bonds, series 2020A and taxable series 2020B, in the amount of \$8,985,000 and \$ 16,800,000, respectively. The series 2020A proceeds are to be used to finance certain capital improvements, which include improvements to the City's public works facility, various roadway improvements and certain sewer improvements. The taxable series 2020B proceeds are to be used to refinance certain capital costs incurred in the past six years, which include certain transportation and other improvements. The series 2020A and taxable series 2020B mature in July 2035 and July 2040 with an interest rate ranging from 1.120% to 2.580% and 3.0% to 5.0%, respectively. The bonds are due in annual principal and interest installments secured by the City's non-ad valorem revenues through July 1, 2040, and subject to redemption prior to maturity as provided in the bond agreement.

Under the terms of the authorizing resolution related to the bonds, should the City default in any of its obligations or covenants created by such resolution, the bondholders may, in addition to any remedy set forth in such resolution, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Florida, or granted and contained in such resolution, and may enforce and compel the performance of all duties required by the resolution, or by any applicable statutes to be performed by the City or by any officer thereof. As of September 30, 2024, the principal amounts outstanding on the Series 2020A and 2020B bonds are \$22,605,000.

Debt service requirements to maturity on the bonds are as follows:

Year(s)	Non-Adv Bond Series 2020AB Debt Service Payments					
	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 1,153,060	\$ 332,216	\$ 971,939	\$ 280,032	\$ 2,124,999	\$ 612,248
2026	1,196,469	290,342	1,008,531	244,735	2,205,000	535,077
2027	591,452	245,424	498,548	206,873	1,090,000	452,297
2028	602,304	230,576	507,696	194,358	1,110,000	424,934
2029	615,870	214,529	519,130	180,831	1,135,000	395,360
2030-2034	3,361,509	809,416	2,833,491	682,274	6,195,000	1,491,690
2035-2039	3,038,653	356,766	2,561,347	300,726	5,600,000	657,492
2040-2044	621,296	18,577	523,704	15,659	1,145,000	34,236
	<b>\$ 11,180,613</b>	<b>\$ 2,497,846</b>	<b>\$ 9,424,386</b>	<b>\$ 2,105,488</b>	<b>\$ 20,604,999</b>	<b>\$ 4,603,334</b>

**Capital Improvement Revenue Note, Series 2024:** In June 2024, the City issued a Capital Improvement Revenue Note, Series 2024 (the "Note") in the amount of \$15,000,000 for the principal purpose of financing the construction and renovation of capital additions, extensions, and improvements within the City (the "Project") which include the regional sewer force main break repair. The Note matures in April 2028 with an interest rate of 4.12%. Interest on the Note shall be paid on an annual basis commencing October 1, 2024, and the principal shall be paid in full on the maturity date. As of September 30, 2024, the principal amount outstanding on the Note is \$15,000,000.

In the event of default, the outstanding principal balance and accrued interest on the notes, together with any additional amounts payable may be accelerated and become immediately due and payable, subject to any applicable grace period.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 7. Long-Term Debt (Continued)

As of September 30, 2024, debt service requirements on the Capital Improvement Revenue Note, Series 2024 to maturity are as follows:

Year(s)	Business-type Activities	
	Principal	Interest
2025	\$ -	\$ 482,383
2026	-	618,000
2027	-	618,000
2028	15,000,000	618,000
	<u>\$ 15,000,000</u>	<u>\$ 2,336,383</u>

### Governmental Activities

**General Obligation Bonds, Series 2017 and 2018:** In November 2016, a majority of the electors voting at a referendum within the City approved the issuance of general obligation bonds in a principal amount not exceeding \$40 million for purposes of improving local roadways. In May 2017, the City issued General Obligation Bonds, Series 2017, in the principal amount of \$21,685,000 for the exclusive purpose of improving local roadways with an interest rate ranging from 2.375% to 5.00%. In August 2018, the City issued an additional General Obligation Bonds, Series 2018, in the principal amount of \$17,295,000 for the exclusive purpose of improving local roadways with an interest rate ranging from 3.00% to 5.00%. The City may issue up to the remaining \$1,020,000 authorized amount of general obligation bonds pursuant to the referendum described above. The current 2017 and 2018 GOB series bonds are due in annual principal and interest installments secured in by the City's ad-valorem taxes through July 1, 2048, and subject to redemption prior to maturity as provided in the Series 2017 and 2018 bond agreements.

Under the terms of the authorizing resolution related to bonds, should the City default in any of its obligations or covenants created by such resolution, the bondholders may, in addition to any remedy set forth in such resolution, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Florida, or granted and contained in such resolution, and may enforce and compel the performance of all duties required by the resolution, or by any applicable statutes to be performed by the City or by any officer thereof. As of September 30, 2024, the principal amounts outstanding on the GOB series 2017 and 2018 bonds are \$18,580,000 and \$15,330,000, respectively.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 7. Long-Term Debt (Continued)

Debt service requirements to maturity on the bonds are as follows:

GOB Bond Series 2017			GOB Bond Series 2018		
Year(s)	Principal	Interest	Year(s)	Principal	Interest
2025	540,000	636,875	2025	395,000	585,463
2026	565,000	609,875	2026	415,000	565,713
2027	595,000	581,625	2027	435,000	544,963
2028	625,000	551,875	2028	460,000	523,213
2029	640,000	537,031	2029	480,000	500,213
2030-2034	3,480,000	2,386,656	2029-2033	2,660,000	2,243,769
2035-2039	4,055,000	1,813,106	2034-2038	3,145,000	1,760,650
2040-2044	4,790,000	1,086,644	2039-2043	3,770,000	1,135,088
2045-2048	3,290,000	232,925	2044-2048	3,570,000	352,625
	<u>\$ 18,580,000</u>	<u>\$ 8,436,612</u>		<u>\$ 15,330,000</u>	<u>\$ 8,211,697</u>

**State Revolving Loan Payable** – In connection with the City’s Reverse Osmosis Treatment Plant, the City entered into loan agreements with the State Department of Environmental Protection’s Drinking Water Revolving Fund Loan Program. The resulting loans were approximately \$7,092,000 with interest rate ranging from 2.61% to 2.82%. The City is required to maintain rates and charges for the services furnished by the water system which will be sufficient to provide revenues equal to or exceeding 1.15 times the sum of the semi-annual loan payments (debt service). The loans are payable in semi-annual principal installments through October 2031. As of September 30, 2024, the principal outstanding on the notes was \$3,161,388.

In connection with the replacement of approximately 17 miles of 2-inch water lines which were corroded within the City’s water distribution system, the City entered into loan agreements with the State Department of Environmental Protection’s Drinking Water Revolving Fund Loan Program. The resulting loans were approximately \$9,104,000 with interest rates ranging from 0.57% to 1.57%. The loans are payable in semi-annual installments of principal and interest through March 2048. As of September 30, 2024, the principal outstanding on the notes was \$7,324,126.

In connection with the water distribution replacement project for the Lake Osborne Estates Water Main Improvements, the City entered into loan agreements with the State Department of Environmental Protection’s Drinking Water Revolving Fund Loan Program. The resulting loan was approximately \$3,034,000 with an interest rate of 0.50%. The loans are payable in semi-annual installments of principal and interest through April 2041. As of September 30, 2024, the principal outstanding on the note was \$2,110,903.

In connection with the 2 inch watermain replacement phase 5 and 6, the City entered into loan agreements with the State Department of Environmental Protection’s Drinking Water Revolving Fund Loan Program. The resulting loan was approximately \$2,929,000 with an interest rate of 0.07%. As of September 30, 2024, the principal outstanding on the note was \$2,358,166.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 7. Long-Term Debt (Continued)

Debt service requirements to maturity on the loans are as follows:

State Revolving Loans		
Year(s)	Principal	Interest
2025	1,022,726	158,275
2026	1,036,823	143,581
2027	1,061,222	128,583
2028	1,055,928	113,272
2029	1,080,955	97,640
2030-2034	4,268,134	279,090
2035-2039	3,235,462	128,391
2040-2044	1,670,074	37,902
2045-2049	523,259	7,231
	<u>\$ 14,954,583</u>	<u>\$ 1,093,965</u>

Under the terms of loan agreements, should the City default in any of its obligations or covenants created by such agreements, the State Department of Environmental Protection may, in addition to any remedy set forth in such agreement by suit, action or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Florida, or granted and contained in such agreements, and may enforce and compel the performance of all duties required by the agreements, or by any applicable statutes to be performed by the City or by any officer thereof. Default in payment of principal and interest on any of the loans described above or any future loans could cause an acceleration of the entire amount of such loans.

#### Discretely Presented Component Unit

The following is a summary of the changes in long-term debt for the Community Redevelopment Agency for the year ended:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Notes payable	\$ 2,252,536	\$ -	\$ (544,074)	\$ 1,708,462	\$ 556,588
Total	<u>\$ 2,252,536</u>	<u>\$ -</u>	<u>\$ (544,074)</u>	<u>\$ 1,708,462</u>	<u>\$ 556,588</u>

**Community Redevelopment Agency (CRA) Revenue Note, Series 2016** – In April 2021, the CRA Board of Directors approved the issuance of a revenue note, Series 2021 in an aggregate principal amount of \$3,263,250 to refinance the \$4,000,000 original principal amount of Lake Worth Community Redevelopment Agency Tax Increment Redevelopment Revenue Debenture, Series 2016, the \$1,500,000 original principal amount of Lake Worth Beach Community Redevelopment Agency Tax Increment Redevelopment Revenue Debenture, Series 2018 and the \$903,000 Convertible Line of Credit dated January 9, 2020. The original principal amounts were for property acquisition and other improvements in the designated CRA area of the City. The revenue note Series 2021 is due in annual principal installments ranging from \$478,872 to \$582,485 from April 2022 through 2027 with an interest rate of 2.30%. The revenue note is payable from a pledge of tax increment revenues. As of September 30, 2024, the principal outstanding on the note is \$1,708,462.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 7. Long-Term Debt (Continued)

In the event of default, the outstanding principal balance and accrued interest on the notes, together with any additional amounts payable may be accelerated and become immediately due and payable without demand or notice of any kind.

As of September 30, 2024, debt service requirements on the Revenue Notes Series 2021 to maturity are as follows:

CRA Revenue Note - Series 2021		
Year(s)	Principal	Interest
2025	556,588	39,295
2026	569,389	26,493
2027	582,485	13,397
	<u>\$ 1,708,462</u>	<u>\$ 79,185</u>

**Debt Covenants** — The various bond indebtedness and note agreements provide for annual debt service requirements, provisions for the flow of monies through various restricted accounts and minimum amounts to be contained in various sinking funds. Additionally, the utility system revenue bonds include rate covenants and renewal and replacement fund requirements.

The City Charter permits the City to pledge the funds or property taxing power of the City for the payment of debt. This is subject to mandatory requirements that the total indebtedness of the City shall never exceed an amount equal to 25% of the total assessed value of the taxable property within its corporate limits. As of September 30, 2024, the City's debt limit is \$870,866,250.

**Pledged Revenues** – The City issues bonds and notes that are served by a pledge of specific revenues. Total pledged revenues to repay the principal and interest of those bonds and notes for the year ended are as follows:

	Primary Government			Discretely Presented Component Unit
	Governmental Activities	Non-ad Valorem Revenues	Business-Type Activities	
Sources of Revenue Pledged:	Ad Valorem Revenues	Non-ad Valorem Revenues	Electric, Water and Sewer Water Revenues	Tax Increment Revenues
Current Revenue Pledged	\$ 8,369,024	\$ 25,724,349	\$ 25,751,780	\$ 6,473,748
Current Debt Service	2,151,588	1,537,797	8,940,620	595,493
Total Future Revenues Pledged	45,760,613	11,180,613	180,277,254	2,252,536
Purpose of Debt	Local Roadways	Capital Improvements	Utilities and Refunding	Economic Development
Term of Commitment	2018 - 2048	2020-2040	2021-2053	2022 - 2027
Percentage of Debt Service to Current Year Pledged Revenues	25.71%	5.98%	34.72%	9.20%

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 8. Leases

For the year ending 9/30/2024, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

#### Lease Receivable

As of 09/30/2024, City of Lake Worth Beach, FL had 10 active leases. The leases have receipts that range from \$19,445 to \$274,953 and interest rates that range from 0.3250% to 1.5680%. As of 09/30/2024, the total combined value of the lease receivable is \$8,115,837, the total combined value of the short-term lease receivable is \$1,112,511, and the combined value of the deferred inflow of resources is \$7,791,047. The leases had \$0 of Variable Receipts and \$0 of Other Receipts, not included in the Lease Receivable, within the fiscal year.

The future lease and interest revenues expected to maturity as of September 30, 2024, were as follows:

Fiscal Year	Governmental Activities		
	Principal	Interest	Total
2025	\$ 1,091,711	\$ 83,101	\$ 1,174,812
2026	1,139,983	70,463	1,210,446
2027	1,125,138	57,191	1,182,329
2028	856,312	44,654	900,966
2029	753,228	34,330	787,558
2030-2034	3,118,237	78,170	3,196,407
2035	31,228	41	31,269
	<u>\$ 8,115,837</u>	<u>\$ 367,950</u>	<u>\$ 8,483,787</u>

#### Lease Payable

For the year ended 9/30/2024, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of 09/30/2024, City of Lake Worth Beach, FL had 4 active leases. The leases have payments that range from \$37,899 to \$74,125 and interest rates that range from 0.4080% to 2.0750%. As of 09/30/2024, the total combined value of the lease liability is \$3,355,627, the total combined value of the short-term lease liability is \$179,264. The combined value of the right to use asset, as of 09/30/2024 of \$6,197,240 with accumulated amortization of \$916,127 is included within the Lease Class activities table found below. The leases had \$0 of Variable Payments and \$0 of Other Payments, not included in the Lease Liability, within the Fiscal Year.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 8. Leases (Continued)

The future principal and interest lease payments as of September 30, 2024, were as follows:

Fiscal Year	Governmental Activities	
	Principal	Interest
2025	\$ 75,113	\$ 63,247
2026	76,677	61,683
2027	16,915	60,615
2028	11,624	60,376
2029	11,858	60,142
2030 - 2034	437,747	282,253
2035 - 2039	483,593	236,407
2040 - 2044	534,239	185,761
2045 - 2049	590,190	129,810
2050 - 2054	652,001	67,999
2055 - 2056	279,536	8,464
	<u>\$ 3,169,493</u>	<u>\$ 1,216,757</u>

Fiscal Year	Business-Type Activities	
	Principal	Interest
2025	\$ 104,151	\$ 557
2026	81,982	160
	<u>\$ 186,133</u>	<u>\$ 717</u>

### Note 9. Subscriptions

As of September 30, 2024, Lake Worth Beach, FL had 3 active subscriptions. The subscriptions have payments that range from \$43,500 to \$196,044 and interest rates that range from 2.5830% to 3.1550%. As of 09/30/2024, the total combined value of the subscription liability is \$298,379, and the total combined value of the short-term subscription liability is \$241,655. The combined value of the right to use asset, as of 09/30/2023 of \$749,841 with accumulated amortization of \$414,699 is included within the Subscription Class activities table found below. The subscriptions had \$0 of Variable Payments and \$0 of Other Payments, not included in the Subscription Liability, within the Fiscal Year.

The future principal and interest lease payments as of September 30, 2024, were as follows:

Fiscal Year	Business-Type Activities	
	Principal	Interest
2025	\$ 241,655	\$ 7,691
2026	42,319	1,181
2027	14,405	95
	<u>\$ 298,379</u>	<u>\$ 8,967</u>

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 10. Employee Retirement Systems

**General Information** – The City contributes to three single-employer retirement systems covering substantially all full-time employees. The General Employees' Retirement System, the Police Officers' Relief and Retirement System and the Firefighters' Pension Trust (collectively, the Pension Trust Funds) are defined benefit pension plans. Each plan issues a publicly available financial report that includes the applicable financial statements and required supplementary information for the plan. The reports can be obtained by contacting the City's finance department.

### Summary of Significant Accounting Policies

The Pension Trust Funds financial statements are prepared using the accrual basis of accounting. Contributions to the Pension Trust Funds are recognized as revenue at the time they are due. Benefit payments and refunds are recognized as expenses as they become payable and administrative expenses are recognized at the time the expense is incurred. Investments are reported at fair value. Interest and dividend income are recognized when earned. Gains and losses on sales and exchanges of securities are valued at the last reported sales price at current exchange rates.

### General Employees' Retirement System (GERS)

**Plan Description** – The GERS is a single-employer defined benefit plan covering all eligible employees. The Plan was established by the City effective October 1, 1996, under the Code of Ordinances for the City of Lake Worth Beach, Florida, Chapter 10, Article II. The Plan was amended October 1, 2010, under Ordinance No 2010-19.

The Plan is administered by a board of five trustees comprised of the mayor of the City, the City's finance director; one member appointed by the City Commission who must be a resident of the City and two persons elected by the members.

All regular full-time employees other than Police Officers or Firefighters participate in the Plan.

**Benefits Provided** – The Plan provides retirement, death and disability benefits. The benefit provisions are established and may be amended under the authority of City Ordinance.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 10. Employee Retirement Systems (Continued)

Normal retirement for participants retiring before October 1, 2015, is 20 vesting credits or vesting credits plus years of age totaling 75 or more, provided the participant has at least 10 vesting credits. Normal retirement age for participants retiring after October 1, 2015, is 55 years of age and 30 vesting credits or 65 years of age and 10 vesting credits. The Plan provides a normal retirement benefit equal to 3% of average final compensation for each year of credited service worked through September 30, 2011. The normal retirement benefit for credits earned on or after October 1, 2010, will be 2% of average final compensation. The monthly benefits are increased annually by \$ 2.50 for each full year from the members' date of retirement. Participants retiring on or after October 1, 2010, will not be eligible for the annual adjustment.

**Deferred Retirement Option Plan (the "DROP")** – Members who have attained normal retirement age, as described above, are eligible for the Deferred Retirement Option Plan (the DROP). Upon entering the DROP, the member's accrued benefit is frozen. An account is established for each participant in the DROP, which is credited with the member's normal retirement benefit plus or minus investment earnings or losses. Investment earnings or losses are credited or debited to the participant's account at either the same rate realized as the Plan or, if so, elected in advance, at a fixed rate of interest established by the Plan administrator. The value of the DROP balance at September 30, 2024 was \$2,391,772.

**Contributions** – All participants are required to contribute 7.8% of pretax earnings, which the City pays as a pickup contribution pursuant to Internal Revenue Code Section 414(h)(2). Pursuant to Florida law, the City is ultimately responsible for the actuarially soundness of the Plan. Therefore, each year, the City must contribute an amount determined by the Trustees in conjunction with the Plan's actuary to be sufficient, along with the employee's contribution, to fund the defined benefits under the Plan.

### Police Officers' Relief and Retirement System (PRS):

**Plan Description** – The PRS is a single-employer defined benefit plan covering all eligible police officers. The PRS was established by the City under the Code of Ordinances for the City of Lake Worth Beach, Florida, Chapter 16, Article IV Division I. The PRS was last amended July 1, 2014, under Ordinance No. 2014-21. The PRS is also governed by certain provisions of Chapter 185, Florida Statutes, Part VII, Chapter 112, Florida Statutes and the Internal Revenue Code. Effective July 1, 2014, and in accordance with Ordinance 2014-31, Lake Worth Police Officer's Relief and Pension Fund, Division 2 Share Accounts, merged into the PRS.

The PRS is administered by a board of five trustees comprised of the mayor of the City, the City's finance director, one member appointed by the City Commission, that must be a resident of the City, and two police officers elected by the members.

The City transferred its police functions to the Palm Beach County Sheriff's Office effective October 1, 2009. At that time, the Plan became closed to new members. All of the City's former full-time sworn police officers are eligible to participate in the PRS.

**Benefits Provided** – The Plan provides retirement, death and disability benefits. The benefit provisions are established and may be amended under the authority of City Ordinance.

Normal retirement age is the earlier of age 55 with 10 years of credited service, completion of 20 years of credited services, regardless of age or when age plus service measured in months equals or exceeds 75 years, provided the member has at least 10 years of credited service. The Plan provides a normal retirement benefit equal to 3% of average final compensation for each year of credited service worked. The monthly benefits are increased annually by \$2.50 for each full year from the member's date of retirement.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 10. Employee Retirement Systems (Continued)

**Deferred Retirement Option Plan (the “DROP”)** – Members who have attained normal retirement age, as described above, are eligible for the DROP. Upon entering the DROP, the member’s accrued benefit is frozen. An account is established for each participant in the DROP, which is credited with the member’s normal retirement benefit plus or minus investment earnings or losses. Investment earnings or losses are credited or debited to the participant’s account at either the same rate realized as the Plan or, if so, elected in advance, at a fixed rate of interest established by the Plan administrator. The value of the DROP balance at September 30, 2024, was \$310,603.

**Contributions** – Police employees are required by an ordinance of the City to contribute 7.06% of pretax earnings, which the City pays as a pickup contribution pursuant to Internal Revenue Code Section 414(h)(2). The City is required to contribute the remaining amounts necessary to fund the system, based on an amount determined by the plan’s actuaries as of October 1st of each preceding year. The contribution requirements of plan members and the City are established and may be amended by the PRS Board of Trustees and the City Commission.

During the fiscal year ended September 30, 2024, the City received payments from the State for the PRS in the amount of \$597,553. These contributions which consist of excise taxes collected by the State on property and casualty insurance premiums on policies written within the City are required under Chapter 185 Florida Statutes. These revenues and expenditures were appropriately recorded in the General Fund.

#### **Firefighters’ Pension Trust (FPT):**

**Plan Description** – The FPT is a single-employer defined benefit plan covering all eligible firefighters. The FPT was established by the City in accordance with a City ordinance and state statutes.

The City transferred its fire operations to Palm Beach County effective October 1, 2009. At that time, the Plan became closed to new members. All of the City’s former certified firefighters are eligible to participate in the FPT.

**Benefits Provided** – The Plan provides retirement, death and disability benefits. The benefit provisions are established and may be amended under the authority of City Ordinance.

Normal retirement age is the earlier of age 55 with 10 years of credited service or completion of 20 years of credited service, regardless of age or when age plus service measured in months equals or exceeds 900. The Plan provides a normal retirement benefit equal to 3.75% of average final compensation for each year of credited service worked, including prior fire service and military service purchased by the member.

**Deferred Retirement Option Plan (the “DROP”)** – Members who continue in employment past normal retirement date may either accrue larger pensions or freeze their accrued benefit and enter the DROP. Eligibility is either 20 years of service or age 55 with 10 years of service. Each participant in the DROP has an account credited with benefits not received and investment earnings. The value of the DROP balance at September 30, 2024 was \$18,770,299.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 10. Employee Retirement Systems (Continued)

**Contributions** – Firefighters are required by Lake Worth City Ordinance to contribute 11.25% of pretax earnings, which the City pays as a pickup contribution pursuant to Internal Revenue Code Section 414(h)(2). The City is required to contribute the remaining amounts necessary to fund the plan, based on an amount determined by the Plan’s actuaries as of October 1st of each preceding year. The contribution requirements of Plan members and the City are established and may be amended by the FPT Board of Trustees and the City Commission.

During the fiscal year ended September 30, 2024, the City received payments from the State for the FPT in the amount of \$14,513. These contributions, which consist of excise taxes collected by the State on property and casualty insurance premiums on policies written within the City are required under Chapter 175 Florida Statutes. These revenues and expenditures were appropriately recorded in the General Fund.

At October 1, 2022, the following plan members were covered by the Plans:

	General Employees’ Retirement System	Police Officers’ Relief and Retirement System	Firefighters’ Pension Trust
Active employees	275	7	1
Inactive plan members or beneficiaries currently receiving benefits	301	90	70
Inactive plan members entitled but not yet receiving benefits	119	-	1
	<u>695</u>	<u>97</u>	<u>72</u>

### Net Pension Liability of the City

The City’s net pension liability was determined based on a measurement date of September 30, 2023. The components of the net pension liability of the City at September 30, 2024, were as follows:

	General Employees’ Retirement System	Police Officers’ Relief and Retirement System	Firefighters’ Pension Trust	Total
Total pension liability	\$ 109,658,080	\$ 53,896,794	\$ 65,872,684	\$ 229,427,558
Plan fiduciary net position	71,462,216	39,364,857	52,509,010	163,336,083
Net pension liability	<u>\$ 38,195,864</u>	<u>\$ 14,531,937</u>	<u>\$ 13,363,674</u>	<u>\$ 66,091,475</u>
Plan fiduciary net position as a percentage of the total pension liability	65.17%	73.04%	79.71%	71.19%

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 10. Employee Retirement Systems (Continued)

**Actuarial Assumptions** – The total pension liability based on the measurement date of September 30, 2023, was determined by using actuarial valuations as of October 1, 2022, with update procedures used to roll forward the total pension liability. The actuarial valuations used the following actuarial assumptions:

	General Employees' Retirement System	Police Officers' Relief and Retirement System	Firefighters' Pension Trust
Inflation	2.50%	2.50%	2.50%
Salary increases	5.00% - 7.50%	6.50%	6.50%
Investment rate of return	7.00%	6.55%	6.70%

\* Depending on years of service, including inflation

For the GERS, PRS and FPT plans, mortality rates were based on the Pub-2010 Headcount-Weighted Mortality Table with mortality improvement projected to all future years after 2010 using Scale MP-2018.

**Investment Policy** –The GERS, PRS and FPT plans' policy in regard to the allocation of invested assets is established and may be amended by their respective Boards. Plan assets are managed on a total return basis with long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan. The following are the Plans adopted asset allocations:

	Target Allocations		
	General Employees' Retirement System	Police Officers' Relief and Retirement System	Firefighters' Pension Trust
Domestic equities	35 - 55%	35 - 55%	35 - 55%
International equities	5 - 20%	5 - 20%	5 - 20%
Fixed income	15 - 50%	15 - 50%	25 - 40%
Real assets	-	-	0 -10%
Real estate	0 - 20%	0 - 20%	0 - 15%
Global Tactical Assets	0 - 15%	0 - 15%	-
Alternatives	0 - 10%	0 - 10%	-
Cash and cash equivalents	0 - 5%	0 - 5%	Minimal

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

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 10. Employee Retirement Systems (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table:

	Long-Term Expected Real Rate of Return		
	General Employees' Retirement System	Police Officers' Relief and Retirement System	Firefighters' Pension Trust
Domestic equities	7.50%	7.50%	7.50%
International equities	8.50%	8.50%	8.50%
Fixed income	2.50 - 3.50%	2.50 - 3.50%	2.50 - 3.50%
Real estate	4.50%	4.50%	4.50%

**Rate of Return** – For the year ended September 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 18.02% for GERS, 19.14% for PRS, and 21.35% for FPT. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Discount Rate** – This discount rate used to measure the total pension liability was 7.00% for GERS, 6.50% for PRS and 6.70% for FPT. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates (statutorily required) and the member rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 10. Employee Retirement Systems (Continued)

The changes in the net pension liability for each plan follows:

	General Employee's Retirement System		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of September 30, 2022 Measurement date	\$ 109,787,870	\$ 68,728,004	\$ 41,059,866
Changes for the year:			
Service cost	1,566,134	-	1,566,134
Interest	7,495,271	-	7,495,271
Difference between expected and actual experience	(633,794)	-	(633,794)
Changes in assumptions	-	-	-
Contributions – employer	-	4,112,865	(4,112,865)
Contributions – employee	-	1,222,731	(1,222,731)
Net investment income	-	6,106,049	(6,106,049)
Benefit payments	(8,557,401)	(8,557,401)	-
Administrative expenses	-	(150,032)	150,032
Net changes	(129,790)	2,734,212	(2,864,002)
Balances as of September 30, 2023 Measurement date	\$ 109,658,080	\$ 71,462,216	\$ 38,195,864

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 10. Employee Retirement Systems (Continued)

The changes in the net pension liability for each plan follows:

	Police Officers' Relief and Retirement System		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of September 30, 2022 Measurement date	\$ 54,458,730	\$ 35,632,405	\$ 18,826,325
Changes for the year:			
Service cost	216,966	-	216,966
Interest	3,544,799	-	3,544,799
Difference between expected and actual experience	(1,787,942)	-	(1,787,942)
Changes in assumptions	632,947	-	632,947
Other (addition to share plan accounts)	367,817	-	367,817
Contributions – employer and state	-	4,319,385	(4,319,385)
Contributions – employee	-	63,550	(63,550)
Net investment income	-	2,992,273	(2,992,273)
Benefit payments	(3,536,523)	(3,536,523)	-
Administrative expenses	-	(106,233)	106,233
Net changes	(561,936)	3,732,452	(4,294,388)
Balances as of September 30, 2023 Measurement date	\$ 53,896,794	\$ 39,364,857	\$ 14,531,937

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 10. Employee Retirement Systems (Continued)

	Firefighters' Pension Trust		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of September 30, 2022			
Measurement date	\$ 67,361,974	\$ 49,321,196	\$ 18,040,778
Changes for the year:			
Service cost	47,496	-	47,496
Interest	4,350,292	-	4,350,292
Difference between expected and actual experience	(927,612)	-	(927,612)
Changes in assumptions	-	-	-
Other (addition to share plan accounts)	11,343	11,343	-
Contributions – employer and state	-	3,632,101	(3,632,101)
Contributions – employee	-	14,591	(14,591)
Net investment income	-	4,601,886	(4,601,886)
Benefit payments	(4,970,809)	(4,970,809)	-
Administrative expenses	-	(101,298)	101,298
Net changes	(1,489,290)	3,187,814	(4,677,104)
Balances as of September 30, 2023			
Measurement date	\$ 65,872,684	\$ 52,509,010	\$ 13,363,674

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 10. Employee Retirement Systems (Continued)

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** – The following presents the net pension liability of the City, calculated using the discount rate of 7.00% for GERS and 6.55% for PRS and 6.70% for FPTF, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate for each plan:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
General Employee's Retirement System	\$ 49,015,098	\$ 38,195,864	\$ 29,047,180
Police Officers' Relief and Retirement System	\$ 19,197,332	\$ 14,531,937	\$ 10,595,778
Firefighters' Pension Trust	\$ 17,479,467	\$ 13,363,674	\$ 9,879,740

### Pension Expense (Benefit) and Deferred Outflows and Inflows of Resources Related to Pensions

For the year ended September 30, 2024, the City recognized pension expense (benefit) as follows:

	General Employees' Retirement System	Police Officers' Relief and Retirement System	Firefighters' Pension Trust	Total
Pension expense	\$ 4,065,177	\$ 1,527,222	\$ 1,327,283	\$ 6,919,682

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 10. Employee Retirement Systems (Continued)

At year end the City reported deferred outflows of resources and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>General Employees' Retirement System</b>		
Differences between expected and actual experience	\$ -	\$ 407,439
Assumption changes	328,962	-
Net difference between projected and actual earnings on pension plan investments	5,589,289	-
Total deferred amounts to be recognized in pension expense in future periods	5,918,251	407,439
Pension contributions made subsequent to the measurement date	4,112,865	-
Total deferred amounts	<u>\$ 10,031,116</u>	<u>\$ 407,439</u>
<b>Police Officers' Relief and Retirement System</b>		
Net difference between projected and actual earnings on pension plan investments	\$ 3,020,017	\$ -
Total deferred amounts to be recognized in pension expense in future periods	3,020,017	-
Pension contributions made subsequent to the measurement date	3,663,288	-
Total deferred amounts	<u>\$ 6,683,305</u>	<u>\$ -</u>
<b>Firefighters' Pension Trust</b>		
Net difference between projected and actual earnings on pension plan investments	\$ 3,856,082	\$ -
Total deferred amounts to be recognized in pension expense in future periods	3,856,082	-
Pension contributions made subsequent to the measurement date	3,622,320	-
Total deferred amounts	<u>\$ 7,478,402</u>	<u>\$ -</u>

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 10. Employee Retirement Systems (Continued)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year-end will be recognized as a reduction of the net pension liability in the subsequent 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:

Fiscal Years Ending September 30,	General Employees' Retirement System	Police Officers' Relief and Retirement System	Firefighters' Pension Trust	Total
2025	\$ 1,294,169	\$ 699,497	\$ 662,670	\$ 2,656,336
2026	1,387,387	862,026	1,111,246	3,360,659
2027	3,111,875	1,585,316	2,351,115	7,048,306
2028	(282,619)	(126,822)	(268,949)	(678,390)
Total	<u>\$ 5,510,812</u>	<u>\$ 3,020,017</u>	<u>\$ 3,856,082</u>	<u>\$ 12,386,911</u>

### Note 11. Deferred Compensation Plans

The City offers its employees two deferred compensation plans in accordance with Internal Revenue Code Sections 401a and 457. The funds are administered by ICMA Retirement Corporation. All assets of the Plans are held in trust, custodial accounts or annuity contracts, for the exclusive benefit of the participants and their beneficiaries. Consequently, those Plan assets and liabilities are not recorded by the City. During fiscal year 2024, the City contributed approximately \$243,000 into the 401a plan on behalf of employees. The City does not contribute to the 457 plan, as it is 100% employee contribution.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 12. Other Postemployment Benefits (OPEB)

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* specifies that governments must recognize their total OPEB liability and related deferred outflows of resources, deferred inflows of resources, and OPEB expense in the financial statements based on the actuarial present value of projected benefit payments.

Plan Description and Funding Policy. Employees who retire from the City and their dependents are eligible to continue to participate (single employer plan) in the City's health insurance plan currently offered through the City at the "blended" employee group rate, which is determined annually by the City. The benefits of the Plan conform to Florida Statutes, which are the legal authority for the Plan.

The following table provides a summary of the number of participants in the plan as of the measurement date:

Active employees	355
Inactive plan members entitled but not yet receiving benefits	451
	<u>806</u>

Currently, the City's OPEB benefits are unfunded. This plan is not accounted for in a trust fund. To date, the City has followed a pay as you go funding policy, therefore, only those amounts necessary to provide for the City's reporting of current year benefit costs and expenses have been contributed from the General Fund. Contribution rates are determined by the City. The Plan does not issue a stand-alone financial report and it is not included in the report of a public employee retirement system or a report of another entity.

**Actuarial Methods and Assumptions:** The actuarial valuation of the calculation of OPEB involves estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the City and plan members) and include the types of benefits in force at the valuation date and the historical pattern of sharing benefit costs between the City and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 12. Other Postemployment Benefits (OPEB) (Continued)

The total OPEB liability at September 30, 2024, was based on an actuarial valuation dated September 30, 2022, with a measurement date of September 30, 2023, using the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.50%
Discount rate	4.63%
Salary increases	For general employees, 7.5% – 5.0% depending on service, including inflation
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	Mortality tables used in the July 1, 2022 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2013 through 2018
Healthcare cost trend rates	Based on the Getzen Model, with a trend rate starting at 0.00% for the year beginning October 1, 2023, increasing to 6.25% for the year beginning October 1, 2024 and then gradually decreasing to an ultimate trend rate of 4.00%.
Aging factors	Based on the 2013 study “Health Care Costs – From Birth to Death.”

Changes in assumptions and other inputs include the change in the discount rate from 2.19% as of the beginning of the measurement period to 4.40% as of September 30, 2022. This change is reflected in the Schedule of Changes in Total OPEB Liability. The per capita cost and premiums and the healthcare cost trend assumption were updated based on information provided to the actuary. These changes are reflected in the Schedule of Changes in Total OPEB Liability. The Normal Retirement eligibility criteria was revised to add attainment of the Rule of 80 for active IBEW employees hired prior to October 1, 2010. This change has been reflected in the Schedule of Changes in Total OPEB Liability.

**Discount Rate:** The discount rate used to measure the total OPEB liability was 4.40%. Because the City’s OPEB costs are funded on a pay-as-you-go basis, a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date was used to determine the total OPEB liability.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 12. Other Postemployment Benefits (OPEB) (Continued)

The City's total OPEB liability at year-end follows:

Measurement year ended September 30, 2023

Total OPEB liability:	
Service cost	\$ 23,330
Interest on total OPEB liability	53,169
Change in assumptions and other inputs	(25,541)
Benefit payments	(133,447)
Net change in total OPEB liability	(82,489)
Total OPEB liability, beginning	1,251,782
Total OPEB liability, ending	<u>\$ 1,169,293</u>

**Sensitivity of the total OPEB liability changes in the discount rate:** The following table presents the total OPEB liability, calculated using the discount rate of 4.40%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease 3.40%	Current Discount Rate 4.40%	1% Increase 5.40%
Total OPEB liability	\$ 1,288,548	\$ 1,169,293	\$ 1,068,431

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates:** The following table presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage-point lower or one percentage-point higher than the current trend rate:

	1% Trend Decrease	Trend Rate Assumption	1% Trend Increase
Total OPEB liability	\$ 1,116,111	\$ 1,169,293	\$ 1,230,410

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 12. Other Postemployment Benefits (OPEB) (Continued)

**OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB:** For the year ended September 30, 2024, the City recognized OPEB expense of (\$128,294) and deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 73,600
Changes in Assumption and other inputs	2,592	233,721
	<u>2,592</u>	<u>307,321</u>
Contributions made subsequent to the measurement date	111,064	-
Total deferred amounts	<u>\$ 113,656</u>	<u>\$ 307,321</u>

The balance of \$111,064 reported as deferred outflows of resources related to OPEB resulting from City contributions paid subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ending September 30, 2024.

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

Fiscal Years Ending September 30,	OPEB Plan
2025	\$ (211,949)
2026	(90,459)
2027	(2,321)
Total	<u>\$ (304,729)</u>

### Note 13. Commitments and Contingencies

**Florida Municipal Power Agency (FMPA) Agreements** – The City’s electric utility operates pursuant to various power sales contracts with a number of other power producers and a Power Supply Acquisition Agreement and Project Support contract with the FMPA. FMPA owns an 8.806% undivided interest in Florida Power & Light Company’s St. Lucie Unit No. 2 (St. Lucie Unit No. 2), a nuclear powered electric generating facility and a 25% interest in Orlando Utilities Commission’s Stanton Energy Center Coal Fired Unit No. 1 (Stanton Unit No. 1). The contracts with FMPA give the City and each of the other participants in the St. Lucie Project and the Stanton Project entitlement shares aggregating 100% of FMPA’s ownership interest in St. Lucie Unit No. 2 and Stanton Unit No. 1. FMPA also has a Reliability Exchange Agreement with Florida Power & Light Company that enables the City to exchange 50% of its share of the output from St. Lucie Unit No. 2 for a like amount from St. Lucie Unit No. 1. Under the FMPA agreements, the City is to receive approximately 22.405 megawatts (mw) of power from St. Lucie and 11.2 mw of power from Stanton. Costs associated with power purchases under these agreements are charged against operations as incurred. Revenue from participating sales contracts are recognized as earned. The City has also made commitments to purchases of electricity from the to-be-built FMPA Municipal Solar Projects which began delivering energy to the City in 2023. Pursuant to the City’s agreement with the FMPA, the City was required to make a specified contribution to the FMPA. The City satisfied part of this requirement during fiscal year 2003 by transferring certain fuel inventory. The City has recorded a long-term, restricted deposit of \$1,316,174 as it would be refundable to the City in the event that the FMPA were to dissolve.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### Note 13. Commitments and Contingencies (Continued)

**Orlando Utility Commission (OUC) Agreement** – As of December 31, 2013, the City reduced its participation in the FMPA All Requirements Project to zero Capacity Reduction on Demand (CROD). Since January 1, 2014, the City's electric utility has received supplemental power under competitively sourced agreements with Orlando Utilities Commission (OUC). The agreements call for OUC to provide capacity and energy to the City's electric utility system as needed to supplement the City's existing generation entitlement contracts. Costs associated with power purchases under the agreements are charged against operations as incurred. Revenue from participating sales contracts are recognized as earned.

The current agreement with OUC is for a four-year term beginning January 1, 2014, with the option to extend for up to three additional years, which City and OUC have exercised. City's Agreement with OUC expires December 31, 2025, after which a new contract sourced via competitive solicitation will be in effect.

During the duration of the contract the City shall maintain a rating on senior unsecured debt securities of City, if any such securities are rated, by Standard and Poor's Corporation, Moody's Investors Service, Inc., Fitch IBCA or another nationally recognized rating service reasonably acceptable to OUC of BBB+ or its equivalent, or a rating equivalent to OUC senior unsecured debt securities, whichever is lower. In the event that City issues any senior unsecured debt securities and the rating on such securities falls below such specified minimum rating and City fails to restore its credit rating to such specified minimum rating standing within 12 months after its rating has fallen below the rating described above, City shall within thirty (30) days of a written request by OUC therefor provide a Letter of Credit, cash, bond, or other mutually agreed security sufficient to assure City's due performance of its purchase and payment obligations under the Agreement.

**Litigation, Claims and Assessments** – The City is a defendant in various legal actions and the ultimate outcome of these lawsuits is uncertain. Included in the legal actions is a breach of contract claim from a former employee related to a prior settlement agreement that the City lost and is currently appealing with a potential exposure of between \$0 and \$10 million. However, in the opinion of the City's management, the ultimate outcome will not have a material adverse effect on the City's financial condition

Amounts received and receivables from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to not be material, except for amounts related to FEMA as discussed below.

**FEMA Grants** – The City worked with FEMA to finalize all of the claims filed by the City related to Hurricanes Jeanne, Frances and Wilma in 2004 and 2005. Amounts received or receivable from FEMA are subject to audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability to the City. The City received initial determination letters for all large projects (those with a cost of more than \$57,500) in late December of 2011. The net questioned costs for the three storms were approximately \$2.8 million. The City has availed itself of the appeal opportunities afforded under 44 CFR, Sec 206.206 Federal Regulations, which allows for two appeals.

The U.S. Department of Homeland Security, Office of Inspector General (DHSOIG) conducted an audit of FEMA Disaster Declarations Nos. 1545 (Hurricane Frances), 1561 (Hurricane Jeanne) and 1609 (Hurricane Wilma) between January and May 2012. The purpose of this was to review the findings of the FEMA/State of Florida closeout audits. DHSOIG issued reports to the FEMA Regional Director in November 2012 and December 2012. In July of 2013, the City was notified by the State that there were additional net questioned costs for the three storms which were approximately \$1.1 million. The City has availed itself of the appeal opportunities afforded under 44 CFR, Sec. 206.206 Federal Regulations which allows for two appeals.

# City of Lake Worth Beach, Florida

---

## Notes to the Basic Financial Statements

---

### **Note 13. Commitments and Contingencies (Continued)**

At fiscal year-end September 30, 2021, the City recorded an estimated liability of \$3.6 million for amounts that may be due to FEMA (required to be repaid), in the event that the City's aforementioned appeals are unsuccessful. In December 2021, FEMA issued a first-level appeal decision reversing its denial as to \$16,105. After the City filed a second-level appeal, FEMA issued a decision in September 2022, reinstating \$901,138. FEMA denied the remaining costs in dispute, approximately \$3.3 million.

By letter dated February 14, 2024, FEMA advised that it had completed a financial reconciliation of the City's accounts for Hurricanes Frances and Wilma and, after adjusting for offsets associated with the City's Public Assistance Grant award for Hurricane Irma, the amount due by the City is \$1,136,197. In May 2025, FEMA approved the City's request for the 24-month repayment plan option.

### **Note 14. Self-Insurance Program**

The City is subject to Florida State Statutes regarding civil actions to recover damages for covered claims under Florida Sovereign Immunity Laws, which effectively limits the amount of liability of municipalities to individual claims of \$200,000 or \$300,000, for all claims relating to the same incident.

Liabilities are recorded when a claim or loss has been reported. The City analyzes its losses and finances, both uninsured and insured risks. All insurance premiums and claims are charged to the appropriate Fund. The City is a member of a self-insured risk retention group for property coverage on all properties, other than Utilities. The approximately \$46 million of coverage is purchased with a shared limit of \$340,000,000. There is a \$5,000 all other peril deductible and a 5% windstorm deductible with a minimum of \$20,000. Utility property is insured with ACE American Insurance Company with a dedicated limit of approximately \$128 million. This is subject to a \$300,000 all other peril deductible and a 5% named windstorm deductible with a minimum of \$250,000. Due to risk limitations, the City's beach, pier, and lifeguard stands are considered uninsurable by the City's risk pool. Therefore, the cost of repair or replacement to these assets must be absorbed directly by the City unless reimbursement is provided by federal emergency funding.

The City is self-insured for workers' compensation and has a self-insured retention level of \$500,000 per claim, with statutory excess, and \$1,000,000 excess for employer's liability through PGIT. In the past 3 years all workers' compensation claims were within the limit of the policy. There were no significant reductions in coverage during the fiscal year compared to prior year. The City purchased a \$1,000,000 excess third-party liability limit over a \$100,000 self-insured retention per occurrence for general and professional liability and automobile liability. Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards.

Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. All funds of the City participate in the program and make payments to the Insurance Fund based on estimates of the amounts needed to pay prior and current year claims, establish reserves for future claims and provide for administrative costs of the program. Interfund premiums are based upon the insured funds' number of employees and value of facilities. A liability for workers' compensation, general liability and property claims of approximately \$3,800,000 is reported in the fund at year end.

# City of Lake Worth Beach, Florida

## Notes to the Basic Financial Statements

### Note 14. Self-Insurance Program (Continued)

Changes in the balances of claims payable for 2024 and 2023, are as follows:

	Fiscal Year Ended	
	2024	2023
Claims payable, beginning of year	\$ 3,757,388	\$ 3,305,437
Provision for claims	124,612	2,093,944
Claims paid	(471,540)	(1,641,993)
Claims payable, end of year	\$ 3,410,460	\$ 3,757,388

### Note 15. Change to or within the Financial Reporting Entity

During fiscal year 2024, changes within the financial reporting entity resulted in adjustments to and restatements of the beginning fund balances, as follows:

	Reporting Unit Affected by Adjustments and Restatement of Beginning Balances		
	October 1, 2023, as previously reported	Change from nonmajor to major fund	October 1, 2023, as restated
<b>Governmental Funds</b>			
Major Fund			
Beach Fund	\$ -	\$ 4,864,191	\$ 4,864,191
Discretionary Sales Tax Fund	-	14,484,490	\$ 14,484,490
Non Major Governmental Funds	42,777,693	(19,348,681)	\$ 23,429,012
<b>Total Governmental Funds</b>	\$ 42,777,693	\$ -	\$ 42,777,693

### Note 16. Subsequent Events

In November 2024, the City entered into a mixed use development agreement with Lake Worth Beach Community Redevelopment Agency (CRA) and Sunshine Lake Worth Development LLC (the "Developer") with the commitment of entering into a construction agreement for a parking garage in downtown lake worth beach which shall require the contributions of \$1 million from the Developer, \$2.5 million from the City, and \$1.5million from the CRA along with the CRA issuing a \$3.5 million capital improvement revenue note. The construction agreement along with the revenue note will be executed in fiscal year 2026.

In June 2025, the City issued \$50,535,000 of Consolidated utility revenue bonds, Series 2025 for the purpose of: (i) financing the acquisition, construction and equipping of certain improvements and additions to the City's consolidated electric, water and sewer utility system, (ii) funding a deposit to the Reserve Account and (iii) paying the costs of issuance of the 2025 Bonds.

***City of Lake Worth Beach, Florida***

---



*REQUIRED SUPPLEMENTARY INFORMATION  
UNAUDITED*

# City of Lake Worth Beach, Florida

**Required Supplementary Information (unaudited)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**General Fund**  
**For the Fiscal Year Ended September 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
<b>Taxes:</b>				
Property taxes	\$ 16,396,194	\$ 16,396,194	\$ 16,628,031	\$ 231,837
Utility service taxes	4,362,000	4,362,000	4,643,133	281,133
Gas tax	950,000	950,000	948,511	(1,489)
Franchise fees	160,000	160,000	239,668	79,668
<b>Total taxes</b>	<b>21,868,194</b>	<b>21,868,194</b>	<b>22,459,343</b>	<b>591,149</b>
<b>Licenses and permits:</b>				
Business	1,065,000	1,065,000	1,019,488	(45,512)
Non-business	130,000	130,000	130,640	640
<b>Total licenses and permits</b>	<b>1,195,000</b>	<b>1,195,000</b>	<b>1,150,128</b>	<b>(44,872)</b>
<b>Fines and forfeitures:</b>				
Public safety	30,000	30,000	78,396	48,396
Library fines	50	50	250	200
Violations of local ordinances	897,000	897,000	1,268,200	371,200
<b>Total fines and forfeitures</b>	<b>927,050</b>	<b>927,050</b>	<b>1,346,846</b>	<b>419,796</b>
<b>Charges for services:</b>				
General government	15,359,148	15,359,148	15,083,033	(276,115)
Public safety	1,148,941	1,148,941	1,281,199	132,258
Physical environment	45,940	45,940	64,572	18,632
Transportation	75,000	75,000	89,229	14,229
Culture and recreation	173,250	173,250	111,131	(62,119)
<b>Total charges for services</b>	<b>16,802,279</b>	<b>16,802,279</b>	<b>16,629,164</b>	<b>(173,115)</b>
<b>Intergovernmental:</b>				
State and other shared revenues	5,259,603	5,259,603	7,013,022	1,753,419
<b>Total intergovernmental</b>	<b>5,259,603</b>	<b>5,259,603</b>	<b>7,013,022</b>	<b>1,753,419</b>
<b>Other revenues:</b>				
Investment income	44,500	44,500	628,662	584,162
Rents and royalties	20,550	20,550	20,798	248
Miscellaneous	67,000	67,000	499,756	432,756
<b>Total other revenues</b>	<b>132,050</b>	<b>132,050</b>	<b>1,149,216</b>	<b>1,017,166</b>
<b>Total revenues</b>	<b>46,184,176</b>	<b>46,184,176</b>	<b>49,747,719</b>	<b>3,563,543</b>
<b>Expenditures:</b>				
<b>General Government:</b>				
City commission	500,771	490,884	472,902	17,982
City manager	1,019,726	1,138,962	889,079	249,883
City clerk	596,800	576,636	568,062	8,574
Finance	2,521,591	2,567,181	2,449,556	117,625
Internal auditing	193,906	191,301	190,509	792
Personnel	441,764	357,187	438,321	(81,134)
City attorney	632,650	722,638	617,736	104,902
Community development	165,689	189,336	155,910	33,426
Business license	113,658	113,763	106,029	7,734
Building maintenance	5,024,291	5,024,291	4,922,167	102,124
Cost of services	217,780	331,078	165,107	165,971
<b>Total general government</b>	<b>11,428,626</b>	<b>11,703,257</b>	<b>10,975,378</b>	<b>727,879</b>

(Continued)

# City of Lake Worth Beach, Florida

**Required Supplementary Information (unaudited)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**General Fund (Continued)**  
**For the Fiscal Year Ended September 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Public safety:				
Police	18,281,664	18,045,624	18,323,939	(278,315)
Fire	3,689,637	3,684,536	3,688,505	(3,969)
Building and zoning	1,212,225	1,063,197	939,119	124,078
Code and administration	1,659,360	1,571,879	1,317,503	254,376
<b>Total public safety</b>	<b>24,842,886</b>	<b>24,365,236</b>	<b>24,269,066</b>	<b>96,170</b>
Physical environment:				
Cemetery	208,510	221,113	230,346	(9,233)
Grounds maintenance	2,112,116	2,181,803	2,020,036	161,767
<b>Total physical environment</b>	<b>2,320,626</b>	<b>2,402,916</b>	<b>2,250,382</b>	<b>152,534</b>
Transportation:				
Administration	425,491	388,363	443,956	(55,593)
Streets, drains and sidewalks	1,781,351	1,485,659	1,534,280	(48,621)
<b>Total transportation</b>	<b>2,206,842</b>	<b>1,874,022</b>	<b>1,978,236</b>	<b>(104,214)</b>
Culture and recreation:				
Library	752,002	698,901	670,590	28,311
Recreation	2,964,374	2,575,518	2,669,305	(93,787)
<b>Total culture and recreation</b>	<b>3,716,376</b>	<b>3,274,419</b>	<b>3,339,895</b>	<b>(65,476)</b>
Capital Outlay:				
Intangible asset from leases (GASB87)	-	-	27,012	(27,012)
<b>Total capital outlay</b>	<b>-</b>	<b>-</b>	<b>27,012</b>	<b>(27,012)</b>
Debt service:				
Principal	627,457	627,457	638,191	(10,734)
Interest	229,893	229,893	291,159	(61,266)
<b>Total debt service</b>	<b>857,350</b>	<b>857,350</b>	<b>929,350</b>	<b>(72,000)</b>
<b>Total expenditures</b>	<b>45,372,706</b>	<b>44,477,200</b>	<b>43,769,319</b>	<b>707,881</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>811,470</b>	<b>1,706,976</b>	<b>5,978,400</b>	<b>4,271,424</b>
Other financing sources (uses):				
Transfers in	-	269,624	40,500	229,124
Transfers out	-	-	(276,890)	276,890
Appropriated fund balance	(811,470)	(1,976,600)	-	(1,976,600)
<b>Total other financing sources (uses)</b>	<b>(811,470)</b>	<b>(1,706,976)</b>	<b>(236,390)</b>	<b>1,470,586</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>5,742,010</b>	<b>\$ 5,742,010</b>
Fund balance – beginning of year			17,043,713	
Fund balance – end of year			<u>\$ 22,785,723</u>	

# City of Lake Worth Beach, Florida

**Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Beach Fund  
For the Fiscal Year Ended September 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 4,158,039	\$ 4,158,039	\$ 3,581,044	\$ (576,995)
Fines and forfeitures	624,412	700,000	1,056,369	356,369
Investment income	50,000	50,000	351,313	301,313
Miscellaneous	-	-	38,070	38,070
<b>Total revenues</b>	<b>4,832,451</b>	<b>4,908,039</b>	<b>5,026,796</b>	<b>118,757</b>
<b>Expenditures:</b>				
Current:				
General Government	85,000	85,000	-	85,000
Transportation	950,381	1,016,746	1,149,424	(132,678)
Culture and recreation	3,113,817	3,123,056	2,817,695	305,361
Debt service:				
Principal	504,307	504,307	504,307	-
Interest	168,667	168,667	168,667	-
<b>Total expenditures</b>	<b>4,822,172</b>	<b>4,897,776</b>	<b>4,640,093</b>	<b>257,683</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>10,279</b>	<b>10,263</b>	<b>386,703</b>	<b>376,440</b>
<b>Other financing sources:</b>				
Transfers out	-	-	-	-
Appropriated fund balance	(10,279)	(10,263)	-	10,263
<b>Total other financing sources</b>	<b>(10,279)</b>	<b>(10,263)</b>	<b>-</b>	<b>10,263</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>386,703</b>	<b>\$ 386,703</b>
Fund balance, beginning of year			4,864,191	
Fund balance, end of year			<u>\$ 5,250,894</u>	

# City of Lake Worth Beach, Florida

**Required Supplementary Information (unaudited)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**American Rescue Plan Act Fund**  
**For the Fiscal Year Ended September 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final Budget		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 50,000	\$ 1,247,919	\$ 1,197,919
Investment income	-	-	668,115	668,115
<b>Total revenues</b>	<b>-</b>	<b>50,000</b>	<b>1,916,034</b>	<b>1,866,034</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	-	126,650	4,100	122,550
<b>Total expenditures</b>	<b>-</b>	<b>126,650</b>	<b>4,100</b>	<b>122,550</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>-</b>	<b>(76,650)</b>	<b>1,911,934</b>	<b>1,988,584</b>
<b>Other financing sources (uses):</b>				
Transfers out	(1,244,268)	(1,244,268)	(1,243,818)	450
Appropriated fund balance	1,244,268	1,320,918	-	(1,320,918)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>76,650</b>	<b>(1,243,818)</b>	<b>(1,320,468)</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>668,116</b>	<b>\$ 668,116</b>
Fund balance (deficit), beginning of year			<u>381,758</u>	
Fund balance, end of year			<u>\$ 1,049,874</u>	

# City of Lake Worth Beach, Florida

---

## Notes to Required Supplementary Information For the Fiscal Year Ended September 30, 2024

---

### Note 1. Budgets and Legal Compliance

The City follows these procedures in establishing budgetary data:

- a. The City Manager submits to the City Commission a proposed operating budget for the General Fund for the ensuing fiscal year. The operating budget includes proposed expenditures and the sources of receipts to finance them.
- b. Public hearings are conducted at City Hall to obtain taxpayer comments. Prior to September 30, the budget is legally enacted through passage of a resolution.
- c. The budget is approved by the City Commission and becomes the basis for the millage levied by the City Commission.
- d. The City Manager is authorized to transfer budgeted amounts within any department; however, any revisions that alter the total expenditures of any department or fund must be approved by the City Commission. The City Commission may amend the current year's budget appropriation by passage of a budget amendment resolution. Expenditures may not exceed legal appropriations at the department level. Encumbrances lapse at year-end. Encumbrances are re-appropriated in the following year's budget.
- e. Formal budgetary integration is employed as a management control device during the year.
- f. In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented in the financial statements and schedules represent final authorized amounts. Therefore, the department level is the legal level of budgetary control. Budgeted amounts are as originally adopted or as amended.
- g. The City is not legally required to, and does not, adopt budgets for the Public Education Fund, Parking Improvement Fund, Tree Beautification Fund, Library Trust Fund, Law Enforcement and Firefighters Education Fund and Law Enforcement Confiscated Property Fund.

# City of Lake Worth Beach, Florida

City of Lake Worth Beach, Florida

**Required Supplementary Information (unaudited)**  
**General Employees' Retirement System**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Last Ten Fiscal Years**

Fiscal Year:	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Measurement Date:	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total pension liability:</b>										
Service cost	\$ 1,566,134	\$ 1,468,610	\$ 1,646,777	\$ 1,490,960	\$ 1,344,924	\$ 1,276,370	\$ 1,264,754	\$ 1,026,628	\$ 1,289,330	\$ 1,269,805
Interest	7,495,271	7,367,563	7,670,545	7,681,848	7,757,646	7,622,289	7,623,881	7,765,990	7,865,429	7,897,624
Benefit changes	-	1,972,829	-	-	512,928	2,327,011	-	-	-	-
Differences between expected and actual experience	(633,794)	-	(2,154,003)	398,714	(807,331)	217,106	186,801	(2,300,009)	(967,020)	(289,809)
Changes of assumptions	-	986,888	(979,354)	1,016,341	993,106	957,440	2,876,644	-	-	-
Benefit payments, including refunds of member contributions	(8,557,401)	(8,615,800)	(8,929,498)	(9,948,781)	(9,150,336)	(9,382,152)	(8,029,499)	(9,099,308)	(9,316,942)	(9,308,177)
Net change in total pension liability	(129,790)	3,180,090	(2,745,533)	639,082	650,937	3,018,064	3,922,581	(2,606,699)	(1,129,203)	(430,557)
Total pension liability – beginning	109,787,870	106,607,780	109,353,313	108,714,231	108,063,294	105,045,230	101,122,649	103,729,348	104,858,551	105,289,108
Total pension liability – ending (a)	\$ 109,658,080	\$ 109,787,870	\$ 106,607,780	\$ 109,353,313	\$ 108,714,231	\$ 108,063,294	\$ 105,045,230	\$ 101,122,649	\$ 103,729,348	\$ 104,858,551
<b>Plan fiduciary net position</b>										
Contributions – employer	\$ 4,112,865	\$ 4,422,607	\$ 4,601,944	\$ 4,236,368	\$ 4,205,995	\$ 3,987,293	\$ 4,086,164	\$ 4,440,602	\$ 4,614,165	\$ 4,553,202
Contributions – member	1,222,731	1,231,525	1,179,217	1,065,640	1,124,756	1,124,419	1,102,815	848,814	844,870	928,387
Net investment income	6,106,049	(11,264,335)	12,822,725	6,858,745	3,351,987	6,162,213	7,822,485	4,307,428	508,074	7,515,916
Benefit payments, including refunds of member contributions	(8,557,401)	(8,615,800)	(8,929,498)	(9,948,781)	(9,150,336)	(9,382,152)	(8,029,499)	(9,099,308)	(9,316,942)	(9,308,177)
Administrative expenses	(150,032)	(143,727)	(124,254)	(147,456)	(140,447)	(141,352)	(124,525)	(142,750)	(128,684)	(126,863)
Net change in plan fiduciary net position	2,734,212	(14,369,730)	9,550,134	2,064,516	(608,045)	1,750,421	4,857,440	354,786	(3,478,517)	3,562,465
Plan fiduciary net position – beginning	68,728,004	83,097,734	73,547,600	71,483,084	72,091,129	70,340,708	65,483,268	65,128,482	68,606,999	65,044,534
Plan fiduciary net position – ending (b)	\$ 71,462,216	\$ 68,728,004	\$ 83,097,734	\$ 73,547,600	\$ 71,483,084	\$ 72,091,129	\$ 70,340,708	\$ 65,483,268	\$ 65,128,482	\$ 68,606,999
City net pension liability – ending (a) - (b)	\$ 38,195,864	\$ 41,059,866	\$ 23,510,046	\$ 35,805,713	\$ 37,231,147	\$ 35,972,165	\$ 34,704,522	\$ 35,639,381	\$ 38,600,866	\$ 36,251,552
Plan fiduciary net position as a percentage of the total pension liability	65.17%	62.60%	77.95%	67.26%	65.75%	66.71%	66.96%	64.76%	62.79%	65.43%
Covered-employee payroll	\$ 18,729,934	\$ 18,321,112	\$ 17,230,100	\$ 15,834,827	\$ 15,972,516	\$ 14,415,632	\$ 14,138,657	\$ 10,882,231	\$ 10,831,667	\$ 11,902,397
City net pension liability as percentage of covered-employee payroll	203.93%	224.11%	136.45%	226.12%	233.10%	249.54%	245.46%	327.50%	356.37%	304.57%

**Note to Schedule:**

a. This schedule is intended to present information for ten years.

# City of Lake Worth Beach, Florida

City of Lake Worth Beach, Florida

**Required Supplementary Information (unaudited)**

**Police Officers' Relief and Retirement System**

**Schedule of Changes in Net Pension Liability and Related Ratios**

**Last Ten Fiscal Years**

Fiscal Year:	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Measurement Date:	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total pension liability:</b>										
Service cost	\$ 216,966	\$ 219,654	\$ 231,542	\$ 233,461	\$ 210,912	\$ 193,882	\$ 229,634	\$ 255,209	\$ 238,693	\$ 280,511
Interest	3,544,799	3,529,421	3,648,567	3,711,037	3,702,052	3,661,397	3,713,027	3,837,201	3,902,610	3,915,664
Differences between expected and actual experience	(1,787,942)	616,756	666,011	(144,036)	24,508	434,141	(97,978)	(655,445)	287,033	115,847
Changes of assumptions	632,947	638,628	(806,211)	672,851	666,720	656,642	266,889	635,049	-	-
Benefit payments, including refunds of member contributions	(3,536,523)	(4,293,080)	(5,038,595)	(3,804,703)	(3,680,593)	(3,678,987)	(4,422,363)	(5,427,902)	(5,567,874)	(3,923,670)
Other	367,817	296,075	339,815	340,049	270,932	295,992	235,027	209,050	209,050	202,603
Net change in total pension liability	(561,936)	1,007,454	(958,871)	1,008,659	1,194,531	1,563,067	(75,764)	(1,146,838)	(930,488)	590,955
Total pension liability – beginning	54,458,730	53,451,276	54,410,147	53,401,488	52,206,957	50,643,890	50,719,654	51,866,492	52,796,980	52,206,025
Total pension liability – ending (a)	\$ 53,896,794	\$ 54,458,730	\$ 53,451,276	\$ 54,410,147	\$ 53,401,488	\$ 52,206,957	\$ 50,643,890	\$ 50,719,654	\$ 51,866,492	\$ 52,796,980
<b>Plan fiduciary net position</b>										
Contributions – employer and state	\$ 4,319,385	\$ 4,206,344	\$ 4,215,360	\$ 3,647,981	\$ 3,233,586	\$ 3,119,402	\$ 3,013,393	\$ 2,882,783	\$ 2,773,209	\$ 2,543,956
Contributions – member	63,550	62,459	128,159	75,013	73,571	68,521	73,533	169,346	102,916	208,801
Net investment income	2,992,273	(5,781,568)	6,073,410	3,137,775	1,451,429	2,189,339	3,021,517	1,744,263	449,322	2,906,179
Benefit payments, including refunds of member contributions	(3,536,523)	(4,293,080)	(5,038,595)	(3,804,703)	(3,680,593)	(3,678,987)	(4,422,363)	(5,427,902)	(5,567,874)	(3,923,670)
Administrative expenses	(106,233)	(106,763)	(97,520)	(97,657)	(100,691)	(91,942)	(91,961)	(94,732)	(89,064)	(96,476)
Net change in plan fiduciary net position	3,732,452	(5,912,608)	5,280,814	2,958,409	977,302	1,606,333	1,594,119	(726,242)	(2,331,491)	1,638,790
Plan fiduciary net position – beginning	35,632,405	41,545,013	36,264,199	33,305,790	32,328,488	30,722,155	29,128,036	29,854,278	32,185,769	30,546,979
Plan fiduciary net position – ending (b)	\$ 39,364,857	\$ 35,632,405	\$ 41,545,013	\$ 36,264,199	\$ 33,305,790	\$ 32,328,488	\$ 30,722,155	\$ 29,128,036	\$ 29,854,278	\$ 32,185,769
City net pension liability – ending (a) - (b)	\$ 14,531,937	\$ 18,826,325	\$ 11,906,263	\$ 18,145,948	\$ 20,095,698	\$ 19,878,469	\$ 19,921,735	\$ 21,591,618	\$ 22,012,214	\$ 20,611,211
Plan fiduciary net position as a percentage of the total pension liability	73.04%	65.43%	77.73%	66.65%	62.37%	61.92%	60.66%	57.43%	57.56%	60.96%
Covered-employee payroll	\$ 900,136	\$ 884,686	\$ 966,547	\$ 1,071,183	\$ 1,042,087	\$ 970,555	\$ 1,041,543	\$ 1,275,960	\$ 1,250,989	\$ 1,333,456
City net pension liability as percentage of covered-employee payroll	1614.42%	2128.02%	1231.83%	1694.01%	1928.41%	2048.15%	1912.71%	1692.19%	1759.58%	1545.70%

**Note to Schedule:**

a. This schedule is intended to present information for ten years.

b. Effective October 1, 2022, the investment return assumption was reduced from 6.55% to 6.50%. The Schedule of Changes in Net Pension Liability reflects this assumption change.

# City of Lake Worth Beach, Florida

City of Lake Worth Beach, Florida

## Required Supplementary Information (unaudited)

### Firefighters' Pension Trust

#### Schedule of Changes in Net Pension Liability and Related Ratios Last Ten Fiscal Years

Fiscal Year:	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Measurement Date:	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total pension liability:</b>										
Service cost	\$ 47,496	\$ 88,985	\$ 116,494	\$ 135,109	\$ 241,178	\$ 260,076	\$ 285,547	\$ 302,838	\$ 332,003	\$ 297,315
Interest	4,350,292	4,419,682	4,538,137	4,637,539	4,680,993	4,749,735	4,762,802	4,650,666	4,483,334	4,332,379
Changes in benefit terms	-	-	-	(856)						
Differences between expected and actual experience	(927,612)	140,211	297,992	(515,400)	(61,252)	(544,886)	(322,397)	120,719	198,870	(241,254)
Changes of assumptions	-	769,244	(1,194,501)	624,869	621,002	613,640	185,206	608,377	978,453	-
Benefit payments, including refunds of member contributions	(4,970,809)	(4,357,970)	(5,356,076)	(4,811,072)	(4,563,512)	(5,341,813)	(4,213,072)	(3,877,251)	(3,184,398)	(3,217,144)
Other	11,343	316,920	381,560	-	97,844	424,869	1,531,430	547,964	1,101,767	275,168
Net change in total pension liability	(1,489,290)	1,377,072	(1,216,394)	70,189	1,016,253	161,621	2,229,516	2,353,313	3,910,029	1,446,464
Total pension liability – beginning	67,361,974	65,984,902	67,201,296	67,131,107	66,114,854	65,953,233	63,723,717	61,370,404	57,460,375	56,013,911
Total pension liability – ending (a)	\$ 65,872,684	\$ 67,361,974	\$ 65,984,902	\$ 67,201,296	\$ 67,131,107	\$ 66,114,854	\$ 65,953,233	\$ 63,723,717	\$ 61,370,404	\$ 57,460,375
<b>Plan fiduciary net position</b>										
Contributions – employer and state	\$ 3,632,101	\$ 3,649,567	\$ 3,457,426	\$ 3,243,971	\$ 2,872,622	\$ 2,794,091	\$ 2,811,277	\$ 2,709,016	\$ 2,550,030	\$ 2,625,210
Contributions – member	14,591	17,436	31,675	50,167	169,763	84,971	105,985	108,980	118,270	123,344
Net investment income	4,601,886	(9,166,175)	9,655,107	5,476,803	1,487,404	4,981,565	4,306,470	2,748,904	(828,763)	3,079,060
Benefit payments, including refunds of member contributions	(4,970,809)	(4,357,970)	(5,356,076)	(4,811,072)	(4,563,512)	(5,341,813)	(4,213,072)	(3,877,251)	(3,184,398)	(3,217,144)
Administrative expenses	(101,298)	(88,312)	(92,173)	(90,029)	(86,312)	(84,970)	(70,801)	(80,852)	(92,510)	(217,064)
Rollover	11,343	316,920	381,560	-	-	424,869	1,531,430	547,964	1,101,767	275,168
Net change in plan fiduciary net position	3,187,814	(9,628,534)	8,077,519	3,869,840	(120,035)	2,858,713	4,471,289	2,156,761	(335,604)	2,668,574
Plan fiduciary net position – beginning	49,321,196	58,949,730	50,872,211	47,002,371	47,122,406	44,263,693	39,792,404	37,635,643	37,971,247	35,302,673
Plan fiduciary net position – ending (b)	\$ 52,509,010	\$ 49,321,196	\$ 58,949,730	\$ 50,872,211	\$ 47,002,371	\$ 47,122,406	\$ 44,263,693	\$ 39,792,404	\$ 37,635,643	\$ 37,971,247
City net pension liability – ending (a) - (b)	\$ 13,363,674	\$ 18,040,778	\$ 7,035,172	\$ 16,329,085	\$ 20,128,736	\$ 18,992,448	\$ 21,689,540	\$ 23,931,313	\$ 23,734,761	\$ 19,489,128
Plan fiduciary net position as a percentage of the total pension liability	79.71%	73.22%	89.34%	75.70%	70.02%	71.27%	67.11%	62.45%	61.33%	66.08%
Covered-employee payroll	\$ 129,698	\$ 151,045	\$ 284,938	\$ 445,929	\$ 639,283	\$ 755,301	\$ 942,090	\$ 968,706	\$ 1,050,059	\$ 1,073,629
City net pension liability as percentage of covered-employee payroll	10303.69%	11943.98%	2469.02%	3661.81%	3148.64%	2514.55%	2302.28%	2470.44%	2260.33%	1815.26%

#### Note to Schedule:

a. This schedule is intended to present information for ten years.

# City of Lake Worth Beach, Florida

## Required Supplementary Information (unaudited) General Employees' Retirement System – Schedule of Contributions Last Ten Fiscal Years

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 4,112,865	\$ 4,112,865	\$ -	\$ 19,612,512	21.0%
2023	4,112,865	4,112,865	-	18,729,934	22.0%
2022	4,422,607	4,422,607	-	18,321,112	24.1%
2021	4,601,944	4,601,944	-	17,230,100	26.7%
2020	4,236,368	4,236,368	-	15,834,827	26.8%
2019	4,205,995	4,205,995	-	15,972,516	26.3%
2018	3,987,293	3,987,293	-	14,415,632	27.7%
2017	4,086,164	4,086,164	-	14,138,657	28.9%
2016	4,440,602	4,440,602	-	10,882,231	40.8%
2015	4,614,165	4,614,165	-	10,831,667	42.6%

### Notes to Schedule:

Valuation date: October 1, 2023

#### Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	16 years (single equivalent amortization period)
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary increases	5.0%-7.5%, depending on years of service, including inflation
Investment rate of return	7.00%
Mortality	The same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) for Regular Class members in their July 1, 2022 actuarial valuation (with mortality improvements projected for nondisabled lives to all future years after 2010 using Scale MP 2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

# City of Lake Worth Beach, Florida

**Required Supplementary Information (unaudited)**  
**Police Officers' Relief and Retirement System – Schedule of Contributions**  
**Last Ten Fiscal Years**

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 3,946,693	\$ 3,946,693	-	\$ 773,298	510.4%
2023	3,951,568	3,951,568	-	900,136	439.0%
2022	3,910,269	3,910,269	-	884,686	442.0%
2021	3,935,466	3,935,466	-	966,547	407.2%
2020	3,307,932	3,307,932	-	1,071,183	308.8%
2019	3,233,586	3,233,586	-	1,042,087	310.3%
2018	2,742,005	2,823,410	(81,405)	970,555	290.9%
2017	2,696,961	2,778,366	(81,405)	1,041,543	266.8%
2016	2,615,683	2,673,733	(58,050)	1,275,960	209.5%
2015	2,548,833	2,564,159	(15,326)	1,250,989	205.0%

**Notes to Schedule:**

Valuation date: October 1, 2023

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	10 years
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary increases	6.5%, including inflation
Investment rate of return	6.55%
Mortality	The same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) for Special Risk employees in their July 1, 2022 actuarial valuation (with mortality improvements projected for non-disabled lives to all future years after 2010 using Scale MP-2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

# City of Lake Worth Beach, Florida

**Required Supplementary Information (unaudited)**  
**Firefighters' Pension Trust – Schedule of Contributions**  
**Last Ten Fiscal Years**

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 3,622,350	\$ 3,622,350	\$ -	\$ 135,338	2676.5%
2023	3,632,101	3,632,101	-	129,698	2800.4%
2022	3,649,567	3,649,567	-	151,045	2416.2%
2021	3,457,426	3,457,426	-	284,938	1213.4%
2020	3,243,971	3,243,971	-	445,929	727.5%
2019	2,872,622	2,872,622	-	639,283	449.4%
2018	2,794,091	2,794,091	-	755,301	369.9%
2017	2,811,277	2,811,277	-	942,090	298.4%
2016	2,709,016	2,709,016	-	968,706	279.7%
2015	2,550,030	2,550,030	-	1,050,059	242.8%

**Notes to Schedule:**

Valuation date: October 1, 2023

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	10 years
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary increases	6.50%
Investment rate of return	6.70%
Mortality	The same versions of Pub 2010 Headcount Weighted Mortality Tables as used by the Florida Retirement System (FRS) for Special Risk class members in their July 1, 2021 actuarial valuation (with mortality improvements projected for non disabled lives to all future years after 2010 using Scale MP 2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

# City of Lake Worth Beach, Florida

---

**Required Supplementary Information (unaudited)**  
**Pension Trust Funds – Schedule of Investment Returns**  
**Last Ten Fiscal Years**

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expenses		
	General Employees' Retirement System	Police Officers' Relief and Retirement System	Firefighters' Pension Trust
2024	18.02 %	19.14 %	21.35 %
2023	9.27	8.41	9.83
2022	(13.87)	(14.16)	(15.37)
2021	19.03	18.60	20.28
2020	10.54	10.38	11.54
2019	4.91	4.98	3.46
2018	9.63	8.15	11.92
2017	12.84	11.44	11.14
2016	7.30	6.76	7.51
2015	0.43	1.48	(2.16)

# City of Lake Worth Beach, Florida

**Required Supplementary Information (unaudited)**  
**City of Lake Worth Beach OPEB Plan**  
**Schedule of Changes in Total OPEB Liability and Related Ratios**  
**Last Seven Fiscal Years**

Fiscal year ending September 30:	2024	2023	2022	2021	2020	2019	2018
Measurement date September 30:	2023	2022	2021	2020	2019	2018	2017
<b>Total OPEB liability:</b>							
Service cost	\$ 23,330	\$ 39,496	\$ 34,219	\$ 30,431	\$ 28,506	\$ 21,674	\$ 21,929
Interest on total OPEB liability	53,169	41,045	46,166	56,531	76,947	63,806	62,760
Changes in benefit terms	-	131,492	-	-	-	184,337	-
Differences between expected and actual experience of the Total OPEB Liability	-	(178,744)	-	(182,151)	-	141,142	-
Changes of assumptions	(25,541)	(524,378)	41,493	154,785	189,844	7,230	(63,321)
Benefit payments	(133,447)	(183,678)	(153,445)	(253,448)	(247,744)	(230,272)	(214,928)
Net change in total OPEB liability	(82,489)	(674,767)	(31,567)	(193,852)	47,553	187,917	(193,560)
Total OPEB liability – beginning	1,251,782	1,926,549	1,958,116	2,151,968	2,104,415	1,916,498	2,110,058
Total OPEB liability – ending	\$ 1,169,293	\$ 1,251,782	\$ 1,926,549	\$ 1,958,116	\$ 2,151,968	\$ 2,104,415	\$ 1,916,498
Covered-employee payroll	\$ 24,713,810	\$ 19,533,451	\$ 18,038,343	\$ 19,192,059	\$ 19,767,821	\$ 19,192,059	\$ 19,430,154
Total OPEB liability as percentage of covered-employee payroll	4.73%	6.41%	10.68%	10.20%	10.89%	10.97%	9.86%

**Notes to schedule:**

- Schedule is intended to show information for ten years. Additional years will be presented as they become available.
- The discount rate was changed from 4.40% as of the beginning of the measurement period to 4.63% as of September 30, 2023

## **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

**THE FOLLOWING COMBINING STATEMENTS INCLUDE THE NONMAJOR GOVERNMENTAL FUNDS, NON- MAJOR ENTERPRISE FUNDS, INTERNAL SERVICE FUNDS, FIDUCIARY FUNDS AND THE DISCRETELY PRESENTED COMPONENT UNITS. IN ADDITION, BUDGET - TO- ACTUAL SCHEDULES ARE PRESENTED.**

# City of Lake Worth Beach, Florida

---

## Nonmajor Governmental Funds

---

### Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to private purpose trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

#### **Building Permit Fund**

To account for revenues and expenditures associated with the services provided by the building department.

#### **Public Education Fund**

To account for revenues and expenditures associated with educational initiatives

#### **Golf Fund**

This fund accounts for the operations and rental payments of City-owned golf courses.

#### **Parking Improvement Fund**

Was established by the City Commission to segregate funds and accumulate funds from development assessments on downtown-area properties. These funds are to be used for parking lot maintenance, striping and the possible installation of parking meters to control downtown parking use.

#### **Code Remediation Fund**

To account for the transactions from code compliance liens placed on city properties which have been vacated and the properties acquired through foreclosures.

#### **Grants Fund**

To account for certain revenues and expenditures related to federal, state and local grants awarded to the City.

#### **Tree Beautification Fund**

Accounts for the collection of tree removal fees and donations that are to be used for the preservation, maintenance, relocation or restoration of tree ecosystems on public or private land within the City limits.

#### **Utility Conservation Fund**

To account for the receipt and disbursement of funds collected from surcharges (Resolution 48-2009) for Energy Conservation programs.

#### **Simpkin Trust Fund**

To account for the receipt and disbursement of donated monies for the library.

#### **Library Trust Fund**

To account for the receipt and disbursement of monies for the library.

#### **Law Enforcement and Firefighters Education Fund**

To account for state contributions for police and firefighter education and the expenditures incurred.

#### **Law Enforcement Confiscated Property Fund**

To account for the receipt of monies from the sale of confiscated property and disbursement for special law enforcement activities in accordance with Florida statutes and federal regulations.

#### **Electric Utility Rate Stabilization Fund**

# City of Lake Worth Beach, Florida

---

## Nonmajor Governmental Funds

---

To account for reserve set aside to manage and stabilize rate for the electric utility. The primary purpose of this fund is to maintain rate competitiveness and rate stability by mitigating costs increases due to fluctuations in power costs or other emergencies that would otherwise be passed along to the customers of the Electric Utility.

### **Electric Utility Storm Fund**

To account for reserve set aside for responding to storm-related damages and emergencies for the electric fund. The primary purpose of this fund includes, but is not limited to, financing infrastructure repairs, equipment replacement, and covering emergency response costs, with the ultimate goal of maintaining the continuity and reliability of electric utility services during and after storm events.

### **Debt Service Fund**

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

### **General Obligation Bond (GOB) Fund**

To account for principal and interest costs on the GOB series 2017 and 2018 which is funded by property taxes.

### **Capital Projects Funds**

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

### **Park of Commerce Fund**

To account for the construction costs of the Park of Commerce Project, funded by City funds, grants, and other financing.

### **Capital Projects Fund**

To account for the acquisition or construction of major capital facilities and the purchase of capital items other than those financed by proprietary fund operations.

### **Neighborhood Road Program Fund**

The Neighborhood Road Program Fund is a capital projects fund that was established to account for the roadway improvements within the City. This program is being funded by proceeds received from general obligation bonds of \$40 million.

# City of Lake Worth Beach, Florida

## Combining Balance Sheet Nonmajor Governmental Funds September 30, 2024

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund GOB 2018	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 5,727,131	\$ 1,446,569	\$ 7,476,441	\$ 14,650,141
Investments	5,186,899	-	5,741,504	10,928,403
Accounts receivable, net	352,752	-	100,182	452,934
Lease receivable	108,562	-	335,607	444,169
Accrued interest receivable	21,199	-	23,769	44,968
Inventories	10,966	-	-	10,966
Land held for resale	111,589	-	-	111,589
Restricted assets:				
Cash and cash equivalents	21,525	-	1,216,897	1,238,422
<b>Total assets</b>	<b>\$ 11,540,623</b>	<b>\$ 1,446,569</b>	<b>\$ 14,894,400</b>	<b>\$ 27,881,592</b>
<b>Liabilities</b>				
Accounts and contracts payable	\$ 135,000	\$ -	\$ 229,079	\$ 364,079
Accrued liabilities	59,846	-	-	59,846
Due to other government	3,512	-	-	3,512
Due to other funds	1,054,086	-	-	1,054,086
Unearned revenue	92,527	-	-	92,527
<b>Total liabilities</b>	<b>1,344,971</b>	<b>-</b>	<b>229,079</b>	<b>1,574,050</b>
<b>Deferred Inflows of Resources</b>				
Deferred inflows from leases	\$ 107,477	\$ -	\$ 316,113	\$ 423,590
Deferred inflows from grants	180,843	-	-	180,843
<b>Total deferred inflows of resources</b>	<b>288,320</b>	<b>-</b>	<b>316,113</b>	<b>604,433</b>
<b>Fund balances:</b>				
Nonspendable:				
Inventories	10,966	-	-	10,966
Land held for resale	111,589	-	-	111,589
Restricted for:				
Debt service	-	1,446,569	-	1,446,569
Public safety	3,848,776	-	-	3,848,776
Grants	1,324,906	-	-	1,324,906
Capital projects	21,525	-	-	21,525
Parking improvements	76,729	-	-	76,729
Rate Stabilization	2,178,373	-	-	2,178,373
Electric Utility Storm	519,471	-	-	519,471
Tree preservation	43,266	-	-	43,266
Energy conservation	203,029	-	-	203,029
Culture and recreation	1,568,702	-	-	1,568,702
Assigned to:				
Capital projects	-	-	14,349,208	14,349,208
<b>Total fund balances</b>	<b>9,907,332</b>	<b>1,446,569</b>	<b>14,349,208</b>	<b>25,703,109</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 11,540,623</b>	<b>\$ 1,446,569</b>	<b>\$ 14,894,400</b>	<b>\$ 27,881,592</b>

# City of Lake Worth Beach, Florida

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) Nonmajor Governmental Funds For the Fiscal Year Ended September 30, 2024

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund GOB 2018	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Property taxes	\$ -	\$ 2,781,942	\$ -	\$ 2,781,942
Utility and other taxes	-	-	641,692	641,692
Licenses and permits	1,748,177	-	-	1,748,177
Charges for services	2,006,038	-	-	2,006,038
Intergovernmental	474,385	-	-	474,385
Investment income	606,481	31,280	596,993	1,234,754
Miscellaneous	31,796	-	191,133	222,929
<b>Total revenues</b>	<b>4,866,877</b>	<b>2,813,222</b>	<b>1,429,818</b>	<b>9,109,917</b>
<b>Expenditures:</b>				
Current:				
General government	103,095	-	6,261	109,356
Public safety	2,145,680	-	-	2,145,680
Transportation	50	-	-	50
Culture and recreation	1,379,930	-	-	1,379,930
Capital outlay	83,986	-	3,105,212	3,189,198
Debt service:				
Principal	68,445	885,000	-	953,445
Interest	5,387	1,266,588	-	1,271,975
<b>Total expenditures</b>	<b>3,786,573</b>	<b>2,151,588</b>	<b>3,111,473</b>	<b>9,049,634</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>1,080,304</b>	<b>661,634</b>	<b>(1,681,655)</b>	<b>60,283</b>
<b>Other financing sources (uses):</b>				
Transfers in	1,508,061	-	3,359,031	4,867,092
Transfers out	(2,653,278)	-	-	(2,653,278)
<b>Total other financing sources</b>	<b>(1,145,217)</b>	<b>-</b>	<b>3,359,031</b>	<b>2,213,814</b>
<b>Net change in fund balance</b>	<b>(64,913)</b>	<b>661,634</b>	<b>1,677,376</b>	<b>2,274,097</b>
Fund balances, beginning of year	9,972,245	784,935	12,671,832	23,429,012
Fund balances, end of year	\$ 9,907,332	\$ 1,446,569	\$ 14,349,208	\$ 25,703,109

# City of Lake Worth Beach, Florida

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
September 30, 2024**

	Building Permit	Public Education Fund	Electric Utility Rate Stabilization Fund	Golf	Parking Improvement	Code Remediation	Grants	Tree Beautification	Utility Conservation	Simpkin Trust	Library Trust	Law Enforcement and Firefighters Education	Law Enforcement Confiscated Property	Electric Utility Storm Fund	Total Nonmajor Special Revenue Funds
<b>Assets:</b>															
Cash and cash equivalents	\$ -	\$ 79,634	\$ 2,178,373	\$ 1,502,768	\$ 26,302	\$ -	\$ 1,153,370	\$ 43,266	\$ 90	\$ 18,864	\$ 57,674	\$ 119,113	\$ 28,206	\$ 519,471	\$ 5,727,131
Investments	4,317,602	-	-	-	50,225	501,264	-	-	202,144	105,761	-	-	9,903	-	5,186,899
Accounts receivable, net	-	-	-	373	-	-	352,379	-	-	-	-	-	-	-	352,752
Lease receivable	-	-	-	108,562	-	-	-	-	-	-	-	-	-	-	108,562
Accrued interest receivable	17,399	-	-	-	202	2,047	-	-	1,084	424	-	-	43	-	21,199
Inventories	-	-	-	10,966	-	-	-	-	-	-	-	-	-	-	10,966
Land held for resale	-	-	-	-	-	111,589	-	-	-	-	-	-	-	-	111,589
Restricted assets:															
Cash and cash equivalents	-	-	-	21,525	-	-	-	-	-	-	-	-	-	-	21,525
<b>Total assets</b>	<b>\$ 4,335,001</b>	<b>\$ 79,634</b>	<b>\$ 2,178,373</b>	<b>\$ 1,644,194</b>	<b>\$ 76,729</b>	<b>\$ 614,900</b>	<b>\$ 1,505,749</b>	<b>\$ 43,266</b>	<b>\$ 203,318</b>	<b>\$ 125,049</b>	<b>\$ 57,674</b>	<b>\$ 119,113</b>	<b>\$ 38,152</b>	<b>\$ 519,471</b>	<b>\$ 11,540,623</b>
<b>Liabilities:</b>															
Accounts and contracts payable	\$ 5,770	\$ -	\$ -	\$ 117,515	\$ -	\$ 11,715	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 135,000
Accrued liabilities	48,957	-	-	10,600	-	-	-	-	289	-	-	-	-	-	59,846
Due to other government	-	-	-	3,512	-	-	-	-	-	-	-	-	-	-	3,512
Due to other funds	1,023,114	-	-	-	-	30,972	-	-	-	-	-	-	-	-	1,054,086
Unearned revenue	26,273	-	-	66,254	-	-	-	-	-	-	-	-	-	-	92,527
<b>Total liabilities</b>	<b>1,104,114</b>	<b>-</b>	<b>-</b>	<b>197,881</b>	<b>-</b>	<b>42,687</b>	<b>-</b>	<b>-</b>	<b>289</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,344,971</b>
<b>Deferred Inflows of Resources</b>															
Deferred inflows from leases	\$ -	\$ -	\$ -	\$ 107,477	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,477
Deferred inflows from grants	-	-	-	-	-	-	180,843	-	-	-	-	-	-	-	180,843
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>107,477</b>	<b>-</b>	<b>-</b>	<b>180,843</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>288,320</b>
<b>Fund balances:</b>															
<b>Nonspendable:</b>															
Inventories	-	-	-	10,966	-	-	-	-	-	-	-	-	-	-	10,966
Land held for resale	-	-	-	-	-	111,589	-	-	-	-	-	-	-	-	111,589
<b>Restricted for:</b>															
Public safety	3,230,887	-	-	-	-	460,624	-	-	-	-	-	119,113	38,152	-	3,848,776
Grants	-	-	-	-	-	-	1,324,906	-	-	-	-	-	-	-	1,324,906
Capital projects	-	-	-	21,525	-	-	-	-	-	-	-	-	-	-	21,525
Parking improvements	-	-	-	-	76,729	-	-	-	-	-	-	-	-	-	76,729
Rate stabilization	-	-	2,178,373	-	-	-	-	-	-	-	-	-	-	-	2,178,373
Electric Utility Storm	-	-	-	-	-	-	-	-	-	-	-	-	-	519,471	
Tree preservation	-	-	-	-	-	-	-	43,266	-	-	-	-	-	-	43,266
Energy conservation	-	-	-	-	-	-	-	-	203,029	-	-	-	-	-	203,029
Culture and recreation	-	79,634	-	1,306,345	-	-	-	-	-	125,049	57,674	-	-	-	1,568,702
<b>Total fund balances</b>	<b>3,230,887</b>	<b>79,634</b>	<b>2,178,373</b>	<b>1,338,836</b>	<b>76,729</b>	<b>572,213</b>	<b>1,324,906</b>	<b>43,266</b>	<b>203,029</b>	<b>125,049</b>	<b>57,674</b>	<b>119,113</b>	<b>38,152</b>	<b>519,471</b>	<b>9,907,332</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 4,335,001</b>	<b>\$ 79,634</b>	<b>\$ 2,178,373</b>	<b>\$ 1,644,194</b>	<b>\$ 76,729</b>	<b>\$ 614,900</b>	<b>\$ 1,505,749</b>	<b>\$ 43,266</b>	<b>\$ 203,318</b>	<b>\$ 125,049</b>	<b>\$ 57,674</b>	<b>\$ 119,113</b>	<b>\$ 38,152</b>	<b>\$ 519,471</b>	<b>\$ 11,540,623</b>

# City of Lake Worth Beach, Florida

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended September 30, 2024**

	Building Permit	Public Education Fund	Electric Utility Rate Stabilization Fund	Golf	Parking Improvement	Code Remediation	Grants	Tree Beautification	Utility Conservation	Simpkin Trust	Library Trust	Law Enforcement and Firefighters Education	Law Enforcement Confiscated Property	Electric Utility Storm Fund	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>															
Licenses and permits	\$ 1,748,177	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,748,177
Charges for services	-	-	-	2,006,038	-	-	-	-	-	-	-	-	-	-	2,006,038
Intergovernmental	-	-	-	-	-	-	464,512	-	-	-	-	6,608	3,265	-	474,385
Investment income	353,754	3,052	81,651	39,100	4,674	37,448	29,906	1,223	19,786	8,235	2,208	4,312	1,661	19,471	606,481
Miscellaneous	-	-	-	9,364	-	10,963	-	11,400	-	-	69	-	-	-	31,796
<b>Total revenues</b>	<b>2,101,931</b>	<b>3,052</b>	<b>81,651</b>	<b>2,054,502</b>	<b>4,674</b>	<b>48,411</b>	<b>494,418</b>	<b>12,623</b>	<b>19,786</b>	<b>8,235</b>	<b>2,277</b>	<b>10,920</b>	<b>4,926</b>	<b>19,471</b>	<b>4,866,877</b>
<b>Expenditures:</b>															
<b>Current:</b>															
General government	-	-	-	102,714	-	-	-	-	276	105	-	-	-	-	103,095
Public safety	2,019,014	-	-	-	-	74,490	52,167	-	-	-	-	-	9	-	2,145,680
Transportation	-	-	-	-	50	-	-	-	-	-	-	-	-	-	50
Culture and recreation	-	-	-	1,372,452	-	-	7,478	-	-	-	-	-	-	-	1,379,930
Capital outlay	83,986	-	-	-	-	-	-	-	-	-	-	-	-	-	83,986
<b>Debt service:</b>															
Principal	-	-	-	68,445	-	-	-	-	-	-	-	-	-	-	68,445
Interest and other costs	-	-	-	5,387	-	-	-	-	-	-	-	-	-	-	5,387
<b>Total expenditures</b>	<b>2,103,000</b>	<b>-</b>	<b>-</b>	<b>1,548,998</b>	<b>50</b>	<b>74,490</b>	<b>59,645</b>	<b>-</b>	<b>276</b>	<b>105</b>	<b>-</b>	<b>-</b>	<b>9</b>	<b>-</b>	<b>3,786,573</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(1,069)</b>	<b>3,052</b>	<b>81,651</b>	<b>505,504</b>	<b>4,624</b>	<b>(26,079)</b>	<b>434,773</b>	<b>12,623</b>	<b>19,510</b>	<b>8,130</b>	<b>2,277</b>	<b>10,920</b>	<b>4,917</b>	<b>19,471</b>	<b>1,080,304</b>
<b>Other financing sources (uses):</b>															
Transfers in	-	-	1,000,000	-	-	-	8,061	-	-	-	-	-	-	500,000	1,508,061
Transfers out	(1,250,000)	-	(1,403,278)	-	-	-	-	-	-	-	-	-	-	-	(2,653,278)
<b>Total other financing sources (uses)</b>	<b>(1,250,000)</b>	<b>-</b>	<b>(403,278)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,061</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500,000</b>	<b>(1,145,217)</b>
<b>Net change in fund balances</b>	<b>(1,251,069)</b>	<b>3,052</b>	<b>(321,627)</b>	<b>505,504</b>	<b>4,624</b>	<b>(26,079)</b>	<b>442,834</b>	<b>12,623</b>	<b>19,510</b>	<b>8,130</b>	<b>2,277</b>	<b>10,920</b>	<b>4,917</b>	<b>519,471</b>	<b>(64,913)</b>
Fund balances, beginning of year	4,481,956	76,582	2,500,000	833,332	72,105	598,292	882,072	30,643	183,519	116,919	55,397	108,193	33,235	-	9,972,245
Fund balances, end of year	\$ 3,230,887	\$ 79,634	\$ 2,178,373	\$ 1,338,836	\$ 76,729	\$ 572,213	\$ 1,324,906	\$ 43,266	\$ 203,029	\$ 125,049	\$ 57,674	\$ 119,113	\$ 38,152	\$ 519,471	\$ 9,907,332

# City of Lake Worth Beach, Florida

**Combining Balance Sheet  
Nonmajor Capital Projects Funds  
September 30, 2024**

	Park of Commerce	Capital Projects	Neighborhood Road Program Fund	Total Nonmajor Capital Projects Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 850,373	\$ 5,992,503	\$ 633,565	\$ 7,476,441
Investments	4,684,093	1,057,411	-	5,741,504
Accounts receivable, net	-	100,182	-	100,182
Lease receivable	-	335,607	-	335,607
Accrued interest receivable	19,391	4,378	-	23,769
Restricted assets:				
Investments	-	-	1,216,897	1,216,897
<b>Total assets</b>	<b>\$ 5,553,857</b>	<b>\$ 7,490,081</b>	<b>\$ 1,850,462</b>	<b>\$ 14,894,400</b>
<b>Liabilities</b>				
Accounts and contracts payable	\$ -	\$ 229,079	\$ -	\$ 229,079
<b>Total liabilities</b>	<b>-</b>	<b>229,079</b>	<b>-</b>	<b>229,079</b>
<b>Deferred Inflows of Resources</b>				
Deferred inflows from leases	\$ -	\$ 316,113	\$ -	\$ 316,113
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>316,113</b>	<b>-</b>	<b>316,113</b>
Fund balances:				
Assigned to:				
Capital projects	5,553,857	6,944,889	1,850,462	14,349,208
<b>Total fund balances</b>	<b>5,553,857</b>	<b>6,944,889</b>	<b>1,850,462</b>	<b>14,349,208</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 5,553,857</b>	<b>\$ 7,490,081</b>	<b>\$ 1,850,462</b>	<b>\$ 14,894,400</b>

# City of Lake Worth Beach, Florida

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended September 30, 2024**

	Park of Commerce	Capital Projects	Neighborhood Road Program Fund	Total Nonmajor Capital Projects Funds
Revenues:				
Utility and other taxes	\$ -	\$ 641,692	\$ -	\$ 641,692
Investment income	364,920	162,231	69,842	596,993
Miscellaneous	-	191,133	-	191,133
<b>Total revenues</b>	<b>364,920</b>	<b>995,056</b>	<b>69,842</b>	<b>1,429,818</b>
Expenditures:				
Current:				
General government	4,640	1,621	-	6,261
Capital outlay	-	3,105,212	-	3,105,212
<b>Total expenditures</b>	<b>4,640</b>	<b>3,106,833</b>	<b>-</b>	<b>3,111,473</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>360,280</b>	<b>(2,111,777)</b>	<b>69,842</b>	<b>(1,681,655)</b>
Other financing sources (uses):				
Transfers in	-	3,359,031	-	3,359,031
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>3,359,031</b>	<b>-</b>	<b>3,359,031</b>
<b>Net change in fund balances</b>	<b>360,280</b>	<b>1,247,254</b>	<b>69,842</b>	<b>1,677,376</b>
Fund balances, beginning of year	5,193,577	5,697,635	1,780,620	12,671,832
Fund balances, end of year	\$ 5,553,857	\$ 6,944,889	\$ 1,850,462	\$ 14,349,208

# City of Lake Worth Beach, Florida

**Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Building Permit Fund  
For the Fiscal Year Ended September 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ 1,452,000	\$ 1,452,000	\$ 1,748,177	\$ 296,177
Investment income	-	-	353,754	353,754
<b>Total revenues</b>	<b>1,452,000</b>	<b>1,452,000</b>	<b>2,101,931</b>	<b>649,931</b>
<b>Expenditures:</b>				
Current:				
Public safety	2,589,749	2,600,119	2,019,014	581,105
Capital outlay	129,000	129,000	83,986	45,014
<b>Total expenditures</b>	<b>2,718,749</b>	<b>2,729,119</b>	<b>2,103,000</b>	<b>626,119</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(1,266,749)</b>	<b>(1,277,119)</b>	<b>(1,069)</b>	<b>1,276,050</b>
<b>Other financing sources (uses):</b>				
Transfers out	(1,332,171)	(1,332,171)	(1,250,000)	82,171
Appropriated fund balance	2,598,920	2,609,290	-	(2,609,290)
<b>Total other financing sources (uses)</b>	<b>1,266,749</b>	<b>1,277,119</b>	<b>(1,250,000)</b>	<b>(2,527,119)</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(1,251,069)</b>	<b>\$ (1,251,069)</b>
Fund balance, beginning of year			4,481,956	
Fund balance, end of year			<u>\$ 3,230,887</u>	

# City of Lake Worth Beach, Florida

**Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Golf Fund  
For the Fiscal Year Ended September 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 1,613,500	\$ 1,613,500	\$ 2,006,038	\$ 392,538
Investment income	-	-	39,100	39,100
Miscellaneous	10,000	10,000	9,364	(636)
<b>Total revenues</b>	<b>1,623,500</b>	<b>1,623,500</b>	<b>2,054,502</b>	<b>431,002</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	102,714	102,714	102,714	-
Culture and recreation	1,505,625	1,511,255	1,372,452	138,803
<b>Debt service:</b>				
Principal	7,472	7,472	68,445	(60,973)
Interest	1,176	1,176	5,387	(4,211)
<b>Total expenditures</b>	<b>1,514,273</b>	<b>1,519,903</b>	<b>1,548,998</b>	<b>73,619</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>109,227</b>	<b>103,597</b>	<b>505,504</b>	<b>504,621</b>
<b>Other financing sources (uses):</b>				
Appropriated fund balance	(109,227)	(103,597)	-	103,597
<b>Total other financing sources (uses)</b>	<b>(109,227)</b>	<b>(103,597)</b>	<b>-</b>	<b>103,597</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>505,504</b>	<b>\$ 608,218</b>
Fund balance, beginning of year			833,332	
Fund balance, end of year			\$ 1,338,836	

# City of Lake Worth Beach, Florida

**Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Code Remediation Fund  
For the Fiscal Year Ended September 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Investment income	\$ 15,000	\$ 15,000	\$ 37,448	\$ 22,448
Miscellaneous	190,000	190,000	10,963	(179,037)
<b>Total revenues</b>	<b>205,000</b>	<b>205,000</b>	<b>48,411</b>	<b>(156,589)</b>
<b>Expenditures:</b>				
Current:				
Public safety	203,000	230,000	74,490	155,510
<b>Total expenditures</b>	<b>203,000</b>	<b>230,000</b>	<b>74,490</b>	<b>155,510</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>2,000</b>	<b>(25,000)</b>	<b>(26,079)</b>	<b>(1,079)</b>
<b>Other financing sources (uses):</b>				
Appropriated fund balance	(2,000)	25,000	-	(25,000)
<b>Total other financing sources (uses)</b>	<b>(2,000)</b>	<b>25,000</b>	<b>-</b>	<b>(25,000)</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(26,079)</b>	<b>\$ (26,079)</b>
Fund balance, beginning of year			598,292	
Fund balance, end of year			\$ 572,213	

# City of Lake Worth Beach, Florida

**Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Grants Fund  
For the Fiscal Year Ended September 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 31,296	\$ 464,512	\$ 433,216
Investment income	-	-	29,906	29,906
<b>Total revenues</b>	<b>-</b>	<b>31,296</b>	<b>494,418</b>	<b>463,122</b>
<b>Expenditures:</b>				
Current:				
Public safety	60,781	60,781	52,167	8,614
Culture and recreation	16,755	16,755	7,478	9,277
<b>Total expenditures</b>	<b>77,536</b>	<b>77,536</b>	<b>59,645</b>	<b>17,891</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(77,536)</b>	<b>(46,240)</b>	<b>434,773</b>	<b>481,013</b>
<b>Other financing sources (uses):</b>				
Transfers out	(306,691)	(306,691)	-	306,691
Transfers in	-	-	8,061	8,061
Appropriated fund balance	384,227	352,931	-	(352,931)
<b>Total other financing sources (uses)</b>	<b>77,536</b>	<b>46,240</b>	<b>8,061</b>	<b>(38,179)</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>442,834</b>	<b>\$ 442,834</b>
Fund balance, beginning of year			882,072	
Fund balance, end of year			<u>\$ 1,324,906</u>	

# City of Lake Worth Beach, Florida

**Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Government Obligation Bond 2018  
For the Fiscal Year Ended September 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final Budget		
<b>Revenues:</b>				
Property taxes	\$ 2,738,389	\$ 2,738,389	\$ 2,781,942	\$ 43,553
Investment income	-	-	31,280	31,280
<b>Total revenues</b>	<u>2,738,389</u>	<u>2,738,389</u>	<u>2,813,222</u>	<u>74,833</u>
<b>Current:</b>				
<b>Debt service:</b>				
Principal	885,000	885,000	885,000	-
Interest	1,266,588	1,266,588	1,266,588	-
<b>Total expenditures</b>	<u>2,151,588</u>	<u>2,151,588</u>	<u>2,151,588</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>586,801</u>	<u>586,801</u>	<u>661,634</u>	<u>74,833</u>
<b>Other financing sources (uses):</b>				
Appropriated fund balance	(586,801)	(586,801)	-	586,801
<b>Total other financing sources (uses)</b>	<u>(586,801)</u>	<u>(586,801)</u>	<u>-</u>	<u>586,801</u>
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>661,634</u>	<u>\$ 661,634</u>
Fund balance, beginning of year			\$ 784,935	
Fund balance, end of year			<u>\$ 1,446,569</u>	

# City of Lake Worth Beach, Florida

**Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Discretionary Sales Tax Fund  
For the Fiscal Year Ended September 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final Budget		
<b>Revenues:</b>				
Sales tax	\$ -	\$ -	\$ 4,275,291	\$ 4,275,291
Investment income	-	-	757,072	757,072
<b>Total revenues</b>	-	-	5,032,363	5,032,363
<b>Expenditures:</b>				
Current:				
Transportation	-	-	4,167	(4,167)
<b>Total expenditures</b>	-	-	4,167	(4,167)
<b>Excess (deficiency) of revenues over (under) expenditures</b>	-	-	5,028,196	5,028,196
<b>Other financing sources (uses):</b>				
Transfers out	(2,734,712)	(3,328,337)	(3,328,337)	-
Appropriated fund balance	2,734,712	3,328,337	-	(3,328,337)
<b>Total other financing sources (uses)</b>	-	-	(3,328,337)	(3,328,337)
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>\$ -</u>	1,699,859	<u>\$ 1,699,859</u>
Fund balance, beginning of year			14,484,490	
Fund balance, end of year			<u>\$16,184,349</u>	

# City of Lake Worth Beach, Florida

**Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Capital Projects Fund  
For the Fiscal Year Ended September 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final Budget		
<b>Revenues:</b>				
Utility and other taxes	\$ -	\$ -	\$ 641,692	\$ 641,692
Investment income	-	-	162,231	162,231
Miscellaneous	-	-	191,133	191,133
<b>Total revenues</b>	-	-	995,056	995,056
<b>Expenditures:</b>				
Current:				
General government	-	-	1,621	(1,621)
Capital outlay	17,884,054	19,228,479	3,105,212	16,123,267
<b>Total expenditures</b>	17,884,054	19,228,479	3,106,833	16,121,646
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(17,884,054)	(19,228,479)	(2,111,777)	17,116,702
<b>Other financing sources (uses):</b>				
Transfers in	-	993,625	3,359,031	2,365,406
Appropriated fund balance	17,884,054	18,234,854	-	(18,234,854)
<b>Total other financing sources (uses)</b>	17,884,054	19,228,479	3,359,031	(15,869,448)
<b>Net change in fund balance</b>	\$ -	\$ -	1,247,254	\$ 1,247,254
Fund balance, beginning of year			5,697,635	
Fund balance, end of year			\$ 6,944,889	

# City of Lake Worth Beach, Florida

**Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Neighborhood Road Program Fund  
For the Fiscal Year Ended September 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 69,842	\$ 69,842
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>69,842</b>	<b>69,842</b>
<b>Expenditures:</b>				
Capital outlay	1,579,925	1,579,925	-	1,579,925
<b>Total expenditures</b>	<b>1,579,925</b>	<b>1,579,925</b>	<b>-</b>	<b>1,579,925</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(1,579,925)</b>	<b>(1,579,925)</b>	<b>69,842</b>	<b>1,649,767</b>
<b>Other financing sources (uses):</b>				
Appropriated fund balance	1,579,925	1,579,925	-	(1,579,925)
<b>Total other financing sources (uses)</b>	<b>1,579,925</b>	<b>1,579,925</b>	<b>-</b>	<b>(1,579,925)</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>69,842</b>	<b>\$ 69,842</b>
Fund balance, beginning of year			1,780,620	
Fund balance, end of year			<u>\$ 1,850,462</u>	

## City of Lake Worth Beach, Florida

---

### Nonmajor Enterprise Funds

---

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the City Commission is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the periodic determination of net income is appropriate for accountability purposes.

#### **Stormwater Utility Fund**

This fund accounts for fees and charges related to the operation and maintenance of a stormwater management system.

#### **Refuse Collection and Disposal Fund**

To account for the provision of solid waste removal for the residents of the service area. All activities to provide such service are accounted for, including collection and disposal.

# City of Lake Worth Beach, Florida

## Combining Statement of Net Position Nonmajor Enterprise Funds September 30, 2024

	Stormwater Utility	Refuse Collection and Disposal	Total Nonmajor Enterprise Funds
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 838,605	\$ 1,377,429	\$ 2,216,034
Investments	4,138,366	7,919,730	12,058,096
Accounts receivable, net	129,356	533,055	662,411
Accrued interest receivable	15,994	31,766	47,760
<b>Total current assets</b>	<b>5,122,321</b>	<b>9,861,980</b>	<b>14,984,301</b>
Non-current assets:			
Restricted assets:			
Cash and cash equivalents	365,508	41,541	407,049
Capital assets:			
Land	138,346	593,700	732,046
Construction in progress	1,328,598	-	1,328,598
Land improvements	241,637	-	241,637
Buildings and structures	-	296,994	296,994
Infrastructure	9,842,364	43,655	9,886,019
Machinery and equipment	449,553	231,739	681,292
Vehicles	179,098	5,224,737	5,403,835
Accumulated depreciation	(4,219,046)	(4,246,616)	(8,465,662)
<b>Total non-current assets</b>	<b>8,326,058</b>	<b>2,185,750</b>	<b>10,511,808</b>
<b>Total assets</b>	<b>13,448,379</b>	<b>12,047,730</b>	<b>25,496,109</b>
Deferred outflows of resources:			
Deferred outflows relating to pensions	200,813	771,401	972,214
Deferred outflows relating to OPEB	2,896	10,661	13,557
<b>Total deferred outflows of resources</b>	<b>203,709</b>	<b>782,062</b>	<b>985,771</b>
<b>Liabilities</b>			
Current liabilities:			
Accounts and contracts payable	\$ 93,843	\$ 118,333	\$ 212,176
Accrued liabilities	28,788	93,336	122,124
Bonds payable	291,410	36,095	327,505
Compensated absences	810	4,150	4,960
<b>Total current liabilities</b>	<b>414,851</b>	<b>251,914</b>	<b>666,765</b>
Non-current liabilities:			
Compensated absences	21,308	104,786	126,094
Bonds payable	2,851,153	383,514	3,234,667
Total OPEB liability	27,721	109,495	137,216
Net pension liability	883,134	3,060,038	3,943,172
<b>Total non-current liabilities</b>	<b>3,783,316</b>	<b>3,657,833</b>	<b>7,441,149</b>
<b>Total liabilities</b>	<b>4,198,167</b>	<b>3,909,747</b>	<b>8,107,914</b>
Deferred inflows of resources:			
Deferred inflows relating to pensions	7,854	32,554	40,408
Deferred inflows relating to OPEB	6,182	37,842	44,024
<b>Total deferred inflows of resources</b>	<b>14,036</b>	<b>70,396</b>	<b>84,432</b>
Net position:			
Net investment in capital assets	5,183,495	1,764,004	6,947,499
Restricted for:			
Debt service	291,410	36,095	327,505
Unrestricted	3,964,980	7,049,550	11,014,530
<b>Total net position</b>	<b>9,439,885</b>	<b>8,849,649</b>	<b>18,289,534</b>

## City of Lake Worth Beach, Florida

### Combining Statement of Revenues, Expenses and Changes in Net Position Nonmajor Enterprise Funds For the Fiscal Year Ended September 30, 2024

	Stormwater Utility	Refuse Collection and Disposal	Total Nonmajor Enterprise Funds
Operating revenues:			
Charges for services	\$ 2,224,000	\$ 7,214,265	\$ 9,438,265
Operating expenses:			
Cost of services	1,142,705	5,774,459	6,917,164
General and administrative	527,961	882,556	1,410,517
Depreciation	336,644	525,888	862,532
<b>Total operating expenses</b>	<b>2,007,310</b>	<b>7,182,903</b>	<b>9,190,213</b>
<b>Operating income</b>	<b>216,690</b>	<b>31,362</b>	<b>248,052</b>
Non-operating revenues (expenses):			
Investment income	363,061	711,242	1,074,303
Interest and fiscal charges	(78,316)	(15,140)	(93,456)
Other	27,261	25,459	52,720
<b>Total non-operating revenues (expenses)</b>	<b>312,006</b>	<b>721,561</b>	<b>1,033,567</b>
<b>Income before transfers</b>	<b>528,696</b>	<b>752,923</b>	<b>1,281,619</b>
Other financing sources (uses):			
Transfers in	91,887	-	91,887
<b>Total other financing sources (uses)</b>	<b>91,887</b>	<b>-</b>	<b>91,887</b>
<b>Change in net position</b>	<b>620,583</b>	<b>752,923</b>	<b>1,373,506</b>
Net position, beginning of year	8,819,302	8,096,726	16,916,028
Net position, end of year	\$ 9,439,885	\$ 8,849,649	\$ 18,289,534

# City of Lake Worth Beach, Florida

## City of Lake Worth Beach, Florida

### Combining Statement of Cash Flows Nonmajor Enterprise Funds For the Fiscal Year Ended September 30, 2024

	Stormwater Utility	Refuse Collection and Disposal	Total Nonmajor Enterprise Funds
Cash flows from operating activities:			
Receipts from customers	\$ 2,094,644	\$ 7,189,449	\$ 9,284,093
Payments to suppliers	(470,589)	(3,123,190)	(3,593,779)
Payments to employees	(508,252)	(1,969,755)	(2,478,007)
Payments for interfund services received	(597,876)	(1,459,937)	(2,057,813)
<b>Net cash provided by operating activities</b>	<b>517,927</b>	<b>636,567</b>	<b>1,154,494</b>
Cash flows from non-capital financing activities:			
Other receipts	27,261	25,459	52,720
Transfers from other funds	91,887	-	91,887
<b>Net cash provided by (used in) non-capital financing activities</b>	<b>119,148</b>	<b>25,459</b>	<b>144,607</b>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital asset, net	(1,620,261)	(675,540)	(2,295,801)
Principal paid on revenue bonds and notes	(281,125)	(34,820)	(315,945)
Interest and other fiscal charges	(98,123)	(19,491)	(117,614)
<b>Net cash (used in) capital and related financing activities</b>	<b>(1,999,509)</b>	<b>(729,851)</b>	<b>(2,729,360)</b>
Cash flows from investing activities:			
Purchase of investments	(301,066)	(451,599)	(752,665)
Interest and gains or losses on investments	374,231	608,185	982,416
<b>Net cash provided by investing activities</b>	<b>73,165</b>	<b>156,586</b>	<b>229,751</b>
<b>Net change in cash and cash equivalents</b>	<b>(1,289,269)</b>	<b>88,761</b>	<b>(1,200,508)</b>
Cash and cash equivalents, beginning	2,493,382	1,330,209	3,823,591
Cash and cash equivalents, ending	\$ 1,204,113	\$ 1,418,970	\$ 2,623,083

(Continued)

## City of Lake Worth Beach, Florida

### Combining Statement of Cash Flows Nonmajor Enterprise Funds (Continued) For the Fiscal Year Ended September 30, 2024

	Stormwater Utility	Refuse Collection and Disposal	Total Nonmajor Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ 216,690	\$ 31,362	\$ 248,052
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	336,644	525,888	862,532
Capital asset disposals	4,355	-	4,355
Decrease (increase) in assets and deferred outflows:			
Accounts receivable	(129,356)	(24,816)	(154,172)
Deferred outflows relating to pensions	68,275	286,291	354,566
Deferred outflows relating to OPEB	650	4,477	5,127
Increase (decrease) in liabilities and deferred inflows:			
Accounts and contracts payable	110,630	57,714	168,344
Accrued liabilities	3,572	24,646	28,218
Compensated absences	4,464	11,156	15,620
Total OPEB liability	(82)	(565)	(647)
Net pension liability	(62,104)	(260,416)	(322,520)
Deferred inflows relating to OPEB	(2,682)	(18,475)	(21,157)
Deferred inflows relating to pensions	(33,129)	(695)	(33,824)
<b>Total adjustments</b>	<b>301,237</b>	<b>605,205</b>	<b>906,442</b>
<b>Net cash provided by operating activities</b>	<b>\$ 517,927</b>	<b>\$ 636,567</b>	<b>\$ 1,154,494</b>



# City of Lake Worth Beach, Florida

---

## Internal Service Funds

---

Internal Service Funds are used to account for activity that provides goods or services to other funds or departments of the primary government and its component units on a cost reimbursement basis.

### **Information Technology**

The fund was established to centralize oversight, management and funding of the City's computer network, telephone and internet communication system.

### **Insurance Fund**

This fund was established to enable centralized oversight, management and funding of the City's insurance coverage, deductibles and uninsured risks.

### **City Garage Fund**

This fund was established to centralize oversight, management and funding of maintaining the City's vehicles.

### **Employee Benefits**

This fund was established to enable centralized oversight, management and funding of the City's employee benefits.

# City of Lake Worth Beach, Florida

## Combining Statement of Net Position Internal Service Funds September 30, 2024

	Information Technology	Insurance	City Garage	Employee Benefits	Total Internal Service Funds
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	\$ 1,503,713	\$ 3,322,071	\$ 6,244,698	\$ 1,123,020	\$ 12,193,502
Investments	-	7,473,551	1,192,121	732,615	9,398,287
Accrued interest receivable	-	30,525	4,742	7,197	42,464
Inventories	-	-	48,656	-	48,656
<b>Total current assets</b>	<b>1,503,713</b>	<b>10,826,147</b>	<b>7,490,217</b>	<b>1,862,832</b>	<b>21,682,909</b>
Non-current assets:					
Restricted assets:					
Cash and cash equivalents	350,000	-	1,019,096	-	1,369,096
Construction in progress	-	-	956,372	-	956,372
Right-to-use - IT subscription	573,412	-	-	-	573,412
Machinery and equipment	2,163,630	59,010	-	-	2,222,640
Vehicles	36,064	-	4,681,084	-	4,717,148
Accumulated depreciation	(2,335,152)	(41,323)	(3,964,236)	-	(6,340,711)
<b>Total non-current assets</b>	<b>787,954</b>	<b>17,687</b>	<b>2,692,316</b>	<b>-</b>	<b>3,497,957</b>
<b>Total assets</b>	<b>\$ 2,291,667</b>	<b>\$ 10,843,834</b>	<b>\$ 10,182,533</b>	<b>\$ 1,862,832</b>	<b>\$ 25,180,866</b>
<b>Liabilities</b>					
Current liabilities:					
Accounts and contracts payable	\$ 205,303	\$ 30,140	\$ 33,949	\$ 31,617	\$ 301,009
Accrued liabilities	44,430	1,203,770	69,477	9,170	1,326,847
Bonds payable	28,844	-	123,618	-	152,462
Compensated absences	2,182	-	1,521	-	3,703
<b>Total current liabilities</b>	<b>280,759</b>	<b>1,233,910</b>	<b>228,565</b>	<b>40,787</b>	<b>1,784,021</b>
Non-current liabilities:					
Insurance claims payable	-	3,410,460	-	-	3,410,460
Compensated absences	46,091	-	15,779	-	61,870
IT Subscription Liability	200,649	-	-	-	200,649
Bonds payable	250,843	-	1,075,050	-	1,325,893
<b>Total non-current liabilities</b>	<b>497,583</b>	<b>3,410,460</b>	<b>1,090,829</b>	<b>-</b>	<b>4,998,872</b>
<b>Total liabilities</b>	<b>778,342</b>	<b>4,644,370</b>	<b>1,319,394</b>	<b>40,787</b>	<b>6,782,893</b>
Net position:					
Net investment in capital assets	307,618	17,687	1,493,648	-	1,818,953
Restricted for:					
Debt service	28,844	-	123,618	-	152,462
Unrestricted	1,176,863	6,181,777	7,245,873	1,822,045	16,426,558
<b>Total net position</b>	<b>\$ 1,513,325</b>	<b>\$ 6,199,464</b>	<b>\$ 8,863,139</b>	<b>\$ 1,822,045</b>	<b>\$ 18,397,973</b>

# City of Lake Worth Beach, Florida

**Combining Statement of Revenues, Expenses and Changes in Net Position  
Internal Service Funds  
For the Fiscal Year Ended September 30, 2024**

	Information Technology	Insurance	City Garage	Employee Benefits	Total Internal Service Funds
Operating revenues:					
Charges for services	\$ 2,870,255	\$ 4,535,585	\$ 1,086,806	\$ 4,877,388	\$ 13,370,034
<b>Total operating revenues</b>	<b>2,870,255</b>	<b>4,535,585</b>	<b>1,086,806</b>	<b>4,877,388</b>	<b>13,370,034</b>
Operating expenses:					
Cost of services	2,347,261	2,932,080	1,106,272	4,470,045	10,855,658
Depreciation	228,210	5,780	166,842	-	400,832
<b>Total operating expenses</b>	<b>2,575,471</b>	<b>2,937,860</b>	<b>1,273,114</b>	<b>4,470,045</b>	<b>11,256,490</b>
<b>Operating income (loss)</b>	<b>294,784</b>	<b>1,597,725</b>	<b>(186,308)</b>	<b>407,343</b>	<b>2,113,544</b>
Non-operating revenues (expenses):					
Interest and fiscal charges	(23,115)	(7,403)	(41,066)	-	(71,584)
Investment income	31,376	615,600	317,922	127,445	1,092,343
Other	-	54,742	37,924	15	92,681
<b>Total non-operating revenues (expenses)</b>	<b>8,261</b>	<b>662,939</b>	<b>314,780</b>	<b>127,460</b>	<b>1,113,440</b>
<b>Income before transfers and contributions</b>	<b>303,045</b>	<b>2,260,664</b>	<b>128,472</b>	<b>534,803</b>	<b>3,226,984</b>
Transfers in	550,000	-	2,024,566	-	2,574,566
<b>Change in net position</b>	<b>853,045</b>	<b>2,260,664</b>	<b>2,153,038</b>	<b>534,803</b>	<b>5,801,550</b>
Net position, beginning of year	660,280	3,938,800	6,710,101	1,287,242	12,596,423
Net position, end of year	\$ 1,513,325	\$ 6,199,464	\$ 8,863,139	\$ 1,822,045	\$ 18,397,973

# City of Lake Worth Beach, Florida

**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Fiscal Year Ended September 30, 2024**

	Information Technology	Insurance	City Garage	Employee Benefits	Total Internal Service Funds
Cash flows from operating activities:					
Receipts from interfund charges	\$ 2,870,255	\$ 4,535,585	\$ 1,086,806	\$ 4,877,388	\$ 13,370,034
Payments to suppliers	(1,471,411)	(2,977,287)	(691,228)	(4,327,158)	(9,467,084)
Payments to employees	(766,749)	(257,554)	(354,533)	(138,550)	(1,517,386)
<b>Net cash (used in) provided by operating activities</b>	<b>632,095</b>	<b>1,300,744</b>	<b>41,045</b>	<b>411,680</b>	<b>2,385,564</b>
Cash flows from non-capital financing activities:					
Other receipts	-	54,742	37,924	15	92,681
Payments received (paid) from (to) other funds	-	-	-	(1,061,761)	(1,061,761)
Transfers in	550,000	-	2,024,566	-	2,574,566
<b>Net cash provided by non-capital financing activities</b>	<b>550,000</b>	<b>54,742</b>	<b>2,062,490</b>	<b>(1,061,746)</b>	<b>1,605,486</b>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets, net	(172,685)	-	(868,605)	-	(1,041,290)
Principal paid on revenue bonds and notes	(213,882)	-	(119,249)	-	(333,131)
Interest and other fiscal charges	(23,115)	(7,403)	(41,066)	-	(71,584)
<b>Net cash used in capital and related financing activities</b>	<b>(409,682)</b>	<b>(7,403)</b>	<b>(1,028,920)</b>	<b>-</b>	<b>(1,446,005)</b>
Cash flows from investing activities:					
Purchase of investments	-	(6,702,854)	(1,069,363)	-	(7,772,217)
Interest and gains or losses on investments	31,376	6,795,105	1,303,791	1,063,538	9,193,810
<b>Net cash provided by investing activities</b>	<b>31,376</b>	<b>92,251</b>	<b>234,428</b>	<b>1,063,538</b>	<b>1,421,593</b>
<b>Net change in cash and cash equivalents</b>	<b>803,789</b>	<b>1,440,334</b>	<b>1,309,043</b>	<b>413,472</b>	<b>3,966,638</b>
Cash and cash equivalents, beginning	1,049,924	1,881,737	5,954,751	709,548	9,595,960
Cash and cash equivalents, ending	\$ 1,853,713	\$ 3,322,071	\$ 7,263,794	\$ 1,123,020	\$ 13,562,598

(Continued)

# City of Lake Worth Beach, Florida

**Combining Statement of Cash Flows  
Internal Service Funds (Continued)  
For the Fiscal Year Ended September 30, 2024**

	Information Technology	Insurance	City Garage	Employee Benefits	Total Internal Service Funds
Reconciliation of operating income (loss) to net cash (used in) provided by operating activities:					
Operating income (loss)	294,784	1,597,725	(186,308)	407,343	2,113,544
Adjustments to reconcile operating income (loss) to net cash provided by (used in) by (used in) operating activities:					
Depreciation	228,210	5,780	166,842	-	400,832
Decrease (increase) in assets:					
Inventories	-	-	22,981	-	22,981
Increase (decrease) in liabilities:					
Accounts and contracts payable	125,753	(1,401)	(13,514)	8,889	119,727
Accrued liabilities	(23,211)	45,568	55,053	(4,552)	72,858
Insurance claims payable	-	(346,928)	-	-	(346,928)
Compensated absences	6,559	-	(4,009)	-	2,550
<b>Total adjustments</b>	<b>337,311</b>	<b>(296,981)</b>	<b>227,353</b>	<b>4,337</b>	<b>272,020</b>
<b>Net cash (used in) provided by operating activities</b>	<b>\$ 632,095</b>	<b>\$ 1,300,744</b>	<b>\$ 41,045</b>	<b>\$ 411,680</b>	<b>\$ 2,385,564</b>

**City of Lake Worth Beach, Florida**

---



# City of Lake Worth Beach, Florida

---

## Fiduciary Funds

---

Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

### Pension Trust Funds

---

#### **General Employees' Retirement System Pension Fund**

To account for the accumulation of resources to be used for retirement benefits of all employees at appropriate amounts and times in the future. Resources are provided by employee and employer contributions, determined by an actuarial study, and investment earnings.

#### **Police Officers' Relief and Retirement System Pension Fund**

To account for the accumulation of resources to be used for retirement benefits for police officers. Resources are provided by annual employee and employer contributions, state contributions, and investment earnings. Individual participation is based upon years of service. Individuals may withdraw their equity upon retirement.

#### **Firefighters' Pension Trust Fund**

To account for the accumulation of resources to be used for retirement benefits for firefighters. Resources are provided by annual employee and employer contributions, state contributions, and investment earnings. Individual participation is based upon years of service. Individuals may withdraw their equity upon retirement.

# City of Lake Worth Beach, Florida

## Combining Statement of Net Position Pension Trust Funds September 30, 2024

	General Employees' Retirement System	Police Officers' Relief and Retirement System	Firefighters' Pension Trust	Total Pension Trust Funds
<b>Assets:</b>				
Cash and cash equivalents	\$ 1,054,518	\$ 773,994	\$ 693,535	\$ 2,522,047
Investments at fair value:				
Government securities	9,153,865	5,832,851	15,151,990	30,138,706
Corporate bonds	6,383,007	4,573,148	1,678,838	12,634,993
Equity securities	54,242,948	31,826,370	39,080,878	125,150,196
Real estate funds	9,643,318	4,815,099	4,052,516	18,510,933
Money market funds	744,925	521,690	710,500	1,977,115
Accrued interest, dividends and contributions receivable	264,659	165,202	101,411	531,272
Prepaid items	6,251	10,154	4,121	20,526
<b>Total assets</b>	<b>81,493,491</b>	<b>48,518,508</b>	<b>61,473,789</b>	<b>191,485,788</b>
<b>Liabilities:</b>				
Accounts payable	66,141	38,696	46,738	151,575
<b>Deferred Inflows:</b>				
Advanced contributions from employer	755,667	2,018,706	-	2,774,373
<b>Net position restricted for pension benefits</b>	<b>\$ 80,671,683</b>	<b>\$ 46,461,106</b>	<b>\$ 61,427,051</b>	<b>\$ 188,559,840</b>

# City of Lake Worth Beach, Florida

## Combining Statement of Changes in Net Position Pension Trust Funds For the Fiscal Year Ended September 30, 2024

	General Employees' Retirement System	Police Officers' Relief and Retirement System	Firefighters' Pension Trust	Total Pension Trust Funds
Additions:				
Contributions:				
Employer	\$ 4,141,099	\$ 3,663,288	\$ 3,607,837	\$ 11,412,224
Chapter 175/185	-	597,553	14,513	612,066
Plan members	1,244,508	54,595	15,225	1,314,328
<b>Total contributions</b>	<b>5,385,607</b>	<b>4,315,436</b>	<b>3,637,575</b>	<b>13,338,618</b>
Investment income:				
Interest and dividends	2,585,925	1,771,265	1,464,476	5,821,666
Net change in fair value of investments	10,461,632	6,360,510	9,852,335	26,674,477
Other income	49,447	8,241	394	58,082
<b>Total investment income</b>	<b>13,097,004</b>	<b>8,140,016</b>	<b>11,317,205</b>	<b>32,554,225</b>
Less investment expenses	(348,561)	(181,818)	(253,426)	(783,805)
Net investment income	12,748,443	7,958,198	11,063,779	31,770,420
<b>Total additions</b>	<b>18,134,050</b>	<b>12,273,634</b>	<b>14,701,354</b>	<b>45,109,038</b>
Deductions:				
Pension benefits	8,555,825	5,058,071	5,679,858	19,293,754
Refund of contributions	203,710	-	-	203,710
Administrative expenses	165,048	119,314	103,455	387,817
<b>Total deductions</b>	<b>8,924,583</b>	<b>5,177,385</b>	<b>5,783,313</b>	<b>19,885,281</b>
<b>Change in net position</b>	<b>9,209,467</b>	<b>7,096,249</b>	<b>8,918,041</b>	<b>25,223,757</b>
Net position, beginning of year	71,462,216	39,364,857	52,509,010	163,336,083
Net position, end of year	\$ 80,671,683	\$ 46,461,106	\$ 61,427,051	\$ 188,559,840

## *STATISTICAL SECTION (UNAUDITED)*

---

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

### Contents

---

Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	119 - 123
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	124 - 128
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	129 - 135
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	136 - 138
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	139 - 141

### Sources Note:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

# City of Lake Worth Beach, Florida

**NET POSITION BY COMPONENT (UNAUDITED)**  
**LAST TEN FISCAL YEARS (accrual basis of accounting)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Governmental Activities:</b>										
Net investment in capital assets	\$ 58,548,019	\$ 56,328,679	\$ 55,276,904	\$ 57,137,390	\$ 55,217,776	\$ 38,366,100	\$ 38,748,868	\$ 40,565,842	\$ 41,096,277	\$ 42,743,224
Restricted	2,159,736	2,882,658	23,188,479	3,620,665	4,501,754	12,750,283	20,955,066	23,431,383	32,216,327	35,395,367
Unrestricted (deficit)	(42,865,854)	(42,528,582)	(63,480,001)	(42,749,218)	(38,108,305)	(28,126,765)	(28,343,982)	(15,835,518)	(8,101,683)	6,788,338
Total governmental activities net position	17,841,901	16,682,755	14,985,382	18,008,837	21,611,225	22,989,618	31,359,952	48,161,707	65,210,921	84,926,929
<b>Business-Type Activities:</b>										
Net investment in capital assets	67,396,574	74,381,420	83,094,062	90,093,724	95,692,038	95,049,432	100,838,508	93,198,222	92,610,275	96,167,590
Restricted	3,954,649	4,023,055	5,084,192	8,797,790	8,877,209	8,670,291	7,932,254	8,466,405	9,068,621	12,014,192
Unrestricted	64,875,277	71,056,620	64,199,523	48,072,470	46,249,865	50,052,179	50,971,119	60,076,175	73,207,984	75,028,255
Total business-type activities net position	136,226,500	149,461,095	152,377,777	146,963,984	150,819,112	153,771,902	159,741,881	161,740,802	174,886,880	183,210,037
<b>Total Government:</b>										
Net investment in capital assets	125,944,593	130,710,099	138,370,966	147,231,114	150,909,814	133,415,532	139,587,376	133,764,064	133,706,552	138,910,814
Restricted	6,114,385	6,905,713	28,272,671	12,418,455	13,378,963	21,420,574	28,887,320	31,897,788	41,284,948	47,409,559
Unrestricted	22,009,423	28,528,038	719,522	5,323,252	8,141,560	21,925,414	22,627,137	44,240,657	65,106,301	81,816,593
Total government net position	\$ 154,068,401	\$ 166,143,850	\$ 167,363,159	\$ 164,972,821	\$ 172,430,337	\$ 176,761,520	\$ 191,101,833	\$ 209,902,509	\$ 240,097,801	\$ 268,136,966

NOTE: The City implemented GASB statement No. 68, "Accounting and Financial Reporting for Pensions" in fiscal year 2015.

NOTE: The City implemented GASB statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" in fiscal year 2018. Information for fiscal year 2017 has been restated.

# City of Lake Worth Beach, Florida

## CHANGES IN NET POSITION (UNAUDITED) LAST TEN FISCAL YEARS (accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses:</b>										
Governmental Activities:										
General Government	\$ 2,422,314	\$ 3,059,477	\$ 4,090,775	\$ 3,962,157	\$ 6,230,789	\$ 4,402,551	\$ 4,227,216	\$ 3,211,278	\$ 3,081,370	\$ 6,667,215
Public Safety	18,613,494	21,521,291	21,020,172	20,375,323	21,711,159	22,422,289	21,210,213	16,032,830	23,613,179	21,631,692
Physical Environment	2,684,500	1,791,681	2,118,859	2,432,633	3,618,684	3,282,429	2,391,933	2,075,464	2,257,275	1,932,558
Transportation	3,798,644	4,224,006	4,462,603	4,343,667	5,652,177	5,372,627	5,489,348	5,083,534	5,278,472	5,221,110
Culture and Recreation	4,102,901	5,672,028	6,605,043	6,892,253	6,652,731	6,491,360	7,836,192	7,749,604	8,051,627	7,818,074
Interest on Long-Term Debt	-	-	328,454	1,298,123	1,412,098	1,450,715	1,803,968	1,889,125	1,803,398	1,720,737
<b>Total Governmental Activities Expenses</b>	<b>31,621,853</b>	<b>36,268,483</b>	<b>38,625,906</b>	<b>39,304,156</b>	<b>45,277,638</b>	<b>43,421,971</b>	<b>42,958,870</b>	<b>36,041,835</b>	<b>44,085,321</b>	<b>44,991,386</b>
Business-Type Activities:										
Electric	48,719,483	47,510,501	54,793,486	56,923,415	52,460,343	52,993,465	54,964,184	69,368,859	60,403,096	61,215,267
Water	9,541,300	10,173,782	11,754,509	11,663,352	12,713,290	15,805,291	15,987,210	16,537,525	16,672,079	18,072,785
Local Sewer	6,523,547	6,819,673	7,356,239	8,892,409	8,885,400	10,047,624	9,902,290	9,961,691	11,867,881	12,461,550
Regional Sewer	7,360,670	5,084,878	4,868,053	6,535,365	4,804,777	7,963,192	8,651,434	8,578,505	9,307,473	16,666,157
Stormwater Utility	1,160,138	1,109,596	1,183,318	1,382,758	1,452,752	1,838,722	1,722,339	1,661,991	1,814,278	2,085,626
Refuse Collection and Disposal	4,231,967	4,308,118	4,884,890	4,615,148	5,150,043	6,579,918	5,967,285	7,329,740	6,635,840	7,198,043
<b>Total Business-Type Activities Expenses</b>	<b>77,537,105</b>	<b>75,006,548</b>	<b>84,840,495</b>	<b>90,012,447</b>	<b>85,466,605</b>	<b>95,228,212</b>	<b>97,194,742</b>	<b>113,438,311</b>	<b>106,700,647</b>	<b>117,699,428</b>
<b>Total Primary Government Expenses</b>	<b>\$ 109,158,958</b>	<b>\$ 111,275,031</b>	<b>\$ 123,466,401</b>	<b>\$ 129,316,603</b>	<b>\$ 130,744,243</b>	<b>\$ 138,650,183</b>	<b>\$ 140,153,612</b>	<b>\$ 149,480,146</b>	<b>\$ 150,785,968</b>	<b>\$ 162,690,814</b>
<b>Program Revenues:</b>										
Governmental Activities:										
Charges for Services:										
General Government	\$ 2,709,695	\$ 2,888,193	\$ 2,483,748	\$ 2,972,515	\$ 3,286,187	\$ 10,709,621	\$ 11,317,341	\$ 11,536,299	\$ 12,031,354	\$ 12,845,727
Public Safety	1,283,169	1,562,712	1,374,166	1,290,577	1,564,369	1,545,925	1,806,106	1,965,754	1,699,215	1,758,050
Physical Environment	11,350	16,250	19,125	19,700	20,175	25,150	26,725	30,420	53,578	83,370
Transportation	1,565,500	1,675,853	1,881,827	1,907,733	2,347,327	1,837,134	2,721,033	2,752,773	3,300,461	3,572,220
Culture and Recreation	2,229,513	2,069,347	2,160,482	2,185,279	2,616,295	2,274,234	2,405,908	2,878,728	3,427,563	3,309,661
Operating Grants and Contributions	1,033,222	1,267,255	878,208	543,186	45,135	48,206	68,415	1,000,041	931,919	1,254,569
Capital Grants and Contributions	292,129	51,440	18,850	657,045	1,029,905	982,181	2,823,576	706,224	264,440	434,852
<b>Total Governmental Activities Program Revenues</b>	<b>9,124,578</b>	<b>9,531,050</b>	<b>8,816,406</b>	<b>9,576,035</b>	<b>10,909,393</b>	<b>17,422,451</b>	<b>21,169,104</b>	<b>20,870,239</b>	<b>21,708,530</b>	<b>23,258,449</b>
Business-Type Activities:										
Charges for Services:										
Electric	54,269,092	57,011,403	55,850,044	54,280,835	55,128,532	53,508,982	57,265,178	66,125,824	69,986,266	64,434,299
Water	13,053,300	13,960,788	14,652,277	13,990,442	15,121,045	14,691,895	15,612,994	17,729,670	16,355,681	17,578,009
Local Sewer	7,228,749	7,694,525	7,183,903	7,083,494	7,770,255	8,827,767	9,991,750	10,046,432	11,082,429	12,345,916
Regional Sewer	6,137,326	6,543,368	6,981,203	8,037,738	9,056,597	10,607,742	9,532,063	8,597,871	11,657,412	12,808,883
Stormwater Utility	1,807,513	1,853,597	1,839,490	1,877,395	1,892,168	1,930,639	1,936,696	1,943,647	1,984,920	2,298,775
Refuse Collection and Disposal	5,905,283	5,859,424	5,937,437	6,029,714	6,443,982	6,586,508	6,954,673	8,049,541	7,029,075	7,532,042
Capital Grants and Contributions	824,131	668,015	937,910	620,434	907,493	1,196,278	832,469	1,535,043	1,943,889	764,823
<b>Total Business-Type Activities Program Revenues</b>	<b>89,225,394</b>	<b>93,591,120</b>	<b>93,382,264</b>	<b>91,920,052</b>	<b>96,320,072</b>	<b>97,349,811</b>	<b>102,125,823</b>	<b>231,025,952</b>	<b>120,039,672</b>	<b>117,762,747</b>
<b>Total Primary Program Revenues</b>	<b>\$ 98,349,972</b>	<b>\$ 103,122,170</b>	<b>\$ 102,198,670</b>	<b>\$ 101,496,087</b>	<b>\$ 107,229,465</b>	<b>\$ 114,772,262</b>	<b>\$ 123,294,927</b>	<b>\$ 251,896,191</b>	<b>\$ 141,748,202</b>	<b>\$ 141,021,196</b>

# City of Lake Worth Beach, Florida

## CHANGES IN NET POSITION (UNAUDITED)

LAST TEN FISCAL YEARS (accrual basis of accounting) (continued)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Net (Expense) / Revenue:</b>										
Governmental Activities	\$ (22,497,275)	\$ (26,737,433)	\$ (29,809,500)	\$ (29,728,121)	\$ (34,368,245)	\$ (25,999,520)	\$ (21,789,766)	\$ (15,171,596)	\$ (22,376,791)	\$ (21,732,937)
Business-Type Activities	11,688,289	18,584,572	8,541,769	1,907,605	10,853,467	2,121,599	4,931,081	117,587,641	13,339,025	63,319
Total Primary Government Net Expenses	(10,808,986)	(8,152,861)	(21,267,731)	(27,820,516)	(23,514,778)	(23,877,921)	(16,858,685)	102,416,045	(9,037,766)	(21,669,618)
<b>General Revenues:</b>										
Governmental Activities:										
Taxes:										
Property Taxes	7,016,336	7,933,054	8,501,004	10,446,929	12,236,801	13,044,494	14,234,595	14,999,085	16,757,743	19,409,973
Franchise Taxes	39,358	40,559	57,146	149,379	130,486	138,871	156,700	179,866	186,920	239,668
Utility Taxes	5,040,381	5,249,541	5,323,406	5,157,559	5,378,990	5,473,291	5,802,645	5,793,174	5,067,445	5,284,825
Gas Taxes and Shared Revenues	3,731,994	3,913,702	5,866,094	6,780,214	6,914,217	6,444,705	7,471,341	8,827,147	9,643,038	9,521,817
Intergovernmental – Unrestricted	1,469,121	1,528,273	1,669,080	1,647,276	1,689,341	1,534,497	1,764,666	2,229,566	2,696,507	2,656,878
Investment Income – Unrestricted	84,656	73,088	96,906	399,621	1,076,109	485,389	28,179	135,659	2,009,977	3,639,263
Miscellaneous	202,581	79,538	176,950	294,959	209,266	218,393	701,974	204,652	944,031	716,686
Transfers	6,146,248	6,760,532	6,991,921	7,875,639	10,335,423	352,000	-	(395,798)	2,120,344	(20,165)
Total Governmental Activities Revenues	23,730,675	25,578,287	28,682,507	32,751,576	37,970,633	27,691,640	30,160,100	31,973,351	39,426,005	41,448,945
Business-Type Activities:										
Investment Income – Unrestricted	638,789	584,317	371,686	580,489	1,379,774	505,611	11,746	152,327	1,824,493	5,905,536
Miscellaneous	731,768	826,238	959,846	1,343,752	1,057,737	410,438	1,027,152	861,079	102,904	2,334,137
Transfers	(6,146,248)	(6,760,532)	(6,991,921)	(9,245,639)	(10,335,423)	(352,000)	-	395,798	(2,120,344)	20,165
Total Business-Type Activities Revenues	(4,775,691)	(5,349,977)	(5,660,389)	(7,321,398)	(7,897,912)	564,049	1,038,898	1,409,204	(192,947)	8,259,838
Total Primary Government General Revenues	\$ 18,954,984	\$ 20,228,310	\$ 23,022,118	\$ 25,430,178	\$ 30,072,721	\$ 28,255,689	\$ 31,198,998	\$ 33,382,555	\$ 39,233,058	\$ 49,708,783
<b>Change in Net Position:</b>										
Governmental Activities	\$ 1,233,400	\$ (1,159,146)	\$ (1,126,993)	\$ 3,023,455	\$ 3,602,388	\$ 1,692,120	\$ 8,370,334	\$ 16,801,755	\$ 17,049,214	\$ 19,716,008
Business-type Activities	6,912,598	13,234,595	2,881,380	(5,413,793)	2,955,555	2,685,648	5,969,979	118,996,845	13,146,078	8,323,157
Total Primary Government	\$ 8,145,998	\$ 12,075,449	\$ 1,754,387	\$ (2,390,338)	\$ 6,557,943	\$ 4,377,768	\$ 14,340,313	\$ 135,798,600	\$ 30,195,292	\$ 28,039,165

# City of Lake Worth Beach, Florida

**FUND BALANCES OF GOVERNMENTAL FUNDS (UNAUDITED)**  
**LAST TEN FISCAL YEARS (modified accrual basis of accounting)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>General Fund:</b>										
Nondisposable	\$ 18,703	\$ 11,352	\$ 13,245	\$ 27,397	\$ 20,856	\$ 27,558	\$ 1,116	\$ 7,597	\$ 9,968	\$ 7,444
Restricted	-	-	-	-	-	-	1,626,000	1,475,433	1,854,470	1,678,904
Assigned	78,156	374,534	435,487	739,511	9,267	9,267	9,267	9,267	9,462	9,666
Unassigned	4,867,733	5,596,137	4,406,420	3,883,141	4,852,376	11,879,169	10,056,328	10,252,587	15,169,813	21,089,709
Total General Fund	<u>\$ 4,964,592</u>	<u>\$ 5,982,023</u>	<u>\$ 4,855,152</u>	<u>\$ 4,650,049</u>	<u>\$ 4,882,499</u>	<u>\$11,915,994</u>	<u>\$11,692,711</u>	<u>\$11,744,884</u>	<u>\$17,043,713</u>	<u>\$ 22,785,723</u>
<b>All Other Governmental Funds:</b>										
Nondisposable	74,520	8,534	8,321	13,052	12,347	259,524	147,176	124,891	125,762	122,555
Restricted	2,159,736	2,882,658	22,764,757	26,574,399	18,717,321	18,991,532	24,003,876	23,968,357	30,361,857	33,716,463
Committed	1,692,430	1,463,513	1,459,827	1,468,669	1,417,849	-	-	-	-	-
Assigned	2,926,266	2,476,999	4,284,028	6,585,253	10,232,006	9,937,392	7,629,245	11,720,770	12,671,832	14,349,208
Unassigned (deficit)	(4,823,306)	(4,291,069)	(3,909,745)	(3,777,022)	(3,352,766)	(16,433)	-	(3,395)	-	-
Total All Other Governmental Funds	<u>2,029,646</u>	<u>2,540,635</u>	<u>24,607,188</u>	<u>30,864,351</u>	<u>27,026,757</u>	<u>29,172,015</u>	<u>31,780,297</u>	<u>35,810,623</u>	<u>43,159,451</u>	<u>48,188,226</u>
Total Governmental Funds	<u>\$ 6,994,238</u>	<u>\$ 8,522,658</u>	<u>\$29,462,340</u>	<u>\$35,514,400</u>	<u>\$31,909,256</u>	<u>\$41,088,009</u>	<u>\$43,473,008</u>	<u>\$47,555,507</u>	<u>\$60,203,164</u>	<u>\$ 70,973,949</u>

**NOTE:** The City implemented GASB 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011. Information for fiscal years 2005-2010 have not been restated

# City of Lake Worth Beach, Florida

## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (UNAUDITED) LAST TEN FISCAL YEARS (modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenues:</b>										
Property Taxes	\$ 6,316,354	\$ 7,217,524	\$ 7,902,965	\$ 9,903,427	\$ 11,698,612	\$ 12,763,120	\$ 13,932,886	\$ 14,926,191	\$ 16,757,744	\$ 19,409,973
Utility and Other Taxes	5,237,870	5,454,398	5,556,899	5,477,082	5,648,150	5,645,711	5,941,831	5,984,366	6,231,256	6,473,004
Licenses and Permits	2,306,549	2,298,863	1,913,624	2,372,876	2,766,369	2,398,276	2,627,871	3,005,204	2,805,743	2,898,305
Fines and Forfeitures	990,180	1,196,984	1,136,209	941,176	1,200,141	1,331,593	1,498,632	1,612,772	1,639,256	2,403,215
Charges for Services	8,113,998	8,319,650	8,411,704	9,298,864	10,355,013	17,306,080	19,478,042	20,971,418	22,615,826	22,216,246
Intergovernmental	6,324,240	6,521,260	8,072,671	9,008,012	9,456,191	8,395,719	11,580,243	11,756,665	12,622,697	13,010,617
Investment Income	99,182	73,088	98,989	400,146	1,076,208	485,649	23,544	136,591	2,009,889	3,639,916
Rents and Royalties	21,099	20,974	20,703	20,642	19,841	19,445	19,598	20,079	18,999	20,798
Miscellaneous	299,088	224,878	413,554	513,776	481,431	329,152	1,154,898	340,538	1,172,563	760,755
<b>Total Revenues</b>	<b>29,708,560</b>	<b>31,327,619</b>	<b>33,527,318</b>	<b>37,936,001</b>	<b>42,701,956</b>	<b>48,674,745</b>	<b>56,257,545</b>	<b>58,753,824</b>	<b>65,873,973</b>	<b>70,832,829</b>
<b>Expenditures:</b>										
Current:										
General Government	5,634,202	6,199,180	6,917,043	7,575,275	9,535,056	8,412,275	8,546,750	9,506,679	9,830,583	11,088,834
Public Safety	20,326,650	20,746,172	21,418,839	21,329,407	22,028,842	23,123,385	24,415,181	24,594,678	25,823,699	26,414,746
Physical Environment	1,755,019	1,773,092	2,070,505	2,310,527	2,519,813	2,285,176	2,211,880	2,341,203	2,294,698	2,250,382
Transportation	1,284,203	1,652,394	1,845,235	2,026,304	2,839,274	2,770,493	2,179,469	2,552,097	2,981,013	3,131,877
Culture and Recreation	4,370,469	4,606,962	5,291,682	5,812,796	5,986,881	5,926,539	6,423,235	7,359,039	7,330,553	7,537,520
Capital Outlay	1,719,832	2,431,377	4,128,562	17,016,282	11,642,411	9,696,551	7,529,092	2,136,573	3,247,927	3,216,210
Debt Service:										
Principal	-	-	-	423,722	702,238	780,664	1,628,864	3,886,071	2,024,173	2,095,943
Interest and Other Fiscal Charges	-	-	303,736	817,195	1,388,008	1,450,715	1,823,773	1,899,187	1,814,024	1,731,801
Cost of Issuance	-	-	-	172,597	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>35,090,375</b>	<b>37,409,177</b>	<b>41,975,602</b>	<b>57,484,105</b>	<b>56,642,523</b>	<b>54,445,798</b>	<b>54,758,244</b>	<b>54,275,527</b>	<b>55,346,670</b>	<b>57,467,313</b>
Excess (Deficiency) of Revenues Over Expenditures	(5,381,815)	(6,081,558)	(8,448,284)	(19,548,104)	(13,940,567)	(5,771,053)	1,499,301	4,478,297	10,527,303	13,365,516
<b>Other Financing Sources (Uses):</b>										
Transfers In	7,503,308	6,820,532	7,122,980	10,248,836	10,663,633	435,593	2,120,000	2,529,459	5,244,175	4,907,592
Transfers Out	(1,357,060)	(60,000)	(131,059)	(2,373,197)	(328,210)	(83,593)	(2,120,000)	(2,925,257)	(3,123,831)	(7,502,323)
Proceeds from debt issuance	-	849,446	22,396,045	17,724,525	-	13,991,367	760,000	-	-	-
Proceeds from bond premiums	-	-	-	-	-	907,884	125,699	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>6,146,248</b>	<b>7,609,978</b>	<b>29,387,966</b>	<b>25,600,164</b>	<b>10,335,423</b>	<b>15,251,251</b>	<b>885,699</b>	<b>(395,798)</b>	<b>2,120,344</b>	<b>(2,594,731)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 764,433</b>	<b>\$ 1,528,420</b>	<b>\$ 20,939,682</b>	<b>\$ 6,052,060</b>	<b>\$ (3,605,144)</b>	<b>\$ 9,480,198</b>	<b>\$ 2,385,000</b>	<b>\$ 4,082,499</b>	<b>\$ 12,647,647</b>	<b>\$ 10,770,785</b>
Debt Service as a Percentage of Non-Capital Expenditures	0.00%	0.00%	0.80%	3.49%	4.64%	4.99%	7.31%	11.10%	7.37%	7.06%

# City of Lake Worth Beach, Florida

**NET ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (UNAUDITED)  
LAST TEN FISCAL YEARS (in thousands)**

Fiscal Year Ended September 30,	Tax Revenue Year	Real Property		Railroad Property	Total Net Assessed Value	Total Direct Tax Rate
		Residential Property	Commercial Property			
2015	2014	1,260,658	51,353	5,148	1,317,159	8.95
2016	2015	1,415,323	51,077	5,596	1,471,996	8.95
2017	2016	1,584,396	43,122	5,781	1,633,299	9.70
2018	2017	1,758,006	49,116	5,924	1,813,046	9.70
2019	2018	1,933,683	57,977	7,795	1,999,455	10.06
2020	2019	2,119,926	48,866	7,413	2,176,205	10.06
2021	2020	2,279,223	50,961	7,512	2,337,696	10.06
2022	2021	2,704,149	58,266	7,963	2,770,378	10.06
2023	2022	3,127,783	80,749	8,706	3,217,238	9.87
2024	2023	3,392,067	80,299	11,099	3,483,465	9.87

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

## City of Lake Worth Beach, Florida

### PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (UNAUDITED) LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Tax Roll Year	City of Lake Worth					Overlapping Rates (1)					Total Direct and Overlapping Rates
		General Operations	MSTU	Debt Service	Total City	Palm Beach County	Palm Beach County School Board	South Florida Water Management District	Florida Inland Navigation District	Palm Beach County Health Care District	Children's Services Council	
2015	2014	5.49	3.46	-	8.95	4.78	7.59	0.69	0.03	1.05	0.67	23.76
2016	2015	5.49	3.46	-	8.95	4.91	7.08	0.33	0.03	0.90	0.68	22.88
2017	2016	5.49	3.46	0.75	9.70	4.90	6.77	0.31	0.03	0.78	0.66	23.15
2018	2017	5.49	3.46	0.75	9.70	4.90	6.77	0.32	0.03	0.85	0.66	23.23
2019	2018	5.49	3.46	1.11	10.06	4.86	7.16	0.28	0.03	0.73	0.65	23.77
2020	2019	5.49	3.46	1.11	10.06	4.81	7.01	0.27	0.03	0.73	0.65	23.56
2021	2020	5.49	3.46	1.11	10.06	4.78	6.88	0.37	0.03	0.73	0.65	23.50
2022	2021	5.49	3.46	1.11	10.06	4.78	6.52	0.33	0.03	0.73	0.62	23.07
2023	2022	5.49	3.46	0.92	9.87	4.78	6.46	0.33	0.03	0.73	0.55	22.75
2024	2023	5.49	3.46	0.92	9.87	4.50	6.31	0.33	0.03	0.68	0.49	22.21

NOTE: All millage rates are based on \$1 for every \$1,000 of assessed value.

SOURCES: City of Lake Worth Finance Department and Palm Beach County Property Appraiser's Office (DR420 & Detailed Millage Chart).

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Lake Worth. Not all overlapping rates apply to all City of Lake Worth property owners (i.e., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

## City of Lake Worth Beach, Florida

### PROPERTY TAX LEVIES AND COLLECTIONS (UNAUDITED) LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Total Taxes Levied for Year (2)	Collected Within the Fiscal Year of the Levy (1)	Percent of Levy	Collections in Subsequent Year's	Total Collections to Date	Percent of Levy
		Amount			Amount	
2015	6,668,511	6,277,985	94.14%	132,548	6,410,533	96.13%
2016	7,225,095	6,951,573	96.21%	5,404	6,956,977	96.29%
2017	8,101,969	7,796,543	96.23%	-	7,796,543	96.23%
2018	9,006,434	8,660,077	96.15%	-	8,660,077	96.15%
2019	12,033,164	11,616,102	96.53%	-	11,616,102	96.53%
2020	13,179,530	12,737,088	96.64%	-	12,737,088	96.64%
2021	14,359,890	13,888,771	96.72%	-	13,888,771	96.72%
2022	15,440,103	14,910,711	96.57%	-	14,910,711	96.57%
2023	17,185,722	16,718,289	97.28%	-	16,718,289	97.28%
2024	18,637,708	19,391,725	104.05%	-	19,391,725	104.05%

SOURCES: City of Lake Worth, Finance Department and Palm Beach County Tax Collector's Office.

(1) Includes discounts taken by property taxpayers.

(2) Palm Beach County Tax Collector - Comparison of Taxes Levied - <http://www.co.palm-beach.fl.us/papa/Millage.htm>

\*As Adopted\*

## City of Lake Worth Beach, Florida

### PRINCIPAL PROPERTY TAXPAYERS (UNAUDITED) CURRENT YEAR AND NINE YEARS AGO

	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
1017 LAKE AVE LLC	28,129,422	4	0.81%	\$ -	-	-
1601 DIXIE LLC	22,675,442	5	0.65%	-	-	-
SL BOUTWELL BUSINESS CENTER II LLC	39,622,217	1	1.14%	-	-	-
OAKWOOD TOWNHOMES LP	28,543,297	3	0.82%	-	-	-
CUBESMART LP	27,729,849	2	0.80%	-	-	-
1920 10th AVENUE LLC	12,112,100	10	0.35%	7,162,113	5	0.54%
LAKE WORTH AFL RE LLC	15,076,261	8	0.43%	-	-	-
STAG INDUSTRIAL HOLDINGS LLC	18,070,381	6	0.52%	-	-	-
PALM BEACH MOBILE HOME PARK, LLC	15,076,261	7	0.43%	7,860,851	3	0.60%
FLORIDA PUBLIC UTILITIES	14,215,418	9	0.41%	-	-	-
PALM CLUB TOWNHOMES, LLC	-	-	-	9,948,799	1	0.75%
BELLSOUTH TELECOMMUNICATIONS, INC.	-	-	-	8,021,684	2	0.61%
TACKETT PATRICIA A	-	-	-	7,282,655	4	0.55%
GSG INVESTMENTS	-	-	-	6,068,487	6	0.46%
INVESTORS WARRANTY OF AMERICA, INC.	-	-	-	5,136,480	7	0.39%
LAKE WORTH TOWN PLAZA LLC	-	-	-	4,903,311	8	0.37%
ARBOR SQUARE REALTY CO LLC	-	-	-	4,678,090	9	0.35%
PUBLIX SUPER MARKETS, INC.	-	-	-	4,665,809	10	0.35%
	<b>\$ 221,250,648</b>		<b>6.35%</b>	<b>\$ 65,728,279</b>		<b>4.98%</b>

SOURCE: 2024 Tax roll provided by the Palm Beach County Tax Collector's Office  
Based on Lake Worth Top Ten Taxpayer Report.  
2015 statistics from COLWB 2015 ACFR

## City of Lake Worth Beach, Florida

---

### Special Assessment Collections (Unaudited) Last Ten Fiscal Years

Fiscal Year Ended September 30,	Amount of Special Assessments Recorded Due During Fiscal Year	Special Assessments Collected	Total Outstanding Assessments (1)
2015	\$ -	\$ 24,290	\$ 16,668
2016	-	9,064	7,604
2017	-	7,604	-
2018	-	-	-
2019	-	-	-
2020	-	-	-
2021	-	-	-
2022	-	-	-
2023	-	-	-
2024			

NOTE: All special assessments are levied by adoption of a City resolution. Upon adoption of such resolution, a special assessment immediately becomes a lien upon the benefitted property.

Sources: City of Lake Worth, Florida, Finance Department.

(1) Includes Floral Park, Island Estates and High Ridge Road Watermain Project.

## City of Lake Worth Beach, Florida

### RATIO OF OUTSTANDING DEBT BY TYPE (UNAUDITED) LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Primary Government						Total	Percent of Personal Income (1)	Debt Per Capita (1)
	Governmental Activities			Business-Type Activities					
	General Obligation Bonds	Notes Payable	Leases	Revenue Bonds	Notes Payable	Leases			
2015	\$ -	\$ -	\$ -	\$ 49,595,000	\$ 6,223,140	\$ -	\$ 55,818,140	N/A	1,482
2016	-	849,446	-	43,000,000	21,869,067	-	65,718,513	N/A	1,738
2017	22,267,392	973,205	-	39,565,000	27,904,081	-	90,709,678	N/A	2,390
2018	39,589,955	929,483	-	39,565,000	29,278,407	-	109,362,845	N/A	2,859
2019	38,901,061	882,245	-	36,035,000	30,470,991	-	106,289,297	N/A	2,762
2020	53,036,418	843,864	-	44,945,423	31,306,589	-	130,132,294	N/A	3,347
2021	53,053,988	-	-	113,248,607	14,926,319	-	181,228,914	N/A	4,257
2022	51,524,214	-	3,315,152	157,909,718	16,650,195	225,470	229,624,749	N/A	5,386
2023	49,488,642	-	3,243,073	154,257,288	15,901,748	122,199	223,012,950	N/A	5,135
2024	47,382,800	-	3,169,493	150,475,134	14,954,582	186,133	216,168,142	N/A	4,973

NOTE: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics.

N/A Not Available.

## City of Lake Worth Beach, Florida

### RATIOS OF GENERAL BONDED DEBT OUTSTANDING (UNAUDITED) LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Net Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2015	-	-	-	-	\$ -
2016	-	-	-	-	-
2017	22,267,392	-	22,267,392	1.36%	586.82
2018	39,589,955	(14,271) <b>(3)</b>	39,575,684	2.18%	1,034.47
2019	38,901,061	(1,914) <b>(3)</b>	38,899,147	1.95%	1,010.79
2020	53,036,418	- <b>(3)</b>	53,036,418	2.44%	1,364.28
2021	53,053,988	(165,278) <b>(3)</b>	52,888,710	2.26%	1,242.34
2022	51,524,214	(517,592) <b>(3)</b>	51,006,622	1.84%	1,196.30
2023	49,488,642	(784,935) <b>(3)</b>	48,703,707	1.51%	1,121.38
2024	47,382,800	(1,446,569) <b>(3)</b>	45,936,231	1.32%	1,056.69

NOTE: Details regarding City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property.

(2) See the Schedule of Demographic and Economic Statistics.

(3) These amounts in Fund 203 cash account

## City of Lake Worth Beach, Florida

---

### **COMPUTATION OF LEGAL DEBT LIMIT (UNAUDITED)** **FISCAL YEAR ENDED SEPTEMBER 30, 2024**

---

Taxable Assessed Valuation	<u>\$ 3,483,465,000</u>
Debt Limit (25% of Valuation)	870,866,250
Outstanding Debt:	<u>47,382,800</u>
Debt-Contracting Margin	<u>\$ 823,483,450</u>
Percentage Debt-Contracting Limit Remaining	<u>94.56%</u>

NOTE: The City Charter permits the City to pledge the funds or property taxing power of the City for the payment of debt and bonds. This is subject to mandatory requirements that the total indebtedness of the City shall never exceed an amount equal to 25% of the total assessed value of the taxable property within its corporate limits.

## City of Lake Worth Beach, Florida

---

### **DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (UNAUDITED)** **FISCAL YEAR ENDED SEPTEMBER 30, 2024**

---

<b>Government Unit:</b>	<b>Net Debt Outstanding</b>	<b>Percentage Applicable to the City of Lake Worth (1)</b>	<b>Amount Applicable to the City of Lake Worth</b>
<b>Overlapping:</b>			
Debt Repaid with Property Taxes:			
Palm Beach County	\$ 104,915,000	1.10%	\$ 1,152,839
Palm Beach School Board	1,525,000	1.10%	16,757
<b>Subtotal</b>	<b>106,440,000</b>		<b>1,169,596</b>
<b>Direct Debt:</b>			
City of Lake Worth	\$ 47,382,800	100.00%	\$ 47,382,800
<b>Total Direct and Overlapping Debt</b>	<b>\$ 153,822,800</b>		<b>\$ 48,552,396</b>

SOURCES: Data provided by the Palm Beach County Finance Department and the Palm Beach County Property Appraiser.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City.

This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Lake Worth. This process recognizes that, when the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident; and, therefore responsible for repaying the debt of each overlapping government.

- (1) The City of Lake Worth's share of overlapping debt of approximately 1.03%, as determined by the ratio of the City's assessed valuation of property for 2024 of \$ 3,483,465,000 to the total assessed value of taxable property in the areas (Palm Beach County) of \$ 317,015,539,160

## City of Lake Worth Beach, Florida

---

### PLEDGED REVENUE COVERAGE (UNAUDITED) LAST TEN FISCAL YEARS

---

Fiscal Year Ended September 30,	Sewer Revenue (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2015	\$ 7,328,527	\$ 5,877,591	\$ 1,450,936	\$ -	\$ -	N/A
2016	7,784,279	6,093,835	1,690,444	-	-	N/A
2017	7,214,779	6,504,503	710,276	-	-	N/A
2018	7,122,243	7,958,644	(836,401)	-	-	N/A
2019	7,842,696	7,929,551	(86,855)	-	-	N/A
2020	8,828,323	9,017,939	(189,616)	-	-	N/A
2021	9,992,082	9,104,458	887,624	-	54,234	16.37
2022	9,945,459	9,079,158	866,301	67,939	104,400	5.03
2023	11,071,095	11,018,734	52,361	172,780	167,591	0.15
2024	12,329,094	11,639,286	689,808	172,780	167,591	2.03

SOURCE: City of Lake Worth, Finance Department

(1) Gross revenue includes operating revenue and investment income, net of uncollectible accounts.

(2) Total expenses, net of depreciation, debt interest, and uncollectible accounts.

## City of Lake Worth Beach, Florida

### PLEDGED REVENUE COVERAGE (UNAUDITED)

#### LAST TEN FISCAL YEARS (continued)

Fiscal Year Ended September 30,	Water Revenue (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2015	\$ 13,258,306	\$ 6,437,459	\$ 6,820,847	\$ 1,933,319	\$ 804,048	2.49
2016	14,161,798	6,748,708	7,413,090	313,895	153,207	15.87
2017	14,768,650	7,468,404	7,300,246	2,031,395	1,171,760	2.28
2018	14,132,486	7,800,797	6,331,689	397,780	906,983	4.85
2019	15,373,494	8,352,033	7,021,461	2,575,749	842,734	2.05
2020	14,794,765	9,355,546	5,439,219	2,732,209	826,979	1.53
2021	15,613,916	10,742,381	4,871,535	880,732	1,080,103	2.48
2022	16,366,341	10,241,120	6,125,221	1,080,549	1,256,516	2.62
2023	16,418,200	11,850,831	4,567,369	1,524,390	1,212,614	1.67
2024	18,025,068	13,226,806	4,798,262	1,524,390	1,212,614	1.75

SOURCE: City of Lake Worth, Finance Department

(1) Gross revenue includes operating revenue and investment income, net of uncollectible accounts.

(2) Total expenses, net of depreciation, debt interest, and uncollectible accounts.

## City of Lake Worth Beach, Florida

### PLEGGED REVENUE COVERAGE (UNAUDITED)

#### LAST TEN FISCAL YEARS (continued)

Fiscal Year Ended September 30,	Electric Revenue (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2015	\$ 54,399,160	\$ 46,526,432	\$ 7,872,728	\$ 1,627,500	\$ 642,765	3.47
2016	57,161,737	44,823,917	12,337,820	-	576,200	21.41
2017	55,991,458	50,603,851	5,387,607	1,717,500	1,450,893	1.70
2018	54,539,122	53,757,573	781,549	969,166	980,044	0.40
2019	55,541,906	48,617,931	6,923,975	2,457,410	878,056	2.08
2020	53,720,691	45,720,809	7,999,882	2,556,211	849,427	2.35
2021	57,269,174	49,971,904	7,297,270	425,000	2,016,842	2.99
2022	64,562,550	63,348,353	1,214,197	493,571	2,727,150	0.38
2023	69,549,529	54,572,699	14,976,830	1,905,535	3,894,601	2.58
2024	65,796,418	55,096,392	10,700,026	1,905,535	3,894,601	1.84

SOURCE: City of Lake Worth, Finance Department

(1) Gross revenue includes operating revenue and investment income, net of uncollectible accounts.

(2) Total expenses, net of depreciation, debt interest, and uncollectible accounts.

## City of Lake Worth Beach, Florida

---

### DEMOGRAPHIC AND ECONOMIC STATISTICS (UNAUDITED) LAST TEN FISCAL YEARS

---

Year	Population (1)	Personal Income (Amounts Expressed in Thousands) (4)	Per Capita Personal Income (4)	Assessed Value (Amounts Expressed in Thousands) (2)	Per Capita Assessed Value	Unemployment Rate (3)
2015	37,674	N/A	N/A	1,317,159	34,962	5.1%
2016	37,803	N/A	68,743	1,471,996	38,939	5.8%
2017	37,946	N/A	N/A	1,633,299	43,043	4.5%
2018	38,257	N/A	N/A	1,813,046	47,391	4.4%
2019	38,484	N/A	N/A	1,999,455	51,955	3.0%
2020	38,875	N/A	N/A	2,176,205	55,980	7.2%
2021	42,572	N/A	N/A	2,337,696	54,912	4.1%
2022	42,637	N/A	N/A	2,770,378	64,976	2.8%
2023	43,432	N/A	N/A	3,127,783	72,016	2.8%
2024	43,472	N/A	N/A	3,483,465	80,131	3.0%

**SOURCES:**

- (1) University of Florida, Bureau of Economic Research.
- (2) Palm Beach County Property Appraiser.
- (3) U.S. Department of Labor, Bureau of Labor Statistics.
- (4) University of Florida, Bureau of Economic Research - For Palm Beach County, (City of Lake Worth data is not available).  
<http://www.bebr.ufl.edu/data/county/palm-beach>

N/A: Not Available.



## City of Lake Worth Beach, Florida

### FULL TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION (UNAUDITED) LAST TEN FISCAL YEARS

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Number of Employees:</b>										
General Government	71	73	78	76	76	74	80	86	62	49
Public Safety	13	12	14	13	14	14	26	32	35	37
Physical Environment	15	13	20	24	24	26	16	17	18	33
Transportation	8	11	16	16	13	13	10	13	10	-
Culture and Recreation	19	22	25	25	25	27	58	26	48	48
Community Redevelopment	2	2	4	4	4	4	-	-	-	11
Electric	73	67	71	68	69	71	72	99	90	92
Water and Sewer	55	48	55	50	50	48	47	56	57	57
Refuse	30	28	33	32	32	29	31	36	38	38
Total Full Time Employees	286	276	316	308	307	306	340	365	358	365

Source: COLWB FY24 Position Count

# City of Lake Worth Beach, Florida

## OPERATING INDICATORS BY FUNCTION/PROGRAM (UNAUDITED) LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Building Department:</b>										
Building Permits Issued-Res.	2,050	2,503	2,224	2,954	2,758	2,515	3,093	2,865	2,543	2,474
Building Permits Issued-Com.	703	657	751	539	677	750	605	702	684	580
<b>Culture and Recreation:</b>										
Golf Course-Attendance	42,103	34,554	39,218	38,869	48,680	41,038	47,116	43,648	53,612	48,940
Swimming Pool-Attendance	13,143	13,304	*	*	*	*	*	*	*	*
Fishing Pier-Attendance	87,258	88,264	89,240	91,246	92,158	*	*	99,562	109,206	116,761
<b>Public Library:</b>										
Circulation-All Media	44,599	48,112	43,321	36,336	29,728	8,956	8,897	12,777	24,643	14,501
Patrons Registered	19,548	15,490	15,696	16,330	19,179	19,679	20,226	21,733	21,977	22,941
Patrons Registered-Inside City	14,867	11,325	11,421	11,932	15,387	19,376	19,775	20,388	20,536	21,418
<b>Utility System:</b>										
Water:										
Total Number of Bills	161,573	160,395	161,410	167,222	168,259	169,418	170,513	171,230	171,527	172,172
Number of Units Billed	16,135,064	15,881,991	15,995,970	15,332,625	15,721,546	15,270,195	15,514,671	17,003,777	16,512,886	16,621,655
Total Amount Billed	13,318,069	13,345,940	13,709,754	12,992,941	13,572,778	13,603,381	13,890,971	15,271,106	14,520,408	15,407,327
Average Selling Price	0.83	0.84	0.86	0.85	0.86	0.89	0.90	0.90	0.88	0.93
Average Bill	82.43	83.21	84.94	77.70	80.67	80.29	81.47	89.19	84.66	89.49
Number of Connections	*	*	*	*	*	*	*	*	*	*
Water Main Breaks	*	*	*	*	*	*	*	*	*	*
Sewer:										
Total Number of Bills	143,379	146,821	147,742	148,476	149,150	150,298	151,291	152,040	152,286	152,858
Number of Units Billed	11,929,331	12,216,102	12,408,208	12,013,792	12,100,257	12,098,238	12,234,753	12,649,298	12,631,417	12,990,075
Total Amount Billed	6,725,422	7,018,882	7,283,007	7,117,298	7,755,324	8,957,673	9,655,138	10,133,063	10,702,241	12,028,051
Average Selling Price	0.57	0.57	0.59	0.60	0.64	0.74	0.79	0.81	0.85	0.93
Average Bill	47.00	48.00	49.30	47.94	52.00	59.60	63.82	66.65	70.12	78.69
Number of Connections	11,216	11,218	12,194	12,373	*	*	*	*	*	*

Sources: Various City Departments

# City of Lake Worth Beach, Florida

## OPERATING INDICATORS BY FUNCTION/PROGRAM (UNAUDITED) LAST TEN FISCAL YEARS (continued)

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Electric:</b>										
<b>Residential Customers:</b>										
Total Number of Bills	281016	283149	285434	287853	288716	290701	294390	298,610	298,230	298,847
Number of Units Billed	324881383	329044873	329388680	324223300	336004339	342054167	343634471	305,246,073	293,440,837	300,882,521
Total Amount Billed	33156771	32802475	32786766	30907817	31993460	32849669.45	32703568	40,719,780	39,652,598	35,299,126
Average Selling Price	\$ 0.11	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.11	\$ 0.07	\$ 0.08	\$ 0.09
Average Bill	\$ 118	\$ 116	\$ 115	\$ 107	\$ 111	\$ 113	\$ 111	\$ 136	\$ 133	\$ 118
<b>Commercial Customers:</b>										
Total Number of Bills	37561	37674	37677	37808	37843	37840	38694	37,482	34,788	36,509
Number of Units Billed	152817241	125097776	127896107	126102700	126436901	131523506	118861125	95,380,158	72,456,371	54,767,510
Total Amount Billed	15645193	15573116	15893259	15342976	15330753	14284317.23	14490311	13,121,821	10,484,340	7,602,289
Average Selling Price	\$ 0.11	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.09	\$ 0.12	\$ 0.14	\$ 0.15	\$ 0.14
Average Bill	\$ 417	\$ 413	\$ 422	\$ 406	\$ 405	\$ 377	\$ 374	\$ 350	\$ 301	\$ 208
<b>Private Area Lighting:</b>										
Total Number of Bills	6574	6536	6556	6507	6433	6538	6696	6,960	6,919	6,871
Number of Units Billed	1235578	1193692	1200994	2431880	2428976	2507128	2469312	2,570,435	2,532,374	2,520,468
Total Amount Billed	220335	216292	217297	262582	262342	270911.75	267223	351,396	353,940	339,364
Average Selling Price	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.11	\$ 0.11	\$ 0.09	\$ 0.11	\$ 0.14	\$ 0.14	\$ 0.14
Average Bill	\$ 34	\$ 33	\$ 33	\$ 40	\$ 41	\$ 41	\$ 40	\$ 50	\$ 51	\$ 49
<b>Commercial Demand:</b>										
Total Number of Bills	1032	1034	1031	1046	1076	1032	1034	2,132	3,615	4,142
Number of Units Billed	53104190	52771310	52555086	50615850	49801395	49284132	60827021	76,469,506	106,999,359	131,460,756
Total Amount Billed	5869258	5855878	5641515	5451325	5367370	5328048.85	6174503	10,422,062	15,125,336	15,864,115
Average Selling Price	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.09	\$ 0.10	\$ 0.08	\$ 0.15	\$ 0.12
Average Bill	\$ 5,687	\$ 5,663	\$ 5,418	\$ 5,212	\$ 4,988	\$ 5,163	\$ 5,971	\$ 4,888	\$ 4,184	\$ 3,830
<b>Street Lights:</b>										
Total Number of Bills	108	112	109	108	108	108	105	108	108	108
Number of Units Billed	2506800	2568936	2592168	4964044	4964880	4966112	4931792	4,995,358	5,095,120	5,098,992
Total Amount Billed	383706	392298	395382	476141	476280	476384.17	473490	627,506	645,712	616,035
Average Selling Price	\$ 0.16	\$ 0.15	\$ 0.15	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.08	\$ 0.13	\$ 0.12
Average Bill	\$ 3,553	\$ 3,503	\$ 3,627	\$ 4,409	\$ 4,410	\$ 4,411	\$ 4,509	\$ 5,810	\$ 5,979	\$ 5,704
<b>Solid Waste:</b>										
Residential accounts	42	34	37	38	20	20	18	20	19	20
Commercial accounts	1136	1127	1129	1119	1112	1110	1097	1,122	1,088	1,072

Sources: Various City Departments.

# City of Lake Worth Beach, Florida

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM (UNAUDITED) LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>General Government:</b>										
Number of Buildings	1	1	1	1	1	1	1	1	1	1
<b>Public Safety:</b>										
Police:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	-	-	-	-	-	-	-	-	-	-
Fire:										
Fire Stations	2	2	2	2	3	3	3	3	3	2
<b>Transportation:</b>										
Miles of Streets:										
Streets-Paved	102	102	116	116	116	116	116	116	116	116
Streets-Unpaved	17	17	23	23	23	23	23	23	23	23
Number of Street Lights	4,102	4,305	4,526	4,526	4,526	4,526	4,526	4,526	4,526	4,580
<b>Culture and Recreation:</b>										
Parks	11	11	11	11	11	11	12	12	12	12
Parks Acreage	267	267	267	267	267	267	268	268	269	268
Tennis Courts	8	7	7	7	5	5	5	5	5	3
Baseball/Softball Fields	10	6	8	8	6	6	6	6	6	6
In/Outdoor Basketball Courts	4	4	4	4	4	4	4	4	4	4
Public Boat Ramps	1	1	1	1	1	1	1	1	1	1
Community Centers	2	1	1	1	1	1	1	1	1	1
Municipal Gym	1	1	1	1	1	1	1	1	1	1
Golf Course	1	1	1	1	1	1	1	1	1	1
Swimming Pool	1	1	1	1	1	1	1	1	-	-
Fishing Pier	1	1	1	1	1	1	1	1	1	1
Futsal Court	*	*	*	*	*	*	*	*	2	2
Pickleball Court	*	*	*	*	*	*	*	*	-	6
Shuffleboard	1	1	1	1	1	1	1	1	-	-
Public Library	1	1	1	1	1	1	1	1	1	1
<b>Utility System:</b>										
Fire Hydrants	1,003	1,034	1,081	1,105	1,105	1,139	1,174	1,178	1,178	1,178
<b>Solid Waste:</b>										
Collection Trucks	22	23	26	27	27	27	28	27	28	30
<b>Water System:</b>										
Total Wells	17	15	15	15	15	15	54	54	54	54
Usable Wells	15	15	15	15	15	15	17	17	17	17
Miles of Water Lines	157	156	165	168	169	169	180	180	180	180
<b>Sewer System:</b>										
Miles of Sewer Lines	98	114	117	125	126	126	124	124	125	125
<b>Electric System:</b>										
Generating Plants	1	1	1	1	1	1	2	2	2	2
Miles of Distribution Lines	147	147	290	296	296	296	590	590	592	593

Sources: Various City Departments.

Note: Miles of Distribution Lines was derived by the "GIS export of conductor length of primary, 4kV and 26kV, and secondary conductor all voltage classes".

**City of Lake Worth Beach, Florida**

---

