The Village of

Royal Palm Beach

Florida

Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2024

ANNUAL COMPREHENSIVE FINANCIAL REPORT

VILLAGE OF ROYAL PALM BEACH, FLORIDA

FISCAL YEAR ENDED SEPTEMBER 30, 2024

Prepared by the Finance Department

VILLAGE OF ROYAL PALM BEACH, FLORIDA

CONTENTS

Introductory Section

Letter of Transmittal ..... i-vi
List of Principal Officials vii
Organizational Chart viii
Certificate of Achievement ix

Basic Financial Statements

Independent Auditors' Report 1-3

Management's Discussion and Analysis (Required Supplementary Information) 4-10

Basic Financial Statements
Government-wide Financial Statements
Statement of Net Position 11
Statement of Activities 12
Fund Financial Statements
Balance Sheet - Governmental Funds 13
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position 14
Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds 15
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 16
Statement of Net Position - Enterprise Funds 17
Statement of Revenue, Expenses, and Changes in Net Position – Enterprise Funds 18
Statement of Cash Flows - Enterprise Funds 19
Statement of Fiduciary Net Position - Fiduciary Funds 20
Statement of Changes in Fiduciary Net Position - Fiduciary Funds 21
Notes to Financial Statements 22-60

Required Supplementary Information

Budgetary Comparison Schedule - General Fund 61-65
Notes to Budgetary Comparison Schedule 66-67
Schedules of the Village's Proportionate Share of the Net Pension Liability – Florida Retirement System (FRS) Pension Plan 68
Schedules of the Village's Proportionate Share of the Net Pension Liability – Florida Retiree Health Insurance Subsidy (HIS) Trust Fund 69
Schedule of Village Contributions 70
Schedule of Changes in the Total OPEB Liability and Related Ratios 71

VILLAGE OF ROYAL PALM BEACH, FLORIDA

CONTENTS

Combining and Individual Fund Financial Statements (Supplementary Information)

Nonmajor Governmental Funds
- Combining Balance Sheet 72
- Combining Statement of Revenue, Expenditures, and Changes in Fund Balances 73

Fiduciary Funds
- Combining Statement of Fiduciary Net Position 74
- Combining Statement of Changes in Fiduciary Net Position 75

Statistical Section

Financial Trends
- Net Position by Component 76
- Changes in Net Position 77-78
- Fund Balances of Governmental Funds 79
- Changes in Fund Balances of Governmental Funds 80
- General Governmental Tax Revenues by Source 81
- Assessed Value and Estimated Actual Value of Taxable Property 82

Revenue Capacity
- Direct and Overlapping Property Tax Rates 83
- Principal Property Taxpayers 84
- Property Tax Levies and Collections 85
- Utility Service Tax Revenues By Source 86
- Principal Utility Service Taxpayers 87

Debt Capacity
- Ratios of Outstanding Debt by Type 88
- Ratios of Net General Bonded Debt Outstanding 89
- Direct and Overlapping Governmental Activities Debt 90

Demographic and Economic Information
- Demographic and Economic Statistics 91
- Principal Employers 92

Operating Information
- Village Government Employees by Function 93
- Operating Indicators by Function 94
- Capital Asset Statistics by Function 95

VILLAGE OF ROYAL PALM BEACH, FLORIDA

CONTENTS

Reporting Section

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards* 96-97

Independent Auditors' Report on Compliance for the Major Program and Report on Internal Control over Compliance Required by the Uniform Guidance 98-100

Schedule of Expenditures of Federal Awards 101

Notes to Schedule of Expenditures of Federal Awards 102

Schedule of Findings and Questioned Costs 103-104

Summary Schedule of Prior Audit Findings 105

Management Letter in Accordance with the Rules of the Auditor General of the State of Florida 106-108

Independent Accountants' Report on Compliance Pursuant to Section 218.415, Florida Statutes 109

Affidavit, F.S. Section 163.31801, Impact Fees 110

INTRODUCTORY SECTION

Village of Royal Palm Beach, Florida
1050 Royal Palm Beach Boulevard Royal Palm Beach, Florida 33411
Telephone (561) 790-5112 Fax (561) 790-5174 E-mail: salmeida@royalpalmbeachfl.gov

Department of Finance
Sharon Almeida, CGFO, Director

March 11, 2025

Mayor Jeff Hmara
Vice Mayor Selena Samios
Councilman Adam Miller
Councilwoman Jan Rodusky
Councilman Richard Valuntas

The Honorable Mayor, Village Council and Residents of the Village of Royal Palm Beach:

State law requires that all general-purpose local governments publish within nine months of the close of each fiscal year a complete set of financial statements presented in conformity with U.S. generally accepted accounting principles (GAAP) and audited in accordance with U.S. generally accepted auditing standards and Government Auditing Standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the Village of Royal Palm Beach for the fiscal year ended September 30, 2024.

This report consists of management's representations concerning the finances of the Village of Royal Palm Beach. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Village of Royal Palm Beach has established a comprehensive internal control framework that is designed both to protect the Village assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Village of Royal Palm Beach's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village of Royal Palm Beach's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village of Royal Palm Beach's financial statements have been audited by CBIZ CPAs P.C. a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Village of Royal Palm Beach for the fiscal year ended, September 30, 2024 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions that the Village of Royal Palm Beach's financial statements for the fiscal year ended September 30, 2024, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Jeff Hmara Mayor | Selena Samios Vice Mayor | Jan Rodusky Councilwoman | Richard Valuntas Councilman | Dr. Adam Miller Councilman | Raymond C. Liggins P. E. Village Manager

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

Profile of the Government

The Village of Royal Palm Beach, incorporated in 1959, is located in the central western part of Palm Beach County, which is considered to be a top growth area in the County, and one of the top growth areas in the State. The Village of Royal Palm Beach currently occupies a land area of 12 square miles and serves a population of approximately 40,430. The Village of Royal Palm Beach is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the Village Council.

The Village of Royal Palm Beach has operated under the Council-Manager form of government since 1959. Policy-making and legislative authority are vested in the Village Council consisting of the Mayor and four Council members. The Village Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the Village Manager and Attorney. The Village Manager is responsible for carrying out the policies and ordinances of the Village Council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The Council is elected on a non-partisan basis. Council members serve two-year staggered terms. The Mayor is also elected to serve a two-year term. The Mayor and the four Council members are elected at large.

The Village provides general municipal services such as recreation, cultural events, public works and Stormwater utility services. Police services are provided under contract by the Palm Beach County Sheriff and Fire/EMS services are provided by Palm Beach County Fire Rescue. Water and Wastewater utilities are provided by Palm Beach County Utilities subsequent to the sale of our utility in April 2006.

The annual budget serves as the foundation for the Village of Royal Palm Beach's financial planning and control. The Village is legally required to adopt a budget for the General and Stormwater Utility Fund. The Village of Royal Palm Beach's budget process begins in April with a staff meeting between the Village Manager and Department Heads to review budget philosophy and develop overall goals and objectives. All departments of the Village of Royal Palm Beach are required to submit requests for appropriation to the Village Manager on or before the second week in May each year. The Village Manager uses these requests as the starting point for developing a proposed budget. The Village Manager then presents this proposed budget to the Council for review prior to July. The Council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 30, the close of the Village of Royal Palm Beach's fiscal year. The appropriated budget uses the Budgeting by Activity (Division) and Objective process in the formulation of its budget. Departmental Budgets include an Organizational Chart and Recap page. Each department is divided into major activities or programs, which are performed by that department. Individual activity budgets include an Objective/Performance page and a Budgetary Account Summary. The Objective/Performance page presents a brief review of the activity description, activity service objectives and quantitative performance/workload indicators, number of personnel and major budget level changes. The Budgetary Account Summary provides expenditure detail and a comparison of current and previous years' expenditures on a line item basis. The Budgetary Process is very valuable in communicating with the Council and residents of the Village.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Village of Royal Palm Beach operates.

Local Economy: Overall, the projected value of the Village increased from $4.265 billion to $4.608 billion during FY 2024 representing an 8.04% increase. This increase in overall valuation is a result of new residential, commercial and industrial construction, as well as a general increase in the value of existing property.

This past year the Village experienced a dramatic uptick in the number of development applications compared to recent years for both residential and commercial developments. During the past sixteen (16) fiscal years the Village annexed approximately 528.62 acres of vacant land (Southern Boulevard Properties; Porto Sol; Fox DRI MUPD; Heritage Oaks Commercial; Heritage Oaks Residential and Heron Cove, now known as Weldon Commercial; Sunshine Properties). It is projected that this land along with Cypress Key MXD; ALDI Park; Southern Boulevard Properties; and various other smaller vacant and infill properties along Southern Blvd., State Rd. 7 and Okeechobee Blvd., will be the focal point of much of the new development within the Village.

Non-residential development will continue to occur along Okeechobee Boulevard, Southern Boulevard and State Road 7, however, not at the rapid pace experienced in past years. These areas do however offer new development and redevelopment opportunities. Much of the immediate and short term development opportunity will occur within properties that are vacant and have received site plan approval and within properties that have already experienced development of portions of their site plan such as: Jabrewskis 4,090 ft², Corporate Center West 30,000 ft²; completion of Carmax Auto Auction Site; ALDI Park 151,172 ft²; Sawgrass PID 33,935 ft²; Fox Property Parcel 4C 51,231 ft²; Southstar Self Storage 28,000 ft², Southern Boulevard Properties Pod 7 77,674 square feet for a Charter School; and Southern Boulevard Properties Pod 6 (371,501 square feet of retail; 82,875 square feet of office; 90,000 square feet of hotel (125 keys); and 747,626 square feet of parking garages). Currently Cypress Key MXD (37,849 square feet) and Corporate Center West (30,000 square feet) is undergoing buildout of the remaining parcels. When evaluating the Village's build out potential it is important to also assess the vacant nonresidential properties which do not currently have site plan approval. This can be done by applying a floor area ratio of 30%, which is considered an industry standard when estimating a properties build out potential. Aldi Park PID 3 acres; Southern Bell Bradford Trust Property 10 acres, Weldon Commercial 51.94 acres; and various smaller properties 17.23 acres, have a build out potential of 1,073,797 ft². These development opportunities will continue along these roadways until the remaining development opportunities have been exhausted or traffic concurrency becomes unavailable. Opportunities for annexations for both developed and vacant parcels remain possible along Southern Boulevard. It is important to note that considering current market conditions it is reasonable to believe that renovations to older non-residential developments will play an increasing role in the non-residential market in the future.

It is anticipated much of the near term residential development is occurring and will occur within the Southern Boulevard Property sites. Specifically Pod 2 (401 multi-family units), Pod 3 (318 multi-family units), Pod 4 (100 single-family units), Pod 6 (401 multi-family units). Lakeside Landing also has received Site Plan Approval and is currently approved for 100 townhouses. It is important to note that considering current market conditions it is reasonable to believe that renovations to older single family and multifamily units will play an increasing role in the residential market in the future.

Long-Term Financial Planning: As a result of new developments utilizing a big portion of the vacant land within the Village, and with only limited opportunities to annex new vacant lands, it is estimated that the Village could potentially be built out by the end of 2033 in terms of new residential and nonresidential development.

Currently, it is anticipated that there are about 601 approved but unconstructed residential units (Southern Boulevard Properties' Pod 4, Pod 6, and Lakeside Landing) available for actual construction during this timeframe without additional annexation. Currently there are 721 residential units currently being constructed within Southern Boulevard Properties' Pod 3 and Pod 2. In the near future it is anticipated that the residential construction within the Village will revolve around these projects for the remainder of FY 24/25 and beyond.

It is anticipated that future industrial development will be concentrated within the Aldi Park PID, the remaining portion of Sawgrass Center, and various other industrial sites totaling 6.25 acres; and in all total 196,991 square feet. It is anticipated that these properties will support the industrial development within the Village for the next 5 to 10 years.

Developments such as Pod 6, Corporate Center West, Parcel 115, Sawgrass PID, Southstar Self Storage, and Village Professional Park; along with additional properties that haven't received Site Plan approval but totals 120.55 acres will provide development potential for the Village in the longer term.

Accomplishments and Future Projects:

Below are some major accomplishments and completed projects over the last 12 months:

- Updated the strategic plan for the Village with the continued assistance of a third party consultant who facilitated input from the Council, senior staff and the general public.
- Adopted a budget that maintains the Village's high levels of service while maintaining the current ad valorem tax rate.
- Renovation of Cypress Hall (old council meeting hall).
- Village Hall Phase II – construction of fountain, parking lot and landscaping.
- Art in Public Places – Village Hall Art Piece "Rooted".
- Crestwood North Park
- Earth Day Lake Bank Stabilization
- Canal System Dredging
- Project Management Software Implementation

The following capital projects are planned for the next fiscal year

- Art in Public Places
- Human Resource Information System (HRIS) Software Implementation
- Road Resurfacing: Barcelona Drive, Bibao Street, Bob White Road, Chestnut Circle, Coco Plum Court, Copperwood Circle, Easton Court, Emerald Court, Goldfinch Lane, Habitat Court, Kent Court, Las Palmas Street, Laurel Way, Locust Lane, Mandeville Lane, Monterey Way, Morgate Drive, Natures' Way, Nottingham Road, Park Road North, Rainforest Court, Royal Palm Blvd, Sandpiper Ave, Saratoga Blvd, Segovia Ave, Sparrow Drive, Sycamore Drive, Twin Lakes Way, Valencia Street, Venetian Lane, Wildcat Way.
- Canal Bank Maintenance
- Bridge Slope Stabilization
- La Mancha Subdivision Underdrain Design
- Camellia Park Renovation
- Recreation Center Renovation and Expansion Construction
- David Farber Building Renovation
- WTP Site Modification
- Cultural Center Porte Cochere

Financial Policies: The Village has adopted a comprehensive set of financial policies including, operating policies, revenue policies, investment policies, contingency policies, budgetary control, debt management and reserve policies for all major funds. The establishment of specific reserve policies is an important part of prudent financial management. Reserve policies reduce ambiguity and guide the creation, maintenance and use of resources for financial stabilization purposes. The Village was in compliance with all of its financial policies as of and for the year ended September 30, 2024.

Cash management policies and practices. Cash temporarily idle during the year is invested in a variety of long and short term fixed income securities. The Village contracts with Public Trust Advisors LLC to invest idle funds in accordance with its investment policy. The primary objective of the Village of Royal Palm Beach's investment program is the protection of public funds. Investing is undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The primary objective is to mitigate credit risk and interest rate risk. The investment strategy further provides sufficient liquidity to meet the Village's operating, payroll and capital requirements.

Awards and Acknowledgements

Awards. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Royal Palm Beach for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2023. This was the thirty-fourth consecutive year that the Village has received this prestigious award.

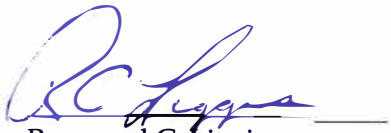
In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements. The contents must conform to program standards, generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the Village also received the GFOA's Distinguished Budget Presentation Award for its 2023/2024 annual budget document. This was the twenty-sixth consecutive year that the Village has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the Village's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

Acknowledgements. The preparation of this report could not have been accomplished without the dedicated efforts of the entire staff of the Finance Department. Their technical expertise and concerted efforts were truly evident in the audit process. Their assistance and cooperation have allowed us to prepare, on a timely basis, a report which gives its readers a comprehensive view of the Village's financial and economic position.

We would like to thank the Mayor and Village Council for their guidance and support towards the planning and administration of the financial operations of the Village in a responsible, progressive manner. With this support, the Village can maintain a high degree of fiscal health and financial stability.

Respectfully submitted,



Raymond C. Liggins
Village Manager

Sharon Almeida, CGFO
Director of Finance

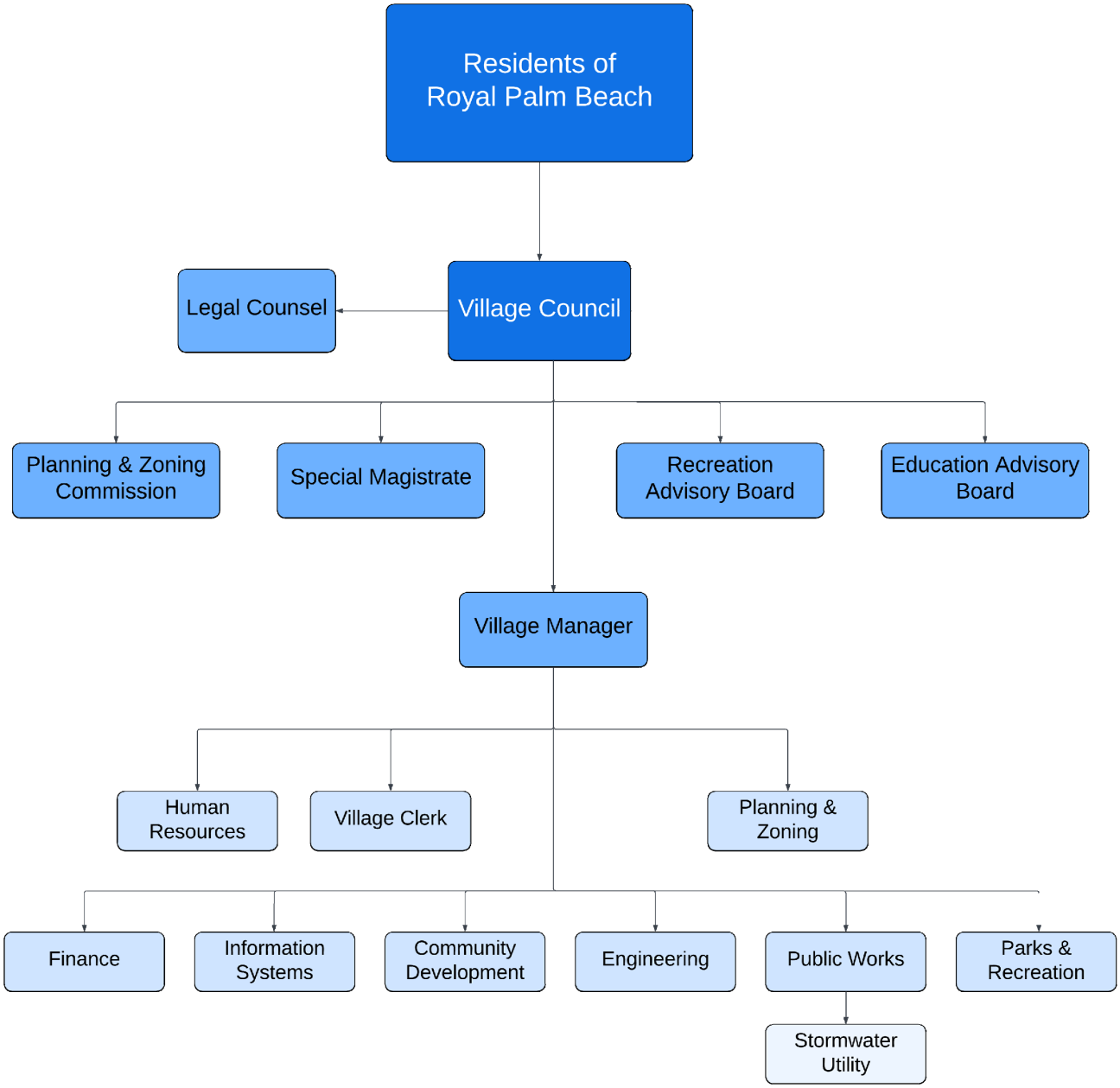
VILLAGE OF ROYAL PALM BEACH

LIST OF PRINCIPAL OFFICIALS

SEPTEMBER 30, 2024

Mayor	Fred Pinto
Vice-Mayor	Jeff Hmara
Councilwoman	Jan Rodusky
Councilwoman	Selena Samios
Councilman	Richard Valuntas
Village Manager	Raymond C. Liggins
Director of Finance	Sharon Almeida
Director of Human Resources and Risk Management	Monika Bowles
Village Clerk	Diane DiSanto
Director of Community Development	Robert Hill
Village Engineer	Christopher Marsh
Director of Planning and Zoning	Bradford O'Brien
Director of Information Systems	Marina Quintero
Director of Parks and Recreation	Mark Pawlowski
Director of Public Works	Paul Webster
Village Attorney	Keith W. Davis

The Village of Royal Palm Beach
Organizational Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Royal Palm Beach
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

CBIZ CPAs P.C.

525 Okeechobee Boulevard
Suite 750
West Palm Beach, FL 33401

P: 561.653.7300

Independent Auditors' Report

To the Honorable Mayor, Village Council and Village Manager
Village of Royal Palm Beach, Florida

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village, as of September 30, 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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10, the budgetary comparing schedule – general fund on pages 61 - 67, and the required supplementary information for FRS, HIS and OPEB on pages 68 - 71 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements, and the schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), 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, combining and individual fund financial statements, and the schedule of expenditures of federal awards 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 section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2025, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

West Palm Beach, Florida
March 11, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Village of Royal Palm Beach's Management's Discussion and Analysis (MD&A) is designed to provide an objective and easy to read analysis of the Village's financial activities based on currently known facts, decisions, and conditions. It is intended to provide a broad overview and short-term and long-term analysis of the Village's activities based on information presented in the financial statements. Specifically, this information is designed to assist the reader in focusing on significant financial issues, provide an overview of the Village's financial activity, identify changes in the Village's financial position, identify material deviations from the approved budget, and identify individual fund issues.

The information contained within this MD&A is only a component of the entire financial statement report. Readers should take time to read and evaluate all sections of the report, including the footnotes and the Required Supplementary Information that is provided in addition to this MD&A.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $179.2 million (net position). Of this amount, $68.5 million is in unrestricted net position, which is available to meet the Village's ongoing obligations to citizens and creditors.

- The total net position of the Village increased by $9.7 million. Of this amount, an increase of $7.7 million was associated with governmental activities and an increase of $2 million was associated with the business-type activities.

- Governmental funds ended the fiscal year with a combined fund balance of $96.5 million, which is an increase of $7.4 million from the prior year. Of this amount, $13 million is unassigned, while $53.3 million has been assigned for future capital projects, $6 million has been committed for insurance stabilization reserve, $4 million has been committed for current capital projects, recreation facilities and community beautification, $84,306 has been restricted for law enforcement and police education, $19.9 million has been restricted for capital projects, and $173,782 of prepaid items have been classified as non-spendable.

- At the end of the current fiscal year, unassigned fund balance for the General Fund was $13 million, or 47% of total General Fund expenditures and other financing uses.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Village of Royal Palm Beach's basic financial statements. The Village's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net position presents information on all of the Village's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. Net position is the result of assets plus deferred outflows of resources minus liabilities and deferred inflows of resources. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business- type activities). The governmental activities of the Village of Royal Palm Beach include general government, public safety, physical environment, and culture and recreation. The business-type activities of the Village include the water and wastewater system and the stormwater management system.

Fund Financial Statements: Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate legal compliance with finance-related legal requirements. The Village's funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds. The fund financial statements provide detailed information about the most significant funds – not the Village as a whole. The Village has three major governmental funds for the fiscal year ended September 30, 2024. The major governmental funds are the General Fund, American Rescue Plan Act (ARPA) Fund and Local Discretionary Sales Surtax Fund which are reported individually in the governmental funds balance sheet and statement of revenue, expenditures and changes in fund balances. The remaining governmental funds are reported as a combined total.

Proprietary Funds. Proprietary funds are used to account for revenue and expenses from services provided on a user-charge basis to the public. Proprietary fund activities are reported on the same accounting basis and measurement focus as the statement of net position and the statement of activities. This is similar to that found in the private sector and provides a periodic measurement of net income. The Village's proprietary activities are accounted for in enterprise funds for water and wastewater (for which there is no activity) and for stormwater.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is like that used for proprietary funds. The Village's Fiduciary Funds at September 30, 2024, were the General Employees' Pension Trust Fund and the Police Pension Trust Fund.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 22 of this report.

Other Supplementary Information: In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information. This includes budget versus actual comparisons for General Fund revenue and expenditures and various pension and other postemployment benefits related schedules (required supplementary information) and combining fund financial statements for the non-major governmental funds and fiduciary funds. This information is presented immediately after the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At September 30, 2024, the Village's assets plus deferred outflows exceeded liabilities plus deferred inflows by $179.2 million. A large portion of the Village's net position (51%) reflects its investment in capital assets. Capital assets are used to provide services to citizens and they are not available for future spending.

The following analysis summarizes the net position as of September 30, 2024 and 2023:

Village of Royal Palm Beach
Net Position Summary

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and other assets	$ 110,619,799	$ 109,615,144	$ 3,209,481	$ 1,604,900	$ 113,829,280	$ 111,220,044
Capital assets, net	89,823,935	89,440,114	1,648,468	1,020,630	91,472,403	90,460,744
Total Assets	200,443,734	199,055,258	4,857,949	2,625,530	205,301,683	201,680,788
Deferred Outflows of Resources	2,320,349	2,165,670	111,924	104,266	2,432,273	2,269,936
Liabilities						
Other liabilities	14,123,114	20,518,267	324,230	71,091	14,447,344	20,589,358
Noncurrent liabilities	11,552,597	11,953,347	1,014,494	1,038,127	12,567,091	12,991,474
Total Liabilities	25,675,711	32,471,614	1,338,724	1,109,218	27,014,435	33,580,832
Deferred Inflows of Resources	1,491,812	865,004	72,049	41,150	1,563,861	906,154
Net Position						
Net investment in capital assets	89,317,825	88,722,294	1,353,148	975,739	90,670,973	89,698,033
Restricted	20,014,338	5,034,847	--	--	20,014,338	5,034,847
Unrestricted	66,264,397	74,127,169	2,205,952	603,689	68,470,349	74,730,858
Total Net Position	$ 175,596,560	$ 167,884,310	$ 3,559,100	$ 1,579,428	$ 179,155,660	$ 169,463,738

For governmental activities, current assets increased $1 million primarily due to higher investment balances.

For business-type activities, current assets increased $1.6 million primarily due to increased cash balances from grant funding and interfund transfers for capital projects. Capital assets increased due to an increase in construction in progress (CIP) projects.

The largest portion of net position (51%) reflects its net investment in capital assets. The Village uses capital assets to provide services to citizens; accordingly, these assets are not available for future spending.

Restricted net position of $20 million or 11% is reported in the governmental activities. These restricted amounts have limits on their use that are externally imposed. The remaining unrestricted net position of $68.5 million or 38% may be used to meet the Village's ongoing obligations to citizens and creditors.

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

The following analysis summarizes the changes in net position for the years ended September 30, 2024 and 2023:

Village of Royal Palm Beach
Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues						
Charges for services	$ 5,518,430	$ 5,690,316	$ 1,113,262	$ 1,096,636	$ 6,631,692	$ 6,786,952
Operating grants and contributions	208,590	357,726	--	--	208,590	357,726
Capital grants and contributions	4,807,004	4,632,011	130,944	568,432	4,937,948	5,200,443
General Revenues						
Taxes	18,592,323	17,709,356	--	--	18,592,323	17,709,356
State shared revenue	11,212,421	11,655,033	--	--	11,212,421	11,655,033
Investment earnings	6,023,496	2,507,644	41,271	10,108	6,064,767	2,517,752
Miscellaneous	211,992	358,348	32,100	32,100	244,092	390,448
Gain on sale of capital assets	79,100	360,079	--	--	79,100	360,079
Transfers	(1,774,982)	(75,820)	1,774,982	75,820	--	--
Total Revenues and Transfers	44,878,374	43,194,693	3,092,559	1,783,096	47,970,933	44,977,789
Expenses						
Program Expenses						
General government	10,062,810	7,984,311	--	--	10,062,810	7,984,311
Public safety	10,890,657	10,730,616	--	--	10,890,657	10,730,616
Physical Environment	7,636,147	9,197,541	--	--	7,636,147	9,197,541
Culture and recreation	8,576,510	8,786,049	--	--	8,576,510	8,786,049
Stormwater utility	--	--	1,112,887	1,165,653	1,112,887	1,165,653
Total Expenses	37,166,124	36,698,517	1,112,887	1,165,653	38,279,011	37,864,170
Changes in Net Position	7,712,250	6,496,176	1,979,672	617,443	9,691,922	7,113,619
Net Position -						
Beginning of Year	167,884,310	161,388,134	1,579,428	961,985	169,463,738	162,350,119
Net Position -						
Ending of Year	$ 175,596,560	$ 167,884,310	$ 3,559,100	$ 1,579,428	$ 179,155,660	$ 169,463,738

The Village's net position increased by $9.7 million during the fiscal year ended September 30, 2024.

Governmental Activities
During the current fiscal year, net position for governmental activities increased $7.7 million from the prior fiscal year for an ending balance of $175.6 million.

Revenues increased from the prior year by $1.7 million. Key elements of this increase are as follows:

- Taxes increased approximately $900,000 primarily due to property taxes.
- State shared revenue decreased approximately $500,000 primarily due to half-cent sales tax and state revenue sharing.
- Investment earnings increased $3.5 million due to an increase in interest earned and unrealized/realized gains compared to the prior year.
- Net transfers reduced revenues by $1.7 million as a result of funding stormwater capital projects.

Expenses increased from the prior year approximately $500,000. Key elements of this increase are as follows:

- General government increased $2.1 million primarily due to capital asset expense.
- Physical environment decreased $1.6 million primarily due to a reduction in depreciation and pension expense.

Business-type Activities
The net position for business-type activities increased $2 million from the prior fiscal year for an ending balance of $3.6 million. This change is primarily attributable to transfers from governmental activities to fund stormwater capital projects.

FINANCIAL ANALYSIS OF THE FUND FINANCIAL STATEMENTS

As noted earlier, the Village of Royal Palm Beach uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds - The purpose of the Village's governmental fund financial statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unassigned fund balances 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 Village's governmental funds reported combined ending fund balances of $96.5 million, an increase of $7.4 million in comparison to that of the prior year. Of this amount, $13 million (13%) is unassigned fund balance, which is available for spending at the government's discretion. Of the total fund balance, $53.3 million has been assigned for future capital projects. Funds have been committed for capital projects, recreation facilities, community beautification and insurance stabilization reserve in the amount of $10 million. Restricted funds for police education and law enforcement total $84,306, while restricted funds for capital projects total $19.9 million. The remaining fund balance of $173,782 is nonspendable and consists of prepaid items.

The General Fund is the Village's chief operating fund. At the end of the current fiscal year, unassigned fund balance of the General Fund was $13 million, while the total General Fund balance was $72.6 million. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 47% of total General Fund expenditures and other financing uses.

The fund balance of the Village's General Fund decreased by $6 million in the current fiscal year compared to an increase of $2.2 million in the prior fiscal year. This is primarily a result of an increase in transfers out to fund capital projects.

The fund balance of the Village's American Rescue Plan Act (ARPA) Fund increased by $319,520 in the current fiscal year compared to an increase of $126,794 in the prior fiscal year. This is primarily a result of an increase investment earnings when compared to prior year as the unspent funds generated interest income during fiscal year 2024.

The fund balance of the Village's Local Discretionary Sales Surtax Fund increased by $13.9 million in the current fiscal year compared to a decrease of $3.8 million in the prior fiscal year. This is primarily a result of transfers in from the general fund for capital project expenses.

Proprietary Funds - The fund financial statements for the Village's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail.

At September 30, 2024, the Village's enterprise funds reported a net position of $3.6 million. Of this amount, the net position for the Village's Stormwater Utility Fund was $3 million at September 30, 2024, representing an increase of $1.6 million compared to an increase of $613,033 in the prior fiscal year. This change is primarily attributable to an increase in cash and capital assets. The remaining enterprise fund, the Village's Water and Wastewater Utility System Fund, reported a net position of $538,271 at September 30, 2024, representing an increase in net position of $333,697 in 2024 as a result of investment earnings and transfers in for capital projects.

General Fund Budgetary Highlights

In comparing budgeted revenues to actual expenditures, the following significant variances are considered noteworthy:

- Licenses and permit fees were over budget $597,852 as a result of more building permit fees collected.
- Half cent sales tax ($399,853) and state revenue sharing ($325,303) were over budget as a result of an increase in sales tax revenue.
- Investment earnings were over budget $5 million as a result of a change in investment strategies and better market conditions than what was anticipated.

In comparing budgeted expenditures to actual expenditures, the following significant variances are considered noteworthy:

- General Government expenditures were under budget $873,526 as a result of decreased expenditures in insurance, professional services and maintenance contracts.
- Culture and Recreation expenditures were under budget $497,974 as a result of unfilled positions and a decreased in contractual services.

Additional information on budgetary comparisons can be found on page 61 of this report.

Capital Asset Activity

The Village's investment in a variety of capital assets for its governmental and business-type activities as of September 30, 2024, amounts to $91.5 million. This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure and construction in progress.

Village of Royal Palm Beach
Capital Assets
(net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	$ 7,875,085	$ 7,875,085	$ 112,328	$ 112,328	$ 7,987,413	$ 7,987,413
Buildings	32,514,277	31,125,512	-	-	32,514,277	31,125,512
Improvements	22,457,031	17,566,311	736,308	-	23,193,339	17,566,311
Infrastructure	23,983,275	25,204,344	-	-	23,983,275	25,204,344
Machinery and equipment	2,393,101	2,560,379	237,676	264,050	2,630,777	2,824,429
Construction in progress	601,166	5,108,483	562,156	644,252	1,163,322	5,752,735
Total	$ 89,823,935	$ 89,440,114	$ 1,648,468	$ 1,020,630	$ 91,472,403	$ 90,460,744

Additional information on the Village's capital assets can be found in Note 3.

Long-term Debt

At the end of the current fiscal year, the Village had no outstanding long-term debt.

Economic Factors

The State of Florida, by constitution, does not have a personal income tax and therefore the State operates primarily using sales, gasoline and corporate income taxes. Local governments primarily rely on property taxes, state shared revenues and fees to fund their governmental activities. There is a limited amount of state-shared revenues and recurring and non-recurring grants.

While property taxes are important to the Village, they represented only 27% of budgeted General Fund revenues for 2024. However, when combined with other tax related revenues, such as utility service taxes, franchise fees, and business taxes, the percentage increases to 60%. Because of the decreased dependence upon property taxes, the Village's resources tend to keep pace with increased demand for services. Nevertheless, the Village monitors all of its resources and determines the need for program adjustment or fee increases accordingly.

Next Year's Budget

The operating millage rate of 1.92 mills for fiscal year 2025 remains the same as the prior fiscal year. This millage resulted in a total property tax budget of approximately $8.4 million, an increase of $622,722 or 8% from the property tax budget for the prior year.

Per Village policy, our cash position remains strong and we have maintained adequate reserves for emergencies.

Requests for Information

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

Finance Department
1050 Royal Palm Beach Boulevard
Royal Palm Beach, FL 33411
561-790-5100
www.royalpalmbeachfl.gov

BASIC FINANCIAL STATEMENTS

VILLAGE OF ROYAL PALM BEACH, FLORIDA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2024

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	$ 33,610,890	$ 3,094,662	$ 36,705,552
Investments	72,350,732	--	72,350,732
Accrued interest receivable	488,244	--	488,244
Accounts receivable	1,103,445	--	1,103,445
Due from other governments	2,892,706	114,819	3,007,525
Prepaid expenses	173,782	--	173,782
Capital assets:			
Capital assets not being depreciated	8,476,251	674,484	9,150,735
Capital assets being depreciated, net	81,347,684	973,984	82,321,668
Total Assets	200,443,734	4,857,949	205,301,683
Deferred Outflows of Resources			
Deferred amounts related to pensions	2,181,264	105,172	2,286,436
Deferred amounts related to OPEB	139,085	6,752	145,837
Total Deferred Outflows of Resources	2,320,349	111,924	2,432,273
Liabilities			
Accounts payable	862,981	290,989	1,153,970
Accrued payroll and related liabilities	218,723	5,671	224,394
Other liabilities	28,336	--	28,336
Contracts and retainage payable	310,056	27,570	337,626
Unearned revenue	12,703,018	--	12,703,018
Noncurrent liabilities:			
Due within one year	44,355	500,000	544,355
Due in more than one year:			
Compensated absences	842,747	--	842,747
Net pension liability	9,920,299	478,316	10,398,615
Total OPEB liability	745,196	36,178	781,374
Total Liabilities	25,675,711	1,338,724	27,014,435
Deferred Inflows of Resources			
Deferred amounts related to pensions	1,129,479	54,459	1,183,938
Deferred amounts related to OPEB	362,333	17,590	379,923
Total Deferred Inflows of Resources	1,491,812	72,049	1,563,861
Net Position			
Net investment in capital assets	89,317,825	1,353,148	90,670,973
Restricted for:			
Restricted for public safety	84,306	--	84,306
Restricted for capital projects	19,930,032	--	19,930,032
Unrestricted	66,264,397	2,205,952	68,470,349
Total Net Position	$ 175,596,560	$ 3,559,100	$ 179,155,660

The accompanying notes are an integral part of these financial statements.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental Activities							
General government	$ 10,062,810	$ 3,371,868	$ 3,640	$ 4,307,004	$ (2,380,298)	$ --	$ (2,380,298)
Public safety	10,890,657	593,998	--	--	(10,296,659)	--	(10,296,659)
Physical environment	7,636,147	400	204,950	500,000	(6,930,797)	--	(6,930,797)
Culture and recreation	8,576,510	1,552,164	--	--	(7,024,346)	--	(7,024,346)
Total Governmental Activities	37,166,124	5,518,430	208,590	4,807,004	(26,632,100)	--	(26,632,100)
Business-type Activities							
Stormwater	1,112,887	1,113,262	--	130,944	--	131,319	131,319
Total Business-type Activities	1,112,887	1,113,262	--	130,944	--	131,319	131,319
Total	$ 38,279,011	$ 6,631,692	$ 208,590	$ 4,937,948	(26,632,100)	131,319	(26,500,781)
		General Revenue					
		Property taxes			7,873,835	--	7,873,835
		Franchise fees on gross receipts			4,316,844	--	4,316,844
		Utility service taxes			5,618,086	--	5,618,086
		Business taxes			783,558	--	783,558
		State shared revenue, unrestricted			11,212,421	--	11,212,421
		Investment earnings			6,023,496	41,271	6,064,767
		Miscellaneous			211,992	32,100	244,092
		Gain on sale of capital assets			79,100	--	79,100
		Transfers			(1,774,982)	1,774,982	--
		Total General Revenue and transfers			34,344,350	1,848,353	36,192,703
		Change in Net Position			7,712,250	1,979,672	9,691,922
		Net Position, Beginning			167,884,310	1,579,428	169,463,738
		Net Position, Ending			$ 175,596,560	$ 3,559,100	$ 179,155,660

The accompanying notes are an integral part of these financial statements.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

BALANCE SHEET
GOVERNMENT FUNDS

SEPTEMBER 30, 2024

	Major Governmental Funds				
	General Fund	ARPA Fund	Local Discretionary Sales Surtax Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 8,812,288	$ 11,555,622	$ 6,720,653	$ 6,522,327	$ 33,610,890
Investments	62,335,630	--	10,015,102	--	72,350,732
Accrued interest receivable	488,244	--	--	--	488,244
Accounts receivable	1,103,445	--	--	--	1,103,445
Due from other governments	1,813,368	--	679,338	400,000	2,892,706
Prepaid items	173,782	--	--	--	173,782
Total Assets	$ 74,726,757	$ 11,555,622	$ 17,415,093	$ 6,922,327	$ 110,619,799
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	$ 666,713	$ 44,828	$ --	$ 151,440	$ 862,981
Accrued payroll and related liabilities	218,723	--	--	--	218,723
Other liabilities	28,336	--	--	--	28,336
Retainage payable	--	--	247,558	62,498	310,056
Total Liabilities	913,772	44,828	247,558	213,938	1,420,096
Deferred Inflows of Resources					
Unavailable revenue	1,248,639	11,054,379	--	400,000	12,703,018
Fund Balances					
Nonspendable:					
Prepaid items	173,782	--	--	--	173,782
Restricted for:					
Police education	61,829	--	--	--	61,829
Law enforcement	22,477	--	--	--	22,477
Capital projects	--	456,415	17,167,535	2,306,082	19,930,032
Committed for:					
Capital projects	--	--	--	2,841,566	2,841,566
Recreation facilities	--	--	--	788,687	788,687
Community beautification	--	--	--	372,054	372,054
Insurance stabilization reserve	6,000,000	--	--	--	6,000,000
Assigned for:					
Future capital projects	53,299,540	--	--	--	53,299,540
Unassigned	13,006,718	--	--	--	13,006,718
Total Fund Balances	72,564,346	456,415	17,167,535	6,308,389	96,496,685
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 74,726,757	$ 11,555,622	$ 17,415,093	$ 6,922,327	$ 110,619,799

The accompanying notes are an integral part of these financial statements.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2024

Total Governmental Fund Balances		$ 96,496,685
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Governmental capital assets	$ 240,126,690	
Less accumulated depreciation	(150,302,755)	89,823,935
Deferred outflows/inflows of resources related to pensions for defined benefit pension plans and OPEB are reported in the statement of net position but are not reported in the governmental funds.		
Deferred outflows of resources related to pensions	2,181,264	
Deferred outflows of resources related to OPEB	139,085	
Deferred inflows of resources related to pensions	(1,129,479)	
Deferred inflows of resources related to OPEB	(362,333)	828,537
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Compensated absences	(887,102)	
Net pension liability	(9,920,299)	
Total OPEB liability	(745,196)	(11,552,597)
Net Position of Governmental Activities		$ 175,596,560

The accompanying notes are an integral part of these financial statements.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Major Funds				
	General Fund	ARPA Fund	Local Discretionary Sales Surtax Fund	Other Governmental Funds	Total Governmental Funds
Revenue					
Ad valorem taxes	$ 7,873,835	$ --	$ --	$ --	$ 7,873,835
Franchise fees	4,316,844	--	--	--	4,316,844
Utility service taxes	5,618,086	--	--	--	5,618,086
Business taxes	783,558	--	--	--	783,558
Licenses and permits	1,493,948	--	--	--	1,493,948
Intergovernmental revenue	7,464,766	4,307,004	4,457,942	--	16,229,712
Charges for services	510,995	--	--	--	510,995
Fines and forfeitures	593,998	--	--	--	593,998
Miscellaneous:					
Investment earnings	5,104,996	319,520	399,470	199,510	6,023,496
Impact fees	--	--	--	1,812,395	1,812,395
Rent and royalties	1,107,094	--	--	--	1,107,094
Other	208,345	--	--	--	208,345
Total Revenue	35,076,465	4,626,524	4,857,412	2,011,905	46,572,306
Expenditures					
Current:					
General government	7,781,826	--	--	122,807	7,904,633
Public safety	10,788,319	--	--	--	10,788,319
Physical environment	4,425,448	65,036	--	260,151	4,750,635
Culture and recreation	5,675,009	--	12,384	55,991	5,743,384
Capital outlay	20,943	1,410,608	2,248,112	4,749,164	8,428,827
Total Expenditures	28,691,545	1,475,644	2,260,496	5,188,113	37,615,798
Revenue Over (Under) Expenditures	6,384,920	3,150,880	2,596,916	(3,176,208)	8,956,508
Other Financing Sources (Uses)					
Insurance recoveries	1,950	--	--	--	1,950
Proceeds from sale of capital assets	98,656	--	--	--	98,656
Transfers in	2,500,000	--	11,826,027	2,500,000	16,826,027
Transfers out	(15,028,000)	(2,831,360)	(523,973)	(100,000)	(18,483,333)
Total Other Financing Sources (Uses)	(12,427,394)	(2,831,360)	11,302,054	2,400,000	(1,556,700)
Net Change in Fund Balances	(6,042,474)	319,520	13,898,970	(776,208)	7,399,808
Fund Balances, Beginning	78,606,820	136,895	3,268,565	7,084,597	89,096,877
Fund Balances, Ending	$ 72,564,346	$ 456,415	$ 17,167,535	$ 6,308,389	$ 96,496,685

The accompanying notes are an integral part of these financial statements.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES 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		$ 7,399,808
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 depreciated over their estimated useful lives.		
Expenditures for capital assets and cost related to expansion of useful lives	$ 6,637,174	
Less transfer of governmental activities capital asset to stormwater fund	(117,676)	
Less current year depreciation	(6,116,121)	403,377
In the statement of activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds the proceeds from the sale increases financial resources.		
The change in net position differs from the change in fund balance by the net book value of the assets retired.		(19,556)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences	(116,626)	
Other postemployment benefits expense	(10,858)	
Pension expense	56,105	(71,379)
Change in Net Position of Governmental Activities		$ 7,712,250

The accompanying notes are an integral part of these financial statements.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

STATEMENT OF NET POSITION
ENTERPRISE FUNDS

SEPTEMBER 30, 2024

	Major Funds		
	Water and Wastewater Utility System Fund	Stormwater Utility Fund	Total Enterprise Funds
Assets			
Current Assets			
Cash and cash equivalents	$ 925,943	$ 2,168,719	$ 3,094,662
Due from other governments	--	114,819	114,819
Total Current Assets	925,943	2,283,538	3,209,481
Noncurrent Assets			
Capital assets not being depreciated	112,328	562,156	674,484
Capital assets being depreciated, net	--	973,984	973,984
Total Assets	1,038,271	3,819,678	4,857,949
Deferred Outflows of Resources			
Deferred amounts related to pensions	--	105,172	105,172
Deferred amounts related to OPEB	--	6,752	6,752
Total Deferred Outflows of Resources	--	111,924	111,924
Liabilities			
Current Liabilities			
Accounts payable	--	290,989	290,989
Retainage payable	--	27,570	27,570
Accrued payroll and related liabilities	--	5,671	5,671
Total Current Liabilities	--	324,230	324,230
Noncurrent Liabilities			
Accrued decommissioning costs	500,000	--	500,000
Net pension liability	--	478,316	478,316
Total OPEB liability	--	36,178	36,178
Total Liabilities	500,000	838,724	1,338,724
Deferred Inflows of Resources			
Deferred amounts related to pensions	--	54,459	54,459
Deferred amounts related to OPEB	--	17,590	17,590
Total Deferred Inflows of Resources	--	72,049	72,049
Net Position			
Net Investment in capital assets	112,328	1,240,820	1,353,148
Unrestricted	425,943	1,780,009	2,205,952
Total Net Position	$ 538,271	$ 3,020,829	$ 3,559,100

The accompanying notes are an integral part of these financial statements.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
ENTERPRISE FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Major Funds		
	Water and Wastewater Utility System Fund	Stormwater Utility Fund	Total Enterprise Funds
Operating Revenue			
Charges for services	$ --	$ 1,113,262	$ 1,113,262
Total Operating Revenue	--	1,113,262	1,113,262
Operating Expenses			
Personnel services	--	559,149	559,149
General operating expenses	--	519,927	519,927
Depreciation	--	33,811	33,811
Total Operating Expenses	--	1,112,887	1,112,887
Operating Income	--	375	375
Nonoperating Revenue and Expenses			
Miscellaneous revenue	--	32,100	32,100
Interest earnings	10,751	30,520	41,271
Total Nonoperating Revenue	10,751	62,620	73,371
Income Before Contributions and Transfers	10,751	62,995	73,746
Capital contributions	--	117,676	117,676
Capital grants	--	130,944	130,944
Transfers in	523,973	1,334,360	1,858,333
Transfers out	(201,027)	--	(201,027)
Total Contributions and Transfers	322,946	1,582,980	1,905,926
Change in Net Position	333,697	1,645,975	1,979,672
Net Position, Beginning	204,574	1,374,854	1,579,428
Net Position, Ending	$ 538,271	$ 3,020,829	$ 3,559,100

The accompanying notes are an integral part of these financial statements.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Major Funds		
	Water and Wastewater Utility System Fund	Stormwater Utility Fund	Total Enterprise Funds
Cash Flows from Operating Activities			
Cash received from customers	$ --	$ 1,679,467	$ 1,679,467
Cash received from others	--	32,100	32,100
Cash paid to suppliers and contractors	--	(271,212)	(271,212)
Cash paid to employees	--	(555,241)	(555,241)
Net Cash Provided by Operating Activities	--	885,114	885,114
Cash Flows from Noncapital Financing Activities			
Transfers in	(201,027)	--	(201,027)
Transfers out	523,973	1,334,360	1,858,333
Net Cash Provided By Noncapital Financing Activities	322,946	1,334,360	1,657,306
Cash Flows from Capital and Related Financing Activities			
Acquisition of property and equipment	--	(543,849)	(543,849)
Receipts from grants	--	130,944	130,944
Net Cash Used in Capital and Related Financing Activities	--	(412,905)	(412,905)
Cash Flows from Investing Activities			
Interest earnings	10,751	30,520	41,271
Net Cash Provided By Investing Activity	10,751	30,520	41,271
Net Increase in Cash and Cash Equivalents	333,697	1,837,089	2,170,786
Cash and Cash Equivalents, Beginning	592,246	331,630	923,876
Cash and Cash Equivalents, Ending	$ 925,943	$ 2,168,719	$ 3,094,662
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating income	$ --	$ 375	$ 375
Adjustments to reconcile operating income to net cash provided by operating activities:			
Miscellaneous revenue	--	32,100	32,100
Depreciation expense	--	33,811	33,811
Changes in assets, liabilities and deferred inflows/outflows:			
(Increase) decrease in:			
Due from other governments	--	566,205	566,205
Deferred outflows for OPEB	--	(2,066)	(2,066)
Deferred outflows for pension	--	(5,592)	(5,592)
Increase (decrease) in:			
Accounts payable	--	248,715	248,715
Accrued payroll and related liabilities	--	4,300	4,300
Increase in accrued decommissioning costs	--	--	--
Due to other governments	--	--	--
Deferred inflows for OPEB	--	651	651
Deferred inflows for pension	--	30,248	30,248
Net pension liability	--	(27,362)	(27,362)
Total OPEB liability	--	3,729	3,729
Net Cash Provided by Operating Activities	$ --	$ 885,114	$ 885,114
Noncash investing, capital and financing activities			
Capital contributions	$ --	$ 117,676	$ 117,676

The accompanying notes are an integral part of these financial statements.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

SEPTEMBER 30, 2024

	Pension Trusts
Assets	
Cash	$ 119,230
Investments	
Mutual funds	3,035,297
Guaranteed interest account	238,974
Total Assets	$ 3,393,501
Net Position	
Net position restricted for pension benefits	$ 3,393,501

The accompanying notes are an integral part of these financial statements.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Pension Trusts
Additions	
Contributions:	
Employer	$ 18,383
Employee	9,192
State	537,004
Total Contributions	564,579
Investment Income	
Net appreciation in fair value of plan assets	774,954
Interest and dividend income	36,015
Total Investment Income	810,969
Total Additions	1,375,548
Deductions	
Distributions to plan participants	758,671
Administrative expenses	18,229
Total Deductions	776,900
Change in Net Position	598,648
Net Position Restricted for Pension Benefits Beginning of Year	2,794,853
Net Position Restricted for Pension End of Year	$ 3,393,501

The accompanying notes are an integral part of these financial statements.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

FINANCIAL REPORTING ENTITY

The Village of Royal Palm Beach, Florida (the "Village"), is a municipal corporation established in 1959 pursuant to authority granted by the Florida Constitution and Florida Statutes Chapter 165. The Village Charter was enacted by the Legislature of the State of Florida under Chapter 59-1782. The Village enacted its current Charter by Ordinance No. 468, adopted February 3, 1994. The Village is governed by a five member, elected Village Council and provides the full range of municipal services including public safety, planning and zoning, roads and streets, recreation and park facilities, public improvements, and general administration functions.

As defined by accounting principles generally accepted in the United States of America ("GAAP"), the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Based upon the application of these criteria there were no organizations that were considered to be financially accountable to the Village and required to be included as a component unit in these financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities and report information on all non-fiduciary activities of the Village. These statements include separate columns for the *governmental activities*, which are normally supported by taxes and intergovernmental revenue, and *business-type activities*, which rely primarily on user fees and charges for support. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and business-type activities, which are presented as internal balances and eliminated in the Total Column, if any.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT-WIDE FINANCIAL STATEMENTS (CONTINUED)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or identifiable activity are offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or identifiable activity. *Program revenue* includes three categories of transactions: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; (2) operating grants and contributions; and, (3) capital grants and contributions. Taxes and other items not meeting the definition of program revenue are reported as *general revenue*.

FUND FINANCIAL STATEMENTS

The underlying accounting system of the Village is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows/outflows, fund equity, revenue and expenditures or expenses, as appropriate.

Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds used by the Village are classified into three categories: *governmental*, *proprietary* and *fiduciary*. 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. The Village's major individual governmental fund and proprietary funds are reported as separate columns in the fund financial statements.

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenue, Expenditures and Changes in Fund Balances for all major governmental funds and nonmajor funds in the aggregate. Accompanying schedules are presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements, to the net position and changes in net position presented in the government-wide financial statements. The Village reports the following major governmental funds:

General Fund – This fund is used to account for all financial transactions not accounted for in another fund. Revenue is derived primarily from property taxes, state distributions, and other intergovernmental revenue.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT-WIDE FINANCIAL STATEMENTS (CONTINUED)

ARPA Fund – This special revenue fund was established to account for the Village's restricted activity related to the American Rescue Plan Act (ARPA) award.

Local Discretionary Sales Surtax Fund – This capital projects fund was established to account for the expenditure of the Village's share of the one cent sales surtax revenue that is legally restricted to various public infrastructure projects.

The Village also reports the following nonmajor special revenue and capital projects funds:

Recreation Facility Fund – This special revenue fund was established to account for contributions received from local developers and businesses restricted for the acquisition, improvement, expansion or implementation of parks and recreational facilities.

Community Beautification Fund – This special revenue fund was established to account for contributions received from local developers restricted to enhance the aesthetic landscape and visual perception of the Village.

Capital Improvements Fund – This capital projects fund was established to account for the Village's general capital improvement program.

Impact Fee Capital Projects Fund – This capital projects fund was established to account for the expenditure of impact fees on various capital improvement projects.

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenue, Expenses and Changes in Net Position, and a Statement of Cash Flows. The Village reports the following major enterprise funds:

Water and Wastewater Utility System Fund - This enterprise fund accounted for the operations of the Village's water, wastewater, and stormwater management services through April 27, 2006, when the majority of the assets were sold to Palm Beach County. During 2016, the majority of the remaining capital assets were sold. The capital assets that are left are pending decommissioning (see Note 3).

Stormwater Utility Fund – This enterprise fund was established to account for the construction, operation and maintenance and user charges related to the Village's Stormwater system.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT-WIDE FINANCIAL STATEMENTS (CONTINUED)

Fiduciary Fund Financial Statements

Fiduciary Fund Financial Statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. Since by definition these assets are being held for the benefit of third parties (pension participants) and cannot be used to finance activities or obligations of the government, these funds are not included in the government-wide financial statements. The Fiduciary Funds of the Village are as follows:

General Employees Pension Trust Fund – This fund was established to receive and invest Village and general employees' contributions in a defined contribution pension plan and to disburse them to employees in accordance with the Pension Plan Ordinance.

Police Pension Trust Fund – This fund was established to receive and invest Village, State and Police employees' contributions in a defined benefit pension plan and to disburse these monies to Police employees in accordance with the Pension Plan Ordinance.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Governmental fund financial statements are reported using the *current financial resources measurement* focus and the *modified accrual basis of accounting*. Under the modified accrual basis of accounting, revenue is recognized in the period in which it becomes both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers revenue to be available if it is collected within 60 days of the end of the current fiscal year.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

Unearned/unavailable revenue consists primarily of occupational licenses, grants and other fees collected in advance of the year to which they relate. Expenditures are generally recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt, which is recognized when due. Intergovernmental revenue, franchise fees, charges for services and investment income are all considered susceptible to accrual and have been recognized as revenue in the current fiscal year. All other revenue items are considered to be measurable and available only when received in cash by the Village. Insurance recoveries received in 2024 primarily relate to repair costs incurred as a result of various minor property damage incidents during the year. During the fiscal year ended September 30, 2024, the Village received approximately $2,000 in insurance recoveries.

Proprietary fund financial statements distinguish *operating* revenue and expenses from *nonoperating* items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the proprietary funds is the stormwater user charges assessed to all residential properties within the Village limits. Operating expenses for the proprietary funds include the cost of maintenance and administrative expenses. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

PROPERTY TAX CALENDAR

Ad valorem property taxes are assessed on property valuations by the Palm Beach County Property Appraiser as of January 1st and levied the following October 1st. Taxes are due by March 31st and become delinquent on April 1st, when liens are filed against the subject property. Ad valorem taxes are assessed and collected by the Palm Beach County Tax Collector, which remits the taxes to the Village. Revenue is recognized at the time the taxes are received from Palm Beach County.

PROPERTY TAX REFORM

During 2007, the Florida Legislature passed property tax reform legislation limiting the property tax levies of local governments in the State of Florida and increasing the homestead exemption. Local governments that adopt a property tax levy in excess of the limit under State law will lose their Half-Cent Sales Tax distribution from the State for the succeeding twelve months. For the fiscal year ended September 30, 2024, the maximum tax levy allowed by a majority vote of the governing body is generally based on a percentage

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY TAX REFORM (CONTINUED)

applied to the prior year (2022/2023) property tax revenue. The percentage is calculated based on the compound annual growth rate in the per capita property taxes levied for five preceding fiscal years. The State law allows local governments to adopt a higher tax rate based on the following approval of the governing body: 1) a two-thirds vote to adopt a rate equal to the prior year "rolled-back" tax rate; 2) a unanimous vote to adopt a rate equal to the prior year tax rate; or, 3) any tax rate approved by referendum. For the fiscal year ended September 30, 2024, the Village adopted a millage rate of 1.92 mills ($1.92 per $1,000 of taxable property value) which is less than the maximum tax rate permitted. This tax rate resulted in a tax levy of $7,873,835 for 2024. Future property tax growth is limited to the annual growth rate of per capita personal income plus the value of new construction. State Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. Since Palm Beach County provides fire rescue services to the Village, the Palm Beach County Fire Rescue MSTU (municipal services taxing unit) taxes Village property owners 3.46 mills. This millage rate is deducted from the Village's legal millage rate limit of 10 mills, thereby limiting the 2023/2024 Village millage rate to 6.54.

POOLED CASH AND CASH EQUIVALENTS

Pooled cash and investments consist of petty cash, checking accounts, and investments with a maturity of three months or less when purchased.

INVESTMENTS

All investments of the Village and the pension trust funds, except Florida Class, are reported at fair value using quoted market prices. The Florida Class is recorded at its value of the pool shares which are at amortized cost.

ACCOUNTS RECEIVABLE

Accounts receivable represent amounts due from local businesses for franchise fees and utility taxes in the General Fund. General Fund receivables are not collateralized. The need for an allowance for uncollectible accounts is analyzed monthly based on the aging of outstanding receivables and management's knowledge of the customer. Accounts receivable are written off on an individual basis in the year the Village deems them uncollectible.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PREPAID ITEMS/EXPENSES

Expenditures/expenses for various administrative expenses extending over more than one accounting period are accounted for as prepaid items/expenses and allocated between accounting periods using the consumption method.

CAPITAL ASSETS

Capital assets are defined by the Village as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Capital assets are recorded at cost or, if donated, acquisition value at the date of donation. Expenses, which materially extend the useful life of existing assets, are capitalized. The cost of capital assets sold or retired is removed from the appropriate accounts and any resulting gain or loss is included in the change in net position. The Village records impairment losses on long-lived assets used in operations when events and circumstances indicate the assets might be impaired. No impairment losses have been recorded. Depreciation is computed using the straight-line method over the estimated useful lives of all reported capital assets, except land and construction in progress. Estimated useful lives assigned to the various categories of assets are as follows:

Buildings	30-50 years
Improvements	10-30 years
Infrastructure	30-60 years
Equipment and vehicles	3-10 years

UNEARNED/UNAVAILABLE REVENUE

Unearned revenue in the Governmental Activities and unavailable revenue in the Governmental Funds includes amounts received in advance by the Village for licenses, permits and grants applicable to the following fiscal year.

COMPENSATED ABSENCES

Accumulated unpaid annual leave amounts and a portion of accumulated sick leave are accrued when earned. Benefits that were earned but not used during the current year were accrued at employees' pay rates in effect at September 30, 2024. The liability for compensated absences attributable to the Village's governmental funds is recorded in the government-wide financial statements. A liability is recorded in the governmental funds for

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

COMPENSATED ABSENCES (CONTINUED)

compensated absences only if they have matured, for example, as a result of employee resignations and retirements, and the amount, if any, is reported with accrued payroll and related liabilities in the governmental funds' balance sheet. The General Fund is used to liquidate the liability recorded in the governmental funds.

INTERNAL BALANCES

Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the government-wide governmental and business-type activities columns of the statement of net position, except for the residual amount, if any, which is presented as internal balances.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets and liabilities, the government-wide and enterprise funds Statements of Net Position and the governmental funds Balance Sheet will sometimes report a separate section for deferred outflows or deferred inflows of resources. The separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The Village's deferred outflows of resources on the government-wide and enterprise funds Statements of Net Position relate to its pension and OPEB liabilities.

The separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenues) until that time. The Village's deferred inflows on the government-wide and enterprise funds Statements of Net Position relate to its pension and total OPEB liabilities. In addition, the Village has another item, unavailable revenue, which arises only under the modified accrual basis of accounting and is reported as a deferred inflow of resources on the governmental funds Balance Sheet. The unavailable revenue results from licenses, permit fees and grants received by the Village in advance of the year to which they apply. These amounts are deferred and recognized as an inflow of resources in the year that the amounts become available.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION/FUND BALANCES

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balance of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets, if any. If there are significant unspent debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds. The Village had no outstanding capital related debt at September 30, 2024.

Restricted – This component of net position consists of constraints placed on the use of net position by external restrictions imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The Village's entire restricted net position balance is the result of restrictions imposed by State Statutes and county ordinances.

Unrestricted – This component of net position consists of net position that does not meet the definition of *Investment in Capital Assets* or *Restricted*.

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

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

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

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION/FUND BALANCES (CONTINUED)

Committed – Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by the Village Council through resolution. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Assigned – Assigned fund balances include amounts that are constrained by the Village's intent to be used for specific purposes, but are neither restricted nor committed. The Village Council has by resolution authorized the Finance Director to assign fund balance. The Council may also assign fund balance as it does when appropriating fund balance for the subsequent year's budget.

Unassigned – Unassigned fund balances include amounts that are not assigned to other funds and have not been restricted, committed or assigned to specific purposes within the General Fund. The General Fund is the only fund that may report a positive unassigned fund balance amount.

NET POSITION FLOW ASSUMPTION

Sometimes the Village will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Village's policy to consider restricted net position to have been used before unrestricted net position is applied.

FUND BALANCE FLOW ASSUMPTIONS

Sometimes the Village will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balances). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balances in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Village's policy to consider restricted fund balances to have been used before using any of the components of unrestricted fund balances. Further, when the components of unrestricted fund balances can be used for the same purpose, committed fund balances are used first, followed by assigned fund balances. Unassigned fund balances are applied last.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

TAX RATE STABILIZATION

Beginning with the fiscal year ended September 30, 2012, the Village Council authorized management to use up to $5.5 million of unassigned fund balances in any given year to limit increases in ad valorem tax rates.

MINIMUM FUND BALANCES POLICY

The Village Council has adopted a formal minimum fund balances policy whereby the Village strives to maintain a minimum unassigned fund balance in the General Fund of 25% of the following year's budgeted expenditures. In the event that the unassigned fund balance exceeds the minimum amount, the excess may be utilized for any lawful purpose of the Village or for one-time costs including the establishment of or increase in commitments or assignments of fund balances. As of September 30, 2024, the Village was in compliance with its minimum fund balances policy.

ON-BEHALF PAYMENTS

The Village receives on-behalf payments from the State of Florida to be used for Police pension benefits. Such payments are recorded as intergovernmental revenue and public safety expenses/expenditures in the GAAP basis government-wide and General Fund financial statements. On-behalf payments to the Village totaled $537,004 for the fiscal year ended September 30, 2024.

INTERFUND TRANSACTIONS

Transactions between funds during the year consisted of loans, services provided, reimbursements or transfers. Loans are reported as *Due from Other Funds* and *Due to Other Funds* as appropriate and are subject to elimination in the government-wide financial statements. Services, deemed to be reasonably equivalent in value, are treated as revenue and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are presented as transfers. Transfers, if any, within the governmental and business-type activities are eliminated in the government-wide financial statements.

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village purchases commercial and cyber insurance to cover all risks of loss to which it is exposed. Policy limits and deductibles are reviewed annually by management and established at amounts to provide reasonable protection from significant financial loss. There were no significant reductions in insurance coverage for 2024 other than the Village establishing a

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RISK MANAGEMENT (CONTINUED)

framework for self-insurance against windstorm-related damages and cancellation of its policy. The amounts of insurance settlements have not exceeded insurance coverage in any of the past three fiscal years.

GRANTS

Amounts received or receivable from grantor agencies are subject to audit and adjustment by those agencies. Any disallowed claims, including amounts already received, might constitute a liability of the Village for the return of those funds.

ESTIMATES

Management uses estimates and assumptions in preparing financial statements in accordance with U.S. generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets, liabilities, and deferred inflows/outflows, the disclosure of contingent assets and liabilities, and the reported revenue, expenditures and expenses. Actual results could vary from the estimates that were used.

IMPLEMENTATION OF NEW GASB STATEMENTS

The implementation of GASB Statement No. 100, *Accounting Changes and Error Correction*, did not have a significant impact on the Village's financial statements. The primary objective of this GASB 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.

NOTE 2 – CASH AND CASH EQUIVALENTS

The Village maintains a pooled cash and cash equivalents that are available for use by all funds. At September 30, 2024, pooled cash and cash equivalents included deposits with financial institutions of $36,705,552. Each fund type's portion of this pool is displayed on the financial statements as "Cash and cash equivalents". In addition, investments are held separately by the General Fund, and the Pension Trust Funds.

DEPOSITS

At year end, the carrying amount of the Village's deposits with financial institutions, excluding the Pension Trust Funds, was $36,705,552 and the bank balance was $36,930,522.

NOTE 2 – CASH AND CASH EQUIVALENTS (CONTINUED)

DEPOSITS (CONTINUED)

The Police Pension Trust Fund's deposits are held in an interest bearing checking account with a balance of $119,230 at September 30, 2024. All of the deposits with financial institutions were entirely covered by a combination of federal deposit insurance and a collateral pool pledged to the State Treasurer of Florida by financial institutions, which comply with the requirements of Florida Statutes and have been designated as a qualified public depository by the State Treasurer. Qualified public depositories are required to pledge collateral to the State Treasurer with a fair value equal to a percentage of the average daily balance of all government deposits in excess of any federal deposit insurance. In the event of a default by a qualified public depository, all claims for government deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool.

Accordingly, all deposits with financial institutions are considered fully insured in accordance with the provisions of Statements of the Governmental Accounting Standards Board.

INVESTMENTS

Florida Statutes and Village ordinances authorize the Village to invest in Florida PRIME and FL Class, an investment pool administered by the State of Florida; negotiable direct obligations of or obligations unconditionally guaranteed by the U.S. Government; interest-bearing time deposits or savings accounts in financial institutions located in Florida and/or in national banks organized under federal or Florida laws, provided that deposits are secured by the Florida Public Security for Public Deposits Act; obligations of U.S. Government Agencies such as the Federal Financing Bank, Federal Housing Administration Debentures, or Government National Mortgage Association; obligations of Federal Instrumentalities such as the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank or its district banks or the Federal National Mortgage Association; supranationals where the U.S. is a shareholder and voting member; prime commercial paper, corporate notes, and bankers acceptances, subject to certain minimum ratings; repurchase agreements subject to certain minimum rating requirements; state and/or local government taxable debt; certain mutual funds; intergovernmental investment pools authorized pursuant to the Florida Interlocal Cooperation Act; and mortgage and asset-backed securities.

NOTE 2 – CASH AND CASH EQUIVALENTS (CONTINUED)

INVESTMENTS (CONTINUED)

Florida Cooperative Liquid Assets Securities System (FLCLASS) is an intergovernmental investment pool authorized under Section 218.415, Florida Statutes. FLCLASS is a stable $1.00 NAV local government investment pool that provides for investing in high-quality, short- to medium-term securities. As of September 30, 2024, the dollar weighted average days to maturity (WAM) of FLCLASS was 30 days and the weighted average life (WAL) was 83 days. FLCLASS is rated by S&P Global ratings and had a rating of AAAm as of Septembe 30, 2024.

In accordance with GASB Statement No. 79, Certain External Investment Pools and Pool Participants, the Village's investments in the FL Class meets the definition of a qualifying investment pool that measures, for financial reporting purposes, all of its investments at amortized cost and should disclose the presence of any limitations or restrictions on withdrawals. As of September 30, 2024, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Pension trust funds are authorized by Village ordinance to also invest in mutual fund investments in money market funds, stocks and debt securities, guaranteed investment contracts and the Florida Municipal Investment Trust. The General Employees Pension Trust Fund allows employees to direct their contributions into any of the various investment options offered by the Plan. All investments are reported at their fair value, except for the guaranteed interest account that is reported at contract value.

The Village held the following investments at September 30, 2024:

Governmental Funds	
U.S. Treasury notes	$ 25,379,506
U.S. Government Agency notes	5,898,482
Corporate notes	17,848,613
Municipal bonds	249,353
Asset-backed bonds	12,959,676
FL Class	10,015,102
Total Governmental Funds	$ 72,350,732

NOTE 2 – CASH AND CASH EQUIVALENTS (CONTINUED)

INVESTMENTS (CONTINUED)

The general employees pension trust fund held the following investments at September 30, 2024:

Pension Trust Fund	
General Employees Pension Trust Fund:	
Mutual Funds:	
Equity funds	$ 2,879,092
Fixed income funds	156,205
Guaranteed interest account	238,974
Total Pension Trust Funds	$ 3,274,271

The guaranteed interest account is a group annuity contract with Prudential Insurance Company of America (Prudential). This account is valued at contract value based upon the participant contributions made to the fund, plus earnings at guaranteed crediting rates, less withdrawals and fees, which approximates fair value. Prudential is contractually obligated to repay the principal and a specified minimum interest rate that is guaranteed to the Plan and may not terminate the investment contract prior to scheduled maturity dates. The investment is part of the general account of Prudential and is not insured or collateralized.

FAIR VALUE OF INVESTMENTS

The Village follows the provisions of GASB Statement No. 72, *Fair Value Measurement and Application*, which establishes a framework for measuring the fair value of investments in a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are described below:

Level 1

Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Village has the ability to access at the measurement date.

NOTE 2 – CASH AND CASH EQUIVALENTS (CONTINUED)

FAIR VALUE OF INVESTMENTS (CONTINUED)

Level 2
Inputs to the valuation methodology include the following:

- Quoted prices for similar assets in active markets.
- Quoted prices for identical or similar assets in inactive markets.
- Inputs other than quoted prices that are observable for the assets.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset has a specified contractual term, the Level 2 input must be observable for substantially the full term of the asset.

Level 3
Inputs to the valuation methodology are unobservable and significant to the fair value measurement. These unobservable inputs reflect the entity's own estimates for assumptions that market participants would use in pricing the asset or liability. Valuation techniques would typically include discounted cash flow models and similar techniques, but may also include the use of market prices of assets that are not directly comparable to the subject asset.

The fair value measurement of an asset within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The categorization of an investment within the fair value hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to the Village's perceived risk of that investment.

VALUATION METHODOLOGIES

The following valuation methods and assumptions were used by the Village in estimating the fair value of financial instruments that are measured at fair value on a recurring basis under GASB Statement No. 72:

U.S. Treasury notes, U.S. Government Agency notes, corporate notes, municipal bonds, asset-backed bonds, and supranational agency notes: Valued at the closing price reported on the active exchange on which the individual securities are actively traded. Securities that are not actively traded are valued by the investment safekeeping custodian using a matrix pricing technique based on the securities' relationship to quoted benchmark prices.

Mutual Funds: Valued at the net asset value reported on the active exchange on which the funds are traded.

NOTE 2 – CASH AND CASH EQUIVALENTS (CONTINUED)

VALUATION METHODOLOGIES (CONTINUED)

The methods and assumptions described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Village believes its valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There were no changes in the methods and assumptions used for the fiscal year ended September 30, 2024.

FAIR VALUE OF INVESTMENTS

The financial assets measured at fair value on a recurring basis include the Village's investments in securities and equity and fixed income mutual funds. There were no liabilities measured at fair value on a recurring basis at September 30, 2024. The fair value of the Village's investments at September 30, 2024 is summarized as follows:

	Fair Values at September 30, 2024			
	Level 1	Level 2	Level 3	Total
Governmental Funds				
Debt securities:				
U.S. Treasury notes	$ 25,379,506	$ --	$ --	$ 25,379,506
U.S. Government Agency notes	--	5,898,482	--	5,898,482
Corporate notes	--	17,848,613	--	17,848,613
Municipal bonds	--	249,353	--	249,353
Asset-backed bonds	--	12,959,676	--	12,959,676
Total investments at fair value	$ 25,379,506	$ 36,956,124	$ --	62,335,630
FL Class (exempt)				10,015,102
Total Governmental Funds				$ 72,350,732

The fair value of the Pension Trust Funds investments at September 30, 2024 is summarized as follows:

	Fair Values at September 30, 2024			
	Level 1	Level 2	Level 3	Total
Pension Trust Funds				
Equity mutual funds	$ 2,879,092	$ --	$ --	$ 2,879,092
Fixed income mutual funds	156,205	--	--	156,205
Total Pension Trust Funds	$ 3,035,297	$ --	$ --	$ 3,035,297

NOTE 2 – CASH AND CASH EQUIVALENTS (CONTINUED)

INTEREST RATE RISK

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest rate risk. The Village's investment policy generally limits the maturities of its investments to a maximum of 10 years, with maturities of 3 years or less for interest bearing time deposits, commercial paper, corporate notes, and bankers' acceptances. Money market mutual funds have a weighted average maturity of ninety days or less, resulting in minimal interest rate risk. The table below summarizes the scheduled maturities of all other fixed income investments at September 30, 2024.

	Fair Value of Investment Maturities			
	Less Than Level 1	One to Five Years	More than Five years	Total
Governmental Funds				
U.S. Treasury notes	$ 1,289,443	$ 24,090,063	$ --	$ 25,379,506
U.S. Government Agency notes	1,856,530	3,537,832	504,120	5,898,482
Corporate notes	4,583,005	13,265,608	--	17,848,613
Municipal bonds	249,353	--	--	249,353
Asset-backed bonds	707	12,958,969	--	12,959,676
Total Governmental Funds	$ 7,979,038	$ 53,852,472	$ 504,120	$ 62,335,630

CREDIT RISK

Credit risk is the risk that a debt issuer will not fulfill its obligations. The Village's investment policy addresses credit risk by limiting investments to the safest types of securities and diversifying the investment portfolio. The security rating by a Nationally Recognized Statistical Rating Organization (NRSRO) is also an indication of credit risk. Investments in commercial paper and bankers acceptances require a minimum rating of P-1 by Moody's and A-1 by Standard & Poor's at the time of purchase.

NOTE 2 – CASH AND CASH EQUIVALENTS (CONTINUED)

CREDIT RISK (CONTINUED)

Corporate notes require a minimum rating of A by Moody's and A by Standard & Poor's at the time of purchase. State and/or local government taxable debt and mortgage and asset-backed securities require a minimum rating of Aa by Moody's and AA by Standard & Poor's at the time of purchase. Money market mutual funds require a minimum rating of AAm by Moody's or AAm-G by Standard & Poor's. U.S. Treasury notes with a fair value of $30,713,264 are not considered to have credit risk and do not require disclosure of credit quality. The governmental funds' investments and the fixed income and money market mutual funds included in the pension trust funds' investments had credit quality ratings at September 30, 2024, as listed below. All other funds were unrated.

	NRSRO Rating	Fair Value
Governmental Funds		
U.S. Government Agency notes	AA	$ 5,898,482
Corporate notes	A	12,627,943
Corporate notes	AA	3,283,334
Corporate notes	BBB	518,606
Corporate notes	NR	1,418,730
Municipal bonds	AA	249,353
Asset-backed bonds	AAA	12,959,676
Total Governmental Funds		$ 46,971,226

	NRSRO Rating	Effective Duration	Fair Value
Pension Trust Fund			
PGIM Total Return Bond Fund	AA-	6.05 years	$ 150,741
PGIM Government Income Fund	AAA	5.63 years	5,464
Total Pension Trust Fund			$ 156,205

NOTE 2 – CASH AND CASH EQUIVALENTS (CONTINUED)

CUSTODIAL CREDIT RISK

Custodial credit risk is defined as the risk that the Village may not recover cash and investments held by another party in the event of a financial failure. The Village does not have any specific policy for custodial credit risk. At September 30, 2024, all investments were held in independent custodial safekeeping accounts, except money market mutual funds, equity and fixed income mutual funds, and the guaranteed interest account which are considered *unclassified* pursuant to GASB Statements, because they are not evidenced by securities that exist in physical or book-entry form.

CONCENTRATION OF CREDIT RISK

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. Generally, a maximum of 10% of available investment funds may be invested in any one issuer. Federal instrumentalities are limited to a maximum of 30% in any one issuer and asset-backed securities are limited to a maximum of 5% in any one issuer. Investments in U.S. Government securities, mutual funds and pools are excluded from the concentration of credit risk disclosure requirement. In addition, with the exception of Florida PRIME and U.S. Government Securities, all other security types have varying limits as to how much of the investment portfolio may be invested in a given security type. At September 30, 2024, there were no issuers representing more than 5% of the Village's total investments or for Pension Trust Fund, none that exceeded 5% of total pension investments.

FOREIGN CURRENCY RISK

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. There was no exposure to foreign currency risk in the Village's investments at September 30, 2024.

NOTE 3 – CAPITAL ASSETS

The capital asset activity for the fiscal year ended September 30, 2024, was as follows:

Governmental Activities	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets, Not Being Depreciated				
Land	$ 7,875,085	$ --	$ --	$ 7,875,085
Construction in progress	5,108,483	6,606,594	(11,113,911)	601,166
Total Capital Assets, Not Being Depreciated	12,983,568	6,606,594	(11,113,911)	8,476,251
Capital Assets, Being Depreciated				
Buildings	41,598,841	2,533,898	--	44,132,739
Improvements other than buildings	45,759,785	7,699,088	--	53,458,873
Infrastructure	125,437,131	235,510	--	125,672,641
Equipment	6,176,062	503,550	(446,403)	6,233,209
Vehicles	2,333,059	54,769	(234,851)	2,152,977
Total Capital Assets, Being Depreciated	221,304,878	11,026,815	(681,254)	231,650,439
Less Accumulated Depreciation for:				
Buildings	10,473,329	1,145,133	--	11,618,462
Improvements other than buildings	28,193,474	2,808,368	--	31,001,842
Infrastructure	100,232,787	1,456,579	--	101,689,366
Equipment	4,102,033	540,172	(426,847)	4,215,358
Vehicles	1,846,709	165,869	(234,851)	1,777,727
Total Accumulation Depreciation	144,848,332	6,116,121	(661,698)	150,302,755
Total Capital Assets Being Depreciated, Net	76,456,546	4,910,694	(1,342,952)	81,347,684
Governmental Activities Capital Assets, Net	$ 89,440,114	$ 11,517,288	$ (12,456,863)	$ 89,823,935

NOTE 3 – CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs as follows:

Governmental Activities	
General government	$ 324,259
Public safety	103,501
Physical environment	2,830,062
Culture and recreation	2,858,299
Total Depreciation Expense - Governmental Activities	$ 6,116,121

Business-Type Activities	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets, Not Being Depreciated				
Land	$ 112,328	$ --	$ --	$ 112,328
Construction in progress	644,252	661,649	743,745	562,156
Total Capital Assets, Not Being Depreciated	756,580	661,649	743,745	674,484
Capital Assets, Being Depreciated				
Buildings	16,145	--	--	16,145
Improvements	--	743,745	--	743,745
Equipment	273,155	--	--	273,155
Water plant	11,681,028	--	--	11,681,028
Total Capital Assets, Being Depreciated	11,970,328	743,745	--	12,714,073
Less Accumulated Depreciation for:				
Buildings	16,145	--	--	16,145
Improvements	--	7,437	--	7,437
Equipment	9,105	26,374	--	35,479
Water plant	11,681,028	--	--	11,681,028
Total Accumulation Depreciation	11,706,278	33,811	--	11,740,089
Total Capital Assets Being Depreciated, Net	264,050	709,934	--	973,984
Business-type Activities Capital Assets, Net	$ 1,020,630	$ 1,371,583	$ 743,745	$ 1,648,468

NOTE 3 – CAPITAL ASSETS (CONTINUED)

In April 2006, the Village sold its Water and Wastewater Utility, except for land and the existing water and wastewater plants, to Palm Beach County. Under the terms of the agreement, the Village was required to lease the water and wastewater plants to the County for a period of up to 10 years and 2 years, respectively. At the point when the plants were no longer needed by the County, the Village was required to decommission the plants. The estimated cost to decommission the plants of $1 million was accrued in the Water and Wastewater Utility System Fund in conjunction with the sale of the utility. The wastewater plant was fully decommissioned as of September 30, 2011 and the land was sold in 2016.

On August 1, 2013, Palm Beach County provided notice to the Village that the County had vacated the leased portions of the water treatment site, thereby terminating the lease. At September 30, 2024, the Village has not decommissioned the remaining water plant. The Village accounts for its legal obligation to decommission the water plant in accordance with GASB Statement No. 83. At September 30, 2024, the Village has an accrued decommissioning liability of $500,000, which is based on the best estimate of current values of outlays expected to be incurred to decommission the water plant, including the effects of inflation. The Village anticipates meeting its asset retirement obligation with available liquid assets from the Water and Wastewater Utility System Fund. The water plant and related assets are fully depreciated and, accordingly, no deferred outflows are reported in relation to the Village's asset retirement obligation.

NOTE 4 – LONG-TERM DEBT

Changes in governmental activities long-term debt for the fiscal year ended September 30, 2024, are summarized as follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Compensated Absences	$ 770,476	$ 865,117	$ (748,491)	$ 887,102	$ 44,355

Compensated absences for the governmental activities are generally liquidated by the General Fund.

NOTE 5 – INTERFUND TRANSFERS

Interfund transfers for the fiscal year ended September 30, 2024 were as follows:

	Transfers In	Transfers Out
Funds		
General Fund	$ 2,500,000	$ 15,028,000
ARPA Fund	--	2,831,360
Local Discretionary Sales Surtax Fund	11,826,027	523,973
Non-Major Governmental Funds	2,500,000	100,000
Water and Wastewater Utility System Fund	523,973	201,027
Stormwater Utility Fund	1,334,360	--
Total	$ 18,684,360	$ 18,684,360

Transfers were made from the General Fund to the Capital Improvements Fund and the Impact Fee Capital Projects Fund to provide funding for various capital improvement projects within the Village. Transfers from the ARPA fund to the General fund were for fund used for police services.

NOTE 6 – PENSION PLANS

The Village offers pension benefits through three pension plans as of September 30, 2024. Effective October 1, 2008, the Village closed its defined contribution pension plan to new employees and gave its existing plan members a one-time election to terminate their membership in the defined contribution plan and use their accumulated monies to become a member of the Florida Retirement System and purchase past service in the plan. All employees hired on or after October 1, 2008 must participate in the Florida Retirement System. In addition, the Village has the Police Pension Trust Fund that is also closed and has only retirees remaining in that plan. The details of each plan are as follows:

STATE OF FLORIDA RETIREMENT SYSTEM

All regular, full-time employees of the Village hired on or after October 1, 2008, as well as those employees that chose to transfer to the Florida Retirement System, participate in the Florida Retirement System (FRS) Pension Plan and the Retiree Health Insurance Subsidy (HIS) Trust Fund administered by the Florida Department of Management Services, Division of Retirement. FRS and HIS are cost-sharing, multiple-employer defined benefit pension plans with approximately 1,000 participating employers. FRS and HIS were established and are administered in accordance with Chapter 121 and Section 112.363, Florida Statutes, respectively.

NOTE 6 – PENSION PLANS (CONTINUED)

STATE OF FLORIDA RETIREMENT SYSTEM (CONTINUED)

FRS includes a Deferred Retirement Option Program ("DROP") available for eligible employees. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state community college, or district school board, unless restricted from FRS membership under sections 121.053 and 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation is optional for municipalities, special districts, charter schools and metropolitan planning organizations.

HIS membership is optional and available to all retirees under a state-administered retirement system, provided the retiree provides proof of health insurance coverage, which can include Medicare. Participation is compulsory for municipalities, special districts, charter schools and metropolitan planning organizations that participate in FRS.

Benefits Provided

FRS provides retirement, survivor and disability benefits to plan members and beneficiaries. Pension benefits of FRS are established by Florida Statutes, Chapter 121, and may be amended by the Florida Legislature. Retirement benefits are computed on the basis of age and/or years of service, average final compensation and service credit. Members initially enrolled on or after July 1, 2008, through June 30, 2011, vest after six years of service. Members initially enrolled on or after July 1, 2011, vest after eight years of service. HIS provides retirees and beneficiaries a monthly benefit equal to the number of years of service completed at the time of retirement multiplied by $5. The monthly benefit payment is established by Section 112.363, Florida Statutes and is at least $30, but not more than $150.

Contributions

FRS members are required to contribute 3.0% and no contribution is required for HIS members. Participating governments, including the Village, contribute to FRS at actuarially determined rates for various classes of employees, which are presently 10.19% of annual covered payroll for employees covered in the regular class, 29.85% for the senior management class, 55.28% for elected officials and 16.94% for employees covered in the FRS DROP program. Participating governments, including the Village, contribute to HIS based on a percentage of gross compensation for all active FRS members, which is presently 1.66%. The Village's contributions to FRS and HIS for the fiscal year ended September 30, 2024, were $1,267,061 which was equal to 100% of the required contributions for the year.

NOTE 6 – PENSION PLANS (CONTINUED)

STATE OF FLORIDA RETIREMENT SYSTEM (CONTINUED)

Funding Policy

FRS funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due based upon plan assumptions. HIS uses a pay-as-you-go funding policy based on monthly employer contributions at a flat percentage of gross compensation for all active FRS members. Employer and employee contribution rates are established by State law as a level percentage of payroll. Employer contribution rates are determined using the entry-age actuarial cost method. The consulting actuary recommends rates based on the annual valuation, but actual contribution rates are established by the Florida Legislature. The FRS and HIS net pension liabilities have historically been and will continue to be liquidated primarily by the General Fund.

Publicly Available Financial Report

The State of Florida issues a publicly available financial report for FRS and HIS that includes financial statements and required supplementary information. The complete financial report is available on the Publications page of the Division of Retirement's website at www.frs.myflorida.com or by writing to the Research and Education Section at P.O. Box 9000, Tallahassee, Florida, 32315-9000 or by calling toll free 877-377-1737 or 850-488-5706.

Summary of Significant Accounting Policies

The financial statements of FRS and HIS are prepared using the economic resources measurement focus and the accrual basis of accounting. Employee contributions are recognized in the period for which the contributions are assessed. Employer contributions are recognized in the period in which employee services are performed. Benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the terms of FRS and HIS. Other expenses are recognized when the corresponding liabilities are incurred. Investment income is recognized as revenue when earned. Investments are reported at fair value and are managed by external investment managers. The independent investment custodian for FRS and HIS determines the fair value of securities using various third party pricing sources. For private market investments, where no readily ascertainable market value exists, fair values are based on net asset value (capital account balance) provided by investment managers at the closest available reporting period and adjusted for subsequent contributions and distributions. The net appreciation (depreciation) in fair value of investments is recorded as an increase (decrease) to investment income based on the valuation of investments. Investment earnings are net of investment related expenses, such as management fees, portfolio evaluation and custodial services. For purposes of measuring the net pension liability, deferred inflows/outflows of resources related to pensions, and pension expense, information about the fiduciary net position of FRS and HIS and the additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by FRS and HIS.

NOTE 6 – PENSION PLANS (CONTINUED)

STATE OF FLORIDA RETIREMENT SYSTEM (CONTINUED)

Summary of Significant Accounting Policies (continued)

At September 30, 2024, the Village reported a liability of $7,562,534 and $2,836,081 for its proportionate share of the net pension liability of FRS and HIS, respectively. The net pension liability of each plan was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of July 1, 2024. The Village's proportion of the net pension liability was based on a projection of the Village's long-term share of contributions to the pension plan relative to the projected contributions of all participating governments, as actuarially determined. At June 30, 2024, the Village's FRS proportionate share was 0.0001955 percent. The HIS proportionate share was 0.0001891 percent at June 30, 2024.

At September 30, 2024, the Village reported deferred outflows and inflows of resources related to the FRS pension from the following sources:

	FRS	
	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 764,019	$ --
Changes in assumptions	1,036,514	--
Net difference between projected and actual investment earnings on pension plan investments	--	502,645
Changes in proportion and differences between Village contributions and proportionate share of contributions	34,657	254,111
Village contributions subsequent to the measurement date	289,085	--
Total	$ 2,124,275	$ 756,756

NOTE 6 – PENSION PLANS (CONTINUED)

STATE OF FLORIDA RETIREMENT SYSTEM (CONTINUED)

Summary of Significant Accounting Policies (continued)

At September 30, 2024, the Village reported net deferred outflows and inflows of resources related to the HIS pension from the following sources:

	HIS	
	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 27,384	$ 5,446
Changes in assumptions	50,192	335,756
Net difference between projected and actual investment earnings on pension plan investments	--	1,026
Changes in proportion and differences between Village contributions and proportionate share of contributions	42,936	84,954
Village contributions subsequent to the measurement date	41,649	--
Total	$ 162,161	$ 427,182

Deferred outflows of resources related to FRS and HIS pensions of $330,734 resulting from Village contributions subsequent to the measurement date of June 30, 2024 will be recognized as a reduction of the net pension liability in the year ending September 30, 2025. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	FRS Amount	HIS Amount
2025	$ (151,444)	$ (58,277)
2026	1,181,877	(68,463)
2027	27,157	(86,500)
2028	(37,392)	(58,656)
2029	58,236	(27,911)
Thereafter	--	(6,863)
Total	$ 1,078,434	$ (306,670)

NOTE 6 – PENSION PLANS (CONTINUED)

ACTUARIAL ASSUMPTIONS

The total pension liability for FRS and HIS in the most recent actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	FRS	HIS
Valuation date	July 1, 2024	July 1, 2024
Measurement date	June 30, 2024	June 30, 2024
Actuarial cost method	Individual Entry Age	Individual Entry Age
Amortization method	Level percent of pay, closed	Level percent of pay, closed
Equivalent single amortization period	30 years	30 years
Asset valuation method	5-year smoothed	Fair Market value
Discount rate	6.7%	3.93%
Inflation	2.4%	2.4%
Salary increases, including inflation	3.50%	3.50%
Long-term expected rate of return, net of of investment expenses	6.7%	N/A
Municipal bond rate	N/A	3.93%
Cost of living adjustments	3.00% pre-July 2011; 0% thereafter	N/A
Mortality rates	Mortality rates PUB-2010 base table with Scale MP-2021	Mortality rates PUB-2010 base table with Scale MP-2021

The actuarial assumptions that determined the total pension liability as of June 30, 2024, were based on certain results of an actuarial experience study of the FRS for the period July 1, 2018 to June 30, 2023.

LONG-TERM EXPECTED RATE OF RETURN

The long-term expected rate of return on FRS 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 expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation

NOTE 6 – PENSION PLANS (CONTINUED)

LONG-TERM EXPECTED RATE OF RETURN (CONTINUED)

percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class are as follows:

Asset Class	Target Allocation [1]	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.1%
Fixed income	29.0%	5.7%	5.6%	3.9%
Global equity	45.0%	8.6%	7.0%	18.2%
Real estate (property)	12.0%	8.1%	6.8%	16.6%
Private equity	11.0%	12.4%	8.8%	28.4%
Strategic investments	2.0%	6.6%	6.2%	8.7%
	100%			
Assumed inflation-Mean			2.4%	1.5%

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

DISCOUNT RATE

The discount rate used to measure the total pension liability of FRS at June 30, 2024 was 6.70% for FRS and 3.93% for HIS. The FRS discount rate was based on the expected rate of return on FRS investments. The HIS discount rate was based on the municipal bond rate. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rates and that member contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the fiduciary net position of FRS was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on investments of FRS was applied to all periods of projected benefit payments to determine the projected total pension liability. Because the HIS uses a pay-as-you-go funding structure, a municipal bond rate of 3.93% was used to determine the total pension liability.

Sensitivity of the Village's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following table presents the Village's proportionate share of the net pension liability of FRS and HIS at September 30, 2024, calculated using the current discount rate, as well as what the Village's proportionate share of the net pension liability

NOTE 6 – PENSION PLANS (CONTINUED)

DISCOUNT RATE (CONTINUED)

would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

FRS			HIS		
1.0% Decrease (5.70)%	Current Discount Rate (6.70)%	1.0% Increase (7.70)%	1.0% Decrease (2.93)%	Current Discount Rate (3.93)%	1.0% Increase (4.93)%
$ 13,302,232	$ 7,562,534	$ 2,754,319	$ 3,228,514	$ 2,836,081	$ 2,510,299

PENSION PLAN FIDUCIARY NET POSITION:

Detailed information about the fiduciary net position of FRS and HIS are available in a separately issued financial report, which is available on the Publications page of the Division of Retirement's website at www.frs.myflorida.com or in writing to the Research and Education Section at P.O. Box 9000, Tallahassee, Florida, 32315-9000 or by calling toll free 877-377-1737 or 850-488-5706.

PAYABLES TO FRS

There were no amounts payable to FRS by the Village at September 30, 2024.

DEFINED CONTRIBUTION PENSION PLAN

The Village provides pension benefits through a defined contribution plan, the General Employees Pension Trust Fund, administered by the Village for full-time employees that chose to remain in the Plan after it was closed on September 30, 2008. The Plan was established by Village Ordinance and may be amended in the same manner.

In July 2008, the Village amended its defined contribution pension plan to close the plan to new employees as of October 1, 2008, and require new employees to participate in the Florida Retirement System. In addition, the amendment provided for a one-time election for existing plan members to terminate their membership in the existing plan and use their accumulated monies to become a member of the Florida Retirement System and purchase past service in that plan. The amendment also allowed certain plan members to rollover monies from other qualified plans to purchase additional past service credits. At September 30, 2024, there was one active plan member.

NOTE 6 – PENSION PLANS (CONTINUED)

DEFINED CONTRIBUTION PENSION PLAN (CONTINUED)

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees were eligible to participate after completion of one year of continuous service and attainment of the age of 18. The Village makes monthly contributions to the plan equal to 5% of each participant's total earnings. In addition, participants may contribute up to 5% of their total earnings and the Village will match this contribution. Each participant's interest in their accrued benefits from employer contributions, investment earnings, and forfeitures is vested at 20% after two years of credited service and 20% for each additional year of service. Contributions made by the Village and plan members for the fiscal year ended September 30, 2024, amounted to $18,383 and $9,192, respectively. The Village's pension trust fund uses the accrual basis of accounting. Employer and plan member contributions are recognized in the period that the contributions are due. Plan investments in mutual funds are reported at fair value and investments in the guaranteed interest account are reported at contract value, which approximates fair value. The investments are valued based on the last reported sales price of mutual fund shares traded on a national exchange. The plan holds no securities issued by the Village.

PLAN DESCRIPTION

On December 19, 2002, the Village established the Police Pension Trust Fund, a single-employer, defined benefit pension plan, for the benefit of the Village of Royal Palm Beach Police Officers. The Plan covered substantially all full time Police personnel through September 30, 2006. During 2006, the Village voted to contract with Palm Beach County for police services and all Village police officers joined Palm Beach County's Sheriff Department as of October 1, 2006. In addition, the Village amended the Plan to allow police officers the option to opt out of the current Plan and join the County's retirement plan or remain in the Village's Plan. All but six Plan members opted out of the Plan. In August 2008, the Village amended the Plan to provide for retirement after 16 years of service, a pension benefit of 2.5% per year of credited service and the creation of a share plan to be funded exclusively with Chapter 185 premium tax receipts received from the State. In conjunction with this amendment, the remaining six plan members retired and the Plan purchased annuities for each of these members to satisfy all future pension obligations under the amended Plan.

The Plan administrator is the Florida Municipal Pension Trust Fund which provides employee pension plans with administrative and investment services.

NOTE 6 – PENSION PLANS (CONTINUED)

PLAN DESCRIPTION (CONTINUED)

Pursuant to Chapter 185 of the Florida Statutes, a premium tax on certain insurance contracts written on properties in the Village is collected by the State and remitted to the Village for Police pensions. The Plan is closed to new members and the only activity after September 30, 2008, is receipt of the Chapter 185 funds from the State and the distribution of those funds to the six retired Plan members over their lifetimes.

BASIS OF ACCOUNTING

The Plan's financial statements are prepared using the accrual basis of accounting. Since all Plan members retired in fiscal year 2008, there are no employer or employee contributions. The only future contributions will be from the State of Florida which are recognized when due. Benefits are recognized when due and payable in accordance with the terms of the Plan.

FUNDING POLICY

The Village Council is authorized to establish benefit levels. Pursuant to Florida Statutes, Chapter 185, the State collects a tax on insurance premiums for property and casualty coverage and annually remits a contribution for the Plan. Contribution requirements by the State are established and may only be amended by State statute. Administrative costs of the Police pension plan are paid from State contributions.

ACTUARIAL AND TREND INFORMATION

Since all Plan members retired during the 2008 fiscal year and the future retirement obligations were completely funded by annuities purchased for each retiree, there is no actuarial or trend information. The Plan is effectively a defined contribution plan from that point forward as benefits paid out will be determined by the amount of State contributions received.

A separate stand-alone financial report is not prepared for the General Employees Pension Trust Fund or the Police Pension Trust Fund and, accordingly, a statement of net position and statement of changes in net position for each Plan at September 30, 2024, and for the fiscal year then ended is available in the accompanying combining and individual fund financial statements.

NOTE 6 – PENSION PLANS (CONTINUED)

ACTUARIAL AND TREND INFORMATION (CONTINUED)

For the year ended September 30, 2024, the Village recognized pension income of $58,811 as the result of GASB Statement No. 68. Deferred outflows and inflows of resources and Net Pension Liability related to pensions are as follows:

	FRS Pension	HIS Pension	Total Pension
Deferred outflows	$ 2,124,275	$ 162,161	$ 2,286,436
Deferred inflows	$ (756,756)	$ (427,182)	$ (1,183,938)
Net pension liability	$ (7,562,534)	$ (2,836,081)	$ (10,398,615)
Pension expense (income)	$ (1,328)	$ 60,139	$ 58,811

NOTE 7 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

DESCRIPTION OF THE PLAN

The Village administers a single-employer defined benefit health care plan (the "OPEB Plan") that provides health care benefits to eligible retired employees and their beneficiaries. The Village Council has the authority to establish and amend the premiums for and the benefit provisions of the OPEB Plan. The OPEB Plan is financed on a "pay-as-you-go" basis and is not administered as a formal qualifying trust. The OPEB Plan does not issue a publicly available financial report.

The Village is required by Florida Statute 112.0801 to allow retirees to buy healthcare coverage at the same group insurance rates that current employees are charged, resulting in an *implicit* healthcare benefit. The State of Florida prohibits the OPEB Plan from separately rating retirees and active employees. The OPEB Plan therefore charges both groups an equal, blended rate premium. Although both groups are charged the same blended rate premium, GAAP requires the actuarial figures to be calculated using age adjusted premiums approximating claim costs for retirees separate from active employees. The use of age adjusted premiums results in the addition of the implicit rate subsidy into the actuarial accrued liability. OPEB Plan members receiving benefits contribute 100% of the monthly premium ranging from a minimum of $989 for single coverage to a maximum of $1,800 for single plus spousal coverage.

NOTE 7 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

PLAN MEMBERSHIP

Membership in the OPEB Plan was comprised of the following at October 1, 2023, the date of the latest actuarial valuation:

Active employees	95
Retirees and beneficiaries receiving benefits	--
Inactive employees not yet receiving benefits	--
Total Members	95

TOTAL OPEB LIABILITY

The Village's total OPEB liability of $781,374 was measured as of September 30, 2024, and was determined by an actuarial valuation as of October 1, 2023. The OPEB liability has historically been and will continue to be liquidated primarily by the General Fund.

Actuarial Methods and Significant Assumptions: The actuarial methods and significant assumptions used to determine the Village's total OPEB liability for the current year are summarized as follows:

Valuation Date	October 1, 2023
Actuarial cost method	Entry age, normal
Post-retirement benefit increase	None
Health care cost trend rates	7.00% per year initially, reduced annually by .50% to an ultimate rate of 5.00%
Amortization method	Level percent of projected salary – closed
Actuarial Assumptions:	
Discount rate	4.06%(2)
Projected salary increases	3.0%
Amortization	
Method	Average of expected future working lifetime of the active group
Remaining amortization period	9 years
Mortality rates	PUB-2010 Mortality Table with generational improvements using Scale MP-2020

(1) The plan is funded on a pay-as-you-go basis and is not administered as a formal qualifying trust. There were no plan assets as of September 30, 2024.

NOTE 7 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

TOTAL OPEB LIABILITY (CONTINUED)

(2) Since there are currently no invested plan assets held in trust to finance the OPEB obligation, the discount rate is the long-term expected rate of return on tax-exempt, high quality municipal bonds based on the *Bond Buyer 20-Bond GO Index*.

CHANGES IN THE TOTAL OPEB LIABILITY

The changes in the total OPEB liability were as follows for the fiscal year ended September 30, 2024:

Total OPEB Liability at October 1, 2023	$ 727,548
Changes for the Current Year	
Service cost	62,762
Interest	31,178
Demographic experience changes	(63,247)
Assumption changes	68,344
Benefit payments	(45,211)
Net Change	53,826
Total OPEB Liability at September 30, 2024	$ 781,374

CHANGES OF ASSUMPTIONS

Since prior year, the discount rate was decreased from 4.77% to 4.06% per annum.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following table presents the total OPEB liability of the Village calculated using the current discount rate of 4.06%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.06%) or one percentage point higher (5.06%) than the current rate:

	1.0% Decrease (3.06)%	Current Discount Rate (4.06)%	1.0% Increase (5.06)%
Total OPEB Liability	$ 840,962	$ 781,374	$ 726,757

NOTE 7 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

CHANGES OF ASSUMPTIONS (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate: The following table presents the total OPEB liability of the Village calculated using the current healthcare cost trend rate of 7.0%, as well as what the total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower (6.0% decreasing to 4.0%) or one percentage point higher (8.0% decreasing to 6.0%) than the current rate:

	1.0% Decrease (6.0% decrease to 4%)	Healthcare Cost Trend Rates (7.0% decreasing to 5%)	1.0% Increase (8.0% decreasing to 6%)
Total OPEB Liability	$ 698,490	$ 781,374	$ 879,109

OPEB EXPENSE AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO OPEB

For the fiscal year ended September 30, 2024, the Village recognized OPEB expense of $13,172. At September 30, 2024, the Village reported deferred outflows/inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows	Deferred Inflows
Changes in assumptions	$ 61,899	$ 235,186
Differences between expected and actual experience	83,938	144,737
Total	$ 145,837	$ 379,923

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

Fiscal Year Ending September 30	Amount
2025	$ (35,557)
2026	(35,557)
2027	(35,946)
2028	(35,962)
2029	(38,768)
Thereafter	(52,296)
Total	$ (234,086)

NOTE 8 – COMMITMENTS AND CONTINGENCIES

LITIGATION

The Village is a defendant in various lawsuits arising in the ordinary course of normal operations. Although the ultimate outcome of these lawsuits cannot be determined at the present time, it is the opinion of management based upon consultation with legal counsel, that the outcome of these actions will not materially affect the financial position of the Village.

CONSTRUCTION COMMITMENTS

The Village has several uncompleted construction contracts for improvements to Village facilities. The capital improvement projects are being funded primarily from accumulated funds in the Capital Improvements Fund, the Impact Fee Capital Projects Fund, and the Local Discretionary Sales Surtax Fund. At September 30, 2024, the remaining commitments are summarized as follows:

	Contract Amounts	Approved Payments	Retainage Payable	Remaining Commitments
Governmental capital improvements	$ 19,878,497	$ 17,944,211	$ 337,626	$ 1,934,286

FIRE PROTECTION AND EMERGENCY MEDICAL SERVICES CONTRACT

In accordance with the terms of interlocal agreements with Palm Beach County, the Village sold two fire stations to the County. In the event the Village no longer utilizes County Fire Rescue services, the Village would be required to repurchase these stations at an amount equal to the tax assessed value for the properties for the year in which the opt out occurs.

NOTE 9 – GENERAL EMPLOYEES PENSION TRUST FUND AND THE POLICE PENSION TRUST FUND

A statement of net position and statement of changes in net position for each Plan at September 30, 2024, and for the fiscal year then ended, are presented as follows:

Statement of Net Position

	GE Pension Trust Fund	Pension Trust Fund	Total
Assets			
Cash	$ --	$ 119,230	$ 119,230
Investments:			
Mutual funds	3,038,070	--	3,038,070
Guaranteed interest account	236,201	--	236,201
Total Assets	$ 3,274,271	$ 119,230	$ 3,393,501
Net Position			
Net position restricted for pension benefits	$ 3,274,271	$ 119,230	$ 3,393,501

Statement of Changes in Net Position

	GE Pension Trust Fund	Police Pension Trust Fund	Total
Additions			
Contributions:			
Employer	$ 18,383	$ --	$ 18,383
Employee	9,192	--	9,192
State	--	537,004	537,004
Total Contributions	27,575	537,004	564,579
Investment Income			
Net appreciation in fair value of plan assets	774,925	29	774,954
Interest and dividend income	36,015	--	36,015
Net Investment Income	810,940	29	810,969
Total Additions	838,515	537,033	1,375,548
Deductions			
Distributions to plan participants	257,101	501,570	758,671
Administrative expenses	1,976	16,253	18,229
Total Deductions	259,077	517,823	776,900
Change in Net Position	579,438	19,210	598,648
Net Position Restricted for Pension Benefits - Beginning of Year	2,694,833	100,020	2,794,853
Net Position Restricted for Pension Benefits - End of Year	$ 3,274,271	$ 119,230	$ 3,393,501

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ROYAL PALM BEACH, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
Revenue					
Ad valorem taxes					
Current	$ 7,780,750	$ 7,780,750	$ 7,871,948	$ 91,198	$ 6,258,259
Delinquent	8,000	8,000	1,887	(6,113)	3,021
Total revenue	7,788,750	7,788,750	7,873,835	85,085	6,261,280
Franchise fees					
Electricity	2,517,082	2,517,082	2,750,526	233,444	2,524,353
Water	866,941	866,941	1,217,554	350,613	905,830
Gas	24,000	24,000	38,150	14,150	29,081
Solid waste	267,341	267,341	310,614	43,273	222,725
Total franchise fees	3,675,364	3,675,364	4,316,844	641,480	3,681,989
Utility service taxes					
Electricity	3,228,044	3,228,044	3,800,513	572,469	3,137,453
Water	732,844	732,844	726,103	(6,741)	685,615
Gas	120,000	120,000	123,167	3,167	124,005
Telecommunications	1,021,956	1,021,956	968,303	(53,653)	997,232
Total utility services taxes	5,102,844	5,102,844	5,618,086	515,242	4,944,305
Business taxes	776,286	776,286	783,558	7,272	780,814
Licenses and permits					
Building permits	722,096	722,096	1,175,834	453,738	1,320,798
Site plan fees	174,000	174,000	318,114	144,114	352,978
Total licenses and permits	896,096	896,096	1,493,948	597,852	1,673,776
Intergovernmental revenue					
Grants	202,000	202,000	208,590	6,590	200,577
State revenue sharing	1,635,540	1,635,540	1,960,843	325,303	1,953,737
Alcoholic beverage license	18,000	18,000	17,272	(728)	20,649
Half-cent sales tax	3,507,050	3,507,050	3,906,903	399,853	4,046,225
Motor fuel tax rebate	3,200	3,200	1,488	(1,712)	5,066
Local option gas tax	763,671	763,671	746,541	(17,130)	746,163
Business tax	90,000	90,000	86,125	(3,875)	86,849
Recycling program	--	--	--	--	19,792
Total intergovernmental revenue	6,219,461	6,219,461	6,927,762	708,301	7,079,058

(Continued)

See notes to budgetary comparison schedule.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
Charges for services					
Zoning fees	$ 10,000	$ 10,000	$ 7,800	$ (2,200)	$ 13,875
Certification, copying and research	65,100	65,100	57,725	(7,375)	88,012
Lot mowing and clearing	500	500	400	(100)	80
Program activity fees	286,000	286,000	445,070	159,070	351,081
Total charges for services	361,600	361,600	510,995	149,395	453,048
Fines and forfeitures					
Court fines	30,000	30,000	61,286	31,286	44,261
Police education fees	3,000	3,000	4,803	1,803	3,548
Other fines and forfeitures	389,000	389,000	527,909	138,909	497,031
Total fines and forfeitures	422,000	422,000	593,998	171,998	544,840
Miscellaneous					
Investment earnings (loss)	109,000	173,119	5,104,996	4,931,877	(3,393,738)
Rents and royalties	930,206	930,206	1,107,094	176,888	1,195,975
Sale of surplus materials/ capital assets	18,000	18,000	98,656	80,656	84,344
Insurance recoveries	10,000	10,000	1,950	(8,050)	34,223
Contributions and donations	3,000	3,000	16,381	13,381	8,057
Other miscellaneous revenue	148,500	148,500	191,964	43,464	442,150
Total Miscellaneous	1,218,706	1,282,825	6,521,041	5,238,216	(1,628,989)
Total Revenue	$ 26,461,107	$ 26,525,226	$ 34,640,067	$ 8,114,841	$ 23,790,121

(Continued)

See notes to budgetary comparison schedule.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
Expenditures					
General Government					
Legislative - Council					
Personnel services	$ 186,552	$ 186,552	$ 179,333	$ 7,219	$ 154,059
Operating expenditures	163,592	163,592	146,035	17,557	140,963
Total legislative - council	350,144	350,144	325,368	24,776	295,022
Executive					
Personnel services	2,013,089	2,013,089	1,917,651	95,438	1,377,702
Operating expenditures	442,216	442,216	245,040	197,176	331,681
Total executive - council	2,455,305	2,455,305	2,162,691	292,614	1,709,383
Finance and administrative					
Personnel services	770,393	770,393	746,614	23,779	646,862
Operating expenditures	197,311	197,311	149,974	47,337	237,231
Total finance and administrative	967,704	967,704	896,588	71,116	884,093
Information Systems					
Personnel services	749,065	749,065	748,224	841	652,572
Operating expenditures	699,108	699,108	591,965	107,143	456,965
Total information systems	1,448,173	1,448,173	1,340,189	107,984	1,109,537
Legal					
Operating expenditures	323,000	387,119	387,119	--	358,877
Non-departmental					
Utility services	1,302,940	1,302,940	1,390,027	(87,087)	1,211,171
Insurance	1,540,152	1,521,652	1,088,407	433,245	946,425
Other	203,815	222,315	191,437	30,878	165,008
Total non-departmental	3,046,907	3,046,907	2,669,871	377,036	2,322,604
Total General Government	8,591,233	8,655,352	7,781,826	873,526	6,679,516

(Continued)

See notes to budgetary comparison schedule.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
Public Safety					
Law enforcement					
Operating expenditures	$ 8,857,617	$ 8,887,254	$ 8,887,254	$ --	$ 8,262,721
Capital outlay	--	--	--	--	--
Total law enforcement	8,857,617	8,887,254	8,887,254	--	8,262,721
Community Development					
Personnel services	1,364,200	1,364,200	1,272,046	92,154	1,200,377
Operating expenditures	139,881	139,881	92,015	47,866	91,753
Total community development	1,504,081	1,504,081	1,364,061	140,020	1,292,130
Total Public Safety	10,361,698	10,391,335	10,251,315	140,020	9,554,851
Physical Environment					
Engineering					
Personnel services	1,316,270	1,316,270	1,193,998	122,272	1,055,833
Operating expenditures	104,501	94,880	49,177	45,703	40,950
Capital outlay	--	9,621	--	9,621	--
Total Engineering	1,420,771	1,420,771	1,243,175	177,596	1,096,783
Public Works					
Personnel services	2,192,786	2,148,786	1,895,642	253,144	1,769,802
Operating expenditures	1,039,138	1,083,138	1,286,631	(203,493)	888,365
Capital outlay	23,000	23,000	--	23,000	7,643
Total Public Works	3,254,924	3,254,924	3,182,273	72,651	2,665,810
Total Physical Environment	4,675,695	4,675,695	4,425,448	250,247	3,762,593

(Continued)

See notes to budgetary comparison schedule.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual
Culture and Recreation					
Personnel services	$ 4,085,262	$ 3,990,140	$ 3,738,577	$ 251,563	$ 3,169,405
Operating expenditures	2,067,664	2,162,786	1,936,432	226,354	1,490,989
Capital outlay	41,000	41,000	20,943	20,057	--
Total Culture and Recreation	6,193,926	6,193,926	5,695,952	497,974	4,660,394
Total Expenditures	29,822,552	29,916,308	28,154,541	1,761,767	24,657,354
Other Financing Uses					
Transfers in	2,500,000	2,500,000	2,500,000	--	--
Transfers out	(3,500,000)	(3,700,164)	(15,028,000)	(11,327,836)	(1,500,000)
Total Other Financing Uses	(1,000,000)	(1,200,164)	(12,528,000)	(11,327,836)	(1,500,000)
Revenue Over (Under) Expenditures and Other Financing Uses	$ (4,361,445)	$ (4,591,246)	$ (6,042,474)	$ (1,451,228)	$ (2,367,233)

See notes to budgetary comparison schedule.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

NOTES TO BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

NOTE 1 – BUDGETARY ACCOUNTING

BUDGETS

The Village is legally required to adopt a budget only for the General Fund. This budget is prepared on the modified accrual basis of accounting. Unencumbered appropriations lapse at fiscal year end. State on-behalf payments for the police pension are not budgeted.

Changes or amendments to the total budgeted expenditures of the Village or total departmental expenditures must be approved by the Village Council; however, changes within a department that do not affect the total departmental expenditures may be approved by the Village Manager. Accordingly, the legal level of control is at the department level.

The Village has complied with the Florida Statute requirement that budgets be in balance. The budgeted expenditures reflected in the accompanying financial statements exceed revenue by the amounts budgeted from beginning fund balance.

ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as part of the budgetary accounting system in the General Fund. Encumbrances outstanding at year end, if any, are reported as committed or assigned fund balance since they do not constitute expenditures or liabilities. For budgetary purposes current year encumbrances, if any, are treated as expenditures. Encumbrances lapse at year end. However, encumbrances that relate to non-capital and capital expenditures and available budget may be reappropriated in the subsequent year.

NOTE 2 - BUDGET AND ACTUAL COMPARISONS

The adopted budgets are prepared on the modified accrual basis of accounting in accordance with GAAP, except that the State of Florida on-behalf payments to the Village for the police pension plan are not budgeted. In addition, insurance recoveries and proceeds from the sale of capital assets are budgeted as miscellaneous revenue. As a result, General Fund revenue and expenditures reported in the budgetary comparison schedule differ from the revenue and expenditures reported on the GAAP basis and can be reconciled as follows:

	Revenue	Expenditures
Budgetary Basis	$ 34,640,067	$ 28,154,541
State on-behalf pension payments	537,004	537,004
Insurance recoveries	(1,950)	--
Proceeds from sale of capital assets	(98,656)	--
GAAP Basis	$ 35,076,465	$ 28,691,545

VILLAGE OF ROYAL PALM BEACH, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE VILLAGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM (FRS) PENSION PLAN

	Measurement Date June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Village's proportion of the net pension liability	0.019549158%	0.020122028%	0.020574733%	0.020783556%	0.020730555%	0.019983101%	0.019930033%	0.020504108%	0.019904538%	0.019853481%
Village's proportionate share of the net pension liability	$ 7,562,534	$ 8,017,991	$ 7,655,454	$ 1,569,961	$ 8,984,928	$ 6,881,902	$ 6,003,029	$ 6,064,977	$ 5,025,911	$ 2,564,343
Village covered payroll	$ 8,000,555	$ 6,758,000	$ 6,873,000	$ 6,794,000	$ 7,015,000	$ 6,635,000	$ 6,461,000	$ 6,355,000	$ 5,841,000	$ 5,463,000
Village's proportionate share of the net pension liability as a percentage of Village covered payroll	94.53%	118.64%	111.38%	23.12%	128.08%	103.72%	92.91%	95.44%	86.05%	46.94%
Plan fiduciary net position as a percentage of the total pension liability	86.70%	82.38%	82.89%	96.40%	78.80%	82.60%	84.30%	83.90%	84.90%	92.00%

Note: The above schedule is intended to compile ten years of data.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE VILLAGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FLORIDA RETIREE HEALTH INSURANCE SUBSIDY (HIS) TRUST FUND

	Measurement Date June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Village's proportion of the net pension liability	0.018905978%	0.018735574%	0.019293505%	0.019175861%	0.020169162%	0.019828574%	0.019779122%	0.019930053%	0.018916681%	0.018008213%
Village's proportionate share of the net pension liability	$ 2,836,081	$ 2,975,459	$ 2,043,490	$ 2,352,208	$ 2,462,622	$ 2,218,619	$ 2,093,444	$ 2,131,013	$ 2,204,661	$ 1,836,554
Village covered payroll	$ 8,000,555	$ 6,758,000	$ 6,873,000	$ 6,794,000	$ 7,015,000	$ 6,635,000	$ 6,461,000	$ 6,355,000	$ 5,841,000	$ 5,463,000
Village's proportionate share of the net pension liability as a percentage of Village covered payroll	35.45%	44.03%	29.73%	34.62%	35.11%	33.44%	32.40%	33.53%	37.74%	33.62%
Plan fiduciary net position as a percentage of the total pension liability	4.80%	4.12%	4.81%	3.56%	2.60%	2.10%	1.60%	1.00%	0.50%	0.50%

Note: The above schedule is intended to compile ten years of data.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF VILLAGE CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM AND HIS PLANS

	Fiscal Year									
September 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Florida Retirement System (FRS) Pension Plan										
Contractually required Village contribution	$ 1,106,997	$ 967,999	$ 877,961	$ 791,764	$ 716,995	$ 634,034	$ 576,619	$ 522,127	$ 500,767	$ 480,540
Contributions in relation to the contractually required Village contribution	1,106,997	967,999	877,961	791,764	716,995	634,034	576,619	522,127	500,767	480,540
Contribution deficiency (excess)	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Village covered payroll	$ 8,067,030	$ 6,795,000	$ 6,891,000	$ 6,830,000	$ 7,014,000	$ 6,731,000	$ 6,460,000	$ 6,231,000	$ 5,938,000	$ 5,518,000
Contributions as a percentage of Village covered payroll	13.72%	16.39%	12.74%	11.59%	10.22%	9.42%	8.93%	8.38%	8.43%	8.71%
Florida Retiree Health Insurance Subsidy (HIS) Trust Fund										
Contractually required Village contribution	$ 160,064	$ 123,246	$ 116,742	$ 112,716	$ 116,239	$ 111,687	$ 107,260	$ 103,430	$ 98,587	$ 75,375
Contributions in relation to the contractually required Village contribution	160,064	123,246	116,742	112,716	116,239	111,687	107,260	103,430	98,587	75,375
Contribution deficiency (excess)	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Village covered payroll	$ 8,067,030	$ 6,795,000	$ 6,891,000	$ 6,891,000	$ 6,830,000	$ 7,014,000	$ 6,731,000	$ 6,460,000	$ 6,231,000	$ 5,938,000
Contributions as a percentage of Village covered payroll	1.98%	2.18%	1.69%	1.64%	1.70%	1.59%	1.59%	1.60%	1.58%	1.27%

Net cash provided by non-capital and related financing activities

Note: The above schedule is intended to compile ten years of data.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

	Measurement Date September 30,						
	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service cost	$ 62,762	$ 47,392	$ 48,534	$ 81,017	$ 84,833	$ 65,751	$ 59,509
Interest	31,178	35,432	49,227	24,627	18,927	10,829	9,801
Demographic experience changes	(63,247)	--	(137,477)	16,283	184,164	--	--
Assumption changes	68,344	(6,226)	(230,502)	(36,185)	(127,906)	--	--
Benefit payments	(45,211)	(46,041)	(32,152)	(37,382)	(15,668)	--	--
Net Change in Total OPEB Liability	53,826	30,557	(302,370)	48,360	144,350	76,580	69,310
Total OPEB Liability - Beginning of Fiscal Year	727,548	696,991	999,361	951,001	806,651	730,071	660,761
Total OPEB Liability - End of Fiscal Year	$ 781,374	$ 727,548	$ 696,991	$ 999,361	$ 951,001	$ 806,651	$ 730,071
Village Covered Employee Payroll	$5,763,399	$6,010,181	$6,010,181	$5,435,763	$5,435,763	$6,815,527	$6,815,527
Total OPEB Liability as a Percentage of Village Covered Employee Payroll	13.6%	12.1%	11.6%	18.4%	17.5%	11.8%	10.7%

Notes to Schedule:

The plan is funded on a pay-as-you-go basis and is not administered as a formal qualifying trust. There were no plan assets as of the date of the most recent valuation. Since there are currently no invested plan assets held in trust to finance the OPEB obligation, the discount rate is the long-term expected rate of return on tax-exempt, high quality municipal bonds based on the Bond Buyer 20-Bond GO Index.

Note: The above schedule is intended to compile ten years of data. Additional data will be compiled as information becomes available.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenue that is restricted to expenditure for particular purposes. The Village's nonmajor special revenue funds are as follows:

Recreation Facility Fund – To account for contributions received from local developers and businesses for the acquisition, improvement, expansion or implementation of parks and recreational facilities.

Community Beautification Fund – To account for contributions received from local developers to enhance the aesthetic landscape and visual perception of the Village.

CAPITAL PROJECTS FUNDS

Capital Improvements Fund – To account for the Village's general capital improvement program.

Impact Fee Capital Projects Fund – To account for the expenditure of impact fees on various capital improvement projects.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2024

	Special Revenue Funds		Capital Projects Funds		
	Recreation Facility Fund	Community Beautification Fund	Capital Improvements Fund	Impact Fee Capital Projects Fund	Total Nonmajor Governmental Funds
Assets					
Cash and cash equivalents	$ 788,687	$ 372,054	$ 2,353,305	$ 3,008,281	$ 6,522,327
Due from other governments	--	--	--	400,000	400,000
Total Assets	$ 788,687	$ 372,054	$ 2,353,305	$ 3,408,281	$ 6,922,327
Liabilities and Fund Balances					
Liabilities					
Accounts payable	$ --	$ --	$ 29,135	$ 122,305	$ 151,440
Retainage payable	--	--	18,088	44,410	62,498
Total Liabilities	--	--	47,223	166,715	213,938
Deferred Inflows of Resources					
Unavailable revenue	--	--	--	400,000	400,000
Fund Balances					
Restricted for capital projects	--	--	2,306,082	--	2,306,082
Committed for capital projects	--	--	--	2,841,566	2,841,566
Committed for recreation facilities	788,687	--	--	--	788,687
Committed for community beautification	--	372,054	--	--	372,054
Total Fund Balances	788,687	372,054	2,306,082	2,841,566	6,308,389
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 788,687	$ 372,054	$ 2,353,305	$ 3,408,281	$ 6,922,327

VILLAGE OF ROYAL PALM BEACH, FLORIDA

COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds		Capital Projects Funds		
	Recreation Facility Fund	Community Beautification Fund	Capital Improvements Fund	Impact Fee Capital Projects Fund	Total Nonmajor Governmental Funds
Revenue					
Miscellaneous:					
Investment earnings	$ 19,759	$ 9,368	$ 68,365	$ 102,018	$ 199,510
Impact fees	409,600	134,821	5,000	1,262,974	1,812,395
Total Revenue	429,359	144,189	73,365	1,364,992	2,011,905
Expenditures					
Current					
General government	--	--	122,807	--	122,807
Physical environment	--	--	251,651	8,500	260,151
Culture and recreation	--	--	55,991	--	55,991
Capital outlay	--	--	1,253,081	3,496,083	4,749,164
Total Expenditures	--	--	1,683,530	3,504,583	5,188,113
Revenue Over (Under) Expenditures	429,359	144,189	(1,610,165)	(2,139,591)	(3,176,208)
Other Financing Sources (Uses)					
Transfers in	--	--	2,500,000	--	2,500,000
Transfers out	--	--	(100,000)	--	(100,000)
Total Other Financing Sources (Uses)	--	--	2,400,000	--	2,400,000
Net Change in Fund Balances	429,359	144,189	789,835	(2,139,591)	(776,208)
Fund Balances, Beginning	359,328	227,865	1,516,247	4,981,157	7,084,597
Fund balances, Ending	$ 788,687	$ 372,054	$ 2,306,082	$ 2,841,566	$ 6,308,389

FIDUCIARY FUNDS

These funds are used to account for assets held in trust by the Village for pension benefits.

General Employees Pension Trust Fund - This fund was established to receive and invest Village and employee contributions in a defined contribution pension plan and to disburse them to employees in accordance with the Pension Plan Ordinance.

Police Pension Trust Fund - This fund was established in 2003 to receive and invest Village, State and Police employee contributions in a defined benefit pension plan and to disburse them to Police employees in accordance with the Pension Plan Ordinance.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

SEPTEMBER 30, 2024

	General Employees Pension Fund	Police Pension Trust Fund	Total
Assets			
Cash	$ --	$ 119,230	$ 119,230
Investments			
Mutual funds	3,035,297	--	3,035,297
Guaranteed interest account	238,974	--	238,974
Total Assets	3,274,271	119,230	3,393,501
Net Position			
Net position restricted for pension benefits	$ 3,274,271	$ 119,230	$ 3,393,501

VILLAGE OF ROYAL PALM BEACH, FLORIDA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	General Employees Pension Trust Fund	Police Pension Trust Fund	Total
Additions			
Contributions			
Employer	$ 18,383	$ --	$ 18,383
Employee	9,192	--	9,192
State	--	537,004	537,004
Total Contributions	27,575	537,004	564,579
Investment earnings			
Net appreciation in fair value of plan assets	774,925	29	774,954
Interest and dividend income	36,015	--	36,015
Total Investment Income	810,940	29	810,969
Total Additions	838,515	537,033	1,375,548
Deductions			
Distributions to plan participants	257,101	501,570	758,671
Administrative expenses	1,976	16,253	18,229
Total Deductions	259,077	517,823	776,900
Change in Net Position	579,438	19,210	598,648
Net Position Restricted for Pension Benefits Beginning of Year	2,694,833	100,020	2,794,853
Net Position Restricted for Pension Benefits End of Year	$ 3,274,271	$ 119,230	$ 3,393,501

STATISTICAL SECTION

STATISTICAL SECTION

TABLE OF CONTENTS

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

Contents **Page**

Financial Trends.....76-82

These schedules contain trend information to help the reader understand how the Village of Royal Palm Beach's financial performance and well-being have changed over time.

Revenue Capacity 83-87

These schedules contain information to help the reader assess the Village of Royal Palm Beach's most significant local revenue sources, the property tax and utility service tax.

Debt Capacity.....88-90

These schedules present information to help the reader assess the affordability of the Village of Royal Palm Beach's current levels of outstanding debt and the Village of Royal Palm Beach's ability to issue additional debt in the future.

Demographic and Economic Information.....91-92

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village of Royal Palm Beach's financial activities take place and to help make comparisons over time and with other governments.

Operating Information 93-95

These schedules contain information about the Village's operations and resources to help the reader understand how the information in the Village of Royal Palm Beach's financial report relates to the services the Village provides and the activities it performs.

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

VILLAGE OF ROYAL PALM BEACH

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Net investment in capital assets	$ 66,182,131	$ 82,344,700	$ 82,460,016	$ 83,534,506	$ 83,338,042	$ 82,470,935	$ 80,933,284	$ 85,506,364	$ 88,722,294	$ 89,317,825
Restricted	128,583	123,721	1,978,001	4,088,102	6,084,401	6,823,535	8,612,003	8,171,566	5,034,847	20,014,338
Unrestricted	69,582,386	83,134,120	79,301,795	75,621,166	74,965,530	72,970,657	72,602,195	67,710,204	74,127,169	66,264,397
Total Governmental Activities Net Position	$ 135,893,100	$ 165,602,541	$ 163,739,812	$ 163,243,774	$ 164,387,973	$ 162,265,127	$ 162,147,482	$ 161,388,134	$ 167,884,310	$ 175,596,560
Business-type Activities										
Net investment in capital assets	$ 1,462,328	$ 112,328	$ 112,328	$ 112,328	$ 112,328	$ 112,328	$ 112,328	$ 112,328	$ 975,739	$ 1,353,148
Unrestricted (deficit)	147,915	133,342	160,308	231,314	510,514	399,451	757,433	849,657	603,689	2,205,952
Total Business-type Activities Net Position	$ 1,610,243	$ 245,670	$ 272,636	$ 343,642	$ 622,842	$ 511,779	$ 869,761	$ 961,985	$ 1,579,428	$ 3,559,100
Primary Government										
Net investment in capital assets	$ 67,644,459	$ 82,457,028	$ 82,572,344	$ 83,646,834	$ 83,450,370	$ 82,583,263	$ 81,045,612	$ 85,618,692	$ 89,698,033	$ 90,670,973
Restricted	128,583	123,721	1,978,001	4,088,102	6,084,401	6,823,535	8,612,003	8,171,566	5,034,847	20,014,338
Unrestricted	69,730,301	83,267,462	79,462,103	75,852,480	75,476,044	73,370,108	73,359,628	68,559,861	74,730,858	68,470,349
Total Primary Government Net Position	$ 137,503,343	$ 165,848,211	$ 164,012,448	$ 163,587,416	$ 165,010,815	$ 162,776,906	$ 163,017,243	$ 162,350,119	$ 169,463,738	$ 179,155,660

VILLAGE OF ROYAL PALM BEACH

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	$ 5,077,561	$ 5,436,143	$ 5,863,876	$ 5,966,518	$ 6,456,215	$ 7,211,134	$ 5,919,803	$ 7,268,250	$ 7,984,311	$ 10,062,810
Public safety	8,779,942	9,083,219	9,317,725	9,480,280	9,853,312	9,663,356	9,975,237	10,051,979	10,730,616	10,890,657
Physical environment	5,873,381	5,973,824	6,667,053	7,237,176	6,877,689	7,273,093	6,883,260	7,029,786	9,197,541	7,636,147
Culture and recreation	5,310,937	5,936,648	6,411,165	6,895,654	7,113,180	6,904,888	5,779,597	6,433,893	8,786,049	8,576,510
Interest on long-term debt	445,549	468,418	--	--	--	--	--	--	--	--
Total governmental activities expenses	25,487,370	26,898,252	28,259,819	29,579,628	30,300,396	31,052,471	28,557,897	30,783,908	36,698,517	37,166,124
Business-type activities:										
Water and wastewater	--	354,802	--	--	--	--	--	--	--	--
Stormwater	737,943	808,863	771,144	833,234	888,386	1,166,192	749,309	1,004,900	1,165,653	1,112,887
Total business-type activities expense	737,943	1,163,665	771,144	833,234	888,386	1,166,192	749,309	1,004,900	1,165,653	1,112,887
Total Primary Government Expenses	$ 26,225,313	$ 28,061,917	$ 29,030,963	$ 30,412,862	$ 31,188,782	$ 32,218,663	$ 29,307,206	$ 31,788,808	$ 37,864,170	$ 38,279,011
Program Revenue										
Governmental activities:										
Charges for services:										
General government	$ 818,357	$ 668,106	$ 744,490	$ 685,627	$ 566,858	$ 519,256	$ 2,049,371	$ 2,170,473	$ 3,680,556	$ 3,371,868
Public safety	1,705,893	1,755,132	1,424,655	1,955,000	1,870,694	1,751,453	322,743	544,840	367,845	593,998
Public works	3,440	5,200	5,995	745	480	800	640	--	80	400
Culture and recreation	902,784	885,528	821,920	944,934	976,771	652,271	1,023,911	1,547,056	1,641,835	1,552,164
Operating grants and contributions:										
General government	46,850	42,500	42,633	216,143	105,298	65,755	--	239,091	50,447	3,640
Public safety	266,018	306,237	306,793	329,939	364,344	384,122	121,455	--	--	--
Physical Environment	135,808	137,650	179,504	171,644	621,257	342,735	313,247	200,577	198,981	204,950
Culture and recreation	--	--	--	--	--	--	--	--	108,298	--
Capital grants and contributions:										
General government	14,919	184,082	344,148	162,615	337,958	94,375	--	--	4,632,011	4,307,004
Public safety	83,512	101,577	181,838	--	--	--	--	--	--	--
Physical Environment	323,938	29,194	997,245	1,590,025	1,094,562	755,034	--	1,002,254	--	500,000
Culture and recreation	186,589	1,083,578	941,833	512,029	529,066	27,557	--	355,571	--	--
Total Governmental Activities Program Revenue	4,488,108	5,198,784	5,991,054	6,568,701	6,467,288	4,593,358	3,831,367	6,059,862	10,680,053	10,534,024
Business-type activities:										
Charges for services:										
Water and wastewater	--	--	--	--	--	--	--	--	--	--
Stormwater	785,709	794,059	798,110	905,257	1,116,573	1,013,424	1,075,148	1,063,561	1,096,636	1,113,262
Capital grants and contributions										
Stormwater	--	--	--	--	--	--	--	--	568,432	130,944
Total Business-type Activities Program Revenue	785,709	794,059	798,110	905,257	1,116,573	1,013,424	1,075,148	1,063,561	1,665,068	1,244,206
Total Primary Government Program Revenue	$ 5,273,817	$ 5,992,843	$ 6,789,164	$ 7,473,958	$ 7,583,861	$ 5,606,782	$ 4,906,515	$ 7,123,423	$ 12,345,121	$ 11,778,230

(Continued)

VILLAGE OF ROYAL PALM BEACH

CHANGES IN NET POSITION (CONTINUED)

LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expense) Revenue										
Governmental activities	$ (20,999,262)	$ (21,699,468)	$ (22,268,765)	$ (23,010,927)	$ (23,833,108)	$ (26,459,113)	$ (24,726,530)	$ (24,724,046)	$ (26,018,464)	$ (26,632,100)
Business-type activities	47,766	(369,606)	26,966	72,023	228,187	(152,768)	325,839	58,661	499,415	131,319
Total Primary Government Net Expense	$ (20,951,496)	$ (22,069,074)	$ (22,241,799)	$ (22,938,904)	$ (23,604,921)	$ (26,611,881)	$ (24,400,691)	$ (24,665,385)	$ (25,519,049)	$ (26,500,781)
General Revenue and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	$ 3,766,974	$ 4,272,825	$ 4,658,932	$ 4,996,956	$ 5,278,156	$ 5,489,761	$ 5,972,737	$ 6,261,280	$ 7,101,851	$ 7,873,835
Franchise fees	2,799,075	2,829,621	2,760,818	2,708,888	2,945,827	3,099,076	3,296,230	3,681,989	4,248,355	4,316,844
Utility service taxes	4,476,157	4,499,054	4,557,505	4,642,324	4,634,148	4,672,259	4,741,110	4,944,305	5,575,014	5,618,086
Business taxes	704,682	695,591	693,524	686,382	645,288	651,866	521,599	780,814	784,136	783,558
State shared revenue, unrestricted	4,620,757	4,883,138	6,893,200	7,752,017	7,950,246	7,421,874	9,313,803	11,091,441	11,655,033	11,212,421
Investment earnings	825,024	922,983	572,871	462,214	3,521,218	2,999,074	237,543	(3,374,524)	2,507,644	6,023,496
Miscellaneous	--	--	--	--	--	--	433,200	495,290	358,348	211,992
Gain on sale of capital assets	19,348	137,499	269,186	1,673,752	2,424	2,357	92,663	84,103	360,079	79,100
Transfers	--	33,168,198	--	--	--	--	--	--	(75,820)	(1,774,982)
Total governmental activities	17,212,017	51,408,909	20,406,036	22,922,533	24,977,307	24,336,267	24,608,885	23,964,698	32,514,640	34,344,350
Business-type activities										
Investment earnings	327	--	--	--	18,913	9,605	43	1,463	10,108	41,271
Miscellaneous	--	--	--	32,100	32,100	32,100	32,100	32,100	32,100	32,100
Gain on sale of capital assets	--	32,173,231	--	--	--	--	--	--	--	--
Transfers	--	(33,168,198)	--	--	--	--	--	--	75,820	1,774,982
Total business-type activities	604	(994,967)	--	32,100	51,013	41,705	32,143	33,563	118,028	1,848,353
Total Primary Government	$ 17,212,344	$ 50,413,942	$ 20,406,036	$ 22,954,633	$ 25,028,320	$ 24,377,972	$ 24,641,028	$ 23,998,261	$ 32,632,668	$ 36,192,703
Changes in Net Position										
Governmental activities	$ (3,787,245)	$ 29,709,441	$ (1,862,729)	$ (88,394)	$ 1,144,199	$ (2,122,846)	$ (117,645)	$ (759,348)	$ 6,496,176	$ 7,712,250
Business-type activities	48,093	(1,364,573)	26,966	104,123	279,200	(111,063)	357,982	92,224	617,443	1,979,672
Total Primary Government	$ (3,739,152)	$ 28,344,868	$ (1,835,763)	$ 15,729	$ 1,423,399	$ (2,233,909)	$ 240,337	$ (667,124)	$ 7,113,619	$ 9,691,922

VILLAGE OF ROYAL PALM BEACH

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable:										
Prepaid items	$ 153,656	$ 154,156	$ 167,209	$ 181,935	$ 201,774	$ 225,702	$ 293,962	$ 252,225	$ 24,952	$ 173,782
Restricted for:										
Police education	98,233	94,548	88,414	89,328	87,932	89,118	89,202	91,107	90,663	61,829
Law enforcement	30,350	29,173	30,797	22,477	22,477	22,477	22,477	22,477	22,477	22,477
Committed for:										
Insurance stabilization reserve	--	--	--	--	--	--	--	--	--	6,000,000
Assigned for:										
Debt service	14,539,400	--	--	--	--	--	--	--	--	--
Future capital projects	--	--	--	--	--	--	--	--	60,599,399	53,299,540
Subsequent year's expenditures	2,284,478	3,046,224	3,352,350	3,896,580	4,192,646	5,472,509	4,959,790	2,469,528	4,361,445	--
Unassigned	50,651,117	76,262,937	73,977,435	72,829,298	74,721,386	73,064,024	73,401,383	73,564,244	13,507,884	13,006,718
Total General Fund	$ 67,757,234	$ 79,587,038	$ 77,616,205	$ 77,019,618	$ 79,226,215	$ 78,873,830	$ 78,766,814	$ 76,399,581	$ 78,606,820	$ 72,564,346
All Other Governmental Funds										
Restricted for:										
Capital projects	$ --	$ --	$ 1,858,790	$ 3,976,297	$ 5,973,992	$ 6,711,940	$ 8,500,324	$ 8,057,982	$ 4,921,707	$ 19,930,032
Committed for:										
Capital projects	6,132,637	8,154,815	6,077,940	4,076,343	2,577,895	2,394,699	2,495,197	186,101	4,981,157	2,841,566
Recreation facilities	107,660	105,377	982,945	848,534	904,774	888,354	--	--	359,328	788,687
Community beautification	73,512	73,512	172,684	380,586	330,830	354,999	369,808	379,394	227,865	372,054
Unassigned	--	--	--	--	--	--	(225,884)	(408,955)	--	--
Total All Other Governmental Funds	$ 6,313,809	$ 8,333,704	$ 9,092,359	$ 9,281,760	$ 9,787,491	$ 10,349,992	$ 11,139,445	$ 8,214,522	$ 10,490,057	$ 23,932,339

VILLAGE OF ROYAL PALM BEACH

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue										
Taxes	$ 11,746,888	$ 12,297,091	$ 12,670,779	$ 13,034,550	$ 13,503,419	$ 13,912,962	$ 14,531,676	$ 15,668,388	$ 17,709,356	$ 18,592,323
Licenses and permits	998,828	993,621	854,834	1,354,439	1,265,113	1,133,630	1,434,303	1,673,776	1,710,035	1,493,948
Intergovernmental	5,041,090	5,742,404	8,491,588	9,428,760	9,807,486	8,829,787	9,748,505	12,888,934	16,644,770	16,229,712
Charges for services	699,120	601,550	603,248	628,403	521,190	303,208	279,750	453,048	489,977	510,995
Fines and forfeitures	482,065	536,824	485,613	513,019	522,063	531,148	322,743	544,840	367,845	593,998
Investment earnings (losses)	825,024	922,983	572,871	462,214	3,521,218	2,999,074	237,543	(3,374,524)	2,507,644	6,023,496
Impact fees	426,318	174,590	400,684	984,430	1,099,171	239,368	508,381	394,730	1,899,592	1,812,395
Other	1,461,444	1,204,491	2,048,287	1,228,674	1,114,213	939,336	1,151,380	1,657,042	1,547,376	1,315,439
Total Revenues	21,680,777	22,473,554	26,127,904	27,634,489	31,353,873	28,888,513	28,214,281	29,906,234	42,876,595	46,572,306
Expenditures										
General government	5,030,545	5,212,267	5,548,986	5,661,639	5,936,024	6,254,256	6,444,069	6,995,903	7,210,991	7,904,633
Public safety	8,628,119	8,856,418	9,104,060	9,289,712	9,594,390	9,788,842	9,882,671	9,959,358	10,421,345	10,788,319
Physical environment	2,890,297	2,939,957	3,451,372	3,854,869	3,557,868	3,972,689	4,044,026	4,139,741	4,461,794	4,750,635
Culture and recreation	4,517,487	4,499,375	4,390,440	4,845,428	4,901,906	4,699,060	4,072,292	4,730,319	5,243,309	5,743,384
Capital outlay	1,742,625	4,613,153	5,860,792	6,774,568	4,742,079	4,004,662	3,318,957	9,491,636	11,501,710	8,428,827
Debt service										
Principal	1,212,000	15,785,200	--	--	--	--	--	--	--	--
Interest and fiscal charges	457,314	365,561	--	--	--	--	--	--	--	--
Debt issue costs	--	--	--	--	--	--	--	--	--	--
Bond prepayment fee	--	323,061	--	--	--	--	--	--	--	--
Total Expenditures	24,478,387	42,594,992	28,355,650	30,426,216	28,732,267	28,719,509	27,762,015	35,316,957	38,839,149	37,615,798
Revenue Over (Under) Expenditures	(2,797,610)	(20,121,438)	(2,227,746)	(2,791,727)	2,621,606	169,004	452,266	(5,410,723)	4,037,446	8,956,508
Other Financing Sources (Uses)										
Insurance recoveries	5,800	32,657	35,024	182,993	88,298	38,755	133,308	34,223	33,839	1,950
Proceeds from sale of capital assets	19,348	770,282	980,544	2,201,548	2,424	2,357	96,863	84,344	411,489	98,656
Proceeds from issuance of debt	--	--	--	--	--	--	--	--	--	--
Payment to refunded bond escrow agent	--	--	--	--	--	--	--	--	--	--
Transfers in	900,000	34,433,000	2,705,000	2,550,000	1,000,000	1,423,000	1,000,000	1,500,000	8,700,000	16,826,027
Transfers out	(900,000)	(1,264,802)	(2,705,000)	(2,550,000)	(1,000,000)	(1,423,000)	(1,000,000)	(1,500,000)	(8,700,000)	(18,483,333)
Total Other Financing Sources (Uses)	25,148	33,971,137	1,015,568	2,384,541	90,722	41,112	230,171	118,567	445,328	(1,556,700)
Net Change in Fund Balances	$ (2,772,462)	$ 13,849,699	$ (1,212,178)	$ (407,186)	$ 2,712,328	$ 210,116	$ 682,437	$ (5,292,156)	$ 4,482,774	$ 7,399,808
Debt Service as a Percentage of Non-Capital Expenditures	7.34%	45.52%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

VILLAGE OF ROYAL PALM BEACH

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Ad Valorem Taxes	Franchise Fees	Utility Service Taxes	Business Taxes	Total
2015	$ 3,766,974	$ 2,799,075	$ 4,476,157	$ 704,682	$ 11,746,888
2016	4,272,825	2,829,621	4,499,054	695,591	12,297,091
2017	4,658,932	2,760,818	4,557,505	693,524	12,670,779
2018	4,996,956	2,708,888	4,642,324	686,382	13,034,550
2019	5,278,156	2,945,827	4,634,148	645,288	13,503,419
2020	5,489,761	3,099,076	4,672,259	651,866	13,912,962
2021	5,972,737	3,296,230	4,741,110	521,599	14,531,676
2022	6,261,280	3,681,989	4,944,305	780,814	15,668,388
2023	7,101,851	4,248,355	5,575,014	784,136	17,709,356
2024	7,873,835	4,316,844	5,618,086	783,558	18,592,323

VILLAGE OF ROYAL PALM BEACH

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF PROPERTY

LAST TEN FISCAL YEARS

Fiscal Year	Real Property	Personal Property	Total	Total Direct Tax Rate	Estimated Actual Taxable Value
2015	$ 1,941,988,056	$ 109,353,208	$ 2,051,341,264	$ 5.38	$ 2,051,341,264
2016	2,397,218,755	112,830,630	2,510,049,385	5.38	2,510,049,385
2017	2,394,094,879	111,925,429	2,506,020,308	5.38	2,506,020,308
2018	2,594,209,789	99,011,777	2,693,221,566	5.38	2,693,221,566
2019	2,743,178,245	107,061,082	2,850,239,327	5.38	2,850,239,327
2020	2,868,158,051	102,059,452	2,970,217,503	5.38	2,970,217,503
2021	3,116,161,973	105,540,273	3,221,702,246	5.38	3,221,702,246
2022	3,278,100,104	108,899,702	3,386,999,806	5.38	3,386,999,806
2023	3,707,955,769	129,188,325	3,837,144,094	5.38	3,837,144,094
2024	4,108,204,797	148,068,906	4,256,273,703	5.38	4,256,273,703

Source: Palm Beach County Property Appraiser's Office

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

VILLAGE OF ROYAL PALM BEACH

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS
(RATE PER $1,000 OF ASSESSED VALUE)

	Village Direct Rates			Overlapping Rates				
Fiscal Year	General Fund	Debt Service	Total Direct	Palm Beach County	School District	Special Taxing Districts	Total Overlapping	Total
2015	$ 5.38	$ --	$ 5.38	$ 5.53	$ 7.51	$ 2.10	$ 15.14	$ 20.52
2016	5.38	--	5.38	5.51	7.07	1.95	14.53	19.91
2017	5.38	--	5.38	5.49	6.77	1.78	14.04	19.42
2018	5.38	--	5.38	5.49	6.57	1.69	13.75	19.13
2019	5.38	--	5.38	5.45	7.16	1.69	14.30	19.68
2020	5.38	--	5.38	5.40	7.01	1.68	14.09	19.47
2021	5.38	--	5.38	5.40	6.88	1.64	13.92	19.30
2022	5.38	--	5.38	5.32	6.52	1.54	13.38	18.76
2023	5.38	--	5.38	5.08	6.46	1.43	12.97	18.35
2024	5.38	--	5.38	5.10	6.31	1.41	12.82	18.20

Note: Tax rates are per $1,000 of taxable value (1 mill). The Village's General Fund property tax rate may be increased only by a majority vote of the Village Council. Rates for debt service are set based on each year's requirements. Under Florida law, the Village has a 10 mill cap, including the tax rate of the Palm Beach County Fire Rescue MSTU.

VILLAGE OF ROYAL PALM BEACH

PRINCIPAL PROPERTY TAXES

CURRENT YEAR AND NINE YEARS AGO

	2024			2015		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
PP Royal Palm Investors LLC	$ 104,995,386	1	2.47%	$ --	-	-
Florida South Division LLC	88,260,734	2	2.07%	48,538,776	1	2.37%
IVT Southern Royal Palm Beach 1031 LLC	70,325,111	3	1.65%	--	-	-
PP Park Aire Property Owner LLC	67,686,161	4	1.59%	--	-	-
Florida Power & Light Co	64,740,795	5	1.52%	48,450,630	2	2.36%
Verse at Royal Palm Beach LP	45,647,100	6	1.07%		-	-
JBL Village Shoppes LLC	33,822,459	7	0.79%		-	-
Real Sub LLC	30,819,567	8	0.72%		-	-
Coral Sky Retail LLC	35,032,775	9	0.82%		-	-
Crossroads R2G Owner LLC	30,410,936	10	0.71%		-	-
Centre on Southern LLLP	--	-	-	45,768,119	3	2.23%
ERP Holding Co Inc	--	-	-	39,797,948	4	1.94%
CP Ipers Coral LLC	--	-	-	21,109,641	5	1.03%
Casco Properties	--	-	-	18,101,249	6	0.88%
Centre on 441 LLLP	--	-	-	17,459,189	7	0.85%
RPAI Royal Palm Beach Commons LLC	--	-	-	16,627,210	8	0.81%
Wal Mart Stores East LP	--	-	-	15,771,107	9	0.77%
Ramco Crossroads at Royal Palm	--	-	-	14,622,591	10	0.71%
Total	$ 571,741,024		13.43%	$ 286,246,460		13.95%

Source: Palm Beach County Property Appraiser's Office

VILLAGE OF ROYAL PALM BEACH

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year	Net Tax Levy* for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	$3,938,575	$ 3,766,974	95.64	$ --	$ 3,766,974	95.64
2016	4,386,429	4,272,825	97.41	59,481	4,332,306	98.77
2017	4,819,295	4,658,932	96.67	32,474	4,691,406	97.35
2018	5,170,985	4,990,187	96.50	6,769	4,996,956	96.63
2019	5,472,460	5,272,628	96.35	5,528	5,278,156	96.45
2020	5,702,818	5,486,009	96.20	3,752	5,489,761	96.26
2021	6,185,668	5,954,484	96.26	18,253	5,972,737	96.56
2022	6,503,040	6,258,259	96.24	3,021	6,261,280	96.28
2023	7,367,317	7,096,919	96.33	4,932	7,101,851	96.40
2024	8,172,046	7,871,948	96.33	1,887	7,873,835	96.35

Source: Village of Royal Palm Beach and Palm Beach County Tax Collectors Office

Notes: All property taxes are assessed and collected by Palm Beach County. Collections are distributed in full as collected.

Since the tax levy is shown net of the maximum allowance for discounts, it is possible for the total collections as a percentage of the tax levy to exceed 100%, to the extent that all taxpayers do not take advantage of the maximum discount.

*Tax levy, net of maximum allowance for discounts of 4% for fiscal years 2015– 2024.

VILLAGE OF ROYAL PALM BEACH

UTILITY SERVICE TAX REVENUES BY SOURCE

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Electricity	Telecommunications	Water	Gas	Total
2015	$ 2,650,189	$ 1,243,779	$ 478,615	$ 103,574	$ 4,476,157
2016	2,755,210	1,134,368	487,357	122,119	4,499,054
2017	2,804,492	1,078,399	541,950	132,664	4,557,505
2018	2,877,854	1,072,369	571,141	120,960	4,642,324
2019	2,930,503	993,319	582,847	127,480	4,634,149
2020	2,955,180	979,468	629,964	107,647	4,672,259
2021	3,013,178	943,237	666,085	118,610	4,741,110
2022	3,137,453	997,232	685,615	124,005	4,944,305
2023	3,653,344	1,076,958	719,077	125,635	5,575,014
2024	3,800,513	968,303	726,103	123,167	5,618,086

Source: Village of Royal Palm Beach Finance Department

VILLAGE OF ROYAL PALM BEACH

PRINCIPAL UTILITY SERVICE TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

	2024			2015		
Taxpayer	Utility Service Taxes	Rank	Percentage of Total Village Taxable Assessed Value	Utility Service Taxes	Rank	Percentage of Total Village Taxable Assessed Value
Florida Power & Light Co	$ 3,800,513	1	67.65%	$ 2,650,189	1	59.21%
AT&T	968,303	2	17.24%	1,243,779	2	27.79%
Village of Royal Palm Beach	726,103	3	12.92%	478,615	3	10.69%
Florida Public Utilities	62,531	4	1.11%	44,265	4	0.99%
Lowes Home Centers, Inc	16,547	5	0.29%	20,449	5	0.46%
Amerigas Propane	14,876	6	0.26%	13,557	6	0.30%
BJ'S Wholesale Club	7,768	7	0.14%	8,701	7	0.19%
Ferrell Gas	5,510	8	0.10%			
Walmart	5,011	9	0.09%	5,440	8	0.12%
7-Eleven	2,857	10	0.05%	2,573	10	0.06%
Infinite Energy	--			4,033	9	0.09%
Total	$ 5,610,020		99.86%	$ 4,471,601		99.90%

Source: Village of Royal Palm Beach Finance Department

VILLAGE OF ROYAL PALM BEACH

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN YEARS

	Governmental Activities[1]					
Fiscal Year	General Obligation Bonds	Special Revenue Bonds	Notes Payable	Total Primary Government	Percentage of Personal Income	Per Capita
2015	$ --	$ --	$ 15,785,200	$ 15,785,200	1.57%	$ 427.71
2016	--	--	--	--	-	--
2017	--	--	--	--	-	--
2018	--	--	--	--	-	--
2019	--	--	--	--	-	--
2020	--	--	--	--	-	--
2021	--	--	--	--	-	--
2022	--	--	--	--	-	--
2023	--	--	--	--	-	--
2024	--	--	--	--	-	--

[1] Village of Royal Palm Beach does not have a legal debt margin.

VILLAGE OF ROYAL PALM BEACH

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Reserved for Debt Service	Total	Percentage of Actual Value of Property	Population	Per Capita
2015	$ --	$ --	$ --	--	36,906	$ --
2016	--	--	--	--	37,138	--
2017	--	--	--	--	37,485	--
2018	--	--	--	--	37,934	--
2019	--	--	--	--	38,691	--
2020	--	--	--	--	38,932	--
2021	--	--	--	--	39,144	--
2022	--	--	--	--	39,345	--
2023	--	--	--	--	40,299	--
2024	--	--	--	--	40,430	--

Note: Village of Royal Palm Beach did not have any outstanding General Obligation Bonds from 2015 through 2024.

VILLAGE OF ROYAL PALM BEACH

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

SEPTEMBER 30, 2024

	Total Outstanding	Percentage Applicable to Village of Royal Palm Beach[(1)]	Amount Applicable to Village of Royal Palm Beach
Direct:			
Village of Royal Palm Beach	$ --		$ --
Overlapping			
Debt repaid with property taxes:			
Palm Beach County	104,915,000	1.33%	1,392,378
Other debt:			
Palm Beach County	783,308,942	1.33%	10,395,677
Palm Beach County School Board	1,554,067	1.28%	19,954
Total Direct and Overlapping Debt Payable from Ad Valorem Taxes	$ 889,778,009		$ 11,808,009
Estimated Population			40,430
Total Direct and Overlapping Debt per Capita			$ 292.06

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

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

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

Village of Royal Palm Beach has no legal debt margin.

VILLAGE OF ROYAL PALM BEACH

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

Fiscal Year	Village Population[1]	Per Capita Personal Income[2]	Median Age[3]	Village School Enrollment[4]	Village Unemployment Rate[5]	Palm Beach County Unemployment Rate[5]
2015	36,906	$ 70,718	37	4893	5.2%	5.2%
2016	37,138	71,682	37	4971	4.1%	5.2%
2017	37,485	77,543	37	4894	3.3%	4.4%
2018	37,934	82,076	38	5103	3.2%	3.1%
2019	38,691	85,213	38	5458	2.7%	3.2%
2020	38,932	87,478	38	5458	5.5%	7.7%
2021	39,144	100,927	39	5311	3.5%	4.7%
2022	39,345	109,055	39	5861	2.4%	2.8%
2023	40,299	117,322	40	5920	2.8%	3.3%
2024	40,430	n/a	39	6036	3.3%	3.6%

Sources:

(1) The population for 2015 was obtained from the Business Development Board of Palm Beach County. The population for 2016 thru 2024 are estimations obtained from the University of Florida Bureau of Economic and Business Research; except for years noted with an asterisk are direct Us Census Bureau Count. Total population is available as of June for

(2) Business Development Board of Palm Beach County
Data is being reported one year in arrears

(3) Business Development Board of Palm Beach County

(4) School District of Palm Beach County

(5) Bureau of Labor and Statistics

N/A Not available

VILLAGE OF ROYAL PALM BEACH

PRINCIPAL EMPLOYERS

CURRENT AND NINE YEARS AGO

	2024			2015		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Employer						
Palm Beach County School District	22,218	1	2.94%	22,000	1	3.34%
Florida Atlantic University	6,335	2	0.84%	2,655	6	0.40%
Palm Beach County Government	5,873	3	0.78%	5,507	3	0.84%
Tenet Coastal Division PBC	5,734	4	0.76%	6,100	2	0.93%
NextEra Energy (Hqtrs) for FPL	5,598	5	0.74%	3,854	4	0.59%
Baptist Health South Florida	3,135	6	0.42%	--		--
Veterans Health Administration	2,948	7	0.39%	2,500	9	0.38%
HCA Healthcare	2,612	8	0.35%	2,714	5	0.41%
Jupiter Medical Center	2,540	9	0.34%	--		--
The Breakers	2,300	10	0.30%	--		--
Office Depot (Headquarters)	--		--	2,000	10	0.30%
Bethesda Memorial Hospital	--		--	2,600	7	0.39%
Boca Raton Community Hospital	--		--	2,500	8	0.38%
Totals	59,293		7.86%	52,430		7.96%

Source: Business Development Board of Palm Beach County. Data is for Palm Beach County, Florida. Employment information for the Village of Royal Palm Beach is not available. Updates provided by the employers January 2024.

VILLAGE OF ROYAL PALM BEACH

VILLAGE GOVERNMENT EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government	18	18	19	19	19	19	19	22	23	23
Public Safety[1]										
Community Development	12	12	12	11	12	11	11	10	11	11
Public Works										
Engineering	5	6	7	9	9	9	8	8	8	8
Public Works	29	30	31	30	31	32	30	28	29	26
Culture/Recreation	86	86	80	66	62	53	51	53	56	54
Total	150	152	149	135	133	124	119	121	127	122

Source: Village of Royal Palm Beach Finance Department

[1] Police services are contracted with the Palm Beach County Sheriff's Office.

2015 - 2017 are depicting budgeted positions, while years 2018 - 2024 are actual filled positions, excluding seasonal employees.

VILLAGE OF ROYAL PALM BEACH

OPERATING INDICATORS BY FUNCTION

LAST TEN FISCAL YEARS

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Safety										
Police										
Physical arrests[1]	1,027	872	743	1,060	635	543	446	631	722	676
Parking violations[2]	180	124	643	150	235	99	71	45	141	103
Traffic violations[3]	4,862	3,455	4,199	4,166	5,200	4,522	2,379	3,982	4,921	7,041
Fire										
Number of calls[4]	3,894	3,907	4,153	4,087	4,959	4,106	4,564	4,564	5,050	4,934
Parks and Recreation Services[2]										
Participants - Athletic Programs	2,133	1,937	1,372	3,493	3,457	550	1,320	2,100	2,430	2,520
Participants - Arts & Craft/Classes	406	459	435	464	236	60	600	650	690	705
Participants - Social/Special Events	559	575	566	71,000	72,400	20,800	21,150	58,650	59,825	66,225
Participants - Health/Fitness Programs	1,644	1,232	1,254	1,112	1,122	350	628	710	850	890
Participants - Spring/Summer Camps	604	525	628	679	547	401	425	525	610	630
Participants - Other Programs	--	--	--	--	--	--	--	--	--	--
Participants - Seniors Programs	3,380	3,636	4,720	5,022	5,322	2,585	250	1,955	2,357	2,575
Participants - Teen Programs	755	565	120	112	--	--	--	--	--	--
Roads and Streets[2]										
Street resurfacing (lane miles)	--	3	7	10	6	9	--	--	--	--
Pot holes repaired	43	97	22	84	95	105	80	44	183	224

Source:

[1] Florida Department of Law Enforcement

[2] Village departments

[3] Palm Beach County Sheriff's Office

[4] Palm Beach County Fire Rescue

VILLAGE OF ROYAL PALM BEACH

CAPITAL ASSET STATISTICS BY FUNCTION

LAST TEN FISCAL YEARS

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Roads and Streets										
Street lights	950	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,431	1,431
Lane miles	149	149	149	149	149	149	148	148	148	148
Parks and Recreation Services										
Ballfields	14	14	14	14	14	18	18	18	14	14
Basketball courts	14	14	14	14	14	18	18	18	12	14
Soccer fields	8	8	8	8	8	8	8	8	8	11
Tennis courts	8	8	8	8	8	8	8	8	8	10
Parks	24	24	24	24	24	24	24	24	24	25
Bocce courts	4	4	4	4	4	4	4	4	4	4
Remote car track	1	1	1	1	1	1	1	1	0	0
Racquetball courts	4	4	4	4	4	4	4	4	4	4
Skate park	1	1	1	1	1	1	1	1	1	1
Volleyball Court	8	8	8	8	8	8	8	8	8	9
Pickleball Courts	-	-	-	-	-	-	4	4	4	6

Sources: Village of Royal Palm Beach Departments

Note: No capital asset indicators are available for the general government function.

REPORTING SECTION

CBIZ CPAs P.C.

525 Okeechobee Boulevard
Suite 750
West Palm Beach, FL 33401

P: 561.653.7300

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

To the Honorable Mayor, Village Council and Village Manager
Village of Royal Palm Beach, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Village of Royal Palm Beach, Florida (the "Village"), as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated March 11, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

CBIZ CPAs P.C.

West Palm Beach, Florida
March 11, 2025

CBIZ CPAs P.C.

525 Okeechobee Boulevard
Suite 750
West Palm Beach, FL 33401

P: 561.653.7300

Independent Auditors' Report on Compliance for the Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance

To the Honorable Mayor, Village Council and Village Manager
Village of Royal Palm Beach, Florida

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the Village of Royal Palm Beach, Florida (the "Village") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Village's major federal program for the fiscal year ended September 30, 2024. The Village's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

CBIZ CPAs P.C.

West Palm Beach, Florida
March 11, 2025

VILLAGE OF ROYAL PALM BEACH, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Federal Agency, Pass-Through Entity Federal Program	ALN	Grant Number/ Pass-through Entity Identifying Number	Total Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS				
U.S. Department of the Interior				
Passed through Florida Department of Environmental Protection				
Outdoor Recreation Acquisition, Development and Planning	15.916	LW715	$ 336,960	$ --
Total U.S. Department of the Interior			336,960	--
U.S. Department of Homeland Security				
Passed through Florida Department of Emergency Management				
Hazard Mitigation Grant	97.039	H0885	26,840	--
Total U.S. Department of Homeland Security			26,840	--
U.S. Department of Justice				
Passed through Florida Department of Emergency Management				
Coronavirus State and Local Fiscal Recovery Funds	21.027	Y55280	4,307,044	--
Total U.S. Department of Justice			4,307,044	--
Total Expenditures of Federal Awards			$ 4,670,844	$ --

See notes to schedule of expenditures of federal awards.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Village of Royal Palm Beach, Florida (the "Village") for the fiscal year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements*, *Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Village, it is not intended to and does not present the financial position, or the changes in net position of the Village.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 – INDIRECT COST RATE

The Village has elected not to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

VILLAGE OF ROYAL PALM BEACH, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SECTION I – SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP:	*Unmodified Opinion*
Internal control over financial reporting:	
Material weakness(es) identified?	____Yes __X__No
Significant deficiency(ies) identified?	____Yes __X__None Reported
Noncompliance material to financial statement noted?	____Yes __X__No

FEDERAL AWARDS

Internal control over its major federal program:	
Material weakness(es) identified?	____Yes __X__No
Significant deficiency(ies) identified?	_____Yes __X__None Reported
Type of auditor's report issued on compliance over major federal program:	*Unmodified Opinion*
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____Yes __X__No

IDENTIFICATION OF MAJOR FEDERAL PROGRAM

Federal Program	AL No.
Coronavirus State and Local Fiscal Recovery Funds	21.027

Dollar threshold used to distinguish between Type A and Type B Federal programs:	$ 750,000
Auditee qualified as low-risk auditee?	__X__Yes _____No

VILLAGE OF ROYAL PALM BEACH, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

VILLAGE OF ROYAL PALM BEACH, FLORIDA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None

II. PRIOR YEAR FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

CBIZ CPAs P.C.

525 Okeechobee Boulevard
Suite 750
West Palm Beach, FL 33401

P: 561.653.7300

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

To the Honorable Mayor, Village Council and Village Manager
Village of Royal Palm Beach, Florida

Report on the Financial Statements

We have audited the financial statements of the Village of Royal Palm Beach, Florida (the "Village"), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 11, 2025.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards;* Independent Auditors' Report on Compliance for each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 11, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

Property Assessed Clean Energy (PACE) Program

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

Special District Component Units

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

Additional Matters

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

Purpose of this Letter

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

CBIZ CPAs P.C.

West Palm Beach, Florida
March 11, 2025

CBIZ CPAs P.C.

525 Okeechobee Boulevard
Suite 750
West Palm Beach, FL 33401

P: 561.653.7300

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

To the Honorable Mayor, Village Council and Village Manager
Village of Royal Palm Beach, Florida

We have examined the Village of Royal Palm Beach, Florida (the "Village") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, for the fiscal year ended September 30, 2024. Management of the Village is responsible for the Village's compliance with the specified requirements. Our responsibility is to express an opinion on the Village's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Village complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Village complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the Village's compliance with specified requirements.

In our opinion, the Village complied, in all material respects, with Section 218.415, Florida Statutes for the fiscal year ended September 30, 2024.

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

CBIZ CPAs P.C.

West Palm Beach, Florida
March 11, 2025

Village of Royal Palm Beach, Florida
1050 Royal Palm Beach Boulevard Royal Palm Beach, Florida 33411
Telephone (561) 790-5112 Fax (561) 790-5174 E-mail: salmeida@royalpalmbeachfl.gov

Department of Finance
Sharon Almeida, CGFO, Director

BEFORE ME, the undersigned authority, personally appeared CFO, Sharon Almeida, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of the Village of Royal Palm Beach, Florida which is a local governmental entity of the State of Florida;

2. The governing body of the Village of Royal Palm Beach adopted Ordinances N. 953, Dated July 6, 2017, implementing impact fees for Building, Roads and Parks.

3. The Village of Royal Palm Beach has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Chief Financial Officer, Sharon Almeida

STATE OF FLORIDA
COUNTY OF PALM BEACH

SWORN TO AND SUBSCRIBED before me this 26th day of February, 2025.

CHRISTINE WAX
MY COMMISSION # HH 513676
EXPIRES: August 9, 2028

NOTARY PUBLIC

Christine Wax
Print Name

Personally known X or produced identification _____
Type of identification produced: _____
My Commission Expires: 8/9/28

1050 Royal Palm Beach Blvd
Royal Palm Beach, FL 33411
(561) 790-5100
www.royalpalmbeachfl.gov