



2025

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2025

City of
West Palm Beach
— FLORIDA —

WEST PALM BEACH

CITY OF WEST PALM BEACH, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE

FISCAL YEAR ENDED

SEPTEMBER 30, 2025

Prepared by:
The Finance Department

WEST PALM BEACH

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**CITY OF WEST PALM BEACH, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

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Introductory SECTION



April 28, 2026

The Honorable Mayor Keith A. James,
City Commissioners and Citizens
Of the City of West Palm Beach, Florida

Ladies and Gentlemen:

It is our pleasure to submit this Annual Comprehensive Financial Report for the City of West Palm Beach, Florida, (the "City") for the fiscal year ended September 30, 2025. The organization, form and contents of this report plus the accompanying financial statements and statistical tables are formulated in accordance with the principles prescribed by the Governmental Accounting Standards Board, the American Institute of Certified Public Accountants, the State of Florida, the City Code of Ordinances and the Government Finance Officers Association. This document also includes the City's continuing disclosure information as required by Securities and Exchange Commission rule 15c2-12.

U. S. Generally Accepted Accounting Principles ("GAAP") require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found in this report immediately following the Independent Auditors' Report.

The staff of the Finance Department prepared this report. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with City management. To the best of our knowledge and belief, the data as presented is accurate in all material aspects; the information is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial affairs are included.

REPORTING ENTITY AND ORGANIZATION

The City was incorporated in 1894 and has operated under a strong Mayor form of government since 1991. The City Commission consists of five elected officials who are responsible for enacting the ordinances and resolutions that govern the City. The Mayor is the elected Chief Executive Officer of the City and appoints the City Administrator, Assistant City Administrators, City Attorney and Department Directors.

The City provides its constituents with a full complement of public services including, but not limited to public safety, public works, parks and recreation, construction services, housing and community development, library, and community events.

All transactions required to support City services are reflected in this report. This report includes all funds that are controlled by the City Commission or are dependent on the City Commission.

Additionally, the activities of certain entities for which the City has financial accountability have been included in this report. The City Commission and Mayor serve as the Board of the West Palm Beach Community Redevelopment Agency (CRA); accordingly, this Agency is included as a reporting entity and reflected in this report.

The West Palm Beach Housing Authority and the West Palm Beach Downtown Development Authority have not been included in this report. Note A in the Notes to the Financial Statements lists the specific criteria used for establishing financial accountability.

The City has been fiscally conservative and careful not to overextend itself with long term debt. Our financial prudence, stability and sustainability has been rewarded by Fitch Rating Agency with the City's overall bond rating of AA+ with a stable outlook.

MAJOR INITIATIVES

The financial decision making of the City honors its commitment to a high quality of life for West Palm Beach residents, while enhancing prioritized services for its residents, neighborhoods and businesses. The continued financial sustainability showcases a heightened focus on community services, public health and safety, and roadway repairs while continuing to promote economic development in our city.

The City continues to thrive and be more resilient, attracting both national and international attention, resulting in population growth and a continued rise in its assessed property value. This rise in property valuation has enabled us to reduce the millage rate in 2023 and 2024 fiscal years while keeping the millage rate flat in FY2025 and FY2026. The 2023 and 2024 millage rate reductions are the only rate relief to the City's property owners since 2008. The millage rate was reduced from \$8.3465 to \$8.1308, a cumulative reduction of \$0.2157 per \$1,000 of assessed property value. In addition to the tax rate reductions, the City also implemented and approved an additional \$25,000 Homestead Exemption for qualifying Seniors.

The City's adopted fiscal year 2026 budget continues to prioritize long-term fiscal stability, infrastructure resilience, and responsible stewardship of public resources, while upholding our commitment to balance organizational requirements with the diverse needs of our community. The following major initiatives, programs, and services remain funded through the FY 2026 budget:

- Significant investment in public safety staffing with the addition of 35 positions within the Police Department (27 sworn Police Officers) and 10 new positions within the Fire Department.
- Compensation adjustments across the organization with cost-of-living increases for SEIU, PMSA, and non-union employees.
- Maintenance and enhancement of core public services such as public works, fleet, human resources, and legal.
- Ongoing investment in parks and recreation facilities, including maintenance and equipment upgrades to support the City's 57 parks and recreational amenities.
- Expanded technology resilience, with the second year of the Information Technology Replacement Program to strengthen internal operations and align with best practices.
- Library service enhancements, including continued investment in books, music, movies, digital resources, and education programs provided through the Mandel Public Library and the Mandel Mobile unit.
- Enhanced funding for maintenance of City buildings and facilities.
- Programs supporting individuals experiencing homelessness, along with continued incentives for affordable and workforce housing development, community engagement programs, and citywide quality-of-life initiatives.

Economic Development:

Economic development continues to play a central role in the transformational growth and long-term stability of the City of West Palm Beach. The City's efforts to support business retention, expansion, and attraction remain critical to sustaining the municipal services and quality of life expected by residents.

West Palm Beach has further solidified its position as a growing financial and professional services center. The City's downtown is now home to several notable firms, including Goldman Sachs, BlackRock, Point72, Millennium Management, Citadel, Alvarez & Marsal, and Edward Jones. In 2025, JPMorgan Chase opened a 13,000-square-foot office at 360 Rosemary, consolidating operations for more than 60 employees and reinforcing the City's expanding financial sector presence.

The City continues to benefit from significant private development activity. Major projects underway include new Class-A office towers, multiple mixed-use developments, and luxury and ultra-luxury residential projects along the waterfront and throughout downtown. Two of the most significant institutional announcements in 2025 include the following:

- Vanderbilt University released plans for a proposed \$520 million graduate-level campus on a seven-acre site downtown, including approximately 300,000 square feet of academic, innovation, and student-support space.
- Cleveland Clinic announced plans to construct a new 150-bed hospital at 400–450 South Australian Avenue—the first new hospital in downtown West Palm Beach in more than a century—along with a 120,000-square-foot outpatient center at 15 CityPlace.

The City continues to address challenges related to housing affordability, which remain closely tied to the success and pace of economic development. In 2025, the \$33.1 million Flagler Station project was completed, delivering 94 income-restricted residential units—the first new affordable multifamily community built in downtown West Palm Beach in three decades. The City remains committed to increasing affordable housing inventory by fostering public-private partnerships, providing incentives to developers, and supporting innovative development strategies.

Major public infrastructure improvements further complement the City's economic development objectives. Construction began in 2025 on the \$35.5 million Currie Park redevelopment, a comprehensive effort to improve the seven-acre waterfront park with upgraded boat ramps, sports courts, promenades, event space, and stormwater improvements. Work is scheduled to continue through 2027. In addition, the City advanced neighborhood reinvestment through completion of streetscape and infrastructure projects and continued progress on the NORA District, where Phase 1 infrastructure was completed in 2025, providing 100,000 square feet of commercial space supported by Community Redevelopment Agency investment.

Collectively, these efforts demonstrate the City's commitment to fostering a balanced and sustainable economic environment. Through targeted investment, strong public-private collaboration, and disciplined planning, West Palm Beach continues to expand its economic foundation while ensuring equitable access to opportunities, services, and housing for its residents.

ECONOMIC CONDITIONS AND OUTLOOK

The City of West Palm Beach continues to demonstrate strong economic performance supported by sustained development activity, elevated taxable values, and ongoing corporate investment. While broader economic indicators at the state and national levels reflect a moderating labor market, the City remains well-positioned due to its expanding tax base, continued in-migration, and robust commercial demand.

Florida's unemployment rate was 4.3 percent at the end of 2025, while Palm Beach County recorded a rate of 4.5 percent, reflecting an increase from the prior year but remaining consistent with broader statewide trends. These indicators point to a labor market that, while easing from post-pandemic lows, continues to perform at levels supportive of stable economic activity.

The City's taxable value increased to \$25.3 billion for 2025, representing a 9 percent year-over-year increase. Since 2020, West Palm Beach has added approximately \$2.3 billion in new construction to the tax roll, reflecting an extended period of investment in both residential and commercial properties. Countywide assessed property values also continued to rise, further underscoring the regional demand for real estate and the strength of underlying market fundamentals.

Commercial development activity remains a significant driver of economic growth. In March 2025, construction commenced on two major Class-A office towers—10 CityPlace and 15 CityPlace—which will collectively contribute nearly one million square feet of premium office inventory upon completion. Residential growth also remains strong, supported by significant ongoing development activity. Palm Beach County recorded more than \$5 billion in new construction since 2023, with West Palm Beach contributing a substantial share of that total. The City's implementation of a modernized digital permitting platform has further streamlined development processes and supported high permit volumes across both residential and commercial sectors.

Corporate relocations and expansions continue to enhance the City's economic profile. ServiceNow announced the establishment of a regional innovation hub and AI institute at 10 CityPlace, expected to deliver more than 850 high-wage jobs and generate an estimated \$1.8 billion in long-term economic impact. Additionally, Wells Fargo Wealth & Investment Management is relocating its wealth-management headquarters to West Palm Beach, bringing approximately 100 senior leadership positions and occupying 50,000 square feet at the Class-A One Flagler tower. These relocations reinforce the City's growing status as a financial and technology center.

Looking forward, the City anticipates continued strengthening of its tax base as major Class-A office projects and luxury residential developments progress toward completion. Corporate commitments, steady in-migration, and ongoing real estate development are expected to support both operational revenue growth and long-term economic stability. Through disciplined financial management and strategic investment in infrastructure and development services, the City is well-positioned to navigate evolving economic conditions while continuing to support the needs of residents, businesses, and stakeholders.

FINANCIAL INFORMATION

Accounting and Administrative Controls:

City management is responsible for establishing and maintaining an internal control structure which is designed to ensure that the assets of the City are protected from loss, theft, or misuse. Furthermore, management ensures that accounting data is adequate for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal accounting controls are designed to provide reasonable but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition. The controls are also intended to provide assurance as to the reliability of financial records as related to the preparation of financial statements and accountability for assets. The concept of reasonable assurance recognizes that the cost of a control mechanism should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management.

In addition to the examination of controls performed by members of the Finance Department, the City's internal auditors continually review and assess the soundness and adequacy of all the accounting and budgetary aspects of the City's financial system. Financial transactions and related data are examined for accuracy, completeness and authorization. Furthermore, data processing applications and systems are analyzed to ensure that necessary controls are in effect.

All internal control evaluations occur within the above framework. We believe the current internal accounting control exists for the City to adequately safeguard assets. In addition to these internal controls, annual financial audits are performed by independent certified public accountants.

Budgetary Controls:

To ensure compliance with the legal provisions contained in the annual appropriated budget, which is approved by the City Commission, the City maintains budgetary controls. Annual budgets are legally adopted for activities of the general fund, most special revenue funds, debt service funds and capital projects funds. Budgetary comparison schedules have been provided for the general fund, special revenue funds, debt service funds and capital projects funds, as applicable.

The adopted budget may be amended in two ways: (1) Administrative budget transfers, which move funds within the same fund and department without changing the department's total appropriation. These transfers require approval by City Administration. (2) Appropriation increases or decreases, which must be approved by the City Commission through an F-Resolution at a Commission meeting. Expenditures may not legally exceed department-level appropriations without Commission approval. Administrative controls are applied at the department (category) level for operating expenditures and at the line-item level for capital outlay. Governmental funds use encumbrance accounting to reserve the portion of appropriations committed through purchase orders or contracts.

Cash Management:

The City's short-term liquid cash is invested in highly liquid investment pools. Longer-term funds are invested in U.S. Government Securities and Federal agency securities, U.S. Government securities held under repurchase agreements, corporate bonds, municipal bonds, and cash. Although one of the City's investment objectives is to earn interest income on short-term cash, the investment policy specifically requires that safety and liquidity are the most important standards of the policy and funds must be available when needed. Accordingly, deposits are either insured by federal depository insurance or collateralized in a local government investment pool as defined by Florida Statute 280.

Financial Policies

The City has formally adopted financial policies including reserve policies, contingency policies, budgetary control, debt management, and a fund balance policy. 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 City maintains an emergency fund of 10% and a minimum level of unassigned fund balance of 5% of general fund operating revenues. This provides the City with working capital in the event of an emergency. The ending unassigned fund balance of \$75,556,279 as of September 30, 2025, represents 65% of the general fund operating revenues.

Long-Term Financial Planning

The City prepares annual updates of the long-term financial plan during the budget process since 2013, which encompasses a 10-year time horizon. As part of its strategic plan, the City also envisions and prioritizes continued revitalization within City limits, which began with the installation of new streetscapes throughout various communities. Separate bond funding issued by the City and the Community Redevelopment Agency will provide funding for these capital improvement projects, which will include new sidewalks, streetscapes, and updates to revitalize various City parks.

The City maintains a vehicle replacement policy, which serves as its fleet replacement guide over a five-year period. In 2021 and 2022, the City improved its fleet by purchasing vehicles utilizing American Rescue Plan Act funds. In fiscal years 2023, 2024, 2025, and 2026 the City fully funded its annual \$8 million vehicle replacement plan. This funding allows for vehicle replacement purchases which improve service life, while conserving energy and lowering maintenance and emergency repair costs.

The City's roadway resurfacing program is dedicated to keeping the streets safe and in good condition for all users, and to make improvements strategically and efficiently to ensure safer, smoother and longer-lasting streets to support the City's multi-modal transportation system. Since 2023, the City has consistently allocated unprecedented funding towards road paving and planning for an annual replacement program. In 2025, a citywide pavement condition assessment was completed and reviewed with the Mayor & Commission. This Assessment assists staff by providing data to strategically inform prioritization of roadway projects and support allocation of funds for roads repairs, replacement and sidewalk improvements projects.

Other Information:

Florida Statutes and *City Code of Ordinances* require that an annual financial audit be performed by independent certified public accountants. This year the audit was performed by CBIZ CPAs P.C.

In addition to meeting the requirements set forth in State statutes and City ordinances, the audit was designed to meet the federal requirements of the *Title 2, United States Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)*. Additionally, the audit was designed to meet the requirements of *Chapter 10.550 of the Rules of the Florida Auditor General*. The independent auditors' report is included in the financial section of the report.

Awards:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2024.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable, and efficiently organized comprehensive annual financial report, whose contents conform to program standards. As such, the report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the last forty-eight consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

ACKNOWLEDGEMENTS

This report represents countless hours of preparation, collaboration, process improvements, numerous deadlines, and intense pressure for accuracy. Many individuals are responsible for its completion throughout the organization; therefore, the utmost appreciation is extended to the many City employees who maintain the daily financial records upon which this report is based. Special recognition is given to the Accounting Division and other Finance Department employees (Karen Malcolm, Corinne Elliott, Mindy Bellaz, Olga Hernandez, Jose Rivera, Carol Bishop, Janet Hunter, Richard Townsend, Tammy Grant, Theresa Lynch, Latoya Graham, Jeanette Haynes, and John Rauback) who worked diligently to ensure the timeliness and accuracy of the report.

Respectfully submitted,



Bridget M. Souffrant, MBA
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of West Palm Beach
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

Executive Director/CEO

CITY OF WEST PALM BEACH, FLORIDA ORGANIZATIONAL CHART



ELECTORATE

Mayor

- Director of Arts,
Culture &
Community
Building
- Chief
of
Staff
- Office of Small
& Minority
Business
Program
- Director of
Communications
- Community
Development
Strategist
- Grants
Program
Strategist
- Chief
Marketing
Officer

- CRA
Executive Director

Economic Development
- City Attorney

Procurement
Official

City Administrator

City Commissioners
District 1
District 2
District 3
District 4
President, District 5

Chief Internal Auditor

- Assistant City Administrator
- Development Services
- Engineering
Parking & Mobility Administration
- Library
- Public Utilities
Office of Sustainability

- City Clerk
- Fire
- Housing & Community Development
Code Enforcement
- Parks & Recreation
- Police

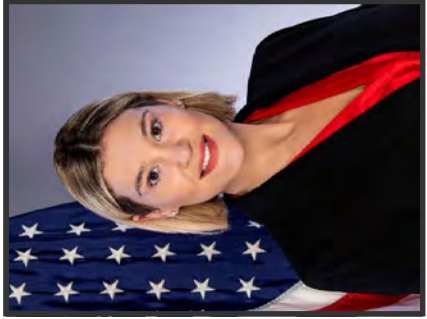
- Assistant City Administrator
- Finance
- Human Resources
- Information Technology
- Public Works & Support Services

**Infrastructure &
Land Development**

**Public Safety &
Community Services**

**Administrative Management &
Public Works**

CITY OF WEST PALM BEACH, FLORIDA
ELECTED OFFICIALS



Cathleen Ward
Commissioner, District 1



Keith A. James
Mayor



Shalonda Warren
Commissioner, District 2



Christy Fox
Commissioner, District 3



Christina Lambert
Commissioner, District 5



Joseph Peduzzi
Commissioner, District 4

CITY OF WEST PALM BEACH, FLORIDA
Mayor-Commission Form of Government

September 30, 2025

Mayor
Keith A. James

City Administrator
Faye W. Johnson, MPA

Assistant City Administrator
Armando Fana

Assistant City Administrator
Jose Luis Rodriguez

City Attorney

Kimberly L. Rothenburg

Development Services Director

Ana Maria Aponte

Engineering Director

Kevin Volbrecht

Chief Human Resources Officer

Renee Govig

Chief Financial Officer

Bridget Souffrant

Chief Technology Officer

Paul Jones

Fire Chief

Diana J. Matty

Housing and Community Development Director

Kimberly Spencer (Interim)

Internal Auditor

Beverly Mahaso

Library Director

Lisa R. Hathaway

Parks & Recreation Director

Leah Rockwell

Parking System Administrator

Jessica Keller

Police Chief

Antonio Araujo

Office of Economic Opportunity Director

Festus F. Hayden

Public Utilities Director

Victor Carosi

Public Works and Support Services Director

Leon Pinder



City Place – Photo by relatedross.com



Financial SECTION



WEST PALM BEACH

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CBIZ CPAs P.C.

2255 Glades Road
Suite #321A
Boca Raton, FL 33431

P: 561.994.5050

Independent Auditors' Report

To the Honorable Mayor, Members of the City Commission,
Audit Committee and City Administrator
City of West 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 City of West Palm Beach, Florida (the "City"), as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the 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 City, as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the West Palm Beach Restated Employees Retirement System, West Palm Beach Police Pension Fund, West Palm Beach Firefighters' Pension Fund (the "Pension Plans") and the Association of Firefighters Retirement Health Benefit Fund (the "Firefighters VEBA Plan"), component units of the City, which represent 68%, 70% and 36%, respectively, of the assets, net position/fund balance and revenues/additions of the aggregate remaining fund information as of September 30, 2025. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pension Plans and Firefighters VEBA Plan, are based solely on the reports of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages xv through xxvii, the budgetary comparison schedules, schedules of changes in the net pension liability and related ratios, the schedules of employer contributions, schedules of investment returns, and the schedule of changes in net OPEB liability and related ratios, as listed in the table of contents, on pages 94 through 124 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 City's basic financial statements. The combining and individual fund statements and schedules, other financial information budgetary comparison schedules, as listed in the table of contents, and the schedule of expenditures of federal awards and state financial assistance, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Federal Regulations for Federal Awards* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General, 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 GAAS. In our opinion, the combining and individual fund statements and schedules, the other financial information budgetary comparison schedules, and the schedule of expenditures of federal awards and state financial assistance 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 section, statistical section, and the continuing debt disclosure 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 April 28, 2026 on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Boca Raton, Florida
April 28, 2026

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Photo by wptv.com

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Management's Discussion
AND ANALYSIS
(Unaudited)



**CITY OF WEST PALM BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025
(UNAUDITED)**

As management of the City of West Palm Beach (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2025.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows (net position) at the close of fiscal 2025 by approximately \$1.3 billion. Of this amount, \$318.0 million represents unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by approximately \$120.5 million or 10.6% from the prior fiscal year. The increase in net position resulting from current year activities is attributed to increased charges for services and other general revenues which exceeded operating and pension related expenses, during fiscal year 2025.
- At the close of fiscal year 2025, the City's governmental funds reported combined fund balances of \$407.9 million while the proprietary funds reported a combined net position of \$738.3 million.
- The City's total long-term liabilities, including bonds, notes, installment purchases, subscriptions and leases decreased by million, from \$509.3 million to \$482.6 million, or approximately 5.2%, resulting from debt repayments and the amortization of related premiums.
- Total spending for all City governmental activities was approximately \$344.8 million, up \$2.9 million from last fiscal year. Expenditures for the largest governmental activities were public safety \$185.8 million, economic environment \$47.8 million, leisure services \$35.9 million and general government \$29.9 million .
- At the end of fiscal year 2025, the total of the restricted, assigned, and unassigned components of fund balance for the General Fund was \$83.1 million, or approximately 35.8% of General Fund expenditures. Fund balance of the General Fund also included \$31.8 million committed for emergencies and public art within the City.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. These financial statements are comprised of four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements, and 4) required supplementary information. In addition to the basic financial statements, this report contains other supplementary information.

Government-Wide Financial Statements

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

The Statement of Net Position presents financial information on all the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information about how the City'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 the related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

**CITY OF WEST PALM BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025
(UNAUDITED)**

The Statement of Net Position and the Statement of Activities divide the City into the following two classes of activities:

Governmental activities – City services principally supported by taxes and intergovernmental revenues are reported here, including general government, community events, community and economic development, planning and zoning, code enforcement, building permits, police, fire, public works, federal housing programs, engineering services, health and sanitation, library, parks and recreation, Downtown redevelopment and Northwood redevelopment.

Business-type activities – City services for which fees are collected from the public are reported here. These services include water and sewer, storm water and parking facilities.

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the City rather than the City as a whole. Except for the General Fund, separate funds are established to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with financial-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds:

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

Financial statements of the governmental funds consist of a Balance Sheet and a Statement of Revenue, Expenditures, and Changes in Fund Balances. These statements are prepared using a basis of accounting which differs from that used to prepare the government-wide financial statements. Financial statements of the governmental funds focus primarily on the sources, uses and balances of current financial resources and use the modified accrual basis of accounting. These financial statements have a short-term emphasis, and generally measure and account for cash and other assets that can easily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general governmental operations to account for available financial resources and demonstrate fiscal accountability. Governmental fund information helps illustrate the extent of financial resources that are available for expenditure on City programs. Reconciliations of the differences between the government-wide and fund financial statements are provided immediately after the Balance Sheet-Governmental Funds and Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds, respectively, in the Basic Financial Statements.

Funds that are significant in terms of revenues, expenditures, assets or liabilities are identified as major funds in the Basic Financial Statements and reported separately. The City's non-major funds are presented in the Combining and Individual Fund Statements section of this report.

Proprietary Funds:

The City maintains two types of proprietary funds:

- **Enterprise Funds:** The City uses enterprise funds to report the same functions presented as business-type activities in the government-wide financial statements, and these funds primarily serve the public. The City uses enterprise funds to account for its water and sewer utility system, storm water utility system and parking facilities.
- **Internal Service Funds:** The City uses internal service funds to accumulate and allocate costs internally among the City's various functions. These funds primarily serve the City's departments and account for the City's information systems, fleet management, self-insurance program and employee health and life insurance benefits programs. Because all of these services predominantly benefit governmental rather than business-type functions, the assets and liabilities of these funds have been included within the governmental activities' column of the government-wide Statement of Net Position.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, but in more detail. The financial statements provide separate information for the water and sewer system and the storm water system, both of which are considered major funds of the City. The parking facilities fund is a non-major enterprise fund. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

Fiduciary Funds:

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City reports three pension trust funds and five Other Post Employment Benefit (OPEB) funds which provide for annuity payments to certain pensioners and elected officials/retirees of the City. The pension trust funds include the Police Pension Fund, Firefighters Pension Fund and the Restated Employees Defined Benefit Retirement System while the OPEB funds include the OPEB Trust Fund and the Voluntary Employees' Beneficiary Association (VEBA) plans for Elected Officials and Management Employees (Management VEBA), General Employees (General Employees VEBA), West Palm Beach Police Benevolent Association Retiree Health Benefit Fund (Police VEBA) and West Palm Beach Association of Firefighters' Retiree health Benefit Fund (Firefighters' VEBA).

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements, and is required by accounting principles generally accepted in the United States of America.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information containing pension, OPEB, and individual fund budget and actual comparison schedules of the major funds. The combining statements for the non-major funds, internal service funds, fiduciary funds, and the individual fund budget and actual comparison schedules are found in the Combining and Individual Fund Statements and Schedules section of this report.

Government-Wide Financial Analysis:

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and inter-governmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

CITY OF WEST PALM BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025
(UNAUDITED)

The governmental activities of the City include general government, public safety, public works, economic environment, engineering, health and sanitation and leisure services. The business-type activities of the City are the water and sewer system, stormwater utility and parking facilities. In accordance with the Governmental Accounting Standards Board criteria for inclusion in the reporting entity, the City has no discretely presented component units that must be separately presented in this report.

The City's assets and deferred outflows exceeded liabilities and deferred inflows by \$1.3 billion at the close of the most recent fiscal year, an increase of \$120.5 million. Most of the increase is attributed to an increase in charges for services and other general revenues.

Total assets of the City as of the end of the current fiscal year increased by \$115.5 million or 6.0%. The increase is attributed to the following:

- Cash, cash equivalents and investments increased by \$67.8 million, primarily resulting from unspent receipts of general and program revenues coupled with the favorable investment earnings derived from the City's investment vehicles.
- The City participates in a joint venture through an inter-local agreement with four other governmental entities to receive, treat, and dispose of sewage generated within the jurisdiction of each entity. Each participating entity has an equity share in the joint venture. The City benefited from the joint collaboration of its joint venture partnership with the other members, resulting in an increase in the overall net position, of which the City's share of the increase was \$6.5 million.
- The net Pension and OPEB assets increased by \$5.1 million and \$3.2 million primarily due to the prefunding contributions used in the calculation of the funding status of the City's OPEB plans.
- Increases in capital assets represented \$115.5 million, resulting from significant capital infrastructure and utility upgrades during the current year.

The City reported a decrease in deferred outflows of resources by \$40.4 million or 21.3%. The decrease is attributed to a decrease in pension and OPEB outflow of resources and swap related values.

Long-term liabilities decreased by \$73.4 primarily due to the repayment of long term debt coupled with the reduction of the net pension and OPEB liability.

Deferred inflows of resources increased by a net \$32.0 million. The net change is primarily attributed to increases in deferred inflows for pension and leases by \$30.4 million and \$2.0 million, respectively and is offset a slight decrease in deferred inflows for OPEB by \$0.4 million. Deferred inflows related to pension and OPEB plans are determined by actuarial assumptions, including estimated future contributions by the City.

The City's net investment in capital assets such as land, roads, parks, buildings, machinery and equipment and intangible assets, rose to \$563.0 million from \$527.7 million in fiscal year 2024. These capital investments represent 44.7% and 46.3% of net position as of September 30, 2025 and 2024, respectively. These asset values are presented less any outstanding debt related to the acquisition and accumulated depreciation of those assets. The City uses capital assets to provide services to the citizens and consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the capital assets themselves cannot be used to liquidate that liability, and other resources will be needed to repay any associated debt.

**CITY OF WEST PALM BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025
(UNAUDITED)**

Another portion of the City's net position totaling \$379.7 million or 30.1% is restricted, representing resources that are subject to constraints such as debt covenants, grantors, laws or regulations. Unrestricted net position of approximately \$318.0 million or 25.2%, is that portion of the City's resources that are available to meet the ongoing obligations to residents, creditors, and enterprise fund customers.

Governmental Activities – Net Position

The 2025 net position of \$522.4 million is comprised of \$268.0 million net investment in capital assets, \$199.6 million and \$54.7 million in restricted and unrestricted net position, respectively.

The net investment in capital assets of \$268.0 million increased by \$35.1 million, mostly due to the net reduction of long term debt associated with the acquisition of capital assets, reflected as new additions, net of related depreciation. Other resources of \$199.6 million, which are externally restricted, increased by \$26.1 million, while the unrestricted net position of \$54.7 million increased by \$13.7 million. The change in the restricted and unrestricted net position reflects the increase in amounts restricted for debt service requirements and the result of operations, respectively.

Business-Type Activities – Net Position

The 2025 net position of \$738.3 million is comprised of \$294.9 million net investment in capital assets, \$180.1 million in restricted net position and \$263.3 million unrestricted net position.

The net investment in capital assets increased from the previous year by \$0.2 million largely due to the spending of bond proceeds used to acquire capital assets reflected as new additions, net of related depreciation.

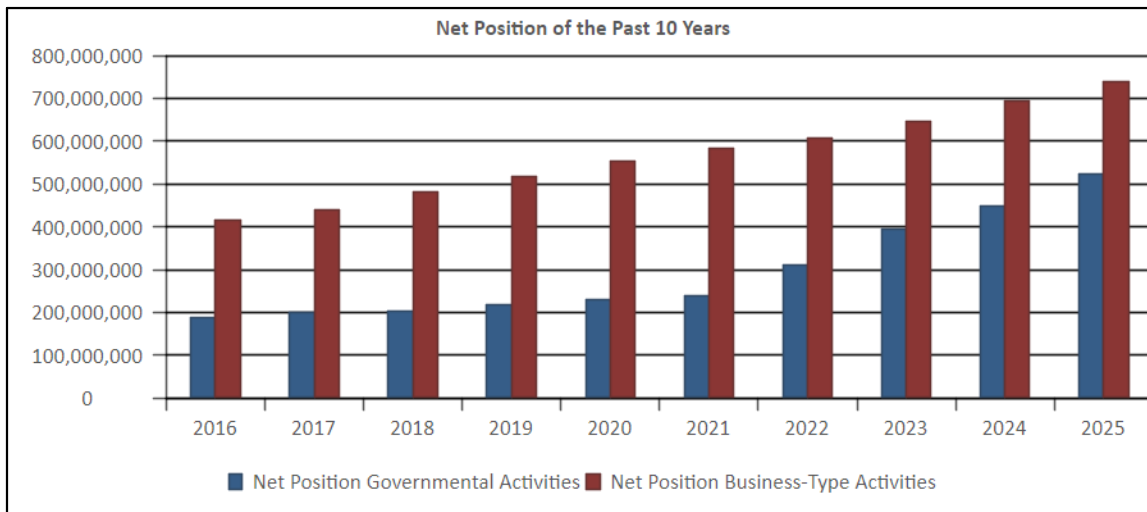
Restricted net position of \$180.1 million increased by \$18.7 million or 11.6% to comply with the City's debt service requirements while the unrestricted net position increased by \$26.6 million as a result of the current fiscal year's operations.

The table below provides an analysis of the City's net position for the fiscal years ended September 30, 2025 and 2024.

**Condensed Statement of Net Position
(in thousands)**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 592,487	\$ 553,239	\$ 506,188	\$ 460,496	\$ 1,098,675	\$ 1,013,735
Capital assets, net	461,079	423,428	480,102	487,165	941,181	910,593
Total assets	1,053,566	976,667	986,290	947,661	2,039,856	1,924,328
Total deferred outflows of resources	142,316	180,187	6,894	9,401	149,210	189,588
Current liabilities	43,206	47,591	20,488	19,992	63,694	67,582
Long-term debt and other non-current liabilities	474,834	537,597	232,082	242,715	706,916	780,312
Total liabilities	518,041	585,188	252,570	262,706	770,611	847,894
Total deferred inflows of resources	155,477	124,314	2,300	1,484	157,777	125,798
Net investment in capital assets	268,029	232,906	294,940	294,753	562,969	527,659
Restricted	199,591	173,446	180,118	161,448	379,709	334,894
Unrestricted	54,744	41,000	263,256	236,671	318,000	277,671
Total net position	\$ 522,364	\$ 447,352	\$ 738,314	\$ 692,872	\$ 1,260,678	\$ 1,140,224

**CITY OF WEST PALM BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025
(UNAUDITED)**



The City reported total revenues of \$595.7 million which represents \$260.3 million in charges for services, \$27.2 million in grants and contributions, \$257.4 million in property and other taxes. Total expenses were \$475.2 million. As shown below, revenues increased during the current fiscal year by \$28.9 million and expenses increased by \$6.3 million. The increase in revenues is attributed to the increase in taxes, charges for services, grants and contributions of \$38.8 offset by decreases in interest and miscellaneous income of \$9.9 million.

Governmental Activities – Change in Net Position

The net increase in the current fiscal year’s net position was \$75.0 million. Revenues for the City’s governmental activities of \$406.3 million includes \$90.6 million in charges for services, as well as, \$257.4 million in property, state shared and local taxes. During the current fiscal year, the City’s governmental operations resulted in an overall increase in revenues of \$25.2 million. This increase is attributed to continued growth in property values and other taxes, increased permit fees derived from new construction and grants and contributions of \$30.0 million, offset by a decrease in interest earnings and miscellaneous revenues of \$4.8 million.

The cost of all governmental activities during the current fiscal year was \$344.8 million. However, as shown in the Statement of Activities, the amount that our taxpayers ultimately financed for these activities, through City ad valorem taxes, was \$184.5 million. This is because \$90.6 million of the cost was paid for by those who directly benefited from the programs as well as other governments and organizations that subsidized certain programs with grants and contributions, providing \$25.0 million. The City paid for the remaining “public benefit” portion of governmental activities with other taxes (some of which could only be used for certain programs) and with other revenues such as interest and general entitlements.

Overall expenses increased by \$2.9 million. While public safety expenses of \$185.8 million remains the largest use of the City resources, the year over year change was flat at the end of the current fiscal year. The increase in expenses is primarily attributed to increases in economic environment, leisure services, engineering services and public works operations by \$11.2 million and is offset by decreases in general government administrative services and interest charges on long term debt by \$8.3 million. During the current year the City engaged in increased community development programs and economic initiatives as well as increased infrastructure planing and road maintenance services in its efforts of serving its residents.

**CITY OF WEST PALM BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025
(UNAUDITED)**

Business-Type Activities – Change in Net Position

Revenues of the City's business-type activities of \$189.4 million, an increase of \$3.7 million or 2.0% over the prior fiscal year. Charges for services increased by \$10.2 while grants and contributions, interest income and miscellaneous revenue decreased by \$6.5 million, respectively. The overall revenue increase was mostly derived from a slight increase in rate charges. Though the City's investment income continued to be significant, they decreased due to less favorable market conditions when compared to the prior fiscal year.

The business-type activities reported expenses totaling \$130.4 million, an increase of \$3.4 million or 2.7% over the prior fiscal year. Increase in operations for Water and Sewer was \$5.2 million primarily due to higher supplier costs of products and services. Stormwater operations resulted in a decrease of \$1.6 million resulting from reduced project activity.

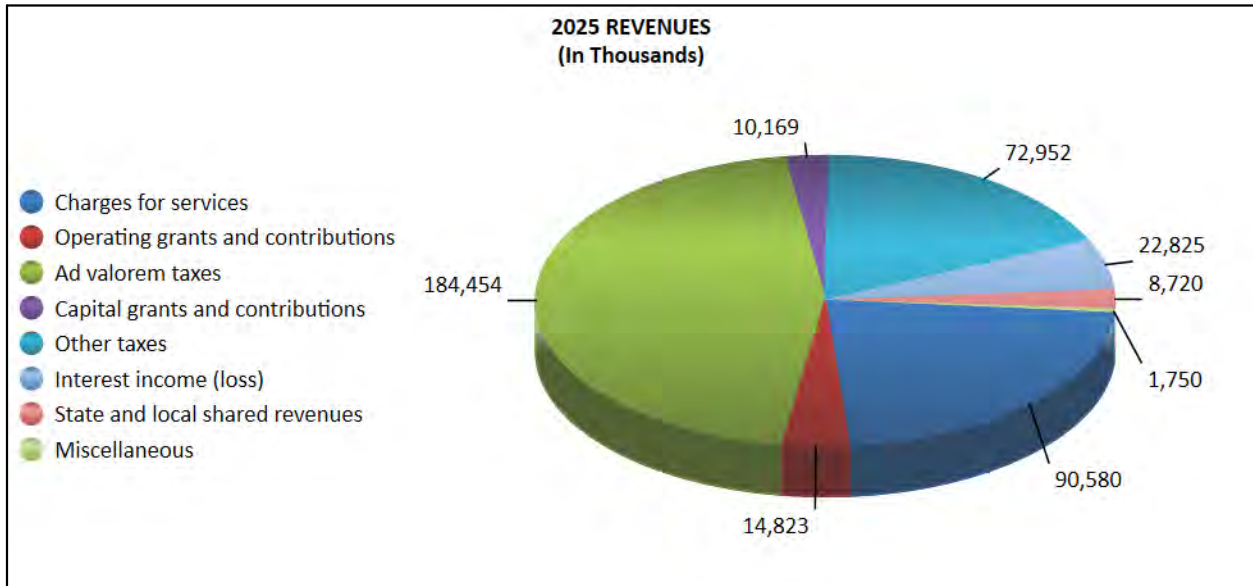
The table below provides an analysis of the changes in net position for the fiscal years ended September 30, 2025 and 2024:

**Summary of Changes in Net Position
For the Fiscal Years Ended September 30, 2025 and 2024
(in thousands)**

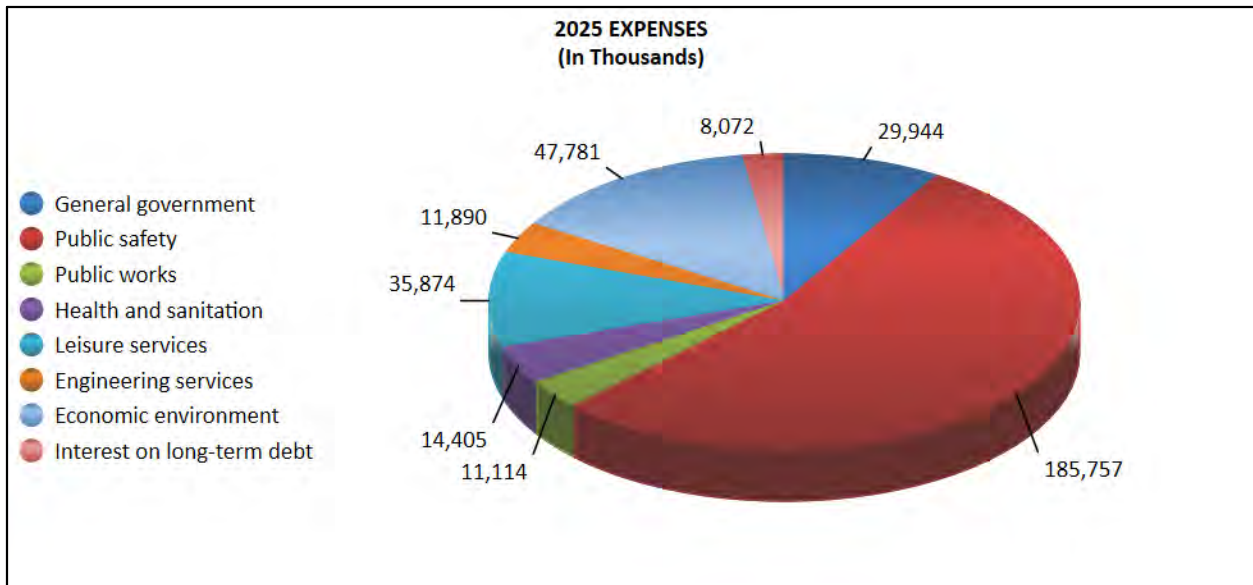
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenue:						
Charges for services	\$ 90,580	\$ 86,903	\$ 169,686	\$ 159,444	\$ 260,266	\$ 246,347
Operating grants and contributions	14,823	15,955	-	-	14,823	15,955
Capital grants and contributions	10,169	3,410	2,167	3,539	12,336	6,949
General revenue:						
Ad valorem taxes	184,454	166,322	-	-	184,454	166,322
Other taxes	72,952	70,604	-	-	72,951	70,604
Interest income	22,825	27,090	16,740	21,072	39,565	48,162
State and local shared revenues	8,721	8,565	-	-	8,721	8,565
Miscellaneous	1,751	2,248	804	1,616	2,555	3,864
Total revenues	<u>406,274</u>	<u>381,097</u>	<u>189,397</u>	<u>185,671</u>	<u>595,671</u>	<u>566,768</u>
Expenses:						
Governmental activities:						
General government	29,944	35,852	-	-	29,944	35,852
Public safety	185,757	185,726	-	-	185,757	185,726
Public works	11,114	6,841	-	-	11,114	6,841
Engineering services	11,890	10,028	-	-	11,890	10,028
Economic environment	47,781	42,350	-	-	47,781	42,350
Health and sanitation	14,405	15,468	-	-	14,405	15,468
Leisure services	35,874	35,027	-	-	35,874	35,027
Interest on long-term debt	8,072	10,660	-	-	8,072	10,660
Business-Type activities:						
Water and sewer	-	-	109,449	104,282	109,449	104,282
Stormwater utility	-	-	12,633	14,241	12,633	14,241
Parking facilities	-	-	8,297	8,488	8,297	8,488
Total expenses	<u>344,837</u>	<u>341,952</u>	<u>130,379</u>	<u>127,011</u>	<u>475,216</u>	<u>468,963</u>
Increase in net position before transfers	61,437	39,145	59,018	58,660	120,455	97,805
Transfers	13,576	12,221	(13,576)	(12,221)	-	-
Increase in net position	75,013	51,366	45,442	46,439	120,455	97,805
Net position at beginning of year	447,351	395,986	692,872	646,433	1,140,223	1,042,419
Net position - end of year	<u>\$ 522,364</u>	<u>\$ 447,352</u>	<u>\$ 738,314</u>	<u>\$ 692,872</u>	<u>\$ 1,260,678</u>	<u>\$ 1,140,224</u>

**CITY OF WEST PALM BEACH, FLORIDA
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 SEPTEMBER 30, 2025
 (UNAUDITED)**

The following chart shows the revenues by source (in thousands) for the City's governmental activities during fiscal year 2025:



The following chart shows the expenses by function (in thousands) for the City's governmental activities during fiscal year 2025:



Financial Analysis of Funds

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

Governmental Funds:

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

Major Funds Information:

General Fund:

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the fund balance in the General Fund was \$115.6 million, of which \$75.4 million or 65.4% was unassigned fund balance. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures and other financing sources (uses). Unassigned fund balance represents 32.5% of total general fund expenditures and other financing uses, while total fund balance represents 50.4% of that same amount.

The fund balance of the City's General Fund increased by \$5.4 million in 2025, primarily due to increases in property taxes and charges for services which provided funding for increased expenditures and the net other financing uses over the prior fiscal year. Overall revenues in the General Fund increased by \$18.2 million primarily resulting from increases in property and other taxes as well as charges for services and miscellaneous income totaling \$24.2 million, offset by a decreases in rents and royalties and investment earnings of \$5.9 million. Expenditures increased by \$17.5 million mostly due to increases in infrastructure planning and road maintenance activities throughout the City.

Community Redevelopment Agency Funds (CRA): City Center Community Redevelopment Agency Fund (CCCRA) and the Northwood/Pleasant City Community Redevelopment Agency Fund (NPCCRA), major funds, are the operating funds of each redevelopment area of the City's Community Redevelopment Agency (CRA). Fund balances at the end of the fiscal year for the CCCRA and NPCCRA were \$54.1 million and \$3.6 million, respectively. The fund balances for the CCCRA and the NPCCRA were restricted for the operations of the CRA.

Total revenues of the CCCRA increased by \$5.1 million while total expenditures and net transfers for the CCCRA increased by \$23.6 million during the current fiscal year. The increase in revenues is mainly due to tax revenues received resulting from the continued incline in the property tax base and corresponding revenues. The increase in expenditures and net transfers is the result of increment incentive payments for community redevelopment improvements as well as increased transfers to the general fund as required by the interlocal contribution agreement to fund improvements of a City park.

Revenues for the NPCCRA increased by \$0.2 million related to property tax revenues. Expenditures and net transfers for the NPCCRA also increased over prior fiscal year by \$1.9 million to provide increased redevelopment incentives to local business in the continued efforts of reducing blight.

Proprietary Funds: The City's two main proprietary funds are the Water and Sewer System Fund and the Stormwater Utility Fund. The Water and Sewer System Fund accounts for the administration, operation, debt management, maintenance and payment processing of the City's water and sewer utility systems. The Stormwater Utility Fund provides for the collection of and disposal of storm water and for the regulation of ground water. The fund accounts for the cost of operating and maintaining the system and financing necessary repairs, replacements, improvements and extensions.

**CITY OF WEST PALM BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025
(UNAUDITED)**

The Parking Fund, a non-major enterprise fund is used to account for revenues and expenses related to providing covered garage, metered parking spaces and surface lot parking in the City.

General Operating Budgetary Highlights

Budget and actual comparison statements are presented in the required supplementary information for the General Fund and all major special revenue funds with annually appropriated budgets. Budget and actual comparison schedules are also provided in the Combining and Individual Fund Statements and Schedules section for all major capital and non-major funds with annually appropriated budgets.

The budget and actual comparison statements and schedules show the original adopted budget, the final revised budget, actual results and a variance between the final budget and actual results. There were no funds with total actual expenditures in excess of the final revised budget. After the original budget is approved, it may be revised for a variety of reasons such as unforeseen circumstances, corrections of errors, new bond or loan proceeds, new grant awards and other revenues.

The City's Budget staff, within the Finance department, helps to ensure that General Fund revenues are estimated each year using a comprehensive process involving multiple stakeholders to yield the most reasonable and accurate revenue estimates. The process includes an in-depth review of past, current and projected financial conditions. The forecast is an integral part of the annual budget process and allows for informed decision-making, with the goal of maintaining financial integrity while delivering essential quality community services to its citizens.

The General Fund budget was estimated to generate \$254.4 million in revenues to offset \$289.9 million in expenditures and the use of a portion of the prior year's fund balance, transfers from other funds and proceeds of sale of capital assets.

Total General Fund expenditures of \$257.3 million (including encumbrances of \$9.2 million and \$20.8 million in administrative costs) were lower than the final fiscal year 2025 budget by \$32.6 million. All expenditure categories were lower than budgeted amounts.

Capital Assets and Debt Administration

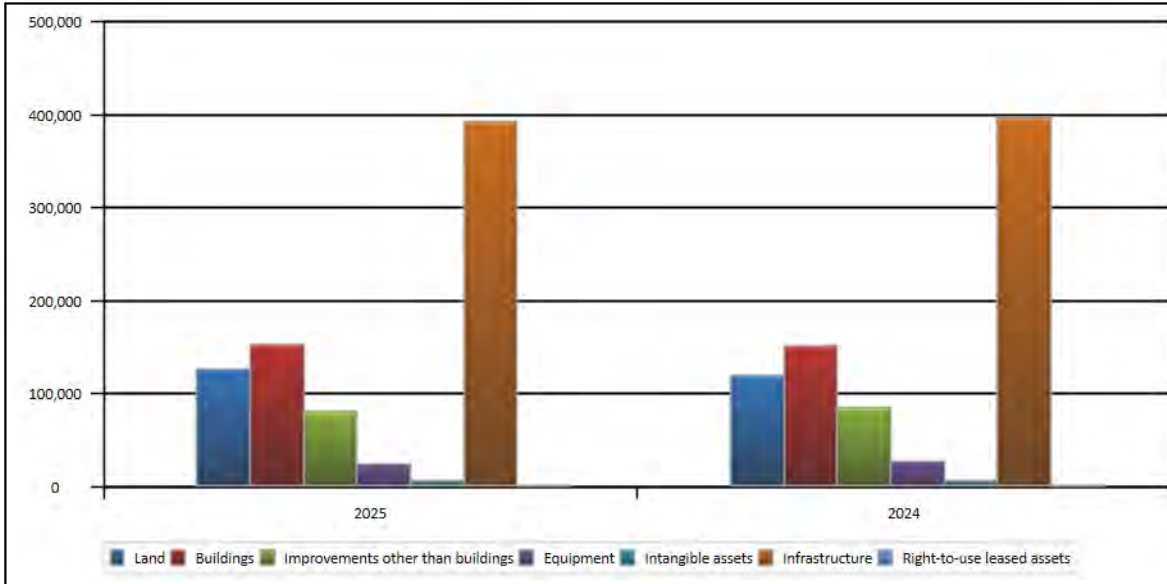
Capital Assets: The City's capital assets as of September 30, 2025 totaled \$941.2 million, net of accumulated depreciation/amortization, (in thousands). The net investment in capital assets was \$563.0 million, an increase of \$35.3 million from prior year. The increase reflects the addition of leased and subscription assets, delivery of police, fire and sanitation vehicles combined with utility system upgrades, offset by depreciation, amortization and capital asset retirements.

The following table compares the City's capital assets at September 30, 2025 compared to September 30, 2024, in thousands:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Land	\$ 116,254	\$ 109,984	\$ 10,313	\$ 10,313	\$ 126,567	\$ 120,297
Buildings	134,846	134,086	17,562	17,716	152,408	151,802
Improvements other than buildings	81,454	85,730	-	-	81,454	85,730
Equipment	20,817	19,912	6,800	7,358	25,246	27,270
Intangible assets	6,250	7,007	-	-	6,250	7,007
Infrastructure	-	-	392,940	397,601	392,941	397,602
Right-to-use leased assets	548	805	-	-	548	805
Right-to-use subscription assets	869	1,489	324	6	1,193	1,495
Construction in progress	100,040	64,412	52,163	54,172	152,203	118,584
Total	<u>\$ 461,079</u>	<u>\$ 423,426</u>	<u>\$ 480,102</u>	<u>\$ 487,166</u>	<u>\$ 941,181</u>	<u>\$ 910,592</u>

**CITY OF WEST PALM BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025
(UNAUDITED)**

The following chart compares the City's capital assets at September 30, 2025 compared to September 30, 2024:



Major capital asset events during the current fiscal year included the following:

Governmental Activities:

- Coleman Park improvements, \$4.8 million.
- Howard Park improvements, \$3.8 million
- Roosevelt Estates traffic calming, \$1.6 million
- Various streetscape improvements, \$1.7

Business-type Activities:

- Washington Road utility improvements, \$6.1 million
- Spruce Avenue utility improvements, \$2.3 million

Additional information on the City's capital assets can be found in Note F of this report.

**CITY OF WEST PALM BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025
(UNAUDITED)**

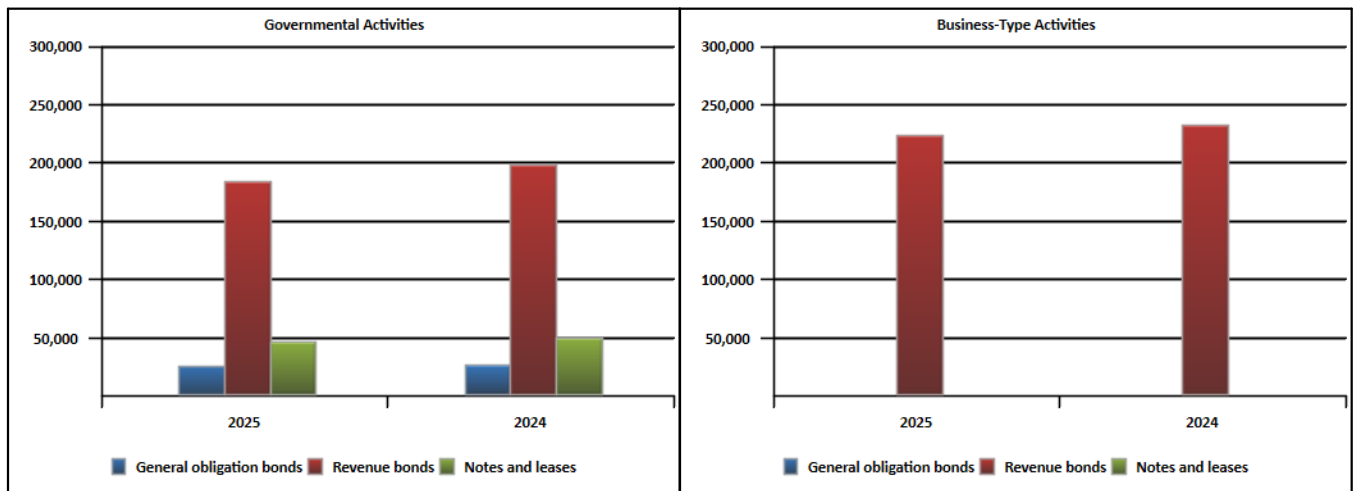
Long-term debt: Of the \$706.9 million in noncurrent liabilities, \$433.6 million is in the form of bonded debt. Of the total bonded debt, \$25.8 million consists of debt backed by the full faith and credit of the government. The remainder of the City's bonded debt represents bonds secured solely by specified revenue sources. Long-term debt for business-type activities of \$223.7 million is secured by water, sewer and storm water fees and \$63.0 million is secured by covenants to budget and appropriate from legally available non-ad valorem revenues. The CRA's \$120.4 million of bonded debt is secured by a stand-alone pledge of tax increment revenue.

The general obligation and special obligation bonds City received an underlying rating of "AA+" from Fitch Ratings, Inc., an upgrade from "AA" over the prior fiscal year from Fitch Ratings Inc. Conversely, the Utility System revenue bonds (water, sewer and storm water) have an underlying rating of "AA" from Fitch Ratings, Inc.

The following table compares the City's long-term debt at September 30, 2025 compared to September 30, 2024, in thousands:

**Schedule of Bonded Debt, Notes, Leases and Subscriptions
(in thousands)**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
	General obligation bonds	\$ 21,915	\$ 22,385	\$ -	\$ -	\$ 21,915
General obligation bond premiums	3,841	4,140	-	-	3,841	4,140
Revenue bonds						
Revenue bonds	172,707	185,237	214,610	222,586	387,318	407,823
Revenue bonds premiums	11,485	13,492	9,082	9,946	20,566	23,438
Total bonds	209,948	225,254	223,692	232,532	433,640	457,786
Line of credit	290	385	-	-	290	385
Leases and subscriptions	1,457	1,462	321	-	1,778	1,462
Notes and installment purchases	46,950	49,692	321	-	46,950	-
Totals	\$ 258,642	\$ 276,793	\$ 224,014	\$ 232,532	\$ 482,656	\$ 509,325



Additional information on the City's long-term debt can be found in Note G of this report.

Economic Factors and Next Year's Budgets and Rates

The City of West Palm Beach enters fiscal year 2026 with a strong and resilient economic foundation. Population growth continues to be a key driver of economic activity. The fiscal year 2026 General Fund budget reflects strategic investments in public safety, infrastructure, and community development, aligning with population trends and economic priorities. Property values continued an upward trend from fiscal year 2025 and is expected to generate increased tax revenues. The City's economic outlook for fiscal year 2026 is characterized by steady population growth, robust corporate investment, and stabilizing real estate conditions.

The City considered the following key measures in developing its fiscal year 2026 budget:

- The City has been noted to be the fastest-growing in Palm Beach County, adding 8,000 new residents since 2019, and continues to attract corporate relocations and high-tech investments firms providing increases in property values and positive effects to the development throughout the City.
- The City has positioned itself as a competitive hub on both national and global stages, earning attention through cultural and international exhibitions of art and partnerships with national and international companies. These factors reinforce the city's reputation as a center for innovation and quality of life supporting population growth, while creating new job opportunities, increasing property values, as well as increasing sales tax revenue through tourism.
- Gross property taxes resulted in an increase of \$2.1 billion or 9.0% over the 2024 tax year. The changes in property values is derived from new construction during the 2024 tax year, valued at approximately \$684.0 million, mostly in the downtown area of the City and the reassessment of existing properties. Consequently, the City has also realized significant increases in the budgeted tax revenues for fiscal year 2026.
- The City's population increased in fiscal year 2026 and is currently at 132,860, an increase of 3.4% over the prior fiscal year's 128,545. The 3.4% margin of increase is greater than the prior year's 1.2%.
- The local labor force stands at approximately 781,000, with unemployment near 4.5%. Job growth has moderated to 0.8% year-over-year, though sectors such as education, health services, and leisure continue to expand. Workforce development programs and housing initiatives remain central to sustaining the City's economic momentum and ensuring inclusive growth.
- The City has continued its focus on providing affordable housing opportunities, surpassing its goal of 1400 affordable housing units, with over 1500 completed new units in 2025, through the partnership with the private sector through public private partnerships.
- The City developed a General fund budget for fiscal year 2026 for \$314.9 million, an increase of \$11.8 million over the final amended budget for fiscal year 2025. The new year's budget was developed with a focus on core services, infrastructure and community programs, while managing inflationary pressures and holding the millage rate flat at 8.1308 mills, leveraging valuation growth to fund priorities without raising tax rates.
- This fiscal year 2026 budget includes increased funding for includes contingency for financial resilience, maintaining safe neighborhoods, enhanced programming for culture, arts and community building opportunities; mental health and affordable housing development incentives; educational programming and grants for elementary schools.
- In addition, to the above programs, the City is making significant investments in water security, mobility solutions and climate resilience projects. Those programs are underway in fiscal year 2026 to support sustainable growth and protect against environmental risks.

**CITY OF WEST PALM BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025
(UNAUDITED)**

- Public Safety remains a top priority, resulting in the largest share of revenue directed to the hiring and retention of police and fire employees who keep the neighborhoods of the City safe. During fiscal year 2025, Crime declined by 4%, despite population growth, supported by expanded police and fire staffing and technology upgrades.

Requests for Information

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Chief Financial Officer, 401 Clematis Street, West Palm Beach, Florida 33401.

WEST PALM BEACH

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Philips Point - Photo by relatedross.com



Basic Financial STATEMENTS



CITY OF WEST PALM BEACH, FLORIDA
BASIC FINANCIAL STATEMENTS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and cash equivalents	\$ 184,020,153	\$ 61,289,611	\$ 245,309,764
Investments	255,000,000	136,706,614	391,706,614
Receivables, net			
Accounts	14,507,187	14,543,994	29,051,181
Interest	2,321,089	1,220,405	3,541,494
Notes	2,713,923	-	2,713,923
Liens and assessments	450,009	1,800,111	2,250,120
Due from other government	1,760,222	-	1,760,222
Prepaid items	1,663,619	58,641	1,722,260
Inventory	737,029	1,391,092	2,128,121
Land held for resale	2,967,842	-	2,967,842
Advances to defined benefit pension plan	1,507,276	-	1,507,276
Restricted assets:			
Cash and cash equivalents	44,291,169	104,189,395	148,480,564
Investments	10,000,000	109,731,128	119,731,128
Interest receivable	68,158	844,252	912,410
Lease receivable	13,367,914	-	13,367,914
Due from developer	42,032,523	-	42,032,523
Net pension asset	4,005,192	1,129,670	5,134,862
Net OPEB asset	9,089,830	1,456,548	10,546,378
Investment in joint venture	1,984,827	71,738,596	73,723,423
Bond insurance costs, net	-	86,657	86,657
Capital assets, net:			
Non-depreciable	216,293,871	62,476,051	278,769,922
Capital assets, net of accumulated depreciation/amortization	244,785,476	417,626,425	662,411,901
Total assets	1,053,567,309	986,289,190	2,039,856,499
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows - interest rate swap	-	4,303,852	4,303,852
Deferred outflows - loss on refunding	579,863	906,845	1,486,708
Deferred outflows - pension	131,037,365	842,246	131,879,611
Deferred outflows - OPEB	10,699,099	841,047	11,540,146
Total deferred outflows of resources	142,316,327	6,893,990	149,210,317

Continued

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

CITY OF WEST PALM BEACH, FLORIDA
BASIC FINANCIAL STATEMENTS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Governmental Activities	Business-Type Activities	Total
LIABILITIES:			
Accounts payable and accrued liabilities	\$ 30,341,356	\$ 5,531,948	\$ 35,873,304
Due to other governments	263,157	25,391	288,548
Unearned revenues	9,076,813	-	9,076,813
Deposits payable	3,463,444	11,824,081	15,287,525
Accrued interest payable	63,300	3,104,723	3,168,023
Due within one year:			
Compensated absences payable	13,532,099	2,216,564	15,748,663
Installment purchases payable	532,003	-	532,003
Leases payable	225,020	-	225,020
Subscriptions payable	526,599	134,421	661,020
Notes payable	965,000	-	965,000
Line of credit	289,907	-	289,907
Bonds payable	12,790,000	8,060,000	20,850,000
Insurance claims payable	6,184,774	-	6,184,774
Due in more than one year:			
Compensated absences payable	14,655,856	1,353,010	16,008,866
Installment purchases payable	1,102,825	-	1,102,825
Leases payable	357,543	-	357,543
Subscriptions payable	346,947	187,086	534,033
Notes payable	44,350,000	-	44,350,000
Bonds payable	197,157,781	215,631,963	412,789,744
Interest rate swap	-	4,303,852	4,303,852
Insurance claims payable	13,370,973	-	13,370,973
Net pension liability	163,779,628	-	163,779,628
Net OPEB liability	4,667,571	196,029	4,863,600
Total liabilities	518,042,596	252,569,068	770,611,664
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows - pension	91,499,164	998,757	92,497,921
Deferred inflows - OPEB	9,049,006	1,300,747	10,349,753
Deferred inflows - leases	12,895,988	-	12,895,988
Deferred inflows - public-private-partnership arrangement	42,032,523	-	42,032,523
Total deferred inflows of resources	155,476,681	2,299,504	157,776,185
NET POSITION:			
Net investment in capital assets	268,028,557	294,940,236	562,968,793
Restricted:			
Operation and maintenance	-	18,546,128	18,546,128
Debt service	9,378,025	15,167,351	24,545,376
Net pension asset	4,005,192	1,129,670	5,134,862
Net OPEB asset	9,089,830	1,456,548	10,546,378
Capital improvements	79,348,634	-	79,348,634
Renewal and replacement	-	127,184,338	127,184,338
Developer impact fund	-	16,633,933	16,633,933
Grants	8,884,732	-	8,884,732
Community development	60,973,097	-	60,973,097
Building code enforcement	27,911,867	-	27,911,867
Unrestricted	54,744,425	263,256,404	318,000,829
Total net position	\$ 522,364,359	\$ 738,314,608	\$ 1,260,678,967

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

CITY OF WEST PALM BEACH, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

FUNCTIONS/PROGRAMS:	Program Revenues				Net Revenue (Expense) and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
PRIMARY GOVERNMENT:							
Governmental activities:							
General government	\$ 29,944,171	\$ 5,595,074	\$ 6,734,378	\$ -	\$ (17,614,719)	\$ -	\$ (17,614,719)
Public safety	185,757,196	35,822,917	6,259,436	-	(143,674,843)	-	(143,674,843)
Public works	11,114,221	457,975	-	-	(10,656,246)	-	(10,656,246)
Economic environment	47,780,687	21,890,248	1,755,554	10,169,196	(13,965,689)	-	(13,965,689)
Engineering services	11,889,866	3,039,554	-	-	(8,850,312)	-	(8,850,312)
Health and sanitation	14,405,480	20,257,164	-	-	5,851,684	-	5,851,684
Leisure services	35,873,893	3,517,028	73,827	-	(32,283,038)	-	(32,283,038)
Interest on long-term debt	8,072,023	-	-	-	(8,072,023)	-	(8,072,023)
Total governmental activities	344,837,537	90,579,960	14,823,195	10,169,196	(229,265,186)	-	(229,265,186)
Business-Type activities:							
Water and sewer	109,448,800	138,318,049	-	1,794,075	-	30,663,324	30,663,324
Stormwater utility	12,632,641	17,264,714	-	373,000	-	5,005,073	5,005,073
Parking facilities	8,296,675	14,103,019	-	-	-	5,806,344	5,806,344
Total business-type activities	130,378,116	169,685,782	-	2,167,075	-	41,474,741	41,474,741
Total primary government	\$ 475,215,653	\$ 260,265,742	\$ 14,823,195	\$ 12,336,271	\$ (229,265,186)	\$ 41,474,741	\$ (187,790,445)
GENERAL REVENUES AND TRANSFERS:							
General revenues:							
Ad valorem taxes					\$ 184,454,233	\$ -	\$ 184,454,233
Insurance premium taxes					4,909,534	-	4,909,534
Business taxes					4,541,760	-	4,541,760
Licenses and permits					203,159	-	203,159
Franchise fees on gross receipts					12,106,526	-	12,106,526
Utility service taxes					26,663,458	-	26,663,458
Sales tax					11,955,247	-	11,955,247
Infrastructure surtax					12,572,202	-	12,572,202
State and local shared revenues					8,720,473	-	8,720,473
Investment income					22,825,372	16,740,233	39,565,605
Miscellaneous					1,749,518	804,170	2,553,688
Transfers					13,576,152	(13,576,152)	-
Total general revenues and transfers					304,277,634	3,968,251	308,245,885
Change in net position					75,012,448	45,442,992	120,455,440
Net position - beginning of year					447,351,911	692,871,616	1,140,223,527
Net position - end of year					\$ 522,364,359	\$ 738,314,608	\$ 1,260,678,967

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

CITY OF WEST PALM BEACH, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General Fund	City Center Community Redevelopment Agency Fund	Northwood / Pleasant City Community Redevelopment Agency Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS:					
Cash and cash equivalents	\$ 80,320,171	\$ 29,779,440	\$ 4,186,530	\$ 97,527,297	\$ 211,813,438
Investments	40,000,000	28,000,000	-	146,000,000	214,000,000
Receivables, net					
Accounts	11,434,641	59,891	13,428	2,562,788	14,070,748
Interest	726,400	331,707	29,988	981,718	2,069,813
Notes	-	-	-	2,713,923	2,713,923
Liens and assessments	450,009	-	-	-	450,009
Due from other funds	3,869,251	-	-	-	3,869,251
Due from other governments	-	-	-	1,760,222	1,760,222
Prepaid items	28,165	5,000	-	23,802	56,967
Inventory	697,523	-	-	39,506	737,029
Land held for resale	-	-	-	2,967,842	2,967,842
Lease receivable	251,748	281,093	-	12,835,073	13,367,914
Advances to defined benefit pension plan	1,507,276	-	-	-	1,507,276
Total assets	139,285,184	58,457,131	4,229,946	267,412,171	469,384,432
LIABILITIES:					
Accounts payable and accrued liabilities	13,859,451	3,946,577	546,965	9,514,367	27,867,360
Deposits payable	2,868,530	47,137	28,400	283,861	3,227,928
Unearned revenue	2,953,025	-	-	6,123,788	9,076,813
Due to other governments	778	20,421	-	241,958	263,157
Due to other funds	-	-	-	3,869,251	3,869,251
Total liabilities	19,681,784	4,014,135	575,365	20,033,225	44,304,509
DEFERRED INFLOWS:					
Unavailable revenue	2,273,223	54,935	14,278	1,956,841	4,299,277
Deferred inflows - leases	236,761	268,295	-	12,390,932	12,895,988
Total deferred inflows	2,509,984	323,230	14,278	14,347,773	17,195,265
FUND BALANCES:					
Nonspendable	2,232,964	5,000	-	63,308	2,301,272
Restricted	-	54,114,766	3,640,303	159,291,173	217,046,242
Committed	31,793,518	-	-	77,239,590	109,033,108
Assigned	7,661,383	-	-	-	7,661,383
Unassigned	75,405,551	-	-	(3,562,898)	71,842,653
Total fund balances	117,093,416	54,119,766	3,640,303	233,031,173	407,884,658
Total liabilities, deferred inflows and fund balances	\$ 139,285,184	\$ 58,457,131	\$ 4,229,946	\$ 267,412,171	\$ 469,384,432

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

**CITY OF WEST PALM BEACH, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025**

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS		\$ 407,884,658
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		451,802,301
Intergovernmental revenue is not available to pay for current period expenditures and, therefore, is deferred in the funds.		4,299,277
Other assets and deferred outflows of resources used in governmental activities are not current financial resources and are not reported in the governmental funds:		
Net pension assets	4,005,192	
Net OPEB asset	9,089,830	
Deferred loss on debt refunding	<u>579,863</u>	13,674,885
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Accrued interest payable	(63,300)	
Compensated absences	(26,992,131)	
Installment purchases payable	(1,634,828)	
Lease payable	(582,563)	
Subscription payable	(796,081)	
Notes payable	(45,315,000)	
Line of credit payable	(289,907)	
Bonds payable	(209,171,106)	
Arbitrage payable	(776,675)	
Net pension liability	(163,779,628)	
Net OPEB liability	<u>(4,667,571)</u>	(454,068,790)
Certain deferred inflows/outflows related to pension and OPEB are not reported on the modified accrual basis of accounting:		
Deferred outflows of resources related to pensions	131,037,365	
Deferred outflows of resources related to OPEB	10,699,099	
Deferred inflows of resources related to pensions	(91,499,164)	
Deferred inflows of resources related to OPEB	<u>(9,049,006)</u>	41,188,294
Net position of internal service funds are reported with governmental activities		<u>57,583,734</u>
Net position of governmental activities		<u><u>\$ 522,364,359</u></u>

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

CITY OF WEST PALM BEACH, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	General Fund	City Center Community Redevelopment Agency Fund	Northwood / Pleasant City Community Redevelopment Agency Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES:					
Taxes	\$ 183,365,277	\$ 38,883,643	\$ 4,458,189	\$ 1,426,642	\$ 228,133,751
Licenses and permits	4,213,160	-	-	16,282,821	20,495,981
Intergovernmental	20,114,720	24,882,345	2,459,406	35,814,532	83,271,003
Charges for services	39,665,681	-	53,589	12,004,482	51,723,752
Fines and forfeitures	614,503	-	-	-	614,503
Rents and royalties	603,579	208,608	-	1,175,597	1,987,784
Investment income	6,462,296	2,833,616	270,450	10,512,350	20,078,712
Miscellaneous	1,456,934	54	-	445,540	1,902,528
Total revenues	256,496,150	66,808,266	7,241,634	77,661,964	408,208,014
EXPENDITURES:					
General government	24,843,880	-	-	1,387,173	26,231,053
Public safety	139,436,696	-	-	23,903,281	163,339,977
Public works	5,555,931	-	-	6,663,154	12,219,085
Economic environment	325,056	35,643,148	4,046,185	8,071,727	48,086,116
Engineering services	4,980,428	-	-	2,095,303	7,075,731
Health and sanitation	14,228,752	-	-	-	14,228,752
Leisure services	29,702,852	-	-	6,234,323	35,937,175
Capital outlay	2,836,952	14,831,205	968,747	42,630,317	61,267,221
Debt service:					
Principal	6,069,897	3,035,000	1,258,274	4,741,719	15,104,890
Interest expense	4,216,750	1,086,707	591,934	5,186,317	11,081,708
Total expenditures	232,197,194	54,596,060	6,865,140	100,913,314	394,571,708
Excess (deficiency) of revenues over (under) expenditures	24,298,956	12,212,206	376,494	(23,251,350)	13,636,306
OTHER FINANCING SOURCES (USES):					
Issuance of line of credit	-	-	73,150	-	73,150
Gain on sale of capital assets	669,669	344,889	-	-	1,014,558
Litigation settlements	(817,500)	-	-	-	(817,500)
Transfers in	18,741,496	75,684	-	49,642,790	68,459,970
Transfers out	(35,991,548)	(13,831,844)	(2,369,114)	(4,954,494)	(57,147,000)
Total other financing sources (uses)	(17,397,883)	(13,411,271)	(2,295,964)	44,688,296	11,583,178
Net change in fund balances	6,901,073	(1,199,065)	(1,919,470)	21,436,946	25,219,484
Fund balances - beginning of year, as restated	110,192,343	55,318,831	5,559,773	211,594,227	382,665,174
Fund balances - end of year	\$ 117,093,416	\$ 54,119,766	\$ 3,640,303	\$ 233,031,173	\$ 407,884,658

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

**CITY OF WEST PALM BEACH, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS	\$	25,219,484
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	\$ 61,267,221	
Depreciation and amortization expense	<u>(22,684,440)</u>	38,582,781
Retirement of capital asset		(832,845)
Some revenues reported in the statement of activities do not provide current financial resources and therefore are not reported as revenues in governmental funds:		
Intergovernmental revenues	(1,144,109)	
Charges for services	<u>(29,745)</u>	(1,173,854)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of insurance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts (except for issuance costs) are capitalized and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:		
Issuance of line of credit	(73,150)	
Principal repayment of line of credit	168,274	
Principal repayment on notes payable	945,000	
Principal repayment on installment purchases payable	964,509	
Principal repayment on lease payable	250,048	
Principal repayment on subscription payable	532,058	
Principal repayment on bonds payable	<u>12,245,000</u>	15,031,739
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		
Change in net pension asset (liability)	47,320,472	
Change in net OPEB asset (liability)	4,989,465	
Change in deferred inflows/outflows related to pension	(66,728,401)	
Change in deferred inflows/outflows related to OPEB	(1,042,434)	
Change in accrued interest payable	10,069	
Change in deferred loss on refunding	(94,701)	
Amortization of bond premiums	3,062,074	
Change in Compensated absences	<u>(2,310,929)</u>	(14,794,385)
The internal service funds are used by management to charge the cost of certain activities to individual funds. The net revenue (expense) of certain activities of the internal service funds is reported with governmental activities.		
		<u>12,979,528</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>75,012,448</u>

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

CITY OF WEST PALM BEACH, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	Business-Type Enterprise Funds				Governmental
	Water and Sewer System Fund	Stormwater Utility Fund	Non-Major		Internal Service Funds
			Parking Facilities Fund	Total Proprietary Funds	
ASSETS:					
Current unrestricted assets:					
Cash and cash equivalents	\$ 32,310,581	\$ 26,310,701	\$ 2,668,329	\$ 61,289,611	\$ 11,909,981
Investments	103,308,829	8,397,785	25,000,000	136,706,614	51,000,000
Receivables, net:					
Accounts	12,574,064	1,912,564	57,366	14,543,994	436,439
Interest	865,597	209,910	144,898	1,220,405	319,434
Liens and assessments	1,542,078	258,033	-	1,800,111	-
Prepaid items	58,641	-	-	58,641	1,606,652
Inventory	1,391,092	-	-	1,391,092	-
Current restricted assets:					
Cash and cash equivalents	38,325,188	4,288,155	24,454	42,637,797	4,587,903
Total current assets	190,376,070	41,377,148	27,895,047	259,648,265	69,860,409
Non-current assets:					
Restricted cash and cash equivalents	33,036,243	28,515,355	-	61,551,598	-
Restricted Investments	103,551,951	6,179,177	-	109,731,128	-
Interest receivable	720,564	123,688	-	844,252	-
Net pension asset	1,129,670	-	-	1,129,670	-
Net OPEB asset	1,456,548	-	-	1,456,548	-
Investment in joint venture	71,738,596	-	-	71,738,596	1,984,827
Bond insurance costs, net	73,977	12,680	-	86,657	-
Capital assets:					
Non-depreciable	47,852,225	8,768,931	5,854,895	62,476,051	846,304
Capital assets, net of accumulated depreciation/amortization	352,394,285	63,067,986	2,164,154	417,626,425	8,430,742
Total non-current assets	611,954,059	106,667,817	8,019,049	726,640,925	11,261,873
Total assets	802,330,129	148,044,965	35,914,096	986,289,190	81,122,282
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred outflows - interest rate swap	3,752,959	550,893	-	4,303,852	-
Deferred outflows - loss on defeased debt	799,389	107,456	-	906,845	-
Deferred outflows - pension	842,246	-	-	842,246	-
Deferred outflows - OPEB	841,047	-	-	841,047	-
Total deferred outflows of resources	6,235,641	658,349	-	6,893,990	-

Continued

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

CITY OF WEST PALM BEACH, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	Business-Type Enterprise Funds				Governmental
	Non-Major			Total Proprietary	Internal Service
	Water and Sewer System Fund	Stormwater Utility Fund	Parking Facilities Fund		
LIABILITIES:					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 3,949,830	\$ 100,492	\$ 378,761	\$ 4,429,083	\$ 2,473,996
Due to other governments	-	-	25,391	25,391	-
Compensated absences payable - current	1,903,336	203,467	109,761	2,216,564	616,018
Subscriptions payable - current	-	-	134,421	134,421	77,465
Insurance claims payable - current	-	-	-	-	6,184,774
Current liabilities payable from restricted assets:					
Accounts payable and accrued liabilities	616,598	486,267	-	1,102,865	-
Accrued interest payable	2,269,896	834,827	-	3,104,723	-
Deposits payable	11,799,627	-	24,454	11,824,081	235,516
Bonds payable - current	7,052,735	1,007,265	-	8,060,000	-
Total current liabilities	27,592,022	2,632,318	672,788	30,897,128	9,587,769
Non-current liabilities:					
Compensated absences payable - long term	1,021,137	241,936	89,937	1,353,010	579,806
Bonds payable - long term, net	164,012,267	51,619,696	-	215,631,963	-
Subscriptions payable - long term	-	-	187,086	187,086	-
Net OPEB liability	196,029	-	-	196,029	-
Interest rate swap	3,752,959	550,893	-	4,303,852	-
Insurance claims payable - long term	-	-	-	-	13,370,973
Total non-current liabilities	168,982,392	52,412,525	277,023	221,671,940	13,950,779
Total liabilities	196,574,414	55,044,843	949,811	252,569,068	23,538,548
DEFERRED INFLOWS:					
Deferred inflows - pension	998,757	-	-	998,757	-
Deferred inflows - OPEB	1,300,747	-	-	1,300,747	-
Total deferred inflows	2,299,504	-	-	2,299,504	-
NET POSITION:					
Net investment in capital assets	253,534,272	33,386,915	8,019,049	294,940,236	9,199,581
Restricted for:					
Operation and maintenance	16,586,332	1,959,796	-	18,546,128	-
Debt service	12,649,243	2,518,108	-	15,167,351	-
Restated employees pension	1,129,670	-	-	1,129,670	-
Net OPEB asset	1,456,548	-	-	1,456,548	-
Renewal and replacement	107,963,578	19,220,760	-	127,184,338	-
Developer impact fund	16,633,933	-	-	16,633,933	-
Unrestricted	199,738,276	36,572,892	26,945,236	263,256,404	48,384,153
Total net position	\$ 609,691,852	\$ 93,658,471	\$ 34,964,285	\$ 738,314,608	\$ 57,583,734

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

CITY OF WEST PALM BEACH, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Enterprise Funds				Governmental
	Water and Sewer System Fund	Stormwater Fund	Non-Major		Internal Service Funds
			Parking Facilities Fund	Total Proprietary Funds	
OPERATING REVENUES:					
Charges for services	\$ 130,636,938	\$ 17,264,714	\$ 11,258,325	\$ 159,159,977	\$ 81,809,426
Intergovernmental	124,194	23,058	-	147,252	8,066
Fines and forfeitures	1,187,176	-	2,844,694	4,031,870	-
Equity in earnings of joint ventures	6,493,935	-	-	6,493,935	20,000
Miscellaneous and other	288,577	7,833	931	297,341	608,827
Total operating revenues	138,730,820	17,295,605	14,103,950	170,130,375	82,446,319
OPERATING EXPENSES:					
Personnel services	29,712,042	3,041,651	1,775,795	34,529,488	10,273,113
Contractual services	12,794,039	1,976,862	3,767,650	18,538,551	15,465,166
Utilities	4,705,441	163,023	272,103	5,140,567	577,905
Repair and maintenance	6,902,726	1,375,385	590,643	8,868,754	4,263,768
Other supplies and expenses	18,182,032	373,601	1,353,401	19,909,034	4,461,441
Depreciation and Amortization	16,126,934	3,574,586	243,474	19,944,994	1,096,714
Insurance claims and expenses	1,066,898	183,760	942,639	2,193,297	39,096,576
Wastewater treatment and disposal	13,553,279	-	-	13,553,279	-
Support Services	-	-	-	-	9,581
Total operating expenses	103,043,391	10,688,868	8,945,705	122,677,964	75,244,264
Operating income	35,687,429	6,606,737	5,158,245	47,452,411	7,202,055
NON-OPERATING REVENUES (EXPENSES):					
Interest income	12,711,572	2,918,443	1,110,218	16,740,233	2,746,660
Interest expense	(6,405,409)	(1,943,773)	(6,619)	(8,355,801)	(2,639)
Loss on bond refunding	662,289	202,485	-	864,774	-
Other debt service costs	(184,774)	(24,351)	-	(209,125)	-
Gain on sale of capital assets	273,676	85,899	-	359,575	770,270
Total non-operating revenues (expenses)	7,057,354	1,238,703	1,103,599	9,399,656	3,514,291
Income before contributions, transfers and other	42,744,783	7,845,440	6,261,844	56,852,067	10,716,346
CONTRIBUTIONS, TRANSFERS AND OTHER:					
Capital contributions - impact fees	1,528,600	-	-	1,528,600	-
Capital contributions - grants	265,475	373,000	-	638,475	-
Transfers in	-	-	-	-	2,338,866
Transfers out	(12,094,494)	-	(1,481,658)	(13,576,152)	(75,684)
Total contributions, transfers and other	(10,300,419)	373,000	(1,481,658)	(11,409,077)	2,263,182
Change in net position	32,444,364	8,218,440	4,780,186	45,442,990	12,979,528
Net position - beginning of year	577,247,488	85,440,031	30,184,099	692,871,618	44,604,206
Net position - end of year	\$ 609,691,852	\$ 93,658,471	\$ 34,964,285	\$ 738,314,608	\$ 57,583,734

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

CITY OF WEST PALM BEACH, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	Water and Sewer System Fund	Stormwater Utility Fund	Non-Major	Totals	Internal Service Funds
			Parking Facilities Fund		
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers	\$ 129,774,890	\$ 16,870,906	\$ 11,225,021	\$ 157,870,817	\$ 82,029,134
Cash payments to suppliers/contractors	(56,215,018)	(4,036,452)	(6,783,593)	(67,035,063)	(24,549,927)
Cash payments to employees	(30,233,680)	(3,015,709)	(1,777,819)	(35,027,208)	(10,210,018)
Other operating receipts	1,638,790	82,891	2,845,625	4,567,306	616,894
Cash payments for insurance	-	-	-	-	(40,633,690)
Net cash provided by operating activities	<u>44,964,982</u>	<u>9,901,636</u>	<u>5,509,234</u>	<u>60,375,852</u>	<u>7,252,393</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers in	-	-	-	-	2,338,866
Transfers out	(12,094,494)	-	(1,481,658)	(13,576,152)	(75,684)
Net cash provided by (used for) noncapital financing activities	<u>(12,094,494)</u>	<u>-</u>	<u>(1,481,658)</u>	<u>(13,576,152)</u>	<u>2,263,182</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition/construction of capital assets	(8,984,229)	(2,747,800)	(1,507,503)	(13,239,532)	(212,982)
Principal paid on bonds	(7,640,142)	(1,199,633)	321,507	(8,518,268)	-
Interest and fees paid on long term debt	(5,818,322)	(1,752,714)	(6,619)	(7,577,655)	(73,973)
Capital contributions from impact fees	1,528,600	-	-	1,528,600	-
Capital grants	265,475	373,000	-	638,475	-
Proceeds from sale of capital assets	268,675	85,899	-	354,574	-
Net cash used for capital and related financing activities	<u>(20,379,943)</u>	<u>(5,241,248)</u>	<u>(1,192,615)</u>	<u>(26,813,806)</u>	<u>(286,955)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchases and sales of investments, net	(68,768,815)	18,697,697	(9,897,066)	(59,968,184)	(18,767,097)
Interest earned on investments	10,973,826	2,560,972	940,507	14,475,305	2,364,086
Net cash provided by (used for) investing activities	<u>(57,794,989)</u>	<u>21,258,669</u>	<u>(8,956,559)</u>	<u>(45,492,879)</u>	<u>(16,403,011)</u>
Net increase (decrease) in cash and cash equivalents	<u>(45,304,444)</u>	<u>25,919,057</u>	<u>(6,121,598)</u>	<u>(25,506,985)</u>	<u>(7,174,391)</u>
Cash and cash equivalents - beginning of year	<u>148,976,456</u>	<u>33,195,154</u>	<u>8,814,381</u>	<u>190,985,991</u>	<u>23,672,275</u>
Cash and cash equivalents - end of year	<u>\$ 103,672,012</u>	<u>\$ 59,114,211</u>	<u>\$ 2,692,783</u>	<u>\$ 165,479,006</u>	<u>\$ 16,497,884</u>
DISPLAYED AS:					
Unrestricted cash and cash equivalents	32,310,581	26,310,701	2,668,329	61,289,611	11,909,981
Restricted cash and cash equivalents	<u>71,361,431</u>	<u>32,803,510</u>	<u>24,454</u>	<u>104,189,395</u>	<u>4,587,903</u>
Total cash and cash equivalents	<u>\$ 103,672,012</u>	<u>\$ 59,114,211</u>	<u>\$ 2,692,783</u>	<u>\$ 165,479,006</u>	<u>\$ 16,497,884</u>

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

CITY OF WEST PALM BEACH, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Water and Sewer System Fund</u>	<u>Stormwater Utility Fund</u>	<u>Non-Major Parking Facilities Fund</u>	<u>Totals</u>	<u>Internal Service Funds</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
Operating income	\$ 35,687,429	\$ 6,606,737	\$ 5,158,245	\$ 47,452,411	\$ 7,202,055
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation and Amortization	16,126,934	3,574,586	243,474	19,944,994	1,096,714
Change in assets, deferred outflows of resources, liabilities and deferred inflows of resources:					
(Increase) decrease in accounts receivable	(706,151)	(405,401)	(35,892)	(1,147,444)	190,588
(Increase) decrease in (gain) loss in joint ventures	(6,493,935)	-	-	(6,493,935)	(20,000)
(Increase) decrease in liens receivable	32,344	11,593	-	43,937	-
(Increase) decrease in due from other governments	38,843	52,000	-	90,843	-
(Increase) decrease in inventory	36,212	-	-	36,212	-
(Increase) decrease in prepaid items	(3,798)	-	-	(3,798)	137,430
(Increase) decrease in net pension asset	(1,129,670)	-	-	(1,129,670)	-
(Increase) decrease in net OPEB asset	(368,304)	-	-	(368,304)	-
(Increase) decrease in deferred outflow	462,125	-	-	462,125	-
Increase (decrease) in accounts payable and accrued liabilities	956,983	36,179	142,843	1,136,005	90,505
Increase (decrease) in due to other governments	(202,409)	-	2,588	(199,821)	-
Increase (decrease) in compensated absences payable	(46,761)	25,942	(2,024)	(22,843)	63,095
Increase (decrease) in net pension liability	(103,255)	-	-	(103,255)	-
Increase (decrease) in net OPEB liability	(151,208)	-	-	(151,208)	-
Increase (decrease) in deferred inflow	815,435	-	-	815,435	-
Increase (decrease) in deposits payable	14,168	-	-	14,168	29,120
Increase (decrease) in insurance claims payable	-	-	-	-	(1,537,114)
Total adjustments	9,277,553	3,294,899	350,989	12,923,441	50,338
Net cash provided by operating activities	\$ 44,964,982	\$ 9,901,636	\$ 5,509,234	\$ 60,375,852	\$ 7,252,393
SCHEDULE OF NON-CASH CAPITAL AND RELATED FINANCING AND INVESTING ACTIVITIES:					
Change in fair value of investments	1,064,208	222,774	102,934	1,389,916	232,902
Right-to-use subscription acquisition	-	-	386,887	386,887	-
Right-to-use subscription liability	-	-	(386,887)	(386,887)	-

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

CITY OF WEST PALM BEACH, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS - PENSION AND OTHER POST EMPLOYMENT BENEFIT FUNDS
SEPTEMBER 30, 2025

	<u>Total Fiduciary Funds</u>
ASSETS:	
Cash and cash equivalents	\$ 8,472,441
Receivables, net:	
Drop loans	1,229,591
Interest receivable	461,537
Account receivable - sale of investments	182,835
Contribution receivable	35,454
Other	539,867
Total receivables, net	<u>2,449,284</u>
Investments:	
Money market	468,495
U.S. government obligations	31,047,659
U.S. government agency obligations	21,409,378
Corporate bonds	5,380,652
Equity securities	314,482,963
Domestic stocks	227,896,227
Preferred stocks	2,449,140
Convertible preferred stocks	425,830
Domestic fixed income	102,609,024
Mutual funds	47,078,754
International equities	92,846,201
Real estate investment funds	92,034,327
Real return fund	2,247,388
Temporary investments	9,271,693
Exchange traded funds	21,846,870
Total investments	971,494,601
Prepaid expenses	37,403
Total assets	<u><u>982,453,729</u></u>
LIABILITIES:	
Accounts payable and accrued expenses	<u>2,103,464</u>
DEFERRED INFLOWS:	
Advanced plan contributions	<u>1,507,276</u>
NET POSITION:	
Restricted for:	
Pension benefits	909,413,240
OPEB benefits	69,429,749
Net position restricted for pensions and OPEB benefits	<u><u>\$ 978,842,989</u></u>

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

CITY OF WEST PALM BEACH, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS - PENSION AND OTHER POST EMPLOYMENT BENEFIT FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Total</u> <u>Fiduciary Funds</u>
ADDITIONS:	
Contributions:	
Plan members	\$ 10,203,811
Insurance premium taxes collected by the State of Florida on behalf of the City of West Palm Beach	4,909,534
City of West Palm Beach	<u>21,988,296</u>
Total contributions	<u>37,101,641</u>
Investment income:	
Net increase in fair value of investments	61,413,278
Interest and dividends	19,180,472
Class action revenue	22,955
Rebates and other revenue	<u>23,136</u>
Total investment income	80,639,841
Less investment expense	<u>3,960,881</u>
Net investment income	<u>76,678,960</u>
Total additions	<u>113,780,601</u>
DEDUCTIONS:	
Participant benefit payments	53,928,826
Refunds of participant contributions	482,473
Administrative Expenses	<u>990,724</u>
Total deductions	<u>55,402,023</u>
Net increase in net position	58,378,578
Net position restricted for pension and OPEB benefits:	
Beginning of year, as previously reported	<u>920,464,411</u>
End of year	<u>\$ 978,842,989</u>

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

WEST PALM BEACH
FINANCE

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Notes to the Basic Financial
STATEMENTS

WEST PALM BEACH

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CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

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A - SIGNIFICANT ACCOUNTING POLICIES

The City of West Palm Beach (the "City") was incorporated under the General Law of the State of Florida on November 5, 1894. The first Charter was granted by Chapter 5367, Laws of Florida, in 1903 and became effective September 18 of that year. The City is governed by a mayor and a five-member board of commissioners (the "City Commission"), all of which are elected City-wide by vote of City residents. The City operates under a strong mayor form of government. The City provides services as listed in the Statement of Activities.

(1) Financial Reporting Entity

The basic financial statements of the City have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the standard setting body for governmental accounting and financial reporting. The following is a summary of the City's significant accounting policies. As required by accounting principles generally accepted in the United States of America, the accompanying financial statements present the City and its component units.

(2) Blended Component Units

The criteria for including component units consist of the identification of legally separate organizations for which the elected officials of the City are financially accountable. This criteria also includes identification of 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. Blended component units, although legally separate entities, are in substance, part of the government's operations and so data from these units are combined with information of the primary government. The City has no discretely presented component units.

The Community Redevelopment Agency of West Palm Beach ("CRA") was established on September 10, 1984 by the City under Ordinance No 1805-84 (Redevelopment Act) pursuant to the "Community Redevelopment Act of 1969" and Chapter 163, Part III of the Florida Statutes. The five member board, comprised of the elected City commissioners, governs the CRA. Although it is legally separate from the City, the CRA is reported as part of the primary government because it shares a common governing body with the City and its sole purpose is to finance and redevelop the City's designated redevelopment areas.

The CRA has two redevelopment areas, each of which is presented as a major governmental fund. The two funds are the City Center Community Redevelopment Agency Fund ("City Center CRA Fund") and the Northwood/Pleasant City Community Redevelopment Agency Fund ("Northwood/Pleasant City CRA Fund").

(3) Fiduciary Component Units

The criteria for including fiduciary component units consist of the identification of legally separate fiduciary organizations for which the elected officials of the City are financially accountable. This criteria also includes identification of fiduciary 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. These fiduciary component units, although legally separate entities, the primary government has operational responsibility for the activities and so they are required to be included as part of the primary government's financial statements as fiduciary component units. The City's fiduciary funds are divided into two separate fund types: the Pension Trust Funds and the Other Post Employee Benefit (OPEB) Trust Fund and the Voluntary Employee Benefits Association (VEBA) Trust Funds, collectively reported as the OPEB Funds.

A - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fiduciary Component Units (Continued)

Pension Trust Funds:

The West Palm Beach Restated Employees Defined Benefit Retirement System (“Restated Employees Retirement System”), the West Palm Beach Firefighters Pension Fund (“Firefighters’ Pension”), and the West Palm Beach Police Pension Fund (“Police Pension”) (collectively, the “Pension Trust Funds”) are each separate entities established to account for the financial activity of the separate pension plans. A board of trustees governs each plan.

The board of the Restated Employees Retirement System is comprised of the Mayor, or designee, City Administrator, or designee, Chief Financial Officer, or designee, a citizen appointed by the Mayor and approved by the Commission, two members elected by the plan participants, and one retiree elected by the retirees. The Firefighters Pension and Police Pension boards are each comprised of five members, two are elected by and from the plan membership, two are citizens of the City and a fifth member elected by the other four members.

The City is obligated to fund liabilities of each pension plan based upon actuarial valuations. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The Pension Trust Funds are fiduciary funds of the City and have separately issued financial statements as of September 30, 2025.

OPEB Funds:

The OPEB funds are each separate entities established to account for the financial retirement activity of the separate employee and management groups, as defined in each respective plan. A board of trustees governs each plan. The OPEB Funds are comprised of the following Trust Funds:

- OPEB Trust Fund (“OPEB Trust”)
- West Palm Elected Officials and Management VEBA Trust Fund (“Elected Officials and Management VEBA”)
- General Employees VEBA Trust Fund (“General Employees VEBA”)
- West Palm Beach Police Benevolent Association Retiree Health Benefit Fund (“Police VEBA”)
- City of West Palm Beach Association of Firefighters Retiree Benefit Fund (“Firefighters’ VEBA”)

In accordance with collective bargaining agreements, the City is obligated to make contributions to the Police and Firefighters VEBA Plans, equal to negotiated percentage of eligible participants salaries. Contributions by the City to the Elected Officials and Management VEBA and General Employees VEBA is annually determined by City resolution, approved by the City Commission; OPEB Trust contributions are actuarially determined; Police VEBA contributions are calculated as 4% of pensionable earnings and Firefighters’ VEBA contributions are calculated as 3% of pensionable earnings. With the exception of the Firefighters’ VEBA, the OPEB plans do not have separately audited financial statements and are included in the City’s financial report. The Firefighters’ VEBA has separately issued financial statements as of March 31, 2024.

Actuarial data for the fiduciary component units are disclosed in the notes to the financial statements and in the Required Supplementary Information section. The net pension and OPEB liability and the annual pension and OPEB expense are reported in the Government-Wide financial statements and in the fund level Enterprise Fund statements, as appropriate.

A - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(4) Joint Ventures

The City is a participant with the East Central Regional Wastewater Treatment Facilities (ECR) in a joint venture to receive, treat and dispose of sewage generated within each member municipality.

The City is a participant in the Municipal Public Safety Communications Consortium of Palm Beach County (MPSCC) in a joint venture to provide its members with expanded radio communications services to aid in public safety over a larger geographical region.

The City has an ongoing financial interest in these joint ventures, which is discussed further in Note E.

(5) Other Related Organizations

The West Palm Beach Downtown Development Authority ("DDA") is a separate legal entity. DDA members are appointed by the Mayor and ratified by the City Commission and may be removed for cause by a four-fifths majority. The West Palm Beach Housing Authority ("Housing Authority") is also a separate legal entity. Housing Authority commissioners are appointed by the Mayor and approved by the City Commission.

There is no financial benefit or burden to the City and the City has no authority over day-to-day operations of these organizations. As such, neither of these organizations are included in the accompanying financial statements for the City.

(6) Government-wide and fund financial statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. As part of the consolidation process, inter-fund activities are eliminated to avoid distorted financial results. Governmental activities, which are primarily supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely extensively on fees and charges for support.

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

Separate fund financial statements are provided for governmental funds, proprietary funds and the fiduciary component units. Fiduciary component units are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements, a governmental activities column has been added. A reconciliation is presented on the Internal Service Funds of the government (which traditionally provide services primarily to other funds of the government) in summary form as part of the proprietary fund financial statements.

A - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide and fund financial statements (Continued)

Since the principal users of the internal services are the City's governmental activities, the financial statements of internal service funds are consolidated into the governmental activities column when presented at the governmental-wide level. To the extent possible, the costs of these services are reflected in the appropriate governmental activities.

(7) Measurement focus, basis of accounting, and financial statement presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when earned, measurable, and available to finance expenditures of the current period. Revenues are considered to be available for the current period when they are collected within the fiscal year being reported on or soon enough thereafter to pay liabilities of that fiscal year. The City considers revenues, other than those related to state and federal expenditure driven grants, to be available if they are collected within 60 days of the end of the fiscal year being reported on.

Revenues related to expenditure driven grants are considered to be available when collected within 180 days of the end of the fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Expenditures related to pension and other post-employment benefits are recognized when the City has made a decision to fund those obligations with current available resources.

Property taxes when levied for the fiscal year, public service taxes, franchise taxes, intergovernmental revenues for which eligibility requirements have been met, charges for services such as licenses, refuse, and recycling and interest income associated with the current fiscal period are all considered to be measurable and have been recognized as revenues of the period, if available. Special assessments are recorded as revenues only to the extent that individual installments are measurable and available.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures incurred.

In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if susceptible to accrual.

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts comprised of assets, deferred outflows, liabilities, deferred inflows, fund balance or net position, revenues, and expenditures or expenses. These funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

A - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement focus, basis of accounting, and financial statement presentation (Continued)

Accounting principles generally accepted in the United States of America set forth minimum criteria (percentage of the assets plus deferred outflows, liabilities plus deferred inflows, revenues or expenditures/expenses of either fund category and the governmental and enterprise combined), for the determination of major funds. The City electively added funds, as major funds, which either have significant outstanding debt proceeds or a specific community focus. The aggregated non-major funds are presented in one column in the fund financial statements.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in a separate fund.

The City Center CRA Fund accounts for revenue received from tax increment financing. The fund is restricted for carrying out redevelopment activity in the designated downtown redevelopment area.

The Northwood/Pleasant City CRA Fund accounts for revenue received from tax increment financing. The fund is restricted for carrying out redevelopment activity in the Northwood/Pleasant City designated area. While not required to be a major fund, the Northwood/Pleasant City CRA Fund is deemed a major fund and is reported separately due to its high level of public interest.

The City reports the following major proprietary funds:

The Water and Sewer System Fund accounts for the activities related to providing water and sewer services to the public.

The Stormwater Utility Fund was established to maintain the City's canals, basins and storm sewers.

In addition, the City reports the following other funds:

Internal Service Funds account for services provided to other departments of the City on a cost reimbursement basis. These services include information technology, fleet management, risk management and insurance (employee life/health insurance, workers' compensation, general liability insurance, and property insurance), vehicle fleet replacement, and technology replacement.

Fiduciary Funds, including pension and other post employment benefit trust funds account for the activities of the Police Pension Fund, Firefighters' Pension Fund, Restated General Employees' Retirement System Fund, OPEB Trust Fund, Elected Officials and Management VEBA Fund, General Employees VEBA Fund, Police VEBA Fund and Firefighters' VEBA Fund, which accumulate resources for pension other post employment benefit payments to qualifying City officials and employees.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's enterprise funds and the General Fund as well as cost reimbursement transactions between the enterprise funds and various other functions of City government. Elimination of these charges would distort the direct costs and program revenues reported for those sectors.

A - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement focus, basis of accounting, and financial statement presentation (Continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

The principal operating revenues of the enterprise funds and the internal service funds are charges to customers for sales and services. The Water and Sewer System Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system.

Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

(8) Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance

Cash and Cash Equivalents

For accounting and investment purposes, the City maintains a cash and investment pool available for use by all funds. The City's cash and investment pool allows individual funds, at any time, to deposit additional cash or make withdrawals without prior notice or penalty. Cash and cash equivalents reported in the government-wide financial statements include cash on hand, all highly liquid deposits, and investments with maturities of three months or less as of the date of purchase. Interest earned on pooled cash and investments is allocated to funds based on average weekly balances. The City's banking contract requires that a compensating balance be maintained. This balance is adjusted quarterly based on charges for services utilized by the City in the prior quarter and the City's earnings credit rate (an interest factor on collected funds).

Investments

Primary Government:

Investments are stated at fair value. Income from investments held by the individual funds is recorded in the respective fund as it is earned. All other investments owned by the City are accounted for in the City's investment pool. Income earned from this pool is allocated to the respective funds based upon average monthly equity balances.

Pension and Other Post-Employment Benefit (OPEB) Plans:

The Pension Plans, along with the Police and Firefighters' VEBA plans, are authorized to invest in obligations of the US Treasuries and US Agencies, high capitalization common and preferred domestic and international equities, fixed income investments, money market and mutual funds. The General Employees' Restated Defined Retirement System has adopted an investment policy to allocate fund assets to US Treasuries, US Agencies, corporate bonds, fixed income mutual funds. The investments of the plans are managed by independent investment managers in accordance with the Plans' provisions as established by each pension or OPEB board. In all cases, the general investment objective is to obtain a reasonable total return as defined as interest and dividend income plus realized and unrealized capital gains or losses commensurate with the prudent investor rule and Chapters 175 and 185 of the Florida Statute.

The City does not have a formal investment policy for the OPEB Trust, the Elected Officials and Management VEBA and the General Employees VEBA and follows the policy established by the primary government.

A - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance (Continued)

Interfund Receivables and Payables

Activity between funds that are representative of lending or borrowing arrangements outstanding at the end of the fiscal year of a short-term nature and any other outstanding balances between funds are reported as due to and due from other funds. The long-term portion of any borrowings between funds is reported as advances to and from other funds. Long-term advances of the governmental funds are recorded by the advancing fund as a receivable and non-spendable fund balance. Any residual outstanding balances between the governmental activities and business-type activities at year-end are reported in the government-wide financial statements as internal balances.

Receivables

Receivables include amounts for services provided by the City. Revenues derived from these services are recognized when earned. All accounts and notes receivable are reported net of any allowances for uncollectible. Allowances for uncollectible receivables are based upon a review of accounts and the knowledge of the creditor's ability to pay. Notes receivables are analyzed for collectability based on terms and conditions of the agreements and are included in the allowance for uncollectible if deemed appropriate.

Inventories

Inventories consist of materials and supplies held for consumption and are valued at cost on a first-in, first-out basis. Perpetual inventory records are maintained and adjusted periodically to physical inventory amounts. The consumption method is used to account for inventories. Under the consumption method, inventories are recorded as expenditures at the time inventory items are used, rather than purchased.

Prepaid Items

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

Restricted Assets

Certain proceeds from fund revenue bonds, as well as other resources set aside in accordance with bond indentures and other arrangements, are classified as restricted assets in the government-wide and proprietary funds Statements of Net Position. Restricted assets are not required to be presented on the balance sheets of the governmental funds under the modified accrual basis of accounting; however, certain assets of these funds are restricted as to use.

Investment in Joint Ventures

The City accounts for its investments in joint ventures using the equity method in accordance with GAAP and the respective agreements creating the venture.

A - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance (Continued)

Capital Assets

Capital assets are stated at historical cost or, if donated, the acquisition value at the date of donation and are reported in the applicable governmental or business-type activities columns in the government-wide and proprietary fund financial statements.

The City capitalizes all acquisitions of tangible and intangible property (including right-to-use leased and subscription assets) expected to be held for more than one year and which have a minimum cost of \$25,000 for buildings and infrastructure or a minimum cost of \$10,000 for all other assets.

Expenditures that materially extend the useful life of existing properties are capitalized. The cost of property sold or retired, together with the related accumulated depreciation, is removed from the appropriate accounts, and any resulting gain or loss is included in change in net position. The City reviews the carrying value of its capital assets to ensure that any impairment concerns are identified and appropriately reflected in the financial statements. Should the expected cash flows be less than carrying value, an impairment loss would be recognized to reduce the carrying value. There was no impairment loss identified or recognized during fiscal year 2025.

Depreciation on property, plant and equipment is recorded in the Proprietary Fund statements and in the Government-Wide Statement of Activities. Depreciation or amortization is computed using the straight-line method over the estimated useful lives of the related assets which are:

Buildings	20 - 40 years
Improvements	15 - 40 years
Infrastructure	30 - 40 years
Equipment	5 - 10 years
Intangibles (primarily software and subscription assets)	5 - 10 years

In governmental funds, the acquisition or construction costs of capitalized assets are reported as expenditures and no depreciation or amortization is recorded. Right-to-use leased and subscription assets are amortized over the lease or subscription term or the life of the asset, whichever is less. See Note I and J for details regarding the City's leased and subscription assets, respectively.

Compensated Absences

City employees are granted vacation, sick, earned personal leave, comp time, and holiday pay in varying amounts based on length of service, terms of collective bargaining agreements, and City policies. Employees are limited by bargaining agreements or policy as to the amount of vacation, sick and earned personal leave that can be carried from one calendar year to another, while comp time and holiday pay have no limits.

A - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance (Continued)

Compensated Absences (Continued)

A leave liability is recognized due to the leave attributable to services already rendered, leave that accumulates, and leave that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability has been calculated using the leave amounts for both employees who currently are eligible to receive termination payments, and other employees who are expected to become eligible in the future to receive such payments upon termination, and using the last-in, first-out (LIFO) assumption in order to determine how the leave will be settled. The liability has been calculated based on the employee's current salary levels and includes salary-related costs (e.g., Social Security and Medicare tax). The current year's accruals are based on estimates.

The current portion of compensated absences payable is the amount estimated to be used or paid in the following fiscal year. The leave liability is reported at the government-wide level and in the proprietary fund financial statements. In governmental funds, a liability is only recorded for amounts due as a result of employee resignations or retirement.

Estimated Claims Payable

The City is self-insured for general liability, automobile liability, police professional liability, workers' compensation, employee relations and certain death benefits and medical plans. The operating funds are charged premiums by the Insurance internal service fund. The accrued liability for estimated claims represents an estimate of the eventual loss on claims arising prior to year-end, including claims incurred and not yet reported.

Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities in the government-wide and proprietary fund financial statements. Bond premiums and discounts are recorded as direct additions to or deductions from the related debt and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable premiums and discounts.

In the governmental fund financial statements, bond premiums and discounts are recognized during the current period. The face amount of debt issued and any premiums received are reported as other financing sources while discounts are reported as other financing uses.

Bond premiums or discounts are amortized over the life of the bonds using the effective interest method. Deferred amounts on refunding are amortized over the shorter of the remaining life of the old debt or the life of the new debt using the effective interest method and reported as deferred outflows of resources. Issuance costs are expensed in the year of issuance, except for prepaid bond insurance costs.

Pensions

The City has three pension plans; West Palm Beach Restated Employees Retirement System, West Palm Beach Police Pension Fund and West Palm Beach Firefighters' Pension Fund (the Pension Plans). For the purposes of measuring the net pension liability, net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions, additions to/deductions from the Pension Plans' fiduciary net positions have been determined on the same basis as they are reported by the Pension Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

A - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance (Continued)

Pensions (Continued)

Investments in real estate are recorded at fair value using valuation techniques such as the market approach or the income approach for which sufficient and reliable data is available.

Other Post-Employment Benefits (OPEB)

OPEB costs for retiree healthcare and similar, non-pension retiree benefits is required to be measured and disclosed using the accrual basis of accounting. For the purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net positions of the OPEB Plans and additions to/deductions from the OPEB fiduciary net positions have been determined on the same basis as they are reported by the respective OPEB plans in accordance with GASB Statement No. 75.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

The City reports deferred loss on refunding, accumulated decrease in fair value of derivative instruments, change in pension and OPEB assumptions, pension and OPEB contributions made subsequent to the measurement date and the difference between projected and actual earnings on pension investments.

The deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

The accumulated decrease in fair value of hedging derivative instruments is reported in the government-wide statement of net position.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that period. The items that qualify for reporting in this category are:

- Deferred inflows from unavailable revenues, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, assessments, and grant revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Deferred inflow related to leases is deferred and recognized as an inflow of resources in the governmental funds and the government-wide report based on the payment provisions in the contracts.
- Deferred inflows related to OPEB and pensions for differences between expected and actual experience. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the respective pension and OPEB plans.

A - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance (Continued)

Deferred Outflows/Inflows of Resources (Continued)

See Note H, Note I, Note P and Note R for more information on deferred inflows and outflows related to interest rate swap, leases, the pension plans and the OPEB plans, respectively.

Leases

The City routinely engages in lease agreements to meet operational needs or serve the general public. Lease contracts generally relate to buildings and various vehicles, machinery, and equipment.

The City uses an estimated incremental borrowing rate as the discount rate for leases unless the rate the lessor charges is known. If amendments or other certain circumstances occur that are expected to significantly affect the terms of the lease contract, the present value is re-measured and corresponding adjustments are made. Some lease contracts include increases in annual payments related to the consumer price index (CPI) or similar indices, and the available index increase is included in the present value at the commencement of the lease or upon remeasurement.

Payments based on future performance are not included in the measurement of the lease liability or lease receivable but recognized as revenue or expense in the period performed. Residual value guarantees and exercise options are included in the measurement if they are reasonably certain to be paid or exercised.

Lessee

For short term lease contracts, the City recognizes periodic revenue or expense based on the provisions of the lease contracts. For all lease contracts that meet the financial reporting requirements of GASB Statement No. 87, "Leases", lease standards where the City is the lessee, the City recognizes a lease liability and an intangible right-to-use lease asset based on the present value of future lease payments over the non-cancellable period of the lease contract. Right-to-use leased assets are reported with capital assets, and lease liabilities are reported as long-term debt in the statement of net position. The right-to-use leased assets are amortized using straight-line basis over the term of the lease or the useful life, if different from the lease term. The lease liability is reduced by the principal portion of the lease payments made. More information regarding lessee lease information can be found in Note I - Leases, Note F - Capital Assets, Note O - Commitments and Contingencies, and Note G - Long-term Liabilities in the Notes to the Basic Financial Statements.

Lessor

The City also serves as a lessor providing leases of City-owned assets. The financial statements recognize a lease receivable and a deferred inflow of resources, based on the present value of the future lease payments expected to be received during non-cancellable period of the lease contract, and the deferred inflow of resources is amortized evenly over the life of the lease. The lease receivable is reduced by the principal portion of the fixed lease payments received.

Leases Receivable

During the fiscal year, the City's lessor lease agreements were for the use of land, buildings, and equipment. The terms of these lease agreements range between 1 and 99 years. The City recognized \$172,957 in lease revenue and \$167,969 in interest revenue during the current fiscal year related to leases. As of September 30, 2025, the receivable for lease payments was \$13.4 million.

A - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance (Continued)

Subscription-Based Information Technology Arrangements (SBITA)

The City routinely engages in subscription-based information technology arrangements ("SBITA") to meet operation needs or serve the general public. A SBITA is defined as a contractual agreement that conveys control of the right to use another party's (a SBITA vendor's) information technology "IT" software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction.

The City uses various SBITA assets that it contracts through cloud computing arrangements, such as software as a service and platform as a service. The related obligations are presented in the amounts equal to the present value of subscription payments, payable during the remaining SBITA term. SBITA assets are included in the depreciable assets, in the Capital Assets section, on the government-wide Statement of Net Position and right-to-use subscription assets at Note F.

Components of variable payments that are fixed in substance, are included in the measurement of the SBITA liability in the government-wide Statement of Net position and Notes G and J.

The City did not incur expenses related to its SBITA activities such as termination penalties, not previously included in the measurement of the SBITA liability, or losses due to impairment. Furthermore, the City does not have commitments under SBITA that have not commenced as of the end of the Fiscal Year 2025.

Fund Balance and Net Position

In the fund financial statements, governmental funds report fund balance classifications based on the level of constraint on the resources. Amounts which 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 enabling legislation are classified as restricted fund balances. Amounts which can only be appropriated, modified, or rescinded for specific purposes pursuant to constraints imposed by the City Commission through an ordinance are classified as committed fund balances.

The City Commission may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Non-spendable fund balances include amounts that cannot be spent because they are either: a) not in spendable form, or b) legally or contractually required to be maintained intact.

Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

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

A - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance (Continued)

Fund Balance and Net Position (Continued)

An ordinance is the highest level of decision making authority and requires two City Commission "readings" (votes) to effect or rescind. Amounts which are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. Assigned fund balances include the appropriation of fund balances to eliminate projected deficits in the subsequent fiscal year's budget.

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

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbered amounts for specific purposes are reported within the applicable restricted, committed or assigned fund balance classifications.

Unassigned fund balance represents fund balance which has not been assigned to other funds and which has not been restricted, committed, or assigned to specific purposes within the general fund.

Net position of the government-wide and proprietary funds is categorized as net investment in capital assets; restricted or unrestricted. Net investment in capital assets consists of capital assets reduced by the outstanding debt issued to acquire, construct or improve those assets, less any unspent debt proceeds and deferred gains and losses on refundings. Restricted net position has regulatory or third party limitations on its use.

Minimum Fund Balance

In accordance with Ordinance No. 3761-04, the City established and maintains an emergency reserve equivalent to 10% of total general fund revenue. The purpose of the ordinance was to establish policy to maintain an adequate General Fund fund balance to provide a "rainy day" fund for use in unforeseen, unbudgeted emergency situations, such as sustained declines in real estate values and/or property tax collections or increase in spending requirements imposed by the state or federal government; unreimbursable natural disaster expenditures or emergency infrastructure failures.

The Chief Financial Officer is authorized and shall transfer the calculated amount from unassigned fund balance to the emergency reserve, to the extent available, to satisfy the requirement and shall report such balances as part of the annual audited financial statement. This emergency reserve is reported as committed fund balance in the General Fund (See Note S).

If upon completion of any fiscal year the ending balance in such emergency reserve is less than the requirement and sufficient monies do not exist in the unassigned fund balance, then the Chief Financial Officer shall recommend an amendment to the current year budget and include in succeeding fiscal year budgets reserved appropriations sufficient to cover the deficiency over a period not to exceed three fiscal years (deficiency requirement).

The emergency reserve shall be used exclusively for emergencies declared by the City Commission, and the appropriation there from shall be made by resolution adopted by four-fifths vote of the commission. Any monies available in the unassigned fund balance shall be used prior to using the emergency reserve to fund authorized emergencies.

A - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance (Continued)

Minimum Fund Balance (Continued)

The duties, responsibilities, and powers of the City Chief Financial Officer also include the establishment of an unassigned general fund balance equivalent to a minimum of 3% of total general fund revenue. If upon completion of any fiscal year, the ending balance in the unassigned fund balance is less than the minimum requirement, then the Chief Financial Officer shall recommend an amendment to the current year budget and include in succeeding fiscal year budgets reserve appropriations sufficient to cover the deficiency over a period not to exceed five fiscal years (deficiency requirement).

Appropriation from the minimum balance shall require City Commission approval and shall generally be for one-time expenditures such as capital purchases and not for ongoing expenditures unless a viable revenue plan designed to sustain the expenditures is approved.

Estimates

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

Budgets and Budgetary Accounting

It is the City's intent to adopt annual budgets for all major and non-major government funds. In certain instances, when no activity or lack of activity exists, certain government funds are not subject to an annual appropriated budget. Annual budgets are prepared for the major and non-major governmental funds, except the Impact Fees Western Expansion Fund and Land Acquisition Fund. Annual budgets for all the major and non-major governmental funds are prepared on the modified accrual basis of accounting, except for the General Fund. The General Fund budget is prepared on the modified accrual basis of accounting except that current year encumbrances are treated as expenditures for budgetary purposes and administrative charges from other funds are budgeted as revenue in the General Fund. The City also adopts an operating budget for its proprietary funds. All unencumbered and unexpended appropriations lapse at the fiscal year end, except those for ongoing capital projects and special revenue funds which are brought forward and become part of the subsequent year's original budget.

The City is not legally required to, and does not adopt budgets for the Pension or OPEB Trust Funds.

The legal level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level.

Florida Statutes require that all city governments prepare, adopt and execute an annual budget for such funds as may be required by law or by sound financial practices and generally accepted accounting principles. Accordingly, the City has established budgetary procedures.

A - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance (Continued)

Property Tax Calendar

The City levies property taxes each October 1st. During the month of November, the Palm Beach County Tax Collector's Office prepares and delivers a Notice of Property Taxes and Non-Ad Valorem Assessments to each taxpayer listed on the current year's assessment roll.

On any property against which the taxes have been assessed, the Notice of Property Taxes and Non-Ad Valorem Assessments is recognized as a first lien and is superior to all other liens. The lien continues in full force from January 1 of the year in which the taxes were levied until discharged by payment. Market values of taxable property are determined by the Palm Beach County Property Appraiser as of January 1 each year.

All taxes are due from property owners by March 31. Taxes become delinquent on April 1 and are subject to the issuance of tax sale certificates if unpaid by June 1. Property tax revenue is subject to accrual when levied. At September 30, unpaid delinquent taxes are reflected as a receivable on the balance sheet.

(9) Pronouncement issued and adopted by the City

GASB Statement No. 101, *Compensated Absences*, is effective for the fiscal year ended September 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management has determined that there is no significant impact to the City's financial accounting or reporting and there is no change to previously reported amounts for the implementation of GASB Statement No. 101.

GASB Statement No. 102, *Certain Risk Disclosures*, is effective for the fiscal year ended September 30, 2025. The requirements of this Statement is intended to improve financial reporting by providing users of financial statements with essential information that currently is not provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risk to governments' financial condition. Management has determined that there is no significant impact to the City's financial accounting or reporting and there is no change to previously reported amounts for the implementation of GASB Statement No. 102.

(10) Recently Issued Accounting Pronouncements

GASB Statement No. 103, *Financial Reporting Model Improvements*, is effective for the fiscal year ended September 30, 2026. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. Management is currently evaluating the impact of the adoption of the relevant portions of this statement on the City's financial statements.

A - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Issued Accounting Pronouncements (Continued)

GASB Statement No. 104, "*Disclosure Of Certain Capital Assets*", is effective for the fiscal year ended September 30, 2026. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments.

GASB Statement No. 105, "*Subsequent Events*", is effective for the fiscal year ending September 30, 2027. It replaces the guidance previously found in GASB Statement No. 56 and is designed to improve how governments identify, evaluate, and disclose events that occur after the fiscal year-end but before the financial statements are issued.

B - DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is used by all funds except the Pension and certain OPEB Funds. Certain of the City's Governmental and Enterprise funds also hold separate cash and investment accounts. Deposits and investments of the Pension Plans, along with the Police and Firefighters' VEBA Plans are held separately from those of other City funds and follow their separately approved policies. Deposits and investments for the OPEB Trust Fund, the Management and Elected Officials VEBA and the General Employees' VEBA are also held separately from the other City's funds. These funds do not follow an adopted investment policy and primarily follow the investment policy of the City.

Cash

The City's cash deposits are held by banks that qualify as public depositories under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes. As such, the City's cash deposits are fully insured by the Public Deposits Trust Fund. At September 30, 2025, the City was required to maintain a compensating balance of \$1,500,000 at the City's primary banking institution. Maintaining this minimum balance allows the City to avoid bank fees and to earn higher rates of interest on deposits.

Authorized Investments and Credit Risk

The City's investment practices are governed by Chapter 280 and 218, Florida Statutes, City Code of Ordinances and the City's adopted investment policy, and various legal covenants related to outstanding bond issues. For all investments authorized by statute and policy, the City applies the "Prudent Man Rule" when developing investment strategies.

The City has no formal policy relating to foreign currency risk. For the year ended September 30, 2025, the City had no investment exposure to foreign currency or derivatives instruments. For the year ended September 30, 2025, the City had no investment exposure to derivative instruments.

The City's Investment Policy permits the following investments, which are limited to credit quality ratings from Nationally Recognized Statistical Ratings Organizations ("NRSRO") as follows:

- U.S. Treasury obligations which are guaranteed by the full faith and credit of the United States with maturities not to exceed ten years from the date of purchase.
- Money Market Mutual Fund shares in open-end, no-load funds that are registered under the Federal Investment Company Act of 1940 and operated in accordance with 17 C.F.R. § 270.2a-7. The prospectus of such funds must indicate that the share value shall not fluctuate.

B - DEPOSITS AND INVESTMENTS (CONTINUED)

Authorized Investments and Credit Risk (Continued)

- Intergovernmental Investment Pools that are authorized pursuant to the Florida Inter-local Cooperation Act, as provided in Section 163.01, Florida Statutes and provided that said funds contain no derivatives.
- Corporate obligations or notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a minimum long term debt rating, at the time of purchase, of A or better by any Nationally Recognized Statistical Ratings Organization ("NRSRO"). Maximum term for corporate notes and obligations shall be seven years.
- In addition, under the Investment Policy, the Short Term and Long Term Portfolios may invest in the following investments: U.S. Government Agencies, State and Local Government Debt, Commercial Paper rated "Prime-1" by Moody's and "A-1" by Standard & Poor's or equivalent by another NRSRO, Banker's Acceptances rated Prime-1 by Moody's and A-1 by Standard and Poor's, Registered Investment Companies (Mutual Funds) rated AAA or better by Standard & Poor's.

The City's investment portfolio is designed to reduce the concentration of credit risk within the City's investment portfolio. A maximum of 25% of available funds may be invested in the Florida PRIME Fund and similar funds, 100% of available funds may be invested in United States Treasury Securities, 50% of available funds may be invested in United States Government Agencies with a 25% limit on individual issuers, 10% of available funds may be invested in United States Government Sponsored Enterprises with a 3% limit on individual issuers, 25% of available funds may be invested in non-negotiable interest bearing time certificates of deposit with a 25% limit on individual issuers, 5% of available funds may be invested in repurchase agreements excluding one (1) business day agreements and overnight sweep agreements with a 5% limit on any one institution, 10% of available funds may be directly invested in prime commercial paper with a 5% limit on individual issuers, 5% of available funds may be directly invested in Bankers' acceptances with a 5% limit on individual issuers, 30% of available funds may be invested in state and/or local taxable and tax-exempt debts with a limit of 5% on individual issuers, 20% of available funds may be invested in mutual funds with a limit of 10% with any one non-SEC Rule 2a-7 investment mutual fund, 20% of available funds may be invested in money market mutual funds, with a 10% limit on individual issuers, 40% of available funds may be invested in intergovernmental investment pools with a 25% limit on individual issuers and 10% of available funds may be invested in corporate obligations or corporate notes of US corporations with a limit of 3% with any one corporate note.

The City has investments in four investment pools, Florida PRIME, Florida Cooperative Liquid Assets Securities System ("Florida CLASS"), Florida Public Assets for Liquidity Management ("Florida PALM") and the Florida Local Government Investment Trust ("Florida LGIT"). Florida PRIME and Florida CLASS are state pools managed by the State Board Administration (SBA), who provides regulatory oversight. In order to accommodate pool participants with readily available cash, a substantial portion of the portfolio is placed in short-term securities. Florida PALM is a local government investment pool developed through the joint efforts of the Florida School Boards Association and the Florida Association of District School Superintendents. The Florida LGIT is a local government investment pool developed through the joint efforts of the Florida Association of Court Clerks and Comptrollers and the Florida Association of Counties.

Under the guidelines of GASB Codification Section 150, Florida Prime is a "2a-7 like" pool. Accordingly, investments in Florida PRIME are reported at amortized cost. The Florida LGIT is accounted for as net asset value (NAV) pools. As such, its investments have been valued based on their respective fair value factor as of the financial statement date.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

B - DEPOSITS AND INVESTMENTS (CONTINUED)

Authorized Investments and Credit Risk (Continued)

Florida PRIME and Florida CLASS are governed by the rules of Chapter 19-7 of the Florida Administrative Code. These rules provide guidance and establish the general operating procedures for the administration of the Florida PRIME and Florida CLASS. Additionally, the Office of the Auditor General performs the operational audit of the activities and investment of the SBA.

According to the SBA, the Florida PRIME and Florida CLASS follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investment and for External Investment Pools*, and GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, where the City owns a share of the respective pool, not the underlying securities. Accordingly, the City's investment in Florida PRIME and Florida CLASS are stated at amortized cost. (For investment pools valued at amortized cost under GASB Statement No. 79, we must disclose if there are any of the following: any limitations or restrictions on participant withdrawals, such as redemption notice periods, maximum transactions, authority to impose liquidity fees or redemption gates.) There are no limitations or restrictions on participant withdrawals for the SBA investment fund that is recorded at amortized cost.

The Florida PRIME, Florida CLASS, Florida PALM, and Florida LGIT are exempt from the GASB Statement No. 72, *Fair Value Measurement and Application*, fair value hierarchy disclosures. Additionally, the investments in Florida PRIME, the Florida CLASS, Florida PALM and Florida LGIT are not insured by FDIC or any other governmental agency. Investments at September 30, 2025, in the Florida PRIME, the Florida CLASS, Florida CLASS, Florida PALM, and Florida LGIT have a weighted average days to maturity (WAM) of 39 days, 30 days, 44 days and 38 days, respectively. The City's investment in the Florida PRIME, Florida CLASS, Florida PALM and investment pools are rated AAAM by Standard and Poor's, while the Florida LGIT is rated AAAM by Fitch Ratings.

As of September 30, 2025, the primary government and the OPEB Plans had the following cash and investment types and effective duration presented in terms of years:

				As of September 30, 2025 (in thousands)**		
<u>Credit and Interest Rate Risk</u>						
Investment Vehicle	Rating	% of Portfolio	Duration Years	Total Portfolio	Cash Equivalents	Investments
Cash and cash equivalents	NR	7.32%	0.00	\$ 68,039	\$ 68,039	\$ -
Money market funds	AAAm	8.62%	0.00	80,173	80,173	-
Florida PRIME	AAAm	16.86%	0.11	156,881	156,881	-
Florida CLASS	AAAm	6.67%	0.08	62,035	62,035	-
Florida PALM	AAAm	5.35%	0.12	49,749	49,749	-
Florida LGIT	AAAm	0.75%	0.11	6,989	6,989	-
Certificates of deposits	NR	6.05%	0.00	56,322	4,383	51,939
United States treasuries	AA+	45.46%	1.37	422,978	-	422,978
Agency bonds	AA+	0.26%	1.94	2,450	-	2,450
Municipal bonds	AA+	0.32%	0.06	2,971	-	2,971
Corporate notes:						
Exchange traded funds (ETF)	NR	2.35%	0.00	21,847		21,847
		100.00%		\$ 930,434	\$ 428,249	\$ 502,185

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

B - DEPOSITS AND INVESTMENTS (CONTINUED)

Authorized Investments and Credit Risk (Continued)

Credit and Interest Rate Risk				As of December 31, 2024 (in thousands)**		
Investment Vehicle	Rating	% of Portfolio	Duration Years	Total Portfolio	Cash Equivalents	Investments
Cash and cash equivalents	NR	4.45%	0.00	\$ 1,328	\$ 1,328	\$ -
Mutual funds - domestic equities	NR	47.71%	0.00	14,242	-	14,242
Mutual funds - international equities	NR	19.50%	4-8	5,822	-	5,822
Mutual funds - fixed income	AAA	8.55%	4-8	2,552	-	2,552
Mutual funds - fixed income	AA	15.51%	4-8	4,630	-	4,630
Mutual funds - fixed income	A	1.91%	4-8	570	-	570
Mutual funds - fixed income	BBB	1.91%	4-8	571	-	571
Mutual funds - fixed income	BB	0.22%	4-8	67	-	67
Mutual funds - fixed income	B	0.18%	4-8	48	-	48
Mutual funds - fixed income	NR	0.06%		19	-	19
		<u>100.00%</u>		<u>\$ 29,849</u>	<u>\$ 1,328</u>	<u>\$ 28,521</u>

Credit and Interest Rate Risk				As of March 31, 2025 (in thousands)**		
Investment Vehicle	Rating	% of Portfolio	Duration Years	Total Portfolio	Cash Equivalents	Investments
Cash and cash equivalents	NR	1.01%	0.00	\$ 146	\$ 146	\$ -
Mutual funds - domestic equities	NR	58.25%	0.00	8,338	-	8,338
Mutual funds - international equities	NR	14.06%	0.00	2,012	-	2,012
Mutual funds - fixed income	AAA	11.01%	7-10	1,576	-	1,576
Mutual funds - fixed income	AA	0.79%	7-10	113	-	113
Mutual funds - fixed income	A	5.46%	7-10	781	-	781
Mutual funds - fixed income	BBB	8.26%	7-10	1,182	-	1,182
Mutual funds - fixed income	BB	0.64%	7-10	92	-	92
Mutual funds - fixed income	B	0.23%	7-10	33	-	33
Mutual funds - fixed income	NR	0.29%	7-10	41	-	41
		<u>100.00%</u>		<u>\$ 14,314</u>	<u>\$ 146</u>	<u>\$ 14,168</u>

Total \$ 974,597 \$ 429,723 \$ 544,874

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

B - DEPOSITS AND INVESTMENTS (CONTINUED)

Authorized Investments and Credit Risk (Continued)

** Investments held for the Police VEBA, Elected Officials VEBA and the General Employees VEBA at December 31, 2024 and Firefighter's VEBA at March 31, 2025, are representative of the plans year-ends, consistent with GASB Statement No. 74. These dates are different than the City's fiscal year end at September 30, 2025.

Reconciliation to Statement of Net Position:

Portfolio value	\$ 974,597
Petty Cash	31
Less: OPEB cash and investments	<u>(69,399)</u>
Total cash and investments on Statement of Net Position	<u><u>\$ 905,229</u></u>

Amounts from Statement of Net Position:

Unrestricted cash and cash equivalents	\$ 245,310
Unrestricted investments	391,707
Restricted cash and cash equivalents	148,481
Restricted investments	<u>119,731</u>
Total cash and investments on Statement of Net Position	<u><u>\$ 905,229</u></u>

The Custodial Credit Risk

Cash, Cash Equivalents and Investments: Custodial credit risk is defined as the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral security that are in the possession of an outside party. The City's cash deposits and are held by banks that qualify as public depositories under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes. As such, the cash deposits are fully insured by the Public Deposits Trust Fund. The City's cash equivalents and investment portfolio is held in safekeeping by the custodians in the name of the City of West Palm Beach, thereby eliminating exposure to custodial credit risk.

Interest Rate Risk: The City's Investment Policy sets limits for investment maturities to match known cash needs and cash flow requirements. Investments of current operating funds shall have maturities of no longer than twenty-four (24) months. Investments of bond reserves, construction funds, and other non-operating funds, "core funds", shall have a term appropriate to the need for funds and in accordance with debt covenants, not to exceed a maturity of five (5) years with an average duration of the portfolio as a whole not to exceed three (3) years. As of September 30, 2025, the City has no investments that have embedded options, allowing the issuer to call the obligation or demand a stated increase in the interest rate.

Effective Duration:

Short Term Portfolio: As a means of limiting its exposure to fair value losses arising from rising interest rates, the Investment Policy requires that 100% of the short term portfolio be invested in maturities of less than one year.

Long Term Portfolio: As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's Investment Policy requires that the duration of the long term portfolio not exceed three years.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

B - DEPOSITS AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

As of September 30, 2025, the City and the OPEB Trust had the following issuer concentrations that exceed 5% of their respective investment portfolios based on fair value:

Issuer	% of Portfolio	Amount (in thousands)
United States treasuries	45.46%	\$ 422,978
Florida CLASS	6.67%	62,035
Certificates of deposits	6.05%	56,322
Florida PRIME	16.86%	156,881
Money Market Funds	8.62%	80,173
Other	16.34%	152,045
Total	100.00%	\$ 930,434

Investment Categorization

As of September 30, 2025, the City categorized its investment portfolio using the fair value measurements in accordance with GASB Statement No. 72. This Statement uses a hierarchy based on the valuation inputs used to measure the fair value of the asset. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are based on other significant observable inputs such as indices for fixed income bonds and quoted prices for similar assets in markets that are active and not active; Level 3 inputs are significant unobservable inputs.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

B - DEPOSITS AND INVESTMENTS (CONTINUED)

Investment Categorization (Continued)

As of September 30, 2025, December 31, 2024 and March 31, 2025, the City and the OPEB Plans had the following investment vehicles held at fair value:

Fair Value (in thousands) as of September 30, 2025						
Investment Vehicle	Quoted Prices in Active Markets For Identical Assets			Significant Other Observable Inputs	Significant Unobservable Inputs	Total
	Level 1	Level 2	Level 3			
United States treasuries	\$ -	\$ 422,978	\$ -	\$ -	\$ 422,978	
Agency bonds	-	2,450	-	-	2,450	
Municipal bonds	-	2,971	-	-	2,971	
Exchange traded funds	-	21,847	-	-	21,847	
Money market funds	80,173	-	-	-	80,173	
Total investments by fair value level	<u>\$ 80,173</u>	<u>\$ 450,246</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 530,419</u>	
Florida PRIME (exempt)					156,881	
Florida CLASS (exempt)					62,035	
Florida PALM (exempt)					49,749	
Florida LGIT (exempt)					6,989	
Certificates of deposits (exempt)					56,322	
Cash and cash equivalents (exempt)					68,039	
Total					<u>\$ 930,434</u>	
Fair Value (in thousands) as of December 31, 2024						
Investment Vehicle	Quoted Prices in Active Markets For Identical Assets			Significant Other Observable Inputs	Significant Unobservable Inputs	Total
	Level 1	Level 2	Level 3			
Mutual funds - domestic equities	\$ 14,242	\$ -	\$ -	\$ -	\$ 14,242	
Mutual funds - international equities	5,822	-	-	-	5,822	
Mutual funds - fixed income	8,457	-	-	-	8,457	
Total investments by fair value level	<u>\$ 28,521</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,521</u>	
Cash and cash equivalents (exempt)					1,328	
Total					<u>\$ 29,849</u>	
Fair Value (in thousands) as of March 31, 2025						
Investment Vehicle	Quoted Prices in Active Markets For Identical Assets			Significant Other Observable Inputs	Significant Unobservable Inputs	Total
	Level 1	Level 2	Level 3			
Mutual funds - domestic equities	\$ 8,337	\$ -	\$ -	\$ -	\$ 8,337	
Mutual funds - international equities	2,012	-	-	-	2,012	
Mutual funds - fixed income	3,818	-	-	-	3,818	
Total investments by fair value level	<u>\$ 14,167</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,167</u>	
Cash and cash equivalents (exempt)					146	
Total					<u>\$ 14,313</u>	
Grand total	<u>\$ 122,861</u>	<u>\$ 450,246</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 974,596</u>	

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

B - DEPOSITS AND INVESTMENTS (CONTINUED)

Pension Funds - Cash and investment types

As of September 30, 2025, the pension funds had the following cash and cash investments:

Investment Vehicle	As of September 30, 2025 (in thousands)		
	Total Portfolio	Cash Equivalents	Investments
Cash and cash equivalents	\$ 3,609	\$ 3,609	\$ -
United States government obligations	31,048	-	31,048
United States government agency obligations	21,409	-	21,409
Corporate bonds	5,381	-	5,381
Mutual funds	4,390	-	4,390
Money market funds	468	-	468
Domestic fixed income	102,609	-	102,609
Domestic stocks	227,896	-	227,896
Preferred stocks	2,449	-	2,449
Convertible preferred stocks	426	-	426
Equity securities	314,483	-	314,483
International equity	92,846	-	92,846
Real estate investment funds	92,035	-	92,035
Temporary investments	9,272	-	9,272
Real return fund	2,247	-	2,247
Total	\$ 910,568	\$ 3,609	\$ 906,959

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

B - DEPOSITS AND INVESTMENTS (CONTINUED)

The pension plans held the following investments at September 30, 2025:

Investment Type	Firefighters Pension Fund			Police Pension Fund		
	Fair Value (in thousands)	Average Effective Duration (Years)	Overall Credit Rating	Fair Value (in thousands)	Average Effective Duration (Years)	Overall Credit Rating
United States government obligations	\$ 13,239	8.64	AA+	\$ 9,074	5.25	AA+
United States agency obligations	13,012	11.6	AA+	8,398	11.27	AA+
Corporate bonds	4,154	4.84	A	760	5.26	AA-
Domestic stocks	123,046	N/A	N/A	104,850	N/A	N/A
International stocks	12,999	N/A	N/A	-	-	-
Preferred stocks	2,449	N/A	N/A	-	-	-
Convertible preferred stocks	426	N/A	N/A	-	-	-
Equity securities	70,722	N/A	N/A	215,811	N/A	N/A
Domestic equity investment funds	56,217	N/A	N/A	-	N/A	N/A
International equities	-	N/A	N/A	79,847	N/A	N/A
Domestic Fixed income	-	N/A	N/A	46,392	N/A	N/A
Real estate investment funds	35,309	N/A	N/A	54,668	N/A	N/A
Temporary investment funds	1,545	N/A	N/A	7,726	N/A	N/A
Total	\$ 333,118			\$ 527,526		

Restated Employees Defined Benefit System

Issuer	Fair Value (in thousands)	Average Effective Duration (Years)	Overall Credit Rating
United States agency obligations	\$ 4,070	23	AA+
United States treasuries - notes	3,334	15	AA+
United States treasuries - bonds	1,331	18	AA+
Corporate bonds	468	5	A+ / A-
Equity securities	27,950	N/A	N/A
Mutual funds	4,390	15	AAA - Unrated
Real return fund	2,247	N/A	N/A
Real estate investment funds	2,057	N/A	N/A
Money market funds	468	N/A	N/A
Total	\$ 46,315		

* A portion of the U.S. government securities were unrated.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

B - DEPOSITS AND INVESTMENTS (CONTINUED)

Pensions Plans - Fair value hierarchy

At September 30, 2025, the pension funds held the following investments at fair value:

Investment Vehicle	Fair Value Measurement (in thousands)				Amounts (in thousands) Total
	Prices in Active Markets For Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3		
United States government obligations	\$ 3,334	\$ 27,714	\$ -	\$ -	\$ 31,048
United States government agency securities	-	21,409	-	-	21,409
Corporate bonds	-	5,381	-	-	5,381
Mutual funds	4,390	-	-	-	4,390
Domestic stocks	227,896	-	-	-	227,896
Equities securities	314,483	-	-	-	314,483
Preferred stocks	2,449	-	-	-	2,449
Convertible Preferred stocks	426	-	-	-	426
International equity investment funds	92,846	-	-	-	92,846
Temporary investments	9,272	-	-	-	9,272
Real return fund	2,247	-	-	-	2,247
Domestic fixed income	102,609	-	-	-	102,609
Total investments by fair value level	<u>\$ 759,952</u>	<u>\$ 54,504</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 814,456</u>
Cash and cash equivalents (exempt)					3,609
<u>Investments measured at the net asset value (NAV)</u>					
Real estate investment funds					92,035
Money market funds					468
Total					<u>\$ 910,568</u>

The real estate fund for the Firefighters' and Police Pension funds are open end, commingled private real estate portfolios. These REIT-based funds are structured as Limited Partnerships. Their primary focus is to invest in well-based income producing properties within major U.S. markets. The fair values of the investments in these funds have been determined using the NAV per unit of the Trust ownership interest in partners' capital. These investments are valued quarterly. Withdrawal requests must be made 60 days in advance and may be paid in one or more installments.

The alternative investment vehicle for the Firefighters' Pension Fund is held with a broker-dealer registered with the United States Securities and Exchange Commission and serves as the principal underwriter for the private fund.

The real estate fund for the Restated General Employees Pension Fund is an open end diversified core real estate commingled fund that invests primarily in core institutional office, retail, industrial, and multi-family properties located throughout the United States. The investment redemptions must be received by the fund 10 days prior to quarter end.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

C - RECEIVABLES AND UNEARNED REVENUE

Receivables

Receivables at September 30, 2025 for the City’s governmental activities and the aggregate and applicable allowances for uncollectible accounts are as follows:

	General Fund	City Center Community Redevelopment Agency Fund	Northwood / Pleasant City Community Redevelopment Agency Fund	Non-Major Governmental Funds	Internal Service Funds	Total
Receivables:						
Accounts (gross)	\$ 18,423,695	\$ 59,891	\$ 13,428	\$ 2,562,788	\$ 436,439	\$ 21,496,241
Allowance for uncollectibles	(6,989,054)	-	-	-	-	(6,989,054)
Accounts (net)	<u>11,434,641</u>	<u>59,891</u>	<u>13,428</u>	<u>2,562,788</u>	<u>436,439</u>	<u>14,507,187</u>
Interest	726,400	331,707	29,988	981,718	319,434	2,389,247
Notes (gross)	-	-	-	16,426,050	-	16,426,050
Allowance for uncollectibles	-	-	-	(13,712,127)	-	(13,712,127)
Notes (net)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,713,923</u>	<u>-</u>	<u>2,713,923</u>
Liens and assessments (gross)	450,009	-	-	327,345	-	777,354
Allowance for uncollectibles	-	-	-	(327,345)	-	(327,345)
Liens and assessments (net)	<u>450,009</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>450,009</u>
Total receivables	<u>\$ 12,611,050</u>	<u>\$ 391,598</u>	<u>\$ 43,416</u>	<u>\$ 6,258,429</u>	<u>\$ 755,873</u>	<u>\$ 20,060,366</u>

Significant Uncollectibles

The notes receivable of \$16.4 million in the Non-major Governmental Funds is comprised of mortgages containing covenants exempting mortgages from repayment if certain conditions are met. In issuing these notes receivable, the primary emphasis is on community development and repayment is a secondary consideration. Notes receivable deemed uncollectible is estimated at approximately \$13.7 million.

Receivables at September 30, 2025 for the City’s business-type activities are as follows:

	Water and Sewer System Fund	Stormwater Utility Fund	Non-Major Enterprise Funds	Total
Receivables:				
Accounts (gross)	\$ 16,294,461	\$ 6,736,387	\$ 57,366	\$ 23,088,214
Allowance for uncollectibles	(3,720,397)	(4,823,823)	-	(8,544,220)
Accounts (net)	<u>12,574,064</u>	<u>1,912,564</u>	<u>57,366</u>	<u>14,543,994</u>
Interest - unrestricted	865,597	209,910	144,898	1,220,405
Liens and assessments (gross)	1,542,078	258,033	-	1,800,111
Subtotal, receivables - unrestricted	<u>2,407,675</u>	<u>467,943</u>	<u>144,898</u>	<u>3,020,516</u>
Interest - restricted	720,564	123,688	-	844,252
Total receivables	<u>\$ 15,702,303</u>	<u>\$ 2,504,195</u>	<u>\$ 202,264</u>	<u>\$ 18,408,762</u>

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

C - RECEIVABLES AND UNEARNED REVENUE (CONTINUED)

Unearned/unavailable revenue

Unearned revenue from resources that have been received but not yet earned is reported on both the government-wide Statement of Net Position and on the fund financial statements. The governmental fund financial statements also report unavailable revenue from receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

The components of unearned/unavailable revenues at September 30, 2025 are as follows:

	General Fund	City Center Community Redevelopment Agency Fund	Northwood / Pleasant City Community Redevelopment Agency Fund	Non-Major Governmental Funds	Total
Revenues earned but not available:					
Unavailable revenue	\$ 1,330,318	\$ 54,935	\$ 14,278	\$ 1,956,841	\$ 3,356,372
EMS receivables	942,905	-	-	-	942,905
Lease receivable	236,761	268,295	-	12,390,932	12,895,988
Total unavailable	<u>2,509,984</u>	<u>323,230</u>	<u>14,278</u>	<u>14,347,773</u>	<u>17,195,265</u>
Unearned revenue:					
Prepaid occupational licenses	2,903,209	-	-	-	2,903,209
Grants	-	-	-	6,123,788	6,123,788
Other	49,816	-	-	-	49,816
Total unearned	<u>2,953,025</u>	<u>-</u>	<u>-</u>	<u>6,123,788</u>	<u>9,076,813</u>
Total unearned/unavailable revenue	<u>\$ 5,463,009</u>	<u>\$ 323,230</u>	<u>\$ 14,278</u>	<u>\$ 20,471,561</u>	<u>\$ 26,272,078</u>

D - RESTRICTED CASH AND INVESTMENTS

Restricted Cash and Investments

Certain cash and investments are restricted by external third parties for the following purposes:

Purpose	GOVERNMENTAL ACTIVITIES		
	Non-Major Governmental Funds	Internal Service Funds	Totals
	Debt service	\$ 10,178,034	\$ -
Revenue bond and capital improvement unspent proceeds	39,525,232	-	39,525,232
Self insurance claims	-	4,587,903	4,587,903
Total restricted assets	<u>\$ 49,703,266</u>	<u>\$ 4,587,903</u>	<u>\$ 54,291,169</u>

D - RESTRICTED CASH AND INVESTMENTS (CONTINUED)

Restricted Cash and Investments - Business-type

Purpose	BUSINESS-TYPE ACTIVITIES			Totals
	Water and Sewer System Fund	Stormwater Utility Fund	Non-Major Enterprise Funds	
Deposits payable	\$ 11,799,627	\$ -	\$ 24,454	\$ 11,824,081
Operation and maintenance	16,586,332	1,959,796	-	18,546,128
Revenue bond construction accounts	23,683,397	14,166,856	-	37,850,253
Revenue bond debt service accounts	14,919,664	3,352,935	-	18,272,599
Revenue bond renewal and replacement accounts	102,816,567	19,503,100	-	122,319,667
Town of Palm Beach renewal and replacement accounts	5,107,795	-	-	5,107,795
Total restricted assets	<u>\$ 174,913,382</u>	<u>\$ 38,982,687</u>	<u>\$ 24,454</u>	<u>\$ 213,920,523</u>

E - INVESTMENT IN JOINT VENTURES

East Central Regional Wastewater Treatment Facilities (“ECR”): In September 1992, the City entered into a joint inter-local agreement (“Agreement”) with Palm Beach County (the “County”) and three municipalities (City of Riviera Beach, City of Lake Worth Beach, and Town of Palm Beach – the “Entities”) whereby prior separate agreements were consolidated into a single unified agreement to establish rules and procedures for the operation and management of the existing ECR in which each participating Entity has an equity interest. ECR was created to receive, treat, and dispose of sewage generated within each entity and the County. The term of the Agreement is for an initial period of thirty years with an option to renew for an additional thirty years upon the mutual consent of the Entities.

In the event ECR is sold or disposed of, proceeds of the sale or disposition shall be prorated among the Entities, based on their reserve capacity as of the date of disposition.

The Agreement also provides for the establishment of a Board (the “Board”) comprised of one representative from each Entity participating in the Agreement to administer ECR. Under the Agreement, the Board has the power to enter into contracts, employ personnel and enter into debt in accordance with Section 163.01(7) of the Florida statutes.

In accordance with the Agreement, the City operates and manages ECR on behalf of the Board. All costs of operating ECR, excluding non-cash expenditures, are shared by each of the Entities based on actual flows of wastewater.

Costs associated with capital projects, renewal and replacement and debt service are shared among the participating governments based on their pro-rata share of reserve capacity except as noted below.

The City recorded its initial investment at cost and records its ongoing financial interest as a proportion of ECR’s net position as reported in the ECR’s most recent audited financial statements. The proportion is the City’s reserve capacity share.

E - INVESTMENT IN JOINT VENTURES (CONTINUED)

The City does not believe that the joint venture is accumulating significant financial resources or experiencing financial stress that may cause a future benefit or burden to the City. The most recent audited financial statements, for September 30, 2025, reported total ECR assets of \$398,398,422 and total net position of \$244,961,180 including a \$141,389,084 net investment in capital assets and \$6,139,796 of unrestricted net position. Complete financial statements for the ECR may be obtained at the City of West Palm Beach Finance Department, 401 Clematis Street, West Palm Beach, Florida 33401.

The ECR Entities' ownership interests at September 30, 2025 were:

Participants	Capacity (MGD)	Capacity Percentages
City of West Palm Beach	20.5	29.29 %
Palm Beach County	24.0	34.28 %
City of Lake Worth	11.5	16.43 %
City of Riviera Beach	8.0	11.43 %
Town of Palm Beach	6.0	8.57 %
Total	70.0	100.00 %

During fiscal year 2000, the City entered into an agreement with ECR concerning the construction, operation and maintenance of a reclaimed water production facility. This equipment and structures are known as the Advanced Water Treatment ("AWT") facility. This facility was completed at the end of fiscal year 2006 and treated ECR effluent in order to provide reusable water for the benefit of the City. Since it is constructed on ECR land, the facility is considered ECR property with 100% of its capacity and beneficial interest allocated to the City. The AWT facility is no longer operational.

At September 30, 2025, the city's investments in the ECR was reported at a combined net book value of \$71,738,596 in the water and sewer systems proprietary fund.

Municipal Public Safety Communications Consortium of Palm Beach County (MPSCC) - In December 1999, the City entered into an inter-local agreement with other cities and towns in Palm Beach County to purchase and operate a county-wide public safety communications system. The inter-local agreement established the MPSCC whose purpose is to provide its members with expanded radio communications services (via the 800MHz trunked radio system) to aid in public safety over a larger geographical region. The MPSCC is a cost sharing organization. Its annual budget is prepared by the Executive Director and approved by the Board of Directors. The member municipalities of the MPSCC are obligated for the debt incurred by the consortium and each municipality is responsible for their respective portion of costs incurred by the MPSCC. The City's 2006 initial investment in this joint venture was \$3,577,000 which represents 73% of the total consortium investment.

During fiscal year 2025, member costs for the City were \$20,000 and the year-end value of the City's investment was \$1,984,827. The City's investment and related member costs are recorded in the MIS Processing Fund which is an Internal Service Fund.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

F - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2025 was as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Governmental Activities:					
Capital assets not being depreciated/amortized:					
Land	\$ 109,984,364	\$ 6,269,699	\$ -	\$ -	\$ 116,254,063
Construction in progress	64,412,445	49,301,633	-	(13,674,270)	100,039,808
Total capital assets not being depreciated/amortized	<u>174,396,809</u>	<u>55,571,332</u>	<u>-</u>	<u>(13,674,270)</u>	<u>216,293,871</u>
Capital assets being depreciated/amortized:					
Buildings	226,248,452	2,076,323	-	4,462,479	232,787,254
Improvements other than buildings	293,734,008	-	-	6,496,870	300,230,878
Infrastructure	114,223,197	-	-	-	114,223,197
Machinery, furniture, and equipment	74,823,474	3,829,184	(4,153,306)	2,714,921	77,214,273
Right-to-use leased assets, buildings	1,112,436	-	-	-	1,112,436
Right-to-use leased assets, equipment	195,090	-	-	-	195,090
Right-to-use subscription assets	2,961,755	-	(87,198)	-	2,874,557
Intangible assets	10,237,023	-	-	-	10,237,023
Total capital assets being depreciated/amortized	<u>723,535,435</u>	<u>5,905,507</u>	<u>(4,240,504)</u>	<u>13,674,270</u>	<u>738,874,708</u>
Total capital assets	<u>897,932,244</u>	<u>61,476,839</u>	<u>(4,240,504)</u>	<u>-</u>	<u>955,168,579</u>
Less accumulated depreciation/amortization:					
Buildings	92,162,307	5,778,334	-	-	97,940,641
Improvements other than buildings	208,003,591	10,773,326	-	-	218,776,917
Infrastructure	114,222,391	806	-	-	114,223,197
Machinery, furniture, and equipment	54,910,548	5,594,781	(4,108,513)	-	56,396,816
Right-to-use leased assets, buildings	365,406	209,214	-	-	574,620
Right-to-use leased assets, equipment	138,065	46,822	-	-	184,887
Right-to-use subscription assets	1,471,755	621,036	(87,198)	-	2,005,593
Intangible Assets	3,229,726	756,835	-	-	3,986,561
Total accumulated depreciation/amortization	<u>474,503,789</u>	<u>23,781,154</u>	<u>(4,195,711)</u>	<u>-</u>	<u>494,089,232</u>
Total capital assets being depreciated/amortized, net	<u>249,031,646</u>	<u>(17,875,647)</u>	<u>(44,793)</u>	<u>13,674,270</u>	<u>244,785,476</u>
Governmental Activities					
Capital assets, net	<u>\$ 423,428,455</u>	<u>\$ 37,695,685</u>	<u>\$ (44,793)</u>	<u>\$ -</u>	<u>\$ 461,079,347</u>

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

F - CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Business-type Activities:					
Capital assets not being depreciated/amortized:					
Water and Sewer Systems Fund	\$ 6,268,750	\$ -	\$ -	\$ -	\$ 6,268,750
Non-major Funds	4,044,086	-	-	-	4,044,086
Total land	<u>10,312,836</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,312,836</u>
Water and Sewer Systems Fund	40,553,720	8,446,290	-	(7,416,535)	41,583,475
Stormwater System Fund	11,613,483	2,783,177	-	(5,627,729)	8,768,931
Non-major Funds	2,004,925	1,120,617	-	(1,314,733)	1,810,809
Total construction in progress	<u>54,172,128</u>	<u>12,350,084</u>	<u>-</u>	<u>(14,358,997)</u>	<u>52,163,215</u>
Total capital assets not being depreciated/amortized	<u>64,484,964</u>	<u>12,350,084</u>	<u>-</u>	<u>(14,358,997)</u>	<u>62,476,051</u>
Capital assets being depreciated/amortized:					
Water and Sewer Systems Fund	89,844,835	-	-	-	89,844,835
Stormwater System Fund	2,945,114	-	-	-	2,945,114
Non-major Funds	9,302,578	-	-	1,314,733	10,617,311
Total buildings	<u>102,092,527</u>	<u>-</u>	<u>-</u>	<u>1,314,733</u>	<u>103,407,260</u>
Water and Sewer Systems Fund	545,412,248	-	(989,081)	7,165,494	551,588,661
Stormwater System Fund	90,074,592	-	-	5,376,454	95,451,046
Non-major Funds	3,828,982	-	-	-	3,828,982
Total infrastructure	<u>639,315,822</u>	<u>-</u>	<u>(989,081)</u>	<u>12,541,948</u>	<u>650,868,689</u>
Water and Sewer Systems Fund	18,278,064	955,559	(1,332,556)	251,990	18,153,057
Stormwater System Fund	6,427,148	179,302	(508,809)	251,275	6,348,916
Non-major Funds	1,558,011	-	-	-	1,558,011
Total machinery, furniture, and equipment	<u>26,263,223</u>	<u>1,134,861</u>	<u>(1,841,365)</u>	<u>503,265</u>	<u>26,059,984</u>
Right-to-use subscription assets					
Water and Sewer Systems Fund	139,833	-	-	-	139,833
Non-major Funds	101,678	386,887	(101,678)	-	386,887
Total right-to-use subscription assets	<u>241,511</u>	<u>386,887</u>	<u>(101,678)</u>	<u>-</u>	<u>526,720</u>
Total capital assets being depreciated/amortized	<u>767,913,083</u>	<u>1,521,748</u>	<u>(2,932,124)</u>	<u>14,359,946</u>	<u>780,862,653</u>
Less accumulated depreciation/amortization					
Water and Sewer Systems Fund	74,386,351	1,352,529	-	-	75,738,880
Stormwater System Fund	699,465	73,627	-	-	773,092
Non-major Funds	9,291,215	41,762	-	-	9,332,977
Total buildings	<u>84,377,031</u>	<u>1,467,918</u>	<u>-</u>	<u>-</u>	<u>85,844,949</u>
Water and Sewer Systems Fund	204,157,770	13,466,467	-	-	217,624,238
Stormwater System Fund	34,251,735	2,663,549	-	-	36,915,284
Non-major Funds	3,305,430	83,798	-	-	3,389,228
Total infrastructure	<u>241,714,935</u>	<u>16,213,814</u>	<u>-</u>	<u>-</u>	<u>257,928,750</u>
Water and Sewer Systems Fund	13,858,366	1,307,937	(1,331,604)	-	13,834,699
Stormwater System Fund	3,660,112	837,410	(508,808)	-	3,988,714
Non-major Funds	1,386,917	49,640	-	-	1,436,557
Total machinery, furniture, and equipment	<u>18,905,395</u>	<u>2,194,987</u>	<u>(1,840,412)</u>	<u>-</u>	<u>19,259,970</u>
Water and Sewer Systems Fund:	134,284	-	-	-	134,284
Non-major Funds:	101,678	68,275	(101,678)	-	68,275
Total right-to-use subscription assets:	<u>235,962</u>	<u>68,275</u>	<u>(101,678)</u>	<u>-</u>	<u>202,559</u>
Total accumulated depreciation/amortization	<u>345,233,323</u>	<u>19,944,994</u>	<u>(1,942,090)</u>	<u>-</u>	<u>363,236,228</u>
Total capital assets being depreciated/amortized, net	<u>\$ 422,679,760</u>	<u>\$ (18,423,246)</u>	<u>\$ (990,034)</u>	<u>\$ 14,359,946</u>	<u>\$ 417,626,425</u>
Business-type Activities					
Capital assets, net	<u>\$ 487,164,724</u>	<u>\$ (6,073,162)</u>	<u>\$ (990,034)</u>	<u>\$ 949</u>	<u>\$ 480,102,476</u>

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

F - CAPITAL ASSETS (CONTINUED)

Depreciation and amortization additions by program

Governmental Activities:

General government	\$ 5,544,012
Public safety	3,034,539
Public works	1,164,035
Economic environment	6,146,743
Engineering services	4,917,562
Leisure services	1,877,549
Subtotal	<u>22,684,440</u>

Depreciation and amortization of the capital assets held by the government's Internal Service Funds are charged to various functions based on their usage of assets:

Amortization	83,567
Depreciation	<u>1,013,147</u>

Total depreciation and amortization expense - Governmental Activities \$ 23,781,154

Business-type Activities:

Water and Sewer System Fund	\$ 16,126,934
Stormwater System Fund	3,574,586
Non-major Funds	<u>243,474</u>

Total depreciation expense - Business-type Activities \$ 19,944,994

G - LONG-TERM DEBT

The following is a summary of changes in long-term debt and liabilities for governmental activities:

	Beginning Balances	Additions	Reductions	Ending Balances	Total Current Liabilities	Total Noncurrent Liabilities
Governmental activities:						
Bonds:						
General obligation bonds	\$ 22,385,000	\$ -	\$ (470,000)	\$ 21,915,000	\$ 495,000	\$ 21,420,000
General obligation premiums	4,140,056	-	(298,587)	3,841,469	-	3,841,469
Revenue bonds	183,705,000	-	(11,775,000)	171,930,000	12,295,000	159,635,000
Revenue premiums	13,492,565	-	(2,007,928)	11,484,637	-	11,484,637
Arbitrage rebate payable	1,532,235	-	(755,560)	776,675	-	776,675
Total bonds	<u>225,254,856</u>	<u>-</u>	<u>(15,307,075)</u>	<u>209,947,781</u>	<u>12,790,000</u>	<u>197,157,781</u>
Compensated absences payable	25,813,932	15,609,926	(13,235,903)	28,187,955	13,532,099	14,655,856
Line of credit	385,031	73,150	(168,274)	289,907	289,907	-
Installment purchases payable	2,599,337	-	(964,509)	1,634,828	532,003	1,102,825
Leases payable	832,611	-	(250,048)	582,563	225,020	357,543
Subscriptions payable	1,462,518	-	(588,972)	873,546	526,599	346,947
Notes payable	46,260,000	-	(945,000)	45,315,000	965,000	44,350,000
Insurance claims payable	21,092,861	30,533,264	(32,070,378)	19,555,747	6,184,774	13,370,973
Total Governmental Activities	<u>\$ 323,701,146</u>	<u>\$ 46,216,340</u>	<u>\$ (63,530,159)</u>	<u>\$ 306,387,327</u>	<u>\$ 35,045,402</u>	<u>\$ 271,341,925</u>

G - LONG-TERM DEBT (CONTINUED)

Bonds outstanding at September 30, 2025 payable from governmental activities are comprised of general obligation, special obligation and tax increment revenue bonds. These bonds mature in varying amounts during succeeding fiscal years through 2050. Interest rates on these long-term obligation ranges from 4.00% to 4.18% on general obligation bonds, 3.59% to 4.33% on special obligation bonds and 4.01% to 5.25% on tax increment revenue bonds.

General Obligation Bonds:

The \$24,465,000 General Obligation Bonds, Series 2020, were issued on August 27, 2020. The proceeds are to be used to fund various parks and recreation improvement projects. Interest rates on remaining annual principal amounts payable vary from 4.00% to 4.18%. The bonds mature on April 1, 2050 and are pledged by the full faith, credit and taxing power of the City. The principal balance at September 30, 2025 was \$21,915,000.

Tax Increment Revenue Bonds:

The \$77,175,000 City Center Community Redevelopment Area (CCCRA) Tax Increment Revenue Bonds, Series 2006A, were issued on November 30, 2006. The interest rate on remaining annual principal amounts payable is 4.45%. Proceeds of the bond are used to finance the costs of the CCCRA Redevelopment Project and mature on March 1, 2036. The Bonds will be payable solely from and are secured by Pledged Funds derived by the CRA from: (i) CCCRA Tax Increment Revenues; and (ii) all moneys, securities and instruments held in the accounts and sub-accounts created under the Bond Resolution, except the CCCRA Rebate Account. On August 11, 2015, \$46,925,000 of the outstanding principal was refunded through the issuance of 2015 CCCRA Refunding Bond. The outstanding balance of Series 2006A CCCRA Tax Increment Revenue Bonds after this refunding was \$26,365,000 and the maturity date was unchanged and principal payments resume on March 1, 2036. At September 30, 2025 the principal balance was \$5,000.

The \$18,870,000 NPCCRA Tax Increment Revenue Refunding Bonds, Series 2015, were issued on June 11, 2015 and advance refunded all of the outstanding Series 2005A bonds of like title. Interest rates on remaining annual principal amounts payable, vary from 4.01% to 4.13% and matures March 1, 2035. The Series 2015 Bonds are solely payable from and secured by a pledge of and first lien on the Pledged Funds derived by the Agency from (i) NPCCRA Tax Increment Revenues and (ii) all moneys, securities and instrument held in the accounts and sub-accounts created under the Bond Resolution, except the NPCCRA Rebate Account. At September 30, 2025 the principal balance was \$13,545,000.

The \$44,060,000 CCCRA Tax Increment Revenue Refunding Bonds, Series 2015 were issued September 10, 2015 and advance refunded a portion of the outstanding Series 2006A bonds of like title. Interest rates on remaining annual principal amounts payable, vary from 4.67% to 5.25% and matures March 1, 2031. The bond is solely payable from and secured by a pledge of and first lien on the Pledged Funds derived by the Agency from (i) CCCRA Tax Increment Revenues and (ii) all moneys securities and instruments held in the accounts and sub-accounts created under the Bond Resolution, except the CCCRA Rebate Account. At September 30, 2025 the principal balance was \$21,510,000.

The \$91,285,000 CCCRA Tax Increment Revenue Bonds, Series 2019, were issued July 23, 2019. Proceeds of the bond were used to finance the costs of the CCCRA redevelopment projects and partially refund the outstanding Series 2006A Bonds of \$24,265,000. The interest rate on the annual principal amounts payable is 5.0% and Matures on March 1, 2036.

The Bonds will be payable solely from and are secured by pledged funds derived by the CCCRA from: (i) tax increment revenues; and (ii) all moneys, securities and instruments held in the accounts and sub-accounts created under the Board Resolution, except the CCCRA Rebate Account. At September 30, 2025 the principal balance was \$75,490,000.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

G - LONG-TERM DEBT (CONTINUED)

Special Obligation Revenue Bonds:

On July 5, 2016, the City issued the Special Obligation Bonds, Series 2016A and 2016C. The proceeds of \$50,400,000 related to Series 2016A were used to fund \$50,000,000 of the unfunded actuarial accrued liability of the City’s Police Pension Fund. Interest rates on the remaining annual principal amounts payable, vary from 3.59% to 4.00% and matures on October 1, 2035.

The proceeds of \$35,990,000 Special Obligation Refunding Bonds, Series 2016C, were used to refund all of the City’s Special Obligations Bonds (City Hall Project) outstanding immediately prior to issuance of the Series 2016C Bonds. Interest rates on the remaining annual principal amounts payable, vary from 3.00% to 4.33% and matures on October 1, 2036. The principal balances of the Special Obligation Bonds, Series 2016A and 2016C were \$32,010,000 and \$29,370,000 respectively.

The annual requirements to pay Governmental Activities principal and interest on the bonds outstanding at September 30, 2025 are as follows:

Fiscal Years Ending September 30	GOVERNMENTAL ACTIVITIES					
	General Obligation Bonds			Revenue Bonds		
	Principal	Interest	Total Required	Principal	Interest	Total Required
2026	\$ 495,000	\$ 904,625	\$ 1,399,625	\$ 12,295,000	\$ 7,393,172	\$ 19,688,172
2027	520,000	879,250	1,399,250	12,845,000	6,828,130	19,673,130
2028	545,000	852,625	1,397,625	13,420,000	6,245,097	19,665,097
2029	575,000	824,625	1,399,625	13,990,000	5,659,502	19,649,502
2030	605,000	795,125	1,400,125	14,625,000	5,019,085	19,644,085
2031 - 2035	3,475,000	3,512,650	6,987,650	84,130,000	13,960,460	98,090,460
2036 - 2040	4,250,000	2,728,400	6,978,400	20,625,000	370,611	20,995,611
2041 - 2045	5,165,000	1,789,700	6,954,700	-	-	-
2046 - 2050	6,285,000	648,500	6,933,500	-	-	-
Total	\$ 21,915,000	\$ 12,935,500	\$ 34,850,500	\$ 171,930,000	\$ 45,476,057	\$ 217,406,057
Current portion	(495,000)			(12,295,000)		
Premium	3,841,469			11,484,637		
Long-term portion	\$ 25,261,469			\$ 171,119,637		

Pledged Revenue:

The City has pledged legally available non-ad valorem revenues to pay the Special Obligation Bonds, Series 2016A and 2016C. The non-ad valorem revenue used for the bonds consists of utility taxes, franchise taxes, licenses and permits, fines and forfeitures, intergovernmental charges for services and other. For the current fiscal year, principal and interest of \$6,606,860 was paid on these bonds. As of September 30, 2025 non-ad valorem revenues totaled \$129,404,829.

Tax Increment Revenue Bonds are those secured by a pledge of and first lien on the Pledged Funds derived from the CRA. The City has two types of Tax Increment Revenue Bonds: the Northwood/Pleasant City Community Redevelopment Area (NPCCRA), 2015 and the City Center Community Redevelopment Area (CCCRA) Tax increment Revenue Bonds, 2006A, 2015 and 2019. Tax increment revenue received by the NPCCRA and CCCRA in fiscal year 2025 was \$4,458,189 and \$38,883,643, respectively.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

G - LONG-TERM DEBT (CONTINUED)

Notes Payable:

On September 5, 2019, the City issued \$15,055,000 Series 2019 Special Obligation Note to fund certain capital expenditures. The interest rate is fixed at 1.83% and matures on October 1, 2034. In the event of default of payment, covenant, or compliance with notice requirements, the Note will immediately begin to bear interest at the default rate of the lesser of 18.0% and the maximum lawful rate and continue through the duration of the default. As of September 30, 2025, the principal balance was \$10,490,000.

On October 25, 2022, the City issued \$34,825,000 Special Obligation Refunding Note, Taxable Series 2022 to fully refund the Special Obligation Refunding Bonds, Series 2016B. In the event of default of payment, covenant, or compliance with notice requirements, the Note will immediately begin to bear interest at the default rate of the lesser six percentage points above the Prime Rate and the maximum lawful rate and continue through the duration of the default. The interest rate is fixed at 4.42% and matures on October 1, 2040. As of September 30, 2025, the principal balance was \$34,825,000.

The annual requirements to pay governmental activities principal and interest on the notes payable at September 30, 2025 were as follows:

Fiscal Years	Principal	Interest	Total Required
2026	\$ 965,000	\$ 1,713,573	\$ 2,678,573
2027	985,000	1,695,547	2,680,547
2028	1,080,000	1,673,711	2,753,711
2029	1,100,000	1,651,509	2,751,509
2030	1,125,000	1,628,720	2,753,720
2031 - 2035	5,980,000	7,782,501	13,762,501
2036 - 2040	26,035,000	4,910,399	30,945,399
2041 - 2045	8,045,000	-	8,045,000
Total	\$ 45,315,000	\$ 21,055,960	\$ 66,370,960
Current portion	(965,000)		
Long-term portion	\$ 44,350,000		

Installment Purchases:

On December 14, 2011, the City entered into a \$6,900,000 15-year installment purchase arrangement to finance energy efficiency/conservation improvements throughout the City. The agreement carries an interest rate of 2.41% with annual payments of \$568,144 including principal and interest. At September 30, 2025, the value of the asset net of related accumulated depreciation and the principal outstanding balance totaled \$1,281,537 and \$1,634,827, respectively.

On September 29, 2020, the City entered into a five-year installment purchase agreement to acquire three vehicles for the Fire Department. The agreement carries an interest rate of 1.09% with annual payments of \$449,932, including principal and interest. At September 30, 2025, the principal outstanding has been fully repaid.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

G - LONG-TERM DEBT (CONTINUED)

Installment Purchases: (Continued)

The annual requirements to pay governmental activities principal and interest on the installment purchase agreements outstanding at September 30, 2025 were as follows:

<u>Fiscal years ending September 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Required</u>
2026	\$ 532,003	\$ 36,142	\$ 568,144
2027	544,872	23,272	568,144
2028	557,953	10,087	568,018
Total	<u>1,634,828</u>	<u>69,501</u>	<u>1,704,329</u>
Long-term portion	<u>\$ 1,102,825</u>		

Line of Credit:

On December 15, 2023, the NPCCRA, Series 2023 non-revolving line of credit was issued for \$5,000,000 under a loan agreement for the acquisition of certain properties within the Northwood/Pleasant City Community Redevelopment Area for redevelopment. The line of credit is to be converted to a loan on the earlier of full use of the available balance or September 1, 2026. Currently the interest rate is variable and upon conversion the interest rate will be fixed at 8.0%. The loan matures on September 30, 2031. Once converted, upon the occurrence and during the continuance of any event of default, the loan shall bear interest at the default rate of the lesser of 18.0% and the maximum lawful rate. As of September 30, 2025, the balance of the line of credit was \$289,907. Subsequent to year end, the line-of-credit was fully paid.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

G - LONG-TERM DEBT (CONTINUED)

Long-term debt for governmental activities

The City's long-term debt for Governmental Activities is summarized as follows:

	Purpose of Issue	Amount Issued	Principal Amount Outstanding	Stated Interest Rate	Maximum Annual Debt Service
GOVERNMENTAL ACTIVITIES:					
Bonds:					
General obligation bonds:					
Series 2020	Parks projects	\$ 24,465,000	\$ 21,915,000	4.00 - 4.18%	\$ 1,400,125
Revenue bonds:					
Series 2006A, CCCRA	Redevelopment	77,175,000	5,000	4.45%	5,111
Series 2015, NPCCRA	Refunding	18,870,000	13,545,000	4.01 - 4.13%	1,654,731
Series 2015, CCCRA	Refunding	44,060,000	21,510,000	4.67 - 5.25%	4,119,075
Series 2016A special obligation	Police Pension	50,400,000	32,010,000	3.59 - 4.00%	3,542,093
Series 2016C special obligation	Refunding	35,990,000	29,370,000	3.00 - 4.33%	3,050,000
Series 2019, CCCRA	Refunding	91,285,000	75,490,000	5.00%	11,443,500
Total revenue bonds		<u>317,780,000</u>	<u>171,930,000</u>		<u>23,814,510</u>
Total bonds		<u>342,245,000</u>	<u>193,845,000</u>		<u>25,214,635</u>
Notes Payable:					
Capital Improvement					
Special obligation note 2019	and Vehicles	15,055,000	10,490,000	1.83%	1,141,282
Series 2022 refunding note	Refunding	<u>34,825,000</u>	<u>34,825,000</u>	4.42%	<u>8,092,346</u>
Total promissory notes		<u>49,880,000</u>	<u>45,315,000</u>		<u>9,233,628</u>
Line of credit	Redevelopment	<u>5,000,000</u>	<u>289,907</u>	8.00%	<u>289,907</u>
Total bonds, notes and lines of credit for Governmental Activities		<u>\$ 397,125,000</u>	<u>\$ 239,449,907</u>		<u>\$ 34,738,170</u>

CITY OF WEST PALM BEACH, FLORIDA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 SEPTEMBER 30, 2025

G - LONG-TERM DEBT (CONTINUED)

Long-term debt for governmental activities (Continued)

The City had the following pledged debt as of September 30, 2025 in its governmental activities:

Description of Issue	Purpose	Pledged Revenue	Revenue Received in FY 2025 (1)	Principal and Interest Paid in FY 2025	Debt Service as a Percentage of Revenues Pledged	Outstanding Principal and Interest	Pledged Through
Special Obligation Bonds 2016A and 2016C	A - to fund police pension C - to refund 2006 Special Obligation Bonds	Non-ad valorem tax revenue (3)	\$ 129,404,829	\$ 6,606,860	5.1%	\$ 75,039,680	Fiscal years: 2036 (2016A) and 2037 (2016C)
City Center CRA Tax Increment Revenue Bonds Series 2006A, 2015B and 2019	To finance certain public improvements, refund Sunshine State Loans and a portion of the Agency's Tax Increment Revenue Bonds Series 2006A	City Center CRA tax increment revenue	\$ 38,883,643	\$11,414,540	29.4%	\$ 125,869,261	Fiscal years: 2031 (2015B) and 2036 (2006A, 2019)
Northwood / Pleasant City CRA Tax Increment Revenue Bonds Series: 2015A	To pay for the cost of acquiring and clearing real property for redevelopment purposes and loan repayment made to the City	Northwood / Pleasant City CRA tax increment revenue	\$ 4,458,189	\$ 1,649,692	37.0%	\$ 16,497,116	Fiscal year 2035

(1) FY 2025 Revenue:

Utility service tax	\$ 26,663,458
Franchise taxes	12,106,526
Charges for services	39,665,681
Intergovernmental	20,114,720
Licenses and permits	4,213,160
Fines and forfeitures	614,503
Investment income	6,462,296
Insurance premium taxes	4,909,534
Rents and royalties	603,579
Payment in lieu of taxes	12,594,438
Miscellaneous	1,456,934
Total non-ad valorem revenue	<u>\$ 129,404,829</u>

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

G - LONG-TERM DEBT (CONTINUED)

The following is a summary of changes in long-term debt and liabilities for business-type activities:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balances</u>	<u>Total Current Liabilities</u>	<u>Total Non-current Liabilities</u>
Business-Type activities:						
Water and Sewer Systems Fund						
Revenue bonds	\$ 171,551,798	\$ -	\$ (6,977,854)	\$ 164,573,944	\$ 7,052,735	\$ 157,521,209
Revenue premiums	7,153,346	-	(662,288)	6,491,058	-	6,491,058
Net bonds payable	178,705,144	-	(7,640,142)	171,065,002	7,052,735	164,012,267
Compensated absences payable	2,971,234	1,892,524	(1,939,285)	2,924,473	1,903,336	1,021,137
Fund totals	\$ 181,676,378	\$ 1,892,524	\$ (9,579,427)	\$ 173,989,475	\$ 8,956,071	\$ 165,033,404
Stormwater System Fund						
Revenue bonds	\$ 51,033,202	\$ -	\$ (997,146)	\$ 50,036,056	\$ 1,007,265	\$ 49,028,791
Revenue premiums	2,793,392	-	(202,487)	2,590,905	-	2,590,905
Net bonds payable	53,826,594	-	(1,199,633)	52,626,961	1,007,265	51,619,696
Compensated absences payable	419,461	183,930	(157,988)	445,403	203,467	241,936
Fund totals	\$ 54,246,055	\$ 183,930	\$ (1,357,621)	\$ 53,072,364	\$ 1,210,732	\$ 51,861,632
Non-major Business-Type Funds						
Compensated absences payable	\$ 201,722	\$ 97,328	\$ (99,352)	\$ 199,698	\$ 109,761	\$ 89,937
Subscription liability (Note J)	-	386,887	65,380	321,507	134,421	187,086
Fund totals	201,722	484,215	(164,732)	521,205	244,182	277,023
Total Business-Type Activities	\$ 236,124,155	\$ 2,560,669	\$ (11,101,780)	\$ 227,583,044	\$ 10,410,985	\$ 217,172,059

The City has pledged future utility customer revenues, net of specified operating expenses, to repay \$285,230,000 in various Water System and Stormwater System revenue and revenue refunding bonds which were issued for the fiscal years 2008 through 2022. Proceeds from these bonds provided financing for various utilities system infrastructure improvements including the modernization of the City’s water filtration plant. The bonds are payable solely from utility customer net revenues and are payable through 2043. The total principal and interest remaining to be paid on the bonds is \$308,976,148. Principal and interest paid for the current year and total customer net revenues were \$15,996,218 and \$61,584,873, respectively.

Revenue Bonds

On July 1, 2008, the City issued \$99,990,000 Utility System Variable Rate Revenue Bonds, Series 2008C to pay for a portion of the cost of the improvements to the utility system as defined in the Series 2008C Series Resolution. Interest is calculated weekly as determined by the Remarketing Agent and the bond mature October 1, 2038.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

G - LONG-TERM DEBT (CONTINUED)

Revenue Bonds (Continued)

The 2017C Utility bonds partially refunded the 2008C series. As of September 30, 2025, the principal balance of \$56,335,000 remains.

On February 1, 2017 the City issued \$60,755,000 Utility System Revenue bonds, Series 2017A to finance a portion of the cost of acquiring, constructing and equipping improvement to the utility system. The interest rates on the remaining annual principal amounts payable is fixed at 5.00% and the bonds mature October 1, 2042. As of September 30, 2025, the principal balance of \$60,755,000 remains.

On February 1, 2017 the City issued \$40,955,000 Utility System Revenue Refunding bonds, Series 2017B, to refund the Series 2008A Bonds outstanding immediately prior to issuance of the Series 2017B Bonds. The interest rates on the remaining annual principal amounts payable vary between 3.21% and 3.39% and the bonds mature October 1, 2029. As of September 30, 2025, the principal balance of \$23,390,000 remains.

On February 1, 2017 the City issued \$35,100,000 Utility System Revenue Refunding bonds, Series 2017C, to provide for the current refunding of the unhedged principal amount outstanding of the City’s Utility System Variable Rate Revenue Bonds, Series 2008C. The interest rates on the remaining annual principal amounts payable is 5.00% and the bonds mature October 1, 2034. As of September 30, 2025, the principal balance of \$32,030,000 remains.

On October 1, 2020 the City issued \$11,805,000 Utility System Revenue Refunding bonds, Series 2020, to refund the Series 2010 Bonds outstanding immediately prior to issuance of the Series 2020 bonds. The interest rate on the reming annual principal amounts payable is 1.52% and bonds mature on October 1, 2027. As of September 30, 2025 the principal balance of \$7,760,000 remains.

On October 2, 2022 the City issued \$36,625,000 Utility System Revenue Refunding bonds, Series 2022, to refund the Series 2012A Bonds outstanding immediately prior to issuance of the Series 2022 bonds. The refunding of the Series 2012A Bonds resulted in cash savings of \$7,236,228 and an economic gain of \$6,178,562. The interest rate on the remaining annual principal amounts payable is 2.04% and bonds mature on October 1, 2034. As of September 30, 2025 the principal balance of \$34,340,000 remains.

The annual requirements to pay Business Type Activities principal and interest on the bonds outstanding at September 30, 2025 are as follows:

Fiscal Years Ending September 30	BUSINESS-TYPE ACTIVITIES					
	Water and Sewer System Bonds			Stormwater Utility Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 7,052,735	\$ 6,669,438	\$ 13,722,173	\$ 1,007,265	\$ 1,981,241	\$ 2,988,506
2027	7,431,883	6,469,816	13,901,699	1,068,117	1,950,837	3,018,954
2028	7,531,347	6,264,357	13,795,704	1,083,653	1,919,604	3,003,257
2029	7,651,648	5,997,913	13,649,561	1,463,353	1,874,453	3,337,806
2030	7,944,478	5,714,623	13,659,101	1,510,522	1,826,848	3,337,370
2031 - 2035	38,780,947	24,349,690	63,130,637	14,994,053	7,952,608	22,946,661
2036 - 2040	58,185,191	13,236,643	71,421,834	12,244,809	5,749,077	17,993,886
2041 - 2045	29,995,715	1,548,643	31,544,358	16,664,284	860,357	17,524,641
Total	\$ 164,573,944	\$ 70,251,123	\$ 234,825,067	\$ 50,036,056	\$ 24,115,025	\$ 74,151,081
Current portion	(7,052,735)			(1,007,265)		
Premium	6,491,058			2,590,905		
Long-term portion	\$ 164,012,267			\$ 51,619,696		

CITY OF WEST PALM BEACH, FLORIDA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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G - LONG-TERM DEBT (CONTINUED)

The following is a summary of changes in long-term debt and liabilities for business-type activities:

	Purpose of Issue	Amount Issued	Principal Amount Outstanding	Stated Interest Rate	Maximum Annual Debt Service
BUSINESS-TYPE ACTIVITIES:					
Utility system revenue bonds:					
Series 2008C	Water/Sewer	\$ 83,591,640	\$ 49,124,120	See swap information	\$ 13,364,349
Series 2017A	Water/Sewer	39,056,786	39,056,786	5.00%	10,560,857
Utility system revenue refunding bonds:					
Series 2017B	Water/Sewer	36,122,310	20,629,980	3.21 - 3.39%	5,723,948
Series 2017C	Water/Sewer	30,607,200	27,930,160	5.00%	4,979,338
Series 2020	Water/Sewer	11,805,000	7,760,000	1.52%	2,629,192
Series 2022	Water/Sewer	21,408,558	20,072,898	2.04%	3,439,993
Premium	Water/Sewer	12,360,602	6,491,058		-
Total Water and Sewer Systems Fund		<u>\$ 234,952,096</u>	<u>\$ 171,065,002</u>		<u>\$ 40,697,677</u>
Utility system revenue bonds:					
Series 2008C	Storm Water	\$ 16,398,360	\$ 7,210,880	See swap information	\$ 1,961,739
Series 2017A	Storm Water	21,698,214	21,698,214	5.00%	5,867,143
Utility system revenue refunding bonds:					
Series 2017B	Storm Water	4,832,690	2,760,020	3.21 - 3.39%	765,789
Series 2017C	Storm Water	4,492,800	4,099,840	5.00%	730,912
Series 2022	Storm Water	15,216,442	14,267,102	2.04%	2,445,025
Premium	Storm Water	4,364,819	2,590,905		-
Total Storm Water Fund		<u>67,003,325</u>	<u>52,626,961</u>		<u>11,770,608</u>
Total Business-Type Activities		<u>\$ 301,955,421</u>	<u>\$ 223,691,963</u>		<u>\$ 52,468,285</u>

Events and Remedies:

Failure by the City to pay the principal and interest on certain debt when due or failure to observe and comply with any covenant, condition, agreement or provision in any indenture applicable to its varying debt obligations, may constitute an event of default for the 2019 Special Obligation Note and the 2022 Special Obligation Note. In the event of a default, debt holders may sue to enforce their rights or to enjoin any acts of the City that may be unlawful or in violation of their rights. In certain instances, default terms may call for a default interest rate. Such default interest rates varies per debt instrument, and ranges from the lesser of six percentage points above the Prime Rate to 18%.

H - INTEREST RATE SWAP

Interest Rate Swap:

On August 20, 2008, following the issuance of the City’s \$99,990,000 Series 2008C Utility System Variable Rate Revenue Bonds, the City entered into a synthetic fixed rate bond swap agreement with a notional value of \$56,335,000, the hedged portion related to the Series 2008C Utility System Variable Rate Revenue Bonds. The objective of this transaction was to lower borrowing costs when compared with fixed rate bonds at the time of issuance. The maturity date of the swap is October 1, 2038.

On June 30, 2023, the London Inter-bank Offer Rate (LIBOR) ceased to be published. Therefore, on that date, the City transitioned from LIBOR to an appropriate benchmark interest rate, the Secured Overnight Financing Rate (SOFR).

Under the terms of the swap agreement, the City pays the counterparty a fixed payment of 3.539% on the notional value of \$56,335,000, while receiving a variable amount computed as 72% of the SOFR on the same notional value. The variable rate on the bonds is published each business day on the Federal Reserve Bank of New York website.

Starting in fiscal year 2035, the notional value of the swap and the principal amount of the associated debt decline annually until the debt is completely retired on October 1, 2038, and the related swap agreement matures. The Utility System Revenue Refunding Bonds, Series 2017C, refunded \$41,845,000 of the total \$43,655,000 unhedged portion of outstanding Series 2008C Utility System Variable Rate Revenue Bonds. At September 30, 2025 the hedged swap liability outstanding was \$56,335,000.

As of September 30, 2025, bond and swap rates were as follows:

Interest Rate Swap:	Terms	Rates
Fixed payment to counterparty	Fixed	3.539 %
Variable payment from counterparty (1)	72% of SOFR rate	<u>(3.190)%</u>
Net interest rate swap payments		0.349 %
variable rate bond coupon payments (2)	7 Day Market Rate	<u>3.200 %</u>
Synthetic interest rate on bonds		<u><u>3.549 %</u></u>

(1) 3.190% rate based on the rate received from the swap counterparty for the period ending October 1, 2025

(2) 3.200% rate based on the rate paid to the corporate trustee for the week ending September 30, 2025

CITY OF WEST PALM BEACH, FLORIDA
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H - INTEREST RATE SWAP (CONTINUED)

Fair Value:

As of September 30, 2025, the swap had a negative fair value of \$4,303,852. The swap's negative fair value is due to the interest rate of the counterparty (at September 30, 2025) being less than the original counterparty rates. However, because the coupons on the City's variable rate bonds adjust to changing interest rates, the swap still functions effectively as a hedge against interest rate volatility on those bonds. The swap's fair value estimate is derived from an independent market evaluation which uses the zero coupon method based on proprietary assumptions. The valuation model calculates future cash flows by projecting forward swap rates and then discounts those cash flows to their present value as follows:

Cash Flow Hedge	Classification	Amount	Classification	Amount	Change in Fair Value
	Deferred Outflow	\$ 4,303,852	Liability	\$ (4,303,852)	\$ 1,835,857

(Notional amount: \$56,335,000)

The interest rate swap agreements do not affect the City's obligation (under the bond indenture) to repay the principal and variable interest on the Series 2008C bonds. As interest rates vary, the variable rate interest payments and swap payments will vary.

Debt service requirements

The following table, which estimates debt service requirements of the variable rate bond and the swap payments, assumes that SOFR will increase to 3.0% through September 30, 2026 and is expected to fall to 2.5% in 2027 and then remain constant at 2.5% for the duration of those instruments.

Fiscal Years Ending September 30	Variable Rate Bonds - Hedged				Interest Rate Swap	
	Notional Value	Interest (1)	Liquidity Fees (2)	Remarketing Fees (3)	Net Amount (4)	Total
2026	\$ 56,335,000	\$ 1,802,720	\$ 259,141	\$ 33,801	\$ 303,646	\$ 2,399,308
2027	56,335,000	1,802,720	259,141	33,801	585,321	2,680,983
2028	56,335,000	1,802,720	259,141	33,801	585,321	2,680,983
2029	56,335,000	1,802,720	259,141	33,801	585,321	2,680,983
2030	56,335,000	1,802,720	259,141	33,801	585,321	2,680,983
2031 - 2035	56,335,000	9,013,600	1,295,705	169,005	2,926,603	13,404,913
2036 - 2040	-	2,012,774	401,856	52,416	2,663,632	5,130,678
Total		<u>\$ 20,039,974</u>	<u>\$ 2,993,266</u>	<u>\$ 390,426</u>	<u>\$ 8,235,165</u>	<u>\$ 31,658,831</u>

- (1) Interest rates over the period are calculated 3.2% for 2025, which was the rate in effect at September 30, 2025.
- (2) Liquidity fees are 46 basis points or 0.46% of the outstanding bond principal amount and provide for a ready buyer in the event that no other bond buyers can be found when these bonds are remarketed weekly.
- (3) The remarketing fees are 6 basis points or 0.06% of the outstanding bond principal amount.
- (4) Computed: (3.539% - 3.190%) multiplied by the notional amount outstanding (see Interest Rate Swap Rate Table) for 2025.

H - INTEREST RATE SWAP (CONTINUED)

Debt service requirements (Continued)

Notional Amounts in Future Years		
<u>From and Including</u>	<u>To but Excluding</u>	<u>Notional Amount</u>
6/5/2013	10/1/2035	\$ 56,335,000
10/1/2035	10/1/2036	43,100,000
10/1/2036	10/1/2037	29,310,000
10/1/2037	10/1/2038	14,950,000

Credit Risk – Credit risk is the risk that the counterparty to the swap agreement will not fulfill its obligations when the swap has a positive fair value to the City. In any period when the swap has a positive fair value, the City is exposed to actual credit risk in the amount of the swap’s fair value. The swap counterparty has guaranteed all payments due under the swap agreement.

On June 26, 2013, Citibank, the swap counterparty, novated the Citibank Interest Rate Swap to the Bank of New York Mellon. A novation is a substitution of the counterparty in a swap agreement. Upon novation, the swap is referred to as the Bank of New York Mellon Interest Rate Swap. All swap terms and conditions remain the same.

The City had no costs associated with the novation. As of September 30, 2025, the long-term debt of the swap counterparty – The Bank of New York Mellon Corporation – was rated AA- by Fitch, A by Standard & Poor’s, and A1 by Moody’s. To mitigate the potential for credit risk, if the counterparties’ credit ratings fall below A-/A3, the counterparties will fully collateralize the fair value of the swap (with U.S. Government Securities).

Basis Risk – Instead of the actual variable debt interest payment, the City’s interest rate swap is based on a fixed payment and an indexed variable receipt. Any difference between the indexed variable receipt and the actual market-determined variable rate paid on the bonds is called “basis risk”. Whereas the underlying swap agreement pays the City at 72% of the 1 month SOFR rate, the Series 2008 C Utility System Variable Rate Revenue Bonds bear interest at the seven day market rate. From August 19, 2008 to the termination date, the swap exposes the City to basis risk should the relationship between LIBOR and the seven day market rate converge (thereby changing the synthetic rate on the bonds). If a change occurs that results in the rates moving to convergence, the City’s payments out may be in excess of its payments received from the counterparty and the City’s expected cost savings may not be realized.

Termination Risk – The City’s derivative contract uses the International Swaps and Derivatives Association’s Master Agreement (ISDA). The ISDA Master Agreement includes standard termination events, such as failure to pay and bankruptcy. The Schedule to the ISDA Master Agreement also includes “additional termination events”. Accordingly, if the counterparty’s credit quality rating falls below “BBB-“ as issued by Standard & Poor’s or “Baa3” as issued by Moody’s Investors Service, the City may terminate the swap. The City or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract.

If the swap is terminated, the variable rate bonds would no longer carry a synthetic interest rate and the City would no longer be insulated from the possibility of increasing interest rate payments. A termination of the swap agreement may also result in the City making or receiving a termination payment (equal to the swap’s fair value at the termination date).

Rollover Risk – Because the maturity dates for the hedged Series 2008 C Utility System Variable Rate Bonds and the interest rate swap agreement are the same (October 1, 2038), the City is not exposed to rollover risk.

H - INTEREST RATE SWAP (CONTINUED)

Debt service requirements (Continued)

Interest Rate Risk – The hedging derivative is a pay-fixed, receive variable cash flow hedge that is hedging interest rates on a portion of the 2008C bonds outstanding. The City believes that it has significantly reduced interest rate risk attributable to the principal amount being hedged by entering into the interest rate swap.

Foreign Currency Risk – Foreign currency risk is the risk that changes in exchange rates would adversely affect the fair value of the derivative or cash flows of the City. With respect to the City’s derivative and the related cash flows, the City has no exposure to foreign currency risk.

I - LEASES

Leases Receivable:

The City entered into various lessor lease agreements with terms ranging from 2 to 149 years for various parcels of land and facility spaces. The leases require payments ranging from \$1,468 to \$6,476 monthly or \$30,550 to \$107,420 quarterly. All the leases have interest rates ranging from 1.52 % to 3.68%.

The City has a deferred inflow of resources associated with the leases that will become recognized as revenue over the terms of the leases. As of September 30, 2025, the balance of the lease receivable and deferred inflow of resources was \$13,367,914 and \$12,895,988, respectively.

During the year ended September 30, 2025, the City recognized the following lease and interest revenue related to its lessor agreements:

Lease revenue	\$	311,901
Interest income related to leases	\$	447,335

CITY OF WEST PALM BEACH, FLORIDA
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SEPTEMBER 30, 2025

I - LEASES (CONTINUED)

As of the year ended September 30, 2025, the City had future principal and interest payments related to lease receivable, as follows:

Fiscal Year Ending September 30,	Principal Receipt	Interest Revenue	Future Minimum Rent
2026	\$ 172,957	\$ 294,513	\$ 467,470
2027	167,969	292,335	460,304
2028	165,680	290,291	455,971
2029	78,284	288,846	367,130
2030	70,791	288,354	359,145
2010-2035	385,088	1,438,257	1,823,345
2036-2040	331,615	1,436,653	1,768,268
2041-2045	471,904	1,436,128	1,908,032
2046-2050	607,137	1,416,251	2,023,388
2051-2055	695,289	1,391,894	2,087,183
2056-2060	874,643	1,361,424	2,236,067
2061-2065	1,052,677	1,308,323	2,361,000
2066-2070	1,273,908	1,242,843	2,516,751
2071-2075	707,363	1,162,770	1,870,133
2076-2080	-	1,161,067	1,161,067
2081-2085	29,511	1,163,968	1,193,479
2086-2090	136,135	1,149,581	1,285,716
2091-2095	272,042	1,113,039	1,385,081
2096-2100	443,741	1,048,385	1,492,126
2101-2105	659,096	948,347	1,607,443
2106-2110	927,611	804,061	1,731,672
2111-2115	1,260,759	604,744	1,865,503
2116-2120	1,672,384	337,293	2,009,677
2121-2125	911,330	42,797	954,127
Total	\$ 13,367,914	\$ 22,022,164	\$ 35,390,078

Leases Payable:

The City has entered into non-cancelable contractual agreements as a lessee for buildings, facility space and equipment. Certain agreements include options to extend and those deemed reasonably to be exercised have been factored into the determination of leases payable. Payments are generally fixed quarterly or monthly. During the fiscal year ended September 30, 2025, the City's lessee lease agreements were for the use of office space and equipment. The terms of the leases range from 1 to 6 years.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

I - LEASES (CONTINUED)

The right-to-use leased assets are used for governmental activities and valued at \$1,307,526 with accumulated amortization of \$759,507 at September 30, 2025. See Note F for additional information on the right-to-use leased assets.

Future principal and interest payment requirements related to the City's lease liability recorded in governmental activities as of September 30, 2025 are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2026	\$ 225,020	\$ 7,249	\$ 232,269
2027	216,509	3,847	220,356
2028	141,034	1,074	142,108
Total	<u>\$ 582,563</u>	<u>\$ 12,170</u>	<u>\$ 594,733</u>

J - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

The City has entered into non-cancelable subscription-based information technology arrangements (SBITAs) with vendors that convey control of the right to use their information technology software. The City's SBITAs during the year ended September 30, 2025, were for the use of software and systems that facilitate, track and report the City's activities. Based on the contract, fixed payments are made on a monthly or annual basis and used to determine SBITAs payable. If the option to extend the agreements is reasonably certain, this also is factored into determining the amount of SBITA payable. The terms of the subscriptions are between 1 and 5 years. SBITA related assets are included in the total depreciable capital assets in the basic financial statements and at Note F as right-to-use subscription assets. The related SBITA liability is disclosed in the basic financial statements and Note G as Subscriptions payable.

For the year ending September 30, 2025, the right-to-use subscription assets for governmental activities were \$2,874,557 with accumulated amortization of \$2,005,593. For business-type activities, right-to-use subscription assets were \$526,720 with accumulated amortization of \$202,559 at September 30, 2025. See Note F for additional information on the right-to-use subscription assets.

The following shows required future principal and interest payments for the City's SBITA liability for governmental and business-type activities as of September 30, 2025:

Year Ending	GOVERNMENTAL ACTIVITIES			BUSINESS-TYPE ACTIVITIES		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 526,599	\$ 14,371	\$ 540,970	\$ 134,421	\$ 9,579	\$ 144,000
2027	345,482	1,062	346,544	139,452	4,548	144,000
2028	1,465	20	1,485	47,634	366	48,000
Total	<u>\$ 873,546</u>	<u>\$ 15,453</u>	<u>\$ 888,999</u>	<u>\$ 321,507</u>	<u>\$ 14,493</u>	<u>\$ 336,000</u>

CITY OF WEST PALM BEACH, FLORIDA
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K - INTERFUND RECEIVABLES AND PAYABLES

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These amounts also include balances of working capital loans made to several nonmajor governmental funds, which the general fund expects to collect in the subsequent year. These composition of interfund balances as of September 30, 2025 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	\$ 3,869,251

L - INTERFUND TRANSFERS

Transfers-out from the General Fund to Non-Major Governmental Funds funded debt service obligations, capital improvements, technology replacement, and grant matching requirements. Transfers-out from the City Center Community Redevelopment Agency Fund to the General Fund and Non-Major Governmental Funds funded debt service obligations and recreational activity for community engagement. Other transfers between the Non-Major Governmental Funds funded capital improvement and debt service obligations. Transfers-out from the Water and Sewer Systems Fund and the non-major enterprise fund to the General Fund represented Payments-In-Lieu-Of-Taxes (i.e., "PILOT").

The following is a summary of interfund transfer activity:

	Transfer-In Funds:				Total
	General Fund	City Center Community Redevelopment Agency Fund	Non-Major Governmental Funds	Internal Service Funds	
Transfer-Out Funds:					
General	\$ -	\$ -	\$ 33,652,682	\$ 2,338,866	\$ 35,991,548
City Center Community Redevelopment Agency	5,165,344	-	8,666,500	-	13,831,844
Northwood/Pleasant City Community Redevelopment Agency	-	-	2,369,114	-	2,369,114
Non-Major Governmental Funds	-	-	4,954,494	-	4,954,494
Water and Sewer System	12,094,494	-	-	-	12,094,494
Non-major enterprise	1,481,658	-	-	-	1,481,658
Internal Service	-	75,684	-	-	75,684
Total Transfers	<u>\$ 18,741,496</u>	<u>\$ 75,684</u>	<u>\$ 49,642,790</u>	<u>\$ 2,338,866</u>	<u>\$ 70,798,836</u>

M - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budget

It is the City's intent to adopt annual budgets for major and nonmajor governmental funds. In certain instances, when no activity or lack of activity exists, certain government funds are not subject to an annual appropriated budget. See further detail of such funds below. Except for the General Fund, these budgets are prepared on the modified accrual basis of accounting. In the General Fund, budgets are prepared on the modified accrual basis of accounting except that current year encumbrances are treated as expenditures for budgetary purposes and administrative charges to other funds are budgeted as revenue in the General Fund.

All unencumbered and unexpended appropriations lapse at the fiscal year-end except those for ongoing capital projects and special revenue funds which are brought forward and become part of the subsequent year's original budget.

Appropriations at year end that are encumbered but unexpended are also brought forward and become part of the subsequent year's original budget. Supplemental appropriations made during the fiscal year are included in the 'Final Budget' columns on the statements of revenues, expenditures and changes in fund balances – budget and actual.

During the fiscal year ended September 30, 2025, certain funds were inactive or are being utilized on an as needed basis when the City pays or receives a non-recurring charge. The source and use of revenues are approved by the City Commission on an as needed basis for the following funds:

- Impact Fees Western Expansion Fee Fund
- Cemetery Sinking Fund
- Land Acquisition Fund

Budgetary Control:

Expenditures may not legally exceed appropriations at the fund and department level without Commission approval. Budget changes within a fund and department which do not affect the departmental total may be approved on the administrative level. The City Administrator and Chief Financial Officer have the authority to approve such administrative changes.

At September 30, 2025, the following funds had budgetary violations as explained below:

- The Neighborhood Stabilization Program Fund recognized a discharge of mortgage related escrow balances for nine homeowners. These expenses were unplanned and were not budgeted.
- The Other Debt Service Fund had a budgetary violation in interest expenses, resulting from arbitration interest payments which were higher than expected.
- The American Rescue Plan Act Capital Projects Fund recognized personnel expenses higher than anticipated, resulting from the separation of a long term employee.

Deficit Fund Balance:

For the fiscal year ended September 30, 2025, the Capital Grants Fund and HOPWA Fund had deficit fund balances which will be corrected in fiscal year 2026.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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N - RISK MANAGEMENT

The City maintains two risk retention funds, the Self Insurance Fund and the Employee Benefits Fund. These funds combine risk retention (“self-insurance”) with purchased insurance policies and are categorized as internal service funds. The Self Insurance Fund is used to account for the City's workers' compensation, general, and automotive liability claims. The Employee Benefits Fund is used to account for the health and life benefits for eligible City employees and certain retirees.

Insurance claims liabilities and expenses are recognized when it is probable a loss has occurred and the amount of the loss can be reasonably estimated.

Risk has been retained by the City in the amount of \$500,000 for workers' compensation, \$350,000 for general and auto liability, 100% for employee health (beginning July 1, 2018), and \$100,000 for property loss. Excess insurance has been purchased for general liability coverage up to \$10,000,000.

Property loss is covered by purchased insurance policies up to \$327,000,000 (total insured value).

During the past three years, claims settlement amounts have not exceeded insurance coverages. The claims liability amounts shown below represent the present value of estimated future payments to be made for claims that occurred prior to September 30, 2025. The discount rate used in calculating the Self Insurance Fund’s liability is 3%. No discounting was done in calculating the Employee Benefits Fund’s liability. No non-incremental claims adjustments have been made.

The following is a summary of the changes in claims liability for the Self Insurance Fund for the fiscal years ended September 30:

	Fiscal Year 2025	Fiscal Year 2024
Unpaid claims as of October 1	<u>\$ 19,114,446</u>	<u>\$ 19,665,195</u>
Incurred claims (including claims incurred but not reported as of September 30):		
Provision for current year events where the City has retained risk of loss	6,031,652	6,631,400
Increases in provision for prior years' events where the City has retained risk of loss	<u>796,896</u>	<u>3,821,098</u>
Total incurred claims	<u>6,828,548</u>	<u>10,452,498</u>
Payments:		
Claims attributable to current year events where the City has retained risk of loss	2,178,939	2,418,715
Claims attributable to prior years' events where the City has retained risk of loss	<u>6,077,074</u>	<u>8,584,532</u>
Total payments	<u>8,256,013</u>	<u>11,003,247</u>
Unpaid claims as of September 30	<u>\$ 17,686,981</u>	<u>\$ 19,114,446</u>
Reconciliation to Internal Service Funds Statement of Net Position:		
Insurance claims payable, current portion	4,316,008	4,607,100
Insurance claims payable, long term portion	<u>13,370,973</u>	<u>14,507,346</u>
Total	<u>\$ 17,686,981</u>	<u>\$ 19,114,446</u>

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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N - RISK MANAGEMENT (CONTINUED)

The following is a summary of the changes in claims liability for the Employee Benefits Fund for the fiscal years ended September 30:

	Fiscal Year 2025	Fiscal Year 2024
Unpaid claims as of October 1	<u>\$ 1,978,415</u>	<u>\$ 1,910,753</u>
Incurred claims (including claim incurred but not reported as of September 30):		
Provision for current year events where the City has retained risk of loss	65,638,479	88,500,189
Decreases in provision for prior years' events where the City has retained risk of loss	<u>(41,933,759)</u>	<u>(65,982,585)</u>
Total incurred claims	<u>23,704,720</u>	<u>22,517,604</u>
Payments:		
Claims attributable to current year events where the City has retained risk of loss	22,118,264	20,992,124
Claims attributable to prior years' events where the City has retained risk of loss	<u>1,696,105</u>	<u>1,457,818</u>
Total payments	<u>23,814,369</u>	<u>22,449,942</u>
Unpaid claims as of September 30	<u>\$ 1,868,766</u>	<u>\$ 1,978,415</u>
Reconciliation to Internal Service Funds Statement of Net Position		
Insurance claims payable, current portion	1,868,766	1,978,415
Insurance claims payable, long term portion	-	-
Total	<u>\$ 1,868,766</u>	<u>\$ 1,978,415</u>

O - COMMITMENTS AND CONTINGENCIES

Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. At the fiscal year end, the City had significant commitments representing encumbrances for uncompleted contracts for construction and equipment:

Governmental activities:

General Fund	\$ 3,364,384
City Center Community Redevelopment Agency Fund	9,303,785
Non-major Funds	<u>65,027,272</u>
Total	<u>\$ 77,695,441</u>

Business-Type activities:

Water and Sewer System Fund	\$ 12,437,822
Stormwater Fund	<u>6,131,849</u>
Total	<u>\$ 18,569,671</u>

O - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Litigation, Claims and Assessments

The City is engaged in routine litigation, claims and assessments incidental to the conduct of its business. In the opinion of the City Attorney, the ultimate outcome of any pending litigation, claims and assessments which represent potential liability to the City in excess of either amounts already provided for in the accompanying financial statements, or covered by insurance, will not have a material or adverse effect on its financial position.

State and Federal Grants

Grant funds received and disbursed by the City are for specific purposes and are subject to audit by the grantor agencies. Amounts received or receivable from the agencies are subject to audit and adjustment. Any disallowed claims, including the amounts already collected, may constitute a liability of the applicable funds. Future disallowances, if any, cannot be determined at this time although in the opinion of management, any disallowed expenditures would not have a material adverse effect on the financial condition of the City.

City Place Community Development District Debt

On April 20, 2012, the Community Development District (CDD) issued the \$39,890,000 Special Assessment and Refunding Bonds, Series 2012, primarily pledged by special assessments to the properties within the CDD. Additionally, the CRA pledged certain tax increment revenue for properties within the CDD and up to \$2,000,000 of the existing tax increment revenues generated outside the CDD. The CRA payments, together with the special assessments required to be levied by the CDD, are anticipated to fully fund the debt service requirements. As of September 30, 2025, neither the City nor the CRA has an outstanding liability to the CDD.

Development Agreements:

Helen Wilkes Site - On March 30, 2018, the City and the CCCRA entered into a ground lease and development agreement (the "Agreement") with a developer to lease property. In accordance with the Agreement, the lessee will construct and develop commercial and residential buildings for the benefit of the public. The initial term of the lease is 50 years with an option to renew for an additional 25 years. No rent is payable by the buyer within the initial term. If the buyer elects to exercise the renewal option, the annual rent shall be the fair rental value of the leased property at renewal. Upon expiration of the lease, the ownership of improvements to the leased property will automatically revert to the City or the CCCRA. This agreement does not qualify for the accounting treatment in accordance with GASB Statement No. 87 or 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*". No amounts are included in the basic financial statements related to this Agreement.

Anchor Site - On September 22, 2020, the NPCCRA entered into a property development and public-public lease arrangement ("Anchor Site Agreement") with a third party to lease property for development and to remedy blight in the Northwood/Pleasant City Community Redevelopment District. In accordance with the Anchor Site Agreement, the lessee will construct and develop commercial and residential buildings in accordance with a specific plan to be approved by the CRA Board. The term of the lease is 50 years, with an option to purchase the property after 10 years, following the issuance of the final Certificate of Occupancy for the project. Annual base rent of \$174,000 is due in twelve monthly installments after the final Certificate of Occupancy is issued. The base rent is subject to annual increases based on the National Consumer Price Index (CPI Index). On the 25th anniversary of the Anchor Site, the annual base rent will be recalculated without the CPI Index by multiplying the appraised value by the 20-year United States Treasury Note Interest Rate, or its equivalent at such time.

O - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Development Agreements: (Continued)

The NPCCRA shall not sell the property to a third party other than the developer or an affiliate of the developer for a period of 10 years, following the issuance of the final Certificate of Occupancy for the project. Should the developer elect to exercise the option to purchase the property, the purchase price shall be \$4,350,000.

During the construction phase of the project, the NPCCRA commits to reimburse the developer for building permit fees and other related charges, not to exceed \$1,000,000. Upon expiration of the arrangement, the ownership of improvements to the property will remain with the developer. The developer has not satisfied all pre construction requirements to obtain full access to the Anchor site. This arrangement follows the accounting treatment in accordance with GASB Statement No. 94 and will be disclosed in the basic financial statements upon the completion of the construction requirement and the developer having full access to the Anchor Site property.

Tent Site - On April 21, 2020, the CCCRA entered into a property development and public-private lease arrangement (the "Tent Site Agreement") with a third party to lease the Tent Site property for construction and development in the City Center Community Redevelopment District. In accordance with the Tent Site Agreement, the lessee will construct, develop and maintain Class-A office buildings with retail and onsite parking in accordance with a specific plan to be approved by the CRA Board. The initial term of the lease is 49 years, with an option to renew for two additional twenty-five year terms. The Developer has an option to purchase the Tent Site property after 10 years from Rent Commencement Date at the fair market value at that time. Annual base rent of \$1,028,000 is due in twelve monthly installments after the final Certificate of Occupancy is issued. The base rent is subject to annual increases based on the National Consumer Price Index (CPI Index). On the 25th anniversary of the Tent Site Agreement, the annual base rent will be recalculated without the CPI Index by multiplying the appraised value by the 20-year United States Treasury Note Interest Rate, or its equivalent at such time.

Upon expiration of the arrangement, the ownership of improvements to the leased property will remain with the developer. As of September 30, 2025, the developer has not satisfied all pre construction requirements to obtain full access to the Anchor site. The Tent Site Agreement follows the accounting treatment in accordance with GASB Statement No. 94 and will be disclosed in the basic financial statements upon the completion of the construction requirement and the developer having full access to the Tent Site property.

Subsequent to the fiscal year end 2025, the developer defaulted on the terms of the agreement with the City. As a result, the CRA issued a breach of lease and notice of default letter, notifying the developer of a 30 day notice to cure the default and comply with the Tent Site Agreement.

Nora District - On May 3, 2023, the CRA entered into a Real Estate Development Incentive Agreement ("Nora District Agreement") with a Developer to remedy blight in the Brelsford Park and Nora District. In accordance with the Nora District Agreement, the Developer plans to fund the design and construction of certain Infrastructure Improvements that are needed to support the redevelopment of the Brelsford Park neighborhood and the Nora district. The CRA has partnered with the Developer to complete the necessary infrastructure improvements and provide an incentive to ensure that the redevelopment is completed on schedule. The CRA granted the developer a REDA in an amount not to exceed \$20,831,235 to be used to reimburse the Developer for costs incurred in connection with the construction of the infrastructure improvements and incentivize the redevelopment of the Brelsford Park and Nora District. As of September 30, 2025, the CRA disbursed \$18,500,000 to the Developer. The remaining \$2,331,235 of the Nora District Agreement will be disbursed to the Developer after the infrastructure improvements, construction of a planned hotel and multi-family housing building have been substantially completed, estimated to be paid in fiscal years 2026.

O - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Development Agreements: (Continued)

Golf Course - On May 24, 2021, the City entered into a Ground Lease, Development and Operating Agreement (the "Golf Course Agreement") with a developer for the City's Golf Course property (the "Property"). In accordance with the Golf Course Agreement, the lessee will make improvements to the property, of which the City's total contributed amount was \$70,000 towards these improvements. The term of the lease is 50 years, with an option to extend for an additional 20 years. During the term of the Golf Course Agreement, the developer will operate and maintain the property and all of its amenities, as a public golf course at no cost to the City. The developer is responsible for the prompt payment of any and all real estate taxes and special assessments assessed against the property.

During the term of the Golf Course Lease Agreement, the developer is required to maintain and fund a reserve account for continued capital repair and replacement derived from annual operating income. For the use and occupancy of the Property, the developer shall pay to the City, annual base rent of \$1 per year during the initial term. In addition to the annual base rent, commencing on October 1st after the first 10 years of operation of the Golf Course, the developer shall pay additional rent to the City, provided that (i) an endowment foundation is established for at least \$25 million, (ii) the Foundation has budgeted and reserved for any required capital projects as determined by the Board of Directors of the Foundation; and (iii) that the developer has a positive net operating income in such year. In such circumstances, the developer will pay the City additional rent equal to 75% of the excess operating income from the Golf Course operations.

The City shall utilize the additional rent to fund specific park or capital improvements within within one mile of the Golf Park or for other projects or programs as suggested by the City and agreed to by the Developer. However, the Developer and the City can mutually agree to spend the additional rent differently, on a case-by-case basis.

The Golf Course Agreement is follows the guidance of GASB Statement No. 94 as a public-private-partnership arrangement. The value of the payments to improve the golf course are due to the City upon completion of the Golf Course Agreement and are recorded in the Statement of Net Position as a receivable from developer, offset by the corresponding deferred inflows. At September 30, 2025, the receivable and deferred inflow related to the golf course public-private partnership arrangement totaled \$42,032,523.

City Park Interlocal Agreement - On January 7, 2025, the CRA entered into an interlocal contribution agreement "Contribution Agreement" with the City to provide \$10,000,000 in funding assistance for the improvement of a City park. In accordance with the Contribution Agreement, funding contributions will be provided to the City annually, starting in fiscal year 2025 through 2028. Remaining payments due, are as follows:

Fiscal year 2026	\$1,510,925
Fiscal year 2027	\$1,510,925
Fiscal year 2028	\$5,109,036

In the event that CRA contribution to the City is not fully paid in fiscal year 2028, the CRA agrees to budget and appropriate funding in each subsequent fiscal year until the contribution is paid in full to the City. Additionally, the CRA and the City agree that the above payments may be accelerated and be paid prior to fiscal year 2028. The CRA provided funding contributions of \$1,869,114 in accordance with the Contribution Agreement during fiscal year 2025.

P - EMPLOYEE RETIREMENT PLANS

During the fiscal year ended September 30, 2025, the City participated in four single-employer pension plans covering substantially all full-time employees. Three of the plans are defined benefit pension plans and one is a defined contribution pension plan. Each defined benefit pension plan is administered by an independent board of trustees and each is audited annually by an independent certified public accountant.

For this report dated September 30, 2025, the actuarial valuation date for all plans is September 30, 2023, and the measurement date is September 30, 2024. The Required Supplementary Information section of this report provides additional detailed information about actuarial methods and assumptions used to determine the contribution rates for each plan.

That section also provides schedules of employer contributions, total pension asset/liability, plan fiduciary net position, and changes in net pension asset/liability for each plan. The schedules of employer contributions and pension liabilities will be expanded each year until a total of ten years is presented.

Police Pension Plan: The West Palm Beach Police Pension Fund (“the plan”) was created in 1947 by a special act of the Florida legislature, Chapter 24981, Section 16, Laws of Florida, as amended. The plan provides retirement benefits for noncivilian police department employees and is maintained through contributions from employee members, actuarially determined contributions from the City, and from investment earnings. In addition, the State of Florida, pursuant to Chapter 185 of the Florida Statutes, pays to the plan all casualty insurance premium surcharges collected from within the city limits. These surcharges are distributed annually provided the local government has met its actuarial funding requirement for the most recently completed fiscal year. Employee members of the Plan make regular contributions. For fiscal year 2025, the City withheld 11% of earnings from employee members. Additionally, the City contributed 7% of earnings to the pension plan and 4% to the Police VEBA.

Benefit provisions and contribution requirements are established and may be amended by the City of West Palm Beach in conjunction with the Palm Beach County Police Benevolent Association.

Any such amendments take effect upon passage by the Florida State Legislature. The City’s recommended and actual contribution for fiscal year 2025, as discounted for payment at the beginning of the fiscal year, was \$8,019,554. This contribution represented approximately 27.24% of covered payroll. Chapter 185 funds, as mentioned above, amounted to \$2,375,756 for fiscal year 2025. The plan annually produces a separately audited annual report including financial statements and required supplementary information. This report may be obtained by writing to City of West Palm Beach, Finance Department, 401 Clematis Street, West Palm Beach, Florida 33401 or by calling 1-561-822-1310 or accessible at wpbppf.com.

Firefighters' pension plan: The Firefighters' Pension Fund (“the plan”) was created in 1947 by a special act of the Florida legislature, Chapter 24981, Section 17, Laws of Florida, as amended. The plan provides retirement benefits for firefighters and fire department officers and is maintained through contributions from employee members, actuarially determined contributions from the City, and from investment earnings. In addition, the State of Florida, pursuant to Chapter 175 of the Florida Statutes, pays to the plan all property insurance premium surcharges collected from within the city limits.

These surcharges are distributed annually provided the local government has met its actuarial funding requirement for the most recently completed fiscal year. Employee members of the Plan make regular contributions. For fiscal year 2025, the City withheld 14.1% of earnings from employee members. 11.1% was remitted to the pension plan and 3% was paid to the Firefighters’ VEBA. Benefit provisions and contribution requirements are established and may be amended by the City of West Palm Beach in conjunction with the Local Chapter 727 of the International Association of Fire Fighters. The City’s recommended and actual contribution for fiscal year 2025, as discounted for payment at the beginning of the fiscal year, was \$9,172,082.

P - EMPLOYEE RETIREMENT PLANS (CONTINUED)

Chapter 175 funds, as mentioned above, amounted to \$2,533,778 for fiscal year 2025. In accordance with the union contract, 100% of the Chapter 175 monies, or \$2,533,778, was remitted to the pension plan. These combined contributions, amounting to \$11,705,860, represented 45.6% of covered payroll.

The plan annually produces a separately audited annual report including financial statements and required supplementary information. This report may be obtained by writing to City of West Palm Beach, Finance Department, 401 Clematis Street, West Palm Beach, Florida 33401 or by calling 1-561-822-1310 or accessible at resourcecenters.com.

Restated Employees pension plan: The West Palm Beach Restated Employees Defined Benefit Retirement System (“the plan”) was established under Ordinance No 3059-97 on August 11, 1997. The plan, a successor plan to the City of West Palm Beach Employees’ Retirement System, provides retirement benefits for employees who were active members of the predecessor plan as of September 10, 1997. All members are fully vested and the plan is closed to new members. Active members make regular contributions to the plan in the amount of 5.5% of employee earnings.

Benefit provisions and contribution requirements for the plan are established and may be amended by the City of West Palm Beach in conjunction with the State Employees International Union and the Professional Managers and Supervisors Association.

Contributions into the Plan varies from year to year and are actuarially determined. The City’s recommended and actual contribution for fiscal year 2025, as discounted for payment during the fiscal year, was \$442,837. This contribution was approximately 57.85 of the covered payroll.

The plans' administrative costs are financed through investment earnings. The plan annually produces a separately audited annual report including financial statements and required supplementary information. This report may be obtained by writing to City of West Palm Beach, Finance Department, 401 Clematis Street, West Palm Beach, Florida 33401 or by calling 1-561-822-1310 or accessible at resourcecenters.com.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

P - EMPLOYEE RETIREMENT PLANS (CONTINUED)

Selected actuarial data for the defined benefit pension plans is presented below:

	Police Pension	Firefighters' Pension	Restated Employees Pension
	September 30, 2023	September 30, 2023	September 30, 2023
Membership as of valuation date:			
Number of:			
Retirees and beneficiaries	315	215	158
Inactive, nonretired members	10	5	3
Active members	245	280	9
Total	<u>570</u>	<u>500</u>	<u>170</u>
Covered payroll	<u>\$ 24,655,736</u>	<u>\$ 25,675,798</u>	<u>\$ 707,048</u>
Net pension (asset) liability:			
Total pension liability	\$ 575,168,860	\$ 402,055,412	\$ 41,995,868
Fiduciary net position	<u>(495,760,974)</u>	<u>(317,683,670)</u>	<u>(47,130,730)</u>
Net pension (asset) liability	<u>\$ 79,407,886</u>	<u>\$ 84,371,742</u>	<u>\$ (5,134,862)</u>
Fiduciary net position as a % of total pension liability	<u>86.19 %</u>	<u>79.01 %</u>	<u>112.23 %</u>
Net pension (asset) liability as a % of covered payroll	<u>322.07 %</u>	<u>328.60 %</u>	<u>-726.24 %</u>

	Police Pension	Firefighters' Pension	Restated Employees Pension
	Increase (Decrease)		
Total pension liability			
Balance at September 30, 2024	<u>\$ 540,033,964</u>	<u>\$ 383,139,410</u>	<u>\$ 42,391,009</u>
Changes for the year:			
Service cost	7,380,140	5,891,675	62,475
Interest on the total pension liability	37,218,574	18,340,707	2,952,952
Difference between expected and actual experience of the total pension liability	4,776,508	(1,466,594)	(26,823)
Changes of assumptions	6,777,411	-	-
Benefit payments including refunds of employee contributions	(24,060,234)	(22,033,864)	(3,383,745)
Other (DROP and share plan adjustments)	3,042,497	18,184,078	-
Net change in total pension liability	<u>35,134,896</u>	<u>18,916,002</u>	<u>(395,141)</u>
(a) Balance at September 30, 2025	<u>\$ 575,168,860</u>	<u>\$ 402,055,412</u>	<u>\$ 41,995,868</u>

CITY OF WEST PALM BEACH, FLORIDA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 SEPTEMBER 30, 2025

P - EMPLOYEE RETIREMENT PLANS (CONTINUED)

	Police Pension	Firefighters' Pension	Restated Employees Pension
	Increase (Decrease)		
Plan fiduciary net position:			
Balance at September 30, 2024	\$ 439,269,025	\$ 277,175,528	\$ 41,921,667
Contributions - Employer	8,060,841	10,289,184	-
Contributions - Employee	2,822,534	4,747,292	45,383
Net investment income (loss)	69,470,956	47,788,590	8,661,123
Benefit payments including refunds of employee contributions	(24,060,234)	(22,033,864)	(3,383,745)
Pension plan administrative expense	(582,432)	(284,393)	(114,049)
Other	780,284	1,333	351
Net change in plan fiduciary net position	56,491,949	40,508,142	5,209,063
(b) Plan fiduciary net position:			
Balance at September 30, 2025	<u>\$ 495,760,974</u>	<u>\$ 317,683,670</u>	<u>\$ 47,130,730</u>
(a) - (b) Net pension (asset) liability	<u>\$ 79,407,886</u>	<u>\$ 84,371,742</u>	<u>\$ (5,134,862)</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>86.19 %</u>	<u>79.01 %</u>	<u>112.23 %</u>
Covered payroll	<u>\$ 24,655,736</u>	<u>\$ 25,675,798</u>	<u>\$ 707,048</u>
Net pension liability as a percentage of covered payroll	<u>322.07 %</u>	<u>328.60 %</u>	<u>-726.24 %</u>

The schedule of changes in the net pension liability and related ratios and the schedule of contributions are presented as Required Supplementary Information (RSI) following the notes to the financial statements and provides additional information about the net pension liability, asset and contribution.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

P - EMPLOYEE RETIREMENT PLANS (CONTINUED)

The following table summarizes the net pension asset, net pension liability, deferred inflow and outflow of resources and pension expense as disclosed above for each defined benefit pension plan:

Governmental Activities					
Pension Plan	Net Pension Asset	Deferred Outflows of Resources	Net Pension Liability	Deferred Inflows of Resources	Pension Expense (Income)
Police	\$ -	\$ 80,179,682	\$ (79,407,886)	\$ (48,392,017)	\$ (47,620,221)
Firefighters'	-	47,534,147	(84,371,742)	(37,628,809)	(74,466,404)
Restated Employees	4,005,192	3,323,536	-	(5,478,338)	1,850,390
Total	<u>\$ 4,005,192</u>	<u>\$ 131,037,365</u>	<u>\$ (163,779,628)</u>	<u>\$ (91,499,164)</u>	<u>\$ (120,236,235)</u>

Business-Type Activities					
Pension Plan	Net Pension Asset	Deferred Outflows of Resources	Net Pension Liability	Deferred Inflows of Resources	Pension Expense (Income)
Restated Employees	<u>\$ 1,129,670</u>	<u>\$ 842,246</u>	<u>\$ -</u>	<u>\$ (998,757)</u>	<u>\$ 973,159</u>
Total primary government	<u>\$ 5,134,862</u>	<u>\$ 131,879,611</u>	<u>\$ (163,779,628)</u>	<u>\$ (92,497,921)</u>	<u>\$ (119,263,076)</u>

The following assumptions were used to produce the actuarial reports:

	Police Pension	Firefighters' Pension	Restated Employees Pension
Valuation date:	September 30, 2023	September 30, 2023	September 30, 2023
Measurement date:	September 30, 2024	September 30, 2024	September 30, 2024
Reporting date:	September 30, 2025	September 30, 2025	September 30, 2025

Methods and Assumptions Used to Determine Net Pension Liability:

	Police Pension	Firefighters' Pension	Restated Employees Pension
Actuarial cost method:	Entry age normal	Entry age normal	Entry age normal
Inflation:	2.50%	4.10%	4.75%
Salary increases:	3.5% - 8.50%, including inflation	4.10% to 4.60%, including inflation	4.75% to 8.55% per year
Investment rate of return:	7.00%	7.50%	7.25%
Long-term municipal bond rate:	3.81%	3.81%	3.81%
Retirement age:	Experience-based table of rates that are specific to the type of eligibility condition.	Age and experience-based table of rates specific to the type of eligibility condition. Last updated for the 2018 valuation.	Age-based table of rates that are specific to the type of eligibility condition.

P - EMPLOYEE RETIREMENT PLANS (CONTINUED)

Methods and Assumptions Used to Determine Net Pension Liability:

Mortality:	The PUB-2010 Headcount Weighted Safety Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table (post-retirement), and the PUB-2010 Safety Healthy Retiree Female Table (post-retirement). These tables use ages set forward one year and mortality improvements to all future years after 2010 using scale MP-2018. These are the same rates used for Special Risk Class members in the July 1, 2022 Actuarial Valuation of the Florida Retirement System (FRS), as required under Florida Statutes, Chapter 112.63.	PUB-2010 Headcount Weighted Safety Employee/Retiree Female Mortality Table and Safety Below Median Employee/Retiree Male Mortality Table, all set-forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.	The Florida Retirement System (FRS) mortality tables which use variations of the fully generational PUB-2010 Mortality Tables with mortality improvement scale MP-2018.
Notes:	Section A in the September 30, 2023 Actuarial Valuation Report dated April 10, 2024. The assumed rates of salary increase, retirement, withdrawal, disability were updated, along with loads added to pre-fund the gains/losses for the Supplemental Pension Distribution and the DROP/Share Plan interest crediting rate. Please see the Experience Investigation for the 9-Year Period Ended September 30, 2023 report dated March 7, 2024 for additional details.	N/A	The City established a prepaid contribution reserve using deferred revenue and by changing the actuarial cost method to Aggregate.
Cost of living adjustments:	N/A	There is no implied COLA for prior Plan B pension recipients as of September 30, 2023 who were hired before April 1, 1987.	2.00% Simple

Changes in Assumptions: There were no significant assumptions changes since the last measurement period.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

P - EMPLOYEE RETIREMENT PLANS (CONTINUED)

Deferred outflows/inflows of resources

The City is reporting deferred outflows of resources and deferred inflows of resources from the following sources at September 30, 2025:

Description	Police Pension		Firefighters' Pension	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
City and State contribution subsequent to measurement date	\$ 10,392,706	\$ -	\$ 11,705,860	\$ -
Differences between expected and actual experience - outflows	26,854,080	-	8,134,790	-
Differences between expected and actual experience - inflows	-	(1,832,910)	-	(1,720,318)
Change of assumptions - outflows	9,138,786	-	15,541	-
Change of assumptions - inflows	-	(97,312)	-	(1,584,766)
Net difference between projected and actual earnings on pension investments	33,794,110	(46,461,795)	27,677,956	(34,323,725)
Total	<u>\$ 80,179,682</u>	<u>\$ (48,392,017)</u>	<u>\$ 47,534,147</u>	<u>\$ (37,628,809)</u>

Description	Restated Employees Pension	
	Deferred Outflows of Resources	Deferred Inflows of Resources
City and State contribution subsequent to measurement date	\$ -	\$ -
Differences between expected and actual experience - outflows	-	-
Differences between expected and actual experience - inflows	-	-
Change of assumptions - outflows	-	-
Change of assumptions - inflows	-	-
Net difference between projected and actual earnings on pension investments	4,165,782	(6,477,095)
Total	<u>\$ 4,165,782</u>	<u>\$ (6,477,095)</u>

CITY OF WEST PALM BEACH, FLORIDA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 SEPTEMBER 30, 2025

P - EMPLOYEE RETIREMENT PLANS (CONTINUED)

The deferred outflows of resources resulting from City contributions to the pension plans subsequent to the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year. Subsequent to the measurement date of September 30, 2025, amounts contributed by the City and the State totaled \$10,392,706 and \$11,705,860 to the Police and Firefighters' pension plans, respectively. The amount reported as a deferred outflow (inflow) of resources related to the pensions will be recognized in pension expense in future years as follows:

<u>Fiscal Year Ending September 30,</u>	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Restated Employees Pension</u>	<u>Totals</u>
2026	\$ 8,098,016	\$ (322,831)	\$ (465,209)	\$ 7,309,976
2027	21,585,748	7,644,123	693,086	29,922,957
2028	(1,777,890)	(5,909,540)	(1,389,803)	(9,077,233)
2029	(6,510,915)	(4,043,669)	(1,149,387)	(11,703,971)
2030	-	1,176,329	-	1,176,329
Thereafter	-	(344,934)	-	(344,934)
Total	<u>\$ 21,394,959</u>	<u>\$ (1,800,522)</u>	<u>\$ (2,311,313)</u>	<u>\$ 17,283,124</u>

Discount rate: The discount rates illustrated in the table below were used to measure the total pension liability for all three plans. The rates were based on the expected rate of return on each pension plan investments. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the fiduciary net position of all funds was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

P - EMPLOYEE RETIREMENT PLANS (CONTINUED)

Sensitivity of the discount rate: Regarding the sensitivity of the net pension liability (asset) to changes in the single discount rate, the following presents each plan's net pension liability (asset), calculated using a single discount rate between 7.00 - 7.50%, as well as what each plan's net pension liability (asset) would be if it were calculated using a single discount rate that is one percentage point lower or one percentage point higher than the current rate assumption

	Discount Rate		
	1% Decrease	Assumption	1% Increase
	6.00%	7.00%	8.00%
Police Pension	\$ 128,710,288	\$ 79,407,886	\$ 39,389,982

	Discount Rate		
	1% Decrease	Assumption	1% Increase
	6.50%	7.50%	8.50%
Firefighters' Pension	\$ 114,150,903	\$ 84,371,742	\$ 60,095,595

	Discount Rate		
	1% Decrease	Assumption	1% Increase
	6.25%	7.25%	8.25%
Restated Employees Pension	\$ (1,021,359)	\$ (5,134,862)	\$ (8,638,760)

Long-term Expected Rate of Return – The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2025 are summarized in the following table.

Police Pension:		
Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	40.00 %	7.50 %
International equity	14.00 %	8.50 %
Domestic bonds	22.00 %	2.50 %
International bonds	- %	3.50 %
Real estate	14.00 %	4.50 %
Alternative assets	10.00 %	5.96 %

P - EMPLOYEE RETIREMENT PLANS (CONTINUED)

Firefighters' Pension:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	49.00 %	7.50 %
International equity	10.00 %	8.50 %
Domestic bonds	14.00 %	2.50 %
International bonds	5.00 %	3.50 %
Real estate	12.00 %	4.50 %
Alternative assets	10.00 %	6.11 %

Restated Employees Pension:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	50.00 %	7.50 %
International equity	10.00 %	8.50 %
Domestic bonds	30.00 %	2.50 %
International bonds	- %	3.50 %
Real estate	5.00 %	4.50 %
Alternative assets	5.00 %	5.87 %

Defined contribution plan

The Public Employee Defined Contribution Plan ("PEDCP") covers all full-time employees except those covered by the Restated, Police, and Firefighters' pension plans. The PEDCP is administered by the City through a third party administrator. Benefit provisions, contribution requirements and all other requirements of the PEDCP are established by West Palm Beach Code of Ordinances Sections 62-131 through 62-141.

New employees are enrolled in the PEDCP upon successful completion of six months of employment. Vesting is immediate. Required and actual contributions represent 7.5% for employees and from 6.5% to 9.5% by the City, depending upon employee group and length of employment. Employer contribution expense for fiscal year 2025 was \$4,748,666. The assets of the PEDCP are held in trust and are the sole property of the participants. No balances or financial information relative to the PEDCP are reported in the basic financial statements.

Q - DEFERRED COMPENSATION PLANS

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Service ("IRS") Code Section 457 ("457 Plan"). The 457 Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or the hardship distribution criteria as defined in IRS Code Section 457. The assets of the plans are held in trust and are the sole property of the participants. No balances or financial information relative to the 457 Plan are reported in the basic financial statements.

R - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

OPEB Trust: The City accounts for OPEB benefits through the Other Post-Employment Benefits Trust Fund ("The OPEB Trust") established by the City Commission on September 23, 2008. No employee or retiree contributions to the Trust are required. Future contributions to the trust will be budgeted by the City Commission based on actuarially determined amounts. The OPEB Trust is a single employer fund administered by a Board of Trustees as designated in the Declaration of Trust.

The OPEB Trust provides for the payment of implicit rate subsidies and other non-pension post-employment benefits for eligible retirees and their families. Amendments to the OPEB Trust must be in accordance with governing Ordinance No. 4106-08, unless such Ordinance is subsequently amended by the City.

The OPEB Trust is reported in accordance with Governmental Accounting Standards Board Statement No. 74, *Financial Reporting for Post-employment Benefits other than Pensions*. Pursuant to Section 112.081, Florida Statutes, the City is required to permit eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retiree that is no greater than the cost to active employees. These retirees pay 100% of the blended rate for active and retired employees. Because the blended rate is greater than that of a plan including active employees only and less than that of a plan including retirees only, the amount the City expends for active employees includes an implicit subsidy for participating retirees and dependents.

Elected Officials and Management VEBA and General Employees VEBA: In January 2007, the City Commission approved Ordinance No. 4017-07 establishing the Elected Officials and Management VEBA and the General Employees VEBA (collectively, the "General VEBA Plans"). The Elected Officials and Management VEBA cover elected officials and certain members of management of the City of West Palm Beach as defined in the Plan while the General Employees VEBA cover all other full time employees who are not covered by either the Firefighters VEBA or the Police VEBA. Through Ordinance 4305-10, the City Commission amended the Plans and determined that the City contributions to the Plans will no longer be determined as a percentage of eligible participant salaries and will be determined by an annual resolution approved by the City Commission. The Elected Officials and Management VEBA and the General Employees VEBA do not require participant contributions.

The General VEBA Plans cover post employment health care benefits for eligible employees, management and elected officials. Eligible employees as defined by the VEBA Plans to include all full time employees who are employed by the City as of January 1, 2007, except those that are eligible to participate in the Police Pension Fund or the Firefighters Pension Fund. Eligibility for benefits shall be based on five (5) or more continuous years of service as a full time employee of the City. The VEBA Plans do not have separately issued financial statements and as such are included below.

The VEBA Plans are administered by their respective Boards of Trustees. A majority of board members are appointed by the City and a minority member by the membership of each VEBA Plan. Elected Officials and Management VEBA and the General Employees VEBA each has a Declaration of Trust which has been approved and may be amended by the respective Board of Trustees and which sets out provisions for payment of benefits to the members.

The liability of the City is limited to the periodic contributions as required by Ordinance 4305-10 and the approval of annual budgets and or City resolutions.

The contributions and other activities related to these Plans are administered through individual trust funds established and operated by boards of trustees separately from the City.

R - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Police VEBA Plan: The Police Benevolent Association Retiree Health Benefit Fund (the "Police VEBA Plan") is authorized in the collective bargaining unit between the City and the Palm Beach County Police Benevolent Association (the "Police Contract"). The Police contract requires the City to contribute 4% of pensionable earnings of members of the bargaining unit to the Police VEBA Plan. In exchange, members of the bargaining unit agreed to voluntary concessions of an equal value, resulting in no additional cost to the City. The Police VEBA plan do not have separately issued financial statements and as such is included below.

The Police VEBA Plan is administered by a Board of Trustees appointed by the bargaining unit with approval from the City. The Board of Trustees has approved and may amend the Agreement and Declaration of Trust, which sets out provisions for payment of benefits to the Police VEBA members. Liability of the City is limited to periodic contributions as required by the contract.

Firefighters' VEBA Plan: The Association of Firefighters Retirement Health Benefit Fund (the "Firefighters' VEBA Plan") is authorized in the collective bargaining contract between the City and the West Palm Beach Association of Firefighters, Local 727 (the Firefighters' Contract). The Firefighters' Contract requires the City to contribute 3% of pensionable earnings of members of the bargaining unit of the Firefighters' VEBA plan. In exchange, the members of the bargaining unit agreed to voluntary concessions of an equal value, resulting in no additional cost to the City. The Firefighters' VEBA Plan annually produces a separately audited annual report including financial statements and required supplementary information. This report may be obtained by writing to City of West Palm Beach, Finance Department, 401 Clematis Street, West Palm Beach, Florida 33401.

The Firefighters' VEBA Plan is administered by a Board of Trustees appointed by the bargaining unit with approval from the City. The Board of Trustees has approved and may amend the Agreement and Declaration of Trust, which sets out provisions for payment of benefits to the Firefighters' VEBA members. Liability of the City is limited to periodic contributions as required by the Firefighters' contract.

OPEB calculations are based on the OPEB benefits provided under the terms of the substantive plans in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial calculations for the OPEB plans reflect a long-term perspective. The actuarial valuations involve estimates of the values of reported amounts and assumptions about the probability of events far into the future.

Employer Reporting OPEB Plans Membership: As of the measurement date for the respective OPEB Plans offered by the City, employee membership data are as follows:

	Elected Officials and General				
	OPEB Trust Fund	Management VEBA Fund	Employees VEBA Fund	Police VEBA Fund	Firefighters' VEBA Fund
	September 30, 2024	December 31, 2023	December 31, 2023	December 31, 2023	March 31, 2024
Membership as of valuation date					
Number of:					
Retirees	199	23	223	166	151
Inactive, nonretired members	-	-	-	12	-
Active plan members	1,600	74	921	270	280
Total plan members	1,799	97	1,144	448	431

R - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Investments:

The OPEB Plans' investment target asset allocations are listed below:

Asset Class	OPEB Trust Fund	Elected Officials and Management VEBA Fund	General Employees VEBA Fund	Police VEBA Fund	Firefighters' VEBA Fund
	Target Allocation	Target Allocation	Target Allocation	Target Allocation	Target Allocation
	Domestic equity	49.0%	38.0%	38.0%	52.0%
Fixed income mutual funds	-	40.0%	40.0%	30.0%	30.0%
International equity	10.0%	22.0%	22.0%	18.0%	15.0%
Domestic bonds	14.0%	-	-	-	-
International bonds	5.0%	-	-	-	-
Real estate	12.0%	-	-	-	-
Alternative assets	10.0%	-	-	-	-
Total	100%	100%	100%	100%	100%

Rates of return: The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return on investments, net of investment expenses, for the OPEB Trust at September 30, 2025 was 13.25%. The annual money-weighted rate of return on investments, net of investment expenses for the Elected Officials and Management VEBA, the General Employees VEBA and the Police VEBA at December 31, 2024, was 41.96%, 16.37%, and 14.10%, respectively. The annual money weighted return on investments, net of investment expenses for the Firefighters' VEBA at March 31, 2025 was 8.74%.

The long-term expected rate of return on the OPEB investments was determined using a building-block method in which best – estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class and are listed below.

Asset Class	Long-term Expected Real Rate of Return				
	OPEB Trust Fund	Elected Officials and Management VEBA Fund	General Employee VEBA Fund	Police VEBA Fund	Firefighters' VEBA Fund
	September 30, 2025	December 31, 2024	December 31, 2024	December 31, 2024	March 31, 2025
Domestic equity	7.50 %	6.00 %	6.00 %	7.25 %	7.50 %
International equity	8.50 %	6.00 %	6.00 %	7.25 %	7.50 %
Domestic bonds	2.50 %	- %	- %	- %	- %
International bonds	3.50 %	- %	- %	- %	- %
Real estate	4.50 %	- %	- %	- %	- %
Fixed income mutual funds	- %	6.00 %	6.00 %	7.25 %	7.50 %
Alternative assets	6.20 %	- %	- %	- %	- %

CITY OF WEST PALM BEACH, FLORIDA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 SEPTEMBER 30, 2025

R - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

The components of the net OPEB liability/(asset) of the City at September 30, 2025, were as follows:

	OPEB Trust Fund	Elected Officials and Management VEBA Fund	General Employee VEBA Fund	Police VEBA Fund	Firefighters' VEBA Fund
Measurement date	September 30, 2025	December 31, 2024	December 31, 2024	December 31, 2024	March 31, 2025
Total OPEB liability (asset):					
Service cost	\$ 595,509	\$ 41,235	\$ 482,568	\$ 233,690	\$ 129,042
Interest	1,274,673	56,285	425,010	1,542,306	837,733
Changes in assumptions	1,433,376	-	(348,064)	-	-
Difference between expected and actual experience	(295,961)	8,968	(192,384)	-	-
Benefit payments, including refunds of employee contributions	<u>(1,658,860)</u>	<u>(66,763)</u>	<u>(341,045)</u>	<u>(1,085,575)</u>	<u>(638,404)</u>
Net change in total OPEB liability (asset)	1,348,737	39,725	26,085	690,421	328,371
Total OPEB liability (asset) - beginning of year	<u>17,214,566</u>	<u>950,842</u>	<u>10,024,487</u>	<u>21,699,134</u>	<u>11,424,451</u>
Total OPEB liability (asset) - end of year (a)	<u>\$ 18,563,303</u>	<u>\$ 990,567</u>	<u>\$ 10,050,572</u>	<u>\$ 22,389,555</u>	<u>\$ 11,752,822</u>
Contributions - employer	\$ 1,658,860	\$ 399,621	\$ 399,621	\$ 1,021,991	\$ 867,543
Net investment income	3,022,846	184,079	663,611	2,359,760	878,334
Benefit payments, including refunds of employee contributions	(1,658,860)	(66,763)	(341,045)	(1,085,575)	(638,404)
Trust administrative expenses	-	(1,418)	(8,792)	(9,414)	(54,158)
Net change in plan fiduciary net position	3,022,846	515,519	713,395	2,286,762	1,053,315
Plan fiduciary net position - beginning of year	<u>22,213,360</u>	<u>1,757,919</u>	<u>6,227,747</u>	<u>18,348,623</u>	<u>13,290,111</u>
Plan fiduciary net position - end of year (b)	<u>\$ 25,236,206</u>	<u>\$ 2,273,438</u>	<u>\$ 6,941,142</u>	<u>\$ 20,635,385</u>	<u>\$ 14,343,426</u>
Net OPEB liability (asset) - end of year (a - b)	<u>\$ (6,672,903)</u>	<u>\$ (1,282,871)</u>	<u>\$ 3,109,430</u>	<u>\$ 1,754,170</u>	<u>\$ (2,590,604)</u>
Plan fiduciary net position as a % of total OPEB liability/asset	135.90 %	229.51 %	69.06 %	92.17 %	122.04 %
Covered payroll	\$135,997,675	N/A	N/A	\$ 25,549,775	\$ 28,918,100
Net OPEB liability/asset as a % of covered payroll	-4.90 %	N/A	N/A	6.87 %	-8.96 %

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

R - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

At September 30, 2025, the City reported deferred outflows/(inflows) of resources related to the OPEB plans as follows:

Deferred Outflows of Resources					
Description	OPEB Trust Fund	Elected Officials and Management VEBA Fund	General Employees VEBA Fund	Police VEBA Fund	Firefighters' VEBA Fund
City contribution subsequent to measurement date	\$ -	\$ 319,199	\$ 319,199	\$ 932,273	\$ 469,699
Differences between expected and actual experience	783,517	16,417	-	101,582	1,300,938
Changes in assumptions	2,195,033	65,039	1,546,837	253,522	-
Net difference between projected and actual earnings in OPEB plan investments	-	103,247	575,366	1,723,402	834,877
Total	<u>\$ 2,978,550</u>	<u>\$ 503,902</u>	<u>\$ 2,441,402</u>	<u>\$ 3,010,779</u>	<u>\$ 2,605,514</u>

Deferred Inflows of Resources					
Description	OPEB Trust Fund	Elected Officials and Management VEBA Fund	General Employees VEBA Fund	Police VEBA Fund	Firefighters' VEBA Fund
City contribution subsequent to measurement date	\$ -	\$ -	\$ -	\$ -	\$ -
Differences between expected and actual experience	(661,370)	(122,728)	(1,839,361)	-	-
Changes in assumptions	-	(113,774)	(1,473,429)	-	(30,512)
Net difference between projected and actual earnings in OPEB plan investments	(2,636,752)	(118,739)	(573,789)	(2,007,813)	(771,487)
Total	<u>\$ (3,298,122)</u>	<u>\$ (355,241)</u>	<u>\$ (3,886,579)</u>	<u>\$ (2,007,813)</u>	<u>\$ (801,999)</u>

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

R - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

The following table summarized the net OPEB asset, net OPEB liability, and deferred inflow and outflow of resources as disclosed above for each OPEB plan:

Governmental Activities					
Description	Net OPEB Asset	Deferred Outflows of Resources	Net OPEB Liability	Deferred Inflows of Resources	OPEB Expense (Income)
OPEB Trust Fund	\$ 5,216,355	\$ 2,636,848	\$ -	\$ (2,646,786)	\$ 5,206,417
Elected Officials and Management VEBA Fund	1,282,871	503,901	-	(355,241)	1,431,531
General Employees VEBA Fund	-	1,942,057	(2,913,401)	(3,237,167)	(4,208,511)
Police VEBA Fund	-	3,010,779	(1,754,170)	(2,007,813)	(751,204)
Firefighters' VEBA Fund	2,590,604	2,605,514	-	(801,999)	4,394,119
Total	\$ 9,089,830	\$ 10,699,099	\$ (4,667,571)	\$ (9,049,006)	\$ 6,072,352

Business-Type Activities					
Description	Net OPEB Asset	Deferred Outflows of Resources	Net OPEB Liability	Deferred Inflows of Resources	OPEB Expense (Income)
OPEB Trust Fund	\$ 1,456,548	\$ 341,702	\$ -	\$ (651,337)	\$ (367,110)
General Employees VEBA Fund	-	499,345	(196,029)	(649,410)	(43,703)
Total	\$ 1,456,548	\$ 841,047	\$ (196,029)	\$ (1,300,747)	\$ (410,813)

Total primary government	\$ 10,546,378	\$ 11,540,146	\$ (4,863,600)	\$ (10,349,753)	\$ 5,661,539
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The balances as of September 30, 2025 of the deferred outflows/(inflows) of resources will be recognized in OPEB expense in the future years as noted below:

Fiscal Year	OPEB Trust Fund	Elected Officials and Management VEBA Fund	General Employees VEBA Fund	Police VEBA Fund	Firefighters' VEBA Fund	Total
2026	\$ 125,516	\$ (35,788)	\$ (218,696)	\$ 332,436	\$ 360,409	\$ 563,877
2027	(769,435)	(82,589)	(142,152)	426,318	306,535	(261,323)
2028	(494,055)	(43,781)	(429,837)	(508,508)	(33,970)	(1,510,151)
2029	161,440	(10,251)	(503,973)	(189,574)	223,192	(319,166)
2030	372,609	1,699	(290,501)	10,021	200,534	294,362
Thereafter	284,353	172	(179,217)	-	277,116	382,424
Total	\$ (319,572)	\$ (170,538)	\$ (1,764,376)	\$ 70,693	\$ 1,333,816	\$ (849,977)

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

R - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

The total OPEB liability/(asset) was determined by an actuarial valuation using the following assumptions included in the measurement as follows:

	<u>OPEB Trust Fund</u>	<u>Elected Officials and Management VEBA Fund</u>	<u>General Employees VEBA Fund</u>
Measurement date:	September 30, 2025	December 31, 2024	December 31, 2024
Actuarial valuation date:	September 30, 2025	December 31, 2023	December 31, 2023
Inflation:	1.50% per year. Inflation is included in the payroll growth rates. The inflation rate is based on current economic environment and future expectations.	2.50% per year.	2.50% per year.
Discount rate	7.50%	6.00%	4.58%
Investment rate of return:	7.50%	6.00%	6.00%
Payroll growth:	The salary scale is based on the City's Fire pension valuation as of September 30, 2024 and the City's Police pension valuation as of September 30, 2024. See table below.	4.25%	4.25%

<u>Years of Service</u>	<u>Police</u>	<u>Fire</u>	<u>General</u>
0 - 10	5.00%	4.60%	4.00%
11 - 12	5.00%	4.35%	4.00%
23 +	5.00%	4.10%	4.00%

R - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

	<u>OPEB Trust Fund</u>	<u>Elected Officials and Management VEBA Fund</u>	<u>General Employees VEBA Fund</u>
Healthcare cost trends:	An initial rate of 8.00% decreasing to an ultimate rate of 4.50% for FY 2040+.	N/A	N/A
Mortality rates:	General Employees and Retirees: SOA PUB-2016 General Head Count on Weighted Mortality Table fully generational using Scale MP-2021	Healthy Employees: PUB-2010 Headcount-Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set-forward 1 year, with fully generational morality improvements projected to each future decrement date with Scale MP-2018.	Healthy Employees: PUB-2010 Headcount-Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set-forward 1 year, with fully generational morality improvements projected to each future decrement date with Scale MP-2018.
	Police and Fire Employees and Retirees: SOA Pub-2016 Public Safety Head Count on Weighted Mortality Table fully generational using Scale MP-2021	Healthy Retiree: PUB-2010 Headcount-Weighted Safety Retiree Female Mortality Table and Safety Below Median Retiree Male Mortality Table, both set-forward 1 year, with fully generational mortality improvements projected to each decrement date with Scale MP-2018.	Healthy Retiree: PUB-2010 Headcount-Weighted Safety Retiree Female Mortality Table and Safety Below Median Retiree Male Mortality Table, both set-forward 1 year, with fully generational mortality improvements projected to each decrement date with Scale MP-2018.
	Surviving Spouses: SOA Pub-2016 Contingent Survivor Head Count on Weighted Mortality Table fully generational using Scale MP-2021	Disabled Participants: PUB-2010 Headcount Weighted Gen. Disabled Retiree Mortality Tables set forward 3 years, with separate rates for males and females.	Disabled Participants: PUB-2010 Headcount Weighted Gen. Disabled Retiree Mortality Tables set forward 3 years, with separate rates for males and females.

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

R - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

	<u>Police VEBA Fund</u>	<u>Firefighters' VEBA Fund</u>
Measurement date	December 31, 2024	March 31, 2025
Actuarial valuation date	July 1, 2024	September 30, 2024
Inflation	2.50%	2.60%
Discount rate	7.25%	7.50%
Investment rate of return	7.25%, net of OPEB plan investment expense, including inflation	7.50%, net of OPEB plan investment expense, including inflation
Payroll growth	5.00%	4.10% - 4.60%
Retirement age	Age and experience-based table of rates that are specific to the type of eligibility condition.	Age and experience-based table of rates that are specific to the type of eligibility condition.
Mortality rates	<p>Healthy Employees: PUB-2010 Headcount-Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set-forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.</p> <p>Healthy Retiree: PUB-2010 Headcount-Weighted Safety Retiree Female Mortality Table and Safety Below Median Retiree Male Mortality Table, both set-forward 1 year, with fully generational mortality improvements projected to each decrement date with Scale MP-2018.</p> <p>Disabled Participants: 80% PUB-2010 Headcount Weighted Gen. Disabled Retiree Mortality Table & 20% PUB-2010 Headcount-Weighted Safety Disabled Retiree Mortality Table. Separate rates for male/female</p> <p>The margin for future mortality improvements is included in projection scales. 50% of deaths before retirement were assumed to be duty related.</p>	<p>Healthy Employees: PUB-2010 Headcount-Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set-forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.</p> <p>Healthy Retiree: PUB-2010 Headcount-Weighted Safety Retiree Female Mortality Table and Safety Below Median Retiree Male Mortality Table, both set-forward 1 year, with fully generational mortality improvements projected to each decrement date with Scale MP-2018.</p> <p>Disabled Participants: 80% PUB-2010 Headcount Weighted Gen. Disabled Retiree Mortality Table & 20% PUB-2010 Headcount-Weighted Safety Disabled Retiree Mortality Table. Separate rates for male/female</p> <p>The margin for future mortality improvements is included in projection scales. 50% of deaths before retirement were assumed to be duty related.</p>

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

R - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

	OPEB Trust Fund	Elected Officials and Management VEBA Fund	General Employees VEBA Fund	Police VEBA Fund	Firefighters VEBA Fund
Service cost	\$ 595,509	\$ -	\$ -	\$ 233,690	\$ 129,042
Interest	1,274,673	-	-	1,542,306	837,733
Benefit payments, including refunds of employee contributions	(6,672,903)	-	-	-	-
Net change in total OPEB liability (asset)	(4,802,721)	-	-	1,775,996	966,775
Total OPEB liability (asset) - beginning of year	13,568,259	950,842	10,215,212	22,481,205	11,085,878
Total OPEB liability (asset) - end of year (a)	8,765,538	950,842	10,215,212	24,257,201	12,052,653
Plan fiduciary net position:					
Contributions - employer	(1,658,860)	(399,621)	(399,621)	(1,021,991)	(867,543)
Contributions - active employees	-	-	-	-	-
Net investment income	(3,022,846)	(184,079)	(663,611)	(2,359,760)	(878,334)
Benefit payments, including refunds of employee contributions	(6,672,903)	-	-	-	-
Trust administrative expenses	-	-	-	-	-
Net change in plan fiduciary net position	(11,354,609)	(583,700)	-	(3,381,751)	(1,745,877)
Plan fiduciary net position - beginning of year	4,097,344	993,396	14,105	8,419,787	8,450,219
Plan fiduciary net position - end of year (b)	\$ (7,257,265)	\$ 409,696	\$ (1,049,127)	\$ 5,038,036	\$ 6,704,342
Net OPEB liability (asset) - end of year (a - b)	\$ 16,022,803	\$ 541,146	\$ 11,264,339	\$ 19,219,165	\$ 5,348,311
Plan fiduciary net position as percentage of total OPEB liability	107.00 %	- %	- %	74.67 %	105.08 %
Covered payroll	\$ 114,104,269	\$ -	\$ -	\$ 26,076,800	\$ 25,285,733
Net OPEB liability as a % of covered payroll	-1.00 %	- %	- %	20.18 %	-2.05 %

Change in assumptions: These assumptions are estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rates of investment income and compensation increases. These assumptions are generally based on past experience, often modified for projected changes in conditions. Significant changes of assumptions for the OPEB Plans are discussed below:

In accordance actuarial valuations, for the Police VEBA as of December 31, 2024 and the Firefighters' VEBA as of March 31, 2025, significant assumptions included inflation, healthcare cost trend rates, salary changes, ad hoc postemployment benefit changes, and the sharing of benefit-related costs with inactive plan members. The patterns of practice relied upon the projection and the sharing of benefit-related costs with inactive plan members and the source of the assumptions for mortality and dates of experience studies. The discount rate used and the change in the discount rate since the prior fiscal year end.

R - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Assumptions about projected cash flows, the long-term expected rate of return on OPEB investments The periods of projected benefit payments to which the long-term expected rate of return are used. The assumed asset allocation of the portfolio and the long-term expected real rate of return for each major asset class, and whether the returns are arithmetic or geometric.

Discount rates: The discount rate used to measure the OPEB Trust liability was 7.50%. The projection of cash flows used to determine the discount rate assumes that City contributions will be made at rates equal to the actuarially determined contribution rates. The long-term expected rate of return on OPEB plan investments are based on a blend of the expected long-term rate of return on assets of 7.50% for benefit payments during the first seven years after the valuation date and a yield on 20-year grade AA/Aa or higher municipal bonds of 7.50% per year for benefit payments beyond the first seven years after the valuation date.

Projected benefit payments for the VEBA Trusts are required to be discounted to their actuarial present value using a Single Discount Rate that reflects: (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plans' fiduciary net position is projected to be sufficient to pay benefits); and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Discount Rate: The following table illustrates the impact of interest rate sensitivity on the net OPEB liability (asset) of the City as of September 30, 2025:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase- 8.50%
OPEB Trust Fund	\$ (5,234,428)	\$ (6,672,903)	\$ (7,960,199)
	1% Decrease 5.00%	Current Discount Rate 6.00%	1% Increase 7.00%
Management and Elected Officials VEBA Fund	\$ (1,192,853)	\$ (1,282,871)	\$ (1,362,164)
	1% Decrease 3.58%	Current Discount Rate 4.58%	1% Increase 5.58%
General Employee VEBA Fund	\$ 4,090,174	\$ 3,109,430	\$ 2,251,626
	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Police VEBA Fund	\$ 4,537,829	\$ 1,754,170	\$ (537,904)
	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Firefighters' VEBA Fund	\$ (1,209,904)	\$ (2,590,604)	\$ (3,732,411)

R - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Sensitivity of the Net OPEB Asset to Changes in the Healthcare Cost Trend Rates: The following table illustrates the impact of healthcare cost trend rate sensitivity on the net OPEB asset of the City as of September 30, 2025:

	1% Decrease 7.00%	Current Trend Rate 8.00%	1% Increase 9.00%
OPEB Trust Fund	\$ (8,139,942)	\$ (6,672,903)	\$ (4,985,450)
Management and Elected Officials VEBA Fund	N/A	N/A	N/A
General Employee VEBA Fund	N/A	N/A	N/A
Police VEBA Fund	N/A	N/A	N/A
Firefighters' VEBA Fund	N/A	N/A	N/A

Accounting for the OPEB Trust, the Elected Officials and Management VEBA, General Employees VEBA, and Police VEBA is done by the City of West Palm Beach staff, separately issued and audited financial statements are not available.

OPEB Funds financial statements for the respected fiscal years ended September 30, 2025 and December 31, 2024 which are included in the Fiduciary Fund Financial Statements of this report, are as follows:

STATEMENT OF FIDUCIARY NET POSITION

	September 30, 2025	December 31, 2024	December 31, 2024	December 31, 2024	
	OPEB Trust Fund	Elected Officials and Management VEBA Fund	General Employees VEBA Fund	Police VEBA Fund	Total
Cash and cash equivalents	\$ 3,389,442	\$ 346,058	\$ 281,604	\$ 700,368	\$ 4,717,472
Interest Receivable	46	134	490	-	670
Investments:					
Mutual funds	-	1,927,246	6,659,048	19,935,017	28,521,311
Exchange traded funds (EFT)	21,846,870	-	-	-	21,846,870
Total investments	21,846,870	1,927,246	6,659,048	19,935,017	50,368,181
Total assets	25,236,358	2,273,438	6,941,142	20,635,385	55,086,323
Net position	\$ 25,236,358	\$ 2,273,438	\$ 6,941,142	\$ 20,635,385	\$ 55,086,323

CITY OF WEST PALM BEACH, FLORIDA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 SEPTEMBER 30, 2025

R - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 For the Fiscal year Ended

	September 30, 2025	December 31, 2024	December 31, 2024	December 31, 2024	
	<u>OPEB Trust Fund</u>	<u>Elected Officials and Management VEBA Fund</u>	<u>General Employees VEBA Fund</u>	<u>Police VEBA Fund</u>	<u>Total</u>
Additions:					
Employer contributions	\$ 1,658,860	\$ 399,621	\$ 399,621	\$ 1,021,991	\$ 3,480,093
Investment income:					
Net appreciation in fair value of investments	3,023,101	184,079	665,378	1,959,423	5,831,981
Interest and dividends	-	-	-	454,642	454,642
Total additions	<u>4,681,961</u>	<u>583,700</u>	<u>1,064,999</u>	<u>3,436,056</u>	<u>9,766,716</u>
Deductions:					
Participant payments	1,658,860	66,763	341,045	1,085,575	3,152,243
Investment expense	-	-	1,767	54,305	56,072
Administrative expense	161	1,418	8,792	9,414	19,785
Total deductions	<u>1,659,021</u>	<u>68,181</u>	<u>351,604</u>	<u>1,149,294</u>	<u>3,228,100</u>
Net increase in net position	3,022,940	515,519	713,395	2,286,762	6,538,616
Net position restricted for OPEB:					
Beginning of year	22,213,418	1,757,919	6,227,747	18,348,623	48,547,707
End of year	<u>\$ 25,236,358</u>	<u>\$ 2,273,438</u>	<u>\$ 6,941,142</u>	<u>\$ 20,635,385</u>	<u>\$ 55,086,323</u>

CITY OF WEST PALM BEACH, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

S - FUND BALANCE CONSTRAINTS

Fund balances are separated into five categories of constraints as shown in the following table:

	General Fund	City Center Redevelopment Agency Fund	Northwood / Pleasant City Community Redevelopment Agency Fund	Non-Major Governmental Funds	Total Governmental Funds
Fund balances:					
Nonspendable:					
Prepaid items	\$ 28,165	\$ 5,000	\$ -	\$ 23,802	\$ 56,967
Advances to defined benefit pension plan	1,507,276	-	-	-	1,507,276
Inventory	697,523	-	-	39,506	737,029
Restricted:					
Forfeiture	-	-	-	1,197,636	1,197,636
Cemetery trust	-	-	-	1,754,674	1,754,674
Transportation	-	-	-	8,788,761	8,788,761
Public safety	-	-	-	27,911,867	27,911,867
Economic environment	-	54,114,766	3,640,303	7,410,740	65,165,809
Debt service	-	-	-	9,441,325	9,441,325
Capital outlay	-	-	-	102,786,170	102,786,170
Committed:					
Emergency reserve	25,345,222	-	-	-	25,345,222
Art in public places	6,448,296	-	-	-	6,448,296
Debt service	-	-	-	34,022	34,022
Land held for resale	-	-	-	2,863,385	2,863,385
Leisure services	-	-	-	3,127,129	3,127,129
Public safety	-	-	-	10,031,981	10,031,981
Capital projects	-	-	-	61,183,073	61,183,073
Assigned:					
For subsequent year's expenditures	7,661,383	-	-	-	7,661,383
Unassigned	75,405,551	-	-	(3,562,898)	71,842,653
Total fund balances	\$ 117,093,416	\$ 54,119,766	\$ 3,640,303	\$ 233,031,173	\$ 407,884,658

The amounts aboved assigned for subsequent year's expenditures represents outstanding encumbrances at year end.

T - RESTATEMENT

Change Within the Principal Reporting Entity

Effective October 1, 2024, the City closed the American Rescue Plan Act Fund, a Special Revenue Fund. This action represents a change to the financial reporting entity in accordance with GASB Statement No. 100, "Accounting Changes and Error Corrections". The fund closure was due to a change in the proposed use of American Rescue Plan funding previously planned for operating expenditures reassigned to be used for capital projects. As a result of the fund closure, future activities and use of unspent American Rescue Plan funding will be consolidated into the American Rescue Plan Act capital Projects Fund. As required by GASB Statement No. 100, the effect of the restated beginning fund balances for the current period have been disclosed below to reflect the removal of the American Rescue Plan Act Fund. The following table reconciles previously reported beginning balances to restated balances:

Reporting Unit	September 30, 2024 (As previously reported)	Adjustment to beginning fund balance	September 30, 2024 (Restated)
Governmental funds			
Non-major funds:			
American Rescue Plan Act Fund	\$ 480,649	\$ (480,649)	\$ -
American Rescue Plan Act Capital Projects Fund	<u>1,034,741</u>	<u>480,649</u>	<u>1,515,390</u>
Total Governmental Funds	<u>\$ 1,515,390</u>	<u>\$ -</u>	<u>\$ 1,515,390</u>

Impact on fund balance and net position - governmental activities:

There was no change in the beginning fund balance of the governmental funds or the net position of governmental activities, as a result of this change. Amounts for prior periods have not been restated in the financial statements for comparability due to impracticability.

U - SUBSEQUENT EVENTS

Subsequent to the fiscal year ended September 30, 2025, the \$27,510,000 CCCRA Taxable Series 2025 Bonds were issued on October 23, 2025 for the purpose of acquiring three leases for properties located at 185 Banyan Boulevard and 255 N Flagler Drive (collectively "the Leases"). The CCCRA completed the acquisition of the Leases on December 17, 2025 and entered into a five-year agreement with a third party, to perform management services for the leased properties, with total compensation over five years totaling \$190,803.

Upon acquisition of the Leases, the CCCRA assumed the existing term of the lease contracts having remainder terms ranging from 3 years to 41 years, with options to renew in 5 year increments, upon expiration.

Subsequent to the fiscal year end 2025, the developer associated with the Tent Site defaulted on the terms of its agreement with the CRA. As a result, the CRA issued a breach of lease and notice of default letter, notifying the developer of a 30 day notice to cure the breach or lease and default and comply with the initial agreement.



Photo by thesprucewpb.com

Required Supplementary
INFORMATION
(Unaudited)



CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget - Positive (Negative)
REVENUES:				
Taxes	\$ 174,583,221	\$ 174,583,221	\$ 178,455,743	\$ 3,872,522
Licenses and permits	3,785,000	3,785,000	4,213,160	428,160
Intergovernmental	19,136,959	19,290,682	20,114,720	824,038
Charges for services	52,007,558	52,837,558	60,448,924	7,611,366
Fines and forfeitures	501,000	501,000	614,503	113,503
Rents and royalties	309,515	309,515	603,579	294,064
Investment income	1,132,497	1,212,497	6,462,296	5,249,799
Miscellaneous	633,495	1,837,693	1,456,934	(380,759)
Total revenues	252,089,245	254,357,166	272,369,859	18,012,693
EXPENDITURES:				
Current:				
General government:				
Mayor's Office	11,886,859	12,002,641	10,157,421	1,845,220
Internal Audit	1,188,357	1,188,357	881,396	306,961
Non-departmental Government	1,242,348	1,249,126	1,034,379	214,747
Finance	6,674,517	6,663,394	5,646,109	1,017,285
Support Services	5,604,389	5,960,640	5,712,355	248,285
Human Resources	2,679,240	2,679,240	2,505,706	173,534
Department of City Attorney	5,521,697	5,521,697	5,205,514	316,183
Housing and Community Development	2,809,326	2,531,541	1,974,715	556,826
Development Services	2,999,217	2,999,217	2,740,550	258,667
Public works	6,115,233	6,517,272	5,673,198	844,074
Economic environment	3,295,975	7,651,423	389,173	7,262,250
Engineering services	8,592,301	9,092,301	5,159,902	3,932,399
Health and sanitation	15,993,566	15,991,526	14,440,764	1,550,762
Leisure services:				
Library	6,556,702	6,883,368	6,416,193	467,175
Parks and recreation	25,422,503	25,709,104	23,810,434	1,898,670
Public safety:				
Police	96,574,238	98,824,676	93,718,713	5,105,963
Fire	57,971,937	58,150,096	55,457,356	2,692,740
Capital outlay	9,288,199	9,897,933	6,056,664	3,841,269
Debt service:				
Principal	5,652,000	6,072,469	6,069,897	2,572
Interest expense	4,245,500	4,268,828	4,216,750	52,078
Total expenditures	280,314,104	289,854,849	257,267,189	32,587,660
Excess (deficiency) of revenues over (under) expenditures	(28,224,859)	(35,497,683)	15,102,670	50,600,353

See notes to required supplementary information.

**CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget - Positive (Negative)
OTHER FINANCING SOURCES AND USES:				
Gain on sale of capital assets	249,000	1,008,013	669,669	(338,344)
Litigation settlements	-	(817,500)	(817,500)	-
Transfers in	17,959,216	17,959,216	18,741,496	782,280
Transfers out	(4,814,866)	(35,991,548)	(35,991,548)	-
Total other financing sources and uses	<u>13,393,350</u>	<u>(17,841,819)</u>	<u>(17,397,883)</u>	<u>443,936</u>
Net changes in fund balances	<u>\$ (14,831,509)</u>	<u>\$ (53,339,502)</u>	<u>\$ (660,213)</u>	<u>\$ (50,156,417)</u>
Reconciliation of budgetary to GAAP basis revenues:				
Revenues reported in this schedule			\$ 272,369,859	
On-behalf payments			4,909,534	
Deduct administrative charges			(20,783,243)	
Revenues GAAP basis			<u>\$ 256,496,150</u>	
Reconciliation of budgetary to GAAP basis expenditures:				
Expenditures reported in this schedule			\$ 257,267,189	
On-behalf payments			4,909,534	
Deduct year end encumbrances			(9,196,286)	
Deduct administrative expenditures			(20,783,243)	
Expenditures GAAP basis			<u>\$ 232,197,194</u>	

See notes to required supplementary information.

**CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - BUDGETARY BASIS
CITY CENTER COMMUNITY REDEVELOPMENT AGENCY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget - Positive (Negative)
REVENUES:				
Taxes	\$ 38,586,996	\$ 38,586,996	\$ 38,883,643	\$ 296,647
Intergovernmental	24,875,178	24,875,178	24,882,345	7,167
Rents and royalties	55,916	55,916	208,608	152,692
Investment income	850,000	850,000	2,833,616	1,983,616
Miscellaneous	-	-	54	54
Total revenues	64,368,090	64,368,090	66,808,266	2,440,176
EXPENDITURES:				
Current:				
Economic environment	46,543,589	50,623,475	35,643,148	14,980,327
Capital outlay	50,766,729	49,689,262	14,831,205	34,858,057
Debt service:				
Principal	3,035,000	3,035,000	3,035,000	-
Interest expense	1,087,725	1,105,725	1,086,707	19,018
Total expenditures	101,433,043	104,453,462	54,596,060	49,857,402
Excess (deficiency) of revenues over (under) expenditures	(37,064,953)	(40,085,372)	12,212,206	52,297,578
OTHER FINANCING SOURCES (USES):				
Disposal of capital assets	-	-	344,889	344,889
Transfers in	75,684	75,684	75,684	-
Transfers out	(13,831,844)	(13,831,844)	(13,831,844)	-
Total other financing sources (uses)	(13,756,160)	(13,756,160)	(13,411,271)	344,889
Net changes in fund balances	\$ (50,821,113)	\$ (53,841,532)	(1,199,065)	\$ 52,642,467
Fund balances - beginning			55,318,831	
Fund balances - ending			\$ 54,119,766	

See notes to required supplementary information.

CITY OF WEST PALM BEACH, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL - BUDGETARY BASIS
 NORTHWOOD / PLEASANT CITY COMMUNITY REDEVELOPMENT AGENCY FUND
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget - Positive (Negative)
REVENUES:				
Taxes	\$ 4,446,274	\$ 4,446,274	\$ 4,458,189	\$ 11,915
Intergovernmental	2,460,795	2,460,795	2,459,406	(1,389)
Charges for services	52,530	52,530	53,589	1,059
Investment income	150,000	150,000	270,450	120,450
Total revenues	7,109,599	7,109,599	7,241,634	132,035
EXPENDITURES:				
Current:				
Economic environment	7,332,016	6,647,336	4,046,185	2,601,151
Capital outlay	1,271,561	1,729,743	968,747	760,996
Debt service:				
Principal	1,090,000	1,258,274	1,258,274	-
Interest expense	760,500	592,226	591,934	292
Total expenditures	10,454,077	10,227,579	6,865,140	3,362,439
Excess (deficiency) of revenues over (under) expenditures	(3,344,478)	(3,117,980)	376,494	3,494,474
Issuance of line of credit	-	-	73,150	73,150
Transfers out	(500,000)	(2,369,114)	(2,369,114)	-
Total other financing uses	(500,000)	(2,369,114)	(2,295,964)	73,150
Net changes in fund balances	\$ (3,844,478)	\$ (5,487,094)	(1,919,470)	\$ 3,567,624
Fund balances - beginning			5,559,773	
Fund balances - ending			\$ 3,640,303	

See notes to required supplementary information.

CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

	Measurement Year 2025	Measurement Year 2024	Measurement Year 2023	Measurement Year 2022	Measurement Year 2021
<u>Total Pension Liability ("TPL")</u>					
CHANGES FOR THE YEAR:					
Service Cost	\$ 8,034,057	\$ 7,380,140	\$ 7,042,697	\$ 6,369,952	\$ 6,132,849
Interest on the TPL	39,573,999	37,218,574	34,257,582	31,879,437	32,083,247
Benefit changes	-	-	-	3,178,061	-
Difference - expected vs. actual experience of TPL	156,344	4,776,508	25,334,396	21,461,831	(7,942,606)
Changes in assumptions	26,347,823	6,777,411	-	9,749,489	(421,692)
Benefit payments	(27,308,546)	(23,864,023)	(30,196,118)	(20,491,059)	(19,647,932)
Refunds	(377,543)	(196,211)	(78,566)	(233,429)	(262,973)
Other	5,855,624	3,042,497	2,663,945	2,202,103	2,287,089
Net Change in TPL	52,281,758	35,134,896	39,023,936	54,116,385	12,227,982
TPL balance - beginning of year	575,168,860	540,033,964	501,010,028	446,893,643	434,665,661
TPL balance - end of year	<u>\$ 627,450,618</u>	<u>\$ 575,168,860</u>	<u>\$ 540,033,964</u>	<u>\$ 501,010,028</u>	<u>\$ 446,893,643</u>
<u>Plan Fiduciary Net Position ("FNP")</u>					
CHANGES FOR THE YEAR:					
Contributions - employer and state	\$ 10,401,497	\$ 8,060,841	\$ 7,642,585	\$ 7,168,372	\$ 7,533,267
Contributions - employees	3,342,847	2,822,534	3,173,908	3,096,544	2,647,132
Net investment income (loss)	43,306,366	69,470,956	33,162,662	(49,468,909)	94,692,056
Benefit payments	(27,308,546)	(23,864,023)	(30,196,118)	(20,491,059)	(19,647,932)
Refunds	(377,543)	(196,211)	(78,566)	(233,429)	(262,973)
Pension plus administrative expense	(549,801)	(582,432)	(406,647)	(454,123)	(367,760)
Other	3,479,868	780,284	678,558	336,645	689,406
Net change in FNP	32,294,688	56,491,949	13,976,382	(60,045,959)	85,283,196
FNP balance - beginning of year	495,760,974	439,269,025	425,292,643	485,338,602	400,055,406
FNP balance - end of year	<u>\$ 528,055,662</u>	<u>\$ 495,760,974</u>	<u>\$ 439,269,025</u>	<u>\$ 425,292,643</u>	<u>\$ 485,338,602</u>
Net Pension (Asset) Liability	<u>\$ 99,394,956</u>	<u>\$ 79,407,886</u>	<u>\$ 100,764,939</u>	<u>\$ 75,717,385</u>	<u>\$ (38,444,959)</u>
Plan FNP as a percentage of TPL	<u>84.16 %</u>	<u>86.19 %</u>	<u>81.34 %</u>	<u>84.89 %</u>	<u>108.60 %</u>
Covered payroll	<u>\$ 29,444,618</u>	<u>\$ 24,655,736</u>	<u>\$ 25,510,864</u>	<u>\$ 26,101,927</u>	<u>\$ 24,064,836</u>
NPL as a percentage of covered payroll	<u>337.57 %</u>	<u>322.07 %</u>	<u>394.99 %</u>	<u>290.08 %</u>	<u>-159.76 %</u>

Note: This schedule is presented to illustrate the requirements to show information for ten years.
Annual Comprehensive Financial Report - FYE 2025

CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

	Measurement Year 2020	Measurement Year 2019	Measurement Year 2018	Measurement Year 2017	Measurement Year 2016
<u>Total Pension Liability ("TPL")</u>					
CHANGES FOR THE YEAR:					
Service Cost	\$ 6,248,573	\$ 5,950,838	\$ 4,969,598	\$ 4,465,713	\$ 4,119,566
Interest on the TPL	30,656,907	29,213,639	27,649,993	26,458,916	25,142,553
Benefit changes	-	-	2,595,355	-	-
Difference - expected vs. actual experience of TPL	1,972,997	2,559,101	2,535,765	335,340	264,885
Changes in assumptions	4,439,753	4,539,371	3,904,405	5,183,638	2,275,600
Benefit payments	(18,512,808)	(18,963,330)	(18,801,870)	(18,064,650)	(16,224,666)
Refunds	(206,949)	(152,950)	(225,759)	(25,530)	(93,453)
Other	1,773,794	1,613,818	2,765,374	2,237,938	1,683,012
Net Change in TPL	26,372,267	24,760,487	25,392,861	20,591,365	17,167,497
TPL balance - beginning of year	408,293,394	383,532,907	358,140,046	337,548,681	320,381,184
TPL balance - end of year	<u>\$ 434,665,661</u>	<u>\$ 408,293,394</u>	<u>\$ 383,532,907</u>	<u>\$ 358,140,046</u>	<u>\$ 337,548,681</u>
<u>Plan Fiduciary Net Position ("FNP")</u>					
CHANGES FOR THE YEAR:					
Contributions - employer and state	\$ 6,852,261	\$ 5,846,316	\$ 5,012,935	\$ 4,618,111	\$ 60,986,435
Contributions - employees	2,806,839	2,787,968	2,679,979	2,427,068	2,336,635
Net investment income (loss)	25,816,070	9,669,966	33,555,721	44,494,434	21,229,525
Benefit payments	(18,512,808)	(18,963,330)	(18,801,870)	(18,064,650)	(16,224,666)
Refunds	(206,949)	(152,950)	(225,759)	(25,530)	(93,453)
Pension plus administrative expense	(304,417)	(336,885)	(319,039)	(308,777)	(288,017)
Other	162,185	130,508	1,309,407	904,892	423,031
Net change in FNP	16,613,181	(1,018,407)	23,211,374	34,045,548	68,369,490
FNP balance - beginning of year	383,442,225	384,460,632	361,249,258	327,203,710	258,834,220
FNP balance - end of year	<u>\$ 400,055,406</u>	<u>\$ 383,442,225</u>	<u>\$ 384,460,632</u>	<u>\$ 361,249,258</u>	<u>\$ 327,203,710</u>
Net Pension (Asset) Liability	<u>\$ 34,610,255</u>	<u>\$ 24,851,169</u>	<u>\$ (927,725)</u>	<u>\$ (3,109,212)</u>	<u>\$ 10,344,971</u>
Plan FNP as a percentage of TPL	<u>92.04 %</u>	<u>93.91 %</u>	<u>100.24 %</u>	<u>100.87 %</u>	<u>96.94 %</u>
Covered payroll	<u>\$ 24,972,409</u>	<u>\$ 25,098,209</u>	<u>\$ 23,929,891</u>	<u>\$ 21,679,436</u>	<u>\$ 20,603,955</u>
NPL as a percentage of covered payroll	<u>138.59 %</u>	<u>99.02 %</u>	<u>-3.88 %</u>	<u>-14.34 %</u>	<u>50.21 %</u>

Note: This schedule is presented to illustrate the requirements to show information for ten years.
Annual Comprehensive Financial Report - FYE 2025

CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

	Measurement Year 2025	Measurement Year 2024	Measurement Year 2023	Measurement Year 2022	Measurement Year 2021
<u>Total Pension Liability ("TPL")</u>					
CHANGES FOR THE YEAR:					
Service Cost	\$ 6,128,705	\$ 5,891,675	\$ 5,625,473	\$ 5,197,693	\$ 4,961,755
Interest on the TPL	19,061,048	18,340,707	17,537,208	16,094,387	15,560,023
Difference expected vs. actual experience of TPL	(1,372,753)	(1,466,594)	414,278	12,012,854	179,758
Changes in assumptions	3,040,023	-	-	-	-
Benefit payments	(21,311,357)	(21,827,349)	(18,591,013)	(21,655,915)	(17,512,622)
Refunds	(104,930)	(206,515)	(103,578)	(435,455)	(165,829)
Other	24,487,716	18,184,078	15,492,579	11,067,861	15,262,723
Net Change in TPL	29,928,452	18,916,002	20,374,947	22,281,425	18,285,808
TPL balance - beginning of year	402,055,412	383,139,410	362,764,463	340,483,038	322,197,230
TPL balance - end of year	<u>\$ 431,983,864</u>	<u>\$ 402,055,412</u>	<u>\$ 383,139,410</u>	<u>\$ 362,764,463</u>	<u>\$ 340,483,038</u>
<u>Plan Fiduciary Net Position ("FNP")</u>					
CHANGES FOR THE YEAR:					
Contributions - employer and state	\$ 11,705,860	\$ 10,289,184	\$ 9,752,621	\$ 10,552,259	\$ 10,893,690
Contributions - employees	5,335,795	4,747,292	4,785,861	5,176,733	3,727,898
Net investment income (loss)	23,134,639	47,788,590	26,360,441	(46,330,031)	59,170,951
Benefit payments	(21,311,357)	(21,827,349)	(18,591,013)	(21,655,915)	(17,512,622)
Refunds	(104,930)	(206,515)	(103,578)	(435,455)	(165,829)
Pension plus administrative expense	(234,549)	(284,393)	(289,583)	(225,075)	(201,049)
Other	24,679	1,333	14,133	11,141	9,267
Net change in FNP	18,550,137	40,508,142	21,928,882	(52,906,343)	55,922,306
FNP balance - beginning of year	317,683,670	277,175,528	255,246,646	308,152,989	252,230,683
Adjustment	1,332	-	-	-	-
FNP balance - end of year	<u>\$ 336,235,139</u>	<u>\$ 317,683,670</u>	<u>\$ 277,175,528</u>	<u>\$ 255,246,646</u>	<u>\$ 308,152,989</u>
Net Pension (Asset) Liability	<u>\$ 95,748,725</u>	<u>\$ 84,371,742</u>	<u>\$ 105,963,882</u>	<u>\$ 107,517,817</u>	<u>\$ 32,330,049</u>
Plan FNP as a percentage of TPL	<u>77.84 %</u>	<u>79.01 %</u>	<u>72.34 %</u>	<u>70.36 %</u>	<u>90.50 %</u>
Covered payroll	<u>\$ 26,792,161</u>	<u>\$ 25,675,798</u>	<u>\$ 25,509,700</u>	<u>\$ 24,321,039</u>	<u>\$ 22,372,369</u>
NPL as a percentage of covered payroll	<u>357.38 %</u>	<u>328.60 %</u>	<u>415.39 %</u>	<u>442.08 %</u>	<u>144.51 %</u>

Note: This schedule is presented to illustrate the requirements to show information for ten years.
Annual Comprehensive Financial Report - FYE 2025

CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

	Measurement Year 2020	Measurement Year 2019	Measurement Year 2018	Measurement Year 2017	Measurement Year 2016
<u>Total Pension Liability ("TPL")</u>					
CHANGES FOR THE YEAR:					
Service Cost	\$ 4,748,948	\$ 4,637,520	\$ 4,299,275	\$ 3,997,127	\$ 3,934,074
Interest on the TPL	15,356,555	14,635,101	14,539,716	13,652,932	13,153,854
Difference expected vs. actual experience of TPL	(1,290,643)	1,566,360	(748,224)	(944,506)	(75,341)
Changes in assumptions	(4,748,226)	-	6,304,411	5,482,333	-
Benefit payments	(17,032,126)	(15,940,655)	(16,056,923)	(17,896,859)	(14,902,198)
Refunds	(59,635)	(41,259)	(102,314)	(225,496)	(19,093)
Other	12,174,555	8,721,401	10,283,962	11,407,181	13,603,677
Net Change in TPL	9,149,428	13,578,468	18,519,903	15,472,712	15,694,973
TPL balance - beginning of year	313,047,802	299,469,334	280,949,431	265,476,719	249,781,746
TPL balance - end of year	<u>\$ 322,197,230</u>	<u>\$ 313,047,802</u>	<u>\$ 299,469,334</u>	<u>\$ 280,949,431</u>	<u>\$ 265,476,719</u>
<u>Plan Fiduciary Net Position ("FNP")</u>					
CHANGES FOR THE YEAR:					
Contributions - employer and state	\$ 11,095,789	\$ 10,373,258	\$ 9,398,714	\$ 7,594,810	\$ 7,665,074
Contributions - employees	4,144,354	2,738,646	3,325,997	5,631,366	3,778,776
Net investment income (loss)	20,389,301	9,177,925	24,051,595	23,590,017	16,158,856
Benefit payments	(17,032,126)	(15,940,655)	(16,056,923)	(17,896,859)	(14,902,198)
Refunds	(59,635)	(41,259)	(102,314)	(225,496)	(19,093)
Pension plus administrative expense	(196,920)	(176,142)	(199,057)	(183,315)	(164,821)
Other	14,987	25,919	25,833	19,789	56,439
Net change in FNP	18,355,750	6,157,692	20,443,845	18,530,312	12,573,033
FNP balance - beginning of year	233,874,933	227,717,241	207,273,396	188,743,084	176,170,051
Adjustment	-	-	-	-	-
FNP balance - end of year	<u>\$ 252,230,683</u>	<u>\$ 233,874,933</u>	<u>\$ 227,717,241</u>	<u>\$ 207,273,396</u>	<u>\$ 188,743,084</u>
Net Pension (Asset) Liability	<u>\$ 69,966,547</u>	<u>\$ 79,172,869</u>	<u>\$ 71,752,093</u>	<u>\$ 73,676,035</u>	<u>\$ 76,733,635</u>
Plan FNP as a percentage of TPL	<u>78.28 %</u>	<u>74.71 %</u>	<u>76.04 %</u>	<u>73.78 %</u>	<u>71.10 %</u>
Covered payroll	<u>\$ 21,020,508</u>	<u>\$ 19,890,980</u>	<u>\$ 19,303,606</u>	<u>\$ 17,540,397</u>	<u>\$ 16,634,526</u>
NPL as a percentage of covered payroll	<u>332.85 %</u>	<u>398.03 %</u>	<u>371.70 %</u>	<u>420.04 %</u>	<u>461.29 %</u>

Note: This schedule is presented to illustrate the requirements to show information for ten years.
Annual Comprehensive Financial Report - FYE 2025

CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
RESTATEMENT EMPLOYEES PENSION FUND
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

	Measurement Year 2025	Measurement Year 2024	Measurement Year 2023	Measurement Year 2022	Measurement Year 2021
Total Pension Liability ("TPL")					
CHANGES FOR THE YEAR:					
Service Cost	\$ 71,127	\$ 62,475	\$ 61,079	\$ 54,996	\$ 45,926
Interest on the TPL	2,919,928	2,952,952	3,053,885	3,047,401	3,154,079
Difference expected vs. actual experience of TPL	1,326,633	(26,823)	(1,166,960)	273,302	(71,145)
Changes in assumptions	434,035	-	-	-	217,866
Benefit payments	(3,513,118)	(3,383,745)	(3,298,020)	(3,280,574)	(3,464,504)
Net Change in TPL	1,238,605	(395,141)	(1,350,016)	95,125	(117,778)
TPL balance - beginning of year	41,995,868	42,391,009	43,741,025	43,645,900	43,763,678
TPL balance - end of year	<u>\$ 43,234,473</u>	<u>\$ 41,995,868</u>	<u>\$ 42,391,009</u>	<u>\$ 43,741,025</u>	<u>\$ 43,645,900</u>
Plan Fiduciary Net Position ("FNP")					
CHANGES FOR THE YEAR:					
Contributions - employees	\$ 40,143	\$ 45,383	\$ 41,795	\$ 44,886	\$ 49,331
Net investment income (loss)	3,104,223	8,661,123	4,068,577	(6,811,203)	9,093,376
Benefit payments	(3,513,118)	(3,383,745)	(3,298,020)	(3,280,574)	(3,464,504)
Pension plus administrative expense	(132,431)	(114,049)	(113,774)	(97,831)	(90,733)
Other	168	351	485	1,084	738
Net change in FNP	(501,015)	5,209,063	699,063	(10,143,638)	5,588,208
FNP balance - beginning of the year	47,130,730	41,921,667	41,222,604	51,366,242	45,778,034
FNP balance - end of year	<u>\$ 46,629,715</u>	<u>\$ 47,130,730</u>	<u>\$ 41,921,667</u>	<u>\$ 41,222,604</u>	<u>\$ 51,366,242</u>
Net Pension (Asset) Liability	<u>\$ (3,395,242)</u>	<u>\$ (5,134,862)</u>	<u>\$ 469,342</u>	<u>\$ 2,518,421</u>	<u>\$ (7,720,342)</u>
Plan FNP as a percentage of TPL	<u>107.85 %</u>	<u>112.23 %</u>	<u>98.89 %</u>	<u>94.24 %</u>	<u>117.69 %</u>
Covered payroll	<u>\$ 765,486</u>	<u>\$ 707,048</u>	<u>\$ 816,116</u>	<u>\$ 778,218</u>	<u>\$ 970,523</u>
NPL as a percentage of covered payroll	<u>-443.54 %</u>	<u>-726.24 %</u>	<u>57.51 %</u>	<u>323.61 %</u>	<u>-795.48 %</u>

Note: This schedule is presented to illustrate the requirements to show information for ten years.
Annual Comprehensive Financial Report - FYE 2025

CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
RESTATEMENT EMPLOYEES PENSION FUND
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

	Measurement Year 2020	Measurement Year 2019	Measurement Year 2018	Measurement Year 2017	Measurement Year 2016
Total Pension Liability ("TPL")					
CHANGES FOR THE YEAR:					
Service Cost	\$ 49,760	\$ 61,354	\$ 93,853	\$ 86,849	\$ 97,056
Interest on the TPL	3,142,590	3,169,813	3,190,156	3,225,757	2,998,902
Difference expected vs. actual experience of TPL	258,174	(488,903)	(518,168)	(374,998)	(273,566)
Changes in assumptions	-	-	-	2,171,968	2,790,291
Benefit payments	(3,126,322)	(3,072,580)	(2,969,061)	(2,830,193)	(2,713,596)
Net Change in TPL	324,202	(330,316)	(203,220)	2,279,383	2,899,087
TPL balance - beginning of year	43,439,476	43,769,792	43,973,012	41,693,629	38,794,542
TPL balance - end of year	<u>\$ 43,763,678</u>	<u>\$ 43,439,476</u>	<u>\$ 43,769,792</u>	<u>\$ 43,973,012</u>	<u>\$ 41,693,629</u>
Plan Fiduciary Net Position ("FNP")					
CHANGES FOR THE YEAR:					
Contributions - employees	\$ 55,751	\$ 58,116	\$ 65,868	\$ 78,838	\$ 85,170
Net investment income (loss)	3,159,385	1,603,850	3,880,565	5,968,401	2,992,915
Benefit payments	(3,126,322)	(3,072,580)	(2,969,061)	(2,830,193)	(2,713,596)
Pension plus administrative expense	(92,658)	(89,898)	(92,844)	(87,504)	(84,157)
Other	(19,424)	1,126	10,931	3,774	6,518
Net change in FNP	(23,268)	(1,499,386)	895,459	3,133,316	286,850
FNP balance - beginning of the year	45,801,302	47,300,688	46,405,229	43,271,913	42,985,063
FNP balance - end of year	<u>\$ 45,778,034</u>	<u>\$ 45,801,302</u>	<u>\$ 47,300,688</u>	<u>\$ 46,405,229</u>	<u>\$ 43,271,913</u>
Net Pension (Asset) Liability	<u>\$ (2,014,356)</u>	<u>\$ (2,361,826)</u>	<u>\$ (3,530,896)</u>	<u>\$ (2,432,217)</u>	<u>\$ (1,578,284)</u>
Plan FNP as a percentage of TPL	<u>104.60 %</u>	<u>105.44 %</u>	<u>108.07 %</u>	<u>105.53 %</u>	<u>103.79 %</u>
Covered payroll	<u>\$ 1,021,817</u>	<u>\$ 1,054,882</u>	<u>\$ 1,407,812</u>	<u>\$ 1,500,533</u>	<u>\$ 1,672,545</u>
NPL as a percentage of covered payroll	<u>-197.13 %</u>	<u>-223.89 %</u>	<u>-250.81 %</u>	<u>-162.09 %</u>	<u>-94.36 %</u>

Note: This schedule is presented to illustrate the requirements to show information for ten years.
Annual Comprehensive Financial Report - FYE 2025

**CITY OF WEST PALM BEACH, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF METHODS AND ASSUMPTIONS
 MEASUREMENT DATE SEPTEMBER 30, 2025
 (UNAUDITED)**

METHODS AND ASSUMPTIONS USED TO DETERMINE THE PENSION CONTRIBUTION RATES

Police Pension Fund:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	30 years
Asset valuation method	5-year smoothed market
Inflation	2.5%
Salary increases	3.50 % to 8.50% depending on service, including inflation
Investment rate of return	7.0%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The PUB-2010 Headcount Weighted Safety Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table (post-retirement), and the PUB-2010 Safety Healthy Retiree Female Table (post-retirement). These tables use ages set forward one year and mortality improvements to all future years after 2010 using scale MP-2018. These are the same rates used for Special Risk Class members in the July 1, 2022 Actuarial Valuation of the Florida Retirement System (FRS), as required under Florida Statutes, Chapter 112.63.

Other Information:

Notes	See Section A in the September 30, 2023 Actuarial Valuation Report dated April 10, 2024. The assumed rates of salary increase, retirement, withdrawal, disability were updated, along with loads added to pre-fund the gains/losses for the Supplemental Pension Distribution and the DROP/Share Plan interest crediting rate. Please see the Experience Investigation for the 9-Year Period Ended September 30, 2023 report dated March 7, 2024 for additional details.
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Firefighters Pension Fund:

Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	1-26 years
Asset valuation method	4-year smoothed market
Inflation	4.10%
Salary increases	4.10% to 4.60%, including inflation
Long-term expected investment rate of return	7.50%

**CITY OF WEST PALM BEACH, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF METHODS AND ASSUMPTIONS
 MEASUREMENT DATE SEPTEMBER 30, 2025
 (UNAUDITED)**

Retirement age	Age and experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation.
Mortality	PUB-2010 Headcount Weighted Safety Employee/Retiree Female Mortality Table and Safety Below Median Employee/Retiree Male Mortality Table, all set-forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.
Cost-of-living adjustment	There is no implied COLA for prior Plan B pension recipients as of September 30, 2023 who were hired before April 1, 1987.

Restated Employees Pension Fund:

Actuarial cost method	Entry-Age Normal
Amortization method	Experience gains/losses and one-time events (e.g., assumption changes) are measured using the Entry Age Normal Cost Method and amortized over separate 10-year bases with level dollar payments
Remaining amortization period	10 years
Asset valuation method	Market value
Inflation	4.75%
Salary increases	4.75% to 8.55% per year
Investment rate of return	7.25%
Retirement age	Age-based tables of rates that are specific to the type of eligibility condition.
Mortality	The Florida Retirement System (FRS) mortality tables which use variations of the fully generational PUB-2010 Mortality Table with mortality improvement scale MP-2018.
Notes	The City established a prepaid contribution reserve using deferred revenue and by changing the actuarial cost method to Aggregate
Cost-of-living adjustment	2.0% Simple

**CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended September 30		Police Pension Fund	Firefighters Pension Fund	Restated Employees Pension Fund
2016	Actuarially determined employer contributions	\$ 9,726,454	\$ 7,130,564	\$ -
	Actual contributions	59,726,454	7,665,074	-
	Contribution deficiency (excess)	(50,000,000)	(534,510)	-
	Covered payroll	20,603,955	16,634,526	1,672,545
	Actual contribution as % of covered payroll	289.88 %	46.08 %	0.00 %
	2017	Actuarially determined employer contributions	\$ 3,285,065	\$ 7,277,740
	Actual contributions *	3,285,065	7,594,810	795,214
	Contribution deficiency (excess)	-	(317,070)	-
	Covered payroll	\$ 21,679,436	\$ 17,540,397	\$ 1,500,533
	Actual contribution as % of covered payroll	15.15 %	43.30 %	53.00 %
2018	Actuarially determined employer contributions	\$ 3,131,968	\$ 8,526,593	\$ 946,538
	Actual contributions	3,556,968	9,398,714	946,538
	Contribution deficiency (excess)	(425,000)	(872,121)	-
	Covered payroll	\$ 23,929,891	\$ 19,303,606	\$ 1,407,812
	Actual contribution as % of covered payroll	14.86 %	48.69 %	67.23 %
2019	Actuarially determined employer contributions	\$ 4,363,006	\$ 10,373,258	\$ 423,367
	Actual contributions	4,363,006	10,373,258	423,367
	Contribution deficiency (excess)	-	-	-
	Covered payroll	\$ 25,098,209	\$ 19,890,980	\$ 1,054,882
	Actual contribution as % of covered payroll	17.38 %	52.15 %	40.13 %
2020	Actuarially determined employer contributions	\$ 5,240,652	\$ 11,095,789	\$ 128,278
	Actual contributions	5,240,652	11,095,789	128,278
	Contribution deficiency (excess)	-	-	-
	Covered payroll	\$ 24,972,409	\$ 21,020,508	\$ 1,021,817
	Actual contribution as % of covered payroll	20.99 %	52.79 %	12.55 %

Continued

Note: This schedule is presented to illustrate the requirements to show information for ten years.

* Employer contribution for FYE 9/30/2016 includes \$50,000,000 proceeds from pension obligation bond.

CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended September 30		Police Pension Fund	Firefighters Pension Fund	Restated Employees Pension Fund
2021	Actuarially determined employer contributions	\$ 5,935,584	\$ 10,893,690	\$ 304,715
	Actual contributions	5,935,584	10,893,690	304,715
	Contribution deficiency (excess)	-	-	-
	Covered payroll	\$ 24,064,836	\$ 22,372,369	\$ 970,523
	Actual contribution as % of covered payroll	24.66 %	48.69 %	31.40 %
2022	Actuarially determined employer contributions	\$ 5,354,106	\$ 10,552,259	\$ 327,082
	Actual contributions	5,354,106	10,552,259	327,082
	Contribution deficiency (excess)	-	-	-
	Covered payroll	\$ 26,101,927	\$ 24,321,039	\$ 778,218
	Actual contribution as % of covered payroll	20.51 %	43.39 %	42.03 %
2023	Actuarially determined employer contributions	\$ 5,657,198	\$ 9,752,621	\$ -
	Actual contributions	5,657,198	9,752,621	-
	Contribution deficiency (excess)	-	-	-
	Covered payroll	\$ 25,510,864	\$ 25,509,700	\$ 816,116
	Actual contribution as % of covered payroll	22.18 %	38.23 %	0.00 %
2024	Actuarially determined employer contributions	\$ 5,798,628	\$ 10,289,184	\$ 491,192
	Actual contributions	5,798,628	10,289,184	491,192
	Contribution deficiency (excess)	-	-	-
	Covered payroll	\$ 24,655,736	\$ 25,675,798	\$ 707,048
	Actual contribution as % of covered payroll	23.52 %	40.07 %	69.47 %
2025	Actuarially determined employer contributions	\$ 8,019,554	\$ 11,705,860	\$ 442,837
	Actual contributions	8,025,741	11,705,860	442,837
	Contribution deficiency (excess)	(6,187)	-	-
	Covered payroll	\$ 29,444,618	\$ 26,792,161	\$ 765,486
	Actual contribution as % of covered payroll	27.26 %	43.69 %	57.85 %

Note: This schedule is presented to illustrate the requirements to show information for ten years.

* Employer contribution for FYE 9/30/2016 includes \$50,000,000 proceeds from pension obligation bond.

**CITY OF WEST PALM BEACH, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF INVESTMENT RETURNS
 POLICE PENSION FUND
 FOR THE LAST TEN FISCAL YEARS
 (UNAUDITED)**

<u>September 30,</u>	<u>Annual money-weighted rate of return, net of investment expenses</u>
2016	8.35 %
2017	13.29 %
2018	10.04 %
2019	1.88 %
2020	5.71 %
2021	24.33 %
2022	(9.82)%
2023	8.52 %
2024	15.70 %
2025	9.23 %

Note: This schedule is presented to illustrate the requirement to show information for ten years.
 Annual Comprehensive Financial Report - FYE 2025

**CITY OF WEST PALM BEACH, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF INVESTMENT RETURNS
 FIREFIGHTERS' PENSION FUND
 FOR THE LAST TEN FISCAL YEARS
 (UNAUDITED)**

<u>September 30,</u>	<u>Annual money-weighted rate of return, net of investment expenses</u>
2016	9.40 %
2017	12.64 %
2018	11.67 %
2019	3.98 %
2020	8.84 %
2021	20.21 %
2022	(13.66)%
2023	10.33 %
2024	17.39 %
2025	7.65 %

Note: This schedule is presented to illustrate the requirement to show information for ten years.
 Annual Comprehensive Financial Report - FYE 2025

**CITY OF WEST PALM BEACH, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF INVESTMENT RETURNS
 RESTATED EMPLOYEES PENSION FUND
 FOR THE LAST TEN FISCAL YEARS
 (UNAUDITED)**

<u>September 30,</u>	<u>Annual money-weighted rate of return, net of investment expenses</u>
2016	7.33 %
2017	14.48 %
2018	8.88 %
2019	3.56 %
2020	7.17 %
2021	20.76 %
2022	(13.35)%
2023	10.59 %
2024	21.51 %
2025	6.97 %

Note: This schedule is presented to illustrate the requirement to show information for ten years.
 Annual Comprehensive Financial Report - FYE 2025

**CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
AS REQUIRED BY GASB 74
OPEB TRUST FUND
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)**

	September 30, 2025	September 30, 2024	September 30, 2023	September 30, 2022	September 30, 2021
Actuarially determined Contribution (ADC)	\$ -	\$ 423,873	\$ 496,093	\$ 1,329,903	\$ 1,348,219
Contribution made in relation to the ADC	<u>1,658,860</u>	<u>1,563,297</u>	<u>1,515,999</u>	<u>1,329,903</u>	<u>1,348,219</u>
Contribution - deficiency (excess)	<u>\$ (1,658,860)</u>	<u>\$ (1,139,424)</u>	<u>\$ (1,019,906)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 135,997,675	\$ 129,287,362	\$ 114,104,269	\$ 108,198,457	\$ 91,963,611
Contributions as a percentage of covered payroll	1.2 %	1.2 %	1.3 %	1.2 %	1.5 %

Notes to Schedule:

	September 30, 2025	September 30, 2024	September 30, 2023	September 30, 2022	September 30, 2021
Valuation date					

The following actuarial methods and assumptions were used in 2025 to determine contribution rates reported in this schedule:

	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal
	Level % of salary	Level % of salary	Level % of salary	Level % of salary	Level % of salary
Actuarial cost method					
Amortization method					
Actuarial assumptions:					
inflation rate	1.5 %	1.5 %	1.5 %	1.5 %	1.5 %
Investment rate of return	7.5 %	7.5 %	7.5 %	7.5 %	7.5 %
Discount rate	7.5 %	7.5 %	7.5 %	7.5 %	7.5 %
	8.0% for 2024/2025	8.0% for 2023/2024	8.0% for 2022/2023	8.0% for 2021/2022	8.0% for 2020/2021
Medical	graded to 4.5%	graded to 4.5%	graded to 4.5%	graded to 4.5%	graded to 4.5%
Select rates	2030/2031	2029/2030	2028/2029	2027/2028	2026/2027
Ultimate rate	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %

Note: This schedule is presented to illustrate the requirements to show information for ten years. However, until a full ten year trend is compiled, only information for those years for which data is available will be presented.

**CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
AS REQUIRED BY GASB 74
OPEB TRUST FUND
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)**

	September 30, 2020	September 30, 2019	September 30, 2018	September 30, 2017
Actuarially determined Contribution (ADC)	\$ 1,260,603	\$ 1,153,020	\$ 1,094,540	\$ 945,053
Contribution made in relation to the ADC	<u>1,260,603</u>	<u>1,153,020</u>	<u>1,094,540</u>	<u>945,053</u>
Contribution - deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 96,900,734	\$ 96,685,320	\$ 91,507,955	\$ 88,842,675
Contributions as a percentage of covered payroll	1.3 %	1.2 %	1.2 %	1.1 %

Notes to Schedule:

	September 30, 2020	September 30, 2019	September 30, 2018	September 30, 2017
Valuation date				

The following actuarial methods and assumptions were used in 2025 to determine contribution rates reported in this schedule:

	Entry age normal Level % of salary	Entry age normal Level % of salary	Entry age normal Level % of salary	Entry age normal Level % of salary
Actuarial cost method				
Amortization method				
Actuarial assumptions:				
inflation rate	1.5 %	1.5 %	3.0 %	3.0 %
Investment rate of return	7.5 %	7.5 %	7.0 %	7.0 %
Discount rate	7.5 %	7.5 %	7.0 %	7.0 %
	8.0% for 2019/2020	8.0% for 2018/2019	9.0% for 2017/2018	8.0% for 2016/2017
Medical				
Select rates	graded to 4.5% 2025/2026	graded to 4.5% 2024/2025	graded to 4.5% 2023/2024	graded to 4.5% 2022/2023
Ultimate rate	4.5 %	4.5 %	5.0 %	5.0 %

Note: This schedule is presented to illustrate the requirements to show information for ten years. However, until a full ten year trend is compiled, only information for those years for which data is available will be presented.

**CITY OF WEST PALM BEACH, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CITY CONTRIBUTIONS
 AS REQUIRED BY GASB 74
 POLICE BENEVOLENT ASSOCIATION RETIREE HEALTH FUND
 FOR THE LAST TEN FISCAL YEARS
 (UNAUDITED)**

	September 30, 2025	September 30, 2024	September 30, 2023	September 30, 2022	September 30, 2021
Contractually determined Contribution (ADC)	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution made in relation to the ADC	<u>1,021,991</u>	<u>1,013,182</u>	<u>1,043,072</u>	<u>979,885</u>	<u>1,026,842</u>
Contribution - deficiency (excess)	<u>(1,021,991)</u>	<u>(1,013,182)</u>	<u>(1,043,072)</u>	<u>979,885</u>	<u>(1,026,842)</u>
Covered payroll	\$ 25,549,775	\$ 25,329,550	\$ 26,076,800	\$ 24,497,125	\$ 25,671,050
Contributions as a percentage of covered payroll	4.00 %	4.00 %	4.00 %	4.00 %	4.00 %

Note: This schedule is presented to illustrate the requirements to show information for ten years. However, until a full ten year trend is compiled, only information for those years for which data is available will be presented.

**CITY OF WEST PALM BEACH, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CITY CONTRIBUTIONS
 AS REQUIRED BY GASB 74
 ASSOCIATION OF FIREFIGHTERS RETIREE BENEFIT FUND
 FOR THE LAST TEN FISCAL YEARS
 (UNAUDITED)**

	September 30, 2025	September 30, 2024	September 30, 2023	September 30, 2022	September 30, 2021
Contractually determined Contribution (ADC)	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution made in relation to the ADC	<u>867,543</u>	<u>792,888</u>	<u>758,572</u>	<u>577,660</u>	<u>428,140</u>
Contribution - deficiency (excess)	<u>(867,543)</u>	<u>(792,888)</u>	<u>(758,572)</u>	<u>(577,660)</u>	<u>(428,140)</u>
Covered payroll	\$ 28,918,100	\$ 26,429,600	\$ 25,285,733	\$ 23,106,400	\$ 21,407,000
Contributions as a percentage of covered payroll	3.00 %	3.00 %	3.00 %	2.50 %	2.00 %

Note: This schedule is presented to illustrate the requirements to show information for ten years. However, until a full ten year trend is compiled, only information for those years for which data is available will be presented.

**CITY OF WEST PALM BEACH, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CITY CONTRIBUTIONS
 AS REQUIRED BY GASB 74
 ELECTED OFFICIALS AND MANAGEMENT VEBA TRUST FUND
 FOR THE LAST TEN FISCAL YEARS
 (UNAUDITED)**

	<u>September 30,</u> 2025	<u>September 30,</u> 2024	<u>September 30,</u> 2023	<u>September 30,</u> 2022	<u>September 30,</u> 2021
Statutory determined Contribution (ADC)	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution made in relation to the ADC	<u>399,621</u>	<u>354,549</u>	<u>249,379</u>	<u>479,865</u>	<u>-</u>
Contribution - deficiency (excess)	<u>399,621</u>	<u>354,549</u>	<u>249,379</u>	<u>479,865</u>	<u>-</u>
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	- %	- %	- %	- %	- %

Note: This schedule is presented to illustrate the requirements to show information for ten years. However, until a full ten year trend is compiled, only information for those years for which data is available will be presented.

**CITY OF WEST PALM BEACH, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CITY CONTRIBUTIONS
 AS REQUIRED BY GASB 74
 GENERAL EMPLOYEES VEBA TRUST FUND
 FOR THE LAST TEN FISCAL YEARS
 (UNAUDITED)**

	September 30, 2025	September 30, 2024	September 30, 2023	September 30, 2022	September 30, 2021
Statutory determined Contribution (ADC)	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution made in relation to the ADC	<u>399,621</u>	<u>354,549</u>	<u>413,877</u>	<u>-</u>	<u>-</u>
Contribution - deficiency (excess)	<u>399,621</u>	<u>354,549</u>	<u>413,877</u>	<u>-</u>	<u>-</u>
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	- %	- %	- %	- %	- %

Note: This schedule is presented to illustrate the requirements to show information for ten years. However, until a full ten year trend is compiled, only information for those years for which data is available will be presented.

**CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CHANGES IN THE NET OPEB LIABILITY
AND RELATED RATIOS
AS REQUIRED BY GASB 74
OPEB TRUST FUND
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)**

	Measurement Year 2025	Measurement Year 2024	Measurement Year 2023	Measurement Year 2022	Measurement Year 2021
Total OPEB Liability					
Service cost	\$ 595,509	\$ 561,473	\$ 478,212	\$ 460,275	\$ 456,559
Interest	1,274,673	1,216,783	1,116,924	1,071,195	1,054,428
Changes in assumptions	1,433,376	711,339	323,911	-	614,101
Difference between expected and actual experience	(295,961)	(141,546)	868,367	481,576	(566,016)
Benefit payments	(1,658,860)	(1,563,297)	(1,515,999)	(1,329,903)	(1,348,219)
Net change in total OPEB liability	1,348,737	784,752	1,271,415	683,143	210,853
Total OPEB liability - beginning of year	17,214,566	16,429,814	15,158,399	14,475,256	14,264,403
Total OPEB liability - end of year (a)	\$ 18,563,303	\$ 17,214,566	\$ 16,429,814	\$ 15,158,399	\$ 14,475,256
Plan Fiduciary Net Position					
Contributions - employer	\$ 1,658,860	\$ 1,563,297	\$ 1,515,999	\$ 1,329,903	\$ 1,348,219
Net investment income (loss)	3,022,998	4,626,530	2,300,758	(3,096,102)	3,388,063
Benefit payments	(1,658,860)	(1,563,297)	(1,515,999)	(1,329,903)	(1,348,219)
Trust administrative expenses	-	-	-	-	-
Net change in plan fiduciary net position	3,022,998	4,626,530	2,300,758	(3,096,102)	3,388,063
Plan Fiduciary Net Position - beginning of year	22,213,360	17,586,830	15,286,072	18,382,174	14,994,111
Plan Fiduciary Net Position - end of year (b)	25,236,358	22,213,360	17,586,830	15,286,072	18,382,174
Net OPEB (asset) liability - end of year (a) - (b)	\$ (6,673,055)	\$ (4,998,794)	\$ (1,157,016)	\$ (127,673)	\$ (3,906,918)
Plan fiduciary net position as % of total OPEB (asset) liability	135.9 %	129.0 %	107.0 %	100.8 %	127.0 %
Covered payroll	\$ 135,997,675	\$ 129,287,362	\$ 114,104,269	\$ 108,198,457	\$ 91,963,611
Net OPEB (asset) liability as % of covered payroll	(4.9)%	(3.9)%	(1.0)%	(0.1)%	(4.2)%

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten year trend is compiled, only information for those years for which data is available will be presented.

**CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CHANGES IN THE NET OPEB LIABILITY
AND RELATED RATIOS
AS REQUIRED BY GASB 74
OPEB TRUST FUND
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)**

	Measurement Year 2020	Measurement Year 2019	Measurement Year 2018	Measurement Year 2017
Total OPEB Liability				
Service cost	\$ 458,229	\$ 408,359	\$ 389,985	\$ 434,206
Interest	1,064,810	987,405	1,004,278	928,592
Changes in assumptions	-	(72,162)	-	194,768
Difference between expected and actual experience	(356,176)	864,431	(514,353)	80,037
Benefit payments	(1,260,603)	(1,153,020)	(1,094,540)	(945,053)
Net change in total OPEB liability	(93,740)	1,035,013	(214,630)	692,550
Total OPEB liability - beginning of year	14,358,143	13,323,130	13,537,760	12,845,210
Total OPEB liability - end of year (a)	<u>\$ 14,264,403</u>	<u>\$ 14,358,143</u>	<u>\$ 13,323,130</u>	<u>\$ 13,537,760</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 1,260,603	\$ 1,153,020	\$ 1,094,540	\$ 1,890,106
Net investment income (loss)	1,259,711	484,087	(674,736)	1,403,589
Benefit payments	(1,260,603)	(1,153,020)	(1,094,540)	(945,053)
Trust administrative expenses	-	-	-	(27,359)
Net change in plan fiduciary net position	1,259,711	484,087	(674,736)	2,321,283
Plan Fiduciary Net Position - beginning of year	13,734,400	13,250,313	13,925,049	11,603,766
Plan Fiduciary Net Position - end of year (b)	14,994,111	13,734,400	13,250,313	13,925,049
Net OPEB (asset) liability - end of year (a) - (b)	<u>\$ (729,708)</u>	<u>\$ 623,743</u>	<u>\$ 72,817</u>	<u>\$ (387,289)</u>
Plan fiduciary net position as % of total OPEB (asset) liability	105.1 %	95.7 %	99.5 %	102.9 %
Covered payroll	\$ 96,900,734	\$ 96,685,320	\$ 91,507,955	\$ 88,842,675
Net OPEB (asset) liability as % of covered payroll	(0.8)%	0.6 %	0.1 %	(0.4)%

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten year trend is compiled, only information for those years for which data is available will be presented.

**CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY
AND RELATED RATIOS
AS REQUIRED BY GASB 74
POLICE BENEVOLENT ASSOCIATION RETIREE HEALTH FUND
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)**

	Measurement Year 2024	Measurement Year 2023	Measurement Year 2022	Measurement Year 2021	Measurement Year 2020
Total OPEB Liability					
Service cost	\$ 233,690	\$ 230,903	\$ 208,634	\$ 212,770	\$ 184,796
Interest	1,542,306	1,481,714	1,428,792	1,374,503	1,362,414
Changes in assumptions	-	-	-	-	1,188,512
Difference between expected and actual experience	-	111,139	-	65,149	-
Benefit payments	(1,085,575)	(893,210)	(944,004)	(859,071)	(783,380)
Net change in total OPEB liability	690,421	930,546	693,422	793,351	1,952,342
Total OPEB liability - beginning of year	21,699,134	20,768,588	20,075,166	19,281,815	17,329,473
Total OPEB liability - end of year	\$ 22,389,555	\$ 21,699,134	\$ 20,768,588	\$ 20,075,166	\$ 19,281,815
Plan Fiduciary Net Position					
Contributions - employer	\$ 1,021,991	\$ 1,013,182	\$ 1,043,072	\$ 979,885	\$ 1,026,842
Net investment income (loss)	2,359,760	2,740,834	(2,971,586)	2,240,165	1,976,925
Benefit payments	(1,085,575)	(893,210)	(944,004)	(859,071)	(783,380)
Trust administrative expenses	(9,414)	(19,159)	(22,387)	(28,749)	(14,885)
Net change in plan fiduciary net position	2,286,762	2,841,647	(2,894,905)	2,332,230	2,205,502
Plan Fiduciary Net Position - beginning of year	18,348,623	15,506,976	18,401,881	16,069,651	13,864,149
Plan Fiduciary Net Position - end of year	20,635,385	18,348,623	15,506,976	18,401,881	16,069,651
Net OPEB Liability - end of year	\$ 1,754,170	\$ 3,350,511	\$ 5,261,612	\$ 1,673,285	\$ 3,212,164
Plan fiduciary net position as % of total OPEB liability	92.2 %	84.6 %	74.7 %	91.7 %	83.3 %
Covered payroll	\$ 25,549,775	\$ 25,329,550	\$ 26,076,800	\$ 24,497,125	\$ 25,671,050
Net OPEB liability as % of covered payroll	6.9 %	13.2 %	20.2 %	6.8 %	12.5 %

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten year trend is compiled, only information for those years for which data is available will be presented.

**CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY
AND RELATED RATIOS
AS REQUIRED BY GASB 74
ASSOCIATION OF FIREFIGHTERS RETIREE BENEFIT FUND
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)**

	Measurement Year 2025	Measurement Year 2024	Measurement Year 2023	Measurement Year 2022	Measurement Year 2021
Total OPEB Liability					
Service cost	\$ 129,042	\$ 119,178	\$ 105,914	\$ 82,407	\$ 71,247
Interest	837,733	748,014	729,254	589,705	581,103
Changes of benefit terms	-	-	-	796,262	-
Changes in assumptions	-	(829)	-	(33,528)	(23,950)
Difference between expected and actual experience	-	948,915	-	970,605	-
Benefit payments	(638,404)	(609,513)	(573,843)	(539,245)	(499,321)
Net change in total OPEB liability	328,371	1,205,765	261,325	1,866,206	129,079
Total OPEB liability - beginning of year	11,424,451	10,218,686	9,957,361	8,091,155	7,962,076
Total OPEB liability - end of year	\$ 11,752,822	\$ 11,424,451	\$ 10,218,686	\$ 9,957,361	\$ 8,091,155
Plan Fiduciary Net Position					
Contributions - employer	\$ 867,543	\$ 792,888	\$ 758,572	\$ 577,660	\$ 428,140
Net investment income (loss)	878,334	2,095,158	(839,508)	546,989	3,291,779
Benefit payments	(638,404)	(609,513)	(573,843)	(539,245)	(499,321)
Trust administrative expenses	(54,158)	(76,961)	(43,757)	(28,850)	(30,730)
Net change in plan fiduciary net position	1,053,315	2,201,572	(698,536)	556,554	3,189,868
Plan Fiduciary Net Position - beginning of year	13,290,111	10,738,060	11,436,596	10,880,042	7,690,174
Plan Fiduciary Net Position - end of year	14,343,426	12,939,632	10,738,060	11,436,596	10,880,042
Net OPEB asset - end of year	\$ (2,590,604)	\$ (1,515,181)	\$ (519,374)	\$ (1,479,235)	\$ (2,788,887)
Plan fiduciary net position as % of total OPEB liability	(122.0)%	(113.3)%	(105.1)%	(114.9)%	(134.5)%
Covered payroll	\$ 28,918,100	\$ 26,429,600	\$ 25,285,733	\$ 23,106,400	\$ 21,407,000
Net OPEB asset as % of covered payroll	(9.0)%	(5.7)%	(2.1)%	(6.4)%	(13.0)%

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten year trend is compiled, only information for those years for which data is available will be presented.

**CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY
AND RELATED RATIOS
AS REQUIRED BY GASB 74
ELECTED OFFICIALS AND MANAGEMENT VEBA TRUST FUND
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)**

	Measurement Year 2024	Measurement Year 2023	Measurement Year 2022	Measurement Year 2021	Measurement Year 2020
Total OPEB Liability					
Service cost	\$ 41,235	\$ 34,467	\$ 35,916	\$ 61,482	\$ 56,115
Interest	56,285	54,325	53,061	38,551	92,847
Changes of benefit terms	-	-	-	-	(483,900)
Changes in assumptions	-	-	-	(326,446)	373,614
Difference between expected and actual experience	8,968	12,131	1,467	(341,441)	(21,446)
Benefit payments	(66,763)	(76,516)	(60,795)	(44,780)	(54,395)
Net change in total OPEB liability	39,725	24,407	29,649	(612,634)	(37,165)
Total OPEB liability - beginning of year	950,842	926,435	896,786	1,509,420	1,546,585
Total OPEB liability - end of year	\$ 990,567	\$ 950,842	\$ 926,435	\$ 896,786	\$ 1,509,420
Plan Fiduciary Net Position					
Contributions - employer	\$ 399,621	\$ 354,549	\$ 249,379	\$ 479,865	\$ -
Net investment income (loss)	184,079	179,056	(175,094)	99,733	86,778
Benefit payments	(66,763)	(76,516)	(60,795)	(44,780)	(54,395)
Trust administrative expenses	(1,418)	(1,359)	(1,524)	(6,143)	(1,974)
Net change in plan fiduciary net position	515,519	455,730	11,966	528,675	30,409
Plan Fiduciary Net Position - beginning of year	1,757,919	1,302,189	1,290,223	761,548	731,139
Plan Fiduciary Net Position - end of year	2,273,438	1,757,919	1,302,189	1,290,223	761,548
Net OPEB (Asset) Liability - end of year	\$ (1,282,871)	\$ (807,077)	\$ (375,754)	\$ (393,437)	\$ 747,872
Plan fiduciary net position as % of total OPEB (asset) liability	(229.5)%	(184.9)%	(140.6)%	(143.9)%	(50.5)%

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten year trend is compiled, only information for those years for which data is available will be presented.

**CITY OF WEST PALM BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY
AND RELATED RATIOS
AS REQUIRED BY GASB 74
GENERAL EMPLOYEES VEBA TRUST FUND
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)**

	Measurement Year 2024	Measurement Year 2023	Measurement Year 2022	Measurement Year 2021	Measurement Year 2020
Total OPEB Liability					
Service cost	\$ 482,568	\$ 418,246	\$ 636,510	\$ 554,486	\$ 457,054
Interest	425,010	446,647	298,022	323,090	711,933
Changes of benefit terms	-	-	-	-	(3,235,963)
Changes in assumptions	(348,064)	119,413	(1,961,288)	(11,444)	3,686,964
Difference between expected and actual experience	(192,384)	(909,160)	(202,121)	(1,761,026)	(184,206)
Benefit payments	(341,045)	(265,871)	(317,072)	(294,544)	(244,414)
Net change in total OPEB liability	26,085	(190,725)	(1,545,949)	(1,189,438)	1,191,368
Total OPEB liability - beginning of year	10,024,487	10,215,212	11,761,161	12,950,599	11,759,231
Total OPEB liability - end of year	<u>\$ 10,050,572</u>	<u>\$ 10,024,487</u>	<u>\$ 10,215,212</u>	<u>\$ 11,761,161</u>	<u>\$ 12,950,599</u>
Plan Fiduciary Net Position					
Contributions - employer	\$ 399,621	\$ 354,549	\$ 413,877	\$ -	\$ -
Contributions - active employees	-	-	-	-	-
Net investment income (loss)	663,611	769,023	(1,055,475)	728,397	823,273
Benefit payments	(341,045)	(265,871)	(317,072)	(294,544)	(244,414)
Trust administrative expenses	(8,792)	(626)	(9,086)	(8,554)	(8,666)
Net change in plan fiduciary net position	713,395	857,075	(967,756)	425,299	570,193
Plan Fiduciary Net Position - beginning of year	6,227,747	5,370,672	6,338,428	5,913,129	5,342,936
Plan Fiduciary Net Position - end of year	6,941,142	6,227,747	5,370,672	6,338,428	5,913,129
Net OPEB Liability - end of year	<u>\$ 3,109,430</u>	<u>\$ 3,796,740</u>	<u>\$ 4,844,540</u>	<u>\$ 5,422,733</u>	<u>\$ 7,037,470</u>
Plan fiduciary net position as % of total OPEB liability	69.06 %	62.13 %	52.58 %	53.89 %	45.66 %

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten year trend is compiled, only information for those years for which data is available will be presented.

**CITY OF WEST PALM BEACH, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF INVESTMENT RETURNS
 AS REQUIRED BY GASB 74
 OTHER POST-EMPLOYMENT BENEFITS
 FOR THE LAST TEN FISCAL YEARS
 (UNAUDITED)**

The annual money-weighted rate of return for the respective OPEB and VEBA Plans is shown below:

<u>Year</u>	<u>OPEB Trust Fund</u>	<u>Elected Officials and ManagementV EBA Fund</u>	<u>General Employees VEBA Fund</u>
2017	6.00 %	- %	- %
2018	6.00 %	- %	- %
2019	6.00 %	- %	- %
2020	9.10 %	- %	- %
2021	10.65 %	16.18 %	18.29 %
2022	(20.59)%	13.08 %	12.57 %
2023	14.56 %	21.99 %	(19.63)%
2024	27.87 %	10.51 %	14.84 %
2025	13.25 %	41.96 %	16.37 %

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten year trend is compiled, only information for those years for which data is available will be presented.

Budgetary Data

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

- (1) Prior to August 1, the City Administration submits to the City Commission a proposed operating budget for the fiscal year commencing on October 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted.
- (3) Prior to October 1, the budget is legally enacted.
- (4) The level of control (level at which expenditures may not exceed budget) is the department. The City Administrator is authorized to transfer budgeted amounts within departments of any fund. The City Commission must approve any revisions that alter the total expenditures of any department.
- (5) It is the City's intent to adopt annual budgets for all major and non-major governmental funds. In certain instances, when no activity or lack of activity exists, certain governmental funds are not subject to an annual adopted budgets. The source and use of revenues for these funds are approved by the City Commission on an as needed basis. For the fiscal year ended September 30, 2025 the following funds did not adopt an annual budget:
 - Impact Fees Western Expansion Fee Fund
 - Cemetery Sinking Fund
 - Land Acquisition Fund

Annual budgets are adopted for all actively utilized proprietary funds. The original and final budgets for the governmental funds, as presented, include re-appointed encumbrances of the prior year. The budgets have been adopted on a basis consistent with GAAP with the following exceptions:

Annual budgets for all the major and non-major governmental funds are prepared on the modified accrual basis of accounting except for the General Fund. The General Fund budget is prepared on the modified accrual basis of accounting except that current year encumbrances are treated as expenditures for budgetary purposes and administrative charges from other funds are budgeted as revenue in the General Fund. All unencumbered and unexpended appropriations lapse at the fiscal year end, except those for ongoing capital projects and special revenue funds which are brought forward and become part of the subsequent year's original budget.

The reported budgetary data represents the final approved budget after amendments adopted by the City Commission with one exception. Budgets for grants and shared revenues from other governmental units which do not lapse at year-end are only reported to the extent of revenues recognized and expenditures incurred for the current year.



Photo by CWPB



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Combining and Individual Fund
STATEMENTS
AND SCHEDULES



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Photo by CWPB

Non - Major

GOVERNMENTAL FUNDS
(Unaudited)

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CITY OF WEST PALM BEACH, FLORIDA
NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources (other than debt service or major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Local Gas Tax Fund - This fund accounts for revenue received from the State of Florida, which collects and remits to the City a portion, based on City population, of the Local Option Sixth Cent Fuel Tax from the sale of gasoline in Palm Beach County. The revenue is restricted to use for road and street improvements.

Impact Fees Western Expansion Fee Fund - This fund accounts for impact fees restricted for three programs: Affordable Housing Trust Fund; the wetlands mitigation program for Roebuck/Jog Road; and/or the construction of the City's public safety facility in the area.

Community Development Fund - This fund accounts for revenue received from the Department of Housing and Urban Development. The revenue is restricted to accomplishing the various objectives of the Community Development Block Grant Program.

Neighborhood Stabilization Fund - This fund accounts for revenue received from a federal grant. The revenues of the fund are restricted for the purpose of the acquisition, rehabilitation, and retention of low, moderate and medium income housing.

Home Program Fund - This fund accounts for grant revenues received from the Department of Housing and Urban Development for the HOME Investment Partnership Program. The revenue is restricted for activities related to new construction, rehabilitation, acquisition, and allowable operating and administrative expenses.

HOPWA Fund - This fund accounts for grant revenues received from the Department of Housing and Urban Development for the "Housing Opportunities for Persons with AIDS Program". The revenue is restricted for housing opportunities and support services to individuals with AIDS and related diseases.

SHIP Program Fund - This fund accounts for grant revenues received from the State of Florida Department of Community Affairs for the State Housing Initiatives Partnership program. The revenue is restricted for activities relating to new construction, rehabilitation, land acquisition, down-payment assistance and allowable operating and administrative costs.

American Rescue Plan Act Fund - This fund accounts for revenues received from a federal grant. The revenues of the fund are restricted for the purpose of revenue replacement for the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency, relative to revenues collected in the most recent fiscal year prior to the emergency and for COVID-19 expenditures or negative economic impacts of COVID-19.

Housing Trust Fund - This fund accounts for revenues used for the development of affordable housing. Primary funding sources include proceeds from the sale of City-owned properties designated for affordable housing and proceeds from the sale of City-owned Transfer of Development Rights (TDRs).

Permits Fund - This fund accounts for all building permit fees. State statute restricts the use of these fees for building permitting and inspection activities.

Fire Assessment Fee Fund - This fund accounts for special assessment revenue assessed and received from taxpayers for the purpose of funding the operations, improvements, or replacement of fire equipment and machinery.

Waterfront District Fund - This fund accounts for expenditures associated with promotional activities at the City's waterfront park.

**CITY OF WEST PALM BEACH, FLORIDA
NON-MAJOR GOVERNMENTAL FUNDS
(CONTINUED)**

Special Revenue Grant Programs Fund - This fund is used to account for the proceeds and expenditures from federal, state and local grant awards that do not have a requirement to be accounted for in a separate governmental fund.

Cemetery Sinking Fund - This fund is used to account for the proceeds from the sale of cemetery lots to be used for care and maintenance of the cemetery.

Miscellaneous Trust Fund - This fund is used to account for assets seized and forfeited in the course of law enforcement activities.

DEBT SERVICE FUND

The debt service fund is used to account for resources that are restricted, committed or assigned to payment of principal, interest and other expenditures on general long-term debt, other than bonds payable from the operations of the enterprise funds.

Other Debt Service Fund – This fund accounts for principal and interest payments of various debt service of the general government not accounted for in a separate fund.

General Obligation Bonds Debt Service Fund – This fund accounts for principal and interest payments of the 2005 General Obligation Bonds.

Series 2019 CCCRA Debt Service Fund – This fund accounts for principal and interest payments of the Series 2019 Tax Increment Revenue and Refunding Bonds.

CAPITAL PROJECT FUNDS

Capital projects funds are used to account for financial resources segregated for the acquisition or construction of major capital facilities other than those financed by enterprise operations.

Other Capital Projects Fund - This fund accounts for various capital projects not accounted for in a separate fund. Projects include improvements to various parks, renovations to City Buildings, and various landscaping throughout the City.

Series 2020 General Obligation Bond Fund – This fund accounts for the capital improvement of various parks throughout the City, funded by this bond series.

City Commons & Waterfront Park Construction Fund – This fund was specifically created to account for the construction of the City Commons and the Waterfront Park.

Infrastructure Surtax Fund - This fund accounts for revenues derived from the voter approved one-cent sales surtax program which are earmarked for various infrastructure capital projects such as roads, bridges, schools and government buildings, not accounted for in a separate fund.

CITY OF WEST PALM BEACH, FLORIDA
NON-MAJOR GOVERNMENTAL FUNDS
(CONTINUED)

American Rescue Plan Act Capital Grant Fund - This fund accounts for revenues received from a federal grant. The revenues of the fund are restricted for the purpose of revenue replacement for the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency, relative to revenues collected in the most recent fiscal year prior to the emergency and for COVID-19 expenditures or negative economic impacts of COVID-19.

2016 Capital Bond Fund - This fund accounts for the acquisition and construction of various improvements throughout the City, funded by this bond series.

Vehicle Replacement Fund - This fund is used to account for the replacement of all City owned vehicles used by governmental activities.

Technology Replacement Fund - This fund is used to account for replacement of equipment used in providing data processing and telecommunications services used by governmental activities.

Series 2019 CCCRA Capital Bond Fund - This fund is used to account for the proceeds from the Series 2019 CCCRA Tax Increment Revenue and Refunding Bonds. Proceeds will be used for various capital improvements and capital purchases as outlined in the issue's Official Statement.

Grant Capital Projects Fund - This fund is used to account for the proceeds and expenditures from federal, state and local grant awards used in the construction of capital assets that do not have a requirement to be accounted for in a separate governmental fund.

Land Acquisition Fund - This fund accounts for land holdings purchased by the City for future development.

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**CITY OF WEST PALM BEACH, FLORIDA
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2025**

	Non-Major Special Revenue Funds	Non-Major Debt Service Funds	Non-Major Capital Projects Funds	Total Non-Major Governmental Funds
ASSETS:				
Cash and cash equivalents	\$ 25,586,546	\$ 10,211,514	\$ 61,729,237	\$ 97,527,297
Investments	36,000,000	-	110,000,000	146,000,000
Receivables, net:				
Accounts	456,818	-	2,105,970	2,562,788
Interest	293,601	36,875	651,242	981,718
Notes	2,713,923	-	-	2,713,923
Due from other governments	1,121,770	-	638,452	1,760,222
Prepaid items	23,802	-	-	23,802
Inventory	39,506	-	-	39,506
Land held for resale	111,270	-	2,856,572	2,967,842
Lease receivable	12,835,073	-	-	12,835,073
Total assets	\$ 79,182,309	\$ 10,248,389	\$ 177,981,473	\$ 267,412,171
LIABILITIES:				
Accounts payable and accrued liabilities	\$ 2,312,503	\$ 773,042	\$ 6,428,822	\$ 9,514,367
Deposits payable	283,861	-	-	283,861
Unearned revenue	1,930,208	-	4,193,580	6,123,788
Due to other governments	241,958	-	-	241,958
Due to other funds	66,254	-	3,802,997	3,869,251
Total liabilities	4,834,784	773,042	14,425,399	20,033,225
DEFERRED INFLOWS:				
Unavailable revenue	1,956,841	-	-	1,956,841
Deferred inflows - leases	12,390,932	-	-	12,390,932
Total deferred inflows	14,347,773	-	-	14,347,773
FUND BALANCES:				
Nonspendable	63,308	-	-	63,308
Restricted	47,063,678	9,441,325	102,786,170	159,291,173
Committed	13,159,110	34,022	64,046,458	77,239,590
Unassigned	(286,344)	-	(3,276,554)	(3,562,898)
Total fund balances	59,999,752	9,475,347	163,556,074	233,031,173
Total liabilities, deferred inflows and fund balances	\$ 79,182,309	\$ 10,248,389	\$ 177,981,473	\$ 267,412,171

**CITY OF WEST PALM BEACH, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Non-Major Special Revenue Funds	Non-Major Debt Service Funds	Non-Major Capital Projects Funds	Total Non-Major Governmental Funds
REVENUES:				
Taxes	\$ -	\$ 1,426,642	\$ -	\$ 1,426,642
Licenses and permits	16,282,821	-	-	16,282,821
Intergovernmental	13,308,354	-	22,506,178	35,814,532
Charges for services	12,004,482	-	-	12,004,482
Rents and royalties	1,175,597	-	-	1,175,597
Investment income	2,569,302	567,722	7,375,326	10,512,350
Miscellaneous	445,540	-	-	445,540
Total revenues	45,786,096	1,994,364	29,881,504	77,661,964
EXPENDITURES:				
Current:				
General government	599,667	-	787,506	1,387,173
Public safety	23,732,853	-	170,428	23,903,281
Public works	4,218,816	-	2,444,338	6,663,154
Economic environment	7,140,333	-	931,394	8,071,727
Engineering services	30,302	-	2,065,001	2,095,303
Leisure services	5,449,259	-	785,064	6,234,323
Capital outlay	1,481,435	-	41,148,882	42,630,317
Debt service:				
Principal	330,086	4,380,080	31,553	4,741,719
Interest expense	14,287	5,170,583	1,447	5,186,317
Total expenditures	42,997,038	9,550,663	48,365,613	100,913,314
Excess (deficiency) of revenues over (under) expenditures	2,789,058	(7,556,299)	(18,484,109)	(23,251,350)
OTHER FINANCING SOURCES (USES):				
Transfers in	2,570,091	8,572,500	38,500,199	49,642,790
Transfers out	(3,863,321)	-	(1,091,173)	(4,954,494)
Total other financing sources (uses)	(1,293,230)	8,572,500	37,409,026	44,688,296
Net changes in fund balances	1,495,828	1,016,201	18,924,917	21,436,946
Fund balances - beginning, as restated	58,503,924	8,459,146	144,631,157	211,594,227
Fund balances - ending	\$ 59,999,752	\$ 9,475,347	\$ 163,556,074	\$ 233,031,173

CITY OF WEST PALM BEACH, FLORIDA
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 SEPTEMBER 30, 2025

	Local Gas Tax Fund	Impact Fees Western Expansion Fee Fund	Community Development Fund	Neighborhood Stabilization Program Fund	Home Program Fund
ASSETS:					
Cash and cash equivalents	\$ 2,937,685	\$ 993,884	\$ 403,146	\$ 895,528	\$ 92,603
Investments	6,000,000	-	-	-	-
Receivables, net:					
Accounts	404,885	-	-	-	-
Interest	47,499	5,527	-	-	312
Notes	-	394,730	-	737,553	-
Due from other governments	-	-	202,815	-	76,575
Prepaid items	-	-	-	-	-
Inventory	-	-	-	-	-
Land held for resale	-	-	-	111,270	-
Lease receivable	-	-	-	-	-
Total assets	\$ 9,390,069	\$ 1,394,141	\$ 605,961	\$ 1,744,351	\$ 169,490
LIABILITIES:					
Accounts payable and accrued liabilities	\$ 601,308	\$ -	\$ 2,852	\$ -	\$ 15,798
Deposits payable	-	-	-	21,904	-
Unearned revenue	-	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	601,308	-	2,852	21,904	15,798
DEFERRED INFLOWS:					
Unavailable revenue	-	379,984	-	-	-
Deferred inflows - leases	-	-	-	-	-
Total deferred inflows of resources	-	379,984	-	-	-
FUND BALANCES:					
Nonspendable	-	-	-	-	-
Restricted	8,788,761	1,014,157	603,109	1,722,447	153,692
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	8,788,761	1,014,157	603,109	1,722,447	153,692
Total total liabilities, deferred inflows and fund balances	\$ 9,390,069	\$ 1,394,141	\$ 605,961	\$ 1,744,351	\$ 169,490

Continued

CITY OF WEST PALM BEACH, FLORIDA
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 SEPTEMBER 30, 2025

	HOPWA Fund	SHIP Program Fund	American Rescue Plan Act Fund	Housing Trust Fund	Permits Fund	Fire Assessment Fee Fund
ASSETS:						
Cash and cash equivalents	\$ -	\$ 2,866,337	\$ -	\$ 1,251,626	\$ 8,598,432	\$ 311,960
Investments	-	-	-	-	20,000,000	10,000,000
Receivables, net:						
Accounts	-	-	-	-	-	51,933
Interest	-	-	-	9,924	150,644	62,652
Notes	-	-	-	1,581,640	-	-
Due from other governments	106,279	-	-	-	-	-
Prepaid items	-	-	-	-	-	23,802
Inventory	-	-	-	-	-	-
Land held for resale	-	-	-	-	-	-
Lease receivable	-	-	-	-	-	-
Total assets	<u>\$ 106,279</u>	<u>\$ 2,866,337</u>	<u>\$ -</u>	<u>\$ 2,843,190</u>	<u>\$ 28,749,076</u>	<u>\$ 10,450,347</u>
LIABILITIES:						
Accounts payable and accrued liabilities	\$ 326,369	\$ 1,319	\$ -	\$ 154,010	\$ 597,453	\$ 394,564
Deposits payable	-	-	-	-	-	-
Unearned revenue	-	1,930,208	-	-	-	-
Due to other governments	-	-	-	-	239,756	-
Due to other funds	66,254	-	-	-	-	-
Total liabilities	<u>392,623</u>	<u>1,931,527</u>	<u>-</u>	<u>154,010</u>	<u>837,209</u>	<u>394,564</u>
DEFERRED INFLOWS:						
Unavailable revenue	-	-	-	1,576,857	-	-
Deferred inflows - leases	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,576,857</u>	<u>-</u>	<u>-</u>
FUND BALANCES:						
Nonspendable	-	-	-	-	-	23,802
Restricted	-	934,810	-	1,112,323	27,911,867	-
Committed	-	-	-	-	-	10,031,981
Unassigned	(286,344)	-	-	-	-	-
Total fund balances	<u>(286,344)</u>	<u>934,810</u>	<u>-</u>	<u>1,112,323</u>	<u>27,911,867</u>	<u>10,055,783</u>
Total total liabilities, deferred inflows and fund balances	<u>\$ 106,279</u>	<u>\$ 2,866,337</u>	<u>\$ -</u>	<u>\$ 2,843,190</u>	<u>\$ 28,749,076</u>	<u>\$ 10,450,347</u>

Continued

**CITY OF WEST PALM BEACH, FLORIDA
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 SEPTEMBER 30, 2025**

	Waterfront District Fund	Special Revenue Grant Programs Fund	Cemetery Sinking Fund	Miscellaneous Trust Fund	Total Non- Major Special Revenue Funds
ASSETS:					
Cash and cash equivalents	\$ 2,809,830	\$ 1,275,503	\$ 1,745,253	\$ 1,404,759	\$ 25,586,546
Investments	-	-	-	-	36,000,000
Receivables, net:					
Accounts	-	-	-	-	456,818
Interest	-	-	9,421	7,622	293,601
Notes	-	-	-	-	2,713,923
Due from other governments	-	736,101	-	-	1,121,770
Prepaid items	-	-	-	-	23,802
Inventory	-	-	39,506	-	39,506
Land held for resale	-	-	-	-	111,270
Lease receivable	12,835,073	-	-	-	12,835,073
Total assets	\$ 15,644,903	\$ 2,011,604	\$ 1,794,180	\$ 1,412,381	\$ 79,182,309
LIABILITIES:					
Accounts payable and accrued liabilities	\$ 75,882	\$ 141,402	\$ -	\$ 1,546	\$ 2,312,503
Deposits payable	48,758	-	-	213,199	283,861
Unearned revenue	-	-	-	-	1,930,208
Due to other governments	2,202	-	-	-	241,958
Due to other funds	-	-	-	-	66,254
Total liabilities	126,842	141,402	-	214,745	4,834,784
DEFERRED INFLOWS:					
Unavailable revenue	-	-	-	-	1,956,841
Deferred inflows - leases	12,390,932	-	-	-	12,390,932
Total deferred inflows of resources	12,390,932	-	-	-	14,347,773
FUND BALANCES:					
Nonspendable	-	-	39,506	-	63,308
Restricted	-	1,870,202	1,754,674	1,197,636	47,063,678
Committed	3,127,129	-	-	-	13,159,110
Unassigned	-	-	-	-	(286,344)
Total fund balances	3,127,129	1,870,202	1,794,180	1,197,636	59,999,752
Total total liabilities, deferred inflows and fund balances	\$ 15,644,903	\$ 2,011,604	\$ 1,794,180	\$ 1,412,381	\$ 79,182,309

**CITY OF WEST PALM BEACH, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Local Gas Tax Fund	Impact Fees Western Expansion Fee Fund	Community Development Fund	Neighborhood Stabilization Program Fund	Home Program Fund
REVENUES:					
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,536,747	-	1,553,120	36,816	997,868
Charges for services	1,853,140	-	-	-	103,493
Rents and royalties	-	-	-	-	-
Investment income	373,012	41,794	-	-	53
Miscellaneous	-	-	-	-	-
Total revenues	4,762,899	41,794	1,553,120	36,816	1,101,414
EXPENDITURES:					
Current:					
General government	-	-	207,815	172,472	675
Public safety	-	-	-	-	-
Public works	4,203,816	-	-	-	-
Economic environment	-	-	57,309	43,177	1,166,079
Engineering services	-	-	-	-	-
Leisure services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest expense	-	-	-	-	-
Total expenditures	4,203,816	-	265,124	215,649	1,166,754
Excess (deficiency) of revenues over (under) expenditures	559,083	41,794	1,287,996	(178,833)	(65,340)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	206,367	-
Transfers out	-	-	(1,287,996)	-	-
Net changes in fund balances	559,083	41,794	-	27,534	(65,340)
Fund balances - beginning, as restated	8,229,678	972,363	603,109	1,694,913	219,032
Fund balances - ending	\$ 8,788,761	\$ 1,014,157	\$ 603,109	\$ 1,722,447	\$ 153,692

Continued

**CITY OF WEST PALM BEACH, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	HOPWA Fund	SHIP Program Fund	American Rescue Plan Act Fund	Housing Trust Fund	Permits Fund	Fire Assessment Fee Fund
REVENUES:						
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ 16,282,821	\$ -
Intergovernmental	3,560,343	655,675	-	-	-	5,409
Charges for services	-	76,937	-	24,963	66,123	8,216,376
Rents and royalties	-	-	-	-	-	-
Investment income	-	64,489	-	94,878	1,140,720	562,403
Miscellaneous	-	-	-	-	42,620	699
Total revenues	3,560,343	797,101	-	119,841	17,532,284	8,784,887
EXPENDITURES:						
Current:						
General government	-	-	-	42,895	40	-
Public safety	-	-	-	-	14,319,555	6,085,895
Public works	-	-	-	-	-	-
Economic environment	3,848,831	655,675	-	1,345,561	-	-
Engineering services	-	-	-	-	-	-
Leisure services	-	-	-	-	-	-
Capital outlay	-	-	-	236,945	-	636,687
Debt service:						
Principal	-	-	-	-	85,502	128,854
Interest expense	-	-	-	-	3,498	7,506
Total expenditures	3,848,831	655,675	-	1,625,401	14,408,595	6,858,942
Excess (deficiency) of revenues over (under) expenditures	(288,488)	141,426	-	(1,505,560)	3,123,689	1,925,945
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	500,000	-	-
Transfers out	-	-	-	-	-	(2,575,325)
Net changes in fund balances	(288,488)	141,426	-	(1,005,560)	3,123,689	(649,380)
Fund balances - beginning, as restated	2,144	793,384	-	2,117,883	24,788,178	10,705,163
Fund balances - ending	\$ (286,344)	\$ 934,810	\$ -	\$ 1,112,323	\$ 27,911,867	\$ 10,055,783

Continued

**CITY OF WEST PALM BEACH, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Waterfront District Fund	Special Revenue Grant Programs Fund	Cemetery Sinking Fund	Miscellaneous Trust Fund	Total Non- Major Special Revenue Funds
REVENUES:					
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ 16,282,821
Intergovernmental	-	3,417,889	-	544,487	13,308,354
Charges for services	1,574,234	-	89,216	-	12,004,482
Rents and royalties	1,175,597	-	-	-	1,175,597
Investment income	219,869	-	72,084	-	2,569,302
Miscellaneous	10,546	391,675	-	-	445,540
Total revenues	2,980,246	3,809,564	161,300	544,487	45,786,096
EXPENDITURES:					
Current:					
General government	-	173,226	2,544	-	599,667
Public safety	-	2,904,387	-	423,016	23,732,853
Public works	-	15,000	-	-	4,218,816
Economic environment	-	23,701	-	-	7,140,333
Engineering services	-	30,302	-	-	30,302
Leisure services	4,896,434	552,825	-	-	5,449,259
Capital outlay	370,999	236,804	-	-	1,481,435
Debt service:					
Principal	-	39,648	-	76,082	330,086
Interest expense	-	352	-	2,931	14,287
Total expenditures	5,267,433	3,976,245	2,544	502,029	42,997,038
Excess (deficiency) of revenues over (under) expenditures	(2,287,187)	(166,681)	158,756	42,458	2,789,058
OTHER FINANCING SOURCES (USES):					
Transfers in	1,860,000	3,724	-	-	2,570,091
Transfers out	-	-	-	-	(3,863,321)
Net changes in fund balances	(427,187)	(162,957)	158,756	42,458	1,495,828
Fund balances - beginning, as restated	3,554,316	2,033,159	1,635,424	1,155,178	58,503,924
Fund balances - ending	\$ 3,127,129	\$ 1,870,202	\$ 1,794,180	\$ 1,197,636	\$ 59,999,752

CITY OF WEST PALM BEACH, FLORIDA
 COMBINING BALANCE SHEET
 NON-MAJOR DEBT SERVICE FUNDS
 SEPTEMBER 30, 2025

	Other Debt Service Fund	General Obligation Debt Service Fund	Series 2019 CCCRA Debt Service Fund	Total Non- major Debt Service Funds
ASSETS:				
Cash and cash equivalents	\$ 33,480	\$ 1,106,019	\$ 9,072,015	\$ 10,211,514
Receivables, net				
Interest	542	4,464	31,869	36,875
Total assets	<u>\$ 34,022</u>	<u>\$ 1,110,483</u>	<u>\$ 9,103,884</u>	<u>\$ 10,248,389</u>
LIABILITIES:				
Accounts payable and accrued liabilities	\$ -	\$ 458,500	\$ 314,542	\$ 773,042
Total liabilities	<u>-</u>	<u>458,500</u>	<u>314,542</u>	<u>773,042</u>
FUND BALANCES:				
Restricted	-	651,983	8,789,342	9,441,325
Committed	34,022	-	-	34,022
Total fund balances	<u>34,022</u>	<u>651,983</u>	<u>8,789,342</u>	<u>9,475,347</u>
Total liabilities and fund balances	<u>\$ 34,022</u>	<u>\$ 1,110,483</u>	<u>\$ 9,103,884</u>	<u>\$ 10,248,389</u>

**CITY OF WEST PALM BEACH, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NON-MAJOR DEBT SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Other Debt Service Fund	General Obligation Debt Service Fund	Series 2019 CCCRA Debt Service Fund	Total Non-major Debt Service Funds
REVENUES:				
Property taxes	\$ -	\$ 1,426,642	\$ -	\$ 1,426,642
Investment income	14,061	53,580	500,081	567,722
Total revenues	<u>14,061</u>	<u>1,480,222</u>	<u>500,081</u>	<u>1,994,364</u>
EXPENDITURES:				
Debt service:				
Principal	445,080	470,000	3,465,000	4,380,080
Interest expense	393,809	928,750	3,848,024	5,170,583
Total expenditures	<u>838,889</u>	<u>1,398,750</u>	<u>7,313,024</u>	<u>9,550,663</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(824,828)</u>	<u>81,472</u>	<u>(6,812,943)</u>	<u>(7,556,299)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	706,000	500,000	7,366,500	8,572,500
Total other financing sources (uses)	706,000	500,000	7,366,500	8,572,500
Net change in fund balances	(118,828)	581,472	553,557	1,016,201
Fund balances - beginning	152,850	70,511	8,235,785	8,459,146
Fund balances - ending	<u>\$ 34,022</u>	<u>\$ 651,983</u>	<u>\$ 8,789,342</u>	<u>\$ 9,475,347</u>

**CITY OF WEST PALM BEACH, FLORIDA
 COMBINING BALANCE SHEET
 NON-MAJOR CAPITAL PROJECTS FUNDS
 SEPTEMBER 30, 2025**

	Other Capital Projects Fund	Series 2020 General Obligation Bond Fund	City Commons & Waterfront Park Construction Fund	Infrastructure Surtax Fund	American Rescue Plan Act Capital Projects Fund	2016 Capital Bond Fund
ASSETS:						
Cash and cash equivalents	\$ 12,097,219	\$ 14,494,417	\$ 44,811	\$ 14,228,439	\$ 6,353,218	\$ 4,271,379
Investments	40,000,000	-	-	50,000,000	-	-
Receivables, net:						
Accounts	-	-	-	2,105,970	-	-
Interest	205,473	25,845	250	328,155	6,299	-
Due from other governments	-	-	-	-	-	-
Land held for resale	-	-	-	-	-	-
Total assets	\$ 52,302,692	\$ 14,520,262	\$ 45,061	\$ 66,662,564	\$ 6,359,517	\$ 4,271,379
LIABILITIES:						
Accounts payable and accrued liabilities	\$ 2,581,001	\$ 2,252,382	\$ -	\$ 996,924	\$ 248,750	\$ 57,963
Unearned revenue	-	-	-	-	4,193,580	-
Due to other funds	-	-	-	-	-	-
Total liabilities	2,581,001	2,252,382	-	996,924	4,442,330	57,963
FUND BALANCES:						
Restricted	4,156,696	12,267,880	-	65,665,640	1,917,187	4,213,416
Committed	45,564,995	-	45,061	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	49,721,691	12,267,880	45,061	65,665,640	1,917,187	4,213,416
Total liabilities and fund balances	\$ 52,302,692	\$ 14,520,262	\$ 45,061	\$ 66,662,564	\$ 6,359,517	\$ 4,271,379

Continued

**CITY OF WEST PALM BEACH, FLORIDA
 COMBINING BALANCE SHEET
 NON-MAJOR CAPITAL PROJECTS FUNDS
 SEPTEMBER 30, 2025**

	Vehicle Replacement Fund	Technology Replacement Fund	Series 2019 CCCRA Capital Bond Fund	Capital Grants Fund	Land Acquisition Fund	Total Non- Major Capital Projects Funds
ASSETS:						
Cash and cash equivalents	\$ 3,499,742	\$ 2,388,074	\$ 4,345,163	\$ -	\$ 6,775	\$ 61,729,237
Investments	10,000,000	-	10,000,000	-	-	110,000,000
Receivables, net:						
Accounts	-	-	-	-	-	2,105,970
Interest	61,443	13,295	10,444	-	38	651,242
Due from other governments	-	-	-	638,452	-	638,452
Land held for resale	-	-	-	-	2,856,572	2,856,572
Total assets	\$ 13,561,185	\$ 2,401,369	\$ 14,355,607	\$ 638,452	\$ 2,863,385	\$ 177,981,473
LIABILITIES:						
Accounts payable and accrued liabilities	\$ 113,907	\$ -	\$ 65,886	\$ 112,009	\$ -	\$ 6,428,822
Unearned revenue	-	-	-	-	-	4,193,580
Due to other funds	-	-	-	3,802,997	-	3,802,997
Total liabilities	113,907	-	65,886	3,915,006	-	14,425,399
FUND BALANCES:						
Restricted	-	275,630	14,289,721	-	-	102,786,170
Committed	13,447,278	2,125,739	-	-	2,863,385	64,046,458
Unassigned	-	-	-	(3,276,554)	-	(3,276,554)
Total fund balances	13,447,278	2,401,369	14,289,721	(3,276,554)	2,863,385	163,556,074
Total liabilities and fund balances	\$ 13,561,185	\$ 2,401,369	\$ 14,355,607	\$ 638,452	\$ 2,863,385	\$ 177,981,473

**CITY OF WEST PALM BEACH, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Other Capital Projects Fund	Series 2020 General Obligation Bond Fund	City Commons & Waterfront Park Construction Fund	Infrastructure Surtax Fund	American Rescue Plan Act Capital Projects Fund	2016 Capital Bond Fund
REVENUES:						
Intergovernmental	\$ -	\$ -	\$ -	\$ 12,572,202	\$ 8,684,528	\$ -
Investment income	1,803,527	811,795	1,885	2,538,255	482,786	214,740
Total revenues	1,803,527	811,795	1,885	15,110,457	9,167,314	214,740
EXPENDITURES:						
Current:						
General government	777,850	-	-	-	-	-
Public safety	170,428	-	-	-	-	-
Public works	62,657	-	-	2,128,850	-	252,831
Economic environment	492,165	-	-	-	307,353	-
Engineering services	2,015,001	-	-	-	-	50,000
Leisure services	484,878	300,186	-	-	-	-
Capital outlay	5,792,686	8,047,467	-	1,388,914	8,458,164	585,870
Principal	-	-	-	-	-	31,553
Interest expense	-	-	-	-	-	1,447
Total expenditures	9,795,665	8,347,653	-	3,517,764	8,765,517	921,701
Excess (deficiency) of revenues over (under) expenditures	(7,992,138)	(7,535,858)	1,885	11,592,693	401,797	(706,961)
OTHER FINANCING SOURCES (USES):						
Transfers in	27,395,414	-	-	-	-	-
Transfers out	(250,000)	(500,000)	-	-	-	-
Total other financing sources (uses)	27,145,414	(500,000)	-	-	-	-
Net changes in fund balances	19,153,276	(8,035,858)	1,885	11,592,693	401,797	(706,961)
Fund balances - beginning of year, as restated	30,568,415	20,303,738	43,176	54,072,947	1,515,390	4,920,377
Fund balances - ending	\$ 49,721,691	\$ 12,267,880	\$ 45,061	\$ 65,665,640	\$ 1,917,187	\$ 4,213,416

Continued

**CITY OF WEST PALM BEACH, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Vehicle Replacement Fund	Technology Replacement Fund	Series 2019 CCCRA Capital Bond Fund	Capital Grants Fund	Land Acquisition Fund	Total Non- Major Capital Projects Funds
REVENUES:						
Intergovernmental	\$ -	\$ -	\$ -	\$ 1,249,448	\$ -	\$ 22,506,178
Investment income	515,758	100,421	905,874	-	285	7,375,326
Total revenues	515,758	100,421	905,874	1,249,448	285	29,881,504
EXPENDITURES:						
Current:						
General government	9,656	-	-	-	-	787,506
Public safety	-	-	-	-	-	170,428
Public works	-	-	-	-	-	2,444,338
Economic environment	-	-	131,876	-	-	931,394
Engineering services	-	-	-	-	-	2,065,001
Leisure services	-	-	-	-	-	785,064
Capital outlay	4,905,154	-	7,058,961	4,911,666	-	41,148,882
Principal	-	-	-	-	-	31,553
Interest expense	-	-	-	-	-	1,447
Total expenditures	4,914,810	-	7,190,837	4,911,666	-	48,365,613
Excess (deficiency) of revenues over (under) expenditures	(4,399,052)	100,421	(6,284,963)	(3,662,218)	285	(18,484,109)
OTHER FINANCING SOURCES (USES):						
Transfers in	9,816,789	-	-	1,287,996	-	38,500,199
Transfers out	-	-	-	(341,173)	-	(1,091,173)
Total other financing sources (uses)	9,816,789	-	-	946,823	-	37,409,026
Net changes in fund balances	5,417,737	100,421	(6,284,963)	(2,715,395)	285	18,924,917
Fund balances - beginning of year, as restated	8,029,541	2,300,948	20,574,684	(561,159)	2,863,100	144,631,157
Fund balances - ending	\$ 13,447,278	\$ 2,401,369	\$ 14,289,721	\$ (3,276,554)	\$ 2,863,385	\$ 163,556,074



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Internal Service FUNDS



WEST PALM BEACH

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CITY OF WEST PALM BEACH, FLORIDA

INTERNAL SERVICE FUNDS

MIS Processing Fund - This fund is used to account for expenses related to providing data processing and telecommunication services to the other departments of the City.

Fleet Management Fund - This fund is used to account for fuel, oil, lubricants, repairs and maintenance of City vehicles and the use of vehicles by City employees.

Self Insurance Fund - This fund is used to account for expenses related to providing and administering the self-insured general liability, automobile liability, workers' compensation and property insurance coverage for the City.

Employee Benefits Fund - This fund is used to account for resources provided from the employees' and employer's share of group life and health insurance deductions and the related claims and premiums.

CITY OF WEST PALM BEACH, FLORIDA
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 SEPTEMBER 30, 2025

	MIS Processing Fund	Fleet Management Fund	Self Insurance Fund	Employee Benefits Fund	Totals
ASSETS:					
Current unrestricted assets:					
Cash and cash equivalents	\$ 1,788,681	\$ 5,152,616	\$ 2,949,149	\$ 2,019,535	\$ 11,909,981
Investments	13,000,000	-	25,000,000	13,000,000	51,000,000
Receivables, net					
Accounts	-	7,633	-	428,806	436,439
Interest	78,707	19,268	145,219	76,240	319,434
Prepaid items	-	-	1,606,652	-	1,606,652
Current restricted assets:					
Cash and cash equivalents	-	-	300,000	4,287,903	4,587,903
Total current assets	14,867,388	5,179,517	30,001,020	19,812,484	69,860,409
Non-current assets:					
Investment in joint venture	1,984,827	-	-	-	1,984,827
Capital assets:					
Non-depreciable	-	846,304	-	-	846,304
Capital assets, net of accumulated depreciation/amortization	7,767,990	463,747	67,533	131,472	8,430,742
Total non-current assets	9,752,817	1,310,051	67,533	131,472	11,261,873
Total assets	\$ 24,620,205	\$ 6,489,568	\$ 30,068,553	\$ 19,943,956	\$ 81,122,282
LIABILITIES:					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 1,484,783	\$ 770,790	\$ 35,963	\$ 182,460	\$ 2,473,996
Compensated absences payable - current	423,486	160,368	32,164	-	616,018
Subscriptions payable - current	-	77,465	-	-	77,465
Insurance claims payable - current	-	-	4,316,008	1,868,766	6,184,774
Deposits payable	-	-	-	235,516	235,516
Total current liabilities	1,908,269	1,008,623	4,384,135	2,286,742	9,587,769
Non-current liabilities:					
Compensated absences payable - long term	521,147	58,659	-	-	579,806
Insurance claims payable - long term	-	-	13,370,973	-	13,370,973
Total non-current liabilities	521,147	58,659	13,370,973	-	13,950,779
Total liabilities	2,429,416	1,067,282	17,755,108	2,286,742	23,538,548
NET POSITION:					
Net investment in capital assets	7,767,990	1,232,586	67,533	131,472	9,199,581
Unrestricted	14,422,799	4,189,700	12,245,912	17,525,742	48,384,153
Total net position	22,190,789	5,422,286	12,313,445	17,657,214	57,583,734
Total liabilities and net position	\$ 24,620,205	\$ 6,489,568	\$ 30,068,553	\$ 19,943,956	\$ 81,122,282

**CITY OF WEST PALM BEACH, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	MIS Processing Fund	Fleet Management Fund	Self Insurance Fund	Employee Benefits Fund	Totals
OPERATING REVENUES:					
Charges for services	\$ 18,473,148	\$ 10,944,840	\$ 15,486,458	\$ 36,904,980	\$ 81,809,426
Intergovernmental	5,115	2,951	-	-	8,066
Equity in earnings of joint ventures	20,000	-	-	-	20,000
Miscellaneous	37,885	214,395	33,001	323,547	608,827
Total operating revenues	18,536,148	11,162,186	15,519,459	37,228,527	82,446,319
CAPITAL OUTLAY:					
Personnel services	6,660,302	2,786,067	826,744	-	10,273,113
Contractual services	11,125,040	670,542	947,145	2,722,439	15,465,166
Utilities	474,095	101,044	2,766	-	577,904
Repair and maintenance	71,235	4,187,047	5,486	-	4,263,768
Other supplies and expenses	1,815,045	1,683,603	76,319	886,475	4,461,442
Depreciation and amortization	960,253	128,442	3,194	4,825	1,096,714
Insurance	31,746	56,945	8,863,884	30,144,001	39,096,576
Support Services	-	9,581	-	-	9,581
Total capital outlay	21,137,716	9,623,271	10,725,538	33,757,740	75,244,264
Operating income (loss)	(2,601,568)	1,538,915	4,793,921	3,470,787	7,202,055
NON-OPERATING REVENUES (EXPENSES):					
Interest income	649,692	181,051	1,152,296	763,621	2,746,660
Interest expense	-	(2,639)	-	-	(2,639)
Gain on sale of capital assets	1,131	769,139	-	-	770,270
Total non-operating revenues (expenses)	650,823	947,551	1,152,296	763,621	3,514,291
Income (loss) before contributions and transfers	(1,950,745)	2,486,466	5,946,217	4,234,408	10,716,346
TRANSFERS:					
Transfers in	2,254,866	84,000	-	-	2,338,866
Transfers out	-	-	-	(75,684)	(75,684)
Total transfers	2,254,866	84,000	-	(75,684)	2,263,182
Change in net position	304,121	2,570,466	5,946,217	4,158,724	12,979,528
Net position - beginning	21,886,668	2,851,820	6,367,228	13,498,490	44,604,206
Net position - ending	\$ 22,190,789	\$ 5,422,286	\$ 12,313,445	\$ 17,657,214	\$ 57,583,734

**CITY OF WEST PALM BEACH, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	MIS Processing Fund	Fleet Management Fund	Self Insurance Fund	Employee Benefits Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers	\$ 18,786,971	\$ 10,937,207	\$ 15,486,458	\$ 36,818,498	\$ 82,029,134
Cash payments to suppliers/contractors	(12,750,664)	(6,313,757)	(927,142)	(4,558,364)	(24,549,927)
Cash payments to employees	(6,610,420)	(2,787,354)	(812,244)	-	(10,210,018)
Other operating receipts	43,000	217,346	33,001	323,547	616,894
Cash payments for insurance	(31,746)	(56,945)	(10,291,349)	(30,253,650)	(40,633,690)
Net cash provided by (used for) operating activities	<u>(562,859)</u>	<u>1,996,497</u>	<u>3,488,724</u>	<u>2,330,031</u>	<u>7,252,393</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers in	2,254,866	84,000	-	-	2,338,866
Transfers out	-	-	-	(75,684)	(75,684)
Net cash provided by (used for) noncapital financing activities	<u>2,254,866</u>	<u>84,000</u>	<u>-</u>	<u>(75,684)</u>	<u>2,263,182</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition/construction of capital assets	(49,499)	(163,483)	-	-	(212,982)
Interest and fees paid on long term debt	-	(73,973)	-	-	(73,973)
Net cash used for capital and related financing activities	<u>(49,499)</u>	<u>(237,456)</u>	<u>-</u>	<u>-</u>	<u>(286,955)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchases and sales of investments, net	(2,944,746)	18,531	(14,896,408)	(944,474)	(18,767,097)
Interest earned on investments	558,601	151,889	981,517	672,079	2,364,086
Net cash provided by (used for) investing activities	<u>(2,386,145)</u>	<u>170,420</u>	<u>(13,914,891)</u>	<u>(272,395)</u>	<u>(16,403,011)</u>
Net increase (decrease) in cash and cash equivalents	<u>(743,637)</u>	<u>2,013,461</u>	<u>(10,426,167)</u>	<u>1,981,952</u>	<u>(7,174,391)</u>
Cash and cash equivalents - beginning of year	<u>2,532,318</u>	<u>3,139,155</u>	<u>13,675,316</u>	<u>4,325,486</u>	<u>23,672,275</u>
Cash and cash equivalents - end of year	<u>\$ 1,788,681</u>	<u>\$ 5,152,616</u>	<u>\$ 3,249,149</u>	<u>\$ 6,307,438</u>	<u>\$ 16,497,884</u>
DISPLAYED AS:					
Unrestricted cash and cash equivalents	\$ 1,788,681	\$ 5,152,616	\$ 2,949,149	\$ 2,019,535	\$ 11,909,981
Restricted cash and cash equivalents	-	-	300,000	4,287,903	4,587,903
Total cash and cash equivalents	<u>\$ 1,788,681</u>	<u>\$ 5,152,616</u>	<u>\$ 3,249,149</u>	<u>\$ 6,307,438</u>	<u>\$ 16,497,884</u>

**CITY OF WEST PALM BEACH, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	MIS Processing Fund	Fleet Management Fund	Self Insurance Fund	Employee Benefits Fund	Totals
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating income	\$ (2,601,568)	\$ 1,538,915	\$ 4,793,921	\$ 3,470,787	\$ 7,202,055
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	960,253	128,442	3,194	4,825	1,096,714
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	313,823	(7,633)	-	(115,602)	190,588
(Increase) decrease in (gain) loss in joint ventures	(20,000)	-	-	-	(20,000)
(Increase) decrease in prepaid expenses	-	-	137,430	-	137,430
Increase (decrease) in accounts payable and accrued liabilities	734,751	338,061	(32,857)	(949,450)	90,505
Increase (decrease) in compensated absences payable	49,882	(1,288)	14,501	-	63,095
Increase (decrease) in deposits payable	-	-	-	29,120	29,120
Increase (decrease) in insurance claims payable	-	-	(1,427,465)	(109,649)	(1,537,114)
Total adjustments	2,038,709	457,582	(1,305,197)	(1,140,756)	50,338
Net cash provided by operating activities	\$ (562,859)	\$ 1,996,497	\$ 3,488,724	\$ 2,330,031	\$ 7,252,393
SCHEDULE OF NON-CASH CAPITAL AND RELATED FINANCING AND INVESTING ACTIVITIES:					
Change in fair value of investments	\$ 55,254	\$ 18,531	\$ 103,590	\$ 55,527	\$ 232,902

WEST PALM BEACH

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Fiduciary
FUNDS



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CITY OF WEST PALM BEACH, FLORIDA

FIDUCIARY FUNDS

Police Pension Fund - This fund is used to account for all assets held in a trustee capacity for the retirement pensions for all non-civilian police department employees.

Firefighters' Pension Fund - This fund is used to account for assets held in a trustee capacity for the retirement pensions for all firefighters and fire department officers.

Restated Employees Retirement System Fund - This fund is used to account for assets held in a trustee capacity for the retirement pensions of certain employees previously covered by the Employees' Retirement System. This Plan is closed to new employees.

OPEB Trust Fund - This fund is used to account for assets held in trust for post-employment benefits other than pensions.

Elected Officials and Management VEBA Fund - This fund is used to account for assets held in a trustee capacity for the post employment benefits for the City's elected officials and certain members of management.

General Employees VEBA Fund - This fund is used to account for assets held in a trustee capacity for the post employment benefits for all non-management City employees not covered by the Police Pension Fund or the Firefighters Pension Fund.

Police Benevolent Association Retiree Health Fund ("Police VEBA")- This fund is used to account for assets held in a trustee capacity for the post employment benefits for all non-civilian police department employees.

Firefighters' Retiree Benefit Fund ("Firefighters' VEBA") - This fund is used to account for assets held in a trustee capacity for the post employment benefits for all firefighters and fire department officers.

CITY OF WEST PALM BEACH, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS - PENSION AND OTHER POST EMPLOYMENT BENEFIT FUNDS
SEPTEMBER 30, 2025

	<u>Pension Funds</u>	<u>OPEB Funds</u>	<u>Total</u>
ASSETS:			
Cash and cash equivalents	\$ 3,608,930	\$ 4,863,511	\$ 8,472,441
Receivables, net			
Drop loans	1,229,591	-	1,229,591
Interest receivable	460,867	670	461,537
Account receivable - sale of investments	182,835	-	182,835
Contribution receivable	-	35,454	35,454
Other	539,867	-	539,867
INVESTMENTS:			
Money market	468,495	-	468,495
U.S. government obligations	31,047,659	-	31,047,659
U.S. government agency obligations	21,409,378	-	21,409,378
Corporate bonds	5,380,652	-	5,380,652
Equity securities	314,482,963	-	314,482,963
Domestic stocks	227,896,227	-	227,896,227
Preferred stocks	2,449,140	-	2,449,140
Convertible preferred stocks	425,830	-	425,830
Domestic fixed income	102,609,024	-	102,609,024
Mutual funds	4,390,346	42,688,408	47,078,754
International equities	92,846,201	-	92,846,201
Real estate investment funds	92,034,327	-	92,034,327
Real return fund	2,247,388	-	2,247,388
Temporary investments	9,271,693	-	9,271,693
Exchange traded funds	-	21,846,870	21,846,870
Total investments	906,959,323	64,535,278	971,494,601
Prepaid expenses	37,403	-	37,403
Total assets	913,018,816	69,434,913	982,453,729
LIABILITIES:			
Accounts payable and accrued expenses	2,098,300	5,164	2,103,464
Total liabilities	2,098,300	5,164	2,103,464
DEFERRED INFLOWS:			
Advanced plan contributions	1,507,276	-	1,507,276
NET POSITION:			
Net position restricted for pension and OPEB	\$ 909,413,240	\$ 69,429,749	\$ 978,842,989

CITY OF WEST PALM BEACH, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS - PENSION AND OTHER POST EMPLOYMENT BENEFIT FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Pension Funds</u>	<u>OPEB Funds</u>	<u>Total</u>
ADDITIONS:			
Contributions:			
Plan members	\$ 10,203,811	\$ -	\$ 10,203,811
Insurance premium taxes collected by the State of Florida on behalf of the City of West Palm Beach	4,909,534	-	4,909,534
City of West Palm Beach	<u>17,640,660</u>	<u>4,347,636</u>	<u>21,988,296</u>
Total Contributions	<u>32,754,005</u>	<u>4,347,636</u>	<u>37,101,641</u>
Investment income:			
Net increase in fair value of investments	55,030,605	6,382,673	61,413,278
Interest and dividends	18,387,938	792,534	19,180,472
Class action revenue	22,955	-	22,955
Rebates and other revenue	<u>23,136</u>	<u>-</u>	<u>23,136</u>
Total investment income:	<u>73,464,634</u>	<u>7,175,207</u>	<u>80,639,841</u>
Less investment expense	<u>3,894,559</u>	<u>66,322</u>	<u>3,960,881</u>
Net investment income	<u>69,570,075</u>	<u>7,108,885</u>	<u>76,678,960</u>
Total additions	<u>102,324,080</u>	<u>11,456,521</u>	<u>113,780,601</u>
DEDUCTIONS:			
Participant benefit payments	50,138,179	3,790,647	53,928,826
Refunds of participant contributions	482,473	-	482,473
Administrative Expenses	<u>916,781</u>	<u>73,943</u>	<u>990,724</u>
Total deductions:	<u>51,537,433</u>	<u>3,864,590</u>	<u>55,402,023</u>
Net increase in net position	<u>50,786,647</u>	<u>7,591,931</u>	<u>58,378,578</u>
NET POSITION:			
Beginning of year	<u>858,626,593</u>	<u>61,837,818</u>	<u>920,464,411</u>
End of year	<u>\$ 909,413,240</u>	<u>\$ 69,429,749</u>	<u>\$ 978,842,989</u>

CITY OF WEST PALM BEACH, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS - PENSION FUNDS
SEPTEMBER 30, 2025

	Police Pension Fund	Firefighters' Pension Fund	Restated Employees Pension Fund	Total Pension Funds
ASSETS:				
Cash and cash equivalents	\$ 1,159	\$ 3,329,761	\$ 278,010	\$ 3,608,930
Receivables, net:				
Drop loans	1,051,583	178,008	-	1,229,591
Interest receivable	214,439	202,472	43,956	460,867
Account receivable - sale of investments	-	-	182,835	182,835
Other	83,989	436,817	19,061	539,867
Total receivables, net	1,350,011	817,297	245,852	2,413,160
Investments:				
Money market	-	-	468,495	468,495
U.S. government obligations	9,074,342	13,238,720	8,734,597	31,047,659
U.S. government agency obligations	8,397,631	13,011,747	-	21,409,378
Corporate bonds	759,588	4,153,795	467,269	5,380,652
Equity securities	215,810,666	70,722,092	27,950,205	314,482,963
Domestic stocks	104,849,975	123,046,252	-	227,896,227
Preferred stocks	-	2,449,140	-	2,449,140
Convertible preferred stocks	-	425,830	-	425,830
Domestic fixed income	46,392,195	56,216,829	-	102,609,024
Mutual funds	-	-	4,390,346	4,390,346
International equities	79,847,244	12,998,957	-	92,846,201
Real estate investment funds	54,667,871	35,309,244	2,057,212	92,034,327
Real return fund	-	-	2,247,388	2,247,388
Temporary investments	7,726,263	1,545,430	-	9,271,693
Total investments	527,525,775	333,118,036	46,315,512	906,959,323
Prepaid expenses	-	37,403	-	37,403
Total assets	528,876,945	337,302,497	46,839,374	913,018,816
LIABILITIES:				
Accounts payable and accrued expenses	821,283	1,067,358	209,659	2,098,300
DEFERRED INFLOWS OF RESOURCES:				
Advanced plan contributions:	-	-	1,507,276	1,507,276
NET POSITION:				
Net position restricted for pension benefits	\$ 528,055,662	\$ 336,235,139	\$ 45,122,439	\$ 909,413,240

CITY OF WEST PALM BEACH, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS - PENSION FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Police Pension Fund	Firefighters' Pension Fund	Restated Employees Pension Fund	Total Pension Funds
ADDITIONS:				
Contributions:				
Plan members	\$ 4,827,873	\$ 5,335,795	\$ 40,143	\$ 10,203,811
Insurance premium taxes collected by the State of Florida on behalf of the City of West Palm Beach	2,375,756	2,533,778	-	4,909,534
City of West Palm Beach	8,025,741	9,172,082	442,837	17,640,660
Total contributions	15,229,370	17,041,655	482,980	32,754,005
Investment income:				
Net appreciation in fair value of investments	38,122,346	14,899,767	2,008,492	55,030,605
Interest and dividends	7,240,572	9,893,884	1,253,482	18,387,938
Class action revenue	21,244	1,711	-	22,955
Rebates and other revenue	-	22,968	168	23,136
Total investment income	45,384,162	24,818,330	3,262,142	73,464,634
Less investment expense	2,077,796	1,659,012	157,751	3,894,559
Net investment income	43,306,366	23,159,318	3,104,391	69,570,075
Total additions	58,535,736	40,200,973	3,587,371	102,324,080
DEDUCTIONS:				
Participant benefit payments	25,313,704	21,311,357	3,513,118	50,138,179
Refunds of participant contributions	377,543	104,930	-	482,473
Administrative Expenses	549,801	234,549	132,431	916,781
Total deductions	26,241,048	21,650,836	3,645,549	51,537,433
Net increase in net position	32,294,688	18,550,137	(58,178)	50,786,647
NET POSITION:				
Beginning of year	495,760,974	317,685,002	45,180,617	858,626,593
End of year	\$ 528,055,662	\$ 336,235,139	\$ 45,122,439	\$909,413,240

CITY OF WEST PALM BEACH, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS - OTHER POST EMPLOYMENT BENEFIT FUNDS
SEPTEMBER 30, 2025

	OPEB Trust Fund	Elected Officials and Management VEBA Fund	General Employees VEBA Fund	Police VEBA Fund	Firefighters' VEBA Fund	Total OPEB Funds
ASSETS:						
Cash and cash equivalents	\$ 3,389,442	\$ 346,058	\$ 281,604	\$ 700,368	\$ 146,039	\$ 4,863,511
Interest receivable	46	134	490	-	-	670
Contribution receivable	-	-	-	-	35,454	35,454
INVESTMENTS:						
Mutual funds	-	1,927,246	6,659,048	19,935,017	14,167,097	42,688,408
Exchange traded funds	21,846,870	-	-	-	-	21,846,870
Total investments	21,846,870	1,927,246	6,659,048	19,935,017	14,167,097	64,535,278
Total assets	25,236,358	2,273,438	6,941,142	20,635,385	14,348,590	69,434,913
LIABILITIES:						
Accounts payable and accrued expenses	-	-	-	-	5,164	5,164
Total liabilities	-	-	-	-	5,164	5,164
NET POSITION:						
Net position restricted for OPEB	\$ 25,236,358	\$ 2,273,438	\$ 6,941,142	\$ 20,635,385	\$ 14,343,426	\$ 69,429,749

CITY OF WEST PALM BEACH, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS - OTHER POST EMPLOYMENT BENEFIT FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	OPEB Trust Fund	Elected Officials and Management VEBA Fund	General Employees VEBA Fund	Police VEBA Fund	Firefighters' VEBA Fund	Total OPEB Funds
ADDITIONS:						
Contributions:						
City of West Palm Beach	\$ 1,658,860	\$ 399,621	\$ 399,621	\$ 1,021,991	\$ 867,543	\$ 4,347,636
Total contributions	<u>1,658,860</u>	<u>399,621</u>	<u>399,621</u>	<u>1,021,991</u>	<u>867,543</u>	<u>4,347,636</u>
Investment income:						
Net appreciation in fair value of investments	3,023,101	184,079	665,378	1,959,423	550,692	6,382,673
Interest and dividends	-	-	-	454,642	337,892	792,534
Total investment income	<u>3,023,101</u>	<u>184,079</u>	<u>665,378</u>	<u>2,414,065</u>	<u>888,584</u>	<u>7,175,207</u>
Less investment expense	-	-	1,767	54,305	10,250	66,322
Net investment income	<u>3,023,101</u>	<u>184,079</u>	<u>663,611</u>	<u>2,359,760</u>	<u>878,334</u>	<u>7,108,885</u>
Total additions	<u>4,681,961</u>	<u>583,700</u>	<u>1,063,232</u>	<u>3,381,751</u>	<u>1,745,877</u>	<u>11,456,521</u>
DEDUCTIONS:						
Participant benefit payments	1,658,860	66,763	341,045	1,085,575	638,404	3,790,647
Administrative Expenses	161	1,418	8,792	9,414	54,158	73,943
Total deductions	<u>1,659,021</u>	<u>68,181</u>	<u>349,837</u>	<u>1,094,989</u>	<u>692,562</u>	<u>3,864,590</u>
Net increase in net position	<u>3,022,940</u>	<u>515,519</u>	<u>713,395</u>	<u>2,286,762</u>	<u>1,053,315</u>	<u>7,591,931</u>
NET POSITION:						
Beginning of year	<u>22,213,418</u>	<u>1,757,919</u>	<u>6,227,747</u>	<u>18,348,623</u>	<u>13,290,111</u>	<u>61,837,818</u>
End of year	<u>\$ 25,236,358</u>	<u>\$ 2,273,438</u>	<u>\$ 6,941,142</u>	<u>\$ 20,635,385</u>	<u>\$ 14,343,426</u>	<u>\$ 69,429,749</u>

WEST PALM BEACH

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Budgetary Comparison AND SCHEDULES



CITY OF WEST PALM BEACH, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 LOCAL GAS TAX FUND
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 2,537,058	\$ 2,537,058	\$ 2,536,747	\$ (311)
Charges for services	400,000	400,000	1,853,140	1,453,140
Investment income	40,000	40,000	373,012	333,012
Total revenues	<u>2,977,058</u>	<u>2,977,058</u>	<u>4,762,899</u>	<u>1,785,841</u>
EXPENDITURES:				
Current:				
Public works	10,417,547	10,417,547	4,203,816	6,213,731
Total expenditures	<u>10,417,547</u>	<u>10,417,547</u>	<u>4,203,816</u>	<u>6,213,731</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,440,489)</u>	<u>(7,440,489)</u>	559,083	<u>7,999,572</u>
Net change in fund balances	<u>\$ (7,440,489)</u>	<u>\$ (7,440,489)</u>	559,083	<u>\$ 7,999,572</u>
Fund balances - beginning			<u>8,229,678</u>	
Fund balances - ending			<u>\$ 8,788,761</u>	

CITY OF WEST PALM BEACH, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 COMMUNITY DEVELOPMENT FUND
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 2,318,665	\$ 2,378,665	\$ 1,553,120	\$ (825,545)
Total revenues	<u>2,318,665</u>	<u>2,378,665</u>	<u>1,553,120</u>	<u>(825,545)</u>
EXPENDITURES:				
Current:				
General government	1,059,275	1,099,077	207,815	891,262
Economic environment	1,662,079	394,281	57,309	336,972
Total expenditures	<u>2,721,354</u>	<u>1,493,358</u>	<u>265,124</u>	<u>1,228,234</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(402,689)</u>	<u>885,307</u>	<u>1,287,996</u>	<u>402,689</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(1,287,996)	(1,287,996)	-
Total other financing sources (uses)	<u>-</u>	<u>(1,287,996)</u>	<u>(1,287,996)</u>	<u>-</u>
Net change in fund balances	<u>\$ (402,689)</u>	<u>\$ (402,689)</u>	-	<u>\$ 402,689</u>
Fund balances - beginning			<u>603,109</u>	
Fund balances - ending			<u>\$ 603,109</u>	

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NEIGHBORHOOD STABILIZATION PROGRAM FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 36,816	\$ 36,816
Total revenues	<u>-</u>	<u>-</u>	<u>36,816</u>	<u>36,816</u>
EXPENDITURES:				
Current:				
General government	-	206,367	172,472	33,895
Economic environment	-	-	43,177	(43,177)
Total expenditures	<u>-</u>	<u>206,367</u>	<u>215,649</u>	<u>(9,282)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(206,367)</u>	<u>(178,833)</u>	<u>27,534</u>
Transfers in	-	206,367	206,367	-
Total other financing sources (uses)	<u>-</u>	<u>206,367</u>	<u>206,367</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>27,534</u>	<u>\$ 27,534</u>
Fund balances - beginning			<u>1,694,913</u>	
Fund balances - ending			<u>\$ 1,722,447</u>	

CITY OF WEST PALM BEACH, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 HOME PROGRAM FUND
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 4,267,376	\$ 4,267,376	\$ 997,868	\$ (3,269,508)
Charges for services	-	-	103,493	103,493
Investment income	-	-	53	53
Total revenues	<u>4,267,376</u>	<u>4,267,376</u>	<u>1,101,414</u>	<u>(3,165,962)</u>
EXPENDITURES:				
Current:				
General government	-	675	675	-
Economic environment	4,476,875	4,510,737	1,166,079	3,344,658
Total expenditures	<u>4,476,875</u>	<u>4,511,412</u>	<u>1,166,754</u>	<u>3,344,658</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(209,499)</u>	<u>(244,036)</u>	<u>(65,340)</u>	<u>178,696</u>
Net change in fund balances	<u>\$ (209,499)</u>	<u>\$ (244,036)</u>	<u>(65,340)</u>	<u>\$ 178,696</u>
Fund balances - beginning			<u>219,032</u>	
Fund balances - ending			<u>\$ 153,692</u>	

CITY OF WEST PALM BEACH, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 HOPWA FUND
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 4,291,095	\$ 4,291,095	\$ 3,560,343	\$ (730,752)
Total revenues	<u>4,291,095</u>	<u>4,291,095</u>	<u>3,560,343</u>	<u>(730,752)</u>
EXPENDITURES:				
Current:				
Economic environment	<u>4,413,657</u>	<u>4,413,657</u>	<u>3,848,831</u>	<u>564,826</u>
Total expenditures	<u>4,413,657</u>	<u>4,413,657</u>	<u>3,848,831</u>	<u>564,826</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(122,562)</u>	<u>(122,562)</u>	<u>(288,488)</u>	<u>(165,926)</u>
Net change in fund balances	<u>\$ (122,562)</u>	<u>\$ (122,562)</u>	<u>(288,488)</u>	<u>\$ (165,926)</u>
Fund balances - beginning			<u>2,144</u>	
Fund balances - ending			<u>\$ (286,344)</u>	

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
SHIP PROGRAM FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 1,321,995	\$ 1,321,995	\$ 655,675	\$ (666,320)
Charges for services	-	-	76,937	76,937
Investment loss	-	-	64,489	64,489
Total revenues	<u>1,321,995</u>	<u>1,321,995</u>	<u>797,101</u>	<u>(524,894)</u>
EXPENDITURES:				
Current:				
Economic environment	<u>3,339,298</u>	<u>3,339,298</u>	<u>655,675</u>	<u>2,683,623</u>
Total expenditures	<u>3,339,298</u>	<u>3,339,298</u>	<u>655,675</u>	<u>2,683,623</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,017,303)</u>	<u>(2,017,303)</u>	<u>141,426</u>	<u>2,158,729</u>
Net change in fund balances	<u>\$ (2,017,303)</u>	<u>\$ (2,017,303)</u>	<u>141,426</u>	<u>\$ 2,158,729</u>
Fund balances - beginning			<u>793,384</u>	
Fund balances - ending			<u>\$ 934,810</u>	

**CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
AMERICAN RESCUE PLAN ACT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Total revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES:				
Total expenditures	-	-	-	-
Transfers out	(146,480)	(6,290,918)	-	6,290,918
Total other financing sources (uses)	(146,480)	(6,290,918)	-	6,290,918
Net change in fund balances	<u>\$ (146,480)</u>	<u>\$ (6,290,918)</u>	-	<u>\$ 6,290,918</u>
Fund balances - as restated			-	
Fund balances - ending			<u>\$ -</u>	

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
HOUSING TRUST FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Charges for services	\$ -	\$ -	\$ 24,963	\$ 24,963
Investment income	-	-	94,878	94,878
Total revenues	-	-	119,841	119,841
EXPENDITURES:				
Current:				
General government	-	50,000	42,895	7,105
Economic environment	2,381,024	2,330,924	1,345,561	985,363
Capital outlay	236,859	236,959	236,945	14
Total expenditures	2,617,883	2,617,883	1,625,401	992,482
Excess (deficiency) of revenues over (under) expenditures	(2,617,883)	(2,617,883)	(1,505,560)	1,112,323
OTHER FINANCING SOURCES:				
Transfers in	500,000	500,000	500,000	-
Total other financing sources	500,000	500,000	500,000	-
Net change in fund balances	\$ (2,117,883)	\$ (2,117,883)	(1,005,560)	\$ 1,112,323
Fund balances - beginning			2,117,883	
Fund balances - ending			\$ 1,112,323	

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
PERMITS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Licenses and permits	\$ 11,283,650	\$ 11,283,650	\$ 16,282,821	\$ 4,999,171
Charges for services	41,350	41,350	66,123	24,773
Investment income	70,000	70,000	1,140,720	1,070,720
Miscellaneous	13,000	13,000	42,620	29,620
Total revenues	<u>11,408,000</u>	<u>11,408,000</u>	<u>17,532,284</u>	<u>6,124,284</u>
EXPENDITURES:				
Current:				
General government	12,000	12,000	40	11,960
Public Safety:				
Planning and zoning	17,560,030	17,471,030	14,319,555	3,151,475
Capital outlay	135,501	135,501	-	135,501
Debt service:				
Principal	-	85,502	85,502	-
Interest expense	-	3,498	3,498	-
Total expenditures	<u>17,707,531</u>	<u>17,707,531</u>	<u>14,408,595</u>	<u>3,298,936</u>
Net change in fund balances	<u>\$ (6,299,531)</u>	<u>\$ (6,299,531)</u>	3,123,689	<u>\$ 9,423,220</u>
Fund balances - beginning			24,788,178	
Fund balances - ending			<u>\$ 27,911,867</u>	

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FIRE ASSESSMENT FEE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ 5,409	\$ 5,409	\$ -
Charges for services	8,008,500	8,008,500	8,216,376	207,876
Investment income	-	-	562,403	562,403
Miscellaneous	-	-	699	699
Total revenues	<u>8,008,500</u>	<u>8,013,909</u>	<u>8,784,887</u>	<u>770,978</u>
EXPENDITURES:				
Current:				
Public safety:				
Fire	7,912,620	6,718,650	6,085,895	632,755
Capital outlay	-	1,059,296	636,687	422,609
Debt service:				
Principal	-	128,854	128,854	-
Interest expense	-	7,506	7,506	-
Total expenditures	<u>7,912,620</u>	<u>7,914,306</u>	<u>6,858,942</u>	<u>1,055,364</u>
Excess of revenues over expenditures	<u>95,880</u>	<u>99,603</u>	<u>1,925,945</u>	<u>1,826,342</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(2,571,601)</u>	<u>(2,575,325)</u>	<u>(2,575,325)</u>	-
Total other financing sources (uses)	<u>(2,571,601)</u>	<u>(2,575,325)</u>	<u>(2,575,325)</u>	-
Net change in fund balances	<u>\$ (2,475,721)</u>	<u>\$ (2,475,722)</u>	(649,380)	<u>\$ 1,826,342</u>
Fund balances - beginning			<u>10,705,163</u>	
Fund balances - ending			<u>\$ 10,055,783</u>	

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
WATERFRONT DISTRICT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Charges for services	\$ 1,346,900	\$ 1,346,900	\$ 1,574,234	\$ 227,334
Rents and royalties	1,150,000	1,150,000	1,175,597	25,597
Investment income	-	-	219,869	219,869
Miscellaneous	-	5,000	10,546	5,546
Total revenues	<u>2,496,900</u>	<u>2,501,900</u>	<u>2,980,246</u>	<u>478,346</u>
EXPENDITURES:				
Current:				
Leisure Services:				
Parks and recreation	5,409,281	5,689,281	4,896,434	792,847
Capital outlay	834,354	834,354	370,999	463,355
Total expenditures	<u>6,243,635</u>	<u>6,523,635</u>	<u>5,267,433</u>	<u>1,256,202</u>
OTHER FINANCING SOURCES:				
Transfers in	1,860,000	1,860,000	1,860,000	-
Total other financing sources	<u>1,860,000</u>	<u>1,860,000</u>	<u>1,860,000</u>	<u>-</u>
Net change in fund balances	<u>\$ (1,886,735)</u>	<u>\$ (2,161,735)</u>	(427,187)	<u>\$ 1,734,548</u>
Fund balances - beginning			<u>3,554,316</u>	
Fund balances - ending			<u>\$ 3,127,129</u>	

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
SPECIAL REVENUE GRANT PROGRAMS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 3,553,698	\$ 7,131,471	\$ 3,417,889	\$ (3,713,582)
Miscellaneous	352,236	408,911	391,675	(17,236)
Total revenues	<u>3,905,934</u>	<u>7,540,382</u>	<u>3,809,564</u>	<u>(3,730,818)</u>
EXPENDITURES:				
Current:				
General government	202,556	433,465	173,226	260,239
Public safety:				
Fire	3,211,099	4,606,779	2,274,356	2,332,423
Police	230,615	847,340	630,031	217,309
Public works	-	15,000	15,000	-
Economic environment	161,206	1,161,206	23,701	1,137,505
Engineering services	280,000	280,000	30,302	249,698
Leisure Services:				
Library	773,696	830,371	501,338	329,033
Parks and recreation	53,998	82,360	51,487	30,873
Capital outlay	160,562	415,383	236,804	178,579
Debt service:				
Principal	-	39,648	39,648	-
Interest expense	-	352	352	-
Total expenditures	<u>5,073,732</u>	<u>8,711,904</u>	<u>3,976,245</u>	<u>4,735,659</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,167,798)</u>	<u>(1,171,522)</u>	<u>(166,681)</u>	<u>1,004,841</u>
OTHER FINANCING SOURCES:				
Transfers in	-	3,724	3,724	-
Total other financing sources	<u>-</u>	<u>3,724</u>	<u>3,724</u>	<u>-</u>
Net change in fund balances	<u>\$ (1,167,798)</u>	<u>\$ (1,167,798)</u>	<u>(162,957)</u>	<u>\$ 1,004,841</u>
Fund balances - beginning			<u>2,033,159</u>	
Fund balances - ending			<u>\$ 1,870,202</u>	

CITY OF WEST PALM BEACH, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 MISCELLANEOUS TRUST FUND
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ 141,767	\$ 544,487	\$ 402,720
Total revenues	<u>-</u>	<u>141,767</u>	<u>544,487</u>	<u>402,720</u>
EXPENDITURES:				
Current:				
Public safety:				
Police	345,472	655,126	423,016	232,110
Capital outlay	-	134,000	-	134,000
Debt service:				
Principal	-	76,082	76,082	-
Interest expense	-	2,931	2,931	-
Total expenditures	<u>345,472</u>	<u>868,139</u>	<u>502,029</u>	<u>366,110</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(345,472)</u>	<u>(726,372)</u>	<u>42,458</u>	<u>768,830</u>
Net change in fund balances	<u>\$ (345,472)</u>	<u>\$ (726,372)</u>	<u>42,458</u>	<u>\$ 768,830</u>
Fund balances - beginning			<u>1,155,178</u>	
Fund balances - ending			<u>\$ 1,197,636</u>	

CITY OF WEST PALM BEACH, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 OTHER DEBT SERVICE FUND
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income	\$ -	\$ -	\$ 14,061	\$ 14,061
Total revenues	<u>-</u>	<u>-</u>	<u>14,061</u>	<u>14,061</u>
EXPENDITURES:				
Debt service:				
Principal	450,000	450,000	445,080	4,920
Interest expense	256,000	256,000	393,809	(137,809)
Total expenditures	<u>706,000</u>	<u>706,000</u>	<u>838,889</u>	<u>(132,889)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(706,000)</u>	<u>(706,000)</u>	<u>(824,828)</u>	<u>(118,828)</u>
OTHER FINANCING USES:				
Transfers in	706,000	706,000	706,000	-
Total other financing uses	<u>706,000</u>	<u>706,000</u>	<u>706,000</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(118,828)</u>	<u>\$ (118,828)</u>
Fund balances - beginning			<u>152,850</u>	
Fund balances - ending			<u>\$ 34,022</u>	

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL OBLIGATION DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Property taxes	\$ 1,405,386	\$ 1,405,386	\$ 1,426,642	\$ 21,256
Investment income	-	-	53,580	53,580
Total revenues	<u>1,405,386</u>	<u>1,405,386</u>	<u>1,480,222</u>	<u>74,836</u>
EXPENDITURES:				
Debt service:				
Principal	470,000	470,000	470,000	-
Interest expense	1,435,386	1,435,386	928,750	506,636
Total expenditures	<u>1,905,386</u>	<u>1,905,386</u>	<u>1,398,750</u>	<u>506,636</u>
Transfers in	500,000	500,000	500,000	-
Total other financing sources (uses)	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	581,472	<u>\$ 581,472</u>
Fund balances - beginning			<u>70,511</u>	
Fund balances - ending			<u>\$ 651,983</u>	

CITY OF WEST PALM BEACH, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 SERIES 2019 CCCRA DEBT SERVICE FUND
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income	\$ -	\$ -	\$ 500,081	\$ 500,081
Total revenues	<u>-</u>	<u>-</u>	<u>500,081</u>	<u>500,081</u>
EXPENDITURES:				
Debt service:				
Principal	3,465,000	3,465,000	3,465,000	-
Interest expense	3,901,500	3,901,500	3,848,024	53,476
Total expenditures	<u>7,366,500</u>	<u>7,366,500</u>	<u>7,313,024</u>	<u>53,476</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,366,500)</u>	<u>(7,366,500)</u>	<u>(6,812,943)</u>	<u>553,557</u>
OTHER FINANCING SOURCES:				
Transfers in	7,366,500	7,366,500	7,366,500	-
Total other financing sources	<u>7,366,500</u>	<u>7,366,500</u>	<u>7,366,500</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	553,557	<u>\$ (553,557)</u>
Fund balances - beginning			<u>8,235,785</u>	
Fund balances - ending			<u>\$ 8,789,342</u>	

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
OTHER CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income	\$ -	\$ -	\$ 1,803,527	\$ 1,803,527
Total revenues	<u>-</u>	<u>-</u>	<u>1,803,527</u>	<u>1,803,527</u>
EXPENDITURES:				
Current:				
General government	2,637	1,332,637	777,850	554,787
Public safety:				
Police	981,618	981,618	-	981,618
Fire	955,905	950,905	170,428	780,477
Public works	223,993	252,993	62,657	190,336
Economic environment	1,008,225	1,008,225	492,165	516,060
Engineering services	3,713,787	3,713,787	2,015,001	1,698,786
Leisure Services:				
Parks and recreation	503,914	1,732,150	484,878	1,247,272
Capital outlay	25,034,421	46,615,194	5,792,686	40,822,508
Total expenditures	<u>32,424,500</u>	<u>56,587,509</u>	<u>9,795,665</u>	<u>46,791,844</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(32,424,500)</u>	<u>(56,587,509)</u>	<u>(7,992,138)</u>	<u>48,595,371</u>
OTHER FINANCING SOURCES:				
Transfers in	3,115,601	27,395,414	27,395,414	-
Transfers out	(250,000)	(250,000)	(250,000)	-
Total other financing sources	<u>2,865,601</u>	<u>27,145,414</u>	<u>27,145,414</u>	<u>-</u>
Net change in fund balances	<u>\$ (29,558,899)</u>	<u>\$ (29,442,095)</u>	19,153,276	<u>\$ 48,595,371</u>
Fund balances - beginning			<u>30,568,415</u>	
Fund balances - ending			<u>\$ 49,721,691</u>	

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
SERIES 2020 GENERAL OBLIGATION BOND FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income	\$ -	\$ -	\$ 811,795	\$ 811,795
Total revenues	<u>-</u>	<u>-</u>	<u>811,795</u>	<u>811,795</u>
EXPENDITURES:				
Current:				
Leisure services	309,333	534,333	300,186	234,147
Capital outlay	<u>18,354,717</u>	<u>18,540,117</u>	<u>8,047,467</u>	<u>10,492,650</u>
Total expenditures	<u>18,664,050</u>	<u>19,074,450</u>	<u>8,347,653</u>	<u>10,726,797</u>
Transfers out	<u>(500,000)</u>	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(500,000)</u>	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ (19,164,050)</u>	<u>\$ (19,574,450)</u>	<u>(8,035,858)</u>	<u>\$ 11,538,592</u>
Fund balances - beginning			<u>20,303,738</u>	
Fund balances - ending			<u>\$ 12,267,880</u>	

CITY OF WEST PALM BEACH, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 CITY COMMONS & WATERFRONT PARK CONSTRUCTION FUND
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income	\$ -	\$ -	\$ 1,885	\$ 1,885
Total revenues	<u>-</u>	<u>-</u>	<u>1,885</u>	<u>1,885</u>
EXPENDITURES:				
Current:				
Economic environment	25,927	25,927	-	25,927
Total expenditures	<u>25,927</u>	<u>25,927</u>	<u>-</u>	<u>(25,927)</u>
Net changes in fund balances	<u>\$ (25,927)</u>	<u>\$ (25,927)</u>	<u>1,885</u>	<u>\$ (24,042)</u>
Fund balances - beginning			<u>43,176</u>	
Fund balances - ending			<u>\$ 45,061</u>	

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
INFRASTRUCTURE SURTAX FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 11,968,783	\$ 11,968,783	\$ 12,572,202	\$ 603,419
Investment income	-	-	2,538,255	2,538,255
Total revenues	<u>11,968,783</u>	<u>11,968,783</u>	<u>15,110,457</u>	<u>3,141,674</u>
EXPENDITURES:				
Current:				
Public works	2,979,615	2,959,615	2,128,850	830,765
Leisure services:				
Library	1,757	1,757	-	1,757
Parks and recreation	683	683	-	683
Capital outlay	<u>30,389,667</u>	<u>30,409,667</u>	<u>1,388,914</u>	<u>29,020,753</u>
Total expenditures	<u>33,371,722</u>	<u>33,371,722</u>	<u>3,517,764</u>	<u>29,853,958</u>
Net change in fund balances	<u>\$ (21,402,939)</u>	<u>\$ (21,402,939)</u>	11,592,693	<u>\$ 32,995,632</u>
Fund balances - beginning			<u>54,072,947</u>	
Fund balances - ending			<u>\$ 65,665,640</u>	

CITY OF WEST PALM BEACH, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 AMERICAN RESCUE PLAN ACT CAPITAL PROJECTS FUND
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget - Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 8,684,528	\$ 8,684,528
Investment income	210,190	210,190	482,786	272,596
Total revenues	210,190	210,190	9,167,314	8,957,124
EXPENDITURES:				
Current:				
Economic environment	250,600	235,728	307,353	(71,625)
Capital outlay	12,828,881	12,857,695	8,458,164	4,399,531
Total expenditures	13,079,481	13,093,423	8,765,517	4,471,156
Transfers in	146,480	6,290,918	-	(6,290,918)
Total other financing sources (uses)	146,480	6,290,918	-	(6,290,918)
Net changes in fund balances	\$ (12,722,811)	\$ (6,592,315)	401,797	\$ 7,137,362
Fund balances - beginning, as restated			1,515,390	
Fund balances - ending			\$ 1,917,187	

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
2016 CAPITAL BOND FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income	\$ -	\$ -	\$ 214,740	\$ 214,740
Total revenues	-	-	214,740	214,740
EXPENDITURES:				
Current:				
General government	20,000	20,000	-	20,000
Public safety:				
Police	179,237	179,237	-	179,237
Public works	507,073	626,570	252,831	373,739
Engineering services	-	935,439	50,000	885,439
Leisure services:				
Capital outlay	3,934,708	2,846,772	585,870	2,260,902
Debt service:				
Principal	-	31,553	31,553	-
Interest expense	-	1,447	1,447	-
Total expenditures	4,641,018	4,641,018	921,701	3,719,317
Net change in fund balances	\$ (4,641,018)	\$ (4,641,018)	(706,961)	\$ 3,934,057
Fund balances - beginning			4,920,377	
Fund balances - ending			\$ 4,213,416	

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
VEHICLE REPLACEMENT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income	\$ -	\$ -	\$ 515,758	\$ 515,758
Total revenues	<u>-</u>	<u>-</u>	<u>515,758</u>	<u>515,758</u>
EXPENDITURES:				
General government	-	9,656	9,656	-
Capital outlay	<u>9,192,612</u>	<u>17,183,161</u>	<u>4,905,154</u>	<u>12,278,007</u>
Total expenditures	<u>9,192,612</u>	<u>17,192,817</u>	<u>4,914,810</u>	<u>12,278,007</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,192,612)</u>	<u>(17,192,817)</u>	<u>(4,399,052)</u>	<u>12,793,765</u>
OTHER FINANCING SOURCES:				
Transfers in	<u>2,000,000</u>	<u>9,816,789</u>	<u>9,816,789</u>	<u>-</u>
Total other financing sources	<u>2,000,000</u>	<u>9,816,789</u>	<u>9,816,789</u>	<u>-</u>
Net change in fund balances	<u>\$ (7,192,612)</u>	<u>\$ (7,376,028)</u>	<u>5,417,737</u>	<u>\$ 12,793,765</u>
Fund balances - beginning			<u>8,029,541</u>	
Fund balances - ending			<u>\$ 13,447,278</u>	

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
TECHNOLOGY REPLACEMENT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income	\$ -	\$ -	\$ 100,421	\$ 100,421
Total revenues	<u>-</u>	<u>-</u>	<u>100,421</u>	<u>100,421</u>
EXPENDITURES:				
Current:				
Public safety:				
Police	30	30	-	30
Fire	3,182	3,182	-	3,182
Public works	2,368	2,368	-	2,368
Capital outlay	<u>275,630</u>	<u>275,630</u>	<u>-</u>	<u>275,630</u>
Total expenditures	<u>281,210</u>	<u>281,210</u>	<u>-</u>	<u>281,210</u>
Net change in fund balances	<u>\$ (281,210)</u>	<u>\$ (281,210)</u>	100,421	<u>\$ 381,631</u>
Fund balances - beginning			<u>2,300,948</u>	
Fund balances - ending			<u>\$ 2,401,369</u>	

CITY OF WEST PALM BEACH, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL
 SERIES 2019 CCCRA CAPITAL BOND FUND
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income	\$ 400,000	\$ 400,000	\$ 905,874	\$ 505,874
Total revenues	<u>400,000</u>	<u>400,000</u>	<u>905,874</u>	<u>505,874</u>
EXPENDITURES:				
Current:				
Economic environment	136,965	369,465	131,876	-
Capital outlay	<u>19,894,463</u>	<u>19,661,963</u>	<u>7,058,961</u>	<u>12,603,002</u>
Total expenditures	<u>20,031,428</u>	<u>20,031,428</u>	<u>7,190,837</u>	<u>12,603,002</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(19,631,428)</u>	<u>(19,631,428)</u>	<u>(6,284,963)</u>	<u>13,346,465</u>
OTHER FINANCING USES:				
Net change in fund balances	<u>\$ (19,631,428)</u>	<u>\$ (19,631,428)</u>	<u>(6,284,963)</u>	<u>\$ 13,346,465</u>
Fund balances - beginning			<u>20,574,684</u>	
Fund balances - ending			<u>\$ 14,289,721</u>	

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
CAPITAL GRANTS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 5,717,612	\$ 31,086,702	\$ 1,249,448	\$ (29,837,254)
Total revenues	<u>5,717,612</u>	<u>31,086,702</u>	<u>1,249,448</u>	<u>(29,837,254)</u>
EXPENDITURES:				
Current:				
Fire	-	505,985	-	505,985
Public works	-	795,000	-	795,000
Capital outlay	7,087,637	32,102,565	4,911,666	27,190,899
Total expenditures	<u>7,087,637</u>	<u>33,403,550</u>	<u>4,911,666</u>	<u>28,491,884</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,370,025)</u>	<u>(2,316,848)</u>	<u>(3,662,218)</u>	<u>(1,345,370)</u>
OTHER FINANCING USES:				
Transfers in	-	1,287,996	1,287,996	-
Transfers out	-	(341,173)	(341,173)	-
Total other financing uses	<u>-</u>	<u>946,823</u>	<u>946,823</u>	<u>-</u>
Net change in fund balances	<u>\$ (1,370,025)</u>	<u>\$ (1,370,025)</u>	<u>(2,715,395)</u>	<u>\$ (1,345,370)</u>
Fund balances - beginning			<u>(561,159)</u>	
Fund balances - ending			<u>\$ (3,276,554)</u>	

WEST PALM BEACH

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Statistical SECTION (Unaudited)



WEST PALM BEACH

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CITY OF WEST PALM BEACH, FLORIDA

STATISTICAL INFORMATION

The Statistical Information section provides unaudited informational data regarding the City's economic condition and is organized in five specific objectives.

Financial Trends – Provides information to help understand and assess how the City's financial position has changed over a period of time.

Revenue Capacity – Provides information to help understand and assess the City's ability to generate own-source revenue.

Debt Capacity – Provides information to help understand and assess the City's debt burden and its ability to issue additional debt.

Demographic and Economic – Provides information to assist with understand and assess the City's socio-economic environment and to facilitate comparisons of financial statement information.

Operating Information - Provides information to help understand and assess the City's operations and economic resources.

CITY OF WEST PALM BEACH, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
SEPTEMBER 30, 2025
(UNAUDITED)
(IN THOUSANDS)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities:										
Net investment in capital assets	\$ 175,216	\$ 164,702	\$ 163,730	\$ 163,944	\$ 164,740	\$ 176,476	\$ 191,317	\$ 224,253	\$ 232,906	\$ 268,029
Restricted	45,558	61,539	56,027	58,602	107,073	113,450	132,542	140,611	173,446	199,591
Unrestricted	(20,065)	(25,779)	(17,725)	(3,217)	(42,945)	(50,832)	(13,510)	31,122	41,000	54,744
Total net position of Governmental Activities	200,709	200,462	202,032	219,329	228,868	239,094	310,349	395,986	447,352	522,364
Business-type Activities:										
Net investment in capital assets	231,703	247,569	265,866	273,228	283,128	297,264	297,232	292,555	294,753	294,940
Restricted	106,348	92,697	94,436	103,978	96,811	94,306	111,426	136,973	161,448	180,118
Unrestricted	101,636	124,380	120,216	139,728	174,272	191,154	198,276	216,905	236,671	263,256
Total net position of Business-type Activities	439,687	464,646	480,518	516,934	554,211	582,724	606,934	646,433	692,872	738,315
Primary Government:										
Net investment in capital assets	406,919	412,271	429,596	437,172	447,868	473,740	488,549	516,808	527,659	562,969
Restricted	151,906	154,236	150,463	162,580	203,884	207,756	243,968	277,584	334,894	379,709
Unrestricted	81,571	98,601	102,491	136,511	131,327	140,322	184,766	248,027	277,671	318,000
Total net position of Primary Government:	\$ 640,396	\$ 665,108	\$ 682,550	\$ 736,263	\$ 783,079	\$ 821,818	\$ 917,283	\$ 1,042,419	\$ 1,140,224	\$ 1,260,679

CITY OF WEST PALM BEACH, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
SEPTEMBER 30, 2025
(UNAUDITED)
(IN THOUSANDS)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
EXPENSES (1)										
Governmental Activities:										
General government	\$ 25,312	\$ 19,392	\$ 27,681	\$ 19,106	\$ 21,507	\$ 21,968	\$ 23,931	\$ 34,495	\$ 35,852	\$ 29,944
Public safety	99,639	126,120	115,721	126,637	137,987	137,963	114,946	160,029	185,726	185,757
Engineering and public works	7,485	7,857	9,472	14,063	13,561	11,932	15,255	19,666	16,869	23,004
Economic environment (Downtown and Northwood)	20,497	22,704	28,105	31,457	33,988	42,922	32,004	40,679	42,350	47,781
Health and sanitation	11,035	10,930	11,335	11,534	11,177	12,079	13,821	14,196	15,469	14,405
Leisure services	21,012	23,916	25,932	28,317	27,682	25,991	28,690	29,588	35,027	35,874
Interest on long-term debt	8,264	8,892	8,747	9,249	10,590	9,791	9,619	6,481	10,660	8,072
Total governmental activities	193,244	219,811	226,993	240,363	256,492	262,646	238,266	305,134	341,953	344,838
Business-Type Activities:										
Water and sewer	76,763	82,294	90,033	82,729	85,976	90,026	89,494	100,656	104,282	109,449
Stormwater utility	10,981	9,978	10,342	11,157	10,845	10,847	10,643	11,998	14,241	12,633
Parking facilities	5,673	5,339	6,463	6,357	4,876	5,165	6,343	8,011	8,488	8,297
Golf course	1,962	1,591	1,407	1,763	-	-	-	-	-	-
Total Business-type Activities	95,379	99,202	108,245	102,006	101,697	106,038	106,480	120,665	127,011	130,378
Total Primary Government	\$ 288,623	\$ 319,013	\$ 335,238	\$ 342,369	\$ 358,189	\$ 368,684	\$ 344,746	\$ 425,799	\$ 468,964	\$ 475,216

(1) In 2016 the expenses and revenue categories were reorganized.

(2) In 2017 Public safety combined police and fire.

CITY OF WEST PALM BEACH, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
SEPTEMBER 30, 2025
(UNAUDITED)
(IN THOUSANDS)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
PROGRAM REVENUES (1)										
Governmental Activities:										
Charges for services:										
General government	\$ 13,060	\$ 10,487	\$ 11,843	\$ 13,735	\$ 13,125	\$ 14,895	\$ 1,742	\$ 4,102	\$ 3,141	\$ 5,595
Public safety	15,748	7,379	9,563	12,166	15,645	16,580	32,322	31,857	30,530	35,823
Engineering and public works	-	334	768	985	617	631	1,339	2,116	3,368	3,498
Economic environment	729	11,336	9,611	13,068	13,849	15,995	17,587	19,677	27,716	21,890
Health and sanitation	14,550	15,715	14,703	15,755	16,080	16,471	17,947	18,238	18,846	20,257
Leisure services	3,022	2,615	2,160	2,215	1,066	1,348	2,749	3,161	3,302	3,517
Operating grants and contributions	23,213	6,059	12,517	12,076	13,714	14,112	24,666	21,383	15,955	14,823
Capital grants and contributions	3,310	11,499	9,432	9,834	1,751	2,382	550	4,076	3,410	10,169
Total Governmental Activities	73,632	65,424	70,597	79,834	75,847	82,414	98,902	104,611	106,268	115,572
Business-Type Activities:										
Charges for services:										
Water and sewer	101,474	109,918	105,902	114,828	122,130	121,488	119,846	128,489	129,443	138,318
Stormwater utility	10,865	13,222	13,806	14,274	14,776	15,313	15,349	15,972	16,632	17,265
Parking facilities	1,660	6,831	6,657	7,708	5,465	6,289	9,940	13,431	13,369	14,103
Golf course	6,717	1,432	775	5	-	-	-	-	-	-
Capital grants and contributions	6,004	980	3,259	2,432	1,150	2,045	2,038	961	3,539	2,167
Total business-type activities	126,720	132,383	130,399	139,247	143,521	145,135	147,173	158,853	162,983	171,853
Total primary government	200,352	197,807	200,996	219,081	219,368	227,549	246,075	263,464	269,251	287,425
NET REVENUES (EXPENSES):										
Governmental activities	(119,612)	(154,387)	(156,396)	(160,529)	(180,645)	(180,232)	(139,364)	(200,523)	(235,685)	(229,266)
Business-type activities	31,341	33,181	22,154	37,241	41,824	39,097	40,693	38,188	35,972	41,475
Total primary government	\$ (88,271)	\$ (121,206)	\$ (134,242)	\$ (123,288)	\$ (138,821)	\$ (141,135)	\$ (98,671)	\$ (162,335)	\$ (199,713)	\$ (187,791)

Continued

(1) In 2016 the expenses and revenue categories were reorganized.

(2) In 2017 Public safety combined police and fire.

CITY OF WEST PALM BEACH, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
SEPTEMBER 30, 2025
(UNAUDITED)
(IN THOUSANDS)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities:										
TAXES										
Ad valorem taxes	\$ 82,075	\$ 90,266	\$ 96,783	\$ 103,450	\$ 110,893	\$ 119,412	\$ 126,239	\$ 146,360	\$ 166,322	\$ 184,454
Insurance premium taxes	-	2,674	2,797	2,791	2,970	3,086	3,512	4,292	4,744	4,910
Licenses and permits	-	-	3,823	3,746	3,766	3,829	1,857	13,384	137	203
Business taxes	3,195	3,962	1,229	1,327	1,577	1,801	4,687	4,207	4,349	4,542
Franchise fees	9,008	9,248	9,463	9,355	8,905	9,465	11,126	12,131	11,797	12,107
Utility service taxes	20,826	21,202	21,685	21,921	21,624	22,028	22,713	24,985	25,676	26,663
GRANTS AND CONTRIBUTIONS NOT RESTRICTED TO SPECIFIC PROGRAMS										
State and local shared revenues	3,934	4,845	6,448	6,968	6,348	7,125	8,339	8,794	8,565	8,720
Sales tax	8,312	8,355	8,837	8,963	8,501	10,192	11,942	12,347	11,876	11,955
Infrastructure surtax	-	-	-	-	7,815	9,316	11,229	11,688	12,026	12,572
Interest income (Loss)	1,441	1,189	2,160	6,768	5,237	960	(4,338)	15,570	27,090	22,825
Miscellaneous	1,390	2,138	1,417	1,846	1,234	1,933	1,876	2,525	2,248	1,750
Transfers	10,121	10,261	9,632	11,091	11,314	11,446	11,438	11,826	12,221	13,576
Total governmental activities	140,302	154,140	164,274	178,226	190,184	200,593	210,620	268,109	287,051	304,278
Business-Type activities:										
Investment Income (Loss)	1,289	1,139	2,313	7,328	5,250	566	(5,746)	12,581	21,072	16,740
Miscellaneous	-	890	1,037	2,536	1,519	1,129	701	556	1,616	804
Transfers	(10,121)	(10,261)	(9,632)	(11,091)	(11,314)	(11,446)	(11,438)	(11,826)	(12,221)	(13,576)
Total business-type activities	(8,832)	(8,232)	(6,282)	(1,227)	(4,545)	(9,751)	(16,483)	1,311	10,467	3,968
Total primary government	131,470	145,908	157,992	176,999	185,639	190,842	194,137	269,420	297,518	308,246
Special item - forgiveness of advance										
Business-type activities	-	-	-	-	-	401	-	-	-	-
Total primary government	-	-	-	-	-	401	-	-	-	-
CHANGE IN NET POSITION										
Governmental activities	20,690	(247)	7,878	17,697	9,539	20,361	71,256	67,586	51,366	75,012
Business-type activities	22,509	24,949	15,872	36,014	37,279	29,747	24,210	39,499	46,439	45,443
Total primary government	\$ 43,199	\$ 24,702	\$ 23,750	\$ 53,711	\$ 46,818	\$ 50,108	\$ 95,466	\$ 107,085	\$ 97,805	\$ 120,455

CITY OF WEST PALM BEACH, FLORIDA
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 SEPTEMBER 30, 2025
 (UNAUDITED)
 (IN THOUSANDS)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
GENERAL FUND:										
Nonspendable (1)										
Advances to other funds	\$ 851	\$ 733	\$ 617	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,507
Inventories	292	336	378	324	385	373	648	714	723	698
Prepaid items	-	-	36	-	57	83	49	33	23	28
Prepaid items and advances to defined benefit pension plan	5,688	4,612	3,661	3,239	3,130	83	49	33	23	2,233
Restricted (1)										
Transportation	-	2,380	-	-	-	-	-	-	-	-
Committed (1)										
Emergency reserve	13,722	14,542	15,224	16,127	16,668	17,906	19,219	22,817	23,651	25,345
Art in public places	-	-	-	-	1,316	1,623	3,211	4,484	4,139	6,448
Assigned (1)										
For subsequent year's expenditures	2,405	4,334	4,005	3,998	2,170	3,361	4,499	7,321	7,233	7,661
Unassigned (1)										
	18,060	19,048	22,289	12,111	14,663	25,033	36,631	56,705	74,424	75,406
Total general fund	\$ 41,018	\$ 45,985	\$ 46,174	\$ 35,799	\$ 38,332	\$ 48,379	\$ 64,257	\$ 92,074	\$ 110,193	\$ 117,093

Continued

(1) Categories pursuant to GASB 54.

CITY OF WEST PALM BEACH, FLORIDA
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 SEPTEMBER 30, 2025
 (UNAUDITED)
 (IN THOUSANDS)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
ALL OTHER GOVERNMENTAL FUNDS:										
Nonspendable (1)										
Inventory	\$ 63	\$ 61	\$ 61	\$ 76	\$ 61	\$ 61	\$ 61	\$ 46	\$ 42	\$ 40
Prepaid items	-	-	20	6	21	21	21	29	29	29
Restricted (1)										
Land held for resale	2,927	-	-	-	-	-	-	-	-	-
Forfeiture	608	962	837	778	627	591	1,496	1,390	1,155	1,198
Cemetery trust	1,149	1,070	1,091	1,163	1,200	1,301	1,320	1,431	1,593	1,755
Transportation	8,283	12,769	15,661	6,817	4,732	4,894	5,902	5,757	8,230	8,789
Public safety	11,054	17,915	18,785	18,155	11,687	13,858	18,711	21,573	24,788	27,912
Economic environment	32,241	40,698	38,280	110,495	45,993	39,759	41,997	52,680	69,790	65,166
Library	39	-	-	-	-	-	-	-	-	-
Debt service	2,110	194	-	7,369	7,432	7,322	6,857	7,397	8,306	9,441
Capital outlay	39,299	40,320	31,839	45,744	135,968	116,623	111,951	103,920	105,154	102,786
Committed (1)										
Public safety	2,090	1,198	1,604	4,426	5,682	6,628	6,818	8,288	10,681	10,032
Land held for resale	-	2,862	2,862	2,862	2,863	2,863	2,862	2,863	2,863	2,863
Leisure services	863	-	344	1,742	1,486	2,433	2,988	3,521	3,554	3,127
Debt service	-	-	-	-	356	366	734	816	153	34
Capital Projects	3,837	6,878	8,747	11,981	4,971	3,693	3,047	19,530	36,694	61,183
Unassigned (1)										
	-	(1)	-	-	-	(1,821)	(701)	(757)	(561)	(3,563)
Total all other governmental funds	104,563	124,926	120,131	211,614	223,079	198,592	204,064	228,484	272,471	290,791
Total governmental funds	\$ 145,581	\$ 170,911	\$ 166,305	\$ 247,413	\$ 261,411	\$ 246,971	\$ 268,321	\$ 320,556	\$ 382,665	\$ 407,884

(1) Categories pursuant to GASB 54.

CITY OF WEST PALM BEACH, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
SEPTEMBER 30, 2025
(UNAUDITED)
(IN THOUSANDS)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
REVENUES:										
Taxes	\$ 112,417	\$ 123,389	\$ 130,729	\$ 137,518	\$ 144,391	\$ 153,991	\$ 163,590	\$ 187,768	\$ 208,539	\$ 228,134
Licenses and permits	13,320	12,653	14,521	15,431	13,972	15,913	18,918	17,843	19,637	20,496
Intergovernmental	36,766	43,500	47,061	49,129	50,210	54,694	70,182	74,128	72,892	83,271
Charges for services	26,632	27,781	28,507	32,280	35,785	40,294	45,127	57,279	42,130	51,724
Fines and forfeitures	272	277	252	360	343	463	974	602	581	615
Rents and royalties	1,460	914	977	1,365	1,465	1,713	3,074	3,442	6,600	1,987
Investment income (loss)	1,441	1,073	1,917	5,764	4,472	912	(3,587)	13,871	23,935	20,079
Miscellaneous	2,236	2,006	1,725	1,822	1,771	2,059	1,551	1,880	1,397	1,903
Total Revenues	194,544	211,593	225,689	243,669	252,409	270,039	299,829	356,813	375,710	408,208
EXPENDITURES:										
CURRENT:										
General government	12,925	15,155	20,513	19,512	20,259	18,452	16,912	27,486	26,148	26,231
Public safety	98,350	97,976	106,317	112,785	119,607	125,134	129,434	138,395	146,420	163,340
Engineering services and public works	5,190	6,180	7,877	13,291	12,791	10,598	8,733	12,019	14,361	19,295
Economic environment	20,744	22,986	27,212	29,738	27,985	37,406	30,677	33,996	36,375	48,086
Health and sanitation	9,981	10,274	10,698	10,944	10,552	11,359	12,611	13,227	14,529	14,229
Leisure services	21,319	23,613	25,638	28,045	27,317	25,725	27,653	28,328	33,854	35,937
Capital outlay**	13,107	16,165	35,959	34,767	34,244	37,789	29,702	33,316	28,124	61,267
DEBT SERVICE:										
Principal	8,196	7,666	10,620	13,763	15,306	17,012	17,230	17,246	14,702	15,105
Interest expense	6,253	10,901	9,740	10,090	13,080	13,283	12,559	11,745	12,377	11,082
Other issuance and debt costs	2,102	-	-	689	275	-	-	-	-	-
Total Expenditures	198,167	210,916	254,574	273,624	281,416	296,758	285,511	315,758	326,891	394,572
Excess of Revenues Over (Under) Expenditures	(3,623)	677	(28,885)	(29,955)	(29,007)	(26,719)	14,318	41,055	48,819	13,637

**Capital outlay amount recorded in the Change in Fund Balances of Governmental Funds – Modified Accrual Basis is different from the amount in the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities (page 8), due to certain expenditures not meeting the City’s capital asset policy threshold.

CITY OF WEST PALM BEACH, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
SEPTEMBER 30, 2025
(UNAUDITED)
(IN THOUSANDS)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
OTHER FINANCING SOURCES (USES):										
Issuance of debt	120,185	6,939	5,928	106,340	26,651	-	-	684	-	73
Issuance costs and Premium on refunding debt	12,445	350	-	18,936	5,532	-	-	-	-	-
Gain on sale of capital assets	-	1,787	13,653	2,704	527	1,407	618	1,495	1,516	1,015
Payment to escrow agent for refunding	(41,680)	-	-	-	-	-	-	-	-	-
Refunded bonds	-	-	-	(24,265)	-	-	-	-	-	-
Litigation settlements	-	-	-	-	-	-	-	-	(523)	(818)
Transfers in	18,192	28,048	24,859	58,458	32,994	27,749	28,972	42,388	46,780	68,460
Transfers out	(14,627)	(12,472)	(20,161)	(50,709)	(22,699)	(16,877)	(22,558)	(30,913)	(34,483)	(57,147)
Total Other Financing Sources (Uses)	94,515	24,652	24,279	111,464	43,005	12,279	7,032	13,654	13,290	11,583
SPECIAL ITEM (USES)										
Bond proceeds to Police Pension	(50,000)	-	-	-	-	-	-	-	-	-
Forgiveness of advance to other fund	-	-	-	(401)	-	-	-	-	-	-
Net Changes in Fund Balances	40,892	25,329	(4,606)	81,108	13,998	(14,440)	21,350	54,709	62,109	23,712
Fund Balances - beginning of year	104,690	145,582	170,911	166,305	247,413	261,411	246,971	265,846	320,556	382,665
Fund Balances - end of year	\$ 145,582	\$ 170,911	\$ 166,305	\$ 247,413	\$ 261,411	\$ 246,971	\$ 268,321	\$ 320,556	\$ 382,665	\$ 407,885
Debt service as a percentage of non-capital expenditures	7.81 %	9.53 %	9.31 %	9.99 %	11.48 %	11.70 %	11.65 %	10.26 %	9.06 %	7.86 %

**Capital outlay amount recorded in the Change in Fund Balances of Governmental Funds – Modified Accrual Basis is different from the amount in the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities (page 8), due to certain expenditures not meeting the City’s capital asset policy threshold.

**CITY OF WEST PALM BEACH, FLORIDA
GOVERNMENTAL FUNDS REVENUES BY SOURCE
FOR THE LAST TEN FISCAL YEARS
GAAP BASIS - MODIFIED ACCRUAL
SEPTEMBER 30, 2025
(UNAUDITED)**

Fiscal Year Ended September 30	Total Revenue	Total Taxes	Licenses and Permits	Inter-Governmental Revenue	Charges for Services	Fines and Forfeitures	Interest	Rents and Royalties	Miscellaneous
2016	\$ 194,543,968	\$ 112,417,302	\$ 13,319,426	\$ 36,765,758	\$ 26,632,367	\$ 272,430	\$ 1,441,144	\$ 1,459,537	\$ 2,236,004
2017	211,593,204	123,388,840	12,653,064	43,499,539	27,781,374	277,237	1,073,086	914,331	2,005,733
2018	225,689,612	130,728,560	14,520,831	47,061,381	28,506,953	251,893	1,917,448	977,111	1,725,435
2019	243,668,797	137,518,110	15,430,912	49,128,709	32,279,534	360,403	5,764,123	1,365,391	1,821,615
2020	252,409,093	144,391,266	13,972,222	50,209,660	35,784,593	343,075	4,472,265	1,464,971	1,771,041
2021	270,039,748	153,990,754	15,912,559	54,694,444	40,294,049	463,167	912,415	1,713,199	2,059,161
2022	299,828,579	163,589,779	18,918,172	70,181,608	45,127,141	973,538	(3,586,702)	3,073,917	1,551,126
2023	356,812,399	187,767,700	17,842,771	74,128,457	57,279,005	601,756	13,870,595	3,441,715	1,880,400
2024	375,710,013	208,538,677	19,636,824	72,891,850	42,129,962	581,223	23,934,846	6,599,625	1,397,006
2025	408,208,014	228,133,751	20,495,981	83,271,003	51,723,752	614,503	20,078,712	1,987,784	1,902,528

Source – City of West Palm Beach Finance Department

CITY OF WEST PALM BEACH, FLORIDA
GOVERNMENTAL FUNDS EXPENDITURES BY FUNCTION
FOR THE LAST TEN FISCAL YEARS
GAAP BASIS - MODIFIED ACCRUAL
SEPTEMBER 30, 2025
(UNAUDITED)

Fiscal Year Ended September 30	Total Expenditures	General Government	Public Safety	Public Work & Engineering	Economic Environment	Health and Sanitation	Leisure Services	Capital Outlay	Debt Service Requirements
2016	\$ 198,167,269	\$ 12,925,294	\$ 98,350,526	\$ 5,189,654	\$ 20,744,094	\$ 9,980,656	\$ 21,318,590	\$ 13,106,779	\$ 16,551,676
2017	210,915,432	15,154,527	97,976,229	6,179,552	22,986,331	10,273,985	23,612,679	16,165,021	18,567,108
2018	254,574,069	20,513,372	106,316,559	7,877,024	27,211,708	10,698,145	25,637,826	35,959,402	20,360,033
2019	273,624,110	19,558,523	112,846,562	13,290,610	29,692,011	10,944,355	28,044,510	34,705,128	24,542,411
2020	281,416,489	20,259,378	119,606,587	12,792,051	27,986,220	10,551,753	27,316,538	34,243,913	28,660,049
2021	296,758,041	18,451,788	125,134,300	10,596,721	37,406,409	11,359,226	25,724,943	37,789,073	30,295,581
2022	285,511,540	16,912,081	129,434,096	8,751,071	30,676,943	12,593,441	27,652,849	29,702,407	29,788,652
2023	315,755,988	27,485,738	138,394,677	12,018,730	33,996,393	13,226,704	28,327,725	33,315,745	28,990,283
2024	326,891,442	26,147,883	146,420,144	14,361,675	36,375,149	14,528,904	33,854,215	28,124,231	27,079,241
2025	394,571,708	26,231,053	163,339,977	19,294,816	48,086,116	14,228,752	35,937,175	61,267,221	26,186,598

Source – City of West Palm Beach Finance Department

**CITY OF WEST PALM BEACH, FLORIDA
GENERAL FUND-FUND BALANCE-COMPARED
TO ANNUAL EXPENDITURES FOR THE LAST TEN FISCAL YEARS
GAAP BASIS - MODIFIED ACCRUAL
SEPTEMBER 30, 2025
(UNAUDITED)**

Fiscal Year Ended September 30	Non - Spendable	Committed	Assigned	Unassigned	Annual Expenditures	Unassigned Fund Balance as Percentage of Expenditures
2016	\$ 6,830,887	\$ 13,722,195	\$ 2,404,792	\$ 18,060,085	\$ 139,286,294	13.0 %
2017	5,680,710	14,541,855	4,334,006	19,047,802	148,818,152	12.8 %
2018	4,656,128	15,223,562	4,005,265	22,289,333	164,971,251	13.5 %
2019	3,562,551	16,126,928	3,998,170	12,111,285	174,999,987	6.9 %
2020	3,515,098	17,984,313	2,170,070	14,663,272	177,246,756	8.3 %
2021	456,343	19,529,438	3,361,128	25,032,673	179,830,375	13.9 %
2022	697,213	22,430,256	4,498,829	36,631,496	183,008,510	20.0 %
2023	747,778	27,301,236	7,320,664	56,705,069	199,753,243	28.4 %
2024	745,715	27,789,678	7,233,292	74,423,658	214,662,041	34.7 %
2025	2,232,964	31,793,518	7,661,383	75,556,279	232,197,194	32.5 %

CITY OF WEST PALM BEACH, FLORIDA
GENERAL FUND TAX REVENUES BY SOURCE
FOR THE LAST TEN FISCAL YEARS
GAAP BASIS - MODIFIED ACCRUAL
SEPTEMBER 30, 2025
(UNAUDITED)

Fiscal Year Ended September 30	Total Taxes	General Property Taxes	Utilities Taxes	Franchise Taxes	Insurance Premium Taxes
2016	\$ 93,235,162	\$ 63,401,222	\$ 20,826,180	\$ 9,007,760	\$ -
2017	101,717,390	68,594,457	21,201,503	9,247,602	2,673,828
2018	107,357,984	73,412,922	21,685,074	9,462,626	2,797,362
2019	112,450,658	78,382,945	21,921,261	9,355,267	2,791,185
2020	116,872,695	83,374,273	21,623,713	8,905,174	2,969,535
2021	125,637,625	91,058,669	22,028,418	9,464,923	3,085,615
2022	133,836,418	96,486,003	22,712,775	11,126,114	3,511,526
2023	152,177,195	110,769,777	24,984,860	12,130,933	4,291,625
2024	168,249,100	126,032,488	25,675,598	11,797,060	4,743,954
2025	183,365,277	139,685,759	26,663,458	12,106,526	4,909,534

Source – City of West Palm Beach Finance Department.

CITY OF WEST PALM BEACH, FLORIDA
GENERAL FUND FRANCHISE REVENUES BY SOURCE
FOR THE LAST TEN FISCAL YEARS
GAAP BASIS - MODIFIED ACCRUAL
SEPTEMBER 30, 2025
(UNAUDITED)

Fiscal Year Ended September 30	Total Franchise Revenue	Electric	Towing	Rolloff Container	Utilities
2016	\$ 9,007,760	\$ 8,533,718	\$ 18,750	\$ 365,244	\$ 90,048
2017	9,247,602	8,585,553	26,250	422,344	213,455
2018	9,462,626	8,756,614	30,000	385,475	290,537
2019	9,355,267	8,883,769	30,000	441,498	-
2020	8,905,174	8,451,664	30,000	423,510	-
2021	9,464,923	8,997,658	18,750	400,415	48,100
2022	11,126,114	10,628,629	-	436,671	60,814
2023	12,130,934	11,668,646	-	462,288	-
2024	11,797,060	11,356,379	-	440,681	-
2025	12,106,526	11,649,099	-	457,427	-

Source – City of West Palm Beach Finance Department.

**CITY OF WEST PALM BEACH, FLORIDA
PROPERTY TAXES LEVIES AND COLLECTIONS
FOR THE LAST TEN FISCAL YEARS
GAAP BASIS - MODIFIED ACCRUAL
SEPTEMBER 30, 2025
(UNAUDITED)**

Fiscal Year Ended September 30	Total Property Tax Levy	Current Gross Property Tax Collections	Percent of Levy Collected	Delinquent Property Tax Collections	Total Property Tax Collections	Total Collections as Percent of Current Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percent of Current Levy
2016	\$ 87,199,972	\$ 81,639,326	93.6 %	\$ 1,250,931	\$ 82,890,257	95.1 %	\$ 5,560,645	6.4 %
2017	94,758,234	89,918,038	94.9 %	474,276	90,392,314	95.4 %	4,840,196	5.1 %
2018	103,719,989	97,007,660	93.5 %	37,005	97,044,665	93.6 %	6,712,329	6.5 %
2019	107,652,806	103,273,195	95.9 %	216,999	103,490,194	96.1 %	1,435,107	1.3 %
2020	115,462,746	110,881,873	96.0 %	188,157	111,070,030	96.2 %	5,465,047	4.7 %
2021	124,457,845	119,315,512	95.9 %	251,992	119,567,504	96.1 %	4,890,341	3.9 %
2022	130,142,032	126,070,274	96.9 %	290,148	126,360,422	97.1 %	3,816,367	2.9 %
2023	150,003,881	146,167,164	97.4 %	339,560	146,506,724	97.7 %	3,497,157	2.3 %
2024	171,753,992	166,413,995	96.9 %	198,073	166,612,068	97.0 %	5,141,924	3.0 %
2025	189,423,719	184,227,487	97.3 %	474,486	184,701,973	97.5 %	4,721,746	2.5 %

Source – City of West Palm Beach Finance Department and the Palm Beach County Tax Collector's Office.
(1) Data from General fund only.

CITY OF WEST PALM BEACH, FLORIDA
TAXABLE VALUES AND GROSS ASSESSED VALUE OF PROPERTY
FOR THE LAST TEN FISCAL YEARS
SEPTEMBER 30, 2025
(UNAUDITED)

Tax Roll Year	Fiscal Year Ended September 30	Taxable Value for Operating Millage					Exemptions and Adjustments	Total Assessed Values	Total Direct Tax Rate
		Real Property	Personal Property	Centrally Assessed	Taxable Value				
2015	2016	\$ 9,293,035,997	\$ 665,054,642	\$ 13,848,568	\$ 9,971,939,207	\$ 2,807,722,858	\$ 12,779,662,065	8.3465	
2016	2017	10,308,824,564	679,378,289	15,081,124	11,003,283,977	2,991,957,270	13,995,241,247	8.3465	
2017	2018	11,225,820,242	625,611,004	15,641,741	11,867,072,987	3,217,115,879	15,084,188,866	8.3465	
2018	2019	12,000,259,772	668,264,350	16,147,650	12,684,671,772	3,469,576,881	16,154,248,653	8.3465	
2019	2020	12,889,581,491	646,713,362	61,106,484	13,597,401,337	3,570,322,530	17,167,723,867	8.3465	
2020	2021	13,911,087,971	682,409,012	42,258,225	14,635,755,208	3,757,941,388	18,393,696,596	8.3465	
2021	2022	14,815,469,219	715,855,546	42,062,761	15,573,387,526	3,822,557,980	19,395,945,506	8.3465	
2022	2023	17,517,507,405	780,162,433	42,831,202	18,340,501,040	4,208,165,459	22,548,666,499	8.1965	
2023	2024	20,150,894,076	940,260,989	32,718,666	21,123,873,731	4,515,949,749	25,639,823,480	8.1308	
2024	2025	22,322,742,249	977,866,490	58,603,062	23,359,211,801	4,778,510,713	28,137,722,514	8.1308	

Source - Palm Beach County Property Appraiser's Office.

Note 1 - Assessed values are established by the Palm Beach County Property Appraiser's Office as of January 1 each year. Assessments were increased to 100% of market value as of 1980.

Note 2 - Exemptions include Homestead, Widow/Widower's, Government, Institutional, etc.

Note 3 - Adjustments are made to just value for land classified as agriculture, high-water recharge, pollution control devices, historically significant properties, etc.

**CITY OF WEST PALM BEACH, FLORIDA
 PRINCIPAL TAXPAYERS
 CURRENT YEAR AND NINE YEARS PRIOR
 SEPTEMBER 30, 2025
 (UNAUDITED)**

Taxpayer	Fiscal Year 2025			Fiscal Year 2016		
	Assessed Value (1)	Rank	Percentage of Total Assessed Valuation	Assessed Value (1)	Rank	Percentage of Total Assessed Valuation
777 South Flagler Associates LLC	\$ 243,156,168	1	0.86 %	\$ -	-	-
City Place North II LLC	207,045,061	2	0.74 %	-	-	-
Palm Beach Outlets I LLC	185,000,000	3	0.66 %	184,945,295	1	1.32 %
525 Okeechobee LLC	146,620,746	4	0.52 %	-	-	-
222 Lakeview LLC	126,131,522	5	0.45 %	66,431,627	7	0.47 %
Aaron Drive Holdings LLC	125,547,347	6	0.45 %	76,757,994	5	0.55 %
Reep MF Park Line FL LLC	119,065,539	7	0.42 %	-	-	-
Trea Sole at City Center LLC	104,290,898	8	0.37 %	-	-	-
SREIT Palm Beach Lakes Blvd LLC	95,600,000	9	0.34 %	-	-	-
Portofino Place Owner I LLC	95,598,440	10	0.34 %	-	-	-
CPT Phillips Point LLC	-	-	-	175,801,674	2	1.26 %
CPT Equity LLC	-	-	-	123,336,217	3	0.88 %
West Palm Beach CRA (Lessor)	-	-	-	90,016,913	4	0.64 %
CLPF Marketplace LLC	-	-	-	73,178,650	6	0.52 %
Tenet Saint Mary's Hospital	-	-	-	60,295,448	8	0.43 %
WPB Multifamily Owner I LLC	-	-	-	54,692,001	9	0.39 %
WPB Multifamily Owner II LLC	-	-	-	52,637,973	10	0.38 %
	<u>\$ 1,448,055,721</u>		<u>5.15 %</u>	<u>\$ 958,093,792</u>		<u>6.85 %</u>

(1) Source – Palm Beach County Tax Collector.

**CITY OF WEST PALM BEACH, FLORIDA
OUTSTANDING DEBT PER CAPITA BY TYPE
AND GENERAL OBLIGATION DEBT RATIOS
FOR THE LAST TEN FISCAL YEARS
SEPTEMBER 30, 2025
(UNAUDITED)**

Fiscal Year Ended	Governmental Activities Debt							Business-Type Activities Debt					Total Debt Primary Government	Net Bonded Debt	Net Bonded Debt Per Capita (1)
	General Obligation Bonds (2)	Non-Ad Valorem Revenue Bonds (2)	Promissory Notes - Gov	Line of Credit	Installment Purchases(3)	Promissory Notes - ISF	Leases Payable	Subscription Payable	Revenue Bonds (2)	Leases Payable	Subscription Payable				
2016	\$ 5,725,000	\$ 215,596,625	\$ 12,061,934	\$ -	\$ 12,673,165	\$ 10,605,886	\$ -	\$ -	\$ 218,740,000	\$ 193,652	\$ -	\$ 475,596,262	\$ 440,061,625	\$ 4,121	
2017	4,385,000	211,371,552	13,440,751	-	17,377,829	7,670,604	-	-	269,920,000	155,198	-	524,165,736	485,676,552	4,399	
2018	2,985,000	205,339,036	12,551,748	-	19,991,923	6,600,244	-	-	264,185,000	-	-	511,652,951	472,509,036	4,185	
2019	1,527,589	297,331,513	25,029,525	-	15,371,475	5,507,662	-	-	275,176,166	-	-	619,943,930	574,035,268	4,984	
2020	58,469,376	278,947,498	22,425,605	-	10,662,508	4,392,399	-	-	266,619,736	-	-	641,517,122	604,036,610	5,172	
2021	28,768,576	275,292,137	18,716,672	-	8,986,039	3,253,983	-	-	259,320,630	-	-	594,338,037	563,381,343	4,724	
2022	27,294,506	249,130,589	15,657,267	-	5,704,343	2,091,935	507,782	-	250,059,689	-	-	550,446,111	526,484,784	4,388	
2023	27,283,558	210,637,696	47,390,682	-	3,546,787	905,762	1,069,718	1,254,739	240,866,224	-	-	532,955,166	478,787,478	3,921	
2024	26,525,056	197,197,565	46,260,000	385,031	2,599,337	-	832,611	1,462,518	232,531,738	-	-	507,793,856	456,254,359	3,638	
2025	25,756,469	183,414,637	45,315,000	289,907	1,634,828	-	582,563	873,546	223,691,963	-	321,507	481,880,420	432,863,069	3,412	

- (1) See first page of Demographic and Economic section.
- (2) Presented net of related premiums, discounts, and adjustments.
- (3) Balances presented in previous years were disclosed as capital leases.

GENERAL OBLIGATION DEBT RATIOS

Fiscal Year Ended	Total Debt Primary Government (4)	Gross Assessed Value	Percentage of total Assessed Value	Population	Debt Per Capita	Total Personal Income	Percentage of Personal Income
2016	\$ 475,596,262	\$ 12,779,662,065	3.72%	106,779	\$ 4,454	\$ 3,469,304,696	0.14 %
2017	524,320,934	13,995,241,247	3.75%	110,396	4,749	3,469,304,696	0.15 %
2018	511,652,951	15,084,188,866	3.39%	112,906	4,532	3,543,893,528	0.14 %
2019	619,517,122	16,154,248,653	3.84%	115,176	5,379	3,615,144,288	0.17 %
2020	641,517,122	17,440,651,640	3.68%	116,781	5,493	3,951,752,259	0.16 %
2021	594,338,037	17,440,651,640	3.41%	119,255	4,984	3,744,607,000	0.16 %
2022	550,446,111	19,395,945,506	2.84%	119,971	4,588	4,348,588,737	0.13 %
2023	532,955,166	22,548,666,499	2.36%	122,113	4,364	5,081,121,930	0.10 %
2024	507,793,856	25,639,823,480	1.98%	125,401	4,049	6,310,679,924	0.08 %
2025	481,880,420	28,137,722,514	1.71%	126,865	3,798	5,646,507,420	0.09 %

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

- (4) Principal outstanding.

CITY OF WEST PALM BEACH, FLORIDA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
SEPTEMBER 30, 2025
(UNAUDITED)

	<u>Debt</u>	<u>Applicable to</u>	<u>Applicable to</u>
CITY OF WEST PALM BEACH (1)			
Total bonds (2)	\$ 209,171,106		
Notes payable, governmental funds	45,315,000		
Line of credit	289,907		
Installment purchases payable	1,634,828		
Leases and subscriptions payable	<u>1,456,109</u>		
Total direct debt	257,866,950	100.00 % (1)	\$ 257,866,950
Palm Beach County (3)	907,557,374	8.00 % (5)	72,604,590
School Board (4)	1,381,473,000	8.00 % (5)	<u>110,517,840</u>
Total overlapping debt			<u>183,122,430</u>
Total direct and overlapping debt			<u>\$ 440,989,380</u>

(1) Source - City of West Palm Beach Finance Department. Government debt rollforward.

(2) Presented net of related premiums, discounts and adjustments.

(3) Source - Palm Beach County Finance Department.

(4) Source - Palm Beach County School Board.

(5) Percentage applicable based on total assessed value for the City of West Palm Beach and Palm Beach County.

**CITY OF WEST PALM BEACH, FLORIDA
 COMPUTATION OF LEGAL DEBT MARGIN
 SEPTEMBER 30, 2025
 (UNAUDITED)**

Taxable Value of Property		\$ 23,359,211,801
Debt Limitation - 10% of assessed value (1)		2,335,921,180
Amount of debt applicable to debt limit:		
Outstanding debt (2)	\$ 254,486,106	
Less:		
Amount available in general debt service funds	9,441,325	
Other deductions allowed by law:		
Revenue Bonds	183,414,637	
Total applicable debt		<u>61,630,144</u>
Legal Debt Margin		<u><u>\$ 2,274,291,036</u></u>

Source - City of West Palm Beach Finance Department.

(1) - Policy 1.5.6 from the Evaluation and Appraisal Report (E.A.R.) of the Comprehensive Plan (1996) Capital Improvements Element, Chapter 15.

(2) - Includes general obligation bonded debt, notes payable and long-term revenue bond debt.

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF REVENUE BOND COVERAGE
FOR THE LAST TEN FISCAL YEARS
SEPTEMBER 30, 2025
(UNAUDITED)

Fiscal Year Ended September 30	Operating Revenue (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2016	\$ 120,715,408	\$ 69,473,007	\$ 51,242,401	\$ 3,697,631	\$ 5,552,736	\$ 9,250,367	553.9 %
2017	133,214,170	70,327,251	62,886,919	4,225,073	7,819,221	12,044,294	522.1 %
2018	127,972,772	80,822,173	47,150,599	6,032,516	8,887,587	14,920,103	316.0 %
2019	139,121,048	73,807,891	65,313,157	6,253,496	7,568,774	13,822,270	472.5 %
2020	143,544,758	73,725,198	69,819,560	7,668,012	12,327,955	19,995,967	349.2 %
2021	143,978,132	78,201,035	65,777,097	8,482,528	9,791,040	18,273,568	360.0 %
2022	135,679,024	78,307,007	57,372,017	10,360,000	9,320,400	19,680,400	291.5 %
2023	144,858,145	88,856,986	56,001,159	44,605,000	8,872,830	53,477,830	104.7 %
2024	147,186,868	98,941,751	48,245,117	11,285,000	8,347,829	19,632,829	245.7 %
2025	156,026,425	94,030,739	61,995,686	7,975,000	7,571,036	15,546,036	398.8 %

Source - City of West Palm Beach Finance Department.

(1) Includes Operating Revenue of City Enterprise Funds: Water & Sewer and Stormwater funds.

(2) Includes Operating Expenses less Depreciation of City Enterprise Funds.

Note: Starting with fiscal year 2018, the City's Enterprise Funds for Parking and Golf are excluded as they have no outstanding debt.

**CITY OF WEST PALM BEACH, FLORIDA
 DEMOGRAPHIC STATISTICS
 FOR THE LAST TEN FISCAL YEARS
 SEPTEMBER 30, 2025
 (UNAUDITED)**

Fiscal Year	Population (1)	Median Age (2)	School Enrollment (3)	Unemployment Rate (4)	Per Capita Personal Income (2)	Total Personal Income (5)
2016	106,779	39.6	17,622	4.7%	\$ 30,788	\$ 3,287,511,852
2017	110,396	39.6	17,904	3.8%	31,426	3,469,304,696
2018	112,906	39.6	17,904	3.1%	31,388	3,543,893,528
2019	115,176	39.6	21,064	3.2%	31,388	3,615,144,288
2020	116,781	36.9	17,870	6.6%	33,839	3,951,752,259
2021	119,255	36.9	18,140	3.8%	31,400	3,744,607,000
2022	119,971	39.6	19,454	2.6%	36,247	4,348,588,837
2023	122,113	40.4	18,912	3.2%	41,610	5,081,121,930
2024	125,401	41.4	17,265	3.5%	50,324	6,310,679,924
2025	126,865	40.4	16,438	4.3%	44,508	5,646,507,420

- (1) Source - University of Florida Bureau of Economic and Business Research.
- (2) Source - US Census Bureau.
- (3) Source - Palm Beach County School Board Budget Office.
- (4) Source - U.S Bureau Of Labor Statistics.
- (5) Source - Personal Income Data and Per Capita Personal Income Data is Revised Annually.

**CITY OF WEST PALM BEACH, FLORIDA
 PRINCIPAL EMPLOYERS IN PALM BEACH COUNTY
 CURRENT YEAR AND NINE YEARS PRIOR
 SEPTEMBER 30, 2025
 (UNAUDITED)**

	2025			2016		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
School District of Palm Beach County	22,801	1	2.90 %	21,656	1	3.13 %
Baptist Health	6,773	2	0.86 %	-	-	
Florida Atlantic University	6,335	3	0.81 %	2,529	7	0.37 %
NextEra Energy, Inc./Florida Power & Light Company	6,139	4	0.78 %	4,005	4	0.58 %
Palm Beach County Government	6,130	5	0.78 %	5,507	2	0.80 %
Tenet Coastal Division Palm Beach County	5,734	6	0.73 %	-	-	
Veterans Health Administration	2,948	7	0.37 %	2,700	6	0.39 %
HCA Healthcare	2,850	8	0.36 %	-	-	
Jupiter Medical Center	2,495	9	0.32 %	2,195	9	0.32 %
The Breakers	2,400	10	0.31 %	-	-	
Tenet Healthcare Corp (2)	-	-	-	4,595	3	0.66 %
HCA Palm Beach Hospitals (JFK, Palms West and West Palm)	-	-	-	3,476	5	0.50 %
Boca Raton Regional Hospital	-	-	-	2,500	8	0.36 %
Bethesda Memorial Hospital	-	-	-	2,150	10	0.31 %
	<u>64,605</u>		<u>8.22 %</u>	<u>51,313</u>		<u>7.42 %</u>

Source: Business Development Board of Palm Beach County.

**CITY OF WEST PALM BEACH, FLORIDA
PROPERTY VALUE AND CONSTRUCTION
FOR THE LAST TEN FISCAL YEARS
SEPTEMBER 30, 2025
(UNAUDITED)**

Tax Roll Year As of Jan 1	Fiscal Year Ended September 30	Total Assessed Property Value (2)	Commercial Construction (1)		Residential Construction (1)		Total Building Permits (1)	
			Number of Units	Value	Number of Units	Value	Number Issued	Value of Permits
2015	2016	\$ 12,779,662,065	55	\$ 190,370,413	205	\$ 49,128,855	12,121	\$ 447,832,917
2016	2017	13,995,241,247	41	283,099,629	49	15,863,343	11,509	500,949,830
2017	2018	15,084,188,866	34	192,273,893	59	22,348,397	12,512	458,399,968
2018	2019	16,154,248,653	25	164,719,561	87	32,234,170	13,500	511,156,012
2019	2020	17,167,723,867	24	263,776,967	83	28,095,321	12,641	551,585,860
2020	2021	18,393,696,596	42	467,449,225	173	61,362,445	14,989	803,295,299
2021	2022	19,395,945,506	27	340,128,443	122	65,412,810	13,794	904,469,991
2022	2023	22,548,666,499	25	168,905,431	88	61,442,976	10,718	770,777,232
2023	2024	25,639,823,480	25	136,835,542	91	68,040,369	10,161	860,073,760
2024	2025	28,137,722,514	30	1,138,515,726	96	72,213,547	10,300	1,893,957,864

(1) Source - City of West Palm Beach Construction Services Department.

(2) Source - Palm Beach County Property Appraiser's Office.

**CITY OF WEST PALM BEACH, FLORIDA
 MISCELLANEOUS STATISTICAL DATA
 SEPTEMBER 30, 2025
 (UNAUDITED)**

DATE OF INCORPORATION -	November 5, 1984
DATE FIRST CHARTER ADOPTED -	September 18, 1903
DATE PRESENT CHARTER ADOPTED -	October 1, 1988
FORM OF GOVERNMENT -	Mayor - Commission

AREA:	POPULATION:		
1945 - 16.00 square miles	1950	(U.S. Census)	43,162
1955 - 16.00 square miles	1960	(U.S. Census)	56,208
1965 - 41.75 square miles	1970	(U.S. Census)	57,375
1975 - 43.25 square miles	1980	(U.S. Census)	63,000
1985 - 42.60 square miles	1990	(U.S. Census)	67,643
1995 - 55.34 square miles	2010	(University of FL)	102,475
2005 - 55.00 square miles	2020	(University of FL)	116,781
2015 - 55.29 square miles	2021	(University of FL)	119,255
2020 - 57.98 square miles	2022	(University of FL)	119,971
2021 - 57.69 square miles	2023	(University of FL)	122,113
2022 - 57.73 square miles	2024	(University of FL)	125,319
2023 - 57.73 square miles	2025	(University of FL)	126,865
2024 - 57.73 square miles			
2025 - 57.73 square miles			

EDUCATION (CITY-WIDE):	
Number of public schools	21
Number of full time employees (teachers and support)	1,679
Number of students	16,438

Source - School District of Palm Beach County.

STREETS, SIDEWALKS AND STORM SEWERS:	
Miles of paved streets and alleys	453
Miles of sidewalks	1,082
Miles of storm sewers	348

Source - City of West Palm Beach, MIS Support Services (GIS).

Source - Total Includes All Sidewalks Within the ROW (GIS).

STREET LIGHTS:	
Number of street lights	18,143

Source - City of West Palm Beach, MIS Support Services (GIS).

Continued

**CITY OF WEST PALM BEACH, FLORIDA
MISCELLANEOUS STATISTICAL DATA
SEPTEMBER 30, 2025
(UNAUDITED)**

ELECTIONS:

59,315 Registered voters at last municipal election
9,652 Votes cast in last municipal election
16.27 % Registered voters voting

Source - City of West Palm Beach City Clerk.

EMPLOYEES AS OF SEPTEMBER 30, 2025

1,590 Full Time Employees

Source - City of West Palm Beach Human Resources Department.

POLICE PROTECTION:

298 Sworn Police Officers
103 Civilian Employees (full-time)

Source - City of West Palm Beach Police Department.

FIRE PROTECTION:

8 Suppression Units
11 Advanced Life Support Units (Rescue Units)
9 Fire stations (plus 1 Logistics facility)
308 Employees (full-time)

Source - City of West Palm Beach Fire Department.

Continued

CITY OF WEST PALM BEACH, FLORIDA
MISCELLANEOUS STATISTICAL DATA
SEPTEMBER 30, 2025
(UNAUDITED)

RECREATION:

Public parks - 591 acres
 Includes: park facilities, recreational centers, tennis courts, handball courts, soccer and football, baseball, basketball, and picnic areas.

Cemeteries - 2

Municipal golf course - 1

Municipal swimming pool - 1

Source - City of West Palm Beach Leisure Services Department.

ENTERPRISE FUNDS:

Parking facilities
 1,520 Metered on street spaces
 2,318 Off street revenue controlled spaces

Source - City of West Palm Beach Parking System.

* Does not include 203 spaces at the Police Department.

WATER AND SEWER DISPOSAL SYSTEM:

	WATER	SEWER
Active accounts	33607	27486
Capacity per day (million gallons) (1)	47 MGD	70 MGD
Miles of mains (2)	568	316
Fire hydrants:		
City of West Palm Beach	3488	
Town of Palm Beach	398	
South Palm Beach	11	

Source - City of West Palm Beach Public Utilities Department.

Note (1) - Based on average daily plan capacity for the year.

Note (2) - Based upon data from the City's GIS system.

Continued

CITY OF WEST PALM BEACH, FLORIDA
MISCELLANEOUS STATISTICAL DATA
SEPTEMBER 30, 2025
(UNAUDITED)

Population Growth							
Year	Palm Beach County		Florida		United States		
	Population	% Change	Population	% Change	Population	% Change	
2016	1,422,789	1.79 % (2)	20,612,439	3.61 % (2)	323,127,513	1.34 % (2)	
2017	1,443,810	1.48 % (2)	20,984,400	1.80 % (2)	325,719,178	0.80 % (2)	
2018	1,471,150	1.89 % (2)	21,299,325	1.50 % (2)	327,747,936	0.62 % (2)	
2019	1,485,941	1.01 % (2)	21,477,737	0.84 % (2)	328,239,523	0.15 % (2)	
2020	1,496,770	0.73 % (2)	21,733,312	1.19 % (2)	329,805,963	0.48 % (2)	
2021	1,502,495	0.38 % (1)	21,781,128	0.22 % (2)	331,893,745	0.63 % (2)	
2022	1,518,152	1.04 % (1)	22,244,823	2.13 % (2)	333,287,557	0.42 % (2)	
2023	1,530,115	0.79 % (1)	22,610,726	1.64 % (2)	334,914,895	0.49 % (2)	
2024	1,543,203	0.86 % (1)	22,907,149	1.31 % (1)	337,194,721	0.68 % (2)	
2025	1,553,366	0.66 % (1)	23,269,152	1.58 % (1)	340,110,988	0.86 % (2)	

(1) Source - University of Florida Bureau of Business and Economic Development.

(2) Source - US Census Bureau.

Palm Beach County					
Year	Population	Per Capita Personal Income	Civilian Labor Force (3)		Unemployment (3)
2016	1,422,789	\$ 33,650	691,475 (1)		4.7 %
2017	1,443,810	31,426	718,064 (2)		3.8 %
2018	1,471,150	31,388	729,108 (2)		3.1 %
2019	1,485,941	31,388	745,298 (2)		3.2 %
2020	1,496,770	39,933	699,888 (2)		7.0 %
2021	1,502,495	40,888	717,009 (2)		4.1 %
2022	1,518,152	43,733	773,530 (2)		2.6 %
2023	1,530,115	48,121	789,172 (2)		3.3 %
2024	1,543,203	50,180	782,410 (2)		3.6 %
2025	1,553,366	50,998	786,282 (2)		4.3 %

(1) Source - University of Florida Bureau of Economic and Business Research.

(2) Source - US Census Bureau.

(3) Source - Labor Force and Employment data are for September of each year.



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Continuing Debt
DISCLOSURE
(Unaudited)

WEST PALM BEACH

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CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE
EVENT NOTICES
FISCAL YEAR 2024
(UNAUDITED)

Event	Occurrence
Principal and interest delinquencies	None
Nonpayment related defaults	None
Unscheduled draws on debt service reserves reflecting financial difficulties	None
Unscheduled draws on credit enhancements reflecting financial difficulties	None
Substitution of credit or liquidity providers, or their failure to perform	None
Adverse tax opinions or events affecting the tax-exempt status of the security	None
Modifications to rights of security holders	None
Bond calls and tender offers	None
Release, substitution or sale of property securing repayment of securities	None
Ratings changes	None
Bankruptcy, insolvency or receivership	None
Merger, acquisition or sale of all issuer assets	None
Appointment of successor trustee	None

WEST PALM BEACH

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Special Obligation
BONDS (Unaudited)



CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: SPECIAL OBLIGATION BONDS
NON-AD VALOREM REVENUE COLLECTIONS BY SOURCE
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended September 30	Total Non-Ad Valorem Collections (1)	Utility Services Taxes	Franchise Taxes	Insurance Premium Taxes	Charges for Services	Inter-Governmental Revenue	Licenses and Permits	Fines and Forfeitures	Interest Income (loss)	Rents and Royalties	Payment in Lieu of Taxes	Miscellaneous
2016	\$ 83,267,657	\$ 20,826,180	\$ 9,007,760	\$ -	\$ 24,438,621	\$ 13,276,669	\$ 3,694,485	\$ 244,763	\$ 840,818	\$ 247,694	\$ 9,446,930	\$ 1,243,737
2017	86,375,037	21,201,503	9,247,602	2,673,828	23,887,679	14,289,020	3,674,791	263,713	484,294	169,262	9,884,138	599,207
2018	88,806,298	21,685,074	9,462,626	2,797,362	24,763,965	14,170,339	3,823,282	238,638	729,963	211,804	9,983,605	939,640
2019	93,712,517	21,921,261	9,355,267	2,791,185	26,312,707	15,475,846	3,745,686	355,609	1,758,271	665,174	10,826,185	505,326
2020	94,122,794	21,623,713	8,905,174	2,969,535	26,731,903	16,538,967	3,765,602	336,913	1,211,041	530,559	10,816,047	693,340
2021	99,205,405	22,028,418	9,464,923	3,085,615	29,461,750	17,170,348	3,829,291	458,522	440,786	539,785	11,312,829	1,413,138
2022	108,882,552	22,712,775	11,126,114	3,511,526	34,161,044	19,981,498	3,843,770	967,472	(1,393,059)	1,725,647	11,249,670	996,095
2023	118,499,347	11,687,846	12,130,933	4,291,625	46,404,515	21,135,837	3,720,716	601,756	3,993,029	1,814,671	11,601,367	1,117,052
2024	166,322,065	25,675,598	11,797,060	4,743,954	29,984,061	20,252,379	3,852,348	581,223	7,867,131	5,128,484	11,816,496	880,371
2025	127,897,553	26,663,458	12,106,526	4,909,534	38,158,405	20,114,720	4,213,160	614,503	6,462,296	603,579	12,594,438	1,456,934

Source - City of West Palm Beach Finance Department.

(1) Includes non ad-valorem revenues of the City that are deposited into the City's General Fund.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: SPECIAL OBLIGATION BONDS
OUTSTANDING NON-AD VALOREM DEBT
SEPTEMBER 30, 2025
(UNAUDITED)

<u>Outstanding Obligation</u>	<u>Final Maturity</u>	<u>Outstanding Principal Amount</u>	<u>Percent of Total</u>	<u>Maximum Annual Debt Service (1)</u>
2019 Note - Fire	2034	\$ 10,490,000	9.83%	\$ 1,141,282
Special Obligation Series 2016	2037	61,380,000	57.53%	6,611,110
Special Obligation Refunding Note, Series 2022	2040	34,825,000	32.64%	8,092,346
TOTAL		<u>\$ 106,695,000</u>	<u>100.00%</u>	<u>\$ 15,844,738</u>

Source: City of West Palm Beach Finance Department

(1) Maximum annual debt service based on budgetary-basis amortization schedules.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: SPECIAL OBLIGATION BONDS
HISTORICAL NON-AD VALOREM REVENUES, DEBT SERVICE AND
COVERAGE (ACCOUNTING FOR DEBT SERVICE PAYMENTS
MADE BY OTHER DEDICATED REVENUE SOURCES)
FOR THE LAST FIVE FISCAL YEARS
(UNAUDITED)

	A	B	C=(A-B)	D	E	F=C/(D+E)
		Available	Non-Ad	Debt	Maximum	Debt
	Total	Non-Ad	Valorem	Service on	Annual Debt	Service
	Non-Ad	Valorem	Revenues	Covenant to	Service	on all
	Valorem	Used for	Available	Budget and	on	Covenant to
	Revenues	Essential	for	Budget and	Series 2006	Budget and
		Services (1)	Covenant to	Appropriate	and 2016	Appropriate
			Budget and	Debt (2)	Bonds (3)	Debt
Fiscal			Appropriate			
Year			Debt			
Ended						
September 30						
2021	\$ 99,205,405	\$ 25,590,215	\$ 73,615,190	\$ 464,393	\$ 14,771,687	4.83x
2022	108,882,552	26,691,753	82,190,799	-	19,433,336	4.23x
2023	118,499,347	15,200,998	103,298,349	-	17,349,349	5.95x
2024	166,322,065	10,604,337	155,717,728	-	15,847,642	9.83x
2025	127,897,553	12,553,320	115,344,233	-	15,825,721	7.29x

Source - City of West Palm Beach Finance Department.

(1) Represents total expenses for public safety, health care and sanitation, minus the portion of such expenses paid from the City's ad valorem tax revenues.

(2) All of the existing debt for which the City has covenanted to budget and appropriate legally available non-ad valorem revenues to satisfy its payment obligations thereunder (excluding the City's allocable share of the Capital Improvement Revenue Refunding Note, Series 2006, and the Special Obligation Bonds, Series 2006) historically has been paid in full by (i) tax increment revenue received from the West Palm Beach Community Redevelopment Agency pursuant to Interlocal Agreements that obligate the Agency to make such payments and (ii) in the case of the HUD Section 108 Note and Communication System Note, Series 2006, federal grants and other sources of revenue that are not received as non-ad valorem revenue for deposit into the City's General Fund.

(3) The 2006 Special Obligation Bonds were refunded in FY 2016. The Series 2016 Special Obligation bonds were issued on July 5, 2016. Principal payments were not due until FY 2017 and therefore the maximum debt service for the Series 2016 bonds is not reflected until that time.



Photo CWPB_by Captain Kimo



Utility System

REVENUE BONDS

(Unaudited)



CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: UTILITY SYSTEM REVENUE BONDS
CUSTOMERS AND SALES DATA*
FISCAL YEAR 2025
(UNAUDITED)

Water Customers and Sales (*)

<u>Average Annual Number of Accounts Served</u>	<u>Average Annual Number of ERCs Served</u>	<u>Water Sales (Thousands of Gallons)</u>
32,708	84,427	9,412,870

Wastewater Customers and Sales (*)

<u>Average Annual Number of Accounts Served</u>	<u>Average Annual Number of ERCs Served</u>	<u>Water Sales (Thousands of Gallons)</u>
27,708	67,429	4,648,171

Stormwater Customers and Sales (*)

<u>Average Annual Number of Accounts Served</u>	<u>Average Annual Number of ERCs Served</u>
27,845	104,698

* Includes customers located outside the corporate limits of the City.

ERC is equivalent to ESU = Equivalent Stormwater Unit, also referred to as ERU = Equivalent Residential Unit in the Rate Resolution.

Source - City of West Palm Beach Finance Department.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: UTILITY SYSTEM REVENUE BONDS
WASTEWATER FLOWS (MGD)
FOR THE LAST FIVE FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended September 30	City of West Palm Beach Flows			Total ECRWWRF Flows		
	Annual Average Daily Flow (MGD)	Allotted Capacity (MGD)	Percent of Allotment	Annual Average Daily Flow (MGD)	Permitted Capacity (MGD)	Percent of Capacity
2021	13.32	20.50	65.0%	43.99	70.00	62.84%
2022	13.22	20.50	64.5%	45.09	70.00	64.41%
2023	15.16	20.50	73.9%	49.17	70.00	70.24%
2024	15.63	20.50	76.3%	50.86	70.00	72.66%
2025	14.49	20.50	70.7%	49.27	70.00	70.38%

Source - City of West Palm Beach Utilities Department reconciliation of annual flow charges.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: UTILITY SYSTEM REVENUE BONDS
SUMMARY OF MONTHLY WATER AND WASTEWATER RATES
AS OF OCTOBER 1, 2025
(UNAUDITED)

	<u>Water Rates [1]</u>	<u>Wastewater Rates [1]</u>
Residential Service		
Service Charge (per dwelling unit) [2]	\$ 24.38	\$ 16.75
Commodity Charge (per units of water used) [3]		
0-8 units	\$ 2.83	\$ 4.94
9-16 units	3.52	4.94 [4]
17-36 units	4.16	N/A
37-76 units	4.88	N/A
77-200 units	5.62	N/A
Above 200 units	6.31	N/A
Residential Multi-family Services		
Service Charge (per dwelling unit) [2]	\$ 19.50	\$ 13.42
Commodity Charge (per units of water used) [3]		
0-7 units	\$ 2.83	\$ 4.94
8-14 units	3.52	4.94 [5]
15-30 units	4.16	N/A
31-62 units	4.88	N/A
63-162 units	5.62	N/A
Above 162 units	6.31	N/A
Non-Residential and Irrigation		
Service Charge (per service meter) [2]		
5/8-inch	\$ 24.38	\$ 16.75
3/4-inch	37.18	25.16
1-inch	60.96	41.95
1+1/2-inch	122.01	83.76
2-inch	195.20	134.04
3-inch	366.05	251.94
4-inch	610.08	421.94
6-inch	1,220.15	837.62
8-inch	1,952.24	1,340.21
10-inch	2,806.33	1,926.56
12-inch	5,240.54	3,604.27
Commodity Charge (per units of water used) [3]		
0-8 units	\$ 2.83	\$ 4.94
9-16 units	3.52	4.94
17-36 units	4.16	4.94
37-76 units	4.88	4.94
77-200 units	5.62	4.94
Above 201 units	6.31	4.94
Irrigation Service		
0-75 units	\$ 4.88	N/A
76-200 units	5.62	N/A
Above 201 units	6.31	N/A

Source - City of West Palm Beach Public Utilities Customer Service Superintendent

(1) Amounts derived from the Rate Resolution as approved by the City Commission. Pursuant to the Utility Rate Resolution, the City imposes a 25% surcharge pursuant to Florida Statutes Section 180.91 upon those consumers of the City's water and wastewater services who are located outside the City's municipal boundaries; this surcharge shall not apply to the customers receiving service from the City in the Town of Palm Beach and the Town of South Palm Beach pursuant to the Franchise Agreement.

(2) The monthly service charge represents the minimum bill rendered.

(3) One unit of water is equal to 100 cubic feet of metered water where 100 cubic feet is equivalent to 748 gallons.

(4) Maximum flow billed up to 1,600 cubic feet.

(5) Maximum flow billed up to 1,400 cubic feet.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: UTILITY SYSTEM REVENUE BONDS
SUMMARY OF WATER CAPACITY CHARGES, CUSTOMER DEPOSITS,
AND METER INSTALLATIONS
(UNAUDITED)

Capacity Charges

Meter Size	Effective October 1, 2025	
	Water	Wastewater
5/8 - inch	\$ 2,150	\$ 2,100
3/4 - inch	3,225	3,150
1 - inch	5,375	5,250
1 1/2 - inch	10,750	10,500
2 - inch	17,200	16,800
3 - inch	34,400	33,600
4 - inch	53,750	52,500
6 - inch	107,500	105,000
8 - inch	172,000	168,000
10 - inch	247,250	241,500
12 - inch	462,250	451,500

Customer Deposits

Meter Size	Effective October 1, 2025	
	Residential	General Service
5/8 inch	\$ 190	\$ 220
3/4 inch	285	330
1 inch	480	550
1 1/2 inch	955	1,100
2 inch	1,530	1,760
3 inch	2,865	3,300
4 inch	4,775	5,500
6 inch	9,550	11,000
8 inch	15,280	17,600
10 inch	21,965	25,300
12 inch	41,085	47,300
Fire Hydrant Meter Deposit	\$	1,500
Detector check Meter deposit	\$	175

Water Meter Installation Charges/Tap-In [1]

Meter Size	Effective October 1, 2025	
	Contractor Installed	City Installed
	Meter Installation Charge (2)	Meter Installation Tap-In Charge (3)
5/8 - inch	\$ 335	\$ 2,010
5/8 - inch Detector Check	355	N/A
3/4 - inch	800	2,070
1 - inch	830	2,130
1 1/2 - inch	1,075	2,475
1 1/2 - inch Irrigation	1,565	2,965
2 - inch	1,150	2,795
2 - inch Irrigation	1,255	1,900
3 - inch	2,855 (4)	N/A (5)
4 - inch	4,605 (4)	N/A (5)
6 - inch	6,535 (4)	N/A (5)
8 - inch	8,695 (4)	N/A (5)
10 - inch	17,685 (4)	N/A (5)
12 - inch	19,560 (4)	N/A (5)
Private Fire Line	175	

Source - City of West Palm Beach Public Utilities Customer Service Superintendent

(1) Amounts shown derived from the Utility Rate Resolution.

(2) Service installed by Contractor.

(3) Includes both meter installation and tap-in-charge.

(4) Reflects estimated charge; final charge is determined by actual costs incurred.

(5) Customer responsible for installing 3-inch and larger services.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: UTILITY SYSTEM REVENUE BONDS
SUMMARY OF MONTHLY STORMWATER RATES [1]
AS OF OCTOBER 1, 2025
(UNAUDITED)

	<u>Stormwater Rates</u>
Full	\$ 16.69
Partial	11.36
None [2]	6.23

Source - City of West Palm Beach Utilities Rate Consultant.

(1) The monthly service charge per equivalent residential unit represents the minimum bill rendered; the charge for stormwater utility service is included on the monthly bill for water and wastewater services. Number of equivalent residential units is based on individual property characteristics of each nonresidential parcel determined on a basis consistent with the average impervious residential developed property.

(2) Rate billed to parcels that provide their own level of canal and drainage maintenance and street sweeping services.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: UTILITY SYSTEM REVENUE BONDS
WATER SYSTEM CUSTOMER GROWTH
AS OF OCTOBER 1, 2025
(UNAUDITED)

Water System Customer Growth									
	West Palm Beach		Palm Beach		South Palm Beach		Total		
Fiscal Year Ended	Average Annual	Water	Average Annual	Water	Average Annual	Water	Average Annual	Water	Average Monthly
September 30	Units	Sales (ccf)	Units	Sales (ccf)	Units	Sales (ccf)	Units	Sales (ccf)	Use per Unit (Gallons)
2016	54,422	7,545,809	9,333	3,617,076	1,875	154,003	65,630	11,316,888	10,748
2017	54,428	7,456,273	9,277	3,787,940	1,857	129,234	65,562	11,373,447	10,813
2018	54,754	7,009,374	9,264	3,590,999	1,857	140,422	65,896	10,740,795	8,028
2019	54,568	6,890,259	9,330	3,696,086	1,954	146,182	65,801	10,732,527	9,358
2020	55,895	7,675,313	9,382	3,694,863	1,871	138,518	67,148	11,508,694	10,684
2021	55,126	7,847,456	9,360	3,772,831	1,886	131,611	66,373	11,746,660	11,032
2022	55,142	7,839,689	9,483	3,899,201	1,914	126,647	66,539	11,865,537	11,116
2023	57,007	8,199,454	9,420	3,965,294	1,873	128,268	68,300	12,293,016	11,220
2024	58,160	8,163,244	9,502	3,918,125	1,876	138,748	69,538	12,220,117	10,955
2025	58,801	8,380,430	9,588	4,305,299	2,034	181,875	70,423	12,867,604	11,390

	West Palm Beach		Palm Beach		South Palm Beach		Total		
Average Annual Compound Growth Rate	Average Annual	Water	Average Annual	Water	Average Annual	Water	Average Annual	Water	Average Monthly
	Units	Sales (ccf)	Units	Sales (ccf)	Units	Sales (ccf)	Units	Sales (ccf)	Use per Unit (Gallons)
2010 to 2025	0.57%	0.63%	0.14%	1.55%	0.55%	1.87%	0.51%	0.94%	0.42%
2020 to 2025	1.02%	1.77%	0.44%	3.11%	1.69%	5.60%	0.96%	2.26%	1.29%
2023 to 2025	1.56%	1.71%	0.89%	4.20%	4.16%	14.26%	1.54%	2.68%	1.12%

Source - City of West Palm Beach Utilities Rate Consultant.

Note: "ccf" is the amount of water that flows through customer water meters and is measured in hundreds of cubic feet. 1 ccf (100 cubic feet) is equivalent to 748 gallons of water.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: UTILITY SYSTEM REVENUE BONDS
STORMWATER SYSTEM CUSTOMER GROWTH
AS OF OCTOBER 1, 2025
(UNAUDITED)

Stormwater System Customer Growth								
Fiscal Year Ended September 30	Single Family		Multifamily		Commercial		Total	
	Average Annual Accounts	Average Annual ESUs	Average Annual Accounts	Average Annual ESUs	Average Annual Accounts	Average Annual ESUs	Average Annual Accounts	Average Annual ESUs
2016	22,504	22,504	2,100	28,347	2,853	48,491	27,457	99,342
2017	22,510	22,510	2,080	28,480	2,855	48,515	27,445	99,505
2018	22,524	22,524	2,067	28,988	2,872	48,557	27,462	100,068
2019	22,535	22,535	2,073	29,174	2,868	48,692	27,476	100,401
2020	22,569	22,569	2,079	29,659	2,862	48,998	27,510	101,227
2021	22,608	22,608	2,098	29,824	2,860	49,073	27,550	101,505
2022	22,789	22,791	2,067	29,916	2,855	49,405	27,711	102,112
2023	22,842	22,849	2,066	30,556	2,869	49,555	27,776	102,959
2024	22,877	22,894	2,078	31,428	2,882	49,650	27,836	103,973
2025	22,883	22,910	2,081	31,940	2,881	49,847	27,845	104,698

Average Annual Compound Growth Rate	Single Family		Multifamily		Commercial		Total	
	Average Annual Accounts	Average Annual ESUs	Average Annual Accounts	Average Annual ESUs	Average Annual Accounts	Average Annual ESUs	Average Annual Accounts	Average Annual ESUs
2010 to 2025	0.13%	14.00%	-0.04%	0.95%	0.12%	0.30%	0.12%	0.45%
2020 to 2025	0.28%	0.30%	0.02%	1.49%	0.13%	0.34%	0.24%	0.68%
2023 to 2025	0.09%	0.13%	0.36%	2.24%	0.21%	0.29%	0.12%	0.84%

Source - City of West Palm Beach Utilities Rate Consultant.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: UTILITY SYSTEM REVENUE BONDS
WASTEWATER SYSTEM CUSTOMER GROWTH
AS OF OCTOBER 1, 2025
(UNAUDITED)

Wastewater System Customer Growth

Fiscal Year Ended September 30	Average Annual Units (1)	Billed Sales (ccf)	Average Monthly Billed Flow per Unit (gallons)
2016	53,600	\$ 5,874,063	6,831
2017	56,581	5,865,577	6,824
2018	53,576	5,776,696	5,856
2019	53,461	6,119,679	6,915
2020	54,556	5,751,956	6,572
2021	54,542	5,817,036	6,648
2022	55,201	5,848,265	6,604
2023	55,591	5,924,265	6,643
2024	56,700	5,994,180	6,590
2025	57,145	6,214,132	6,779
Average Annual Compound	Average Annual	Billed	Average Monthly Billed Flow
2010 to 2025	0.49%	0.51%	0.02%
2020 to 2025	0.93%	1.56%	0.62%
2023 to 2025	1.39%	2.42%	1.02%

Source - City of West Palm Beach Utilities Rate Consultant.

(1) - Units represent the sum of the residential dwelling and commercial accounts served.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: UTILITY SYSTEM REVENUE BONDS
UTILITY SYSTEM HISTORICAL DEBT COVERAGE ANALYSIS
FOR THE LAST FIVE FISCAL YEARS
(UNAUDITED)

	Fiscal Year Ended September 30,				
	2021	2022	2023	2024	2025
Water System Sales	\$ 72,278,441	\$ 72,180,723	\$ 72,828,770	\$ 73,513,770	\$ 78,068,730
Wastewater System Sales	35,633,451	34,847,962	37,165,855	38,755,519	41,408,152
Stormwater System Sales	15,313,277	15,348,840	15,971,912	16,632,229	17,264,714
Other Operating Revenues	<u>12,222,016</u>	<u>11,837,263</u>	<u>11,819,304</u>	<u>12,612,582</u>	<u>12,643,290</u>
Total Operating Revenues	135,447,185	134,214,788	137,785,841	141,514,100	149,384,886
Other Income	<u>1,956,943</u>	<u>1,598,730</u>	<u>7,712,766</u>	<u>12,303,184</u>	<u>12,841,625</u>
Total Revenues	137,404,128	135,813,518	145,498,607	153,817,284	162,226,511
Current (Operating) Expenses	71,366,761	70,203,378	77,275,104	87,762,300	89,580,252
Net Revenues	<u>66,037,367</u>	<u>65,610,140</u>	<u>68,223,503</u>	<u>66,054,984</u>	<u>72,646,259</u>
Applicable Impact Fees	<u>1,185,929</u>	<u>1,144,488</u>	<u>745,169</u>	<u>1,985,564</u>	<u>1,255,636</u>
Adjusted Net Revenues for Covenant Test	67,090,178	66,565,930	69,768,403	68,393,695	73,901,895
As a Percent of Total Revenues	48.83%	49.01%	47.95%	44.46%	45.55%
Transfers and Other	<u>42,797,120</u>	<u>43,183,608</u>	<u>44,750,930</u>	<u>43,254,226</u>	<u>45,492,181</u>
Debt Service Coverage [1]					
Rate Covenant Test 1	3.62	3.59	3.77	3.69	3.99
Rate Covenant Test 2	1.57	1.54	1.56	1.58	1.62
Amount available for other purposes	<u>\$ 24,293,058</u>	<u>\$ 23,382,322</u>	<u>\$ 25,017,473</u>	<u>\$ 25,139,469</u>	<u>\$ 28,409,714</u>

Source - City of West Palm Beach Finance Department.

(1) Reference is made to the Rate Covenant as more fully described in Section 502 of the Bond Resolution (referred to as the "rate covenant"). Test 1 states that the adjusted Net Revenues must be equal to or greater than 120% of the Maximum Principal and Interest Requirement. Test 2 states that adjusted Net Revenues must at least be equal to the annual debt service requirement and all other required transfers.

Source - City of West Palm Beach Utilities Rate Consultant.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: UTILITY SYSTEM REVENUE BONDS
UTILITY SYSTEM HISTORICAL SCHEDULE OF
NET CASH FLOW, DEBT SERVICE AND DEBT COVERAGE
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended September 30	Revenue	Operating Expenses	Net Revenue Available for Debt Service	Maximum Debt Service	Annual Coverage (1)
2016	\$ 112,824,919	\$ 63,087,241	\$ 50,515,924	\$ 14,956,603	3.38
2017	120,081,334	63,298,326	57,509,441	18,516,833	3.11
2018	123,176,724	67,826,636	56,212,538	18,516,833	3.04
2019	131,158,319	69,167,531	62,847,377	18,516,833	3.39
2020	133,321,605	67,504,610	66,641,471	18,516,831	3.60
2021	137,427,498	71,499,881	67,090,178	18,516,831	3.62
2022	135,902,786	73,392,067	66,565,930	18,516,831	3.59
2023	145,498,607	76,475,373	69,768,403	18,516,831	3.77
2024	153,817,284	87,580,252	68,393,695	18,516,831	3.69
2025	162,226,511	89,580,252	73,901,895	18,516,831	3.99

Source - City of West Palm Beach Utilities Rate Consultant.

(1) Before required transfers to Reserve Account, Renewal, Replacement and Improvement Fund, and to the General Reserve Fund.



The Spruce - Photo by yahoo.com

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Tax Increment

REVENUE BONDS
(NPCCRA) (Unaudited)



CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
HISTORICAL NPCCRA TAX INCREMENT REVENUES
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Tax Roll Year Ended December 31	Fiscal Year Ended September 30	City of West Palm Beach	Palm Beach County	Total	Percentage Increase/ Decrease Over Prior Year	Dollar Increase/ (Decrease) Over Prior Year
2015	2016	\$ 1,822,340	\$ 1,039,511	\$ 2,861,851	2.10%	\$ 58,896
2016	2017	2,127,784	1,009,039	3,136,823	9.61%	274,972
2017	2018	2,263,248	1,401,457	3,664,705	16.83%	527,882
2018	2019	2,540,870	1,471,018	4,011,888	9.47%	347,183
2019	2020	2,718,972	1,535,868	4,254,840	6.06%	242,952
2020	2021	2,828,466	1,649,625	4,478,091	5.25%	223,251
2021	2022	3,003,043	1,693,182	4,696,225	4.87%	218,134
2022	2023	3,946,424	1,974,851	5,921,275	26.09%	1,225,050
2023	2024	3,979,222	2,569,976	6,549,198	10.60%	627,923
2024	2025	4,458,189	2,459,406	6,917,595	5.63%	368,397

Source - City of West Palm Beach Finance Department. Data from statement of revenues, expenditures, and changes in fund balances, governmental funds.

(1) Palm Beach County began utilizing a different Taxable Value with tax roll year 2013 that adjusts for the county-wide

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
HISTORICAL NPCCRA REAL PROPERTY ASSESSED VALUES
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Tax Roll Year Ended December 31	Fiscal Year Ended September 30	Final Gross Taxable Value	Percentage Increase Over Prior Year	Base Year Taxable Value (1)	Incremental Value (2)	Percentage Increase Over Prior Year	Dollar Increase Over Prior Year
2015	2016	\$ 311,740,198	8.71%	\$ 86,933,276	\$ 224,806,922	12.50%	\$ 24,971,730
2016	2017	346,037,449	11.00%	86,933,276	259,104,173	15.26%	34,297,251
2017	2018	370,721,582	7.13%	86,933,276	283,788,306	9.53%	24,684,133
2018	2019	403,823,945	8.93%	86,933,276	316,890,669	11.66%	33,102,363
2019	2020	425,098,757	5.27%	86,933,276	338,165,481	6.71%	21,274,812
2020	2021	439,298,522	3.34%	86,933,276	352,365,246	4.20%	14,199,765
2021	2022	459,851,383	4.68%	86,933,276	372,918,107	5.83%	20,552,861
2022	2023	528,068,084	14.83%	86,933,276	441,134,808	18.29%	68,216,701
2023	2024	598,031,470	13.25%	86,933,276	511,098,194	15.86%	69,963,386
2024	2025	662,232,855	10.74%	86,933,276	575,299,579	12.56%	64,201,385

Source - City of West Palm Beach Finance Department.

(1) The boundaries of the Northwood/Pleasant City Community Redevelopment Area (the "NPCCRA") were expanded in December, 2001 to include the residential neighborhood located in the Pleasant City area. The aggregate assessed value of the taxable real property in the expanded boundary of the NPCCRA as of January 1, 2001, was \$9,731,463. In tax roll year 2001, fiscal year 2002, such amount was added to the assessed value of the taxable property originally located in the NPCCRA to establish a new base year taxable value for use in determining the NPCCRA Tax Increment Revenues to be deposited into the NPCCRA Redevelopment Trust Fund.

(2) Incremental Value equals the Final Gross Taxable Value minus the Base Year Taxable Value.

(3) Represents Final Taxable Value as provided by the Palm Beach County Property Appraiser's Office (the "PAO").

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
HISTORICAL NPCCRA NEW CONSTRUCTION TAXABLE VALUES
FOR THE LAST FIVE FISCAL YEARS
(UNAUDITED)

Tax Roll Year Ended December 31	Fiscal Year Ended September 30	New Construction Taxable Value
2019	2020	\$ (750,276)
2020	2021	347,605
2021	2022	1,432,356
2022	2023	2,510,077
2023	2024	4,084,845
2024	2025	(102,138)

Source - City of West Palm Beach Finance Department.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
HISTORICAL NPCCRA FINANCIAL REPORTS
FOR THE LAST FIVE FISCAL YEARS
(UNAUDITED)

	For the Fiscal Year Ending September 30:				
	2021	2022	2023	2024	2025
Revenues					
Tax Increment					
City of West Palm Beach	\$ 2,828,466	\$ 3,003,043	\$ 3,496,424	\$ 3,979,222	\$ 4,458,189
Intergovernmental	1,649,625	1,693,182	1,974,851	2,569,976	2,459,406
Total Tax Increment	<u>4,478,091</u>	<u>4,696,225</u>	<u>5,471,275</u>	<u>6,549,198</u>	<u>6,917,595</u>
Miscellaneous					
Loan/ Assessment Repayments	19,450	23,694	49,835	59,168	53,589
Investment Earnings (General)	24,365	(125,625)	298,621	463,452	270,450
Other Miscellaneous Revenue	-	-	-	-	-
Total Miscellaneous	<u>43,815</u>	<u>(101,931)</u>	<u>348,456</u>	<u>522,620</u>	<u>324,039</u>
Total Revenues	<u><u>4,521,906</u></u>	<u><u>4,594,294</u></u>	<u><u>5,819,731</u></u>	<u><u>7,071,818</u></u>	<u><u>7,241,634</u></u>
Expenditures					
Debt Service 2005B	673,415	-	-	-	-
Debt Service 2015	1,010,274	1,651,441	1,644,528	1,601,249	1,649,692
2016 PBC Note	233,680	-	-	-	-
2024 Line of Credit	-	-	-	-	200,516
Total Debt	<u>1,917,369</u>	<u>1,651,441</u>	<u>1,644,528</u>	<u>1,601,249</u>	<u>1,850,208</u>
Operations					
City Cost Allocation (1)					
Operating Expense	512,034	563,863	860,109	3,581,411	2,942,400
City Administrative Expense	327,924	619,367	765,768	957,187	1,103,785
Innovative Policing Expense	265,563	653,620	467,709	137,977	-
Capital Outlay	-	1,425,286	1,031,027	415,009	968,747
Total Operations	<u>1,105,521</u>	<u>3,262,136</u>	<u>3,124,613</u>	<u>5,091,585</u>	<u>5,014,932</u>
Total Expenditures	<u><u>3,022,890</u></u>	<u><u>4,913,577</u></u>	<u><u>4,769,142</u></u>	<u><u>6,692,834</u></u>	<u><u>6,865,140</u></u>
Surplus/(Deficit)	<u><u>\$ 1,499,016</u></u>	<u><u>\$ (319,283)</u></u>	<u><u>\$ 1,050,589</u></u>	<u><u>\$ 378,984</u></u>	<u><u>\$ 376,494</u></u>

Source: City of West Palm Beach Finance Department.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
HISTORICAL NPCCRA TAX INCREMENT REVENUES, DEBT SERVICES,
AND DEBT SERVICE COVERAGE
FOR THE LAST FIVE FISCAL YEARS
(UNAUDITED)

Fiscal Year	NPCCRA Tax Increment Revenues	Debt Service on Series 2005B Bonds	Debt Service Coverage on Series 2005B Bonds	Debt Service on Series 2015 Bonds	Debt Service Coverage on Series 2015 Bonds	Maximum Annual Debt Service on Series 2005B and 2015 Bonds	Maximum Annual Debt Service Coverage (2)
2021	\$ 4,478,091	\$ 673,415	6.65	\$ 1,010,274	2.77	\$ 1,654,731	2.71 x
2022	4,696,225	-	-	1,651,441	1.84	1,654,731	2.84 x
2023	5,471,275	-	-	1,644,528	2.33	1,654,731	3.31 x
2024	6,549,198	-	-	1,651,694	2.97	1,654,731	3.96 x
2025	6,917,595	-	-	1,649,444	3.19	1,654,731	4.18 x

(1) Series 2005A bonds were refunded in FY 2015 by the Series 2015 bonds.

(2) Series 2005B and 2015 Bonds

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
HISTORICAL NPCCRA TAX INCREMENT REVENUES AND GROWTH
FOR THE LAST FIVE FISCAL YEARS
(UNAUDITED)

	For the Fiscal Year Ending September 30 (1)				
	2021	2022	2023	2024	2025
Actual Revenue Growth	6.55%	10.80%	32.45%	33.71%	25.74%
Existing Value	\$ 438,950,917	\$ 461,283,739	\$ 530,578,161	\$ 602,116,315	\$ 662,130,717
Taxing Authority:					
City of West Palm Beach					
New Construction	347,605	1,432,356	2,510,077	4,084,845	(102,138)
Taxable Value	439,298,522	462,716,095	533,088,238	606,201,160	662,028,579
Base Year Value	86,933,276	86,933,276	86,933,276	86,933,276	86,933,276
Tax Increment	352,365,246	375,782,819	446,154,962	519,267,884	575,095,303
Millage Rate (City)	8.3465	8.3465	8.1965	8.1308	8.1308
Gross Incremental Revenue	2,941,017	3,136,471	3,723,832	4,334,069	4,800,033
Statutory Reduction	0.95%	0.95%	0.95%	0.95%	0.95%
Incremental Revenue	2,793,966	2,979,648	3,537,641	4,117,366	4,560,031
Palm Beach County					
Millage Rate (County)	4.7815	4.7815	4.7150	4.5000	4.5000
Gross Incremental Revenue	1,684,834	1,796,806	2,133,290	2,482,879	2,749,818
Statutory Reduction	0.95%	0.95%	0.95%	0.95%	0.95%
Incremental Revenue	1,600,593	1,706,965	2,026,625	2,358,735	2,612,327
Total Revenue	\$ 4,394,558	\$ 4,686,613	\$ 5,564,266	\$ 6,476,101	\$ 7,172,359

(1) Table represents calculated tax increment revenues based on reported taxable values. Actual collections may vary.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
NPCCRA PRINCIPAL TAXPAYERS
TAX ROLL YEAR 2024/FISCAL YEAR 2025
(UNAUDITED)

<u>Taxpayer</u>	<u>Use of Property</u>	<u>Taxable Value (1)</u>	<u>Percentage of Fiscal Prior Year Gross Taxable Value</u>
1515 Flagler Property LP	Office Multistory	\$ 41,261,000	6.23%
Park PB LLC	Multifamily	19,622,396	2.96%
920 N Stanley Partners LLC	Vacant Commercial	19,044,275	2.88%
2104 Cahuenga Partmers LP	Vacant Commercial	11,109,160	1.68%
Mountain West Palm Real State INC	Warehouse/Distribution	11,096,956	1.68%
U & ME Transfer INC	Vacant Commercial	10,887,126	1.64%
1100 25th St West Palm Beach LLC	Warehouse/Distribution	10,208,993	1.54%
La Boheme Properties Inc	Light Manufacturing	7,827,813	1.18%
1919 N Flager Drive Associates LLC	Office Multistory	6,206,295	0.94%
Silc R W	Warehouse/Distribution	4,174,988	0.63%
Total			21.36%

Source - City of West Palm Beach Finance Department and the Palm Beach County Property Appraiser's Office (the "PAO").

(1) Represents Final Taxable Value as provided by the Palm Beach County Property Appraiser's Office (the "PAO").

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
NPCCRA PRINCIPAL DEVELOPMENTS
TAX ROLL YEAR 2024/FISCAL YEAR 2025
(UNAUDITED)

<u>Development</u>	<u>Use of Property</u>	<u>Taxable Value (1),(2)</u>	<u>Percentage of Fiscal Prior Year Gross Taxable Value</u>
Flagler Point Condominium	Condominium	\$ 85,918,810	12.97%
Northwood Add in PB 8 PGS 47 & 62, PB 9	Store/Office/Residential	68,309,536	10.32%
The Slade Condominium	Condominium	63,604,049	9.60%
Bethesda Park	Store/Office/Residential	60,939,403	9.20%
1515 Flagler Property LP	Office Building	47,540,047	7.18%
Northwood Add 7 In	Warehouse/Distribution	35,260,333	5.32%
Westfield WPB No 1 Pepl of TR C in	Warehouse/Distribution	25,907,219	3.91%
Portofino Condominium	Condominium	25,290,465	3.82%
Australian Park in PB 28 PGS 4 To 6 INC	Warehouse/Distribution	24,013,135	3.63%
Parkland Replat	Multifamily	19,622,396	2.96%
Total			68.92%

Source - City of West Palm Beach Finance Department and the Palm Beach County Property Appraiser's Office (the

(1) Taxable value represents the value for the entire development and not the taxable value attributable to any individual taxpayer

(2) Represents Final Taxable Value as provided by the Palm Beach County Property Appraiser's Office (the "PAO").

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
NPCCRA HISTORICAL MILLAGE RATES
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Tax Roll Year Ended December 31	Fiscal Year Ended September 30	City of West Palm Beach	Palm Beach County
2015	2016	8.3465	4.7815
2016	2017	8.3465	4.7815
2017	2018	8.3465	4.7815
2018	2019	8.3465	4.7815
2019	2020	8.3465	4.7815
2020	2021	8.3465	4.7815
2021	2022	8.3465	4.7815
2022	2023	8.1965	4.7150
2023	2024	8.1308	4.5000
2024	2025	8.1308	4.5000

Source - City of West Palm Beach Finance Department.



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Tax Increment

REVENUE BONDS
(CCCRA) (Unaudited)



CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
HISTORICAL CCCRA TAX INCREMENT REVENUES
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Tax Roll Year Ended December 31	Fiscal Year Ended September 30		City of West Palm Beach		Palm Beach County		Downtown Development Authority		Total	Percentage Increase Over Prior Year
2015	2016	\$	15,769,313	\$	8,789,582	\$	1,265,184	\$	25,824,079	14.80%
2016	2017		17,966,711		9,921,556		1,460,523		29,348,790	13.65%
2017	2018		19,441,992		11,001,076		1,660,331		32,103,399	9.39%
2018	2019		20,993,469		11,871,100		1,806,897		34,671,466	8.00%
2019	2020		23,265,472		13,118,230		2,045,520		38,429,222	10.84%
2020	2021		23,703,382		13,419,019		2,103,786		39,226,187	2.07%
2021	2022		25,619,702		14,504,504		2,278,400		42,402,606	8.10%
2022	2023		30,657,252		17,313,536		2,854,403		50,825,191	19.86%
2023	2024		34,891,998		19,112,126		3,207,458		57,211,582	12.57%
2023	2024		38,883,643		21,339,421		3,542,924		63,765,987	11.46%

Source - City of West Palm Beach Finance Department.

(1) Palm Beach County began utilizing a different Taxable Value with tax roll year 2012 that adjusts for the county-wide senior, historic and/or economic exemptions.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
HISTORICAL CCCRA TAX INCREMENT REVENUES, DEBT SERVICES,
AND DEBT SERVICE COVERAGE
FOR THE LAST FIVE FISCAL YEARS
(UNAUDITED)

<u>Fiscal Year</u>	<u>CCCRA Tax Increment Revenues</u>	<u>Debt Service on Series 2006A Bonds</u>	<u>Debt Service Coverage on Series 2006A Bonds</u>	<u>Debt Service on Series 2010A Refunding Bonds</u>	<u>Debt Service Coverage on Series 2010A Refunding Bonds</u>	<u>Debt Service on Series 2015 Refunding Bonds</u>	<u>Debt Service Coverage on Series 2015 Refunding Bonds</u>	<u>Debt Service on Series 2019 Bonds</u>	<u>Debt Service Coverage on Series 2019 Bonds</u>	<u>Maximum Annual Debt Service on Series 2006A, 2010A, 2015 and 2019 Bonds (1)</u>	<u>Maximum Annual Debt Service Coverage</u>
2021	\$ 39,300,873	\$ 223	\$ 176,237.10	\$ 1,122,615	35.01	\$ 4,115,525	9.28	\$ 6,202,000	5.49	\$ 15,557,761	2.53 x
2022	42,402,606	223	190,573.51	-	-	4,113,150	10.31	7,328,875	5.22	15,567,761	2.72 x
2023	50,825,191	223	228,427.82	-	-	4,119,150	12.34	7,321,000	6.38	15,559,374	3.27 x
2024	57,211,582	223	257,130.71	-	-	4,113,275	13.91	7,330,250	7.24	15,559,374	3.68 x
2025	63,765,987	223	286,588.71	-	-	4,115,275	15.49	7,326,125	8.14	15,567,686	4.10 x

(1) Prior to 2017, the maximum annual debt service represented the total annual debt service of outstanding CRA bonds. This was corrected in 2017 to represent the greatest debt service requirement in the then current or any succeeding fiscal years for each of the outstanding CRA series bonds.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
HISTORICAL CCCRA REAL PROPERTY ASSESSED VALUES
CITY OF WEST PALM BEACH AND PALM BEACH COUNTY
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Tax Roll Year Ended December 31	Fiscal Year Ended September 30	A Final Gross Taxable Value(2)	Percentage Increase Over Prior Year	B Base Year Taxable Value	=A-B Incremental Value (1)	Percentage Increase Over Prior Year
2015 (2)	2016 (2)	\$ 2,191,637,208	11.26%	\$ 251,511,950	\$ 1,940,125,258	12.91%
2016 (2)	2017 (2)	2,439,488,349	11.31%	251,511,950	2,187,976,399	12.78%
2017 (2)	2018 (2)	2,675,134,453	9.66%	251,511,950	2,423,622,503	10.77%
2018 (2)	2019 (2)	2,863,165,768	7.03%	251,511,950	2,611,653,818	7.76%
2019 (2)	2020 (2)	3,132,127,764	9.39%	251,511,950	2,880,615,814	10.30%
2020 (2)	2021 (2)	3,206,183,447	2.36%	251,511,950	2,954,671,497	2.57%
2021 (2)	2022 (2)	3,445,400,563	7.46%	251,511,950	3,193,888,613	8.10%
2022 (2)	2023 (2)	4,117,651,627	19.51%	251,511,950	3,866,139,677	21.05%
2023 (2)	2024 (2)	4,722,184,709	14.68%	251,511,950	4,470,672,759	15.64%
2024 (2)	2025 (2)	5,243,189,391	11.03%	251,511,950	4,991,677,441	11.65%

Source - City of West Palm Beach Finance Department.

(1) Incremental Value equals the Final Gross Taxable Value minus the Base Year Taxable Value.

(2) Represents Final Taxable Value (prior to value adjustment and board reviews) as provided by the Palm Beach County Property Appraiser's Office.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
HISTORICAL CCCRA REAL PROPERTY ASSESSED VALUES
DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Tax Roll Year Ended December 31	Fiscal Year Ended September 30	Final Gross Taxable Value	Percentage Increase Over Prior Year	Base Year Taxable Value	Incremental Value (1)	Percentage Increase Over Prior Year
2015 (2)	2016 (2)	\$ 1,511,956,059	11.66%	\$ 191,563,585	\$ 1,320,392,474	13.58%
2016 (2)	2017 (2)	1,723,267,764	13.98%	191,563,585	1,531,704,179	16.00%
2017 (2)	2018 (2)	1,933,403,651	12.19%	191,563,585	1,741,840,066	13.72%
2018 (2)	2019 (2)	2,092,791,478	8.24%	191,563,585	1,901,227,893	9.15%
2019 (2)	2020 (2)	2,335,976,790	11.62%	191,563,585	2,144,413,205	12.79%
2020 (2)	2021 (2)	2,402,716,311	2.86%	191,563,585	2,211,152,726	3.11%
2021 (2)	2022 (2)	2,586,831,215	7.66%	191,563,585	2,395,267,630	8.33%
2022 (2)	2023 (2)	3,150,530,569	21.79%	191,563,585	2,958,966,984	23.53%
2023 (2)	2024 (2)	3,613,189,397	14.69%	191,563,585	3,421,625,812	15.64%
2024 (2)	2025 (2)	4,008,471,025	10.94%	191,563,585	3,816,907,440	11.55%

Source - City of West Palm Beach Finance Department.

(1) Incremental Value equals the Final Gross Taxable Value minus the Base Year Taxable Value.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
CITY OF WEST PALM BEACH HISTORICAL NEW CONSTRUCTION TAXABLE VALUES
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Tax Roll Year Ended <u>December 31</u>	Fiscal Year Ended <u>September 30</u>	New Construction Taxable Value (1)
2015	2016	\$ 268,718,261
2016	2017	187,932,124
2017	2018	89,461,081
2018	2019	140,119,568
2019	2020	250,745,777
2020	2021	482,201,975
2021	2022	102,601,998
2022	2023	151,740,668
2023	2024	63,036,953
2024	2025	680,938,798

Source - Palm Beach County, Florida Property Appraiser's Office.

(1) Represents taxable values of new construction after such construction has been completed and added to the assessment rolls by the Palm Beach County Property Appraiser's Office. Decreases in taxable values following Fiscal Year 2010 are the result of the completion of large construction projects, their addition to the assessment rolls by Fiscal Year 2010 and the absence of such projects for several years resulting from the economic downturn.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
HISTORICAL CCCRA NEW CONSTRUCTION TAXABLE VALUES
FOR THE LAST FIVE FISCAL YEARS
(UNAUDITED)

<u>Tax Roll Year Ended December 31</u>	<u>Fiscal Year Ended September 30</u>	<u>New Construction Taxable Value</u>
2019	2020	\$ 135,911,823
2020	2021	6,413,641
2021	2022	125,487,144
2022	2023	152,425,267
2023	2024	63,467,870
2024	2025	152,776,906

Source - City of West Palm Beach Finance Department.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
CCCRA PRINCIPAL TAXPAYERS
TAX ROLL YEAR 2024/FISCAL YEAR 2025
(UNAUDITED)

<u>Taxpayer</u>	<u>Use of Property</u>	<u>Taxable Value (1)</u>	<u>Percentage of Fiscal Prior Year Gross Taxable Value</u>
777 South Flagler Associates LLC	Office Multistory	\$ 243,156,168	4.64%
CityPlace North II LLC	Office Multistory	207,045,061	3.95%
525 Okeechobee LLC	Office Multistory	146,620,746	2.80%
222 Lakeview LLC	Office Multistory	126,131,522	2.41%
Reep MF Park Line FL LLC	Multifamily	119,065,539	2.27%
Trea Sole At City Center	Multifamily	104,290,898	1.99%
Avalon Alexander LLC	Multifamily	97,943,658	1.87%
Northbridge Property Owner LLC	Office Multistory	95,381,397	1.82%
West Palm Beach FCH Apartments LLC	Multifamily	86,242,206	1.64%
Flagler Center Prop	Office Multistory	78,436,964	1.50%
TOTAL			24.88%

Source - City of West Palm Beach Finance Department and the Palm Beach County Property Appraiser's Office

(1) Represents Final Taxable Value as provided by the Palm Beach County Property Appraiser's Office

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
CCRA PRINCIPAL DEVELOPMENTS
TAX ROLL YEAR 2024/FISCAL YEAR 2025
(UNAUDITED)

<u>Development</u>	<u>Use of Property</u>	<u>Taxable Value (1),(2)</u>	<u>Percentage of Fiscal Prior Year Gross Taxable Value</u>
Two City Plaza Condominium	Condominium	\$ 274,489,486	5.24%
Plaza Of The Palm Beaches	Condominium	258,829,356	4.94%
Cityplace PL 1	Shopping Center Regional	238,189,473	4.54%
Phillips Point RESUB BLKS A & B	Office Multistory	235,375,424	4.49%
One Watermark Place of the Palm Beaches	Condominium	216,856,006	4.14%
Phillips Point Add to WPB	Office Multistory	210,786,807	4.02%
360 Rosmary	Office Multistory	207,045,061	3.95%
Waterview Towers Condomium	Condominium	202,306,797	3.86%
CityPlace South Tower Condo	Condominium	181,824,140	3.47%
2nd Street Plat	Multifamily	154,226,234	2.94%
TOTAL			<u>41.58%</u>

Source - City of West Palm Beach Finance Department and the Palm Beach County Property Appraiser's Office.

(1) Taxable value represents the value for the entire development and not the taxable value attributable to any individual taxpayer (e.g. taxable for condominiums is for the entire complex, not any individual condominium owner or group of owners).

(2) Represents Final Taxable Value as provided by the Palm Beach County Property Appraiser's Office.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: PRINCIPAL EMPLOYERS IN PALM BEACH COUNTY
CURRENT AND NINE YEARS PRIOR
SEPTEMBER 30, 2025
(UNAUDITED)

	2025			2016		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
School District of Palm Beach County	22,801	1	2.90%	21,656	1	3.13%
Baptist Health	6,773	2	0.86%	-	-	-
Florida Atlantic University	6,335	3	0.81%	2,529	7	0.37%
NextEra Energy, Inc./Florida Power & Light Company	6,139	4	0.78%	4,005	4	0.58%
Palm Beach County Government	6,130	5	0.78%	5,507	2	0.80%
Tenet Coastal Division Palm Beach County	5,734	6	0.73%	-	-	-
Veterans Health Administration	2,948	7	0.37%	2,700	6	0.39%
HCA Healthcare	2,850	8	0.36%	-	-	-
Jupiter Medical Center	2,495	9	0.32%	2,195	9	0.32%
The Breakers	2,400	10	0.31%	-	-	-
Tenet Healthcare Corp (2)	-	-	-	4,595	3	0.66%
HCA Palm Beach Hospitals	-	-	-	3,476	5	0.50%
Boca Raton Regional Hospital	-	-	-	2,500	8	0.36%
Bethesda Memorial Hospital	-	-	-	2,150	10	0.31%
Total	64,605		8.22%	51,313		7.42%

Source: Business Development Board of Palm Beach County.

* Updated data unavailable as of CAFR publication date.

** Uses data available as of 01/2020.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
CCCRA HISTORICAL MILLAGE RATES - UNAUDITED
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Tax Roll Year Ended December 31	Fiscal Year Ended September 30	City of West Palm Beach	Palm Beach County	Downtown Development Authority (1)
2015	2016	8.3465	4.7815	1.0000
2016	2017	8.3465	4.7815	1.0000
2017	2018	8.3465	4.7815	1.0000
2018	2019	8.3465	4.7815	1.0000
2019	2020	8.3465	4.7815	1.0000
2020	2021	8.3465	4.7815	1.0000
2021	2022	8.3465	4.7815	1.0000
2022	2023	8.1965	4.7150	0.9800
2023	2024	8.1308	4.5000	0.9700
2024	2025	8.1308	4.5000	0.9700

Source - City of West Palm Beach Finance Department.

(1) Pursuant to Interlocal Agreement, revenue derived from the second mill of the DDA tax levy has been exempted from inclusion into the CCCRA Redevelopment Trust Fund, as such revenue is to be used by the DDA to provide trolley service and marketing programs to retain and attract business in the CCCRA or for any other purpose that supports the CCCRA Redevelopment Plan.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
CCCRA TAX INCREMENT REVENUES
DEBT SERVICE ON BONDS AND DEBT SERVICE COVERAGE (INCLUDING COVERAGE REVENUES AS CCCRA TAX INCREMENT REVENUES)
FOR THE LAST FIVE FISCAL YEARS
(UNAUDITED)

Fiscal Year	Total Tax Increment Revenues (1)	Prior Senior Obligations (Not Including Coverage Revenues)	CCCRA Tax Increment Revenues (Net of Prior Senior Obligations)	Debt Service on Senior Bonds	Debt Service Coverage on Senior Bonds	Debt Service on Subordinate Bonds	Debt Service Coverage on Senior Bonds and Subordinate Bonds	Maximum Annual Debt Service on Senior Bonds and Subordinate Bonds	Maximum Annual Debt Service Coverage on Senior Bonds and Subordinate Bonds
2021	\$ 39,300,873	\$ 4,674,622	\$ 34,626,251	\$ 10,317,748	3.36 x	\$ 1,122,435	3.03 x	\$ 15,557,761	2.23 x
2022	42,329,317	4,737,965	37,727,984	11,442,248	3.29 x	-	3.29 x	15,567,761	2.42 x
2023	50,825,191	5,212,968	45,612,223	11,440,373	3.99 x	-	3.99 x	15,559,374	2.93 x
2024	57,211,582	5,655,833	51,555,749	11,443,748	4.51 x	-	4.51 x	15,559,374	3.31 x
2025	63,765,987	5,915,491	57,850,496	11,441,623	5.06 x	-	5.06 x	15,567,686	3.72 x

(1) This does not include miscellaneous revenues as included in the debt coverage on the income statement.

CITY OF WEST PALM BEACH, FLORIDA

CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS

CCCRA TAX INCREMENT REVENUES

DEBT SERVICE ON BONDS AND DEBT SERVICE COVERAGE (ASSUMING THE COVERAGE REVENUES WERE NOT AVAILABLE)

FOR THE LAST FIVE FISCAL YEARS

(UNAUDITED)

Fiscal Year	Total Tax Increment Revenues (1)	Prior Senior Obligations (Including Coverage Revenues)	CCCRA Tax Increment Revenues (Net of Prior Senior Obligations)	Debt Service on Senior Bonds	Debt Service Coverage on Senior Bonds	Debt Service on Subordinate Bonds	Debt Service Coverage on Senior Bonds and Subordinate Bonds	Maximum Annual Debt Service on Senior Bonds and Subordinate Bonds	Maximum Annual Debt Service Coverage on Senior Bonds and Subordinate Bonds
2021	\$ 39,300,873	\$ 7,816,753	\$ 31,484,120	\$ 10,317,748	3.05 x	\$ 1,122,435	2.75 x	\$ 15,557,761	2.02 x
2022	42,329,317	7,877,457	34,451,860	11,442,248	3.01 x	-	3.01 x	15,567,761	2.21 x
2023	50,825,191	8,450,930	42,374,261	11,440,373	3.70 x	-	3.70 x	15,559,374	2.72 x
2024	57,211,582	9,025,584	48,185,998	11,443,748	4.21 x	-	4.21 x	15,559,374	3.10 x
2025	63,765,987	9,351,168	54,414,819	11,441,623	4.76 x	-	4.76 x	15,567,686	3.50 x

(1) This does not include miscellaneous revenues as included in the debt coverage on the income statement.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
CCCRA TAX INCREMENT REVENUES
TAX INCREMENT REVENUES AND GROWTH
FOR THE LAST FIVE FISCAL YEARS
(UNAUDITED)

	For the Fiscal Year Ending September 30:				
	2021	2022	2023	2024	2025
Increase (Decrease) in Existing Value					
Existing Value	\$ 3,199,769,806	\$ 3,319,913,419	\$ 3,965,226,360	\$ 4,658,716,839	\$ 5,090,412,485
New construction	<u>6,413,641</u>	<u>125,487,144</u>	<u>152,425,267</u>	<u>63,467,870</u>	<u>152,776,906</u>
Final Gross Taxable Value	3,206,183,447	3,445,400,563	4,117,651,627	4,722,184,709	5,243,189,391
Base Year Taxable Value	<u>(251,511,950)</u>	<u>(251,511,950)</u>	<u>(251,511,950)</u>	<u>(251,511,950)</u>	<u>(251,511,950)</u>
Incremental Taxable Value	2,954,671,497	3,193,888,613	3,866,139,677	4,470,672,759	4,991,677,441
City of West Palm Beach					
Millage Rate (City)	8.3465	8.3465	8.1965	8.1308	8.1308
Gross Incremental Revenue	24,661,166	26,657,791	31,688,814	36,350,146	40,586,331
Adjustment (1)	368,379	392,305	581,978	378,273	343,819
Statutory Reduction (5%)	<u>(1,251,477)</u>	<u>(1,352,505)</u>	<u>(1,613,540)</u>	<u>(1,836,421)</u>	<u>(2,046,508)</u>
City Tax Incremental Revenue	23,778,068	25,697,591	30,657,252	34,891,998	38,883,643
Palm Beach County					
Millage Rate (County)	4.7815	4.7815	4.7150	4.5000	4.5000
Gross Incremental Revenue	14,127,762	15,271,578	18,228,849	20,118,027	22,462,548
Adjustment (1)	(2,479)	(3,679)	(4,074)	(0)	(0)
Statutory Reduction (5%)	<u>(706,264)</u>	<u>(763,395)</u>	<u>(911,239)</u>	<u>(1,005,901)</u>	<u>(1,123,127)</u>
County Tax Incremental Revenue	13,419,019	14,504,504	17,313,536	19,112,126	21,339,421
Downtown Redevelopment Authority					
Final Gross Taxable Value	2,402,716,311	2,586,831,215	3,150,530,569	3,613,189,397	4,008,471,025
Base Year Taxable Value	<u>(191,563,585)</u>	<u>(191,563,585)</u>	<u>(191,563,585)</u>	<u>(191,563,585)</u>	<u>(191,563,585)</u>
Incremental Taxable Value	2,211,152,726	2,395,267,630	2,958,966,984	3,421,625,812	3,816,907,440
Millage Rate (DDA)	1.0000	1.0000	0.9800	0.9700	0.9700
Gross Incremental Revenue	2,211,153	2,395,268	2,899,788	3,318,977	3,702,400
Adjustment (1)	3,359	3,048	104,847	57,295	26,993
Statutory Reduction (5%)	<u>(110,726)</u>	<u>(119,916)</u>	<u>(150,232)</u>	<u>(168,814)</u>	<u>(186,470)</u>
DDA Tax Incremental Revenue	\$ <u>2,103,786</u>	\$ <u>2,278,400</u>	\$ <u>2,854,403</u>	\$ <u>3,207,458</u>	\$ <u>3,542,924</u>

(1) Palm Beach County began utilizing a different Taxable Value with tax roll year 2012 that adjusts for the county-wide senior, historic and/or economic exemptions.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: TAX INCREMENT REVENUE BONDS
CCCRA STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE LAST FIVE FISCAL YEARS ENDED SEPTEMBER 30, 2025
(UNAUDITED)

	2021	2022	2023	2024	2025
Revenues					
Tax Increment					
City of West Palm Beach	\$ 23,745,658	\$ 25,671,413	\$ 30,657,252	\$ 34,891,998	\$ 38,883,643
Palm Beach County	13,419,019	14,379,504	17,313,536	19,112,126	21,339,421
Downtown Development Authority	2,103,786	2,278,400	2,854,403	3,207,458	3,542,924
Total Tax Increment Revenues	39,268,463	42,329,317	50,825,191	57,211,582	63,765,987
Other intergovernmental revenue	-	-	125,000	125,000	-
Other Revenues					
Rents and Royalties	302,516	268,305	424,294	255,949	208,608
Charges for Services	1,329,354	1,252,992	75,684	383,353	75,684
Investment Earnings (Loss -General)	246,227	(483,410)	3,340,706	5,331,632	4,239,572
Miscellaneous Revenues (1)	6,256,668	7,332,520	7,529,581	8,865,730	7,366,554
Proceeds From Sale of Capital Assets	-	-	316,898	326,736	344,889
Total Other Revenues	8,134,765	8,370,407	11,687,163	15,163,400	12,235,307
Total CCCRA Revenues	\$ 47,403,228	\$ 50,699,724	\$ 62,637,354	\$ 72,499,982	\$ 76,001,295
Expenditure					
Prior Senior Obligations					
CDD Bonds	4,494,622	4,557,965	5,032,968	5,475,833	5,735,491
Renaissance Increment Revenues	180,000	180,000	180,000	180,000	180,000
Total Prior Senior Obligations	4,674,622	4,737,965	5,212,968	5,655,833	5,915,491
Obligations Under Original Resolution					
Senior Bonds (2)	10,317,748	11,442,248	11,440,373	11,443,748	11,441,623
Subordinate Bonds (2)	1,122,435	-	-	-	-
Total original Resolution Obligations	11,440,183	11,442,248	11,440,373	11,443,748	11,441,623
Senior Bonds Debt Service Coverage	4.14	4.02	5.02	5.84	6.13
Total Debt Service Coverage	3.73	4.02	5.02	5.84	6.13
Subordinate Obligations					
City Advances and Loans (3)	6,203,500	7,317,500	7,381,250	8,817,500	7,366,500
DDA Interlocal Agreement	4,389,557	4,738,780	5,765,076	6,524,118	7,211,201
Total Subordinate Obligations	10,593,057	12,056,280	13,146,326	15,341,618	14,577,701
Operations					
City Cost Allocation					
City Administrative Expense	5,303,178	6,503,000	6,459,479	6,947,560	9,907,687
Trolley Program	272,287	-	946,619	135,159	83,573
DDA Project Funding	385,000	-	-	-	-
Streetscape	58,539	-	-	1,100,000	561,176
Waterfront Projects	1,918,131	1,225,840	1,300,000	1,100,000	1,300,000
Redevelopment Projects	-	-	-	-	1,108,144
Redevelopment Incentive Grants	9,640,990	400,106	4,846,446	2,911,895	8,044,151
Other Operating Costs	5,456,416	4,256,057	4,450,592	6,282,955	735,554
Capital Outlay	18,373,593	15,708,432	9,390,992	7,598,383	21,890,166
Total Operations	41,408,134	28,093,435	27,394,128	26,075,952	43,630,451
Total Expenditures	68,115,996	56,329,928	57,193,795	58,517,151	75,565,266
Net Change in Fund Balances	(20,712,768)	(5,630,204)	5,443,559	14,071,815	(6,930,471)
Fund Balances - Beginning	90,670,881	69,958,113	64,327,909	75,617,258	84,129,300
Fund Balances - Ending	\$ 69,958,113	\$ 64,327,909	\$ 69,771,468	\$ 84,129,300	\$ 77,198,829

(1) Includes transfers-in and interfund income

(2) Includes transfers-in and other debt service costs in addition to principal and interest

(3) Includes transfers-out and advance payments



Photo by CWPB

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General Obligation

BONDS (Unaudited)



CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: GENERAL OBLIGATION BONDS
TAXABLE VALUES AND GROSS ASSESSED VALUE OF PROPERTY
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Tax Roll Year	Fiscal Year Ended September 30	Taxable Value for Operating Millage (1)				Exemptions & Adjustments (2)	Gross Assessed Values
		Real Property	Personal Property	Centrally Assessed	Total Property		
2015	2016	\$ 9,293,035,997	\$ 665,054,642	\$ 13,848,568	\$ 9,971,939,207	\$ 2,807,722,858	\$ 12,779,662,065
2016	2017	10,308,824,564	679,378,289	15,081,124	11,003,283,977	2,991,957,270	13,995,241,247
2017	2018	11,225,820,242	625,611,004	15,641,741	11,867,072,987	3,217,115,879	15,084,188,866
2018	2019	12,000,259,772	668,264,350	16,147,650	12,684,671,772	3,469,576,881	16,154,248,653
2019	2020	12,889,581,491	646,713,362	61,106,484	13,597,401,337	3,570,322,530	17,167,723,867
2020	2021	13,911,087,971	682,409,012	42,258,225	14,635,755,208	3,757,941,388	18,393,696,596
2021	2022	14,815,469,219	715,855,546	42,062,761	15,573,387,526	3,822,557,980	19,395,945,506
2022	2023	17,517,507,405	780,162,433	42,831,202	18,340,501,040	4,208,165,459	22,548,666,499
2023	2024	20,150,897,076	940,260,989	32,718,666	21,123,873,731	4,515,949,749	25,639,823,480
2024	2025	22,322,742,249	977,866,490	58,603,062	23,359,211,801	4,778,510,713	28,137,722,514

Source - Palm Beach County Property Appraiser's Office

(1) Assessed values are established by the Palm Beach County Property Appraiser's Office as of January 1 each year. State law requires that assessed values be established at 100% of estimated actual value.

(2) Exemptions provided by State law include exemptions for homestead, government, institutions and for certain individuals who qualify as widows, disabled persons or senior citizens. Adjustments provided by State law include certain lands used for agriculture, high-water recharge, pollution control devices and certain historically significant properties.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: GENERAL OBLIGATION BONDS
PROPERTY TAX LEVIES AND COLLECTIONS
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended September 30	Total Property Tax Levy	Current Gross Property Tax Collections	Percent of Levy Collected	Delinquent Property Tax Collections	Total Property Tax Collections	Total Collections as Percent of Current Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percent of Current Levy
2016	\$ 87,199,972	\$ 81,639,326	93.6%	\$ 1,250,931	\$ 82,890,258	95.1%	\$ 5,560,645	6.4%
2017	94,758,234	89,918,038	94.9%	474,276	90,392,314	95.4%	4,840,196	5.1%
2018	103,719,989	97,007,660	93.5%	37,005	97,044,665	93.6%	6,712,329	6.5%
2019	107,652,806	103,273,195	95.9%	216,999	103,622,352	96.3%	1,435,107	1.3%
2020	115,462,746	110,881,873	96.0%	188,157	111,070,030	96.2%	5,465,047	4.7%
2021	124,457,845	119,315,512	95.9%	251,992	119,567,504	96.1%	4,890,341	3.9%
2022	130,142,032	126,070,274	96.9%	290,148	126,325,665	97.1%	3,816,367	2.9%
2023	150,003,881	146,167,164	97.4%	339,560	146,506,724	97.7%	3,497,157	2.3%
2024	171,753,992	166,413,995	96.9%	198,073	166,612,068	97.0%	5,141,924	3.0%
2025	189,423,719	184,227,487	97.3%	474,486	184,701,973	97.5%	4,721,746	2.5%

Source - City of West Palm Beach Finance Department and the Palm Beach County Tax Collector's Office.

(1) Data from General fund only.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: GENERAL OBLIGATION BONDS
PRINCIPAL TAXPAYERS
TAX ROLL YEAR 2024/FISCAL YEAR 2025
(UNAUDITED)

Taxpayer	Assessed Value (1)	Percentage of Total Assessed Valuation
777 South Flager Associates LLC	\$ 243,156,168 1	0.86%
CityPlace North II LLC	207,045,061 2	0.74%
Palm Beach Outlets I LLC	185,000,000 3	0.66%
525 Okeechobee LLC	146,620,746 4	0.52%
222 Lakeview LLC	126,131,522 5	0.45%
Aaron Drive Holdings LLC	125,547,347 6	0.45%
Reep MF Park Line FL LLC	119,065,539 7	0.42%
Trea Sole at City Center	104,290,898 9	0.37%
SREIT Palm Beach Lakes Blvd LLC	95,600,000 8	0.34%
Portofino Place Owner I LLC	95,598,440 10	0.34%
		5.15%

(1) Source - Palm Beach County Tax Collector.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: GENERAL OBLIGATION BONDS
PROPERTY TAX RATES-DIRECT AND OVERLAPPING GOVERNMENTS
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Tax Roll Year	Fiscal Year Ended September 30	City of West Palm Beach			Children's Services DDA	Florida Inland Navigation District (2)	Palm Beach County	Palm Beach County School Board	South Florida Water Management District	Everglades Construction	Health Care District	Total (1)	
		General Operations	Debt Service	Total									
2015	2016	8.3465	0.163	8.5095	1.0000	0.6677	0.0320	4.9277	7.5120	0.1459	0.0506	1.0426	23.8880
2016	2017	8.3465	0.1481	8.4946	1.0000	0.6833	0.0320	4.9142	7.0700	0.1359	0.0471	0.8993	23.2764
2017	2018	8.3465	0.1481	8.4946	1.0000	0.6590	0.0320	4.9023	6.7690	0.1275	0.0441	0.7808	22.8093
2018	2019	8.3465	0.1283	8.4748	1.0000	0.6403	0.0320	4.8980	6.5720	0.1209	0.0417	0.7261	22.5058
2019	2020	8.3465	0.1202	8.4667	1.0000	0.6497	0.0320	4.8580	7.1640	0.1152	0.0397	0.7261	23.0514
2020	2021	8.3465	0.1261	8.4726	1.0000	0.6497	0.0320	4.8124	7.0100	0.1103	0.0380	0.7261	22.8511
2021	2022	8.3465	0.0718	8.4183	1.0000	0.6233	0.0320	4.8149	6.8750	0.1152	0.0365	0.7261	22.6413
2022	2023	8.1965	0.0812	8.2777	0.9800	0.5508	0.0320	4.7439	6.5190	0.1974	0.0327	0.7261	22.0596
2023	2024	8.1308	0.0698	8.2006	0.9700	0.4908	0.0288	4.5000	6.4570	0.1974	0.0327	0.6761	21.5534
2024	2025	8.1308	0.0396	8.1704	0.9700	0.4908	0.0288	4.5000	6.3140	0.0948	0.027	0.6561	21.2249

Source - City of West Palm Beach Finance Department and the Palm Beach County Tax Collector's Office.

(1) All millage rates are based on \$1.00 for every \$1,000.00 of assessed value. Millages included here are only for those that are assessed city-wide, with the exception being the DDA.

(2) Pursuant to a voter-approved special millage levy beginning in calendar year 1987.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: GENERAL OBLIGATION BONDS
RATIO OF NET GENERAL BONDED DEBT AND NOTES PAYABLE
TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended September 30	Population (1)	Gross Assessed Value	Outstanding Gross Bonded Debt	Notes Payable	Revenue Bonds	Installment Purchases (2)	Less Amount Available in the General Debt Service Funds	Net Debt	Ratio of Net Debt to Assessed Value	Net Debt Per Capita
2016	106,779	\$ 12,779,662,065	\$ 5,725,000	\$ 22,667,820	\$ 215,596,625	\$ 12,673,165	\$ (2,109,697)	\$ 254,552,913	1.99%	2,384
2017	110,396	13,995,241,247	4,385,000	21,111,355	211,371,552	17,377,828	(193,858)	254,051,877	1.82%	2,301
2018	112,906	15,084,188,866	2,985,000	19,151,992	205,339,036	19,991,923	(344,057)	247,123,894	1.64%	2,189
2019	115,176	16,154,248,653	1,525,000	30,537,245	266,105,540	15,386,964	(7,368,942)	306,185,807	1.90%	2,658
2020	116,781	17,440,651,640	26,465,000	26,817,945	258,437,528	13,016,991	(7,787,108)	316,950,356	1.82%	2,714
2021	119,255	18,393,696,596	23,675,000	21,970,655	249,955,000	8,986,038	(7,687,873)	296,898,820	1.61%	2,490
2022	119,971	19,395,945,506	23,265,000	17,749,202	262,860,000	6,327,769	(7,553,947)	302,648,024	1.56%	2,523
2023	122,157	22,548,666,499	22,835,000	48,296,444	217,825,000	3,546,787	(8,212,848)	284,290,383	1.27%	2,327
2024	125,401	25,639,823,480	21,915,000	46,260,000	206,090,000	2,599,337	(8,459,146)	269,474,909	1.05%	2,149
2025	125,401	28,137,722,514	21,420,000	45,315,000	193,845,000	1,634,828	(9,479,906)	253,804,640	0.90%	2,024

Source - City of West Palm Beach Finance Department and the Palm Beach County Property Appraiser's Office.

- (1) Population figures for 2009-2013 and 2018-2020 are as per Bureau of Economic and Business Research, University of Florida. Population figures for 2014-2017 are as of US Census Bureau.
- (2) Balances presented in previous years were disclosed as capital leases

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: GENERAL OBLIGATION BONDS
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
SEPTEMBER 30, 2025
(UNAUDITED)

	<u>Governmental Debt Outstanding</u>	<u>Percentage Applicable to City of West Palm Beach</u>	<u>Amount Applicable to City of West Palm Beach</u>
City of West Palm Beach (1)			
Total bonds (2)	\$ 209,947,781		
Notes payable, governmental funds	45,315,000		
Line of credit	289,907		
Installment purchases payable	1,634,828		
Leases and subscriptions payable	<u>1,456,109</u>		
Total direct debt	258,643,625	100.00% (5)	\$ 258,643,625
Palm Beach County (3)	907,557,374	8.00% (5)	72,604,590
School Board (4)	1,381,473,000	8.00% (5)	<u>110,517,840</u>
Total overlapping debt			183,122,430
Total direct and overlapping debt			<u>\$ 441,766,055</u>

(1) Source - City of West Palm Beach Finance Department. Government debt rollforward.

(2) Includes premium and discounts.

(3) Source - Palm Beach County Finance Department.

(4) Source - Palm Beach County School Board.

(5) Percentage applicable based on total assessed value for the City of West Palm Beach and Palm Beach County.

CITY OF WEST PALM BEACH, FLORIDA
CONTINUING DISCLOSURE: GENERAL OBLIGATION BONDS
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended September 30	Annual Debt Service Expenditures			Total General Fund Expenditures (2)	Ratio of Debt Service to General Fund Expenditures
	Principal	Interest	Total (1)		
2016	\$ 1,275,000	\$ 274,275	\$ 1,549,275	\$ 139,286,294	1.1%
2017	1,340,000	208,900	1,548,900	147,419,958	1.1%
2018	1,400,000	147,400	1,547,400	164,971,251	0.9%
2019	1,460,000	90,200	1,550,200	174,999,987	0.9%
2020	1,525,000	30,500	1,555,500	177,246,751	0.9%
2021	790,000	1,123,397	1,913,397	178,844,225	1.1%
2022	410,000	994,750	1,404,750	184,004,697	0.8%
2023	430,000	973,750	1,403,750	199,753,236	0.7%
2024	450,000	951,750	1,401,750	214,496,148	0.7%
2025	470,000	928,750	1,398,750	232,197,194	0.6%

Source - City of West Palm Beach Finance Department.

(1) Includes general obligation bonded debt only.

(2) Includes General Fund only, GAAP basis.



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***

To the Honorable Mayor, Members of the City Commission,
Audit Committee and City Administrator
City of West 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 the City of West Palm Beach, Florida (the “City”), as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated April 28, 2026. Our report includes a reference to other auditors who audited the financial statements of the Pension Plans and Firefighters VEBA Plan, as described in our report on the City’s financial statements. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’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 City’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items SD2025-001, SD2025-002 and SD2025-003 that we considered to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item SD2025-001.

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CBIZ CPAs P.C.

Boca Raton, Florida

April 28, 2026



CBIZ CPAs P.C.

2255 Glades Road
Suite #321A
Boca Raton, FL 33431

P: 561.994.5050

**Independent Auditors' Report on Compliance for Each Major Federal Program
and State Project and Report on Internal Control over Compliance Required by the
Uniform Guidance and Chapter 10.550, Rules of the Auditor General**

To the Honorable Mayor, Members of the City Commission,
Audit Committee and City Administrator
City of West Palm Beach, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited the City of West Palm Beach, Florida (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement*, and the requirements described in the *State of Florida Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs and state projects for the fiscal year ended September 30, 2025. The City's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the fiscal year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); 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 ("Chapter 10.550"). Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.550, are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

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 City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.550, 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 City's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.550, 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 City'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 City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and Chapter 10.550, and which is described in the accompanying schedule of findings and questioned costs as item SD2025-001. Our opinion on each major federal program and state project is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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 or state project 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 or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item SD2025-001 to be a significant deficiency.

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

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

CBIZ CPAs P.C.

Boca Raton, Florida
April 28, 2026

City of West Palm Beach, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2025

<u>Federal Grantor/State Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal ALN/ State CSFA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal/State Expenditures</u>
U.S. DEPARTMENT OF AGRICULTURE				
Pass-Through Florida Department of Health (FDOH) Child and Adult Care Food Program Total Child and Adult Care Food Program	10.558	A-4875	\$ - -	\$ 25,579 25,579
Pass-Through Florida Department of Agriculture and Consumer Services Cooperative Forestry Assistance Total Cooperative Forestry Assistance	10.664	31100	- -	75,000 75,000
TOTAL U.S. DEPARTMENT OF AGRICULTURE			-	100,579
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Grants				
Community Development Block Grants/Entitlement Grants (CDBG) Community Development Block Grants/Entitlement Grants - COVID 19 Total Community Development Block Grants/Entitlement Grants Total Community Development Block Grants Cluster Entitlement/Special Purposes Grants	14.218 14.218	B-20-MC-12-0022 through B-24-MC-12-0022 B-20-MW-12-0022	- 42,310	1,495,811 57,310 1,553,121
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii Total Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	H2499	- -	258,909 258,909
Home Investment Partnerships Program - ARP Home Investment Partnerships Program Total Home Investment Partnerships Program	14.239 14.239	M-21-MP-12-0224 M-17-MC-12-0224 through M-24-MC-12-0224	- - -	32,351 1,134,403 1,166,754
Housing Opportunities for Persons with AIDS (HOPWA) Grant Total Housing Opportunities for Persons with AIDS	14.241	FL-H-18-F-006 through FL- H-23-F-006	3,476,349 3,476,349	3,560,342 3,560,342
Pass-Through Palm Beach County Division of Human Services Continuum of Care Program Total Continuum of Care Program	14.267	FL0991IAD052301	- -	165,226 165,226
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			3,518,659	6,704,352
U.S. DEPARTMENT OF JUSTICE				
Direct Grants				
Public Safety Partnership and Community Policing Grants Public Safety Partnership and Community Policing Grants Total Public Safety Partnership and Community Policing Grants	16.710 16.710	15JCOPS-23-GG-01982- PPSE 15JCOPS-24-GG-02148- TECP	- -	52,601 63,975 116,576
Edward Byrne Memorial Justice Assistance Grant Program Total Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-24-GG-05172- JAGX	-	60,597 60,597
Equitable Sharing Program Total Equitable Sharing Program	16.922	N/A	- -	140,862 140,862
TOTAL U.S. DEPARTMENT OF JUSTICE			-	318,035

City of West Palm Beach, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2025

<u>Federal Grantor/State Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal ALN/ State CSFA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal/State Expenditures</u>
U.S. DEPARTMENT OF TRANSPORTATION				
Highway Planning and Construction				
Pass-Through Florida Department of Transportation (FDOT)				
Highway Planning and Construction	20.205	444350-1-58-01	-	138,285
Highway Planning and Construction	20.205	440012-1-58-01	-	803,640
Highway Planning and Construction	20.205	441527-1-58-01	-	339
Highway Planning and Construction	20.205	444376-1-58-01	-	370
Total Highway Planning and Construction			-	942,634
Highway Safety Cluster				
Pass-Through Florida Department of Transportation (FDOT)				
State and Community Highway Safety	20.600	G3714	-	122,243
State and Community Highway Safety	20.600	G3750	-	105,985
Total State and Community Highway Safety			-	228,228
Total Highway Safety Cluster			-	228,228
TOTAL U.S. DEPARTMENT OF TRANSPORTATION				
			-	1,170,862
U.S. DEPARTMENT OF THE TREASURY				
Direct Grants				
Equitable Sharing Program				
Equitable Sharing Program	21.016	N/A	-	23,679
Total Equitable Sharing Program			-	23,679
Coronavirus State and Local Fiscal Recovery Funds - ARPA				
Coronavirus State and Local Fiscal Recovery Funds - ARPA	21.027	N/A	-	8,684,528
Total Coronavirus State and Local Fiscal Recovery Funds - ARPA			-	8,684,528
TOTAL U.S. DEPARTMENT OF THE TREASURY				
			-	8,708,207
INSTITUTE OF MUSEUM AND LIBRARY SERVICES				
Pass-Through State of Florida, Department of State				
Grants to States	45.310	N/A	-	14,337
Total Grants to States			-	14,337
TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES				
			-	14,337
U.S. DEPARTMENT OF HOMELAND SECURITY				
Pass-Through Department of Emergency Management (FDEM)				
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - COVID 19				
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - COVID 19	97.036	Z1924	-	31,109
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - Hurricane Milton				
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - Hurricane Milton	97.036	Z5112	-	204,650
Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)			-	235,759
Hazard Mitigation Grant				
Hazard Mitigation Grant	97.039	4337-529-R	-	131,402
Total Hazard Mitigation Grant			-	131,402
Direct Grants				
Assistance to Firefighters Grant				
Assistance to Firefighters Grant	97.044	EMW-2022-FG-05332	-	88,523
Total Assistance to Firefighters Grant			-	88,523
Direct Grants				
Staffing for Adequate Fire and Emergency Response (SAFER)				
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2021-FF-01205	-	1,872,318
Total Staffing for Adequate Fire and Emergency Response (SAFER)			-	1,872,318
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY				
			-	2,328,002
Total Expenditures of Federal Awards			\$ 3,518,659	\$ 19,344,374

City of West Palm Beach, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2025

<u>Federal Grantor/State Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal ALN/ State CSFA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal/State Expenditures</u>
STATE OF FLORIDA ASSISTANCE				
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION				
Direct Programs				
Statewide Water Quality Restoration Projects	37.039	LP50032	\$ -	\$ 425,489
Total Statewide Water Quality Restoration Projects			-	425,489
Florida Inland Navigation Districts (FIND)-Clean Vessel Act Grant Program	37.084	PB-WPB-22-224	-	200,000
Total Statewide Water Quality Restoration Projects			-	200,000
Resilient Florida Program	37.098	22SRP63	-	132,180
Resilient Florida Program	37.098	22PLN72	-	265,475
Total Resilient Florida Program			-	397,655
TOTAL FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION			-	1,023,144
FLORIDA HOUSING FINANCE CORPORATION				
Direct Programs				
State Housing Initiatives Partnership Program (SHIP)	40.901	N/A	-	655,675
Total State Housing Initiatives Partnership Program (SHIP)			-	655,675
TOTAL FLORIDA HOUSING FINANCE CORPORATION			-	655,675
FLORIDA DEPARTMENT OF STATE				
Direct Programs				
State Aid to Libraries	45.030	25.1.sa.000.068	-	146,731
Total State Aid to Libraries			-	146,731
TOTAL FLORIDA DEPARTMENT OF STATE			-	146,731
FLORIDA DEPARTMENT OF TRANSPORTATION				
Direct Programs				
Keep Florida Beautiful	55.048	G3555	-	15,000
Total Local Transportation Projects			-	15,000
TOTAL FLORIDA DEPARTMENT OF TRANSPORTATION			-	15,000
FLORIDA DEPARTMENT OF LAW ENFORCEMENT				
Direct Programs				
FDLE Drone Replacement Program	71.092	3X054	-	200,000
Total FDLE Drone Replacement Program			-	200,000
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida	71.122	2023-SAFE-SF-083	-	250,515
Total State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida			-	250,515
TOTAL FLORIDA DEPARTMENT OF LAW ENFORCEMENT			-	450,515
<i>Total Expenditures of State Financial Assistance</i>			\$ -	\$ 2,291,065
<i>Total Expenditures of Federal Awards and State Financial Assistance</i>			\$ 3,518,659	\$ 21,635,439

CITY OF WEST PALM BEACH, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the “Schedule”) presents the expenditures activity of all federal awards and state financial assistance of the City of West Palm Beach, Florida (the “City”) for the fiscal year ended September 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the City.

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 and State Projects Compliance Supplement, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

The City has elected not to use the de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF WEST PALM BEACH, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

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 No
 Significant deficiency(ies) identified? Yes None reported

Non-compliance material to financial statements noted? Yes No

Federal Awards and State Financial Assistance

Internal control over the major program and state projects:

Material weakness(es) identified? Yes No
 Significant deficiency(ies) identified? Yes None reported

Type of auditors’ report issued on compliance for the major Federal program and state project: *Unmodified Opinion*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or Chapter 10.557, Rules of the Auditor General? Yes No

Identification of major federal programs and state projects:

<u>ALN.</u>	<u>Federal Program:</u>
14.218	Community Development Block Grants/Entitlement Grants
14.239	Home Investment Partnership Program
21.027	Coronavirus State and Local Fiscal Recovery Funds

<u>CSFA No.</u>	<u>State Project</u>
37.039	Statewide Water Quality Restoration Projects
37.098	Resilient Florida Program
40.901	State Housing Initiatives Partnership Program (SHIP)
71.122	State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida

Dollar threshold used to distinguish between Type A and Type B federal programs: \$1,000,000

Dollar threshold used to distinguish between Type A and Type B state project: \$687,320

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance? Yes No

CITY OF WEST PALM BEACH, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS

SD2025-001 – INACCURATE REPORTING OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Criteria

Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) requires that the recipient of grant awards must be able to prepare an accurate schedule of expenditures and be able to identify in its accounts all federal awards and state assistance received and expended.

Condition

The City met the audit reporting thresholds for both a Federal Single Audit (“Uniform Guidance”) and a State Single Audit (Florida Single Audit Act) for the fiscal year ended September 30, 2025. Accordingly, the City provided the Schedule of Expenditures of Federal Awards and State Financial Assistance (“SEFA”) to the auditors. As a result of the audit procedures performed, six (6) necessary corrections totaling approximately \$674,000 were made to various grant programs between the initial SEFA provided and the final version.

Additionally, adjustments were made to the City’s trial balance accounts after the SEFA was fully reconciled. These changes required the auditors to modify their planned procedures under the Uniform Guidance, including the reassessment of the major program determination and related testing.

Cause

There was a lack of adequate review controls over the preparation and review of the SEFA. Additionally, in one instance, a department within the City entered into an agreement involving federal funding without the initial knowledge of the City’s finance department. This delay in communication contributed to the necessary revisions to the SEFA.

Effect

The SEFA was not accurately prepared and could result in incorrect reporting of expenditures to federal and state agencies. Additionally, because of the adjustments recorded, the auditors had to reevaluate the major program determination, which resulted in an additional federal program selected as major for testing in the single audit.

Recommendation

We recommend that the staff responsible for the preparation of the SEFA and monitoring of Federal and State Awards evaluate the controls and staff responsibilities in place to ensure federal grant expenditures are accurately captured. Additionally, the SEFA should be reviewed and approved timely by management personnel identified by the City who possesses the adequate knowledge and expertise. Such review and approval should take place during the City’s financial close process.

CITY OF WEST PALM BEACH, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

SD2025-001 – INACCURATE REPORTING OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE (CONTINUED)

View of Responsible Officials

See accompanying Corrective Action Plan.

SD2025-002 – INTERNAL CONTROLS OVER FINANCIAL CLOSE AND REPORTING

Criteria

The City should evaluate their existing Accounting Policies and Procedures to ensure the financial statement closing process is completed in a timely manner. Such policies and procedures should consider establishing proper controls which are designed and implemented to address the financial close and reporting process of the City in a timely manner.

Condition

As a result of the audit procedures performed, the auditor noted that certain supporting schedules provided by the City to the auditor did not agree with the general ledger balances. Certain account areas such as receivables, grants, accruals, deferred accounts, etc. had not been fully reconciled and reviewed prior to the schedules being provided to the auditor. As a result, several client journal entries were provided to the auditor after the initial trial balance was provided for the audit.

While a portion of the adjustments related to year-end accruals that are typically recorded at fiscal year end (e.g., pensions, OPEB, and insurance claims based on actuarial valuations), many other adjustments pertained to accounts that should be reconciled and reviewed as part of routine close procedures. The volume and magnitude of these post-close adjustments contributed to delays in audit completion and hindered the timely preparation of accurate financial information.

Cause

There was a lack of timely review of account reconciliations and schedules for timely completion of the City's year-end close. The City's internal controls did not detect or prevent the errors prior to the commencement of the audit.

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

SD2025-002 – INTERNAL CONTROLS OVER FINANCIAL CLOSE AND REPORTING (CONTINUED)

Effect

A lack of timely and comprehensive financial reporting procedures increases the risk of inaccurate financial information and reporting errors that may not be identified promptly (e.g. required or proposed audit adjustments). Additionally, ongoing changes to financial amounts can extend the time required to complete the audit, as they may impact the auditor’s audit strategy, related procedures, and sampling methods.

Recommendation

We recommend the City strengthen formal year end reconciliation and financials closing procedures to ensure financial accounts are reviewed and approved by management on a timely basis and prior to the commencement of the fiscal year end audit.

View of Responsible Official

Refer to the accompanying Corrective Action Plan.

CITY OF WEST PALM BEACH, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

SD2025-003 – FINANCIAL REPORTING OF EMERGENCY MEDICAL SERVICES (EMS) RECEIVABLES

Criteria

Governmental funds should recognize revenue using the modified accrual basis when they are both measurable and available. Internal controls should be sufficient to ensure Emergency Medical Services (EMS) receivables are properly billed and collected.

Condition

The City utilizes a third party administrator (“TPA”) for billing and collection of Emergency Medical Services (“EMS”) receivables. The TPA suffered a cyber security breach that comprised their system and they subsequently notified the City that they would stop billing EMS services for the City as of June 30, 2025. The City engaged their legal department and a new third-party administrator for emergency medical services billing in September 2025. However, due to the transition complications of obtaining access to the data and systems, billing for emergency medical services revenues and receivables for the period of June 2025 through September 2025 was not able to be completed in a timely manner, resulting in delayed back billing.

As a result of the audit procedures performed, the auditor noted the schedule for EMS transport receivables did not agree to the general ledger balance as of fiscal year end September 30, 2025. The City initially provided a schedule showing approximately \$9,300,000 of EMS receivable and approximately \$5,067,000 of EMS unavailable revenues (deferred inflow of resources). Upon analysis, it was determined that the receivable and unavailable revenues (deferred inflow of resources) were overstated by approximately \$4,100,000. The City provided an adjusting journal entry to correct these balances.

Cause

The City did not have an interim process or successor TPA in place to ensure continuous billing and collections during the fourth quarter of fiscal year 2025. Transition and back-billing processes were not timely implemented or monitored, resulting in incomplete, delayed, or inaccurate recording of EMS receivables and related unavailable revenues.

Effect

The proposed audit adjustments of approximately \$4,100,00 were recorded by management to correct the financial statements. The lack of timely billing and monitoring of EMS receivables may result in loss of revenues and inaccurate accounting in the financial statements.

Recommendation

We recommend the City strengthen internal controls and oversight of EMS billing and receivables to ensure completeness, accuracy, and timely recognition.

CITY OF WEST PALM BEACH, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

**SD2025-003 – FINANCIAL REPORTING OF EMERGENCY MEDICAL SERVICES (EMS) RECEIVABLES
(CONTINUED)**

View of Responsible Officials

Refer to the accompanying Corrective Action Plan.

CITY OF WEST PALM BEACH, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION III – FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

SD2025-001 – INACCURATE REPORTING OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

FINDING ASSIGNED TO:

Federal Program: 14.218 - Home Investment Partnership Program Disaster Grants
Federal Agency: United States Department of Housing and Urban Development
Grant Number: M-17-MC-0224 through M-23-MC-12-0224

Federal Program: 14.267 - Continuum of Care Program
Federal Agency: United States Department of Housing and Urban Development
Pass-through: Division of Human Services
Grant Number: FL09911AD052301

Federal Program: 16.738 - Edward Byrne Memorial Justice Assistance Grant
Federal Agency: United States Department of Justice
Grant Number: 15PBJA-24-GG-051472-JAGX

Federal Program: 21.016 - Equitable Sharing
Federal Agency: United States Department of the Treasury
Grant Number: N/A

State Project: 37.084 – Florida Inland Navigation District (FIND) – Clean Vessel Act Grant
State Agency: Florida Department of Environmental Protection
Project Number: PB-WPB-22-224

State Project: 37.098 – Resilient Florida Program
State Agency: Florida Department of Environmental Protection
Project Number: 22SRP63

Criteria

Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) requires that the recipient of grant awards must be able to prepare an accurate schedule of expenditures and be able to identify in its accounts all federal awards and state assistance received and expended.

CITY OF WEST PALM BEACH, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SD2025-001 – INACCURATE REPORTING OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE (CONTINUED)

Condition

The City met the audit reporting thresholds for both a Federal Single Audit (Uniform Guidance) and a State Single Audit (Florida Single Audit Act) for the fiscal year ended September 30, 2025. Accordingly, the City provided the Schedule of Expenditures of Federal Awards and State Financial Assistance (SEFA) to the auditors. As a result of the audit procedures performed, six (6) necessary corrections totaling approximately \$674,000 were made to various grant programs between the initial SEFA provided and the final version.

Additionally, adjustments were made to trial balance accounts after the SEFA was fully reconciled. These changes required the auditors to modify their planned procedures under the Uniform Guidance, including the reassessment of major program determination and related testing.

Cause

There was a lack of adequate review controls over the preparation and review of the SEFA. Additionally, in one instance, a department within the City entered into an agreement involving federal funding without the initial knowledge of the City's finance department. This delay in communication contributed to the necessary revisions to the SEFA.

Effect

The SEFA was not accurately prepared and could result in incorrect reporting of expenditures to federal and state agencies. Additionally, because of the adjustments recorded, the auditors had to reevaluate the major program determination, which resulted in an additional federal program selected as major for testing in the single audit.

Recommendation

We recommend that the staff responsible for the preparation of the SEFA and monitoring of Federal and State Awards evaluate the controls and staff responsibilities in place to ensure federal grant expenditures are accurately captured. Additionally, the SEFA should be reviewed and approved timely by management personnel identified by the City who possesses the adequate knowledge and expertise. Such review and approval should take place during the City's financial close process.

View of Responsible Officials

See accompanying Corrective Action Plan.

CITY OF WEST PALM BEACH, FLORIDA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None.

**II. PRIOR YEAR FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FINDINGS AND QUESTIONED COSTS**

None.

CORRECTIVE ACTION PLAN FISCAL YEAR ENDED SEPTEMBER 30, 2025

Findings Reference Number: SD2025-001 – Inaccurate Reporting of the Schedule of Expenditures of Federal Awards and State Financial Assistance

Planned Correct Action: Management acknowledges the above recommendation. We will implement a review process for accuracy and completeness of the SEFA as part of the financial review and audit preparation to ensure any errors are identified and corrected, prior to providing the schedule to the external auditors.

Department or Responsible Person: Finance Department, Controller.

Expected Completion Date: September 30, 2026.

Finding Reference Number: SD2025-002 – Internal Controls Over Financial Close and Reporting

Planned Correct Action: The finance department is committed to strengthening the financial close and year-end reporting process to ensure the accuracy, completeness, and timeliness of financial information.

Throughout the next fiscal year, the finance management will enforce the monthly close process to ensure balances are recorded timely. We will also prepare quarterly analysis of financial information, which includes a reconciliation of all significant account balances in the general ledger to supporting documentation. Additionally, in preparation for the year-end audit, we will review financial information and apply analytical procedures to identify and correct errors that may exist.

Department or Responsible Person: Finance Department, Controller.

Expected Completion Date: September 30, 2026.

Finding Reference Number: SD2025-003 – Financial Reporting of Emergency Medical Services (EMS) Receivables

Planned Correct Action: Management acknowledges the above recommendation. The unfortunate cyber-attack on our third-party administrator contracted for EMS billing created a unique and non-recurring situation that involved data access complications and legal action. The City remained diligent in the pursuit of billing and collection services for EMS. The City proactively and conservatively reserved all of the associated receivable discussed in the comment and did not overstate revenues. The City fully expects that the unavoidable late billing will be reflected in the next year's collection and revenue recognition.

Continued

Finding Reference Number: SD2025-003 – Financial Reporting of Emergency Medical Services (EMS) Receivables (continued)

Throughout the next fiscal year, the finance management will enforce the monthly close process to ensure balances are recorded timely. We will also prepare quarterly analysis of financial information, which includes a reconciliation of all significant account balances in the general ledger to supporting documentation. Additionally, in preparation for the year-end audit, we will review financial information and apply analytical procedures to identify and correct errors that may exist.

Department or Responsible Person: Finance Department, Treasury Manager.

Expected Completion Date: September 30, 2026.

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

To the Honorable Mayor, Members of the City Commission,
Audit Committee and City Administrator
City of West Palm Beach, Florida

Report on the Financial Statements

We have audited the financial statements of the City of West Palm Beach, Florida (the “City”), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated April 28, 2026. We did not audit the financial statements of the West Palm Beach Restated Employees Retirement System, West Palm Beach Police Pension Fund, West Palm Beach Firefighters’ Pension Fund (the “Pension Plans”) and the Association of Firefighters Retirement Health Benefit Fund (the “Firefighters VEBA Plan”), component units of the City, which represent 68%, 70% and 36%, respectively, of the assets, net position/fund balance and revenues/additions of the aggregate remaining fund information as of September 30, 2025. This management letter does not include any matters reported on separately by those other auditors in their management letter, if any.

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 and State Project and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; Summary Schedule of Prior Audit Findings; 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 schedules, which are dated April 28, 2026, 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 audit findings made in the preceding financial audit report.

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 A of the financial statements. Also, as discussed in Note A, the City included the West Palm Beach Community Redevelopment Agency as component units of the City.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City 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 City 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 City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. The financial condition assessment was performed as of 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, other than those noted in the accompanying schedule of findings and questioned costs.

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 City's geographical boundaries during the fiscal year under audit. During the fiscal year ended September 30, 2025, the PACE program did not operate within the City's geographical boundaries.

Special District Component Unit

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the 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 provide 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 has occurred, or is likely to have occurred, that has 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, State, and other granting agencies, the Honorable Mayor, City Commission, 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.

Boca Raton, Florida
April 28, 2026



CBIZ CPAs P.C.

2255 Glades Road
Suite #321A
Boca Raton, FL 33431

P: 561.994.5050

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

To the Honorable Mayor, Members of the City Commission,
Audit Committee and City Administrator
City of West Palm Beach, Florida

We have examined the City of West Palm Beach, Florida (the "City") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, for the fiscal year ended September 30, 2025. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City'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 City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City 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 City's compliance with the specified requirements.

In our opinion, the City complied, in all material respects, with Section 218.415, Florida Statutes, for the fiscal year ended September 30, 2025.

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.

Boca Raton, Florida
April 28, 2026

WEST PALM BEACH

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WEST PALM BEACH

FINANCE



CITY OF WEST PALM BEACH

401 CLEMATIS STREET | WEST PALM BEACH, FL 33401

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