

Northern Palm Beach County Improvement District

Annual Financial Report

-

For The Fiscal Year Ended
September 30, 2022



**NORTHERN PALM BEACH COUNTY
IMPROVEMENT DISTRICT
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

About the Cover

Photographer: Lucas Schaffer, Environmental Manager for Northern Palm Beach County Improvement District

Subject: River Otter

Location: On one of the lake banks in Unit of Development No. 23, The Shores

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

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NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

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INTRODUCTORY SECTION

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

PRINCIPAL DISTRICT OFFICIALS

SEPTEMBER 30, 2022

Board of Supervisors

Matthew J. Boykin, CPA	President
L. Marc Cohn	Vice President
Adrian M. Salee, CMC	Supervisor
Gregory Block	Supervisor
Ellen T. Baker	Supervisor

Executive Director

C. Danvers Beatty, P.E.

Counsel to the District

Caldwell Pacetti Edwards Schoech & Viator LLP
West Palm Beach, Florida

District Engineer

Kimberly A. Leser, P.E.

Independent Auditor

Marcum LLP

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

UNITS OF DEVELOPMENT – SEPTEMBER 30, 2022

UNIT 1	-	Gramercy Park (Cypress Run)	UNIT 21	-	Old Marsh
UNIT 2	-	Frenchman's Creek	UNIT 22	-	Inactive (Western Business Park)
UNIT 2A	-	MacArthur Overlay	UNIT 23	-	The Shores
UNIT 2B	-	Dissolved 06/23/04	UNIT 24	-	Ironhorse
UNIT 2C	-	Alton	UNIT 24A	-	Dissolved 12/19/12
UNIT 3	-	Horseshoe Acres/Square Lake	UNIT 25	-	Inactive (Palm Beach International Raceway)
UNIT 3A	-	Woodbine	UNIT 26	-	Inactive (Eastpointe Lake Sealing Project)
UNIT 4	-	West of Villages of Palm Beach Lakes	UNIT 27	-	Inactive (Jupiter High Tech Park)
UNIT 5	-	Henry Rolf	UNIT 27A	-	Inactive
UNIT 5A	-	Vista Center of Palm Beach	UNIT 27B	-	Botanica
UNIT 5B	-	Baywinds	UNIT 28	-	Inactive (Water Resource Program)
UNIT 5C	-	RiverWalk	UNIT 29	-	North Fork Development
UNIT 5D	-	Andros Isle	UNIT 30	-	Incorporated into Unit 25 07/23/08
UNIT 5E	-	Dissolved 09/28/01	UNIT 31	-	BallenIsles Country Club
UNIT 5F	-	Dissolved 05/27/98	UNIT 32	-	Palm Cove
UNIT 6	-	Dissolved 05/27/98	UNIT 32A	-	Palm Cove Sub-Unit
UNIT 6A	-	Dissolved 12/21/94	UNIT 33	-	Cypress Cove
UNIT 7	-	Dyer Boulevard	UNIT 34	-	Hidden Key
UNIT 7A	-	Inactive (North County PUD)	UNIT 35	-	(not created as yet)
UNIT 8	-	Dissolved 03/28/18	UNIT 36	-	Dissolved 11/16/11
UNIT 8A	-	Dissolved 03/28/18	UNIT 37	-	Dissolved 10/27/99
UNIT 9	-	Admirals Cove West	UNIT 38	-	Harbour Isles
UNIT 9A	-	Abacoa I	UNIT 39	-	Inactive (Mariner's Key)
UNIT 9B	-	Abacoa II	UNIT 40	-	Inactive (Prosperity Bay Village)
UNIT 10	-	Inactive (Caloosa)	UNIT 41	-	Mystic Cove
UNIT 11	-	PGA National	UNIT 42	-	Inactive (Blue Green Enterprises)
UNIT 11A	-	Dissolved 2/22/12	UNIT 43	-	Mirasol
UNIT 12	-	Highland Pines	UNIT 44	-	The Bear's Club
UNIT 12A	-	Gardens Hunt Club Sub-Unit	UNIT 45	-	Paseos
UNIT 13	-	Inactive (Mecca Farms)	UNIT 46	-	Jupiter Country Club
UNIT 14	-	Eastpointe	UNIT 47	-	Jupiter Isles
		14A - 14B	UNIT 47A	-	Dissolved 09/24/03
UNIT 15	-	Villages of Palm Beach Lakes	UNIT 48	-	Dissolved 09/28/05
UNIT 16	-	Palm Beach Park of Commerce	UNIT 49	-	Northern Palm Beach County Business Park
UNIT 16A	-	Inactive (PB Park of Commerce Water & /Sewer Sub-Unit)	UNIT 50	-	Inactive (Balsamo)
UNIT 17	-	Dissolved 3/26/03	UNIT 51	-	Frenchman's Harbor
UNIT 18	-	Ibis Golf & Country Club	UNIT 52	-	Dissolved 02/28/07
UNIT 19	-	Regional Center	UNIT 53	-	Arden
UNIT 19A	-	Irrigation			
UNIT 20	-	Juno Isles			
		20A - 20B - 20C - 20D			

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors and Executive Director
Northern Palm Beach County Improvement District

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Northern Palm Beach County Improvement District (the "District"), as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District'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, each major fund, and the aggregate remaining fund information of the District, as of September 30, 2022, and the respective changes in financial position, thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District 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 District'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 auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District'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 District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule on pages 5 through 16 and 47 through 48 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining nonmajor financial statements, and other supplementary financial data and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor financial statements and other supplementary financial data and schedules is 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 and the other information but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 17, 2023 on our consideration of the District'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 District'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 District's internal control over financial reporting and compliance.

Marcum LLP

A handwritten signature in black ink that reads "Marcum LLP". The signature is written in a cursive, flowing style.

West Palm Beach, Florida
February 17, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS
(MD&A)

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of Northern Palm Beach County Improvement District (“Northern” or the “District”) would like to offer the readers of the District’s financial statements this discussion and analysis of the District’s financial activities during the fiscal year that ended on September 30, 2022. We encourage readers to consider the information presented in this discussion and analysis in conjunction with the District’s financial statements, which follow this section.

FINANCIAL AND DISTRICT HIGHLIGHTS

Financial Highlights

- Net position at the end of the fiscal year was approximately \$219,896,000. Of this amount, approximately \$25,512,000 (unrestricted net position) may be used to meet the District’s ongoing operations.
- Total net position of the District decreased by approximately \$10,265,000 at September 30, 2022.
 - Net investment in capital assets decreased by approximately \$4,851,000. This was mainly due to the conveyance of drainage improvements and water and sewer improvements to other entities in Units of Development 2C, Alton, and 53, Arden.
 - Net position restricted for debt service decreased by approximately \$4,436,000 primarily due to principal payments on outstanding bonds decreasing debt outstanding.
 - Unrestricted net position decreased by approximately \$977,000 this year mainly due to the use of accumulated funds in various special revenue funds for large projects such as the Guardhouse in Unit of Development 31, BallenIsles, and pump station modifications in Unit of Development 21, Old Marsh. Also, in Units of Development 9A/9B, Abacoa, approximately \$200,000 of unrestricted funds had to be used to fund an unanticipated contract price increase after the annual contract for Aquatic Weed Control and Preserve Maintenance in these Units had to be rebid because the existing contractor no longer had the resources to provide the level of service required in the contract.
 - The District’s total revenues (on an accrual basis) were approximately \$26,434,000 for the fiscal year ended September 30, 2022. This is a decrease of approximately \$9,131,000 or 26% from the prior year and is primarily due to the issuance of new debt in the prior year, totaling \$10,700,000 in Unit 53 (Arden) which caused a large increase to assessments receivable. This assessment revenue is not deferred in the government-wide financial statements. Instead, it is recognized as revenue at the time the assessments are levied, which is at the time of debt issuance. Capital contributions from Land Owners decreased by approximately \$2,267,000 mainly because less developer funded projects were completed during the year within Unit of Development No. 2C, Alton. Operating grants and contributions decreased by approximately \$206,000 because of a decrease in road impact fees received from Palm Beach County, and also because a significant insurance reimbursement was collected in the prior year related to the Unit of Development 31, BallenIsles, guardhouse damage. Investment earnings increased by approximately \$246,000 primarily because of increased interest rates. Capital asset contributions from Land Owners increased by approximately \$394,000 mainly due to the conveyance of certain drainage improvements to Northern by YTG Palm Beach IG WR, LP, in Unit 16, Palm Beach Park of Commerce.
- Total expenses/outflow for all of the District’s activities were approximately \$36,699,000 for the year. This is an increase of approximately \$5,452,000 or 17% from the previous year, primarily attributable to the increase in capital assets contributed to other governments. During the fiscal year ended September 30, 2022, in Unit of Development No. 2C, Alton, and in Unit of Development No. 53, Arden, water and sewer improvements with a value approximating \$4,925,000 were contributed to Palm Beach

County Water Utilities. Physical environment expenses increased by approximately \$1,361,000 primarily as a result of increased prices for contractual services, and increased repairs and maintenance expense.

- The District expended approximately \$10,913,000 on capital projects during the year, mainly in Units of Development No. 2C, Alton, 31, BallenIsles, and 53, Arden. This is an approximate \$5,102,000 or 88% increase from the prior year, primarily because of increase in construction activity in Units of Development No. 31, BallenIsles, and 53, Arden. The largest capital projects during the fiscal year ended September 30, 2022, were approximately \$2,337,000 in Unit of Development No. 31, BallenIsles for a new guardhouse design and replacement, and approximately \$4,595,000 for the continued construction of improvements in Unit of Development No. 53, Arden.
- Governmental Accounting Standards Board (GASB) issued Statement No. 75 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (OPEB) in June 2015. Northern is required to report the cost of benefits to retired employees during the time of their employment and how those benefits will be funded. Northern hired an actuary to compute the expense and accrued liability for those benefits. The State requires local governments to provide health care insurance to all retirees either funded by the government or by the retiree at the rate that all remaining employees are charged. The rate charged by insurance companies is blended rather than tiered by age. Thus, a retired employee is charged the same rate as a younger employee creating an implicit benefit. This benefit should be expensed, if material, and disclosed in the financial statements. At September 30, 2022, Northern employed 23 people and had no retirees on the health insurance plan. The actuarially determined annual required contribution and expense for fiscal year ended September 30, 2019 under GASB 75 was \$229. The actuarial accrued liability as of September 30, 2019, was \$2,266. There were no changes to the OPEB plan or significant changes to the number of employees or their retirement status this fiscal year. As such, it was determined not to recalculate the contribution, liability, and expense for the fiscal year ended September 30, 2022 since any changes would be minimal. Since these amounts are not material, the District will not present them in the financial statements or the notes.

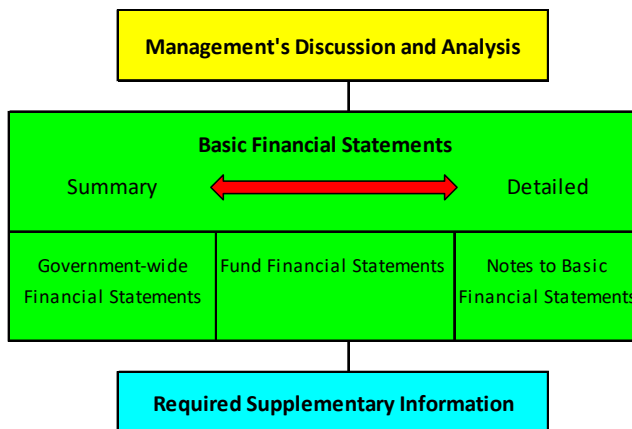
USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to Northern Palm Beach County Improvement District's basic financial statements. The District's basic financial statements provide information on both the District as a whole (government-wide) and on the individual major funds. The District's annual report consists of *three sections: the introductory section, the financial section* which includes management's discussion and analysis (this section), the basic financial statements, required supplementary information, and an optional section that presents the combining statements for nonmajor governmental funds and other financial data and schedules and *the reporting section*. The basic financial statements themselves consist of three components: government-wide financial statements, fund financial statements and notes to basic financial statements. These statements present different views of the District:

- The first two statements are **government-wide financial statements** that provide both long-term and short-term information about the District's *overall* financial status. This statement format combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets (including infrastructure) and long-term obligations.
- The **fund financial statements** focus on individual parts of the District, reporting the District's operations in *more detail* than the government-wide statements. This is the manner in which the budget is typically developed. Funds are established for various purposes and the fund financial statements allow the demonstration of sources and uses of liquid resources.
- The financial statements also include **notes** that explain some of the information in the financial statements and provide more detailed data.

Figure A-1 shows how the required parts of the basic financial statements are arranged and relate to one another. In addition to these required elements, we have included a section with combining statements that provide details about our nonmajor governmental funds, each of which are added together and presented in single columns in the basic financial statements.

**Figure A-1
Required Components of Northern Palm Beach County Improvement
District’s Basic Financial Statements**



Government-wide Financial Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the District’s assets, deferred outflows of resources and liabilities. All of the current year’s revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The statement of net position presents information on all of the District’s assets, deferred outflows of resources, and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the District is improving or deteriorating. The District’s policy is to construct capital improvements for landowners and as they are completed, donate some of those improvements to other governments as a part of a Unit of Development’s Plan of Improvement. As a result, the District’s net position may have significant swings due solely to the amount of capital assets donated during a fiscal year. Other non-financial factors should be considered as well, such as the condition of the District’s capital assets (canals, roads, pump stations, etc.) to assess the overall health of the District.

The statement of activities presents information showing how the government’s net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The Government-wide Financial Statements can be found on pages 17 - 18 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate legal compliance with finance-related legal requirements. The District's funds are all categorized as governmental funds.

The District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a short-term view of the District's operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The differences between government-wide activities (reported in the statement of net position and the statement of activities) and governmental funds are reconciled on separate schedules.

The District's governmental funds are further divided into three fund types: special revenue funds, debt service funds and capital project funds.

Special revenue funds generally account for the maintenance activities in the various Units of Development. Restricted revenues mainly come from special assessments, interest earnings and loan proceeds. Expenditures are for maintenance activities in established Units of Development. These expenditures are typically for canal and lake maintenance, mowing, chemical weed control, road maintenance and repair projects.

Debt service funds account for the debt service for bonds and notes of the District. Generally the debt accounted for in these funds is from larger capital projects. Revenues are from special assessments, new or refunded debt and interest earnings. Expenditures are for debt service, trustee fees and refunding costs.

Capital project funds account for the larger construction projects in various Units of Development. These projects typically span multiple years and run concurrent with a Unit of Development's Plan of Improvement. Revenues are from debt issuance or landowner contributions and interest earnings. Expenditures are for capital outlay.

The District maintains 67 individual governmental funds: 47 special revenue funds, 14 debt service funds, 5 capital project funds and the general fund. Some funds are required by State law, however, the District establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting its legal responsibilities for using certain taxes and other monies. The fund financial statements provide detailed information about *the most significant funds* (major funds), not the District as a whole. Accordingly, three major funds, in addition to the general fund, are reported individually in the governmental funds balance sheet and statement of revenues, expenditures and changes in fund balances. The remaining governmental funds (nonmajor funds) are reported in these statements as a combined total.

The Fund Financial Statements can be found on pages 19 - 22 of this report.

Notes to Basic Financial Statements

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

Notes to the financial statements can be found on pages 23 - 46 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also includes required supplementary information, combining nonmajor financial statements (supplementary information), as well as other supplementary financial data, schedules, and other information which can be found on pages 47 through 90 of this report.

Capital Assets

Infrastructure Assets

Historically, a government's largest group of assets, infrastructure, (roads, water control structures, surface water management systems, etc.) have not been reported nor depreciated in governmental fund financial statements. GASB Statement No. 34, as amended, requires that these assets be valued and reported within the governmental activities column of the government-wide statements. Additionally, the government must elect to either (a) depreciate these assets over the estimated useful life or (b) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. The District utilizes the depreciation method.

Intangible Assets

Northern is required to track and capitalize the cost of intangible assets including software and easements. The cost of software has always been captured in machinery and equipment when purchased. Northern obtains easements over property for various reasons ranging from road rights-of-way to access easements to cross property to maintain our assets, to flowage easements to move stormwater across lakes. The most frequent easement obtained by Northern is an access easement to maintain District assets. The value that is assigned to the right (easement) is the fair value based on the average cost per acre of surrounding property. Northern has established that the threshold for capitalizing the cost of the easement on the financial statements is \$50,000. No easements met the threshold for fiscal year ended September 30, 2022.

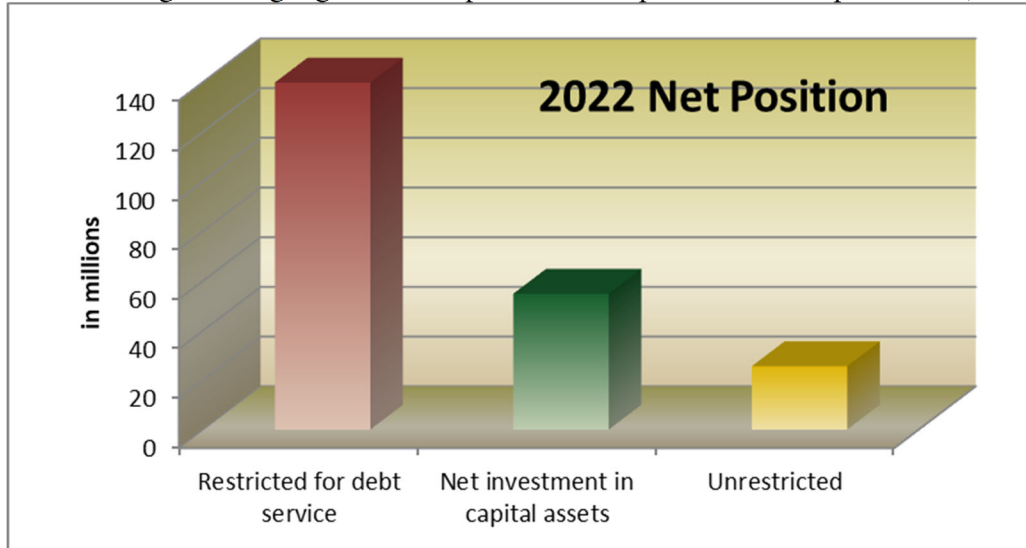
FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

The District's net position decreased by 4.5% and was \$219,895,988 and \$230,160,788 as of September 30, 2022 and 2021, respectively. Assets decreased by 4.7% in part due the reduction in assessments receivable as a result of collections that are used for scheduled debt service payments on outstanding debt reducing the amount of debt outstanding and the corresponding assessments receivable to pay off that debt. Also, cash and cash equivalents decreased by approximately \$8,970,000 million, or 14.5%, and investments decreased by approximately \$53,000, or 3.3%. This reduction in the amount of cash and cash equivalents along with investments was primarily the result of cash outlays for capital asset construction during the year in Units 2C (Alton), 31 (BallenIsles), and 53 (Arden). Capital assets not being depreciated decreased by approximately 4.4% due to the transfer of completed construction in progress to various capital assets being depreciated. Capital assets being depreciated, net, decreased due to the value of assets given to other governments exceeding the amount of additions in fiscal year 2022. Total liabilities decreased by 4.7% due to an decrease in long-term obligations at year end. The largest change in liabilities was a decrease of approximately \$8.9 million, or 4.9%, in long-term obligations due in more than one year, due to scheduled debt service payments and debt refundings.

The largest portion of the District's net position (\$139,706,724 or 63.5%) represents net position restricted for debt service. An additional portion of the District's net position (\$54,677,549 or 24.9%) represents investment in capital assets (infrastructure, buildings, machinery and equipment, etc.) less any related outstanding debt and deferred outflows of resources used to acquire or construct those assets. The District uses capital assets to provide services to its residents; accordingly, these assets are not available for future spending. The remaining unrestricted net position (\$25,511,715) may be used to meet the District's ongoing operations.

The following chart highlights the components of net position as of September 30, 2022:



The following table summarizes the statement of net position as of September 30, 2022 and September 30, 2021:

Northern Palm Beach County Improvement District
Summary of Statement of Net Position

	<u>2022</u>	<u>2021</u>	<u>Dollar Difference</u>	<u>Percentage Change</u>
ASSETS				
Cash and cash equivalents	\$ 52,977,067	\$ 61,947,471	\$ (8,970,404)	-14.5%
Investments	1,545,296	1,597,832	(52,536)	-3.3%
Receivables	183,519,634	191,721,312	(8,201,678)	-4.3%
Prepaid items	171,460	192,465	(21,005)	-10.9%
Capital assets not being depreciated	43,456,036	45,441,709	(1,985,673)	-4.4%
Capital assets being depreciated, net	119,482,965	119,824,787	(341,822)	-0.3%
Total assets	401,152,458	420,725,576	(19,573,118)	-4.7%
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amount on refunding	5,657,883	5,590,797	67,086	1.2%
LIABILITIES				
Accounts payable	836,919	1,110,681	(273,762)	-24.6%
Contracts and retainage payable	720,173	1,428,427	(708,254)	-49.6%
Advances from landowners	221,907	61,592	160,315	n/a
Accrued interest payable	1,286,866	1,398,240	(111,374)	-8.0%
Unearned revenue	129,920	93,050	36,870	39.6%
Long-term obligations:				
Due within one year	10,332,644	9,792,682	539,962	5.5%
Due in more than one year	173,385,924	182,270,913	(8,884,989)	-4.9%
Total liabilities	186,914,353	196,155,585	(9,241,232)	-4.7%
NET POSITION				
Net investment in capital assets	54,677,549	59,528,639	(4,851,090)	-8.1%
Restricted for debt service	139,706,724	144,143,162	(4,436,438)	-3.1%
Unrestricted	25,511,715	26,488,987	(977,272)	-3.7%
Total net position	\$ 219,895,988	\$ 230,160,788	\$ (10,264,800)	-4.5%

Changes in Net Position

The following table highlights the changes in net position for the fiscal years ended September 30, 2022 and September 30, 2021:

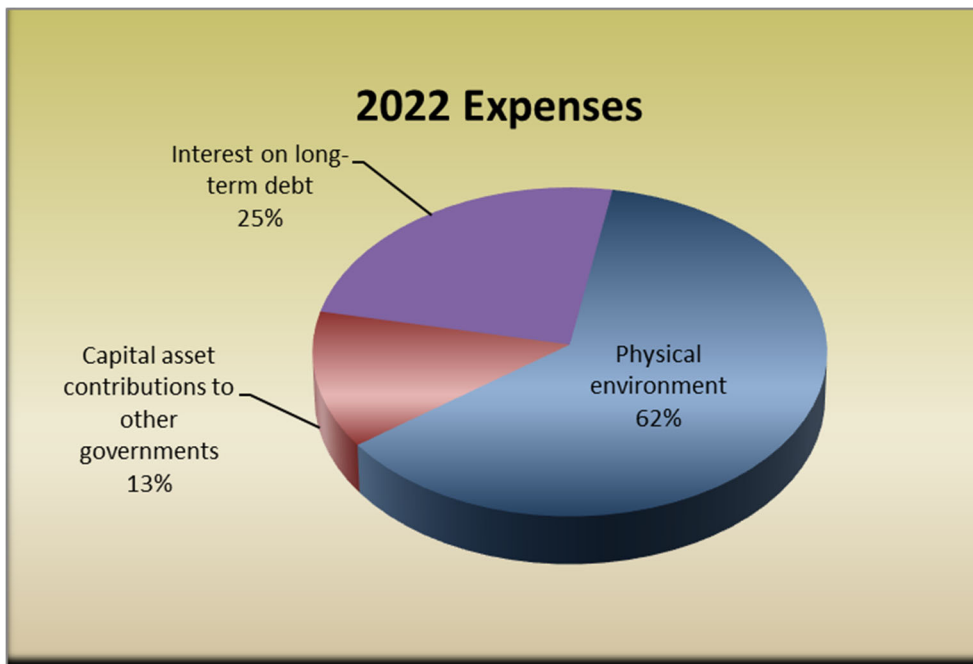
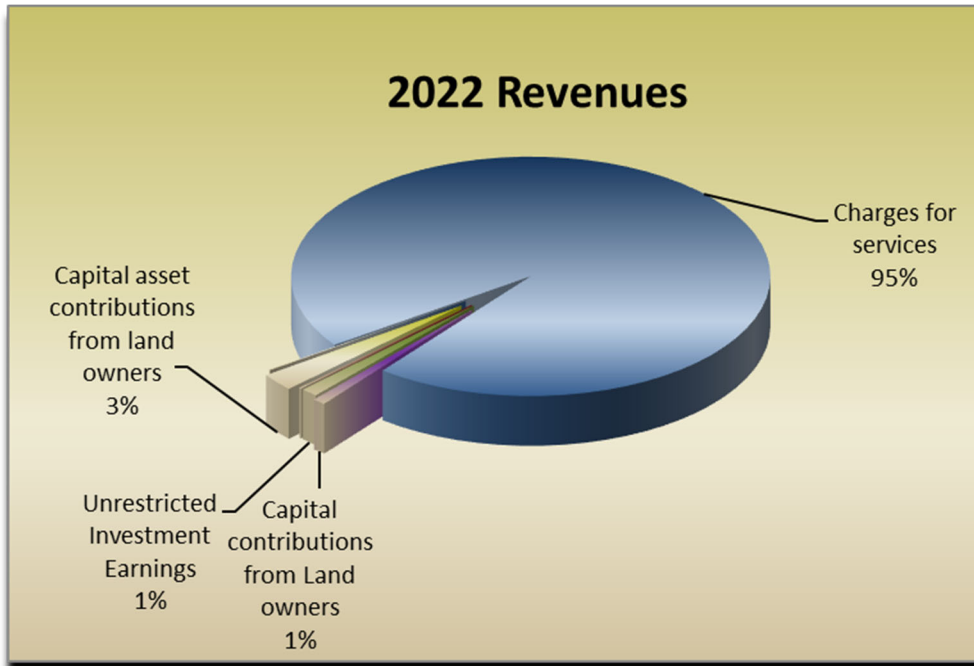
	<u>2022</u>	<u>2021</u>	<u>Dollar</u> <u>Difference</u>	<u>Percentage</u> <u>Change</u>
Revenues:				
Program revenues				
Charges for services	\$ 25,194,823	\$ 32,520,666	\$ (7,325,843)	-23%
Capital contributions from Land Owners	234,592	2,502,051	(2,267,459)	-91%
Operating Grants and Contributions	42,496	248,847	(206,351)	-83%
General revenues				
Investment earnings	303,860	57,774	246,086	426%
Gain on disposal of capital assets	28,976	-	28,976	100%
Capital asset contributions from Land Owners	628,759	235,061	393,698	167%
Total revenues	26,433,506	35,564,399	(9,130,893)	-26%
Program expenses:				
Physical environment	22,780,528	21,419,528	1,361,000	6%
Interest on long-term debt	8,992,712	9,804,808	(812,096)	-8%
Capital asset contributions to other governments	4,925,066	22,169	4,902,897	22116%
Total expenses	36,698,306	31,246,505	5,451,801	17%
Change in net position	(10,264,800)	4,317,894	(14,582,694)	-338%
Net position, beginning of year	230,160,788	225,842,894	4,317,894	2%
Net position, end of year	\$ 219,895,988	\$ 230,160,788	\$ (10,264,800)	-4%

The District's total revenues (including general revenues) decreased by approximately \$9,131,000 or 26% from 2021 to 2022. The main component of the decrease was in charges for services, primarily because the reduction of debt affects the District's recognized revenues in its statement of activities. The balance of debt outstanding corresponds with the balance in the deferred inflow of resources on the governmental funds balance sheet because it is unavailable special assessment revenue to be collected in future years. The change from year to year in the total deferred inflow of resources affects the amount of revenue reported on the Statement of Activities because this assessment revenue is not deferred in the Statement of Net Position. During the fiscal year ended September 30, 2022, the District refunded five bond issues, affecting Units of Development No. 2A, 16, 27B and 44. These refundings helped reduce the total amount of debt outstanding. Capital contributions from Land Owners decreased by approximately \$2,267,000 primarily because there was less developer funded construction of infrastructure improvements within Unit of Development No. 2C, Alton, pursuant to funding agreements with the landowner. Operating Grants and Contributions decreased by approximately \$206,000 or 83% because of less impact fees received from Palm Beach County. The increase in interest earnings by approximately \$246,000 or 426% from 2021 to 2022 is primarily attributable to rising interest rates. Capital asset contributions from Land Owners increased by approximately \$394,000 primarily due to the conveyance of certain drainage improvements to Northern by YTG Palm Beach IG WR, LP, in Unit 16, Palm Beach Park of Commerce.

Total expenses increased by approximately \$5,452,000 or 17% from 2021 to 2022 primarily due to capital assets contributed to other governments. During the fiscal year ended September 30, 2022, in Unit of Development No. 2C, Alton, and in Unit of Development No. 53, Arden, water and sewer improvements with a value approximating \$4,925,000 were contributed to Palm Beach County Water Utilities. The

approximate \$1,361,000 or 6% increase in Physical environment expenses from 2021 to 2022 is attributable to increased prices for contractual services, increased repairs and maintenance expenses.

The following graphs present the revenues and expenses for the fiscal year:



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, Northern Palm Beach County Improvement District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements as well as control and manage resources for specific purposes. The following is a discussion of the major funds of the District for fiscal year ended September 30, 2022 compared to the fiscal year ended September 30, 2021.

The general fund is the primary fund for tracking administrative and operation costs associated with the daily management of the District. Unassigned fund balance in the general fund was approximately \$1,030,000 at September 30, 2022. This is an increase of approximately \$143,000 is primarily attributable to supply chain problems in the economy causing some delays to planned purchases budgeted in fiscal year 2022, such as a specially equipped telemetry van, as well as steel door replacements for the Emergency Operations Center.

The debt service fund for Unit of Development No. 2C, Alton, had an approximate \$23,000 decrease in fund balance due to planned use of excess fund balance to offset assessment revenue. The debt service fund for Unit of Development No. 53, Arden, had an approximate \$48,000 increase in fund balance due to favorable budget variances in the tax collector fees and tax discounts. The fund balance of the capital projects fund for Unit of Development No. 53, Arden, decreased by approximately \$4,594,000 due to capital outlay related to the construction of Unit of Development No. 53, Arden's Plan of Improvements.

BUDGETARY HIGHLIGHTS

The District adopted the fiscal year 2021/2022 budget on August 25, 2021. There were no budget amendments made to the budget. Total expenditures budgeted in the general fund for the fiscal year ended September 30, 2022 were approximately \$4,742,000, with planned funding of \$95,000 through fund balance and the remaining amount through operating transfers from other funds.

As presented in the Budgetary Comparison Schedule, the total of revenues and other financing sources budgeted for the general fund was approximately \$4,647,000, solely from transfers in. "Transfers in" reimburse the general fund for expenditures incurred within the general fund. Actual transfers in was approximately \$234,000 less than budgeted due to savings in the general fund expenditures which required less funds transferred in from other funds.

Total budgeted expenditures in the general fund were approximately \$4,742,000. Actual expenditures were approximately \$417,000 less than due to actual expenditures less than budgeted in personal services, legal and engineering, health insurance, building repairs, and machinery and equipment. The favorable budget variance in personal services was primarily a result of changes in staffing and organizational structure with the retirement of the District's executive director in the first quarter of fiscal year 2022. Expenditures for building repairs and machinery and equipment were less than budget primarily because of supply chain issues causing purchasing delays. Engineering expenses were less than budget because of changing the services of District Engineer in-house during fiscal year 2022. Legal expenditures were less than budget due to less litigation in fiscal year 2022.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the beginning of the fiscal year ended September 30, 2022, the District had \$165,266,496, net of accumulated depreciation, invested in a broad range of capital assets, including land, surface water management systems, roadway improvements, etc. A net decrease of \$2,327,495 decreased the total to \$162,939,001, net of accumulated depreciation, by the end of the fiscal year. The components of the change

in capital assets included \$11,541,889 of additions during fiscal year 2022, comprised of construction, land, machinery and equipment, \$5,565,679 in dispositions, and depreciation expense of \$8,933,707.

The more significant changes to capital assets included the following:

- Unit of Development No. 2C, Alton - Capital outlay totaling approximately \$2,955,000 included Parcels D and G Improvements and Alton North and Neighborhood 1 Improvements. Water and sewer improvements totaling approximately \$1,806,000 were conveyed to Palm Beach County Water Utilities for ownership, operation and maintenance.
- Unit of Development No. 4, West of Villages of Palm Beach Lakes - Capital asset additions totaling approximately \$68,000 included the purchase and installation of three new aerators.
- Unit of Development No. 9A, Abacoa I - Capital asset additions totaling approximately \$87,000 included the purchase and installation of three new aerators.
- Unit of Development No. 11, PGA National - Capital asset additions totaling approximately \$294,000 included resurfacing of Northern owned roads and a pump station fuel tank replacement.
- Unit of Development No. 16, Palm Beach Park of Commerce - Stormwater facilities and storm drainage improvements totaling approximately \$528,000 were conveyed to the District by YTG Palm Beach IG WR, LP, for ownership, operation and maintenance. Also, FRP Developers, LTD, conveyed to the District a 0.12-acre undeveloped parcel of real property valued at approximately \$17,000. Capital asset additions also included approximately \$68,000 for civil engineering related to Venture Way.
- Unit of Development No. 19, Regional Center - Capital asset additions totaling approximately \$79,000 included the purchase and installation of four new aerators.
- Unit of Development No. 21, Old Marsh – Capital asset additions totaling approximately \$100,000 included pump station renovations.
- Unit of Development No. 31, BallenIsles Country Club - Capital asset additions totaling approximately \$2,337,000 included the sale and purchase of the BallenIsles guardhouse, and the purchase and installation of four new aerators.
- Unit of Development No. 53, Arden - Capital asset additions totaling approximately \$4,594,000 included Parcels G, H, I, J improvements. Water and sewer improvements totaling approximately \$3,553,000 were conveyed to Palm Beach County Water Utilities for ownership, operation and maintenance.
- General Fund - Capital asset additions totaling approximately \$90,000 included the purchase of a new truck, the purchase of new servers, and SAN storage software.

The following table summarizes the District’s capital assets, net of accumulated depreciation, for the fiscal years ended September 30, 2022 and September 30, 2021:

	2022	2021
Land	\$ 20,417,218	\$ 20,397,447
Lakes and canal improvements	11,073,524	11,073,524
Preserve improvements	8,985,296	8,985,296
Construction in progress	2,979,998	4,985,442
Buildings and improvements	3,916,489	2,096,955
Parks and facilities	3,224,178	3,844,802
Machinery and equipment	1,890,590	2,024,492
Roadway improvements	38,340,380	42,683,477
Storm water pump stations	2,344,276	2,509,800
Surface water management system	44,206,637	45,481,000
Water control structures	7,507,759	7,722,686
Water, sewer and irrigation facilities	18,052,656	13,461,575
Total Capital Assets, net	<u>\$ 162,939,001</u>	<u>\$ 165,266,496</u>

Additional information on the District’s capital assets can be found in Note 3 on page 36 of this report.

Debt

The District’s total outstanding debt in bonds and notes, net of bond premiums and discount, was \$183,217,729 and \$191,519,303 for the fiscal years ended September 30, 2022 and 2021, respectively.

Additional information on the District’s long-term debt can be found in Note 4 on pages 37 - 42 of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The following highlights for Special Revenue Funds were considered in creating the fiscal year 2022/2023 budget:

- Unit of Development No. 1 – Three access gate replacements.
- Unit of Development No. 2 – Salinity weir project.
- Unit of Development No. 2C – Culvert inspections.
- Unit of Development No. 3 – Two new aerators, access gate enhancements.
- Unit of Development No. 3A – Heavy cleaning of culverts.
- Unit of Development No. 4 – Culvert repair/replacement, access gate replacement, three new aerators.
- Unit of Development No. 5 – Culvert cleaning and restoration.
- Unit of Development No. 5A – Five lake interconnect culvert rehabilitations, roadway catch basin cleaning and inspection, street lighting and sidewalk improvements.
- Unit of Development No. 5B – Pump station site enhancements.
- Unit of Development No. 7 – Two access gate replacements.
- Unit of Development No. 9 – Culvert cleaning and restoration.

- Unit of Development No. 9A and 9B – Culvert cleaning and restoration, construct aluminum catwalk for RTU access at three locations, two new aerators, two access gate replacements, preserve structures repair and replacement.
- Unit of Development No. 11 – Pump station enhancements, Medalist and Tournament intersection overlay project, pedestrian crossing at Ryder Cup and Devonshire, sidewalk and sign repairs, swale restoration and apron repair at Ryder Cup and the Legends, engineering design of multiple projects, telemetry upgrade and electronic control enhancements, one new aerator, aerator electrical reconfigurations, lake interconnect culvert rehabilitation, fence replacement, catch basins inspections and cleaning.
- Unit of Development No. 14 – One new aerator, culvert replacement C-1, culvert cleaning, construct aluminum catwalk for RTU access, exotic tree removals, telemetry upgrade and electronic control enhancements.
- Unit of Development No. 15 – Weir W3 and W4 replacements, canal maintenance.
- Unit of Development No. 16 – Drainage improvements, culvert cleaning, catch basin cleaning, internal roadway maintenance and overlay.
- Unit of Development No. 18 – Alum application treatment project, pump enhancements, telemetry upgrade and electronic control enhancements, road and sidewalk improvements, culvert cleaning, catch basin cleaning.
- Unit of Development No. 19 - Four new aerators.
- Unit of Development No. 20 – Complete weir and wing wall replacement, boat ramp for maintenance access.
- Unit of Development No. 21 – Culvert cleaning, generator repairs.
- Unit of Development No. 23 - Culvert cleaning.
- Unit of Development No. 24 - Culvert inspections.
- Unit of Development No. 29 - Culvert cleaning.
- Unit of Development No. 31 – Culvert repair and cleaning, catch basin cleaning, right of way improvements, aerator electrical reconfigurations, six new aerators.
- Unit of Development No. 34 – Road and sidewalk repairs, catch basin cleaning.
- Unit of Development No. 38 - Catch basin cleaning.
- Unit of Development No. 44 – Culvert inspections, catch basin cleaning.
- Unit of Development No. 45 – Preserve structures repair and replacements, tree damage mitigation.
- Unit of Development No. 47 – Catch basin cleaning.
- Unit of Development No. 53 – Culvert inspections.
- Unit of Development – Administration and Operations- Vehicle replacement, computer upgrades and replacements, EOC building improvements.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our readers with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Executive Director, C. Danvers Beatty, 359 Hiatt Drive, Palm Beach Gardens, Florida 33418.

BASIC FINANCIAL STATEMENTS

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

STATEMENT OF NET POSITION

SEPTEMBER 30, 2022

Assets	
Cash and cash equivalents	\$ 52,977,067
Investments	1,545,296
Receivables	183,519,634
Prepaid items	171,460
Capital assets not being depreciated	43,456,036
Capital assets being depreciated, net	<u>119,482,965</u>
Total Assets	<u>401,152,458</u>
 Deferred Outflows Of Resources	
Deferred amount on refunding	<u>5,657,883</u>
Total Assets And Deferred Outflows Of Resources	<u>406,810,341</u>
 Liabilities	
Accounts payable	836,919
Contracts and retainage payable	720,173
Advances from landowners	221,907
Accrued interest payable	1,286,866
Unearned revenue	129,920
Long-term obligations:	
Due within one year	10,332,644
Due in more than one year	<u>173,385,924</u>
Total Liabilities	<u>186,914,353</u>
 Net Position	
Net investment in capital assets	54,677,549
Restricted for debt service	139,706,724
Unrestricted	<u>25,511,715</u>
Total Net Position	<u>\$ 219,895,988</u>

See notes to basic financial statements.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

<u>Function/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Contributions from Land Owners</u>	
Governmental Activities:					
Physical environment	\$ 22,780,528	\$ 25,194,823	\$ 42,496	\$ 234,592	\$ 2,691,383
Interest on long-term debt	<u>8,992,712</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,992,712)</u>
Total Governmental Activities	<u>\$ 31,773,240</u>	<u>\$ 25,194,823</u>	<u>\$ 42,496</u>	<u>\$ 234,592</u>	<u>\$ (6,301,329)</u>
General Revenues					
Unrestricted investment earnings					303,860
Gain on disposition of capital assets					28,976
Capital asset contributions to other governments					(4,925,066)
Capital asset contributions from land owners					<u>628,759</u>
Total General Revenues					<u>(3,963,471)</u>
Change in Net Position					(10,264,800)
Net Position - Beginning of Year					<u>230,160,788</u>
Net Position - End of Year					<u>\$ 219,895,988</u>

See notes to basic financial statements.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

BALANCE SHEET GOVERNMENTAL FUNDS

SEPTEMBER 30, 2022

	Major Funds				Nonmajor Governmental Funds	Total Governmental Funds
	General	Debt Service 2C	Debt Service 53	Capital Projects 53		
Assets						
Cash and cash equivalents	\$ 1,232,703	\$ 6,313,223	\$ 4,577,381	\$ 5,805,704	\$ 35,048,056	\$ 52,977,067
Investments	-	1,545,296	-	-	-	1,545,296
Receivables:						
Assessments	75,603	74,930,000	44,000,000	-	64,250,199	183,255,802
Interest	-	8,687	6,165	11,608	2,900	29,360
Accounts	-	31,269	18,002	-	185,201	234,472
Prepaid items	12,400	-	-	-	-	12,400
Total Assets	<u>\$ 1,320,706</u>	<u>\$ 82,828,475</u>	<u>\$ 48,601,548</u>	<u>\$ 5,817,312</u>	<u>\$ 99,486,356</u>	<u>\$ 238,054,397</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ 167,005	\$ -	\$ -	\$ 1,973	\$ 667,941	\$ 836,919
Contracts and retainage payable	35,903	-	-	307,413	376,857	720,173
Advances from landowners	-	-	-	-	221,907	221,907
Unearned revenue	-	-	-	-	129,920	129,920
Total Liabilities	<u>202,908</u>	<u>-</u>	<u>-</u>	<u>309,386</u>	<u>1,396,625</u>	<u>1,908,919</u>
Deferred Inflows of Resources						
Unavailable revenue - special assessments	75,603	74,930,000	44,000,000	-	64,250,199	183,255,802
Total liabilities and deferred inflows of resources	<u>278,511</u>	<u>74,930,000</u>	<u>44,000,000</u>	<u>309,386</u>	<u>65,646,824</u>	<u>185,164,721</u>
Fund Balances						
Non-spendable	12,400	-	-	-	-	12,400
Restricted	-	7,898,475	4,601,548	5,507,926	9,028,233	27,036,182
Committed	-	-	-	-	24,811,299	24,811,299
Unassigned	1,029,795	-	-	-	-	1,029,795
Total Fund Balances	<u>1,042,195</u>	<u>7,898,475</u>	<u>4,601,548</u>	<u>5,507,926</u>	<u>33,839,532</u>	<u>52,889,676</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,320,706</u>	<u>\$ 82,828,475</u>	<u>\$ 48,601,548</u>	<u>\$ 5,817,312</u>	<u>\$ 99,486,356</u>	<u>\$ 238,054,397</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2022

Total Governmental Fund Balances (Page 19)	\$	52,889,676
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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 governmental funds:

Cost of assets	\$ 296,060,945	
Accumulated depreciation	<u>(133,121,944)</u>	162,939,001

The focus of governmental funds is on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets (assessments receivable) are offset by deferred inflow in the governmental funds and thus are not included in fund balance:

Adjustment of deferred inflows - unavailable revenue		183,255,802
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Long-term liabilities, including notes and bonds payable, are not due and payable in the current period and therefore are not reported in the funds. The amount borrowed is received in the governmental funds and increases fund balance, whereas the amount escrowed for payment of the old debt reduces fund balance. The difference between those amounts as well as the bond insurance costs will be amortized as an adjustment of interest expense in the statement of activities over the remaining life of the refunded debt. Balances at year-end consist of:

Bonds and notes payable	(183,217,729)	
Less unamortized deferred amount on refunding	5,657,883	
Less unamortized bond costs (insurance)	159,060	
Accrued interest payable on long-term debt	(1,286,866)	
Compensated absences	(500,839)	(179,188,491)

Total Net Position (Page 17)	\$	219,895,988
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NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

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

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Major Funds				Nonmajor Governmental Funds	Total Governmental Funds
	General	Debt Service 2C	Debt Service 53	Capital Projects 53		
Revenues						
Non-ad valorem assessments	\$ -	\$ 5,393,972	\$ 3,106,577	\$ -	\$ 24,680,966	\$ 33,181,515
Intergovernmental revenues	-	-	-	-	42,496	42,496
Capital contributions from landowners	-	-	-	-	234,592	234,592
Investment income	3,584	1,174	35,171	40,687	223,244	303,860
Miscellaneous	10,609	-	-	-	263,377	273,986
Total Revenues	<u>14,193</u>	<u>5,395,146</u>	<u>3,141,748</u>	<u>40,687</u>	<u>25,444,675</u>	<u>34,036,449</u>
Expenditures						
Current:						
Physical environment	4,213,966	-	-	-	9,309,160	13,523,126
Capital outlay	89,937	-	-	4,594,069	6,229,124	10,913,130
Debt service:						
Principal	17,750	1,610,000	860,000	-	6,494,834	8,982,584
Interest	2,871	3,785,750	2,220,865	-	1,968,163	7,977,649
Debt issuance costs	-	-	-	-	239,825	239,825
Payment to escrow agent	-	-	-	-	2,700,961	2,700,961
Other	-	22,443	12,921	-	37,821	73,185
Total Expenditures	<u>4,324,524</u>	<u>5,418,193</u>	<u>3,093,786</u>	<u>4,594,069</u>	<u>26,979,888</u>	<u>44,410,460</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(4,310,331)</u>	<u>(23,047)</u>	<u>47,962</u>	<u>(4,553,382)</u>	<u>(1,535,213)</u>	<u>(10,374,011)</u>
Other Financing Sources (Uses)						
Transfers in	4,413,304	-	-	-	7,016	4,420,320
Transfers out	-	-	-	(40,216)	(4,380,104)	(4,420,320)
Proceeds from sales/disposals of capital assets	39,588	-	-	-	-	39,588
Repayment to landowners	-	-	-	-	(367,148)	(367,148)
Refunding debt issued	-	-	-	-	13,845,000	13,845,000
Promissory notes issued	-	-	-	-	2,400,000	2,400,000
Payment to refunded bonds escrow agent	-	-	-	-	(13,723,795)	(13,723,795)
Total Other Financing Sources (Uses)	<u>4,452,892</u>	<u>-</u>	<u>-</u>	<u>(40,216)</u>	<u>(2,219,031)</u>	<u>2,193,645</u>
Net Change in Fund Balances	142,561	(23,047)	47,962	(4,593,598)	(3,754,244)	(8,180,366)
Fund Balances - Beginning of Year	<u>899,634</u>	<u>7,921,522</u>	<u>4,553,586</u>	<u>10,101,524</u>	<u>37,593,776</u>	<u>61,070,042</u>
Fund Balances - End of Year	<u>\$ 1,042,195</u>	<u>\$ 7,898,475</u>	<u>\$ 4,601,548</u>	<u>\$ 5,507,926</u>	<u>\$ 33,839,532</u>	<u>\$ 52,889,676</u>

See notes to basic financial statements.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

**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, 2022

Net Change in Fund Balances - Total Governmental Funds (Page 21) **\$ (8,180,366)**

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

Governmental funds report capital outlays as expenditures, however, in the statement of activities the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital outlay	\$ 10,913,130	
Less current year depreciation expense	<u>(8,933,707)</u>	1,979,423

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.

Capital asset contributions to other governments	(4,925,066)	
Capital asset contribution from land owners	628,759	
Sale/disposal of capital assets activity	<u>(10,612)</u>	(4,306,919)

Governmental funds report annual collections of debt assessments as revenue, including the portion collected for principal repayment. However, in the statement of activities, the principal repayment portion is recognized as revenue upon adoption of the resolutions authorizing the debt.

(8,260,679)

Some revenues, expenses, gains and losses reported in the statement of activities are not reported in the governmental funds because they have no effect on current financial resources:

Changes in compensated absences		43,453
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Interest expense in the statement of activities differs from the amount reported in governmental funds for two reasons. The net effect of accrued interest on long-term debt (difference between amount that would have been accrued in prior year and current year accrual), and adjustments arising from bond insurance are amortized:

Net effect of accrued interest on long-term debt	111,378	
Net amortized bond discount and premium	40,896	
Amortization of bond insurance costs	<u>(854,326)</u>	(702,052)

Bonds and notes issued are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the government-wide statements, however, issuing debt increases long-term liabilities in the statement of net position.

Refunding special assessment bonds	(13,845,000)	
Promissory notes	(2,400,000)	
Payment to refunded bonds escrow agent	16,424,756	
Principal payments on long-term debt	<u>8,982,584</u>	9,162,340

Change in Net Position of Governmental Activities (Page 18) **\$ (10,264,800)**

NOTES TO BASIC FINANCIAL STATEMENTS

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Northern Palm Beach County Improvement District (the “District”) was created pursuant to Chapter 59-994, Florida Statutes and codified pursuant to Chapter 2000-467, Laws of Florida, and supplemented by Chapters 2004-467, 2005-302, 2006-330, 2009-256, and 2010-243, Laws of Florida, for the purpose of reclaiming the lands within its boundaries for water control and water supply purposes, and to protect the land from the effects of water by means of the construction and maintenance of canals, ditches, levees, dikes, pumping plants, and other works and improvements. The District is also authorized to construct and operate water and sewer facilities, roads, parks and parkways. The District is located in the northeastern section of Palm Beach County and encompasses approximately 128 square miles of land.

The governing body of the District is the Board of Supervisors (the Board) which is comprised of five elected members. The Board is responsible for legislative and fiscal control of the District.

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

A. FINANCIAL REPORTING ENTITY

The financial statements were prepared in accordance with GASB Statements related to *The Financial Reporting Entity*, which establishes standards for defining and reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the District, organizations for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The District is financially accountable for a component unit if it appoints a voting majority of the organization’s governing board and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District, or the District has operational responsibility on the organization. Based upon the application of these criteria, there were no organizations that met the criteria described above.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District.

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

Major individual governmental funds are reported as separate columns in the fund financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they become measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures for compensated absences, are recorded only when payment is due.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

Non-ad valorem assessments and interest on investments associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. All other revenue items are considered to be measurable and available only when cash is received by the District. Revenues for expenditure driven grants are recognized when the related expenditures are incurred.

The District reports the following major governmental funds:

The *General Fund* is the primary operating fund and is used to account for all financial resources applicable to the general operations of the District except those required to be accounted for in another fund.

The *Unit 2C Debt Service Fund*, is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs for Unit of Development 2C.

The *Unit 53 Debt Service Fund*, is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs for Unit of Development 53.

The *Unit 53 Capital Projects Fund*, is used to account for the construction and acquisition of capital assets, such as buildings, water control structures, surface water management system, equipment, roads and roadway improvements for Unit of Development 53.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

Additionally, the District reports the following non-major fund types:

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities.

D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR EQUITY

1. Deposits and Investments

Cash and investments of each fund, except for certain investments governed by bond resolutions or other contractual agreements, are accounted for in pooled cash and investment accounts with each fund maintaining its proportionate equity in the pooled accounts. The use of a pooled cash and investment account enables the District to invest idle cash for short periods of time, thereby maximizing earnings potential. Income earned from this pooling of investments is allocated to the respective funds based upon average monthly proportionate balances.

The District can invest in interest-bearing checking or savings accounts, interest-bearing time deposits, the Local Government Surplus Funds Trust Fund, Securities and Exchange Commission registered money market funds, direct obligations of the U.S. Treasury, Federal Agencies and Government Sponsored Enterprises, commercial paper, securities of investment companies limited to obligations of the U.S. Government, repurchase agreements collateralized by U.S. Treasury Securities, and other investments authorized by law for districts or by resolution of the District. All investments, other than short-term investments, are reported at fair value.

The District considers cash on hand, demand deposits, money market funds and all other short-term investments that are highly liquid to be cash and cash equivalents.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR EQUITY (CONTINUED)

2. Accounts Receivable

Accounts receivable include refunds and net reimbursements due to the District. Management believes the amounts are fully collectible.

3. Assessments Receivable/Unavailable Revenue

Assessments receivable recorded in the Debt Service and Special Revenue Funds represent the balance of outstanding assessments levied by the District to repay outstanding debt. The assessments are levied at the time the related debt issuance is authorized. The receivables are collected in annual installments together with assessments for interest and collection costs in amounts sufficient to meet the annual debt service requirements.

The District reports unavailable revenue as a deferred inflow of resources in the fund financial statements in an amount equal to the assessments receivable since this revenue will be collected in future years. This assessment revenue is not deferred in the government-wide financial statements. Instead, it is recognized as revenue at the time the assessments are levied.

4. Prepaid Items

Payments made to vendors for services that will benefit periods beyond September 30, 2022, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is classified as non-spendable, as this amount is not available for general appropriation.

5. Capital Assets and Depreciation

Capital assets, which include property, plant, equipment, and intangible assets are reported in the government-wide financial statements. When purchased, acquired or constructed, capital assets are recorded as expenditures in the governmental funds and capitalized as assets in the government-wide statement of net position.

Capital assets are carried at historical cost or estimated historical cost. Contributed assets are recorded at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Infrastructure, such as canals, bridges, culverts and drainage systems, are capitalized along with other general capital assets at historical cost.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR EQUITY (CONTINUED)

5. Capital Assets and Depreciation (continued)

The District uses a capitalization threshold of \$1,000 for tangible assets as well as certain intangible assets, such as computer software. Other intangible assets, such as easements, have a capitalization threshold of \$50,000.

Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation. The estimated lives for each major class of depreciable capital assets are as follows:

Water control structures	50 years
Surface water management system	50 years
Roadway improvements	20 years
Buildings and improvements	20 years
Parks and facilities	20 years
Storm water pump station	15 years
Water, sewer and irrigation facilities	15 years
Entrance gates and other improvements	10-20 years
Machinery and equipment	5-10 years

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District only has one item that qualifies for reporting in this category. It is the deferred amount on refunding reported in the government-wide statement of net position. A deferred amount 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.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item,

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR EQUITY (CONTINUED)

6. Deferred Outflows/Inflows of Resources (continued)

unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from the balance of outstanding assessments levied by the District to repay outstanding debt. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

7. Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. On both the governmental fund statements and the government-wide statements, unearned revenues represent the corresponding liability for cash advances received to fund future expected expenditures related to permit and plat petitions.

8. Compensated Absences

The District's employees are granted compensated absence pay for vacation leave based on length of service up to a maximum of 308 hours. Employees must use 75% of the annual vacation accrual or forfeit the unused portion. Vacation is accrued as a liability when benefits are earned by the employees, that is, the employees have rendered services that give rise to the vacation liability and it is probable that the District will compensate the employees upon termination or retirement. Employees who began working before July 1, 2005 are eligible for paid sick leave, up to a maximum of 420 hours. Employees who began working after July 1, 2005 are not paid for accrued sick leave. The District uses the vesting method in accruing sick leave liability. The vesting method accrues sick leave liability for employees who are eligible to receive termination payments upon separation.

Compensated absences are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements. For the governmental funds, compensated absences are liquidated by the general fund.

9. Long-Term Debt

Bonds and notes payable are reported as liabilities in the government-wide statement of net position. These liabilities are not reported in the fund financial statements as they are not considered to be current liabilities.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR EQUITY (CONTINUED)

9. Long-Term Debt (continued)

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method which approximates the effective interest method. Bonds are reported net of the applicable bond premium or discount. Bond issuance costs, other than prepaid insurance, are expensed at issuance. Prepaid insurance associated with the issuance of debt is reported as an asset and amortized over the term of the related debt. Deferred amounts on refunding are reported as deferred inflows or outflows of resources on the statement of net position. These deferred amounts are amortized over the shorter of the life of the refunding debt (new debt) and the refunded debt (the old debt).

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as an other financing source while discounts on debt issuances are reported as an other financing use. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

10. Net Position

Equity in the government-wide statement of net position is displayed in three categories: 1) net investment in capital assets, 2) restricted for debt service, and 3) unrestricted. Net investment in capital assets consist of capital assets reduced by accumulated depreciation, and by any outstanding debt/liabilities and deferred inflows and outflows of resources incurred to acquire, construct, or improve those assets. Net position is reported as restricted when there are legal limitations imposed on their use by District legislation or external restrictions by other governments, creditors, or grantors. Unrestricted net position consists of all net position that does not meet the definition of either of the other two components.

11. Fund Balances

Classifications of fund balance are hierarchical and are based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. Application of the GASB Statement requires the District to classify and report amounts in the appropriate fund balance classifications. The District's accounting policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of non-spendable, restricted, committed, assigned or unassigned.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR EQUITY (CONTINUED)

11. Fund Balances (continued)

The District reports the following classifications in accordance with its officially adopted policy on fund balance:

Non-spendable fund balance. Non-spendable fund balances are amounts that are (a) not in spendable form, such as inventory, prepaids or capital assets, or (b) legally or contractually required to be maintained intact.

Restricted fund balance. Restricted fund balances are amounts that can be spent only from specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. Committed fund balance can only be used for the specific purposes determined by a formal action (Board approval or Resolution having equal authority) of the Board, the District's highest level of decision making authority. Commitments may be changed or lifted only by the Board taking the same formal action (Board approval or Resolution) that imposed the constraint originally.

Assigned fund balance. Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Intent is established by management of the District to which the Board has delegated the authority by formal policy to assign, modify, or rescind amounts to be used for specific purposes. This balance includes (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as non-spendable, restricted, or committed, and (b) amounts in the General Fund or governmental funds that are intended to be used for a specific purpose. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the fund itself.

Unassigned fund balance. Unassigned fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION OR EQUITY (CONTINUED)

12. Fund Balance Flow Assumptions

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

13. Net Position Flow Assumption

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

14. Use of Estimates

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States of America. Management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, and deferred inflows/outflows, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenditures/expenses during the period reported. These estimates include assessing the collectability of receivables and useful lives and impairment of tangible assets, among others. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from estimates.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 2 - DEPOSITS AND INVESTMENTS

DEPOSITS

In addition to insurance provided by the Federal Depository Insurance Corporation, deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral. In the event of failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. The District's deposits at year end are insured or collateralized.

INVESTMENTS

The District has adopted an investment policy in accordance with Florida Statutes to establish guidelines for the efficient management of its cash reserves.

Interest Rate Risk

As of September 30, 2022, the District had the following investments subject to interest rate risk:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
U.S. Government agencies	\$ 764,424	1.16 years
U.S. Treasury obligations	780,872	0.62 years
	<u>\$ 1,545,296</u>	

The District will attempt to minimize the risk that the market value of securities in the portfolio will fail due to changes in interest rates by:

- A. Structuring the investment portfolio so that the securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- B. Investing operating funds primarily in short-term securities, money market funds, or similar investment pools unless it is anticipated that long-term securities can be held until maturity without jeopardizing the liquidity requirements.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

Credit Risk

State law and the District's investment policy limits investments in bonds, U.S. treasuries and agency obligations, or other evidences of indebtedness to the top ratings issued by nationally recognized statistical rating organizations (NRSRO) of the United States. As of the fiscal year end, the credit quality ratings of debt securities were as follows:

<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
U.S. government agencies:			
Federal National Mortgage Association	\$ 764,424	AA+	S&P

The risk of loss due to failure of the security issuer or backer will be minimized by:

- A. Limiting investments to the safest types of securities, based on portfolio composition.
- B. Pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the District will do business.
- C. Diversifying the investment portfolio so that potential losses on individual securities will not place an undue financial burden on the District.
- D. Monitoring all of the District's investments to anticipate and respond appropriately to changing market conditions. (Daily by the District's Investment Advisor, monthly by the District's finance director and quarterly by the Board.)
- E. Investments in Money Market Fund, Federal Farm Credit Bank, and Commercial Paper are rated with a nationally recognized rating agency Aaa, Aaa, and A-1+ respectively.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

FAIR VALUE HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 – Investments' fair values based on prices quoted in active markets for identical assets.

Level 2 – Investments' fair values based on observable inputs for the assets either directly or indirectly, other than those considered Level 1 inputs, which may include quoted prices for identical assets in markets that are not considered to be active, and quoted prices of similar assets in active or inactive markets.

Level 3 – Investments' fair values based upon unobservable inputs.

The following is a description of the fair value techniques for the District's investments. Level 1 and 2 prices are obtained from various pricing sources by the District's custodian bank:

Short-term investments, which consist of money market funds, are reported at amortized cost.

U.S. Treasury securities of approximately \$781,000 are valued using quoted market prices.

Debt securities are valued using pricing inputs that reflect the assumptions market participants would use to price an asset or liability and are developed based on market data obtained from sources independent of the reporting entity based on a combination of matrix pricing, actual observable trades in similar securities, and yield curve analysis (Level 2). This includes U.S. federal agencies, mortgage backed and collateralized securities and state and local government securities.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2022 was as follows:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending Balance</u>
Capital Assets Not Being Depreciated:					
Land	\$ 20,397,447	\$ 19,771	\$ -	\$ -	\$ 20,417,218
Lakes and canal improvements	11,073,524	-	-	-	11,073,524
Preserve improvements	8,985,296	-	-	-	8,985,296
Construction in progress	<u>4,985,442</u>	<u>9,976,172</u>	<u>-</u>	<u>(11,981,616)</u>	<u>2,979,998</u>
Total Capital Assets Not Being Depreciated	<u>45,441,709</u>	<u>9,995,943</u>	<u>-</u>	<u>(11,981,616)</u>	<u>43,456,036</u>
Capital Assets Being Depreciated:					
Buildings and improvements	7,273,722	-	-	2,239,200	9,512,922
Parks and facilities	12,319,505	-	-	-	12,319,505
Machinery and equipment	13,241,631	725,115	179,154	-	13,787,592
Roadway improvements	103,465,432	77,093	1,392,558	1,028,744	103,178,711
Storm water pump stations	14,290,270	77,850	-	154,108	14,522,228
Surface water management system	64,645,028	-	-	93,285	64,738,313
Water control structures	12,938,418	56,900	-	-	12,995,318
Water, sewer and irrigation facilities	<u>16,469,020</u>	<u>608,988</u>	<u>3,993,967</u>	<u>8,466,279</u>	<u>21,550,320</u>
Total Capital Assets Being Depreciated	<u>244,643,026</u>	<u>1,545,946</u>	<u>5,565,679</u>	<u>11,981,616</u>	<u>252,604,909</u>
Less Accumulated Depreciation For:					
Buildings and improvements	(5,176,767)	(419,666)	-	-	(5,596,433)
Parks and facilities	(8,474,703)	(620,624)	-	-	(9,095,327)
Machinery and equipment	(11,217,139)	(848,406)	168,543	-	(11,897,002)
Roadway improvements	(60,781,955)	(4,467,910)	411,534	-	(64,838,331)
Storm water pump stations	(11,780,470)	(397,482)	-	-	(12,177,952)
Surface water management system	(19,164,028)	(1,367,648)	-	-	(20,531,676)
Water control structures	(5,215,732)	(271,827)	-	-	(5,487,559)
Water, sewer and irrigation facilities	<u>(3,007,445)</u>	<u>(540,144)</u>	<u>49,925</u>	<u>-</u>	<u>(3,497,664)</u>
Total Accumulated Depreciation	<u>(124,818,239)</u>	<u>(8,933,707)</u>	<u>630,002</u>	<u>-</u>	<u>(133,121,944)</u>
Total Capital Assets Being Depreciated, Net	<u>119,824,787</u>	<u>(7,387,761)</u>	<u>4,935,677</u>	<u>11,981,616</u>	<u>119,482,965</u>
Governmental Activities Capital Assets, Net	<u>\$ 165,266,496</u>	<u>\$ 2,608,182</u>	<u>\$ 4,935,677</u>	<u>\$ -</u>	<u>\$ 162,939,001</u>

Depreciation expense was charged to functions as follows:

Governmental activities:
Physical environment

\$ 8,933,707

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 4 - LONG-TERM OBLIGATIONS AND PLEDGED FUTURE REVENUES

Long-term obligations are comprised of limited obligation bonds (special assessment debt), notes payable and compensated absences. Debt was issued primarily to provide funds to finance the cost of projects to construct or maintain improvements within the District. The limited obligation bonds and notes payable bear interest at rates ranging from 2.06% to 5.625% and mature in future years through 2051, and are collateralized by pledged future drainage and maintenance assessments (non-ad valorem assessments). The total principal and interest remaining on the debt is \$285,676,750 payable through August 1, 2051, and is 100% funded by the non-ad valorem assessments. For the current year, principal and interest paid and total non-ad valorem assessments were \$16,960,233 and \$33,181,515, respectively.

The District's failure to pay the principal or interest on any debt when due or failure to observe and perform any covenant, condition, agreement or provision in any indenture applicable to the District's various debt obligations, constitutes an event of default for the District. In the event of a default, bondholders may sue to enforce their rights or to enjoin any acts of the District that may be unlawful or in violation of their rights. In certain cases, in the event of a default, the interest rate on the debt may be increased.

SPECIAL ASSESSMENT DEBT WITH GOVERNMENTAL COMMITMENT

Special assessment debt with governmental commitment is not backed by the full faith and credit of the District but is payable solely from and secured solely by a lien on and pledge of drainage taxes (non-ad valorem assessments) of the properties benefited by the improvements.

Outstanding balances at September 30, 2022, are as follows:

\$3,580,000 Series 2021 Water Control and Improvement Refunding Bonds, Unit 2A, due in annual installments of \$270,000 to \$350,000 from August 1, 2023, through August 1, 2033, with interest changing from 2.61% to 2.06% with planned conversion from Taxable to Non-Taxable Bonds on May 3, 2023, payable semi-annually on February 1 and August 1 of each year.	\$ 3,390,000
\$59,380,000 Series 2014 Water Control and Improvement Bonds, Unit 2C, comprised of term bonds subject to mandatory redemptions due in annual installments totaling \$1,180,000 to \$3,725,000 from August 1, 2023, to August 1, 2046, with interest from 4.50% to 5.20% payable semiannually on February 1 and August 1 of each year.	<u>53,265,000</u>
Subtotal (Forward)	<u>56,655,000</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 4 - LONG-TERM OBLIGATIONS AND PLEDGED FUTURE REVENUES (CONTINUED)

SPECIAL ASSESSMENT DEBT WITH GOVERNMENTAL COMMITMENT (CONTINUED)

Subtotal (Forward)	56,655,000
<p>\$23,495,000 Series 2017 Water Control and Improvement Bonds, Unit 2C, comprised of term bonds subject to mandatory redemptions due in annual installments totaling \$500,000 to \$1,510,000 from August 1, 2023, to August 1, 2046, with interest from 4.00% to 5.00% payable semiannually on February 1 and August 1 of each year.</p>	21,665,000
<p>\$3,670,000 Water Control and Improvement Refunding Bonds, Unit 3A, Taxable Series 2004B, due on August 1, 2027, subject to mandatory redemptions due in annual installments of \$325,000 to \$400,000 from August 1, 2023 through August 1, 2027 with interest of 5.375% payable semi-annually on February 1 and August 1 of each year.</p>	1,805,000
<p>\$2,400,000 2022 Unit 5 Promissory Note, due in annual installments of \$66,773 to \$296,983 from August 1, 2023, through August 1, 2032, with an interest rate of 3.53%, payable semi-annually on February 1 and August 1 of each year.</p>	2,400,000
<p>\$3,473,198 Series 2015 Water Control and Improvement Refunding Bonds, Unit 5B, due in annual installments of \$367,959 to \$384,553 from August 1, 2023 to August 1, 2025, with interest at 2.23% payable semi-annually on February 1 and August 1 of each year.</p>	1,128,677
<p>\$32,064,999 2013 Unit 9A Promissory Note, due in annual installments of \$2,446,674 to \$2,749,479 from August 1, 2023, through August 1, 2027, with an interest rate of 2.96%, payable semi-annually on February 1 and August 1 of each year.</p>	12,979,343
<p>\$14,460,000 Series 2015 Water Control and Improvement Refunding Bonds, Unit 9B, due in annual installments of \$1,045,000 to \$1,285,000 from August 1, 2023 to August 1, 2029, with interest from 3.00% to 5.00%, payable semi-annually on February 1 and August 1 of each year.</p>	8,185,000
<p>\$3,275,000 Series 2021 Water Control and Improvement Refunding Bonds, Unit 16, due in annual installments of \$235,000 to \$510,00 from August 1, 2023, through August 1, 2032, with an interest rate of 2.41%, payable semi-annually on February 1 and August 1 of each year.</p>	<u>3,170,000</u>
Subtotal (Forward)	<u>107,988,020</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 4 - LONG-TERM OBLIGATIONS AND PLEDGED FUTURE REVENUES (CONTINUED)

SPECIAL ASSESSMENT DEBT WITH GOVERNMENTAL COMMITMENT (CONTINUED)

Subtotal (Forward)	107,988,020
\$2,205,000 Series 2021 Water Control and Improvement Refunding Bonds, Unit 27B, due in annual installments of \$180,000 to \$220,000 from August 1, 2023, to August 1, 2032, with interest rate of 1.99% payable semi-annually on February 1 and August 1 of each year.	2,025,000
\$325,000 2014 Unit 34 Promissory Note, due in annual installments of \$21,668 from August 1, 2023 through August 1, 2029, with interest at 4.0% until the first interest adjustment date of November 20, 2024, and for each successive one year period beginning on November 20 thereafter, at which time the interest rate will be adjusted to the Treasury Rate (as hereinafter defined) plus 3.00%. "Treasury Rate" means, as of each Adjustment Date, the yield on the Treasury Constant Maturity Series with a maturity of one year, as reported in Federal Reserve Statistical Release H.15, Selected Interest Rates of the Board of Governors of the Federal Reserve System. Interest is payable semi-annually on February 1, and August 1 of each year.	151,658
\$11,465,000 Series 2017B Water Control and Improvement Refunding Bonds, Unit 43, due in annual installments of \$995,000 to \$1,215,000 from August 1, 2023, through August 1, 2031, with interest of 2.48% payable semi-annually on February 1 and August 1 of each year.	9,915,000
\$625,000 Series 2021A Water Control and Improvement Refunding Bonds, Unit 44, due in annual installments of \$160,000 to \$325,000 from August 1, 2023, to August 1, 2024, with interest rate of 2.71% payable semi-annually on February 1 and August 1 of each year.	485,000
\$4,160,000 Series 2021B Water Control and Improvement Refunding Bonds, Unit 44 (Taxable), due in annual installments of \$120,000 to \$595,00 from August 1, 2023, to August 1, 2031, with interest of 2.22% payable semiannually on February 1 and August 1 of each year.	<u>4,160,000</u>
Subtotal (Forward)	<u>124,724,678</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 4 - LONG-TERM OBLIGATIONS AND PLEDGED FUTURE REVENUES (CONTINUED)

SPECIAL ASSESSMENT DEBT WITH GOVERNMENTAL COMMITMENT (CONTINUED)

Subtotal (Forward)	124,724,678
\$3,503,598 2016 Unit 45 Promissory Note, due in annual installments of \$190,561 to \$264,423 from August 1, 2023, to August 1, 2033, with interest at 3.33% payable semiannually on February 1 and August 1 of each year.	2,482,485
\$11,930,000 Series 2016A Water Control and Improvement Refunding Bonds, Unit 46, term bonds due August 1, 2041. The bonds are subject to mandatory redemptions due in annual installments of \$425,000 to \$755,000 from August 1, 2023, through August 1, 2041, with interest from 2.50% to 3.625% payable semi-annually on February 1 and August 1 of each year.	10,855,000
\$24,785,000 Series 2015 Water Control and Improvement Bonds, Unit 53, term bonds due August 1, 2046. The bonds are subject to mandatory redemptions due in annual installments of \$490,000 to \$1,675,000 from August 1, 2023, through August 1, 2046, with interest from 4.65% to 5.50% payable semi-annually on February 1 and August 1 of each year.	23,040,000
\$10,975,000 Series 2018 Water Control and Improvement Bonds, Unit 53, term bonds due August 1, 2049. The bonds are subject to mandatory redemptions due in annual installments of \$180,000 to \$730,000 from August 1, 2023, through August 1, 2049, with interest from 4.5% to 5.625% payable semi-annually on February 1 and August 1 of each year.	10,480,000
\$10,700,000 Series 2021 Water Control and Improvement Bonds, Unit 53, term bonds due August 1, 2051. The bonds are subject to mandatory redemptions due in annual installments of \$225,000 to \$580,000 from August 1, 2023, through August 1, 2051, with interest from 2.30% to 4.00% payable semi-annually on February 1 and August 1 of each year.	10,480,000
\$3,950,000 2011 Unit 11 and 14 Promissory Note, due in annual installments of \$287,319 to \$309,691 from August 1, 2023 through August 1, 2026, with interest at 3.075% payable semi-annually on February 1, and August 1 of each year.	1,193,639
Total Special Assessment Debt With Governmental Commitment	<u><u>\$ 183,255,802</u></u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 4 - LONG-TERM OBLIGATIONS AND PLEDGED FUTURE REVENUES (CONTINUED)

SPECIAL ASSESSMENT DEBT WITH GOVERNMENTAL COMMITMENT (CONTINUED)

Changes in long-term obligations for the fiscal year ended September 30, 2022, are summarized below:

	Balance September 30, <u>2021</u>	<u>Additions</u>	<u>Deletions</u>	Balance September 30, <u>2022</u>	Due Within <u>One Year</u>
Bonds payable	\$ 158,435,000	\$ -	\$ 18,660,000	\$ 139,775,000	\$ 4,370,000
Notes from direct borrowings and direct placements	33,081,480	16,245,000	5,845,678	43,480,802	5,760,951
Plus premium	1,136,840	-	96,932	1,039,908	-
Less discount	<u>(1,134,017)</u>	<u>-</u>	<u>(56,036)</u>	<u>(1,077,981)</u>	<u>-</u>
Total bonds and notes payable	191,519,303	16,245,000	24,546,574	183,217,729	10,130,951
Compensated absences	<u>544,292</u>	<u>351,553</u>	<u>395,006</u>	<u>500,839</u>	<u>201,693</u>
	<u>\$ 192,063,595</u>	<u>\$ 16,596,553</u>	<u>\$ 24,941,580</u>	<u>\$ 183,718,568</u>	<u>\$ 10,332,644</u>

The annual requirements to amortize all debt to maturity are as follows:

	Bonds Payable		Notes from Direct Borrowings and Direct Placements		Total
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
	Fiscal Year Ending September 30:				
2023	\$ 4,370,000	\$ 6,670,231	\$ 5,760,951	\$ 1,172,459	\$ 17,973,641
2024	4,565,000	6,478,603	6,082,892	999,335	18,125,830
2025	4,755,000	6,280,315	5,972,849	833,976	17,842,140
2026	4,960,000	6,088,925	5,772,773	671,533	17,493,231
2027	5,155,000	5,881,146	5,607,700	512,683	17,156,529
2028-2032	23,035,000	26,169,683	13,669,214	1,036,717	63,910,614
2033-2037	26,040,000	20,635,433	614,423	16,015	47,305,871
2038-2042	32,455,000	13,622,068	-	-	46,077,068
2043-2047	30,830,000	5,007,488	-	-	35,837,488
2048-2051	<u>3,610,000</u>	<u>344,338</u>	<u>-</u>	<u>-</u>	<u>3,954,338</u>
	<u>\$ 139,775,000</u>	<u>\$ 97,178,230</u>	<u>\$ 43,480,802</u>	<u>\$ 5,242,718</u>	<u>\$ 285,676,750</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 4 - LONG-TERM OBLIGATIONS AND PLEDGED FUTURE REVENUES (CONTINUED)

SPECIAL ASSESSMENT DEBT WITH GOVERNMENTAL COMMITMENT (CONTINUED)

PROVISIONS OF BOND RESOLUTIONS

The District entered into covenants with the bondholders to levy annual assessments sufficient to pay the debt service on the bonds. Reserve accounts were established and the amounts on deposit in these accounts may be used only for the purpose of paying the principal and interest on the bonds when assessments are not sufficient to meet the debt service requirements when due. The bond resolutions specify minimum amounts to be maintained in the reserve accounts. At September 30, 2022, the District was in compliance with such bond covenants.

NOTE 5 - DEFEASED DEBT

REFUNDED DEBT

During the year, the District refinanced five of its limited obligation bonds as summarized in the following table.

Unit	Series	Old Debt Defeased		New Refunding Debt Issued			Cash Flow Savings	Economic Gain	Date of Refunded Debt Final Discharge	Refunding Type
		Principal Amount Retired	Interest Rates	Dated	Principal Amount Issued	Interest Rates				
2A	2013	\$ 3,365,000	4.00%- 5.25%	12/28/21	\$ 3,580,000	2.06%- 2.61%	\$ 335,623	\$ 296,983	8/1/2023	Advanced
16	2012	\$ 4,320,000	5.125%- 5.75%	12/28/21	\$ 3,275,000	2.41% - 3.65%	\$ 726,258	\$ 531,861	8/1/2022	Advanced
27B	2012	\$ 2,440,000	4.125%- 4.75%	12/28/21	\$ 2,205,000	1.99% - 2.52%	\$ 322,745	\$ 252,083	8/1/2022	Advanced
44	2010B	\$ 1,038,092	6.510%	12/28/21	\$ 625,000	2.71%	\$ 83,546	\$ 62,855	12/28/2021	Current
44	2012A	\$ 4,360,000	3.75%- 4.50%	12/28/21	\$ 4,160,000	2.22% - 3.5%	\$ 468,109	\$ 355,996	8/1/2022	Advanced

Upon issuance of the refunding, the debt defeased and the related escrow assets were removed from the face of the financial statements.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 5 - DEFEASED DEBT (CONTINUED)

REFUNDED DEBT (CONTINUED)

The difference between the principal amount retired on the defeased debt and the amount paid to escrow agent is deferred and amortized over the life of the new debt. The life of the new debt issue is the same as the life of the debt defeased.

DEFEASED DEBT IN SUBSTANCE

For financial reporting purposes, defeased debt, accounted for as advanced refunding, is removed as a liability from the District's records with the funds placed in escrow and paid to bondholders by the paying agent. As of September 30, 2022, the defeased debt outstanding is as follows:

2A Water Control and Improvement Refunding Bonds - Series 2013	\$ 3,150,000
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NOTE 6 - INTERFUND TRANSACTIONS

Transfers of resources from a fund receiving revenue to the fund through which the resources will be expended are recorded as transfers and are reported as other financing sources (uses) in the governmental funds. Non-recurring or non-routine transfers of equity between funds are also reported as transfers. These transfers were made in order to close capital projects and debt service funds for which the fund's purpose had been accomplished and for surplus construction funds transferred to other funds in accordance with the original capital projects funding agreements.

Following is a summary of transfers individually by major fund and in the aggregate for non-major funds for the year.

Fund	Transfers In	Transfers Out
Major Funds:		
General fund	\$ 4,413,304	\$ -
Capital projects unit 53	-	40,216
Nonmajor funds in the aggregate	7,016	4,380,104
Total Interfund Transfers	\$ 4,420,320	\$ 4,420,320

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". There were no amounts due from and to other funds at September 30, 2022.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 7 - CONSTRUCTION COMMITMENTS

The status of contracts at September 30, 2022 is as follows:

Project	Total Contract Amount	Expended Through September 30, 2022	Payable At September 30, 2022	Balance to Complete
Unit of Development No. 2C	\$ 2,533,154	\$ 1,969,943	\$ 212,674	\$ 350,537
Unit of Development No. 5	115,613	60,369	3,468	51,776
Unit of Development No. 5B	8,334	2,084	-	6,250
Unit of Development No. 5D	8,334	2,084	-	6,250
Unit of Development No. 9B	41,520	-	41,520	-
Unit of Development No. 11	25,002	6,251	-	18,751
Unit of Development No. 16	92,885	61,130	3,578	28,177
Unit of Development No. 18	763,414	4,167	-	759,247
Unit of Development No. 20	170,490	68,231	9,693	92,566
Unit of Development No. 21	289,194	249,320	12,187	27,687
Unit of Development No. 31	2,239,200	2,145,463	93,737	-
Unit of Development No. 43	33,336	8,334	-	25,002
Unit of Development No. 53	7,073,737	3,026,751	307,413	3,739,573
General Fund	35,903	-	35,903	-
Total Contracts	\$ 13,430,116	\$ 7,604,127	\$ 720,173	\$ 5,105,816

NOTE 8 - DEFINED CONTRIBUTION PLAN

The Northern Palm Beach County Improvement District Simplified Employee Pension (SEP) Plan is a defined contribution pension plan established by the District to provide benefits at retirement to the employees of the District.

All full-time employees of the District are eligible to participate in the plan upon completion of the six month introductory period. The District contributes an amount equal to 18% of the employee's base salary each month to the plan. Employees cannot contribute to the plan. The District's contribution for each employee (and interest allocated to the employee's account) is fully vested following completion of the six month introductory period. Employees designate which companies will administer their individual contributions. Contributions are made to the individual's SEP IRA account and are invested at the direction of the account owner. Plan revisions and contribution requirements are established and may be amended by the District's Board of Supervisors. The District made 100% of its required contributions of \$387,390 for fiscal year ended September 30, 2022.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 9 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the District carries commercial insurance. Specifically, the District purchases commercial insurance for property, medical benefits, worker's compensation, general liability, automobile liability, errors and omissions, and directors and officers liability. The District is also covered by Florida Statutes under the Doctrine of Sovereign Immunity which effectively limits the amount of liability of certain governmental entities to individual claims of \$200,000/\$300,000 for all claims relating to the same accident. There were no changes in insurance coverage from the prior year and there were no settlements that exceeded insurance coverage in the last three years.

NOTE 10 - INTERLOCAL AGREEMENTS

The District has executed interlocal agreements with forty (40) local governmental entities. Pursuant to the agreements, the District is acting as the lead applicant (with the other governmental entities as co-applicants) for the purpose of filing a permit application with the Environmental Protection Agency and to implement the regulations for the National Pollutant Discharge Elimination System (NPDES) Permit Program which addresses stormwater discharges to waters of the United States.

For the fiscal year ended September 30, 2022, the District received \$498,079 from the governmental entities including interest earnings, and spent \$558,453 on the NPDES application program. The cumulative excess of receipts over disbursements from inception of the NPDES application program through September 30, 2022 was \$222,392.

NOTE 11 - CONTINGENT LIABILITIES

LITIGATION, CLAIMS AND ASSESSMENTS

There are various claims and legal actions pending against the District for which no provision has been made in the financial statements. In the opinion of management and the District's attorneys, liabilities arising from these claims and legal actions, if any, will not have a material adverse effect on the financial condition of the District.

GRANTS

Grant monies received and disbursed by the District are for specific purposes and may be subject to audit by the grantor agencies. Such audits may result in requests for reimbursements due to disallowed expenditures or other actions by grantor agencies. Based upon prior experience, the District does not believe that such disallowances or other actions taken by the grantor agencies, if any, would have a material adverse effect on the financial position of the District.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 12 – SUBSEQUENT EVENT

CONSTRUCTION CONTRACTS

The District awarded the following construction contract subsequent to September 30, 2022:

Contract Award Date	Unit	Contractor	Project Description	Original Contract Amount
1/25/2023	16	J.W. Cheatham	Venture Way Extension	\$ 932,634

REQUIRED SUPPLEMENTARY INFORMATION

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>			Variance from Final
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Positive (Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 3,584	\$ 3,584
Miscellaneous	-	-	10,609	10,609
Total Revenues	<u>-</u>	<u>-</u>	<u>14,193</u>	<u>14,193</u>
Expenditures				
Current:				
Physical environment	4,612,746	4,612,746	4,213,966	398,780
Capital outlay	108,500	108,500	89,937	18,563
Debt service:				
Principal	17,750	17,750	17,750	-
Interest	2,871	2,871	2,871	-
Total Expenditures	<u>4,741,867</u>	<u>4,741,867</u>	<u>4,324,524</u>	<u>417,343</u>
(Deficiency) of Revenues over Expenditures	<u>(4,741,867)</u>	<u>(4,741,867)</u>	<u>(4,310,331)</u>	<u>431,536</u>
Other Financing Sources				
Transfers in	4,646,867	4,646,867	4,413,304	(233,563)
Proceeds from sales/disposals of capital assets	-	-	39,588	39,588
Total Other Financing Sources	<u>4,646,867</u>	<u>4,646,867</u>	<u>4,452,892</u>	<u>(193,975)</u>
Net Change in Fund Balance	(95,000)	(95,000)	142,561	237,561
Fund Balance - Beginning of Year	<u>1,043,373</u>	<u>1,043,373</u>	<u>899,634</u>	<u>(143,739)</u>
Fund Balance - End of Year	<u>\$ 948,373</u>	<u>\$ 948,373</u>	<u>\$ 1,042,195</u>	<u>\$ 93,822</u>

See note to budgetary comparison schedule.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

NOTE TO BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 1. BUDGET AND BUDGETARY ACCOUNTING

A budgetary comparison schedule is presented for the general fund. Budgetary comparison schedules are not required and have not been presented for the major debt service or capital projects funds or for nonmajor funds. The procedures for establishing budgetary data reflected in the budgetary comparison schedule are as follows:

- In June of each year, the Executive Director submits to the Board of Supervisors a proposed operating budget prepared for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain landowner comments.
- Prior to October 1, the budget is legally adopted by the Board.
- Changes or amendments to any budgeted expenditure of the District must be approved by the Board of Supervisors. The legal level of budgetary control for the District is exercised at the fund level. There were no supplemental appropriations for the fiscal year ended September 30, 2022.
- The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles except for certain hurricane related expenditures. All appropriations lapse at fiscal year end unless encumbered or specifically designated to be carried forward to the subsequent year. The budgeted amounts presented in the accompanying financial statements are the final authorized amounts for the fiscal year.

**COMBINING NONMAJOR FINANCIAL
STATEMENTS
(SUPPLEMENTARY INFORMATION)**

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2022

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 25,843,813	\$ 3,346,224	\$ 5,858,019	\$ 35,048,056
Receivables:				
Assessments	3,669,695	60,580,504	-	64,250,199
Interest	-	2,241	659	2,900
Accounts	132,716	52,485	-	185,201
Total Assets	\$ 29,646,224	\$ 63,981,454	\$ 5,858,678	\$ 99,486,356
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 667,864	\$ -	\$ 77	\$ 667,941
Contracts and retainage payable	160,605	-	216,252	376,857
Advances from landowners	221,907	-	-	221,907
Unearned revenue	114,854	15,066	-	129,920
Total Liabilities	1,165,230	15,066	216,329	1,396,625
Deferred Inflows of Resources				
Unavailable revenue - special assessments	3,669,695	60,580,504	-	64,250,199
Total liabilities and deferred inflows of resources	4,834,925	60,595,570	216,329	65,646,824
Fund Balances				
Restricted	-	3,385,884	5,642,349	9,028,233
Committed	24,811,299	-	-	24,811,299
Total Fund Balances	24,811,299	3,385,884	5,642,349	33,839,532
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 29,646,224	\$ 63,981,454	\$ 5,858,678	\$ 99,486,356

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT								
	1	2	2A	2C	3	3A	4	5	5A
Assets									
Cash and cash equivalents	\$ 219,740	\$ 395,008	\$ 299,959	\$ 407,677	\$ 428,165	\$ 342,154	\$ 668,281	\$ 623,498	\$ 1,154,444
Receivables:									
Assessments	-	-	-	-	-	-	-	2,400,000	-
Accounts	1,111	3,041	776	2,907	2,037	1,316	3,630	1,614	1,579
Total Assets	<u>\$ 220,851</u>	<u>\$ 398,049</u>	<u>\$ 300,735</u>	<u>\$ 410,584</u>	<u>\$ 430,202</u>	<u>\$ 343,470</u>	<u>\$ 671,911</u>	<u>\$ 3,025,112</u>	<u>\$ 1,156,023</u>
Liabilities, Deferred Inflows of Resources and Fund Balances									
Liabilities									
Accounts payable	\$ 6,497	\$ 8,475	\$ 553	\$ 863	\$ 22,649	\$ 7,889	\$ 14,614	\$ 3,483	\$ 4,102
Contracts and retainage payable	-	-	-	-	-	-	-	3,468	-
Advances from landowners	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	4,675	-	-	100	1,416
Total Liabilities	<u>6,497</u>	<u>8,475</u>	<u>553</u>	<u>863</u>	<u>27,324</u>	<u>7,889</u>	<u>14,614</u>	<u>7,051</u>	<u>5,518</u>
Deferred Inflows of Resources									
Unavailable revenue - special assessments	-	-	-	-	-	-	-	2,400,000	-
Total liabilities and deferred inflows of resources	<u>6,497</u>	<u>8,475</u>	<u>553</u>	<u>863</u>	<u>27,324</u>	<u>7,889</u>	<u>14,614</u>	<u>2,407,051</u>	<u>5,518</u>
Fund Balances									
Committed	214,354	389,574	300,182	409,721	402,878	335,581	657,297	618,061	1,150,505
Total Fund Balances	<u>214,354</u>	<u>389,574</u>	<u>300,182</u>	<u>409,721</u>	<u>402,878</u>	<u>335,581</u>	<u>657,297</u>	<u>618,061</u>	<u>1,150,505</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 220,851</u>	<u>\$ 398,049</u>	<u>\$ 300,735</u>	<u>\$ 410,584</u>	<u>\$ 430,202</u>	<u>\$ 343,470</u>	<u>\$ 671,911</u>	<u>\$ 3,025,112</u>	<u>\$ 1,156,023</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT								
	5B	5C	5D	7	9	9A	9B	11	12
Assets									
Cash and cash equivalents	\$ 187,473	\$ 245,986	\$ 263,341	\$ 394,227	\$ 334,775	\$ 1,046,727	\$ 901,457	\$ 2,660,223	\$ 181,086
Receivables:									
Assessments	-	-	-	-	-	-	-	727,404	-
Accounts	552	251	560	1,463	744	7,445	3,534	18,484	631
Total Assets	<u>\$ 188,025</u>	<u>\$ 246,237</u>	<u>\$ 263,901</u>	<u>\$ 395,690</u>	<u>\$ 335,519</u>	<u>\$ 1,054,172</u>	<u>\$ 904,991</u>	<u>\$ 3,406,111</u>	<u>\$ 181,717</u>
Liabilities, Deferred Inflows of Resources and Fund Balances									
Liabilities									
Accounts payable	\$ 4,454	\$ 134	\$ 1,194	\$ 4,104	\$ 2,862	\$ 39,026	\$ 42,537	\$ 120,102	\$ 504
Contracts and retainage payable	-	-	-	-	-	-	41,520	-	-
Advances from landowners	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	3,058	-	-	-	-	-
Total Liabilities	<u>4,454</u>	<u>134</u>	<u>1,194</u>	<u>7,162</u>	<u>2,862</u>	<u>39,026</u>	<u>84,057</u>	<u>120,102</u>	<u>504</u>
Deferred Inflows of Resources									
Unavailable revenue - special assessments	-	-	-	-	-	-	-	727,404	-
Total liabilities and deferred inflows of resources	<u>4,454</u>	<u>134</u>	<u>1,194</u>	<u>7,162</u>	<u>2,862</u>	<u>39,026</u>	<u>84,057</u>	<u>847,506</u>	<u>504</u>
Fund Balances									
Committed	183,571	246,103	262,707	388,528	332,657	1,015,146	820,934	2,558,605	181,213
Total Fund Balances	<u>183,571</u>	<u>246,103</u>	<u>262,707</u>	<u>388,528</u>	<u>332,657</u>	<u>1,015,146</u>	<u>820,934</u>	<u>2,558,605</u>	<u>181,213</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 188,025</u>	<u>\$ 246,237</u>	<u>\$ 263,901</u>	<u>\$ 395,690</u>	<u>\$ 335,519</u>	<u>\$ 1,054,172</u>	<u>\$ 904,991</u>	<u>\$ 3,406,111</u>	<u>\$ 181,717</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT							
	12A	14	15	16	18	19	19A	20
Assets								
Cash and cash equivalents	\$ 106,172	\$ 774,196	\$ 794,688	\$ 1,367,914	\$ 2,346,164	\$ 457,007	\$ 494,063	\$ 390,160
Receivables:								
Assessments	-	390,632	-	-	-	-	-	-
Accounts	147	5,268	4,590	9,596	19,471	5,101	239	1,494
Total Assets	<u>\$ 106,319</u>	<u>\$ 1,170,096</u>	<u>\$ 799,278</u>	<u>\$ 1,377,510</u>	<u>\$ 2,365,635</u>	<u>\$ 462,108</u>	<u>\$ 494,302</u>	<u>\$ 391,654</u>
Liabilities, Deferred Inflows of Resources and Fund Balances								
Liabilities								
Accounts payable	\$ 462	\$ 38,861	\$ 34,413	\$ 31,374	\$ 104,472	\$ 12,751	\$ -	\$ 2,844
Contracts and retainage payable	-	-	-	-	-	-	-	9,693
Advances from landowners	-	-	-	-	-	-	-	-
Unearned revenue	-	-	210	33,567	-	-	-	-
Total Liabilities	<u>462</u>	<u>38,861</u>	<u>34,623</u>	<u>64,941</u>	<u>104,472</u>	<u>12,751</u>	<u>-</u>	<u>12,537</u>
Deferred Inflows of Resources								
Unavailable revenue - special assessments	-	390,632	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	<u>462</u>	<u>429,493</u>	<u>34,623</u>	<u>64,941</u>	<u>104,472</u>	<u>12,751</u>	<u>-</u>	<u>12,537</u>
Fund Balances								
Committed	105,857	740,603	764,655	1,312,569	2,261,163	449,357	494,302	379,117
Total Fund Balances	<u>105,857</u>	<u>740,603</u>	<u>764,655</u>	<u>1,312,569</u>	<u>2,261,163</u>	<u>449,357</u>	<u>494,302</u>	<u>379,117</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 106,319</u>	<u>\$ 1,170,096</u>	<u>\$ 799,278</u>	<u>\$ 1,377,510</u>	<u>\$ 2,365,635</u>	<u>\$ 462,108</u>	<u>\$ 494,302</u>	<u>\$ 391,654</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT								
	21	23	24	27B	29	31	32	32A	33
Assets									
Cash and cash equivalents	\$ 416,487	\$ 258,633	\$ 835,940	\$ 275,516	\$ 185,658	\$ 2,366,777	\$ 19,376	\$ 36,602	\$ 60,090
Receivables:									
Assessments	-	-	-	-	-	-	-	-	-
Accounts	2,111	1,110	1,763	681	236	5,877	293	31	87
Total Assets	<u>\$ 418,598</u>	<u>\$ 259,743</u>	<u>\$ 837,703</u>	<u>\$ 276,197</u>	<u>\$ 185,894</u>	<u>\$ 2,372,654</u>	<u>\$ 19,669</u>	<u>\$ 36,633</u>	<u>\$ 60,177</u>
Liabilities, Deferred Inflows of Resources and Fund Balances									
Liabilities									
Accounts payable	\$ 6,884	\$ 4,197	\$ 18,046	\$ 12,636	\$ 1,022	\$ 43,262	\$ 487	\$ 461	\$ 275
Contracts and retainage payable	12,187	-	-	-	-	93,737	-	-	-
Advances from landowners	-	-	-	-	-	221,907	-	-	-
Unearned revenue	190	40	-	-	-	-	-	-	-
Total Liabilities	<u>19,261</u>	<u>4,237</u>	<u>18,046</u>	<u>12,636</u>	<u>1,022</u>	<u>358,906</u>	<u>487</u>	<u>461</u>	<u>275</u>
Deferred Inflows of Resources									
Unavailable revenue - special assessments	-	-	-	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	<u>19,261</u>	<u>4,237</u>	<u>18,046</u>	<u>12,636</u>	<u>1,022</u>	<u>358,906</u>	<u>487</u>	<u>461</u>	<u>275</u>
Fund Balances									
Committed	399,337	255,506	819,657	263,561	184,872	2,013,748	19,182	36,172	59,902
Total Fund Balances	<u>399,337</u>	<u>255,506</u>	<u>819,657</u>	<u>263,561</u>	<u>184,872</u>	<u>2,013,748</u>	<u>19,182</u>	<u>36,172</u>	<u>59,902</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 418,598</u>	<u>\$ 259,743</u>	<u>\$ 837,703</u>	<u>\$ 276,197</u>	<u>\$ 185,894</u>	<u>\$ 2,372,654</u>	<u>\$ 19,669</u>	<u>\$ 36,633</u>	<u>\$ 60,177</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT								
	34	38	41	43	44	45	46	47	49
Assets									
Cash and cash equivalents	\$ 249,737	\$ 293,390	\$ 38,580	\$ 1,122,516	\$ 537,460	\$ 332,815	\$ 268,751	\$ 417,707	\$ 213,279
Receivables:									
Assessments	151,659	-	-	-	-	-	-	-	-
Accounts	990	424	24	5,459	292	2,404	301	244	404
Total Assets	<u>\$ 402,386</u>	<u>\$ 293,814</u>	<u>\$ 38,604</u>	<u>\$ 1,127,975</u>	<u>\$ 537,752</u>	<u>\$ 335,219</u>	<u>\$ 269,052</u>	<u>\$ 417,951</u>	<u>\$ 213,683</u>
Liabilities, Deferred Inflows of Resources and Fund Balances									
Liabilities									
Accounts payable	\$ 7,353	\$ 3	\$ 117	\$ 49,613	\$ 5	\$ 7,079	\$ 22	\$ 310	\$ 3,021
Contracts and retainage payable	-	-	-	-	-	-	-	-	-
Advances from landowners	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	1,250	-	-	70	3,107
Total Liabilities	<u>7,353</u>	<u>3</u>	<u>117</u>	<u>49,613</u>	<u>1,255</u>	<u>7,079</u>	<u>22</u>	<u>380</u>	<u>6,128</u>
Deferred Inflows of Resources									
Unavailable revenue - special assessments	151,659	-	-	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	<u>159,012</u>	<u>3</u>	<u>117</u>	<u>49,613</u>	<u>1,255</u>	<u>7,079</u>	<u>22</u>	<u>380</u>	<u>6,128</u>
Fund Balances									
Committed	243,374	293,811	38,487	1,078,362	536,497	328,140	269,030	417,571	207,555
Total Fund Balances	<u>243,374</u>	<u>293,811</u>	<u>38,487</u>	<u>1,078,362</u>	<u>536,497</u>	<u>328,140</u>	<u>269,030</u>	<u>417,571</u>	<u>207,555</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 402,386</u>	<u>\$ 293,814</u>	<u>\$ 38,604</u>	<u>\$ 1,127,975</u>	<u>\$ 537,752</u>	<u>\$ 335,219</u>	<u>\$ 269,052</u>	<u>\$ 417,951</u>	<u>\$ 213,683</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT			
	51	53	Common Area	Total
Assets				
Cash and cash equivalents	\$ 80,996	\$ 250,436	\$ 98,482	\$ 25,843,813
Receivables:				
Assessments	-	-	-	3,669,695
Accounts	187	416	11,801	132,716
Total Assets	<u>\$ 81,183</u>	<u>\$ 250,852</u>	<u>\$ 110,283</u>	<u>\$ 29,646,224</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 2	\$ 50	\$ 3,800	\$ 667,864
Contracts and retainage payable	-	-	-	160,605
Advances from landowners	-	-	-	221,907
Unearned revenue	-	67,171	-	114,854
Total Liabilities	<u>2</u>	<u>67,221</u>	<u>3,800</u>	<u>1,165,230</u>
Deferred Inflows of Resources				
Unavailable revenue - special assessments	-	-	-	3,669,695
Total liabilities and deferred inflows of resources	<u>2</u>	<u>67,221</u>	<u>3,800</u>	<u>4,834,925</u>
Fund Balances				
Committed	81,181	183,631	106,483	24,811,299
Total Fund Balances	<u>81,181</u>	<u>183,631</u>	<u>106,483</u>	<u>24,811,299</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 81,183</u>	<u>\$ 250,852</u>	<u>\$ 110,283</u>	<u>\$ 29,646,224</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS

SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT							
	2A	3A	5B	9A	9B	16	19	27B
Assets								
Cash and cash equivalents	\$ 61,734	\$ 52,536	\$ 16,338	\$ 785,605	\$ 834,053	\$ 124,970	\$ -	\$ 36,821
Receivables:								
Assessments	3,390,000	1,805,000	1,128,677	12,979,342	8,185,000	3,170,000	-	2,025,000
Interest	21	4	2	-	1,327	5	-	55
Accounts	2,186	2,373	2,253	16,151	7,625	3,879	-	1,622
Total Assets	<u>\$ 3,453,941</u>	<u>\$ 1,859,913</u>	<u>\$ 1,147,270</u>	<u>\$ 13,781,098</u>	<u>\$ 9,028,005</u>	<u>\$ 3,298,854</u>	<u>\$ -</u>	<u>\$ 2,063,498</u>
Liabilities, Deferred Inflows of Resources and Fund Balances								
Unearned revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,066	\$ -	\$ -
Deferred Inflows of Resources								
Unavailable revenue - special assessments	<u>\$ 3,390,000</u>	<u>\$ 1,805,000</u>	<u>\$ 1,128,677</u>	<u>\$ 12,979,342</u>	<u>\$ 8,185,000</u>	<u>\$ 3,170,000</u>	<u>-</u>	<u>\$ 2,025,000</u>
Total liabilities and deferred inflows of resources	<u>3,390,000</u>	<u>1,805,000</u>	<u>1,128,677</u>	<u>12,979,342</u>	<u>8,185,000</u>	<u>3,185,066</u>	<u>-</u>	<u>2,025,000</u>
Fund Balances								
Restricted	63,941	54,913	18,593	801,756	843,005	113,788	-	38,498
Total Fund Balances	<u>63,941</u>	<u>54,913</u>	<u>18,593</u>	<u>801,756</u>	<u>843,005</u>	<u>113,788</u>	<u>-</u>	<u>38,498</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 3,453,941</u>	<u>\$ 1,859,913</u>	<u>\$ 1,147,270</u>	<u>\$ 13,781,098</u>	<u>\$ 9,028,005</u>	<u>\$ 3,298,854</u>	<u>\$ -</u>	<u>\$ 2,063,498</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS (CONTINUED)

SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT				
	43	44	45	46	Total
Assets					
Cash and cash equivalents	\$ 487,323	\$ 108,771	\$ 84,669	\$ 753,404	\$ 3,346,224
Receivables:					
Assessments	9,915,000	4,645,000	2,482,485	10,855,000	60,580,504
Interest	4	6	-	817	2,241
Accounts	7,078	3,381	1,560	4,377	52,485
Total Assets	<u>\$ 10,409,405</u>	<u>\$ 4,757,158</u>	<u>\$ 2,568,714</u>	<u>\$ 11,613,598</u>	<u>\$ 63,981,454</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Unearned revenue	\$ -	\$ -	\$ -	\$ -	\$ 15,066
Deferred Inflows of Resources					
Unavailable revenue - special assessments	<u>\$ 9,915,000</u>	<u>\$ 4,645,000</u>	<u>\$ 2,482,485</u>	<u>\$ 10,855,000</u>	<u>\$ 60,580,504</u>
Total liabilities and deferred inflows of resources	<u>9,915,000</u>	<u>4,645,000</u>	<u>2,482,485</u>	<u>10,855,000</u>	<u>60,595,570</u>
Fund Balances					
Restricted	<u>494,405</u>	<u>112,158</u>	<u>86,229</u>	<u>758,598</u>	<u>3,385,884</u>
Total Fund Balances	<u>494,405</u>	<u>112,158</u>	<u>86,229</u>	<u>758,598</u>	<u>3,385,884</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 10,409,405</u>	<u>\$ 4,757,158</u>	<u>\$ 2,568,714</u>	<u>\$ 11,613,598</u>	<u>\$ 63,981,454</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS

SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT				
	<u>2C</u>	<u>5</u>	<u>16</u>	<u>25</u>	<u>Total</u>
Assets					
Cash and cash equivalents	\$ 2,691,853	\$ 2,380,341	\$ 765,617	\$ 20,208	\$ 5,858,019
Receivables:					
Interest	<u>-</u>	<u>-</u>	<u>659</u>	<u>-</u>	<u>659</u>
Total Assets	<u>\$ 2,691,853</u>	<u>\$ 2,380,341</u>	<u>\$ 766,276</u>	<u>\$ 20,208</u>	<u>\$ 5,858,678</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 77	\$ -	\$ -	\$ -	\$ 77
Contracts and retainage payable	<u>212,674</u>	<u>-</u>	<u>3,578</u>	<u>-</u>	<u>216,252</u>
Total Liabilities	<u>212,751</u>	<u>-</u>	<u>3,578</u>	<u>-</u>	<u>216,329</u>
Fund Balances					
Restricted	<u>2,479,102</u>	<u>2,380,341</u>	<u>762,698</u>	<u>20,208</u>	<u>5,642,349</u>
Total Fund Balances	<u>2,479,102</u>	<u>2,380,341</u>	<u>762,698</u>	<u>20,208</u>	<u>5,642,349</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,691,853</u>	<u>\$ 2,380,341</u>	<u>\$ 766,276</u>	<u>\$ 20,208</u>	<u>\$ 5,858,678</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

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

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Non-ad valorem assessments	\$ 15,453,686	\$ 9,227,280	\$ -	\$ 24,680,966
Intergovernmental revenues	42,496	-	-	42,496
Capital contributions from landowners	120,186	-	114,406	234,592
Investment income	155,262	38,824	29,158	223,244
Miscellaneous	263,377	-	-	263,377
Total Revenues	<u>16,035,007</u>	<u>9,266,104</u>	<u>143,564</u>	<u>25,444,675</u>
Expenditures				
Current:				
Physical environment	9,309,160	-	-	9,309,160
Capital outlay	3,198,770	-	3,030,354	6,229,124
Debt service:				
Principal	284,146	6,210,688	-	6,494,834
Interest	49,492	1,918,671	-	1,968,163
Debt issuance costs	-	210,725	29,100	239,825
Payment to escrow agent	-	2,700,961	-	2,700,961
Other	-	37,821	-	37,821
Total Expenditures	<u>12,841,568</u>	<u>11,078,866</u>	<u>3,059,454</u>	<u>26,979,888</u>
Excess (Deficiency) of Revenues over Expenditures	<u>3,193,439</u>	<u>(1,812,762)</u>	<u>(2,915,890)</u>	<u>(1,535,213)</u>
Other Financing Sources (Uses)				
Transfers in	7,016	-	-	7,016
Transfers out	(4,329,283)	(7,016)	(43,805)	(4,380,104)
Repayment to landowners	(14,710)	-	(352,438)	(367,148)
Refunding debt issued	-	13,845,000	-	13,845,000
Promissory notes issued	-	-	2,400,000	2,400,000
Payment to refunded bonds escrow agent	-	(13,723,795)	-	(13,723,795)
Total Other Financing Sources (Uses)	<u>(4,336,977)</u>	<u>114,189</u>	<u>2,003,757</u>	<u>(2,219,031)</u>
Net Change in Fund Balances	(1,143,538)	(1,698,573)	(912,133)	(3,754,244)
Fund Balances - Beginning of Year	<u>25,954,837</u>	<u>5,084,457</u>	<u>6,554,482</u>	<u>37,593,776</u>
Fund Balances - End of Year	<u>\$ 24,811,299</u>	<u>\$ 3,385,884</u>	<u>\$ 5,642,349</u>	<u>\$ 33,839,532</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

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

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT								
	1	2	2A	2C	3	3A	4	5	5A
Revenues									
Non-ad valorem assessments	\$132,652	\$ 327,522	\$ 113,809	\$219,715	\$355,406	\$ 163,691	\$ 549,338	\$ 282,337	\$ 273,402
Intergovernmental revenues	-	-	6,490	-	-	-	-	-	-
Capital contributions from landowners	-	-	-	-	10,800	-	-	-	3,500
Investment income	1,318	2,510	1,671	2,255	2,629	1,931	4,476	3,520	6,410
Miscellaneous	3,382	3,658	620	14,375	3,036	2,789	3,860	7,310	(477)
Total Revenues	<u>137,352</u>	<u>333,690</u>	<u>122,590</u>	<u>236,345</u>	<u>371,871</u>	<u>168,411</u>	<u>557,674</u>	<u>293,167</u>	<u>282,835</u>
Expenditures									
Current:									
Physical environment	50,980	93,636	43,151	67,686	178,101	111,649	235,656	34,383	260,011
Capital outlay	11,051	7,385	-	-	23,216	-	67,853	22,247	1,125
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>62,031</u>	<u>101,021</u>	<u>43,151</u>	<u>67,686</u>	<u>201,317</u>	<u>111,649</u>	<u>303,509</u>	<u>56,630</u>	<u>261,136</u>
Excess (Deficiency) of Revenues over Expenditures	<u>75,321</u>	<u>232,669</u>	<u>79,439</u>	<u>168,659</u>	<u>170,554</u>	<u>56,762</u>	<u>254,165</u>	<u>236,537</u>	<u>21,699</u>
Other Financing Sources (Uses)									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	(56,336)	(170,127)	(67,632)	(75,157)	(105,924)	(60,512)	(166,102)	(95,162)	(136,214)
Repayment to landowners	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(56,336)</u>	<u>(170,127)</u>	<u>(67,632)</u>	<u>(75,157)</u>	<u>(105,924)</u>	<u>(60,512)</u>	<u>(166,102)</u>	<u>(95,162)</u>	<u>(136,214)</u>
Net Change in Fund Balances	18,985	62,542	11,807	93,502	64,630	(3,750)	88,063	141,375	(114,515)
Fund Balances - Beginning of Year	<u>195,369</u>	<u>327,032</u>	<u>288,375</u>	<u>316,219</u>	<u>338,248</u>	<u>339,331</u>	<u>569,234</u>	<u>476,686</u>	<u>1,265,020</u>
Fund Balances - End of Year	<u>\$214,354</u>	<u>\$ 389,574</u>	<u>\$ 300,182</u>	<u>\$409,721</u>	<u>\$402,878</u>	<u>\$ 335,581</u>	<u>\$ 657,297</u>	<u>\$ 618,061</u>	<u>\$ 1,150,505</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT								
	5B	5C	5D	7	9	9A	9B	11	12
Revenues									
Non-ad valorem assessments	\$ 95,509	\$ 43,691	\$ 97,283	\$ 108,635	\$ 116,261	\$ 786,071	\$ 581,978	\$ 2,554,599	\$ 61,639
Intergovernmental revenues	-	-	-	2,891	-	-	-	-	-
Capital contributions from landowners	-	-	-	-	-	-	-	-	-
Investment income	1,065	1,298	1,458	2,180	1,891	6,435	5,403	17,260	1,032
Miscellaneous	-	-	-	10,986	590	11,643	-	21,619	1,525
Total Revenues	<u>96,574</u>	<u>44,989</u>	<u>98,741</u>	<u>124,692</u>	<u>118,742</u>	<u>804,149</u>	<u>587,381</u>	<u>2,593,478</u>	<u>64,196</u>
Expenditures									
Current:									
Physical environment	30,864	10,945	25,534	35,108	20,927	769,722	523,218	1,587,830	3,870
Capital outlay	-	-	-	2,221	7,850	77,542	38,486	208,590	1,607
Debt service:									
Principal	-	-	-	-	-	-	-	170,770	-
Interest	-	-	-	-	-	-	-	27,618	-
Total Expenditures	<u>30,864</u>	<u>10,945</u>	<u>25,534</u>	<u>37,329</u>	<u>28,777</u>	<u>847,264</u>	<u>561,704</u>	<u>1,994,808</u>	<u>5,477</u>
Excess (Deficiency) of Revenues over Expenditures	<u>65,710</u>	<u>34,044</u>	<u>73,207</u>	<u>87,363</u>	<u>89,965</u>	<u>(43,115)</u>	<u>25,677</u>	<u>598,670</u>	<u>58,719</u>
Other Financing Sources (Uses)									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	(43,061)	(19,194)	(45,924)	(57,506)	(67,409)	(194,567)	(162,832)	(600,102)	(43,603)
Repayment to landowners	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(43,061)</u>	<u>(19,194)</u>	<u>(45,924)</u>	<u>(57,506)</u>	<u>(67,409)</u>	<u>(194,567)</u>	<u>(162,832)</u>	<u>(600,102)</u>	<u>(43,603)</u>
Net Change in Fund Balances	22,649	14,850	27,283	29,857	22,556	(237,682)	(137,155)	(1,432)	15,116
Fund Balances - Beginning of Year	<u>160,922</u>	<u>231,253</u>	<u>235,424</u>	<u>358,671</u>	<u>310,101</u>	<u>1,252,828</u>	<u>958,089</u>	<u>2,560,037</u>	<u>166,097</u>
Fund Balances - End of Year	<u>\$ 183,571</u>	<u>\$ 246,103</u>	<u>\$ 262,707</u>	<u>\$ 388,528</u>	<u>\$ 332,657</u>	<u>\$ 1,015,146</u>	<u>\$ 820,934</u>	<u>\$ 2,558,605</u>	<u>\$ 181,213</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT							
	12A	14	15	16	18	19	19A	20
Revenues								
Non-ad valorem assessments	\$ 25,187	\$ 777,761	\$ 847,623	\$ 955,820	\$ 1,524,370	\$ 552,247	\$ 41,259	\$ 230,015
Intergovernmental revenues	-	-	-	-	33,115	-	-	-
Capital contributions from landowners	-	-	-	-	20,666	-	-	-
Investment income	559	5,106	5,275	10,275	13,918	2,681	2,548	2,189
Miscellaneous	-	26,968	1,050	90,666	8,317	2,663	-	830
Total Revenues	<u>25,746</u>	<u>809,835</u>	<u>853,948</u>	<u>1,056,761</u>	<u>1,600,386</u>	<u>557,591</u>	<u>43,807</u>	<u>233,034</u>
Expenditures								
Current:								
Physical environment	7,876	425,868	482,875	620,562	1,165,516	194,561	1,983	123,652
Capital outlay	-	29,401	33,152	7,972	25,893	79,025	5,266	310
Debt service:								
Principal	-	91,708	-	-	-	-	-	-
Interest	-	14,832	-	-	-	-	-	-
Total Expenditures	<u>7,876</u>	<u>561,809</u>	<u>516,027</u>	<u>628,534</u>	<u>1,191,409</u>	<u>273,586</u>	<u>7,249</u>	<u>123,962</u>
Excess (Deficiency) of Revenues over Expenditures	<u>17,870</u>	<u>248,026</u>	<u>337,921</u>	<u>428,227</u>	<u>408,977</u>	<u>284,005</u>	<u>36,558</u>	<u>109,072</u>
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	7,016	-	-
Transfers out	(9,935)	(150,690)	(148,001)	(198,320)	(306,759)	(107,431)	(12,712)	(26,840)
Repayment to landowners	-	-	-	-	-	-	-	(14,710)
Total Other Financing Sources (Uses)	<u>(9,935)</u>	<u>(150,690)</u>	<u>(148,001)</u>	<u>(198,320)</u>	<u>(306,759)</u>	<u>(100,415)</u>	<u>(12,712)</u>	<u>(41,550)</u>
Net Change in Fund Balances	7,935	97,336	189,920	229,907	102,218	183,590	23,846	67,522
Fund Balances - Beginning of Year	<u>97,922</u>	<u>643,267</u>	<u>574,735</u>	<u>1,082,662</u>	<u>2,158,945</u>	<u>265,767</u>	<u>470,456</u>	<u>311,595</u>
Fund Balances - End of Year	<u>\$ 105,857</u>	<u>\$ 740,603</u>	<u>\$ 764,655</u>	<u>\$ 1,312,569</u>	<u>\$ 2,261,163</u>	<u>\$ 449,357</u>	<u>\$ 494,302</u>	<u>\$ 379,117</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT								
	21	23	24	27B	29	31	32	32A	33
Revenues									
Non-ad valorem assessments	\$ 363,825	\$ 196,437	\$ 216,132	\$ 118,505	\$ 40,609	\$ 833,531	\$ 19,755	\$ 5,436	\$ 14,109
Intergovernmental revenues	-	-	-	-	-	-	-	-	-
Capital contributions from landowners	-	-	-	-	-	-	-	-	-
Investment income	2,561	1,520	4,460	1,524	985	14,515	120	195	331
Miscellaneous	-	460	3,545	-	-	8,965	180	-	755
Total Revenues	<u>366,386</u>	<u>198,417</u>	<u>224,137</u>	<u>120,029</u>	<u>41,594</u>	<u>857,011</u>	<u>20,055</u>	<u>5,631</u>	<u>15,195</u>
Expenditures									
Current:									
Physical environment	209,245	132,943	148,252	53,387	18,703	586,038	6,916	3,724	7,624
Capital outlay	186,199	821	352	436	106	2,337,136	45	-	64
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>395,444</u>	<u>133,764</u>	<u>148,604</u>	<u>53,823</u>	<u>18,809</u>	<u>2,923,174</u>	<u>6,961</u>	<u>3,724</u>	<u>7,688</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(29,058)</u>	<u>64,653</u>	<u>75,533</u>	<u>66,206</u>	<u>22,785</u>	<u>(2,066,163)</u>	<u>13,094</u>	<u>1,907</u>	<u>7,507</u>
Other Financing Sources (Uses)									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	(173,655)	(74,229)	(100,510)	(48,404)	(19,713)	(201,632)	(6,462)	(806)	(8,708)
Repayment to landowners	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(173,655)</u>	<u>(74,229)</u>	<u>(100,510)</u>	<u>(48,404)</u>	<u>(19,713)</u>	<u>(201,632)</u>	<u>(6,462)</u>	<u>(806)</u>	<u>(8,708)</u>
Net Change in Fund Balances	(202,713)	(9,576)	(24,977)	17,802	3,072	(2,267,795)	6,632	1,101	(1,201)
Fund Balances - Beginning of Year	<u>602,050</u>	<u>265,082</u>	<u>844,634</u>	<u>245,759</u>	<u>181,800</u>	<u>4,281,543</u>	<u>12,550</u>	<u>35,071</u>	<u>61,103</u>
Fund Balances - End of Year	<u>\$ 399,337</u>	<u>\$ 255,506</u>	<u>\$ 819,657</u>	<u>\$ 263,561</u>	<u>\$ 184,872</u>	<u>\$ 2,013,748</u>	<u>\$ 19,182</u>	<u>\$ 36,172</u>	<u>\$ 59,902</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT								
	34	38	41	43	44	45	46	47	49
Revenues									
Non-ad valorem assessments	\$ 170,874	\$ 74,335	\$ 4,084	\$ 849,257	\$ 51,637	\$ 416,980	\$ 43,642	\$ 42,517	\$ 69,421
Intergovernmental revenues	-	-	-	-	-	-	-	-	-
Capital contributions from landowners	-	-	-	-	-	-	-	-	-
Investment income	1,609	1,560	206	6,365	2,843	2,227	1,412	2,180	1,195
Miscellaneous	-	-	-	3,041	(38)	-	-	1,196	3,319
Total Revenues	<u>172,483</u>	<u>75,895</u>	<u>4,290</u>	<u>858,663</u>	<u>54,442</u>	<u>419,207</u>	<u>45,054</u>	<u>45,893</u>	<u>73,935</u>
Expenditures									
Current:									
Physical environment	78,855	507	1,444	556,093	13,714	256,952	2,452	8,140	39,164
Capital outlay	762	80	31	13,802	2,626	1,819	667	1,168	1,482
Debt service:									
Principal	21,668	-	-	-	-	-	-	-	-
Interest	7,042	-	-	-	-	-	-	-	-
Total Expenditures	<u>108,327</u>	<u>587</u>	<u>1,475</u>	<u>569,895</u>	<u>16,340</u>	<u>258,771</u>	<u>3,119</u>	<u>9,308</u>	<u>40,646</u>
Excess (Deficiency) of Revenues over Expenditures	<u>64,156</u>	<u>75,308</u>	<u>2,815</u>	<u>288,768</u>	<u>38,102</u>	<u>160,436</u>	<u>41,935</u>	<u>36,585</u>	<u>33,289</u>
Other Financing Sources (Uses)									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	(58,634)	(21,552)	(4,229)	(249,490)	(35,815)	(81,080)	(20,140)	(21,959)	(25,885)
Repayment to landowners	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(58,634)</u>	<u>(21,552)</u>	<u>(4,229)</u>	<u>(249,490)</u>	<u>(35,815)</u>	<u>(81,080)</u>	<u>(20,140)</u>	<u>(21,959)</u>	<u>(25,885)</u>
Net Change in Fund Balances	5,522	53,756	(1,414)	39,278	2,287	79,356	21,795	14,626	7,404
Fund Balances - Beginning of Year	<u>237,852</u>	<u>240,055</u>	<u>39,901</u>	<u>1,039,084</u>	<u>534,210</u>	<u>248,784</u>	<u>247,235</u>	<u>402,945</u>	<u>200,151</u>
Fund Balances - End of Year	<u>\$243,374</u>	<u>\$293,811</u>	<u>\$38,487</u>	<u>\$ 1,078,362</u>	<u>\$ 536,497</u>	<u>\$ 328,140</u>	<u>\$ 269,030</u>	<u>\$ 417,571</u>	<u>\$ 207,555</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT			
	51	53	Common Area	Total
Revenues				
Non-ad valorem assessments	\$ 32,943	\$ 71,837	\$ -	\$ 15,453,686
Intergovernmental revenues	-	-	-	42,496
Capital contributions from landowners	-	-	85,220	120,186
Investment income	462	1,221	478	155,262
Miscellaneous	-	26,544	-	263,377
Total Revenues	<u>33,405</u>	<u>99,602</u>	<u>85,698</u>	<u>16,035,007</u>
Expenditures				
Current:				
Physical environment	646	16,696	61,501	9,309,160
Capital outlay	63	919	-	3,198,770
Debt service:				
Principal	-	-	-	284,146
Interest	-	-	-	49,492
Total Expenditures	<u>709</u>	<u>17,615</u>	<u>61,501</u>	<u>12,841,568</u>
Excess (Deficiency) of Revenues over Expenditures	<u>32,696</u>	<u>81,987</u>	<u>24,197</u>	<u>3,193,439</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	7,016
Transfers out	(9,070)	(37,199)	(2,059)	(4,329,283)
Repayment to landowners	-	-	-	(14,710)
Total Other Financing Sources (Uses)	<u>(9,070)</u>	<u>(37,199)</u>	<u>(2,059)</u>	<u>(4,336,977)</u>
Net Change in Fund Balances	23,626	44,788	22,138	(1,143,538)
Fund Balances - Beginning of Year	<u>57,555</u>	<u>138,843</u>	<u>84,345</u>	<u>25,954,837</u>
Fund Balances - End of Year	<u>\$ 81,181</u>	<u>\$ 183,631</u>	<u>\$ 106,483</u>	<u>\$ 24,811,299</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT							
	2A	3A	5B	9A	9B	16	19	27B
Revenues								
Non-ad valorem assessments	\$ 379,499	\$ 410,527	\$ 389,527	\$ 2,797,080	\$ 1,321,429	\$ 787,805	\$ -	\$ 281,950
Investment income	1,285	1,548	1,378	6,632	9,615	3,369	1	973
Total Revenues	<u>380,784</u>	<u>412,075</u>	<u>390,905</u>	<u>2,803,712</u>	<u>1,331,044</u>	<u>791,174</u>	<u>1</u>	<u>282,923</u>
Expenditures								
Debt service:								
Principal	190,000	305,000	359,933	2,376,335	995,000	105,000	-	180,000
Interest	55,284	113,413	33,196	454,528	353,675	60,799	-	30,020
Debt issuance costs	47,150	-	-	-	-	58,660	-	39,775
Payment to escrow agent	169,489	-	-	-	-	1,290,338	-	346,056
Other	1,569	1,703	1,617	11,642	5,473	2,784	-	1,164
Total Expenditures	<u>463,492</u>	<u>420,116</u>	<u>394,746</u>	<u>2,842,505</u>	<u>1,354,148</u>	<u>1,517,581</u>	<u>-</u>	<u>597,015</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(82,708)</u>	<u>(8,041)</u>	<u>(3,841)</u>	<u>(38,793)</u>	<u>(23,104)</u>	<u>(726,407)</u>	<u>1</u>	<u>(314,092)</u>
Other financing sources (uses):								
Transfers out	-	-	-	-	-	-	(7,016)	-
Proceeds from refunding bonds	3,580,000	-	-	-	-	3,275,000	-	2,205,000
Payment to refunded bonds escrow agent	(3,522,935)	-	-	-	-	(3,275,000)	-	(2,205,000)
Total other financing sources (uses):	<u>57,065</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,016)</u>	<u>-</u>
Net Change in Fund Balances	(25,643)	(8,041)	(3,841)	(38,793)	(23,104)	(726,407)	(7,015)	(314,092)
Fund Balances - Beginning of Year	<u>89,584</u>	<u>62,954</u>	<u>22,434</u>	<u>840,549</u>	<u>866,109</u>	<u>840,195</u>	<u>7,015</u>	<u>352,590</u>
Fund Balances - End of Year	<u>\$ 63,941</u>	<u>\$ 54,913</u>	<u>\$ 18,593</u>	<u>\$ 801,756</u>	<u>\$ 843,005</u>	<u>\$ 113,788</u>	<u>\$ -</u>	<u>\$ 38,498</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT				
	43	44	45	46	Total
Revenues					
Non-ad valorem assessments	\$ 1,230,611	\$ 597,539	\$ 270,539	\$ 760,774	\$ 9,227,280
Investment income	4,888	1,703	688	6,744	38,824
Total Revenues	<u>1,235,499</u>	<u>599,242</u>	<u>271,227</u>	<u>767,518</u>	<u>9,266,104</u>
Expenditures					
Debt service:					
Principal	970,000	140,000	184,420	405,000	6,210,688
Interest	269,958	83,152	88,808	375,838	1,918,671
Debt issuance costs	-	65,140	-	-	210,725
Payment to escrow agent	-	895,078	-	-	2,700,961
Other	5,130	2,427	1,170	3,142	37,821
Total Expenditures	<u>1,245,088</u>	<u>1,185,797</u>	<u>274,398</u>	<u>783,980</u>	<u>11,078,866</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(9,589)</u>	<u>(586,555)</u>	<u>(3,171)</u>	<u>(16,462)</u>	<u>(1,812,762)</u>
Other financing sources (uses):					
Transfers out	-	-	-	-	(7,016)
Proceeds from refunding bonds	-	4,785,000	-	-	13,845,000
Payment to refunded bonds escrow agent	-	(4,720,860)	-	-	(13,723,795)
Total other financing sources (uses):	<u>-</u>	<u>64,140</u>	<u>-</u>	<u>-</u>	<u>114,189</u>
Net Change in Fund Balances	(9,589)	(522,415)	(3,171)	(16,462)	(1,698,573)
Fund Balances - Beginning of Year	<u>503,994</u>	<u>634,573</u>	<u>89,400</u>	<u>775,060</u>	<u>5,084,457</u>
Fund Balances - End of Year	<u>\$ 494,405</u>	<u>\$ 112,158</u>	<u>\$ 86,229</u>	<u>\$ 758,598</u>	<u>\$ 3,385,884</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	UNIT OF DEVELOPMENT				
	2C	5	16	25	Total
Revenues					
Capital contributions from landowners	\$ 86,156	\$ -	\$ 28,250	\$ -	\$ 114,406
Investment income	15,093	9,441	4,521	103	29,158
Total Revenues	<u>101,249</u>	<u>9,441</u>	<u>32,771</u>	<u>103</u>	<u>143,564</u>
Expenditures					
Capital outlay	2,954,563	-	75,351	440	3,030,354
Debt service:					
Debt issuance costs	-	29,100	-	-	29,100
Total Expenditures	<u>2,954,563</u>	<u>29,100</u>	<u>75,351</u>	<u>440</u>	<u>3,059,454</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(2,853,314)</u>	<u>(19,659)</u>	<u>(42,580)</u>	<u>(337)</u>	<u>(2,915,890)</u>
Other Financing Sources (Uses)					
Transfers out	(38,571)	-	(5,135)	(99)	(43,805)
Repayment to landowners	(352,438)	-	-	-	(352,438)
Promissory notes issued	-	2,400,000	-	-	2,400,000
Total Other Financing Sources (Uses)	<u>(391,009)</u>	<u>2,400,000</u>	<u>(5,135)</u>	<u>(99)</u>	<u>2,003,757</u>
Net Change in Fund Balances	<u>(3,244,323)</u>	<u>2,380,341</u>	<u>(47,715)</u>	<u>(436)</u>	<u>(912,133)</u>
Fund Balances - Beginning of Year	<u>5,723,425</u>	<u>-</u>	<u>810,413</u>	<u>20,644</u>	<u>6,554,482</u>
Fund Balances - End of Year	<u>\$ 2,479,102</u>	<u>\$ 2,380,341</u>	<u>\$ 762,698</u>	<u>\$ 20,208</u>	<u>\$ 5,642,349</u>

**OTHER SUPPLEMENTARY FINANCIAL
DATA AND SCHEDULES
(SUPPLEMENTARY INFORMATION)**

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

COMBINED SCHEDULE OF DEBT PAYABLE

SEPTEMBER 30, 2022

<u>Special Assessment Debt with Government Commitment</u> <u>Unit of Development No.</u>	<u>Interest Rates</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Annual Debt Service Requirement</u>	<u>Issued</u>	<u>Cumulative Retirements</u>	<u>Outstanding</u>
	Interest changes from 2.61% to 2.06% with scheduled conversion from Taxable Bond to Tax-Exempt Bond on 5/3/2023.	12/28/2021	8/1/2033	Exhibit A-1	\$3,580,000	\$ 190,000	\$ 3,390,000
2A Water Control and Improvement Refunding Bonds, Series 2021							
2C Water Control and Improvement Bonds, Series 2014	4.50%-5.20%	11/13/2014	8/1/2046	Exhibit A-2	59,380,000	6,115,000	53,265,000
2C Water Control and Improvement Bonds, Series 2017	4.00%-5.00%	6/21/2017	8/1/2046	Exhibit A-3	23,495,000	1,830,000	21,665,000
3A Water Control and Improvement Refunding Bonds, Series 2004B	5.375%	3/31/2004	8/1/2027	Exhibit A-4	3,670,000	1,865,000	1,805,000
5 Promissory Note	3.53%	7/27/2022	8/1/2032	Exhibit A-5	\$2,400,000	-	2,400,000
5B Water Control and Improvement Refunding Bonds, Series 2015	2.23%	5/15/2015	8/1/2025	Exhibit A-6	3,473,198	2,344,521	1,128,677
9A Promissory Note	2.96%	5/3/2013	8/1/2027	Exhibit A-7	32,064,999	19,085,656	12,979,343
9B Water Control and Improvement Refunding Bonds, Series 2015	3.00%-5.00%	5/14/2015	8/1/2029	Exhibit A-8	14,460,000	6,275,000	8,185,000
16 Water Control and Improvement Refunding Bonds, Series 2021	2.41%	12/28/2021	8/1/2032	Exhibit A-9	\$3,275,000	105,000	3,170,000
27B Water Control and Improvement Refunding Bonds, Series 2021	1.99%	12/28/2021	8/1/2032	Exhibit A-10	2,205,000	180,000	2,025,000
	4.00%, Recalculated at put option date on 11/20/2024	11/20/2014	8/1/2029	Exhibit A-11	325,000	173,342	151,658
34 Promissory Note							
43 Water Control and Improvement Refunding Bonds, Series 2017B	2.48%	8/1/2017	8/1/2031	Exhibit A-12	11,465,000	1,550,000	9,915,000
44 Water Control and Improvement Refunding Bonds, Series 2021A	2.71%	12/28/2021	8/1/2024	Exhibit A-13	625,000	140,000	485,000
44 Water Control and Improvement Refunding Bonds, Series 2021B	2.22%	12/28/2021	8/1/2031	Exhibit A-14	4,160,000	-	4,160,000
45 Promissory Note	3.33%	5/27/2016	8/1/2033	Exhibit A-15	3,503,598	1,021,113	2,482,485
46 Water Control and Improvement Refunding Bonds, Series 2016A	2.50%-3.625%	8/25/2016	8/1/2041	Exhibit A-16	11,930,000	1,075,000	10,855,000
53 Water Control and Improvement Bonds, Series 2015	4.65%-5.50%	12/17/2015	8/1/2046	Exhibit A-17	24,785,000	1,745,000	23,040,000
53 Water Control and Improvement Bonds, Series 2018	4.5%-5.625%	10/25/2018	8/1/2049	Exhibit A-18	10,975,000	495,000	10,480,000
53 Water Control and Improvement Bonds, Series 2021	2.3%-4.0%	3/26/2021	8/1/2051	Exhibit A-19	10,700,000	220,000	10,480,000
11 & 14 Promissory Note	3.075%	11/16/2011	8/1/2026	Exhibit A-20	3,950,000	2,756,361	1,193,639
Totals					<u>\$ 230,421,795</u>	<u>\$ 47,165,993</u>	<u>\$ 183,255,802</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$3,580,000

Water Control and Improvement Refunding Bonds, Series 2021

Unit of Development No. 2A

Dated December 28, 2021

<u>Year Ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023*	\$ 270,000	\$ 83,921	\$ 353,921
2024*	275,000	64,272	339,272
2025*	285,000	58,607	343,607
2026*	295,000	52,736	347,736
2027*	300,000	46,659	346,659
2028*	305,000	40,479	345,479
2029*	315,000	34,196	349,196
2030*	320,000	27,707	347,707
2031*	335,000	21,115	356,115
2032*	340,000	14,214	354,214
2033*	<u>350,000</u>	<u>7,210</u>	<u>357,210</u>
Totals	<u>\$3,390,000</u>	<u>\$ 451,116</u>	<u>\$ 3,841,116</u>

* Interest to change from 2.61% to 2.06% with scheduled conversion from Taxable Bond to Tax-Exempt Bond on 5/3/2023.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$59,380,000

Water Control and Improvement Bonds, Series 2014

Unit of Development No. 2C

Dated November 13, 2014

<u>Year Ending</u> <u>September 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 1,180,000	\$ 2,663,150	\$ 3,843,150
2024	1,240,000	2,610,050	3,850,050
2025	1,300,000	2,554,250	3,854,250
2026	1,365,000	2,489,250	3,854,250
2027	1,435,000	2,421,000	3,856,000
2028	1,505,000	2,349,250	3,854,250
2029	1,590,000	2,274,000	3,864,000
2030	1,670,000	2,194,500	3,864,500
2031	1,750,000	2,111,000	3,861,000
2032	1,845,000	2,023,500	3,868,500
2033	1,935,000	1,931,250	3,866,250
2034	2,035,000	1,834,500	3,869,500
2035	2,140,000	1,732,750	3,872,750
2036	2,250,000	1,625,350	3,875,350
2037	2,370,000	1,512,040	3,882,040
2038	2,490,000	1,392,680	3,882,680
2039	2,620,000	1,267,270	3,887,270
2040	2,755,000	1,135,330	3,890,330
2041	2,900,000	996,590	3,896,590
2042	3,045,000	850,550	3,895,550
2043	3,205,000	697,210	3,902,210
2044	3,370,000	535,810	3,905,810
2045	3,545,000	366,100	3,911,100
2046	<u>3,725,000</u>	<u>187,580</u>	<u>3,912,580</u>
Totals	<u>\$ 53,265,000</u>	<u>\$ 39,754,960</u>	<u>\$ 93,019,960</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$23,495,000

Water Control and Improvement Bonds, Series 2017

Unit of Development No. 2C

Dated June 21, 2017

<u>Year Ending</u> <u>September 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 500,000	\$ 1,056,150	\$ 1,556,150
2024	520,000	1,036,150	1,556,150
2025	540,000	1,015,350	1,555,350
2026	565,000	993,750	1,558,750
2027	585,000	971,150	1,556,150
2028	615,000	947,750	1,562,750
2029	645,000	917,000	1,562,000
2030	680,000	884,750	1,564,750
2031	710,000	850,750	1,560,750
2032	750,000	815,250	1,565,250
2033	785,000	777,750	1,562,750
2034	825,000	738,500	1,563,500
2035	870,000	697,250	1,567,250
2036	915,000	653,750	1,568,750
2037	960,000	608,000	1,568,000
2038	1,010,000	560,000	1,570,000
2039	1,060,000	509,500	1,569,500
2040	1,115,000	456,500	1,571,500
2041	1,175,000	400,750	1,575,750
2042	1,235,000	342,000	1,577,000
2043	1,295,000	280,250	1,575,250
2044	1,365,000	215,500	1,580,500
2045	1,435,000	147,250	1,582,250
2046	<u>1,510,000</u>	<u>75,500</u>	<u>1,585,500</u>
Totals	<u>\$21,665,000</u>	<u>\$ 15,950,550</u>	<u>\$ 37,615,550</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$3,670,000

Water Control and Improvement Refunding Bonds, Series 2004B

Unit of Development No. 3A

Dated March 31, 2004

<u>Year Ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 325,000	\$ 97,019	\$ 422,019
2024	340,000	79,550	419,550
2025	360,000	61,275	421,275
2026	380,000	41,925	421,925
2027	<u>400,000</u>	<u>21,500</u>	<u>421,500</u>
Totals	<u>\$1,805,000</u>	<u>\$ 301,269</u>	<u>\$ 2,106,269</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$2,400,000

Promissory Note

Unit of Development No. 5

Dated July 27, 2022

<u>Year Ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 66,773	\$ 85,661	\$ 152,434
2024	224,469	80,399	304,868
2025	232,462	72,406	304,868
2026	240,741	64,127	304,868
2027	249,314	55,554	304,868
2028	258,192	46,676	304,868
2029	267,387	37,481	304,868
2030	276,909	27,959	304,868
2031	286,770	18,098	304,868
2032	<u>296,983</u>	<u>7,886</u>	<u>304,869</u>
 Totals	 <u>\$2,400,000</u>	 <u>\$ 496,247</u>	 <u>\$ 2,896,247</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$3,473,198

Water Control and Improvement Refunding Bonds, Series 2015

Unit of Development No. 5B

Dated May 15, 2015

<u>Year Ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 367,959	\$ 25,170	\$ 393,129
2024	376,165	16,964	393,129
2025	<u>384,553</u>	<u>8,576</u>	<u>393,129</u>
Totals	<u>\$1,128,677</u>	<u>\$ 50,710</u>	<u>\$ 1,179,387</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$32,064,999
Promissory Note
Unit of Development No. 9A
Dated May 3, 2013

<u>Year Ending</u> <u>September 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 2,446,674	\$ 384,189	\$ 2,830,863
2024	2,519,096	311,767	2,830,863
2025	2,593,661	237,202	2,830,863
2026	2,670,433	160,429	2,830,862
2027	<u>2,749,479</u>	<u>81,385</u>	<u>2,830,864</u>
Totals	<u>\$12,979,343</u>	<u>\$ 1,174,972</u>	<u>\$14,154,315</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$14,460,000

Water Control and Improvement Refunding Bonds, Series 2015

Unit of Development No. 9B

Dated May 14, 2015

<u>Year Ending</u> <u>September 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 1,045,000	\$ 303,925	\$ 1,348,925
2024	1,095,000	251,675	1,346,675
2025	1,135,000	196,925	1,331,925
2026	1,175,000	162,875	1,337,875
2027	1,205,000	126,156	1,331,156
2028	1,245,000	86,994	1,331,994
2029	<u>1,285,000</u>	<u>44,975</u>	<u>1,329,975</u>
Totals	<u>\$ 8,185,000</u>	<u>\$ 1,173,525</u>	<u>\$ 9,358,525</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$3,275,000

Water Control and Improvement Refunding Bonds, Series 2021

Unit of Development No. 16

Dated December 28, 2021

<u>Year Ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 490,000	\$ 76,397	\$ 566,397
2024	510,000	64,588	574,588
2025	235,000	52,297	287,297
2026	250,000	46,634	296,634
2027	255,000	40,609	295,609
2028	260,000	34,463	294,463
2029	275,000	28,197	303,197
2030	290,000	21,570	311,570
2031	295,000	14,581	309,581
2032	<u>310,000</u>	<u>7,471</u>	<u>317,471</u>
 Totals	 <u>\$3,170,000</u>	 <u>\$ 386,807</u>	 <u>\$ 3,556,807</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$2,205,000

Water Control and Improvement Refunding Bonds, Series 2021

Unit of Development No. 27B

Dated December 28, 2021

<u>Year Ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 180,000	\$ 40,298	\$ 220,298
2024	185,000	36,716	221,716
2025	190,000	33,034	223,034
2026	200,000	29,253	229,253
2027	200,000	25,273	225,273
2028	205,000	21,293	226,293
2029	210,000	17,214	227,214
2030	215,000	13,035	228,035
2031	220,000	8,756	228,756
2032	<u>220,000</u>	<u>4,378</u>	<u>224,378</u>
Totals	<u>\$2,025,000</u>	<u>\$ 229,250</u>	<u>\$ 2,254,250</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$325,000

Promissory Note

Unit of Development No. 34

Dated November 20, 2014

<u>Year Ending</u> <u>September 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 21,668	\$ 6,066	\$ 27,734
2024	21,668	5,200	26,868
2025*	21,668	4,333	26,001
2026*	21,668	3,466	25,134
2027*	21,667	2,600	24,267
2028*	21,667	1,733	23,400
2029*	<u>21,652</u>	<u>866</u>	<u>22,518</u>
Totals	<u>\$ 151,658</u>	<u>\$ 24,264</u>	<u>\$ 175,922</u>

*Interest to be recalculated at put option on 11/20/2024.

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$11,465,000

Water Control and Improvement Refunding Bonds, Series 2017B

Unit of Development No. 43

Dated August 1, 2017

<u>Year Ending</u> <u>September 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 995,000	\$ 245,892	\$ 1,240,892
2024	1,020,000	221,216	1,241,216
2025	1,045,000	195,920	1,240,920
2026	1,075,000	170,004	1,245,004
2027	1,100,000	143,344	1,243,344
2028	1,125,000	116,064	1,241,064
2029	1,155,000	88,164	1,243,164
2030	1,185,000	59,520	1,244,520
2031	<u>1,215,000</u>	<u>30,132</u>	<u>1,245,132</u>
 Totals	 <u>\$ 9,915,000</u>	 <u>\$ 1,270,256</u>	 <u>\$ 11,185,256</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$625,000

Water Control and Improvement Refunding Bonds, Series 2021A

Unit of Development No. 44

Dated December 28, 2021

Year Ending <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	Total <u>Requirement</u>
2023	\$ 325,000	\$ 13,144	\$ 338,144
2024	<u>160,000</u>	<u>4,336</u>	<u>164,336</u>
Totals	<u>\$ 485,000</u>	<u>\$ 17,480</u>	<u>\$ 502,480</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$4,160,000

Water Control and Improvement Refunding Bonds, Series 2021B

Unit of Development No. 44

Dated December 28, 2021

<u>Year Ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 120,000	\$ 92,352	\$ 212,352
2024	300,000	89,688	389,688
2025	480,000	83,028	563,028
2026	500,000	72,372	572,372
2027	515,000	61,272	576,272
2028	530,000	49,839	579,839
2029	550,000	38,073	588,073
2030	570,000	25,863	595,863
2031	<u>595,000</u>	<u>13,209</u>	<u>608,209</u>
Totals	<u>\$4,160,000</u>	<u>\$ 525,696</u>	<u>\$ 4,685,696</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$3,503,598

Promissory Note

Unit of Development No. 45

Dated May 27, 2016

<u>Year Ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 190,561	\$ 82,667	\$ 273,228
2024	196,907	76,321	273,228
2025	203,464	69,764	273,228
2026	210,239	62,989	273,228
2027	217,240	55,988	273,228
2028	224,474	48,754	273,228
2029	231,949	41,279	273,228
2030	239,673	33,555	273,228
2031	247,654	25,574	273,228
2032	255,901	17,327	273,228
2033	<u>264,423</u>	<u>8,805</u>	<u>273,228</u>
Totals	<u>\$2,482,485</u>	<u>\$ 523,023</u>	<u>\$ 3,005,508</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$11,930,000

Water Control and Improvement Refunding Bonds, Series 2016A

Unit of Development No. 46

Dated August 25, 2016

<u>Year Ending</u> <u>September 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 425,000	\$ 363,688	\$ 788,688
2024	435,000	350,938	785,938
2025	445,000	340,063	785,063
2026	460,000	328,938	788,938
2027	470,000	315,138	785,138
2028	490,000	301,038	791,038
2029	505,000	285,113	790,113
2030	520,000	268,700	788,700
2031	540,000	251,800	791,800
2032	555,000	234,250	789,250
2033	575,000	214,825	789,825
2034	595,000	194,700	789,700
2035	620,000	173,875	793,875
2036	640,000	152,175	792,175
2037	670,000	129,775	799,775
2038	690,000	105,488	795,488
2039	720,000	80,475	800,475
2040	745,000	54,375	799,375
2041	<u>755,000</u>	<u>27,369</u>	<u>782,369</u>
 Totals	 <u>\$ 10,855,000</u>	 <u>\$ 4,172,723</u>	 <u>\$ 15,027,723</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$24,785,000

Water Control and Improvement Bonds, Series 2015

Unit of Development No. 53

Dated December 17, 2015

<u>Year Ending</u> <u>September 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 490,000	\$ 1,243,140	\$ 1,733,140
2024	515,000	1,220,355	1,735,355
2025	540,000	1,196,408	1,736,408
2026	565,000	1,171,298	1,736,298
2027	595,000	1,141,070	1,736,070
2028	630,000	1,109,238	1,739,238
2029	665,000	1,075,533	1,740,533
2030	700,000	1,039,955	1,739,955
2031	740,000	1,002,505	1,742,505
2032	780,000	962,915	1,742,915
2033	825,000	921,185	1,746,185
2034	870,000	877,048	1,747,048
2035	915,000	830,503	1,745,503
2036	965,000	781,550	1,746,550
2037	1,020,000	728,475	1,748,475
2038	1,080,000	672,375	1,752,375
2039	1,140,000	612,975	1,752,975
2040	1,205,000	550,275	1,755,275
2041	1,275,000	484,000	1,759,000
2042	1,345,000	413,875	1,758,875
2043	1,420,000	339,900	1,759,900
2044	1,500,000	261,800	1,761,800
2045	1,585,000	179,300	1,764,300
2046	<u>1,675,000</u>	<u>92,125</u>	<u>1,767,125</u>
Totals	<u>\$23,040,000</u>	<u>\$18,907,803</u>	<u>\$ 41,947,803</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$10,975,000

Water Control and Improvement Bonds, Series 2018

Unit of Development No. 53

Dated October 25, 2018

<u>Year Ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 180,000	\$ 572,988	\$ 752,988
2024	190,000	564,888	754,888
2025	200,000	556,338	756,338
2026	210,000	546,588	756,588
2027	220,000	536,350	756,350
2028	230,000	525,625	755,625
2029	240,000	514,413	754,413
2030	255,000	502,713	757,713
2031	265,000	488,688	753,688
2032	280,000	474,113	754,113
2033	300,000	458,713	758,713
2034	315,000	442,213	757,213
2035	335,000	424,888	759,888
2036	350,000	406,463	756,463
2037	370,000	387,213	757,213
2038	395,000	366,863	761,863
2039	415,000	345,138	760,138
2040	440,000	322,313	762,313
2041	465,000	297,563	762,563
2042	490,000	271,406	761,406
2043	520,000	243,844	763,844
2044	550,000	214,594	764,594
2045	580,000	183,656	763,656
2046	615,000	151,031	766,031
2047	650,000	116,438	766,438
2048	690,000	79,875	769,875
2049	<u>730,000</u>	<u>41,063</u>	<u>771,063</u>
Totals	<u>\$ 10,480,000</u>	<u>\$ 10,035,978</u>	<u>\$ 20,515,978</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$10,700,000

Water Control and Improvement Bonds, Series 2021

Unit of Development No. 53

Dated March 26, 2021

<u>Year Ending September 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2023	\$ 225,000	\$ 370,173	\$ 595,173
2024	230,000	364,998	594,998
2025	235,000	359,708	594,708
2026	240,000	354,303	594,303
2027	245,000	348,783	593,783
2028	255,000	341,739	596,739
2029	260,000	334,408	594,408
2030	270,000	326,933	596,933
2031	280,000	319,170	599,170
2032	285,000	311,120	596,120
2033	295,000	301,288	596,288
2034	305,000	291,110	596,110
2035	320,000	280,588	600,588
2036	330,000	269,548	599,548
2037	340,000	258,163	598,163
2038	350,000	246,433	596,433
2039	365,000	234,358	599,358
2040	380,000	221,765	601,765
2041	390,000	208,655	598,655
2042	405,000	195,200	600,200
2043	420,000	179,000	599,000
2044	440,000	162,200	602,200
2045	455,000	144,600	599,600
2046	475,000	126,400	601,400
2047	495,000	107,400	602,400
2048	515,000	87,600	602,600
2049	535,000	67,000	602,000
2050	560,000	45,600	605,600
2051	580,000	23,200	603,200
Totals	<u>\$ 10,480,000</u>	<u>\$ 6,881,443</u>	<u>\$ 17,361,443</u>

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

\$3,950,000

Promissory Note

Units of Development No. 11 & 14

Dated November 16, 2011

<u>Year Ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirement</u>
2023	\$ 287,319	\$ 36,703	\$ 324,022
2024	294,588	27,869	322,457
2025	302,041	18,810	320,851
2026	<u>309,691</u>	<u>9,523</u>	<u>319,214</u>
Totals	<u>\$ 1,193,639</u>	<u>\$ 92,905</u>	<u>\$ 1,286,544</u>

OTHER INFORMATION (UNAUDITED)

NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT

Exhibit 1

Data Elements As Required By Section 218.39(3)(c), Florida Statutes, and Sections 10.554(1)(i)6 and 10.554(1)(i)(7), Rules of the Auditor General (Unaudited)

<u>Element</u>	<u>Comments</u>	
Number of district employees compensated at 9/30/2022	23	
Number of independent contractors compensated in September 2022	12	
Employee compensation for FYE 9/30/2022 (paid/accrued)	\$2,288,449	
Independent contractor compensation for FYE 9/30/2022	\$979,508	
Construction projects that began on or after October 1; (>\$65k)	Expended (including accruals) through	
	Total Amount	September
<u>Description</u>	<u>Authorized</u>	<u>30, 2022</u>
Sale and Purchase of BallenIsles guardhouse- per 3rd amendment to agreement dated 9/22/21	\$2,239,200	\$2,145,463
South pump station fuel tank replacement	\$77,850	\$77,850
Culvert C-11 rehabilitation for Unit 5A Emerald Dunes Dr. repair plan	\$178,910	\$178,910
Unit 53, Arden Lake Way - Request for proposal--Road repair	\$97,053	\$76,257
Slip line a failing lake interconnect pipe in unit 4	\$77,000	\$77,000
Portion of Parcel G- Phase III work	\$352,438	\$352,438
Re-roof EOC generator and HVAC rooms	\$73,100	\$73,100
Abacoa sidewalks repairs/ remove and replace damaged sections	\$73,480	\$73,480
PRJ 635 Unit 53 Arden Pods D-Southeast, D-Southwest and I-North	\$4,500,877	\$0
PRJ 621 Unit 18 Ibis Significant Lakes Alum Treatment Project	\$746,746	\$0
Budget variance report	See page 47 of financial report	
Ad valorem taxes;		
Millage rate FYE 9/30/2022	Not applicable	
Ad valorem taxes collected FYE 9/30/2022	Not applicable	
Outstanding Bonds:	Not applicable	
Non ad valorem special assessments;		
Special assessment rates FYE 9/30/2022		
Maintenance	\$20.90 - \$87,572.73	
Debt service	\$0 - \$18,920.51	
Special assessments collected FYE 9/30/2022	\$33,181,515	
Outstanding Bonds:	\$183,217,729 - See Note 4	

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 Board of Supervisors and Executive Director
Northern Palm Beach County Improvement District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Northern Palm Beach County Improvement District (the "District") as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 17, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Marcum LLP

West Palm Beach, FL
February 17, 2023

**MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR
GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors and Executive Director
Northern Palm Beach County Improvement District

Report on the Financial Statements

We have audited the financial statements of the Northern Palm Beach County Improvement District (the “District”), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated February 17, 2023.

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; 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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; 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, which are dated February 17, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings and recommendations made in the preceding 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. The official title and legal authority is disclosed in the notes. There are no component units related to this District.

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 District 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 District 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 District. It is management's responsibility to monitor the District'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. This assessment was done as of the fiscal year end.

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

Special District Component Units

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. The District is not a component unit and does not have any component units.

Specific Information for Special Districts

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the District reported the required information in Other Information found on page 90.

Specific Information for Special Districts with Non Ad Valorem Special Assessments

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the District reported the required information in Other Information found on page 90.

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 abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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

Marcum LLP

West Palm Beach, FL
February 17, 2023



**INDEPENDENT ACCOUNTANTS' REPORT
ON COMPLIANCE PURSUANT TO SECTION 218.415 FLORIDA STATUTES**

To the Board of Directors and Executive Director
Northern Palm Beach County Improvement District

We have examined Northern Palm Beach County Improvement District's (the "District") compliance with Section 218.415 Florida Statutes for the fiscal year ended September 30, 2022. Management of the District is responsible for the District's compliance with the specified requirements. Our responsibility is to express an opinion on the District's compliance with the specified requirements 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 District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District 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.

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

In our opinion, the District complied, in all material respects, with Section 218.415 Florida Statutes for the fiscal year ended September 30, 2022.

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

Marcum LLP

West Palm Beach, FL
February 17, 2023