The City of Florida
Palm Bay



ANNUAL COMPREHENSIVE

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2023

CITY OF PALM BAY, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2023



PREPARED BY: DEPARTMENT OF FINANCE





Down to Earth

And Up To Great Things

The City of Palm Bay Florida

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July 26, 2024

The Honorable Mayor, Deputy Mayor,
Members of the City Council,
Citizens of the City of Palm Bay
Palm Bay, Florida

We are pleased to submit the Annual Comprehensive Financial Report of the City of Palm Bay, Florida, for the fiscal year ended September 30, 2023. The purpose of this report is to provide City Council, citizens, financial institutions, and others with detailed information concerning the financial condition and performance of the City of Palm Bay. This report is submitted pursuant to Florida Statutes Section 218.39, Chapter 10.550 of the Rules of the Auditor General of the State of Florida, and Section 4.05 of the City Charter.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe that the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

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

As required by Florida Statutes and the City Charter, an audit of the City's Comprehensive Annual Financial Report was performed by MSL CPA's & Advisors, a firm of licensed, independent certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Palm Bay for the fiscal year ended September 30, 2023, are free of material misstatement. The audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting

principles used and significant estimates made by management, and evaluating the overall financial statement presentation.
The independent auditor concluded, based on the audit, that the City's financial statements for the fiscal year ended September 30, 2023, are fairly stated in conformity with GAAP. This is the most favorable conclusion and is commonly known as an unmodified or "clean" opinion. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Palm Bay was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. The reports are included in the Compliance Section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Palm Bay's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE CITY OF PALM BAY

The City of Palm Bay was incorporated in 1960 with a population of 2,808. Palm Bay is now the largest city in Brevard County, the 2nd largest in Central Florida and the 15th largest in Florida, with more than 138,314 residents in 98 square miles. The City is located centrally on Florida's east coast, midway between Jacksonville and Miami. Port Canaveral and Kennedy Space Center, the nation's premiere spaceport, are all nearby.

The City operates under the Council-Manager form of government. The governing body of the City is the City Council, which formulates policies for the administration of the City. The City Council is comprised of a Mayor and four Council Members elected at-large for four-year terms. City Council appoints the City Manager, who serves as the City's Chief Executive Officer and is responsible for the day-to-day administration of the City and the implementation of the policies established by City Council.

The City provides a full range of government services as directed by its charter including police and fire protection, road construction and maintenance, planning and development services, parks and recreation, water and sewer services, and other traditional support services. Although legally separate, because of its relationship to the City, the Bayfront Community Redevelopment Agency (BCRA) is reported as though it is part of the City (blended presentation). Additional information on this legally separate entity can be found in the notes to the financial statements.

The City of Palm Bay is required to adopt an annual budget in accordance with the City Charter and Florida statutes. The annual budget serves as the foundation for the City's financial planning and control. The City Manager is charged with preparing a proposed budget for submission to City Council. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget by September 30, the close of the City's fiscal year. The appropriated budget is adopted by fund and departments.

ECONOMIC CONDITION AND OUTLOOK

The City of Palm Bay experienced strong growth in new single-family infill, subdivisions, multi-family development, and commercial redevelopment in 2023. This growth pattern is a result in part from the citywide G.O. Roads bond paving program and is anticipated to continue for the length of the road paving program. The City's increased efforts to foster a more open-for-business environment will result in new development and redevelopment of key commercial corridors.

Home values in Palm Bay continue to rise year-over-year. Single-family homes' taxable values steadily increased as reported by the Brevard County Property Appraiser's assessed values. In 2023, Palm Bay average single-family home values decreased by 4.8 percent compared to 2022.

The City of Palm Bay's taxable assessed value for tax year 2023 increased by 11% from 2022. New construction, which represents improvement to real property that was not on the tax roll in the prior year, added $550,621,437 to the tax roll. This is the ninth year in a row that the assessed valuations have shown steady growth.

Over the past fiscal year, the City of Palm Bay's commercial growth has been strong. New commercial development projects planned and underway point to favorable prospects for continued growth in the City's tax base.

As of February 2024, the city has completed paving 403 miles or 51% of the 791 miles of roadway as part of the Road Bond Paving. Construction of Phase 3 Waco and Minton Roads (2.39 miles) and Phase 3 Units 22, 37, and 57 (26.92 miles) are awaiting contract issuance to begin projects.

A 2016 voter-approved city charter amendment limits City Council's ability to increase millage rates. The City Council is restricted from setting millage rates at a level that would result in total ad valorem revenue growth exceeding the prior year ad valorem revenue by more than three percent, unless approved by a supermajority vote when an emergency or critical need exists. In November 2022, citizens re-affirmed the three percent cap. Even with this change, rate increases within the statutory limit remain in the city's independent legal control. For the FY 24 budget, Council did impose the three percent cap, while lowering the millage rate from 7.5995 to 7.0171.

LONG-TERM FINANCIAL PLANNING

Financial planning stimulates discussion about the long-term impact of decisions made today and how the City can position itself strategically to deliver a stable level of essential services to our residents over time. In fiscal year 2023, the City received an upgrade to the City's Long-Term Rating to an AA-/Stable rating.

FINANCIAL POLICIES

The City continues to exceed its policy to maintain the unrestricted fund balance for the General Fund equivalent to a minimum of a 2-month annual expense of the subsequent fiscal year's budgeted expenditures less capital outlay and transfers out as originally adopted by ordinance in September. Additionally, the City Council approved a stabilization fund of 4% for emergency use. The minimum required unrestricted fund balance at the end of FY 2023 was $15,434,236, plus $1,987,619 for the City's stabilization fund. The actual Fund Balance was $49,935,826, of which $26,827,681 was Unassigned.

The City's investment policy strives to protect capital first and foremost, while providing for daily cash needs and then investment earnings. The City's portfolio on September 30, 2023, was $382,033,925 million, excluding investments of the fiduciary funds.

FY 2023 MAJOR INITIATIVES

Department Initiatives

The Building Department successfully implemented it's 100% paper-free online permit program with the Intuitive Municipal Solutions (iMS) software application. The Senior Plans Examiner successfully completed the Building Department Internship program, and 2 individuals are currently in the program. The department also brought into service, 15 Hybrid Ford Mavericks, 1 Hybrid Ford Escape, 1 Hybrid F-150, 1 Electric F-150, and 1 single vehicle charger.

The Community & Economic Development Department has focused on encouraging redevelopment of key corridors in the City to include Palm Bay Road, Malabar Road, Babcock Road, U.S. 1/Dixie Highway, Port Malabar Boulevard, Robert J. Conlan Boulevard, and Lipscomb Road to name a few. They also strive to leverage available State and Federal resources where possible to encourage smart and sustainable development. In February 2023, Palm Bay City Council adopted the City of Palm Bay's Economic Development Strategic Plan, conducted by the East Central Florida Regional Planning Council (ECFRPC) through a Memorandum of Understanding (MOU). The goals outlined in the Plan set a roadmap for an economically viable community. In April 2023, Economic Development staff initiated an addendum to the MOU to complete an additional analysis of an area of the city known as 'the Compound '. The Study will provide an analysis of land use characteristics of all properties located within the study

area and an in-depth review of prospective uses for the area including ecotourism, recreation, and manufacturing, among others. The Department continues to administer various programs to help grow and sustain business and industry within the community such as the Commercial Property Enhancement Program (CPEP), Mayor's Business Spotlight Program, Ad Valorem Tax (AVT) Abatement Program, and Building Permit Fee Reduction Program.

The Parks and Facilities Department has made significant investments in maintaining and updating existing City facilities and parks. A sampling of projects includes Annex Exterior Cleaning, resealing of roof skylights at City Hall, sidewalk refurbishment and Basketball court resurfacing at Liberty Park, renovation of bathrooms located at the Public Works Department and Veterans Park, updating fields at Veterans Park, Senior Center HVAC replacement, Castaway Point Park Pier replacement, gas tank replacement at Fire Station 3, and started design for new Building E at City Hall.

The Fire Rescue department started the design of new Station 7 to be located on Palm Bay Road in the NE quadrant. The anticipated completion of design is June 2024. The department also had six new firefighters who enrolled in the Paramedics course and passed, obtaining their certification. Engines 2, 3 and 6, which were purchased in FY22, were fully outfitted and staffed.

Growth Management continued to work on the City's Comprehensive Plan 2045 by aligning the Land Development Code (LDC) with the guiding Goals, Objectives, and Policies of the Plan. The updated LDC includes improvements to the development processes and Standard Operating Procedures that assist streamlining processes for developers and residents and fostering interdepartmental cooperation. Code Compliance concentrated on improvements to their facilities and equipment while streamlining their notification process.

The Human Resources Department is 100% Mental Health First Aid certified. All members of the Human Resources Department completed the Adult Mental Health First Aid certification program to receive their certification. The Health and Wellness Program was recently recognized as Cigna awarded the City of Palm Bay the **GOLD** Level Healthy Workforce Designation for 2023.

The Information Technology Department was approved to procure and implement a Citywide Enterprise Resource Planning (ERP) software to replace the city's legacy system. The new ERP will provide improved financial controls, data consistency, efficiency, responsiveness, security, and real-time insight into business processes for strategic decision-making.

In 2023, the Police Department undertook significant strides in enhancing its operational capabilities and support systems for both its personnel and the community it serves. The completion of Phase 2 of the Wellness Program marked a significant milestone, featuring the inauguration of a fully equipped gym, the establishment of a Wellness

Coordinator position, and the formation of partnerships with local wellness providers, including the Palm Bay Police Foundation. A noteworthy addition to the program was Toby, a therapy dog, aimed at boosting mental health support both in the department and out in the community. Concurrently, the Real Time Crime Center achieved a new phase of operational readiness by finalizing its construction, equipping it with the necessary technology and staffing to enhance our investigative capabilities. The Police Department also celebrated the establishment of the Community Services Division as a standalone division, a move aimed at bolstering community engagement and support. Additionally, the department made a strategic investment by acquiring a SWAT Truck (Teradyne) and launched a summer program for underprivileged children, funded by CDBG, through the Community Resources Unit (CRU).

Procurement continued to focus on improving access and education for small, local, and disadvantaged companies interested in doing business with the City. In addition, Procurement continued to utilize virtual meeting options to increase vendor awareness by participating in the Central Florida Chapter of NIGP's (Institute for Public Procurement) virtual reverse trade show. Lastly, Procurement started the implementation of accepting electronic submissions for select solicitation methods (Request for Quotes) and switched the City's internal contract database over to the new e-procurement software Bonfire.

Public Works completed numerous stormwater pipe replacement projects occurring in advance of the road program work. Public Works met the requirements for the NPDES Permit including the maintenance of our MS4 Systems. The GO Bond project has completed 355 miles or 45% of roadways within the city.

The Recreation Team brought back their Annual Fall Fest event and the Turkey Creek 5k Trail Run. The department held a tree lighting ceremony at City Hall and the popular Holiday Light Parade along Malabar Road with large crowds watching the 3-mile parade. The Recreation Department held their first Spring Fling with entertainment, kids' activities, and a helicopter egg drop. The department held 2 golf tournaments, 7 free movies in the park, and Breakfast with Santa. Live Boxing returned to the Tony Rosa Community Center. Spring, Summer, and Winter Day Camps for kids were held as well. The Palm Bay Aquatic Center brought back their Underwater Egg Hunt and Swim Lessons and added an Intro to Swim Team program. Recreation also hosted the city's Independence Day event which returned to the Eastern Florida State College campus in 2023 with live music, food trucks, vendors, kid's activities, and fireworks.

The Utilities Department continues to manage multiple, significant projects to meet the water and sewer demands of both the existing and future customers connected to the system. The major projects at the South Regional Campus include the construction of the new South Regional Water Reclamation Facility (SRWRF) and the expansion of the South Regional Water Treatment Plant (SRWTP), both of which have been under construction and experiencing pandemic-related delays. The major projects at the North Regional Campus include the design for the expansion of the North Regional Water

Treatment Plant and the design for the replacement of the North Regional Campus' administration building with a hurricane-hardened building that will provide space for a combination of administration and operations staff.

FUTURE PROJECTS

The City continues to move forward with the construction of building E, on the City Hall Complex grounds. The building will be 3 stories and approximately 20,000 – 33,000 sq ft. The additional space will be used to meet the space needs of the Building, Utilities, and Information Technology Departments

The Building Department will replace the last of its all-gas-powered vehicles with an additional 4 Hybrid Ford Mavericks and 2 Hybrid F-150 pick-up trucks. This will complete the transition of the Building Department fleet to all hybrid and electric vehicles.

Community & Economic Development's Housing Division will continue to look at viable options for affordable housing utilizing grant funds. CDBG, HOME and SHIP funds assists with maintaining housing stock by building affordable housing and/or rehabilitating current housing. Additionally, grant funds may support infrastructure projects for roads and streetlights in low-income areas to increase public safety and accessibility.

Upcoming Parks and Facilities projects include the addition of electrical infrastructure to support special events at Fred Poppe Regional Park, shoreline restoration at Stearns, Castaways, and Lagoon House, Goode Park Deck and Observation Area renovation, completion of the Police Department's Shooting Range Training Center, completion of Riviera Dog Park, completion of a new Sacrifice Park, addition of a new restroom building at Turkey Creek Sanctuary and the installation of a new playground at both Fred Poppe Regional Park and at West Pines Neighborhood Park, and the construction of Fire Station #7.

The Information Technology Department will continue to work towards the implementation of a Citywide Enterprise Resource Planning (ERP) software to replace the city's legacy system. This process will continue into 2026.
Looking to the future, the Police Department is focused on increasing staffing to address the challenges and opportunities presented by the rapid growth of the city, especially in the Southeast and Northwest sectors. This growth has necessitated the division of the south district into two distinct areas: Southeast and Southwest. Plans are in place to increase the workspace for police personnel through the construction of new substations. Moreover, there is an initiative to expand the Property and Evidence facility. A standout project is the continued development of a Range Project aimed at constructing a multipurpose training center. This facility is envisioned to significantly enhance the training capabilities of the department, funded through state appropriations,

underscoring the department's commitment to excellence in law enforcement and public safety.

Procurement will continue to focus on vendor outreach and engagement. In coordination with the Brevard County Purchasing Cooperative, Procurement is developing a vendor engagement opportunity where local and interested businesses can get information on the City's upcoming projects and sign up for the City's e-procurement platform.

Public Works has completed all of Phase 1, has completed or is under contract for 84% of Phase 2, and has completed or is under contract for 76% of Phase 3 road bond projects. The remaining Phase 2, 3, and 4 projects are scheduled to go out to bid in FY 24. Staff has a maintenance schedule in place to rejuvenate the newly paved roads to extend the life of the pavement. In addition, the Stormwater Utility Program will continue to install stormwater pipes in advance of the Phase 4 and 5 Road Paving Units. Public Works continues to line various failing pipes throughout the City extending the life of these pipes. Construction is underway at the Babcock Street at St. Johns Heritage Parkway intersection to include turn lanes and mast arm traffic signals. The Stormwater Utility will fund the culvert replacement at Rockabye at C-41-R and Weldon @ C-42-R, as well as the spin casting repair of the drainage structures under Malabar Road.

Public Works will request qualifications for the purpose of procuring an Engineering Consultant to design the widening of St. Johns Heritage Parkway from Malabar Road to North of Emerson Drive using State allocated funding along with Transportation Impact Funding. Public Works will use CDBG funding to construct a sidewalk on Eldron Blvd from Diane Avenue to San Filippo Drive in the southeast quadrant providing safe pedestrian travel. The Department is also annually increasing the number of streetlights in the City, working with FP&L to have new locations designed and installed each year.

Public Works has obtained Grant Funding from the Florida Department of Environmental Protection and construction has begun to install 5 Nutrient Separating Baffle Boxes to reduce pollutant discharges into the impaired Indian River Lagoon. Public Works anticipates using stormwater utility funds and grant funding to embark on further water quality enhancements recommended in the Turkey Creek Restoration Feasibility Study over the next five years.

Recreation will continue to add activities and events for the citizens of Palm Bay within the community centers, aquatic center, and parks in the City.
The Utilities Department will continue to focus on significant construction activities throughout FY24. The South Regional Water Reclamation Facility (SRWRF) design was completed in FY20, and the construction effort commenced in February 2021. The construction work has been plagued by pandemic-related delays and is estimated to be completed in the first half of 2025. The South Regional Water Treatment Plant (SRWTP) 4.0 MGD to 6.0 MGD expansion design was also completed and placed out for bid in FY20. The construction work started in December 2020 and is estimated to be completed in the first half of 2024. Various other rehabilitation and repair projects are

planned and/or underway to ensure the Utilities Department can meet the needs of existing and future customers.

The Utilities Department will work closely with the Florida Department of Environmental Protection (FDEP) to meet the City's obligation for the requirements of FDEP's Final Order in OGC Case No. 23-0112 to 0135, *Determination Regarding Necessity of Wastewater Treatment Plans and Onsite Sewage Treatment and Disposal System Remediation Plans For Certain Nutrient Basin Management Action Plans*. This Order requires all municipalities in the Indian River Lagoon (IRL) watershed to submit a Wastewater Treatment and Onsite Sewage Treatment and Disposal System (OSTDS) Remediation Plan by February 1, 2024. Submittal of this plan is required because the FDEP has determined the need to further limit nutrients (nitrogen and phosphorus) from the discharges of domestic wastewater treatment facilities and/or OSTDS sources within the Indian River Lagoon watershed as determined in the Indian River Lagoon Basin Action Management Plan (BMAP). The City's BMAP obligation has the potential to create significant financial impacts on the City and the Utilities Department and may include sewer mainline extensions, significant wastewater treatment plant upgrades, and/or major private property septic system upgrades. Efforts will be closely coordinated between the City and the appropriate agencies.

ACCREDITATION AND CERTIFICATIONS

The Building Department met all requirements of AC251, IAS Accreditation Criteria for Building Departments, Code Enforcements Departments, and Third Parties providing Building and/or Property Maintenance Code Enforcement Services. It was awarded Building Department Accreditation on May 17, 2023, from the International Accreditation Service (IAS).

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Palm Bay for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2022. This was the 37th consecutive year that the City has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Government Finance Officers Association of the United States and Canada presented an award for Distinguished Budget Presentation to the City of Palm Bay for its annual budget for the fiscal year beginning October 1, 2022, for the 33rd year. To

receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

Procurement received the 2023 UPPCC Excellence in Achievement (For demonstrating the pursuit of professional excellence through the achievement of the Agency Certification Award).

ACKNOWLEDGEMENTS

The preparation of this report has been accomplished with the efficient and dedicated service of the City's Finance and Accounting staff. I would like to express my appreciation to all members of the Finance Department staff, as well as other staff members who contributed to its preparation. I would also like to thank the Mayor and City Council for their continued support of City staff as we work to build a strong foundation to achieve our City's mission to provide quality services, promote economic growth, and ensure a safe and secure environment for Palm Bay residents and the public.

Respectfully submitted,

Suzanne Sherman
City Manager

Larry Wojciechowski
Director of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Palm Bay
Florida

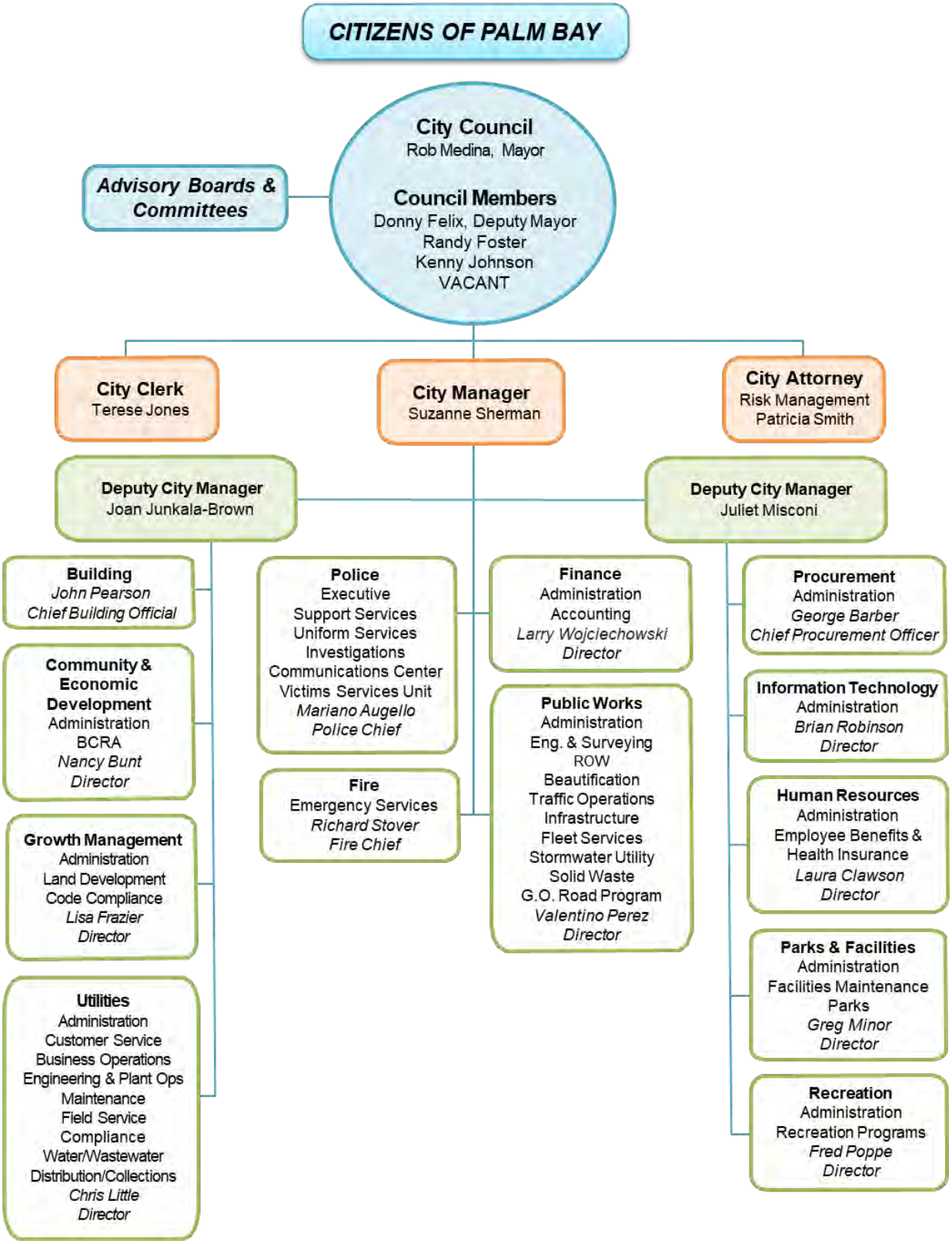
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrill

Executive Director/CEO

FY 2023 CITY OF PALM BAY ORGANIZATIONAL STRUCTURE



CITY OF PALM BAY, FLORIDA

LIST OF PRINCIPAL OFFICIALS

As of 9/30/2023

MAYOR	ROB MEDINA
DEPUTY MAYOR	DONNY FELIX
COUNCIL MEMBER, SEAT #3	RANDY FOSTER
COUNCIL MEMBER, SEAT #4	KENNY JOHNSON
COUNCIL MEMBER, SEAT #5	VACANT
CITY ATTORNEY	PATRICIA SMITH
CITY CLERK	TERESE JONES
CITY MANAGER	SUZANNE SHERMAN
DEPUTY CITY MANAGER	JOAN JUNKALA-BROWN
DEPUTY CITY MANAGER	JULIET MISCONI
CHIEF BUILDING OFFICIAL	JOHN PEARSON
CHIEF PROCUREMENT OFFICER	GEORGE BARBER
COMMUNITY & ECONOMIC DEVELOPMENT DIRECTOR	NANCY BUNT
FINANCE DIRECTOR	LARRY WOJCIECHOWSKI
FIRE CHIEF	RICHARD STOVER
GROWTH MANAGEMENT DIRECTOR	LISA FRAZIER
HUMAN RESOURCES DIRECTOR	LAURA CLAWSON
INFORMATION TECHNOLOGY DIRECTOR	BRIAN ROBINSON
PARKS & FACILITIES DIRECTOR	GREG MINOR
POLICE CHIEF	MARIANO AUGELLO
PUBLIC WORKS DIRECTOR - ACTING	VALENTINO PEREZ
RECREATION DIRECTOR	FRED POPPE
UTILITIES DIRECTOR	CHRISTOPHER LITTLE

MSL
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the City Council
City of Palm Bay, Florida

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 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 Police and Firefighters' Retirement System, which represents 100% of the assets, net position, and additions, of the pension trust fiduciary funds as of September 30, 2023. and the respective changes insofar as it relates to the amounts included for retirement trust funds, based solely on the report of the other auditors. 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 Police and Firefighters' Retirement System, are based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Emphasis-of-Matter

As discussed in Note 8 to the financial statements, in the fiscal year ended September 30, 2023, the City adopted the provisions of Government Accounting Standards Board Statement ("GASBS") Number 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The Other Supplementary Information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Other Supplementary Information section is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

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

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

The Honorable Mayor and
Members of the City Council
City of Palm Bay, Florida

INDEPENDENT AUDITOR'S REPORT
(Concluded)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated July 26, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
July 26, 2024

The City of Palm Bay, Florida's (the "City") Management's Discussion and Analysis (the "MD&A") presents this overview and analysis of the City's financial activities for the fiscal year ended September 30, 2023. Please read it in conjunction with the letter of transmittal in the introductory section, and the City's financial statements following the MD&A.

Financial Highlights

On September 30, 2023, assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2023 by $418.4 million (net position).

- Governmental funds reported combined ending fund balances of $212.1 million, as compared to $156.1 million as of September 30, 2022.
- General Fund reported an *unassigned* balance of $43.2 million or 52.9% of the total 2023 General Fund expenditures and transfers out.
- Outstanding long-term debt increased by $47.9 million during fiscal year 2023. This was primarily due to an issuance of General Obligation Bonds for road revitalization.
- The City's business-type activities reported total net position of $257.9 million, which is an increase of $31.3 million in comparison to the prior year. Approximately 7.2% of the total, or $19.4 million, is *unrestricted*.

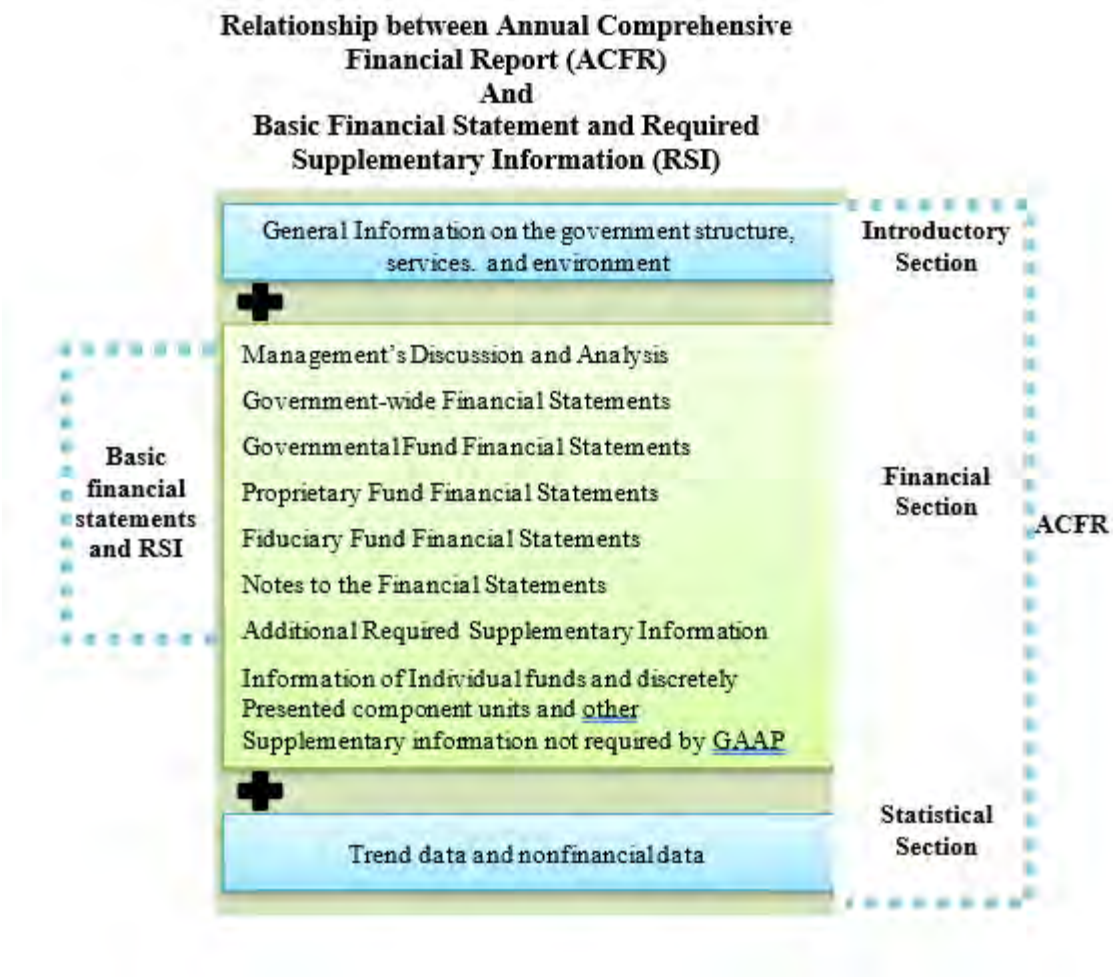
Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements 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.

The financial statement focus is on both the City as a whole (government-wide) and on the major individual funds. The following chart shows the relationship between the ACFR and the basic financial statements and Required Supplementary Information ("RSI").



Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. As described below, these statements do not include the City's fiduciary funds because resources of these funds cannot be used to finance the City's activities. However, the financial statements of fiduciary funds are included in the City's fund financial statements, because the City is financially accountable for those resources, even though they belong to other parties. The government-wide financial statements consist of the following two statements:

The *statement of net position* presents information on all of the City's assets and deferred outflow of resources compared to liabilities and deferred inflows resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Although the purpose of the City is not to accumulate net position, in general, as this amount increases it indicates that the financial position of the City is improving over time.

The s*tatement of activities* presents the revenue and expenses of the City. The items presented on the statement of activities are measured in a manner similar to the approach used in the private-sector in that revenues are recognized when earned and expenses are reported when incurred, regardless of the timing of related cash flows. Accordingly, revenues are reported even when they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

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

The governmental activities of the City include general government, public safety, physical environment, transportation, economic environment, and culture/recreation. The business-type activities of the City include water, sewer, stormwater utilities; solid waste and building inspections. The government-wide financial statements can be found immediately following the MD&A.

Fund financial statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the City rather than the City as a whole. 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 City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City 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 short-term inflow 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.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activity's columns of the government-wide financial statements. However, because a different accounting basis is used to prepare the fund financial statements and the government-wide financial statements, there are often significant differences between the totals presented. For this reason, there is an analysis after the balance sheet that reconciles the total fund balances to the amount of net position presented in the governmental activities column on the statement of net position. Also, there is an analysis after the statement of revenues, expenditures, and changes in fund balances that reconciles the total change in fund balances for all governmental funds to the change in net position as reported in the governmental activities column of the statement of activities.

The City maintains several individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Bayfront Community Redevelopment Agency, ARPA, Impact Fee Fund, Debt Service and GO Road Program Fund, which are major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the other supplemental information section of this report. The City adopts an annual appropriated budget for its general fund, in addition to all special revenue, capital project, debt service funds. Budgetary comparison schedules have been provided for these funds to demonstrate budgetary compliance.

The basic governmental fund financial statements may be found immediately following the government-wide financial statements of this report.

Proprietary funds

The City maintains two different types of proprietary funds. The City uses Enterprise Funds to account for business-type activities that charge fees to customers for the use of specific goods or services. These funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for the fiscal activities relating to water, sewer, stormwater utilities, solid waste, and building. The *internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses the internal service funds to account for its risk management, employee benefit programs and fleet services activities. Because these activities predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Utilities Fund, Stormwater Fund and Solid Waste Fund which are majors fund of the City. Building Inspection and the aggregate of Internal Service Funds are nonmajor funds.

The City's proprietary fund financial statements are presented on pages 33-38.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is like proprietary funds. The City only has one fiduciary fund, the Pension Trust Fund.

The City's fiduciary fund financial statements are presented on pages 39-40.

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 42-105 of this report.

Other information

In addition to the basic financial statements and accompanying notes, *required supplementary information* is included which presents budgetary comparison schedules for the City's General Fund and the major special revenue fund. The City adopts an annual appropriated budget for its governmental funds. This section includes a comparison between the City's adopted and final budget and actual financial results to demonstrate compliance with the budget. In addition, information concerning the City's progress in funding its obligation to provide pension benefits to its employees as well as other post-employment benefits is presented. Required supplementary information can be found following the notes to the financial statements.

The combining statements referred to earlier regarding non-major governmental funds are presented in the other supplemental information section of this report. Combining and individual fund schedules can be found after the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $418.4 million at the close of the fiscal year ended September 30, 2023. At the end of the fiscal year, the City is able to report positive balances in two categories of net position, both in business-type activities and government as a whole.

As shown in the table below, the largest portion of the City's net position $270.6 million or (65%) reflects its investment in capital assets (e.g., land, buildings, equipment, and infrastructure) less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets, except for some properties held for resale, are *not* available for future spending. Although the City'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.

The City has *restricted net position* of $137.4 million for capital improvement projects and special revenues. These resources are subject to external restrictions on how the funds may be used. Unrestricted net position can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. The City had $10.4 million of unrestricted net position as of September 30, 2023.

There was a net increase of $38.4 million in net position regarding the City's governmental activities.

There was a net increase of $31.3 in net position reported regarding the City's business-type activities, which include the Utilities Fund, Solid Waste Fund, Stormwater Utility Fund and the Building Inspections Fund. A detailed explanation is provided on page 14 of this report.

Net Position

	Governmental Activities		Business-type Activities		Total Activities	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	282,170,683	218,056,978	128,589,296	107,741,463	410,759,979	325,798,441
Capital Assets (Net)	199,948,217	164,112,887	186,855,401	174,067,795	386,803,618	338,180,682
Total Assets	482,118,900	382,169,865	315,444,697	281,809,258	797,563,597	663,979,123
Deferred Outflow of Resources						
Unamortized loss on refunding	14,185,687	15,080,089	74,757	149,514	14,260,444	15,229,603
Deferred Outflows for Pensions	36,170,127	46,455,218	—	—	36,170,127	46,455,218
Deferred Outflows for OPEB	1,961,543	1,547,179	619,435	488,582	2,580,978	2,035,761
Total Deferred Outflows of Resources	52,317,357	63,082,486	694,192	638,096	53,011,549	63,720,582
Current and Other Liabilities	31,212,847	28,759,813	14,901,254	13,312,106	46,114,101	42,071,919
Long-Term Liabilities	334,020,620	287,222,165	42,674,489	42,232,568	376,695,109	329,454,733
Total Liabilities	365,233,467	315,981,978	57,575,743	55,544,674	422,809,210	371,526,652
Deferred Inflow of Resources						
Deferred Inflows from Refunding	153,341	165,134	—	—	153,341	165,134
Deferred Inflows Related to Pensions	1,236,520	493,114	—	—	1,236,520	493,114
Deferred Inflows Related to OPEB	1,974,415	868,098	623,497	274,134	2,597,912	1,142,232
Deferred Inflows Related to Leases	5,347,327	5,635,799	—	—	5,347,327	5,635,799
Total Deferred Outflows of Resources	8,711,603	7,162,145	623,497	274,134	9,335,100	7,436,279
Net Position:						
Net Investment in Capital Assets	101,315,534	85,387,851	169,305,206	152,554,595	270,620,740	237,942,446
Restricted	68,182,257	51,525,101	69,237,638	57,507,936	137,419,895	109,033,037
Unrestricted (Deficit)	(9,006,604)	(14,804,724)	19,396,807	16,566,015	10,390,203	1,761,291
Total Net Position	**$ 160,491,187**	**$ 122,108,228**	**$ 257,939,651**	**$ 226,628,546**	**$ 418,430,838**	**$ 348,736,774**

There was an overall increase in the City's net position of $69.7 million which primarily resulted from (a) Completion of various GO Bond road improvement projects. (b) Additions to construction in progress for utilities water plant expansion. (c) Various infrastructure projects (d) ARPA grant funds.
A comparative analysis of government-wide changes in net position is as follows:

	Governmental Activities		Business-type Activities		Total Activities	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues						
Charges for Services	$ 32,097,079	$ 25,791,203	$ 70,127,095	$ 65,262,953	$ 102,224,174	$ 91,054,156
Operating Grants and Contributions	5,929,855	2,493,759	93,838	341,092	6,023,693	2,834,851
Capital Grants and Contributions	556,609	123,779	$10,116,972	18,805,325	10,673,581	18,929,104
General Revenues						
Property Taxes	56,145,684	47,027,598	—	—	56,145,684	47,027,598
Other Taxes	27,625,724	24,483,813	—	—	27,625,724	24,483,813
Other	28,011,642	17,295,468	4,567,146	(92,898)	32,578,788	17,202,570
Total Revenues	**150,366,593**	**117,215,620**	**84,905,051**	**84,316,472**	**235,271,644**	**201,532,092**
Expenses:						
General Government	26,682,060	22,035,872	—	—	26,682,060	22,035,872
Public Safety	57,713,891	47,613,036	—	—	57,713,891	47,613,036
Physical Environment	655,120	656,175	—	—	655,120	656,175
Transportation	14,129,877	11,732,699	—	—	14,129,877	11,732,699
Economic Environment	4,942,951	3,155,605	—	—	4,942,951	3,155,605
Culture/Recreation	2,975,379	2,480,305	—	—	2,975,379	2,480,305
Interest on Long-Term Debt	6,312,137	6,919,093	—	—	6,312,137	6,919,093
Water and Wastewater	—	—	27,544,424	25,050,894	27,544,424	25,050,894
Building Inspections	—	—	4,812,291	4,290,827	4,812,291	4,290,827
Stormwater	—	—	5,949,957	5,251,915	5,949,957	5,251,915
Solid Waste	—	—	13,859,494	13,007,692	13,859,494	13,007,692
Total expenses	**113,411,415**	**94,592,785**	**52,166,166**	**47,601,328**	**165,577,581**	**142,194,113**
Change in Net Position before transfers	36,955,178	22,622,835	32,738,885	36,715,144	69,694,063	59,337,979
Transfers	1,427,781	1,327,695	(1,427,781)	(1,327,695)	—	—
Change in Net Position	38,382,959	23,950,530	31,311,104	35,387,449	69,694,063	59,337,979
Net Position, beginning of year	122,108,228	98,157,698	226,628,546	191,241,097	348,736,774	289,398,795
Net Position, end of year	**$ 160,491,187**	**$ 122,108,228**	**$ 257,939,650**	**$ 226,628,546**	**$ 418,430,837**	**$ 348,736,774**

Governmental Activities

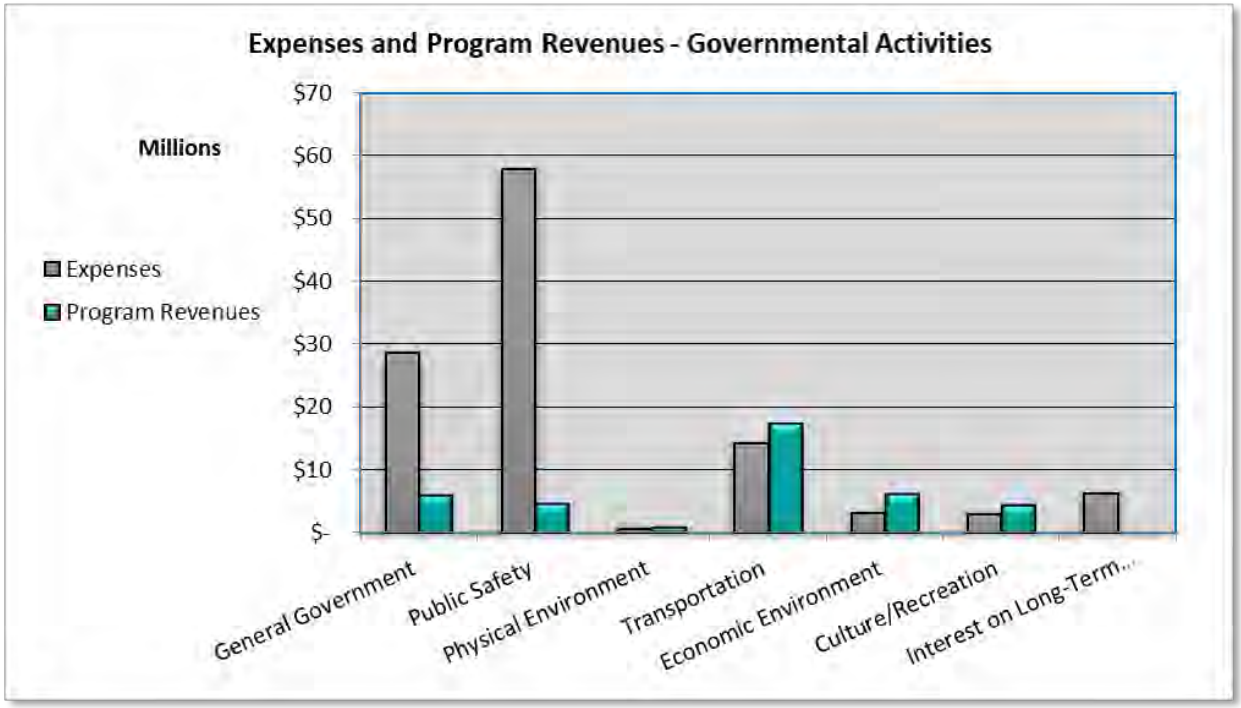
Governmental activities increased the City's net position by $38.4 million, and revenues from governmental activities increased by $33.1 million or 28.3%. The main reasons were (a) increase in charges for services. In particular impact fees from construction and development. (b) Property tax collection based on increases in assessed valuation.

The following tables show the components of program and general revenues as a percentage of total governmental activities by function. Public safety which includes police and fire had the largest allocation at 50.9%, followed by general government at 23.5% which includes administrative activities. Allocations to transportation activities which is predominately public works related transactions accounted for 12.5% of the allocation.

Expenses and Program Revenues - Governmental Activities

Functions/Programs	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
General Government	$ 26,682,060	23.5 %	$ 5,869,351	15.2 %	$ (20,812,709)
Public Safety	57,713,891	50.9 %	4,452,262	11.5 %	(53,261,629)
Physical Environment	655,120	0.6 %	856,429	2.2 %	201,309
Transportation	14,129,877	12.5 %	17,064,926	44.2 %	2,935,049
Economic Environment	4,942,951	4.4 %	5,980,174	15.5 %	1,037,223
Culture/Recreation	2,975,379	2.6 %	4,360,401	11.3 %	1,385,022
Interest on Long-Term Debt	6,312,137	5.6 %	—	0.0 %	(6,312,137)
	$ 113,411,415	100 %	$ 38,583,543	100 %	$ (74,827,872)

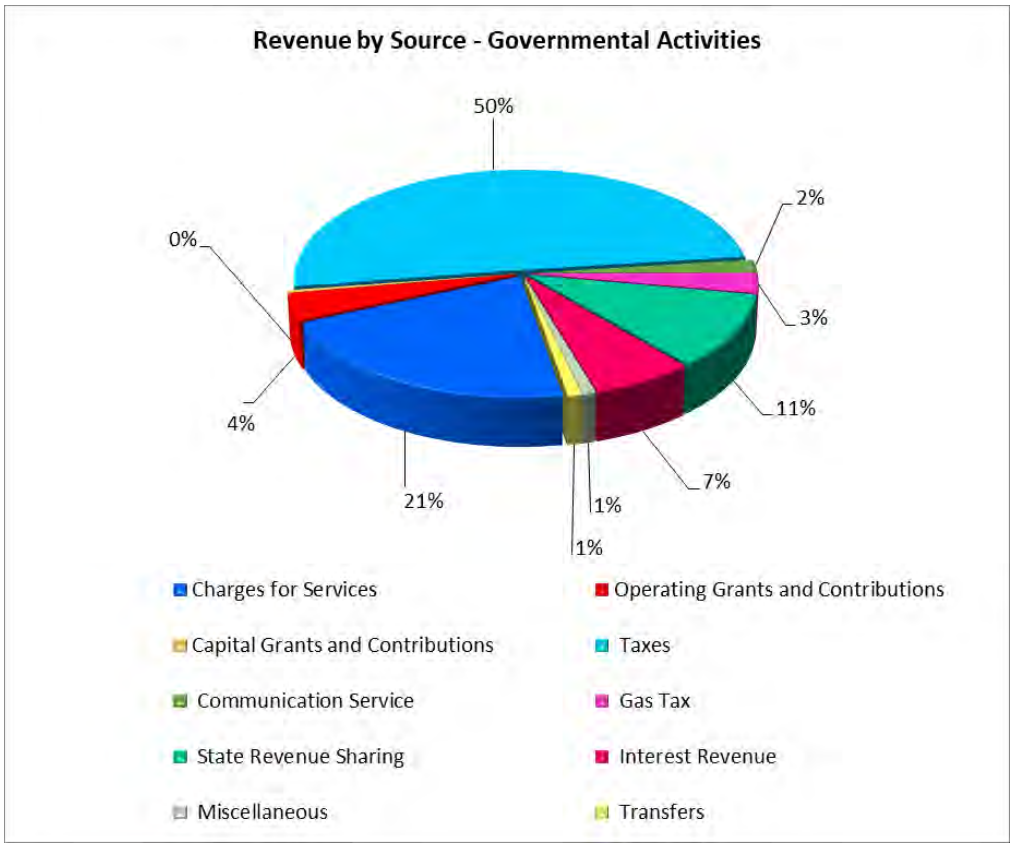
The following chart compares expenses and program revenues for the governmental activities:



The following table and chart show revenues by source of governmental activities by percent of total revenues. Property taxes accounted for 36.99% of the revenues used to fund governmental functions. Combined revenue from other forms of taxes totaled 18.19%, while state revenue sharing sources provided 10.90% of the total revenue source.

Revenue by Source - Governmental Activities

Program Revenues		
Charges for Services	$ 32,097,079	21.15 %
Operating Grants and Contributions	5,929,855	3.91 %
Capital Grants and Contributions	556,609	0.37 %
General Revenues		
Property Tax	56,145,684	36.99 %
Franchise Fees	8,104,510	5.34 %
Utility Service Tax	12,225,888	8.05 %
Communication Service Tax	2,830,974	1.86 %
Gas Tax	4,464,352	2.94 %
State Revenue Sharing	16,543,010	10.90 %
Interest Earnings	10,108,687	6.66 %
Miscellaneous	1,359,945	0.89 %
Transfers	1,427,781	0.94 %
	$ 151,794,374	100.00 %



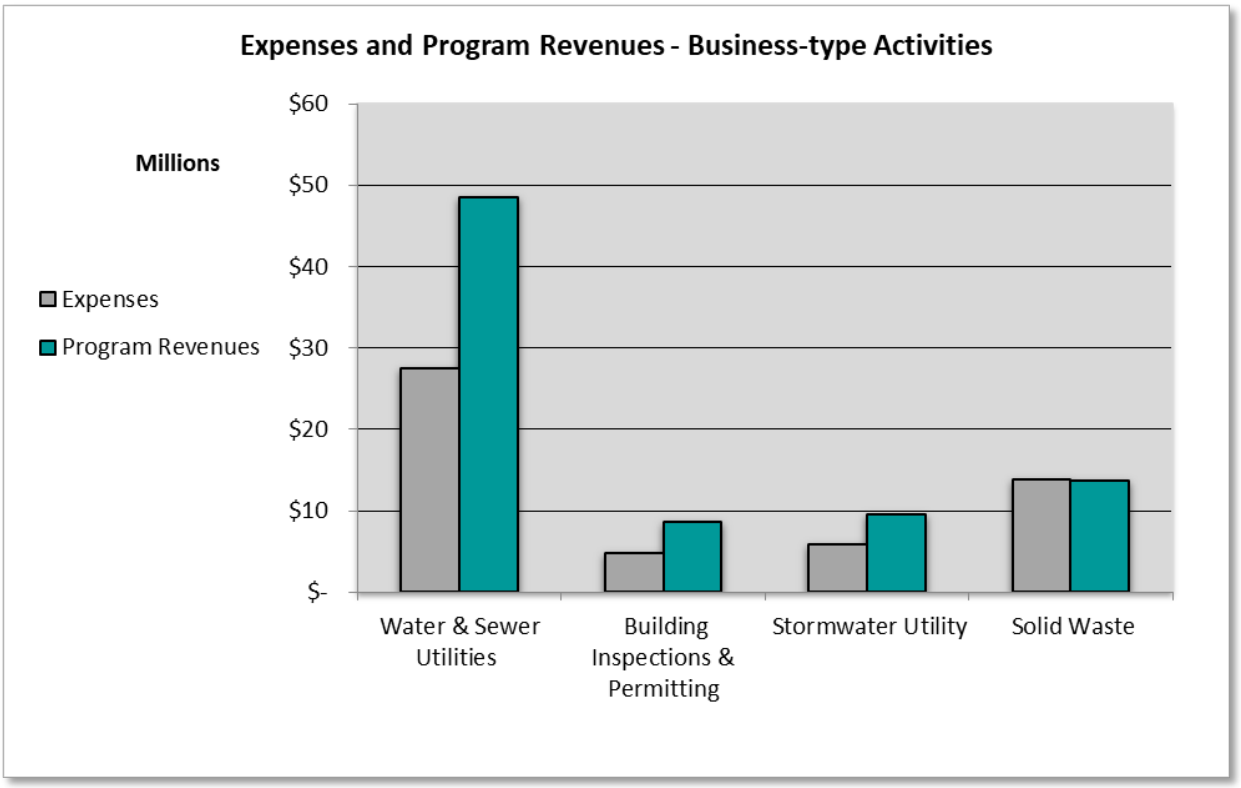
Business-type activities

As previously mentioned, business-type activities increased the City's total net position by $31.3 million. This change resulted in large part from increased water and sewer mainline contribution, solid waste collections and building permit fees arising from construction.

The following tables show the components of program and general revenues as a percentage of total for business-type activities:

Expenses and Program Revenues - Business-type Activities

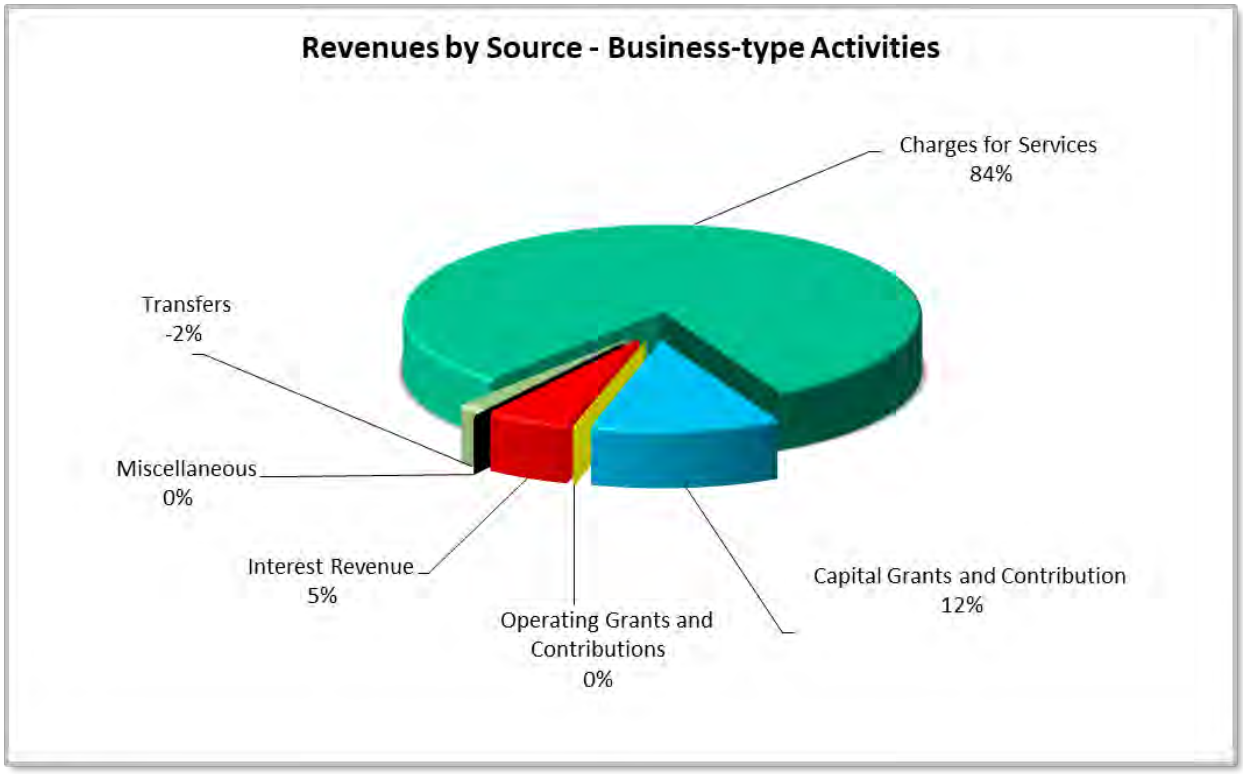
Functions/Programs	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
Water & Sewer Utilities	$ 27,544,424	52.8 %	$ 48,433,007	60.3 %	$ 20,888,583
Building Inspections & Permitting	4,812,291	9.2 %	8,625,480	10.7 %	3,813,189
Stormwater Utility	5,949,957	11.4 %	9,564,325	11.9 %	3,614,368
Solid Waste	13,859,494	26.6 %	13,715,093	17.1 %	(144,401)
	$ 52,166,166	100 %	$ 80,337,905	100 %	$ 28,171,739



As shown in the table and chart below, the primary revenue source for business-type activities was charges for service. This category is comprised of water and sewer, stormwater, solid waste and building inspection fees. Charges for services accounted for 84.01% of the total business-type activity revenue stream. Capital grants and contributions accounted for 12.12% of the revenue pool.

Revenues by Source - Business-type Activities

Charges for Services	$ 70,127,095	84.01 %
Capital Grants and Contributions	10,116,972	12.12 %
Operating Grants and Contributions	93,838	0.11 %
Interest Revenue	4,516,988	5.41 %
Miscellaneous	50,158	0.06 %
Transfers	(1,427,781)	(1.71)%
	$ 83,477,270	100.01 %



Financial Analysis of the City's Funds

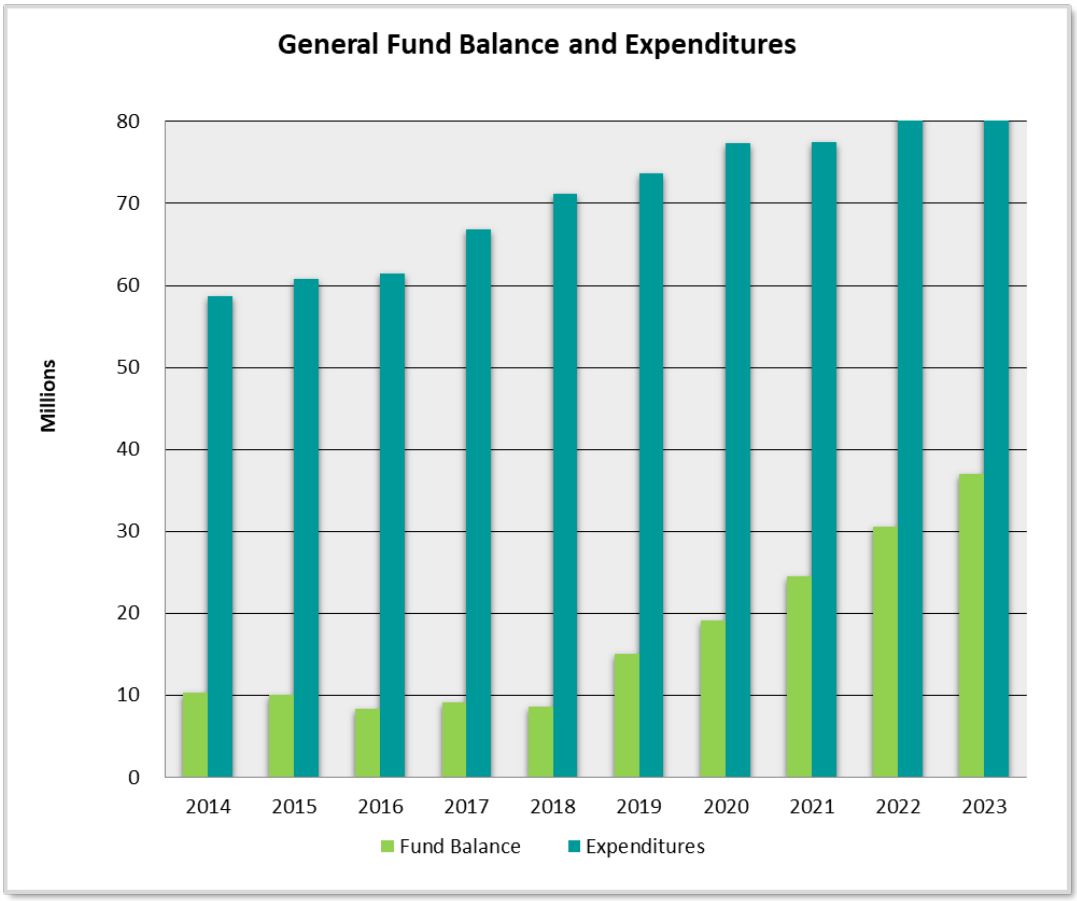
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

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

As of the end of fiscal year 2023, the City's governmental funds reported combined ending fund balances of $212.1 million, an increase of $56.1 million in comparison with the prior year. This increase is principally due to impact fee revenues from construction growth and expansion. Additionally, the City experienced increases in most tax categories above projections. *Non-Spendable* fund balance is $10,114 and is comprised of prepaid items and inventory. *Restricted* fund balance is $151.8 million and represents 71.6% of the total fund balance. *Committed* fund balance was $14.1 million. *Assigned* fund balance is $3.1 million. *Unassigned* fund balance*,* which is the residual, had a balance of approximately $43.1 million.

The General Fund is the chief operating fund of the City. At the end of fiscal year 2023, *unassigned* fund balance of the General Fund was $43.2 million, while total fund balance reached $50.6 million. As a measure of the General Fund's liquidity, it may be useful to compare both *unrestricted* fund balance and total fund balance to total fund expenditures and transfers out. The City's General Fund, fund balance increased is primarily a result of ad valorem revenues which are based on Brevard County assessed property valuations. The City's ad valorem rate is restricted to an increase of not more than three percent (3.00%) over the budgeted revenue for the previous fiscal year. FY23 revenues from ad valorem taxes was approximately 19% over FY22. A secondary reason for the increase in fund balance is due to state revenue sharing such as half-cent sales tax, sales and uses taxes. In January 2021, the City amended its Fund Balance Police in accordance with Resolution 2021-03 which supersedes Resolution 2011-34. The Policy established stabilization funds allowing the City to set aside committed funds for unexpected revenue shortfall or budget deficits. The City will maintain a permanent Emergency Contingency Fund with an annual assignment of balance of 4% on unrestricted fund balance. The General Fund committed fund balance of $6.8 million, includes $1.9 million in accordance with Resolution 2021-03. Further details and General Fund budgetary highlights can be found pages 18 - 19 of this report.



The Bayfront Community Redevelopment Agency Fund (BCRA) is used to account for ad valorem tax increment revenues accumulated for the community development areas where taxes were assessed. BCRA fund balance increase by $1,191,079 in fiscal year 2023 to $2.66 million.

The Debt Service Fund is used to accumulate resources for the payment of principal and interest of City bonds, notes, and lease obligations. At the end of fiscal year 2023, Debt Service Fund has a restricted net position of $6.1 million.

GO Road Program Fund is used to account for proceeds from the City's General Obligation Bonds, Series 2019, 2021 and 2023. These funds have been designated to overhaul and revitalize the City's roadways. At the end of fiscal year 2023, the overall restricted net position of the GO Road Program Fund was $76.5 million.

The Impact Fee Fund accounts for revenues generated from new development and used for the acquisition and or improvement of police, fire, and recreation facilities in addition to expansion of the City's major road network system. At the end of fiscal year 2023, the Impact Fee Fund had a restricted net position of $64.8 million.

The ARPA (American Rescue Plan Act) Fund accounts for a federal grant issued to offset revenue loss due to COVID-19, pay premium for essential workers and invest in broadband infrastructure. The City was awarded a second tranche of $9.0 million for varied purposes in FY22. Over the past three years, only $3.7 million has been expended. The remaining grants funds of approximately $14 million are designated as unearned revenue. The ARPA fund recognized revenue equal to its expenditures, therefore in FY23 a zero-fund balance was realized.

Enterprise funds

The City's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail. The City has four enterprise funds, of which Utilities, Stormwater Utility and Solid Waste are major funds. Building Inspections is a non-major fund. *Unrestricted* net position of the enterprise funds at the end of the year were $19.4 million. The total net position of the Utilities Fund, increased by $22.7 million in fiscal year 2023. Stormwater's net position of $29.4 million is a $4.2 million increase over fiscal year 2023. Reductions in operating expenses was instrumental in attaining the stated increase. Solid Waste's net position is $439,701, which is a decrease of $63,949 from fiscal year 2022. The City increased its user fees in FY23 which generated additional revenue; however, it was offset by an increase in third-party administrative costs. There continues to be significant activities in residential and commercial construction. Due to the volume of permits and other building service, the Building Inspection Fund experienced an increase in net position of $4.5 million over fiscal year 2022 and ended the fiscal year with a restricted net position of $18.2 million.

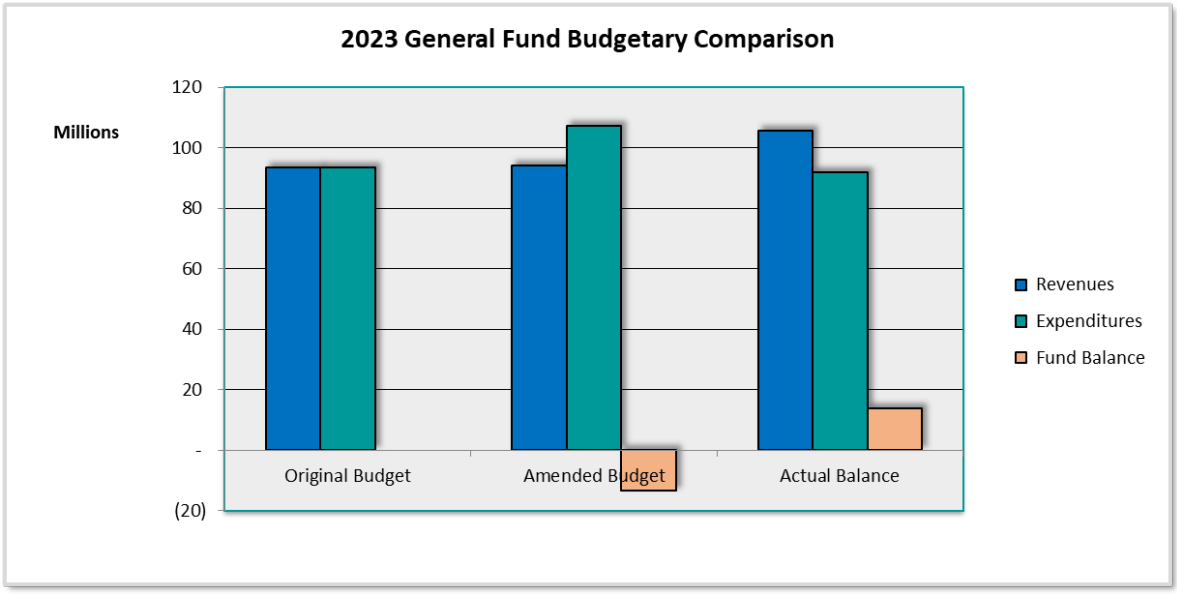
General Fund Budgetary Highlights

General Fund original budgeted revenue of $93,375,216 is $10.1 million more than the prior year. The total final budgeted revenues were less than actual revenues by $12.2 million. Several revenue streams such as local option gas tax, franchise fees and state revenue sharing recognized larger receipt than originally projected.

General Fund original budgeted expenditures total $93,375,216, representing an increase of $10.1 million from FY 2022. Actual expenditures were $15.7 million less than final budget.

The budget is based upon an estimated unreserved fund balance as of September 30, 2022 of $34,308,918. The minimum fund balance for FY23, as established by administrative code, is $13,838,672 and adheres to the stipulations of Resolution 2021-03 requiring a minimum fund balance of two months of regular budgetary General Fund operating expenditures (excluding capital and transfers).

The City generated positive/(negative) variances in the General Fund. There was a cumulative positive variance of approximately $27.2 million between the final adopted budget and actual results of operations.



The FY 22 adopted millage rate was 7.5995 mills and remains the same for FY23.

Capital Asset and Debt Administration

Capital Assets

The City's total investment in capital assets for its governmental and business-type activities as of September 30, 2023 is $386.8 million (net of accumulated depreciation/amortization). Investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, vehicles, infrastructure, construction in progress and right to use assets.

A summary of government-wide capital assets is presented below:

	Governmental Activities		Business-type Activities		Total Activities	
	2023	2022	2023	2022	2023	2022
Land	$ 16,119,887	$ 16,119,887	$ 5,138,205	$ 5,138,205	$ 21,258,092	$ 21,258,092
Construction in Progress	50,830,741	22,770,203	47,990,827	42,811,717	98,821,568	65,581,919
Buildings and Improvements	36,950,559	36,833,151	9,148,841	2,886,341	46,099,400	39,719,492
Water and Sewer System	—	—	200,875,172	196,455,365	200,875,172	196,455,365
Machinery and Equipment	34,261,072	31,833,414	13,022,808	11,620,989	47,283,880	43,454,403
Infrastructure	188,945,013	175,606,093	12,255,297	11,494,808	201,200,310	187,100,901
Right to Use Asset - Building	—	—	561,503	561,503	561,503	561,503
Right to Use - SBITA	1,950,817	—	—	—	1,950,817	—
	329,058,090	283,162,748	288,992,653	270,968,928	618,050,742	554,131,675
Less: Accum. Depreciation/Amortization	(129,109,873)	(119,049,861)	(102,137,246)	(96,901,132)	(231,247,119)	(215,950,993)
Capital Assets, net	**$ 199,948,217**	**$ 164,112,887**	**$ 186,855,407**	**$ 174,067,796**	**$ 386,803,623**	**$ 338,180,682**

Major capital asset projects and activities during the current fiscal year include the following:

- Completed transportation project related to road maintenance, rejuvenation and reconstruction totaled $13.3 million.
- Road construction projects still in progress at the end of the year totaled $50.8 million.
- Water and sewer improvement projects in progress during the year totaled $20.3 million.
- Developers Capital contribution of $3.2 million.

Additional information on the City's capital assets can be found in Note 7 of this report.

Long-term debt

At the end of fiscal year 2023, the City had total long-term liabilities of $367.2 million. Of this amount $94.0 million is secured solely by specified revenue sources (i.e., revenue bonds, revenue notes).

Outstanding Long-Term Debt and Claims Payable

	Governmental Activities		Business-type Activities		Total Activities	
	2023	2022	2023	2022	2023	2022
General Obligation Bonds	$ 150,410,120	$ 103,443,852	$ —	$ —	$ 150,410,120	$ 103,443,852
Revenue Bonds	64,814,167	67,431,134	3,448,917	4,007,963	68,263,084	71,439,097
Notes Payable	14,944,000	16,464,000	10,842,000	16,073,000	25,786,000	32,537,000
State Revolving Fund Loan	—	—	15,049,579	8,275,334	15,049,579	8,275,334
Financed Purchase Payable	4,718,976	5,133,570	—	—	4,718,976	5,133,570
SBITA Payable	1,000,341	—	—	—	1,000,341	—
Lease Liability	—	—	434,053	500,678	434,053	500,678
Net Pension Liability	78,282,082	75,699,986	—	—	78,282,082	75,699,986
OPEB Liability	9,893,043	9,870,404	3,124,118	3,116,970	13,017,161	12,987,374
Compensated Absences	6,204,859	5,417,667	1,245,484	1,049,054	7,450,343	6,466,721
Claims Payable	3,753,031	3,670,418	—	—	3,753,031	3,670,418
	$ 334,020,619	**$ 287,131,031**	**$ 34,144,151**	**$ 33,022,999**	**$ 368,164,770**	**$ 320,154,030**

Outstanding Long-Term Debt Activities:

- Net pension liability increased due to depreciation in investment income based on actuarial projections.
- FY23 drawdown on the State Revolving Loan agreement was $15 million.

Additional information on the City's debt can be found in Note 8 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the City at September 30, 2023 was 2.8%. The State of Florida's unemployment rate was 3% while national average unemployment rate for 2023 was 3.8%.
- Population increased approximately 5.3% from the prior year.
- The taxable value of real property for the City increased by 39.0% in the 2023 fiscal year.
- Building activity resulted in $341.0 million of new construction during the year, which is an increase of $132.9 million from the previous year. A graphical presentation of the change in taxable value from new construction for the past ten years is presented below:



During the current fiscal year, *unassigned* fund balance in the General Fund increased to $43.2 million.

The ad valorem tax rate for the General Fund in fiscal year 2023 was 7.5995 mills.

Requests for Information

This financial report is designed to present users with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions concerning any of the information provided in this report or need additional financial information, contact the City's Finance Department, 120 Malabar Road, S.E., Palm Bay, Florida 32907-3009. The Annual Comprehensive Financial Report for fiscal year 2022/2023 can also be found on the City's website at www.palmbayflorida.org.

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STATEMENT OF NET POSITION
September 30, 2023

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 25,527,515	$ 12,957,923	$ 38,485,438
Investments	67,653,375	42,861,619	110,514,994
Restricted Assets:			
Cash and Cash Equivalents	18,377,339	28,978,215	47,355,554
Investments	155,675,988	31,133,599	186,809,587
Accounts Receivable (Net)	4,411,568	11,754,379	16,165,947
Lease Receivables	5,635,020	—	5,635,020
Due from Other Governments	4,300,484	24,258	4,324,742
Inventories	327,839	835,587	1,163,426
Prepaid Items	43,932	43,716	87,648
Capital Assets Not Being Depreciated:			
Land	16,119,887	5,138,205	21,258,092
Construction in Progress	50,830,741	47,990,824	98,821,565
Capital Assets, Net of Accumulated Depreciation/Amortization:			
Building and Improvements	14,656,872	7,413,940	22,070,812
Right to Use Asset - Building	—	401,074	401,074
Right to Use Asset - SBITA	1,257,042	—	—
Water and Sewer Systems	—	110,489,193	110,489,193
Machinery, Equipment and Vehicles	8,935,049	4,311,940	13,246,989
Infrastructure	108,148,626	11,110,225	119,258,851
Net Pension Asset	217,623	—	217,623
Total Assets	482,118,900	315,444,697	796,306,555
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized Loss from Bond Refunding	14,185,687	74,757	14,260,444
Deferred Outflows Related to Pensions	36,170,127	—	36,170,127
Deferred Outflows Related to OPEB	1,961,543	619,435	2,580,978
Total Deferred Outflows of Resources	52,317,357	694,192	53,011,549

Continued on the next page

STATEMENT OF NET POSITION (CONTINUED)
September 30, 2023

	Primary Government		
	Governmental	Business-type	Total
LIABILITIES			
Accounts Payable	10,429,354	4,786,069	15,215,423
Accrued Liabilities	1,197,202	351,003	1,548,205
Due to Other Governments	85,138	—	85,138
Unearned Revenues	17,327,524	4,491,600	21,819,124
Liabilities Payable from Restricted Assets:			
Accrued Interest Payable	2,173,629	—	2,173,629
Customer Deposits	—	5,272,582	5,272,582
Long-Term Liabilities:			
Due Within One Year:			
Bonds Payable	6,548,286	521,064	7,069,350
Notes Payable	1,570,000	1,276,000	2,846,000
Claims Payable	1,254,871	—	1,254,871
OPEB Liability	1,582,887	499,859	2,082,746
Compensated Absences	992,777	199,277	1,192,054
Financed Purchase Payable	431,787	—	431,787
Building Lease Payable		66,625	66,625
SBITA Payable	737,931	—	737,931
Due in More Than One Year:			
Bonds Payable	208,676,002	2,927,853	211,603,855
State Revolving Loan Payable	—	15,049,579	15,049,579
Notes Payable	13,374,000	9,566,000	22,940,000
Financed Purchase Payable	4,287,189	—	4,287,189
Building Lease Payable	—	367,428	367,428
SBITA Payable	262,410	—	—
Accreted Interest Payable	—	8,530,338	8,530,338
Claims Payable	2,498,160	—	2,498,160
Total OPEB Liability	8,310,157	2,624,259	10,934,416
Net Pension Liability	78,282,082	—	78,282,082
Compensated Absences	5,212,081	1,046,207	6,258,288
Total Liabilities	365,233,467	57,575,743	422,546,800
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows from Bond Refunding	153,341	—	153,341
Deferred Inflows Related to Pensions	1,236,520	—	1,236,520
Deferred Inflows Related to OPEB	1,974,415	623,497	2,597,912
Deferred Inflows Related to Leases	5,347,327	—	5,347,327
Total Deferred Inflows of Resources	8,711,603	623,497	9,335,100
NET POSITION			
Net Investment in Capital Assets	101,315,534	169,305,205	270,620,739
Restricted for:			
Transportation	57,742,061	—	57,742,061
Economic Development	4,242,802	—	4,242,802
Debt Service Reserve	3,927,688	1,920,000	5,847,688
Building Inspections	—	17,269,741	17,269,741
Water and Sewer Utilities System	—	50,047,897	50,047,897
Internal Service Fund Claim Reserves	1,800,000	—	1,800,000
Public Safety	252,083	—	252,083
Pension Benefits	217,623	—	217,623
Unrestricted (Deficit)	(9,006,604)	19,396,807	10,390,203
Total Net Position	$ 160,491,187	$ 257,939,650	$ 418,430,837

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

STATEMENT OF ACTIVITIES
For Fiscal Year Ended September 30, 2023

Functions/Programs:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total
Governmental Activities:							
General Government	$ 26,682,060	$ 5,867,097	$ 2,250	$ —	$ (20,812,713)	$ —	$ (20,812,713)
Public Safety	57,713,891	3,919,055	533,210	—	(53,261,626)	—	(53,261,626)
Physical Environment	655,120	856,430	—	—	201,310	—	201,310
Transportation	14,129,877	16,508,317	—	556,609	2,935,049	—	2,935,049
Economic Environment	4,942,951	685,405	5,294,769	—	1,037,223	—	1,037,223
Culture/Recreation	2,975,379	4,260,775	99,626	—	1,385,022	—	1,385,022
Interest on Long-Term Debt	6,312,137	—	—	—	(6,312,137)	—	(6,312,137)
Total Governmental Activities	113,411,415	32,097,079	5,929,855	556,609	(74,827,872)	—	(74,827,872)
Business-type Activities:							
Water and Sewer Utilities	27,544,424	38,222,197	93,838	10,116,972	—	20,888,583	20,888,583
Building Inspections & Permitting	4,812,291	8,625,480	—	—	—	3,813,189	3,813,189
Stormwater Utility	5,949,957	9,564,325	—	—	—	3,614,368	3,614,368
Solid Waste	13,859,494	13,715,093	—	—	—	(144,401)	(144,401)
Total Business-type Activities	52,166,166	70,127,095	93,838	10,116,972	—	28,171,739	28,171,739
Total	$ 165,577,581	$ 102,224,174	$ 6,023,693	$ 10,673,581	$ (74,827,872)	$ 28,171,739	$ (46,656,133)
General Revenues:							
Taxes:							
Property Tax					56,145,684	—	56,145,684
Franchise Fees					8,104,510	—	8,104,510
Utility Service Tax					12,225,888	—	12,225,888
Communication Service Tax					2,830,974	—	2,830,974
Gas Tax					4,464,352	—	4,464,352
State Revenue Sharing (unrestricted)					16,543,010	—	16,543,010
Investment Earnings					10,108,687	4,516,988	14,625,675
Miscellaneous					1,359,945	50,158	1,410,103
Transfers					1,427,781	(1,427,781)	—
Total General Revenues/Transfers					113,210,831	3,139,365	116,350,196
Change in Net Position					38,382,959	31,311,104	69,694,063
Net Position - Beginning					122,108,228	226,628,546	348,736,774
Net Position - Ending					$ 160,491,187	$ 257,939,650	$ 418,430,837

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

BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2023

	General	ARPA Fund	Bayfront Community Redevelopment Agency Fund	Impact Fee Funds	Debt Service Fund	GO Road Program Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
Cash and Cash Equivalents	$ 11,840,549	$ —	$ —	$ —	$ —	$ —	$ 2,623,278	$ 14,463,827
Investments	34,388,893	—					9,008,545	43,397,438
Restricted Assets:								—
Cash and Equivalents	—	1,329,181	326,130	13,506,140	1,145,669	315,234	1,754,985	18,377,339
Investments		13,696,950	2,337,636	51,500,639	4,953,567	83,054,725	132,471	155,675,988
Accounts Receivable	4,181,767	639	—	81,504	—	—	—	4,263,910
Due from Other Governments	3,524,446	—	—	—	2,082	—	723,653	4,250,181
Due from Other Funds	119,109	—	—	—	—	—	—	119,109
Lease Receivable	5,635,020	—	—	—	—	—	—	5,635,020
Prepaid Items	7,659	—	—	—	—	—	352	8,011
Inventory	2,103	—	—	—	—	—	—	2,103
Total Assets	$ 59,699,547	$ 15,026,770	$ 2,663,766	$ 65,088,283	$ 6,101,318	$ 83,369,959	$ 14,243,284	$ 246,192,926
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts Payable	$ 2,248,891	$ 45,454	$ —	$ 322,517	$ —	$ 6,887,852	$ 668,122	$ 10,172,836
Accrued Liabilities	1,020,663	—	—	—	—	—	—	1,020,663
Due to Other Funds	—	—	—	—	—	—	119,109	119,109
Unearned Revenue	438,018	14,981,316	—	—	—	—	1,908,190	17,327,524
Advances from Other Funds	—	—	—	—	—	—	—	—
Due to Other Governments	—	—	—	—	—	—	85,138	85,138
Total Liabilities	3,707,572	15,026,770	—	322,517	—	6,887,852	2,780,559	28,725,270
DEFERRED INFLOW OF RESOURCES								
Deferred Inflows for Leases	5,347,327	—	—	—	—	—	—	5,347,327
Total Deferred Inflow of Resources	5,347,327	—	—	—	—	—	—	5,347,327
Fund Balances:								
Nonspendable	9,762	—	—	—	—	—	352	10,114
Restricted	—	—	2,663,766	64,765,766	6,101,318	76,482,107	1,830,767	151,843,724
Committed	6,792,295	—	—	—	—	—	7,306,133	14,098,428
Assigned	636,274	—	—	—	—	—	2,455,683	3,091,957
Unassigned (Deficit)	43,206,318	—	—	—	—	—	(130,210)	43,076,108
Total Fund Balances	50,644,649	—	2,663,766	64,765,766	6,101,318	76,482,107	11,462,725	212,120,331
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 59,699,548	$ 15,026,770	$ 2,663,766	$ 65,088,283	$ 6,101,318	$ 83,369,959	$ 14,243,284	$ 246,192,928

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

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RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
September 30, 2023

Total fund balances of governmental funds		**$ 212,120,331**
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. The cost of the assets is $312,637,936 and the accumulated depreciation is $119,110,130. Internal service funds capital assets of $14,355,632 and accumulated depreciation of $9,305,969 are included in the internal service funds balances below.		194,898,554
Net pension assets are not financial resources and therefore are not reported in the funds.		217,623
Deferred outflows and inflows of resources for changes in Pension assumptions and projections in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Deferred Outflows of Resources		36,170,127
Deferred Inflows of Resources		(1,236,520)
Deferred outflows and inflows of resources for changes in OPEB assumptions and projections in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Deferred Outflows of Resources		1,909,924
Deferred Inflows of Resources		(1,922,458)
Deferred Inflows of resources for loss on bond refunding		(153,341)
Unamortized refunding charges are reported as expenditures in the funds because current financial resources are used. They are amortized over the life of the debt in the government-wide statements.		14,185,687
The internal service fund is used by management to charge the costs of employee benefits and risk management services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		36,406,035
Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the Statement of Net Position. The amount for internal service funds includes compensated absences of $76,101 ($12,176 current and $63,925 long-term) and total OPEB liability of $260,343		
Long-term liabilities at year end consist of :		
General Obligation Bonds Payable	$ (150,410,120)	
Revenue Bonds Payable	(64,814,167)	
Notes Payable	(14,944,000)	
SBITA Payable	(1,000,341)	
Accrued Interest Payable	(2,173,629)	
Financed Purchase Payable	(4,718,976)	
Net Pension Liability	(78,282,082)	
Total OPEB Liability	(9,632,700)	
Compensated Absences	(6,128,758)	(332,104,773)
Total net position of governmental activities		**$ 160,491,187**

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS
For Fiscal Year Ended September 30, 2023

	General	ARPA Fund	Bayfront Community Redevelopment Agency	Impact Fee Funds	Debt Service Fund	GO Road Program Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES								
Taxes	$ 66,771,246	$ —	$ 2,394,530	$ —	$ 7,036,955	$ —	$ —	$ 76,202,731
Impact Fees	—	—	—	22,398,807	—	—	—	22,398,807
Licenses and Permits	8,799,519	—	—	—	—	—	—	8,799,519
Intergovernmental Revenues	17,278,956	1,752,267	—	—	—	—	4,198,737	23,229,960
Charges for Services	7,541,719	—	—	—	—	15,200	913,478	8,470,397
Fines and Forfeitures	443,560	—	—	—	—	—	9,864	453,424
Investment Income	2,193,848	687,327	138,224	2,226,606	335,430	2,542,169	544,365	8,667,969
Miscellaneous Revenues	777,468	—	—	—	—	—	210,647	988,115
Total Revenues	103,806,316	2,439,594	2,532,754	24,625,413	7,372,385	2,557,369	5,877,091	149,210,922
EXPENDITURES								
Current:								
General Government	28,247,864	—	—	—	3,022	—	110,876	28,361,762
Public Safety	47,393,914	—	—	104,870	—	—	61,539	47,560,323
Physical Environment	—	—	—	—	—	—	55,777	55,777
Transportation	7,650,973	—	—	641,489	—	223,309	89	8,515,860
Economic Environment	—	2,283,592	479,133	—	—	—	2,050,445	4,813,170
Culture/Recreation	2,254,378	—	—	128	—	—	—	2,254,506
Debt Service:								
Principal Retirement	—	—	—	—	8,235,482	—	—	8,235,482
Interest & Fiscal Charges	—	—	—	—	6,093,829	—	—	6,093,829
Capital Outlay		156,002	—	4,241,918	—	32,990,330	4,919,971	42,308,221
Total Expenditures	85,547,129	2,439,594	479,133	4,988,405	14,332,333	33,213,639	7,198,697	148,198,930
Excess (Deficiency) of Revenues Over Expenditures	18,259,187	—	2,053,621	19,637,008	(6,959,948)	(30,656,270)	(1,321,606)	1,011,992
OTHER FINANCING SOURCES (USES)								
Transfers In	1,799,365	—	—	235,578	10,672,201	56,982,780	3,176,340	72,866,264
Transfers Out	(8,353,581)	—	(1,002,311)	(417,315)	(3,381,752)	(56,982,780)	(1,071,523)	(71,209,262)
Proceeds from Sale of Capital Assets	20,153	—	139,769	—	—	—	—	159,922
Issuance of SBITA Liability	1,950,817	—	—	—	—	—	—	1,950,817
Issuance of Debt		—	—	—	—	50,000,000	—	50,000,000
Bond Premium	—	—	—	—	—	1,286,470	—	1,286,470
Total Other Financing Sources and (Uses)	(4,583,246)	—	(862,542)	(181,737)	7,290,449	51,286,470	2,104,817	55,054,211
Net Change in Fund Balances	13,675,941	—	1,191,079	19,455,271	330,501	20,630,200	783,211	56,066,203
Fund Balances - Beginning	36,968,708	—	1,472,687	45,310,495	5,770,817	55,851,907	10,679,514	156,054,128
Fund Balances - Ending	$ 50,644,649	$ —	$ 2,663,766	$ 64,765,766	$ 6,101,318	$ 76,482,107	$ 11,462,725	$ 212,120,331

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



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RECONCILIATION OF THE STATEMENT OF REVENUES,EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds.	**$**	**56,066,203**
Governmental funds report capital purchases as expenditures. However, in the statement of activities, the cost of those assets are depreciated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital purchases ($47,407,957) exceeds depreciation expense ($10,180,837) in the current period.		37,227,120
Governmental funds report only the proceeds from the sale of capital assets. However, in the Statement of Activities, the amount of the proceeds (if any) are shown net of the remaining book balance of the assets disposed. This is the amount of the gain or (loss) realized on the current year dispositions:		
Current Year Net Loss on Disposal		(30,203)
Proceeds from the sale of capital assets increase financial resources, but in the statement of activities, only a gain or loss is reported.		(159,922)
Proceeds from tower lease increase financial assets but not incorporated in the statements of activities		(288,472)
Pension contribution made subsequent to the measurement date is an expenditure in the governmental funds, but reported as a deferred outflow of resources in the government-wide financial statements.		8,640
Pension expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.		(13,586,974)
The repayment of principal is an expenditure in the governmental funds, but reduces liabilities in the statement of net position. In addition, the issuance of bonds and similar long-term debt provides current financial resources to governmental funds and therefore contribute to an increase in fund balance. In the statement of net position, however, issuing debt increases and payment of debt decreases long-term liabilities and does not affect the statement of activities. The amounts of the items that make up these differences in the treatment of long-term debt and related items are:		
Principal repayments:		
General Obligation Bonds		3,710,000
Revenue Bonds		2,590,888
Equipment Purchase Lease		414,594
Notes Payable		1,520,000
Amortization of Premium		636,281
Debt issued or incurred:		
Proceeds from Bonds Payable		(51,286,470)
Amortized Refunding Charges		(894,402)
Amortized Refunding Gains		(11,796)
Accrued Interest Payable on Long-Term Debt		(89,277)
Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available.		
Compensated Absences		(787,191)
Total OPEB Liability		(22,041)
SBITA Payable		(1,000,341)
The internal service fund is used by management to charge the costs of risk management services to other funds. The decrease in net position of the internal service fund is reported with governmental activities.		6,317,142
Change in net position of governmental activities.	**$**	**38,382,962**

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

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2023

	Business Type Activities - Enterprise Funds					
	Utilities Fund (Major Fund)	Stormwater (Major Fund)	Solid Waste (Major Fund)	Building Fund (Nonmajor Fund)	Total Enterprise Funds	Governmental Activities - Internal Service Funds
ASSETS						
Current Assets:						
Cash and Cash Equivalents	$ 4,902,768	$ 4,031,362	$ 834,385	$ 3,189,408	$ 12,957,923	$ 11,063,688
Investments	19,016,354	8,135,781	902,627	14,806,857	42,861,619	24,255,937
Restricted Cash and Cash Equivalents	4,836,184	—	436,398	—	5,272,582	—
Accounts Receivable - (Net)	7,638,095	2,967,597	1,160,050	12,835	11,754,379	147,658
Due from Other Government	—	60	—	—	24,258	50,303
Advances to Other Funds	—	—	—	—	—	
Inventory	835,587	—	—	—	835,587	325,736
Prepaid Items	16,614	—	—	27,102	43,716	35,921
Total Current Assets	37,245,602	15,134,800	3,333,460	18,036,202	73,750,064	35,879,243
Noncurrent Assets:						
Restricted Assets:						
Cash and Cash Equivalents	23,705,633	—	—	—	23,705,633	—
Investments	31,133,599	—	—	—	31,133,599	—
Total Restricted Assets	54,839,232	—	—	—	54,839,232	—
Capital Assets:						
Land	5,118,403	19,802	—	—	5,138,205	—
Construction in Progress	42,528,482	4,955,441	—	506,901	47,990,824	29,089
Building and Improvements	9,148,840	—	—	—	9,148,840	117,408
Right to use asset - building	—	—	—	561,503	561,503	—
Water and Sewer Systems	200,875,169	—	—	—	200,875,169	—
Infrastructure	—	12,255,297	—	—	12,255,297	—
Machinery, Equipment and Vehicles	5,430,937	4,294,488	2,560,000	737,383	13,022,808	14,209,135
Less: Accumulated Depreciation/Amortization	(95,914,205)	(3,208,280)	(2,560,000)	(454,761)	(102,137,246)	(9,305,969)
Total Capital Assets (Net)	167,187,626	18,316,748	—	1,351,026	186,855,400	5,049,663
Total Noncurrent Assets	222,026,858	18,316,748	—	1,351,026	241,694,632	5,049,663
Total Assets	259,272,460	33,451,548	3,333,460	19,387,228	315,444,697	40,928,906
DEFERRED OUTFLOWS OF RESOURCES						
Unamortized Loss from Bond Refunding	74,757	—	—	—	74,757	—
Deferred Outflows Related to OPEB	412,958	129,048	25,810	51,619	619,435	51,619
Total Deferred Outflows of Resources	487,715	129,048	25,810	51,619	694,192	51,619

Continued on the next page

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

STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
September 30, 2023

	Business Type Activities - Enterprise Funds					
	Utilities Fund (Major Fund)	Stormwater (Major Fund)	Solid Waste (Major Fund)	Building Fund (Nonmajor Fund)	Total Enterprise Funds	Governmental Activities - Internal Service Funds
LIABILITIES						
Current Liabilities:						
Accounts Payable	3,175,466	245,469	1,167,383	197,751	4,786,069	256,519
Accrued Liabilities	234,907	52,444	—	63,652	351,003	176,539
Unearned Revenues	352,999	2,956,940	1,159,638	22,023	4,491,600	—
Bonds Payable	521,064	—	—	—	521,064	—
Notes Payable	1,276,000	—	—	—	1,276,000	—
Total OPEB Liability	333,239	104,137	20,827	41,655	499,858	41,655
Compensated Absences	142,175	21,525	—	35,577	199,277	12,176
Building Lease Payable	—	—	—	66,625	66,625	1,254,871
Current Liabilities Payable from Restricted Assets:						
Customer Deposits	4,836,184	—	436,398	—	5,272,582	—
Total Current Liabilities	10,872,034	3,380,515	2,784,246	427,283	17,464,078	1,741,760
Noncurrent Liabilities:						
Bonds Payable	2,927,853	—	—	—	2,927,853	—
Notes Payable	9,566,000	—	—	—	9,566,000	—
State Revolving Loan Payable	15,049,579	—	—	—	15,049,579	—
Accreted Interest Payable	8,530,338	—	—	—	8,530,338	—
Total OPEB Liability	1,749,506	546,721	109,344	218,688	2,624,259	218,688
Compensated Absences	746,421	113,009	—	186,777	1,046,207	63,925
Building Lease Payable	—	—	—	367,428	367,428	—
Claims Payable	—	—	—	—	—	2,498,160
Total Noncurrent Liabilities	38,569,697	659,730	109,344	772,893	40,111,664	2,780,773
Total Liabilities	49,441,731	4,040,245	2,893,590	1,200,176	57,575,742	4,522,533
DEFERRED INFLOWS OF RESOURCES						
Deferred Inflows Related to OPEB	415,665	129,895	25,979	51,957	623,497	51,957
Total Deferred Outflows of Resources	415,665	129,895	25,979	51,957	623,497	51,957
NET POSITION						
Net Investment in Capital Assets	150,182,670	18,205,562	—	916,973	169,305,205	5,025,947
Restricted:						
Renewal and Replacement	23,726,338	—	—	—	23,726,338	—
Capital Improvements	26,321,559	—	—	—	26,321,559	—
Debt Service	1,920,000	—	—	—	1,920,000	—
Building Fund	—	—	—	17,269,741	17,269,741	—
Employee Benefits	—	—	—	—	—	1,800,000
Unrestricted	7,752,213	11,204,893	439,701	—	19,396,807	29,580,087
Total Net Position	$ 209,902,780	$ 29,410,455	$ 439,701	$ 18,186,714	$ 257,939,650	$ 36,406,035

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

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STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For Fiscal Year Ended September 30, 2023

	Business Type Activities - Enterprise Funds					
	Utilities Fund (Major Fund)	Stormwater (Major Fund)	Solid Waste (Major Fund)	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Operating Revenues:						
Charges for Services:						
Water	$ 21,485,015	$ —	$ —	$ —	$ 21,485,015	$ —
Sewer	16,509,625	—	—	—	16,509,625	—
Stormwater	—	9,456,017	—	—	9,456,017	—
Solid Waste	—	—	13,715,093	—	13,715,093	—
User Fees	—	—	—	484,656	484,656	30,521,330
Assessments	—	521	—	—	521	—
Licenses and Permits	—	—	—	8,081,526	8,081,526	—
Miscellaneous Income	227,557	107,787	—	59,298	394,642	571,136
Total Operating Revenues	38,222,197	9,564,325	13,715,093	8,625,480	70,127,095	31,092,466
Operating Expenses:						
Personal Services	12,066,204	2,654,603	65,390	3,395,031	18,181,228	4,643,179
Material, Supplies, and Operating expenses	9,795,092	2,570,206	13,794,104	1,215,019	27,374,421	16,774,625
Claims/Premium Expense	—	—	—	—	—	3,493,366
Depreciation	4,628,232	725,148	—	98,879	5,452,259	1,079,076
Amortization	—	—	—	80,215	80,215	—
Total Operating Expenses	26,489,528	5,949,957	13,859,494	4,789,144	51,088,123	25,990,246
Operating Income/(Loss)	11,732,669	3,614,368	(144,401)	3,836,336	19,038,972	5,102,220
Nonoperating Revenues (Expenses):						
Interest Income	3,285,009	500,521	80,452	651,006	4,516,988	1,338,486
Interest Expense and Fiscal Charges	(1,054,896)	—	—	(23,147)	(1,078,043)	—
Intergovernmental Revenues	93,838	—	—	—	93,838	56,737
Gain (Loss) on Disposal	14,800	40,697	—	(5,339)	50,158	48,920
Total Nonoperating Revenues (Expenses)	2,338,751	541,218	80,452	622,520	3,582,941	1,444,143
Income Before Contributions and Transfers	14,071,420	4,155,586	(63,949)	4,458,856	22,621,913	6,546,363
Capital Contributions	10,116,972	—	—	—	10,116,972	—
Transfers In	20,903,663	46,905	—	125	20,950,693	40,000
Transfers Out	(22,378,474)	—	—	—	(22,378,474)	(269,221)
Change in Net Position	22,713,581	4,202,491	(63,949)	4,458,981	31,311,104	6,317,142
Net Position - Beginning of year	187,189,199	25,207,964	503,650	13,727,733	226,628,546	30,088,893
Total Net Position - Ending	$ 209,902,780	$ 29,410,455	$ 439,701	$ 18,186,714	$ 257,939,650	$ 36,406,035

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For Fiscal Year Ended September 30, 2023

	Business Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Utilities Fund (Major Fund)	Storm Water Fund (Major Fund)	Solid Waste Fund (Major Fund)	Total Nonmajor Enterprise Fund	Total Enterprise Funds	
Cash Flows from Operating Activities						
Receipts from Customers and Users	$ 39,892,633	$ 9,568,195	$ 13,756,434	$ 8,612,708	$ 71,829,970	$ 31,050,052
Payments to Suppliers	(10,885,137)	(3,045,859)	(13,699,787)	(1,085,265)	(28,716,048)	(20,166,286)
Payments to Employees	(11,766,277)	(2,615,527)	(55,987)	(3,321,348)	(17,759,139)	(4,618,810)
Net Cash Provided by Operating Activities	17,241,219	3,906,809	660	4,206,095	25,354,783	6,264,956
Cash Flows from Noncapital Financial Activities						
Interfund Advances	—	—	—	342,240	342,240	—
Intergovernmental Revenues	93,838	—	—	—	93,838	56,737
Interest paid on Noncapital debt	—	—	—	—	—	—
Transfers to Other Funds	(22,378,474)	—	—	—	(22,378,474)	(269,221)
Transfers from Other Funds	20,903,663	46,905	—	125	20,950,693	40,000
Net Cash Provided (Used) by Noncapital Financing Activities	(1,380,973)	46,905	—	342,365	(991,703)	(172,484)
Cash Flows from Capital and Related Financing Activities						
Acquisition/Construction of Capital Assets	(14,930,750)	(3,053,164)	—	(346,765)	(18,330,679)	(1,650,560)
Principal Paid on Capital Debt	(559,046)	—	—	(66,625)	(625,671)	—
Interest Paid on Capital Debt	(1,471,284)	—	—	(23,147)	(1,494,431)	—
Contributions	10,116,972	—	—	—	10,116,972	—
Principal Paid on Notes Payable	(5,231,000)	—	—	—	(5,231,000)	—
Issuance of Notes	—	—	—	—	—	—
Issuance of Loans	6,774,245	—	—	—	6,774,245	—
Payment to Escrow Agent	—	—	—	—	—	—
Proceeds from Sale of Capital Assets	17,964	40,697	—	2,096	60,757	48,920
Net Cash Used by Capital and Related Financing Activities	(5,282,899)	(3,012,467)	—	(434,441)	(5,676,643)	(1,601,640)
Cash Flows from Investing Activities						
Investment purchases	(58,038,640)	(109,394)	443,525	(5,414,972)	(63,563,006)	(4,284,804)
Proceeds from Sale and Maturity of Investments	59,537,552	—	—	—	59,537,552	—
Interest Income on Investments	3,285,012	500,521	80,453	651,006	4,436,539	1,338,486
Net Cash Provided (Used) by Investing Activities	4,783,924	391,127	523,978	(4,763,966)	411,085	(2,946,318)
Net Increase (Decrease) in Cash and Cash Equivalents	15,361,271	1,332,374	524,638	(649,947)	#REF!	1,544,514
Cash and Cash Equivalents at Beginning of Year	18,083,314	2,698,988	746,145	3,839,355	25,367,802	9,569,477
Cash and Cash Equivalents at End of Year	$ 33,444,585	$ 4,031,362	$ 1,270,783	$ 3,189,408	#REF!	$ 11,113,991
Cash and Cash Equivalents Classified As:						
Current Assets	$ 4,902,768	$ 4,031,362	$ 834,385	$ 3,189,408	12,957,923	$ 11,063,688
Restricted Assets	28,541,817	—	436,398	—	28,978,215	—
Total Cash and Cash Equivalents	$ 33,444,585	$ 4,031,362	$ 1,270,783	$ 3,189,408	$ 41,936,138	$ 11,063,688

Continued on the next page

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

STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
For Fiscal Year Ended September 30, 2023

	Business Type Activities - Enterprise Funds					
	Utilities Fund (Major Fund)	Storm Water Fund (Major Fund)	Solid Waste Fund (Major Fund)	Building Fund (Nonmajor Fund)	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Reconciliation of Operating Income to Net Cash Provided by Operating Activities						
Operating Income (Loss)	$ 11,732,669	$ 3,614,368	$ (144,401)	$ 3,836,336	$ 19,038,972	$ 5,102,220
Depreciation	4,628,232	725,148	—	98,879	5,452,259	1,079,076
Amortization	—	—	—	80,215	80,215	—
Change in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	(482,398)	(485,702)	(30,381)	(12,772)	(1,011,253)	(42,414)
(Increase) Decrease in Deferred Outflows - OPEB	(87,235)	(27,261)	(5,452)	(10,904)	(130,852)	(10,905)
(Increase) Decrease in Inventories	(29,792)	—	—	—	(29,792)	19,980
(Increase) Decrease in Prepaid Expenses	—	2,100	—	(867)	1,233	243,289
Increase (Decrease) in Accounts Payable	(1,120,605)	(499,419)	94,317	109,828	(1,415,879)	(176,934)
Increase (Decrease) in Accrued Liabilities	60,352	21,666	—	18,870	100,888	15,370
(Increase) in Deferred Inflows - OPEB	232,908	72,784	14,557	29,114	349,363	29,113
Increase (Decrease) in Customer Deposits	2,152,834	—	41,632	—	2,194,466	—
Increase in Total OPEB Liability	4,765	1,490	298	596	7,149	596
Increase (Decrease) in Compensated Absences	149,489	(7,937)	—	54,877	196,429	14,086
Increase(Decrease) in Claims Payable	—	—	—	—	—	(8,521)
(Decrease) in Unearned Revenue	—	489,572	30,090	1,923	521,585	—
Total Adjustments	5,508,550	292,441	145,061	369,759	6,315,811	1,162,736
Net Cash Provided by Operating Activities	$ 17,241,219	$ 3,906,809	$ 660	$ 4,206,095	$ 25,354,783	$ 6,264,956

There are no noncash investing, capital, and financing activities

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

STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUND
September 30, 2023

ASSETS		Total
Cash and Cash Equivalents	**$**	**4,059,036**
Investments, at fair value:		
Common Stock		**56,793,100**
Domestic Equity Funds		**23,057,123**
U.S. Government securities		**21,911,796**
Corporate Bonds		**21,465,766**
Bond Funds		**49,841**
International Equity Funds		**33,828,497**
Real Estate Funds		**19,349,866**
Convertible Securities		**20,457,073**
Master Limited Partnership		**6,744,426**
Total investments		**203,657,488**
Receivables:		
Accrued Interest and Dividends		**464,402**
Due from Broker		**1,252,922**
Other		**2,317,497**
Total Receivables		**4,034,821**
Other assets:		**35,636**
Total Assets		**211,786,981**
LIABILITIES		
Accounts Payable		**307,136**
Deferred Retirement Option Benefits due and currently payable		**105,329**
Deferred City Contributions		**530,457**
Due to broker		**944,623**
Total Liabilities		**1,887,545**
NET POSITION		
Restricted for Pension Benefits	**$**	**209,899,436**

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

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUND
For the Year Ended September 30, 2023

		Total
ADDITIONS		
Contributions:		
Employer	$	**4,289,665**
Employee		**1,590,107**
State		**2,255,690**
Employee Buybacks		**32,978**
Total Contributions		**8,168,440**
Investment Earnings:		
Net Appreciation in Fair Value of Investments		**11,773,395**
Interest and Dividends		**4,316,926**
Miscellaneous		**9,047**
Total Investment Earnings		**16,099,368**
Less: Investment Expenses		**1,028,478**
Net investment Income		**15,070,890**
Total Additions		**23,239,330**
DEDUCTIONS		
Benefits		**14,777,222**
Refunds		**—**
Administrative Expense		**653,960**
Total Deductions		**15,431,182**
Change in Net Position		**7,808,148**
Net Position - Beginning of Year		**202,091,288**
Net Position - End of Year	$	**209,899,436**

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

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NOTE 1 – Summary of Significant Accounting Policies

The financial statements of the City of Palm Bay, Florida (the "City") have been prepared in conformity with generally accepted accounting principles ("GAAP") in the United States of America as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant City accounting policies are described below:

A. The Reporting Entity

The City is a political subdivision incorporated on January 16, 1960 in the State of Florida and located in Brevard County. The legislative branch of the City is composed of a five (5) member elected Council, including a city-wide elected mayor. The City Council is governed by the City Charter, and by state and local laws and regulations. The City Council is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Council appointed city manager.

Accounting principles generally accepted in the United States of America require that the reporting entity include: (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Although they are separate legal entities, blended component units are in substance part of the City's operations and are reported as an integral part of the City's financial statements. The City's component units are described as follows:

The Bayfront Community Redevelopment Agency (the "BCRA") is an incremental tax district created by City ordinance pursuant to Section 163.356, Florida Statutes. The City Council appoints an advisory board to administer the activities of the BCRA. The Board approves the budget and provides funding. The City performs all accounting functions as well as facilitates operational responsibilities for the activities of the BCRA. Its services are provided exclusively to the City. The BCRA is classified as a special revenue fund.

The Palm Bay Municipal Foundation Inc. is a Florida 501(c)(3) nonprofit public benefit corporation formed in June 2013 by City Council Legislative Memorandum pursuant to Florida Nonprofit Corporation Laws. The Palm Bay Municipal Foundation was established exclusively for charitable, educational and cultural purposes for the benefit of the City. City Council members serve as the Foundation's board of directors. They also approve the budget. The City performs all accounting functions and facilitates operational responsibilities for the activities of the Foundation. Palm Bay Municipal Foundation is classified as a special revenue fund.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the nonfiduciary activities of the primary government and its blended component units. For the most part, the effect of interfund activity has been removed from these statements to minimize double counting of internal activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

B. Government-wide and Fund Financial Statements (Continued)

The Statement of Activities demonstrates the degree to which the direct expenses and indirect costs of a given function, or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect expenses are those costs that are allocated to functions and activities in accordance with the City's adopted indirect cost allocation plan. The "expenses" column includes both direct and indirect expenses. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are *restricted* to meeting the operational or capital requirements of a function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and the fiduciary fund. The fiduciary fund is excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. The internal service funds are included in governmental activities in the government-wide financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and comparable items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are user fees between the City's enterprise funds and other governmental functions. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Fund Financial Statements

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

Taxes when levied, franchise fees, licenses, intergovernmental revenues when eligibility requirements are met, charges for services, and interest associated with the current fiscal period are all considered to be measurable and if available have been recognized as revenues of the current fiscal period. All other revenue items are measurable and available only when cash is received by the City.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The City reports the following major governmental funds:

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

- The Bayfront Community Redevelopment Agency Fund is used to account for ad valorem tax increment revenues accumulated for community development in the areas where the taxes were assessed.
- The City has one debt service fund which is used to account for principal and interest payment on the following debts:
  - Taxable Special Obligation Revenue Bonds, Series 2004
  - Public Service Tax Revenue Bonds, Series 2010
  - Taxable Special Obligation Refunding Bonds, Series 2013
  - Local Option Gas Tax Refunding Note, Series 2014
  - Sales Tax Refunding Bonds, Series 2015
  - Franchise Fee Revenue Note, Series 2015
  - Franchise Fee Revenue Note, Series 2016
  - Local Option Gas Tax Revenue Note, Series 2018
  - Special Obligation Refunding Note, Series 2020
  - General Obligation Bonds, Series 2019 Series 2021 & Series 2023
  - Debt service on leases.

- The GO Bond Road Program Fund is used to account for the bond proceeds earmarked for maintenance and repair of citywide roadways.

- The Impact Fee Fund accounts for revenues originating from new development and used for the acquisition and or improvement of police, fire, & recreation facilities and expansion of the City's major road network system.

- The ARPA Fund (American Rescue Plan Act) accounts for federal relief funds granted to mitigate the negative impact resulting from the coronavirus pandemic. The funds are intended to offset revenue loss due to COVID-19, provide premium pay for essential workers, invest in broadband, water, or sewer infrastructure.

The City reports the following major enterprise fund:

- The Utilities Fund, accounts for the fiscal activities of the City's water and wastewater treatment and distribution operations as well as the funding and payment of related debt.

- The Stormwater Utility Fund is used to account for fees and services associated with management of the City's stormwater system.

- The Solid Waste fund is used to account for residential solid waste collection services administered by the City in partnership with Republic Services.

Additionally, the City reports the following fund types:

- The Internal Service Funds account for certain activities of the City's risk management, employee benefit programs and its fleet operations. Activities include premium and benefit payments, legal expenses incurred related to activities not specifically covered by City insurance policies, collections of settlements or refunds from related cases, and charges to City departments for fleet services and a vehicle replacement program.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

- The Pension Trust Fund accounts for the activities of the City's Police & Firefighters Retirement System, ("PBP&FPF") which accumulates resources for pension benefit payments to certain general government employees and qualified police and fire employees.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and of the City's internal service funds are charges to customers for sales and services. Operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

When both *restricted* and *unrestricted* resources are available for use, it is the City's policy to use *restricted* resources first for their intended purposes, and then *unrestricted* resources, as they are needed.

D. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, certificates of deposit, money market accounts, money market funds, Negotiable Order of Withdrawal and cash with fiscal agent.

E. Investments

Investments are stated at fair value, except for investments in the Florida State Board of Administration Local Government Pooled Investment Funds ("SBA"), an external investment pool which complies with criteria set forth in Section 150: Investments of the GASB codification. All fair market valuations are based on quoted market prices. SBA pool shares are based on amortized cost of the SBA's underlying portfolio.

F. Receivables

Property Taxes Receivable

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. State Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The City's millage rate, on which tax collections in fiscal year 2023 are based, is 7.5995.

All real and tangible personal property taxes are due and payable on the levy date of November 1 of each year or as soon thereafter as the assessment roll is certified by the Brevard County Property Appraiser (levy date). The Brevard County Tax Collector collects and distributes all taxes. Taxes may be paid upon receipt of notice from the Tax Collector, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount and all unpaid taxes on real and tangible property become delinquent on April 1 and a lien is executed on or before May 30. Property tax revenues are recognized in the fiscal year for which they are budgeted and become due and payable. Virtually all unpaid taxes are collected via tax certificates sold on or prior to June 1; therefore, no material taxes are receivable at fiscal year-end.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

F. Receivables (Continued)

Accounts Receivable

Utilities Fund operating revenues are generally recognized based on cycle billings rendered monthly. Revenues for services delivered during the last month of the fiscal year that have not been read by September 30 are accrued based on meter readings for the applicable consumption taken at the beginning of October and billed in October. Accounts receivable balances are shown net of the allowance for uncollectible accounts. The allowances are determined based on management estimates of uncollectible amounts.

G. Inventories and prepaid items

Inventories in the governmental, enterprise and internal service funds consist primarily of expendable supplies held for consumption. Inventories are valued at cost, using the first-in /first-out ("FIFO") method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories held for resale are reported at the lower of cost or market.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of a prepaid item is recorded as an expenditure/expense when consumed rather than when purchased.

H. Restricted Assets

The uses of certain assets of the Utilities Fund are restricted by specific provisions of bond resolutions and other agreements. Assets so designated are identified as restricted assets on the statement of net position.

I. Encumbrance

Encumbrance accounting is employed in the general, capital project and special revenue funds. Under this method, purchase orders contracts and other commitments outstanding at year-end do not constitute expenditures for liabilities. GASBC 1800: *Classification and terminology*, provides additional guidance on the classification within the Net Position section of the amounts that have been encumbered. Encumbrances of balances within the General fund are classified as assigned; Special Revenue and Capital Projects funds are classified as *committed* and *restricted*. These encumbrances are not separately stated in the financial statements.

J. Capital Assets

Capital assets include property, plant, equipment, and infrastructure assets (e.g., roads, easements, bridges, sidewalks, and related items), and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements. Property, plant, and equipment with initial, individual costs that equal or exceed $5,000 and estimated useful lives of over one year are recorded as capital assets. Roads, bridges, and sidewalks are capitalized when their initial costs equal or exceed $250,000 and have estimated useful lives of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art, and similar items and capital assets received in a service concession arrangement are recorded at acquisition value at the date of donation rather than estimated fair market value.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of

NOTE 1 – Summary of Significant Accounting Policies (Continued)

J. Capital Assets (Continued)

the capitalized value of the assets constructed. In governmental funds, capital purchases (capital assets) are reported as expenditures.

Capital Assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and Improvements	25-50
Utilities System	25-40
Infrastructure	15-20
Equipment	5-20
Vehicles	3-10
Right-to-use leases	5-20

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to future periods and so will not be recognized as an expense or expenditure until then. The City has three items that qualify for reporting in this category; they are deferred charges on refunding, deferred outflows related to pensions and deferred outflows related to OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows related to pensions, pursuant to GASBC P20: *Pension Activities* unrealized contributions and losses related to pension costs. See Note 9 Employee Retirement Systems.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents revenue collected that applies to a future period and will not be recognized as revenue until then. The City has three items in this category which arises under both the full accrual and modified accrual basis of accounting; unavailable revenue regarding business tax licenses that have been paid in advance, deferred amounts related to pensions, unamortized gain on refunding, pursuant to GASBC P20: *Pension Activities*, and deferred amounts related to OPEB.

L. Leases

Lessee: The City is a lessee for noncancellable lease of a building. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide statements. The City recognizes lease liabilities with an initial, individual value of $5,000 or more. At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

L. Leases (Continued)

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

- The City uses the stated interest rate according to the contractual agreement as the discount rate. When the interest rate is not provided, the City uses its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that is reasonably certain to be exercised.

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

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

Lessor: The City is lessor for several noncancellable lease of cell towers. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental financial statements.

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

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

- The City uses its stated contractual rate when known or its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the noncancellable period for the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payment from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the lease receivable.

M. Subscription Based Information Technology Arrangements (SBITA)

The City is a subscriber for noncancellable technology arrangements for software. The City recognizes a SBITA liability and an intangible right-to-use SBITA asset (SBITA asset) in the government-wide statements. At the commencement of a arrangement, the City initially measures the SBITA liability at the present value of payments expected to be made during the subscription term. Subsequently, the SBITA liability is reduced by the principal portion of subscription payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized over the shorter of the subscription term or the useful life of the underlying IT asset.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

M. Subscription Based Information Technology Arrangements (SBITA) (Continued)

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

- The City uses the stated interest rate according to the subscription agreement as the discount rate. When the interest rate is not provided, the City uses its estimated incremental borrowing rate as the discount rate for SBITAs..
- The SBITA term includes the noncancellable period of the SBITA. SBITA payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option prices that is reasonably certain to be exercised.

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

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

N. Pension

For purpose of measuring the net pension liability (asset) and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's Fire and Police Retirement System and Florida Retirement System ("FRS") plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by PBP&FPF and FRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

O. Amortization of Bond Discount and Premium

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the term of the bonds using the effective interest method.

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

P. Compensated Absences

All full-time permanent employees accrue sick and vacation benefits according to the following table:
Employee terminating in good standing with unused annual leave will be paid up to a maximum of 240 hours. Sick leave will be paid up to a maximum of 500 hours but based on years of service and position.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

P. Compensated Absences (Continued)

Compensated Absences	Vacation			Sick		
Employee Status	Accrual Per Month	Max	Payout*	Accrual Per Month	Max	Payout*
Employees hired prior to September 1, 2017	8-14 hrs	320**	320**	8-12 hrs	1152***	500
Employees hired after to September 1, 2017	8-10 hrs	240	240	8 hrs	500	500

*Employee must be in good standing upon termination. Sick Payouts based on Years of Service and Position
**Max will change to 240 hours once drops below 240 by payouts and use of annual leave
***Max will change to 500 once drops below 500 by payouts and use of sick leave

The City records compensated absences in governmental funds as expenditures for the amount accrued during the year that would normally be liquidated with expendable, available financial resources and to the extent they are due as of the end of the fiscal year. The City accrues compensated absences in the period they are earned in the government-wide and enterprise fund financial statements.

Q. Fair Value Measurement

The City categorizes its fair value measurements with the hierarchy established by GASBC Section 150: *Investments*. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted process in active markets; Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs.

R. Capital Contributions

Capital Contributions consist of amounts from federal and state aid programs, developers, and water and sewer stabilization fees charged to customers for initial hookup to the Utilities System's water and sewer lines. Contributions are recognized when earned or when legal title is transferred to the City for contributed capital assets.

S. Net Position

In the government-wide financial statements and in the proprietary fund statements, net position is classified in the following categories:

Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

Restricted Net Position – This category represents the net position of the City, which is restricted by constraints placed on the use by external groups such as creditors, grantors, contributors, laws, regulations of other governments, through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents the net position of the City, which can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. Deficit unrestricted net position if any would require future funding.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

T. Fund Balance (Continued)

Nonspendable – This category includes items that are not in spendable form because they are either legally or contractually required to be maintained intact such as inventory, prepaid and long-term amounts of loans and notes receivable

Restricted – Includes items that are restricted by external creditors, grantors or contributors, or restricted by legal constitutional provisions.

Committed – The portion of fund balance that can be constrained for a specific purpose imposed via resolution by the Palm Bay City Council (the highest level of decision-making authority). Commitment of fund balance may be made for such purposes as a) major maintenance and repair projects, b) meeting obligations resulting from a natural disaster, c) accumulating resources pursuant to stabilization arrangements, d) establishing reserves for disasters and or, e) for specific projects. Any changes or removal of committed fund balance must be sanctioned by the Palm Bay City Council through the same process that facilitated the original commitment.

Assigned – Includes items intended for specific uses and authorized by the City Manager and or Finance Director. The Palm Bay City Council designated these representatives as the delegated officials that can assign portions of the fund balance as evidenced by Resolution 2011-34 as superseded by Resolution 2021-03.

Unassigned – This is the residual classification used for those balances not assigned to another category in the General Fund. Deficit fund balance in other governmental funds is also presented as *unassigned*.

SBC 1800: *Classification and terminology* requires the highest legal authority to approve authorized commitments of fund balance and to approve who can authorize assignment of fund balance. On August 4, 2011, City Council by resolution 2011-34 authorized the Finance Director rights to assign resources and ending fund balances. This Resolution was revised in January 2021 via Resolution 2021-03. GASBC 1800: *Classification and terminology* also requires a spending policy to ending fund balances. The spending policy states in what order fund balance categories are spent. On August 4, 2011 by resolution 2011-34, the Council approved the following fund balance order of spending: (1) *restricted* fund balance first, and then (2) *committed* fund balance, then (3) *assigned* fund balance, and (4) *unassigned* fund balance. The General Fund maintains a minimum fund balance of two months of regular budgetary General Fund operating expenditures of the less capital outlay and transfers.

NOTE 1 – Summary of Significant Accounting Policies (Continued)

T. Fund Balance (Continued)

A detailed classification of the City's Fund Balances as of September 30, 2023, are as follows:

	Major Funds						
Function Balance Classification	General Fund	Bayfront Community Redevelopment Agency	Impact Fee Fund	Debt Service Fund	GO Bond Road Program Fund	Nonmajor Governmental Funds	Total Governmental Funds
Non-Spendable:							
Items Not In Spendable Form:							
Inventory	$ 2,103	$ —	$ —	$ —	$ —	$ —	$ 2,103
Prepaid Items	7,659	—	—	—	—	352	8,011
Total Nonspendable Fund Balances	9,762	—	—	—	—	352	10,114
Restricted for:							
Debt Service	—	—	—	6,101,318	—	—	6,101,318
Citizen Services	—	—	—	—	—	1,578,684	1,578,684
Forfeited Property	—	—	—	—	—	252,083	252,083
Redevelopment Activities	—	2,663,766	—	—	—	—	2,663,766
Road Maintenance & Repair Projects	—	—	64,765,766	—	76,482,107	—	141,247,873
Other Capital Projects	—	—	—	—	—	—	—
Total Restricted Fund Balances	—	2,663,766	64,765,766	6,101,318	76,482,107	1,830,767	151,843,724
Committed to:							
Emergency Contingency Funds	1,760,913	—	—	—	—	—	1,760,913
Road Maintenance	—	—	—	—	—	6,468,571	6,468,571
Various Contracts	5,031,382	—	—	—	—	837,562	5,868,944
Total Committed Fund Balances	6,792,295	—	—	—	—	7,306,133	14,098,428
Assigned to:							
Citizen Services	—	—	—	—	—	926,142	926,142
Various Contracts	636,274	—	—	—	—	1,529,541	2,165,815
Total Assigned Fund Balances	636,274	—	—	—	—	2,455,683	3,091,957
Unassigned:							
General government	43,206,318	—	—	—	—	—	43,206,318
Other governmental fund deficit residuals	—	—	—	—	—	(130,210)	(130,210)
Total Unassigned Fund Balances	43,206,318	—	—	—	—	(130,210)	43,076,108
Total Fund Balances	$ 50,644,649	$ 2,663,766	$ 64,765,766	$ 6,101,318	$ 76,482,107	$ 11,462,725	$ 212,120,331

U. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from management's estimates.

NOTE 2 – Stewardship, Compliance and Accountability

A. Deficit Fund Equity

At September 30, 2023, the following funds of the City had deficit balances:

Special Revenue Funds:	
CDBG-Coronavirus	$ (103,713)
I-95 Interchange Fund	$ (6,301)
Neighborhood Stabilization Program	$ (20,196)

The deficit in the CDBG - Coronavirus Fund is expected to be eliminated by future program revenue and grant reimbursement.

The deficit fund balance in the I-95 Interchange Fund will be eliminated by a transfer from General Fund.

The deficit fund balance in the Neighborhood Stabilization Program will be eliminated by a transfer from General Fund.

NOTE 3 – Deposits and Investments

A. Cash and Deposits

At September 30, 2023, the carrying amount of the City's cash deposit accounts was $60,865,900 and the bank balance was $60,797,516. The City's cash deposits are held by a bank that qualifies as a public depository under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes. The City's cash deposits are fully insured by the Public Deposits Trust Fund.

B. Investment Portfolio

On May 3, 2018, the City of Palm Bay adopted a revised comprehensive investment policy pursuant to Section 218.415, Florida Statutes that updated permitted investments, asset allocation limits, issuer limits, credit rating requirements, and maturity limits to protect the City's cash and investment assets. The City maintains a common cash and investment pool for the use of all funds.

Section 218.415, Florida Statutes, limits the types of investments that a government can invest in unless specifically authorized in an investment policy. The City's investment policy allows for the following investments: The Florida PRIME Fund ("SBA"), United States Treasury Securities, United States Government Agencies, Supranational, Agency Mortgage-Backed Securities, Interest Bearing Time Deposit and Saving Accounts, Repurchase Agreements, Commercial Paper, Corporates, Asset-Backed Securities, Municipal Securities, Registered Investment Companies Money Market Mutual Funds, and Intergovernmental Investment Pools.

NOTE 3 – Deposits and Investments (Continued)

B. Investment Portfolio (Continued)

As of September 30, 2023, the City had the following investment types and effective duration presented in terms of years:

Security Type		Fair Value	Effective Duration (Years)
Commercial Paper	$	35,483,658	0.27
Asset-Backed Securities		7,083,711	1.55
U.S. Treasury		29,904,515	1.21
Corporate Notes		6,900,040	1.63
Federal Agency Mortgage-Backed Security		444,626	1.94
Federal Agency Collateralized Mortgage-Backed Securities		1,873,831	1.92
Federal Agency Collateralized Mortgage Obligation		31,191	1.49
Municipal		147,493	1.13
Supranational		237,845	0.98
Federal Agency		297,342	0.18
Florida Prime		107,771,588	35 days
Florida Palm		107,148,746	43 days
US Bank Money Market Account		24,975,092	0.003
JP Morgan Chase Checking Account		59,734,248	0.003
Total	**$**	**382,033,926**	**0.25**

* The Florida Public Assets for Liquidity Management Fund's Fact Sheet as of September 30, 2023 provided the Weighted Average Maturity (represented in days).

** Florida Prime (SBA)'s September 30, 2023 Financial Statement Disclosure is available on the website, https://www.sbafla.com/prime/Audits.aspx, is the source of the Fund's Weighted Average Maturity (represented in days).

C. Interest Rate Risk

The City's investment policy sets limits for investment maturities to match known cash needs and anticipated cash flow requirements. Investments of current operating funds shall have maturities of no longer than five-and one-half (5.5) years. Investments of bond reserves, construction funds, and other non-operating funds, "core funds", shall have a term appropriate to the need for funds and in accordance with debt covenants, but in no event shall exceed five and one half (5.5) years. The maturities of the underlying securities of a repurchase agreement will follow the requirements of the Master Repurchase Agreement. The City utilizes "weighted average duration" as a measurement of interest rate risk and as of September 30, 2023, the investment portfolio had an effective duration of 0.25 years.

NOTE 3 – Deposits and Investments (Continued)

C. Interest Rate Risk (continued)

The City has Corporate Notes, each with an embedded option consisting of the option at the discretion of the issuer to call their obligation or pay a stated increase in the interest rate. The following details the embedded options:

CUSIP	Description	Maturity Date	Call Date	Call Schedule	Market Value
17327CAN3	CITIGROUP INC	01/25/26	01/25/25	Continuous	$ 42,494
172967MX6	CITIGROUP INC	05/01/25	05/01/24	Continuous	87,103
17252MAP5	CINTAS CORPORATION NO. 2	05/01/25	04/01/25	Continuous	53,127
06051GKM0	BANK OF AMERICA CO	04/02/26	04/02/25	Continuous	167,493
06051GKE8	BANK OF AMERICA CO	12/06/25	12/06/24	Continuous	188,848
95000U2X0	WELLS FARGO & COMPANY	04/25/26	04/25/25	Continuous	115,626
95000U2T9	WELLS FARGO & COMPANY	05/19/25	05/19/24	Continuous	48,219
89788MAJ1	TRUIST FIN CORP	10/28/26	10/28/25	Continuous	84,062
89788MAH5	TRUIST FIN CORP	07/28/26	07/28/25	Continuous	77,017
30231GAT9	EXXON MOBIL CORP	03/01/26	12/01/25	Continuous	308,194
857477BZ5	STATE STREET CORPORATION	01/26/26	01/26/25	Continuous	49,163
53522KAB9	PRAXAIR INC	12/05/25	11/05/25	Continuous	177,878
857477BR3	STATE STREET CORPORATION	02/06/26	02/26/25	Continuous	51,901
025816CQ0	AMERICAN EXPRESS CO	03/04/25	02/01/25	Continuous	23,757
46647PCZ7	JP MORGAN CHASE & CO	04/26/26	04/26/25	Continuous	145,571
46647PCH7	JP MORGAN CHASE & CO	06/01/25	06/01/24	Continuous	48,133
713448CY2	PEPSICO INC	07/17/25	04/17/25	Continuous	169,545
437076CM2	HOME DEPOT INC	04/15/25	03/15/25	Continuous	19,209
46647PBY1	JP MORGAN CHASE & CO	02/16/25	02/16/24	Continuous	39,106
693475BH7	PNC FINANCIAL SERVICES GROUP	10/28/25	10/28/24	Continuous	79,382
61747YEM3	MORGAN STANLEY	02/18/26	02/18/25	Continuous	138,015
771196BT8	ROCHE HOLDINGS INC	03/10/25	02/10/25	Continuous	305,238
693475BL8	PNC FINANCIAL SERVICES GROUP	01/26/27	01/26/26	Continuous	24,302
63743HFH0	NATIONAL RURAL UTILITIES CO FINANCE CORP	03/13/26	02/13/26	Continuous	29,303
539830BU2	LOCKHEED MARTIN CORP	10/15/25	09/15/25	Continuous	39,695
857477CB7	STATE STREET CORPORATION	05/18/26	05/18/25	Continuous	172,788
437076CR1	HOME DEPOT INC	09/15/25	08/15/25	Continuous	24,396
857477BX0	STATE STREET CORPORATION	11/04/26	11/04/25	Continuous	44,842
808513BN4	CHARLES SCHWAB	03/18/24	02/18/24	Continuous	73,206
Total					$ 2,827,611

NOTE 3 – Deposits and Investments (Continued)

D. Credit Risk

The City's investment policy permits the following investments, which are limited to credit quality ratings from nationally recognized rating agencies (NRSTOs) as described below.

Florida PRIME: Highest Fund Rating by all NRSROs who rate the fund (AAAm/Aaa-mf, or equivalent).

Asset-Backed Securities (ABS): Highest ST or LT Rating (A-1+/P-1, AAA/Aaa or equivalent).

Commercial Paper: Highest ST Rating Category (A-1/P-1, or equivalent).

Corporates: Highest ST or three highest LT Rating Categories (A-1/P-1, A-/A3 or equivalent).

Municipals: Highest ST or three highest LT Rating Categories (SP-1/MIG 1, A-/A3 or equivalent).

Money Market Funds (MMFs): Highest Fund Rating by all NRSROs who rate the fund (AAAm/Aaa-mf or equivalent).

Repurchase Agreements (Repo or RP): Counterparty (or if the counterparty is not rated by an NRSO, then the counterparty's parent) must be rated in the highest ST Rating Category (A-1/P-1 or equivalent). If the counterparty is a Federal Reserve Bank, no rating is required.

Supranational: Highest ST or highest LT Rating Categories (A-1/P-1, AAA/Aaa or equivalent).

Intergovernmental Investment Pools (LGIPS): Highest Fund Quality and Volatility Rating Categories by all NRSROs that rate the LGIP (AAAm/AAAf, S1 or equivalent).

NOTE 3 – Deposits and Investments (Continued)

D. Credit Risk (continued)

As of September 30, 2023, the City had the following credit exposure as a percentage of total investments:

Security Type	Credit Rating	% of Portfolio
U.S. Treasury Notes	AA+	7.87%
Federal Instrumentalities - Notes	AA+	0.08%
Federal Agency Mortgage-Backed Security	AA+	0.12%
Federal Agency Collateralized Mortgage-Backed Securities	AA+	0.49%
Federal Agency Collateralized Mortgage Obligation	AA+	0.01%
Commercial Paper	A-1+	2.57%
Commercial Paper	A-1	6.72%
Corporate Notes	AA-	0.52%
Corporate Notes	AA	0.10%
Corporate Notes	AA+	0.09%
Corporate Notes	A+	0.19%
Corporate Notes	A-	0.45%
Corporate Notes	A	0.36%
Corporate Notes	BBB+	0.11%
Supranationals	AAA	0.06%
Municipals	AA+	0.01%
Municipals	AA	0.02%
Municipals	AA-	0.01%
Asset Backed Securities	AAA	1.34%
Asset Backed Securities	NR	0.52%
Florida Palm	AAAm	28.03%
Florida Prime	AAAm	28.19%
US Bank Money Market Account	AAAm	6.53%
JP Morgan Chase Checking Account	N/A	15.63%
Total		**100.00%**

* The City's policy requires securities to be rated A-/A3 or better by at least one NRSRO. Six Corporate Notes are rated BBB+ by S&P but two of those securities are rated A3, two are rated A2 and two are rated A1 by Moody's and follow the City's policy.

** Although not rated by S&P, these securities are rated Aaa by Moody's, an NRSRO, in compliance with City policy.

*** Florida Prime (SBA)'s Financial Statement Disclosure for September 30, 2023, available on the website https://prime.sbafla.com, is the source of the Fund's Credit Rating from Standard & Poor's.

**** The Florida Public Assets for Liquidity Management Fund's Fact Sheet as of September 30, 2023, provided the credit rating from Standard & Poor's.

NOTE 3 – Deposits and Investments (Continued)

E. Custodial Credit Risk

The City's investment policy, pursuant to Section 218.415(18), Florida Statutes, requires securities, except for certificates of deposits, shall be held with a third-party custodian; and all securities purchased by, and all collateral obtained by the City should be properly designated as an asset of the City. The securities must be held in an account separate and apart from the assets of the financial institution. A third-party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida as defined in Section 658.12, Florida Statutes, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts, and which is doing business in the State of Florida. Certificates of deposits maintained by book-entry at the issuing bank shall clearly identify the City as the owner.

As of September 30, 2023, the City's investment portfolio was held with a third-party custodian as required by the City's investment policy.

F. Concentration of Credit Risk

The City's investment policy has established asset allocation and issuer limits on the following investments, which are designed to reduce concentration of credit risk of the City's investment portfolio:

Investment	Max % Available Funds	% Limit on Individual Agency or Issuers
Florida PRIME Fund "SBA"	25%	0%
United States Government Securities	100%	0%
United States Government Agencies	75%	40%
Federal Instrumentalities	75%	10%
Mortgage Backed Securities	25%	40%
Non-negotiable Collateralized Bank Deposits or Savings Accounts	50%	0%*
Repurchase Agreements**	25%	10%
Prime Commercial Paper	50%	5%
Corporates	50%	5%
Municipals	25%	5%
Money Market Funds (MMFs)	50%	25%
Intergovernmental Investment Pools (LGIPs)	50%	25%
Supranationals	25%	10%
Asset-backed Securities	25%	5%

***If fully collateralized**
****excluding one business day agreements and overnight sweep agreements**

NOTE 3 – Deposits and Investments (Continued)

F. Concentration of Credit Risk (continued)

As of September 30, 2023, the City had the following issuer concentration based on fair value:

Security Type	Fair Value	% of Portfolio
Florida Prime*	107,771,588	28.21%
Florida Palm*	107,148,746	28.05%
JP Morgan Chase Checking Account	59,734,248	15.64%
UNITED STATES TREASURY	29,904,515	7.83%
US Bank Money Market Account	24,975,092	6.54%
ROYAL BANK OF CANADA	9,795,788	2.56%
SHEFFIELD RECEIVABLES	6,491,290	1.70%
MANHATTAN ASSET FUNDING CO LLC	6,485,440	1.70%
CREDIT AGRICOLE SA	6,392,230	1.67%
LIBERTY STREET FUNDING LLC	3,047,145	0.80%
FREDDIE MAC	2,234,068	0.58%
NATIXIS NY BRANCH	1,677,509	0.44%
ING GROEP NV	1,594,256	0.42%
CAPITAL ONE FINANCIAL CORP	697,856	0.18%
TOYOTA MOTOR CORP	626,016	0.16%
CARMAX AUTO OWNER TRUST	561,867	0.15%
BANK OF AMERICA CO	498,891	0.13%
WORLD OMNI AUTO REC TRUST	474,851	0.12%
KUBOTA CREDIT OWNER TRUST	467,884	0.12%
NATIONAL AUSTRALIA BANK LTD	429,837	0.11%
HYUNDAI AUTO RECEIVABLES	427,094	0.11%
DISCOVER FINANCIAL SERVICES	424,395	0.11%
FANNIE MAE	412,921	0.11%
GM FINANCIAL CONSUMER AUTOMOBILE TRUST	361,140	0.09%
PROTECTIVE LIFE	342,871	0.09%
MASSMUTUAL GLOBAL FUNDING	341,726	0.09%
NISSAN AUTO RECEIVABLES	335,007	0.09%
METLIFE INC	322,197	0.08%
STATE STREET CORPORATION	318,693	0.08%
JOHN DEERE OWNER TRUST	309,126	0.08%
EXXON MOBIL CORP	308,194	0.08%
ROCHE HOLDINGS INC	305,238	0.08%
AMERICAN EXPRESS CO	297,952	0.08%
BMW FINANCIAL SERVICES NA LLC	280,027	0.07%
COMMONWEALTH BANK OF AUSTRALIA	278,284	0.07%
HARLEY-DAVIDSON MOTORCYCLE TRUST	266,070	0.07%
CNH EQUIPMENT TRUST	265,280	0.07%
MERCEDES-BENZ AUTO RECEIVABLES	262,416	0.07%
CATERPILLAR INC	258,725	0.07%
FORD CREDIT AUTO OWNER TRUST	249,733	0.07%
FIFTH THIRD AUTO TRUST	244,292	0.06%
INTER-AMERICAN DEVELOPMENT BANK	237,845	0.06%
JP MORGAN CHASE & CO	232,809	0.06%
LINDE INC	177,878	0.05%
IBM CORP	175,264	0.05%
NESTLE SA	171,677	0.04%
PEPSICO INC	169,545	0.04%
DEERE & COMPANY	166,546	0.04%
WELLS FARGO & COMPANY	163,845	0.04%
AMERICAN HONDA FINANCE	164,425	0.04%
TRUIST FIN CORP	161,078	0.04%

CHASE ISSURANCE	159,411	0.04%
PACCAR FINANCIAL CORP	159,197	0.04%
NATIONAL RURAL UTILITIES CO FINANCE CORP	151,295	0.04%
MORGAN STANLEY	138,015	0.04%
ALLY AUTO RECEIVABLES TRUST	129,717	0.03%
CITIGROUP INC	129,596	0.03%
HONDA AUTO RECEIVABLES	128,199	0.03%
BMW VEHICLE OWNER TRUST	128,131	0.03%
COLGATE-PALMOLIVE COMPANY	128,071	0.03%
PRINCIPAL FINANCIAL GROUP INC	119,136	0.03%
ASTRAZENECA PLC	111,271	0.03%
PORSCHE FINANCIAL AUTO SECURIT	108,444	0.03%
PNC FINANCIAL SERVICES GROUP	103,685	0.03%
DAIMLER TRUCKS RETAIL TRUST	98,953	0.03%
VOLKSWAGEN OF AMERICA	98,952	0.03%
GOLDMAN SACHS GROUP INC	98,624	0.03%
WAL-MART STORES INC	92,605	0.02%
VERIZON MASTER TRUST	86,930	0.02%
CHARLES SCHWAB	73,206	0.02%
FLORIDA STATE BOARD OF ADMIN FIN CORP	60,341	0.02%
NEW JERSEY TURNPIKE AUTHORITY	54,350	0.01%
CINTAS CORPORATION NO. 2	53,127	0.01%
HOME DEPOT INC	43,605	0.01%
LOCKHEED MARTIN CORP	39,695	0.01%
COMCAST CORP	34,840	0.01%
DORMITORY AUTHORITY OF NEW YORK	32,803	0.01%
UNITEDHEALTH GROUP INC	29,912	0.01%
VERIZON OWNER TRUST	405	—%
Total	382,033,926	100.00%

*This policy does not apply to the investment of principal, interest, reserve, construction, capitalized interest, redemption, or escrow accounts created by ordinance or resolution pursuant to the issuance of bonds where the investments are held by an authorized depository.

NOTE 3 – Deposits and Investments (Continued)

G. Fair Value Measurement and Application

Investments are carried at fair value as defined in GASB Statement 72 "Fair Value Measurement and Application". Consistent with GASBC Section 150: *Investments*, the City categorizes its fair value measurements within the fair value hierarchy. The City has the following fair value measurements as of September 30, 2023.

Investments by fair value level	9/30/2023	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2
U.S. Treasury securities	$ 29,904,515	$ 29,904,515	$ —
Federal Agency	297,342	—	297,342
Federal Agencies and Instrumentalities	1,873,831	—	1,873,831
Federal Agency Collateralized Mortgage-Backed Securities	444,626	—	444,626
Federal Agency Collateralized Mortgage Obligation	31,191	—	31,191
Supranationals	237,845	—	237,845
Municipal securities	147,493	—	147,493
Commercial paper	35,483,658	—	35,483,658
Corporate notes	6,900,040	—	6,900,040
Asset-Backed Securities	7,083,711	—	7,083,711
Total investments by fair value level	82,404,252	29,904,515	52,499,737

Investments reported at Amortized Cost	
Florida Prime Fund (NAV)	107,771,588
Florida Public Assets - Liquidity Mgmt Fund (Amortized Cost)	107,148,746
Total investments at amortized costs	214,920,334

Cash, Cash Equivalents, and Investments	
Cash and Cash Equivalents (Amortized Cost)	84,709,340
Petty Cash and Change Funds	13,100
Cash held by Palm Bay Municipal Foundation	106,837
Cash held by Fiscal Service Agent	1,011,713
Investments (Amortized Cost)	214,920,334
Investments (Fair Value)	82,404,252
Total cash, cash equivalents, and investments	$ 383,165,576

Level 1 inputs are measured at quoted prices, in active markets for identical assets. Level 2 inputs utilize significant other observable inputs such as pricing models of similar securities. This includes basing value or yield currently available on comparable securities of issues with similar credit rating. Level 3 inputs are not traded in an active market. No significant observable market inputs are available as of the reporting date.

The cash equivalents measured at amortized cost meet the requirements under GASBC Section 150: *Investments* to be valued at cost and not fair value. Florida Prime Fund, intergovernmental investment pool and money market account have no unfunded commitments and are redeemed daily with a 1-day minimum holding period.

NOTE 3 – Deposits and Investments (Continued)

G. Investments – Fair Value Measurement and Application (Continued)

Investments regarding the City's Police & Fire Pension Plan had the following fair value measurements as of September 30, 2023.

		Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Other Unobservable Inputs
Investments by fair value level	**9/30/2023**	**Level 1**	**Level 2**	**Level 3**
U.S. Government Securities	$ 21,911,796	$ 1,381,854	$ 20,529,942	$ —
Common Stock	56,793,100	56,508,747	248,026	36,327
Domestic Equity Funds	12,496,047	12,496,047	—	—
Corporate Bonds	21,465,766	—	21,465,766	—
Real Estate Funds	19,349,866	—	—	19,349,866
Convertible Securities	20,457,073	1,265,697	19,191,376	—
International Equity Funds	2,417,216	—	2,417,216	—
Infrastructure	6,744,426	—	—	6,744,426
Total Investments by net fair value level	161,635,290	71,652,345	63,852,326	26,130,619

Investments measured at net asset value ("NAV")	
Domestic Equity Funds	152,790
International Equity Funds	31,411,281
Bond Funds	49,841
Commingled Domestic Equity Funds	10,408,286
Total investments measured at NAV	42,022,198
Total investments	$ 203,657,488

The Plan's valuation methods for investments measured at the net asset value ("NAV") per share (or its equivalent) as of September 30, 2023 are as follows:

	Investments Measured at the NAV			
		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Mutual funds	$ 31,613,912	$ —	Daily	Same Day
Commingled domestic equity funds	10,408,286	—	Monthly	Up to 15 Days
	$ 42,022,198	$ —		

H. Investments – Investment in Palm Bay Retirement System

1. Investment Authorization

The Palm Bay Retirement System's (the "Plan") investment policy is determined by the Board of Trustees (the "Board"). The policy has been identified by the Board as having the greatest expected investment return, and the resulting positive impact on asset values, funded status, and benefits, without exceeding a prudent level of risk. The Board determined this policy after evaluating the implications of increased investment return versus increased variability of return for a number of potential investment policies with varying commitments to stocks and bonds.

NOTE 3 – Deposits and Investments (Continued)

H. Investments – Investment in Palm Bay Retirement System (Continued)

1. Investment Authorization (Continued)

The primary investment objective of the plan is the preservation of invested capital. The secondary objective is to achieve moderate long-term real growth of the assets while minimizing the volatility of returns.

The Trustees are authorized to acquire and retain every kind of property, real, personal, or mixed, and every kind of investment specifically including, but not by way of limitation, bonds, debentures, and other corporate obligations, and stocks, preferred or common, which persons of prudence, discretion and intelligence acquire or retain for their own account. Investment in all equity securities shall be limited to those listed n a major U.S. stock exchange and limited to no more than 75% (at market) of the Plan's total asset value with no more than 5% at cost value of an investment manager's equity portfolio invested in the shares of a single corporate issuer. Investments in stocks of foreign companies shall be limited to 25% (at market) of the investment portfolio. Convertible securities shall be limited to 25% of the Plan's total portfolio. Investment in equity securities whose market capitalization is less than $3 billion dollars shall be limited to 25% of the total equity portfolio. Investments in those corporations whose stock has been publicly traded for less than one year are limited to 15% of the equity portfolio.

The fixed income portfolio shall be comprised of securities rated "BBB" or higher by Standard & Poor's or Baa or higher by Moody's rating services with no more than 10% at cost of an investment manager's total fixed income portfolio invested in the securities of any single corporate issuer. However, investments in securities rated below "A" shall be limited to 20% of the total fixed income portfolio.

Investments in Collateralized Mortgage Obligations (CMOs) shall not exceed 25% of the fixed income portfolio and real estate shall not exceed 15% of the portfolio or market, respectively.

The Plan has contracts with investment counselors who supervise and direct the investment of equity and fixed income securities. In this regard, the Plan does utilize mutual funds as the investment vehicles for all its fixed income investments. In addition, the Plan utilizes an investment advisor who monitors the investing activity. The investments owned are held by custodians in the name of the Plan.

2. Types of Investments

Florida Statutes and Plan investment policy authorize the Trustees to invest funds in various investments. The current target and actual allocation of these investments at market are as follows:

Authorized Investments	Target % of Portfolio	Actual % of Portfolio
Domestic equities	35%	36%
Fixed income	25%	21%
International equities	15%	19%
Real estate	10%	9%
Convertible securities	10%	10%
Infrastructure	5%	3%
Cash equivalents	0%	2%
	100%	100%

NOTE 3 – Deposits and Investments (Continued)

H. Investments – Investment in Palm Bay Retirement System (Continued)

3. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in the market interest rates. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

Information about the sensitivity of the fair values of the Plan's investments to market interest rate fluctuations are provided by the following tables that show the distribution of the Plan's investment by maturity at September 30, 2023:

		Investment Maturities (in Years)			
Investment Type	**Fair Value**	**Less Than 1**	**1 to 5**	**6 to 10**	**More Than 10**
U.S. Treasuries	$ 11,233,241	$ 1,489,885	$ 3,161,037	$ 3,445,107	$ 3,137,212
U.S. Agencies	10,678,555	—	—	—	10,678,555
Debt Securities	43,074,358	1,045,078	27,259,677	8,539,048	6,230,555
Bond Funds	49,841	—	49,841	—	—
Total Fixed Income	$ 65,035,995	$ 2,534,963	$ 30,470,555	$ 11,984,155	$ 20,046,322

4. Credit Risk

Credit risk is the risk that a security or a portfolio will lose some or all its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy utilizes portfolio diversification to control this risk.

NOTE 3 – Deposits and Investments (Continued)

H. Investments – Investment in Palm Bay Retirement System (Continued)

4. Credit Risk (Continued)

The following tables disclose credit ratings by investment type, at September 30, 2023 as applicable:

Quality Rating of Credit Risk Debt Securities		Fair Value	Percentage of Portfolio
Government	$	21,911,796	33.7%
AAA		2,147,286	3.3%
AA+		839,247	1.3%
AA		190,514	0.3%
AA-		733,799	1.1%
A+		1,056,674	1.6%
A		1,241,436	1.9%
A-		3,096,222	4.8%
B-		129,017	0.2%
BB+		294,624	0.5%
BB-		82,755	0.1%
BBB+		3,428,672	5.3%
BBB		4,317,909	6.6%
BBB-		836,408	1.3%
CCC		—	0.0%
CCC-		413,255	0.6%
NR		24,316,381	37.4%
Total Credit Risk Debt Securities	$	43,124,199	66.3%
Total Fixed Income Securities	$	65,035,995	100%

5. Concentration of Credit Risk

The investment policy of the Plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. There were no individual investments that represent 5% or more of plan net position at September 30, 2023.

6. Custodial Credit Risk

Deposits are exposed to custodial risk if they are uninsured and uncollateralized. Custodial risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the Plan and are held either by the counterparty or the counterparty's trust department or agent but not in the Plan's name.

Consistent with the Plan's investment policy, substantially all the investments are held by Plan's custodial bank and registered in the Plan's name. All the Plan's deposits are insured and or collateralized by a financial institution separate from the Plan's depository financial institution.

7. Rate of Return

For the year ended September 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 8.02% for Police Officers, 7.01% for Firefighters and 13.96% for General. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amount invested.

NOTE 4 – Receivables

The City's receivables as of September 30, 2023 are summarized as follows:

	Primary Government		
	Governmental	Business-type	Total
Accounts Receivable:			
Accounts receivable	$ 4,411,568	$ 11,824,379	$ 16,235,947
Due from other Governments	4,300,484	24,258	4,324,742
	8,712,052	11,848,637	20,560,689
Less: Allowances for Uncollectibles	—	(70,000)	(70,000)
Accounts receivable, net	$ 8,712,052	$ 11,778,637	$ 20,490,689

	Governmental Activities			
	General Fund	Other Governmental	Internal Service	Total
Accounts Receivable:				
Accounts receivables	$ 4,181,768	$ 82,142	$ 147,658	$ 4,411,568
Due from State of Florida	3,507,133	—	50,303	3,557,436
Due from Brevard County	16,645	2,081	—	18,726
Due from Other Governments	669	723,653	—	724,322
Governmental receivable, net	$ 7,706,215	$ 807,876	$ 197,961	$ 8,712,052

The City's Utilities Fund provides water, sewer and stormwater services to residents in the City. Customers routinely receive services in advance during the ordinary course of business; however, customers' deposits are available to be applied against amounts owed. Accounts receivable in the Utilities Fund at September 30, 2023 is summarized as follows:

	Business-type Activities				
	Utilities Fund (Major Fund)	Stormwater (Major Fund)	Solid Waste (Major Fund)	Building (Nonmajor Fund)	Total
Accounts Receivable:					
Accounts receivables	$ 4,520,504	$ 2,967,597	$ 1,160,050	$ 12,835	$ 8,660,986
Unbilled receivables	3,163,393	—	—	—	$3,163,393
Due from other Governments	24,198	60	—	—	$24,258
	7,708,095	2,967,657	1,160,050	12,835	11,848,637
Less: Allowances for uncollectibles	(70,000)	—	—	—	(70,000)
Business-type receivable, net	$ 7,638,095	$ 2,967,657	$ 1,160,050	$ 12,835	$ 11,778,637

NOTE 5 – Restricted Assets

The use of certain Utilities Fund assets is restricted by specific provisions of the bond resolution authorizing the issuance of the utilities revenue and refunding bonds. In addition, the City restricts funds available for repayment of customer deposits as well as funds required to be placed in special construction accounts, as required by state statutes. Restricted assets at September 30, 2023 are as follows:

Account Description:	Cash and Cash Equivalents
Current:	
Customer Deposits	$ 5,272,582
Total Current Restricted Assets	5,272,582
Noncurrent:	
Renewal, Replacement and Improvement	8,079,652
Connection Fees	15,625,981
Total Noncurrent Restricted Assets	23,705,633
Total Restricted Assets	$ 28,978,215

NOTE 6 - Interfund Transfers, Receivables and Payables

Individual Interfund/Intrafund transfers at September 30, 2023 are presented on the table that follows:

	Transfers In									
Transfers Out	General	Impact Fee Fund	G.O. Bond Road Program	Debt Service Fund	Nonmajor Governmental	Utilities	Stormwater	Nonmajor Enterprise	Internal Service Fund	Total Transfers Out
General	$ —	$ 235,578	$ —	$ 6,668,135	$ 1,362,393	$ 445	$ 46,905	$ 125	$ 40,000	$ 8,353,581
Impact Fee Fund	—	—	—	417,315	—	—	—	—	—	417,315
G.O. Bond Road Program	—	—	56,982,780	—	—	—	—	—	—	56,982,780
Debt Service Fund	—	—	—	3,381,752	—	—	—	—	—	3,381,752
Nonmajor Governmental	54,888	—	—	204,999	811,636	—	—	—	—	1,071,523
Bayfront Comm Redevelopment	—	—	—	—	1,002,311	—	—	—	—	1,002,311
Utilities	1,475,256	—	—	—	—	20,903,218	—	—	—	22,378,474
Stormwater	—	—	—	—	—	—	—	—	—	—
Nonmajor Enterprise	—	—	—	—	—	—	—	—	—	—
Solid Waste	—	—	—	—	—	—	—	—	—	—
Internal Service	269,221	—	—	—	—	—	—	—	—	269,221
Total Transfers In	$ 1,799,365	$ 235,578	$ 56,982,780	$ 10,672,201	$ 3,176,340	$ 20,903,663	$ 46,905	$ 125	$ 40,000	$ 93,856,957

NOTE 6 - Interfund Transfers, Receivables and Payables (Continued)

The transfer of approximately $1.5 million from Utilities to the General Fund represents annual return on investments (ROI). This amount is based on a percentage of the Utility System's total gross capital assets and is equivalent to payment in lieu of taxes (PILOT). Transfers from General Fund to the Debt Service Fund totaling $6.7 million covers interest and principal obligations as does the transfer of $417,315 from Impact Fees Fund. Transfers within utilities in the amount of $20,9 million covered debt service obligations, supported capital improvement projects and maintained fund balance in accordance with established policies.

General Fund due from other funds balances consist of $119,109 deficit coverage provided on behalf of CDBG CV- Coronavirus Fund and the NSP fund.

NOTE 7 – Capital Assets

A. Changes in Capital Assets

The following tables show the changes in capital assets by governmental activities and business-type activities. Governmental activities include the capital assets for the Internal Service Funds

Governmental Activities	Beginning Balance 09/30/2022	Increases	Decreases	Ending Balance 09/30/2023
Capital Assets, Not Being Depreciated/Amortized:				
Land	$ 16,119,887	$ —	$ —	**$ 16,119,887**
Construction In Progress	22,770,203	41,399,458	(13,338,920)	**50,830,741**
Total Capital Assets, Not Being Depreciated/Amortized	38,890,090	41,399,458	(13,338,920)	**66,950,628**
Capital Assets, Being Depreciated/Amortized:				
Buildings and Improvements	36,833,151	117,408	—	**36,950,559**
Machinery, Equipment and Vehicles	31,833,413	3,657,761	(1,230,102)	**34,261,072**
Infrastructure	175,606,093	13,338,920	—	**188,945,013**
Right to Use - SBITA	—	1,950,817	—	**1,950,817**
Total Capital Assets Being Depreciated/Amortized	244,272,657	19,064,906	(1,230,102)	**262,107,461**
Less Accumulated Depreciation/Amortization For:				
Buildings and Improvements	(21,288,052)	(1,005,635)	—	**(22,293,687)**
Machinery and Equipment	(24,216,538)	(2,309,388)	1,199,901	**(25,326,025)**
Infrastructure	(73,545,271)	(7,251,115)	—	**(80,796,386)**
Right to Use - SBITA	—	(693,775)	—	**(693,775)**
Total Accumulated Depreciation/Amortization	(119,049,861)	(11,259,913)	1,199,901	**(129,109,873)**
Total Capital Assets, Being Depreciated/Amortized, Net	125,222,796	7,804,993	(30,201)	**132,997,588**
Governmental Activities Capital Assets, Net	$ 164,112,886	$ 49,204,451	$(13,369,121)	**$ 199,948,216**

NOTE 7 – Capital Assets (Continued)

A. Changes in Capital Assets (Continued)

Business-type Activities	Beginning Balance 09/30/2022	Increases	Decreases	Ending Balance 09/30/2023
Utility System				
Capital Assets, Not Being Depreciated/Amortized:				
Land	$ 5,118,403	$ —	$ —	**$ 5,118,403**
Construction In Progress*	38,793,987	10,376,396	(6,641,899)	**42,528,484**
Total Capital Assets, Not Being Depreciated/Amortized	43,912,390	10,376,396	(6,641,899)	**47,646,887**
Capital Assets, Being Depreciated/Amortized:				
Buildings and Improvements	2,886,341	6,262,500	—	**9,148,841**
Water and Sewer System	196,455,365	4,419,807	—	**200,875,172**
Machinery and Equipment	4,928,236	513,951	(11,250)	**5,430,937**
Total Capital Assets Being Depreciated/Amortized	204,269,942	11,196,258	(11,250)	**215,454,950**
Less Accumulated Depreciation/Amortization For:				
Buildings and Improvements	(1,665,445)	(69,452)	—	**(1,734,897)**
Water and Sewer System	(86,164,523)	(4,221,456)	—	**(90,385,979)**
Machinery and Equipment	(3,464,089)	(337,324)	8,086	**(3,793,327)**
Total Accumulated Depreciation/Amortization	(91,294,057)	(4,628,232)	8,086	**(95,914,203)**
Total Capital Assets, Being Depreciated/Amortized, Net	112,975,885	6,568,026	(3,164)	**119,540,747**
Utility System Capital Assets, Net	$ 156,888,275	$ 16,944,422	$ (6,645,063)	**$ 167,187,634**
Stormwater Utility				
Capital Assets, Not Being Depreciated/Amortized:				
Land	$ 19,802	$ —	$ —	**$ 19,802**
Construction in Progress	3,617,880	2,211,501	(873,940)	**4,955,441**
Total Capital Assets, Not Being Depreciated/Amortized:	3,637,682	2,211,501	(873,940)	**4,975,243**
Capital Assets, Being Depreciated/Amortized:				
Infrastructure	11,494,808	760,489	—	**12,255,297**
Machinery and Equipment	3,611,950	955,114	(272,577)	**4,294,487**
Total Capital Assets Being Depreciated/Amortized	15,106,758	1,715,603	(272,577)	**16,549,784**
Less Accumulated Depreciation/Amortization For:				
Machinery and Equipment	(1,989,959)	(345,827)	272,577	**(2,063,209)**
Infrastructure	(765,751)	(379,321)	—	**(1,145,072)**
Total Accumulated Depreciation	(2,755,710)	(725,148)	272,577	**(3,208,281)**
Total Capital Assets, Being Depreciated/Amortized, Net	12,351,048	990,455	—	**13,341,503**
Stormwater Utility Capital Assets, Net	$ 15,988,730	$ 3,201,956	$ (873,940)	**$ 18,316,746**

*Beginning balance updated in current year, prior year's amount was incorrectly stated in the City's 2022 ACFR.

NOTE 7 – Capital Assets (Continued)

A. Changes in Capital Assets (Continued)

Business-type Activities	Beginning Balance 09/30/2022	Increases	Decrease	Ending Balance 09/30/2023
Building Inspections				
Capital Assets, Not Being Depreciated/Amortized:				
Construction In Progress	$ 399,850	$ 107,052	$ —	**$ 506,902**
Total Capital Assets, Not Being Depreciated/Amortized	399,850	107,052	—	**506,902**
Capital Assets, Being Depreciated/Amortized:				
Right to Use Asset	$ 561,503	—	—	**561,503**
Machinery and Equipment	520,803	239,713	(23,132)	**737,384**
Total Capital Assets Being Depreciated/Amortized	1,082,306	239,713	(23,132)	**1,298,887**
Less Accumulated Depreciation/Amortization For:				
Right of Use Asset	(80,215)	(80,215)	—	**(160,430)**
Machinery and Equipment	(211,150)	(98,879)	15,697	**(294,332)**
Total Accumulated Depreciation/Amortization	(291,365)	(179,094)	15,697	**(454,762)**
Building Inspections Capital Assets, Net	$ 1,190,791	$ 167,671	$ (7,435)	**$ 1,351,027**
Solid Waste				
Capital Assets, Being Depreciated/Amortized:				
Machinery and Equipment	$ 2,560,000	$ —	$ —	**$ 2,560,000**
Total Capital Assets Being Depreciated/Amortized	2,560,000	—	—	**2,560,000**
Less Accumulated Depreciation/Amortization For:				
Machinery and Equipment	(2,560,000)	—	—	**$ (2,560,000)**
Total Accumulated Depreciation/Amortization	(2,560,000)	—	—	**(2,560,000)**
Solid Waste Capital Assets, Net	$ —	$ —	$ —	**$ —**

Shown below is a summary of depreciation/amortization expense by function. Depreciation/Amortization expense for the internal service funds are included in the governmental activities amounts.

Depreciation/Amortization Expense By Function	
Governmental Activities:	
General Government	$ 1,775,176
Public Safety	1,410,210
Physical Environment	599,343
Transportation	6,394,545
Economic Environment	129,781
Culture/Recreation	950,858
Total Governmental Activities	$ 11,259,913
Business-type Activities:	
Utility System	$ 4,628,232
Building Inspection	179,094
Stormwater	725,148
Solid Waste	—
Total Business-type Activities	$ 5,532,474

NOTE 7 – Capital Assets (Continued)

B. Construction Commitments

Projects	Spent-to-Date	Remaining Commitment
GO Bond Road Program	$ 88,564,331	$ 61,435,669
I-95 Interchange	14,277,892	2,669,496
St John Parkway and Babcok Intersection	3,808,611	2,608,652
Malabar Rd Widening	233	6,999,767
Fire Station #7	166,615	6,477,737
Building E	713,575	15,805,804
South Regional Water Reclamation Facility	16,210,517	24,491,753
Regional Pump Station #1	464,168	1,030,812
North Regional Waster Water Facility	8,792	2,099,708
Lift Station #1 Relocation	268,647	1,906,066
North Regional Admin Building	7,141	3,662,859
Total	$ 124,490,522	$ 129,188,323

NOTE 8 - Long Term Debt

A. Schedule of Changes in Long-Term Debt

The following is a schedule of changes in the City's long-term debt for the fiscal year ended September 30, 2023:

Governmental Activities:	Balance 9/30/22	Additions	Reductions	Balance 9/30/23	Due Within One Year	Long-Term Portion
Bonds Payable:						
General Obligation Bonds						
General Obligation Bonds - Series 2019	$ 44,945,000	$ —	$ 1,830,000	$ 43,115,000	$ 1,920,000	$ 41,195,000
General Obligation Bonds - Series 2021	48,845,000	—	1,880,000	46,965,000	1,970,000	44,995,000
General Obligation Bonds - Series 2023	—	50,000,000	—	50,000,000	—	50,000,000
Add: Unamortized Premium	9,653,852	1,286,470	610,202	10,330,120	—	10,330,120
Total General Obligation Bonds Payable	103,443,852	51,286,470	4,320,202	150,410,120	3,890,000	146,520,120
Revenue Bonds from Direct Placement & Direct Borrowing:						
Taxable Special Obligation Bonds - Series 2004	276,035	—	65,888	210,147	68,286	141,861
Taxable Special Obligation Bonds - Series 2013	3,945,000	—	1,285,000	2,660,000	1,310,000	1,350,000
Sales Tax Revenue Bonds - Series 2015	12,075,000	—	615,000	11,460,000	640,000	10,820,000
Taxable Special Obligation Refunding Bonds - Series 2019	50,770,000	—	625,000	50,145,000	640,000	49,505,000
Add: Unamortized Premium	365,099	—	26,079	339,020	—	339,020
Total Revenue Bonds Payable	67,431,134	—	2,616,967	64,814,167	2,658,286	62,155,881
Notes Payable:						
Notes Payable from Direct Placement & Direct Borrowing:						
Franchise Fee Revenue Note - Series 2015	2,017,000	—	489,000	1,528,000	499,000	1,029,000
Franchise Fee Revenue Note - Series 2016	3,216,000	—	206,000	3,010,000	225,000	2,785,000
Local Option Gas Tax Note - Series 2018	7,221,000	—	572,000	6,649,000	588,000	6,061,000
Special Obligation Refunding Note - Series 2020	4,010,000	—	253,000	3,757,000	258,000	3,499,000
Total Notes Payable	16,464,000	—	1,520,000	14,944,000	1,570,000	13,374,000
Other Liabilities:						
Financed Purchase Payable	5,133,570	—	414,594	4,718,976	431,787	4,287,189
SBITA Payable	—	1,950,817	950,476	1,000,341	737,931	262,410
Net Pension Liability	75,699,986	2,582,096	—	78,282,082	—	78,282,082
Total OPEB Liability	9,870,404	22,638	—	9,893,042	1,582,887	8,310,155
Compensated Absences	5,417,667	5,507,271	4,720,079	6,204,859	992,777	5,212,082
Claims Payable	3,761,552	141,479	150,000	3,753,031	1,254,871	2,498,160
Total Other Liabilities	99,883,179	10,204,301	6,235,149	103,852,331	5,000,253	98,852,078
Total Governmental Activities	$ 287,222,165	$ 61,490,771	$ 14,692,318	$ 334,020,618	$ 13,118,539	$ 320,902,079

NOTE 8 - Long Term Debt (Continued)

A. Schedule of Changes in Long-Term Debt (Continued)

Business-type Activities:	Balance 9/30/22	Additions	Reductions	Balance 9/30/23	Due Within One Year	Long-Term Portion
Utility System						
Bonds Payable:						
Bonds Payable from Direct Placement & Direct Borrowing:						
Utility Capital Improvement Revenue Bonds - Series 2001	$ 4,007,963	$ —	$ 559,046	$ 3,448,917	$ 521,064	$ 2,927,853
Total Revenue Bonds Payable	4,007,963	—	559,046	3,448,917	521,064	2,927,853
Notes Payable:						
Notes Payable from Direct Placement & Direct Borrowing:						
Utility System Refunding Revenue Note - Series 2014	—	—	—	—	—	—
Utility System Refunding Revenue Note - Series 2016	5,735,000	—	5,185,000	550,000	550,000	—
Utility System Revenue Note - Series 2020	10,338,000	—	46,000	10,292,000	726,000	9,566,000
Total Notes Payable	16,073,000	—	5,231,000	10,842,000	1,276,000	9,566,000
Other Liabilities:						
Due to Other Governments:						
State Revolving Loan Payable - Direct Borrowings	8,275,334	6,774,245	—	15,049,579	—	15,049,579
Total OPEB Liability	2,077,980	4,766	—	2,082,746	333,239	1,749,507
Compensated Absences	739,108	995,174	845,685	888,598	142,176	746,422
Total Other Liabilities:	11,092,422	7,774,185	845,685	18,020,923	475,415	17,545,508
Total Utility System	$ 31,173,385	$ 7,774,185	$ 6,635,731	$ 32,311,840	$ 2,272,479	$ 30,039,361
Building Inspection						
Total OPEB Liability	$ 259,748	$ 595	$ —	$ 260,343	$ 41,655	$ 218,688
Compensated Absences	167,477	202,456	147,580	222,353	35,576	186,777
Building Lease Liability	500,678	—	66,625	434,053	66,625	367,428
Total Building Inspection	$ 927,903	$ 203,051	$ 214,205	$ 916,749	$ 143,856	$ 772,893
Stormwater Utility						
Total OPEB Liability	649,369	1,489	—	650,858	104,137	546,721
Compensated Absences	142,470	166,251	174,187	134,534	21,525	113,009
Total Stormwater Utility	$ 791,839	$ 167,740	$ 174,187	$ 785,392	$ 125,662	$ 659,730
Solid Waste						
Total OPEB Liability	129,873	298	—	130,171	20,827	109,344
Total Solid Waste	$ 129,873	$ 298	$ —	$ 130,171	$ 20,827	$ 109,344

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. For governmental activities, claims and compensated absences are generally liquidated with resources from the General Fund. It is anticipated that future discharge of net pension and post employment benefit obligations will also be liquidated with General Fund resources.

NOTE 8 -Long Term Debt (Continued)

B. General Obligation Bonds

On November 6, 2018, voters approved a referendum allowing for the issuance of up to $150 million in general obligation bonds by the City to finance roadway improvements. The bonds are direct obligations that are backed

by the full faith, credit and taxing authority of the City. In the event of default, from a) failure to make legally required payment when due, b) bankruptcy, or c) default of any other covenant not cured within 30 days after

written notice, any Holder of the Bonds may compel performance of all required duties. However, the right to declare principal and interest to be immediately due and payable shall not be an available remedy.

In July 2019, the City issued General Obligation Bonds, Series 2019, in the par amount of $50 million. For the current year, $3,527,750 in principal and interest was paid on the Series 2019 Bonds. Principal and interest remaining on the Series 2019 Bonds is $56,448,500 with interest rates from 3% to 5%.

In February 2021, the City issued General Obligation Bonds, Series 2021, in the par amount of $50 million. For the current year, $3,450,150 principal and interest was paid on the Series 2021 Bonds. Principal and interest remaining on the Series 2021 Bonds is $58,610,000, with interest rates from 2% to 5%.

In September 2023, the City issued General Obligation Bonds, Series 2023, in the amount of $50 million. For the current fiscal year, no principal or interest was paid on the Series 2023 bonds. Principal and interest remaining on the Series 2023 Bonds is $83,968,182, with interest rates from 4% to 5%.

The following schedule represents the future debt principal and interest requirement general obligation bonds outstanding as of September 30, 2023.

Fiscal Year	General Obligation Bonds	
	Principal	Interest
2024	3,890,000	4,912,407
2025	4,885,000	5,128,725
2026	5,130,000	4,884,475
2027	5,385,000	4,627,975
2028	5,655,000	4,358,725
2029-2033	32,485,000	17,570,325
2034-2038	38,125,000	11,933,425
2039-2043	44,525,000	5,530,626
	140,080,000	58,946,683
Add Premium	10,330,120	—
	$ 150,410,120	$ 58,946,683

C. Bonds Payable

1. Governmental Activities

In September 2004, the City issued $5,376,447 in special obligations bonds secured by pledged state revenue sharing monies, as defined in Chapter 218, Part II, Florida Statutes, in an amount of up to 50% of the state revenue monies received in the preceding fiscal year. Proceeds from the bonds were used to discharge the unfunded actuarial accrued pension liability of the Palm Bay Police and Firefighters Pension Plan. The bonds are payable solely from the state revenue sharing funds and are payable through 2026. In December 2016, the City partially refunded these bonds, providing $4,013,423 in escrow to redeem principal of $3,945,000 and interest of $68,423 in January 2017. Total principal and interest

NOTE 8 - Long Term Debt (Continued)

C. Bonds Payable (Continued)

1. Governmental Activities (Continued)

remaining to be paid on the bonds is $690,000. For the current year, principal and interest of $190,000 was paid. State revenue sharing monies received in 2023 were $7,325,279 The bonds are direct obligations. Resolution No.2004-51 authorized the issuance of the special obligation bonds with provisions that in the event of default, for failure to: a) pay principal and interest; b) pay Bond Issuer; c) maintain eligibility to receive State Revenue Sharing money, d) or e) comply with covenant agreement; if not remedied or begun to remedy in 30 days, and so long as the Bond Issuer shall not be in default in its payment obligations, the Bond Insurer may waive any event of default under this Resolution and shall be deemed to be the Holder of all Bonds so secured.

The City has pledged certain designated revenues, to repay $50,855,000 in revenue bonds issued November 2013. Proceeds from the bonds were used to a) refund the City's 2008 Series Pension Obligation Bonds and b) pay termination costs in connection with the associated interest rate SWAP agreement. The bonds are payable principally from communication service and public service tax revenues and are payable through 2040. Total principal and interest remaining to be paid on the bonds is $4,225,959 due to a partial refunding of $44,000,000 in December 2019. For the current year, principal and interest of $1,438,495 was paid. Designated Revenues were $15,056,863. The bonds contain provisions for default resulting from a) payment of interest not made when due, b) payment of principal not made when due, c) default of any other covenants, d) insolvency, e) receipt of written notice from a Credit Bank that following a drawing for the payment of interest on Bonds, the Credit Bank has not been reimbursed, or any other event of default under such reimbursement agreement. If default occurs, the Holders of not less than 25% in aggregate principal amount of Bonds then outstanding may proceed to enforce the rights of the holders, including to sue for and receive any and all amounts then due for principal, interest, or otherwise under any of the provisions, together with interest on overdue payments and all costs and expenses of collection.

The City has pledged sales tax revenues to repay $15,375,000 in bonds issued in October 2015. The proceeds from the bonds were used to defease outstanding 2006 Sales Tax Revenue Bonds procured for the acquisition and construction of capital improvement. The bonds are payable from sales tax revenues and are payable through 2037. Principal and interest remaining on the Series 2015 bonds is $14,511,409. For the current year, principal and interest paid was $1,038,306. Sales tax revenues were $9,148,718. Resolution No. 2006-45 provides that any registered owner of the Bonds may compel performance of all required duties. The City is obligated to pay the principal and interest on the Bonds and to make all reserve and other payments.

In December 2019, the City issued the Taxable Special Obligation Refunding Bonds, Series 2019, in the amount of $51,670,000 to partially refund $44,000,000 of the City's outstanding Taxable Special Obligation Bonds, Series 2013 and to pay associated issuance costs. The difference in cash flows required to service the old debt versus the new debt is a decrease of $9,962,373. The economic gain resulting from the refunding is $7,230,347. The bonds are payable principally from communication service and public service tax revenues and are payable through 2040. For the current year, principal and interest paid was $2,200,289. Principal and interest remaining on the Series 2019 Bonds is $67,872,718. The bonds contain provisions for default resulting from a) payment of interest not made when due, b) payment of principal not made when due, c) default of any other covenants, d) insolvency, e) receipt of written notice from a Credit Bank that, following a drawing for the payment of interest on bonds, the Credit Bank has not been reimbursed, or any other event of default under such reimbursement agreement. If default occurs, the Holders of not less than 25% in aggregate principal amount of bonds then outstanding may proceed to enforce the rights of the Holders, including to sue for and receive all amounts then due for principal, interest, or otherwise under any of the provisions, together with interest on overdue payments and all costs and expenses of collection.

NOTE 8 - Long Term Debt (Continued)

C. Bonds Payable (Continued)

1. Governmental Activities (Continued)

A summary of outstanding governmental revenue bonds payable at September 30, 2023 is as follows:

Governmental Activities:	Purpose of Issue	Amount Issued	Amount Outstanding	Remaining Interest Rates (Percent)	Annual Maturity To
Revenue Bonds:					
Taxable Special Obligation Bonds Series2004	Discharging of unfunded actuarial accrued pension fund liability	$ 5,376,447	$ 210,147	6.000-6.040	2026
Taxable Special Obligation Bonds Series 2013	Refunding of '08 Pension Bonds and finance termination of SWAP	50,855,000	2,660,000	4.605-4.805	2025
Sales Tax Revenue Bonds Series 2015	Refunding of '06 Sales Tax Bonds	15,375,000	11,460,000	3.000-4.000	2037
Taxable Special Obligation Refunding Bonds Series 2019	Partial Refunding of 2013 Taxable Special Obligation Bonds	51,670,000	50,145,000	2.251-3.476	2041
Total Governmental Activities			$ 64,475,147		

2. Business-type Activities

All the outstanding bonds of the Utilities Fund are secured by the water and sewer net operating revenues. In addition, mainline extension charges and water connection fees are pledged for debt coverage.

In July 2001, the City issued $21,311,958 in Capital Improvement Revenue Bonds which were secured by pledged City water and sewer system net operating revenues, including water connection fees. Proceeds from the bonds were used to (1) finance capital improvements to the water portion of the City's Water and Wastewater System (2) pay costs and expenses related to issuance of the Series 2001 Bonds including the municipal bond insurance premium and Reserve Fund Surety Bond premium. The bonds are payable through 2031. Total principal and interest remaining to be paid on the bonds is $15,347,806. Current year principal and interest payments were $1,920,000. The City's net operating water and sewer revenues were $17,589,793. Resolution No. 94-07 provides that each of the following events is an "event of default" if a) any payment of Debt Service is not made when due, b) City becomes incapable of fulfilling its obligations, c) City admits in writing its inability to pay its debts, or files for bankruptcy, or consents to the appointment of a receiver or trustee, d) City is insolvent, or is adjudged bankrupt, e) City seeks reorganization under bankruptcy, f) Default of other covenants. Upon the occurrence and continuance of any event of default, the Holders of not less than 10% in aggregate principal amount and Accreted Value of the Bonds then outstanding may enforce the rights of the Bondholders either for the specific performance of any covenant or agreement contained herein or by any power granted for the enforcement of any proper legal remedy. Upon the happening and continuance of any event of default, Holders of not less than 51% of the aggregate principal amount and Accreted Value of the Bonds then outstanding may declare the principal and Accreted Value of all Bonds then outstanding to be due and payable.

NOTE 8 - Long Term Debt (Continued)

C. Revenue Bonds Payable (Continued)

2. Business-type Activities (Continued)

The following is a summary of business-type activities bonds payable reflected in the City's Utilities Fund as of September 30, 2023:

Business-type Activities:	Purpose of Issue	Amount Issued	Amount Outstanding	Remaining Interest Rates (Percent)	Annual Maturity To
Revenue Bonds:					
Utility Capital Improvement Revenue Bonds Series 2001	Capital improvements to water system	$ 21,311,958	$ 3,448,917	5.690-5.710	2031
Total Business-type Activities			$ 3,448,917		

D. Debt Service Requirements

The following are the debt service requirements to maturity on the City's long-term debt, excluding general obligation bonds, premiums and discounts, compensated absences as well as claims payable for governmental activities and business-type activities:

Governmental Activities:

Fiscal Year	Revenue/Refunding Bonds		Financed Purchase Payable		Notes Payable		
	Principal	Interest	Principal	Interest	Principal	Interest	Total
2024	$ 2,658,286	$ 2,196,421	$ 431,787	$ 113,613	$ 1,570,000	$ 385,203	$ 7,355,310
2025	2,740,221	2,110,887	313,034	104,745	1,613,000	344,170	7,226,057
2026	2,816,640	2,037,492	329,406	97,645	1,663,000	301,777	7,245,960
2027	2,785,000	1,780,295	346,463	90,144	1,462,000	257,775	6,721,677
2028	2,830,000	1,697,745	364,234	82,224	1,541,000	211,476	6,726,679
2029-2033	17,680,000	7,071,690	1,606,533	288,973	6,147,000	456,540	33,250,736
2034-2038	21,120,000	3,865,105	1,327,519	79,296	948,000	26,959	27,366,879
2039-2043	11,845,000	626,810	—	—	—	—	12,471,810
Total	$ 64,475,147	$ 21,386,445	$ 4,718,976	$ 856,640	$ 14,944,000	$ 1,983,900	$ 108,365,108

BusinessType Activities:

Fiscal Year	Revenue/Refunding Bonds		Notes Payable		
	Principal	Interest	Principal	Interest	Total
2024	$ 521,064	$ 1,396,464	$ 1,276,000	$ 183,976	$ 3,377,504
2025	492,840	1,425,492	1,300,000	159,752	3,378,084
2026	465,701	1,451,607	1,323,000	138,042	3,378,350
2027	440,733	1,478,490	1,343,000	115,948	3,378,171
2028	416,851	1,503,149	1,364,000	93,520	3,377,520
2029-2033	1,111,728	4,643,687	4,236,000	142,201	10,133,616
	$ 3,448,917	$ 11,898,889	$ 10,842,000	$ 833,439	$ 27,023,245

E. Debt Defeasance and Advance Refunding

The City advances, refunds and/or defeases long-term debt primarily to reduce debt service requirements. As of September 30, 2023, the City has no outstanding defeased bonds.

NOTE 8 - Long Term Debt (Continued)

F. Notes Payable

In May 2015, the City issued a $4,744,000 Franchise Fee Revenue Note, Series, 2015. Most of the proceeds of the Note were used to finance mitigation costs relative to the I-95 Interchange Capital Improvement Project. Remaining proceeds shall be used for transportation improvements to include a connector road to the I-95 interchange. The note matures in 2026 and bears a fixed interest rate of 2.100%. Principal and interest remaining on the Note is $1,576,573. The total principal and interest paid during the year was $526,222. A summary follows of Resolution No. 2015-24 list of Events of Default: a) default in the payment of principal of amortization installment, redemption premium, or interest when due, b) default in the payment of fees due any provider of a Reserve Account Insurance Policy, c) bankruptcy, d) default of any other covenant. Any Holder of Bonds may enforce performance if acceleration shall not be a remedy unless specifically provided by Supplemental Resolution. Holder(s) of Bonds in an aggregate principal amount of not less than 25% of the Bonds then outstanding may appoint a trustee to represent such Bondholders in any legal proceeding for enforcement of Bondholders rights.

In March 2016, the City issued a $13,190,000 Utility System Revenue Refunding Note, Series 2016, to refund Utility System Capital Improvement Refunding Bonds, Series 2005B. The Note, which has a maturity date of 2024, bears a fixed interest rate of 2.200%, and is due semi-annually on March 6 and September 6. The note is secured by pledged revenues from main line extension fee revenue and water & sewer operating revenues. Principal and interest remaining on the Series 2016 Refunding Note is $562,100. Total principal and interest paid on the Refunding Note during the year was $5,311,170 Resolution 98-54 provides that each of the following events is an “event of default” if: a) any payment of Debt Service is not made when due, b) City becomes incapable of fulfilling its obligations, c) City admits in writing its inability to pay its debts, or files for bankruptcy, or consents to the appointment of a receiver or trustee, d) City is insolvent, or is adjudged bankrupt, e) City seeks reorganization under bankruptcy, f) Default of other covenants. Upon the occurrence and continuance of any event of default, the Holders of not less than 10% in aggregate principal amount and Accreted Value of the Bonds then outstanding may enforce the rights of the Bondholders either for the specific performance of any covenant or agreement contained herein or by any power granted for the enforcement of any proper legal remedy. Upon the happening and continuance of any event of default, Holders of not less than 51% of the aggregate principal amount and Accreted Value of the Bonds then outstanding may declare the principal and Accreted Value of all Bonds then outstanding to be due and payable.

In December 2016, the City issued $3,983,000 in Taxable Franchise Fee Revenue Refunding Note, Series 2016. The proceeds and City contributions of $81,518.13, were used to current refund a portion of the Taxable Special Obligation Bonds (Pension Obligation), Series 2004, and cover the costs of issuance. The Note, which has a maturity date in fiscal year 2031, bears a fixed interest rate of 4.07%, and is payable semi-annually on April 1 and October 1. Principal and interest paid on the Refunding Note during the year was $333,426. Principal and interest remaining on the Series 2016 Refunding Note is $3,527,541. Resolution 2015-24 defines each of the following as an “Event of Default”: a) default in the payment of the principal of, Amortization Installment, redemption premium or interest when due, b) default in the payment of fees due any provider of a Reserve Account Insurance Policy, c) bankruptcy, d) default of any other covenants, and such default shall continue for a period of 30 days after written notice received from the Holders of not less than 25% of the aggregate principal amount of Bonds outstanding or the Insurer of such amount of Bonds. Any Holder of Bonds may compel the performance of all duties required.

NOTE 8 - Long Term Debt (Continued)

F. Notes Payable (Continued)

In February 2018, the City issued Local Option Gas Tax Revenue Note, Series 2018, in the par amount of $9,000,000 for the construction of a connector road from Babcock Street to the new I-95 exchange and to cover costs of issuance. The note matures in October 2032 and bears a fixed interest rate of 2.71%. Principal and interest remaining on the Note totals $7,589,520. Total principal and interest paid during the fiscal year was $759,938. Resolution No. 2014-08 describes Events of Default as a) failure to make payments when due, b) bankruptcy, c) default of any other covenants. Notwithstanding the foregoing, the Issuer shall not be deemed in default if such default can be cured within a reasonable period of time and if the Issuer in good faith begins curative action and pursues such action until the default has been corrected. Any Holder may compel the performance of all duties required. The Holder(s) in an aggregate principal amount of not less than 25% of the obligations then outstanding may appoint a trustee to represent such Holders in any legal proceedings. During the period in which an Event of Default shall have occurred or be continuing, the Series 2018 Note shall bear interest at the "Default Rate", calculated at the greater of (i) the published Federal Reserve Bank Prime Rate plus 3%, (ii) the Federal Funds rate plus 5%, or (iii) 7% per annum; however not to exceed the maximum rate permitted by law.

On October 1, 2020, the City refunded the Public Service Tax Bonds, Series 2010, through the issuance of the Special Obligation Revenue Refunding Note, Series 2020, in the amount of $4,258.00. .Also, $490,111 from the Debt Service Reserve Fund of the refunded bond was used as a source of funding for part of the refunding escrow deposit. In the event of default from a) nonpayment of interest when due, b) nonpayment of principal when due, c) insolvency proceedings, d) non-reimbursement of a Credit Bank, or e) default in the performance of any other covenants, then the Holders shall be entitled to sue to enforce payment. For the current year, $253,000 in principal and $73,429 in interest was paid. Principal and interest remaining on the 2020 Special Obligation Note is $4,234,266.

In July 2020, the City entered into a direct borrowing for Equipment Lease/Purchase Agreement, as lessee, with Bank of America Public Capital Corp, lessor, in the amount of $4,479,235. The purpose of the agreement is to refund Series 2018 Lease which secured equipment to be used for energy savings at City facilities. The lease matures in July 2037 and has a fixed contract rate of 2.55%. The net present value savings is $284,315. Principal and interest remaining on the Lease is $4,607,340. Total principal and interest paid during the fiscal year was $261,448.

On October 29, 2020, the City issued a note in the amount of $11,507,000 to provide funds for certain capital improvements to the City's water and sewer system and for costs of issuance. Each of the following is deemed an "event of default" if a) any payment of debt service is not made when due, b) the City is rendered incapable of fulfilling its obligations, c) files bankruptcy, d) adjudged insolvent, e) reorganization under bankruptcy laws, f) default in punctual performance of any other covenants. In the event of default, the holders of the bonds then outstanding may protect and enforce the rights of the bondholders, but the remedy of acceleration shall not be available. For the current year, $46,000 of principal and $171,631 in interest was paid. Principal and interest remaining on the 2020 Utility Note is $11,113,339.

In March 2020, The City entered into two direct borrowings for Equipment Lease/Purchase Agreements, as lessee, with Bank of America Public Capital Core, lessor. The first agreement totaled $661,884 and secured Police equipment. The lease matures in 2024 and has a contract rate of 1.6008%. Principal and interest remaining on the lease is $136,614. Total principal and interest paid during the fiscal year was $136,614. The second lease agreement secured Fire equipment in the amount of $1,278,000. The lease matures in 2029 and has a contract rate of 1.8522%. Principal and interest remaining on the lease is $831,660. Total principal and interest paid during the fiscal year was $138,610.

In 2020, the City entered into a Clean Water State Revolving Loan Funding Agreement with the Florida Water Pollution Control Financing Corporation, which was reviewed by the State of Florida Department of

NOTE 8 - Long Term Debt (Continued)

F. Notes Payable (Continued)

Environmental Protection for funding the South Regional Water Treatment Reclamation Facility Construction project. Estimated project cost is $38,938,800. The Final Loan Amendment is to be executed upon completion of project. Pledged revenues shall be the gross revenues, together with sewer impact fees, derived yearly from the operation of the water and sewer systems after payment of the operation and maintenance expense and the satisfaction of all yearly payment obligations of the senior revenue debt. The following are events of default are enumerated in the agreement: 1) failure to make monthly loan deposit or to make semi-annual loan payment when due 2) failure to comply with any covenants required by loan agreement 3) any false representation by, or on behalf of, the City contained in loan agreement, 4) an order appointing a receiver of any part of the water or sewer system or gross revenues thereof, 5) any proceeding instituted for the purpose of adjusting the claims of City's creditors if the claims are payable from water or sewer revenues, 6) bankruptcy, 7) charge of criminal violations in the implementation of the Project or the administration of the proceeds from this Loan against one or more officials of the City, 8) failure of City to give immediate written notice of knowledge of a potential default to the Department. Remedies include: 1) By mandamus, 2) Require City to account for all moneys received pursuant to this agreement and to account for the receipt, use, application, or disposition of the pledged revenues, 3) Enjoin any acts or things which may be unlawful or in violation of the rights of the Corporation or the Department, 4) Cause the appointment of a receiver to manage the water and sewer systems, 5) the Department may provide for the payment to the Trustee of the delinquent amount plus a penalty from any unobligated funds due to the City under any revenue or tax sharing fund established by the State, 6) Notifying financial market credit rating agencies and potential creditors 7) By suing for payment of amounts due, 8) By accelerating the repayment schedule or increasing the financing rate on the unpaid principal of the loan to as much as 1.667 times the financing rate. Original estimated principal amount of the loan was $20 million. The loan service fee was estimated at $400 thousand. Semi-annual loan payments were expected to be in the amount of $510 thousand until the payment amount is adjusted by amendment. For the current year, no principal or interest was paid. As of September 30, 2023, the City drew down $15,049,579 from the available funding.

The following is a summary of the City's notes payable as of September 30, 2023:

Governmental Activities:	Purpose of Issue	Amount Issued	Amount Outstanding	Remaining Interest Rates (Percent)	Annual Maturity To
Franchise Fee Revenue Note Series 2015	Financing of I-95 Interchange Mitigation costs	4,744,000	1,528,000	2.100	2026
Franchise Fee Revenue Note Series 2016	Partial Refunding of the Special Obligation Bonds, Series 2004	3,983,000	3,010,000	4.070	2031
Local Option Gas Tax Note Series 2018	Financing I-95 connector road project	9,000,000	6,649,000	2.710	2033
Special Obligation Revenue Refunding Note Series 2020	Refunding of Public Service Tax Bonds, Series 2010	4,258,000	3,757,000	1.880	2036
Total Governmental Activities			$ 14,944,000		

Business-type Activities:	Purpose of Issue	Amount Issued	Amount Outstanding	Remaining Interest Rates (Percent)	Annual Maturity To
Utility System Refunding Revenue Note, Series 2016	Refunding of Utility Revenue Bonds Series 2005B	13,190,000	550,000	2.200	2024
Utility System Revenue Note Series 2020	Fund Capital Improvements of Water and Sewer System	11,507,000	10,292,000	1.670	2030
Total Business-type Activities			$ 10,842,000		

NOTE 8 - Long Term Debt (Continued)

G. Right of Use Lease Obligations

The City has entered into a lease as lessee of a building. An initial lease liability was recorded in the amount of $561,503. For the year ended September 30, 2023, the lease liability is $434,053. The lease has an interest rate of 5.00%. The value of the right of way use asset for the year ended September 30, 2023, is $561,503 with accumulated amortization of $160,429.

The future minimum lease obligations and the net present value of the minimum lease payment as of September 30, 2023, is as follows:

Business-Type Activities Fiscal Year	Principal	Interest
2024	$ 72,796	$ 19,664
2025	79,368	15,864
2026	86,364	11,724
2027	93,803	7,225
2028	101,722	2,342
	$ 434,053	$ 56,819

H. Right of Use SBITA Obligations

For the year ended September 30, 2023, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset.

The City has entered into various subscription arrangements and recorded an initial subscription liability in the amount of $1,950,817. For the year ended September 30, 2023, the subscription liability is $1,000,341. The arrangements have interest rates ranging from 2.31% to 3.24%. The value of the right of use asset for the year ended September 30, 2023, is $1,950,817 with accumulated amortization of $693,775.

Governmental Activities Fiscal Year	Principal	Interest
2024	$ 737,931	$ 29,173
2025	102,828	6,930
2026	89,921	4,089
2027	69,661	1,693
	$ 1,000,341	$ 41,885

NOTE 9 – Employee Retirement Systems

All City of Palm Bay full-time employees participate in one of two retirement plans offered by the City. Full-time employees participate in either the Palm Bay Defined Contribution Retirement Plan or the Palm Bay Defined Benefit Police and Firefighters Retirement System. In addition, the City offers elected officials' membership in the Florida Retirement System, which is a cost-sharing, multi-employer defined benefits plan. The pension expense for all pension plans was $13,586,974 for the fiscal year ended September 30, 2023.

A. Defined Contribution Retirement Plan

The City of Palm Bay's general employees' retirement plan is a defined contribution plan administered and maintained by ICMA Retirement Corporation. The City has no fiduciary responsibility for this plan and the assets of the plan are not reported as a pension trust fund. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. All full-time general employees are eligible to participate upon employment. Effective May 1, 2001, an executive plan was established which includes the City Manager, Deputy City Managers, City Clerk, City Attorney, Deputy City Attorney and all department heads except the police and fire department chiefs who are covered under the defined benefit plan. Employer contributions are vested according to the following schedule: 20% after one year of service and 20% per year thereafter until fully vested. Contributions under the plan were established by the Plan & Trust adoption agreement with ICMA Retirement Corporation and may be amended at the City's discretion.

As of December 2010, the City modified contributions for members covered under the executive plan (executive) and general employees (general). The City contributes a base of 3.75% for executive and 3% for general, to everyone's retirement account. The employee may elect to contribute an additional percentage of their salary, between 0%-9.75% and 0%-6%, for executive and general respectively. The City will match the employee contribution.

As of August 2010, the City's contribution for NAGE Blue and White employees was modified. The employer contributes a base of 3% to everyone's retirement account. The employee may elect zero to six percent (0-6%) to contribute to their account and the City will match the employee contribution.

In fiscal year 2023, employer and employee contributions to the ICMA defined contributions plan were $2,475,502 and $1,656,327 respectively.

B. Defined Benefit Plan Palm Bay Police and Firefighter Plan

Plan Description - The City of Palm Bay maintains a single-employer defined benefit pension plan, which covers general employees, police officers and firefighters. The Plan is closed to new general employees and that classification consists of retirees only. Coverage for firefighters and police officers is administered by the Board of Trustees of the City of Palm Bay Police and Firefighters Retirement System (the "Plan"). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. Benefits under the plan are established in accordance with City Ordinance No. 74-9 as amended and certain provisions of Florida Statutes Chapters 185 (Police Officers) and 175 (Firefighters).

Benefit provisions of the Plan may be amended by the City Council but may not be reduced below the minimum specified by Florida Statutes, unless the plan stops receiving 175 and 185 funds. The Plan's Board of Trustee is comprised of 5 members:

- One Chairman Board Appointee
- One Vice Chairman Police Elected Representative
- One Secretary, Fire Elected Representative
- Two City Council Appointees

NOTE 9 – Employee Retirement Systems (Continued)

B. Defined Benefit Plan Palm Bay Police and Firefighter Plan (Continued)

The Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing the Board of Trustees:

Board of Trustees of the City of Palm Bay Police and Firefighters Retirement System
1501 Robert J. Conlan Boulevard NE, Suite 240
Palm Bay, Florida 32905-3567 https://www.pbpfpf.org/

Employees Covered – Based on the Actuarial Valuation Report as of October 1, 2022 the following employees were covered by the benefit terms for the Plan:

	Police Officers	Fire Fighters	General Employees
Inactive employees or beneficiaries currently receiving benefits	115	97	1
Inactive employees entitled to benefits but not receiving them	28	3	—
Active employees	149	120	—
Total members	292	220	1

Benefits Provided - All regular full-time certified police officers and firefighters are eligible to participate in the Plan.

Police officer members:

Normal retirement shall be the earlier of attainment of (1) age 55, (2) completion of 30 years credited service regardless of age, (3) age 52 with 25 years of credited service (4) for police officers who are employed on or after October 1, 2006 and retire after that date, 28 years of credited service, regardless of age, or (5) for police officers who are employed on or after April 5, 2012, completion of 25 years of credited service, regardless of age. Average Final Compensation (AFC) is one and a half times the average of the highest five years of the last ten years of credited service. Payments for used leave are not included in AFC.

Each police officer member with less than 20 years of credited service will have a monthly normal retirement benefit in an amount equal to 2% of the member's AFC multiplied by the member's credited service preformed prior to June 1, 1992 and 2½% of the member's AFC multiplied by the member's credited service performed on and after June 1, 1992. For members who have completed 20 years of credited service as sworn police officers, instead of the amount described in the previous sentence, the member's monthly normal retirement benefit shall be an amount equal to 3% of the member's AFC multiplied by the member's credited service plus 5% of AFC for service after 20 years to a maximum of 100% of the AFC upon completion of 28 years of service. For police officers hired after October 1, 2016, the maximum normal retirement benefit shall be 85% of average final compensation.

Firefighter members:

Tier One members - Firefighters hired prior to March 15, 2012.
Normal retirement shall be the earlier of attainment of (1) age 55, (2) completion of 25 years of credited service at 85% of AFC or 28 years regardless of age, or (3) age 52 with 25 years of credited service

NOTE 9 – Employee Retirement Systems (Continued)

B. Defined Benefit Palm Bay Police and Firefighter Plan (Continued)

effective September 30, 2002. Average Final Compensation (AFC) is one and a half times the average of the highest five years of the last ten years of credited service. Payments for used leave are not included in AFC.

Each firefighter member with less than 20 years of credited service will have a monthly normal retirement benefit in an amount equal to 2% of the member's AFC multiplied by the member's credited service performed prior to October 1, 1991, and 2½% of the member's AFC multiplied by the member's credited service performed on and after October 1, 1991. For members who have completed 20 years of credited service as a firefighter, instead of the amount described in the previous sentence, the member's monthly normal retirement benefit shall be an amount equal to 3% of the member's AFC multiplied by the member's credited service plus 5% of AFC for service after 20 years to a maximum of 100% of the AFC upon completion of 28 years of service.

Tier Two members – Firefighters hired on or after March 12, 2012.
Normal retirement shall be the first day of the month coincident with or next following the completion of 25 years of credited regardless of age. Provided, however that a vested member who terminates prior to attaining 25 years of credited service shall be eligible for normal retirement benefits upon reaching age 55. Average Final Compensation (AFC) is one and a half times the average of the highest five years of the last ten years of credited service. Payments for unused leave are not included in AFC.

Each firefighter with less than 20 years of credited service will have a monthly normal retirement benefit in an amount equal to 2% of the member's AFC multiplied by the member's credited service. For members who have completed 20 years of credited service as a firefighter, instead of the amount described in the previous sentence, the member's monthly normal retirement benefit shall be an amount equal to 3.2% of AFC for service after 20 years to a maximum of 90% of the AFC, excluding supplemental benefits.

Deferred Retirement Option Plan (DROP):
Effective September 30, 2000 for police officers and September 30, 2001 for firefighters, members who continue in employment past the normal retirement date may either accrue larger pensions or freeze their accrued benefit and enter the DROP. Each participant in the DROP has an account credited monthly with benefits not received and quarterly with investment earnings net of expenses based on the Plan's earnings. The DROP is administered by the Board of Trustees. Participation in the DROP is limited to 60 months.

Supplemental Benefits

Police officer members:

Police officers who retire after October 1, 2006 receive a Supplemental Benefit equal to $25 per month, times completed years of Credited Service. The benefit shall cease upon the retiree reaching age 65. Members approved for disability retirement are ineligible for the supplemental retirement benefit.

Firefighter members:

Tier One members

Firefighters receive a Supplemental Benefit of $189 per month payable over the life of the retiree only.

Firefighters who retire on or after October 1, 2006, receive $458 per month, instead of $189. Firefighters who terminate after October 1, 2007, receive a Supplemental Benefit equal to $25 per month times years of credited service earned prior to March 15, 2012. Effective March 15, 2012, firefighters who have not attained age 55 with 10 or more years of credited service or 25 years of credited service regardless of

NOTE 9 – Employee Retirement Systems (Continued)

B. Defined Benefit Palm Bay Police and Firefighter Plan (Continued)

age on that date who either terminate while vested or terminate upon reaching normal or early retirement shall receive a supplemental benefit of $12 per month for each year of credited service. The benefit shall cease upon the retiree reaching the age of Medicare eligibility and members approved for disability retirement are ineligible for the supplemental retirement benefit.

Tier Two members
Firefighters are eligible to receive a Supplemental Benefit of $12 per month for each year of credited service. The benefit shall commence upon entry into the DROP or upon receipt of a retirement benefit and separation from the City. This benefit shall only be payable over the life of the member, will cease upon the member reaching the age of Medicare eligibility and members approved for disability retirement are ineligible for the supplemental retirement benefit.

Cost of Living Adjustment:

Police officer members:
The Plan provides for cost-of-living adjustment to police officers who retire or enter the DROP on or after September 30, 2000. The retirement benefits will increase by 3% each year commencing with the September 30th following three years of retirement.

Firefighter members:

Tier One members
The Plan provides for cost-of-living adjustment to firefighters who retire or enter the DROP on or after September 30, 2001. The retirement benefits will increase by 2% each year commencing with the September 30th following six years of retirement.

Tier Two members
The cost-of-living adjustment will increase by 3% commencing with September 30th following six years of retirement.

Contributions - Florida Statutes, Chapters 175 and 185 require members to contribute not less than 0.5% of their annual salary. The Plan, as approved by the City Council, requires member police officers and firefighters to contribute 8.76% of their base annual salary. Funding contributions are determined annually on an actuarial basis as of October 1. The City is required to contribute at an actuarially determined amount necessary to finance current costs and amortized unfunded past service cost as provided by Florida Statute, Chapter 112. The City made contributions of $5,326,712 in fiscal year 2023.

Municipalities that have established pension plans complying with the provisions of Chapters 175 and 185, Florida Statutes, and that have enacted appropriate taxing legislation are eligible to receive revenues generated from excise taxes on gross receipts of certain insurance premiums from policyholders covering property within the City limits. These are the Firefighters' Pension Fund Excise Tax imposed on the gross receipts of property insurance policy premiums and the Police Officers' Pension Fund Excise Tax imposed on the gross receipts of casualty insurance policy premiums. The City recognized as revenues and expenditures on-behalf of payment relating to pension contributions for its public safety employees by the State. These contributions from excise tax totaled $1,600,193.

NOTE 9 – Employee Retirement Systems (Continued)

B. Defined Benefit Palm Bay Police and Firefighter Plan (Continued)

Net Pension Liability (Asset)

The City's net pension liability (asset) for The Plan is measured as the total pension liability less the pension fiduciary net position. The total pension liability, net pension liability (asset) and certain sensitivity information for each of the Plan classification is measured as of October 1, 2022. The total pension liability was rolled forward from each valuation date to the Plan's fiscal year ending September 30, 2023 using generally accepted actuarial principles. Components of the net pension liability (asset) of the City at September 30, 2023 are as follows:

	2023			
	Police	Fire	General	Total
Total pension liability	$ 158,196,519	$ 129,960,606	$ 10,491	$ 288,167,616
Plan fiduciary net pension ending	(118,267,803)	(91,403,519)	(228,114)	(209,899,436)
City's net pension liability (asset)	$ 39,928,716	$ 38,557,087	$ (217,623)	$ 78,268,180
Plan fiduciary net pension - actuarial as a percentage of the total pension liability (asset)	74.76%	70.33%	2174.38%	72.84%

Actuarial Assumptions - The total pension liabilities were determined by an actuarial valuation as of October 1, 2022, updated to September 30, 2023 using the following assumptions:

		Police Officers	Fire Fighters	General Employees
Valuation Date		October 1, 2022	October 1, 2022	October 1, 2022
Measurement Date		September 30, 2023	September 30, 2023	September 30, 2023
Actuarial Cost Method		Entry Age Normal Cost	Entry Age Normal Cost	Entry Age Normal Cost
Actuarial Assumptions				
	Discount Rate	7.50%	7.50%	7.65%
	Inflation	2.50%	2.50%	2.50%
	Payroll Growth	0.00%	0.00%	N/A
	Projected Salary Increase	Varies by age	Varies by age	N/A
	Investment Rate of Return	7.50%	7.50%	7.65%
	Mortality	PubS.H-2010	PubS.H-2010	PubS.H-2010
		Improvement Scale MP-2018	Improvement Scale MP-2018	Improvement Scale MP-2018
	Service Retirement	Members will retire at a rate of 5% per year prior to normal retirement		

Mortality rates are mandated by Chapter 2015-157, Laws of Florida. The assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019, FRS valuation report for special risk employees, with appropriated risk and collar adjustments made based on plan demographics.

NOTE 9 – Employee Retirement Systems (Continued)

B. Defined Benefit Palm Bay Police and Firefighter Plan (Continued)

Actuarial Assumptions (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	35%	7.1%
Fixed Income	25%	3.1%
Real Estate	10%	6.4%
International Equity	15%	3.1%
Convertible Security	10%	6.4%
Infrastructure	5%	5.6%
	100%	

The discount rate used to measure the total pension liability for police and fire was 7.50%. General employees discount rate was 7.65%. The projection of cash flows used to determine the discount rate assumed the Plan member's contributions will be made at the current contribution rates and that contributions from the City will be made at statutorily required rates as actuarially determined. Based on those assumptions, the Plan's fiduciary Net Position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long term expected rate of return on pension Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 9 – Employee Retirement Systems (Continued)

B. Defined Benefit Palm Bay Police and Firefighter Plan (Continued)

Changes in the Net Pension Liability (Asset)- The changes in the Net Pension Liability (Asset) for The Plan as of the measurement date of September 30, 2023 are as follows:

	Police		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at September 30, 2022	$ 150,473,252	$ 113,240,736	$ 37,232,516
Changes in the year:			
Service Cost	2,158,246	—	2,158,246
Interest on the Total Pension Liability	11,170,574	—	11,170,574
Change in Excess State Money	—	—	—
Share Plan Allocation	353,437	—	353,437
Difference between Expected and Actual Experience	1,389,058	—	1,389,058
Changes in assumptions	—	—	—
Contributions - Employer	—	1,672,813	(1,672,813)
Contributions - State	—	1,227,609	(1,227,609)
Contributions - Employee	—	906,394	(906,394)
Contributions - Buyback	32,978	32,978	—
Net Investment Income	—	8,933,793	(8,933,793)
Benefit Payments, Including Refunds of Employee Contributions	(7,381,026)	(7,381,026)	—
Administration Expense	—	(365,494)	365,494
Net Changes	7,723,267	5,027,067	2,696,200
Balance at September 30, 2023	$ 158,196,519	$ 118,267,803	$ 39,928,716

NOTE 9 – Employee Retirement Systems (Continued)

B. Defined Benefit Palm Bay Police and Firefighter Plan (Continued)

Changes in the Net Pension Liability (Asset) (Continued)

	Fire		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at September 30, 2022	$ 126,915,182	$ 88,645,341	$ 38,269,841
Changes in the year:			
Service Cost	2,102,709	—	2,102,709
Interest on the Total Pension Liability	9,399,079	—	9,399,079
Change in Excess State Money	—	—	—
Share Plan Allocation	101,379	—	101,379
Changes of Benefit Terms	—	—	—
Difference between Expected and Actual Experience	(1,164,079)	—	(1,164,079)
Changes in assumptions	—	—	—
Contributions - Employer	—	2,616,852	(2,616,852)
Contributions - State	—	1,028,081	(1,028,081)
Contributions - Employee	—	683,713	(683,713)
Contributions - Buyback	—	—	—
Net Investment Income	—	6,108,817	(6,108,817)
Benefit Payments, Including Refunds of Employee Contributions	(7,393,664)	(7,393,664)	—
Administration Expense	—	(285,621)	285,621
Net Changes	3,045,424	2,758,178	287,246
Balance at September 30, 2023	$ 129,960,606	$ 91,403,519	$ 38,557,087

	General		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability(Asset) (a)-(b)
Balance at September 30, 2022	$ 11,206	$ 205,211	$ (194,005)
Changes in the year:			0
Interest on the total pension liability	760	—	760
Difference between Expected and Actual Experience	1,057	—	1,057
Changes in Assumptions	—	—	—
Net Investment Income	—	28,282	(28,282)
Benefit Payments, Including Refunds of Employee Contributions	(2,532)	(2,532)	—
Administration Expense	—	(2,847)	2,847
Net Changes	(715)	22,903	(23,618)
Balance at September 30, 2023	10,491	228,114	(217,623)
Total of PBP&PBF Plans	$ 288,167,616	$ 209,899,436	$ 78,268,180

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate - The following chart presents the net pension liability (asset) of the Plan as of September 30, 2023, calculated using the discount rate of 7.50% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percent-point lower (6.50%) or 1-percent-point higher (8.50%) than the current rate for police & fire. General employees discount rate 1-percent-point lower (6.65%) or 1-percent-point higher (8.65%) than the current rate.

NOTE 9 – Employee Retirement Systems (Continued)

B. Defined Benefit Palm Bay Police and Firefighter Plan (Continued)

	Discount Rate - 1% 6.50%	Current Discount 7.50%	Discount Rate + 1% 8.50%
Police Officers	$ 61,158,403	$ 39,775,436	$ 22,383,545
Fire Fighters	$ 54,976,397	$ 38,179,912	$ 24,430,110

	Discount Rate - 1% 6.65%	Current Discount 7.65%	Discount Rate + 1% 8.65%
General Employees	$ (217,254)	$ (217,624)	$ (217,968)

Pension Plan Fiduciary Net Pension

Detailed information about the pension plan's fiduciary net position is available in the separately issued Police and Fire Pension Plan's financial reports.

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended September 30, 2023, the City recognized total pension expense of $13,547,448. At September 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Police	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,594,868	$ 206,601
Changes in assumptions	2,132,266	—
Net difference between projected and actual earning on plan investments	16,231,389	—
Total	$ 19,958,523	$ 206,601

NOTE 9 – Employee Retirement Systems (Continued)

B. Defined Benefit Palm Bay Police and Firefighter Plan (Continued)

	Fire	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 975,506	$ 970,065
Changes in assumptions	2,711,444	—
Net difference between projected and actual earning on plan investments	12,376,069	—
Total	$ 16,063,019	$ 970,065

	General	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ —	$ —
Changes in assumptions	—	—
Net difference between projected and actual earning on plan investments	12,739	—
Total	$ 12,739	$ —

The amount reported as deferred outflow of resources and deferred inflow of resources related to pensions will be recognized as pension expense as follows:

Police

Year ending September 30:	
2024	$ 5,534,043
2025	5,962,252
2026	8,093,645
2027	161,982
2028	—
	$ 19,751,922

NOTE 9 – Employee Retirement Systems (Continued)

B. Defined Benefit Palm Bay Police and Firefighter Plan (Continued)

Fire

Year ending September 30:		
2024	$	4,103,793
2025		4,602,931
2026		6,214,638
2027		365,605
2028		(194,013)
	$	15,092,954

General

Year ending September 30:		
2024	$	2,525
2025		3,880
2026		8,892
2027		(2,558)
2028		—
	$	12,739

C. Florida Retirement System

On June 5, 2008, the City passed Resolution 2008-55, authorizing participation of its elected officials in the Florida Retirement System ("FRS") administered by the State of Florida. Also approved was Resolution 2008-56 providing for membership in the FRS and authorizing execution of all necessary agreements with the administrator of the FRS for extending benefits to elected officials of the City pursuant to Chapters 112 and 121, Florida Statutes.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The reports may be obtained by writing to the State of Florida, Division of Retirement:

State of Florida Division of Retirement
Department of Management Services
P.O Box 9000
Tallahassee, Florida 32315-9000
www.dms.myflorida.com/worforce_operations/retirement/publications.

Plan Description - The Florida Retirement System is a multiple employer cost sharing public employee retirement system, administered by the Florida Legislature. FRS is available to governmental units within Florida and provides a Deferred Retirement Option Program (DROP) for eligible employees. The Plan affords retirement and disability benefits, annual cost–of-living adjustments and death benefits to plan members and beneficiaries. In addition to the benefits, members of the Florida Retirement System are afforded benefits through the Retiree Health Insurance Subsidy (HIS) Program. HIS was established and is administered in accordance with section 112.363, Florida Statutes.

Benefits Provided - Benefits under the Pension Plan are computed based on age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits.

NOTE 9 – Employee Retirement Systems (Continued)

C. Florida Retirement System (Continued)

Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers' class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service, regardless of age for Elected Officers' class members. The final average compensation for these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is a proportion of 3.0% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3.0%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with an FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS trust Fund and accrue interest. There are no required contributions by DROP participants.

HIS membership is available to all members within the FRS. The benefit is a monthly payment to assist retirees of the state-administered retirement system in paying their health insurance costs. Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by $5. The minimum payment is $30, and the maximum payment is $160 per month. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of eligible health insurance coverage, which includes Medicare.

Contributions - Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute 3.0% percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contributions rates established by the Florida Legislature. These rates are updated as of July 1 each year. The employer contribution rates for elected officials for the periods October 1, 2022 through June 30, 2023 and from July 1, 2023 through September 30, 2023, were 51.42% and 55.28% respectively. These percentages include a 1.66% contribution rate for HIS.

Article X, Section 14 of the State Constitution and Part VII, Chapter 112 of the Florida Statutes provide the authority to amend the contribution rates and obligations.

The City's contributions recognized during the fiscal year ended September 30, 2023 by FRS and HIS were $36,084 and $1,153 respectively.

NOTE 9 – Employee Retirement Systems (Continued)

C. Florida Retirement System (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions

The City's proportionate share of net pension liability, pension expense related deferrals as of September 30, 2023 are as follows:

	FRS	HIS	Total
Proportionate Share of Net Pension Liability on June 30, 2023	$ 298,890	$ 27,844	$ 326,734
City's portion at June 30, 2023	0.00000750096	0.00000175326	
City's portion at June 30, 2022	0.00000480800	0.00000176881	
Change in proportion during current year	0.00000269296	(0.00000001555)	

For the fiscal year ended September 30, 2023, the City recognized pension expense of $39,526. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS		TOTAL	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 28,063	$ —	$ 408	$ 65	$ 28,471	$ 65
Change in assumptions	19,484	—	732	2,413	20,216	2,413
Change in proportion and differences between City Pension Plan contributions and proportionate share of contributions	64,963	55,341	1,060	2,035	66,023	57,376
City Pension Plan contributions subsequent to the measurement date	8,331	—	309	—	8,640	—
Net difference between projected actual earnings on plan investments	12,482	—	14	—	12,496	—
Total	$ 133,323	$ 55,341	$ 2,523	$ 4,513	$ 135,846	$ 59,854

Plan contributions made after the measurement date of the net pension liability, but before the end of the City's reporting period of September 30,2023 are recognized as a reduction of the net pension liability in the subsequent fiscal year rather than the current fiscal year. City contributions to the Plan subsequent to the measurement date totaled $8,640 and are included in deferred outflows of resources. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

NOTE 9 – Employee Retirement Systems (Continued)

C. Florida Retirement System (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Year ending September 30	FRS	HIS	Net Pension Expense
2024	$ 6,142	$ 204	$ 6,346
2025	(7,757)	(478)	(8,235)
2026	49,461	(714)	48,747
2027	16,140	(871)	15,269
2028	5,664	(413)	5,251
Thereafter	—	(27)	(27)
	$ 69,650	$ (2,299)	$ 67,351

Actuarial Assumptions – Actuarial assumptions for both cost-sharing defined benefit plans were reviewed by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. Because the HIS Program is funded on a pay-as-you-go basis, no experience study was completed for that program. The actuarial assumptions used to determine the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for FRS and HIS on the July 1, 2023 actuarial valuation was determined using the following assumptions:

		FRS	HIS
Valuation Date		July 1, 2023	July 1, 2023
Measurement Date		June 30, 2023	June 30, 2023
Actuarial Cost Method		Individual Entry Age	Individual Entry Age
Actuarial Assumptions			
	Discount Rate	6.70%	3.54%
	Inflation	2.40%	2.40%
	Projected Salary Increase	3.25%	3.25%
	Investment Rate of Return	6.70%	N/A
	Municipal Bond Index		3.54%
	Mortality	PUB2010 base table varies by member with category & sex projected generationally with Scale MP-2018	Generational PUB-2010 with Projected Scale MP-2018

The actuarial assumptions used in the July 1, 2023 valuation was based on the results of an actuarial experience study for the period July 1, 2013 through June 20, 2018.

The following changes in key actuarial assumptions occurred in 2023:

FRS: The long-term expected rate of return and the discount rate used to determine the total pension liability of 6.70% did not change from prior year.

NOTE 9 – Employee Retirement Systems (Continued)

C. Florida Retirement System (FRS) (Continued)

Actuarial Assumptions (Continued)

HIS: The municipal bond index rate and the discount rate used to determine the total pension of 3.54% did not change from the prior year.

The long-term expected rate of return on Pension Plan investments were based on forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for inflation assumption. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric Return)
Cash	1.00%	2.90%	2.90%
Fixed Income	19.80%	4.50%	4.40%
Global Equity	54.00%	8.70%	7.10%
Real Estate	10.30%	7.60%	6.60%
Private Equity	11.10%	11.90%	8.80%
Strategic Investments	3.80%	6.30%	6.10%
	100.00%		

Discount Rate - The discount rate used to measure the total pension liability was 6.70%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation of the total pension liability is equal to the long-term expected rate of return. However, because the HIS program uses a pay-as-you-go funding structure, a municipal bond rate of 3.54% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index).

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following represents the City's proportionate share of the net pension liability as of June 30, 2023 calculated using the discount rate, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

	FRS Net Pension Liability			HIS Net Pension Liability		
	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Employer's proportionate share of the net pension liability	$ 510,564	$ 298,890	$ 121,798	$ 31,766	$ 27,844	$ 24,593

NOTE 9 – Employee Retirement Systems (Continued)

C. Florida Retirement System (FRS) (Continued)

Below is a summary of the net pension liability, deferred inflows and outflows of resources and pension expense for all defined pension plans:

Pension Plan	Net Pension Liability	Net Pension Asset	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Palm Bay Police & Fire	$ 77,955,348	$ 217,624	$ 36,034,281	$ 1,176,666	$ 13,547,448
FRS (Proportionate Share)	298,890	—	133,323	55,341	28,987
HIS (Proportionate Share)	27,844	—	2,523	4,513	10,539
Total	$ 78,282,082	$ 217,624	$ 36,170,127	$ 1,236,520	$ 13,586,974

Pension Plan Fiduciary Net Position - Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

D. Other Post-Employment Benefits Other Than Pensions (OPEB)

The City follows Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for *Postemployment Benefits Other Than Pensions* ("OPEB"), for certain postemployment healthcare benefits provided by the City.

Plan Description - The City of Palm Bay administers an employee group medical insurance plan (the "Plan") is a single-employer plan that provides medical insurance benefits to its employees and their eligible dependents. In accordance with Section 112.0801 of the Florida Statutes, because the City provides a medical plan to active employees and their eligible dependents, the City is also required to provide retirees with the opportunity to participate in this Plan. Benefit provisions for the Plan are established and may be amended by the City Council. The retirees pay the full group premium amount for health insurance with no explicit subsidy from the City. The Plan does not issue a publicly available financial report.

Funding Policy - Contribution rates for the Plan are established on an annual basis. Eligible retirees and their covered dependents receiving benefits contribute 100% of their premium costs for medical insurance. While the City does not directly contribute towards the costs of retiree premiums via an explicit subsidy, the ability of retirees to obtain health insurance coverage at a group rate which includes active employees constitutes a significant economic benefit to retirees, or an "implicit" subsidy. This implicit subsidy is an, Other Post Employment Benefit (OPEB) obligation of the City and is funded by general assets on a pay-as-you-go basis since there is no Trust Fund or equivalent arrangement into which the City makes contributions. For the year ended September 30, 2023, the City estimated its subsidized contributions towards medical cost on behalf of retirees and their covered dependents to be $327,577.

Employees Covered by Benefit Terms – As of October 1, 2022

the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	34
Active Plan Members	718
Total	752

NOTE 9 – Employee Retirement Systems (Continued)

D. Other Post-Employment Benefits Other Than Pensions (OPEB) (Continued)

Total OPEB Liability – The City's total OPEB liability of $13,017,161 was measured as of October 1, 2022, which was determined by an actuarial valuation as of September 30, 2023.

Significant Actuarial Assumptions and other Inputs – The total OPEB Liability determined in the October 01, 2021 actuarial valuation used the following significant actuarial assumptions and other inputs:

Inflation	5.00%
Payroll Growth	4.00%
Discount Rate	3.75%
Healthcare Trend Rate	5.00%

Retirement Age - 100% at Normal Retirement Eligibility Date

Mortality - Florida Retirement System Mortality Table

General (non-special risk)– For female lives, 100% of the Combined Healthy White-Collar table was used. For male lives, a 50% Combined Healthy White-Collar table, 50% Healthy Blue-Collar table blend was used.

Police & Fire (special risk) - For female lives, 100% of the Combined Healthy White-Collar table was used. For male lives, a 10% Annuitant White-Collar table, 90% Annuitant Blue-Collar table blend was used.

All tables include fully generational adjustments for mortality improvements using improvement scale BB.

Discount Rate – Given the City's decision not to fund the OPEB plan, all future benefit payments were discounted using a high-quality bond rate of 3.75%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends.

Projection of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Changes in Total OPEB Liability

	Total OPEB Liability
Balances at October 1, 2022	$ 12,987,375
Changes for the year:	
Service Cost (Entry Age Normal Cost) for 1 year	514,980
Interest for 1 year*	566,167
Difference between Expected and Actual Experience	(1,924,608)
Changes to Assumptions	1,264,094
Benefit Payments	(390,847)
Net Changes	29,786
Balances at September 30, 2023	$ 13,017,161

*Discount rate of 3.75% for the fiscal year ended September 30, 2023.

NOTE 9 – Employee Retirement Systems (Continued)

D. Other Post-Employment Benefits Other Than Pensions (OPEB) (Continued)

Sensitivity of the Total OPEB liability to Changes in the Discount Rate

	1% Decrease 2.75%	Current Discount Rate 3.75%	1% Increase 4.75%
Total OPEB Liability	$ 11,097,422	$ 13,017,161	$ 15,464,655

Sensitivity of the Total OPEB liability to Changes in the Healthcare Cost Trend Rates

	1% Decrease 4.0%	Healthcare Costs Trend Rate 5.0%	1% Increase 6.0%
Total OPEB Liability	$ 10,912,306	$ 13,017,161	$ 15,751,131

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources

OPEB expense for the fiscal year ended September 30, 2023 was $1,322,509. On September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB as follows:

	OPEB	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 939,202	$ 1,924,180
Change in assumptions	1,641,777	673,732
Total	$ 2,580,979	$ 2,597,912

OPEB Outflows/Inflows of Resources Schedule for Future Years:

Deferred outflow in resources related to OPEB is a result of differences between expected and actual experience while deferred inflows reflect changes in assumptions. These deferred resources will be recognized in OPEB expense as follows:

Year ending September 30	
2024	$ 187,120
2025	65,337
2026	286,056
2027	(136,222)
2028	(136,222)
2029	(136,222)
Thereafter	(146,780)
	$ (16,933)

NOTE 10 – Restricted Net Position

The City maintains several special revenue funds to account for external and internal restrictions placed on revenue sources. In addition, the City has one debt service fund which accounts for proceeds that are restricted for the repayment of bonds. A summary of restrictions that meet the criteria for restricted net position are as follows:

Governmental Activities		
Special Revenue Funds:		
Law Enforcement Trust Fund	Forfeited property accounted for and used according to Federal and Florida laws	$ 252,083
Impact Fee Funds	Levied pursuant to Florida Statutes, must be used for allowable improvements	57,742,060
Bayfront Community Redevelopment Agency	Levied pursuant to County and City Ordinance, must be used for activities of the redevelopment agency	2,663,766
SHIP	Restricted pursuant to grant agreement	498,766
Community Development Block Grant	Restricted pursuant to grant agreement	897,107
HOME	Restricted pursuant to grant agreement	94,924
Opioid Settlement	Restricted pursuant to State, must be used for prevention, treatment, and recovery efforts	88,239
		62,236,945
Debt Service Funds:		
Debt Service Funds	Restricted pursuant to bond covenants for payment of principal and interest	3,927,689
Internal Service Funds:		
Employee Health Insurance Fund	Restricted pursuant FS 112.08 requiring 60 days reserve for claims as a safe-harbor regarding self-insured health plans	1,800,000
Pension Benefit:	Restricted to fund pension obligations	217,623
	Total Restricted Net Position - Governmental Activities	$ 68,182,257
Business-type Activities		
Renewal and Replacement	Funds required to be placed in special construction accounts pursuant to Bond Covenants	$ 23,726,338
Debt Service Reserve	Funds required to be placed in reserve pursuant to construction Bond Covenants	1,920,000
Building Fund	Funds required to be spent on building code activities pursuant to Section 166.222, Florida Statues	17,269,741
Capital Improvements	Water and sewer connection fees and mainline extension charges pledged for repayment of bond debt incurred for capital expansion and system improvements	26,321,559
	Total Restricted Net Position - Business-type Activities	$ 69,237,638

NOTE 11 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; third party injuries and or property damage; information security and privacy; Law Enforcement Practices and natural disasters. The Risk Management program began on October 1, 1989. Historically under this program, the Risk Management Fund operated primarily as a self-insurance program. Maximum Fund amounts thru December 30, 2009 were as follows:

Coverage	Self-Insured Retentions
Worker's Compensation	$350,000 each claim
General / Auto Liability	$250,000 each claim
Theft, Disappearance & Dishonesty	$ 25,000 each claim
Property Damage – Building	$ 2,500 each claim
Property Damage – Auto	$500 each claim / $1,000 each claim (trucks)

During the first quarter of fiscal year 2010, a decision was made to transition the Worker's Compensation, General Liability and Automobile Liability lines of coverage from a self-insured program with the above-mentioned self-insured retentions, to an essentially fully insured program with no self-insured retention amounts for Worker's Compensation and Automobile Liability. General Liability covered the first $100,000 as self-insured claims. This program was effective for all claims dated January 1, 2010 and beyond.

Beginning Fiscal year October 1, 2015, the City purchased coverage levels under which the Fund will only provide coverage as follows with self-insured retention amounts once again applying to all lines of coverage:

Coverage	Self-Insured Retentions
Worker's Compensation	$350,000 each claim
*General / Auto Liability	$200,000 each claim
Theft, Disappearance & Dishonesty	$ 5,000 each claim
Property Damage – Building	$2,500 each claim exception of "Named Storm"
Property Damage – Building	3% of Total Insured Value for "Named Storm" subject to a minimum of $15,000 per occurrence
Property Damage – Auto	$500 each claim

Claims exceeding the self-insured retention thresholds are under the umbrella of commercial coverage purchased by the City. Open claims for Worker's Compensation are currently administered by a third-party administrator.

*The City is protected by Section 768.28, Florida Statutes, under the Doctrine of Sovereign Immunity, which limits the amount of liability of governmental entities for tort claims to $200,000 per claim and $300,000 per accident.

NOTE 11 – Risk Management (Continued)

All departments of the City participate in the program. Payments are made by various funds to the Risk Management Fund based on experience and actuarial estimates of the amounts needed to pay prior and current year claims. The claims liability of $2,974,000 reported in the Risk Management Fund at September 30, 2023 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The City's claims liability at year end is actuarially determined and includes incurred but not reported losses. Prior years' liabilities are undiscounted. Changes in the fund's claim liability are as follows:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Less Claims Payments	Balance at Fiscal Year End
2021-2022	3,201,000	1,908,336	(1,985,336)	3,124,000
2022-2023	3,124,000	2,132,592	(2,282,592)	2,974,000

NOTE 12 – Employee Health Insurance Benefits

The City maintains an Employee Benefit Internal Service Fund to account for the employee health care coverage program. Beginning January 1, 2018, the City transitioned to a self-insured plan. Based on increased employee utilization of benefits, comparative analysis projected substantial cost savings to support the change. Revenues are recognized from employee payroll deductions and city contributions. The plan is evaluated on a quarterly basis by a third-party to ensure viability. As of September 30, 2023, a liability of $779,301 has been recorded, which represents estimated claims due and unpaid and claims incurred but not reported. Changes in the first- year liability is as follows:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Less Claims Payments	Balance at Fiscal Year End
2021-2022	546,418	87,194	3,940	637,552
2022-2023	637,552	137,450	4,029	779,031

NOTE 13 – Commitments and Contingencies

Intergovernmental Grants – Amounts received or receivable from grantors are subject to audit and adjustment by grantor agencies, principally federal and state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time. The City is engaging auditors to audit the grant funds as requested by the Florida Housing Finance Corporation pursuant to their required procedures. The precise amounts are not known and will depend on the outcome of the audit.

Litigation – Various suits and claims arising in the ordinary course of operations are pending against the City. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of management, upon consultation with legal counsel, the City has enough insurance coverage to cover any claims and/or the liabilities that may arise from such action. The effect of such losses would not materially affect the financial position of the City or the results of its operations.

NOTE 13 – Commitments and Contingencies (Continued)

Encumbrance – The City uses an encumbrance system as an extension of normal budgetary accounting for governmental funds. Under this system, purchase orders, contracts and other commitments are recorded to reserve the portion of applicable appropriations. Outstanding encumbrances at yearend are recorded as *restricted*, *committed*, or *assigned* fund balances, depending on the classification of the resources to be used to liquidate the encumbrance. Encumbrances outstanding as of September 30, 2023 are as follows:

Major Governmental Funds		
General Fund	$	5,667,655
ARPA Fund		1,413,282
Impact Fee Fund		2,777,898
GO Bond Road Program Fund		4,956,975
Non-major Governmental Funds		2,482,255
	$	17,298,065

NOTE 14 – Tax Abatements

The City provides tax abatements through the Economic Development Ad Valorem Tax Exemption Program subject to Statement No. 77, *Tax Abatement Disclosures*. It enters into tax abatement agreements with local businesses as allowed by Article VII, Section 3 of the Florida Constitution, Chapter 196.1995 F.S., and approved by voter referendum in November 1998, August 2008, and again in November 2018, and by Council Resolution No. 98-55, Ordinance No. 2007-82, Ordinance No. 2009-32, and Ordinance 2011-67. Per Florida Statute, municipalities may exempt up to 100 percent of a business' property tax bill for the purpose of attraction or expansion of businesses within its jurisdiction. The abatements may be granted to any new business or expanding existing business that meets the definition in 196.012, F.S. This statute enumerates the following eligibility criteria to be considered: number of net new full-time jobs to be created, the average wage for the new jobs, the capital investment to be made, the type of business or operation, the environmental impact, the extent to which the applicant intends to source its supplies and materials within the jurisdiction, and any other economic-related characteristics deemed necessary by Council. For the fiscal year ended September 30, 2023, the City abated property taxes totaling $569,859 under this program.

As part of the agreement, the benefiting businesses shall submit an annual report providing evidence of continued compliance with the definition of a new or existing business planning to expand in the City for each of the ten (10) years during which the businesses are eligible to receive the ad valorem tax exemption. If the annual report is not received, or if the annual report indicates that the business no longer meets the criteria of Section 196.012 Florida Statues, the City Manager shall make a report to the City Council for consideration of revocation of the ad valorem tax exemption. The City Council may adopt an ordinance revoking the ad valorem tax exemption. The ordinance may provide that the City Council recover any ad valorem taxes abated in favor of the business for the time that was determined that the company no longer met the criteria.

NOTE 15 – Other Required Disclosures

New Pronouncements

GASB Statement No. 91 – In May 2019, GASB issued Statement No. 91, Conduit Debt Obligations. The objective of the Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by the issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of conduit debt obligations; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial

NOTE 15 – Other Required Disclosures (Continued)

New Pronouncements (Continued)

reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement is effective for the fiscal year ending September 30, 2023. Management has determined that the impact of the Statement did not have a material effect on the City.

GASB Statement No.94 – In March 2020, GASB issued Statement No 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangement (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements ("APAs"). The requirements of this Statement will improve financial reporting by establishing the definitions of PPPs and APAs and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. This Statement is effective for fiscal year ending September 30, 2023. Management has determined that the impact of the Statement did not have a material effect on the City.

GASB Statement No.96 – In May 2020, GASB issued Statement No 96, *Subscription-Based Information Arrangements*. The objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). The Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; (3) provides a capitalization criterion for outlays other than subscription payments, including implementation costs of a SBITA; (4) requires notes disclosures regarding a SBITA. This Statement is effective for fiscal year ending September 30, 2023. The impact of GASB Statement No. 96 can be found in Note 1 – Summary of Significant Accounting Policies.

Future Accounting Pronouncements

GASB Statement No. 99 – In April 2022, GASB issued Statement No. 99, Omnibus 2022. The objective this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. This Statement addresses a variety of topics and includes specific provisions about the following: (1) Classification and reporting of derivative instruments within the scope of Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument; (2) Clarification of provisions in Statement No. 87, Leases, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives; (3) Clarification of provisions in Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset; (4) Clarification of provisions in Statement No. 96, Subscription-Based Information Technology Arrangements, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability; (5) Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt; (6) Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP); (7) Disclosures related to nonmonetary transactions; (8) Pledges of future revenues when resources are not received by the pledging government; (9) Clarification of provisions in Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, as amended, related to the focus of the government-wide financial statements; (10) Terminology updates related to certain provisions of Statement No. 63, Financial Reporting of

NOTE 15 – Other Required Disclosures (Continued)

Future Accounting Pronouncements (Continued)

Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position; (11)Terminology used in Statement 53 to refer to resource flows statements. The requirements related to leases, PPPs, and SBITAs will take effect for financial statements starting with the fiscal year that ends June 30, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 will take effect for financial statements starting with the fiscal year that ends June 30, 2024.

GASB Statement No.100 – In June 2022, GASB issued Statement No 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62.*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.. This Statement is effective for fiscal year ending September 30, 2024.

GASB Statement No.101 – In June 2022, GASB issued Statement No 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement is effective for fiscal year ending September 30, 2025.

Management has not determined the impact that these future accounting pronouncements will have on the City's financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedules:

- General Fund
- Bayfront Community Redevelopment Agency
- ARPA Fund
- Impact Fee Funds

Schedule of Changes in Net Pension Liability & Related Ratios:

- City of Palm Bay Retirement System

Schedule of Proportionate Share of Net Pension Liability:

- City of Palm Bay Retirement System

Schedule of Pension Contributions:

- City of Palm Bay Retirement System

Schedule of Funding Progress:

- Other Post-Employment Benefits

Schedule of Investment Returns:

- City of Palm Bay Retirement System

Notes to Required Supplementary Information

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
REVENUES/TRANSFERS IN				
Taxes:				
Ad Valorem	$ 46,501,681	$ 46,501,681	$ 46,714,199	$ 212,518
Local Option Fuel	3,800,000	4,159,113	4,464,352	305,239
Utility Service	9,699,000	9,699,000	12,225,888	2,526,888
Communication Service	2,635,000	2,784,721	2,830,974	46,253
Business Tax Receipts	541,900	541,900	535,833	(6,067)
	63,177,581	63,686,415	66,771,246	3,084,831
Licenses and Permits:				
Franchise Fees	6,248,250	6,248,250	8,104,510	1,856,260
Other Licenses and Permits	159,400	159,400	695,009	535,609
	6,407,650	6,407,650	8,799,519	2,391,869
Intergovernmental Revenues:				
Federal Grants	214,129	328,304	506,322	178,018
State Grants	—	236,834	1,116	(235,718)
Local Grants	186,000	196,000	205,000	9,000
State Revenue Sharing	13,870,500	13,890,054	16,543,010	2,652,956
Shared Taxes and Licenses	45,000	45,000	23,508	(21,492)
	14,315,629	14,696,192	17,278,956	2,582,764
Charges for Services:				
General Government Charges	992,470	1,097,470	1,471,145	373,675
Public Safety Charges	123,200	123,200	350,253	227,053
Physical Environment Charges	678,000	678,000	765,642	87,642
Transportation Charges	486,000	486,000	1,007,596	521,596
Culture/Recreation Charges	318,000	318,000	673,577	355,577
Charges to Other Funds	3,278,748	3,278,748	3,273,506	(5,242)
	5,876,418	5,981,418	7,541,719	1,560,301
Fines and Forfeitures:				
Court Fines and Costs	493,500	493,500	443,560	(49,940)
Investment Income:				
Interest Income	433,000	433,000	2,015,389	1,582,389
Increase in FV of Investments	—	—	178,459	178,459
	433,000	433,000	2,193,848	1,760,848
Miscellaneous Revenue:				
Interest Income from Lease	—	—	102,232	102,232
Rents	303,000	303,000	7,412	(295,588)
Tower Leases	—	—	288,472	288,472
Sales of Surplus	40,700	40,700	37,480	(3,220)
Contributions	70,000	70,000	189,167	119,167
Other Revenue	115,200	140,200	152,705	12,505
	528,900	553,900	777,468	223,568
Other Sources:				
Proceeds from Sale of Capital Assets	—	20,153	20,153	—
Issuance so SBITA Liability	—	—	1,950,817	1,950,817
	—	20,153	1,970,970	1,950,817
Transfers In:				
Bayfront CRA Fund	667,282	—	—	—
Community Development Grant Fund	—	38,408	30,300	(8,108)
NSP Fund	—	—	—	—
Coronavirus Relief Fund	—	—	—	—
Fleet Service Fund	—	329,111	269,221	(59,890)
Employee Benefits Fund	—	—	—	—
Other Employee Benefits Fund	—	—	—	—
Utilities Operating Fund	1,475,256	1,475,256	1,475,256	—
Risk Management Fund	—	24,588	24,588	—
	2,142,538	1,867,363	1,799,365	(67,998)
Total Revenues and Transfers In	93,375,216	94,139,591	107,576,651	13,437,060

Continued on the next page

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)
For Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
EXPENDITURES/TRANSFERS OUT				
General Government:				
Legislative:				
Personal Services	657,426	699,926	704,933	(5,007)
Operating	195,516	215,461	185,168	30,293
	852,942	915,387	890,101	25,286
City Manager:				
Personal Services	1,218,301	1,331,917	1,154,582	177,335
Operating	382,991	728,668	308,701	419,967
	1,601,292	2,060,585	1,463,283	597,302
City Attorney:				
Personal Services	233,234	254,702	249,575	5,127
Operating	277,528	277,562	162,522	115,040
	510,762	532,264	412,097	120,167
Procurement:				
Personal Services	680,114	743,817	601,232	142,585
Operating	15,115	15,132	13,354	1,778
	695,229	758,949	614,586	144,363
Finance:				
Personal Services	1,449,140	1,600,458	1,570,281	30,177
Operating	39,362	39,413	34,840	4,573
	1,488,502	1,639,871	1,605,121	34,750
Information and Innovation:				
Personal Services	1,737,165	1,906,088	1,833,521	72,567
Operating	2,583,381	3,134,664	2,971,534	163,130
Capital Outlay	121,500	2,174,500	2,061,670	112,830
	4,442,046	7,215,252	6,866,725	348,527
Human Resources:				
Personal Services	513,021	629,398	488,609	140,789
Operating	233,367	233,404	141,703	91,701
	746,388	862,802	630,312	232,490
Growth Management:				
Personal Services	1,826,826	2,022,919	1,982,495	40,424
Operating	274,351	416,738	216,736	200,002
	2,101,177	2,439,657	2,199,231	240,426
Community & Economic Development:				
Personal Services	639,962	743,137	800,995	(57,858)
Operating	321,988	372,505	132,885	239,620
Capital Outlay	—	—	—	—
	961,950	1,115,642	933,880	181,762
Facility Maintenance				
Personal Services	3,647,351	3,949,923	3,772,150	177,773
Operating	2,621,342	2,624,892	2,230,876	394,016
Capital Outlay	271,059	1,598,533	534,505	1,064,028
	6,539,752	8,173,348	6,537,531	1,635,817
Non-Departmental:				
Operating	8,459,197	6,439,443	6,013,138	426,305
	8,498,776	6,479,022	6,094,997	384,025
Total General Government	28,438,816	32,192,779	28,247,864	3,944,915

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)
For Fiscal Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Public Safety:				
Police:				
Personal Services	25,486,639	26,441,969	24,966,494	1,475,475
Operating	1,750,755	2,230,919	1,361,793	869,126
Capital Outlay	1,062,150	3,361,080	1,542,137	1,818,943
	28,299,544	32,033,968	27,870,424	4,163,544
Fire:				
Personal Services	17,460,584	17,576,779	18,057,680	(480,901)
Operating	709,644	1,014,108	929,865	84,243
Capital Outlay	541,842	4,307,213	535,945	3,771,268
	18,712,070	22,898,100	19,523,490	3,374,610
Total Public Safety	47,011,614	54,932,068	47,393,914	7,538,154
Transportation:				
Public Works - Transportation				
Personal Services	5,298,217	5,849,519	5,425,837	423,682
Operating	2,100,160	2,678,868	1,956,081	722,787
Capital Outlay	431,625	965,207	269,055	696,152
Total Transportation	7,830,002	9,493,594	7,650,973	1,842,621
Culture/Recreation:				
Parks & Recreation				
Personal Services	1,409,157	1,582,447	1,473,692	108,755
Operating	770,618	836,441	780,686	55,755
Capital Outlay	115,500	142,050	—	142,050
Total Culture / Recreation	2,295,275	2,560,938	2,254,378	306,560
Transfers Out:				
Impact Fee Funds	—	—	235,578	(235,578)
Debt Service Fund	6,422,681	6,789,799	6,668,135	121,664
Stormwater Fund	—	46,905	46,905	—
Fleet Services Fund	10,000	40,000	40,000	—
Road Maintenance CIP	1,000,000	1,020,153	1,020,153	—
Home Fund	—	—	—	—
Environment Fee Fund	366,828	342,240	342,240	—
Utility Operating Fund	—	445	445	—
Community Investment Grant	—	—	—	—
Building Fund	—	125	125	—
Total Transfers Out	7,799,509	8,239,667	8,353,581	(113,914)
Total Expenditures and Transfers Out	64,936,400	107,419,046	93,900,710	13,753,914
Excess (Deficiency) of Revenues and Transfers In Over (Under) Expenditures and Transfers Out	$ 93,375,216	$ (13,279,455)	$ 13,675,941	$ 27,190,974
Fund Balance - Beginning of Year			36,968,708	
Fund Balance - End of Year			$ 50,644,649	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – ARPA FUND
For Fiscal Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	$ —	$ 1,752,267	$ 1,752,267
Investment Income	—	687,327	687,327
Total Revenues	—	2,439,594	2,439,594
EXPENDITURES			
Current:			
Economic Environment	5,289,115	2,283,592	3,005,523
Capital Outlay	11,407,039	156,002	11,251,037
	16,696,154	2,439,594	14,256,560
Excess of Revenues over Expenditures	16,696,154	—	16,696,154
OTHER FINANCING SOURCES			
	—	—	—
Net Change in Fund Balance	$ 16,696,154	$ —	$ 16,696,154
Fund Balance - Beginning		—	
Fund Balance - Ending		$ —	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – BAYFRONT COMMUNITY REDEVELOPMENT AGENCY
For Fiscal Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	$ 2,394,530	$ 2,394,530	$ —
Investment Income	2,500	138,224	(135,724)
Total Revenues	2,397,030	2,532,754	(135,724)
EXPENDITURES			
Current:			
Economic Environment	959,550	479,133	480,417
Principal Retirement	—	—	—
Interest and Fiscal Charges	—	—	—
Total Expenditures	959,550	479,133	480,417
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,437,480	2,053,621	344,693
OTHER FINANCING SOURCES (USES)			
Proceeds from Sale of Capital Assets	139,769	139,769	—
Transfer Out	(1,002,311)	(1,002,311)	—
Total Other Financing Sources	(862,542)	(862,542)	—
Net Change in Fund Balance	$ 574,938	$ 1,191,079	$ 344,693
Fund Balance - Beginning		1,472,687	
Fund Balance - Ending		$ 2,663,766	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – IMPACT FEE TRUST FUND
For Fiscal Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Impact Fees	$ 13,396,800	$ 22,398,807	$ 9,002,007
Investment Income	35,450	2,226,606	2,191,156
Total Revenues	13,432,250	24,625,413	11,193,163
EXPENDITURES			
Current:			
Culture/Recreation	17,090	128	16,962
Public Safety	124,060	104,870	19,190
Transportation	718,406	641,489	76,917
Capital Outlay	16,005,468	4,241,918	11,763,550
Total Expenditures	16,865,024	4,988,405	11,876,619
Excess of Revenues Over Expenditures	(3,432,774)	19,637,008	23,069,782
OTHER FINANCING SOURCES (USES)			
Transfers In	—	235,578	235,578
Transfers (Out)	(423,386)	(417,315)	6,071
Total Other Financing Sources (Uses)	(423,386)	(181,737)	241,649
Net Change in Fund Balance	$ (3,856,160)	19,455,271	$ 23,311,431
Fund Balance - Beginning		45,310,495	
Fund Balance - Ending		$ 64,765,766	

CITY OF PALM BAY POLICE AND FIRE RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
September 30, 2023

	Police									
Total Pension Liability	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Service Cost	$2,158,246	$1,804,281	$1,748,826	$1,690,596	$1,563,897	$1,590,256	$1,571,207	$1,641,528	$1,627,434	$1,682,546
Interest	11,170,574	10,710,139	10,225,054	9,666,537	9,100,104	8,659,017	8,317,177	8,013,990	7,846,279	7,499,442
Change in Excess State Money	—	—	—	—	—	(82,053)	(468,527)	82,053	97,949	84,152
Shared Plan Allocation	353,437	249,643	200,154	187,202	160,785	136,496	186,426	—	—	—
Changes of Benefit Terms	—	—	756,379	—	—	—	—	—	—	—
Difference between expected & actual experience	1,389,058	264,507	878,416	(1,033,005)	2,401,146	1,385,775	61,339	(1,049,607)	(2,269,835)	—
Changes in assumptions	—	2,678,105	—	3,966,069	—	—	—	3,811,157	—	—
Contributions Buy Back	32,978	25,096	14,123	40,406	60,141	17,077	45,396	15,167	5,777	—
Benefit payments, including refunds of member contributions	(7,381,026)	(6,912,117)	(6,610,618)	(6,152,166)	(6,055,760)	(6,085,882)	(5,329,528)	(5,107,223)	(5,147,483)	(4,435,345)
Net Change in Total Pension Liability	**7,723,267**	**8,819,654**	**7,212,334**	**8,365,639**	**7,230,313**	**5,620,686**	**4,383,490**	**7,407,065**	**2,160,121**	**4,830,795**
Total Pension Liability - Beginning	**150,473,252**	**141,653,598**	**134,480,630**	**126,114,991**	**118,884,678**	**113,263,992**	**108,880,502**	**101,473,437**	**99,313,316**	**94,482,521**
Total Pension Liability - Ending (a)	**158,196,519**	**150,473,252**	**141,692,964**	**134,480,630**	**126,114,991**	**118,884,678**	**113,263,992**	**108,880,502**	**101,473,437**	**99,313,316**
Plan Fiduciary Net Position										
Contributions - Employer	1,672,813	2,177,619	1,825,661	1,906,845	1,920,794	1,697,726	1,116,672	1,651,022	1,811,984	1,698,539
Contributions - State	1,227,609	1,020,019	921,042	895,138	842,305	793,726	716,530	684,840	618,683	604,886
Contributions - Employee	906,394	832,048	713,687	690,308	670,948	638,421	621,675	589,865	605,581	599,342
Contributions - Buy Back	32,978	25,096	14,123	40,406	60,141	17,077	45,396	15,167	5,777	—
Net Investment (loss) income	8,933,793	(28,677,347)	24,565,999	13,728,562	4,905,418	9,688,752	10,734,486	8,778,963	(435,284)	9,243,488
Benefit payments, including refunds of contributions	(7,381,026)	(6,912,117)	(6,610,618)	(6,152,166)	(6,055,760)	(6,085,882)	(5,329,528)	(5,107,223)	(5,147,483)	(4,435,345)
Administrative Expenses	(365,494)	(288,795)	(294,671)	(292,328)	(299,073)	(306,350)	(309,245)	(279,039)	(252,632)	(245,600)
Net Change in Plan Fiduciary Net Pension	**5,027,067**	**(31,823,477)**	**21,135,223**	**10,816,765**	**2,044,773**	**6,443,470**	**7,595,986**	**6,333,595**	**(2,793,374)**	**7,465,310**
Plan Fiduciary Net Position - Beginning	**113,240,736**	**145,064,213**	**123,968,356**	**113,100,885**	**111,056,112**	**104,612,642**	**97,016,656**	**90,683,061**	**93,476,435**	**86,011,125**
Plan Fiduciary Net Position - Ending (b)	**118,267,803**	**113,240,736**	**145,103,579**	**123,917,650**	**113,100,885**	**111,056,112**	**104,612,642**	**97,016,656**	**90,683,061**	**93,476,435**
Net Pension Liability - Ending (a) - (b)	**$39,928,716**	**$37,232,516**	**$(3,410,615)**	**$10,562,980**	**$13,014,106**	**$7,828,566**	**$8,651,350**	**$11,863,846**	**$10,790,376**	**$5,836,881**
Plan fiduciary net position as a percentage of the total pension liability	74.76%	75.26%	102.41%	92.15%	89.68%	93.41%	92.36%	89.10%	89.37%	94.12%
Covered Payroll	$10,302,058	$9,498,262	$8,133,762	$7,648,804	N/A	N/A	N/A	N/A	$6,841,804	$6,877,781
Net pension liability as a percentage of covered payroll	387.58%	391.99%	(41.93)%	138.10%	N/A	N/A	N/A	N/A	157.71%	84.87%

Notes to Schedule:

The Covered Payroll numbers shown are in compliance with GASB 82. For fiscal years 2015 to 2018 the information was not available.

CITY OF PALM BAY POLICE AND FIRE RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
September 30, 2023

	Fire									
Total Pension Liability	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Service Cost	$2,102,709	$1,805,670	$1,784,228	$1,725,051	$1,623,517	$1,563,954	$1,664,642	$1,460,239	$1,396,536	$1,299,634
Interest	9,399,079	9,039,979	8,638,064	8,112,876	7,785,426	7,439,387	7,171,289	6,914,011	6,469,622	6,293,170
Change in Excess State Money		—	—	—	—	—	(157,840)	—	—	—
Changes of Benefit Terms		488,588	—	—	(23,176)	—	—	—	—	—
Shared Plan Allocation	101,379	—	—	—	—	—	7,840	—	—	—
Difference between expected & actual experience	(1,164,079)	686,968	320,532	695,678	752,209	1,124,887	366,711	88,819	2,589,797	—
Changes in assumptions	—	2,154,613	—	3,825,109	—	—	—	2,358,009	—	—
Contributions Buy Back	—	34,001	45,543	—	—	—	—	18,462	—	—
Benefit payments, including refunds of member contributions	(7,393,664)	(6,340,073)	(5,749,141)	(6,619,446)	(5,455,603)	(5,943,601)	(5,357,309)	(4,515,339)	(5,414,256)	(5,553,839)
Net Change in Total Pension Liability	**3,045,424**	**7,869,746**	**5,039,226**	**7,739,268**	**4,682,373**	**4,184,627**	**3,695,333**	**6,324,201**	**5,041,699**	**2,038,965**
Total Pension Liability - Beginning	**126,915,182**	**119,045,437**	**114,006,211**	**106,266,943**	**101,584,570**	**97,399,943**	**93,704,610**	**87,380,409**	**82,338,710**	**80,299,745**
Total Pension Liability - Ending (a)	**129,960,606**	**126,915,183**	**119,045,437**	**114,006,211**	**106,266,943**	**101,584,570**	**97,399,943**	**93,704,610**	**87,380,409**	**82,338,710**
Plan Fiduciary Net Position										
Contributions - Employer	2,616,852	3,151,077	2,784,081	2,699,071	2,535,686	2,463,758	2,195,957	2,065,835	1,976,329	1,889,000
Contributions - State	1,028,081	580,174	549,529	526,141	497,478	522,880	506,774	559,910	590,203	639,518
Contributions - Employee	683,713	638,908	547,792	555,414	533,821	520,927	511,241	500,569	474,486	426,764
Contributions - Buy Back	—	34,001	45,543	—	—	—	—	18,462	—	—
Net Investment (loss) income	6,108,817	(20,538,465)	18,973,828	9,801,388	3,442,083	6,785,112	8,443,619	5,998,705	(251,532)	7,612,697
Benefit payments, including refunds of contributions	(7,393,664)	(6,340,073)	(5,749,141)	(6,619,446)	(5,455,603)	(5,943,601)	(5,357,309)	(4,515,339)	(5,414,256)	(5,553,839)
Administrative Expenses	(285,621)	(233,218)	(242,641)	(233,632)	(244,302)	(245,013)	(239,997)	(224,986)	(205,617)	(187,613)
Net Change in Plan Fiduciary Net Pension	**2,758,178**	**(22,707,596)**	**16,908,991**	**6,728,936**	**1,309,163**	**4,104,063**	**6,060,285**	**4,403,156**	**(2,830,387)**	**4,826,527**
Plan Fiduciary Net Position - Beginning	**88,645,341**	**111,352,937**	**94,443,946**	**87,715,010**	**86,405,847**	**82,301,784**	**76,241,499**	**71,838,343**	**74,668,730**	**69,842,203**
Plan Fiduciary Net Position - Ending (b)	**91,403,519**	**88,645,341**	**111,352,937**	**94,443,946**	**87,715,010**	**86,405,847**	**82,301,784**	**76,241,499**	**71,838,343**	**74,668,730**
Net Pension Liability - Ending (a) - (b)	**$38,557,087**	**$38,269,842**	**$7,692,500**	**$19,562,265**	**$18,551,933**	**$15,178,723**	**$15,098,159**	**$17,463,111**	**$15,542,066**	**$7,669,980**
Plan fiduciary net position as a percentage of the total pension liability	70.33 %	69.85 %	93.54 %	82.84 %	82.54 %	85.06 %	84.50 %	81.36 %	82.21 %	90.68 %
Covered Payroll	$7,802,845	$7,293,480	$6,253,060	$6,338,780	$6,093,853	N/A	N/A	N/A	$4,871,735	$4,871,735
Net pension liability as a percentage of covered payroll	494.14 %	524.71 %	123.02 %	308.61 %	304.44 %	N/A	N/A	N/A	N/A	157.44 %

Notes to Schedule:

The Covered Payroll numbers shown are in compliance with GASB 82. For the prior years, the information was not available.

CITY OF PALM BAY POLICE AND FIRE RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
September 30, 2023

	General									
Total Pension Liability	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Service Cost	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Interest	760	1,200	1,165	1,277	1,353	1,431	1,510	2,381	2,247	2,564
Difference between expected & actual experience	1,057	(4,414)	1,957	1,871	1,775	1,680	1,590	(10,628)	4,093	—
Changes in assumptions	—	—	—	(937)	—	—	—	2,080	—	—
Benefit payments, including refunds of member contributions	(2,532)	(2,532)	(2,796)	(4,115)	(4,115)	(4,115)	(4,115)	(4,115)	(5,213)	(7,835)
Net Change in Total Pension Liability	**(715)**	**(5,746)**	**326**	**(1,904)**	**(987)**	**(1,004)**	(1,015)	(10,282)	1,127	(5,271)
Total Pension Liability - Beginning	**11,206**	**16,952**	**16,626**	**18,530**	**19,517**	**20,521**	**21,536**	**31,818**	**30,691**	**35,962**
Total Pension Liability - Ending (a)	**10,491**	**11,206**	**16,952**	**16,626**	**18,530**	**19,517**	**20,521**	**21,536**	**31,818**	**30,691**
Plan Fiduciary Net Position										
Net Investment (loss) income	28,282	(38,418)	41,208	22,036	10,497	18,604	20,370	16,561	1,776	18,826
Benefit payments, including refunds of contributions	(2,532)	(2,532)	(2,796)	(4,115)	(4,115)	(4,115)	(4,115)	(4,115)	(5,213)	(7,835)
Administrative Expenses	(2,847)	(2,533)	(4,448)	(4,359)	(4,315)	(4,692)	(4,370)	(4,796)	(6,130)	(455)
Net Change in Plan Fiduciary Net Pension	**22,903**	**(43,483)**	**33,964**	**13,562**	**2,067**	**9,797**	**11,885**	**7,650**	**(9,567)**	**10,536**
Plan Fiduciary Net Position - Beginning	**205,211**	**248,692**	**214,728**	**201,166**	**199,099**	**189,302**	**177,417**	**169,767**	**179,334**	**168,798**
Plan Fiduciary Net Position - Ending (b)	**228,114**	**205,209**	**248,692**	**214,728**	**201,166**	**199,099**	**189,302**	**177,417**	**169,767**	**179,334**
Net Pension Liability - Ending (a) - (b)	**$(217,623)**	**$(194,003)**	**$(231,740)**	**$(198,102)**	**$(182,636)**	**$(179,582)**	**$(168,781)**	**$(155,881)**	**$(137,949)**	**$(148,643)**
Plan fiduciary net position as a percentage of the total pension liability	2174.38 %	1831.24 %	1467.04 %	1291.52 %	1085.62 %	1020.13 %	922.48 %	823.82 %	533.56 %	584.32 %
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

CITY OF PALM BAY FLORIDA RETIREMENT SYSTEM (FRS)
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
September 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	0.000750 %	0.000005 %	0.000599 %	0.000812 %	0.000851 %	0.000840%	0.000621%	0.000315%	0.035116%	0.030722%
City's proportionate share of the net pension liability (asset)	$ 298,890	$ 178,894	$ 45,263	$ 351,767	$ 292,997	$ 253,119	$ 183,591	$ 79,423	$ 45,357	$ 18,745
City's covered payroll	$ 87,506	$ 74,805	$ 81,392	$ 80,542	$ 79,251	$ 74,676	$ 58,992	$ 30,877	$ 30,227	$ 31,818
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	341.57 %	239.15 %	55.61 %	436.75 %	369.71 %	338.96%	311.21%	257.22%	150.05%	58.91%
Plan fiduciary net position as a percentage of the total pension liability	82.38 %	82.89 %	96.40 %	78.85 %	82.61 %	84.26%	83.89%	84.88%	92.00%	96.09%

Note: 1) The Plan's fiduciary net position as a percentage of total pension liability is published in Note 4 of the Plan's Comprehensive Annual Financial Report.

2) These amounts are of June 30, the Plan's fiscal year end.

CITY OF PALM BAY HEALTH INSURANCE SUBSIDY (HIS)
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
September 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	0.000175 %	0.000018 %	0.000197 %	0.000199 %	0.000202 %	0.000203%	0.000152%	0.000777%	0.007911%	0.008078%
City's proportionate share of the net pension liability (asset)	$ 27,844	$ 18,735	$ 24,164	$ 24,333	$ 22,715	$ 21,477	$ 16,295	$ 9,058	$ 8,068	$ 7,553
City's covered payroll	$ 87,506	$ 74,805	$ 81,392	$ 80,542	$ 79,251	$ 74,676	$ 58,992	$ 30,877	$ 30,227	$ 31,818
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	31.82 %	25.05 %	29.69 %	30.21 %	28.66 %	28.76%	27.62%	29.34%	26.69%	23.74%
Plan fiduciary net position as a percentage of the total pension liability	4.12 %	4.84 %	3.56 %	3.00 %	2.63 %	2.15%	1.64%	0.97%	0.50%	0.99%

Note:1) The Plan's fiduciary net position as a percentage of total pension liability is published in Note 4 of the Plan's Comprehensive Annual Financial Report.

2) These amounts are of June 30, the Plan's fiscal year end.

CITY OF PALM BAY POLICE AND FIRE RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
September 30, 2023

	Police									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contributions	$2,546,984	$2,947,994	$2,597,252	$2,677,671	$2,493,163	$2,356,572	$2,195,741	$2,171,756	$2,332,718	$2,219,273
From Excess State Money Reserve	—	—	—	—	—	—	(380,000)	—	—	—
Contributions in relation to the actuarially determined contribution	(2,637,827)	(2,971,067)	(2,585,915)	(2,665,487)	(2,556,052)	(2,354,956)	(1,831,586)	(2,171,756)	(2,332,718)	(2,219,273)
Contribution deficiency (excess)	$ (90,843)	$ (23,073)	$ 11,337	$ 12,184	$ (62,889)	$ 1,616	$ (15,845)	$ —	$ —	$ —
Covered payroll	$10,302,058	$9,498,262	$8,133,762	$7,874,027	$7,648,804	N/A	N/A	N/A	N/A	$6,841,804
Contributions as a percentage of covered payroll	25.60%	31.28%	31.79%	33.85%	33.42%	N/A	N/A	N/A	N/A	32.44%

Notes to Schedule

Valuation Date	10/1/2021
Actuarially determined contributions rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.	
Methods and assumptions used to determine contribution rate:	
Actuarial cost method	Frozen Entry Age Cost Method
Amortization method	
Remaining amortization period	30 years
Asset valuation method	
Inflation	2.70%
Salary Increase	Varies by age
Investment Rate of Return	7.50%
Retirement age	52-55
Mortality - Healthy Active & Retiree	PubS.H-2010
- Beneficiary	PubG.H-2010
	Improvement Scale MP-2018

The Covered Payroll numbers shown are in compliance with GASB 82. For fiscal years 2015 to 2018, the information was not available.

The mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The rates are outlined in Milliman's July 1, 2021, FRS valuation report for non-special-risk employees.

CITY OF PALM BAY POLICE AND FIRE RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
September 30, 2023

	Fire									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contributions	$ 3,543,555	$3,729,269	$3,333,608	$ 3,225,212	$ 3,049,270	$ 2,970,532	$ 2,852,731	$ 2,625,745	$ 2,566,532	$2,528,518
Contribution from Reserve	—	—	—	—	—	—	—	—	—	—
Contributions in relation to the actuarially determined contribution	(3,866,695)	(3,731,251)	(3,385,659)	(3,225,212)	(3,033,164)	(2,986,638)	(2,852,731)	(2,625,745)	(2,566,532)	(2,528,518)
Contribution deficiency (excess)	$ (323,140)	$ (1,982)	$ (52,051)	$ —	$ 16,106	$ (16,106)	$ —	$ —	$ —	$ —
Covered payroll	$7,802,845	$7,293,480	$6,253,060	$6,338,780	$6,093,853	N/A	N/A	N/A	N/A	$4,871,735
Contributions as a percentage of covered payroll	49.55 %	51.16 %	54.14 %	50.88 %	49.77 %	N/A	N/A	N/A	N/A	51.90 %

Notes to Schedule

Valuation Date	10/1/2021
Actuarially determined contributions rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.	
Methods and assumptions used to determine contribution rate:	
Actuarial cost method	Entry age normal cost method
Amortization method	
Remaining amortization period	30 years
Asset valuation method	
Inflation	2.70%
Salary Increase	Varies by age
Investment Rate of Return	7.50%
Retirement age	52-55
Mortality - Healthy Active & Retiree	PubS.H-2010
- Beneficiary	PubG.H-2010
	Improvement Scale MP-2018

The Covered Payroll numbers shown are in compliance with GASB 82. For fiscal years 2015 to 2018, the information was not available

The mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The rates are outlined in Milliman's July 1, 2021, FRS valuation report for non-special-risk employees.

CITY OF PALM BAY POLICE AND FIRE RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
September 30, 2023

	General									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contributions	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Contributions in relation to the actuarially determined contribution	—	—	—	—	—	—	—	—	—	—
Contribution deficiency (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule

Valuation Date	10/1/2021
Actuarially determined contributions rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.	
Methods and assumptions used to determine contribution rate:	
Actuarial cost method	Aggregate Actuarial Cost Method.
Amortization method	
Asset valuation method	
Inflation	2.70%
Investment Rate of Return	7.65%
Mortality	PubG.H-2010
	Improvement Scale MP-2018

The mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The rates are outlined in Milliman's July 1, 2021, FRS valuation report for non-special-risk employees.

CITY OF PALM BAY FLORIDA RETIREMENT SYSTEM (FRS)
SCHEDULE OF CONTRIBUTIONS
September 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$36,084	$20,516	$22,827	$26,966	$26,380	$23,949	$16,158	$7,671	$8,561	$6,729
Contributions in relation to the contractually required contribution	(36,084)	(20,516)	(22,827)	(26,966)	(26,380)	(23,949)	(16,158)	(7,671)	(8,561)	(6,729)
Contribution deficiency (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
City's covered payroll	$87,312	$91,628	$80,324	$80,894	$79,507	$75,838	$66,722	$30,877	$30,885	$31,818
Contributions as a percentage of covered payroll	41.33%	22.39%	28.42%	33.33%	33.18%	31.58%	24.22%	24.84%	27.72%	21.15%

CITY OF PALM BAY HEALTH INSURANCE SUBSIDY (HIS)
SCHEDULE OF CONTRIBUTIONS
September 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 1,153	$ 1,070	$ 1,158	$ 1,148	$ 1,127	$ 1,100	$ 807	$ 398	$ 302	$ 277
Contributions in relation to the contractually required contribution	(1,153)	(1,070)	(1,158)	(1,148)	(1,127)	(1,100)	(807)	(398)	(302)	(277)
Contribution deficiency (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
City's covered payroll	$87,312	$91,628	$80,324	$80,894	$79,507	$75,838	$66,772	$30,877	$30,885	$31,818
Contributions as a percentage of covered payroll	1.32%	1.17%	1.44%	1.42%	1.42%	1.45%	1.21%	1.29%	0.98%	0.87%

CITY OF PALM BAY POLICE AND FIRE RETIREMENT SYSTEM
SCHEDULE OF INVESTMENT RETURNS
September 30, 2023

Annual money-weighted rate of return, net of investment expense		Police	Fire	General
	2023	8.02%	7.01%	13.96%
	2022	-19.98%	-18.62%	-15.61%
	2021	20.09%	20.31%	19.52%
	2020	12.29%	11.37%	11.19%
	2019	4.47%	4.03%	5.39%
	2018	9.41%	8.38%	10.06%
	2017	11.25%	11.25%	11.76%
	2016	9.81%	8.44%	10.02%
	2015	-0.47%	-0.34%	1.02%
	2014	10.82%	11.04%	11.43%

CITY OF PALM BAY OTHER POST EMPLOYMENT BENEFITS
SCHEDULE OF CHANGES IN THE TOTAL OTHER POSTEMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS

September 30, 2023

Reporting Period Ending	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Measurement Date	10/01/2022	10/01/2021	10/01/2020	10/01/2019	10/01/2018	10/01/2017
Total OPEB Liability						
Service Cost	$ 514,980	$ 543,281	391,754	$ 427,206	$ 496,906	$ 256,771
Interest for 1 years	566,167	455,707	527,858	437,473	662,485	300,970
Differences Between Expected & Actual Experiences	(1,924,608)	—	(320,127)	—	2,179,786	—
Changes of Assumptions	1,264,094	—	(245,354)	—	1,198,439	274,884
Benefits Payments	(390,847)	(327,577)	(419,481)	(298,609)	(556,419)	(233,756)
Net Change in Total OPEB Liability	29,786	671,411	(65,350)	566,070	3,981,197	598,869
Total OPEB Liability - Beginning (as Restated) *	12,987,375	12,315,964	12,381,314	11,815,244	7,834,047	7,559,163
Total OPEB Liability - Ending	$ 13,017,161	$ 12,987,375	$ 12,315,964	$ 12,381,314	$ 11,815,244	$ 8,158,032
Covered-Employee Payroll	$ 43,586,936	$ 34,774,162	33,436,695	$ 31,948,733	$ 31,948,733	$ 33,060,253
Total OPEB Liability as a Percentage of Covered-Employee Payroll	29.86 %	37.35 %	36.83 %	38.75 %	36.98 %	24.68 %

Notes to Schedule:

The following are the discount rates used in each period:

FY2023	3.75%
FY2022	3.75%
FY2021	3.75%
FY2020	3.75%
FY2019	3.75%
FY2018	3.90%

Plan Assets:

The city's OPEB obligations are funded on a pay-as-you-go basis. Assets are not accumulated in a trust that meet the criteria set forth in paragraph 4 of GASB Statement No.75 to pay related benefits.

Note: This is the sixth year of implementation for GASB 75. GASB requires information for 10 years. The City has presented information for those years for which information is available.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

NOTE 1 – BUDGETARY REQUIREMENTS

A. Budgetary Information

The following procedures are used to establish the budgetary data reflected in the financial statements:

1) No later than August 10th of each year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1.

2) Public hearings are held to obtain taxpayer comments.

3) Prior to October 1, the budget is legally enacted through the passage of an ordinance.

4) Budgets are legally adopted, and formal budgetary integration is employed as a management control device during the year for the general fund, all special revenue funds (except for the miscellaneous donations fund), all capital projects fund, and all debt service funds. The budgets adopted for the enterprise fund and internal service funds are for managerial control purposes.

5) Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

6) The City Manager is authorized to transfer part or all unencumbered appropriation balance between activities of a department within a fund; however, any revisions that alter the total appropriations of any department or fund must be approved by the City Council. The classification detail at which expenditures may not legally exceed appropriations is at the fund level. During the fiscal year ended, various appropriations were approved in accordance with this policy. Budgeted amounts shown in the financial statements are as originally adopted and as further amended.

7) Appropriations lapse at the close of the fiscal year.

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OTHER SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule:

- Debt Service Fund
- GO Road Program Fund

Nonmajor Governmental Funds:

Combining Financial Statements for All Nonmajor Governmental Funds and Individual Budgetary Comparison Schedules for All Budgeted Nonmajor Governmental Funds

Nonmajor Enterprise Funds:

Combining Financial Statements for All Nonmajor Enterprise Funds

Nonmajor Enterprise Funds:

Combining Financial Statements for All Nonmajor Enterprise Funds

Fiduciary Funds:

Combining Statements for Fiduciary Funds

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BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	$ 6,977,575	$ 7,036,955	$ 59,380
Investment Income	7,150	335,430	328,280
Total Revenues	6,984,725	7,372,385	387,660
EXPENDITURES			
Current:			
General Government	3,125	$ 3,022	103
Debt Service:			
Principal Retirement	8,235,484	8,235,482	2
Interest and Fiscal Charges	6,095,358	6,093,829	1,529
Total Expenditures	14,333,967	14,332,333	1,634
Deficiency of Revenues Under Expenditures	(7,349,242)	(6,959,948)	389,294
OTHER FINANCING SOURCES			
Transfers In	10,868,337	$ 10,672,201	(196,136)
Transfers Out	(3,450,450)	$ (3,381,752)	68,698
Total Other Financing Sources	7,417,887	7,290,449	(127,438)
Net Change in Fund Balance	$ 68,645	330,501	$ 261,856
Fund Balance - Beginning		5,770,817	
Fund Balance - Ending		$ 6,101,318	

BUDGET AND ACTUAL
GO ROAD PROGRAM FUND
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Charges for Services	$ —	$ 15,200	$ 15,200
Investment Income	—	2,542,169	2,542,169
Total Revenues	—	2,557,369	2,557,369
EXPENDITURES			
Current:			
Physical Environment			
Transportation	232,158	223,309	8,849
Capital Outlay	77,056,049	32,990,330	44,065,719
Total Expenditures	77,288,207	33,213,639	44,074,568
Excess of Revenues Over Expenditures	(77,288,207)	(30,656,270)	46,631,937
OTHER FINANCING SOURCES (USES)			
Transfer In	57,035,000	56,982,780	(52,220)
Transfer (Out)	(57,035,000)	(56,982,780)	52,220
Issuance of Debt	50,000,000	50,000,000	—
Bond Premium	1,286,470	1,286,470	—
Total Other Financing Sources	51,286,470	51,286,470	—
Net Change in Fund Balance	$ (26,001,737)	20,630,200	$ 46,631,937
Fund Balance - Beginning		55,851,907	
Fund Balance - Ending		$ 76,482,107	

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds account for revenues from specific taxes or other earmarked revenue sources which, by law are designated to finance functions or activities of government. The City has the following nonmajor special revenue funds:

Law Enforcement Trust – This fund is used to account for proceeds obtained through the sale of confiscated and unclaimed property turned over to the City through court judgments. The proceeds are to be used solely for crime fighting purposes.

Palm Bay Municipal Foundation Fund – Established under Section 501(c)(3). This component unit was established to raise funds for charitable, educational, scientific and literary pursuits. It avails contributors to tax write-offs; and is the beneficiary of revenues generated from Red Light Camera violations.

Code Nuisance Fund – This fund is used to account for transactions related to properties with code violations where the owners are unwilling to abate the problems.

SHIP Program – This fund is used to account for proceeds received from the State for the City's State Housing Initiative Partnership (SHIP) program.

Community Development Block Grant – This fund is used to account for proceeds received from a Housing and Community Development Grant program for common residential improvements.

HOME Grant – This fund is used to account for the proceeds received from the State for the City's HOME Grant.

Neighborhood Stabilization Program – This fund accounts for Neighborhood Stabilization Program (NSP) transactions which is a federally funded initiative. NSP 1 authorized funding of $5.2M to acquire and or rehabilitate up to 45 residential properties, NSP 3 authorized $1.7M in funding for the purchase of foreclosed or abandoned homes and to rehabilitate, resell or redevelop these homes to promote equipoise in local areas.

Coronavirus Relief Fund – This account is used to account for grants funds designated for citizen assistance due to COVID-19.

CDBG CV - Coronavirus Fund – This account is used to account for federal funding related to Community Development Block Grant (CDBG) to assist eligible residents to prepare, prevent and respond to the impact of Coronavirus.

Miscellaneous Donations – This fund is used to account for proceeds received as donations to the Police, Fire and Parks Departments.

Environmental Fee Fund – This fund is used to account for transactions related to the City's Incidental Take Permit issued by the United States Fish and Wildlife Service.

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CAPITAL PROJECTS FUNDS

Community Investment Fund - This fund is used to account for financial resources earmarked for the acquisition or construction of major capital facilities or other project-oriented activities.

I-95 Interchange Fund - This fund is used to account for financial resources earmarked for the construction of an interchange between St. John's Heritage Parkway (Palm Bay Parkway) and Mico Road.

Road Maintenance CIP Fund - This fund is used to account for financial resources earmarked for the maintenance and repair of existing roadways.

Connector Road I-95 – This fund is used to account for resources earmarked for the acquisition and construction of a connector road at the intersection of Babcock Road and the newly constructed I-95 interchange.



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COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
September 30, 2023

	Special Revenue Funds									
	Law Enforcement Trust	PB Municipal Foundation Fund	Code Nuisance Fund	SHIP Program	Community Development Block Grant	HOME Grant	Neighborhood Stabilization Program	CDBG Coronavirus Fund	Opioid Settlement	Misc. Donations
ASSETS										
Cash and Cash Equivalents	$ —	$ 106,837	$ 397,709	$ —	$ —	$ —	$ —	$ —	$ —	$ 101,498
Investments	—	—	323,100	1,365,678	—	—	—	—	—	—
Restricted Cash and Equivalents	184,783	—	—	992,456	335,408	154,099	—	—	88,239	—
Restricted Investment	132,471	—	—	—	—	—	—	—	—	—
Due from Other Governments	—	—	—	—	708,386	—	—	15,267	—	—
Prepaid Items	—	—	—	352	—	—	—	—		—
Total Assets	$ 317,254	$ 106,837	$ 720,809	$ 2,358,486	$ 1,043,794	$ 154,099	$ —	$ 15,267	$ 88,239	$ 101,498
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts Payable	$ —	$ —	$ 3,002	$ 75,724	$ 146,687	$ 152	$ —	$ 20,067	$ —	$ —
Due to Other Funds	—	—	—	—	—	—	20,196	98,913	—	—
Advances from Other Funds	—	—	—	—	—	—	—	—	—	—
Due to Other Governments	—	—	—	—	—	—	—	—	—	—
Unearned Revenue	65,171	—	—	1,783,996	—	59,023	—	—	—	—
Total Liabilities	65,171	—	3,002	1,859,720	146,687	59,175	20,196	118,980	—	—
Fund Balances:										
Nonspendable	—	—	—	352	—	—	—	—	—	—
Restricted	252,083	—	—	498,414	897,107	94,924	—	—	88,239	—
Committed	—	—	—	—	—	—	—	—	—	—
Assigned	—	106,837	717,807	—	—	—	—	—	—	101,498
Unassigned (Deficit)	—	—	—	—		—	(20,196)	(103,713)	—	—
Total Fund Balances (Deficit)	252,083	106,837	717,807	498,766	897,107	94,924	(20,196)	(103,713)	88,239	101,498
Total Liabilities and Fund Balances	$ 317,254	$ 106,837	$ 720,809	$ 2,358,486	$ 1,043,794	$ 154,099	$ —	$ 15,267	$ 88,239	$ 101,498

COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
September 30, 2023

	Special Revenue Funds	Capital Project Funds				
	Environmental Fee Fund	Community Investment Fund	I-95 Interchange Fund	Road Maintenance Fund	Connector Road I-95 Fund	Total Nonmajor Governmental Funds
ASSETS						
Cash and Cash Equivalents	$ 319,307	$ 309,446	$ —	$ 1,388,477	$ 4	$ 2,623,278
Investments	—	2,068,828	—	5,080,094	170,845	9,008,545
Restricted Cash and Equivalents	—	—	—	—	—	1,754,985
Restricted Investment	—	—	—	—	—	132,471
Due from Other Governments	—	—	—	—	—	723,653
Prepaid Items	—	—	—	—	—	352
Total Assets	$ 319,307	$ 2,378,274	$ —	$ 6,468,571	$ 170,849	$ 14,243,284
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	$ —	$ 280,335	$ 6,301	$ —	$ 135,854	$ 668,122
Due to Other Funds	—	—	—	—	—	119,109
Advances from Other Funds	—	—	—	—	—	—
Due to Other Governments	85,138	—	—	—	—	85,138
Unearned Revenue	—	—	—	—	—	1,908,190
Total Liabilities	85,138	280,335	6,301	—	135,854	2,780,559
Fund Balances:						
Nonspendable	—	—	—	—	—	352
Restricted	—	—	—	—	—	1,830,767
Committed	—	802,567	—	6,468,571	34,995	7,306,133
Assigned	234,169	1,295,372	—	—	—	2,455,683
Unassigned (Deficit)	—	—	(6,301)	—	—	(130,210)
Total Fund Balances (Deficit)	234,169	2,097,939	(6,301)	6,468,571	34,995	11,462,725
Total Liabilities and Fund Balances	$ 319,307	$ 2,378,274	$ —	$ 6,468,571	$ 170,849	$ 14,243,284

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	Special Revenue Funds					
	Law Enforcement Trust	PB Municipal Foundation Fund	Code Nuisance Fund	SHIP Program	Community Development Block Grant	HOME Grant
REVENUES						
Intergovernmental Revenues	—	—	—	1,056,925	2,353,947	83,343
Charges for Services	—	—	137,285	12,243	—	362,158
Fines and Forfeitures	9,864	—	—	—	—	—
Investment Income	12,657	8	25,613	62,750	4,399	7,184
Miscellaneous Revenues	8,863	89,614	—	—	—	—
Total Revenues	31,384	89,622	162,898	1,131,918	2,358,346	452,685
EXPENDITURES						
Current:						
Public Safety	42,514	—	110,876	—	—	—
Economic Environment	—	44,398	—	1,131,918	269,407	452,685
Capital Outlay	24,567	—	—	—	1,979,840	—
Total Expenditures	67,081	44,398	110,876	1,131,918	2,249,247	452,685
Excess (Deficiency) of Revenues Over (Under) Expenditures	(35,697)	45,224	52,022	—	109,099	—
OTHER FINANCING SOURCES (USES)						
Transfers In	—	—	—	—	811,636	—
Transfers Out	—	—	—	—	(30,300)	—
Total Other Financing Sources (Uses)	—	—	—	—	781,336	—
Net Change in Fund Balances	(35,697)	45,224	52,022	—	890,435	—
Fund Balances (Deficit) - Beginning	287,780	61,613	665,785	498,766	6,672	94,924
Fund Balances (Deficit) - Ending	$ 252,083	$ 106,837	$ 717,807	$ 498,766	$ 897,107	$ 94,924

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
For the Year Ended September 30, 2023

	Special Revenue Funds				
	Neighborhood Stabilization Program	CDBG Coronavirus Fund	Opioid Settlement Fund	Misc. Donations	Environmental Fee Fund
REVENUES					
Intergovernmental Revenues	—	48,287	—	—	—
Charges for Services	311,004	—	—	—	90,788
Fines and Forfeitures	—	—	—	—	—
Investment Income	18,827	—	1,841	2,747	10,974
Miscellaneous Revenues	—	—	86,398	25,772	—
Total Revenues	329,831	48,287	88,239	28,519	101,762
EXPENDITURES					
Current:					
Public Safety	—	—	—	19,025	—
Transportation	—	—	—	—	—
Economic Environment	26	152,000	—	—	11
Culture/Recreation	—	—	—	—	—
Capital Outlay	—	—	—	—	—
Total Expenditures	26	152,000	—	19,025	11
Over (Under) Expenditures	329,805	(103,713)	88,239	9,494	101,751
OTHER FINANCING SOURCES (USES)					
Transfers In	—	—	—	—	342,240
Transfers Out	(811,636)	—	—	—	(24,588)
Total Other Financing Sources (Uses)	(811,636)	—	—	—	317,652
Net Change in Fund Balances	(481,831)	(103,713)	88,239	9,494	419,403
Fund Balances (Deficit) - Beginning	461,635	—	—	92,004	(185,234)
Fund Balances (Deficit) - Ending	$ (20,196)	$ (103,713)	$ 88,239	$ 101,498	$ 234,169

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
For the Year Ended September 30, 2023

	Capital Project Funds				
	Community Investment Fund	I-95 Interchange Fund	Road Maintenance Fund	Connector Road I-95 Fund	Total Nonmajor Governmental Funds
REVENUES					
Intergovernmental Revenues	**656,235**	**—**	**—**	**—**	**4,198,737**
Charges for Services	**—**	**—**	**—**	**—**	**913,478**
Fines and Forfeitures	**—**	**—**	**—**	**—**	**9,864**
Investment Income	**106,405**	**297**	**282,638**	**8,025**	**544,365**
Miscellaneous Revenues	**—**	**—**	**—**	**—**	**210,647**
Total Revenues	**762,640**	**297**	**282,638**	**8,025**	**5,877,091**
EXPENDITURES					
Current:					
Public Safety	**—**	**—**	**—**	**—**	**61,539**
Physical Environment	**55,777**	**—**	**—**	**—**	**55,777**
Transportation	**37**	**—**	**52**	**—**	**89**
Economic Environment	**—**	**—**	**—**	**—**	**2,050,445**
Capital Outlay	**1,028,329**	**—**	**1,887,235**	**—**	**4,919,971**
Total Expenditures	**1,084,143**	**—**	**1,887,287**	**—**	**7,198,697**
Excess (Deficiency of Revenues Over (Under) Expenditures	**(321,503)**	**297**	**(1,604,649)**	**8,025**	**(1,321,606)**
OTHER FINANCING SOURCES (USES)					
Transfers In	**—**	**—**	**2,022,464**	**—**	**3,176,340**
Transfers Out	**—**	**(204,999)**	**—**	**—**	**(1,071,523)**
Total Other Financing Sources (Uses)	**—**	**(204,999)**	**2,022,464**	**—**	**2,104,817**
Net Change in Fund Balances	**(321,503)**	**(204,702)**	**417,815**	**8,025**	**783,211**
Fund Balances (Deficit) - Beginning	**2,419,442**	**198,401**	**6,050,756**	**26,970**	**10,679,514**
Fund Balances (Deficit) - Ending	**$ 2,097,939**	**$ (6,301)**	**$ 6,468,571**	**$ 34,995**	**$ 11,462,725**

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BUDGETARY COMPARISON SCHEDULE
LAW ENFORCEMENT TRUST
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Fines and Forfeitures	$ —	$ 9,864	$ 9,864
Investment Income	—	12,657	12,657
Miscellaneous Revenues	—	8,863	8,863
Total Revenues	—	31,384	31,384
EXPENDITURES			
Current:			
Public Safety	74,158	42,514	31,644
Capital Outlay	55,000	24,567	30,433
Total Expenditures	129,158	67,081	62,077
Excess (Deficiency) of Revenues Over (Under) Expenditures	(129,158)	(35,697)	93,461
Net Change in Fund Balance	$ (74,158)	(35,697)	$ 93,461
Fund Balance - Beginning		287,780	
Fund Balance - Ending		$ 252,083	

BUDGETARY COMPARISON SCHEDULE
PALM BAY MUNICIPAL FOUNDATION
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Investment Income	$ —	$ 8	$ 8
Miscellaneous Revenues	54,000	89,614	35,614
Total Revenues	54,000	89,622	35,622
EXPENDITURES			
Current:			
Economic Environment	54,000	44,398	9,602
Total Expenditures	54,000	44,398	9,602
Excess (Deficiency) of Revenues Over (Under) Expenditures	—	45,224	45,224
Net Change in Fund Balance	$ —	45,224	$ 45,224
Fund Balance - Beginning		61,613	
Fund Balance - Ending		$ 106,837	

BUDGETARY COMPARISON SCHEDULE
CODE NUISANCE FUND
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Charges for Services	$ 400,000	$ 137,285	$ (262,715)
Investment Income	—	25,613	25,613
Total Revenues	400,000	162,898	(237,102)
EXPENDITURES			
Current:			
Public Safety	400,000	110,876	289,124
Total Expenditures	400,000	110,876	289,124
Excess of Revenues Over Expenditures	—	52,022	52,022
Net Change in Fund Balance	$ —	52,022	$52,022
Fund Balance - Beginning		665,785	
Fund Balance - Ending		$ 717,807	

BUDGETARY COMPARISON SCHEDULE
SHIP PROGRAM
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	$ 784,949	$ 1,056,925	$ 271,976
Charges for Services	—	12,243	12,243
Investment Income	—	62,750	62,750
Total Revenues	784,949	1,131,918	346,969
EXPENDITURES			
Current:			
Economic Environment	1,898,840	1,131,918	766,922
Capital Outlay	—	—	—
Total Expenditures	1,898,840	1,131,918	766,922
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,113,891)	—	1,113,891
OTHER FINANCING USES			
Transfers In	—	—	—
Total Other Financing Sources	—	—	—
Net Change in Fund Balance	$ (1,113,891)	—	$ 1,113,891
Fund Balance - Beginning		498,766	
Fund Balance - Ending		$ 498,766	

BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	$ 757,196	$ 2,353,947	$ 1,596,751
Investment Income	—	4,399	4,399
Charges for Services	—	—	—
Total Revenues	757,196	2,358,346	1,601,150
EXPENDITURES			
Current:			
Economic Environment	508,234	269,407	238,827
Capital Outlay	3,528,852	1,979,840	1,549,012
Total Expenditures	4,037,086	2,249,247	1,787,839
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,279,890)	109,099	3,388,989
OTHER FINANCING SOURCES			
Transfers In	811,636	811,636	—
Transfers Out	(38,408)	(30,300)	(8,108)
Total Other Financing Sources	773,228	781,336	(8,108)
Net Change in Fund Balance	$ (2,506,662)	890,435	$ 3,380,881
Fund Balance (Deficit) - Beginning		6,672	
Fund Balance (Deficit) - Ending		$ 897,107	

BUDGETARY COMPARISON SCHEDULE
HOME GRANT
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	$ 1,168,463	$ 83,343	$ (1,085,120)
Charges for Services	440,144	362,158	(77,986)
Investment Income	—	7,184	$7,184
Total Revenues	1,608,607	452,685	(1,155,922)
EXPENDITURES			
Current:			
Economic Environment	2,324,069	452,685	1,871,384
Capital Outlay	95,621	—	95,621
Total Expenditures	2,419,690	452,685	1,967,005
Excess (Deficiency) of Revenues Over (Under) Expenditures	(811,083)	—	811,083
OTHER FINANCING SOURCES			
Transfers In	—	—	—
Transfers Out	—	—	—
Total Other Financing Sources	—	—	—
Net Change in Fund Balance	$ (811,083)	—	$ 811,083
Fund Balance - Beginning		94,924	
Fund Balance - Ending		$ 94,924	

BUDGETARY COMPARISON SCHEDULE
NEIGHBORHOOD STABILIZATION PROGRAM
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	$ —	$ —	$ —
Charges for Services	—	311,004	311,004
Investment Income	—	18,827	18,827
Miscellaneous Revenue	—	—	—
Total Revenues	—	329,831	329,831
EXPENDITURES			
Current:			
Economic Environment	2,790	26	2,764
Capital Outlay	—	—	—
Total Expenditures	2,790	26	2,764
Excess of Revenues Over Expenditures	(2,790)	329,805	327,067
OTHER FINANCING SOURCES			
Transfers In	—	—	—
Transfers Out	(811,636)	(811,636)	—
Total Other Financing Sources	(811,636)	(811,636)	—
Net Change in Fund Balance	$ (814,426)	(481,831)	$ 327,067
Fund Balance - Beginning		461,635	
Fund Balance - Ending		$ (20,196)	

BUDGETARY COMPARISON SCHEDULE
CDBG -CV CORONAVIRUS FUND
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	$ —	$ 48,287	$ 48,287
Total Revenues	—	48,287	48,287
EXPENDITURES			
Current:			
Economic Environment	446,279	152,000	294,279
Total Expenditures	446,279	152,000	294,279
Excess of Revenues Over Expenditures	(446,279)	(103,713)	342,566
Net Change in Fund Balance	$ (446,279)	(103,713)	$ 342,566
Fund Balance - Beginning		—	
Fund Balance - Ending		$ (103,713)	

BUDGETARY COMPARISON SCHEDULE
OPIOID SETTLEMENT FUND
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	$ —	$ 86,398	$ 86,398
Investment Income	—	1,841	1,841
Total Revenues	—	88,239	88,239
EXPENDITURES			
Economic Environment	—	—	—
Total Expenditures	—	—	—
Excess of Revenues Over Expenditures	—	88,239	88,239
Net Change in Fund Balance	$ —	88,239	$ 88,239
Fund Balance - Beginning		—	
Fund Balance - Ending		$ 88,239	

BUDGETARY COMPARISON SCHEDULE
MISCELLANEOUS DONATIONS
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Investment Income	$ —	$ 2,747	2,747
Miscellaneous Revenues	21,000	25,772	4,772
Total Revenues	21,000	28,519	7,519
EXPENDITURES			
Public Safety	21,000	19,025	1,975
Total Expenditures	21,000	19,025	1,975
Excess of Revenues Over Expenditures	—	9,494	9,494
Net Change in Fund Balance	$ —	9,494	$ 9,494
Fund Balance - Beginning		92,004	
Fund Balance - Ending		$ 101,498	

BUDGETARY COMPARISON SCHEDULE
ENVIRONMENTAL FEE
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Charges for Services	$ —	$ 90,788	$ 90,788
Investment Income	—	10,974	10,974
Total Revenues	—	101,762	101,762
EXPENDITURES			
Current:			
Physical Environment	24,588	11	(24,577)
Total Expenditures	24,588	11	(24,577)
Excess of Revenues Over Expenditures	(24,588)	101,751	126,339
OTHER FINANCING (USES)			
Transfers In	342,240	342,240	—
Transfers Out	—	(24,588)	(24,588)
Total Other Financing Sources	342,240	317,652	(24,588)
Net Change in Fund Balance	$ 317,652	419,403	$ 101,751
Fund Balance (Deficit) - Beginning		(185,234)	
Fund Balance (Deficit) - Ending		$ 234,169	

BUDGETARY COMPARISON SCHEDULE
COMMUNITY INVESTMENT FUND
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	$ 1,200,000	$ 656,235	$ (543,765)
Investment Income	—	106,405	106,405
Total Revenues	1,200,000	762,640	(437,360)
EXPENDITURES			
Current:			
Transportation	2,500	37	2,463
Physical Environment	55,777	55,777	—
Capital Outlay	4,958,866	1,028,329	3,930,537
Total Expenditures	5,017,143	1,084,143	3,933,000
Excess of Revenues Over Expenditures	(3,817,143)	(321,503)	3,495,640
Net Change in Fund Balance	$ (3,817,143)	(321,503)	$ 3,495,640
Fund Balance - Beginning		2,419,442	
Fund Balance - Ending		$ 2,097,939	

Budgetary COMPARISON SCHEDULE
I-95 INTERCHANGE FUND
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Investment Income	$ —	$ 297	$ 297
Total Revenues	—	297	297
EXPENDITURES			
Current:			
Transportation	50	—	50
Capital Outlay	180,645	—	180,645
Total Expenditures	180,695	—	180,695
Excess of Revenues Over Expenditures	(180,695)	297	180,992
OTHER FINANCING SOURCES (USES)			
Transfers Out	(204,702)	(204,999)	(297)
Total Other Financing Sources (Uses)	(204,702)	(204,999)	(297)
Net Change in Fund Balance	$ (385,397)	(204,702)	$ 180,695
Fund Balance - Beginning		198,401	
Fund Balance - Ending		$ (6,301)	

BUDGETARY COMPARISON SCHEDULE
ROAD MAINTENANCE CIP FUND
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Investment Income	$ —	$ 282,638	$ 282,638
Total Revenues	—	282,638	282,638
EXPENDITURES			
Current:			
Transportation	2,000	52	1,948
Capital Outlay	2,400,000	1,887,235	512,765
Total Expenditures	2,402,000	1,887,287	514,713
(Deficiency) of Revenues (Under) Expenditures	(2,402,000)	(1,604,649)	797,351
OTHER FINANCING SOURCES (USES)			
Transfers In	2,022,464	2,022,464	—
Total Other Financing Sources (Uses)	2,022,464	2,022,464	—
Net Change in Fund Balance	$ (379,536)	417,815	$ 797,351
Fund Balance - Beginning		6,050,756	
Fund Balance - Ending		$ 6,468,571	

BUDGETARY COMPARISON SCHEDULE
CONNECTOR ROAD I-95 CIP FUND
For the Year Ended September 30, 2023

	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Investment Income	$ —	$ 8,025	$ 8,025
Total Revenues	—	8,025	8,025
EXPENDITURES			
Current:			
Transportation	50	—	50
Capital Outlay	309,608	—	309,608
Total Expenditures	309,658	—	309,658
Excess of Revenues Over Expenditures	(309,658)	8,025	317,683
Net Change in Fund Balance	$ (309,658)	8,025	$ 317,683
Fund Balance - Beginning		26,970	
Fund Balance - Ending		$ 34,995	

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INTERNAL SERVICE FUNDS

Internal Service Funds account for the financing of goods and services provided by one department or agency to other departments or agencies of the government and to other government units on a cost reimbursement basis.

Risk Management – This fund is used to account for the expenses incurred for workers' compensation claims, general and auto liability claims and property damage claims and the related administrative expenses to operate the City's risk management program. Revenues are generated by charges to the various departments and funds based on experience and actuarial estimates.

Employee Benefit – This fund is used to account for expenses incurred for insured and self-insured benefits under the City's Section 125 "cafeteria" benefits plan maintained for City employees.

Fleet Services – This fund is used to account for the fiscal activity related to meeting the automotive and other vehicular needs of the City. This fund purchase vehicles, maintains them and charges user departments for the vehicular usage.

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
September 30, 2023

	Risk Management	Employee Benefit	Fleet Services	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$ 4,786,997	$ 4,539,776	$ 1,736,915	$ 11,063,688
Investments	6,257,784	15,974,457	2,023,696	24,255,937
Accounts Receivable (Net)	19,678	123,514	4,466	147,658
Inventory	—	—	325,736	325,736
Prepaid Items	—	35,101	820	35,921
Total Current Assets	11,064,459	20,672,848	4,091,633	35,828,940
Capital Assets:				
Construction in Progress	—	—	29,089	29,089
Machinery, Equipment and Vehicles	—	—	14,209,135	14,209,135
Buildings	—	—	117,408	117,408
Less Accumulated Depreciation	—	—	(9,305,969)	(9,305,969)
Total Capital Assets (Net)	—	—	5,049,663	5,049,663
Total Assets	11,064,459	20,672,848	9,141,296	40,878,603
DEFFERED OUTFLOWS OF RESOURCES				
Deferred Outflows Related to OPEB	—	—	51,619	51,619
Total Deferred Outflows of Resources	—	—	51,619	51,619
LIABILITIES				
Current Liabilities:				
Accounts Payable	78,218	26,678	151,623	256,519
Accrued Liabilities	23,492	133,543	19,504	176,539
Total OPEB Liability	—	—	41,655	41,655
Compensated Absences	—	—	12,176	12,176
Claims Payable	475,840	779,031	—	1,254,871
Total Current Liabilities	577,550	939,252	224,958	1,741,760
Noncurrent Liabilities:				
Total OPEB Liability	—	—	218,688	218,688
Compensated Absences	—	—	63,925	63,925
Claims Payable	2,498,160	—	—	2,498,160
Total Noncurrent Liabilities	2,498,160	—	282,613	2,780,773
Total Liabilities	3,075,710	939,252	507,571	4,522,533
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows related to OPEB	—	—	51,957	51,957
Total Deferred Outflows of Resources	—	—	51,957	51,957
NET POSITION				
Net Investment in Capital Assets	—	—	5,025,947	5,025,947
Restricted:				
Employee Benefits	—	1,800,000	—	1,800,000
Unrestricted	7,988,749	17,933,596	3,657,743	29,580,088
Total Net Position (Deficit)	$ 7,988,749	$ 19,733,596	$ 8,683,690	$ 36,406,035

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For Fiscal Year Ended September 30, 2023

	Risk Management	Employee Benefit	Fleet Services	Total
Operating Revenues:				
Charges for Services	$ 5,117,608	$ 20,906,120	$ 4,497,602	$ 30,521,330
Miscellaneous Income	77,495	315,426	178,215	571,136
Total Operating Revenues	5,195,103	21,221,546	4,675,817	31,092,466
Operating Expenses:				
Personal Services	1,025,977	2,363,517	1,253,685	4,643,179
Contracted Services	66,583	13,439,856	—	13,506,439
Supplies and Materials	11,180	65,643	2,081,192	2,158,015
Repairs and Maintenance	—	—	364,198	364,198
Other Services and Charges	200,032		545,941	745,973
Claims/Premium Expense	2,184,475	1,308,891	—	3,493,366
Depreciation	—	—	1,079,076	1,079,076
Total Operating Expenses	3,488,247	17,177,907	5,324,092	25,990,246
Operating Income (Loss)	1,706,856	4,043,639	(648,275)	5,102,220
Nonoperating Revenues (Expenses)				
Interest Income	372,317	748,509	217,660	1,338,486
Intergovernmental Revenues	—	—	56,737	56,737
Gain (Loss) on Disposal of Capital Assets	—	—	48,920	48,920
Total Nonoperating Revenues (Expenses)	372,317	748,509	323,317	1,444,143
Income (Loss) Before Transfers	2,079,173	4,792,148	(324,958)	6,546,363
Transfers In	—	—	40,000	40,000
Transfers Out	—	—	(269,221)	(269,221)
Change in Net Position	2,079,173	4,792,148	(554,179)	6,317,142
Total Net Position - Beginning	5,909,576	14,941,448	9,237,869	30,088,893
Total Net Position - Ending	$ 7,988,749	$ 19,733,596	$ 8,683,690	$ 36,406,035

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For Fiscal Year Ended September 30, 2023

	Risk Management	Employee Benefit	Fleet Services	Total
Cash Flows from Operating Activities				
Receipts from Customers and Users	$ 5,179,111	$ 21,199,590	$ 4,671,351	$ 31,050,052
Payments to Suppliers	(2,212,240)	(14,990,265)	(2,963,781)	(20,166,286)
Payments to Employees	(1,175,977)	(2,222,038)	(1,220,795)	(4,618,810)
Net Cash Provided (Used) by Operating Activities	1,790,894	3,987,287	486,775	6,264,956
Cash Flows from Noncapital Financing Activities				
Intergovernmental Revenues	—	—	56,737	56,737
Transfers from Other Funds	—	—	40,000	40,000
Transfers To Other Funds	—	—	(269,221)	(269,221)
Net Cash Provided (Used) by Noncapital Financing Activities	—	—	(172,484)	(172,484)
Cash Flows from Capital and Related Financing Activities				
Acquisition/Construction of Capital Assets	—	—	(1,650,560)	(1,650,560)
Proceeds from Sales of Capital Assets	—	—	48,920	48,920
Net Cash Used by Capital and Related Financing Activities	—	—	(1,601,640)	(1,601,640)
Cash Flows from Investing Activities				
Investment purchases	615,402	(6,272,149)	1,371,943	(4,284,804)
Interest Income on Investments	372,317	748,509	217,660	1,338,486
Net Cash Provided (Used) by Investing Activities	987,719	(5,523,640)	1,589,603	(2,946,318)
Net Increase (Decrease) in Cash and Cash Equivalents	2,778,613	(1,536,353)	302,254	1,544,514
Cash and Cash Equivalents at Beginning of Year	2,008,384	6,076,129	1,484,964	9,569,477
Cash and Cash Equivalents at End of Year	$ 4,786,997	$ 4,539,776	$ 1,787,218	$ 11,113,991

Continued on the next page

COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
INTERNAL SERVICE FUNDS
For Fiscal Year Ended September 30, 2023

	Risk Management	Employee Benefit	Fleet Services	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	$ 1,706,856	$ 4,043,639	$ (648,275)	$ 5,102,220
Depreciation	—	—	1,079,076	1,079,076
Change in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(15,992)	(21,956)	(4,466)	(42,414)
Decrease in Deferred Outflows - OPEB	—	—	(10,905)	(10,905)
(Increase) in Inventory	—	—	19,980	19,980
(Increase) in Prepaid Expenses	243,289	—	—	243,289
Increase (Decrease) in Accounts Payable	(2,656)	(179,055)	4,777	(176,934)
Increase (Decrease) in Accrued Liabilities	9,397	3,180	2,793	15,370
(Decrease) in Total OPEB Liability	—	—	596	596
(Decrease) in Compensated Absences	—	—	14,086	14,086
Increase (Decrease) in Claims Payable	(150,000)	141,479	—	(8,521)
(Decrease) in Deferred Inflows - OPEB	—	—	29,113	29,113
Total Adjustments	84,038	(56,352)	1,135,050	1,162,736
Net Cash Provided by (Used) in Operating Activities	$ 1,790,894	$ 3,987,287	$ 486,775	$ 6,264,956

There are no noncash investing, capital, and financing activities.

PENSION TRUST FUNDS

Pension Trust Funds hold assets to be used to pay pension benefits to participants of the City's Police and Firefighters Retirement System.

Police Officers – This trust fund holds, invests and disburses funds to participants in the Plan who are Police Officers.

Fire Fighters – This trust fund holds, invests and disburses funds to participants in the Plan who are Fire Fighters.

General Employees – This trust fund holds, invests and disburses funds to participants in the Plan who are General Employees.

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
September 30, 2023

ASSETS	Police Officers	Fire Fighters	General Employees	Total
Cash and Cash Equivalents	$ 2,585,171	$ 1,447,384	$ 26,481	$ 4,059,036
Investments, at fair value:				
Common Stock	34,337,560	22,455,540	—	56,793,100
Domestic Equity Funds	13,862,938	9,041,395	152,790	23,057,123
U.S. Government securities	13,083,794	8,828,002	—	21,911,796
Corporate Bonds	12,509,211	8,956,555	—	21,465,766
Bond Funds	—	—	49,841	49,841
International Equity Funds	17,110,727	16,717,770	—	33,828,497
Real Estate Funds	9,674,933	9,674,933	—	19,349,866
Convertible Securities	10,238,601	10,218,472	—	20,457,073
Master Limited Partnership	3,486,096	3,258,330	—	6,744,426
Total investments	114,303,860	89,150,997	202,631	203,657,488
Receivables:				
Accrued Interest and Dividends	266,912	197,490	—	464,402
Due from Broker	723,721	529,201	—	1,252,922
Other	1,263,900	1,053,597	—	2,317,497
Total Receivables	2,255,159	1,780,664	(1,002)	4,034,821
Other assets:	19,951	15,624	61	35,636
Total Assets	119,164,141	92,394,669	228,171	211,786,981
LIABILITIES				
Accounts Payable	182,502	124,577	57	307,136
Deferred City Contributions	153,283	377,174	—	530,457
Due to broker	560,553	384,070	—	944,623
Total Liabilities	896,338	991,150	57	1,887,545
NET POSITION				
Restricted for Pension Benefits	$ 118,267,803	$ 91,403,519	$ 228,114	$ 209,899,436

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
For Fiscal Year Ended September 30, 2023

	Police Officers	Fire Fighters	General Employees	Total
ADDITIONS				
Contributions:				
Employer	$ 1,672,813	$ 2,616,852	$ —	$ 4,289,665
Employee	906,394	683,713	—	1,590,107
State	1,227,609	1,028,081	—	2,255,690
Employee Buybacks	32,978	—	—	32,978
Total Contributions	3,839,794	4,328,646	—	8,168,440
Investment Earnings:				
Net Appreciation in Fair Value of Investments	7,067,226	4,682,689	23,480	11,773,395
Interest and Dividends	2,436,770	1,875,163	4,993	4,316,926
Miscellaneous	5,122	3,918	7	9,047
Total Investment Earnings	9,509,118	6,561,770	28,480	16,099,368
Less: Investment Expenses	575,326	452,954	198	1,028,478
Net investment Income	8,933,792	6,108,816	28,282	15,070,890
Total Additions	12,773,586	10,437,462	28,282	23,239,330
DEDUCTIONS				
Benefits	7,381,026	7,393,664	2,532	14,777,222
Refunds	—	—	—	—
Administrative Expense	365,493	285,620	2,847	653,960
Total Deductions	7,746,519	7,679,284	5,379	15,431,182
Change in Net Position	5,027,067	2,758,178	22,903	7,808,148
Net Position - Beginning of Year	113,240,736	88,645,341	205,211	202,091,288
Net Position - End of Year	$ 118,267,803	$ 91,403,519	$ 228,114	$ 209,899,436

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STATISTICAL SECTION

FINANCIAL TRENDS
These schedules contain tend information to help the reader understand how the City's financial performance and condition have changed over time.

1. Net Position by Component
2. Changes in Net Position
3. Fund Balances of Governmental Funds
4. Changes in Fund Balances, Governmental Funds

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

5. Assessed and Estimated Actual Value of Taxable Property
6. Direct and Overlapping Property Tax Rates
7. Principal Property Taxpayers
8. Property Tax Levies and Collections

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

9. Ratios of Outstanding Debt by Type
10. Direct and Overlapping Bonded Debt – General Obligation Bonds
11. Pledged Revenue Coverage

DEMOGRAPHIC, ECONOMIC AND OPERATING INFORMATION
These schedules offer demographic and economic indicators in addition to service and infrastructure data to help the reader understand the environment within which the City's financial activities take place and how the information in the report relates to services provided and activities performed.

12. Demographic and Economic Statistics
13. Principal Employers in the City of Palm Bay
14. FTEs of City Government Employees by Function/Program
15. Capital Asset Statistics
16. Operating Indicators by Function/Program

OTHER
These schedules offer additional financial information and the data required to be disclosed for the City's outstanding debt.

17. Impact Fee Revenues Collections and Balances
18. Utilities Debt Service Applicable to Transportation Projects
19. Historical Public Service Tax Collections by Category
20. Gallons of Taxable Fuel Sold Brevard County
21. Certified LOGT Revenues
22. Utility Debt Service Coverage
23. Utility Rate Comparison with Neighboring Utilities
24. Ten Largest Water and Wastewater System Customers

ADDITIONAL NOTES
The following schedules were omitted because they do not apply to the City:

Ratios of General Bonded Debt Outstanding
Legal Debt Margin Information

The City has not issued General Bonded for the last (10) years. Neither the City Charter or Code, nor the Florida Statutes limit the amount of debt the City can issue, therefore tables showing the legal debt limit and debt margins are not applicable.

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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	$ 71,988,153	$ 70,258,921	$ 84,756,657	$ 78,676,964	$ 87,256,566	$ 84,229,260	$ 83,302,221	$ 83,057,349	$ 85,387,851	**$ 101,315,534**
Restricted	5,964,416	5,746,759	5,763,641	7,966,761	11,792,213	19,981,407	33,155,823	78,615,720	51,525,101	**68,182,257**
Unrestricted	(6,747,290)	(53,586,502)	(57,691,625)	(55,471,045)	(64,588,210)	(59,297,467)	(56,506,834)	(63,515,371)	(14,804,724)	**(9,006,604)**
Total Governmental Activities Net Position	$ 71,205,279	$ 22,419,178	$ 32,828,673	$ 31,172,680	$ 34,460,569	$ 44,913,200	$ 59,951,210	$ 98,157,698	$ 122,108,228	**$ 160,491,187**
Business-Type Activities										
Net Investment in Capital Assets	$ 61,749,179	$ 58,896,518	$ 67,665,318	$ 74,985,257	$ 83,110,556	$ 99,514,931	$ 113,663,888	$ 122,653,307	$ 152,554,595	**$ 169,305,205**
Restricted	16,204,682	17,373,682	17,669,639	19,153,725	20,540,196	26,023,818	30,300,551	46,995,758	57,507,936	**69,237,638**
Unrestricted	8,693,892	13,934,194	11,060,046	9,705,692	14,962,808	15,738,652	18,967,116	21,592,032	16,566,015	**19,396,807**
Total Business-Type Activities Net Position	$ 86,647,753	$ 90,204,394	$ 96,395,003	$ 103,844,674	$ 118,613,560	$ 141,277,401	$ 162,931,555	$ 191,241,097	$ 226,628,546	**$ 257,939,650**
Primary Government										
Net Investment in Capital Assets	$ 133,737,332	$ 129,155,439	$ 152,421,975	$ 153,662,221	$ 170,367,122	$ 183,744,191	$ 196,966,109	$ 205,710,656	$ 237,942,446	**$ 270,620,739**
Restricted	22,169,098	23,120,441	23,433,280	27,120,486	32,332,409	46,005,225	63,456,374	125,611,478	167,826,083	**137,419,895**
Unrestricted	1,946,602	(39,652,308)	(46,631,579)	(45,765,353)	(49,625,402)	(43,558,815)	(37,539,718)	(41,923,339)	(57,031,755)	**10,390,203**
Total Primary Government Net Position	$ 157,853,032	$ 112,623,572	$ 129,223,676	$ 135,017,354	$ 153,074,129	$ 186,190,601	$ 222,882,765	$ 289,398,795	$ 348,736,774	**$ 418,430,837**

Note: In FY2015, the City implemented the provisions of GASB 68 Accounting *and Financial Reporting for Pensions*. Additionally, in FY2018 the City implemented the provision of GASB 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension.* The impact of these Statements caused a negative balance in the City's unrestricted Net Position

Source: City of Palm Bay Finance Department

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	$ 11,320,574	$ 12,492,364	$ 18,278,547	$ 18,030,253	$ 18,031,358	$ 24,380,488	$ 18,919,703	$ 17,519,522	$ 22,356,726	**$ 26,682,060**
Public Safety	34,103,180	32,769,687	31,933,038	33,513,185	30,947,636	34,160,050	34,253,417	31,171,376	47,613,049	**57,713,891**
Physical Environment	677,359	585,508	570,447	536,267	545,462	510,564	492,951	517,059	657,311	**655,120**
Transportation	8,442,089	8,363,210	9,065,890	10,938,430	11,737,057	9,226,210	9,611,992	10,429,829	11,731,563	**14,129,877**
Economic Environment	1,154,870	1,313,271	1,181,876	1,406,369	1,751,250	748,663	1,421,940	1,662,294	3,152,205	**4,942,951**
Culture/Recreation	4,098,455	4,873,978	3,988,802	5,392,682	4,804,488	4,865,004	5,293,102	5,428,966	2,480,305	**2,975,379**
Interest on Long-Term Debt	5,263,276	5,017,788	5,102,968	4,321,154	5,208,624	1,916,027	5,998,985	5,895,736	6,919,093	**6,312,137**
Total Governmental Activities Expenses	65,059,803	65,415,806	70,121,568	74,138,340	73,025,875	75,807,006	75,992,090	72,624,782	94,910,252	**113,411,415**
Business-Type Activities:										
Water and Wastewater	22,780,534	22,319,745	21,842,674	22,352,343	23,474,356	23,687,045	23,662,920	24,839,990	25,086,246	**27,544,424**
Building Inspections & Permitting	694,894	761,991	948,470	1,203,472	1,723,865	2,059,136	2,612,624	4,380,403	4,290,827	**4,812,291**
Stormwater Utility	3,547,693	3,684,940	3,635,942	4,087,303	5,562,055	5,744,908	5,814,390	4,572,429	5,216,563	**5,949,957**
Solid Waste	5,107,458	5,332,128	5,367,656	5,378,107	5,042,519	5,919,240	6,207,723	12,141,781	13,007,692	**13,859,494**
Total Business-Type Activities Expenses	32,130,579	32,098,804	31,794,742	33,021,225	35,802,795	37,410,329	38,297,657	45,934,603	47,601,328	**52,166,166**
Total Primary Government Expenses	$ 97,190,382	$ 97,514,610	$ 101,916,310	$ 107,159,565	$ 108,828,670	$ 113,217,335	$ 114,289,747	$ 118,559,385	$ 142,511,580	**$ 165,577,581**
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	$ 3,196,240	$ 3,014,113	$ 3,024,578	$ 3,107,163	$ 3,510,018	$ 4,074,433	$ 4,376,161	$ 5,297,015	$ 6,068,618	**$ 5,867,097**
Public Safety	2,050,531	764,000	824,263	1,015,504	1,074,778	1,050,036	1,649,367	3,619,819	3,738,398	**3,919,055**
Physical Environment	226,297	232,242	281,573	314,000	421,054	434,255	525,415	684,835	771,397	**856,430**
Transportation	597,809	1,710,317	1,871,355	2,511,864	3,420,947	4,575,752	5,839,498	12,248,174	11,781,420	**16,508,317**
Economic Environment	139,089	103,081	109,255	299,757	272,945	57,055	158,824	1,006,626	113,551	**685,405**
Culture/Recreation	383,348	460,205	870,841	1,776,798	1,746,744	1,733,944	2,194,690	4,057,172	3,556,320	**4,260,775**
Operating Grants and Contributions	1,095,233	780,996	1,713,078	1,797,091	3,238,810	3,586,892	1,285,813	2,463,249	2,493,759	**5,929,855**
Capital Grants and Contributions	6,137,400	3,187,506	14,539,432	156,824	383,046	132,180	950,180	2,181,200	123,779	**556,609**
Total Governmental Activities Program	13,825,947	10,252,460	23,234,375	10,979,001	14,068,342	15,644,547	16,979,948	31,558,090	28,647,242	38,583,543
Business-Type Activities:										
Charges for Services	34,289,146	35,731,792	37,513,330	39,583,404	49,570,994	50,058,912	51,886,498	59,109,616	65,262,953	**70,127,095**
Operating Grant and Contributions	19,965	—	—	264,422	924,986	177,515	384,333	2,931,607	341,092	**93,838**
Capital Grants and Contributions	562,976	1,211,678	1,690,644	2,072,222	2,679,813	10,365,135	7,592,339	13,273,957	18,805,325	**10,116,972**
Total Business-Type Activities Program Revenues	34,872,087	36,943,470	39,203,974	41,920,048	53,175,793	60,601,562	59,863,170	75,315,180	84,409,370	**80,337,905**
Total Primary Government Program Revenues	$ 48,698,034	$ 47,195,930	$ 62,438,349	$ 52,899,049	$ 67,244,135	$ 76,246,109	$ 76,843,118	$ 106,873,270	$ 113,056,612	**$ 118,921,448**
Net (Expense)/Revenue										
Governmental Activities	$ (51,233,856)	$ (55,163,346)	$ (46,887,193)	$ (63,159,339)	$ (58,957,533)	$ (60,162,459)	$ (59,012,142)	$ (41,066,692)	$ (66,263,010)	**$ (74,827,872)**
Business-Type Activities	2,741,508	4,844,666	7,409,232	8,898,823	17,372,998	23,191,233	21,565,513	29,380,577	36,808,042	**28,171,739**
Total Primary Government Net Expense	$ (48,492,348)	$ (50,318,680)	$ (39,477,961)	$ (54,260,516)	$ (41,584,535)	$ (36,971,226)	$ (37,446,629)	$ (11,686,115)	$ (29,454,968)	**$ (46,656,133)**

General Revenues and Other Changes in Net Position	Fiscal Year									
Governmental Activities:	2014	2015	2016	2017	2018	2019	2020	2021	2022	**2023**
Property Taxes	$ 22,257,795	$ 23,657,324	$ 24,728,117	$ 27,050,557	$ 29,893,290	$ 33,081,759	$ 38,668,807	$ 40,709,084	$ 47,027,598	**$ 56,145,684**
Franchise Fees	5,330,303	5,414,637	5,367,504	5,440,630	5,588,373	5,811,170	5,691,227	6,186,091	7,203,233	**8,104,510**
Utility Service Taxes	7,883,592	7,978,611	8,288,194	8,529,879	8,878,776	9,111,670	9,347,939	9,814,779	10,429,242	**12,225,888**
Communication Service Taxes	3,014,756	2,953,713	2,756,084	2,569,293	2,638,032	2,540,717	2,613,856	2,559,292	2,686,205	**2,830,974**
State Revenue Sharing	3,287,172	3,490,076	3,854,156	4,089,629	3,744,098	4,147,267	3,706,202	3,817,012	4,165,133	**4,464,352**
Gas Tax	8,848,921	9,691,968	10,074,949	10,910,021	11,579,482	11,702,036	10,987,149	13,090,384	15,569,918	**16,543,010**
Investment Earnings	72,435	108,870	129,394	283,435	675,851	1,311,729	1,591,414	203,078	681,557	**10,108,687**
Miscellaneous	783,037	560,143	548,241	840,762	653,012	1,117,075	547,059	1,505,852	1,122,959	**1,359,945**
Transfers	1,170,069	1,607,411	1,549,049	1,789,140	2,087,287	1,791,667	896,499	1,387,608	1,327,695	**1,427,781**
Total Governmental Activities	52,648,080	55,462,753	57,295,689	61,503,346	65,738,201	70,615,090	74,050,152	79,273,180	90,213,540	**113,210,831**
Business-Type Activities:										
Investment Earnings	246,593	287,353	318,936	316,365	454,585	1,253,244	956,975	137,227	(142,740)	**4,516,988**
Miscellaneous	21,271	32,033	11,490	23,623	31,314	11,031	28,165	179,345	49,842	**50,158**
Transfers	(1,170,069)	(1,607,411)	(1,549,049)	(1,789,140)	(2,087,287)	(1,791,667)	(896,499)	(1,387,608)	(1,327,695)	**(1,427,781)**
Total Business-Type Activities	(902,205)	(1,288,025)	(1,218,623)	(1,449,152)	(1,601,388)	(527,392)	88,641	(1,071,036)	(1,420,593)	**3,139,365**
Total Primary Government	$ 51,745,875	$ 54,174,728	$ 56,077,066	$ 60,054,194	$ 64,136,813	$ 70,087,698	$ 74,138,793	$ 78,202,144	$ 88,792,947	**$ 116,350,196**
Special Item	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Change in Net Position										
Governmental Activities	$ 1,414,224	$ 299,407	$ 10,409,495	$ (1,655,993)	$ 6,780,668	$ 10,452,631	$ 15,038,010	$ 38,206,488	$ 23,950,530	**$ 38,382,959**
Business-Type Activities	1,839,303	3,556,641	6,190,609	7,449,671	15,771,610	22,663,841	21,654,154	28,309,541	35,387,449	**31,311,104**
Total Primary Government	$ 3,253,527	$ 3,856,048	$ 16,600,104	$ 5,793,678	$ 22,552,278	$ 33,116,472	$ 36,692,164	$ 66,516,029	$ 59,337,979	**$ 69,694,063**

Source: City of Palm Bay Finance Department

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	$ 61,938	$ 46,334	$ 39,002	$ 21,112	$ 32,134	$ 92,969	$ 81,503	$ 100,302	$ 124,145	**$ 9,762**
Restricted	—	—	—	—	—	800,000	800,000	800,000	800,000	**—**
Committed	227,109	184,176	184,628	193,358	3,032,788	255,356	2,793,774	1,815,813	2,341,618	**6,792,295**
Assigned	82,644	152,211	50,883	149,855	154,098	302,040	342,873	574,580	802,276	**636,274**
Unassigned	9,668,623	7,899,629	8,900,069	8,267,662	11,753,606	17,648,421	20,521,877	27,323,087	32,900,669	**43,206,318**
Total General Fund	$ 10,040,314	$ 8,282,350	$ 9,174,582	$ 8,631,987	$ 14,972,626	$ 19,098,786	$ 24,540,027	$ 30,613,782	$ 36,968,708	$ 50,644,649
All Other Governmental Funds										
Nonspendable	$ 1,048,796	$ 15,980	$ 17,289	$ 870	$ 4,979	$ 3,595	$ —	$ —	$ —	**$ 352**
Restricted	9,875,846	14,941,367	9,604,137	11,745,717	13,495,777	73,692,646	50,349,857	101,987,429	109,954,083	**151,843,724**
Committed	22,320	2,717,649	2,991,029	3,193,172	11,568,282	2,251,588	3,093,642	4,708,861	6,645,254	**7,306,133**
Assigned	82,497	144,627	647,747	692,699	659,468	797,146	1,434,447	2,647,705	2,671,316	**2,455,683**
Unassigned	(883,982)	(1,109,237)	(831,310)	(639,711)	(640,598)	(573,794)	(842,840)	(326,646)	(185,234)	**(130,210)**
Total All Other Governmental Funds	$ 10,145,477	$ 16,710,386	$ 12,428,892	$ 14,992,747	$ 25,087,908	$ 76,171,181	$ 54,035,106	$ 109,017,349	$ 119,085,419	**$ 161,475,682**

Source: City of Palm Bay Finance Department

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	$ 36,976,223	$ 38,618,035	$ 40,176,777	$ 42,789,546	$ 45,720,435	$ 49,444,711	$ 54,890,449	$ 57,425,638	$ 64,833,375	**$ 76,202,731**
Impact Fees	639,943	1,877,655	2,176,573	2,963,444	3,849,450	5,261,719	7,880,081	18,384,411	17,148,790	**22,398,807**
Licenses and Permits	5,335,605	5,423,766	5,376,631	5,449,708	5,605,873	5,829,324	5,747,984	6,319,285	7,727,302	**8,799,519**
Intergovernmental Revenues	16,274,115	13,756,149	14,579,032	13,694,884	15,871,102	16,138,666	14,014,090	18,317,291	18,353,232	**23,229,960**
Charges for Services	3,555,264	3,060,208	3,381,246	3,897,960	4,613,847	4,651,704	4,885,233	7,195,395	7,125,287	**8,470,397**
Fines and Forfeitures	1,553,992	527,797	553,825	580,173	604,150	574,090	509,531	514,531	827,841	**453,424**
Investment Income	72,233	105,157	120,831	240,902	597,276	1,081,119	1,383,384	176,809	500,687	**8,667,969**
Miscellaneous Revenues	1,050,804	674,725	669,186	970,787	700,513	969,610	490,782	863,900	794,404	**988,115**
Total Revenues	65,458,179	64,043,492	67,034,101	70,587,404	77,562,646	83,950,943	89,801,534	109,197,260	117,310,918	**149,210,922**
Expenditures										
General Government	10,628,283	10,823,743	14,493,101	15,234,453	18,191,610	20,061,644	17,694,839	18,265,433	23,651,796	**28,361,762**
Public Safety	33,218,144	32,918,077	31,307,440	32,606,478	33,194,023	35,878,114	36,453,290	38,405,746	41,502,021	**47,560,323**
Physical Environment	12,711	—	—	—	—	—	—	—	86,578	**55,777**
Transportation	4,580,076	4,624,274	4,599,336	6,509,086	7,901,067	5,100,262	5,610,373	6,485,591	6,226,032	**8,515,860**
Economic Environment	988,309	1,001,717	691,830	491,654	802,224	748,663	1,421,940	1,543,515	3,034,668	**4,813,170**
Culture/Recreation	3,791,612	4,550,190	3,610,577	4,519,649	4,293,661	4,235,530	4,771,475	4,922,815	1,810,794	**2,254,506**
Debt Service:										
Principal Retirement	2,460,197	1,967,805	2,344,046	2,564,622	2,506,898	4,398,095	5,645,088	6,334,540	7,635,950	**8,235,482**
Interest and Fiscal Charges	3,959,193	4,505,412	4,431,182	4,387,618	4,261,115	5,451,823	5,697,114	5,062,106	7,031,830	**6,093,829**
Capital Outlay	8,360,630	4,788,835	11,238,697	3,175,468	4,361,160	9,263,528	31,252,195	25,488,845	9,678,921	**42,308,221**
Contributions										—
Total Expenditures	67,999,155	65,180,053	72,716,209	69,489,028	75,511,758	85,137,659	108,546,314	106,508,591	100,658,590	**148,198,930**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,540,976)	(1,136,561)	(5,682,108)	1,098,376	2,050,888	(1,186,716)	(18,744,780)	2,688,669	16,652,328	**1,011,992**
Other Financing Sources (Uses)										
Transfers In	11,746,077	10,416,938	11,192,306	10,210,916	10,230,312	12,616,664	14,210,874	12,219,371	16,322,101	**72,866,264**
Transfers Out	(10,484,089)	(9,217,429)	(10,262,545)	(9,669,517)	(9,753,116)	(11,742,301)	(13,953,980)	(12,012,641)	(17,185,648)	**(71,209,262)**
Proceeds From Sale of Capital Assets	—	—	409,500	330,390	566,866	713,075	134,185	1,723,365	534,795	**159,922**
Issuance of SBITA Liability	—	—	—	—	—	—	—	—		**1,950,817**
Issuance of Debt	—	4,744,000	—	—	9,000,000	50,000,000	—	50,000,000	—	**50,000,000**
Bond Premium	—	—	—	—	—	4,808,811	—	6,437,163	—	**1,286,470**
Bond Discount	—	—	—	—	(22,500)	—	—	—	—	**—**
Issuance of Refunding Debt	54,740,000	—	15,922,652	3,983,000	—	—	51,670,000	4,258,000	—	**—**
Proceeds From Financed Purchase Payable	—	—	754,000	—	4,363,350	—	6,419,119	—	—	**—**
Payment to Refunded Bond Escrow Agent	(54,095,765)	—	(15,723,067)	(3,931,905)	—	—	(56,430,252)	(4,258,000)	—	**—**
Total Other Financing Sources (Uses)	1,906,223	5,943,509	2,292,846	922,884	14,384,912	56,396,249	2,049,946	58,367,258	(328,752)	**55,054,211**
Special Item										
Net Change in Fund Balances	$ (634,753)	$ 4,806,948	$ (3,389,262)	$ 2,021,260	$ 16,435,800	$ 55,209,533	$ (16,694,834)	$ 61,055,927	$ 16,323,576	**$ 56,066,203**
Debt Service as a Percentage of Noncapital Expenditures	10.79%	10.76%	11.08%	10.61%	9.82%	13.61%	15.00%	14.23%	16.37%	**13.95%**

Source: City of Palm Bay Finance Department

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

Fiscal Year Ended September 30	Centrally Assessed	Real Property	Personal Property	Total Estimated Actual Value	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2023	**$ 4,839,099**	**$ 13,152,889,710**	**$ 480,564,785**	**$ 13,638,293,594**	**$ 7,043,863,083**	**$6,594,430,511**	**8.6926**
2022	4,477,825	9,585,586,520	389,560,748	9,979,625,093	4,620,984,302	5,358,640,791	8.9419
2021	4,381,074	8,710,327,220	356,690,043	9,071,398,337	4,227,618,210	4,843,780,127	8.5894
2020	4,432,723	8,101,501,430	319,025,182	8,424,959,335	4,039,242,345	4,385,716,990	8.9675
2019	4,439,296	7,351,414,300	307,274,133	7,663,127,729	3,675,352,667	3,987,775,062	8.4500
2018	4,286,855	6,557,914,630	292,093,163	6,854,294,648	3,257,123,697	3,597,170,951	8.4500
2017	4,043,730	5,826,201,100	302,075,674	6,132,320,504	2,864,512,704	3,267,807,800	8.4500
2016	3,680,327	5,004,843,870	285,414,593	5,293,938,790	2,325,206,127	2,968,732,663	8.5000
2015	2,770,508	4,482,050,210	305,316,609	4,790,137,327	1,994,187,604	2,795,949,723	8.6326
2014	2,339,055	3,974,742,930	302,825,423	4,279,907,408	1,640,796,077	2,639,111,331	8.6326

Source: Brevard County Property Appraiser

PROPERTY TAX RATES – DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Fiscal Years

	City of Palm Bay Direct Rates			Overlapping Rates Brevard County			
Fiscal Year	Operating Millage	Debt Service Millage	Total Direct Rates	Operating Millage	School District	Special Districts	Total Direct and Overlapping Rates
2023	**7.5995**	**1.0931**	**8.6926**	**4.1716**	**5.4950**	**0.3067**	**18.6659**
2022	7.5995	1.3424	8.9419	4.7864	5.8500	0.3274	19.9057
2021	7.8378	0.7516	8.5894	4.9681	5.9420	0.3403	19.8398
2020	8.1379	0.8296	8.9675	5.1891	6.0860	0.3565	20.5991
2019	8.4500	—	8.4500	5.3540	6.2990	0.3759	20.4789
2018	8.4500	—	8.4500	5.6025	6.5680	0.3981	21.0186
2017	8.4500	—	8.4500	5.8548	6.9160	0.4212	21.6420
2016	8.5000	—	8.5000	6.0692	7.2750	0.4212	22.2654
2015	8.6326	—	8.6326	6.2310	7.3390	0.4633	22.6659
2014	8.6326	—	8.6326	6.3979	7.6060	0.4752	23.1117

Source: Brevard County Tax Collector

PRINCIPAL PROPERTY TAXPAYERS
September 30, 2023

Taxpayers	2023 Taxes Assessed	2023 Rank	2023 Percentage of Total Taxes Levied	2014 Taxes Assessed	2014 Rank	2014 Percentage of Total Taxes Levied
Aqua Property LP	**$ 423,289**	**1**	**0.7%**	$ —	0	0.0%
FKH SFR Propco	**350,591**	**2**	**0.6%**	—	-	0.0%
BAF Assets LLC	**344,226**	**3**	**0.6%**	—	-	0.0%
L3Harris Technologies Inc	**326,632**	**4**	**0.6%**	275,346	1	1.2%
Braxton AL LP	**286,796**	**5**	**0.5%**	86,697	6	0.4%
Alliance Palm Bay Holdings LLC	**230,979**	**6**	**0.4%**	—	-	0.0%
Pavilions Property Owner LLC	**132,224**	**7**	**0.2%**	—	0	0.0%
IH Borrower LP	**169,405**	**8**	**0.3%**	—	-	0.0%
WE Lighthouse Pointe Owner LLC	**157,316**	**9**	**0.3%**	63,752	10	0.3%
WRH Madalyn Landing LLLP	**152,978**	**10**	**0.3%**	—	0	0.0%
AD1 Urban	**152,032**	**11**	**0.3%**	—	-	0.0%
Renesas Electronics America Inc	**145,194**	**12**	**0.3%**	116,540	3	0.5%
D R Horton	**127,882**	**13**	**0.2%**	—	0	0.0%
FR-Cypress LLC	**116,108**	**14**	**0.2%**	—	0	0.0%
Rivera Terrace Properties LLC	**115,512**	**15**	**0.2%**	61,421	12	0.3%
Palm Bay West LLC	**113,321**	**16**	**0.2%**	94,959	5	0.4%
H F Partnership LLP	**111,070**	**17**	**0.2%**	59,133	15	0.3%
Wal-Mart Stores East LP	**100,721**	**18**	**0.2%**	70,787	7	0.003
Mogra Circle LLC	**98,969**	**19**	**0.2%**	62,673	11	0.3%
CAPE, LLC	**93,498**	**20**	**0.2%**	—	0	0.0%
WSL Glenbrooke Investors V LLC	—	—	—	117,065	2	0.5%
Federal National Mortgage	—	—	—	101,822	4	0.4%
Bayside Lakes LLP	—	—	—	65,392	8	0.3%
Sutton Properties of Palm Bay	—	—	—	64,695	9	0.3%
Palm Bay Improvements LLC	—	—	—	59,820	13	0.3%
Malabar Associated, Ltd	—	—	—	59,399	14	0.3%
Palm Bay Vista Preserve LLC	—	—	—	57,415	16	0.3%
Palm Bay Partners LLC	—	—	—	52,745	17	0.2%
Southern Malabar Cove	—	—	—	47,005	18	0.2%
HR Acquisition / Corporation	—	—	—	48,904	19	0.2%
Portfolio Real Estate Palm Bay	—	—	—	48,641	20	0.2%
Total	**$ 3,748,743**		**6.6%**	$ 1,614,211		7.2%

Source: Brevard County Tax Collector

PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2023	**$ 57,404,687**	**$ 56,060,070**	**97.7%**	**$ 85,614**	**$ 56,145,684**	**97.8%**
2022	48,006,978	46,898,514	97.7%	29,085	46,927,599	97.8%
2021	41,659,836	40,592,718	97.4%	116,366	40,709,084	97.7%
2020	39,385,383	38,517,192	97.8%	151,615	38,668,807	98.2%
2019	33,696,699	32,987,945	97.9%	93,814	33,081,759	98.2%
2018	30,396,095	29,713,617	97.8%	179,673	29,893,290	98.3%
2017	27,612,976	26,938,819	97.6%	111,738	27,050,557	98.0%
2016	25,234,228	24,629,466	97.6%	99,651	24,729,117	98.0%
2015	24,125,115	23,528,650	97.5%	128,673	23,657,323	98.1%
2014	22,782,392	22,130,096	97.1%	127,699	22,257,795	97.7%

Source: City of Palm Bay Finance Department

RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

	Governmental Activities									Business Type Activities										
Fiscal Year	Municipal Service Tax Bonds	Taxable Special Obligation Bonds	Sales Tax Revenue Bonds	2013 TSO Refunding Bonds	Sales Tax Refunding Bonds*	General Obligation Bonds**	2019 TSO Refunding Bonds	Financed Purchase Payable	SBITA Payable	BCRA Notes Payable	PST Loan Payable	LOGT Refunding Notes	2015 Franchise Fee Revenue Notes	2016 Franchise Fee Revenue Notes	Utility Revenue Bonds	Utility Notes	State Revolving Loan Payable	Building Lease	Total Primary Government	% of Personal Income	Per Capita
2023	**$ —**	**$ 210,147**	**$ —**	**$ 2,660,000**	**$11,799,020**	**$150,348,860**	**$50,145,000**	**$ 4,718,976**	**$1,000,341**	**$ —**	**$ —**	**$6,649,000**	**$ 4,538,000**	**$3,757,000**	**$3,448,917**	**$10,842,000**	**$ 15,049,579**	**$ 434,053**	**$265,600,893**	**6 %**	**$ 1,990**
2022	—	276,035	—	3,945,000	12,440,099	103,443,852	50,770,000	5,133,570	—	—	—	7,221,000	5,233,000	4,010,000	4,007,963	16,073,000	8,275,334	500,678	221,329,531	6 %	1,746
2021	—	340,936	—	5,195,000	13,061,178	106,870,853	51,385,000	5,531,622	—	342,000	—	7,778,000	5,904,000	4,258,000	4,597,582	22,007,000	1,346,123	—	228,617,294	8 %	1,862
2020	4,850,000	402,345	—	5,760,000	13,657,257	52,672,929	51,670,000	5,913,753	—	752,000	—	8,944,000	6,547,000	—	5,728,475	16,807,000	—	—	173,704,759	6 %	1,455
2019	5,015,000	462,065	—	50,320,000	14,233,336	54,568,370	—	4,231,728	—	1,142,000	—	10,086,000	7,165,000	—	6,580,885	21,932,000	—	273,247	176,009,631	6 %	1,526
2018	5,175,000	519,121	—	50,855,000	14,789,415	—	—	4,624,767	—	2,505,000	—	10,846,000	3,873,000	—	7,459,667	26,957,000	—	561,614	128,165,584	5 %	1,137
2017	5,330,000	573,305	—	50,855,000	15,330,494	—	—	793,941	—	2,865,000	—	2,446,000	4,313,000	—	8,373,342	31,935,000	—	840,174	123,655,256	5 %	1,118
2016	5,485,000	4,652,695	—	50,855,000	15,896,573	—	—	1,382,836	—	3,210,000	—	3,041,000	4,744,000	—	9,953,729	37,200,000	—	1,109,260	137,530,093	6 %	1,260
2015	5,485,000	4,784,387	15,853,121	50,855,000	—	—	—	965,385	—	3,545,000	761,000	3,625,000	4,744,000	—	26,940,143	28,000,000	—	1,369,194	146,927,230	6 %	1,367
2014	5,485,000	4,917,880	15,890,000	50,855,000	—	—	—	379,686	—	3,865,000	1,519,000	3,885,000	—	—	29,197,731	31,590,000	—	1,620,288	149,204,585	7 %	1,410

Debt Limitation: The City does not have a legal debt limit

*Includes unamortized premium
**Includes unamortized premium/discount

Source: City of Palm Bay Finance Department

DIRECT AND OVERLAPPING BONDED DEBT – GENERAL OBLIGATION BONDS
September 30, 2023

Taxing District	Assessed Valuation	Net Debt Outstanding	Overlapping	City's Share of Debt
Brevard County	$ 46,975,130,599	$ 11,848,225	14.04%	$ 1,663,269
City of Palm Bay Governmental Activities Direct Debt				
Bonds Payable		$ 215,224,287		
Notes Payable		14,944,000		
Financed Purchase Payable		4,718,976		234,887,263
Total Direct and Overlapping Governmental Activities Debt				$ 236,550,532

Notes: Based on 2022 estimated taxable assessed valuation.
The percentage of overlapping debt is estimated using taxable property values.
The calculation was derived by dividing the City's total taxable value by the total Outstanding debt for Brevard County

Sources: City of Palm Bay Finance Department
Brevard County Finance Department

PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years

Fiscal Year	Water and Sewer System Revenue Bonds				
	Operating Revenue (1)	Operating Expenses (2)	Net Available Revenue	Debt Service	
				Principal	Interest	Coverage
2023	**$ 41,183,456**	**$ 20,887,658**	**$ 20,295,798**	**$ 5,790,046**	**$ 1,658,755**	2.72
2022	35,184,129	17,594,346	17,589,783	6,258,620	1,741,255	2.20
2021	32,962,002	16,548,056	16,413,946	6,189,560	1,809,518	2.05
2020	31,768,978	16,616,785	15,152,193	5,544,082	1,690,235	2.09
2019	29,993,764	16,310,408	13,683,356	5,485,672	1,750,593	1.89
2018	28,248,280	15,678,734	12,569,546	5,420,748	1,809,119	1.74
2017	28,099,716	14,188,214	13,911,502	5,367,565	1,862,622	1.92
2016	26,930,542	13,565,725	13,364,817	4,622,371	2,072,108	2.00
2015	25,606,702	13,713,299	11,893,403	5,365,152	2,282,307	1.56
2014	24,556,798	13,261,955	11,294,843	4,608,347	2,937,545	1.50

Notes:

(1) Operating Revenue includes interest income.

(2) Direct Operating Expenses are operating expenses excluding depreciation and amortization.

Calculations for item (1) and (2) exclude construction and assessment fund activities; therefore, it will not tie directly to the Statement of Revenues, Expenses and Change in Fund Positions Proprietary Funds

This table does not include the full provisions of the bond covenants.

Source: City of Palm Bay Finance Department

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Years

Year	Population	Personal Income (thousands)	Per Capita Income	Median Age	Education Level in Years of Schooling	School Enrollment	Unemployment Rate
2023	**133,459**	**$ 4,091,986**	**$ 30,661**	**41.3**	**14.5**	**14,887**	**3.5%**
2022	126,748	3,710,294	29,273	41.2	14.3	14,376	2.8%
2021	122,765	3,012,800	25,011	41.6	14.2	13,731	3.9%
2020	119,530	2,968,746	24,954	41.2	14.3	14,595	5.7%
2019	115,322	2,718,947	23,577	41.2	14.1	14,577	3.1%
2018	112,703	2,483,072	22,032	40.8	14.1	14,587	3.1%
2017	110,623	2,316,335	20,939	43.0	14.1	14,711	3.8%
2016	109,162	2,277,447	20,863	40.7	14.1	14,661	5.4%
2015	107,481	2,276,018	21,176	40.6	14	14,896	5.9%
2014	105,815	2,121,273	20,047	40.3	14	14,618	6.5%

Sources:
Florida Department of Education
Bureau of Economics and Business Research, University of Florida
US Department of Labor
City of Palm Bay Growth Management Department

PRINCIPAL EMPLOYERS IN THE CITY OF PALM BAY
Current Year and Nine Years Ago

	2023			2014		
Employer	**Number of Employees**	**Rank**	**% of Total Employment**	Number of Employees	Rank	% Total Employment
L3Harris	**4,500**	**1**	**7.73%**	3,000	1	6.07%
Brevard County School Board	**1,539**	**2**	**2.64%**	1,738	2	3.52%
City of Palm Bay	**913**	**3**	**1.57%**	789	3	1.60%
Palm Bay Hospital	**610**	**4**	**1.05%**	540	5	1.09%
Publix (3 of 3 locations reported)	**540**	**5**	**0.93%**	406	7	0.82%
Wal*Mart	**375**	**6**	**0.64%**	363	8	0.73%
Renesas (Formerly Intersil)	**338**	**7**	**0.58%**	417	6	0.84%
Winn Dixie (2 locations)	**176**	**9**	**0.30%**	238	9	0.48%
Home Depot	**175**	**10**	**0.30%**	150	11	0.30%
Eastern Florida State College	**188**	**8**	**0.32%**	206	10	0.42%
MC Assembly	**$ —**		**0.00%**	577	4	1.17%
Totals	**9,354**		**16.06%**	8,424		17.04%

Note:
Number of employees listed is employed within the City of Palm Bay

Sources:
US Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics
City of Palm Bay Growth Management Department
City of Palm Bay Budget Division

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program		Fiscal Year 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Government											
	Legislative	**5**	5	4	4	4	4	4	4	4	4
	Management	**11**	10	6	9	5	5	5	5	6	6
	Finance	**16**	15	19	19	16	16	16	22	20	19
	Procurement	**7**	7	7	7	7	6	6	—	—	—
	Community Planning	**—**	—	—	2	2	2	2	2	2	2
	Parks & Facilities	**52**	69	—	—	—	—	—	—	—	—
	Other	**48**	46	58	57	61	61	59	58	38	36
Public Safety											
	Police	**268**	262	257	251	243	236	236	243	249	249
	Fire	**142**	137	132	132	137	137	136	136	134	133
	Code Enforcement	**9**	9	9	11	11	9	9	—	—	—
	Building	**36**	36	9	38	33	30	23	17	15	14
Physical Environment											
	Utilities	**172**	164	152	149	145	141	132	135	135	134
Economic Environment											
	Economic /Neighborhood Development	**26**	21	13	5	7	7	8	7	4	4
Transportation											
	Public Works	**132**	123	124	131	132	128	128	126	120	120
Culture/Recreation											
	Recreation	**20**	20	55	55	54	54	55	52	52	50
Total		**944**	924	845	870	857	836	819	807	779	771

Note: The methodology for full-time equivalents changed in fiscal year 2006/2007 to include part-time employees
In FY22 Parks and Recreation split into two separate divisions: Part & Facilities which oversees maintenance and repairs Recreation which manages activities and events

Source: City of Palm Bay Budget Division

CAPITAL ASSETS STATISTICS
Last Ten Fiscal Years

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police										
Stations	**2**	2	2	2	2	2	2	2	2	2
Patrol Units	**119**	113	110	123	122	118	125	125	125	108
Policemen and Officers	**182**	176	172	172	166	160	159	160	160	160
Fire										
Stations	**6**	6	6	6	6	6	6	6	6	6
Firefighters and Officers	**130**	123	114	112	122	122	125	123	135	123
Public Works										
Streets (miles)	**869.85**	864.42	864.42	863.31	865.37	865.37	865.37	865.37	865.37	865.37
Street lights	**4,368**	4,061	4,061	5,109	5,108	5,108	5,108	5,108	3,968	3,960
Parks and Recreation										
Community Centers	**3**	3	3	3	3	3	2	2	1	1
Developed Parks	**33**	33	33	32	32	32	32	32	31	31
Acreage of developed parks	**520**	520	520	515	515	515	515	515	315	314
Acreage of all park land	**2,225**	2,225	2,225	2,225	2,225	2,225	2,225	2,225	2,025	2,025
Water System										
Water mains (miles)	**684**	676	629	623	622	618	619	617	614	614
Fire hydrants	**3,184**	3,129	3,047	2,978	2,960	2,908	2,913	2,899	2,888	2,888
Treatment plants	**3**	3	3	3	3	3	3	3	3	3
Service connections	**42,405**	39,854	38,186	36,262	35,158	34,439	33,840	33,221	32,812	32,495
Capacity (mgd)	**16**	14	16	15.5	15.5	15.5	15.5	15.5	15.5	15.5
Wastewater System										
Sanitary sewer lines (miles)	**350**	342	306	300	300	296	307	301	295	295
Treatment plants	**2**	2	2	2	2	2	2	2	2	2
Service connections - sewer	**20,774**	19,676	18,269	17,841	17,377	17,075	16,858	16,484	16,221	16,023
Service connections - reclaimed water	**569**	548	533	486	455	427	427	427	425	425
Treatment capacity (mgd)	**5**	5	5	5.2	5.2	5.2	5.2	5.2	5.2	5.2

Source: Various City Departments

OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police										
Physical Arrests	**2,702**	1,665	1,669	2,278	2,799	3,273	3,770	2,530	3,076	3,612
Parking Violations	**—**	—	—	—	—	0	1	0	11	11
Traffic Tickets	**8,761**	4,891	4,273	3,541	4,520	4,577	4,185	3,842	4,847	5,765
Total Traffic Stops	**21,937**	16,466	15,497	15,280	17,493	17,760	14,524	11,075	10,568	12,731
Calls for Service	**127,334**	92,384	81,326	93,335	95,862	100,309	98,155	87,635	143,882	159,576
Fire										
Number of calls for service	**18,766**	18,130	16,894	15,138	15,066	14,713	14,761	14443	13,408	12,285
Number of fires extinguished	**374**	342	365	301	472	430	465	405	280	275
Public Works										
Canal Clearing (2)	**17,215**	12,325	—	1,458,312	1,081,080	986,836	498,088	716,105	16,888	4,820
New Street (1)	1	—	0	1	—	—	—	—	0	1
Potholes repaired	**426**	539	739	1164	1329	1245	1294	1275	1441	1286
Recreation (3)										
Community Center Attendance	**63,091**	68,174	34,914	4,264	23,191	19,000	17,340	12,989	18,690	20,341
Camp Programs	**5,533**	2,946	4,381	78	1,404	960	877	1,160	790	566
Program Membership	**9,532**	5,501	1,008	2,027	24,565	6,000	5,157	6,764	4,363	4,344
Water System										
New Connections	**1,551**	1,793	1,799	1,104	719	668	559	409	317	263
Water main breaks	**4**	38	19	**6**	5	4	5	0	1	1
Average daily consumption (millions of gallons)	**7**	7.2	7.2	7.1	6.7	7	6.6	6.5	6	6
Active accounts	**42,405**	39,854	38,061	36,262	35,158	34,439	33,840	33,221	32,812	32,495
Wastewater System										
Average daily sewage treatment (millions of gallons)	**4**	3	4	4	4	4	3	3	3	3
Active Accounts	**20,774**	19,676	18,632	17,841	17,377	17,075	16,858	16,484	16,221	16,023
Building										
Total Inspections	**102,066**	70,602	17,394	24,068	22,077	26,035	16,455	12,874	10,461	9,783
Permits Issued	**15,385**	14,292	12,955	10,845	9,320	11,415	7,696	6,328	5,468	4,823

(1) Information could not be retrieved for years prior to 2020
(2) Started tracking in 2012- decrease in 2014 due to concentration on drainage cleaning.
In 2016, canal clearing transitioned to a more accurate GIS information tracking system. This accounts for the large variance.
In 2021, the City did not have a canal clearing contract.
(3) Recreation activities decreased in 2020 due to COVID-19.

Source: Various City Departments

IMPACT FEE COLLECTIONS AND BALANCES
Last Ten Fiscal Years

Last Ten Fiscal Years

Collections

Fiscal Year	Police Impact Fees	Fire Impact Fees	Parks Impact Fees	Transportation Impact Fees	Total Collections
2023	**$ 1,314,749**	**$ 2,062,049**	**$ 4,247,972**	**$ 17,236,221**	**$ 24,860,991**
2022	1,030,763	1,606,431	3,219,112	11,520,980	17,377,286
2021	1,169,860	1,825,074	3,749,856	11,671,949	18,416,739
2020	360,552	684,556	1,474,498	5,449,526	7,969,132
2019	44,516	295,657	661,635	4,402,272	5,404,080
2018	30,022	217,586	508,619	3,147,058	3,903,285
2017	28,369	193,301	437,373	2,326,002	2,985,045
2016	21,970	145,907	325,258	1,688,950	2,182,085
2015	19,636	121,065	189,269	1,574,917	1,904,887
2014	10,714	61,972	119,130	454,802	646,618

Balances

Type	Balance at beginning of Fiscal Year	Collections	Uses	Balance at end of Fiscal Year
Police Impact Fees	$ 2,239,380	$ 1,314,749	$ 235,312	$ 3,318,817
Fire Impact Fees	3,664,980	2,062,049	410,302	5,316,727
Parks Impact Fees	9,676,842	4,247,972	55,259	13,869,555
Transportation Impact Fees	29,729,293	17,236,221	4,704,847	42,260,667
Totals	$ 45,310,495	$ 24,860,991	$ 5,405,720	$ 64,765,766

Significant Usage

Police Property & Evidence Room Expansion 22PD01	$ 32,973
Police Expansion Crime Center 22PD02	110,641
Police Expansion for Wellness Suite 22PD03	86,312
Fire Training Center 21FD01	221,996
Brush Truck 22FD01	61,964
Fire Emergency Dispatch System	88,420
City Wide Traffic Master Plan 22PW08	142,301
Emerson @ Glencove Road Widening	283,976
St Johns Heritage Parkway 21PW06	3,187,609
Malabar Rd PD&E Study 20PW01	30,578
Emerson Dr @ St John Heritage Parkway Intersection Improvements 23PW02	135,602
Transportation Transfers to Debt Service for 2015 Sales Tax Bond	225,721
Transportation Transfers to Debt Service for 2018 LOGT Note	191,594

Note: Collections include interest earnings

Sources: City of Palm Bay Finance Department

UTILITIES DEBT SERVICE APPLICABLE TO TRANSPORTATION PROJECTS
Last Ten Fiscal Years

	Debt Service			
Fiscal Year	Refunding Bonds Series 2005B	Refunding Notes Series 2016	Special Assessment Bonds Series 2003	Portion Related To Road Improvements
2023	**$ —**	**$ 5,311,170**	**$ —**	**2,283,803**
2022	—	1,531,420	—	658,511
2021	—	1,531,010	531,038	881,370
2020	—	1,335,760	214,351	664,404
2019	—	1,285,000	271,068	666,399
2018	—	1,275,000	302,178	675,165
2017	—	1,363,250	870,250	951,703
2016	3,182,706	476,211	246,850	1,472,241
2015	1,777,681	—	248,250	868,668
2014	1,774,082	—	248,365	867,169

Note:
Portion of project costs related to roadway restoration and drainage improvements:
43% for 1998 Utility Revenue Bonds
42% for 2003 Utility Assessment Bonds

Portion of principal for Special Assessment Bonds was prepaid in fiscal year 2006.

Source: City of Palm Bay Utilities

Last Ten Fiscal Years

Fiscal Year	Electricity	Communication Services	Gas	Water	Total
2023	**$10,231,665**	**$ 2,830,974**	**$ 153,911**	**$ 1,840,312**	**$ 15,056,862**
2022	8,556,952	2,686,205	144,821	1,727,469	13,115,447
2021	8,050,678	2,559,292	124,899	1,639,203	12,374,072
2020	7,702,572	2,613,855	113,410	1,531,957	11,961,794
2019	7,570,916	2,540,717	124,903	1,415,851	11,652,387
2018	7,356,613	2,638,032	128,314	1,393,850	11,516,809
2017	7,050,646	2,569,292	112,092	1,367,141	11,099,171
2016	6,862,108	2,756,084	97,281	1,328,805	11,044,278
2015	6,597,099	2,953,713	100,256	1,281,256	10,932,324
2014	6,533,657	3,014,756	115,725	1,234,210	10,898,348

Last Ten Fiscal Years

Fiscal Year	Sales Tax Revenue	Max Annual Debt Service 2015 Bonds	Debt Service Coverage
2023	**$ 9,148,718**	**$ 1,050,606**	**8.71**
2022	8,577,966	1,054,406	8.14
2021	7,563,292	1,054,406	7.17
2020	6,599,351	1,054,406	6.26
2019	6,751,673	1,054,406	6.40
2018	6,822,769	1,054,406	6.47
2017	6,311,425	1,054,406	5.99
2016	5,900,650	1,054,406	5.60
2015	5,627,552	1,162,250	4.84
2014	5,245,081	1,162,250	4.51

Historical Pledged State Revenue Sharing Funds

Last Ten Fiscal Years

Fiscal Year	State Revenue Sharing
2023	**$ 7,325,279**
2022	6,927,757
2021	5,466,964
2020	4,316,688
2019	4,885,364
2018	4,690,878
2017	4,525,840
2016	4,109,953
2015	3,997,325
2014	3,603,840

Source: City of Palm Bay Finance Department

CERTIFIED GALLONS OF TAXABLE FUEL SOLD IN BREVARD COUNTY, FLORIDA AND LOCAL OPTION GAS TAX REVENUE
Last Ten Fiscal Years

Fiscal Year	Motor Fuel	Diesel Fuel	Total	Annual Local Option Gas Tax Revenue
2023	**$ 270,545,730**	**$ 208,754,194**	**$ 479,299,924**	**$ 4,464,352**
2022	177,248,615	68,416,276	245,664,891	4,165,133
2021	247,284,877	187,607,808	434,892,686	3,817,013
2020	250,055,588	194,640,059	444,695,648	3,706,201
2019	269,240,363	179,364,276	448,604,638	4,147,267
2018	263,674,585	136,285,660	399,960,245	3,744,098
2017	259,014,856	137,871,185	396,886,040	4,089,629
2016	251,459,738	149,535,894	400,995,632	3,854,156
2015	235,247,029	127,886,050	363,133,079	3,490,076
2014	132,380,145	19,992,183	152,372,329	3,287,172

Sources:
Florida Department of Revenue
City of Palm Bay Finance Department

DISTRIBUTION OF BREVARD COUNTY LOCAL OPTION GAS TAX REVENUES
Fiscal Year Ended September 30, 2023

Jurisdiction	Percent Share Total	Percent Share Municipalities	2023 Revenue Share
Brevard County	47.14	0.000 %	$ 10,067,092
Cape Canaveral	1.16	2.200 %	247,882
Cocoa	2.04	3.860 %	435,372
Cocoa Beach	1.45	2.740 %	309,599
Grant-Valkaria	0.54	1.030 %	115,716
Indialantic	0.51	96.000 %	108,563
Indian Harbor Beach	1.36	2.570 %	290,002
Malabar	0.50	95.000 %	107,366
Melbourne	14.87	28.140 %	3,176,491
Melbourne Beach	0.46	87.000 %	98,968
Melbourne Village	0.07	14.000 %	15,346
Palm Bay	**16.51**	**31.250 %**	**3,526,224**
Palm Shores	0.11	21.000 %	23,988
Rockledge	3.55	6.710 %	757,175
Satellite Beach	2.03	3.850 %	434,523
Titusville	4.21	7.960 %	898,065
West Melbourne	3.48	6.580 %	743,341
Total	100.00	100.00 %	$ 21,355,713

Source: Brevard County Board of County Commissioners

UTILITIES DEBT SERVICE COVERAGE
Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Operating Revenues	$ 24,336,022	$ 25,381,193	$ 26,654,593	$ 27,831,857	$ 27,927,138	$ 29,143,681	$ 31,049,923	$ 32,870,515	$ 35,422,351	$ 38,222,197
Interest Income	220,776	225,509	275,950	267,859	321,142	850,083	668,859	113,694	(238,222)	2,961,259
Operating Expenses (excl. depreciation/amortization)	(13,261,955)	(13,713,299)	(13,565,725)	(14,188,214)	(15,678,734)	(16,310,408)	(16,616,785)	(16,578,255)	(17,594,346)	(20,887,658)
Net Revenues	$ 11,294,843	$ 11,893,403	$ 13,364,818	$ 13,911,502	$ 12,569,546	$ 13,683,356	$ 15,101,997	$ 16,405,954	$ 17,589,783	$ 20,295,798
Restricted MLE Account Balance	1,683,700	1,771,681	1,768,801	1,363,250	1,364,490	1,345,180	1,335,760	1,531,010	1,531,420	3,750,000
MLE Portion Attributable to MLE Expansion %	1,774,082	1,777,681	818,917	1,363,250	1,364,490	1,345,180	1,335,760	1,531,010	1,531,420	3,750,000
Connection Fees Available for Debt Service	3,662,264	3,133,651	3,372,758	3,363,377	3,363,207	3,171,095	3,175,938	3,057,999	3,703,989	1,754,792
Parity Debt Service	7,545,892	7,647,459	6,694,479	7,230,186	7,229,866	7,236,265	7,234,317	7,999,077	7,999,873	7,449,815
2001 Revenue Bonds	1,920,000	1,920,000	1,920,000	1,917,135	1,917,675	1,916,926	1,920,000	1,919,539	1,915,630	1,920,000
2002 Refunding Bonds	72,658	—	—	—	—	—	—	—	—	—
2003 Refunding Bonds	3,298,600	—	—	—	—	—	—	—	—	—
2004 Revenue Bonds	28,744	—	—	—	—	—	—	—	—	—
2005 B Refunding Bonds	1,774,082	1,777,681	342,706	—	—	—	—	—	—	—
2014 Refunding Note	451,808	3,949,778	3,955,562	3,949,801	3,947,701	3,974,159	3,978,557	3,786,307	3,786,426	—
2016 Refunding Note	—	—	476,211	1,363,250	1,364,490	1,345,180	1,335,760	1,531,010	1,531,420	5,311,170
2020 Revenue Note	—	—	—	—	—	—	—	762,221	766,397	218,645
Total Debt Service	7,545,892	7,647,459	6,694,479	7,230,186	7,229,866	7,236,265	7,234,317	7,999,077	7,999,873	7,449,815
DEBT SERVICE COVERAGE										
PART A: Parity Debt Service										
Test 1										
Net Revenues	11,294,843	11,893,403	13,364,818	13,911,502	12,569,546	13,683,356	15,101,997	16,405,954	17,589,783	20,295,798
Parity Debt Service Less Portion Attributable to MLE Expansion %	5,771,810	5,869,778	5,875,562	5,866,936	5,865,376	5,891,085	5,898,557	6,468,067	6,468,453	3,699,815
Actual	1.96	2.03	2.27	2.37	2.14	2.32	2.56	2.54	2.72	5.49
Required	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
and										
Test 2										
Net Revenues	$ 11,294,843	$ 11,893,403	$ 13,364,818	$ 13,911,502	$ 12,569,546	$ 13,683,356	$ 15,101,997	$ 16,405,954	$ 17,589,783	$ 20,295,798
Restricted MLE Account Balance	1,683,700	1,771,681	1,768,801	1,363,250	1,364,490	1,345,180	1,335,760	1,531,010	1,531,420	3,750,000
Total	$ 12,978,543	$ 13,665,084	$ 15,133,619	$ 15,274,752	$ 13,934,036	$ 15,028,536	$ 16,437,757	$ 17,936,964	$ 19,121,203	$ 24,045,798
Parity Debt Service	7,545,892	7,647,459	6,694,479	7,230,186	7,229,866	7,236,265	7,234,317	7,999,077	7,999,873	7,449,815
Actual	1.72	1.79	2.26	2.11	1.93	2.08	2.27	2.24	2.39	3.23
Required	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
or										

PART B: Parity Debt Service	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Test 1										
Net Revenues	$ 11,294,843	$ 11,893,403	$ 13,364,818	$ 13,911,502	$ 12,569,546	$ 13,683,356	$ 15,101,997	$ 16,405,954	$ 17,589,783	$ 20,295,798
Connection Fees Available for Debt Service	3,662,264	3,133,651	3,372,758	3,363,377	3,363,207	3,171,095	3,175,938	3,057,999	3,703,989	1,754,792
Total	$ 14,957,107	$ 15,027,054	$ 16,737,576	$ 17,274,879	$ 15,932,753	$ 16,854,451	$ 18,277,935	$ 19,463,953	$ 21,293,772	$ 22,050,590
Parity Debt Service Less Portion Attributable to MLE Expansion %	5,771,810	5,869,778	5,875,562	5,866,936	5,865,376	5,891,085	5,898,557	6,468,067	6,468,453	3,699,815
Actual	2.59	2.56	2.85	2.94	2.72	2.86	3.10	3.01	3.29	5.96
Required	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
and										
Test 2										
Net Revenues	$ 11,294,843	$ 11,893,403	$ 13,364,818	$ 13,911,502	$ 12,569,546	$ 13,683,356	$ 15,101,997	$ 16,405,954	$ 17,589,783	$ 20,295,798
Connection Fees Available for Debt Service	3,662,264	3,133,651	3,372,758	3,363,377	3,363,207	3,171,095	3,175,938	3,057,999	3,703,989	1,754,792
Restricted MLE Account Balance	1,683,700	1,771,681	1,768,801	1,363,250	1,364,490	1,345,180	1,335,760	1,531,010	1,531,420	3,750,000
Total	$ 16,640,807	$ 16,798,735	$ 18,506,377	$ 18,638,129	$ 17,297,243	$ 18,199,631	$ 19,613,695	$ 20,994,963	$ 22,825,192	$ 25,800,590
Parity Debt Service	7,545,892	7,647,459	6,694,479	7,230,186	7,229,866	7,236,265	7,234,317	7,999,077	7,999,873	7,449,815
Actual	2.21	2.20	2.76	2.58	2.39	2.52	2.71	2.62	2.85	3.46
Required	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
and										
Proviso										
Net Revenues	11,294,843	11,893,403	13,364,818	13,911,502	12,569,546	13,683,356	15,101,997	16,405,954	17,589,783	20,295,798
Parity Debt Service	7,545,892	7,647,459	6,694,479	7,230,186	7,229,866	7,236,265	7,234,317	7,999,077	7,999,873	7,449,815
Actual	1.50	1.56	2.00	1.92	1.74	1.89	2.09	2.05	2.20	2.72
Required	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Note: The calculation of Net Revenue only includes utility water and sewer fund activities

Source: City of Palm Bay Billing & Collections Division

UTILITY RATE COMPARISON WITH NEIGHBORING UTILITIES
September 30, 2023

Neighboring Utilities	Water	Wastewater	Total
Brevard County	$ 35.46	$ 57.81	$ 93.27
City of Cocoa	35.90	60.42	96.32
City of Daytona Beach	38.44	57.58	96.02
City of Edgewater	50.01	71.45	121.46
City of Holly Hill	49.78	57.28	107.06
City of Melbourne	35.17	52.54	87.71
City of New Smyrna Bch	25.50	44.23	69.73
City of Ormond Beach	28.06	36.39	64.45
City of Port Orange	25.18	35.37	60.55
City of Port St. Lucie	34.17	59.00	93.17
City of Vero Beach	24.47	54.03	78.50
City of West Melbourne	51.81	39.45	91.26
Indian River County	22.86	33.98	56.84
City of Palm Bay	**36.18**	**59.72**	**95.90**
Average of Neighboring Utilities	$ 35.14	$ 50.73	$ 85.87

Note:
Amounts shown are for 5,000 gallons monthly service and reflect standard residential single-family rates effective October 1, 2022 and are exclusive of taxes.

Source: City of Palm Bay Billing & Collections Division

TEN LARGEST WATER AND WASTEWATER SYSTEM CUSTOMERS
September 30, 2023

Water Customers	12-Month Usage (1)	Percent of Total	Revenue Generated	Percent of Total
WOODLAKE VILLAGE APARTMENTS	32,134	1.39 %	$ 251,374	1.30 %
HARRIS CORPORATION	28,290	1.22 %	221,921	1.15 %
PALM BAY COMMUNITY HOSPITAL	21,332	0.92 %	176,316	0.91 %
SCHOOL BOARD OF BREVARD COUNTY	20,505	0.88 %	144,504	0.75 %
THE PARK AT PALM BAY	17,103	0.74 %	117,511	0.61 %
PAVILIONS PROPERTY OWNER LLC	9,524	0.41 %	63,815	0.33 %
WRH MADALYN LANDING	9,004	0.39 %	56,361	0.29 %
PINE COVE PARTNERS LLC	8,963	0.39 %	68,964	0.36 %
SOUTHERN MALABAR COVE	7,747	0.33 %	53,427	0.28 %
VISTA OAKS WEST ASSOCIATION INC	7,299	0.31 %	46,058	0.24 %
Total	161,901	6.99 %	$ 1,200,251	6.23 %

Wastewater Customers	12-Month Usage (1)	Percent of Total	Revenue Generated	Percent of Total
WOODLAKE VILLAGE APARTMENTS	32,134	2.70 %	$ 240,404	1.64 %
HARRIS CORPORATION	26,109	2.19 %	184,086	1.25 %
SCHOOL BOARD OF BREVARD COUNTY	17,983	1.51 %	167,356	1.14 %
THE PARK AT PALM BAY	17,102	1.44 %	138,352	0.94 %
PAVILIONS PROPERTY OWNER LLC	9,523	0.80 %	78,762	0.54 %
PALM BAY COMMUNITY HOSPITAL	9,450	0.79 %	68,666	0.47 %
WRH MADALYN LANDING	9,003	0.76 %	83,722	0.57 %
PINE COVE PARTNERS LLC	8,963	0.75 %	67,870	0.46 %
SOUTHERN MALABAR COVE LLC	7,746	0.65 %	83,611	0.57 %
VISTA OAKS WEST ASSOCIATION INC	7,299	0.61 %	63,550	0.43 %
Total	145,312	12.21 %	$ 1,176,379	8.01 %

(1) In thousands of gallons

Source: City of Palm Bay



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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the year ended September 30, 2023

FEDERAL AWARDS

Federal Grantor/Pass-Through Grantor Program Title	Assistance Listing No.	Contract No./ Grant No.	Federal Expenditures	Pass Through to Subrecipients
U.S. Department of Housing & Urban Development				
Community Development Block Grant / Entitlement Grant	14.218	B-16-MC-12-0032	$ 6,073	$ —
Community Development Block Grant / Entitlement Grant	14.218	B-17-MC-12-0032	83,267	—
Community Development Block Grant / Entitlement Grant	14.218	B-18-MC-12-0032	267,626	—
Community Development Block Grant / Entitlement Grant	14.218	B-19-MC-12-0032	250,658	—
Community Development Block Grant / Entitlement Grant	14.218	B-20-MC-12-0032	427,667	—
Community Development Block Grant / Entitlement Grant	14.218	B-21-MC-12-0032	603,252	—
Community Development Block Grant / Entitlement Grant	14.218	B-22-MC-12-0032	641,004	70,381
Community Development Block Grant / Entitlement Grant CARES CV	14.218	B-20-MW-12-0032	152,000	151,335
Total Community Development Block Grant Cluster			2,431,547	221,716
			—	
Passed through Brevard County:				
HOME Grant	14.239	M-20-DC-12-0200	452,685	—
Total Passed through Brevard County			452,685	—
Total Department of Housing & Urban Development			**2,884,232**	**221,716**
U.S. Department of Justice				
Passed through the Florida Office of the Attorney General:				
Victim Crime Assistance	16.575	D-00675	58,283	—
2019 Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0754	38,020	—
2020 Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0219	27,465	—
Total Passed through the Florida Office of the Attorney General			123,768	—
Equitable Sharing Program	16.922	FL0051200	56,350	
COPS Hiring Program	16.710	2020-UM-WX-0101	324,273	—
Total U.S. Department of Justice			**504,391**	**—**
U.S. Department of Treasury				
Coronavirus State and Local Fiscal Recovery Funds	21.027	SLT-5031	2,439,594	1,915,246
Total U.S. Department of Treasury			**2,439,594**	1,915,246
U.S. Department of Transportation				
Passed through Florida Department of Transportation:				
P&D Study for Malabar Road Widening	20.205	G1F62	75,852	—
Total Passed through Florida Department of Transportation			75,852	—
Total U.S. Department of Transportation			**75,852**	—
U.S. Department of Homeland Security - FEMA				
Passed through Florida Division of Emergency Management				
Disaster Grants - Public Assistance				
(Presidentially Declared Disaster) - Hurricane Ian	97.036	FEMA-4673-DR-FL	13,927	—
Emergency Protective Measures COVID-19	97.036	FEMA-4486-DR-FL	86,358	—
Total U.S. Department of Homeland Security			**100,285**	**—**
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$ 6,004,354**	**$ 2,136,962**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE (CONTINUED)
For the year ended September 30, 2023

STATE AWARDS

Agency/Program	CSFA No.	Contract No./ Grant No.	State Expenditures	Pass Through to Subrecipients
Florida Department of Environmental Protection				
Statewide Surface Water Restoration (Turkey Creek Restoration)	37.039	LPA0067	$ 55,777	$ —
Wastewater Treatment Facility Construction	37.077	WW050720	4,732,827	—
Total Florida Department of Environmental Protection			4,788,604	—
Florida Department of Transportation				
P&D Study for Malabar Road Widening	55.026	G1F62	75,852	—
Total Florida Department of Transportation			75,852	—
Florida Housing Finance Agency				
State Housing Initiatives Partnership Program	40.901	N/A	1,131,918	—
Total Florida Housing Finance Agency			1,131,918	—
TOTAL STATE EXPENDITURES			**$ 5,996,374**	**$ —**
TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE			**$ 12,000,728**	**$ 2,136,962**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For Fiscal Year Ended September 30, 2023

NOTE 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance is presented using the modified basis of accounting for grants accounted for in governmental funds and the accrual basis of accounting for grants accounted for in proprietary funds.

NOTE 2 - Indirect Cost Rate

The Uniform Guidance allows a City to elect a 10% de minimus indirect cost rate. For the year ended September 30, 2023, the City elected not to use this rate.

NOTE 3 - Non-cash Awards

The City did not receive any non-cash federal awards.

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MSL
Certified Public Accountants

INDEPENDENT AUDITOR'S 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*

The Honorable Mayor and
Members of the City Council
City of Palm Bay, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Palm Bay, Florida, (the "City") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 26, 2024. Our report includes a reference to other auditors who audited the financial statements of the Police and Firefighters' Retirement System, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

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

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

Our consideration of internal control over financial reporting 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 may exist that have not been identified.

The Honorable Mayor and
Members of the City Council
City of Palm Bay, Florida

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grant agreements and contracts, 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*.

Pursuant to provisions of Chapter 10.550, *Rules of the Auditor General*, we reported certain matters to management of the City in a separate management letter and Independent Accountant's Report dated July 26, 2024.

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
July 26, 2024

MSL
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY THE UNIFORM GUDIANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

The Honorable Mayor and
Members of the City Council
City of Palm Bay, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited the compliance of the City of Palm Bay, Florida (the "City") with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") *Compliance Supplement* and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs and state projects for the fiscal year ended September 30, 2023. The City's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

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

Basis for Opinion for Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; 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)); and Chapter 10.550, *Rules of the Auditor General*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibility of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance; and Chapter 10.550, *Rules of the Auditor General* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance; and Chapter 10.550, *Rules of the Auditor General*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

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

Report on Internal Control over Compliance *(Continued)*

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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 may exist that have not been 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.

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated July 26, 2024, which contained unmodified opinions on those financial statements. Our report on the basic financial statements also contained references to the reports of other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for the purposes of additional analysis, as required by the Uniform Guidance, Chapter 69I-5, *Schedule of Expenditures of State Financial Assistance*, Rules of the Department of Financial Services, and Chapter 10.550, *Rules of the Auditor General*, and is 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 information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
July 26, 2024

CITY OF PALM BAY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2023

SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued:	**Unmodified Opinion**	
Internal control over financial reporting:		
• Material weakness(es) identified?	___ Yes	_X_ No
• Significant deficiency(ies) identified?	___ Yes	_X_ None reported
Noncompliance material to financial statements noted?	___ Yes	_X_ No

Federal Awards and State Financial Assistance

Internal control over federal programs and state projects:		
• Material weakness(es) identified?	___ Yes	_X_ No
• Significant deficiency(ies) identified?	___ Yes	_X_ None reported
Type of report issued on compliance for major federal programs and state projects:	**Unmodified Opinion**	
Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of the Uniform Guidance or Chapter 10.557, Rules of the Auditor General?	___ Yes	_X_ No

Identification of Major Federal Programs and Major State Projects:

AL Numbers	Name of Federal Program(s)
21.027	Coronavirus State and Local Fiscal Recovery Funds

CSFA Numbers	Name of State Projects
37.077	Wastewater Treatment Facility Construction
40.901	State Housing Initiatives Partnership Program

Dollar threshold used to distinguish between Type A and Type B programs:	Federal	$750,000
	State	$750,000
Auditee qualified as low-risk auditee?	_X_ Yes	___ No

Section II - Findings Related to the Financial Statement Audit, as required to be reported in accordance with *Government Auditing Standards*

No matters are reported.

Section III - Federal Award Findings and Questioned Costs Section reported in accordance with the Uniform Guidance

No matters are reported.

Section IV - Status of Prior Year Findings

No matters were reported.



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Mayor and
Members of the City Council
City of Palm Bay, Florida

Report on the Financial Statements

We have audited the basic financial statements of the City of Palm Bay, Florida (the "City") as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated July 26, 2024.

Auditor's 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 of Federal Awards* ("Uniform Guidance"); and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, Schedule of Findings and Questioned Costs, and Independent Accountant's Report on an examination conducted in accordance with AICPA *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General.* Disclosures in those reports and schedule, which are dated July 26, 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 report. There were no findings and recommendations in the preceding annual financial report.

Official Title and Legal Authority

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

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 report the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General,* requires, if appropriate, that we communicated the failure of a special district that is a component unit of a county, municipality, or special district, provided 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 determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)6, *Rules of the Auditor General,* the Bayfront Community Redevelopment Agency reported:

a. The total number of district employees compensated in the last pay period of the district's fiscal year as zero.
b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as zero.
c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as zero.
d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as zero.
e. Each construction project with a total cost of at least $65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as zero.
f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as zero.

The Honorable Mayor and
Members of the City Council
City of Palm Bay, Florida

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 which warrants the attention of those charged with governance. In connection with our audit, we did not have 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 Mayor, City Council, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
July 26, 2024

MSL
Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor and
Members of the City Council
City of Palm Bay, Florida

We have examined the City of Palm Bay, Florida's (the "City") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2023. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the City's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2023.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
July 26, 2024

AFFIDAVIT

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

1. I am the Chief Financial Officer of the City of Palm Bay which is a local governmental entity of the State of Florida.

2. City of Palm Bay adopted (Ordinance No. 89-03) implementing an impact fee; and

3. City of Palm Bay has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Finance Director

STATE OF FLORIDA
COUNTY OF BREVARD

SWORN TO AND SUBSCRIBED before me this 6 day of March, 2024.

Sharon Gray
Commission # HH 190241
Commission Expires 10-24-2025
Bonded Through - Cynanotary
Florida - Notary Public

NOTARY PUBLIC
Print Name SHARON GRAY

Personally known ✓ or produced identification ✓

Type of identification produced: DRIVER LICENSE