ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
TOWN OF JUPITER, FLORIDA
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023

Prepared By:
Finance Department

Scott Reynolds
Finance Director

TOWN OF JUPITER, FLORIDA

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INTRODUCTORY SECTION

March 28, 2024

Honorable Mayor, Members of the Town Council and Citizens Town of Jupiter, Florida

The Annual Comprehensive Financial Report (ACFR) of the Town of Jupiter, Florida, (the "Town") for the fiscal year ended September 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Town. To the best of our knowledge and belief, the enclosed data is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

Management of the Town is responsible for establishing and maintaining internal controls designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with U.S. generally accepted accounting principles. The Town's internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and, (2) the valuation of costs and benefits requires estimates and judgments by management.

The Town's financial statements are audited by an independent certified public accounting firm. The objective of the audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management to provide reasonable assurance that the financial statements are free of material misstatements.

As part of the Town's annual audit, a review is made of internal controls and tests are performed to determine that the Town has complied with applicable laws and regulations. The results of the Town's audit for the fiscal year ended September 30, 2023 identified no instances of material weaknesses in internal controls or material violations of applicable laws and regulations.

The Town is required to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town's MD&A can be found beginning on page 5 of this report.

GOVERNMENT PROFILE

Government Entity:The Town of Jupiter was incorporated in 1925 as a political subdivision of the State of Florida. Since that time the Town's geographic size has increased from approximately 8.5 square miles to just over 23 square miles. Located on the Atlantic Ocean in northern Palm Beach County, Jupiter is a vibrant coastal community of more than 61,000 year-round residents, having grown from a sleepy, seaside community with less than 10,000 residents in 1980. During the "season," which runs from Thanksgiving to Easter, an additional 12,000-15,000 residents call Jupiter "home".

The Town has operated under the Council-Manager form of government since the early 1970's. Policy making and legislative authority are vested in the Town Council. The Council consists of the Mayor and four other Councilors. The Town Manager is appointed by the Town Council and is responsible for carrying

out the policies and ordinances established and approved by the Town Council and managing the day-to-day activities of the Town government. The Town provides a variety of services including public safety, public works, culture and recreation, protective inspections, water and stormwater utilities as well as general administrative services.

Reporting Entity: The management of the Town has considered whether there are potential component units that should be included in the Town's financial statements, by applying the criteria set forth by U.S. generally accepted accounting principles. Based upon the application of these criteria, the only entity to consider was the Jupiter Community Redevelopment Agency (the "CRA"); a dependent special district established by the Town, under authority granted by Florida Statute 163, Section III. The CRA is included in the Town's financial reporting entity as a blended component unit reported in a governmental (special revenue) fund, the Community Redevelopment Fund.

Budgetary Control: The Town adopts an annual operating budget which serves as the foundation for the Town's financial planning and control. The Town Council is required by state statute to hold two public hearings and adopt a final budget by no later than the beginning of the fiscal year (October 1st). The operating budget is prepared by fund, function and department. Directors, with the Town Manager's approval, may make budget transfers within a department. Transfers between departments require the approval of the Town Council. In addition to the operating budget, the Town Council also updates and approves the Town's five-year Community Investment Program annually.

FINANCIAL CONDITION AND OUTLOOK

Local Economy: Palm Beach County is the 4th most populous county in the State of Florida. The latest population estimate prepared in 2023 by the University of Florida's Bureau of Economic and Business Research indicates that the current population of the Town exceeds 61,000 and the County is approximately 1.5 million. Projections show the County population growing at an estimated annual rate of 0.5 percent over the next 15 years, with corresponding increases in service businesses and light industry. The County's median family income is $93,221 and the unemployment rate was 2.9%.

The Town's major challenges are to provide the infrastructure and services required to maintain the quality of life to which Jupiter's residents and visitors have grown accustomed, to create future economic growth opportunities for the community and to position Jupiter to be ready to capitalize on those opportunities as the local and state economies remain stable.

Relevant Financial Policies: The Town has an "informal" policy supported by the Town Council in each year's annual operating budget that provides for the unassigned fund balance in the General Fund to equal or exceed twenty-five percent (25%) of the subsequent year's operating budget. Historically speaking, the Town has always maintained a fund balance targeted to protect its interest and provide needed financial resources to restore services and provide clean up in the event of natural disasters such as major hurricanes, to provide loans to other funds, and to ensure that large projects that have required the use of fund balance are completed successfully. In order to maintain this balance and allow the Town to continue its obligation to its residents as a first responder in the face of natural disasters and other unforeseen circumstances, the Town has implemented the following cost strategies to reduce operating cost and allow for an appropriately sized unassigned fund balance:

- Maintain the size of government based on community needs.
- Aggressively seek affordable healthcare options to allow for sustained viability of the Town's employee health plan while working to reduce the Town's operating costs.
- Realign capital investments to better align with the strategic goals of the Town.
- Work with developers to foster redevelopment projects within the community to allow for a stable tax base.

Long-term Financial Planning: The Town's strategic plan and performance measures are the cornerstones for its long-term financial planning and budgeting. The General Fund operating budget was adopted in

September 2022, at a millage tax rate of 2.4633 which is an increase of 11.66% over the rolled back rate. The governing budget supports the Town's five-year capital improvement plan and the State's comprehensive plan concurrency elements for Fiscal Year 2023. The Town uses a blended budget approach to reduce the reliance on property tax revenues and continues to initiate alternative revenue sources. As part of the Town's efforts to "maintain financial sustainability", the Town continues to seek new ways to contain costs by creating a culture of continuous improvement.

During the past few years assessed property values have been steadily increasing. For FY2023, assessed property values increased to $14,108,719,582 or an increase of approximately $1.6 billion or 13.11% from the $12,473,066,062 in final taxable value for the prior fiscal year. It is anticipated that property values will increase and stabilize over time.

The largest enterprise activity, the water utility, continues to support its operating and capital improvement plan with rate structure changes to ensure operating stability and a fully funded capital plan. Investing to improve and maintain the infrastructure related to water and stormwater utility functions provides for future stability related to the current customer base and future growth.

The Town adopted a five-year capital improvement plan identifying future funding needs to maintain, repair and upgrade capital assets and infrastructure. Included in these long-term capital needs are road resurfacing and water infrastructure upgrades, within funding constraints; and aligned with the approved comprehensive plan concurrency elements.

OTHER INFORMATION

Independent Audit: Florida Statutes Chapter 11.45 requires an annual financial and compliance audit by an independent certified public accountant. The auditor's report on the financial statements is included in the Financial Section of this report. The auditor's report related specifically to compliance with *Government Auditing Standards* is included in the Compliance Reports Section.

Awards: The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2022, the thirty first consecutive year the Town has received this prestigious award. In order to be awarded a Certificate of Achievement, the Town published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both U.S. generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments: The preparation of the annual comprehensive financial report on a timely basis was made possible by the dedicated services of the entire staff of the finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

We believe this report reflects the continued excellent financial position of the Town of Jupiter. We would like to thank the Mayor, the Town Council and the residents of the Town for your interest and support toward the planning and administration of the financial operations of the Town in a responsible and progressive manner. With this support, we have been able to maintain a high degree of fiscal health and responsibility for the Town of Jupiter.

Respectfully Submitted,

Frank Kitzerow
Town Manager

Scott Reynolds
Finance Director



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Jupiter
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

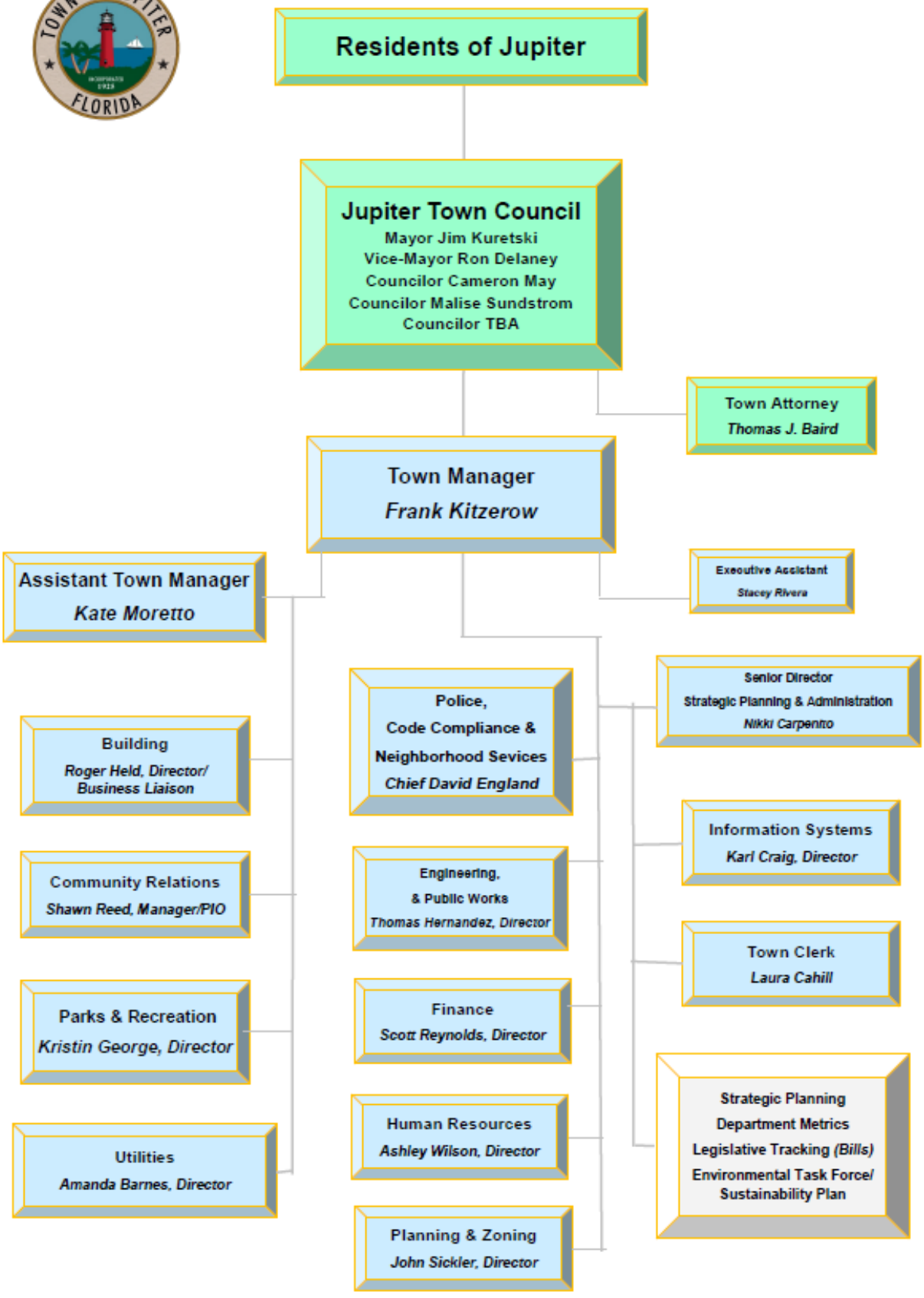
Christopher P. Morrill

Executive Director/CEO

TOWN OF JUPITER, FLORIDA
LIST OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2023

Mayor	James Kuretski
Vice-Mayor	Ron Delaney
Councilor	TBA
Councilor	Cameron May
Councilor	Malise Sundstrom
Town Manager	Frank Kitzerow
Assistant Town Manager	Kate Moretto
Town Attorney	Thomas J. Baird
Town Clerk	Laura Cahill
Finance Director	Scott Reynolds
Chief of Police	David England
Utilities Director	Amanda Barnes
Engineering and Public Works Director	Thomas Hernandez
Planning and Zoning Director	John R. Sickler, Jr.
Information Systems Director	Karl Craig
Building Department Director	Roger D. Held
Parks and Recreation Director	Kristin Fitzgerald George
Senior Director Internal Services	Nikki Carpenitio

Town of Jupiter Organizational Chart



INDEPENDENT AUDITORS' REPORT

MARCUM
ACCOUNTANTS ▲ ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, Members of the Town Council,
Audit Committee and Town Manager
Town of Jupiter, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Jupiter, Florida (the "Town"), as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Municipal Police Officers' Retirement Trust Fund, the fiduciary fund of the Town, which represents 86%, 86% and 61%, respectively, of the assets, net position/fund balances, and revenues/additions of the aggregate remaining fund information as of September 30, 2023. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Municipal Police Officers' Retirement Trust Fund, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Town 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 Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14, the budgetary comparison schedules on pages 94-100, the pension funds information on pages 101 to 106 and the other postemployment benefits information on page 107 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 Town's basic financial statements. The combining fund financial statements and the individual fund budgetary comparison schedules on pages 108 through 111, and the schedule of expenditures of federal awards on page 141, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 fund financial statements and individual fund budgetary comparison schedules, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2024 on our consideration of the Town'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 Town'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 Town's internal control over financial reporting and compliance.

Marcum LLP

West Palm Beach, Florida
March 28, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

Acting in our capacity as the management of the Town of Jupiter, Florida, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town of Jupiter, Florida, for the fiscal year ended September 30, 2023.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $558,151,745 (*total net position)*. Of this amount, approximately $181,900,000 (*unrestricted net position*) may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's operations increased net position by approximately $26,476,000. Approximately 57% of this increase is attributable to governmental activities and 43% is attributable to business-type activities.
- As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of $114,396,325, a decrease of approximately $342,000 from the prior year fund balance. Approximately 46% of the total fund balance amount is *available for spending* at the Town's discretion (*unassigned fund balance*).
- At the end of the fiscal year, unassigned fund balance for the General Fund was $52,095,593, or 85% of total General Fund expenditures for the current fiscal year.
- The Town's total debt (bonds and notes payable) decreased by approximately $4,273,000 (24%) during the current fiscal year. The decrease was attributable to scheduled principal payments on the debt.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flow.* Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government, public safety, engineering and public works, and culture and recreation. The business-type activities of the Town include the Water System, Stormwater Utility and Building Department.

The Jupiter Community Redevelopment Agency, although a legally separate entity, functions for all practical purposes as a department of the Town, and therefore has been included as an integral part of the primary government (*a blended component unit*). The government-wide financial statements can be found on pages 15-17 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 Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- ***Governmental funds*** - *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

  Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenue, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town maintains fourteen individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenue, expenditures, and changes in fund balances for the General Fund, Community Redevelopment Fund, American Rescue Plan Fund and Capital Improvements Fund, which are considered to be major funds. Aggregated data for the remaining nonmajor governmental funds is also presented. The basic governmental funds financial statements can be found on pages 18-21 of this report.

- ***Enterprise funds*** - The *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses three enterprise funds to account for the separate operations of its Water System, Stormwater Utility and Building Fund. The basic enterprise fund financial statements can be found on pages 22-26 of this report.

- ***Fiduciary fund*** - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for the enterprise funds. The Town's only fiduciary fund is the Municipal Police Officers' Retirement Trust Fund (MPORT), which is used to account for the assets held in a trustee capacity for the retirement pensions of the Town's police officers. The basic fiduciary fund financial statements can be found on pages 27-28 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-93 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The Town adopts an annual appropriated budget for the General Fund and Community Redevelopment Fund. Budgetary comparison schedules and accompanying notes for both funds are included as required supplementary information on pages 94-100 to demonstrate compliance with the adopted budget. The Town also presents required supplementary information related to its defined benefit retirement plans and other postemployment benefits (OPEB) plan on pages 101-107.

The Town also adopts an annual budget for the Capital Improvements Fund and the Debt Service Fund. Budgetary comparison schedules for these funds are included as supplementary information with the combining fund financial statements. The combining fund financial statements and individual fund budgetary comparison schedules are presented immediately following the required supplementary information on pages 108-111.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets and deferred outflows exceeded liabilities and deferred inflows by approximately $558,151,000 at the close of the most recent fiscal year. The Town's net position at September 30, 2023 and 2022 is summarized as follows (in thousands):

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Current and other assets	$ 128,350	$ 129,301	$ 129,546	$ 125,275	$ 257,896	$ 254,576
Capital assets, net	150,579	128,427	224,970	218,744	375,549	347,171
Total Assets	278,929	257,728	354,516	344,019	633,445	601,747
Deferred Outflows of Resources	15,029	19,469	1,691	1,903	16,720	21,372
Liabilities						
Long-term liabilities	49,835	47,768	19,276	20,494	69,111	68,262
Other liabilities	14,056	13,869	5,824	5,648	19,880	19,517
Total Liabilities	63,891	61,637	25,100	26,142	88,991	87,779
Deferred Inflows of Resources	2,225	2,706	798	959	3,023	3,665
Net Position						
Net investment in capital assets	143,364	122,900	215,025	206,789	358,389	329,689
Restricted	17,882	15,290	--	--	17,882	15,290
Unrestricted	66,596	74,664	115,284	112,032	181,880	186,696
Total Net Position	$ 227,842	$ 212,854	$ 330,309	$ 318,821	$ 558,151	$ 531,675

The largest portion of the Town's net position (64%) reflects its investment in capital assets (e.g., land, buildings, improvements, machinery and equipment and infrastructure), less any related debt and deferred inflows/outflows used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net position (3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($182 million) may be used to meet the Town's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the Town is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Changes in Net Position

The Town's net position increased by approximately $26.5 million during 2023. The increase is due to increases in charges for services, property taxes and other taxes.

The changes in the Town's net position for the fiscal years ended September 30, 2023 and 2022 are summarized as follows (in thousands):

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Program Revenues						
Charges for services	$ 12,803	$ 11,335	$ 39,218	$ 37,576	$ 52,021	$ 48,911
Operating grants and contributions	2,148	1,854	269	347	2,417	2,201
Capital grants and contributions	2,678	3,212	1,324	1,385	4,002	4,597
General Revenues						
Property taxes	37,305	33,179	--	--	37,305	33,179
Other taxes	28,695	27,406	--	--	28,695	27,406
Intergovernmental, unrestricted	2,884	2,803	--	--	2,884	2,803
Investment earnings (losses) and other income	4,262	(160)	2,656	(763)	6,918	(923)
Total Revenues	90,775	79,629	43,467	38,545	134,242	118,174
Expenses						
General government	25,140	23,426	--	--	25,140	23,426
Public safety	32,344	27,095	--	--	32,344	27,095
Engineering and public works	10,225	9,498	--	--	10,225	9,498
Culture/Recreation	5,811	4,395	--	--	5,811	4,395
Interest on debt	247	188	--	--	247	188
Water system	--	--	25,899	24,806	25,899	24,806
Stormwater	--	--	3,216	3,081	3,216	3,081
Building	--	--	4,884	4,041	4,884	4,041
Total Expenses	73,767	64,602	33,999	31,928	107,766	96,530
Change in net position before transfers	17,008	15,027	9,468	6,617	26,476	21,644
Transfers	(2,020)	7,461	2,020	(7,461)	--	--
Change in Net Position	14,988	22,488	11,488	(844)	26,476	21,644
Net Position - Beginning	212,854	190,366	318,821	319,665	531,675	510,031
Net Position - Ending	$ 227,842	$ 212,854	$ 330,309	$ 318,821	$ 558,151	$ 531,675

Governmental Activities

Governmental activities increased the Town's net position by $14,987,614, thereby accounting for 57% of the total growth in the net position of the Town. This increase is directly attributed to increases in revenue collections. When compared to the previous year, revenues increased approximately $11.1 million and transfers decreased by approximately $9.5 million. These increases were offset by increases in expenses of approximately $9.2 million.

Business-type Activities

Business-type activities increased the Town's net position by approximately $11,488,000. Key elements of this change were as follows:

- The Water System change in net position was $8,298,709 which was $7,143,610 greater than the prior year. The current year change in net position is attributable to operating revenues in excess of operating expenses of $4,638,534, utility connection charges of $1,324,063 and transfers in of $528,832.
- The Stormwater Utility change in net position was $2,837,301 which was $56,624 lower than the prior year. The current year change in net position is attributable to operating revenues in excess of operating expenses of $652,902 and transfers in of $1,990,904.
- The Building department change in net position was $352,587 which was $5,246,382 greater than the prior year. The current year change in net position is attributable to operating revenues in excess of operating expenses of $344,782 offset by investment earnings of $518,222 and transfers out of $500,000.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The significant financial activities of the Town's funds are described below.

Governmental Funds

The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balance of $114,396,325, a decrease of $342,235 from the prior year. Approximately 45% of the total fund balance at September 30, 2023 $52,095,593 constitutes *unassigned fund balance*, which is available for spending at the Town's discretion. The remainder of the fund balance is not available for new spending and is broken down into the following categories:

Nonspendable	$ 2,637,943	2%
Restricted	$ 17,882,038	16%
Assigned	$ 41,780,751	37%

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was $52,095,593, while total fund balance was $64,959,290. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents 85% of total General Fund expenditures for 2023. The fund balance of the Town's General Fund increased by $11,648,461 during the current fiscal year as compared to a decrease of $3,707,379 for the prior year. The key factor contributing to the current year

increase is a decrease in transfers out of $9,625,148 to the capital improvement fund for the construction of a new town hall.

The Community Redevelopment Fund (CRA) had a fund balance of $536,777. The General Fund and Capital Improvement Fund advances will be repaid from future tax increment funds received by the CRA as commercial and redevelopment projects increase taxable property values in the CRA district. The CRA had an increase in the net change of fund balance during 2023 of $1,681,274.

The American Rescue Plan Fund had a fund balance of $0 at fiscal year end 2023, the same as in fiscal year 2022. The American Rescue Plan Fund recognized $2,093,333 in American Rescue Plan Act (ARPA) funding, which was transferred for construction of water and stormwater infrastructure improvements.

The Capital Improvements Fund has a total fund balance of $33,608,579 which is intended for the Town's current and future capital projects. The net decrease in fund balance during the current year in the Capital Improvements Fund was $15,674,359 as compared to the increase of $27,731,799 for the prior year. The reduction in fund balance during the current fiscal year was due to the construction and draw down of fund balance to pay for the new town hall building project.

Enterprise Funds

The Town's enterprise fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water System Fund, Stormwater Fund and Building Fund at the end of the year amounted to $91,209,881, $9,828,275 and $14,246,304, respectively. The total change in net position of the Water System Fund, Stormwater Fund and Building Fund was $8,298,709, $2,837,301, and $352,587, respectively. Other factors concerning the finances have already been addressed in the discussion of the Town's business-type activities.

BUDGETARY HIGHLIGHTS

General Fund: Differences between the original budget and the final amended budget for total expenditures resulted in a net increase of approximately $944,000 in appropriations for 2023 and were generally attributable to the re-appropriation of open contracts from the previous fiscal year and appropriated revenues received but not originally budgeted.

During the year, actual revenues were $7,655,131 more than budgetary estimates due primarily to increases in taxes of $1,046,813, franchise fees of $1,224,831, state shared and sales tax revenues of $1,699,320 and investment earnings of $3,135,041. Actual expenditures and other financing uses were under budget by $778,872.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The Town's investment in capital assets for its governmental and business-type activities as of September 30, 2023, amounts to approximately $375.5 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, park facilities, easements, roads, highways and bridges, water plant facilities, water meters and transmission lines. The total increase in the Town's investment in capital assets for the current fiscal year was approximately $28.4 million or 8%.

The Town's capital assets at September 30, 2023 and 2022 are summarized as follows:

Capital Assets
(Amounts in Thousands, net of accumulated depreciation/amortization)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	$ 48,363	$ 48,363	$ 569	$ 569	$ 48,932	$ 48,932
Construction in progress	18,616	--	16,261	9,983	34,877	9,983
Buildings	23,049	24,180	56,687	58,678	79,736	82,858
Improvements	26,892	25,982	142,309	140,356	169,201	166,338
Machinery and equipment	2,645	2,318	8,993	9,158	11,638	11,476
Infrastructure	28,024	27,584	--	--	28,024	27,584
Subscription-based assets	2,990	--	151	--	3,141	--
Total	$ 150,579	$ 128,427	$ 224,970	$ 218,744	$ 375,549	$ 347,171

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

- The construction of the new Town hall.
- A variety of roadway and landscape improvements throughout the Town.
- Improvements to various Town parks.
- Improvements to the water distribution system in targeted neighborhoods.
- Improvements to the water transmission systems.
- Continuing well rehabilitation program in the water utility.
- Improvements to water processing equipment and operations technology.
- Continuing drainage and swale rehabilitation programs and expansion of pump station systems to improve the quality of stormwater runoff.
- On-going investment in the police vehicle replacement program.
- A continuing reinvestment in the Town's sidewalk and street infrastructure.

Additional information on the Town's capital assets can be found in Note 6 on pages 56-57 of this report.

Outstanding debt. At the end of the current fiscal year, the Town had total bonded debt and loans outstanding of approximately $13,495,000. Of this amount, approximately $3,957,000 is general obligation bonded debt. The remainder of the Town's debt of approximately $9,538,000 represents bonds and notes secured solely by the net revenues of the Enterprise Funds. The Town's total debt decreased by approximately $4,273,000 or 24% during the current fiscal year, due to the retirement of maturing debt. The Town's outstanding debt at September 30, 2023 and 2022 is summarized as follows:

Outstanding Debt

General Obligation and Revenue Bonds / Note

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
General obligation note	$ 3,957	$ 5,925	$ --	$ --	$ 3,957	$ 5,925
Water system revenue bonds / note	--	--	9,538	11,843	9,538	11,843
Total	$ 3,957	$ 5,925	$ 9,538	$ 11,843	$ 13,495	$ 17,768

The Town as a whole has maintained a "AAA" rating from Standard & Poor's and Fitch and a "Aaa" rating from Moody's on their outstanding bonded debt. Town ordinances limit the amount of general obligation debt the Town may issue to 15% of the total assessed valuations of property located in the Town. The current debt limitation for the Town is approximately $2.1 billion, which is significantly in excess of the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in Note 7 on pages 58-64 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Town's 2024 General Fund budget is approximately $70.9 million, or an increase of approximately $7.3 million from the original budget adopted for 2023. The following factors were considered in preparing the Town's budget for the 2024 fiscal year.

- Increases in property values and the overall stable housing market will continue to have a positive impact on ad-valorem tax revenues in FY 2024. There was a 12.71% increase in property values for FY 2024, which allowed the Town Council to reduce the millage by 3%.
- Increases in state shared, sales tax revenues and franchise fees.
- Increase in interest earnings due to increases in interest rates.
- Funding used for investment in infrastructure that supports the needs of the community.
- Reductions in debt service costs and chemical costs in the water utility.

Water System revenues are expected to remain stable and increase slightly depending upon weather conditions in the coming year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director at 210 Military Trail, Jupiter, Florida 33458.

BASIC FINANCIAL STATEMENTS

TOWN OF JUPITER, FLORIDA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	$ 70,089,896	$ 61,780,144	$ 131,870,040
Investments	54,005,358	62,202,623	116,207,981
Accounts receivable, net	2,536,011	1,547,540	4,083,551
Grants receivable	149,307	--	149,307
Inventory	21,002	659,908	680,910
Internal balances	(22,600)	22,600	--
Prepaid expenses	8,042	17,148	25,190
Restricted assets			
Restricted cash and cash equivalents	341,569	--	341,569
Restricted investments	1,176,366	--	1,176,366
Notes receivable	45,287	--	45,287
Noncurrent receivables	--	3,316,668	3,316,668
Capital assets, not being depreciated/amortized			
Land	48,362,544	569,123	48,931,667
Construction in progress	18,615,739	16,260,861	34,876,600
Capital assets, net of accumulated depreciation/amortization			
Buildings and plant	23,049,560	56,686,877	79,736,437
Improvements	26,892,054	142,309,011	169,201,065
Machinery and equipment	2,645,033	8,992,397	11,637,430
Infrastructure	28,023,858	--	28,023,858
Subscription-based assets (right to use assets)	2,990,278	151,439	3,141,717
Total Assets	278,929,304	354,516,339	633,445,643
Deferred Outflows of Resources			
Deferred charges on refundings	--	89,179	89,179
Deferred amount related to OPEB	67,379	18,203	85,582
Deferred amount related to pensions	14,961,864	1,583,861	16,545,725
Total Deferred Outflows of Resources	$ 15,029,243	$ 1,691,243	$ 16,720,486

(Continued)

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

TOWN OF JUPITER, FLORIDA

STATEMENT OF NET POSITION (CONTINUED)

SEPTEMBER 30, 2023

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Accounts payable and retainage payable	$ 5,319,742	$ 2,662,027	$ 7,981,769
Accrued liabilities	1,318,198	154,256	1,472,454
Deposits	4,708,780	1,795,604	6,504,384
Unearned revenue	2,709,632	1,212,509	3,922,141
Noncurrent liabilities			
Due within one year			
Compensated absences	280,300	144,899	425,199
Bonds and notes	1,975,064	--	1,975,064
Subscription liability	424,240	86,241	510,481
Due in more than one year			
Compensated absences	3,621,880	864,457	4,486,337
Bonds and notes	1,982,314	9,538,000	11,520,314
Total OPEB liability	849,755	229,573	1,079,328
Net pension liability	38,196,429	8,361,076	46,557,505
Subscription liability	2,504,373	51,977	2,556,350
Total Liabilities	63,890,707	25,100,619	88,991,326
Deferred Inflows of Resources			
Deferred amount related to OPEB	1,339,957	362,008	1,701,965
Deferred amount related to pensions	885,470	435,623	1,321,093
Total Deferred Inflows of Resources	2,225,427	797,631	3,023,058
Net Position			
Net investment in capital assets	143,364,492	215,024,872	358,389,364
Restricted for:			
Debt retirement	595,600	--	595,600
Capital projects	14,992,313	--	14,992,313
Law enforcement	580,982	--	580,982
Economic development	1,713,143	--	1,713,143
Unrestricted	66,595,883	115,284,460	181,880,343
Total Net Position	$ 227,842,413	$ 330,309,332	$ 558,151,745

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

TOWN OF JUPITER, FLORIDA

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Contributions and Grants	Program Revenues: Capital Contributions and Grants	Net Revenues (Expenses) and Changes in Net Position: Governmental Activities	Net Revenues (Expenses) and Changes in Net Position: Business-type Activities	Net Revenues (Expenses) and Changes in Net Position: Total
Governmental Activities							
General government	$ 25,139,966	$ 11,164,519	$ 808,217	$ 2,677,624	$ (10,489,606)	$ --	$ (10,489,606)
Public safety	32,343,528	384,394	1,138,857	--	(30,820,277)	--	(30,820,277)
Engineering and public works	10,224,598	431,663	200,570	--	(9,592,365)	--	(9,592,365)
Culture and recreation	5,811,526	822,162	--	--	(4,989,364)	--	(4,989,364)
Interest on long-term debt	247,538	--	--	--	(247,538)	--	(247,538)
Total Governmental Activities	73,767,156	12,802,738	2,147,644	2,677,624	(56,139,150)	--	(56,139,150)
Business-type Activities							
Water system	25,898,766	30,229,903	20,466	1,324,063	--	5,675,666	5,675,666
Stormwater	3,216,382	3,760,686	248,169	--	--	792,473	792,473
Building	4,883,816	5,227,186	--	--	--	343,370	343,370
Total Business-type Activities	33,998,964	39,217,775	268,635	1,324,063	--	6,811,509	6,811,509
Total	$ 107,766,120	$ 52,020,513	$ 2,416,279	$ 4,001,687	(56,139,150)	6,811,509	(49,327,641)
			General Revenues				
			Taxes				
			Property taxes		37,305,224	--	37,305,224
			Franchise fees		6,291,831	--	6,291,831
			Public service taxes		5,990,871	--	5,990,871
			Communications services taxes		2,723,315	--	2,723,315
			Sales taxes		12,306,233	--	12,306,233
			Gas taxes		1,382,329	--	1,382,329
			Impact Fees		25,931		25,931
			Intergovernmental not restricted to specific programs		2,884,214	--	2,884,214
			Investment gains		4,203,076	2,636,193	6,839,269
			Gain on disposal of capital assets		33,476	21,159	54,635
			Transfers		(2,019,736)	2,019,736	--
			Total General Revenues and Transfers		71,126,764	4,677,088	75,803,852
			Change in Net Position		14,987,614	11,488,597	26,476,211
			Net Position - Beginning		212,854,799	318,820,735	531,675,534
			Net Position - Ending		$ 227,842,413	$ 330,309,332	$ 558,151,745

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

TOWN OF JUPITER, FLORIDA

BALANCE SHEET - GOVERNMENTAL FUNDS

SEPTEMBER 30, 2023

	Major Governmental Funds					
	General Fund	Community Redevelopment Fund	American Rescue Plan Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total Government Funds
Assets						
Cash and cash equivalents	$ 29,190,128	$ 4,051,160	$ 2,664,345	$ 19,921,441	$ 14,262,822	$ 70,089,896
Investments	33,683,312	--	--	19,270,379	1,051,667	54,005,358
Accounts receivable, net	2,533,899	2,112	--	--	--	2,536,011
Grants receivable	44,568	--	--	104,739	--	149,307
Advances from other funds	2,608,899	--	--	635,305	--	3,244,204
Inventory	21,002	--	--	--	--	21,002
Prepaid items	8,042	--	--	--	--	8,042
Restricted cash	--	--	--	341,569	--	341,569
Restricted investments	1,176,366	--	--	--	--	1,176,366
Notes receivable	--	45,287	--	--	--	45,287
Total Assets	$ 69,266,216	$ 4,098,559	$ 2,664,345	$ 40,273,433	$ 15,314,489	$ 131,617,042
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable and retainage payable	$ 2,589,393	$ 162,291	$ --	$ 2,556,971	$ 210	$ 5,308,865
Accrued liabilities	1,226,636	--	--	--	--	1,226,636
Advances to other funds	--	3,244,204	--	--	22,600	3,266,804
Deposits	490,897	110,000	--	4,107,883	--	4,708,780
Total Liabilities	4,306,926	3,516,495	--	6,664,854	22,810	14,511,085
Deferred Inflows of Resources						
Unavailable revenues	--	45,287	2,664,345	--	--	2,709,632
Fund Balances						
Nonspendable:						
Inventory	21,002	--	--	--	--	21,002
Prepaid items	8,042	--	--	--	--	8,042
Advances from other funds	2,608,899	--	--	--	--	2,608,899
Restricted for:						
Public safety	--	--	--	--	156,036	156,036
Debt service	--	--	--	--	595,600	595,600
Capital projects	--	--	--	635,305	14,357,008	14,992,313
Law enforcement	241,911	--	--	--	183,035	424,946
Economic development	1,176,366	536,777	--	--	--	1,713,143
Assigned to:						
Capital projects	--	--	--	32,973,274	--	32,973,274
Health insurance	8,807,477	--	--	--	--	8,807,477
Unassigned:						
General Fund	52,095,593	--	--	--	--	52,095,593
Total Fund Balances	64,959,290	536,777	--	33,608,579	15,291,679	114,396,325
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 69,266,216	$ 4,098,559	$ 2,664,345	$ 40,273,433	$ 15,314,489	$ 131,617,042

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

TOWN OF JUPITER, FLORIDA

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

SEPTEMBER 30, 2023

Total Governmental Fund Balances		$ 114,396,325
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		150,579,066
Accrued interest on bonds payable and subscription liabilities is not due and payable in the current period and, therefore, is reported in the funds.		(102,439)
Deferred outflows/inflows of resources related to pensions for defined benefit pension plans and other postemployment benefits are reported in the statement of net position but are not reported in the govermental funds:		
Deferred outflows related to other postemployment benefits	$ 67,379	
Deferred outflows related to pensions	14,961,864	
Deferred inflows related to other postemployment benefits	(1,339,957)	
Deferred inflows related to pensions	(885,470)	
Net adjustment		12,803,816
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Compensated absences	(3,902,180)	
Bonds and notes payable	(3,957,378)	
Subscription liability	(2,928,613)	
Total other postemployment benefits liability	(849,755)	
Net pension liability	(38,196,429)	
Net adjustment		(49,834,355)
Total Net Position		$ 227,842,413

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

TOWN OF JUPITER, FLORIDA

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

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Major Governmental Funds					
	General Fund	Community Redevelopment Fund	American Rescue Plan Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Taxes	$ 37,618,379	$ 2,748,541	$ --	$ 5,002,609	$ 2,032,210	$ 47,401,739
Franchise fees	6,291,831	--	--	--	--	6,291,831
Licenses and permits	94,105	--	--	--	25,931	120,036
Intergovernmental	10,542,329	--	2,093,333	699,829	5,986,721	19,322,212
Charges for services	12,059,717	101,951	--	--	--	12,161,668
Fines and forfeitures	296,391	--	--	--	--	296,391
Investment earnings	3,273,308	33,251	--	847,235	49,282	4,203,076
Donations	24,100	--	--	190,494	--	214,594
Miscellaneous	478,909	143,853	--	106,424	297	729,483
Total Revenues	70,679,069	3,027,596	2,093,333	6,846,591	8,094,441	90,741,030
Expenditures						
Current:						
General government	20,010,611	1,078,716	--	1,121,355	22,810	22,233,492
Public safety	26,103,214	--	--	--	55,430	26,158,644
Engineering and public works	8,022,176	--	--	767,913	--	8,790,089
Culture and recreation	2,927,781	--	--	1,747,024	--	4,674,805
Capital outlay	3,927,925	155,835	--	23,997,945	--	28,081,705
Debt service:						
Principal	515,483	--	--	--	1,967,839	2,483,322
Interest and fiscal charges	423	111,771	--	--	43,783	155,977
Total Expenditures	61,507,613	1,346,322	--	27,634,237	2,089,862	92,578,034
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,171,456	1,681,274	2,093,333	(20,787,646)	6,004,579	(1,837,004)
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	70,408	--	--	--	--	70,408
Subscription based financing arrangemen	3,444,097	--	--	--	--	3,444,097
Transfers in	--	--	--	5,662,500	210,310	5,872,810
Transfers out	(1,037,500)	--	(2,093,333)	(549,213)	(4,212,500)	(7,892,546)
Total Other Financing Sources (Uses)	2,477,005	--	(2,093,333)	5,113,287	(4,002,190)	1,494,769
Net Change in Fund Balances	11,648,461	1,681,274	--	(15,674,359)	2,002,389	(342,235)
Fund Balances (Deficit) - Beginning	53,310,829	(1,144,497)	--	49,282,938	13,289,290	114,738,560
Fund Balances - Ending	$ 64,959,290	$ 536,777	$ --	$ 33,608,579	$ 15,291,679	$ 114,396,325

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

TOWN OF JUPITER, FLORIDA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Net Change in Fund Balance - Total Governmental Funds		$ (342,235)
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 costs of those assets is allocated over their estimated useful lives as depreciation and amortization expense. Capital outlays and depreciation/amortization expense were as follows in the current period:		
Capital outlay	$ 28,081,705	
Asset transferred from business-type activities	7,712	
Depreciation and amortization expense	(5,900,462)	
Net adjustment		22,188,955
In the statement of activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds the proceeds from the sale increase financial resources. The change in net position differs from the change in fund balances by the net book value of assets disposed.		(36,932)
Payment of accrued interest is an expenditure in the Governmental funds, but is a reduction of accrued liabilities in the statement of net position.		(91,562)
The repayment of long-term debt consumes the current financial resources of governmental funds. However, these transactions do not have effect on net position of the governmental activities. Governmental funds report the effect of debt discount when debt is issued, whereas these amounts are deferred and amortized in the statement of activities:		
Debt retirement - principal paid		1,967,839
Some expenses reported in the statement of activities are not reported in the funds because they have no effect on current financial resources:		
Compensated absences	(213,031)	
Tax increment incentive	866,289	
Subscription liability	(2,928,613)	
Other postemployment benefits liability	151,333	
Pension expense	(6,574,429)	
Net adjustment		(8,698,451)
Change in Net Position of Governmental Activities		$ 14,987,614

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

TOWN OF JUPITER, FLORIDA

STATEMENT OF NET POSITION - ENTERPRISE FUNDS

SEPTEMBER 30, 2023

	Major Enterprise Funds			
	Water System Fund	Stormwater Fund	Building Fund	Total Enterprise Funds
Assets				
Current Assets				
Cash and cash equivalents	$ 42,693,980	$ 13,600,153	$ 5,486,011	$ 61,780,144
Investments	48,986,017	1,495,771	11,720,835	62,202,623
Accounts receivable, net	1,367,866	179,674	--	1,547,540
Advances from other funds	--	22,600	--	22,600
Inventory	659,908	--	--	659,908
Prepaid expenses	15,885	795	468	17,148
Total Current Assets	93,723,656	15,298,993	17,207,314	126,229,963
Noncurrent Assets				
Noncurrent receivables	3,316,668	--	--	3,316,668
Advances from other funds	4,364,713	--	--	4,364,713
Capital assets				
Land and improvements	458,616	110,507	--	569,123
Construction in progress	14,444,359	1,816,502	--	16,260,861
Water treatment systems	100,274,483	2,196,896	--	102,471,379
Buildings and improvements	9,192,703	62,797,771	--	71,990,474
Water distribution systems	153,675,458	--	--	153,675,458
Wells	28,911,273	--	--	28,911,273
Equipment and pumps	12,694,482	803,590	586,122	14,084,194
Meters	20,447,826	--	--	20,447,826
Subscription based IT arrangements	135,597	14,275	77,764	227,636
	340,234,797	67,739,541	663,886	408,638,224
Less accumulated depreciation and amortization	(161,493,698)	(21,672,863)	(501,955)	(183,668,516)
Total Capital Assets, Net	178,741,099	46,066,678	161,931	224,969,708
Total Noncurrent Assets	186,422,480	46,066,678	161,931	232,651,089
Total Assets	280,146,136	61,365,671	17,369,245	358,881,052
Deferred Outflows of Resources				
Deferred charges on refundings	89,179	--	--	89,179
Deferred amount related to OPEB	11,442	1,754	5,007	18,203
Deferred amount related to pensions	960,301	142,232	481,328	1,583,861
Total Deferred Outflows of Resources	$ 1,060,922	$ 143,986	$ 486,335	$ 1,691,243

(Continued)

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

TOWN OF JUPITER, FLORIDA

STATEMENT OF NET POSITION - ENTERPRISE FUNDS (CONTINUED)

SEPTEMBER 30, 2023

	Major Enterprise Funds			
	Water System Fund	Stormwater Fund	Building Fund	Total Enterprise Funds
Liabilities				
Current Liabilities				
Accounts payable and retainage payable	$ 2,260,814	$ 266,074	$ 135,139	$ 2,662,027
Accrued liabilities	95,832	14,011	44,413	154,256
Compensated absences payable	88,016	22,039	34,844	144,899
Subscription liability	50,158	4,613	31,470	86,241
Total Current Liabilities	2,494,820	306,737	245,866	3,047,423
Noncurrent Liabilities				
Customer deposits	1,568,296	--	--	1,568,296
Other deposits	14,738	23,479	189,091	227,308
Unearned revenue	1,212,509	--	--	1,212,509
Compensated absences payable, net of current portion	525,097	131,484	207,876	864,457
Advances to other funds	--	4,364,713	--	4,364,713
Revenue bonds payable	9,538,000	--	--	9,538,000
Total OPEB liability	144,306	22,126	63,141	229,573
Net pension liability	5,069,353	750,831	2,540,892	8,361,076
Subscription liability, net of current portion	33,246	4,757	13,974	51,977
Total Noncurrent Liabilities	18,105,545	5,297,390	3,014,974	26,417,909
Total Liabilities	20,600,365	5,604,127	3,260,840	29,465,332
Deferred Inflows of Resources				
Deferred amount related to OPEB	227,553	34,890	99,565	362,008
Deferred amount related to pensions	264,120	39,119	132,384	435,623
Total Deferred Inflows of Resources	491,673	74,009	231,949	797,631
Net Position				
Net investment in capital assets	168,905,139	46,003,246	116,487	215,024,872
Unrestricted	91,209,881	9,828,275	14,246,304	115,284,460
Total Net Position	$260,115,020	$ 55,831,521	$ 14,362,791	$ 330,309,332

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

TOWN OF JUPITER, FLORIDA

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

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Major Enterprise Funds			
	Water System Fund	Stormwater Fund	Building Fund	Total Enterprise Funds
Operating Revenues				
Charges for services	$ 29,772,869	$ 3,723,662	$ --	$ 33,496,531
Licenses and permits	--	--	5,226,536	5,226,536
Other fees and charges	456,868	37,024	650	494,542
Total Operating Revenues	30,229,737	3,760,686	5,227,186	39,217,609
Operating Expenses				
Personal services	6,554,198	1,171,237	3,307,576	11,033,011
General operating expenses	12,281,911	979,929	1,515,880	14,777,720
Depreciation/Amortization	6,755,094	956,618	58,948	7,770,660
Total Operating Expenses	25,591,203	3,107,784	4,882,404	33,581,391
Operating Income	4,638,534	652,902	344,782	5,636,218
Nonoperating Revenues (Expenses)				
Intergovernmental	20,466	248,169	--	268,635
Investment earnings	1,459,968	54,219	518,222	2,032,409
Miscellaneous revenues	166	--	--	166
Net change in fair value of investments	626,238	(21,163)	(1,291)	603,784
Gain/(loss) on sale of capital assets	8,005	20,868	(7,714)	21,159
Interest expense	(284,226)	(108,598)	(1,412)	(394,236)
Amortization expense - loss on refunding	(23,337)	--	--	(23,337)
Total Nonoperating Revenues (Expenses)	1,807,280	193,495	507,805	2,508,580
Income Before Capital Contributions and Transfers	6,445,814	846,397	852,587	8,144,798
Capital Contributions	1,324,063	--	--	1,324,063
Transfers	528,832	1,990,904	(500,000)	2,019,736
Change in Net Position	8,298,709	2,837,301	352,587	11,488,597
Net Position - Beginning	251,816,311	52,994,220	14,010,204	318,820,735
Net Position - Ending	$260,115,020	$ 55,831,521	$ 14,362,791	$330,309,332

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

TOWN OF JUPITER, FLORIDA

STATEMENT OF CASH FLOWS - ENTERPRISE FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Major Enterprise Funds			
	Water System Fund	Stormwater Fund	Building Fund	Total Enterprise Funds
Cash Flows From Operating Activities				
Cash received from customers	$ 29,479,947	$ 3,694,923	$ 5,308,277	$ 38,483,147
Cash paid to suppliers and contractors	(11,770,188)	(1,492,640)	(1,521,970)	(14,784,798)
Cash paid to employees	(6,242,410)	(977,037)	(2,837,900)	(10,057,347)
Cash received from others	457,034	37,024	650	494,708
Net Cash Provided By Operating Activities	11,924,383	1,262,270	949,057	14,135,710
Cash Flows From Noncapital Financing Activities				
Operating grants received	20,466	248,169	--	268,635
Transfers	528,832	1,990,904	(500,000)	2,019,736
Net Cash Provided By (Used In) Noncapital Financing Activities	549,298	2,239,073	(500,000)	2,288,371
Cash Flows From Capital and Related Financing Activities				
Capital contributions	1,503,273	--	--	1,503,273
Acquisition and construction of capital assets	(11,166,017)	(2,519,034)	(62,602)	(13,747,653)
Advance (from) to other fund	--	(22,600)	--	(22,600)
Repayment of advance from other fund	345,293	(345,293)	--	--
Principal paid on revenue bonds	(2,305,000)	--	--	(2,305,000)
Principal paid on subscription liability	(52,193)	(4,905)	(32,320)	(89,418)
Interest paid on long term-debt	(281,727)	(108,330)	--	(390,057)
Interest paid on subscriptions	(2,499)	(268)	(1,413)	(4,180)
Net Cash Used In Capital and Related Financing Activities	(11,958,870)	(3,000,430)	(96,335)	(15,055,635)
Cash Flows From Investing Activities				
Purchases of investments	(1,204,964)	(54,216)	(516,932)	(1,776,112)
Interest received	1,459,968	54,219	516,932	2,031,119
Net Cash Provided by Investing Activities	255,004	3	--	255,007
Net Increase in Cash and Cash Equivalents	769,815	500,916	352,722	1,623,453
Cash and Cash Equivalents - Beginning	41,924,165	13,099,237	5,133,289	60,156,691
Cash and Cash Equivalents - Ending	$ 42,693,980	$ 13,600,153	$ 5,486,011	$ 61,780,144

(Continued)

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

	Major Enterprise Funds			
	Water System Fund	Stormwater Fund	Building Fund	Total Enterprise Funds
Noncash Financing and Investing Activities				
Capital contributions	$ 482,934	$ --	$ --	$ 482,934
Change in fair value of investments	$ 626,238	$ (21,163)	$ (1,291)	$ 603,784
Subscription (right-of-use asset) initiation	$ 135,597	$ 14,275	$ 77,764	$ 227,636
Amortization of deferred charge on refunding	$ (23,337)	$ --	$ --	$ (23,337)
Reconciliation of Operating Income to Net Cash Provided By Operating Activities				
Operating income	$ 4,638,534	$ 652,902	$ 344,782	$ 5,636,218
Adjustments to reconcile operating income to net cash provided by operating activities operating activities				
Depreciation/amortization	6,755,094	956,618	58,948	7,770,660
Provision for doubtful accounts	(3,169)	(1,128)	--	(4,297)
Miscellaneous revenues	166	--	--	166
Changes in operating assets, liabilities and deferred inflows and outflows				
(Increase) decrease in:				
Accounts receivable	(207,642)	(27,611)	--	(235,253)
Interest receivable	15,420	--	--	15,420
Inventory	(198,473)	--	--	(198,473)
Prepaid expenses	64	(795)	(468)	(1,199)
Deferred outflows related to OPEB	786	(162)	(179)	445
Deferred outflows related to pensions	172,346	(3,551)	18,933	187,728
Increase (decrease) in:				
Accounts payable	720,866	(509,784)	(13,316)	197,766
Accrued expenses	(10,734)	(2,132)	7,694	(5,172)
Compensated absences	(34,432)	31,664	38,239	35,471
Deposits	(23,760)	--	81,741	57,981
Unearned revenue	(73,771)	--	--	(73,771)
Total OPEB liability	(4,621)	2,732	4,338	2,449
Net pension liability	306,471	167,664	437,251	911,386
Deferred inflows related to OPEB	(53,800)	(1,749)	(11,526)	(67,075)
Deferred inflows related to pensions	(74,962)	(2,398)	(17,380)	(94,740)
Net Cash Provided By Operating Activities	$ 11,924,383	$ 1,262,270	$ 949,057	$ 14,135,710

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

TOWN OF JUPITER, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION - PENSION TRUST FUND

SEPTEMBER 30, 2023

	Municipal Police Officers' Retirement Trust Fund
Assets	
Investments	
Money market mutual funds	$ 4,439,758
Certificates of deposit	806,401
U.S. Government securities	1,351,894
U.S. Government Agency securities	13,238,942
Corporate obligations	8,886,247
Asset-backed bonds	366,343
Equity securities	10,282,317
Equity mutual funds	32,528,298
Real estate investment trust index funds	2,672,327
Commingled real estate funds	5,517,222
International equity mutual funds	13,893,134
Total Investments	93,982,883
Receivables	
Accrued investment income	188,170
Pending trades receivable	327,698
Total Receivables	515,868
Prepaid Expense	2,954
Total Assets	94,501,705
Liabilities	
Accounts payable and accrued expenses	21,891
Pending trades payable	191,712
Total Liabilities	213,603
Net Position	
Restricted for pension benefits	$ 94,288,102

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

TOWN OF JUPITER, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - PENSION TRUST FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Municipal Police Officers' Retirement Trust Fund
Additions	
Contributions	
Town	$ 2,271,218
State	996,558
Employee	1,224,971
Total Contributions	4,492,747
Investment Earnings	
Net appreciation in fair value of investments	6,146,588
Interest and dividends	2,032,823
Total Investment Earnings	8,179,411
Less Investment Expenses	(273,576)
Net Investment Earnings	7,905,835
Other income	1,628
Total Additions	12,400,210
Deductions	
Pension benefits	3,798,396
DROP distributions	1,558,691
Share distributions	49,040
Administrative expenses	141,817
Total Deductions	5,547,944
Change in Net Position	6,852,266
Net Position Restricted for Pension Benefits - Beginning	87,435,836
Net Position Restricted for Pension Benefits - Ending	$ 94,288,102

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The Town of Jupiter, Florida (the "Town"), is a political subdivision of the State of Florida incorporated on February 9, 1925, under the authority of Chapter 165, Florida Statutes, and was established by House Bill 698, Laws of Florida, 1925. The Town is governed by five Councilors elected by residents of the Town. The accompanying financial statements present the Town and its blended component unit, a legally separate entity for which the Town is considered financially accountable.

The financial statements of the Town have been prepared in accordance with United States of America generally accepted accounting principles ("GAAP") as applied to governmental units in accordance with the Government Accounting Standards Board ("GASB") pronouncements. As defined by GAAP, the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable.

BLENDED COMPONENT UNIT

The Jupiter Community Redevelopment Agency (the "CRA") is a dependent special district established by the Town of Jupiter, Florida, under authority granted by Florida Statute 163, Section III. The CRA is included in the Town's financial reporting entity as a blended component unit reported as a governmental (special revenue) fund, the Community Redevelopment Fund. The purpose of the CRA is to promote and guide the physical and economic development of approximately 400 acres along the Intracoastal Waterway in the Town of Jupiter. The CRA is a legally separate entity established by Ordinance number 60-01 of the Jupiter Town Council in December 2001. The governing body of the CRA consists of the Town Council and the Town handles the management and administration of the CRA's financial matters. Separate audited financial statements are prepared for the CRA and can be obtained from the Town.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RELATED ORGANIZATION

The Northern Riverwalk Community Development District (the "NRCDD") was created on May 19, 2009 by Ordinance 1-09 of the Town of Jupiter, Florida, pursuant to the Florida Uniform Community Development District Act of 1980. The NRCDD was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for development within the NRCDD. The NRCDD is governed by a Board of Supervisors (the "Board"), which is composed of five members elected by the owners of the property within the NRCDD. The Town does not approve budgets, retain any financial interest or have any obligation for debt and cannot impose its will on the NRCDD. Accordingly, the NRCDD is not included in the Town's financial reporting entity.

Government-wide Financial Statements: The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities and report information on all non-fiduciary activities of the Town and its component unit. These financial statements include separate columns for the *governmental activities*, which are normally supported by taxes and intergovernmental revenue, and *business-type activities*, which rely primarily on fees and charges for support. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Town's enterprise funds operations and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. All internal balances in the Statement of Net Position have been eliminated, except those representing balances between the governmental activities and business-type activities, which are presented as internal balances and eliminated in the Total Column. In the Statement of Activities, all interfund transactions have been eliminated, except for charges between the Town's governmental activities and business-type activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or identifiable activity is offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Program revenue includes three categories of transactions: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; (2) operating grants and contributions; and, (3) capital grants and contributions. Taxes and other items not meeting the definition of program revenue are reported as general revenue. The Town does not allocate indirect costs, however, an administrative service fee is charged by the General Fund to recover the direct costs of General Fund services provided (such as finance, legal, human resources, information systems, etc.).

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND FINANCIAL STATEMENTS

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

Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds used by the Town are classified into three categories: governmental, proprietary and fiduciary. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The Town's major governmental funds and enterprise funds are reported as separate columns in the fund financial statements.

- **Governmental Fund Financial Statements** – Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and nonmajor funds in the aggregate. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements, to the net position and changes in net position presented in the government-wide financial statements. The Town reports the following major governmental funds:

  The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

  The *Community Redevelopment Fund* accounts for the economic development activities of the Jupiter Community Redevelopment Agency, whose primary restricted revenue source is from tax increment revenue.

  The *American Rescue Plan Fund* accounts for the restricted revenues and expenditures associated with the Coronavirus State and Local Fiscal Recovery Funds established by the American Rescue Plan Act ("ARPA").

  The *Capital Improvements Fund* accounts for the purchase and construction of major capital facilities and projects included in the Town's adopted five year Community Investment Program which is funded primarily by ad valorem property tax revenue.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND FINANCIAL STATEMENTS (CONTINUED)

- **Proprietary Fund Financial Statements** – Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows. The Town reports the following major proprietary funds:

  The *Water System Fund* accounts for operations of the Town's water utility system.

  The *Stormwater Fund* accounts for operations of the Town's stormwater collection, treatment and disposal system.

  The *Building Fund* accounts for operations of the Town's building department.

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

  The *Municipal Police Officers' Retirement Trust Fund* ("MPORT") is used to account for assets held in a trustee capacity for the retirement pensions of all permanent, full-time Town police officers.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Financial reporting is based upon all pronouncements of GASB. The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenue is recognized when earned and expenses are recognized when incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all-purpose restrictions imposed by the provider have been met.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the modified accrual basis of accounting, revenue is recognized in the period in which it becomes both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Town considers revenue to be available if it is collected within 60 days of the end of the current fiscal year. Property taxes are recognized as revenue in the year for which they are levied. Expenditures are generally recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt, which is recognized when due. Intergovernmental revenue, franchise fees, charges for services and investment income are all considered susceptible to accrual and so have been recognized when due as revenue in the current fiscal year. All other revenue items are considered to be measurable and available only when received in cash by the Town.

Proprietary fund financial statements distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. The proprietary funds also recognize as operating revenue the portion of connection fees intended to recover the cost of connecting new customers to the water system. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

For purposes of measuring the net pension liability, deferred inflows/outflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Town's defined benefit pension plan and Florida Retirement System and the additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the Town's defined benefit pension plan and the Florida Retirement System. Pension benefit payments (including refunds of employee contributions) and other postemployment benefits ("OPEB") benefit payments for the Town's OPEB plan are recognized when due and payable in accordance with the benefit terms.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY TAXES

Ad valorem property taxes are assessed on property valuations as of January 1st and levied the following October 1st. Taxes are due by March 31st and become delinquent on April 1st, when liens are filed against the subject property. Ad valorem taxes are assessed by the Palm Beach County Property Appraiser and collected by the Palm Beach County Tax Collector, which remits the taxes to the Town. Revenue is recognized at the time the taxes are received from Palm Beach County. Pursuant to Florida law, the Palm Beach County Tax Collector advertises and sells tax certificates on all real property for which there are unpaid, delinquent taxes. Accordingly, the Town has no property taxes receivable at September 30, 2023.

Tax revenues are generated by a millage rate set annually by the Town Council with a legal limit of 10 mills ($10.00 per $1,000 of taxable property value). The Town contracts fire rescue services to Palm Beach County Fire Rescue MSTU (municipal services taxing unit), which levies a separate tax on Town property owners of 1.8713 mills. The Palm Beach County Fire Rescue MSTU millage rate is deducted from the Town's legal millage rate cap of 10 mills, thereby reducing the Town's millage rate cap to 8.212.

During 2007, the Florida Legislature passed property tax reform legislation limiting the property tax levies of local governments in the State of Florida. Local governments that adopt a property tax levy in excess of the limit under State law will lose their Half-Cent Sales Tax distribution from the State for the succeeding twelve months. The State law allows local governments to adopt a millage rate based on the following approval of the governing body: (1) a majority vote to adopt a rate equal to the adjusted current year rolled-back millage rate plus an adjustment for growth in per capita Florida personal income; (2) a two-thirds vote to adopt a rate equal to the adjusted current year roll back millage rate plus 10%; or (3) any millage rate approved by unanimous vote or referendum. For the fiscal year ended September 30, 2023, the Town maintained a flat millage rate of 2.4633, which was less than the maximum tax rate permitted. This millage rate resulted in a total tax levy, including the CRA, of $36,839,038 for 2023, representing a 12.35% increase over the property tax levy for 2022. Future property tax growth is limited to the annual growth rate of per capita personal income plus the value of new construction.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of petty cash, deposits with financial institutions in interest and non-interest bearing checking accounts and money market accounts and money market mutual funds. The Town considers all highly liquid investments with original maturities of ninety days or less to be cash equivalents. Money market mutual funds held by MPORT are considered part of the long-term investment portfolio.

INVESTMENTS

The Town's investments consist of intergovernmental investment pools, certificate of deposits, equity mutual funds and the Florida PRIME fund. Intergovernmental investment pools and equity mutual funds are reported at fair value. Investments in Florida PRIME, money market mutual funds and certificates of deposit are reported at amortized cost. Negotiable certificates of deposit in the Pension Fund, U.S. Government and Agency securities, asset-backed bonds, domestic and foreign equity and debt securities, equity mutual funds, REIT index funds and commingled real estate funds reported at fair value. Florida Cooperative Liquid Assets Securities System ("FLCLASS") and Florida Local Government Investment Trust ("FLTRUST") (2a7-like external investment pools) are measure at net asset value. Fair value is 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. Investments are measured at fair value on a recurring basis.

ACCOUNTS RECEIVABLE

General government accounts receivable includes State shared revenues and charges for miscellaneous services. Accounts receivable reported in the Proprietary Funds represent amounts due for water and stormwater services from utility customers and building related fees due from developers and individuals, generally all of whom are local businesses and residents. Noncurrent receivables in the Water System Fund include amounts due from developers for connection fees and guaranteed revenues that are payable when connections are made to the utility system. Utility customers pay a cash deposit to the Town as collateral for future charges for services. The Town does not require collateral for other accounts receivable. Accounts receivable are reported net of an allowance for uncollectible accounts determined based on the age of the individual receivable, with age categories ranging from 21 days past due to several years past due. Generally, the allowance includes accounts over 120 days past due. Accounts receivable are written off on an individual basis in the year the Town deems them uncollectible.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INTERNAL BALANCES

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

INVENTORY

Inventory recorded in the General Fund represents fuel and oil and inventory in the Water System Fund represent parts, materials and supplies in storage at year end. Inventory is valued at cost (first-in/first-out) and is recorded under the consumption method which records inventory as expenditures when used. Reported amounts in governmental funds are equally offset by nonspendable fund balance in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

PREPAID ITEMS/EXPENSES

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items/expenses under the consumption method. Reported amounts in governmental funds are equally offset by nonspendable fund balance in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

RESTRICTED ASSETS

Certain cash equivalents and investments of the General Fund are restricted for land acquisition and economic development. Restricted resources are used first to fund expenditures incurred for restricted purposes.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAPITAL ASSETS

The Town reports all capital assets, including infrastructure assets (roads, sidewalks and similar items), in the government-wide statement of net position. Capital assets are defined by the Town as assets with an estimated useful life in excess of one year and an initial, individual cost of more than $5,000, or software with an individual cost of more than $25,000. Capital assets are recorded at cost or, if donated, at acquisition value at the date of donation. Expenses which materially extend the useful life of existing assets are capitalized. Costs for professional services associated with the acquisition and construction of enterprise fund capital assets are capitalized. Interest cost was capitalized on enterprise fund capital assets during the construction period prior to the adoption of GASB Statement No. 89 in fiscal year 2018. The cost of capital assets sold or retired is removed from the accounts and any resulting gain or loss is included in the change in net position. Depreciation is computed using the straight-line method over the estimated useful lives of all reported capital assets, except land. Estimated useful lives assigned to categories of assets are as follows:

Buildings and plant	5-70 years
Improvements	15-70 years
Equipment and vehicles	5-20 years
Infrastructure	7-25 years

SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Town has entered into contracts that convey control of the right to use information technology software and has recorded subscription-based information technology arrangements ("SBITA") assets and liabilities as a result of implementing GASB Statement No. 96. The SBITA assets are initially measured at an amount equal to the initial measurement of the related SBITA liability plus any SBITA payments made prior to the subscription term, less SBITA incentives, plus any ancillary charges necessary to place the SBITA into service. Subsequently, the SBITA liability is reduced by the principal portion of payments made. The SBITA assets are amortized on a straight-line basis over the life of the related contract.

The cost of normal maintenance and repairs that do not add to the value of the assets or material extend the asset lives are not capitalized and are expense as incurred. The Town monitors changes in circumstances that would require a remeasurement of its SBITA's and will do so if certain changes occur that would be expected to significantly affect the amount of the lease liability.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (CONTINUED)

SBITA assets are reported with other capital assets and SBITA lease liabilities are reported with long-term debt on the statement of net position of the government-wide financial statements and in the proprietary fund financial statements.

UNEARNED/UNAVAILABLE REVENUES

Unearned revenue in the governmental activities and unavailable revenues (a deferred inflow of resources) in the governmental funds include amounts received in advance of the related services being provided by the Town and earned interest income that is not currently due. Unearned revenue in the business-type activities and enterprise funds includes utility payments from customers and other amounts received in advance of the related services being provided by the Town.

COMPENSATED ABSENCES

The Town records accumulated, unpaid vacation, sick and compensatory pay in the enterprise funds as a fund liability. The liability for compensated absences attributable to the Town's governmental funds is recorded only in the government-wide financial statements. The liability for compensated absences of both the governmental and enterprise funds includes related payroll taxes and benefits. Employees may accumulate up to forty days' vacation leave. Employees accrue sick leave at the rate of eight hours per month until retirement or termination, at which time they are paid for up to 50% of their unused sick leave, based on their length of service with the Town. Accordingly, the Town accrues up to 50% of eligible, unused sick leave and related payroll taxes and benefits in the year earned. The Town records compensatory time and related payroll taxes and benefits in the year earned.

NONCURRENT OBLIGATIONS

In the government-wide financial statements and enterprise fund financial statements, long-term debt and other noncurrent obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise fund statement of net position. Long-term debt is reported net of applicable premium or discount. Debt discount and premium in the government-wide financial statements and enterprise funds are amortized using the straight-line method, which approximates the effective interest method, and are charged against operations over the term of the debt issues.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NONCURRENT OBLIGATIONS (CONTINUED)

Unamortized debt discount and premium is presented as a reduction of or addition to long-term debt payable. There was no unamortized debt discounts or premiums as of fiscal year ended September 30, 2023. Issuance costs of debt are reported as current period expenses.

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

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets and liabilities, the government-wide Statement of Net Position and the governmental funds Balance Sheet report a separate section for deferred outflows or deferred inflows of resources. The separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The Town reports deferred charges on refundings as deferred outflows of resources on the government-wide and enterprise funds Statement of Net Position. The deferred charges on refundings were losses resulting from the difference in the carrying value of refunded debt and its reacquisition price. The amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to OPEB and pensions results from differences between expected and actual experience and investment earnings, changes in assumptions, Town pension contributions after the pension plan measurement date but prior to the Town's year end or other inputs. The amounts are deferred and amortized to OPEB and pension expense in a systematic and rational manner over a period equal to the average expected remaining service lives of employees that are provided with benefits through the OPEB and pension plans, including inactive employees.

The separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The Town's deferred inflows reported on the government-wide and enterprise funds Statement of Net Position are related to its pension and OPEB liabilities. The deferred inflow of resources related to pensions and OPEB results from differences between expected and actual experience and investment earnings, changes in assumptions, changes in proportion and differences between Town contributions and proportionate share of contributions or other inputs. These amounts are deferred and amortized to pension and OPEB expense in the same manner as deferred outflows related to

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (CONTINUED)

pensions and OPEB, respectively. The Town also has one item, unavailable revenue, which arises only under the modified accrual basis of accounting and is reported as a deferred inflow of resources on the governmental funds Balance Sheet. The unavailable revenue result from amounts received in advance for business licenses and earned interest income that is not currently due in the General Fund and a note receivable in the Community Redevelopment Fund that will be earned in future years as services are provided. These amounts are deferred and recognized as an inflow of resources in the year that the amounts become available.

NET POSITION/FUND BALANCE

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

Net Investment in Capital Assets
This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balance of any bonds, mortgages, notes or other borrowings and deferred inflows/outflows that are attributable to the acquisition, construction, or improvement of those assets and retainage payable. If there are significant unspent related debt proceeds at year end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of *Net Investment in Capital Assets.* Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted
This component of net position consists of constraints placed on the use of net position by external restrictions imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

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

Fund Balance
In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Town is legally bound to honor the specific purposes for which amounts in fund balance may be spent. The fund balance classifications are summarized as follows:

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION/FUND BALANCE (CONTINUED)

Fund Balance (continued)

Nonspendable

Nonspendable fund balances include amounts that cannot be spent because they are either (1) not in spendable form; or (2) legally or contractually required to be maintained intact.

Restricted

Restricted fund balances include amounts that are restricted to specific purposes either by (1) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed

Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by the Town Council through an ordinance or resolution, which have equal authority and are the highest level of decision making authority. The Town had no committed fund balances.

Assigned

Assigned fund balances include amounts that are constrained by the Town's intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance are made by the Town Manager or Finance Director based upon authority provided in a Resolution adopted by the Town Council or in the Town's annual budget.

Unassigned

Unassigned fund balance includes General Fund amounts that have not been restricted, committed, or assigned to specific purposes.

The Town considers restricted fund balance to be spent when an expenditure is incurred for the restricted purpose. The Town considers committed, assigned or unassigned fund balance to be spent when an expenditure is incurred for purposes for which amounts in any of those fund balance classifications could be used.

Minimum Fund Balance Policy

The Town Council has not adopted a formal minimum fund balance policy. Generally, the Town strives to maintain sufficient unassigned General Fund balance to provide liquidity in the event of a budget shortfall or natural disaster.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ON-BEHALF PAYMENTS

In accordance with U.S. generally accepted accounting principles, on-behalf payments of $996,558 received by the Town from the State of Florida for the benefit of the MPORT for the fiscal year ended September 30, 2023, have been recognized as intergovernmental revenue in the General Fund. The expenditure for the MPORT pension was recorded in the General Fund as Police Department personal services.

INTERFUND TRANSACTIONS

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

IMPLEMENTATION OF NEW GASB STATEMENTS

The Town considered the new accounting standards which effective dates are applicable for the fiscal year ended September 30, 2023.

As of October 1, 2023, the Town adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.* The objective of the Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for a SBITA by governments. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs. The impact to the Town resulted in the reporting of subscription assets and subscription liabilities related its SBITAs. The result of these changes had no effect on beginning net position.

The implementation of GASB Statement No. 91, *Conduit Debt Obligations*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, and GASB Statement No. 99, *Omnibus 2022*, which did not have a significant impact on the Town's financial statements.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GRANTS

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

USE OF ESTIMATES

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

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS

At September 30, 2023, the Town's cash and cash equivalents included petty cash of $6,758 and deposits in demand deposit accounts of $132,204,851. The demand deposit accounts of $132,204,851 are held by financial institutions that comply with the requirements of Florida Statutes and have been designated as a qualified public depository by the State Treasurer of Florida. Qualified public depositories are required to pledge collateral to the State Treasurer with a fair value equal to a percentage of the average daily balance of all government deposits in excess of any federal deposit insurance. In the event of a default by a qualified public depository, all claims for government deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool. Accordingly, all deposits with qualified public depositories are considered fully insured or collateralized in accordance with the provisions of GASB Statements.

The MPORT's money market mutual fund of $4,439,758, was held by the counterparty (securities brokers) in the name of the Town or MPORT, as applicable, but were not otherwise collateralized or secured. The money market mutual funds are reported at amortized cost.

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments: Town ordinances authorize the Town to invest in the Florida PRIME external investment pool administered by the State Board of Administration ("SBA"); governmental investment pools authorized under Florida Statutes Section 163; direct obligations of or obligations unconditionally guaranteed by the U.S. Government; obligations of U.S. Government Agencies and Instrumentalities; interest bearing time deposits or savings accounts in State qualified public depositories; obligations of the Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation, Federal Home Loan Bank, or obligations guaranteed by the Government National Mortgage Association; obligations of Fannie Mae; the Florida Municipal Investment Trust; state and local tax-exempt debt securities; floating rate securities, money market mutual funds and repurchase agreements invested exclusively in obligations of the U.S. Government and its Agencies and Instrumentalities; and, investments specifically authorized by Town ordinance or resolution. The Town's investment policy prohibits investing in equity securities, derivative investments and cash accounts not held by a qualified public depository.

The MPORT is authorized to invest in the same investments as the Town, bonds issued by the State of Israel and bonds, stocks or other evidence of equity or indebtedness issued or guaranteed by a corporation organized under the laws of the United States or organized territory of the United States, or the District of Columbia, provided that the corporation is listed on any one or more of the recognized national stock exchanges and, in the case of bonds only, holds an investment grade rating by a major rating service at the time of purchase. Additionally, the MPORT Board of Trustees may not invest more than twenty-five percent of MPORT assets in foreign securities, nor more than five percent of its assets in the common stock or capital stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed five percent of the outstanding capital stock of that company, nor shall the aggregate of these investments exceed seventy percent of the fund's assets.

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

The investments of the Town and MPORT at September 30, 2023 are summarized as follows:

	Town	Pension Trust	Total
Florida PRIME	$ 44,741,237	$ --	$ 44,741,237
Certificates of deposit ($1,176,366 pledged - Note 13)	1,176,366	806,401	1,982,767
Money market mutual funds	--	4,439,758	4,439,758
Florida intergovernmental investment pool			
(FLCLASS)	11,590,398	--	11,590,398
(FLTRUST)	21,203,015	--	21,203,015
U.S. Government securities	--	1,351,894	1,351,894
U.S. Government Agency securities	--	13,238,942	13,238,942
Corporate obligations	--	8,886,247	8,886,247
Asset-backed bonds	--	366,343	366,343
Equity securities	--	10,282,317	10,282,317
Equity mutual funds	38,673,331	32,528,298	71,201,629
REIT index funds	--	2,672,327	2,672,327
Commingled real estate funds	--	5,517,222	5,517,222
International equity mutual funds	--	13,893,134	13,893,134
Total Investments	$ 117,384,347	$ 93,982,883	$ 211,367,230

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

The total cash and cash equivalents and investments of the Town and MPORT are reported as follows:

	Town	Pension Trust	Total
Reported in the financial statements as:			
Cash and cash equivalents	$ 131,870,040	$ --	$ 131,870,040
Restricted cash and cash equivalents	341,569	--	341,569
Total cash and cash equivalents	132,211,609	--	132,211,609
Investments	116,207,981	93,982,883	210,190,864
Restricted investments	1,176,366	--	1,176,366
Total Investments	117,384,347	93,982,883	211,367,230
Total Cash, Cash Equivalents and Investments	$ 249,595,956	$ 93,982,883	$ 343,578,839

The Town's investment securities are held by the counterparty (securities broker) in the Town's name but are not otherwise collateralized or insured. The MPORT investment securities are held in custodial safekeeping accounts.

Florida PRIME consists of equity in an external investment pool administered by the State of Florida pursuant to statutory requirements and operated in a manner consistent with SEC Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC registered mutual funds to use amortized cost, rather than fair value, to report net position used to compute share prices if certain conditions are met.

Those conditions include restrictions on the types of investments held, restrictions on the term-to-maturity of individual investments and the dollar-weighted average of the portfolio, requirements for portfolio diversification, and requirements for divestiture considerations in the event of security downgrades and defaults, and required actions if the fair value of the portfolio deviates from amortized cost by a specified amount. The fair value of the position in the pool is considered to be the same as the Town's account balance (amortized cost) in the pool. The Town may withdraw funds from Florida PRIME on an overnight basis, generally without limitation or imposition of fees.

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

The Florida intergovernmental investment pool consists of FLCLASS and FLTRUST. FLCLASS and FLTRUST are organized under Florida Statutes Section 163, the Florida Interlocal Cooperation Act, by Florida public agencies for the purpose of operating an independent investment pool for local governments in Florida and is administered by a Board of Trustees elected by the participants in the pool. FLCLASS and FLTRUST are operated in a manner consistent with SEC Rule 2a7 of the Investment Company Act of 1940. FLCLASS and FLTRUST are measured at net asset value. The Town may withdraw funds from FLCLASS and FLTRUST on an overnight basis, generally without limitation or imposition of fees.

FAIR VALUE OF INVESTMENTS

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

Level 1
Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Town has the ability to access at the measurement date.

Level 2
Inputs to the valuation methodology include the following:

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

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

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

FAIR VALUE OF INVESTMENTS (CONTINUED)

Level 3

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

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

Valuation Methodologies

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

Equity securities and REIT index funds: Valued at the closing price reported on the active exchange on which the individual securities are traded.

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

U.S. Government and U.S. Government Agency securities, negotiable certificates of deposit, tax-exempt state and local debt securities, corporate obligations, and asset-backed bonds: Valued at the closing price reported on the national exchange on which the individual securities are actively traded. Securities that are not actively traded are valued by the investment custodian using a matrix pricing technique based on the securities' relationship to quoted benchmark prices.

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

FAIR VALUE OF INVESTMENTS (CONTINUED)

Valuation Methodologies (continued)

Investments measured at net asset value ("NAV"): Certain investments are valued at the unadjusted NAV per share, calculated at September 30, 2023 in a manner consistent with the Financial Accounting Standard Board's measurement principles for investment companies based on the fair value of the underlying fund investments, as determined by the fund manager. Real estate values may be based upon independent appraisals performed for assets held by the fund or may be estimated by the fund manager. The fair value of real estate is the price that would be received if the asset was sold to a market participant assuming the highest and best use of each asset at September 30, 2023.

The methods and assumptions described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Town and MPORT believe their valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There were no changes in the methods and assumptions used for the fiscal year ended September 30, 2023.

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

FAIR VALUE OF INVESTMENTS (CONTINUED)

Fair Value of Investments

The financial assets measured at fair value on a recurring basis include the Town's investments. There were no liabilities measured at fair value on a recurring basis at September 30, 2023. The Town's and MPORT's investments at September 30, 2023 are summarized as follows:

	Reported Value	Level 1	Level 2	Level 3
Debt Investments				
U.S. Government securities	$ 1,351,894	$ 1,351,894	$ --	$ --
U.S. Government Agencies	13,238,942	--	13,238,942	--
Certificates of deposit	806,401	806,401	--	--
Corporate Obligations	8,886,247	--	8,886,247	--
Asset-backed bonds	366,343	--	366,343	--
Total Debt Securities	24,649,827	2,158,295	22,491,532	--
Equity Investments				
Equity securities	10,282,317	10,282,317	--	--
Equity mutual funds	71,201,629	71,201,629	--	--
REIT index funds	2,672,327	2,672,327	--	--
International equity mutual funds	13,893,134	13,893,134	--	--
Total Equity Securities	98,049,407	98,049,407	--	--
Total Investments at Fair Value	122,699,234	$ 100,207,702	$ 22,491,532	$ --
Investment Measured at NAV				
Commingled real estate funds	5,517,222			
Florida intergovernmental investment pools				
FLTRUST	21,203,015			
FLCLASS	11,590,398			
Investments measured at amortized cost				
Florida PRIME	44,741,237			
Certificates of deposit	1,176,366			
Money market mutual funds	4,439,758			
Total Investments	$ 211,367,230			

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

FAIR VALUE OF INVESTMENTS (CONTINUED)

The following table summarized investments for which fair value is measured using the net asset value per share practical expedient, including their related unfunded commitments and redemption restrictions:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Real estate fund (1)	$ 5,517,222	$ --	Quarterly	10 days
FLTRUST (2)	21,203,015	--	Daily	Same day
FLCLASS (3)	11,590,398	--	Daily	Same day
Total	$ 38,310,635	$ --		

(1) Real estate fund: The fund is an open-end diversified core real estate commingled fund that invests primarily in core institutional office, retail, industrial, and multi-family properties located throughout the United States. The investment is valued at NAV and its redemptions must be received by the fund 10 days prior to quarter end.

(2) FLTRUST: The fund is designed to invest in short-to-intermediate securities and have returns generally greater that the national average for money market instruments.

(3) FLCLASS: The fund invests in high-quality short-to-medium securities chosen to provide safety and liquidity while prioritizing investment earnings.

CUSTODIAL CREDIT RISK

Custodial credit risk is defined as the risk that the Town may not recover cash and investments held by another party in the event of a financial failure. The Town's investment policy requires investments to be held in third party custodial safekeeping accounts in the name of the Town. At September 30, 2023, all Town investments were held in custodial safekeeping accounts in the name of the Town or MPORT.

FOREIGN CURRENCY RISK

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. MPORT had $13,893,134 invested in U.S. dollar denominated international equity mutual funds and $1,267,697 in foreign bonds at September 30, 2023. All investments are denominated in U.S. dollars, therefore no foreign currency risk exists.

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

INTEREST RATE RISK

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest rate risk. Town policy requires at least 30% of the investment portfolio to mature within one year; no more than 10% may mature in more than five years; and, no investment may have a maturity of more than 15 years. The MPORT investment policy does not limit investment maturities. At September 30, 2023, Florida PRIME had a weighted average maturity of 75 days, FLCLASS had a weighted average maturity of 69 days, FLTRUST has a weighted average maturity of 1.6 years and the money market mutual funds had a weighted average maturity of less than 90 days. The following table summarizes the scheduled maturities of debt securities of the Town and MPORT at September 30, 2023.

	Fair Value of Investment Maturities			
	Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
Debt Securities				
U.S. Government securities	$ --	$ 261,823	$ 132,006	$ 958,065
U.S. Government Agency securities	--	312,783	2,669,852	10,256,307
Certificates of deposit	--	806,401	--	--
Corporate obligations	--	3,158,368	1,588,356	2,871,826
Foreign Bonds	--	287,667	514,382	465,648
Asset-backed bonds	--	102,465	42,099	221,779
Total	$ --	$ 4,929,507	$ 4,946,695	$ 14,773,625

CREDIT RISK

Credit risk is the risk that a debt issuer will not fulfill its obligations. The Town's investment policy requires that investments in debt securities, Florida PRIME and money market mutual funds be rated in one of the top two investment grades by a Nationally Recognized Statistical Rating Organization ("NRSRO") and the MPORT requires an investment grade rating (BBB or higher) by an NRSRO when purchased. The MPORT utilizes ratings from Standard and Poor's and Moody's Investor Services for investments.

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

CREDIT RISK (CONTINUED)

Florida PRIME, FLCLASS, FLTRUST and the money market mutual funds owned by the Town and MPORT are rated AAAm. The NRSRO ratings for the investment securities of the Town and MPORT at September 30, 2023, are summarized as follows:

Investment Type	NRSRO Rating	Fair Value
U.S. Government securities	AA+	$ 1,351,894
U.S. Government Agency securities	AA+	13,238,942
Negotiable certificates of deposit	AA+	806,401
Corporate obligations	AAA - BBB	8,886,247
Asset-backed bonds	AAA	366,343
Total		$ 24,649,827

CONCENTRATION OF CREDIT RISK

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. The Town's investment policy limits investments held by any single financial institution to a maximum of 50% of the total cost of the investment portfolio, excluding securities held under a third party safekeeping agreement. In the MPORT, securities of a single issuer are limited to no more than 5% of the net position of the pension fund invested in common stocks and debt securities. Investments in mutual funds and money market accounts are excluded from the concentration of credit risk disclosure requirement. At September 30, 2023, the MPORT had investments in the following mutual funds that represented more than 5% of the Plan's total investments: Fidelity Mid Cap Index Fund (11.8%), American Euro Pacific Growth Fund (14.7%), SPDR Bloomberg Convertible Fund (5.0%), Fidelity Large Cap Value Index Fund (6.2%) and Fidelity Large Cap Growth Index Fund (6.7%) and an investment in a real estate fund with ARA Core Property Fund (5.9%).

RISKS AND UNCERTAINTIES

The investments of the Town and MPORT include securities, mutual funds and other investments which are exposed to various risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements. The value, liquidity, and

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

RISK AND UNCERTAINTIES (CONTINUED)

related income of certain securities with contractual cash flows, such as asset-backed securities, collateralized mortgage obligations, commercial mortgage-backed securities and real estate funds or pooled funds investing in these securities or entities, are particularly sensitive to changes in economic conditions, including real estate value, delinquencies or defaults, or both, and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable and allowance for uncollectible accounts at September 30, 2023 consist of the following:

	Gross Accounts Receivable	Allowance For Doubtful Accounts	Net Receivable
Governmental Activities / Funds			
General Fund - Accounts	$ 2,540,035	$ (6,136)	$ 2,533,899
Capital Improvement	2,112	--	2,112
Total Governmental Activities / Funds	2,542,147	(6,136)	2,536,011
Business-type Activities / Enterprise Funds			
Water System Fund - Utility accounts	1,388,962	(21,096)	1,367,866
Stormwater Fund - Utility accounts	183,464	(3,790)	179,674
Total Business-type Activities / Enterprise Funds	1,572,426	(24,886)	1,547,540
Total Reported in the Statement of Net Position	$ 4,114,573	$ (31,022)	$ 4,083,551

Noncurrent receivables in the Proprietary Funds of $3,316,668 have no allowance for uncollectible accounts at September 30, 2023.

NOTE 4 – NOTES RECEIVABLE

LAND SALE

The Town has a note receivable from the Community Redevelopment Fund related to a parcel of land. During 2013, the Town closed on the sale of a parcel of land to a private owner and received a note receivable for a portion of the sales price. The note is non-interest bearing and is due in 177 monthly installments of $800 until fully paid. In lieu of cash payments on the note, the Town and the private owner agreed that the owner shall pay all ongoing costs associated with the operation and maintenance of a public restroom facility located on the property sold by the Town and the owner will receive a monthly credit of $800 against the promissory note. The note receivable balance was $45,287 at September 30, 2023.

NOTE 5 – ADVANCES FROM/TO OTHER FUNDS

ADVANCES DUE FROM CRA

The Town's General Fund and Capital Improvements Fund have advanced funds to the CRA for the purchase of property, construction of public improvements and redevelopment activities within the boundaries of the CRA. The Town and the CRA have entered into an interlocal agreement for the repayment of these advances to the General Fund and Capital Improvements Fund by the CRA, with interest at 3.0%, through the fiscal year ending September 30, 2027. The repayment of the advances ranges from approximately $793,000 in 2023 to $1.1 million in 2026, with a final payment of $524,000 due in 2027, and generally increases each year commensurate with the expected increases in the CRA's tax increment revenues resulting from the redevelopment activities. The outstanding advances payable to the General Fund and Capital Improvements Fund totaled $2,608,899 and $635,305, respectively, at September 30, 2023 and are considered to be noncurrent because the repayments are not expected to be available under the modified accrual basis of accounting.

ADVANCE DUE FROM STORMWATER FUND

In 2020, the Town's Water System Fund advanced funds in the amount of $5.7 million to the Stormwater Fund to be used for various capital improvement projects. The interfund loan agreement provides for the repayment of these advances to the Water System Fund by the Stormwater Fund, with interest at 2.3%, through the fiscal year ending September 30, 2034. Repayment of the advance will be made in annual payments of approximately $454,000, including principal and interest. The outstanding advance payable to the Water System Fund was $4,364,713 at September 30, 2023.

NOTE 6 – CAPITAL ASSETS

The Town's capital asset activity for the year ended September 30, 2023 is summarized as follows:

	Beginning Balances *	Additions	Deletions	Ending Balances
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	$ 48,362,544	$ --	$ --	$ 48,362,544
Construction in progress	--	18,615,739	--	18,615,739
Capital Assets Not Being Depreciated	48,362,544	18,615,739	--	66,978,283
Capital Assets Being Depreciated/Amortized:				
Buildings	43,701,390	--	--	43,701,390
Improvements	55,546,775	2,500,501	--	58,047,276
Machinery and equipment	9,900,643	1,166,689	(335,472)	10,731,860
Infrastructure	55,432,190	2,362,391	--	57,794,581
Subscription-based assets (Right-to-use-assets)	3,000,153	443,944	--	3,444,097
Total Capital Assets Being Depreciated/Amortized	167,581,151	6,473,525	(335,472)	173,719,204
Less: Accumulated Depreciation/Amortizaiton for:				
Buildings	(19,521,213)	(1,130,617)	--	(20,651,830)
Improvements	(29,564,984)	(1,590,238)		(31,155,222)
Machinery and equipment	(7,582,081)	(803,286)	298,540	(8,086,827)
Infrastructure	(27,848,221)	(1,922,502)	--	(29,770,723)
Subscription-based assets (Right-to-use-assets)	--	(453,819)	--	(453,819)
Total Accumulated Depreciation and Amortization	(84,516,499)	(5,900,462)	298,540	(90,118,421)
Depreciable capital assets, net of accumulated depreciation/amortization	83,064,652	573,063	(36,932)	83,600,783
Total Capital Assets, Net	$ 131,427,196	$ 19,188,802	$ (36,932)	$ 150,579,066

* Beginning balance was revised for implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

NOTE 6 – CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense was charged to functions/programs as follows:

Governmental Activities	
General government	$ 3,223,424
Public safety	476,768
Engineering and public works	1,167,994
Culture and recreation	1,032,276
Total Governmental Activities Depreciation and Amortization Expense	$ 5,900,462
Business-type Activities	
Water system	$ 6,755,094
Stormwater	956,618
Building	58,948
Total Business-type Activities Depreciation and Amortization Expense	$ 7,770,660

	Beginning Balances *	Additions	Deletions	Ending Balances
Business-type Activities				
Capital Assets Not Being Depreciated:				
Land	$ 569,123	$ --	$ --	$ 569,123
Construction in progress	9,982,567	9,665,187	(3,386,893)	16,260,861
Total Capital Assets Not Being Depreciated	10,551,690	9,665,187	(3,386,893)	16,829,984
Capital Assets Being Depreciated/Amortized:				
Building and plant	106,876,383	1,091,365	--	107,967,748
Improvements	243,868,415	5,212,422	--	249,080,837
Machinery and equipment	34,053,968	1,243,865	(765,814)	34,532,019
Subscription-based assets (Right-to-use-assets)	71,659	155,976	--	227,635
Total Capital Assets Being Depreciated/Amortized	384,870,425	7,703,628	(765,814)	391,808,239
Less: Accumulated Depreciation and Amortization for:				
Buildings and plant	(48,198,285)	(3,082,586)	--	(51,280,871)
Improvements	(103,512,585)	(3,259,241)	--	(106,771,826)
Machinery and equipment	(24,895,666)	(1,352,637)	708,681	(25,539,622)
Subscription-based assets (Right-to-use-assets)	--	(76,196)	--	(76,196)
Total Accumulated Depreciation and Amortization	(176,606,536)	(7,770,660)	708,681	(183,668,515)
Depreciable capital assets, net of accumulated depreciation/amortization	208,263,889	(67,032)	(57,133)	208,139,724
Total Capital Assets, Net	$ 218,815,579	$ 9,598,155	$ (3,444,026)	$ 224,969,708

* Beginning balance was revised for implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.*

NOTE 7 – NONCURRENT LIABILITIES

GOVERNMENTAL ACTIVITIES

Changes in governmental activities noncurrent liabilities for the year ended September 30, 2023 are summarized as follows:

	Beginning Balances *	Additions	Deletions	Ending Balances	Due Within One Year
Governmental Obligation Bonds					
Series 2021 (Refunding Bonds)	$ 3,385,542	$ --	$ 1,124,405	$ 2,261,137	$ 1,128,509
Series 2021 (Land Acquisition Debt)	2,539,675	--	843,434	1,696,241	846,555
Tax increment incentive	1,570,799	--	1,570,799	--	--
Subscription liability	3,000,153	443,944	515,484	2,928,613	424,240
Compensated absences	3,689,149	499,970	286,939	3,902,180	280,300
Total Long-Term Debt	14,185,318	$ 943,914	$ 4,341,061	10,788,171	$ 2,679,604
Current maturities	(2,219,641)			2,679,604	
Totals	$ 11,965,677			$ 8,108,567	

* Beginning balance was revised for implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.*

The debt service for the General Obligation Bonds is payable from ad valorem taxes. Compensated absences, pension liabilities and other postemployment benefits liabilities are generally liquidated by the General Fund from available non-ad valorem revenues. The tax increment incentive is payable by the CRA from taxes.

GENERAL OBLIGATION BONDS (REFUNDING BONDS) - SERIES 2021

In September 2021, the Town issued $4,505,858 in General Obligation Bonds (Refunding Bonds), Series 2021 to advance refund the Series 2005 General Obligation Bonds. The proceeds of the Series 2021 Bonds were placed in irrevocable trust to purchase U.S. Government securities which were used, along with all interest earnings, for the sole purpose of paying future debt service on the refunded bonds. The Series 2021 General Obligation Refunding Bonds have an interest rate of 0.73%. The bonds require semiannual payments of interest starting January 1, 2022 and four annual payments of principal and interest commencing July 1, 2022 through maturity on July 1, 2025. The net cash flow savings was $169,761.

NOTE 7 – NONCURRENT LIABILITIES (CONTINUED)

The debt service requirements of the General Obligation Bonds (Refunding Bonds) – Series 2021 are as follows:

GENERAL OBLIGATION BONDS (REFUNDING BONDS) - SERIES 2021

Fiscal Year Ending September 30	Principal	Interest	Total
2024	$ 1,128,509	$ 16,506	$ 1,145,015
2025	1,132,628	8,268	1,140,896
Total	$ 2,261,137	$ 24,774	$ 2,285,911

GENERAL OBLIGATION BONDS (LAND ACQUISITION BONDS) - SERIES 2021

In September 2021, the Town issued $3,380,000 in General Obligation Bonds (Land Acquisition Bonds), Series 2021 for the reimbursement for the purchase of land at 500 N. Delaware. The Land Acquisition Bonds have an interest rate of 0.74%. The bonds require semiannual payments of interest starting January 1, 2022 and four annual payments of principal and interest commencing July 1, 2022 through maturity on July 1, 2025.

The debt service requirements of the General Obligation Bonds (Land Acquisition Bonds) – Series 2021 are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total
2024	$ 846,555	$ 12,552	$ 859,107
2025	849,686	6,288	855,974
	$ 1,696,241	$ 18,840	$ 1,715,081

BOND RATINGS

Standard & Poor's Rating Services rates the Town's outstanding general obligation bonds as AAA. Moody's Investor Service rates the Town's outstanding general obligation bonds as AAA.

NOTE 7 – NONCURRENT LIABILITIES (CONTINUED)

TAX INCREMENT INCENTIVE

The Town's CRA entered into an agreement with the Harbourside developer to provide a rebate of certain tax increment funds. The Town paid the $560,657 in full settlement of the tax rebates in fiscal year 2023 (see Note 14 – Commitments and Contingencies).

SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Town has entered into various subscription-based information technology agreements for software programs. The agreements require annual payments varying from $10,682 to $338,494 over two to ten years with an interest rate of 2.31% to 3.31% and final payments due September 30, 2032. During the year ended September 30, 2023, principal and interest paid were $515,484 and $423 respectively. Future principal and interest payments as of September 30, 2023, are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total
2024	$ 424,240	$ 96,142	$ 520,382
2025	419,807	82,571	502,378
2026	269,514	68,978	338,492
2027	278,434	60,060	338,494
2028	287,647	50,847	338,494
2029-2030	1,248,971	105,002	1,353,973
Total	$ 2,928,613	$ 463,600	$ 3,392,213

Amounts of subscription assets by major classes of underlying assets were as follows as of the fiscal year ended September 30, 2023:

Asset Class	Asset Value	Accumulated Amortization	Carrying Value
Software	$ 3,444,097	$ 453,819	$ 2,990,278

NOTE 7 – NONCURRENT LIABILITIES (CONTINUED)

BUSINESS-TYPE ACTIVITIES

Changes in business-type activities noncurrent liabilities for the fiscal year ended September 30, 2023 are summarized as follows:

	Balance at Beginning of Year *	Additions	Retirements	Balance at End of Year	Amounts Due Within One Year
Water revenue Bonds / Note					
Series 2010	$ 705,000	$ --	$ 705,000	$ --	$ --
Series 2013	11,138,000	--	1,600,000	9,538,000	--
Subscription liability	71,660	155,976	89,418	138,218	86,241
Compensated absences	973,885	130,228	94,757	1,009,356	144,899
Total Long-Term Debt	12,888,545	$ 286,204	$ 2,489,175	10,685,574	$ 231,140
Current maturities	(125,000)			(144,899)	
Net Long-Term Debt	$ 12,763,545			$ 10,540,675	

* Beginning balance was revised for implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.*

WATER REVENUE REFUNDING NOTE - SERIES 2010

On January 20, 2010, the Town issued a $9,770,000 Water Revenue Refunding Note - Series 2010 (the "Series 2010 Note") to a financial institution to currently refund the outstanding principal balance of $9,770,000 on the Water Revenue Refunding Bonds - Series 1998. The refunding resulted in an economic gain of $1,090,755 and reduced the total debt service payments by $1,307,226. The Series 2010 Note is payable from and collateralized by the proceeds from pledged net revenues of the water system (as defined in the note agreement) and connection charges. Interest on the Series 2010 Note is payable at 3.105% on each April 1 and October 1 and principal payments are due on October 1 through maturity on October 1, 2023. The final principal payment was made in September 2023.

NOTE 7 – NONCURRENT LIABILITIES (CONTINUED)

WATER REVENUE REFUNDING BONDS - SERIES 2013

On August 9, 2013, the Town issued $28,130,000 Water Revenue Refunding Bonds - Series 2013 (the "Series 2013 Bonds") to a financial institution to currently refund the outstanding principal balance of $6,155,000 on the Water Revenue Refunding Bonds - Series 2002 and $21,930,000 Water Revenue Refunding Bonds – Series 2003. The refunding resulted in an economic gain of $2,245,124 and reduced the total debt service payments by $8,481,910. The Series 2013 Bonds are payable from and collateralized by the proceeds from pledged net revenues of the water system (as defined in the note agreement) and connection charges. Interest on the Series 2013 Bonds is payable at 2.336% on each April 1 and October 1 and principal payments are due each October 1 through maturity on October 1, 2029. Upon occurrence of an event of default, the bank may declare the entire debt then remaining unpaid immediately due and payable and obligate the Town to cover all costs of collection and enforcement. During the period of default, the note shall bear interest at a rate of the lesser of 18% or the maximum rate permitted by law. Additionally, any acceleration of the note obligates the Town to a prepayment fee as determined by the bank.

The debt service requirements of the Series 2013 Bonds are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total
2024 (*)	$ --	$ 241,472	$ 241,472
2025	1,627,500	203,778	1,831,278
2026	1,657,500	165,413	1,822,913
2027	1,617,000	127,171	1,744,171
2028	1,633,500	89,209	1,722,709
2029-2030	3,002,500	66,786	3,069,286
Total	$ 9,538,000	$ 893,829	$ 10,431,829

(*) Payment made in September 2023 for principal and interest due on October 1, 2023.

PLEDGED UTILITY REVENUE

The Town has pledged the future net revenues (as defined in the bond resolutions and loan agreement, but generally customer revenues and connection charges, net of specified operating expenses) of the water utility system (the "System") to repay the outstanding revenue bonds and note issued to finance improvements to the System. The water revenue

NOTE 7 – NONCURRENT LIABILITIES (CONTINUED)

PLEDGED UTILITY REVENUE

bonds and note are payable solely from the net revenues of the System through 2030. Annual principal and interest payments on the bonds and note are expected to require less than 30 percent of the System net revenues. Total principal and interest remaining to be paid on the water revenue bonds is $10,431,829 at September 30, 2023. Principal and interest paid on the water revenue bonds and net revenues of the System for 2023 were $2,586,728 and $13,508,470, respectively.

SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Town has entered into various subscription-based information technology agreements for software programs. The agreements require annual payments varying from $35,821 to $53,598 over two to three years with an interest rate ranging from 2.31% to 3.12%. and final payments due September 30, 2025. During the year ended September 30, 2023, principal and interest paid were $89,418 and $850 respectively. Future principal and interest payments as of September 30, 2023, are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total
2024	$ 86,241	$ 4,023	$ 90,264
2025	51,977	1,622	53,599
Total	$ 138,218	$ 5,645	$ 143,863

Amounts of subscription assets by major classes of underlying assets were as follows as of the fiscal year ended September 30, 2023:

Asset Class	Asset Value	Accumulated Amortization	Carrying Value
Software	$ 227,635	$ 76,196	$ 151,439

NOTE 7 – NONCURRENT LIABILITIES (CONTINUED)

DEFEASED BONDS

The Town defeased certain general obligation bonds and revenue bonds by placing the proceeds of the new bonds in irrevocable trust accounts to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town's financial statements. At September 30, 2023, the outstanding principal of the defeased bonds considered extinguished under these funding arrangements is as follows:

Water Revenue Bonds, Series 2003	$ 13,085,000
General Obligation Bonds, Series 2005	2,315,000
Total Defeased Bonds	$ 15,400,000

ANNUAL MATURITIES

The aggregate maturities for all long-term debt of the Town at September 30, 2023 are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total
2024	$ 1,975,064	$ 270,530	$ 2,245,594
2025	3,609,814	218,334	3,828,148
2026	1,657,500	165,413	1,822,913
2027	1,617,000	127,171	1,744,171
2028	1,633,500	89,209	1,722,709
2029-2030	3,002,500	66,786	3,069,286
Total	$ 13,495,378	$ 937,443	$ 14,432,821

EVENTS OF DEFAULT

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

NOTE 8 – RESTRICTED ASSETS

Cash and investments held by the Town that are subject to externally imposed restrictions on their withdrawal and use for other than current operations are reported as restricted assets. Net position is restricted to the extent that restricted assets exceed the respective liabilities payable from restricted assets and any unspent bond proceeds.

Restricted investments and the related liabilities and restricted net position/fund balance of the governmental activities and governmental funds at September 30, 2023 are summarized as follows:

	Restricted Investments, Cash and Cash Equivalents	Liabilities Payable From Restricted Assets	Unspent Debt Proceeds	Restricted Net Position/ Fund Balance
Governmental Activities/Funds				
Restricted for:				
Environmental land acquisition	$ 341,569	$ --	$ 341,569	$ --
Economic development	1,176,366	--	--	1,176,366
Total	$ 1,517,935	$ --	$ 341,569	$ 1,176,366

NOTE 9 – INTERFUND TRANSACTIONS

Advances to/from other funds at September 30, 2023 are summarized as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Community Redevelopment Fund	$ 2,608,899
Capital Improvements Fund	Community Redevelopment Fund	635,305
Water System Fund	Stormwater Fund	4,364,713
Stormwater Fund	Nonmajor Governmental Funds	22,600
Total		$ 7,631,517

NOTE 9 – INTERFUND TRANSACTIONS (CONTINUED)

The outstanding balances between funds generally result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The amount payable by the Community Redevelopment Fund is for initial working capital and property received from the General Fund and approximately $787,000 of the balance is scheduled to be collected in the subsequent year. The amount payable by the Stormwater Fund is a loan from the Water System Fund for capital improvements and approximately $353,000 of the balance is scheduled to be collected in the subsequent year.

Interfund transfer activity for the fiscal year ended September 30, 2023, is summarized as follows:

Transfer To	Transfer From	Amount
Capital Improvements Fund	General Fund	$ 850,000
Capital Improvements Fund	Nonmajor Governmental Funds	4,212,500
Capital Improvements Fund	Water System Fund	90,000
Capital Improvements Fund	Stormwater Fund	10,000
Capital Improvements Fund	Building Fund	500,000
Nonmajor Governmental Funds	General Fund	187,500
Nonmajor Governmental Funds	Stormwater Fund	22,810
Water System Fund	American Rescue Plan Fund	618,832
Stormwater Fund	American Rescue Plan Fund	1,474,501
Stormwater Fund	Capital Improvements Fund	549,213
Total		$ 8,515,356

Transfers were used to: (1) move revenue from the fund that is required to collect it to the fund that is required or allowed to expend it; and, (2) use excess revenue collected in certain funds to finance various programs and projects accounted for in other funds in accordance with budgetary authorizations.

NOTE 10 – EMPLOYEE RETIREMENT PLANS

The Town of Jupiter administers one single-employer, defined benefit pension plan, the Municipal Police Officers' Retirement Trust ("MPORT"), which covers all sworn police officers. The Town also participates in the Florida Retirement System ("FRS") Pension Plan and the Retiree Health Insurance Subsidy ("HIS") Trust Fund, both of which are multiple-employer, cost-sharing, defined benefit public employee retirement plans administered by the State of Florida. FRS and HIS cover all Town employees, excluding sworn police officers covered by MPORT. The net pension liability/asset, deferred outflows/inflows of resources related to pensions and pension expense related to these retirement plans are summarized as follows at September 30, 2023:

	MPORT	FRS	HIS	Total
Net Pension Liability	$ 21,695,549	$ 17,493,847	$ 7,368,109	$ 46,557,505
Deferred Outflows/Inflows				
Deferred outflows of resources	$ 11,836,058	$ 4,293,722	$ 415,945	$ 16,545,725
Deferred inflows of resources	$ 25,751	$ 283,517	$ 1,011,825	$ 1,321,093
Pension Expense	$ 7,071,775	$ 3,591,914	$ 2,725,928	$ 13,389,617

MUNICIPAL POLICE OFFICERS' RETIREMENT TRUST ("MPORT")

The Municipal Police Officers' Retirement Trust ("MPORT") is a single-employer, defined benefit pension plan. The plan is administered by the MPORT pension board consisting of five members, two of which are Town residents appointed by the Town Council; two of which are police officers elected by members of the MPORT; and, one person selected by a majority of the other four members and appointed by the Town Council. The Board has the ability to make recommendations on establishing and amending pension plan provisions which can only be authorized by the Town Council. When the Town Council adopted Ordinance 9-95 on March 21, 1995, participation in the plan became mandatory for all full-time police officers entering employment on or after April 1, 1995.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

MUNICIPAL POLICE OFFICERS' RETIREMENT TRUST ("MPORT") (CONTINUED)

The MPORT issues a publicly available, stand-alone financial report. The MPORT financial report may be obtained by writing to the Finance Department, Town of Jupiter, 210 Military Trail, Jupiter, Florida 33458 or by calling (561) 746-5134. Membership in the MPORT was comprised of the following at October 1, 2023, the date of the latest actuarial valuation:

Active employees	90
Retirees and beneficiaries receiving benefits	78
DROP participants	24
Inactive employees	1
Total Members	193

The Town is required to contribute an actuarially determined amount necessary to pay the annual normal cost of the plan plus the additional amount needed to amortize any unfunded accrued liability. Members hired prior to March 6, 2012, are referred to as "Tier One" employees and members hired on or after March 6, 2012, are referred to as "Tier Two" employees. Contributions by Plan members and the Town are established and may be amended by Town ordinance. Tier one employees, are required to contribute 8.78% of salary effective October 1, 2012; 9.25% of salary effective October 1, 2014; and, 10.00% of salary effective October 1, 2015. Tier Two employees are required to contribute 10.00% of salary. Pursuant to Florida Statutes, Chapter 185, the State collects a tax on insurance premiums for property and casualty coverage and annually remits a contribution to the MPORT. Administrative costs of the MPORT are financed through investment earnings.

RETIREMENT AND OTHER BENEFITS

The MPORT provides retirement, death, and disability benefits for its members. Tier One employees may retire with normal benefits after the earlier of: (1) age 60; (2) age 55 with 10 years of credited service; or (3) when the total of the member's age, computed in terms of full months, plus the member's credited service, computed in terms of full months, equals 780 months. Tier Two employees may retire with normal benefits after the earlier of: (1) age 55 with 10 years of credited service; or (2) when the total of the member's age, computed in terms of full months, plus the member's credited service, computed in terms of full months, equals 840 months and the member has 25 years of credited service.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

RETIREMENT AND OTHER BENEFITS (CONTINUED)

Normal retirement benefits are 3.0% (2.75% for Tier Two employees) of the member's average monthly salary multiplied by years of credited service at the normal retirement date (limited to 25 years for Tier Two employees). Average monthly salary for purposes of calculating benefits is the average of covered salary over the highest three years out of the last ten years of credited service. Reduced early retirement benefits are available once a member reaches age 50 and accumulates 10 years of credited service.

The early retirement benefit for Tier One employees is equal to the accrued benefit reduced by 3.0%, multiplied by the number of years by which the starting date of the benefit precedes age 55. For Tier Two employees, the early retirement benefit is equal to the accrued benefit reduced by 3.0% for every 24 months by which the starting date of the benefit precedes 840 months. The accrued benefit is that portion of a member's normal retirement benefit earned at any point in time. A supplemental benefit of $100 per month is available for members, plus for members who retire on or after October 1, 2001, a monthly benefit equal to the lesser of (1) $150 or (2) the greater of (a) $30 and (b) $5 multiplied by credited service. The supplemental benefit is reduced for early retirement. Members in DROP are not eligible to receive supplemental benefits until their DROP participation ends.

Eligibility for disability benefits begins from the member's date of hire. The amount of the monthly benefit due to a total and permanent disability is: (1) the greater of (a) 60% of the covered salary at the time of the member's disability or (b) the monthly income payable for ten years certain that can be provided by the single sum value of the member's accrued benefit; plus (2) the supplemental benefit. This benefit is payable until the member's death or recovery. Effective March 6, 2012, members with a disability not incurred in the line of duty are eligible for Disability Retirement benefits after completion of 10 years of service.

DEFERRED RETIREMENT OPTION PLAN ("DROP")

Tier One Members are eligible to enter DROP at the Tier One Normal Retirement Date. Tier Two Members are eligible to enter DROP the first of the month coincident with or next following the earlier of: (1) the Tier Two Normal Retirement Date, or, (2) 22 years of Credited Service regardless of age with no reduction in the Tier Two Accrued Benefit for DROP entry prior to the Tier Two Normal Retirement Date.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFERRED RETIREMENT OPTION PLAN ("DROP") (CONTINUED)

The Accrued Benefit is frozen at DROP entry and accumulates in DROP. Participants in DROP are not eligible for death or disability benefits. The Supplemental Benefit is not payable while a Member is in DROP. The maximum DROP participation duration was extended from 5 years to 8 years effective March 6, 2012. Members in the DROP on March 6, 2012 were allowed to elect the 8 year DROP by agreeing to pay contributions at the employee contribution rate in effect at DROP entry for the remainder of the initial 5 years of DROP participation with 1/3 of these contributions credited to the members' DROP account. None of the members in DROP on March 6, 2012 exercised this option.

For Tier One members who enter DROP after March 6, 2012, employee contributions continue at the rate in effect on the date of entry into DROP for the first four years of DROP participation with 1/3 of these contributions credited to the members' DROP account. For Tier Two DROP entrants, employee contributions continue for all years of DROP participation with 1/4 of these contributions credited to the members' DROP account. Tier Two maximum DROP participation is based on creditable years of service.

The balance of amounts held under DROP was $10,384,884 at September 30, 2023.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the MPORT are prepared using the economic resources measurement focus and the accrual basis of accounting. Employee and employer contributions are recognized in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Other expenses are recognized when the corresponding liabilities are incurred. Investment income is recognized as revenue when earned. Investments are reported at fair value, except for money market mutual funds which are reported at amortized cost, and are classified as investments in the financial statements. Investment securities are valued at the closing price reported on the national exchange on which the individual securities are actively traded. Securities that are not actively traded are valued using a matrix pricing technique based on the securities' relationship to quoted benchmark prices. Net asset values of commingled real estate funds are determined by the fund managers using the fair values of the underlying investments of the fund. Net appreciation or depreciation in the fair value of investments includes the difference between the fair value and cost of the investments held, as well as the net realized and unrealized gains and losses for securities sold during the period. Interest and dividend income are recognized on the accrual basis when earned. Purchases and sales of investments are recorded on a trade date basis. Investment earnings

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

are reduced for investment related expenses, such as management fees, portfolio evaluation and custodial services. Benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms.

INVESTMENT POLICY

The policy in regard to the allocation of invested assets is established and may be amended by a majority vote of the Board of the MPORT. It is the policy of the MPORT Board to pursue an investment strategy that reduces risk through the prudent diversification of the investment portfolio across a broad selection of distinct asset classes. The investment policy of the MPORT discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. There were no changes in the investment policy of the MPORT for the fiscal year ended September 30, 2023.

The asset allocation policy adopted by the MPORT Board at September 30, 2023 was as follows:

Asset Class	
Domestic equity	37%
International equity	15%
Convertible equity	5%
Infrastructure	5%
Fixed income	29%
Private real estate	5%
Real estate investment trusts (REITs)	3%
Cash	1%
Total	100%

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

RATE OF RETURN

For the year ended September 30, 2023, the annual money-weighted rate of return on MPORT's investments, net of investment expenses, was 9.5%. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

NET PENSION LIABILITY

The components of the net pension liability for MPORT for the most recent actuarial valuation as of October 1, 2023, as reported by the actuary in the September 30, 2023 Supplement, were as follows:

Total pension liability	$ 115,983,651
Less plan fiduciary net position	(94,288,102)
Net Pension Liability	$ 21,695,549
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.3%

ACTUARIAL ASSUMPTIONS

The net pension liability of the MPORT was determined by an actuarial valuation as of October 1, 2023, as reported by the actuary in the September 30, 2023 Supplement, using the following significant actuarial assumptions:

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar
Amortization period	20 years
Asset valuation method	5 year smoothed fair value
Investment rate of return (net of expenses, with inflation)	7.0%
Payroll growth	0.0%
Projected salary increases attributable to:	
Salary increases, including inflation	5.00% - 12.27%
Inflation	2.52%
Cost of living adjustments	3.0%
Mortality rates	Florida Retirement System Special Risk Employees' tables

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CHANGES IN ACTUARIAL ASSUMPTIONS

There were no changes in the actuarial assumptions used in the October 1, 2023 actuarial valuation of the Plan from the prior actuarial valuation.

LONG-TERM EXPECTED RATE OF RETURN

The long-term expected rate of return on investments of the MPORT was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce a long-term expected rate of return of 7.0% by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target allocation as of September 30, 2023 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	
Domestic equity	7.2%
International equity	2.9%
Convertible equities	5.9%
Infrastructure	5.1%
Fixed Income	1.7%
Real estate investment trusts (REITs)	6.1%
Private real estate	5.9%
Cash	- 0.1%

DISCOUNT RATE

The discount rate used to measure the total pension liability was 7.0% and was based on the expected rate of return on investments of the plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the MPORT's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DISCOUNT RATE (CONTINUED)

Therefore, the long-term expected rate of return on investments of the pension plan was applied to all periods of projected benefit payments to determine the projected total pension liability.

CHANGES IN THE NET PENSION LIABILITY

The changes in the MPORT net pension liability were as follows for the year ended September 30, 2023:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at October 1, 2022	$ 109,451,763	$ 87,435,836	$ 22,015,927
Changes for the current year:			
Service cost	2,658,201	--	2,658,201
Interest	7,620,572	--	7,620,572
Benefit change	385,313	--	385,313
Difference between expected and actual experience	1,273,929	--	1,273,929
Change of assumptions	--	--	--
Contributions - Town	--	2,271,218	(2,271,218)
Contributions - State of Florida		996,558	(996,558)
Contributions - employee	--	1,224,971	(1,224,971)
Net investment income	--	7,907,463	(7,907,463)
Benefit payments, including refunds of member contributions	(5,406,127)	(5,406,127)	--
Administration expenses	--	(141,817)	141,817
Net Changes	6,531,888	6,852,266	(320,378)
Balances at September 30, 2023	$ 115,983,651	$ 94,288,102	$ 21,695,549

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CHANGES IN THE NET PENSION LIABILITY (CONTINUED)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following table presents the net pension liability of the MPORT, calculated using the discount rate of 7.0%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate:

	1.0% Decrease (6.00%)	Current Discount Rate (7.0%)	1.0% Increase (8.0%)
Net pension liability	$ 34,040,740	$ 21,695,549	$ 11,441,596

PENSION EXPENSE AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO PENSIONS

For the fiscal year ended September 30, 2023, the Town recognized pension expense of $7,071,775 for the MPORT. At September 30, 2023, the Town reported deferred inflows/outflows of resources related to the MPORT pensions from the following sources:

Police Officers Pension Plan	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 1,325,485	$ 25,751
Net difference between projected and actual investment earnings on pension plans	10,055,688	--
Change of assumptions	454,885	--
Balances at September 30, 2023	$ 11,836,058	$ 25,751

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

PENSION EXPENSE AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

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

Fiscal Year Ending September 30	Amount
2024	$ 3,352,999
2025	3,352,014
2026	5,477,048
2027	(371,754)
Total	$ 11,810,307

STATE OF FLORIDA PENSION PLANS

All regular, full-time employees of the Town, except police officers, are required to participate in the Florida Retirement System (FRS) Pension Plan and the Retiree Health Insurance Subsidy (HIS) Trust Fund administered by the Florida Department of Management Services, Division of Retirement. FRS and HIS are cost-sharing, multiple-employer defined benefit pension plans with approximately 1,000 participating employers. FRS and HIS were established and are administered in accordance with Chapter 121 and Section 112.363, Florida Statutes, respectively.

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

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

STATE OF FLORIDA PENSION PLANS (CONTINUED)

HIS membership is optional and available to all retirees under the state-administered retirement system, provided the retiree provides proof of health insurance coverage, which can include Medicare.

Participation is compulsory for cities, municipalities, special districts, charter schools and metropolitan planning organizations that participate in FRS.

BENEFITS PROVIDED

FRS provides retirement, survivor and disability benefits to plan members and beneficiaries. Pension benefits of FRS are established by Florida Statutes, Chapter 121, and may be amended by the Florida Legislature. Retirement benefits are computed on the basis of age and/or years of service, average final compensation and service credit. Members initially enrolled on or after July 1, 2001 through June 30, 2011, vest after six years of creditable service. Members initially enrolled on or after July 1, 2011, vest after eight years of creditable service. HIS provides retirees and beneficiaries a monthly benefit equal to the number of years of creditable service completed at the time of retirement multiplied by $5. The monthly benefit payment is established by Section 112.363, Florida Statutes and is at least $30, but not more than $150.

TOWN CONTRIBUTIONS

FRS members are required to contribute 3.0% of their annual covered payroll and no contribution is required for HIS members. Participating governments, including the Town, contribute to FRS at actuarially determined rates for various classes of employees, which are presently 11.57% of annual covered payroll for employees covered in the regular class, 32.52% for senior management class, 30.67% for special risk class, 56.68% for elected officials and 19.13% for employees covered in the FRS DROP program. Participating governments, including the Town, also contribute to HIS based on a percentage of gross compensation for all active FRS members, which is presently 2.00%. The Town's contributions to FRS and HIS for the fiscal year ended September 30, 2023 were $2,543,038, which was equal to 100% of the required contributions for the year.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

FUNDING POLICY

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

PUBLICLY AVAILABLE FINANCIAL REPORT

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of FRS and HIS are prepared using the economic resources measurement focus and the accrual basis of accounting. Employee contributions are recognized in the period of time for which the contributions are assessed. Employer contributions are recognized in the period in which employee services are performed. Benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the terms of FRS and HIS. Other expenses are recognized when the corresponding liabilities are incurred. Investment income is recognized as revenue when earned. Investments are reported at fair value and are managed by external investment managers. The independent investment custodian for FRS and HIS determines the fair value of securities using various third party pricing sources. For private market investments, where no readily ascertainable market value exists, fair values are based on net asset value (capital account balance) provided by investment managers at the closest available reporting period and adjusted for subsequent contributions and distributions. The net appreciation (depreciation) in fair value of investments is recorded as an increase (decrease) to investment income based on the valuation of investments. Investment earnings are net of

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

investment related expenses, such as management fees, portfolio evaluation and custodial services. For purposes of measuring the net pension liability, deferred inflows/outflows of resources related to pensions, and pension expense, information about the fiduciary net position of FRS and HIS and the additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by FRS and HIS.

PAYABLES TO FRS AND HIS

There were no amounts payable to FRS or HIS by the Town at September 30, 2023.

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO FRS AND HIS PENSIONS

At September 30, 2023, the Town reported a liability of $17,493,847 and $7,368,109 for its proportionate share of the net pension liability of FRS and HIS, respectively. The net pension liability of each plan was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability of the FRS plan was determined by an actuarial valuation as of July 1, 2023 and the net pension liability of the HIS plan was determined by an actuarial valuation as of July 1, 2022. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating governments, as actuarially determined. At June 30, 2023, the Town's FRS proportion was 0.043902725 percent, which was an increase of 0.000437840 percent from its proportion measured as of June 30, 2022 and the HIS proportion was 0.046394777 percent, which was a decrease of 0.001130000 percent from its proportion measured as of June 30, 2022.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO FRS AND HIS PENSIONS (CONTINUED)

For the year ended September 30, 2023, the Town recognized pension expense of $6,317,842 for FRS and HIS. At September 30, 2023, the Town reported deferred outflows and inflows of resources related to FRS pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 1,642,521	$ --
Changes in assumptions	1,140,394	--
Net difference between projected and actual investment earnings on pension plan investments	730,590	--
Changes in proportion and differences between employer contributions and proportional share of contributions	138,037	283,517
Town contributions subsequent to the measurement date	642,180	--
Total	$ 4,293,722	$ 283,517

At September 30, 2023, the Town reported deferred outflows and inflows of resources related to HIS pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 107,864	$ 17,293
Changes in assumptions	193,705	638,471
Net difference between projected and actual investment earnings on pension plan investments	3,805	--
Changes in proportion and differences between employer contributions and proportional share of contributions	9,304	356,061
Town contributions subsequent to the measurement date	101,267	--
Total	$ 415,945	$ 1,011,825

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO FRS AND HIS PENSIONS (CONTINUED)

Deferred outflows of resources related to FRS and HIS pensions of $743,447 resulting from Town contributions subsequent to the measurement date of June 30, 2023, but prior to September 30, 2023, will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred inflows/outflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30	FRS Amount	HIS Amount
2024	$ 454,599	$ (119,016)
2025	(213,964)	(94,912)
2026	2,849,048	(119,552)
2027	248,692	(178,929)
2028	53,895	(121,960)
Thereafter	(24,245)	(62,778)
Total	$ 3,368,025	$ (697,147)

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

ACTUARIAL ASSUMPTIONS

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

	FRS	HIS
Valuation date	July 1, 2023	July 1, 2022
Measurement date	June 30, 2023	June 30, 2023
Actuarial cost method	Individual Entry Age	Individual Entry Age
Amortization method	Level percent of pay, closed	Level percent of pay, closed
Amortization period	20/30 years	25/30 years
Asset valuation method	5 year smoothed	Fair value
Discount rate	6.70%	3.65%
Inflation	2.40%	2.40%
Salary increases, including inflation	3.25%	3.25%
Long-term expected rate of return, net of investment expenses	6.70%	N/A
Municipal bond rate	N/A	3.65%
Cost of living adjustments	3% pre-July 2011, 0% thereafter	N/A
Mortality rates	PUB-2010 base table with Scale MP-2018	PUB-2010 base table with Scale MP-2018

The actuarial assumptions that determined the total pension liability as of June 30, 2023, were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

Changes in Actuarial Assumptions: The municipal bond rate for HIS was increased from 3.54% for 2022 to 3.65% for 2023.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

LONG-TERM EXPECTED RATE OF RETURN

The long-term expected rate of return on FRS investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return of 6.7% by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class are as follows:

Asset Class	Long-Term Real Rate of Return
Cash	2.9%
Fixed income	4.5%
Global equity	8.7%
Real estate	7.6%
Private equity	11.9%
Strategic investments	6.3%

DISCOUNT RATE

The discount rate used to measure the total pension liability of FRS at June 30, 2023 was 6.7% for FRS and 3.65% for HIS. The FRS discount rate was based on the expected rate of return on FRS investments. The HIS discount rate was based on the municipal bond rate which was 3.65%, based on an index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rates and that member contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the fiduciary net position of FRS was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on investments of FRS was applied to all periods of projected benefit payments to determine the projected total pension liability. Because HIS uses a pay-as-you-go funding structure, a municipal bond rate of 3.65% was used to determine the total pension liability.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DISCOUNT RATE (CONTINUED)

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following table presents the Town's proportionate share of the net pension liability of FRS and HIS at June 30, 2023, calculated using the current discount rate, as well as what the Town's proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

FRS			HIS		
1% Decrease (5.7%)	Current Discount Rate (6.7%)	1.0% Increase (7.7%)	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1.0% Increase (4.65%)
$ 29,883,052	$ 17,493,847	$ 7,128,794	$ 8,405,863	$ 7,368,109	$ 6,507,881

PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the fiduciary net position of FRS is available in the separately issued FRS financial report, which is available on the Publications page of the Division of Retirement's website at www.frs.myflorida.com.

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

DESCRIPTION OF THE PLAN

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

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

DESCRIPTION OF THE PLAN (CONTINUED)

The Town is required by Florida Statute 112.0801 to allow retirees to buy healthcare coverage at the same group insurance rates that current employees are charged, resulting in an implicit healthcare benefit. The State of Florida prohibits the Plan from separately rating retirees and active employees. The Plan therefore charges both groups an equal, blended rate premium. Although both groups are charged the same blended rate premium, GAAP requires the actuarial figures to be calculated using age adjusted premiums approximating claim costs for retirees separate from active employees. The use of age adjusted premiums results in the addition of the implicit rate subsidy into the actuarial accrued liability. Plan members receiving benefits contribute 100% of the monthly premium ranging from a minimum of $913 for single coverage to a maximum of $2,132 for single plus spousal coverage.

PLAN MEMBERSHIP

Membership in the Plan was comprised of the following at September 30, 2023, the date of the most recent actuarial valuation:

Active employees	382
Retirees and beneficiaries receiving benefits	15
Inactive employees	--
Total Members	397

TOTAL OPEB LIABILITY

The Town's total OPEB liability of $1,079,328 was measured as of September 30, 2023, and was determined by an actuarial valuation dated October 1, 2023.

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

ACTUARIAL METHODS AND SIGNIFICANT ASSUMPTIONS

The actuarial methods and significant assumptions used to determine the Town's total OPEB liability for the current year are summarized as follows:

Valuation date	October 1, 2023
Actuarial cost method	Entry Age Normal
Port-retirement benefit increases	None
Healthcare cost trend rates	6.0% per year initially, reduced annually by an ultimate rate of 4.5%
Amortization method	Level Percent of Projected Salary - Closed
Remaining amortization period	6.6 years
Asset valuation method	N/A[1]
Actuarial assumptions:	
Discounted rate	4.87%[2]
Projected salary increases	3.50%
Mortality rates	PUB - 2010 mortality table with generational scale MP - 2021

(1) The plan is funded on a pay-as-you-go basis and is not administered as a formal qualifying trust. There were no plan assets as of September 30, 2023, the date of the most recent actuarial valuation.

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

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

CHANGES IN THE TOTAL OPEB LIABILITY

The changes in the total OPEB liability were as follows for the year ended September 30, 2023:

Total OPEB Liability at October 1, 2022	$ 1,037,096
Changes for the Current Year	
Service cost	53,407
Interest	50,515
Difference between expected and actual experience	(12,273)
Change in assumptions or other inputs	14,308
Benefit payments	(63,725)
Net Changes	42,232
Total OPEB Liability at September 30, 2023	$ 1,079,328

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following table presents the total OPEB liability of the Town calculated using the current discount rate of 4.87%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.87%) or one percentage point higher (5.87%) than the current rate:

1% Decrease (3.87%)	Current Discount Rate (4.87%)	1.0% Increase (5.87%)
$ 1,167,229	$ 1,079,328	$ 999,384

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

CHANGES IN THE TOTAL OPEB LIABILITY (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate: The following table presents the total OPEB liability of the Town calculated using the current healthcare cost trend rate of 6.0% decreasing to 4.5%, as well as what the total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower (5.0% decreasing to 3.5%) or one percentage point higher (7.0% decreasing to 5.5%) than the current rate:

1% Decrease (5.0% decreasing to 3.5%)	Current Trend Rate (6.0% decreasing to 4.5%)	1.0% Increase (7.0% decreasing to 5.5%)
$ 974,580	$ 1,079,328	$ 1,202,193

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

For the fiscal year ended September 30, 2023, the Town recognized OPEB expense of $151,789. At September 30, 2023, the Town reported deferred inflows/outflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 23,742	$ 1,444,073
Changes in assumptions or other inputs	61,840	257,892
Total	$ 85,582	$ 1,701,965

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

OPEB EXPENSE AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO OPEB (CONTINUED)

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

Fiscal Year Ending September 30	Amount
2024	$ (255,711)
2025	(255,711)
2026	(255,711)
2027	(255,711)
2028	(249,656)
Thereafter	(343,883)
Total	$ (1,616,383)

NOTE 12 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town is also subject to risk of loss arising in the ordinary course of business, including, but not limited to, claims for damages for personal injuries, employment-related claims, and breach of contract. Commercial insurance is purchased for certain specialized insurance coverages, including, but not limited to property, equipment, general liability, automobile, professional liability, and workers compensation. The Town uses the General Fund to account for all commercial insurance and retained risks of loss.

On January 1, 2015, the Town entered into a partially self-insured health plan with a third-party administrator. The Town is partially self-insured up to a stop loss of $150,000 per claim and has purchased excess insurance for claims exceeding the stop loss for individual and aggregate claims from Blue Cross and Blue Shield of Florida.

The Town has recorded a claims liability of $235,719 (all current) at September 30, 2023. This claims liability reflects claims development for group health insurance. The liability falls within the actuarially determined range, from a valuation for all claims based upon the date the loss was incurred and includes a provision for claims incurred but not yet reported (IBNR).

NOTE 12 – RISK MANAGEMENT (CONTINUED)

The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated annually to consider the effects of inflation, recent claim settlement trends (including frequency and amount of payouts), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, such as those from subrogation, are also considered in the claims liability estimate. The following summarizes the claims liability activity for 2023:

Fiscal Year Ended September 30,	Beginning	Claims Expense	Claims Paid	Ending
2022	$ 41,845	$ 4,214,382	$ (4,071,568)	$ 184,659
2023	184,659	4,237,959	(4,186,899)	235,719

For each of the past three years, there have been no settlements that have exceeded the Town's insurance coverage. The claims liability at September 30, 2023 was all current.

As a political subdivision of the State of Florida, the Town has sovereign immunity under the Florida Constitution for tort actions. Therefore, in accordance with Chapter 768.28 Laws of Florida, the Town is not liable to pay a claim or judgment, or any portions thereof, which when totaled with all other claims or judgments paid by the State or its agencies or subdivisions arising out of the same incident or occurrence, exceeds the aggregate sum of $300,000. Chapter 768.28 also provides that judgments may be claimed or rendered in excess of these limits; however, these amounts must be reported to and approved by the Florida Legislature.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

CONTRACT COMMITMENTS

The Town has uncompleted construction contracts for the Town's municipal complex, improvements to the water system, infrastructure and other improvements. The water system construction is funded primarily from capital contributions. General revenues and impact fees fund the municipal complex, infrastructure and other improvements. At September 30, 2023, the remaining commitments on all uncompleted contracts were $12,665,498. The outstanding contract commitments at September 30, 2023, are summarized as follows:

	Contract Amount	Payments	Retainage Payable	Remaining Contract Communication
Capital Improvements Fund	$ 21,893,317	$ 16,005,133	$ 670,152	$ 5,218,032
Water System Fund	14,414,975	6,663,774	303,735	7,447,466
Stormwater Fund	1,832,438	1,027,226	54,062	751,150
	$ 38,140,730	$ 23,696,133	$ 1,027,949	$ 13,416,648

HARBOURSIDE TAX INCREMENT INCENTIVE AGREEMENT

The Harbourside Development ("Harbourside") is a project completed in 2014 and located on approximately 10 acres of waterfront property along the Intracoastal Waterway within the boundaries of the Town's Community Redevelopment Agency (CRA). Pursuant to State statutory authority for public-private partnerships to rehabilitate and develop properties within a Community Development Area, the Town's CRA entered into a tax incentive agreement with the Harbourside developer to provide a rebate of the tax increment funds received by the CRA in future years equal to 50% of the tax increment revenue from the economic development of the Harbourside property, up to $350,000 annually, for a period of 15 years following completion. The Town paid $560,657 in full settlement of the rebate liability to Harbourside in fiscal year 2023.

NOTE 13 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

COST SHARING AGREEMENT

The Town entered into an agreement with the Town of Palm Beach Gardens, Florida, ("PBG") and the Town of Juno Beach, Florida, to share costs related to public safety dispatch services. The initial agreement was for a five-year period ending September 30, 2021. The agreement has been extended for an additional five-year period through September 30, 2026. The Dispatch Services are provided by PBG which operates the dispatch center. Each municipality's share of the operating costs are based upon the percentage of each municipality's population as compared to the total population of all the contracting municipalities being served. The Town's costs related to the agreement were approximately $2,318,000 for the fiscal year ended September 30, 2023.

ECONOMIC DEVELOPMENT LOAN GUARANTEES

In 2006, the Town established a $3 million economic development initiative to assist biotechnology businesses in relocating to or expanding in northern Palm Beach County and generating jobs for north county residents. The Town's program provides direct loans and loan guarantees to qualifying companies. Generally, the companies negotiate financing for their proposed project with a participating local financial institution and the Town provides a loan guarantee in the form of a certificate of deposit pledged by the Town to the financial institution. The lender has the right to immediately draw against the pledged certificate of deposit in the event of a default by the borrower with the covenants and obligations of the loan. At September 30, 2023, the Town had pledged certificates of deposit totaling approximately $1,176,000 to a financial institution as collateral for outstanding loan guarantees of approximately $461,000 under the economic development program. The outstanding loan guarantees expire through 2025, at which time the pledged certificates of deposit mature and the funds will be released to the Town.

INFRASTRUCTURE EQUITY

Beginning in 2012, the Town entered into agreements with various homeowner associations (HOA) for the maintenance of certain rights of way including streets, sidewalks and storm drainage infrastructure items within the HOA developments. The HOAs transferred title of these infrastructure right of way assets to the Town, which were recognized as contributed capital and capital assets. The HOAs agreed to make payments to the Town annually over a period of 4 to 10 years, in amounts ranging from $2,465 to $33,025 to compensate the Town for the cost of maintaining the right of way assets.

NOTE 13 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

LITIGATION

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

NOTE 14 – SUBSEQUENT EVENTS

The Town has an interlocal agreement with Palm Beach County ("PBC") for the delivery of fire and EMS services within Town boundaries. The interlocal agreement ended on September 30, 2023. A revised interlocal agreement was reached between the Town and Palm Beach County Fire Rescue ("PBCFR") in April 2023 for a three-year extension of interlocal agreement through September 30, 2026.

In August 2023, the Town Council voted to start its own fire department. The Town exercised the 36-month termination clause option that was in the interlocal agreement with PBCFR. In January 2024, the Town hired a fire chief to create the Town's fire department. The Town has developed a funding plan for the new fire department that involves a combination of funding sources including use of the Town's reserves, some financed debt, and ad valorem taxes and a non-ad valorem assessment when the fire department goes into operations. Town management believes that the amount of ad valorem taxes and non-ad valorem assessment dollars required to start-up and operate the Town's fire department will be less than the amount of ad valorem taxes being levied by PBC currently and in future years.

In January 2024, the Town completed the building of a new $24.7 million Town Hall building.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF JUPITER, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND - GAAP BASIS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Taxes	$ 36,571,566	$ 36,571,566	$ 37,618,379	$ 1,046,813
Franchise fees	5,067,000	5,067,000	6,291,831	1,224,831
Licenses and permits	75,000	75,000	94,105	19,105
Intergovernmental revenue	8,457,697	8,843,009	10,542,329	1,699,320
Charges for services	8,781,907	8,793,833	8,983,557	189,724
Cost allocation	3,076,160	3,076,160	3,076,160	--
Fines and forfeitures	223,000	223,000	296,391	73,391
Investment earnings	138,267	138,267	3,273,308	3,135,041
Donations	18,000	18,000	24,100	6,100
Miscellaneous	210,300	218,103	478,909	260,806
Total Revenues	62,618,897	63,023,938	70,679,069	7,655,131
Other Financing Sources				
Sale of capital assets	--	14,513	70,408	55,895
Subscription based financing arrangements	--	--	3,444,097	3,444,097
Appropriated fund balance	555,634	1,268,055	--	(1,268,055)
Transfers In	500,000	500,000	--	(500,000)
Total Other Financing Sources	1,055,634	1,782,568	3,514,505	1,731,937
Total Revenues and Other Financing Sources	$ 63,674,531	$ 64,806,506	$ 74,193,574	$ 9,387,068

(Continued)

See notes to budgetary comparison schedule.

TOWN OF JUPITER, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND - GAAP BASIS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
General Government				
Town Council				
Personal services	$ 36,092	$ 42,808	$ 56,987	$ (14,179)
Operating expenditures	173,949	161,318	161,268	50
Donations	50,000	55,915	55,915	--
	260,041	260,041	274,170	(14,129)
Town Manager				
Personal services	951,263	915,004	783,773	131,231
Operating expenditures	25,000	28,869	27,311	1,558
	976,263	943,873	811,084	132,789
Town Clerk				
Personal services	525,475	525,475	511,610	13,865
Operating expenditures	225,250	225,622	40,629	184,993
	750,725	751,097	552,239	198,858
Neighborhood				
Personal services	361,398	361,398	288,958	72,440
Operating expenditures	86,880	94,341	45,650	48,691
	448,278	455,739	334,608	121,131
External Affairs				
Personal services	617,279	584,889	544,173	40,716
Operating expenditures	236,676	236,676	203,047	33,629
	853,955	821,565	747,220	74,345
Finance				
Personal services	1,104,853	1,129,119	1,134,907	(5,788)
Operating expenditures	67,628	43,362	22,627	20,735
	1,172,481	1,172,481	1,157,534	14,947
Town Attorney				
Operating expenditures	450,000	450,000	359,439	90,561

(Continued)

See notes to budgetary comparison schedule.

TOWN OF JUPITER, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND - GAAP BASIS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Information Systems				
Personal services	$ 1,742,233	$ 1,637,532	$ 1,584,464	$ 53,068
Operating expenditures	1,676,945	1,817,239	1,401,802	415,437
Capital outlay	--	--	479,774	(479,774)
Debt service	--	--	170,885	(170,885)
	3,419,178	3,454,771	3,636,925	(182,154)
Human Resources				
Personal services	650,798	780,358	705,329	75,029
Operating expenditures	214,065	248,065	193,050	55,015
	864,863	1,028,423	898,379	130,044
Planning and Zoning				
Personal services	1,986,882	1,988,526	1,775,427	213,099
Operating expenditures	529,762	535,672	291,450	244,222
	2,516,644	2,524,198	2,066,877	457,321
Other General Government				
Personal services	10,000	10,000	3,300	6,700
Operating expenditures	11,323,065	10,589,729	10,101,174	488,555
	11,333,065	10,599,729	10,104,474	495,255
Total General Government	23,045,493	22,461,917	20,942,949	1,518,968
Public Safety				
Code Compliance				
Personal services	766,186	766,186	635,255	130,931
Operating expenditures	105,497	105,497	61,508	43,989
	871,683	871,683	696,763	174,920
Police				
Personal services	21,223,971	22,334,880	21,973,548	361,332
Operating expenditures	4,929,204	4,776,884	4,352,066	424,818
Capital Outlay	12,000	100,781	3,065,103	(2,964,322)
Debt service	-	-	345,021	(345,021)
	26,165,175	27,212,545	29,735,738	(2,523,193)
Total Public Safety	27,036,858	28,084,228	30,432,501	(2,348,273)

(Continued)

See notes to budgetary comparison schedule.

TOWN OF JUPITER, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND - GAAP BASIS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Engineering and Public Works				
Engineering				
Personal services	$ 1,466,025	$ 1,466,025	$ 1,350,170	$ 115,855
Operating expenditures	129,200	156,795	63,023	93,772
Capital outlay	28,500	29,647	29,647	--
	1,623,725	1,652,467	1,442,840	209,627
Public Works				
Personal services	4,228,516	4,259,960	3,891,001	368,959
Operating expenditures	3,075,499	3,157,785	2,925,535	232,250
Capital outlay	266,900	558,978	316,509	242,469
	7,570,915	7,976,723	7,133,045	843,678
Total Engineering and Public Works	9,194,640	9,629,190	8,575,885	1,053,305
Culture and Recreation				
Parks and Recreation				
Personal services	2,127,635	2,099,495	2,020,382	79,113
Operating expenditures	1,215,705	1,207,768	981,525	226,243
Capital outlay	204,200	286,408	36,892	249,516
Total Culture and Recreation	3,547,540	3,593,671	3,038,799	554,872
Total Expenditures	62,824,531	63,769,006	62,990,134	778,872
Other Financing Uses				
Transfers Out	850,000	1,037,500	1,037,500	--
	850,000	1,037,500	1,037,500	--
Total Expenditures and Other Financing Uses	63,674,531	64,806,506	64,027,634	778,872
Net Change in Fund Balance	$ --	$ --	$ 10,165,940	$ 10,165,940
Reconciliation to GAAP Basis Statements				
Insurance reimbursements over expenditures			1,482,521	
Net Change in Fund Balance - GAAP Basis			$ 11,648,461	

See notes to budgetary comparison schedules.

TOWN OF JUPITER, FLORIDA

BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT FUND - GAAP BASIS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Taxes	$ 2,756,979	$ 2,756,979	$ 2,748,541	$ (8,438)
Charges for services	91,415	91,415	101,951	10,536
Investment earnings	1,000	1,000	33,251	32,251
Miscellaneous	--	--	143,853	143,853
Total Revenues	2,849,394	2,849,394	3,027,596	178,202
Expenditures				
General government				
Operating expenditures	1,738,127	2,973,568	1,078,716	1,894,852
Capital outlay	318,000	1,647,594	155,835	1,491,759
Contingency				
Interest and fiscal charges	111,771	111,771	111,771	--
Total Expenditures	2,167,898	4,732,933	1,346,322	3,386,611
Excess of Revenues Over (Under) Expenditures	681,496	(1,883,539)	1,681,274	3,564,813
Other Financing Sources (Uses)				
Transfers out	(681,496)	(681,496)	--	681,496
Appropriated fund balance	--	2,565,035	--	(2,565,035)
Total Other Financing Sources (Uses)	(681,496)	1,883,539	--	(1,883,539)
Net Change in Fund Balance	$ --	$ --	$ 1,681,274	$ 1,681,274

See notes to budgetary comparison schedules.

NOTE 1 – BUDGETARY ACCOUNTING

Annual budgets are adopted on the modified accrual basis of accounting consistent with U.S. generally accepted accounting principles for the General Fund, Community Redevelopment Fund, all debt service funds and the Capital Improvements Fund. The budgets represent departmental appropriations as authorized by Town ordinance. Expenditures may not legally exceed budgeted appropriations at the department level. The Town Manager has the authority to approve all budget transfers within a department. Budget transfers between departments and transfers involving appropriation of additional revenues require the approval of the Town Council. Accordingly, the Town's legal level of budgetary control is at the department level.

For the fiscal year ended September 30, 2023, supplemental budget appropriations of expenditures of $944,475 for the General Fund and $2,565,035 for the Community Redevelopment Fund were approved by the Town Council during the year. In addition, the General Fund had a supplemental budget appropriation of other financing uses of $187,500. Total expenditures may not legally exceed total fund appropriations including any budgeted fund balance from prior years. All annual appropriations lapse at year end. The budget amounts presented reflect the original budget and the amended budget based on legally authorized revisions to the original budget during the year.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriations, is employed as an extension of formal budgetary control in the General Fund. Encumbrances lapse at year end and become obligations of the subsequent year's budget. At September 30, 2023, the Town had commitments related to unperformed contracts, which have been re-appropriated in the 2022 annual budget. These amounts are not included in the current year's expenditures as reported in the budgetary comparison schedules.

NOTE 2 – BUDGET AND ACTUAL COMPARISONS

The budgetary comparison schedule for the General Fund is prepared under the GAAP basis of accounting used in preparing the appropriated budget, except that the Town's self-insurance operations accounted for in the GAAP basis General Fund financial statements are not budgeted in the General Fund. As a result, the expenditures reported in the General Fund budgetary comparison schedule differ from that reported on the GAAP basis by the amount that insurance expenditures exceeded related insurance reimbursements.

NOTE 2 – BUDGET AND ACTUAL COMPARISONS (CONTINUED)

The budgetary comparison schedule for the Community Redevelopment Fund is prepared under the GAAP basis of accounting used in preparing the appropriated budget. As a result, the revenue and expenditures reported in the budgetary comparison schedule for the Community Redevelopment Fund agree with that reported on the GAAP basis.

TOWN OF JUPITER, FLORIDA

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
MUNICIPAL OFFICERS' RETIREMENT TRUST

LAST TEN FISCAL YEARS

	Measurement Date September 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	$ 2,658,201	$ 2,524,866	$ 2,651,840	$ 2,557,724	$ 2,406,524	$ 2,521,070	$ 2,582,297	$ 2,364,103	$ 2,342,424	$ 2,331,725
Interest	7,620,572	7,224,193	6,940,564	6,654,336	6,173,634	5,878,440	5,599,862	5,122,104	4,813,173	4,566,837
Changes of benefit terms	385,313	224,239	176,391	194,383	175,084	132,470	20,996	119,360	--	--
Differences between expected and actual experience	1,273,929	823,152	(111,593)	(136,862)	1,019,990	(986,328)	(1,242,300)	1,544,666	(51,881)	(1,448,507)
Changes of assumptions	--	--	1,971,172	(430,685)	885,877	850,361	44,485	--	(428,678)	53,064
Benefit payments, including refunds	(5,406,127)	(4,956,534)	(4,433,605)	(2,976,321)	(3,159,357)	(3,251,402)	(3,201,705)	(2,712,827)	(2,334,850)	(2,013,388)
Net Change in Total Pension Liability	6,531,888	5,839,916	7,194,769	5,862,575	7,501,752	5,144,611	3,803,635	6,437,406	4,340,188	3,489,731
Total Pension Liability - Beginning of Fiscal Year	109,451,763	103,611,847	96,417,078	90,554,503	83,052,751	77,908,140	74,104,505	67,667,099	63,326,911	59,837,180
Total Pension Liability - End of Fiscal Year (a)	$ 115,983,651	$ 109,451,763	$ 103,611,847	$ 96,417,078	$ 90,554,503	$ 83,052,751	$ 77,908,140	$ 74,104,505	$ 67,667,099	$63,326,911
Plan Fiduciary Net Position										
Contributions										
Employer	$ 2,271,218	$ 2,597,168	$ 2,661,412	$ 2,308,308	$ 2,346,166	$ 2,476,765	$ 2,211,161	$ 2,251,726	$ 2,374,127	$ 2,431,252
State of Florida	996,558	835,484	787,636	805,628	786,329	743,715	632,241	730,605	559,470	527,943
Plan members	1,224,971	1,057,854	1,050,767	1,086,504	1,043,638	991,404	975,895	903,805	783,141	666,691
Net investment income (loss)	7,907,463	(20,244,276)	18,039,655	8,387,386	4,629,836	4,933,798	6,163,642	4,860,116	(1,126,145)	4,769,815
Benefit payments, including refunds	(5,406,127)	(4,956,534)	(4,433,605)	(2,976,321)	(3,159,357)	(3,251,402)	(3,201,705)	(2,712,827)	(2,334,850)	(2,013,388)
Administration expense	(141,817)	(146,502)	(139,996)	(148,946)	(139,405)	(142,815)	(133,665)	(143,660)	(130,608)	(124,608)
Net Change in Plan Fiduciary Net Position	6,852,266	(20,856,806)	17,965,869	9,462,559	5,507,207	5,751,465	6,647,569	5,889,765	125,135	6,257,705
Plan Fiduciary Net Position - Beginning of Fiscal Year	87,435,836	108,292,642	90,326,773	80,864,214	75,357,007	69,605,542	62,957,973	57,068,208	56,943,073	50,685,368
Plan Fiduciary Net Position - End of Fiscal Year (b)	$ 94,288,102	$ 87,435,836	$ 108,292,642	$ 90,326,773	$ 80,864,214	$ 75,357,007	$ 69,605,542	$ 62,957,973	$ 57,068,208	$56,943,073
Net Pension Liability (Asset) - End of Fiscal Year [(a)-(b)]	$ 21,695,549	$ 22,015,927	$ (4,680,795)	$ 6,090,305	$ 9,690,289	$ 7,695,744	$ 8,302,598	$ 11,146,532	$ 10,598,891	$ 6,383,838
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	81.3%	79.9%	104.5%	93.7%	89.3%	90.7%	89.3%	85.0%	84.3%	89.9%
Covered Payroll	$ 11,702,410	$ 10,578,535	$ 10,507,659	$ 10,865,023	$ 10,407,005	$ 9,612,905	$ 9,725,993	$ 9,049,623	$ 7,983,304	$ 7,557,207
Net Pension Liability (Asset) as a Percentage of Covered Payroll	185.4%	208.1%	-44.5%	56.1%	93.1%	80.1%	85.4%	123.2%	132.8%	84.5%

Notes to Schedule:

Effective with the October 1, 2015 actuarial valuation, the mortality table was revised to the mortality assumption used for special risk employees of the Florida Retirement System (FRS). FRS updated its mortality table in 2020 and MPORT revised its mortality assumption accordingly effective with its October 1, 2020 actuarial valuation.

Payroll growth rate changed from 1.8% to 1.4% effective with the October 1, 2017 actuarial valuation and to zero with the October 1, 2018 actuarial valuation.

The investment rate of return changed from 7.5% to 7.4% effective with the October 1, 2018 actuarial valuation and was reduced to 7.3% with the October 1, 2019 actuarial valuation and reduced again to 7.2% with the October 1, 2020 actuarial valuation and reduced to 7.0% with the Ocober 1, 2021 actuarial valuation.

TOWN OF JUPITER, FLORIDA

SCHEDULE OF TOWN CONTRIBUTIONS - MUNICIPAL POLICE OFFICERS' RETIREMENT TRUST

LAST TEN FISCAL YEARS

	Fiscal Year Ended September 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	$ 2,271,218	$ 2,597,168	$ 2,661,412	$ 2,308,308	$ 2,346,166	$ 2,476,765	$ 2,159,386	$ 2,168,424	$ 2,297,194	$ 2,426,404
Contributions in relation to actuarially determined contribution	2,271,218	2,597,168	2,661,412	2,308,308	2,346,166	2,476,765	2,211,161	2,251,726	2,374,127	2,431,252
Contribution deficiency (excess)	$ --	$ --	$ --	$ --	$ --	$ --	$ (51,775)	$ (83,302)	$ (76,933)	$ (4,848)
Covered payroll	$ 11,702,410	$ 10,578,535	$ 10,507,659	$ 10,865,023	$ 10,407,005	$ 9,612,905	$ 9,725,993	$ 9,049,623	$ 7,983,304	$ 7,557,207
Contributions as a percentage of covered payroll	19.4%	24.6%	25.3%	21.2%	22.5%	25.8%	22.7%	24.9%	29.7%	32.2%

Notes to Schedule:

Actuarial valuation date: 10/1/2021

Actuarially determined contribution rates are calculated at October 1st, two years prior to the end of the fiscal year in which the contributions are paid.

Significant methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Amortization period:	
Gains and losses	20 years
Assumption, method and plan changes	20 years
Asset valuation method	5 Year Smoothed
Inflation, per year	2.50%
Salary increases (with inflation), per year	5% - 12.27%
Investment rate of return (net of expenses, with inflation), per year	7.0%
Payroll growth	0.0%
Cost of living adjustments	3.0%
Retirement age - Tier One unisex rates	
Each year member is eligible for early retirement	5%
Year in which member attains normal retirement	80%
Each of the four years following normal retirement date	40%
Fifth year following normal retirement date	100%

Retirement age - Tier Two members are assumed to retire at a rate of 100% upon reaching unreduced benefit eligibility (the earlier of (1) age 55 with 10 years of service, (2) rule of 70, but not earlier than age 50, or (3) at 22 years of service for DROP entry.

Mortality	Florida Retirement System (FRS) Special Risk employees' table

TOWN OF JUPITER, FLORIDA

SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN
MUNICIPAL POLICE OFFICERS' RETIREMENT FUND

LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Money-Weighted Rate of Return
2023	9.5%
2022	-18.7%
2021	20.5%
2020	10.7%
2019	6.3%
2018	7.5%
2017	10.2%
2016	8.9 %
2015	-1.5%
2014	9.9%

Notes to Schedule:

The money-weighted rate of return considers the changing amounts estimated as invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period. Cash flows are estimated on a monthly basis and are assumed to occur at the beginning of each month. Cash inflows are netted with cash outflows, resulting in a net cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

TOWN OF JUPITER, FLORIDA

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

LAST TEN FISCAL YEARS

	Measurement Date June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Town's proportion of the net pension liability	0.043902725%	0.043464885%	0.044834791%	0.044583895%	0.044715658%	0.045472054%	0.045483477%	0.042422942%	0.039923440%	0.039309510%
Town's proportionate share of the net pension liability	$ 17,493,847	$ 16,172,430	$ 3,386,759	$ 19,323,317	$ 15,399,450	$ 13,696,418	$ 13,453,707	$ 10,711,826	$ 5,156,648	$ 2,418,071
Town covered payroll	$ 18,407,117	$ 17,339,619	$ 17,237,437	$ 17,553,761	$ 17,045,381	$ 16,833,609	$ 16,715,630	$ 15,116,119	$ 13,301,876	$ 13,496,363
Town's proportionate share of the net pension liability as a percentage of Town covered payroll	95.04%	93.27%	19.65%	110.08%	90.34%	81.36%	80.49%	70.86%	38.77%	17.92%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.69%	96.40%	78.80%	82.60%	84.26%	83.90%	84.90%	92.00%	96.10%

Notes to Schedule:

Actuarial valuation date	7/1/2023
Actuarial measurement date	6/30/2023
Significant actuarial methods and assumptions used to determine contribution rates:	
Actuarial cost method	Individual Entry Age
Amortization method	Level Percent of Payroll, Closed
Amortization period:	
Gains and losses	25/30 years
Assumption, method and plan changes	25/30 years
Asset valuation method	Fair Value 5-year smoothed
Inflation, per year	2.40%
Salary increases (with inflation), per year	3.25%
Investment rate of return (net of expenses, with inflation), per year	6.70%
Payroll growth	3.25%
Cost of living adjustments	3.0% pre-July 2011 0% thereafter
Retirement age	Varies by tier and member class
Mortality	
2019-2020	PUB-2010 base table with Scale MP-2018
2014 through 2018	RP-2000 Mortality Table Projection Scale BB

TOWN OF JUPITER, FLORIDA

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

LAST TEN FISCAL YEARS

	Measurement Date June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Town's proportion of the net pension liability	0.046394777%	0.047524777%	0.048460192%	0.050585147%	0.050960206%	0.051527758%	0.052350980%	0.048949110%	0.044077343%	0.044449227%
Town's proportionate share of the net pension liability	7,368,109	5,033,633	5,944,371	$ 6,176,364	$ 5,701,937	$ 5,453,756	$ 5,597,608	$ 5,704,816	$ 4,495,196	$ 4,200,386
Town covered payroll	$ 18,407,117	$ 17,339,619	$ 17,237,437	$ 17,553,761	$ 17,045,381	$ 16,833,609	$ 16,715,630	$ 15,116,119	$ 13,301,876	$ 13,496,363
Town's proportionate share of the net pension liability as a percentage of Town covered payroll	40.03%	29.03%	34.49%	35.19%	33.45%	32.40%	33.49%	37.74%	33.79%	31.12%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%	2.60%	2.15%	1.60%	1.00%	0.50%	1.00%

Notes to Schedule:

Actuarial valuation date	7/1/2022
Actuarial measurement date	6/30/2023
Significant actuarial methods and assumptions used to determine contribution rates:	
Actuarial cost method	Individual Entry Ag
Amortization method	Level Percent of Payroll, Closed
Amortization period:	
Gains and losses	25/30 years
Assumption, method and plan changes	25/30 years
Asset valuation method	Fair Value
Inflation, per year	2.40%
Salary increases (with inflation), per year	3.25%
Investment rate of return (net of expenses, with inflation), per year	N/A
Payroll growth	3.65%
Cost of living adjustments	N/A
Retirement age	N/A
Mortality	PUB-2010 base table with Scale MP-2018

TOWN OF JUPITER, FLORIDA

SCHEDULE OF TOWN CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM FRS AND HIS PLANS

LAST TEN FISCAL YEARS

	Fiscal Year Ended September 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Florida Retirement System (FRS)										
Contractually required Town contribution	$ 2,214,751	$ 1,968,159	$ 1,741,284	$ 1,539,089	$ 1,406,460	$ 1,319,143	$ 1,160,342	$ 1,082,756	$ 997,371	$ 868,086
Contributions in relation to the contractually required Town contribution	2,214,751	1,968,159	1,741,284	1,539,089	1,406,460	1,319,143	1,160,342	1,082,756	997,371	868,086
Contribution deficiency (excess)	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Town covered payroll	$ 18,781,269	$ 18,113,117	$ 17,237,456	$ 17,537,332	$ 17,135,908	$ 16,861,444	$ 16,392,069	$ 15,373,489	$ 13,944,152	$ 13,121,419
Contributions as a percentage of Town covered payroll	11.79%	10.87%	10.10%	8.78%	8.21%	7.82%	7.08%	7.04%	7.15%	6.62%
Florida Retiree Health Insurance Subsidy (HIS)										
Contractually required Town contribution	$ 328,287	$ 300,131	$ 284,928	$ 291,177	$ 284,545	$ 279,839	$ 271,789	$ 255,186	$ 191,501	$ 153,890
Contributions in relation to the contractually required Town contribution	328,287	300,131	284,928	291,177	284,545	279,839	271,789	255,186	191,501	153,890
Contribution deficiency (excess)	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Town covered payroll	$ 18,781,269	$ 18,113,117	$ 17,237,456	$ 17,537,332	$ 17,135,908	$ 16,861,444	$ 16,392,069	$ 15,373,489	$ 13,944,152	$ 13,121,419
Contributions as a percentage of Town covered payroll	1.75%	1.66%	1.65%	1.66%	1.66%	1.66%	1.66%	1.66%	1.37%	1.17%

TOWN OF JUPITER, FLORIDA

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

LAST SIX FISCAL YEARS

	Measurement Date September 30,					
	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service cost	$ 53,407	$ 79,415	$ 78,290	$ 64,501	$ 174,529	$ 167,430
Interest	50,515	29,866	28,387	140,341	135,725	118,110
Changes of benefit terms	--	--	--	--	--	--
Differences between expected and actual experience	(12,273)	32,702	(57,763)	(2,247,613)	--	--
Changes in assumptions and other inputs	14,308	(212,334)	(5,382)	78,844	--	(209,355)
Benefit payments	(63,725)	(83,926)	(116,035)	(35,227)	(147,509)	(124,180)
Net Change in Total OPEB Liability	42,232	(154,277)	(72,503)	(1,999,154)	162,745	(47,995)
Total OPEB liability - Beginning of Fiscal Year	1,037,096	1,191,373	1,263,876	3,263,030	3,100,285	3,148,280
Total OPEB liability - End of Fiscal Year	$ 1,079,328	$ 1,037,096	$ 1,191,373	$ 1,263,876	$ 3,263,030	$ 3,100,285
Town Covered Employee Payroll	$ 29,329,050	$ 27,563,802	$ 27,745,096	$ 29,850,528	$ 28,776,378	$ 27,676,807
Total OPEB Liability as a Percentage of Town Covered Employee Payroll	3.70%	3.80%	4.30%	4.20%	11.30%	11.20%

Notes to Schedule:

Information prior to adoption of GASB Statement No. 75 in fiscal year 2018 is not available.

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

Changes in actuarial assumptions:
Changes of assumptions and other inputs reflect the effects of changes in the discount rate each year. The following are the discount rates used for each fiscal year:

2023	4.87%
2022	4.87%
2022	4.77%
2021	2.43%
2020	2.21%
2019	4.24%
2018	4.24%

COMBINING FUND FINANCIAL STATEMENTS AND INDIVIDUAL FUND BUDGETARYCOMPARISON SCHEDULES

NONMAJOR GOVERNMENTAL FUND

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

Road Impact Fee Fund – This fund accounts for all road impact fees collected, investment earnings and the expenditure of these funds, which are used solely for the purpose of constructing or improving roads, streets, highways and bridges in the Jupiter road network system.

Recreation Impact Fee Fund – This fund accounts for recreation impact fees collected, investment earnings and the expenditure of these funds, which are used solely for capital facility costs for parks and recreation facilities to serve new development.

Police Impact Fee Fund – This fund accounts for police impact fees collected, investment earnings and the expenditure of these funds, which are used solely for new police related capital improvement costs that add capacity to serve new development.

Law Enforcement Grant Fund – This fund accounts for Local Law Enforcement Block Grant funds, the related investment earnings and the expenditure of these funds, which are used solely for projects to reduce crime and improve public safety.

Law Enforcement Fund – This fund accounts for revenue received from confiscated and forfeited properties from cases involving the Town's police department. Expenditures from this fund are generally for police education and training programs and equipment.

Infrastructure Surtax Fund – This fund accounts for the distributions received from the State of Florida for the Local Infrastructure Sales Surtax that are to be used for infrastructure capital improvement projects.

Workforce Housing Trust Fund – This fund accounts for fees and expenditures relating to the Town's workforce housing program.

Fire Rescue Department Fund – This fund accounts for costs associated with establishing the Jupiter Fire Rescue Department.

Canal Trimming Fund – This fund accounts for the levy and collection of a non-ad valorem assessment for biennial vegetative trimming of the privately-owned canals in and around Jupiter River Estates. These funds are collected by special assessment of benefitting property owners. Proceeds are received from the Palm Beach County Tax Collector via the annual property tax collection process.

Debt Service Funds - Debt Service Funds are used to account for assets held for the repayment of principal and interest on debt reported in the governmental fund financial statements.

Debt Service Fund – This fund accounts for dedicated property tax revenues and the related interest earnings that are used for payments of principal, interest and related fiscal charges on the $3,380,000 General Obligation Bonds, (Land Acquisition Bonds), Series 2021 and $4,505,858 General Obligation Bonds, (Refunding Bonds), Series 2021.

TOWN OF JUPITER, FLORIDA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2023

	Special Revenue									Debt Service	
	Road Impact Fee Fund	Recreation Impact Fee Fund	Police Impact Fee Fund	Law Enforcement Grant Fund	Law Enforcement Fund	Infrastructure Surtax Fund	Workforce Housing Trust Fund	Fire Rescue Department Fund	Canal Trimming Fund	Debt Service Fund	Total Nonmajor Governmental Funds
Assets											
Cash and cash equivalents	$ 1,309,873	$ 536,944	$ 19,882	$ --	$ 146,101	$ 8,972,838	$ 2,502,738	$ 156,036	$ 22,810	$ 595,600	$ 14,262,822
Investments	838,451	196,164	17,052	--	--	--	--	--	--	--	1,051,667
Total Assets	$ 2,148,324	$ 733,108	$ 36,934	$ --	$ 146,101	$ 8,972,838	$ 2,502,738	$ 156,036	$ 22,810	$ 595,600	$ 15,314,489
Liabilities and Fund Balances											
Liabilities											
Accounts payable	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ 210	$ --	$ 210
Advances to other funds	--	--	--	--	--	--	--	--	22,600	--	22,600
Total Liabilities	--	--	--	--	--	--	--	--	22,810	--	22,810
Fund Balances											
Restricted for:											
Public safety	--	--	--	--	--	--	--	156,036	--	--	156,036
Debt service	--	--	--	--	--	--	--	--	--	595,600	595,600
Capital projects	2,148,324	733,108	--	--	--	8,972,838	2,502,738	--	--	--	14,357,008
Law enforcement	--	--	36,934	--	146,101	--	--	--	--	--	183,035
Total Fund Balances	2,148,324	733,108	36,934	--	146,101	8,972,838	2,502,738	156,036	--	595,600	15,291,679
Total Liabilities and Fund Balances	$ 2,148,324	$ 733,108	$ 36,934	$ --	$ 146,101	$ 8,972,838	$ 2,502,738	$ 156,036	$ 22,810	$ 595,600	$ 15,314,489

TOWN OF JUPITER, FLORIDA

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

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue									Debt Service	
	Road Impact Fee Fund	Recreation Impact Fee Fund	Police Impact Fee Fund	Law Enforcement Grant Fund	Law Enforcement Fund	Infrastructure Surtax Fund	Workforce Housing Trust Fund	Fire Rescue Department Fund	Canal Trimming Fund	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues											
Taxes	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ 2,032,210	$ 2,032,210
Impact fees	14,607	9,902	1,422	--	--	--	--	--	--	--	25,931
Intergovernmental	--	--	--	7,348	--	5,979,373	--	--	--	--	5,986,721
Investment earnings	39,290	9,192	800	--	--	--	--	--	--	--	49,282
Miscellaneous	--	--	--	--	297	--	--	--	--	--	297
Total Revenues	53,897	19,094	2,222	7,348	297	5,979,373	--	--	--	2,032,210	8,094,441
Expenditures											
Current											
General government	--	--	--	--	--	--	--	--	22,810	--	22,810
Public safety	--	--	--	7,348	16,618	--	--	31,464	--	--	55,430
Debt service											
Principal	--	--	--	--	--	--	--	--	--	1,967,839	1,967,839
Interest and fiscal charges	--	--	--	--	--	--	--	--	--	43,783	43,783
Total Expenditures	--	--	--	7,348	16,618	--	--	31,464	22,810	2,011,622	2,089,862
Revenues Over (Under) Expenditures	53,897	19,094	2,222	--	(16,321)	5,979,373	--	(31,464)	(22,810)	20,588	6,004,579
Other Financing Sources (Uses)											
Transfers in	--	--	--	--	--	--	--	187,500	22,810	--	210,310
Transfers out	(1,881,000)	--	--	--	--	(2,331,500)	--	--	--	--	(4,212,500)
Total Other Financing Sources (Uses)	(1,881,000)	--	--	--	--	(2,331,500)	--	187,500	22,810	--	(4,002,190)
Net Change in Fund Balances	(1,827,103)	19,094	2,222	-	(16,321)	3,647,873	-	156,036	--	20,588	2,002,389
Fund Balances - Beginning of Year	3,975,427	714,014	34,712	--	162,422	5,324,965	2,502,738	--	--	575,012	13,289,290
Fund Balances - Ending of Year	$ 2,148,324	$ 733,108	$ 36,934	$ --	$ 146,101	$ 8,972,838	$ 2,502,738	$ 156,036	$ --	$ 595,600	$ 15,291,679

BUDGETARY COMPARISON SCHEDULES

TOWN OF JUPITER, FLORIDA

BUDGETARY COMPARISON SCHEDULE - DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenue				
Taxes	$ 2,011,833	$ 2,011,833	$ 2,032,210	$ 20,377
Total Revenue	2,011,833	2,011,833	2,032,210	20,377
Expenditures				
Principal retirement	1,960,641	1,967,839	1,967,839	--
Interest and fiscal charges	51,192	43,994	43,783	211
Total Expenditures	2,011,833	2,011,833	2,011,622	211
Net Change in Fund Balance	$ --	$ --	$ 20,588	$ 20,588

TOWN OF JUPITER, FLORIDA

BUDGETARY COMPARISON SCHEDULE - CAPITAL IMPROVEMENTS FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 4,810,534	$ 4,810,534	$ 5,002,609	$ 192,075
Intergovernmental	460,000	2,509,821	699,829	(1,809,992)
Investment earnings	--	--	847,235	847,235
Donations	--	1,070,000	190,494	(879,506)
Miscellaneous	698,735	38,988,618	106,424	(38,882,194)
Total Revenues	5,969,269	47,378,973	6,846,591	(40,532,382)
Expenditures				
General Government				
Operating expenditures	685,184	2,893,525	1,121,355	1,772,170
Capital outlay	1,826,000	24,503,147	19,050,465	5,452,682
	2,511,184	27,396,672	20,171,820	7,224,852
Public Safety				
Operating expenditures	--	--	300	(300)
Engineering and Public Works				
Operating expenditures	2,145,000	4,834,871	767,913	4,066,958
Capital outlay	565,000	10,023,949	1,960,189	8,063,760
	2,710,000	14,858,820	2,728,102	12,130,718
Culture and Recreation				
Operating expenditures	910,500	2,611,053	1,747,024	864,029
Capital outlay	3,719,085	9,406,849	2,987,291	6,419,558
	4,629,585	12,017,902	4,734,315	7,283,587
Total Expenditures	9,850,769	54,273,394	27,634,237	26,639,157
Deficiency of Revenues Over Expenditures	(3,881,500)	(6,894,421)	(20,787,646)	(13,893,225)
Other Financing Sources (Uses)				
Transfers in	3,881,500	7,443,633	5,662,500	(1,781,133)
Transfers out	--	(549,212)	(549,213)	(1)
Total Other Financing Sources (Uses)	3,881,500	6,894,421	5,113,287	(1,781,134)
Net Change in Fund Balance	$ --	$ --	$ (15,674,359)	$ (15,674,359)

STATISTICAL SECTION

STATISTICAL SECTION

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

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Financial Trends..... 112-120

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

Revenue Capacity 121-124

These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.

Debt Capacity..... 125-128

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

Demographic and Economic Information..... 129-130

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

Operating Information 131-135

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town of Jupiter provides and the activities it performs.

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

TOWN OF JUPITER, FLORIDA

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS
ACCRUAL BASIS OF ACCOUNTING

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
Net investment in capital assets	$ 74,609,024	$ 87,178,931	$ 91,245,314	$ 94,709,390	$ 98,251,923	$ 106,249,231	$ 122,991,581	$ 122,756,875	$122,900,255	$ 143,364,492
Restricted	5,108,494	6,015,406	6,386,483	11,095,413	16,120,792	12,163,652	11,681,972	21,410,565	15,290,419	17,882,038
Unrestricted	38,821,882	27,416,016	29,702,275	26,363,894	27,480,540	43,428,914	39,146,657	46,198,725	74,664,125	66,595,883
Total Governmental Activities Net Position	118,539,400	120,610,353	127,334,072	132,168,697	141,853,255	161,841,797	173,820,210	190,366,165	212,854,799	227,842,413
Business-Type Activities										
Net investment in capital assets	184,306,940	194,307,099	191,909,758	194,047,350	197,010,656	201,690,198	201,924,395	204,119,930	206,789,023	215,024,872
Restricted	10,582,761	9,106,898	8,025,089	6,894,379	4,167,642	4,539,226	--	--	--	--
Unrestricted	54,651,166	60,253,357	74,453,424	82,802,676	94,176,869	95,266,944	106,162,128	115,545,576	112,031,712	115,284,460
Total Business-Type Activities Net Position	249,540,867	263,667,354	274,388,271	283,744,405	295,355,167	301,496,368	308,086,523	319,665,506	318,820,735	330,309,332
Primary Government										
Net investment in capital assets	258,915,964	281,486,030	283,155,072	288,756,740	295,262,579	307,939,429	324,915,976	326,876,805	329,689,278	358,389,364
Restricted	15,691,255	15,122,304	14,411,572	17,989,792	20,288,434	16,702,878	11,681,972	21,410,565	15,290,419	17,882,038
Unrestricted	93,473,048	87,669,373	104,155,699	109,166,570	121,657,409	138,695,858	145,308,785	161,744,301	186,695,837	181,880,343
Total Primary Government Net Position	$ 368,080,267	$ 384,277,707	$401,722,343	$ 415,913,102	$ 437,208,422	$ 463,338,165	$ 481,906,733	$ 510,031,671	$531,675,534	$ 558,151,745

TOWN OF JUPITER, FLORIDA

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
ACCRUAL BASIS OF ACCOUNTING

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
General government	$ 16,024,110	$ 16,637,105	$ 18,477,434	$ 19,564,860	$ 19,391,006	$ 19,486,317	$ 20,602,900	$ 20,812,119	$ 23,425,637	$ 25,139,966
Public safety	18,887,625	18,935,949	21,699,238	22,658,014	23,181,411	24,691,487	23,956,385	20,268,334	27,094,984	32,343,528
Engineering and public works	7,093,266	6,871,853	7,956,044	9,117,025	9,478,260	9,981,890	9,601,528	9,528,337	9,497,695	10,224,598
Culture and recreation	3,455,019	3,301,828	3,450,245	4,257,500	4,041,480	4,401,313	3,800,581	4,211,506	4,395,043	5,811,526
Interest on long-term debt	1,122,371	951,755	901,567	860,839	761,846	652,880	533,471	450,368	187,776	247,538
Total Governmental Activities Expenses	46,582,391	46,698,490	52,484,528	56,458,238	56,854,003	59,213,887	58,494,865	55,270,664	64,601,135	73,767,156
Business-type activities:										
Water system	18,222,704	18,616,320	19,967,372	21,635,338	22,048,888	22,595,973	23,356,881	22,947,236	24,806,245	25,898,766
Stormwater	1,893,252	2,041,882	2,195,891	2,398,659	2,370,650	2,846,895	2,943,687	2,969,055	3,080,707	3,216,382
Building	3,076,617	3,080,687	3,447,445	3,458,772	3,751,616	4,108,850	4,544,896	3,464,327	4,041,573	4,883,816
Total Business-Type activities Expenses	23,192,573	23,738,889	25,610,708	27,492,769	28,171,154	29,551,718	30,845,464	29,380,618	31,928,525	33,998,964
Total Primary Government Expenses	69,774,964	70,437,379	78,095,236	83,951,007	85,025,157	88,765,605	89,340,329	84,651,282	96,529,660	107,766,120
Program Revenues										
Governmental activities:										
Charges for services:										
General government	2,019,811	2,199,978	2,115,287	2,280,076	2,610,230	2,462,897	3,319,433	3,637,331	9,997,249	11,164,519
Public safety	955,659	731,150	439,092	660,870	541,365	876,948	672,072	265,262	346,277	384,394
Engineering and public works	4,004,341	4,439,702	4,373,961	4,613,018	4,796,872	5,089,779	5,033,024	5,610,775	397,390	431,663
Culture and recreation	1,237,217	1,298,872	1,144,715	1,181,827	1,265,177	1,342,961	327,977	601,476	593,996	822,162
Operating contributions and grants:										
General government	353,933	812,132	2,613,490	648,254	1,194,767	517,950	411,956	1,784,967	914,861	808,217
Public safety	648,631	623,633	786,588	712,653	818,723	949,002	1,094,531	80,609	861,422	1,138,857
Engineering and public works	295,946	299,076	216,381	599,375	233,032	745,204	1,849,171	853,569	85,910	200,570
Culture and recreation	--	1,100	--	--	4,943	--	--	--	--	--
Capital contributions and grants:										
General government	5,105,599	8,065,791	1,903,824	541,618	2,916,987	3,693,575	90,966	204,325	2,833,280	2,677,624
Public safety	57,829	53,243	28,897	44,671	23,783	29,227	894,252	140,785	--	--
Engineering and public works	705,201	530,462	459,745	405,721	313,648	397,096	161,675	22,517	378,585	--
Culture and recreation	618,173	311,460	234,716	199,466	132,179	222,852	58,264	104,222	--	--
Total Governmental Activities Program Revenues	16,002,340	19,366,599	14,316,696	11,887,549	14,851,706	16,327,491	13,913,321	13,305,838	16,408,970	17,628,006
Business-type activities:										
Charges for services:										
Water system	22,265,341	23,755,364	25,136,478	26,589,627	26,359,138	27,626,343	27,027,704	28,253,897	27,634,393	30,229,903
Stormwater	2,333,048	2,778,836	2,678,185	2,613,792	2,940,150	3,178,624	3,216,793	3,714,856	3,503,150	3,760,686
Building	5,914,206	4,579,262	3,921,256	4,017,180	5,329,430	5,349,574	4,306,407	5,714,786	6,437,980	5,227,186
Operating contributions and grants:										
Water system	--	--	--	435,240	49,823	18,734	288,703	33,832	347,297	20,466
Stormwater	--	--	--	--	197,383	21,566	32,144	-	--	248,169
Building	--	--	--	--	--	--	4,890	-	--	--
Capital contributions and grants:										
Water system	4,105,092	3,781,603	2,458,583	2,421,140	2,142,384	1,434,266	1,373,557	2,404,493	1,384,853	1,324,063
Stormwater	2,161,775	5,755,572	1,538,772	273,840	2,202,305	1,434,280	17,000	388,321	-	-
Total Business-Type activities Program Revenues	36,779,462	40,650,637	35,733,274	36,350,819	39,220,613	39,063,387	36,267,198	40,510,185	39,307,673	40,810,473
Total Primary Government Program Revenues	$ 52,781,802	$ 60,017,236	$ 50,049,970	$ 48,238,368	$ 54,072,319	$ 55,390,878	$ 50,180,519	$ 53,816,023	$ 55,716,643	$ 58,438,479

TOWN OF JUPITER, FLORIDA

CHANGES IN NET POSITION (CONTINUED)

LAST TEN FISCAL YEARS
ACCRUAL BASIS OF ACCOUNTING

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (Expense)/Revenue										
Governmental activities	$ (30,580,051)	$ (27,361,891)	$ (38,167,832)	$ (44,570,689)	$ (42,002,297)	$ (42,886,396)	$ (44,581,544)	$ (41,964,826)	$ (48,192,165)	$ (56,139,150)
Business-type activities	13,586,889	16,911,748	10,122,569	8,858,050	11,049,459	9,511,669	5,421,734	11,129,567	7,379,148	6,811,509
Total Primary Government Net Expense	(16,993,162)	(10,450,143)	(28,045,263)	(35,712,639)	(30,952,838)	(33,374,727)	(39,159,810)	(30,835,259)	(40,813,017)	(49,327,641)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes:										
Property taxes	20,884,758	22,321,359	24,582,705	26,376,117	27,999,283	29,327,134	30,708,041	31,944,223	33,179,247	37,305,224
Franchise fees	4,529,052	4,708,567	4,666,753	4,555,475	4,780,075	4,796,053	4,685,329	4,833,111	5,538,675	6,291,831
Public service taxes	4,340,039	4,521,728	4,717,433	4,872,381	4,963,194	5,082,420	5,070,326	5,187,400	5,356,468	5,990,871
Communications services taxes	2,801,452	2,712,314	2,610,258	2,527,223	2,627,795	2,604,323	2,627,216	2,509,229	2,619,349	2,723,315
Sales taxes	4,111,083	4,381,431	4,521,600	6,965,372	9,231,139	9,475,646	8,986,318	10,267,047	12,321,307	12,306,233
Gas taxes	1,202,381	1,280,924	1,325,773	1,394,012	1,385,729	1,402,154	1,251,589	1,297,878	1,368,417	1,382,329
Intergovernmental, unrestricted	1,487,636	1,652,844	1,729,267	1,861,678	1,963,607	2,051,360	1,864,802	2,224,124	2,803,330	2,884,214
Impact fees	--	--	--	--	--	--	--	189,170	193,269	25,931
Investment earnings (losses)	275,260	921,474	742,188	853,056	1,028,793	2,901,309	1,353,660	266,966	(22,157)	4,203,076
Other	--	47,042	--	--	--	--	33,926	(88,877)	(138,363)	33,476
Transfers	(100,080)	(52,500)	(4,426)	--	157,168	5,234,539	(21,250)	(119,500)	7,461,257	(2,019,736)
Total Governmental Activities	39,531,581	42,495,183	44,891,551	49,405,314	54,136,783	62,874,938	56,559,957	58,510,771	70,680,799	71,126,764
Business-type activities:										
Investment earnings	204,322	415,747	589,855	498,084	964,703	1,859,551	1,143,045	329,916	(793,675)	2,636,193
Gain on disposal of capital assets	4,153	2,868	4,067	--	4,120	4,120	4,126	--	31,013	21,159
Transfers	100,080	52,500	4,426	--	(157,168)	(5,234,539)	21,250	(119,500)	(7,461,257)	2,019,736
Total Business-Type Activities	308,555	471,115	598,348	498,084	811,655	(3,370,868)	1,168,421	210,416	(8,223,919)	4,677,088
Total Primary Government	39,840,136	42,966,298	45,489,899	49,903,398	54,948,438	59,504,070	57,728,378	58,721,187	62,456,880	75,803,852
Changes in Net Assets										
Governmental activities	8,951,530	15,133,292	6,723,719	4,834,625	12,134,486	19,988,542	11,978,413	16,545,955	22,488,634	14,987,614
Business-type activities	13,895,444	17,382,863	10,720,917	9,356,134	11,861,114	6,141,201	6,590,155	11,578,983	(844,771)	11,488,597
Total Primary Government	$ 22,846,974	$ 32,516,155	$ 17,444,636	$ 14,190,759	$ 23,995,600	$ 26,129,743	$ 18,568,568	$ 28,124,938	$ 21,643,863	$ 26,476,211

TOWN OF JUPITER, FLORIDA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE

LAST TEN FISCAL YEARS
ACCRUAL BASIS OF ACCOUNTING

Fiscal Year	Property Taxes	Franchise Fees	Public Service Taxes	Communications Services Taxes	Sales Taxes	Gas Taxes	Total
2014	$ 20,884,758	$ 4,529,052	$4,340,039	$ 2,801,452	$ 4,111,083	$ 1,202,381	$ 37,868,765
2015	22,321,359	4,708,567	4,521,728	2,712,314	4,381,431	1,280,924	39,926,323
2016	24,582,705	4,666,753	4,717,433	2,610,258	4,521,600	1,325,773	42,424,522
2017	26,376,117	4,555,475	4,872,381	2,527,223	6,965,372	1,394,012	46,690,580
2018	27,999,283	4,780,075	4,963,194	2,627,795	9,231,139	1,385,729	50,987,215
2019	29,327,134	4,796,053	5,082,420	2,604,323	9,475,646	1,402,154	52,687,730
2020	30,708,041	4,685,329	5,070,326	2,627,216	8,986,318	1,251,589	53,328,819
2021	31,944,223	4,833,111	5,187,400	2,509,229	10,267,047	1,297,878	56,038,888
2022	33,179,247	5,538,675	5,356,468	2,619,349	12,321,307	1,368,417	60,383,463
2023	37,305,224	6,291,831	5,990,871	2,723,315	12,306,233	1,382,329	65,999,803

TOWN OF JUPITER, FLORIDA

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable:										
Inventory	$ 58,469	$ 62,610	$ 66,005	$ 83,445	$ 29,760	$ 20,970	$ 19,181	$ 14,003	$ 26,742	$ 21,002
Prepaid items	68,699	16,937	10,997	22,948	13,991	18,025	224,859	3,722	11,652	8,042
Advances from other funds	7,005,093	7,141,327	5,957,885	5,901,436	5,009,196	4,908,899	4,108,899	3,608,899	3,108,899	2,608,899
Note receivable	280,349	201,173	171,173	111,173	111,173	111,173	111,173	111,173	--	--
Restricted for:										
Law enforcement	442,379	616,188	509,748	823,659	471,525	475,935	67,733	97,800	128,982	241,911
Economic development	128,750	1,055,891	1,163,147	1,520,195	1,039,623	1,800,720	1,825,675	1,848,970	1,872,147	1,176,366
Assigned to:										
Subsequent year's budget	563,478	936,613	--	--	228,823	--	--	--	--	--
Health insurance	--	--	--	--	--	--	--	--	--	8,807,477
Unassigned	24,281,146	26,918,797	31,856,248	29,676,802	33,412,574	39,570,998	45,539,373	51,333,641	48,162,407	52,095,593
Total General Fund	32,828,363	36,949,536	39,735,203	38,139,658	40,316,665	46,906,720	51,896,893	57,018,208	53,310,829	64,959,290
All Other Governmental Funds										
Nonspendable:										
Prepaid items	480	--	--	--	--	2,966	--	395	495	--
Advances from other funds	--	--	--	--	--	--	1,164,088	993,011	816,801	--
Note receivable	--	--	--	--	--	74,087	74,087	--	--	--
Restricted for:										
Public safety	--	--	--	--	--	--	--	--	--	156,036
Debt service	1,391,468	1,460,655	1,523,685	1,565,663	2,002,353	2,029,608	500,199	549,434	575,012	595,600
Capital projects	3,897,102	3,583,629	3,939,363	7,708,287	12,962,802	8,148,311	9,117,100	14,038,683	12,517,144	14,992,313
Law enforcement	331,676	409,221	247,577	259,512	145,212	209,801	171,265	194,883	197,134	183,035
Economic Development	--	--	--	--	--	--	--	--	--	536,777
Assigned to:										
Capital projects	14,754,007	13,615,890	13,859,274	14,157,056	16,307,489	28,998,901	18,946,806	20,558,128	48,466,137	32,973,274
Unassigned Special Revenue Funds (deficit)	(5,000,627)	(5,218,611)	(4,354,660)	(4,115,803)	(4,720,286)	(4,696,887)	(3,894,193)	(2,986,968)	(1,144,992)	--
Total All Other Governmental Funds	$ 15,374,106	$ 13,850,784	$ 15,215,239	$ 19,574,715	$ 26,697,570	$ 34,766,787	$ 26,079,352	$ 33,347,566	$ 61,427,731	$ 49,437,035

TOWN OF JUPITER, FLORIDA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Taxes	$ 29,228,630	$ 30,836,325	$ 33,236,169	$ 35,169,733	$ 36,976,001	$ 38,416,031	$ 39,657,172	$ 40,938,730	$ 42,523,481	$ 47,401,739
Franchise fees	4,529,052	4,708,567	4,666,753	4,555,475	4,780,075	4,796,053	4,685,329	4,833,111	5,538,675	6,291,831
Licenses and permits	2,016,519	1,533,911	1,066,601	1,171,336	1,180,932	979,343	707,491	762,304	279,374	120,036
Intergovernmental	6,615,107	7,635,751	9,510,011	9,773,878	12,309,014	12,830,540	14,340,018	13,736,370	19,411,528	19,322,212
Charges for services	6,654,078	7,301,741	7,417,420	7,617,007	8,098,492	8,968,660	8,614,311	8,922,017	10,424,324	12,161,668
Fines and forfeitures	809,176	588,992	275,109	492,517	317,617	217,147	188,464	452,487	247,665	296,391
Investment earnings	371,970	921,474	742,188	853,056	1,028,793	2,901,309	1,353,660	266,966	(21,358)	4,203,076
Donations	17,165	93,187	131,426	94,048	108,014	164,855	71,940	1,344,936	420,849	214,594
Miscellaneous	455,153	572,514	407,932	1,072,829	1,179,402	1,063,509	805,401	768,075	942,337	729,483
Total Revenues	50,696,850	54,192,462	57,453,609	60,799,879	65,978,340	70,337,447	70,423,786	72,024,996	79,766,875	90,741,030
Expenditures										
General government	14,241,177	14,755,838	15,764,985	17,212,029	16,923,247	16,495,149	16,581,794	17,996,107	20,216,947	22,233,492
Public safety	18,372,987	18,470,593	20,166,583	21,149,280	22,278,196	22,533,970	24,198,507	23,747,051	24,888,071	26,158,644
Engineering and public works	5,978,964	5,998,872	6,822,473	7,941,816	8,371,545	8,732,062	8,157,359	8,566,185	8,373,703	8,790,089
Culture and recreation	2,632,392	2,493,809	2,533,217	3,272,414	3,017,915	3,370,928	2,707,088	3,220,765	3,355,609	4,674,805
Capital outlay	3,832,247	6,609,289	4,766,872	5,125,886	2,952,087	6,466,306	19,225,974	7,095,842	3,944,786	28,081,705
Debt service										
Principal	7,491,528	2,308,667	2,386,459	2,479,478	2,562,727	2,666,210	2,764,931	6,320,000	1,960,641	2,483,322
Interest	1,145,325	990,831	912,340	873,015	774,820	667,431	548,680	481,371	180,126	155,977
Total Expenditures	53,694,620	51,627,899	53,352,929	58,053,918	56,880,537	60,932,056	74,184,333	67,427,321	62,919,883	92,578,034
Revenues Over (Under) Expenditures	(2,997,770)	2,564,563	4,100,680	2,745,961	9,097,803	9,405,391	(3,760,547)	4,597,675	16,846,992	(1,837,004)
Other Financing Sources (Uses)										
Issuance of refunding debt	5,270,000	--	--	--	--	--	--	7,885,858	--	3,444,097
Proceeds from sale of assets	31,145	80,788	53,868	17,970	44,891	19,342	84,535	73,497	64,537	70,408
Insurance recoveries	51,570	5,000	--	--	--	--	--	--	--	--
Other debt service costs	--	--	--	--	--	--	--	(48,001)	--	--
Transfers in	4,136,602	4,425,579	3,875,995	5,838,077	4,375,651	20,149,856	11,148,454	2,544,796	29,334,242	5,872,810
Transfers out	(4,236,682)	(4,478,079)	(3,877,421)	(5,838,077)	(4,218,483)	(14,915,317)	(11,169,704)	(2,664,296)	(21,872,985)	(7,892,546)
Total Other Financing Sources (Uses)	5,252,635	33,288	52,442	17,970	202,059	5,253,881	63,285	7,791,854	7,525,794	1,494,769
Net Change in Fund Balances	$ 2,254,865	$ 2,597,851	$ 4,153,122	$ 2,763,931	$ 9,299,862	$ 14,659,272	$ (3,697,262)	$ 12,389,529	$ 24,372,786	$ (342,235)
Debt Service as a Percentage of Non-Capital Expenditures	17.32%	7.33%	6.79%	6.33%	6.19%	6.12%	6.03%	11.27%	3.63%	4.09%

TOWN OF JUPITER, FLORIDA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE

LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING

Fiscal Year	Property Taxes (1)	Public Service Taxes	Communications Services Taxes	Gas Taxes	Total Taxes	Franchise Fees	Total
2014	$20,884,758	$ 4,340,039	$ 2,801,452	$ 1,202,381	$ 29,228,630	$4,529,052	$33,757,682
2015	22,321,359	4,521,728	2,712,314	1,280,924	30,836,325	4,708,567	35,544,892
2016	24,582,705	4,717,433	2,610,258	1,325,773	33,236,169	4,666,753	37,902,922
2017	26,376,117	4,872,381	2,527,223	1,394,012	35,169,733	4,555,475	39,725,208
2018	27,999,283	4,963,194	2,627,795	1,385,729	36,976,001	4,780,075	41,756,076
2019	29,327,134	5,082,420	2,604,323	1,402,154	38,416,031	4,796,053	43,212,084
2020	30,708,041	5,070,326	2,627,216	1,251,589	39,657,172	4,685,329	44,342,501
2021	31,944,223	5,187,400	2,509,229	1,297,878	40,938,730	4,833,111	45,771,841
2022	33,179,247	5,356,468	2,619,349	1,368,417	42,523,481	5,538,675	48,062,156
2023	37,305,224	5,990,871	2,723,315	1,382,329	47,401,739	6,291,831	53,693,570

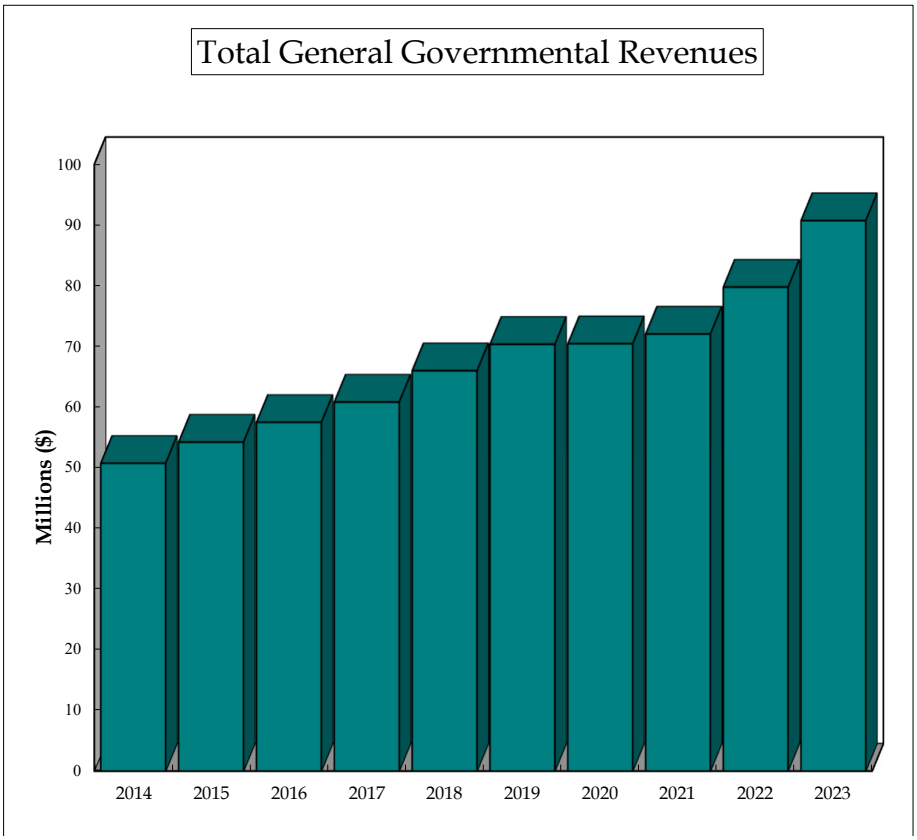
(1) Includes CRA tax increment revenues from the Town and Palm Beach County.

TOWN OF JUPITER, FLORIDA

TOTAL GENERAL GOVERNMENTAL REVENUES BY SOURCE

LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING

Fiscal Year	Taxes and Franchise Fees	Licenses and Permits	Intergovernmental	Charges for Services	Fines and Forfeitures	Investment Earnings	Special Assessments	Miscellaneous	Total
2014	$33,757,682	$ 2,016,519	$ 6,615,107	$ 6,654,078	$ 809,176	$ 371,970	$ --	$ 472,318	$ 50,696,850
2015	35,544,892	1,533,911	7,635,751	7,301,741	588,992	921,474	--	665,701	54,192,462
2016	37,902,922	1,066,601	9,510,011	7,417,420	275,109	742,188	--	539,358	57,453,609
2017	39,725,208	1,171,336	9,773,878	7,617,007	492,517	853,056	--	1,166,877	60,799,879
2018	41,756,076	1,180,932	12,309,014	8,098,492	317,617	1,028,793	--	1,287,416	65,978,340
2019	43,212,084	979,343	12,830,540	8,968,660	217,147	2,901,309	--	1,228,364	70,337,447
2020	44,342,501	707,491	14,340,018	8,614,311	188,464	1,353,660	--	877,341	70,423,786
2021	45,771,841	762,304	13,736,370	8,922,017	452,487	266,966	--	2,113,011	72,024,996
2022	48,062,156	279,374	19,411,528	10,424,324	247,665	(21,358)	--	1,363,186	79,766,875
2023	53,693,570	120,036	19,322,212	12,161,668	296,391	4,203,076	--	944,077	90,741,030

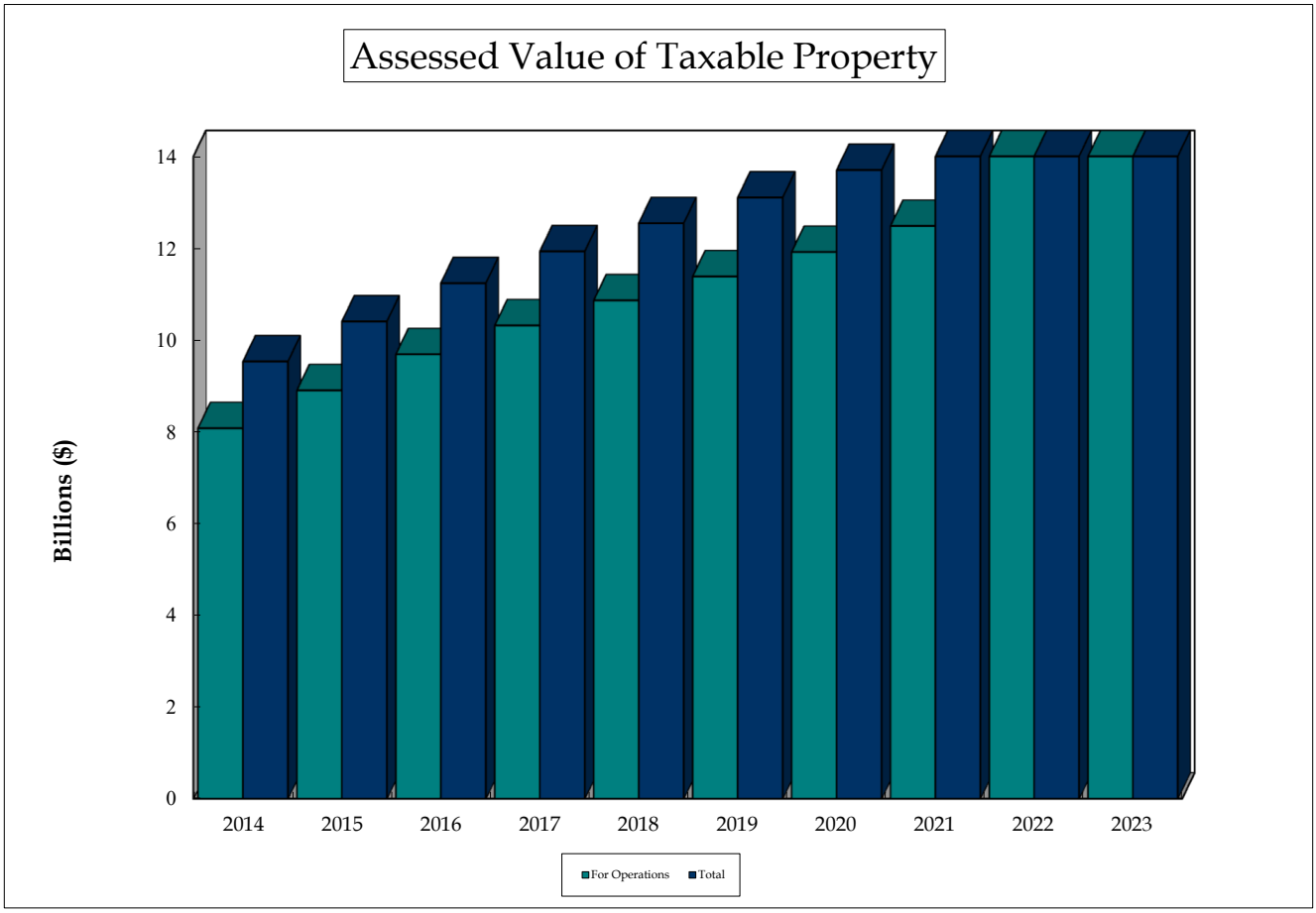


TOWN OF JUPITER, FLORIDA

ASSESSED VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

Year	Real Property	Personal Property	Centrally Assessed Property	Exemptions	Assessed Value for Operations	Total Town Tax Rate	Total Taxable Value (1)
2014	$ 9,153,926,603	$ 385,543,759	$ 1,523,860	$ 1,450,462,521	$ 8,090,531,701	2.8152	$ 9,540,994,222
2015	10,005,490,403	403,379,190	1,748,444	1,496,530,217	8,914,087,820	2.7927	10,410,618,037
2016	10,845,565,535	395,066,652	1,928,796	1,544,975,723	9,697,585,260	2.7364	11,242,560,983
2017	11,583,806,982	348,811,183	2,026,948	1,609,024,923	10,325,620,190	2.6963	11,934,645,113
2018	12,175,877,382	367,909,293	2,033,088	1,676,169,844	10,869,649,919	2.6815	12,545,819,763
2019	12,756,217,115	345,974,844	2,033,243	1,714,368,700	11,389,856,502	2.6611	13,104,225,202
2020	13,341,314,232	358,916,726	2,029,787	1,780,635,673	11,921,625,072	2.6524	13,702,260,745
2021	13,929,871,921	363,343,424	2,082,535	1,808,832,565	12,486,465,315	2.6524	14,295,297,880
2022	15,608,191,232	401,636,595	2,276,838	1,922,579,247	14,089,525,418	2.6326	16,012,104,665
2023	17,435,693,444	457,260,755	2,408,662	2,054,962,716	15,840,400,145	2.6134	17,895,362,861



(1) Florida state law requires all property to be assessed at current fair market value.

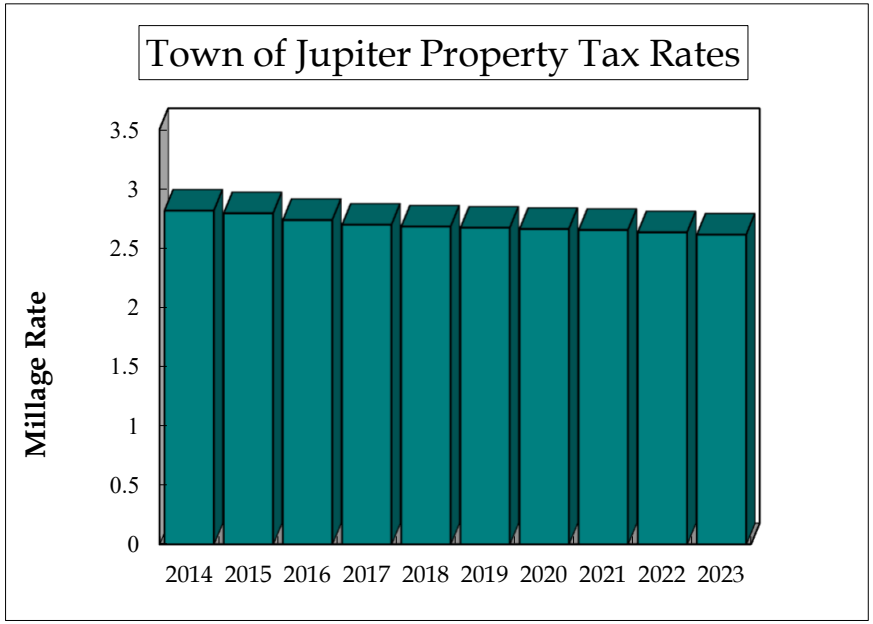
Source: Palm Beach County Property Appraiser

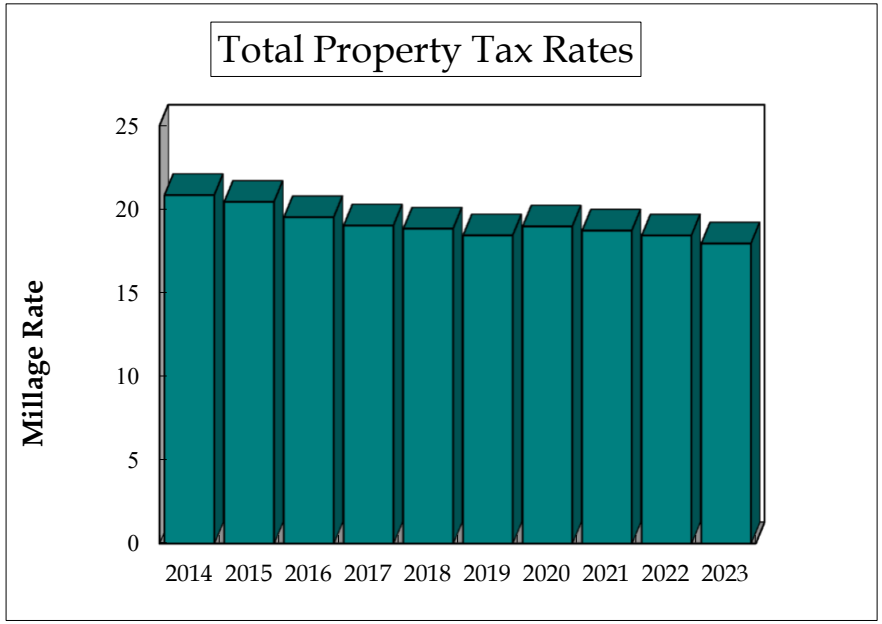
TOWN OF JUPITER, FLORIDA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

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

	Town of Jupiter Property Tax Rates			Overlapping Property Tax Rates - Palm Beach County			Overlapping Property Tax Rates - Palm Beach County School District			Palm Beach County Special Districts	
Fiscal Year	Operating Millage	General Obligation Debt Service	Total Town Millage	Operating Millage	General Obligation Debt Service	Total County Millage	Operating Millage	General Obligation Debt Service	Total School Millage		Total
2014	2.5142	0.3010	2.8152	4.7815	0.2037	4.9852	7.586	-	7.586	5.4606	20.8470
2015	2.5142	0.2785	2.7927	4.7815	0.1914	4.9729	7.594	-	7.594	5.0789	20.4385
2016	2.4834	0.2530	2.7364	4.7815	0.1327	4.9142	7.070	-	7.070	4.7998	19.5204
2017	2.4633	0.2330	2.6963	4.7815	0.1208	4.9023	6.769	-	6.769	4.6566	19.0242
2018	2.4633	0.2182	2.6815	4.7815	0.1208	4.9023	6.769	-	6.769	4.4836	18.8364
2019	2.4633	0.2079	2.6712	4.7815	0.1165	4.8980	6.572	-	6.572	4.2889	18.4301
2020	2.4633	0.1978	2.6611	4.7815	0.0765	4.8580	7.164	-	7.164	4.2838	18.9669
2021	2.4633	0.1891	2.6524	4.7815	0.0309	4.8124	7.010	-	7.010	4.2461	18.7209
2022	2.4633	0.1693	2.6326	4.7815	0.0334	4.8149	6.875	-	6.875	4.1011	18.4236
2023	2.4633	0.1501	2.6134	4.7150	0.0289	4.7439	6.519	-	6.519	4.0702	17.9465





TOWN OF JUPITER, FLORIDA

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

	2023		
	Taxable Assessed Valuation	Rank	Percentage of Assessed Value for Operations
Florida Power & Light Co	$ 147,177,425	1	0.93%
BVF V Sophia LLC	137,560,384	2	0.98%
AA Propco 2022 LLC	120,112,552	3	0.85%
Northland Barcelona LLC	108,342,942	4	0.77%
Northland Floresta LLC	84,952,423	5	0.60%
Harbourside Place LLC	64,670,000	6	0.46%
Club at Admirals Cove, Inc.	59,623,897	7	0.42%
PRCP Abacoa Investment LLC	46,371,597	8	0.33%
Jupiter Rehab Realty Holdings, LLC	40,764,177	9	0.29%
Jupiter Resort LLC	35,200,000	10	0.25%
Totals	$ 844,775,397		5.88%

(Continued)

Source: Palm Beach County Property Appraiser.

TOWN OF JUPITER, FLORIDA

PRINCIPAL PROPERTY TAXPAYERS (CONTINUED)

CURRENT YEAR AND NINE YEARS AGO

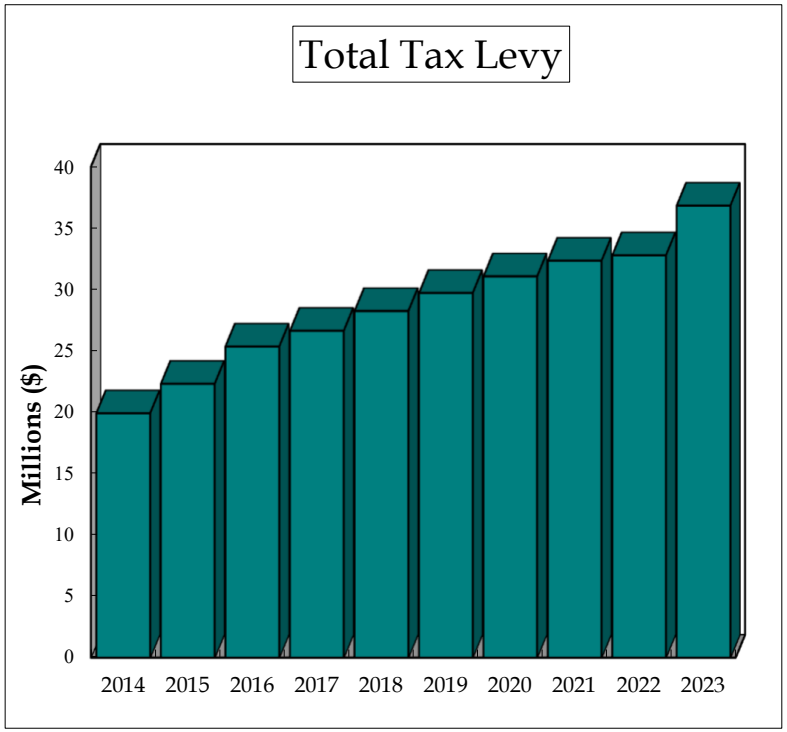
	2014		
	Taxable Assessed Valuation	Rank	Percentage of Assessed Value for Operations
Florida Power & Light Co	$ 109,075,015	1	1.35%
TGM Abacoa LLC	51,054,453	2	0.63%
TGM Floresta LLC	43,391,158	3	0.54%
Oprock Jupiter Fee LLC	27,731,133	4	0.34%
Dakota Abacoa Housing LLC	22,481,627	5	0.28%
Jupiter CC LLC	22,210,498	6	0.27%
Club at Admirals Cove, Inc.	21,465,990	7	0.27%
Allegro at Abacoa LLC	21,279,667	8	0.26%
Regency Centers LP	20,060,726	9	0.25%
Donross Associates	14,281,347	10	0.18%
	$ 353,031,614		4.36%

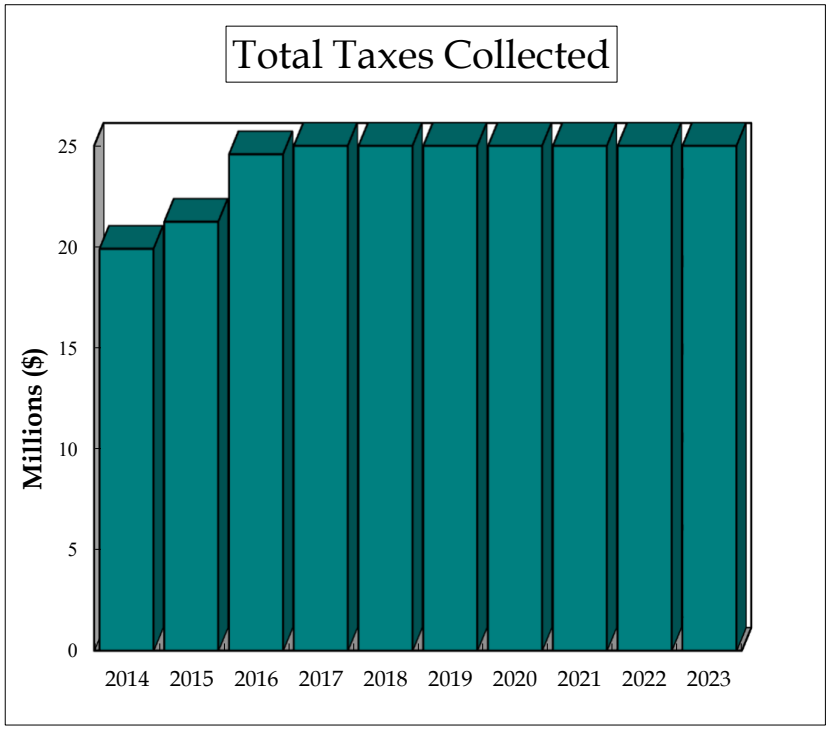
TOWN OF JUPITER, FLORIDA

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year		Total Tax Levy	Amount of Current Taxes Collected (1)	Percent of Total Tax Levy Collected	Amount of Delinquent Taxes Collected	Total Collected for the Year	Ratio of Total Taxes Collected to Current Levy	Accumulated Delinquent Taxes	Ratio of Delinquent Taxes to Current Levy
2014		$ 19,919,948	$ 19,878,115	99.8	$ 28,564	$ 19,906,679	99.9	N/A	N/A
2015		22,321,359	21,209,368	95.0	36,709	21,246,077	95.2	N/A	N/A
2016		25,355,767	24,459,033	96.5	123,672	24,582,705	97.0	N/A	N/A
2017		26,641,448	26,338,234	98.9	37,883	26,376,117	99.0	N/A	N/A
2018		28,247,551	27,964,200	99.0	--	27,964,200	99.0	N/A	N/A
2019		29,722,342	29,321,830	98.7	5,304	29,327,134	98.7	N/A	N/A
2020		31,071,637	30,689,530	98.8	18,511	30,708,041	98.8	N/A	N/A
2021		32,349,608	31,934,486	98.7	9,738	31,944,224	98.7	N/A	N/A
2022		32,790,681	33,169,660	101.2	9,587	33,179,247	101.2	N/A	N/A
2023	(1)	36,839,038	37,187,744	100.9	117,480	37,305,224	101.3	N/A	N/A





(1) Includes discount taken for early payment of property taxes.

TOWN OF JUPITER, FLORIDA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING AND OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS
(DOLLARS IN THOUSANDS, EXCEPT PER CAPITA)

	Governmental Activities					Business-type Activities			Primary Government			
	General Bonded Debt											
Fiscal Year	General Obligation Bonds, Net [1]	Percentage of Total Taxable Value [2] of Property	Per Capita [3]	Sales Tax Revenue Bonds	Total Governmental Activities	Water Revenue Bonds	Stormwater Loan	Total Business-type Activities	Total Primary Government	Percentage of Total Taxable Value [2] of Property	Percentage of Personal Income [3]	Per Capita [3]
2014	$ 15,863	15.2%	$ 277	$ 5,548	$ 21,411	$ 31,420	$ 162	$ 31,582	$ 52,993	0.56 %	63.49	$ 925
2015	14,435	13.9%	244	4,675	19,110	28,960	108	29,068	48,178	0.46	50.36	815
2016	12,947	11.5%	214	4,675	17,622	26,400	54	26,454	44,076	0.39	42.43	727
2017	11,390	9.5%	186	2,869	14,259	23,710	-	23,710	37,969	0.32	34.53	619
2018	9,767	7.8%	157	1,936	11,703	20,885	--	20,885	32,588	0.26	27.50	525
2019	8,064	6.2%	129	980	9,044	18,573	--	18,573	27,617	0.21	22.16	442
2020	6,286	4.6%	99	--	6,286	16,406	--	16,406	22,692	0.17	17.21	359
2021	7,886	5.5%	129	--	7,886	14,137	--	14,137	22,023	0.15	N/A	360
2022	5,925	3.7%	97	--	5,925	11,843	--	11,843	17,768	0.11	N/A	290
2023	3,957	2.2%	65	--	3,957	9,538	--	9,538	13,495	0.08	N/A	220

Note: Details about the Town's outstanding debt can be found in the notes to the financial statements.

[1] Debt is net of unamortized bond discount.

[2] See Table at page 120 for property value data.

[3] See Table at page 129 for personal income and population data.

N/A - Personal income information not available.

TOWN OF JUPITER, FLORIDA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2023

	Debt Outstanding	Estimated [1] Percentage Applicable to Town of Jupiter	Estimated [1] Share of Direct and Overlapping Debt
Direct Debt:			
Town of Jupiter	$ 3,957,378	100.00%	$ 3,957,378
Overlapping Debt:			
Debt repaid with property taxes			
Palm Beach County	16,370,000	6.18%	1,011,021
Other Debt			
Palm Beach County [2]	848,410,888	6.18%	52,398,360
Palm Beach County School Board[3]	1,373,309,000	6.18%	84,816,378
Total Overlapping Debt			138,225,759
Total Direct and Overlapping Debt			$ 142,183,137
Estimated Population			61,333
Total Direct and Overlapping Debt per Capita			$ 2,318

[1] Estimates based on ratio of assessed taxable values.

[2] Includes Non Ad Valorem Revenue Bonds ($616,362,739) and Other Notes and Loans ($193,280,000).

[3] Includes Capital Outlay Bonds ($18,678,000) and Certificates of Participation ($1,775,255,000).

Source: Finance Department, Town of Jupiter, Florida
Palm Beach County Finance Department
School Board of Palm Beach County ACFR

TOWN OF JUPITER, FLORIDA

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS
(AMOUNTS IN THOUSANDS)

Fiscal Year	Assessed Value for Legal Debt Margin			Legal Debt Margin			Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
	Assessed Value for Operations	Exempt Real Property	Total Assessed Value	Debt Limit [1]	Net Debt Applicable to Limit	Legal Debt Margin	
2014	$ 8,090,532	$ 1,450,463	$ 9,540,995	$ 1,431,149	$ 15,863	$ 1,415,286	1.11%
2015	8,914,088	1,496,530	10,410,618	1,561,593	14,435	1,547,158	0.92%
2016	9,697,585	1,544,976	11,242,561	1,686,384	12,947	1,673,437	0.77%
2017	10,325,620	1,609,025	11,934,645	1,790,197	11,390	1,778,807	0.64%
2018	10,869,650	1,676,170	12,545,820	1,881,873	9,767	1,872,106	0.52%
2019	11,389,857	1,714,369	13,104,226	1,965,634	8,064	1,957,570	0.41%
2020	11,921,625	1,780,636	13,702,261	2,055,339	6,286	2,049,053	0.31%
2021	12,486,465	1,808,833	14,295,298	2,144,295	7,886	2,136,409	0.10%
2022	14,089,525	1,922,579	16,012,104	2,401,816	5,925	2,395,891	0.08%
2023	15,840,400	2,054,963	17,895,363	2,684,304	3,957	2,680,347	0.07%

[1] Debt limit is 15% of total assessed values based on Town ordinance.

TOWN OF JUPITER, FLORIDA

PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

	Sales Tax Revenue Bonds			Water Revenue Bonds				
Fiscal Year	Sales Tax Revenue	Debt Service [3]	Coverage [4]	Gross Revenue [1]	Operating Expenses [2]	Net Revenue Available for Debt Service	Debt Service [3]	Coverage [4]
2014	$ 4,111,083	$ 1,049,414	3.92	$ 22,470,142	$ 11,865,011	$ 10,605,131	$ 3,126,000	3.39
2015	4,381,431	987,359	4.44	24,069,201	12,142,702	11,926,499	3,194,605	3.73
2016	4,521,600	987,030	4.58	25,544,277	13,260,368	12,283,909	3,233,251	3.80
2017	4,657,676	991,249	4.70	27,578,625	14,794,859	12,783,766	3,296,838	3.88
2018	4,898,846	992,760	4.93	27,329,670	14,992,883	12,336,787	3,400,428	3.63
2019	4,979,248	996,539	5.00	28,989,206	15,513,104	13,476,102	2,825,882	4.77
2020	4,686,687	998,447	4.69	28,204,402	16,018,428	12,185,974	2,621,662	4.65
2021	--	--	-	28,696,292	15,907,890	12,788,402	2,667,699	4.79
2022	--	--	-	28,490,610	17,783,204	10,707,406	2,635,211	4.06
2023	--	--	-	31,710,337	18,836,109	12,874,228	2,307,499	5.58

(1) Revenue excludes change in fair value of investments and gain on sale of capital assets.

(2) Expenses exclude depreciation.

(3) Includes principal and interest of revenue bonds only.
It does not include debt defeasance transactions.

(4) Required coverage is 1.10.

TOWN OF JUPITER, FLORIDA

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

Fiscal Year	Population[1]	Personal Income[2] (in millions)	Per Capita Personal Income[2]	Unemploy-ment Rate[3]	School Enrollment[4]
2014	57,263	$ 83,464	$ 59,899	5.6%	9,615
2015	59,108	95,672	68,743	5.0%	9,608
2016	60,615	103,876	71,946	3.6%	9,819
2017	61,388	109,974	74,754	3.8%	10,106
2018	62,100	118,519	79,760	3.1%	10,187
2019	62,497	124,632	83,268	3.1%	10,306
2020	63,188	131,881	87,478	6.1%	9,576
2021	61,121	N/A	N/A	3.7%	9,519
2022	61,341	N/A	N/A	1.9%	11,866
2023	61,333	N/A	N/A	N/A	13,969 [5]

Data Sources:

[1] Source: University of Florida, Bureau of Economic and Business Research.

[2] For Palm Beach County - U.S. Department of Commerce, Bureau of Economic Analysis

[3] For Palm Beach County - U.S. Department of Labor, Bureau of Labor Statistics (As of the month of October)

[4] For the 8 Jupiter area schools (5 Elementary, 2 Middle & 1 High) - The School District of Palm Beach County

[5] Based on October FTE Enrollment Report

N/A - Not available

TOWN OF JUPITER, FLORIDA

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

	2023[1]			2014[1]		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Palm Beach County School District	22,426	1	39%	21,495	1	37%
Palm Beach County	5,753	3	10%	11,381	2	20%
Tenet Healthcare Corp.	5,734	2	10%	6,100	3	11%
NextEra Energy, Inc. (Headquarters)	5,330	4	9%	3,635	4	6%
Florida Atlantic University	5,059	5	9%	2,706	7	5%
Boca Raton Regional Hospital	3,135	6	5%	2,250	10	4%
Veterans Health Administration	2,600	7	5%	-	-	-
Hospital Corporation of America	2,419	8*	4%	2,714	6	5%
The Breakers	2,300	9	4%	-	-	-
Bethesda Health, Inc.	2,282	10*	4%	2,391	8	4%
Office Depot, Inc. (Headquarters)		-	-	2,250	9	4%
G4S (Headquarters)		-	-	3,000	5	5%
Totals	57,038		100.00%	57,922		100.00%

[1] Source: Business Development Board of Palm Beach County. Data is for Palm Beach County.

* Updated figures unavailable at date of publication

TOWN OF JUPITER, FLORIDA

FULL-TIME EQUIVALENT TOWN EMPLOYEES BY FUNCTION / PROGRAM

LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Town Manager	3	3	4	4	4	4	2	2	3	5
Town Clerk	5	5	5	5	5	5	5	4	4	4
Finance	8	8	8	8	8	8	8	8	8	9
Human Resources	5	5	5	5	5	5	5	5	5	5
Information Systems	12	11	11	11	12	12	13	13	13	13
Neighborhoods	3	3	3	3	3	3	3	3	3	3
External Affairs	5	5	5	6	6	6	6	6	6	5
Public Safety										
Police Officers	109	112	116	116	118	118	118	118	118	118
Civilian Police	18	19	22	24	25	25	24	24	24	25
Engineering/Public Works										
Engineering	10	10	10	10	11	11	11	11	11	10
Public Works	21	22	20	20	19	18	19	19	19	26
Parks Maintenance	13	15	19	21	22	25	25	25	25	19
Culture and Recreation										
Parks and Recreation	18	18	18	19	19	20	20	20	20	21
Water System										
Plant	28	28	28	29	29	30	30	30	30	30
Field	15	17	17	17	17	17	18	18	18	18
Administration	16	16	17	18	18	18	17	17	17	17
Building Department										
Building	23	24	24	25	27	28	28	28	28	29
Planning	14	13	15	15	16	16	16	16	16	16
Business Registration	3	4	4	3	3	3	1	1	1	0
Code Enforcement	8	8	7	8	8	8	8	8	8	8
Stormwater System										
Field	4	5	5	5	5	5	5	5	5	5
Administration	3	3	3	4	4	4	4	4	4	6
Total	344	354	366	376	384	389	386	385	386	391

TOWN OF JUPITER, FLORIDA

OPERATING INDICATORS BY FUNCTION / PROGRAM

LAST TEN FISCAL YEARS

Function	Fiscal Year 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Police										
Physical arrests	1,351	1,186	1,483	1,535	1,659	1,582	1,571	1,168	1,254	1,452
Parking violations	1,241	1,036	1,164	1,409	1,041	762	640	473	1,136	884
Traffic violations	6,637	5,400	6,171	5,698	7,984	8,042	7,346	9,366	5,572	6,299
Code Compliance										
Code violations	2,069	3,447	2,352	3,316	3,257	2,293	1,947	1,956	1,303	1,405
Public Works										
Street resurfacing (lane miles)	17	5	9	1	9	11	3	4	0	0
Pot holes repaired	29	71	52	58	73	37	40	49	48	27
Culture and Recreation										
Parks and Recreation										
Recreation programs offered	591	537	519	520	525	530	259	352	599	867
Recreation program participants	49,055	59,425	71,073	71,849	79,034	85,525	30,442	44,191	39,626	46,653
Youth athletic participants (JTAA)	6,192	6,256	6,161	6,446	6,423	6,670	5,202	5,723	6,072	6,534
Camp program participants	1,586	1,912	1,876	2,032	2,203	2,807	723	509	751	1,263
Athletic camp participants	927	958	960	995	1,120	1,129	--	--	783	840
Skate park participants	16,004	15,782	22,922	21,803	22,675	6,617	7,731	16,184	9,387	7,688
Water System										
Water customers	28,900	29,180	29,484	29,778	30,087	30,260	30,377	30,455	30,624	30,790
Permitted Capacity per day (million gallons)	30	30	30	30	30	30	30	30	30	30
Average daily water consumption (million gallons)	15	16	16	16	16	16	16	16	16	16
Building Department										
Building permits issued	8,930	8,222	6,297	7,646	8,898	8,743	9,332	10,364	9,433	8,309
Value of permits (in thousands)	$ 308,242	$ 235,345	$ 208,708	$ 175,709	$ 261,372	$ 272,649	$ 198,639	$ 272,204	$ 306,525	$ 236,403,571
Stormwater System										
Stormwater customers	22,518	22,600	22,820	22,993	23,155	23,261	23,308	23,376	23,413	23,434

Sources: Town departments.

TOWN OF JUPITER, FLORIDA

CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM

LAST TEN FISCAL YEARS

Function/Program	Fiscal Year 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	148	150	148	148	147	141	142	145	140	143
Code Compliance										
Vehicles	8	8	8	9	9	8	8	8	8	8
Engineering and Public Works										
Centerline road miles	126.50	139.21	139.21	138.93	142.79	146.69	148.28	149.08	151.03	151.20
Culture and Recreation										
Parks and Recreation										
Community Center	1	1	1	1	1	1	1	1	1	1
Civic Center	1	1	1	1	1	1	1	1	1	1
Ballfields - lighted	22	26	26	26	26	26	26	26	26	26
Basketball courts	12	12	12	12	12	12	12	12	12	12
Multi-purpose fields	12	16	16	16	16	16	16	16	16	16
Tennis courts	14	14	14	14	14	14	14	14	14	14
Parks	17	17	17	17	18	19	19	19	19	19
Parks (acres)	265	265	265	265	278	--	--	--	--	--
Park properties (acres)	--	--	--	--	--	217	217	217	217	217
Open space properties (acres)	--	--	--	--	--	109	110	110	121	121
Water System										
Water mains (miles)	462	467	468	470	474	476	476	477	478	479
Plants	1	1	1	1	1	1	1	1	1	1
Fire hydrants	3,596	3,621	3,646	3,717	3,711	3,758	3,780	3,802	3,853	3,863
Building Department										
Vehicles	9	9	9	9	9	9	9	9	9	9
Stormwater System										
Stormwater sewers (miles)	86	86	93.8	93.8	92.7	93.9	94.4	94.9	96.7	97.0

Source: Town departments.

N/A: Not available.

TOWN OF JUPITER, FLORIDA

SCHEDULE OF INSURANCE IN FORCE

AS OF SEPTEMBER 30, 2023

Type of Coverage	Coverage Amount	
Property	179,088,352	(1, 10)
Equipment Breakdown	100,000,000	(1, 10)
Inland Marine	4,186,129	(1, 10)
Ocean Marine	265,432	(13, 17)
Crime/Employee Dishonesty	250,000	(1, 9)
Deadly Weapon Protection	1,000,000	(1)
General Liability	2,000,000 per claim/no aggregate	(1, 6, 9)
Cyber Liability	2,000,000 per claim/no aggregate	(1, 6, 9)
Law Enforcement Liability	1,000,000/1,000,000	(1, 2, 7)
Automobile Liability	1,000,000	(1)
Automobile Physical Damage	ACV or repair	(1, 15)
Public Officials & Employment Practices Liability	1,000,000	(1)
Workers' Compensation	Statutory	(1)
Employers' Liability Limit for Workers Compensation	1,000,000	(1, 18)
Environmental Insurance (Pollution)	1,000,000/1,000,000	(7, 12)
Railroad Protective Liability	2,000,000/6,000,000	(8, 14)
Police - Statutory Accidental Death and Dismemberment	225,000	(5, 11)
	75,000	(5, 11)
	75,000	(5, 11)
CRA (Director & Officers including Employment Practices)	1,000,000 Aggregate	(7, 16)
Life Insurance	200,000	(3, 19)
AD&D Insurance	200,000	(3, 19)
Medical - HMO	Unlimited	(4, 20)
Medical - HSA	Unlimited	(4, 20)
Additional Insured Policy (Locations/Special Events)		
General Liability (Additional Insured Locations/Events)	1,000,000/2,000,000	(21, 22)
General Liability Excess Policy	2,000,000/2,000,000	(21, 23)
Drone/Aircraft Liability	1,000,000 per occurrence	(24, 25)

(1) Coverage is through Preferred Governmental Insurance Trust.
(2) Coverage is per person/per occurrence.
(3) Coverage is based on Class of eligible employee and salary to a maximum of $200,000.
(4) Lifetime maximum per individual.
(5) Coverage is mandated by Florida Statute and adjusted for cost of living based upon a formula.
(6) Coverage applicable to claims $2,000,000 per occurrence. Note: No aggregate on Bodily Injury, Property Damage or Employee benefits liability.
(7) Coverage applicable to claims $1,000,000 per occurrence, $1,000,000 aggregate.
(8) Coverage applicable to claims $2,000,000 per occurrence, $6,000,000 aggregate for annual maintenance and upkeep of land in right of way of railroad.
(9) Coverage is per occurrence.
(10) Coverage is based upon property schedule.
(11) Coverage is through Ace American Insurance Company.
(12) Coverage is through Indian Harbor Insurance Company.
(13) Coverage is through Great American Insurance Company.
(14) Coverage is through Hudson Insurance Company.
(15) Actual Cash Value at the time of loss minus deductible.
(16) Coverage is through Executive Risk Indemnity, Inc.
(17) Coverage based on Ocean Marine Application.
(18) Coverage applicable to Bodily Injury by accident $1,000,000; Bodily Injury by Disease Agreement Limit $1,000,000; and Bodily Injury by Disease each employee $1,000,000.
(19) Coverage through Florida Blue.
(20) Coverage is through Nautilus Insurance Company.
(21) Coverage applicable to claims $1,000,000 per occurrence, $2,000,000 aggregate.
(22) Coverage applicable to claims $1,000,000 per occurrence, $2,000,000 aggregate.
(23) Coverage applicable to claims $2,000,000 per occurrence, $2,000,000 aggregate.
(24) Coverage is through Global Aerospace
(25) Coverage applicable to claims Aircraft Liability $1,000,000 per occurrence; Personal Injury Limit $1,000,000

Sources: Town departments

TOWN OF JUPITER, FLORIDA

SALARIES OF PRINCIPAL OFFICIALS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Official	Annual Salary	
Mayor	$ 22,200	
Council (4 members)	18,600	(per member)
Town Manager	225,000	
Police Chief	188,916	
Utilities Director	183,999	
Engineering and Public Works Director	128,809	
Finance Director	150,000	
Assistant Town Manager	197,927	
Planning and Zoning Director	167,436	
Building Department Director	167,371	
Town Clerk	107,792	
Information Systems Director	136,918	
Parks and Recreation Director	135,870	

REPORTING SECTION

MARCUM
ACCOUNTANTS ▲ ADVISORS

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor, Members of the Town Council,
Audit Committee and Town Manager
Town of Jupiter, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Jupiter, Florida (the "Town") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated March 28, 2024. Our report includes a reference to another auditor who audited the financial statements of the Municipal Police Officers' Retirement Trust Fund, the fiduciary fund of the Town, as described in our report on the Town's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town'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 Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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 Town's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town'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 Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Marcum LLP

West Palm Beach, Florida
March 28, 2024

MARCUM
ACCOUNTANTS ▲ ADVISORS

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor, Members of the Town Council,
Audit Committee and Town Manager
Town of Jupiter, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of Jupiter, Florida (the "Town") compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on the Town's major federal programs for the fiscal year ended September 30, 2023. The Town's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the fiscal year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance

requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Marcum LLP

West Palm Beach, FL
March 28, 2024

TOWN OF JUPITER, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Federal Agency, Pass-through Grantor Program of Cluster Title	Assistance Listing Number	Grant Number/ Pass-through Entity Identifying Number	Federal Expenditures
United States Department of Housing and Urban Development			
Direct Programs:			
Community Development Block Grants/Entitlement Grants	14.218	B-18-MC-12-0059	$ 1,546
Community Development Block Grants/Entitlement Grants	14.218	B-19-MC-12-0059	33,690
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-12-0059	209,663
Community Development Block Grants/Entitlement Grants	14.218	B-21-MC-12-0059	249,676
Community Development Block Grants/Entitlement Grants	14.218	B-22-MC-12-0059	246,784
COVID-19 Community Development Block Grant	14.218	B-20-MW-12-0059	70,794
Total CDBG-Entitlement Grant Cluster			812,153
Total United States Department of Housing and Urban Development			**812,153**
United States Department of Justice			
Direct Programs:			
Bulletproof Vest Partnership Program	16.607	2022BUBX22030499	18,494
Bulletproof Vest Partnership Program	16.607	2023BUBX23033830	919
Total Bulletproof Vest Partnership Programs			19,413
Indirect Program:			
Edward Bryne Memorial Justice Assistant Grant	16.738	15PBJA-21-GG-00241-MUMU	7,348
Total United States Department of Justice			**26,761**
United States Department of Treasury			
Direct Program:			
Coronavirus State and Local Fiscal Recovery Funds	21.027	1505-0271	2,093,333
Total United States Department of Treasury			**2,093,333**
United States Department of Homeland Security			
Indirect Program:			
Passed through Florida Division of Emergency Management			
Disaster Grants-Public Assistance (Hurricane Ian)	97.036	Z3105/DR-4673	178,110
Total United States Department of Homeland Security			**178,110**
Total Expenditures of Federal Awards			**$ 3,110,357**

See accompanying notes to schedule of expenditures of federal awards.

TOWN OF JUPITER, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") presents the expenditure activity of all federal awards of the Town of Jupiter, Florida (the "Town") for the fiscal year ended September 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the Town. Expenditures of State financial assistance for the fiscal year ended September 30, 2023 did not exceed the $750,000 threshold for a Florida Single Audit.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Certain pass-through entity identifying numbers were not available for pass-through awards listed in the Schedule for the fiscal year ended September 30, 2023.

The Town made no payments to subrecipients from Federal awards for the fiscal year ended September 30, 2023.

NOTE 3 – INDIRECT COST RATE

The Town has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

TOWN OF JUPITER, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP:	*Unmodified Opinion*
Internal control over financial reporting:	
Material weakness(es) identified?	____ Yes _X_ No
Significant deficiency(ies) identified?	____ Yes _X_ None reported
Non-compliance material to financial statements noted?	____ Yes _X_ No

Federal Awards

Internal control over the major programs:	
Material weakness(es) identified?	____ Yes _X_ No
Significant deficiency(ies) identified?	____ Yes _X_ None reported
Type of auditors' report issued on compliance for the Major federal programs:	*Unmodified Opinion*
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	____Yes _X_ No

Identification of the Major Federal Programs:

Name of Federal Program	Assistance Listing No.
Community Development Block Grants/Entitlement Grants	14.218
Coronavirus State and Local Fiscal Recovery Funds	21.027

Dollar threshold used to distinguish between Type A and Type B federal programs:	$ 750,000
Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?	____ Yes _X_ No

TOWN OF JUPITER, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

TOWN OF JUPITER, FLORIDA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

SECTION I – PRIOR YEAR AUDIT FINDINGS

None

SECTION II – PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

MARCUM
ACCOUNTANTS ▲ ADVISORS

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

To the Honorable Mayor, Members of the Town Council,
Audit Committee and Town Manager
Town of Jupiter, Florida

Report on the Financial Statements

We have audited the financial statements of the Town of Jupiter, Florida (the "Town"), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 28, 2024. We did not audit the financial statements of the Municipal Police Officers' Retirement Trust Fund, which represents 86%, 86% and 61%, respectively, of the assets, net position/fund balance, and revenues/additions of the aggregate remaining fund information.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; Summary Schedule of Prior Audit Findings; and Independent Accountants' Report on examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedules, which are dated March 28, 2024, 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 annual financial audit report. There were no audit findings made in the preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 to the financial statements. Also, as discussed in Note 1, the Town included the Jupiter Community Redevelopment Agency (the "CRA") as a component unit of the Town.

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 Town 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 Town 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 Town. It is management's responsibility to monitor the Town'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. Our 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 Unit

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

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Honorable Mayor, Town Council, Audit Committee 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, Florida
March 28, 2024

MARCUM
ACCOUNTANTS ▲ ADVISORS

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

To the Honorable Mayor, Members of the Town Council,
Audit Committee and Town Manager
Town of Jupiter, Florida

We have examined the Town of Jupiter, Florida (the "Town") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, for the fiscal year ended September 30, 2023. Management of the Town is responsible for the Town's compliance with the specified requirements. Our responsibility is to express an opinion on the Town's compliance based on our examination.

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

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

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

In our opinion, the Town complied, in all material respects, with Section 218.415, Florida Statutes for the fiscal year ended September 30, 2023.

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

Marcum LLP

West Palm Beach, FL
March 28, 2024

BEFORE ME, the undersigned authority, personally appeared Scott Reynolds, who being duly sworn, deposes and says on oath that:

1. I am the Finance Director of the Town of Jupiter which is a local governmental entity of the State of Florida.

2. The Town of Jupiter adopted the following Ordinances implementing impact fees:

    1) Recreation Impact fees: (Ord 35-93, passed 5-4-1993)
    2) Police Impact fees: (Ord 48-95, passed 12-5-1995)
    3) Road Impact fees: (Ord 14-04, passed 4-20-2004)

3. The Town of Jupiter has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT

Scott Reynolds

Notary Public

STATE OF FLORIDA
COUNTY OF PALM BEACH

Subscribed and sworn to before me by means of physical presence this 11 day of March, 2024, by Scott Reynolds as Finance Director of the Town of Jupiter, who is personally know to me.

Print Name: Stacey Rivera

STACEY RIVERA
Notary Public - State of Florida
Commission # GG 955459
My Comm. Expires Apr 7, 2024
Bonded through National Notary Assn.

My Commission Expires: 04/07/2024

Notary Signature: Stacey Rivera

Seal: