



Public Art installations for the City's Centennial

CITY OF BOCA RATON, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

for the Fiscal Year Ended September 30, 2025





Government Finance Officers Association

Certificate of
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Presented to

**City of Boca Raton
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morill

Executive Director/CEO

ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
CITY OF BOCA RATON, FLORIDA
FOR THE FISCAL YEAR ENDED
September 30, 2025



Prepared by the Financial Services Department

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About the Cover:



Investing in Our Community through Public Art

As part of Boca Raton's Centennial legacy, the City invested in a series of public art installations designed to enrich shared spaces, spark connection, and reflect the community's identity. From **Reflections of Time** in Sanborn Square - a contemporary tribute to the City's mid-century roots - to the interactive **Mi Casa, Your Casa 2.0** swings at Wildflower Park and the community-written **Plastic Poetry**, these installations use creativity and thoughtful design to honor Boca Raton's past while enhancing the everyday experience of residents and visitors alike. Learn more: www.myboca.us/PublicArtBoca

CITY OF BOCA RATON, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the fiscal year ended September 30, 2025

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CITY OF Boca Raton

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March 30, 2026

To The Honorable Mayor,
Members of the City Council,
Citizens of the City of Boca Raton, Florida:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Boca Raton, Florida (the City), for the fiscal year ended September 30, 2025.

This report provides the City Council, City staff, our citizens, our bondholders and other interested parties with detailed information concerning the financial condition and activities of the City government. State law requires that all general-purpose local governments annually publish a complete set of financial statements within nine months of the close of each fiscal year. The financial statements are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards and *government auditing standards* by an independent auditing firm.

We believe that this report complies with these requirements and continues to present the City's strong tradition of full financial disclosure. This philosophy is reflected by the informative financial analysis provided by the City's Financial Services Department and the exhibits and statistical tables included herein.

The ACFR's role is to assist in making economic, social and political decisions and to assist in assessing accountability to the citizenry by:

- . Comparing actual financial results with the legally adopted budget, where appropriate;
- . Assessing financial condition and results of operations;
- . Assisting in determining compliance with finance related laws, rules and regulations; and
- . Assisting in evaluating the efficiency and effectiveness of City operations

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City.

We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to present fairly the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

CBIZ CPAs, P.C., independent auditors, have issued unmodified opinions on the City's financial statements for the fiscal year ended September 30, 2025. The independent auditors' report is located at the front of the financial section of this report.

The City's financial statements have been prepared using the reporting model in accordance with Governmental Accounting Standard Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis (MD&A)*. MD&A immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A compliments this letter of transmittal and should be read in conjunction with it.

THE CITY OF BOCA RATON

Profile

Boca Raton is a full service City located on the south eastern coastline of Palm Beach County, Florida with a population of approximately 100,897.



The City derives its governmental authority from a charter granted by the Legislature of the State of Florida. In 1965, the Council- Manager form of government replaced the Commissioner- Manager system in Boca Raton. Four Council Members and a Mayor are elected at large on a non-partisan basis for four-year terms.

The City Council appoints the City Manager who is the Chief Executive Officer of the City and directs the business of the City and its various departments. The City Council determines policy, adopts legislation, approves the City's budget, sets taxes and fees, and appoints the City Attorney and members of various boards and committees.

Services Provided

The City provides a full range of municipal services. The public safety program includes police, fire protection and rescue services; the City's extensive recreation program includes beaches, a pool, golf courses, libraries, tennis courts, neighborhood parks, and community centers. The Public Works and Engineering Department provides essential traffic, facilities and street maintenance, solid waste collection and storm water services as well as other technical assistance to the City. The Utility Services Department provides water and sewer services. The City's Development Services Department provides planning, zoning and building permit and inspection services and administers the City's Community Development Block Grants. The City also provides general administrative services.

Reporting Entity

This report includes all of the funds of the City. In addition to general government activities, the Boca Raton Community Redevelopment Agency (CRA or Agency) is included in the reporting entity. However, the Greater Boca Raton Beach and Park District, the Boca Raton Housing Authority and the Boca Raton Airport Authority do not meet the established criteria for inclusion in the reporting entity and, accordingly, are not included in this report.

Accounting and Internal Control

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide

reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit

As a recipient of federal, state and county financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

The City is periodically required to undergo an annual single audit performed under the provisions of the U.S. Office of Management and Budget Compliance Supplement (Uniform Guidance) and the Rules of the Auditor General, State of Florida. The information related to the Single Audit, including the schedule of expenditure of federal awards and state financial assistance, schedule of findings and questioned costs, and auditors' reports on the internal control over compliance and compliance with applicable laws and regulations are included in a separate report. This report disclosed no instances of material weaknesses in internal control over financial reporting and over compliance, or significant violations of applicable laws and regulations. The City was subject to an audit in accordance with the Uniform Guidance and Florida Single Audit Act for the fiscal year ended September 30, 2025.

Budgetary Controls

In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. In accordance with state laws the Approved Budget is posted on the City's website within 30-days of adoption. Activities of the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department (by fund) level. The City maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end. However, encumbrances generally are re-appropriated as part of the following year's budget adoption. All expenditures for other than personnel services are controlled by a procurement system, which encumbers purchase orders against budgets prior to issuance to the vendors. Purchase orders are not issued until appropriations are made available.

Administrative budget transfers may occur upon approval of the City Manager as long as the department budget within a fund is not increased. Budget amendments are submitted as needed to City Council for their consideration and in accordance with state law are posted to the City's website within five days of adoption.

Local Economy

The City of Boca Raton provides a unique environment for business – a strong business environment, with economic resources and a well-educated and talented workforce, all within a community known for its high quality of life. Boca Raton is a rich blend of corporate and regional headquarters, small businesses, and innovative start-up companies. There are economic opportunities for all types of companies and businesses. Boca Raton has grown from a small agricultural and retirement community to a large regional employment center with one of the

largest business concentrations in South Florida. In fact, Boca Raton is home to the largest single office complex in the state of Florida and more than half of the corporate headquarters in Palm Beach County call Boca Raton home.



Boca Raton has easy access to roads, rail, and air transportation. It has become a hub for technology, medical, financial, security and educational businesses, in addition to many other business categories represented in the City. Brightline, with its 38,000 square foot station and garage, travelers and regional workforce have easy access to our city. With the addition of Brightline Boca Raton continues to be a premier city to live, work and visit.

Through its Economic Development Incentive Policy, the City has committed \$6.06 million in long-term economic development incentives and has leveraged over \$20 million in State and County incentives. This has resulted in a total of 14,850 jobs created or retained in the City. The City of Boca Raton continues to outpace other cities in the face of tremendous competition for the relocation and expansion of companies to the area.

The City continues to support and fund a strong Economic Development Incentive Program for fiscal year 2025-26. One of the primary components in the City's Economic Development Incentive Policy is to provide economic development incentives for companies seeking to relocate to the City or to expand their existing business within the City. Based on the criteria listed in the policy, including job creation and/or retention, capital investment and job salaries, the City can provide incentives through several different methods including making grants and/or loans, subsidizing rents and leases. It can also provide non-financial incentives such as expedited permitting, and peer-to-peer introductions.

Major business centers within the City include the Boca Raton Innovation Campus (BRiC) which has 1.7 million square feet of corporate space. The campus was originally built in 1969 for IBM and is home to the invention of the first personal computer; the Park at Broken Sound, formerly known as the Arvida Park of Commerce (APOC), which has over 5 million square feet of office space on its 700 acres; the Florida Atlantic University (FAU) Research Park, which is currently home to 20 companies; the Florida Atlantic University (FAU) Tech Runway, which provides incubation and acceleration to start-up companies in its 28,000 square feet of collaborative space; and the Lynn University Social Impact Lab, which is an experiential learning space that provides cultural and career prep programs, social impact training, and networking opportunities with industry professionals.





The four schools of higher learning in the City - Florida Atlantic University (FAU), Lynn University, Palm Beach State College (PBSC) and Everglades University - all continue to have educational successes. Florida Atlantic University's College of Business has once again been ranked among the best. U.S. News and World Report ranked FAU's International Business undergraduate program No. 22 in the nation for 2026. The University's Adams Center for Entrepreneurship counters traditional business programs, providing

students with a unique academic experience by fostering revolutionary intellectual growth beyond conventional wisdom in the pursuit and creation of sustainable solutions to business and social problems. The center seeks to educate students for productive careers and citizenship by focusing on three program areas: cross-disciplinary academics, community outreach and venture creation from emerging technologies.

Lynn University reported record enrollment in Fall, 2025 with 3,550 students, and more than 1,250 new students joining the campus. Lynn University's newest project, the 287 bed, Banyan residence hall, opened in August, 2025. As part of the Lynn 2025 strategic plan, ground was broken in January on a new baseball and softball ballpark, revitalization of the Perper Tennis Complex was completed and a new Blueprint Rewards scholarship program for students was created.

Additionally, Boca Raton public schools continue to excel with 17 schools named among top performing on states list. There are a number of nationally known private schools operating within the City including Saint Andrew's School which will host the world-renowned Johns Hopkins CTY program in the summer of 2026.

On December 23, 2025, the City of Boca Raton hosted the Bush's Best Boca Raton Bowl Of Beans at Florida Atlantic University stadium. In its twelfth year, this ESPN college bowl game hosted the Toledo Rockets and the Louisville Cardinals. By all measures, the event was a success for Boca Raton and Palm Beach County, generating strong attendance and national exposure through the live broadcast on ESPN.



The inaugural James Hardie Pro Football Hall of Fame Invitational was hosted at the Old Course at Broken Sound on March 31-April 6, 2025. Since 2007 the City of Boca Raton has sponsored the PGA golf event with much success. The 2025 tournament featured a field of 78 PGA Tour Champions players alongside 26 football legends. The tournament was televised internationally on the Golf Channel, and the City was showcased in 7 commercial spots.

Boca Raton is also a world class tourism and a luxury travel destination. Just some of the exceptional qualities are arts & culture, beautiful beaches, and luxury accommodations. Let's not forget, Boca Raton remains a regional shopping and dining destination. Town Center has continued to expand its array of shopping and dining options and is considered the premier regional mall in South Florida. Other high-quality destination shopping and dining areas in the City include Boca Center, and the downtown areas of Mizner Park and Royal Palm Place. The Boca Raton, formerly the Boca Raton Resort & Club, is undergoing a multiple phase \$375 million renovation and restoration project. The project includes a 3-story



Mizner Center, Beach Club renovation and creation of a new Harborside Pool Club to include an expanded pool deck and lazy river. In addition to expanded dining areas and extensive exterior restorations.

As Boca Raton continues to face competition for new and existing national and regional corporate headquarters; the City will continue to work with economic development agencies such as the Palm Beach County, and the Palm Beach County Business Development Board to attract businesses to the City and to retain and promote the growth of existing businesses in the City. The Office has created, published and promoted multiple marketing pieces highlighting the Economic Development program and the benefits of Boca Raton. The marketing materials are available on the City's website at myboca.us, through its social media platforms or by contacting the Office of Economic Development at EconomicDevelopment@myboca.us.

MAJOR INITIATIVES

FOR THE YEAR

With goals and priorities of a financially sound City government, world class municipal services, vibrant and sustainable City and a strong partnership with community, the City continues to demonstrate its ability to be one of the most financially secure local governments in Florida.

The City's taxable value is \$37.4 billion, making the City's taxable value the highest of any municipality in Palm Beach County and the fourth highest in the three South Florida counties behind Miami, Miami Beach and Ft. Lauderdale.

In 2017, Palm Beach County Voters approved a one cent sales surtax to fund infrastructure improvements throughout the county for ten years. The City received over \$70.0 million for infrastructure projects through September 30, 2025 since inception. The first major project was completed in February 2020.

Since voter approval of the Palm Beach County one-cent infrastructure sales surtax in 2017, the City has received more than \$70.0 million to support critical infrastructure investments. Over the life of the program, these funds were used to deliver several major capital projects, including new public safety facilities and significant park and waterfront improvements. With the completion of the final major non-roadway surtax-funded projects in the prior fiscal year, the City has largely concluded the transformative phase of its surtax-supported initiatives. The use of surtax funds continues to be subject to annual review by a Citizens Oversight Committee, which provides reports to the City Council.

As the City transitions from the implementation of these voter-approved infrastructure investments to longer-term planning for municipal facilities, fiscal year activities also included evaluation and planning related to a potential redevelopment of the municipal campus through a public-private partnership process. During the fiscal year, the City advanced evaluation and planning related to a potential redevelopment of the municipal campus through a public-private partnership process. In October 2024, the City received two unsolicited proposals to redevelop the Downtown Campus and subsequently solicited additional proposals to promote transparency and competition. City staff conducted a preliminary review of the proposals and facilitated public presentations and workshops during which proposers outlined their concepts.

Following this initial review and discussion, the City Council selected a development partner and authorized the City to proceed with further due diligence. This phase included more detailed financial, operational, and technical evaluation and analysis, as well as execution of an interim master plan agreement to refine project concepts and assess feasibility. Throughout this process, the proposed redevelopment was presented at City Council meetings, with opportunities for public comment. Significant public input resulted in multiple refinements and changes to the proposed

project.

In January 2026, the City Council approved a Master Partnership Agreement, Development Management and Construction Agreement, and a 99-year Ground Lease, all subject to voter approval, to advance this proposed project. City Council further approved the ballot title and language for a referendum scheduled for March 2026 to allow the public to vote on this project. At the March 2026 election the public voted not to approve the project, effectively ending the proposed public private partnership.

In the past year, the CRA has worked to continue the vision of Downtown Boca – where residents, visitors and businesses are engaged in a vibrant and thriving environment. A place where they can come early, stay late, and enjoy all activities, attractions, and services the downtown has to offer – dining, shopping, living, culture, nightlife, business, and recreation.

During the 2024–2025 fiscal year, the CRA undertook numerous activities and achieved significant milestones in furtherance of its goals. An agreement was executed with Kimley-Horn, and implementation began on an analysis and evaluation of options to enhance east–west pedestrian connectivity between downtown and areas separated by barriers such as Dixie Highway and the railroad tracks. As part of its commitment to improved mobility and connectivity, the Agency also continued coordination with Public Works and Engineering on an additional circulator/transit system and partnered with Guident, Circuit, and Auve Tech to provide autonomous transportation service through Mizner Park.

Additionally, the Downtown Plan was amended to update planned services and infrastructure improvements for redevelopment projects that will utilize excess TIF funds.

FOR THE FUTURE

The City recognizes that a successful downtown is a critical component for Boca Raton. To be successful, downtown Boca Raton must continue to develop a sense of place, the public and private sector must continue to work together with a common goal, public funds need to be wisely invested and new development should provide pedestrian connections to the overall downtown.

With the voters decision not to approve the proposed public private partnership to redevelop the roughly 30-acre City-owned governmental campus site in the downtown, the City will need to work with the community on a plan to update those public facilities and park space, many of which are well beyond their useful life, in a fiscally responsible fashion.

Boca Raton continues to maintain its strong financial position through prudent long-term financial planning and fiscal actions to reduce or contain fixed costs.

For the 2025 fiscal year, the City approved a slight decrease in the operating tax rate to \$3.6476 per \$1,000. The City's 2025 debt service tax rate also decreased slightly to \$0.0173 per \$1,000 based upon voter approved bond issues. These adjustments support the City's ongoing practice of maintaining millage levels that remain among the lower rates in the region, marking the fifth consecutive year in which the City has reduced the total millage rate.

The Florida Legislature is again considering various proposals relating to local government home rule, taxable values, and various other proposals. Most notable, is proposed legislation being considered that would reform property taxes levied by local governments including a potential elimination of all non-school property taxes on homesteaded properties. If approved, this legislation would have a significant impact on the City's ability to maintain and or improve service

levels to residents. The City is carefully monitoring these initiatives and their future impact on the City's ability to function at its present level.

LONG RANGE FINANCIAL PLANNING

The City Council has adopted financial policies for operating, capital and debt management. Management has made every effort to comply with these policies and we believe that we are in compliance with the adopted policies. A long-range financial plan is presented to the City Council annually in the spring. This document forecasts the General Fund and several other fund operations for the next five years and is used to guide the development of the annual operating budget and to support the long-term goal of a financially sound city. In particular, the City is evaluating the potential impact of property tax reforms and developing strategies to ensure fiscal and operational sustainability. These efforts include departmental cost reductions, cost recovery through fees for service and non-ad valorem assessments, and the development of new revenue sources.

The Capital Improvements Program (CIP) is prepared and presented to the City Council as part of the annual budget process. The projects represent the City's plan for infrastructure improvement and major equipment acquisition for the next six years.

The approved CIP also includes funding for Wastewater Upgrades, Replacements and Expansion, Police Services Facilities, and Beach Restoration.

The Innovative Sustainable Infrastructure Program (iSIP) is an initiative by the Utility Services Department. This long-term initiative uses technology and data to evaluate, prioritize and improve critical underground areas throughout the City. By using a mapping inventory system, areas will be identified and prioritized based on the age, location, and deterioration of water and sewer pipes and neighborhood roads as part of a critical infrastructure assessment.

The Utility Services Department will coordinate with other City departments on the timing and installation of underground work in conjunction with road resurfacing projects which will help save money and minimize disruption to residents. The installation of new, larger pipes to provide better water service while continuing to deliver clean, fresh City tap water to customers.

Neighborhoods will also benefit from improved roads, sidewalks, and stormwater systems. The program will maintain the stability of Boca Raton's infrastructure by defending against potential failures through proactive, collaborative planning and prudent long-term financial planning.

OTHER INFORMATION

Certificate of Achievement

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 Boca Raton, Florida for its ACFR for the fiscal year ended September 30, 2024. This was the 45th consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized ACFR. This report must satisfy both GAAP and applicable legal requirements.

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

Award for Distinguished Budget

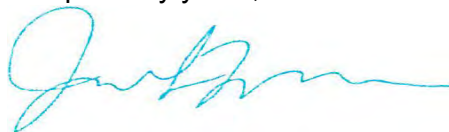
The City received the GFOA Award for the Distinguished Budget Presentation for the City budget for the fiscal year ended September 30, 2025. It was the 44th consecutive year the City received the award for the document, which serves as the City's primary fiscal policy document.

ACKNOWLEDGEMENTS

The completion and issuance of this report could not have been accomplished without the dedicated efforts of the entire staff of the Financial Services Department. Special thanks must be given to Carlisha Jenkins, Cormac Conahan, Judy Fleurimond, Racquel Lopez, Michelle Bonewitz, Emily Martin, Shanique Dimonnay, Luciana Teixeira, Amber Powell, Evan D'Agnesse, and Jean-Michel Neault for their dedication in the creation and compilation of this document. Our appreciation is also extended to Stephanie Biagini, Shannon Estremera, Ivelsa Guzman, Stephen Timberlake, Jerry Nickell, Ryan Ralph, Sandra Stevens, Mark Sohaney, George Brown, Andrew Lukasik, Chrissy Gibson, Jorge Camejo, Sharon McGuire, Jessica Del Vecchio, Eshme` Potts and Christopher Helfrich for providing support in the preparation of this report. Credit must also be given to the City Council and City Management for their commitment to support sound fiscal management practices with an emphasis on long-term financial stability and sustainability.

We believe that this report clearly illustrates the strong financial posture of the City and we wish to take this opportunity to thank you and the citizens of Boca Raton for the vital role you have historically played in enabling the City to achieve and maintain this high degree of fiscal responsibility

Respectfully yours,

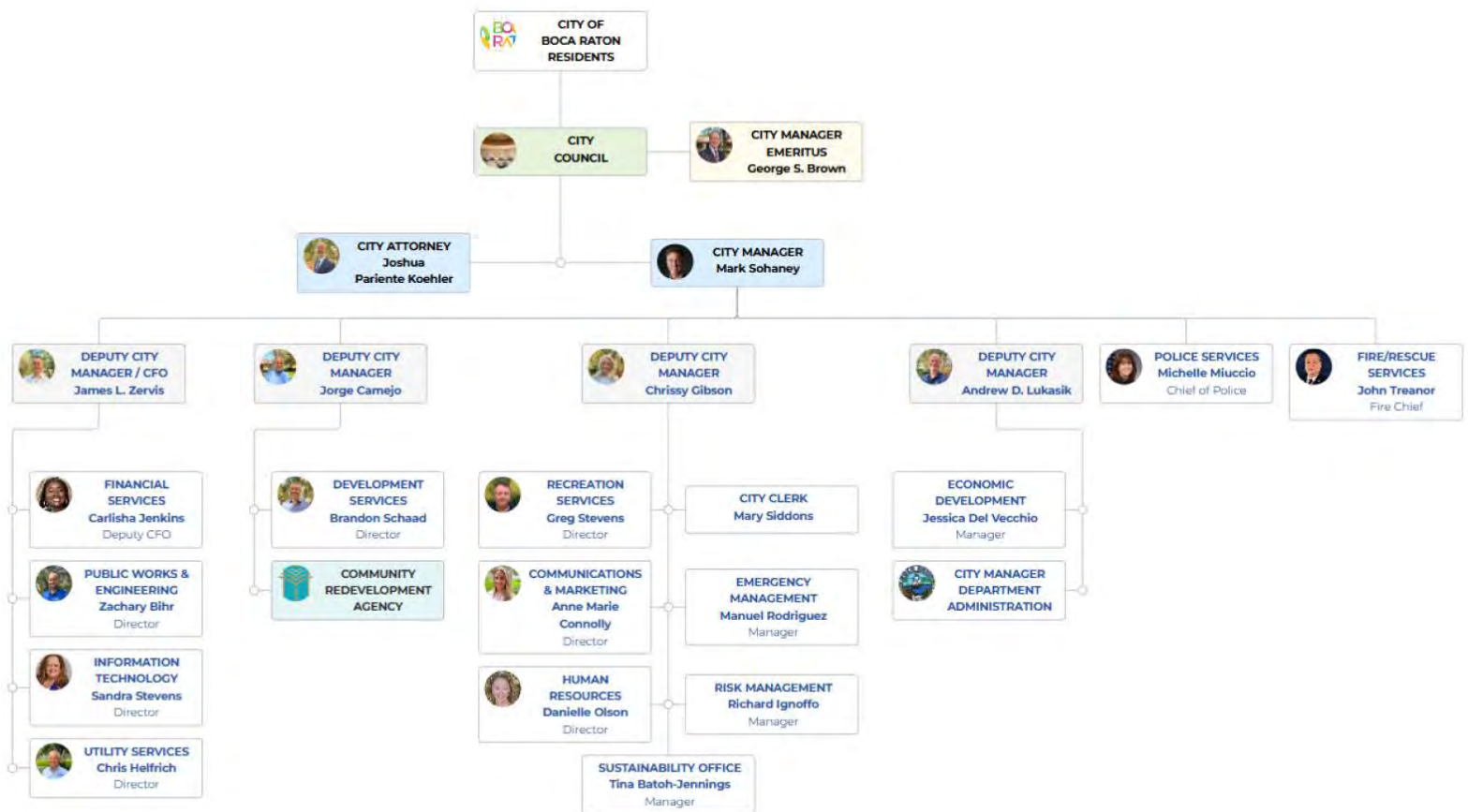


James L. Zervis, CPA, CPFO

LIST OF PRINCIPAL OFFICIALS
September 30, 2025

Mayor	Scott Singer
Deputy Mayor	Fran Nachlas
Council Member	Yvette Drucker
Council Member	Andy Thomson
Council Member	Marc Wigder
City Manager	Mark Sohaney
Deputy City Manager	Christina Gibson
Deputy City Manager	Andrew Lukasik
Deputy City Manager	Jorge Camejo
Deputy City Manager / Chief Financial Officer	James L. Zervis
City Attorney	Joshua Koehler
City Clerk	Mary Siddons
Development Services Director	Brandon Schaad
Fire/Rescue Services Chief	John Treanor
Human Resources Director	Danielle Olson
Information Technology Director	Sandra Stevens
Office of Management and Budget Director	Sharon McGuire
Police Services Chief	Michele Miuccio
Public Works and Engineering Director	Zachary Bihr
Recreation Services Director	Greg Stevens
Utility Services Director	Christopher Helfrich

CITY OF BOCA RATON ORGANIZATIONAL STRUCTURE





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Independent Auditors' Report

To the Honorable Mayor, City Council and City Manager
City of Boca Raton, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Boca Raton, Florida (the "City"), as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the Schedules of Changes in Net Pension Liability and Related Ratios, the Schedules of Employer Contributions, the Schedule of Changes in Total OPEB Liability and Related Ratios, the budgetary comparison schedules and related notes on pages 4-18 and 116-137 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Boca Raton, Florida

March 30, 2026

Management's Discussion and Analysis (Unaudited)

The purpose of financial reporting, in general, is to provide the readers of the financial statements with information that will help them make decisions or draw conclusions about an entity. As management of the City of Boca Raton, Florida (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2025. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets plus deferred outflows of resources of the City exceeded its liabilities plus deferred inflows of resources at the close of the most recent fiscal year by \$1.164 billion (net position). Of this amount, \$261.550 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$72.403 million which was attributable to an increase in net position in the governmental activities of \$31.148 million and an increase in net position for the business-type activities of \$41.255 million.
- The City's business-type activities reported total net position of \$501.896 million, which is an increase of \$41.255 million, or 8.96%, in comparison to the prior year. Approximately 29.50% of the total or \$148.045 million is unrestricted and thus available for spending at the City's discretion.
- At the end of the current fiscal year, fund balance for the General Fund was \$96.364 million, or 40.55% of the General Fund expenditures and other financing sources (uses). Of this balance, \$16 thousand was for non-spendable inventories, \$170 thousand was restricted for the Army Corp of Engineers for an overflow site in the event of emergency dredging of the Intracoastal Waterway, \$25.612 million was committed for hurricane/disaster emergency, \$409 thousand was committed for right of way beautification, \$1.270 million was assigned for the subsequent years' budget and \$68.887 million was unassigned.
- In response to volatile prices and forecast reductions of the target rate by the United States Federal Reserve (FED), the City implemented a ladder strategy in fiscal year 2024 which continued into fiscal year 2025 and enabled the portfolio to maintain steady earnings and stable total returns throughout the year. The City achieved a blended average portfolio total return of 4.33%, with an average portfolio yield of 3.79%.

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 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 required and supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The focus of the *government-wide financial statements* is on the overall financial position and activities of the City. Reporting is similar to that of a private-sector business. The City's government-wide financial statements include the statement of net position and statement of activities. 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 *Statement of Net Position* presents financial and capital resources of the City. Assets and deferred outflows of resources, and liabilities and deferred inflows of resources are presented, with the net of these reported as net position. For example, the City reports buildings and infrastructure as assets, even though they are not available to pay the obligations incurred by the City. On the other hand, the City reports liabilities even though these liabilities might not be paid until several years into the future.

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 *Statement of Activities* presents the revenues 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. 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 the government-wide 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, law enforcement, fire rescue, physical environment, transportation, community development and parks and recreation. The business-type activities include water and sewer utility, cemetery/mausoleum, stormwater utility, and sanitation.

The City's government-wide financial statements are presented on pages 19-20 of this report.

Fund Financial Statements

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

Governmental Funds

Governmental fund financial statements consist of a balance sheet and statement of revenues, expenditures, and changes in fund balances. These statements are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a short period of time, but do not include capital assets such as land and buildings. Fund liabilities include amounts that are to be paid within a short period of time after the end of the fiscal year. Additionally, included on the balance sheet are the City's deferred inflows and deferred outflows of resources. The difference between a fund's total assets and deferred outflows and the fund's total liabilities and deferred inflows is labeled as the fund balance and generally indicates the amount that can be used to finance the next fiscal year's activities. The operating statement for governmental funds reports only those revenues and expenditures that were collected or paid during the current period or very shortly after the end of the year.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activities 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 in the statement of activities.

The City maintains twenty-six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the major funds which are the General Fund, the Community Redevelopment Agency Operating Fund, the Land Proceeds Fund, the Five Year Capital Improvement Fund, the Infrastructure Surtax Fund, and the Beach and Park Operations Fund. The City presents data from all other non-major governmental funds in a single column (non-major funds). Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City's governmental fund financial statements are presented on pages 22-27.

Proprietary Funds

Proprietary fund financial statements consist of a statement of net position, a statement of revenues, expenses, and changes in net position and a statement of cash flows. These statements are prepared on an accounting basis that is similar to the basis used to prepare the government-wide financial statements. For financial reporting purposes, proprietary funds are grouped into Enterprise Funds and Internal Service 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. Internal Service funds are used to account for services provided and billed on an internal basis. The City uses Internal Service Funds to account for its fleet of vehicles, information technology systems and self-insurance/benefit programs. Because these services 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 City presents a separate column for the Water and Sewer Utility Fund since it is most significant to the City. The remaining three non-major enterprise funds are aggregated and reported in a single column. Internal Service Funds are aggregated and presented in a single column. A statement of cash flows is presented at the fund financial statement level for proprietary funds, but no equivalent statement is presented in the government-wide financial statements for either governmental activities or business-type activities.

The City's proprietary fund financial statements are presented on pages 28-32.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Fiduciary financial statements consist of a statement of fiduciary net position and a statement of changes in fiduciary net position.

The City's fiduciary fund financial statements are presented on pages 33-34.

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 35-115.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits to its employees as well as other post employment benefits. This section also includes a comparison between the City's adopted and final budget and actual financial results. The City adopts an annual appropriated budget for its governmental funds. A budgetary comparison schedule has been provided for the general fund and for the major special revenue funds to demonstrate compliance with this budgetary structure.

Required supplementary information can be found on pages 116-137.

Combining and individual fund statements and schedules referred to earlier in connection with major and non-major governmental funds and proprietary funds are presented immediately following the required supplementary information and can be found on pages 138-173 of this report.

Government-Wide Financial Analysis

The following schedule is a summary of the fiscal 2025 Statement of Net Position found on pages 19-20 with comparative information for fiscal 2024.

CITY OF BOCA RATON, FLORIDA Net Position (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 587,273	\$ 559,856	\$ 251,440	\$ 236,849	\$ 838,713	\$ 796,705
Capital assets, net	427,473	421,396	311,805	287,834	739,278	709,230
Total assets	<u>1,014,746</u>	<u>981,252</u>	<u>563,245</u>	<u>524,683</u>	<u>1,577,991</u>	<u>1,505,935</u>
Deferred outflows	<u>97,897</u>	<u>162,634</u>	<u>10,714</u>	<u>13,029</u>	<u>108,611</u>	<u>175,663</u>
Current liabilities	31,949	34,044	15,363	15,942	47,312	49,986
Bonds and loans payable	7,499	22,823	34,190	37,285	41,689	60,108
Other non-current liabilities	307,992	341,777	11,953	18,402	319,945	359,819
Total liabilities	<u>347,440</u>	<u>398,644</u>	<u>61,506</u>	<u>71,269</u>	<u>408,946</u>	<u>469,913</u>
Deferred inflows	<u>102,785</u>	<u>113,972</u>	<u>10,557</u>	<u>5,802</u>	<u>113,342</u>	<u>119,774</u>
Net investment in capital assets	402,397	401,020	270,244	239,865	672,641	640,885
Restricted net position	146,516	135,765	83,607	72,016	230,123	207,781
Unrestricted net position	113,505	94,485	148,045	148,760	261,550	243,245
Total net position	<u>\$ 662,418</u>	<u>\$ 631,270</u>	<u>\$ 501,896</u>	<u>\$ 460,641</u>	<u>\$ 1,164,314</u>	<u>\$ 1,091,911</u>

The overall position of the City increased during the 2025 fiscal year. Changes in net position over time can be one of the best and most useful indicators of financial position. The net increase of \$72.403 million is attributable to an increase in net position in the governmental activities of \$31.148 million and an increase in net position for the business-type activities of \$41.255 million.

Deferred outflows decreased by \$67.052 million mostly due to demographic gains and losses used in the calculation of the net pension liability for the retirement plans.

By far, the largest portion of the City's net position, 57.77%, reflects its investment in capital assets (such as land, roads, parks, buildings, machinery and equipment) less any related outstanding debt and deferred outflows used to acquire those assets. Although the capital assets are shown net of 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 and pay for these liabilities. With a 2025 balance of \$672.641 million, net investment in capital assets increased by 4.96%, or \$31.756 million, from the 2024 balance of \$640.885 million. New acquisitions in 2025 were due primarily to the completion of construction projects related to capital assets.

Resources subject to external restrictions on how they may be used represent 19.77% of the City's net position. The \$230.123 million ending balance in restricted net position reflects a net increase of \$22.342 million more than the 2024 balance of \$207.781 million.

The remaining 22.46% of the City's net position is unrestricted and may be used to meet the City's on-going obligations to its citizens and creditors. The ending balance is \$261.550 million or \$18.305 million increase from the 2024 balance of \$243.245 million. This increase in unrestricted net position was the result of operations primarily in the governmental activities.

The following schedule is a summary of the fiscal year ended September 30, 2025 Statement of Activities found on page 21 with comparative information for the fiscal year ended September 30, 2024:

CITY OF BOCA RATON, FLORIDA						
Changes in Net Position (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 94,167	\$ 99,313	\$ 90,644	\$ 83,656	\$ 184,811	\$ 182,969
Operating grants & contributions	12,855	10,468	450	960	13,305	11,428
Capital grants & contributions	1,228	1,032	21,180	1,850	22,408	2,882
General revenues:						
Property taxes	132,358	122,734			132,358	122,734
Other taxes	89,040	86,322			89,040	86,322
Other	4,811	4,429	(67)	36	4,744	4,465
Investment earnings	21,695	30,461	9,447	15,237	31,142	45,698
Total revenues	<u>356,154</u>	<u>354,759</u>	<u>121,654</u>	<u>101,739</u>	<u>477,808</u>	<u>456,498</u>
Expenses:						
General government	36,114	34,870			36,114	34,870
Law enforcement	80,790	90,028			80,790	90,028
Fire rescue	79,052	91,623			79,052	91,623
Physical environment	6,077	4,854			6,077	4,854
Transportation	24,581	35,885			24,581	35,885
Community development	25,259	21,764			25,259	21,764
Parks and recreation	70,311	71,000			70,311	71,000
Interest and fiscal charges	674	794			674	794
Water and sewer			68,172	67,584	68,172	67,584
Cemetery			1,409	1,019	1,409	1,019
Stormwater utility			3,250	3,503	3,250	3,503
Sanitation			9,716	9,157	9,716	9,157
Total expenses	<u>322,858</u>	<u>350,818</u>	<u>82,547</u>	<u>81,263</u>	<u>405,405</u>	<u>432,081</u>
Increase (decrease) in net position before transfers	33,296	3,941	39,107	20,476	72,403	24,417
Transfers	(2,148)	85	2,148	(85)		
Increase (decrease) in net position	<u>31,148</u>	<u>4,026</u>	<u>41,255</u>	<u>20,391</u>	<u>72,403</u>	<u>24,417</u>
Net position beginning of year	<u>631,270</u>	<u>627,244</u>	<u>460,641</u>	<u>440,250</u>	<u>1,091,911</u>	<u>1,067,494</u>
Net position end of year	<u>\$ 662,418</u>	<u>\$ 631,270</u>	<u>\$ 501,896</u>	<u>\$ 460,641</u>	<u>\$ 1,164,314</u>	<u>\$ 1,091,911</u>

Changes in net position:

Governmental activities increased the City's net position by \$31.148 million, an increase of \$27.122 million compared to fiscal year 2024. This increase in change in net position is a result of a decrease in expenses during fiscal year 2025. The following attributed to the overall positive change in net position:

- Charges for services decreased by \$5.146 million primarily due to reduced construction activity during fiscal year 2025, which resulted in lower building permit related revenues.
- During the current year, the City received \$2.9 million in housing related grants, which resulted in a total increase of approximately \$2.387 million in total operating grants and contributions.
- The increase in capital grants and contributions remained relatively constant at \$196 thousand, which is related to donations received by the City.
- While the millage rate decreased slightly from year to year, property tax revenue increased by approximately \$9.624 million due to an increase in property tax values.

- Other taxes increased by \$2.718 million. This increase was primarily related to the receipt of premium tax revenues.
- Total governmental expenses decreased by \$27.960 million due to actuarially determined reductions in pension expense, which reduced personnel-related costs across several departments including law enforcement, fire rescue, and transportation, with the latter also reflecting a significant reduction in capital outlay from the completion of prior-year projects.

The following is a table of the fiscal years 2025 and 2024 revenues by source for governmental activities.

**Governmental Activities
Revenues by Source
FY 2025 and 2024
(in millions of dollars)**

Revenues by Source	2025 Revenues	% of Revenues	2024 Revenues	% of Revenues
Property taxes	\$ 132.358	37	\$ 122.734	35
Other taxes	89.040	25	86.322	24
Charges for services	94.167	27	99.313	28
Operating grants & Contributions	12.855	4	10.468	3
Capital grants & Contributions	1.228	-	1.032	-
Other	4.811	1	4.429	1
Investment earnings (loss)	21.695	6	30.461	9
Total Revenues	\$ 356.154	100	\$ 354.759	100

The following is a table of the fiscal years 2025 and 2024 expenses by source for governmental activities.

**Governmental Activities
Expenses by Source
FY 2025 and 2024
(in millions of dollars)**

Expenses by Source	2025 Expenses	% of Expenses	2024 Expenses	% of Expenses
General Government	\$ 36.114	11	\$ 34.870	10
Law Enforcement	80.790	25	90.028	26
Fire Rescue	79.052	24	91.623	26
Physical Environment	6.077	2	4.854	2
Transportation	24.581	8	35.885	10
Community Development	25.259	8	21.764	6
Parks & Recreation	70.311	22	71.000	20
Interest & Fiscal Charges	0.674	-	0.794	-
Total Expenses	\$ 322.858	100	\$ 350.818	100

Business-Type Activities

Net position for business-type activities at September 30, 2025 was \$501.896 million, an 8.96%, or \$41.255 million, increase from the 2024 balance of \$460.641 million.

The change in net position for the Water and Sewer Fund is a positive \$35.478 million in 2025; a 119.61%, or \$19.323 million, increase from the 2024 increase in net position of \$16.155 million. The favorable increase also reflects the receipt of approximately \$18 million in Per-and Polyfluoroalkyl Substances (PFAS) settlement proceeds, reported as nonoperating revenue (see Note 15).

The following tables show the revenues, expenses and net position for the business-type activities by source for the fiscal year ended September 30, 2025.

Business-Type Activities Revenues by Source FY 2025 and 2024 (in millions of dollars)

Fund	2025 Actual Revenues	2025 % of Revenues	2024 Actual Revenues	2024 % of Revenues
Water and sewer	\$ 81.707	82	\$ 84.181	83
Cemetery	0.513	1	0.436	-
Stormwater	3.901	4	4.197	4
Sanitation	13.302	13	12.925	13
Total Revenues	\$ 99.423	100	\$ 101.739	100

Business-Type Activities Expenses by Source FY 2025 and 2024 (in millions of dollars)

Fund	2025 Actual Expenses	2025 % of Expenses	2024 Actual Expenses	2024 % of Expenses
Water and sewer	\$ 68.172	82	\$ 67.584	84
Cemetery	1.409	2	1.019	1
Stormwater	3.250	4	3.503	4
Sanitation	9.800	12	9.157	11
Total Expenses	\$ 82.631	100	\$ 81.263	100

Business-Type Activities Net Position by Source FY 2025 and FY 2024 (in millions of dollars)

Fund	2025	2024
Water and sewer	\$ 448.906	\$ 413.428
Cemetery	2.098	0.439
Stormwater	20.532	19.881
Sanitation	30.360	26.893
Total net position	\$ 501.896	\$ 460.641

Financial Analysis of the City of Boca Raton's Funds

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

Governmental Funds

The fund financial statements for the governmental funds are provided on pages 22-27. 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. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Major Fund Information FY 2025 and 2024 (in thousands)

	General Fund	Community Redevelopment Agency Mizner Park Operating Fund	Land Proceeds Fund	Five Year Capital Improvement Fund	Infrastructure Surtax Fund	Beach and Park Operations Fund
Fiscal Year 2025						
Revenues	\$ 238,064	\$ 29,353	\$ 2,360	\$ 16,263	\$ 11,085	\$ 23,844
Expenditures	(253,243)	(14,284)	-	(9,035)	(2,019)	(23,690)
Other financing sources (uses)	15,577	(313)	(1,934)	5,131	(3,199)	(154)
Increase (decrease) in fund balance	<u>\$ 398</u>	<u>\$ 14,756</u>	<u>\$ 426</u>	<u>\$ 12,359</u>	<u>\$ 5,867</u>	<u>\$ -</u>
Fiscal Year 2024						
Revenues	\$ 228,325	\$ 27,914	\$ 2,145	\$ 21,857	\$ 10,962	\$ 25,389
Expenditures	(217,345)	(11,920)	-	(12,601)	(5,878)	(25,241)
Other financing sources (uses)	(3,280)	(159)	-	(3,179)	(3,198)	(148)
Increase (decrease) in fund balance	<u>\$ 7,700</u>	<u>\$ 15,835</u>	<u>\$ 2,145</u>	<u>\$ 6,077</u>	<u>\$ 1,886</u>	<u>\$ -</u>

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the fund balance in the General Fund was \$96.364 million, of which \$68.887 million or 71.49% was unassigned fund balance. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures and other financing sources (uses). Unassigned fund balance represents 28.98% of total general fund expenditures and other financing uses, while total fund balance represents 40.55% of that same amount.

The fund balance of the City's General Fund increased by \$398 thousand in 2025, which is a \$7.302 million decrease in fund balance from the 2024 fund balance increase of \$7.700 million. As discussed earlier, contributions received by the City increased by approximately \$2.387 million due to housing related grants. Furthermore, expenditures in the Police, Fire Rescue, Parks and Recreation, and General government departments increased over the prior year primarily due to higher personnel costs, expanded programming, and investments in equipment and technology.

The fund balance of the CRA Mizner Park Operating Fund increased by \$14.756 million in 2025, a \$1.079 million decrease from the 2024 change in fund balance. Revenues increased by \$1.439 million and expenditures increased by \$2.364 million.

The fund balance of the City's Land Proceeds fund increased by \$426 thousand in 2025, which is a \$1.719 million decrease from the 2024 change in fund balance increase of \$2.145 million. This decrease was primarily due to transfers to the Capital Improvement Fund for construction projects.

The fund balance of the City's Five Year Capital Improvement Fund increased by \$12.359 million, a \$6.282 million increase from the 2024 change in fund balance primarily due to a reimbursement from a restoration project implemented in 2023 and repayment of indirect administrative costs.

The fund balance for the Infrastructure Surtax Fund increased by \$5.867 million, a \$3.981 million increase from the 2024 change in fund balance due to a decrease in capital outlay that occurred in 2025.

The intergovernmental revenues, for the Beach and Park Operations Fund, received from an independent special district decreased by \$1.714 million. The decrease is related to the district's operating and capital costs; the City provides services to the special district through several interlocal agreements.

The fund balance in the other non-major governmental funds decreased by \$7.490 million, a \$15.965 million decrease from the 2024 change in fund balance. This decrease primarily reflects increased transfers from the Building Permits Fund to the General Fund and Five-Year Capital Improvement Fund to repay indirect administrative costs for previous periods that were not previously allocated.

The following table compares revenues by source for the governmental funds for fiscal years 2025 and 2024.

**Governmental Funds
Revenues by Source
FY 2025 and 2024
(in millions of dollars)**

Revenues by Source	2025 Revenues	2024 Revenues
Taxes	\$ 211.618	\$ 199.189
Permits & Licenses	18.249	20.706
Intergovernmental	61.402	54.270
Charges for services	50.488	47.546
Fines & forfeitures	2.029	1.953
Special assessments	0.305	0.315
Donations in lieu of land	1.228	1.032
Investment earnings	16.031	22.287
Sponsorships and Donations	0.137	
Miscellaneous	0.353	0.592
Total Revenues	\$ 361.840	\$ 347.890

The following table compares governmental expenditures by program for fiscal years 2025 and 2024.

**Governmental Funds
Expenditures by Source
FY 2025 and 2024
(in millions of dollars)**

Expenditures by Program	2025 Expenditures	2024 Expenditures
General government	\$ 34.790	\$ 31.266
Law enforcement	72.782	68.838
Fire rescue	75.938	69.226
Physical environment	7.753	6.810
Transportation	11.612	10.473
Community development	24.571	20.806
Parks and recreation	67.314	59.690
Capital outlay	27.114	25.178
Debt service	15.994	5.773
Total expenditures	<u>\$ 337.868</u>	<u>\$ 298.060</u>

Proprietary Funds

The table below summarizes both the operating income (loss) and the change in net position for each of the City's proprietary funds.

The current year operating income for the business-type activities was \$8.103 million as compared with income of \$3.408 million in the previous year. The primary reason for the \$4.695 million increase in operating income is due to an increase in charges for sales and services including, but not limited to, water and stormwater services. The current year change in net position was a \$41.255 million increase as compared with the \$20.391 million increase in the previous year. The \$20.864 million increase in the change in net position was mostly due to increased 2025 capital contributions and transfers in.

The current year operating loss for the internal service funds was \$765 thousand as compared with a loss of \$933 thousand in the previous year. The primary reason for the \$168 thousand change in operating loss was due to operating costs exceeding operating revenues for the information technology fund. The change in net position was \$14.895 million as compared with \$14.897 million in the previous year, reflecting a modest change from year to year.

Fund Name	PROPRIETARY FUNDS			
	Operating Income (Loss) in thousands		Change in Net Position in thousands	
	2025	2024	2025	2024
Water and sewer	\$ 6,015	\$ 1,203	\$ 35,478	\$ 16,156
Cemetery / mausoleum	(964)	(604)	1,659	(142)
Stormwater utility	213	21	651	694
Sanitation	<u>2,839</u>	<u>2,788</u>	<u>3,467</u>	<u>3,683</u>
Total business-type activities	<u>\$ 8,103</u>	<u>\$ 3,408</u>	<u>\$ 41,255</u>	<u>\$ 20,391</u>
Fleet management	1,130	917	6,884	6,734
Information technology	(4,880)	(4,683)	1,331	(98)
Insurance programs	3,228	2,833	4,712	4,913
Retirement sustainability	<u>(243)</u>	<u>-</u>	<u>1,968</u>	<u>3,348</u>
Total internal service funds	<u>\$ (765)</u>	<u>\$ (933)</u>	<u>\$ 14,895</u>	<u>\$ 14,897</u>

The following table summarizes the operations of the Proprietary Funds for fiscal years 2025 and 2024.

Proprietary Funds

FY 2025 and 2024
(in millions of dollars)

Fund Name	Operating Revenues		Operating Expenses		Non Operating Revenues (Expenses)	
	2025	2024	2025	2024	2025	2024
Water and Sewer	\$ 73.464	\$ 67.996	\$ 67.449	\$ 66.793	\$ 29.463	\$ 14.953
Cemetery/ Mausoleum	0.444	0.415	1.408	1.019	2.623	0.462
Stormwater utility	3.463	3.524	3.250	3.503	0.438	0.673
Sanitation	12.555	11.944	9.716	9.156	0.628	0.895
Total business-type activities	\$ 89.926	\$ 83.879	\$ 81.823	\$ 80.471	\$ 33.152	\$ 16.983
Fleet management	\$ 8.114	\$ 7.301	\$ 6.984	\$ 6.384	\$ 5.754	\$ 5.817
Information technology	14.909	13.811	19.789	18.493	6.210	4.584
Insurance programs	33.004	30.257	29.776	27.424	1.484	2.080
Retirement sustainability	6.156	5.578	6.399	5.579	2.212	3.348
Total internal service funds	\$ 62.183	\$ 56.947	\$ 62.948	\$ 57.880	\$ 15.660	\$ 15.830

General Fund Budgetary Highlights

The City generated a positive variance of approximately \$17.724 million between the final adopted budget and actual results of operations. Actual revenues were greater than final budgeted revenues by \$17.180 million due to the collection of additional excise taxes, increased fire assessment collections and increased other financing sources. Actual expenditures during the year were less than final budgeted expenditures by \$544 thousand. This positive variance is due primarily to actual operating costs being less than anticipated; general government of \$5.690 million, physical environment of \$1.486 million, transportation of \$2.988 million, and parks and recreation of \$4.215 million which is offset by total public safety of \$13.835.

The original budget estimated that unassigned fund balance would decrease by \$14.320 million. The final budget anticipated that \$17.326 million would be drawn down from available unassigned fund balance. During the year however, expenditures in most areas were below the budgetary estimates while revenues were greater than the budgetary estimates, producing a positive budget variance of \$17.724 million.

The following table depicts the fiscal year 2025 original and amended budgets, actual balance, as well as the budget variance.

Budgetary Comparison	Original Budget	Amended Budget	Actual Balance	Budget Variance Positive/(Negative)
Revenues	\$ 236.412	\$ 240.161	\$ 257.341	\$ 17.180
Expenditures	250.732	257.487	256.943	0.544
Fund Balance	\$ (14.320)	\$ (17.326)	\$ 0.398	\$ 17.724

Capital Assets and Debt Administration

Capital Assets

As of year-end, the City had \$739.278 million invested in a variety of capital assets, as reflected in the following schedule. In 2025, there was a net increase (additions less retirements and depreciation) of \$30.048 million. During the fiscal year, the increase in capital assets was primarily attributable to the completion of construction projects. Capital projects under construction increased by \$10.067 million. These projects will be transferred to the appropriate capital asset categories and depreciated once they are placed in service.

CITY OF BOCA RATON, FLORIDA Capital Assets Net of Depreciation and Amortization (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 143,080	\$ 143,080	\$ 364	\$ 364	\$ 143,444	\$ 143,444
Buildings	48,664	51,801	27,851	30,126	76,515	81,927
Improvements other than buildings	-	-	170,727	149,047	170,727	149,047
Equipment	25,994	26,166	32,164	31,180	58,158	57,346
Infrastructure	160,461	168,761	-	-	160,461	168,761
Construction in Progress	31,201	24,717	80,700	77,117	111,901	101,834
Lease assets - equipment	14	57	-	-	14	57
Subscription assets	18,059	6,814	-	-	18,059	6,814
Total	\$ 427,473	\$ 421,396	\$ 311,805	\$ 287,834	\$ 739,278	\$ 709,230

Both leases and SBITAs are intangible, right-to-use assets. The City does not own these assets but rather has the right to use them in operations, as specified in their respective contracts. When entering into a lease or SBITA contract, a liability is also recognized, which is included as part of debt administration discussion below. Additional information can be found in Note 6 Capital Assets and Note 7 Leases and Subscriptions on pages 70-74.

Debt Administration

As of year-end, the City had \$53.966 million in debt (bonds, notes, etc.) outstanding compared to the \$63.929 million last year, a 15.58% decrease. The reduction primarily reflects the early payoff of the Ocean Breeze/Beach Park District North Park revenue bonds, which were structured as pass-through obligations to the City. Approximately 5.53% of the outstanding debt for fiscal year 2025 was backed by the full faith and credit of the government and the balance was secured by various revenue sources.

CITY OF BOCA RATON, FLORIDA Bonded Debt and Loans Payable (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds	\$ 2,985	\$ 3,520	-	-	2,985	3,520
Revenue Bonds	3,110	17,645	\$ 31,020	\$ 37,285	34,130	54,930
Special Assessment Debt with Government Commitments	1,265	1,490	-	-	1,265	1,490
Net premium on bonds	134	136	-	-	134	136
Lease liabilities	14	56	-	-	14	56
Subscription liability	15,438	3,797	-	-	15,438	3,797
Totals	\$ 22,946	\$ 26,644	\$ 31,020	\$ 37,285	\$ 53,966	\$ 63,929

The debt position of the City is summarized below and is more fully explained in Note 9 Long-Term Debt on pages 75-79.

During fiscal year 2025, the City had decreases in Governmental Activities for the general obligation and special assessment bonds, due to principal payments on the debt.

The City's General Obligation Bonds were rated AAA by all three credit rating agencies. Boca Raton was the first municipality in Florida to have been granted this credit rating by all three rating agencies. The Water and Sewer Utility Fund bonds are also rated AAA by Fitch Rating Services, Standard and Poor's and Moody's Investor Service. Under Florida Statutes, no debt limit margin is placed on local governments.

Economic Factors and Next Year's Budgets and Rates

The City Council held their annual Goal Setting Session in May 2025. The City Council chose to reinforce the established goals and priorities from 2025 which spanned seven Strategic Focus Areas: growth management, quality of life, transportation and mobility, financial sustainability, world-class services, vibrant economy, and community safety. These goals were used as a guide to prioritize funding for the Fiscal Year 2025-26 Approved Budget. The City expenditures have been strategically linked to the goals, objectives, core businesses, and existing obligations of the City.

- For FY 2025-26 property values increased 7.51% in the City. The net increase is composed of a 5.56% increase from reassessments of existing properties and an increase of 1.95% from new construction (net of CRA Downtown values). This is the thirteenth consecutive increase in property values after four prior years of decline. The City slightly decreased the operating property tax and debt service rates in 2025 which resulted in a very small decrease to the total millage rate. The operating millage rate for 2025 is 3.6476 and the debt service millage is 0.0173 for a total millage rate of 3.6649 mills per \$1,000 dollars of taxable value.
- Current projections indicate that General Fund revenues will increase 3.57% from the previous years while at the same time operating costs are projected to increase at 3.57% from the previous year.
- The Florida Legislature is again considering various proposals relating to local government home rule, taxable values, and various other proposals. Most notably, is proposed legislation being considered that would reform property taxes levied by local governments including potential elimination of all non-school property taxes on homesteaded properties. If approved, this legislation would have a significant impact on the City's ability to maintain and or improve service levels to residents. The City is carefully monitoring these initiatives and their future impact on the City's ability to function at its present level.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. Additional Information is also available on the City's website at www.myboca.us. If you have any questions about this report or would like additional financial information, please contact:

City of Boca Raton
Financial Services Department, Room 160
201 W. Palmetto Park Road
Boca Raton, Florida 33432



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CITY OF BOCA RATON, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Primary Government		Total
	Governmental Activities	Business-Type Activities	Primary Government
Assets			
Cash and cash equivalents	\$ 76,835,206	\$ 23,597,181	\$ 100,432,387
Investments	421,874,540	123,204,065	545,078,605
Interest receivable on investments	2,943,545	924,067	3,867,612
Receivables, net	5,494,290	14,067,107	19,561,397
Assessments receivable	41,896	109,127	151,023
Interest receivable on assessment	12,424		12,424
Due from other governmental units	12,028,359	253,019	12,281,378
Inventories	1,008,793	59,002	1,067,795
Other assets	3,249,464		3,249,464
Restricted:			
Cash and cash equivalents	446,691	11,971,252	12,417,943
Investments	2,507,109	76,424,994	78,932,103
Interest receivable on investments	17,493	468,805	486,298
Accounts receivable	24,767	83,760	108,527
Assessment receivable		195,925	195,925
Interest receivable on assessments		81,419	81,419
Lease receivable	59,388,152		59,388,152
Lease interest receivable	1,400,598		1,400,598
Capital assets:			
Non-depreciable	174,280,937	81,063,406	255,344,343
Depreciable (net)	231,156,916	230,741,945	461,898,861
Right-to-use assets (net)	22,035,227		22,035,227
Total assets	<u>1,014,746,407</u>	<u>563,245,074</u>	<u>1,577,991,481</u>
Deferred outflows of resources			
Deferred amount on refunding	5,075	145,418	150,493
Deferred outflows for pensions	94,180,722	9,889,912	104,070,634
Deferred outflows for OPEB	3,711,223	678,756	4,389,979
Total deferred outflows of resources	<u>97,897,020</u>	<u>10,714,086</u>	<u>108,611,106</u>

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

CITY OF BOCA RATON, FLORIDA
STATEMENT OF NET POSITION (continued)
SEPTEMBER 30, 2025

	Primary Government		Total Primary Government
	Governmental Activities	Business-Type Activities	
Liabilities			
Accounts payable and accrued liabilities	\$ 22,738,645	\$ 7,852,489	\$ 30,591,134
Accrued interest payable	312,180		312,180
Retainage payable	208,967	2,383,922	2,592,889
Due to other governments	9,729		9,729
Performance bonds and escrow funds	6,348,453	235,903	6,584,356
Unearned revenue	2,229,016		2,229,016
Current liabilities payable from restricted assets:			
Current accounts payable		1,308	1,308
Customer deposits payable		4,527,981	4,527,981
Current accrued interest payable	101,595	361,476	463,071
Non-current liabilities			
Due within one year:			
Compensated absences	2,363,458	196,163	2,559,621
Current OPEB liability	785,879	143,732	929,611
Bonds and loans	3,900,000	3,170,000	7,070,000
Lease and subscription liability	1,948,795		1,948,795
Estimated liability for self-insured losses	3,703,102		3,703,102
Due in more than one year:			
Compensated absences	21,271,124	1,765,471	23,036,595
Bonds and loans	3,598,872	31,020,000	34,618,872
Net pension liability	249,474,863	8,554,021	258,028,884
Noncurrent OPEB liability	7,072,913	1,293,586	8,366,499
Noncurrent lease and subscription liability	13,503,363		13,503,363
Estimated liability for self-insured losses	7,869,000		7,869,000
Total liabilities	<u>347,439,954</u>	<u>61,506,052</u>	<u>408,946,006</u>
Deferred inflows of resources:			
Deferred inflows for pensions	43,149,916	10,382,655	53,532,571
Deferred inflows for OPEB	954,147	174,504	1,128,651
Deferred inflows for leases	58,681,267		58,681,267
Total deferred inflows of resources	<u>102,785,330</u>	<u>10,557,159</u>	<u>113,342,489</u>
Net Position			
Net investment in capital assets	402,397,314	270,243,524	672,640,838
Restricted for:			
Building permits	36,416,355		36,416,355
Community development	51,452,166		51,452,166
Debt service	576,635	6,964,476	7,541,111
Law enforcement	1,559,074		1,559,074
Transportation	9,984,460		9,984,460
Economic development	6,328,583		6,328,583
Infrastructure	22,299,291		22,299,291
Perpetual care:			
Nonexpendable	1,924,027		1,924,027
Renewal and replacement		24,126,667	24,126,667
Operations and maintenance reserves		4,892,168	4,892,168
Capital projects and Utilities expansion	15,975,731	47,623,608	63,599,339
Unrestricted	113,504,507	148,045,506	261,550,013
Total net position	<u>\$ 662,418,143</u>	<u>\$ 501,895,949</u>	<u>\$ 1,164,314,092</u>

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

**CITY OF BOCA RATON, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental Activities:							
General government	\$ 36,114,382	\$ 15,125,519	\$ 960,937	\$ 776,742	\$ (19,251,184)		\$ (19,251,184)
Law enforcement	80,789,978	4,407,813	294,733		(76,087,432)		(76,087,432)
Fire rescue	79,051,733	19,257,993	472,195		(59,321,545)		(59,321,545)
Physical environment	6,076,935	139,359	129,266		(5,808,310)		(5,808,310)
Transportation	24,580,864	23,922			(24,556,942)		(24,556,942)
Community development	25,259,407	19,427,308	10,268,872		4,436,773		4,436,773
Parks and recreation	70,310,511	35,481,680	729,133	451,696	(33,648,002)		(33,648,002)
Interest and fiscal charges	674,324	303,535			(370,789)		(370,789)
Total Governmental Activities	322,858,134	94,167,129	12,855,136	1,228,438	(214,607,431)		(214,607,431)
Business-type Activities:							
Water and sewer	68,172,356	74,149,513	449,782	21,179,926		\$ 27,606,865	27,606,865
Cemetery	1,408,562	446,696	111			(961,755)	(961,755)
Stormwater utility	3,249,619	3,493,555				243,936	243,936
Sanitation	9,715,743	12,554,769				2,839,026	2,839,026
Total Business-Type Activities	82,546,280	90,644,533	449,893	21,179,926		29,728,072	29,728,072
Total Primary Government	\$ 405,404,414	\$ 184,811,662	\$ 13,305,029	\$ 22,408,364	(214,607,431)	29,728,072	(184,879,359)
General revenues:							
Property tax					132,357,927		132,357,927
Utility tax					27,631,050		27,631,050
Franchise tax					16,387,389		16,387,389
Sales tax					9,801,677		9,801,677
Infrastructure surtax					10,302,921		10,302,921
Gas tax					2,221,678		2,221,678
Incremental property tax					22,694,937		22,694,937
State shared revenues, unrestricted					4,410,513		4,410,513
Investment earnings (loss)					21,694,758	9,446,688	31,141,446
Gain (loss) on disposal of capital asset					318,945	(67,180)	251,765
Miscellaneous					81,448		81,448
Transfers					(2,147,700)	2,147,700	
Total general revenues and transfers					245,755,543	11,527,208	257,282,751
Change in net position					31,148,112	41,255,280	72,403,392
Net position, beginning					631,270,031	460,640,669	1,091,910,700
Net position, ending					<u>\$ 662,418,143</u>	<u>\$ 501,895,949</u>	<u>\$ 1,164,314,092</u>



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**CITY OF BOCA RATON, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2025**

	<u>General</u>	<u>Community Redevelopment Agency Operating Fund</u>	<u>Land Proceeds Fund</u>
ASSETS			
Cash and cash equivalents	\$ 10,890,091	\$ 7,536,677	\$ 8,560,059
Investments	87,329,159	42,300,462	48,044,310
Receivables, net:			
Accounts receivable	5,289,686		
Assessments			
Lease receivable	1,095,060	58,293,092	
Interest	609,323	295,143	335,219
Due from other funds	3,626,501		
Due from other governmental units	3,525,111		
Inventories	16,097		
Restricted:			
Restricted cash and cash equivalents			
Investments			
Interest receivable on investments			
Restricted accounts receivable			
Other assets	33,447	28,794	
Total assets	<u>\$ 112,414,475</u>	<u>\$ 108,454,168</u>	<u>\$ 56,939,588</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 9,297,578	\$ 752,507	
Performance bonds and escrow funds	4,832,537	114,486	
Due to other governmental units			
Due to other funds			
Unearned revenue	832,410		
Total liabilities	<u>14,962,525</u>	<u>866,993</u>	
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	23,987		
Deferred inflows for leases	1,063,805	57,617,462	
Total deferred inflows of resources	<u>1,087,792</u>	<u>57,617,462</u>	
FUND BALANCES			
Non-spendable:			
Nonspendable inventories	16,097		
Perpetual care, cemetery and mausoleum			
Restricted for:			
Army Corp of Engineers	170,000		
Building permits			
Debt service			
Housing			
Infrastructure			
Law enforcement			
Transportation			
Downtown		49,966,646	
Economic development			
Land dedication			
Committed to:			
Hurricane/disaster emergency	25,612,200		
Land proceeds			\$ 56,939,588
Parking		3,067	
Right of way beautification	408,194		
Right of way acquisition			
Assigned to:			
Capital projects			
Subsequent year's budget	1,270,300		
Unassigned	68,887,367		
Total fund balances	<u>96,364,158</u>	<u>49,969,713</u>	<u>56,939,588</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 112,414,475</u>	<u>\$ 108,454,168</u>	<u>\$ 56,939,588</u>

Five Year Capital Improvement Fund	Infrastructure Surtax Fund	Beach and Park Operations Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ 8,379,408 47,030,360	\$ 3,144,590 17,649,373		\$ 16,397,234 62,896,096	\$ 54,908,059 305,249,760
			11,835 54,320	5,301,521 54,320
328,144	123,145		436,540	59,388,152 2,127,514
1,650,952	1,689,899	\$ 4,169,033	993,364	3,626,501 12,028,359 16,097
			446,691 2,176,826 17,493 24,767	446,691 2,176,826 17,493 24,767 62,241
<u>\$ 57,388,864</u>	<u>\$ 22,607,007</u>	<u>\$ 4,169,033</u>	<u>\$ 83,455,166</u>	<u>\$ 445,428,301</u>
\$ 584,880 294,534	\$ 307,716	\$ 986,044 34,863	\$ 1,624,733 1,072,033 9,729	\$ 13,553,458 6,348,453 9,729
1,388,556		3,148,126	478,375	3,626,501
<u>2,267,970</u>	<u>307,716</u>	<u>4,169,033</u>	<u>3,192,920</u>	<u>25,767,157</u>
				23,987
				58,681,267
				<u>58,705,254</u>
				16,097
			1,924,027	1,924,027
				170,000
			36,377,585	36,377,585
			576,635	576,635
			3,281,515	3,281,515
	22,299,291			22,299,291
			1,559,074	1,559,074
			9,984,460	9,984,460
			1,482,453	51,449,099
			6,328,583	6,328,583
			15,975,731	15,975,731
				25,612,200
				56,939,588
				3,067
				408,194
			2,772,183	2,772,183
55,120,894				55,120,894
				1,270,300
				68,887,367
<u>55,120,894</u>	<u>22,299,291</u>	<u></u>	<u>80,262,246</u>	<u>360,955,890</u>
<u>\$ 57,388,864</u>	<u>\$ 22,607,007</u>	<u>\$ 4,169,033</u>	<u>\$ 83,455,166</u>	<u>\$ 445,428,301</u>

CITY OF BOCA RATON, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Ending fund balance - governmental funds	\$	360,955,890
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Governmental capital assets, excluding Internal Service Funds	\$ 844,451,090	
Less accumulated depreciation/amortization	(445,855,627)	
Net capital assets		398,595,463

Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable in the governmental funds.

Accrued interest on lease receivables	1,400,598	
		1,400,598

Long term liabilities, including bonds and loans payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

Accrued interest payable on long-term debt	(312,180)	
Bonds and loans payable	(7,498,872)	
Deferred amount on refunding	5,075	
Compensated absences	(22,637,630)	
Supplemental SERP pension accrual	(5,219,722)	
Lease liability	(12,707,228)	
Net pension liability	(245,200,636)	
Total OPEB liability	(7,405,190)	
Total long-term liabilities		(300,976,383)

Deferred outflows/inflows of resources related to pensions:

Deferred outflows - pensions	89,664,433	
Deferred outflows - OPEB	3,497,015	
Unavailable Revenue	23,987	
Deferred inflows - pensions	(38,493,287)	
Deferred inflows - OPEB	(899,074)	
		53,793,074

Internal service funds are used by management to charge the costs of fleet management, management information systems and insurance programs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the same statement of net position.

Assets and deferred outflows	177,679,043	
Liabilities and deferred inflows	(29,029,542)	
Net position		148,649,501

Net position of governmental activities	\$	662,418,143
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The notes to the financial statements are an integral part of this statement.



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

	<u>General</u>	<u>Community Redevelopment Agency Operating Fund</u>	<u>Land Proceeds Fund</u>
REVENUES			
Taxes	\$ 162,164,200	\$ 22,684,041	
Licenses and permits	2,349,669		
Intergovernmental	25,076,168		
Charges for services	40,391,243	4,688,535	
Fines and forfeitures	1,942,311		
Special assessments			
Donations in lieu of land	573,569		
Investment earnings (loss)	5,126,952	1,980,808	\$ 2,359,581
Sponsorships and donations	137,100		
Miscellaneous	302,653		
Total revenues	<u>238,063,865</u>	<u>29,353,384</u>	<u>2,359,581</u>
EXPENDITURES			
Current:			
General government	33,928,747		
Law enforcement	71,529,885		
Fire rescue	73,391,730		
Physical environment	7,030,411	11,980	
Transportation	8,051,817	21,347	
Community development	15,624	13,196,598	
Parks and recreation	44,083,904	15,735	
Capital outlay	15,211,156	1,038,626	
Debt service:			
Principal			
Interest			
Total expenditures	<u>253,243,274</u>	<u>14,284,286</u>	
Excess (deficiency) of revenues over expenditures	<u>(15,179,409)</u>	<u>15,069,098</u>	<u>2,359,581</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	4,978,900		
Transfers out	(3,699,600)	(312,800)	(1,934,100)
Lease (right-of-use asset) acquired	14,297,950		
Total other financing sources (uses)	<u>15,577,250</u>	<u>(312,800)</u>	<u>(1,934,100)</u>
Net change in fund balances	397,841	14,756,298	425,481
Fund balances - beginning	<u>95,966,317</u>	<u>35,213,415</u>	<u>56,514,107</u>
Fund balances - ending	<u>\$ 96,364,158</u>	<u>\$ 49,969,713</u>	<u>\$ 56,939,588</u>

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

Five Year Capital Improvement Fund	Infrastructure Surtax Fund	Beach and Park Operations Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 12,575,172	\$ 10,302,921		\$ 3,891,598	\$ 211,617,932
1,206,073		\$ 19,038,717	15,899,006	18,248,675
		4,753,171	16,081,310	61,402,268
			655,162	50,488,111
			86,377	2,028,688
412,751			304,825	304,825
2,068,908	781,793	26,248	215,870	1,228,438
			3,712,888	16,030,930
				137,100
		26,196	23,922	352,771
<u>16,262,904</u>	<u>11,084,714</u>	<u>23,844,332</u>	<u>40,870,958</u>	<u>361,839,738</u>
718,567			142,489	34,789,803
1,035,941			216,727	72,782,553
501,998			2,043,989	75,937,717
	352,092		358,073	7,752,556
1,215,358			2,323,119	11,611,641
			11,359,201	24,571,423
1,232,311		21,889,511	92,218	67,313,679
4,330,548	1,667,134	1,800,621	3,066,159	27,114,244
			15,295,000	15,295,000
			699,231	699,231
<u>9,034,723</u>	<u>2,019,226</u>	<u>23,690,132</u>	<u>35,596,206</u>	<u>337,867,847</u>
<u>7,228,181</u>	<u>9,065,488</u>	<u>154,200</u>	<u>5,274,752</u>	<u>23,971,891</u>
11,332,300			15,324,237	31,635,437
(6,201,300)	(3,198,996)	(154,200)	(28,088,541)	(43,589,537)
<u>5,131,000</u>	<u>(3,198,996)</u>	<u>(154,200)</u>	<u>(12,764,304)</u>	<u>14,297,950</u>
				2,343,850
12,359,181	5,866,492		(7,489,552)	26,315,741
42,761,713	16,432,799		87,751,798	334,640,149
<u>\$ 55,120,894</u>	<u>\$ 22,299,291</u>	<u>\$</u>	<u>\$ 80,262,246</u>	<u>\$ 360,955,890</u>

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

Net change in fund balances –total governmental funds		\$ 26,315,741
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures, however, in the statement of activities the cost of those assets is depreciated over their estimated useful lives.		
Expenditures for capital assets	\$ 25,313,624	
Less current year depreciation/amortization	<u>(18,575,515)</u>	
		6,738,109
The net effect of the various miscellaneous transactions involving capital assets (i.e. sales, trade ins and donations) is to decrease net position.		
		<u>(38,303)</u>
Some revenues and expenses reported in the statement of activities are not reported in the governmental funds because they have no effect on current financial resources.		
Communications Services Tax Revenues	(22,031)	
Compensated absences	(306,601)	
OPEB liability	(141,394)	
Leases	(12,651,579)	
Supplemental SERP pension accrual	786,977	
Net effect of accrued interest on long term debt (difference between amount that would have been accrued in prior year and current year accrual)	<u>(142,965)</u>	
		(12,477,593)
Pension contributions are reported as expenditures in the governmental funds and recorded as a net pension liability on the statement of net position.		
		43,173,689
Notes Receivable, principal payments		
		(11,515,000)
Accrued Interest on Notes Receivable		
		(75,994)
Operating lease revenues		
		(9,624)
The issuance of long-term debt (e.g., bonds and loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Debt retired:		
Principal payments on bonds and loans	15,295,000	
The governmental funds report bond premiums, discounts and similar items as expenditures when debt is first issued, whereas those amounts are deferred and amortized in the statement of activities.		
Gain on bond payoff	(22,912)	
Amortization of bond discount	(3,825)	
Amortization of bond premium	<u>28,732</u>	
		15,296,995
Deferred outflows of resources reported on the statement of net position:		
Change in deferred outflows - pensions	(63,263,056)	
Change in deferred inflows - pensions	12,157,137	
Change in deferred outflows - OPEB	4,642	
Change in deferred inflows - OPEB	<u>(53,968)</u>	
		(51,155,245)
Internal service funds are used by management to charge costs of fleet management, management information systems and insurance programs to individual funds.		
The net revenue of the activities of the internal service funds is reported with governmental activities:		
Net operating income of the internal service funds	(765,105)	
Impact of external transactions on the net position of governmental activities:		
Investment income	5,739,821	
Gain on disposal of capital assets	258,251	
Lease interest expense	<u>(144,030)</u>	
Net transfers from governmental funds to internal service funds decrease the fund balances of the governmental funds, but have no effect on net position as reported on a government-wide basis.	<u>9,806,400</u>	
		14,895,337
Change in net position of governmental activities		<u>\$ 31,148,112</u>

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



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**CITY OF BOCA RATON, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025**

	Business - Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Nonmajor Enterprise Funds	Total	Internal Service Fund
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 19,297,806	\$ 4,299,375	\$ 23,597,181	\$ 21,927,147
Investments	107,924,842	24,130,743	132,055,585	116,955,063
Interest receivable on investments	948,063	168,368	1,116,431	816,031
Interest receivable on assessments	29,808		29,808	
Accounts receivable	11,128,936	3,021,931	14,150,867	192,769
Assessments receivable	109,127		109,127	
Due from other governmental units	222,080	30,939	253,019	
Inventories		59,002	59,002	992,696
Prepaid expenses				3,187,223
Total unrestricted current assets	139,660,662	31,710,358	171,371,020	144,070,929
Restricted assets:				
Cash and cash equivalents	11,971,252		11,971,252	
Investments	67,573,474		67,573,474	
Interest receivable on investments	276,441		276,441	
Interest receivable on assessments	51,611		51,611	
Assessments receivable	195,925		195,925	
Total restricted current assets	80,068,703		80,068,703	
Total current assets	219,729,365	31,710,358	251,439,723	144,070,929
Noncurrent assets:				
Capital assets:				
Land	245,873	118,000	363,873	
Construction in progress	77,801,586	2,897,947	80,699,533	2,209,905
Buildings	105,420,468	1,488,761	106,909,229	1,270,000
Improvements other than buildings	378,440,930	19,847,004	398,287,934	
Machinery and equipment	69,556,057	20,947,236	90,503,293	58,218,555
Less accumulated depreciation	(343,785,951)	(21,172,560)	(364,958,511)	(37,892,514)
Right-to-use assets (intangible)				10,134,905
Less accumulated amortization				(5,063,234)
Total capital assets (net of accumulated depreciation/amortization)	287,678,963	24,126,388	311,805,351	28,877,617
Total noncurrent assets	287,678,963	24,126,388	311,805,351	28,877,617
Total assets	507,408,328	55,836,746	563,245,074	172,948,546
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	145,418		145,418	
Deferred outflows for pensions	7,989,728	1,900,184	9,889,912	4,516,289
Deferred outflows for OPEB	474,871	203,885	678,756	214,208
Total deferred outflows of resources	8,610,017	2,104,069	10,714,086	4,730,497

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

CITY OF BOCA RATON, FLORIDA
PROPRIETARY FUNDS (continued)
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Business - Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Nonmajor Enterprise Funds	Total	Internal Service Fund
LIABILITIES				
Accounts payable and accrued liabilities	\$ 7,539,644	\$ 314,153	\$ 7,853,797	\$ 4,174,432
Compensated absences	139,266	56,897	196,163	99,695
Current OPEB liability	100,558	43,174	143,732	45,360
Retainage payable	1,981,824	16,543	1,998,367	
Performance bonds and escrow funds	235,903		235,903	
Estimated liability for self-insurance losses				3,703,102
Total unrestricted current liabilities	2,457,551	116,614	2,574,165	3,848,157
Current liabilities payable from restricted assets:				
Customer deposits payable	4,517,785	10,196	4,527,981	
Restricted retainage payable	385,555		385,555	
Lease and subscription liability				2,744,930
Revenue bonds payable, current portion	3,170,000		3,170,000	
Accrued interest payable	361,476		361,476	101,595
Total current liabilities payable from restricted assets	8,434,816	10,196	8,445,012	2,846,525
Total current liabilities	18,432,011	440,963	18,872,974	10,869,114
Non-current liabilities:				
Compensated absences	1,253,394	512,077	1,765,471	897,257
Net pension liability	7,015,917	1,538,104	8,554,021	4,274,227
Noncurrent OPEB liability	905,019	388,567	1,293,586	408,242
Revenue bonds payable	31,020,000		31,020,000	
Estimated liability for self-insurance				7,869,000
Total noncurrent liabilities	40,194,330	2,438,748	42,633,078	13,448,726
Total liabilities	58,626,341	2,879,711	61,506,052	24,317,840
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows for pensions	8,363,543	2,019,112	10,382,655	4,656,629
Deferred inflows for OPEB	122,086	52,418	174,504	55,073
Total deferred inflows of resources	8,485,629	2,071,530	10,557,159	4,711,702
NET POSITION				
Net investment in capital assets	246,136,953	24,106,571	270,243,524	26,080,408
Restricted for:				
Restricted assets				81,148
Debt service	6,964,476		6,964,476	
Renewal and replacement	24,126,667		24,126,667	
Operations and maintenance reserves	4,892,168		4,892,168	
Capital projects and Utilities expansion	47,623,608		47,623,608	
Unrestricted	119,162,503	28,883,003	148,045,506	122,487,945
Total net position	\$ 448,906,375	\$ 52,989,574	\$ 501,895,949	\$ 148,649,501

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

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

	Business - Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Nonmajor Enterprise Funds	Total	Internal Service Fund
OPERATING REVENUES				
Charges for sales and services		\$ 16,461,338	\$ 16,461,338	
Fleet management				\$ 8,054,462
Management information processing				14,864,200
Insurance premiums				30,541,767
Insurance premium tax				6,155,888
Water sales	\$ 42,765,785		42,765,785	
Sewer service charges	28,016,874		28,016,874	
Other	2,681,609	433	2,682,042	2,566,726
Total operating revenues	73,464,268	16,461,771	89,926,039	62,183,043
OPERATING EXPENSES				
Personnel services	18,063,096	5,807,668	23,870,764	10,235,882
Materials and supplies	7,913,974	282,729	8,196,703	251,540
General and administration	12,929,099	1,819,787	14,748,886	615,302
Other services and charges	12,408,041	3,938,651	16,346,692	16,593,262
Insurance claims				22,247,231
Pension benefits				6,155,888
Depreciation/amortization of capital assets	16,135,194	2,525,089	18,660,283	6,849,043
Total operating expenses	67,449,404	14,373,924	81,823,328	62,948,148
Operating income (loss)	6,014,864	2,087,847	8,102,711	(765,105)
NONOPERATING REVENUES (EXPENSES)				
Investment earnings (loss)	8,225,422	1,221,266	9,446,688	5,739,821
Intergovernmental		30,939	30,939	
Interest expense	(722,952)		(722,952)	
Lease interest expense				(144,030)
Gain (loss) on disposal of capital assets	17,190	(81,949)	(64,759)	258,251
Total nonoperating revenues (expenses)	7,519,660	1,170,256	8,689,916	5,854,042
Income before transfers and contributions	13,534,524	3,258,103	16,792,627	5,088,937
Transfers in		2,554,400	2,554,400	9,806,400
Transfers out	(371,400)	(35,300)	(406,700)	
Capital contributions	4,244,334		4,244,334	
Settlements	18,070,619		18,070,619	
Change in net position	35,478,077	5,777,203	41,255,280	14,895,337
Net position, beginning	413,428,298	47,212,371	460,640,669	133,754,164
Net position, ending	\$ 448,906,375	\$ 52,989,574	\$ 501,895,949	\$ 148,649,501

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

**CITY OF BOCA RATON, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Enterprise Funds			Governmental Activities
	Water and Sewer	Non-Major Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 74,009,841	\$ 16,256,862	\$ 90,266,703	\$ 62,339,313
Payments to suppliers	(33,492,998)	(6,132,509)	(39,625,507)	(27,330,753)
Payments to employees	(17,483,029)	(5,635,772)	(23,118,801)	(10,258,763)
Claims paid				(22,341,869)
Net cash provided by (used in) operating activities	<u>23,033,814</u>	<u>4,488,581</u>	<u>27,522,395</u>	<u>2,407,928</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in		2,554,400	2,554,400	9,806,400
Transfers out	(371,400)	(35,300)	(406,700)	
Net cash provided by (used in) noncapital financing activities	<u>(371,400)</u>	<u>2,519,100</u>	<u>2,147,700</u>	<u>9,806,400</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital Contributions	3,098,208		3,098,208	
Payment of bond principal	(2,949,582)		(2,949,582)	
Acquisition of capital assets	(36,238,569)	(5,384,807)	(41,623,376)	(5,968,537)
Interest paid	(756,629)		(756,629)	(115,324)
Proceeds from settlements	18,070,619		18,070,619	
Due to other funds		(50,218)	(50,218)	
Net cash provided by (used in) capital and related financing activities	<u>(18,775,953)</u>	<u>(5,435,025)</u>	<u>(24,210,978)</u>	<u>(6,083,861)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends received	6,101,648	912,141	7,013,789	4,278,725
Sale of investments	167,190,805	22,041,486	189,232,291	109,380,546
Purchase of investments	(173,739,435)	(23,892,533)	(197,631,968)	(116,087,692)
Net cash provided by (used in) investing activities	<u>(446,982)</u>	<u>(938,906)</u>	<u>(1,385,888)</u>	<u>(2,428,421)</u>
Net increase (decrease) in cash and cash equivalents	<u>3,439,479</u>	<u>633,750</u>	<u>4,073,229</u>	<u>3,702,046</u>
Cash and cash equivalents				
Beginning of year	<u>27,829,579</u>	<u>3,665,625</u>	<u>31,495,204</u>	<u>18,225,101</u>
End of year	<u>31,269,058</u>	<u>4,299,375</u>	<u>35,568,433</u>	<u>21,927,147</u>
Cash and cash equivalents, unrestricted	19,297,806	4,299,375	23,597,181	21,927,147
Cash and cash equivalents, restricted	11,971,252		11,971,252	
End of Year	<u>\$ 31,269,058</u>	<u>\$ 4,299,375</u>	<u>\$ 35,568,433</u>	<u>\$ 21,927,147</u>

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

(Continued)

CITY OF BOCA RATON, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS (continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Enterprise Funds			Governmental Activities
	Water and Sewer	Non-Major Enterprise Funds	Total	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS)				
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	\$ 6,014,864	\$ 2,087,847	\$ 8,102,711	\$ (765,105)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization expense	16,135,194	2,525,089	18,660,283	6,849,043
Change in assets, liabilities, deferred outflows & deferred inflows:				
(Increase) decrease in accounts receivable	(69,748)	(205,001)	(274,749)	156,270
(Increase) decrease in assessments receivable	79,986		79,986	
(Increase) decrease in due from other governmental units	542,577		542,577	
(Increase) decrease in inventories		(1,267)	(1,267)	181,366
(Increase) decrease in deferred pension outflows	1,846,626	395,242	2,241,868	1,451,627
(Increase) decrease in prepaid expenses				(3,148,453)
Increase (decrease) in accounts payable and accrued liabilities	(674,691)	(80,833)	(755,524)	297,103
Increase (decrease) in compensated absences	(203,475)	(18,324)	(221,799)	(51,855)
Increase (decrease) in retainage payable	419,597	(11,347)	408,250	
Increase (decrease) in lease and subscription liability				1,692,181
Increase (decrease) in noncurrent lease and subscription liability				(2,744,932)
Increase (decrease) in customer deposits payable	(7,242)	92	(7,150)	
Increase (decrease) in current OPEB liability	2,985	351	3,336	3,079
Increase (decrease) in noncurrent OPEB liability	26,859	3,152	30,011	27,705
Increase (decrease) in estimated liability for self-insurance losses				(94,638)
Increase (decrease) in net pension liability	(4,876,161)	(1,165,191)	(6,041,352)	(3,310,857)
Increase (decrease) in deferred inflows for pensions	3,787,879	956,176	4,744,055	1,859,514
Increase (decrease) in deferred inflows for OPEB	8,564	2,595	11,159	5,880
Total adjustments	17,018,950	2,400,734	19,419,684	3,173,033
Net cash provided by operating activities	\$ 23,033,814	\$ 4,488,581	\$ 27,522,395	\$ 2,407,928
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Unrealized gain (loss) on investments	\$ 1,758,881	\$ 238,210	\$ 1,997,091	\$ 867,371
Noncash portion of capital contributions	1,146,126		1,146,126	
Noncash portion of subscription liability				(1,052,749)
Purchase of machinery, equipment, and vehicles on account	(7,497,428)	(19,817)	(7,517,245)	(52,279)

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



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**CITY OF BOCA RATON, FLORIDA
PENSION TRUST FUNDS
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2025**

ASSETS

Cash and cash equivalents	\$ 52,346,971
Investments:	
Common and preferred stock	162,892,601
U.S. government securities	43,090,908
Corporate bonds and debentures	402,647,639
Corporate convertible equity	140,523,448
Real estate	68,899,341
Florida Municipal Pension Trust Fund	74,703,594
Total Investments	<u>892,757,531</u>
Receivables:	
Interest and dividends	1,080,830
Unsettled trades receivable	194,414
Accounts receivable	113,067
Total receivables	<u>1,388,311</u>
Prepaid expenses	58,993
Total assets	<u>946,551,806</u>

LIABILITIES

Accounts payable and accrued liabilities	134,768
Unsettled trades payable	1,134,697
Total liabilities	<u>1,269,465</u>

NET POSITION RESTRICTED FOR PENSIONS	<u><u>\$ 945,282,341</u></u>
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The notes to the financial statements are an integral part of this statement.

CITY OF BOCA RATON, FLORIDA
PENSION TRUST FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

ADDITIONS

Contributions:	
City	\$ 30,941,066
State	6,155,888
Employee	9,434,673
Transfer from other pension trust funds	843,624
Total contributions	<u>47,375,251</u>
Investment income:	
Interest revenue	29,264,940
Dividends	17,425,670
Net appreciation (depreciation) in fair value of investments	44,085,962
Other investment income	2,727
Investment expense	(9,299,470)
Total investment income	<u>81,479,829</u>
Total additions	<u>128,855,080</u>

DEDUCTIONS

Benefits paid:	
Retirement	47,148,955
Disability	1,481,450
Death	2,635,074
Deferred retirement option plan	12,186,188
Termination refunds	495,020
Administrative expenses	472,855
Transfer to other pension trust funds	843,624
Total deductions	<u>65,263,166</u>
Net increase in net position	63,591,914

NET POSITION RESTRICTED FOR PENSIONS

Beginning of year	<u>881,690,427</u>
End of year	<u><u>\$ 945,282,341</u></u>

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

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

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CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

1. The City of Boca Raton

The City of Boca Raton, Florida (the City) was incorporated in 1925 and operates under a Charter granted by the Legislature of the State of Florida, Chapter 65-1264, Special Acts, Laws of Florida. The City is governed by an elected City Council (4 members) and an elected Mayor, and provides, under the administration of an appointed City Manager, the following services: public safety, recreation, sanitation, cemetery, streets and traffic engineering, planning and zoning, water and sewer services, and general administrative services.

2. Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) 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. The more significant of the City's governmental accounting policies are described below.

A. Reporting Entity

As required by various GASB Statements, the accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. The City is financially accountable if the City Council appoints a voting majority of an organization's governing body and the City is able to impose its will on that organization, or the City has a financial benefit/burden relationship or operational responsibility with the organization. Blended component units are, in substance, part of the City's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the City.

Blended Component Unit. The City Council of Boca Raton, Florida created the Boca Raton Community Redevelopment Agency (CRA) in 1980 as an independent special district by City Resolution No. 162-80. The CRA was established to prepare or have prepared a community redevelopment plan for areas within the City, which are determined to be slum or blighted areas, and to carry out the community redevelopment purposes of Part III, Chapter 163, of the Florida Statutes. As a tax increment district, the CRA receives operating revenues from tax increment assessments from three taxing jurisdictions within Palm Beach County. Funds are also provided by private contributions, fees collected, interest income, and the unexpended fund balance from the previous year. The fund of the CRA included within the reporting entity are the Community Redevelopment Agency Operating Fund (major special revenue fund). During fiscal year 1989, the CRA entered into an interlocal agreement with the City. This agreement called for the City to make a secondary pledge of its excise tax revenues for the CRA's debt. On February 5, 1991, the City, by referendum, adopted a resolution declaring the City Council Members to constitute the Board of Commissioners of the CRA. Under Florida Statute 163.356, this made the CRA a dependent special district of the City. The CRA is reported as a blended

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

component unit since its Board of Commissioners is the same as the governing body of the City and the City has the financial benefit/burden relationship and operational responsibility for the CRA relating to the secondary pledge of the City's excise (public service) taxes for the CRA's debt.

Discretely Presented Component Units. There are no discretely presented component units for the City. The Greater Boca Raton Beach and Park District, the Boca Raton Housing Authority and the Boca Raton Airport Authority have not met the established criteria for inclusion as component units and, therefore, are excluded from this report.

B. Government-Wide And Fund Financial Statements

The basic financial statements consist of the government-wide financial statements and fund financial statements. Both sets of statements distinguish between the governmental and business-type activities of the City.

Government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements report on the government as a whole and provide a consolidated financial picture of the government. As part of the consolidation process, inter-fund activities are eliminated to avoid distorted financial results. The amounts reported as internal balances represent the residual amounts due between governmental and business-type activities. Fiduciary trust funds of the government are also excluded from this presentation since these resources are not available for general government funding purposes.

The Statement of Net Position reports all financial and capital resources of the City's governmental and business-type activities. Governmental activities are those supported by taxes and intergovernmental revenues. Business-type activities rely to a significant extent on fees and charges for support. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges for goods or services that are recovered directly from customers for services rendered and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular 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, internal service funds, and fiduciary trust funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is provided which briefly explains the adjustments necessary to reconcile

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

the results of governmental fund accounting to the government-wide presentations.

The City's fiduciary trust funds are presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

C. Measurement Focus, Basis Of Accounting And Financial Statement Presentation

The government-wide financial statements, the proprietary fund financial statements and the fiduciary trust fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses reported 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 similar items are recognized as revenue as soon as all eligibility requirements have been met.

All governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, public services taxes, franchise taxes and interest income associated with the current fiscal period are susceptible to accrual and are recorded as earned since they are measurable and available. In addition, revenue from Federal, State and local reimbursement type grants for which eligibility requirements have been met and which meet the availability criteria of twelve months have been accrued and recognized as revenues of the period. The City also considers funds due from the Greater Boca Raton Beach and Park District as available if received within a twelve-month period. Only the portion of special assessments receivable due within the current period is considered to be susceptible to accrual as revenue of the current period. Licenses and permits, charges for services and miscellaneous revenues are recorded as revenue when received in cash, because they are generally not measurable until actually received.

D. Major Funds and Basis of Presentation

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for using a

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

separate set of self-balancing accounts, which comprise its assets and deferred outflows of resources, liabilities and deferred inflows of resources, fund balance/net position, revenues and expenditures or expenses. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Accounting principles generally accepted in the United States of America set forth minimum criteria (percentage of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined), for the determination of major funds. The non-major funds are presented in one column in the fund financial statements.

The City reports the following major governmental funds:

The **General Fund** is the primary operating fund of the City. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenue is derived primarily from property taxes, utility taxes, state and federal distributions and other intergovernmental revenue. The general operating expenditures, fixed charges and capital outlay costs that are not paid through other funds are paid from the General Fund.

The **Community Redevelopment Agency Operating Fund** is used to account for tax increment revenues assessed on downtown properties and land lease revenues that are used to fund the downtown plan for the CRA operations and capital improvements that encourage development in the downtown.

The **Land Proceeds Fund** is used to account for the funds received from the sale of the City's Municipal Golf Course and related costs.

The **Five-Year Capital Improvement Program Fund** is used to account for various building, park and street construction projects. Financing is being provided by general tax revenue, bond proceeds, excise tax and interest income.

The **Infrastructure Surtax Fund** is used to account for the bond proceeds and payment of designated infrastructure expenses as a result of the 1-cent sales surtax approved by Palm Beach County votes in November of 2016.

The **Beach and Park Operations Fund** is used to account for beach and park operations reimbursed through an interlocal agreement with the Greater Boca Raton Beach and Park Tax District. The Fund did not meet the minimum criteria for major fund determination during this fiscal year. However, it will continue to be presented as a major fund for the purpose of consistency and to highlight the operations of the Fund.

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

The City reports the following major proprietary fund:

The ***Water and Sewer Fund*** accounts for the provision of water and sewer services to residents of the City and to some residents of Palm Beach County.

Additionally, the City reports the following fund types:

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost reimbursement basis. The City's Internal Service Fund operations include Fleet Management and Information Technology for direct services and Self-Insurance for the provision of employee health, workers' compensation and property and general liability insurance for the City. The City also has an Internal Service Fund for retirement sustainability to separate funding for certain receipts and expenditures for all of the City's defined benefit plans and accounts for reserves to reduce the financial burden, if any, of retiree defined benefit plan payments on future taxpayers.

Pension Trust Funds account for activities of the City's General Employees' Pension Plan, the Police and Firefighters' Retirement System and the Executive Employees' Retirement Plan that accumulate resources for pension benefits and disability benefit payments.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues 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. All revenues that are not program revenues are general revenues, and include *all* taxes, as well as grants, contributions and investment earnings that are not restricted to a particular program.

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

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

E. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Fund Balance

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand and time deposits and short-term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the City to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, commercial paper, corporate bonds, repurchase agreements, State Treasurer's Investment Pool, investment pools governed by interlocal agreements, and the Florida Municipal Investment Trust.

The City maintains a cash and investment pool that is available for use by all funds. This pool has deposits and other investments with maturities generally less than one year. In addition, longer-term investments are also held by the investment pool. Pooled cash is classified as "Cash and Cash Equivalents" in the Statement of Net Position and pooled investments are combined with other separate investments and classified as "Investments."

Investments are valued at fair value.

2. Receivables and Payables

During the course of its operations, the City has numerous transactions between funds to provide goods or render services. To the extent that certain transactions between funds were not paid for or received as of September 30, 2025, balances of interfund receivables and payables expected to be liquidated within one year have been recorded as due from and due to other funds. Balances of interfund receivables and payables not expected to be liquidated within one year are recorded as advances to and advances from other funds. Balances of advances to and from other funds are considered non-spendable fund balances of the respective funds since these balances are not available for appropriation.

All trade and other receivables are shown net of an allowance for uncollectibles. Long-term receivables are analyzed for their collectability based on the terms and conditions of the agreements. In addition to those receivables specifically identified as uncollectible, a general allowance is calculated based on the City's historical bad debt experience.

Water and wastewater charges to customers are based on actual water consumption. Consumption is determined on a bi-monthly cycle basis. The City recognizes revenue and a related receivable for the estimated unbilled consumption as of September 30th of each year.

3. Inventories

All inventories consist of consumable items and are valued at weighted average cost. Perpetual inventory records are maintained and adjusted annually to physical inventory

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

amounts as of September 30th of each year. Inventory is reported using the consumption method whereby inventories are recorded as expenditures/expenses when used.

4. Restricted Assets

Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside in accordance with bond covenants or local ordinances are classified as restricted assets on the fund level balance sheet. The "operations and maintenance reserve" is used to report resources set aside to subsidize potential deficiencies from the City's Water and Sewer Utility operations that could adversely affect debt service payments. The "renewal and replacement reserve" is used for the accumulation of resources to provide for replacement of existing system assets. The "debt service reserve" is used for the accumulation of resources needed to meet debt service requirements as they become due. Certain accounts receivable items in the Water and Sewer Fund are restricted to repay debt. Cash and investments of the City's Perpetual Care Fund are restricted to providing perpetual care for the City's cemetery and mausoleum. Additionally, cash and investments of the General Trust Fund are restricted as the funds are to be used only for specific purposes. All applicable assets in the enterprise funds and in the governmental funds have been restricted in amounts sufficient to meet restrictive purposes.

5. Capital Assets

Capital assets, which include property, plant, equipment, intangible and infrastructure assets (e.g., roads, bridges, lighting systems and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City's capitalization threshold for tangible capital assets is \$10,000 and for intangible assets, including software, is \$35,000. In addition, these assets must have an estimated life of greater than one year. A \$75,000 threshold is maintained for additions to infrastructure capital assets. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. All infrastructure assets acquired subsequent to June 30, 1980 are reported. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Property, plant, equipment, intangible and infrastructure assets are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Asset Type</u>	<u>Life</u>
Building	40
Building improvements	10-50
Roads	40
Bridges	50
Other Infrastructure	10-75
Equipment	3-40
Intangible	5-20

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Right-to-use lease equipment and subscription assets are amortized across the duration of their respective contracts.

6. Deferred Outflows of Resources

Deferred Outflows of Resources represent a consumption of net assets that applies to future periods and will not be recognized as expenses until the future period to which it applies. The City currently reports the net deferred loss on refunding of debt, deferred outflows related to pension investment gains and losses, demographic gains and employer pension contributions made after the measurement date, as well as deferred outflows associated with OPEB, including differences between expected and actual experience and changes in assumptions. All of which will be recognized in future fiscal years.

7. Unearned Revenue

Unearned revenue is recorded for governmental funds for items that are measurable and available, but have not met the criteria for revenue recognition, such as unredeemed gift certificates. Local business taxes are recorded as unearned revenue in the government-wide and the fund statements.

8. Liabilities – Performance Bonds, Escrow for Performance Bonds and Escrow Funds

Liabilities include amounts paid to the City by contractors as guarantees of performance. These amounts may be due back to the contractors.

9. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, sick pay benefits and compensatory time. All vacation, sick pay and compensatory time is accrued when earned in the government-wide and proprietary fund financial statements. A liability for those amounts is reported in governmental funds only if they have matured, as a result of employee resignations or retirements.

10. Long-Term Obligations

In the government-wide financial statements and proprietary fund types of 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. Bonds payable are reported net of the applicable premium or discount. These premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method of amortization which approximates the effective interest method. Issuance costs are expensed in the year they are incurred.

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

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

For purposes of measuring the net pension liability and OPEB liability, information about the fiduciary net position of the City's three pension plans and additions to/deductions from the City's Pension Plans fiduciary net position have been determined on the same basis as they are reported by the Pension Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

11. Deferred Inflows of Resources

Deferred Inflows of Resources represents the acquisition of net assets applicable to future periods and will not be recognized as revenue until the future period to which it applies. Currently, the items in this category are Pension and Other Post-Employment Benefits (OPEB) and unavailable revenues. The respective balances represent the difference between the expected and actual pension and OPEB expense. The Pension expense is amortized over the investment terms of the pension assets and the OPEB expenses are amortized over the average expected remaining lifetime of both active and inactive employees. Governmental funds also report unavailable revenue in this category.

12. Net Position

Net position is the result of assets and deferred outflows of resources, less liabilities and deferred inflows of resources. The net position of the government-wide and proprietary funds are categorized as net investment in capital assets, reduced by accumulated depreciation and any outstanding debt and related deferred outflows incurred to acquire, construct or improve those assets excluding unexpended bond proceeds, restricted or unrestricted. The first category represents net position related to property, plant, equipment and infrastructure.

When an expenditure is incurred for purposes for which both restricted and unrestricted net position is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned net position are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions by either an ordinance or resolution.

The restricted category represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by legislation in excess of the

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

related liabilities payable from restricted assets. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

13. Fund Balance

The City classifies fund balance in accordance with GASB Statement No. 54 “*Fund Balance Reporting and Governmental Fund Type Definitions*.” This Statement enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The City reports the following fund classifications:

Nonspendable fund balance. Nonspendable fund balances are amounts that cannot be spent because they are either not in spendable form such as inventory or legally or contractually required to be maintained intact such as a perpetual trust.

Restricted fund balance. Restricted fund balances are amounts that are constrained by the imposition externally by creditors, grantors, contributors, or laws or regulations of other governmental agencies or imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. Those amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council through an ordinance or resolution (which are equally binding as the highest decision-making authority) are classified as committed fund balances.

Assigned fund balance. Amounts that are constrained by the City’s intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. Assignments are recommended by the City Manager, based on the City Council direction during the annual budget process, and the City Council authorizes assignments by the adoption of a resolution.

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

The City’s policy is to maintain an adequate General Fund fund balance to provide liquidity in the event of an economic downturn or natural disaster. The City Council adopted a Fund Balance Policy by Resolution No. 137-2009 which is a financial standard to maintain a General Fund minimum unassigned fund balance of 10 percent of budgeted expenditures. General Fund is the only fund that reports a positive unassigned fund balance amount. The other governmental funds may report negative unassigned fund balance if that fund’s

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes. As part of the annual budget adoption process, which is accomplished through an ordinance, the City Council reviews the fund balance commitments. Any action to establish, modify or rescind fund balance classifications would be taken through the adoption of an ordinance approved by City Council.

F. Other Policies

1. Property Taxes

Calendar of Property Tax Events

- January 1, 2024 – Property taxes are based on assessed property value at this date as determined by the Palm Beach County Property Appraiser.
- June 26, 2024 – Property assessment roll and certificates of value by the Palm Beach County Property Appraiser are provided to the City.
- July 23, 2024 – Proposed tax millage rate approved by the City Council and provided to the Palm Beach County Property Appraiser, who mails notices to the taxpayers.
- September 23, 2024 – Property tax millage rate ordinance approved by the City Council.
- October 1, 2024 – Beginning of fiscal year for which taxes are levied.
- April 1, 2025 – Unpaid property taxes become delinquent and become a lien.
- April 2, 2025 – The Palm Beach County Property Appraiser notifies the City of the taxable value on the final property tax assessment roll.
- June 1, 2025 – Tax certificates are sold by the Palm Beach County Tax Collector.

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Property Tax Collection

Property tax collections are governed by Chapter 197, Florida Statutes. The Palm Beach County Tax Collector (Tax Collector) bills and collects all property taxes levied within the County. Discounts are allowed for early payment of 4% in November, 3% in December, 2% in January and 1% in February. If property taxes are not paid by April 1, the County adds a 3% penalty on real estate and a 1 ½% penalty on personal property.

The Tax Collector advertises and sells tax certificates on all real property for delinquent taxes. Certificates not sold revert back to the County. The Tax Collector must receive payment before the certificates are issued. Any person owning land on which a tax certificate has been sold may redeem the land by paying the Tax Collector the face amount of the tax certificate plus interest and other costs. The owner of a tax certificate may at any time after taxes have been delinquent (April 1), for two years, file an application for a tax deed sale. The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent. Tax deeds are issued to the highest bidder for the property which is sold at public auction.

The Tax Collector remits current taxes collected through four distributions to the City in the first two months of the tax year and at least one distribution each month thereafter. The City recognizes property tax revenue in the period in which they are levied. The Tax

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Collector pays the City interest on monies held from date of collection to date of distribution. The City has no control over the investment program of the Tax Collector as this program is governed by State statutes.

Property Tax Limitation

The City is permitted by state statutes to levy taxes up to 10 mills of assessed value. The total millage rate levied by the City for the fiscal year ended September 30, 2025, was 3.6649. Current tax collections for the City were approximately 96.4% of the total tax levy.

2. Use of Estimates

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

3. Encumbrances

Budgets in governmental funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. While appropriations lapse at the end of the fiscal year, the succeeding year's budget ordinance specifically provides for the re-appropriation of year-end encumbrances.

H. Governmental Accounting Standards Board (GASB) Pronouncements

Effective October 1, 2024, the City implemented the following GASB Pronouncements:

- GASB Statement No. 102, *Certain Risk Disclosures*, This statement requires state and local governments to provide information about vulnerabilities arising from significant concentrations or constraints that could negatively affect their ability to meet obligations or maintain service levels. The adoption of Statement No. 102 had no impact on the City's current accounting practices nor its financial reporting for fiscal year 2025.
- GASB Statement No. 105, *Subsequent Events*, This statement requires governments to evaluate events occurring after the financial statement date through the date the financial statements are available to be issued and to determine whether those events should be recognized or disclosed. The City has completed this evaluation and included all subsequent events requiring disclosure. The early implementation of this statement is reflected in the notes to the financial statements.

The City is in the process of reviewing possible impacts of GASB pronouncements which will become effective in future years, and notes the following statements are applicable to the City.

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- *GASB Statement No. 103, Financial Reporting Model Improvements.* This statement will be effective beginning fiscal year 2026.
- *GASB Statement No. 104, New Capital Asset Disclosures.* This statement will be effective beginning fiscal year 2026.

3. Deposits and Investments

General Authorization:

Cash and cash equivalents include cash on hand, amounts in demand and time deposits, and short-term investments with original maturity dates within three months of the date acquired by the City. All of the City's deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*. Under the Act, every qualified public depository shall deposit with the Treasurer eligible collateral of the depository to be held subject to his or her order. The Treasurer, by rule, shall establish minimum required collateral pledging levels. The pledging level may range from 25% to 200% of the average monthly balance of public deposits depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any potential losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

The City's investment practices are governed by Chapter 280 and 218, Florida Statutes, City Code of Ordinances, Section 20, the adopted investment policy, and various legal covenants related to outstanding bond issues. For all investments authorized by statute and policy, the City applies the "Prudent Man Rule" when developing investment strategies.

Types of Investments:

The City is authorized to invest in a wide range of securities that include certificates of deposit, money market funds, U.S. treasury obligations, state and U.S. government agencies and enterprises, state and local government series, corporate bonds, the State Board of Administration investment pool, interlocal investment pools, the Florida Municipal Investment Trust, mutual funds, foreign obligations of the government of Israel (State of Israel), and repurchase agreements. The City uses only financial institutions qualified as public depositories by the State of Florida or approved security dealers to place its investments unless bond covenants specifically require other financial institutions to be used. In addition to the investments above, the Pension trust funds are authorized to invest in commercial paper, real estate; and domestic, international, convertible, commingled, common and preferred stock.

The City participated in seven pooled investment funds in Fiscal Year 2025, three of which behave as SEC-regulated money market funds under SEC Rule 2a7. Therefore, in

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accordance with GASB Statement 79, *Certain External Investment Pools and Pool Participants*, which established criteria for an external investment pool for making the selection to qualify to measure its investments at amortized cost, these pools are exempt from the GASB 72, *Fair Value Measurement and Application* hierarchy disclosures and are reported at amortized cost. Detailed information for these pooled investment funds are as follows:

Florida PRIME

The State Board of Administration (SBA) administers the Florida PRIME pool which is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 218 and 215 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME pool. Florida PRIME invests in a pool of investments whereby the City owns a share of the respective pool, not the underlying securities. The fair value of the position in the Florida PRIME pool is equal to the value of the pool shares.

The investments in the Florida PRIME are not insured by FDIC or any other governmental agency.

With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states, "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the Executive Director may extend the moratorium until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2025, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

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FLCLASS

The Florida Cooperative Liquid Assets Securities System Trust (FLCLASS) is a common law trust established, created, and authorized by an Interlocal Agreement by and among participating Florida public agencies. FLCLASS is an authorized investment pool under Section 218.415(16)(a), Florida Statutes, and was established for participating Florida agencies on April 1, 2015 under the Interlocal Agreement and commenced operations on July 15, 2015 (inception). FLCLASS is available for investment by any unit of local government within the State of Florida. The purpose of FLCLASS is to enable such units to cooperate in the investment of their available funds.

FLCLASS offers two pools: The Cash Pool and the Enhanced Cash Pool. The City participates in both pools. The Cash Pool operates like a money market mutual fund with each share valued at \$1.00. The Enhanced Cash Pool is designed to complement the FLCLASS daily liquidity fund for Florida government entities and does not seek to maintain a stable Net Asset Value (NAV). The Enhanced Cash Pool instead establishes a \$10.00 transactional share price and publishes a fair value NAV. As of September 30, 2025 the City had no funds invested in the Enhanced Cash Pool.

FL PALM

Florida Public Assets for Liquidity Management Fund (FL PALM) is a common law trust organized under the authority of the Florida Interlocal Cooperation Act of 1969, as amended (Section 163.01 of the Florida Statutes) and Section 218.415 of the Florida Statutes. FL PALM was created on October 22, 2010 by contract among its participating governmental units and is governed by its trustees.

The Trust Agreement for FL PALM permits and provides for the creation of several specialized asset portfolios. The City participates in two of these portfolios known as the FL PALM Portfolio and the FL PALM Term Portfolio. The FL PALM Portfolio seeks to maintain a stable \$1.00 net asset value and reports at amortized cost. The FL PALM Term Portfolio seeks to assure the return of principal on the planned maturity date and there is a penalty for early withdrawal. The Term Portfolio is reported at Fair Value, as approximated by NAV. As of September 30, 2025 the City had no funds invested in the Term Portfolio.

FL-FIT

The Florida Fixed Income Trust (FL-FIT) was created on April 28, 2010, under the laws of the State of Florida, to provide eligible units of local governments with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Trust began operations on July 1, 2010. The City participates in the FL FIT Cash Pool and the FL-FIT Choice Pool, two of the five portfolios offered by the Trust. Neither pool meets the criteria required to be exempted from fair value leveling and both are measured and reported at Fair Value, as approximated by NAV. As of September 30, 2025 the City had no funds invested in the Choice Pool.

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FMLvT

The City additionally participates in two pooled investment funds administered by the Florida League of Cities which do not meet the criteria required to be exempted from fair value leveling. These funds are referred to collectively as follows:

The Florida Municipal Investment Trust (FMLvT) was created under the laws of the State of Florida to provide eligible units of local government with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Florida League of Cities serves as the administrator, investment manager and secretary-treasurer of the Trust.

a. City of Boca Raton

At September 30, 2025, the City of Boca Raton held the following cash, cash equivalent, and investment positions:

Portfolio/Investments	Value	Average Maturity	Credit Rating	Rating Agency	Percent Distribution
Cash Deposits	\$ 57,700,104				7.84%
Florida PRIME	17,621,682	47 days	AAAm	S&P	2.39%
FLCLASS Cash Pool	6,425,574	42 days	AAAm	S&P	0.87%
FL PALM Cash Pool	31,102,970	42 days	AAAm	S&P	4.22%
Total Cash & Cash Equivalents	<u>112,850,330</u>				
 FMLvT 0-2 Year High Quality Bond Fund	42,167,339	0.90 years	AAAf/S1	Fitch, S&P	5.72%
FMLvT Intermediate High Quality Bond Fund	38,265,301	4.80 years	AAf/S3	Fitch, S&P	5.19%
FL-FIT Cash Pool	20,840,794	85 days	AAAf/S1	Fitch	2.83%
 U.S. Government Securities:					
Treasury Notes	72,435,166	3.44 years	AA+	S&P	9.83%
Small Business Admin. Securitized Pools	11,800,463	9.04 years	AA+	S&P	1.60%
 U.S. Government-Sponsored Enterprises:					
Federal National Mortgage Association	3,249,385	3.62 years	AA+	S&P	0.44%
Federal Home Loan Bank	142,462,892	1.76 years	AA+	S&P	19.33%
Federal Farm Credit Bank	45,026,180	1.22 years	AA+	S&P	6.11%
Federal Agricultural Mortgage Corporation	106,074,684	2.30 years	Not Rated		14.40%
 Corporate Obligations:					
Bonds	4,948,580	1.42 years	A-	S&P	0.67%
Bonds	39,725,626	1.75 years	A	S&P	5.39%
Bonds	53,541,882	2.71 years	A+	S&P	7.27%
Bonds	32,033,662	2.20 years	AA-	S&P	4.35%
Bonds	5,438,844	0.79 years	AA+	S&P	0.74%
 Municipal Obligations:					
Bonds	-				0.00%
 International Investments:					
Foreign Bond	5,999,910	1.34 years	A	S&P	0.81%
Total Investments	<u>624,010,708</u>				
 Total Cash and Investments	<u>\$ 736,861,038</u>				<u>100.00%</u>

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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Fair Value Hierarchy

The investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable inputs.

The investment pricing transparency determines the category within the hierarchy and should not be observed as the investment risk. The custodian bank's (primary external pricing vendors) quoted prices were used to determine level classification based on the fair value hierarchy.

At September 30, 2025, the investments by fair value level are:

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
FMLvT 0-2 Year High Quality Bond Fund	\$ 42,167,339	\$ -	\$ 42,167,339	\$ -
FMLvT Intermediate High Quality Bond Fund	38,265,301	-	38,265,301	-
U.S. Government Securities:				
Treasury Notes	72,435,166	-	72,435,166	-
Small Business Admin. Securitized Pools	11,800,463	-	11,800,463	-
U.S. Government-Sponsored Enterprises:				
Federal National Mortgage Association	3,249,385	-	3,249,385	-
Federal Home Loan Bank	142,462,892	-	142,462,892	-
Federal Farm Credit Bank	45,026,180	-	45,026,180	-
Federal Agricultural Mortgage Corp.	106,074,684	-	106,074,684	-
Corporate Obligations	135,688,594	-	135,688,594	-
International Investments:				
Foreign Bond	5,999,910	-	5,999,910	-
Total Investments at Fair Value	603,169,914	\$ -	\$ 603,169,914	\$ -

Investment at the net asset value (NAV)	Fair Value	Redemption Frequency	Days Notice Before Redemption	Penalty for Early Redemption
FL-FIT Cash Pool	\$ 20,840,794	Daily	Same Day	No
Total Investments measured at NAV	20,840,794			
Total Investments	\$ 624,010,708			
Cash Equivalents				
Florida PRIME	\$ 17,621,682	Daily	Same Day	No
FLCLASS Cash Pool	\$ 6,425,574	Daily	Same Day	No
FL PALM Cash Pool	\$ 31,102,970	Daily	Same Day	No

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FMLvT 0-2 Year High Quality Bond Fund

This fund invests mainly in US government and agency securities and asset-backed securities. The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted. (Level 2 inputs).

FMLvT Intermediate High Quality Bond Fund

This fund invests mainly in US government and agency securities, asset-backed securities, and corporate bonds. The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted. (Level 2 inputs).

U.S. Government Securities

Security prices were obtained from a pricing service, Interactive Data Corporation (IDC). The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs.

U.S. Government Sponsored Enterprises

Security prices were obtained from a pricing service, Interactive Data Corporation (IDC). The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs.

Corporate Obligations

Security prices were obtained from a pricing service, Interactive Data Corporation (IDC). The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs.

International Investments

The City's investment policy allows investments in obligations of the government of Israel (State of Israel) and all of the foreign obligations that were in the City's investment portfolio at September 30, 2025 are Israel Jubilee Bonds. The security prices were valued using a matrix pricing technique. Matrix pricing is used to value securities based on broker/dealer quotes (Level 2 inputs).

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Violations:

There were no violations of the legal or contractual provisions for deposits and investments.

Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The City's investment policy limits investments to those having a maturity, at the time of purchase, of less than five years., except those which are both backed by the full faith and credit of the United States government and which are treated as amortizing securities which repay both principal and interest with each distribution. Such securities are instead limited to a maximum maturity at the time of purchase of less than ten years so long as they also have a weighted average life (WAL) of less than five years. There were no investments in the City's portfolio that exceeded these maturity requirements at September 30, 2025.

Credit Risk

Credit risk exists when there is a possibility the issuer or other counter-party to an investment may be unable to fulfill its obligations. The City's investment policy allows investments in U.S. Government sponsored agencies and enterprises, corporate notes, municipal notes, the Florida PRIME investment pool, interlocal investment pools, and the Florida Municipal Investment Trust. The ratings of the investments held at year end are shown above. All are rated within the policy guidelines.

Concentration of Credit Risk

In addition to describing the credit risk of investments in the portfolio, governmental entities need to disclose the concentration of any single investment type or holding per single issuer. The percentage allocation of each cash investment type in the portfolio is shown in the preceding table. The City's investment policy allows investment concentrations in various percentages for different types of investments. GASB Statement No. 40 requires disclosures when the percent is 5% or more of total investments position in any one issuer. As of September 30, 2025, the City had more than 5% invested with Florida PRIME, FMIvT, Federal Home Loan Bank, Federal Farm Credit Bank, the Federal Agricultural Mortgage Association, and the United States Treasury. The percentage concentrations of investments from each issuer are shown above.

Custodial Risk

The City's investment policy requires that all securities, with the exception of certificates of deposit, be held with a third party custodian. Security transactions between a broker/dealer and the custodian involving the purchase or sale of securities by transfer of money or securities are made on a "delivery vs. payment" basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the

CITY OF BOCA RATON, FLORIDA
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transaction. As of September 30, 2025, all contents of the City's investment portfolio were held with a third-party custodian.

b. Executive Employees' Retirement Plan

At September 30, 2025, the Executive Employee's Retirement Plan (EERP) invested in securities and fixed income investments listed as follows:

Executive Employees' Retirement Plan Portfolio/Investments	Value	Weighted Average Maturity	Credit Rating	Rating Agency	Percent Distribution
Cash and short-term investments	\$ 815,241				1.08%
FMLvT Core Plus Fixed Income Fund	7,633,618	5.76 years	Not rated		10.11%
FMLvT Broad Market High Quality Bond Fund	7,411,280	7.10 years	AAf/S4	Fitch	9.81%
FMLvT Large Cap Diversified Value Portfolio	22,678,516		Not rated		30.03%
FMLvT Diversified Small Cap Equity Portfolio	10,894,581		Not rated		14.43%
FMLvT International Equity Portfolio	18,083,523		Not rated		23.95%
FMLvT Core Real Estate	6,596,039		Not rated		8.73%
Total FMLvT Investments	73,297,557				97.06%
Self-Directed DROP Account	1,406,037				1.86%
Total Investments	74,703,594				98.92%
Total Cash and Investments	\$ 75,518,835				100.00%

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair Value Hierarchy

The investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable inputs.

The investment pricing transparency determines the category within the hierarchy and should not be observed as the investment risk. The custodian bank's (primary external pricing vendors) quoted prices were used to determine level classification based on the fair value hierarchy.

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At September 30, 2025, the investments by fair value level are:

Executive Employees' Retirement Plan		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment by fair value level	Fair Value			
FMLvT Broad Market High Quality Bond Fund	\$ 7,411,280	\$ -	\$ 7,411,280	\$ -
FMLvT Diversified Large Cap Portfolio	22,678,516	-	22,678,516	-
FMLvT Diversified Small to Mid Cap Equity Portfolio	10,894,581	-	10,894,581	-
FMLvT International Equity Portfolio	18,083,523		18,083,523	
Self-Directed DROP Account	1,406,037	-	1,406,037	-
Total Investments at Fair Value	60,473,937	\$ -	\$ 60,473,937	\$ -

Investment at the net asset value (NAV)*	Fair Value	Redemption Frequency	Redemption Notice Period
FMLvT Core Plus Fixed Income	6,596,039	Monthly	5 business days prior to valuation
FMLvT Core Plus Real Estate	7,633,618	Quarterly	90 business days prior to valuation
Total Investments measured at NAV	14,229,657		
Total Investments	\$ 74,703,594		

* As required by GAAP, certain investments that are measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the Statement of Fiduciary Net Position.

FMLvT Broad Market High Quality Bond Fund

This fund invests mainly in US government and agency securities, asset-backed securities and corporate bonds and notes. The underlying securities have observable Level 1 quoted pricing inputs or observable Level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted. Value is based on market-corroborated data. (Level 2 inputs).

FMLvT Diversified Large Cap Value Portfolio

This portfolio invests mainly in domestic stocks and in a single underlying fund, the State Street S&P 500 Index Non-Lending Common Trust Fund (State Street Fund), shares of which are not publicly quoted. The majority of the underlying securities have observable Level 1 quoted pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). The value of the portfolio's shares of the State Street Fund investment is determined based on the net asset value provided by the State Street Fund, which is calculated based in accordance with generally accepted accounting principles. While most of the underlying asset values are based on quoted market prices,

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the net asset value of the portfolio is not publicly quoted. Value is based on market-corroborated data. (Level 2 inputs).

FMIvT Diversified Small to Mid Cap Equity Portfolio

This portfolio invests mainly in domestic stocks. The majority of the underlying securities have observable Level 1 quoted pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted market prices, the net asset value of the portfolio is not publicly quoted. Value is based on market-corroborated data. (Level 2 inputs).

FMIvT International Equity Portfolio

This portfolio invests in two underlying funds, the Ninety One International Dynamic equity Fund, LLC (Ninety One Fund), and the Allspring Emerging Market Large/Mid Cap Fund, (Allspring Fund), shares of which are not publicly quoted. Both funds invest in stocks sold on U.S. and international exchanges, all of which have observable Level 1 quoted pricing inputs. The value of the shares of the Ninety One Fund and the Allspring Fund investments is determined based on the net asset value provided by the Funds, which was calculated in accordance with generally accepted accounting principles. Value is based on market-corroborated data. (Level 2 inputs).

Self-Directed DROP Brokerage Account

Plan members opting for the self-directed DROP account must select their investment options from the FMPTF mutual fund offerings. The FMPTF aggregates the overall investment values into a total fair value account for reporting purposes. The value of self-directed DROP account investments is based on observable inputs (Level 2 inputs).

FMIvT Core Plus Fixed Income Fund

This fund invests in a single underlying fund, the Amundi Institutional Multi-Sector Fixed Income Portfolio, LLC. Shares of this fund are not publicly quoted. This underlying fund invests in a variety of financial instruments, including equity investments, asset-backed securities, debt securities, swaps, forward exchange contracts, credit-linked notes, escrow accounts, litigation trusts for both U.S. and foreign companies and governments. NAV is used as a practical expedient to estimate fair value. There are no unfunded commitment requirements.

FMIvT Core Real Estate Fund

This portfolio invests in a single underlying fund, the Morgan Stanley Prime Property Fund (Morgan Stanley Fund), shares of which are not publicly quoted. The Morgan Stanley Fund invests in core real estate in the U.S. The value of the Morgan Stanley Fund investments was determined based on quarterly real estate appraisals, which were

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calculated in accordance with generally accepted accounting principles. NAV is used as a practical expedient to estimate fair value. There are no unfunded commitment requirements.

Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The EERP has a maximum maturity at purchase of 180 days with a total average maturity, at any point in time, for all repurchase agreements held of not greater than 60 days. Bankers' Acceptances maximum maturity shall not exceed 270 days from the time of purchase. Nonnegotiable certificates of deposit shall not exceed 2 years. As of September 30, 2025, no investments held in the portfolio exceeded these limits.

Credit Risk

The EERP allows investments in Commercial Paper with A1/P1 or a comparable rating as provided by two of the top nationally recognized statistical rating organizations; and that the corporation's long-term debt, if any, is rated at least A1/A+ by a nationally recognized statistical rating organization or, if backed by a letter of credit (LOC), the long-term debt of the LOC provider must be rated at least AA (or comparable rating) by at least two of the nationally recognized statistical rating agencies publishing ratings for financial institutions. Banker's Acceptances issued with the U.S. by institutions with a long-term debt rating of at least AA or short term debt rating of P1 (or comparable rating) as provided by one nationally recognized statistical rating organization.

Nonnegotiable Certificates of Deposit must be rated at least A1/P1 (or comparable rating) and a long-term rating of a least A (or comparable rating) as provided by two of the top nationally recognized rating agencies. Guaranteed Investment Contracts must be rated in the highest category by AM Best Rating System or a comparable nationally recognized statistical rating organization. As of September 30, 2025, all investments held in the portfolio met these requirements.

Concentration of Credit Risk

The EERP allows no more than \$5 million in certificates of deposit with any one depository at one time. Corporate fixed income securities are limited to no more than 3% of any one corporation at the time of purchase. No more than \$10 million in investment agreements with other financial institutions may be entered into with any one financial institution. GASB Statement No. 40 requires disclosures when the percent is 5% or more of fiduciary net position in any one issuer. As of September 30, 2025, all investments held in the portfolio were within the allowable limits.

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Custodial Credit Risk

The Plan's investment policy requires that all securities, with the exception of certificates of deposit, be held with a third-party custodian. Security transactions between a broker/dealer and the custodian involving the purchase or sale of securities by transfer of money or securities are made on a "delivery vs. payment" basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. As of September 30, 2025, all of the Plan's investment portfolio was held with a third-party custodian.

c. General Employees' Pension Plan

At September 30, 2025 the General Employees' Pension Plan's (the Plan) portfolio consisted of the following securities and fixed income investments:

General Employees' Pension Plan Portfolio/Investments	Value	Weighted Average Maturity	Credit Rating	Rating Agency	Percent Distribution
Cash Deposits	\$ 4,640,040				1.81%
Short-Term Investments	18,262,298				7.13%
Total Cash & Cash Equivalents	22,902,338				8.94%
Equity and Convertible Securities:					
Domestic Common Stock	118,939,570				46.41%
Domestic ETF Convertible Bonds	-				0.00%
International Equity Fund	21,583,878				8.42%
U.S. Government Securities:					
U.S. Treasury Bonds	8,482,011	10.11 years	Aa1	Moody's	3.31%
Government National Mortgage Association	1,397,976	28.07 years	Aa1	Moody's	0.55%
Asset & Mortgage-Backed Securities:					
U.S. Government-Sponsored Enterprises:		27.28 years			
Federal National Mortgage Association	6,182,054		Aa1	Moody's	2.41%
Federal Home Loan Mortgage Corporation	7,920,352		Aa1	Moody's	3.09%
Other Non-Governmental Securities:					
Commercial Mortgage-Backed Securities	324,289	32.07 years	Aaa	Moody's	0.13%
Asset-Backed Securities	2,138,726	3.01 years	Aaa	Moody's	0.83%
Corporate Obligations:		8.43 years			
Bonds	274,137		Aaa	Moody's	0.11%
Bonds	104,316		Aa2	Moody's	0.04%
Bonds	746,005		Aa3	Moody's	0.29%
Bonds	2,685,344		A1	Moody's	1.05%
Bonds	3,149,941		A2	Moody's	1.23%
Bonds	4,160,294		A3	Moody's	1.62%
Bonds	2,933,694		Baa1	Moody's	1.14%
Bonds	2,173,463		Baa2	Moody's	0.85%
Municipal Obligations:		15.27 years			
Bonds	173,772		A2	Moody's	0.07%
Global Infrastructure Funds	13,332,150				5.20%
Real Estate Funds:					
Real Estate Direct Investment Partnership	15,462,220				6.03%
Real Estate Investment Trust	10,003,117				3.90%
Private Credit	9,062,826				3.54%
Private Equity	2,122,646				0.83%
Total Investments	233,352,781				91.06%
Total Cash and Investments	\$ 256,255,119				100.00%

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Government agency and treasury securities are not rated but have an implied Aaa rating from Moody's Investor Service and Fitch and an implied Aa+ rating from Standard & Poor's.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair Value Hierarchy

The investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable inputs.

The investment pricing transparency determines the category within the hierarchy and should not be observed as the investment risk. The custodian bank's (primary external pricing vendors) quoted prices were used to determine level classification based on the fair value hierarchy.

Equity securities traded on national or international exchanges are valued at the last reported sales price or current exchange rates (Level 1). This includes common stock, mutual fund equities and Real Estate Direct Investment Trusts (REITs).

Debt securities are valued using pricing inputs that reflect the assumptions market participants would use to price an asset or liability and are developed based on market data obtained from sources independent of the reporting entity (Level 2). This includes U.S. Treasury bonds and notes, U.S. federal agencies, mortgage backed, municipal bonds and corporate obligations, including asset backed securities.

The Plan has investments in alternative asset classes including commingled funds, master limited partnerships and a core real estate fund which hold a variety of investment vehicles that do not have readily available market quotations. These investments are measured at net asset value based on their proportionate share of the value of the investments as determined by the fund managers and are valued according to methodologies which include pricing models, discounted cash flow models and similar techniques.

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At September 30, 2025, the investments by fair value level are:

General Employees' Pension Plan		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment by fair value level	Fair Value			
Fixed income:				
U.S. government securities	\$ 8,482,011		\$ 8,482,011	
Corporate bonds	16,227,194		16,227,194	
Municipal bonds	173,772		173,772	
Asset backed securities	2,138,726		2,138,726	
Government mortgage backed securities	15,500,382		15,500,382	
Commercial mortgage backed securities	324,289		324,289	
Total Fixed Income	42,846,374	-	42,846,374	-
Domestic Equity and convertible securities:				
Common stock	118,939,570	118,939,570		
Total Domestic Equity and Convertibles	118,939,570	118,939,570		
International equity	21,583,878		21,583,878	
Real estate investment trust	10,003,117	10,003,117		
Total Stock and Convertible Securities	150,526,565	128,942,687	21,583,878	-
Total investments at fair value	193,372,939	\$ 128,942,687	\$ 64,430,252	-

Investment measured at the net asset value (NAV)*	Fair Value	Redemption Frequency	Redemption Notice Period	Unfunded Commitments
Global Infrastructure (1)	13,332,150	Daily	Trade date +1	
Real estate direct investment partnership (2)	15,462,220	Quarterly	45 Days	
Private Equity (3)	2,122,646	N/A	N/A	766,889
Private Debt (4)	9,062,826	N/A	N/A	2,838,880
Total investments measured at NAV	39,979,842			3,605,769
Total investments	\$ 233,352,781			\$ 3,605,769

* As required by GAAP, certain investments that are measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the Statement of Fiduciary Net Position.

(1) *Global Infrastructure*: This portfolio seeks to achieve positive returns by investing in a select universe of "Preferred Infrastructure" companies. The companies have the potential to achieve lower volatility returns that exceed inflation which allow the portfolio to reach high diversification opportunities. The portfolio may then compliment other real assets, private equity infrastructure, and global equity allocations..

(2) *Real estate direct investment partnership*: This fund enters into real estate partnerships with various joint venture partners that provide management, leasing and construction-related services to the properties in which the Fund has a limited ownership partner interest.

(3) *Private equity*: The fund initiated an investment in this alternative asset class to improve its ability to diversify by region, industry, and sector, in addition to being able to invest in a greater selection of companies not listed on a stock exchange. Potentially to achieve greater long-term returns.

(4) *Private debt*: The fund initiated an investment in this alternative asset class to improve its ability to diversify by region, industry, and sector, in addition to being able to invest in a greater selection of companies not listed on a stock exchange. Potentially to achieve stable returns with less risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater

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the exposure to interest-rate risk. The established performance objectives require investment maturities to provide sufficient liquidity to pay obligations as they become due. Treasury inflation indexed securities are limited to ten year maturities. The weighted average maturity in years for each investment type at September 30, 2025, is included in the preceding table.

Credit Risk

Credit risk is the risk that a debt issuer will not fulfill its obligations. The Plan utilizes portfolio diversification in order to limit investments to the highest rated securities as rated by nationally recognized rating agencies. The investment policy limits credit risk by requiring fixed income securities to have a minimum rating by two of the three major credit rating agencies. The minimum rating for corporate bonds is Baa2 (Moody's) or BBB (Standard & Poor's/Fitch). The minimum rating for short-term commercial paper/bankers acceptances is P-1 (Moody's), A-1 (Standard & Poor's) or F-1 (Fitch) with the issuer having a minimum long-term debt rating of A. The minimum rating for commercial mortgage-backed and asset-backed securities is Aaa (Moody's/Standard & Poor's) or AAA (Fitch). Further, the investment policy does not permit private mortgages or tax-exempt bonds. At September 30, 2025, all investments in the portfolio met these requirements.

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. The Plan utilizes limitations on securities of a single issuer to manage this risk. The investment policy requires that corporate bond issues cannot represent more than 2% of the total bond portfolio. The policy further requires that corporate bond issues rated below A3/A- (Moody's/Standard & Poor's) cannot represent more than 20% of the total bond portfolio. Governmental Accounting Standards Board (GASB) Statement No. 40 requires disclosures when the percent is 5% or more of fiduciary net position in any one issuer. At September 30, 2025, all investments held in the portfolio met these requirements.

Custodial Credit Risk

Custodial credit risk is defined as the risk that the plan may not recover cash and investments held by another party in the event of financial failure. Custodial credit risk is limited since investments are held in independent custodial safekeeping accounts or commingled funds in the name of the Plan.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. All investments held in the portfolio at September 30, 2025 were valued in U.S. Dollars.

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d. Police and Firefighter's Retirement System

At September 30, 2025, the Police and Firefighter's Retirement System invested in the following securities and fixed income investments:

Police and Firefighters' Retirement System Portfolio/Investments	Fair Value	Weighted Avg Maturity	Credit Rating	Rating Agency	Percent Distribution
Cash and Short-Term Investments					
Cash Deposits	\$ 4,098,800				0.67%
Short-term Investments	24,530,592				4.00%
Total Cash and Short-Term Investments	<u>28,629,392</u>				<u>4.67%</u>
Domestic Equity	<u>162,892,602</u>				<u>26.56%</u>
Fixed Income:					
U.S. Treasury Securities:					
U.S. Treasury bonds	15,564,783	9.14 years	Aaa	Moody's	2.54%
Total U.S. Treasury Securities	<u>15,564,783</u>				<u>2.54%</u>
Mortgage-backed Securities:					
Federal National Mortgage Association	12,626,817	25.70 years	Aaa	Moody's	2.06%
Government National Mortgage Association	4,269,811		Aaa	Moody's	0.70%
Federal Home Loan Mortgage Corporation	8,120,221		Aaa	Moody's	1.32%
Total Mortgage-backed Securities	<u>25,016,849</u>				<u>4.08%</u>
Total U.S. Government Securities	<u>40,581,632</u>				<u>6.62%</u>

continued

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Police and Firefighter's Retirement System securities and fixed income investments
(continued)

Police and Firefighters' Retirement System Portfolio/Investments	Fair Value	Weighted Avg Maturity	Credit Rating	Rating Agency	Percent Distribution
Corporate Bonds & Debentures:					
Corporate Obligations:					
Multi Sector	30,548,966				4.98%
Emerging Market	21,166,835				3.45%
Bonds	940,215		Aa	Moody's	0.15%
Bonds	2,070,900		A	Moody's	0.34%
Bonds	8,229,459		Baa	Moody's	1.34%
Bonds	746,373		Ba	Moody's	0.12%
Bonds	4,436,729		Not rated		0.72%
Total Corporate Obligations	68,139,477	21.51 years			11.11%
Commercial Mortgage Backed Securities (CMBS):					
CMBS	728,343		Not rated		0.12%
Total Commercial Mortgage-Backed Securities	728,343	13.44 years			0.12%
Asset Backed Securities:					
ABS	1,333,677		Aaa	Moody's	0.22%
ABS	2,322,012		Not rated		0.38%
Total Asset Backed Securities	3,655,689	4.18 years			0.60%
Total Corporate Bonds and Debentures	72,523,509				11.82%
Commingled Funds:					
Mutual funds	16,370,433		Not rated		2.67%
Long/Short equity strategies	1,871,924				0.31%
Total Commingled Funds	18,242,357				2.97%
Non-US Equity	87,146,637				14.21%
Real Estate	38,968,466				6.35%
Private market	164,345,953				26.80%
Total Investments	584,701,156				95.33%
Total Cash and Investments	\$ 613,330,548				100.00%

Government agency and treasury securities are not rated but have an implied Aa1 rating from Moody's Investor Service and Fitch and an implied AA+ rating from Standard & Poor's.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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Fair Value Hierarchy

The investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable inputs. The investment pricing transparency determines the category within the hierarchy and should not be observed as the investment risk. The custodian bank's (primary external pricing vendors) quoted prices were used to determine level classification based on the fair value hierarchy.

Equity securities traded on national or international exchanges are valued at the last reported sales price or current exchange rates (Level 1). This includes common stock, mutual fund equities and REITs.

Debt securities are valued using pricing inputs that reflect the assumptions market participants would use to price an asset or liability and are developed based on market data obtained from sources independent of the reporting entity (Level 2). This includes U.S. Treasury bonds and notes, U.S. federal agencies, mortgage backed, municipal bonds and corporate obligations, including asset backed securities.

The Plan has investments in alternative asset classes including commingled funds and a real estate fund which hold a variety of investment vehicles that do not have readily available market quotations. These investments are measured at net asset value based on their proportionate share of the value of the investments as determined by the fund managers and are valued according to methodologies which include pricing models, discounted cash flow models and similar techniques.

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At September 30, 2025, the investments by fair value level are:

Police and Firefighters' Retirement		Fair Value Measurements Using		
System		Quoted Prices in	Significant Other	Significant
Investment Type	Fair Value	Active Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Domestic Equity	\$ 162,892,602	\$ 162,892,602		
Fixed income	61,389,340		61,389,340	
Commingled Funds	16,370,433	16,370,433		
Non-US equity	87,146,638	87,146,638		
Total Investments at Fair Value	327,799,013	\$ 266,409,673	\$ 61,389,340	\$ -

Investment at the net asset value (NAV)*	Fair Value	Redemption Frequency	Redemption Notice Period	Unfunded Commitments
Emerging Market (1)	21,166,835	Monthly	5 days	-
Multi-Sector Hedge Funds (2)	30,548,966	Quarterly	90 days	-
Commingled Funds:				
Long/short Equity Strategies (3)	1,871,924	Quarterly	65 days	-
Private Equity (4)	84,919,080	N/A	N/A	50,536,097
Private Debt (5)	79,426,872	N/A	N/A	49,661,911
Real estate Direct Investment Partnership:				
Real Estate Funds (6)	10,566,835	Quarterly	45 days	-
Private Real Estate Funds (7)	28,401,631	N/A	N/A	8,252,539
Total Real Estate Direct Investment Partnership	38,968,466			8,252,539
Total investments measured at NAV	256,902,143			108,450,547
Total Investments	\$ 584,701,156			\$ 108,450,547

* As required by GAAP, certain investments that are measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the Statement of Fiduciary Net Position.

(1) *Emerging market*: This type of investment invests the majority of its assets in securities from countries that are considered emerging. Usually investing heavily in securities of varying asset classes.

(2) *Multi sector*: This type of fund uses a combination of asset classes as investment to diversity the overall portfolio and reduce the risk of holding too many assets in one class of assets.

(3) *Long/short equity strategies*: This is an investing strategy to purchase stocks they expect to go up and short stocks they expect to go down.

(4) *Private equity*: This type of equity shares ownership of an interest in an entity that is not publicly listed or traded.

(5) *Private Debt*: This is a combination of asset classes such as cash, equity or bonds, used as an investment. It contains more than one asset class, creating a group, or portfolio of assets.

(6) *Real estate fund*: This fund enters into real estate partnerships with various joint venture partners that provide management, leasing and construction-related services to the properties in which the Fund has an ownership interest. The fund is valued at net asset value.

(7) *Private real estate fund*: The portfolio consists primarily of direct investments in privately negotiated real estate transactions. The portfolio is valued quarterly at net asset value.

**CITY OF BOCA RATON, FLORIDA
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Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest-rate risk. The established performance objectives require investment maturities to match anticipated cash flow requirements in order to pay obligations when due. The weighted average maturity as of September 30, 2025 for each investment type is included in the preceding table.

Credit Risk

Credit risk is the risk that a debt issuer will not fulfill its obligations. The Plan utilizes portfolio diversification in order to limit exposure to credit risk. The investment policy limits credit risk by requiring fixed income securities to maintain a weighted average credit quality rating of A or better. The policy further limits high yield fixed income securities to 3% of the portfolio. The investment policy does not permit private placement bonds, except for Rule 144A securities of U.S. issuers which are limited to 10% percent of the portfolio. At September 30, 2025, for those where ratings are available, the portfolio met the credit rating limitations of the policy.

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. The Plan utilizes limitations on securities of a single issuer to manage this risk. Governmental Accounting Standards Board (GASB) Statement No. 40 requires disclosures when the percent is more than 5% of the fair value of the portfolio. At September 30, 2025, the portfolio met the corporate single issuer and quality ratings limitation of the policy.

Custodial Credit Risk

Custodial credit risk is defined as the risk that the plan may not recover cash and investments held by another party in the event of financial failure. Custodial credit risk is limited since investments are held in independent custodial safekeeping accounts or commingled funds in the name of the Plan.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The investment policy permits a maximum of 10% of the fair value of the fixed income portfolio to be invested in Yankee securities (foreign issuers of U.S. dollar-denominated debt). At September 30, 2025, 2.72% of the fair value of the fixed income portfolio was invested in Yankee securities, which met the limitations of the policy. The Plan is not subject to foreign currency risk.

CITY OF BOCA RATON, FLORIDA
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e. Risks and Uncertainties – Pension Trust Funds

The Plans invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and, that such changes could materially affect the amounts reported in the statement of fiduciary net position for each Plan. The Plans, through their investment advisors, monitor Plan investments and the risks associated therewith on a regular basis which each Plan believes minimizes these risks.

Contributions to the Plans are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

4. Receivables and Payables

Accounts Receivable

Accounts receivable as of the fiscal year-end for the City's individual governmental major and non-major funds, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Governmental	General	Community Redevelopment Agency Operating Fund	Land Proceeds Fund	Five Year Capital Improvement	Infrastructure Surtax Fund	Beach and Park Operations	Other Governmental	Internal Services	Total
Receivables:									
Accounts, net	\$ 5,289,686					\$ -	\$ 36,602	\$ 192,769	\$ 5,519,057
Assessments							54,320		54,320
Lease revenues	1,095,060	\$ 58,293,092							59,388,152
Interest on investments	609,323	295,143	\$ 335,219	\$ 328,144	\$ 123,145		454,033	816,031	2,961,038
Net governmental receivables	\$ 6,994,069	\$ 58,588,235	\$ 335,219	\$ 328,144	\$ 123,145	\$ -	\$ 544,955	\$ 1,008,800	\$ 67,922,567

Receivables for the City's business-type activities, including individual business-type major funds and allowances for uncollectible accounts are as follows:

Business-type	Water & Sewer	Other Enterprise	Total
Receivables:			
Accounts, net	\$ 11,128,936	\$ 3,021,931	\$ 14,150,867
Assessments	305,052	-	305,052
Interest on assessments	81,419	-	81,419
Interest on investments	1,224,504	168,368	1,392,872
Net business-type receivables	\$ 12,739,911	\$ 3,190,299	\$ 15,930,210

CITY OF BOCA RATON, FLORIDA
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Accounts Payable

Accounts payable and accrued liabilities as of fiscal year-end for the City's individual governmental major and non-major funds, and internal service funds in the aggregate, are as follows:

Governmental Payables	General	Community Redevelopment Agency Operating Fund	Land Proceeds	Five Year Capital Improvement	Infrastructure Surtax Fund	Beach and Park Operations	Other Governmental	Internal Services	Total
Payables:									
Vendors	\$ 1,788,326	\$ 528,639	\$ -	\$ 584,880	\$ 307,716	\$ 300,584	\$ 1,000,227	\$ 4,174,432	\$ 8,684,804
Salaries and benefits	7,509,252	223,868				685,460	624,506		9,043,086
Governmental payables	\$ 9,297,578	\$ 752,507	\$ -	\$ 584,880	\$ 307,716	\$ 986,044	\$ 1,624,733	\$ 4,174,432	\$ 17,727,890

Accounts payable and accrued liabilities for the City's business-type activities, including individual major funds, are as follows:

Business-type	Water & Sewer	Other Enterprise	Total
Payables			
Vendors	\$ 8,945,618	\$ 96,804	\$ 9,042,422
Salaries and benefits	2,354,065	802,866	3,156,931
Business-type payables	\$ 11,299,683	\$ 899,670	\$ 12,199,353

5. Encumbrances

Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. Significant encumbrances from fiscal year 2025 that were re-appropriated on October 1, 2025 were:

Major funds:	
General Fund	\$ 4,537,367
Five Year Capital Improvement Fund	5,846,830
Infrastructure	<u>3,682,296</u>
Total Major funds	14,066,493
Non-Major Governmental Funds	<u>5,606,497</u>
Total Encumbrances	<u>\$ 19,672,990</u>

CITY OF BOCA RATON, FLORIDA
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6. Capital Assets

The following is a summary of capital asset activity for the fiscal year ended September 30, 2025:

Governmental activities:	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Capital assets not being depreciated/amortized:					
Land	\$ 143,080,394	\$ -	\$ -	\$ -	143,080,394
Construction in progress	24,716,491	10,372,232	-	3,888,180	31,200,543
Total capital assets not being depreciated/amortized	167,796,885	10,372,232	-	3,888,180	174,280,937
Capital assets being depreciated/amortized:					
Buildings	112,174,655	-	-	-	112,174,655
Machinery and equipment	96,671,954	6,717,276	-	5,703,362	97,685,868
Infrastructure	503,582,192	4,046,501	-	-	507,628,693
Right-to-use	156,996	-	-	75,547	81,449
Subscription Arrangements	10,134,905	14,297,950	-	-	24,432,855
Total capital assets being depreciated/amortized	722,720,702	25,061,727	-	5,778,909	742,003,520
Less accumulated depreciation/amortization for:					
Buildings	60,373,404	3,137,411	-	-	63,510,815
Machinery and equipment	70,506,531	6,844,858	-	5,659,692	71,691,697
Infrastructure	334,821,019	12,346,825	-	-	347,167,844
Right-to-use	100,574	42,114	-	75,546	67,142
Subscription Arrangements	3,320,529	3,053,350	-	-	6,373,879
Total accumulated depreciation/amortization	469,122,057	25,424,558	-	5,735,238	488,811,377
Total capital assets being depreciated/amortized, net	253,598,645	(362,831)	-	43,671	253,192,143
Governmental activities capital assets, net	\$ 421,395,530	\$ 10,009,401	\$ -	\$ 3,931,851	\$ 427,473,080

Business-type activities:	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Water and sewer					
Capital assets not being depreciated/amortized:					
Land	\$ 245,873	\$ -	\$ -	\$ -	245,873
Construction in progress	74,519,674	28,299,070	-	25,017,158	77,801,586
Total capital assets not being depreciated/amortized	74,765,547	28,299,070	-	25,017,158	78,047,459
Capital assets being depreciated/amortized:					
Buildings	105,420,467	-	-	-	105,420,467
Improvements other than buildings	347,658,799	30,782,131	-	-	378,440,930
Machinery and equipment	66,487,878	3,192,425	-	124,244	69,556,059
Total capital assets being depreciated/amortized	519,567,144	33,974,556	-	124,244	553,417,456
Less accumulated depreciation/amortization for:					
Buildings	75,497,060	2,239,058	-	-	77,736,118
Improvements other than buildings	206,441,051	9,947,680	-	-	216,388,731
Machinery and equipment	45,909,599	3,875,748	-	124,244	49,661,103
Total accumulated depreciation/amortization	327,847,710	16,062,486	-	124,244	343,785,952
Total capital assets being depreciated/amortized, net	191,719,434	17,912,070	-	-	209,631,504
Total water and sewer capital assets, net	\$ 266,484,981	\$ 46,211,140	\$ -	\$ 25,017,158	\$ 287,678,963

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

Non-major funds, business-type activities	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Capital assets not being depreciated:					
Land	\$ 118,000	\$ -	\$ -	\$ -	118,000
Construction in progress	2,597,488	1,831,592	-	1,531,133	2,897,947
Total capital assets not being depreciated	2,715,488	1,831,592	-	1,531,133	3,015,947
Capital assets being depreciated/amortized:					
Buildings	1,488,761	-	-	-	1,488,761
Improvements other than buildings	18,451,960	1,395,044	-	-	19,847,004
Machinery and equipment	17,743,714	3,864,735	-	661,213	20,947,236
Total capital assets being depreciated/amortized	37,684,435	5,259,779	-	661,213	42,283,001
Less accumulated depreciation for:					
Buildings	1,286,350	35,789	-	-	1,322,139
Improvements other than buildings	10,623,211	549,060	-	-	11,172,271
Machinery and equipment	7,141,743	1,940,240	-	403,833	8,678,150
Total accumulated depreciation	19,051,304	2,525,089	-	403,833	21,172,560
Total capital assets being depreciated/amortized, net	18,633,131	2,734,690	-	257,380	21,110,441
Total non-major funds, capital assets, net	21,348,619	4,566,282	-	1,788,513	24,126,388
Total business-type activities, capital assets, net	\$ 287,833,600	\$ 50,777,422	\$ -	\$ 26,805,671	\$ 311,805,351

Depreciation/amortization expense was charged to function / programs of the primary government as follows:

	Depr & Amort Expense
Governmental activities:	
General government	\$ 451,974
Law enforcement	2,631,898
Fire rescue	1,180,475
Physical environment	48,167
Transportation, including depreciation of general infrastructure assets	11,355,279
Community development	149,964
Parks and recreation	2,757,758
Sub Total	18,575,515
Depreciation and amortization of the capital assets held by the government's Internal Service Funds are charged to the various functions based on their usage of the assets	6,849,043
Total depreciation/amortization expense, governmental activities	<u>\$ 25,424,558</u>
Business-type activities:	
Water and sewer depreciation	\$ 16,062,486
Water and sewer lease amortization	-
Water and sewer bond amortization	72,709
Total water and sewer	16,135,195
Cemetery	57,075
Stormwater utility	796,830
Sanitation	1,671,184
Total depreciation and amortization expense, business-type activities	18,660,284
Total government wide depreciation and amortization expense	<u>\$ 44,084,842</u>

CITY OF BOCA RATON, FLORIDA
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SEPTEMBER 30, 2025

Construction and Purchase Commitments:

The City has active construction projects as of September 30, 2025. The projects include infrastructure projects and various water, wastewater and drainage projects. In addition, the City has outstanding purchase commitments for engineering and design services. At fiscal year-end, the City's significant commitments with contractors are as follows:

Project	Remaining Commitment
Infrastructure projects	\$ 10,144,674
Water, wastewater and drainage projects	82,588,967
Total	<u>\$ 92,733,641</u>

7. Leases and Subscriptions

The City adheres to the accounting and reporting requirements of *GASB Statement No. 87, Leases* and *GASB Statement No. 96, Subscription-Based Information Technology Arrangements*. The primary objective of these statements is to enhance the relevance and consistency of information about governments' leasing and subscription activities. *GASB Statement No. 87* establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. As the interest rate implicit in the City's leases is not readily determinable, the City utilizes its incremental borrowing rate to discount the lease payments. *GASB Statement No. 96* 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. For additional information, refer to the following disclosures.

Leases and Subscriptions Payable

The City entered into a 12-36 month lease as Lessee for the use of various Copiers. An initial lease liability was recorded in the amount of \$190,838. As of September 30, 2025, the value of the lease liability is \$14,082. The City is required to make monthly fixed payments, on average, of \$3,464. The leases have an average interest rate of 0.1933%. The equipment estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of September 30, 2025 of \$81,449 with accumulated amortization of \$67,142 is included with equipment on the lease class activities table found in Note 6. .

The City has recorded several multi-year subscription-based information technology arrangements (SBITAs). An initial liability was recorded in the amount of \$ \$3,952,284. As of September 30, 2025 the value of the liability is \$15,438,076. The City has discounted the future minimum payments usings its incremental borrowing rate. The value of the subscription-based information technology arrangements as of September 30, 2025 is \$24,432,855 with accumulated amortization of \$6,373,879 is included with Subscription Arrangements in Note 6.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Principal and Interest Requirements to Maturity - Governmental Activities

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	\$ 1,948,795	\$ 416,341	\$ 2,365,136
2027	1,987,828	362,733	2,350,561
2028	2,068,006	307,459	2,375,465
2029	2,034,356	249,863	2,284,219
2030	1,407,234	193,484	1,600,718
2031 - 2035	6,005,939	396,935	6,402,874
Total	\$ 15,452,158	\$ 1,926,815	\$ 17,378,973

Governmental Activities	Beginning Balance	Adjustment	Additions	Reductions	Ending Balance
Lease (Right-to-use) and Subscription Liability:					
Equipment	\$ 55,647	\$ -	\$ -	\$ 41,565	\$ 14,082
Subscription Liability	3,797,682	-	14,297,950	2,657,556	15,438,076
Total Lease (Right-to-use) and Subscription Liability	\$ 3,853,329	\$ -	\$ 14,297,950	\$ 2,699,121	\$ 15,452,158

Leases Receivable:

On October 1, 1989, the City entered into a 99 year lease as Lessor for the use of the CRA Mizner Lease. An initial lease receivable was recorded in the amount of \$61,275,713. As of September 30, 2025 the value of the lease receivable is \$59,388,152. The Lessee is required to make annual fixed payments of \$1,810,000.00. The lease has an interest rate of 0.4353%. The value of the deferred inflow of resources as of September 30, 2025 was \$58,681,267, and the City recognized lease revenue of \$948,864 during the fiscal year.

On March 6, 2021, the City entered into a 35 year lease as Lessor for the use of Alamanda Park. An initial lease receivable was recorded in the amount of \$1,143,112. As of September 30, 2025, the value of the lease receivable is \$1,095,060. The lessee is required to make annual fixed payments of \$20,600. The lease has an interest rate of 0.4353%. The value of the deferred inflow of resources as of September 30, 2025 was \$1,063,805, and the City recognized lease revenue of \$34,301 during the fiscal year. The lessee has 6 extension option(s), each for 60 months.

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance
Deferred Inflow of Resources:				
Land and Cell Towers	\$ 59,630,131	\$ -	\$ 948,864	\$ 58,681,267
Total Deferred Inflow of Resources	\$ 59,630,131	\$ -	\$ 948,864	\$ 58,681,267

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance
Lease Receivable:				
Land and Cell Towers	\$ 59,821,168	\$ -	\$ 433,016	\$ 59,388,152
Total Lease Receivable	\$ 59,821,168	\$ -	\$ 433,016	\$ 59,388,152

Principal and Interest Expected to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2026	442,772	1,404,901	1,847,673
2027	452,759	1,394,914	1,847,673
2028	462,984	1,384,690	1,847,674
2029	473,451	1,374,223	1,847,674
2030	484,166	1,363,507	1,847,673
2031 - 2035	2,590,690	6,647,678	9,238,368
2036 - 2040	2,899,465	6,338,903	9,238,368
2041 - 2045	3,246,759	5,991,609	9,238,368
2046 - 2050	3,637,419	5,600,949	9,238,368
2051 - 2055	4,076,899	5,161,469	9,238,368
2056 - 2060	4,422,550	4,668,263	9,090,813
2061 - 2065	4,933,996	4,116,004	9,050,000
2066 - 2070	5,555,728	3,494,272	9,050,000
2071 - 2075	6,255,805	2,794,196	9,050,001
2076 - 2080	7,044,098	2,005,902	9,050,000
2081 - 2085	7,931,723	1,118,277	9,050,000
2086 - 2088	4,476,888	198,945	4,675,833
\$	59,388,152	\$ 55,058,702	\$ 114,446,854

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

8. Deferred Outflows and Inflows

Deferred outflows and inflows as of the fiscal year-end as presented on the City's fund-level and government-wide statements in the aggregate, are as follows:

Deferred Outflows:	Fund-Level Statements	Government-Wide Statements
Deferred charge on refunding of bonds	\$ 145,418	\$ 150,493
Deferred outflows for pensions	14,406,201	104,070,634
Deferred outflows for OPEB	892,964	4,389,979
Total deferred outflows	<u>\$ 15,444,583</u>	<u>\$ 108,611,106</u>

Deferred Inflows:	Fund-Level Statements	Government-Wide Statements
Unavailable revenue	\$ 23,987	
Deferred inflows for pensions	15,039,284	\$ 53,532,571
Deferred inflows for OPEB	229,577	1,128,651
Deferred inflows for leases	58,681,267	\$ 58,681,267
Total deferred inflows	<u>\$ 73,974,115</u>	<u>\$ 113,342,489</u>

9. Long Term Debt

A. General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City as a whole and not its individual funds. In each year that debt is outstanding, an ad valorem tax is levied equal to principal and interest due. No reserves are maintained. These bonds generally are issued as 20-year serial bonds.

B. Special Assessment Bonds

The City issues special assessment debt to finance capital improvements in the Downtown District where both principal and interest are payable from pledged funds, which consist of special assessment proceeds on the benefitted property owners in the Downtown District. In the event that the pledged funds are insufficient to make the debt service payments, the City has committed to make an annual appropriation of available non-ad valorem revenues to make up any deficiencies.

On July 15, 2025, the City Council adopted Resolution No. 102-2025, which equalized and adopted the special assessment roll for the Downtown Special Assessment and established the special assessment amounts (\$303,711) due January 1, 2026.

C. Governmental Activities Non Ad Valorem Revenue Bonds

The City issues bonds where the City pledges revenues from non-ad valorem revenues.

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

D. Governmental Activities Infrastructure Surtax Revenue Bonds

The City issues bonds pledging the additional infrastructure sales surtax revenues.

E. Enterprise Funds Revenue Bonds and Defeasance of Debt

The City issues bonds whereby the City pledges income derived from the operations of the water and sewer system and a system development charge (connection fees) of the water and sewer system to pay debt service.

F. Outstanding Bonds, Loans Payable and Other Long-Term Liabilities

Governmental activities bonds and loans outstanding at September 30, 2025 consist of the following:

Governmental activities	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rate	Maximum Annual Debt Service
General Obligation Bonds:					
Series 2010	Improvement	\$ 9,225,000	\$ 2,985,000	3.00 – 4.00%	\$ 670,400
		<u>9,225,000</u>	<u>2,985,000</u>		
Special Assessment Bonds:					
Series 2010	Improvement	3,705,000	1,265,000	2.00 – 4.125%	286,544
		<u>3,705,000</u>	<u>1,265,000</u>		
Revenue Bond:					
Series 2018	Improvement	20,000,000	3,110,000	2.92%	3,200,812
		<u>20,000,000</u>	<u>3,110,000</u>		
Total for Governmental Activities		<u>\$ 32,930,000</u>	<u>\$ 7,360,000</u>		

Business-type activities bonds outstanding at September 30, 2025 consist of the following:

Business-type activities	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rate	Maximum Annual Debt Service
Utility system revenue bonds:					
Series 2015	Refunding	\$ 15,555,000	\$ 4,930,000	2.26%	\$ 1,703,225
Series 2020	Improvements	35,000,000	29,260,000	2.09%	2,155,232
Total for Business-type Activities		<u>\$ 50,555,000</u>	<u>\$ 34,190,000</u>		

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

Long-term bonds and loans payable activity for the fiscal year ended September 30, 2025 was as follows:

Governmental activities	Beginning Balance	Additions	Reductions	Ending Balances	Due Within One Year
Bonds and notes payable:					
General obligation bonds	\$ 3,520,000		\$ 535,000	\$ 2,985,000	\$ 555,000
Special assessment bonds	1,490,000		225,000	1,265,000	235,000
Revenue bonds	17,645,000		14,535,000	3,110,000	3,110,000
Net premium on bonds	135,792		1,995	133,797	
Lease liability	55,647		41,565	14,082	14,082
Subscription liability	3,797,682	\$ 14,297,950	2,657,556	15,438,076	1,934,713
Total governmental bonds and loans payable net	\$ 26,644,121	\$ 14,297,950	\$ 17,996,116	\$ 22,945,955	\$ 5,848,795

Business-type activities	Beginning Balance	Additions	Reductions	Ending Balances	Due Within One Year
<i>Water and Sewer:</i>					
Revenue bonds	\$ 37,285,000	\$ -	\$ 6,265,000	\$ 31,020,000	\$ 3,170,000
Total business-type bonds and loans payable, net	\$ 37,285,000	\$ -	\$ 6,265,000	\$ 31,020,000	\$ 3,170,000

Other long-term liability activity for the fiscal year ended September 30, 2025 was as follows:

Governmental activities	Beginning Balance	Additions	Reductions	Ending Balances	Due Within One Year
Net pension liability	\$ 295,959,409	\$ -	\$ 46,484,546	\$ 249,474,863	\$ -
Total OPEB liability	7,686,614	172,178	-	7,858,792	785,879
Estimated liability for self-insurance losses	11,666,740	22,247,231	22,341,869	11,572,102	3,703,102
Total governmental activities, long term liabilities	\$ 315,312,763	\$ 22,419,409	\$ 68,826,415	\$ 268,905,757	\$ 4,488,981

Business-type activities	Beginning Balance	Additions	Reductions	Ending Balances	Due Within One Year
Net pension liability	\$ 14,595,373	\$ -	\$ 6,041,352	\$ 8,554,021	\$ -
Total OPEB liability	1,403,971	33,347	-	1,437,318	143,732
Total business-type activities, long-term liabilities	\$ 15,999,344	\$ 33,347	\$ 6,041,352	\$ 9,991,339	\$ 143,732

The City's net pension liability and OPEB liability that relate to governmental activities are generally liquidated by the general fund whereas the City's net pension liability and OPEB liability that relate to business-type activities are liquidated by their respective enterprise fund.

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

Summary of Annual Debt Service Requirements:

Fiscal Year Ending September 30,	Governmental Activities						Business-type Activities	
	General Obligation Bonds		Special Assessment and Revenue Bonds		Revenue Bonds		Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 555,000	\$ 113,550	\$ 235,000	\$ 50,356	\$ 3,110,000	\$ 90,812	\$ 3,170,000	\$ 688,457
2027	575,000	91,350	245,000	41,544	-	-	3,230,000	618,814
2028	595,000	71,225	250,000	31,744	-	-	3,305,000	547,702
2029	620,000	50,400	260,000	21,744	-	-	1,660,000	494,486
2030	640,000	25,600	275,000	11,344	-	-	1,695,000	459,330
2031-2035	-	-	-	-	-	-	9,015,000	1,745,212
2036-2040	-	-	-	-	-	-	9,990,000	752,955
2041	-	-	-	-	-	-	2,125,000	22,206
Total	\$ 2,985,000	\$ 352,125	\$ 1,265,000	\$ 156,732	\$ 3,110,000	\$ 90,812	\$ 34,190,000	\$ 5,329,162

G. Compensated Absences

Accumulated compensated absences and other post employment benefit obligations are recorded in the government-wide and proprietary financial statements when earned. Compensated absences activity for the fiscal year ended September 30, 2025 was as follows:

Governmental activities:	Beginning Balance	Net Increase/ (Decrease)	Ending Balances	Due Within One Year
Compensated absences	\$ 23,379,838	\$ 254,745	\$ 23,634,583	\$ 2,363,458
Total governmental activities, long-term liabilities	<u>\$ 23,379,838</u>	<u>\$ 254,745</u>	<u>\$ 23,634,583</u>	<u>\$ 2,363,458</u>

Business-type activities:	Beginning Balance	Net Increase/ (Decrease)	Ending Balances	Due Within One Year
Compensated absences - Water and Sewer	\$ 1,596,135	\$ (203,475)	\$ 1,392,660	\$ 139,266
Compensated absences - other business type activities	587,298	(18,324)	568,974	56,897
Total business-type activities, long-term liabilities	<u>\$ 2,183,433</u>	<u>\$ (221,799)</u>	<u>\$ 1,961,634</u>	<u>\$ 196,163</u>

H. Water and Sewer System Bond Covenants

The Water and Sewer System (the System) bond ordinances provide for two separate revenue flows to meet the needs of the System operations, reserves and debt service. System Development Charges (connection fees) are deposited into separate accounts. An annual calculation determines the portion of the charge to be transferred to the debt service fund. Connection fees are restricted to payment of debt service related to the construction of new plant capacity. Connection fees may not be used for operations.

First, operating revenue of the System is used to meet the operations and maintenance requirements. Next, revenue is used to pay any portion of the bond interest, principal and reserve requirements not paid from impact fees. Next, an amount not less than 5% of the

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
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prior year's revenue is transferred to the System's Renewal and Replacement Fund until the balance in the fund totals 1% of gross book value of assets of the System. Revenue is then used to fund an operation and maintenance reserve fund, which is maintained at a level equal to 1/12 of the operating budget. Remaining monies can be used for any legal City purpose.

At September 30, 2025, all reserves including the bond reserve account were fully funded. The rate structure is calculated annually to assure adequate coverage of all requirements.

I. Pledged Revenues

The City issues bonds that are served by a pledge of specific revenues. Total pledged revenues to repay the principal and interest of those bonds as of September 30, 2025 are as follows:

Source of Revenue Pledged	Governmental Activities		Business-type Activities
	Special Assessment	Infrastructure Surtax	Water & Sewer Revenues
Current revenue pledged	\$ 304,825	\$ 11,084,714	\$ 30,375,480
Current debt service	283,794	3,198,996	3,851,629
Total future revenues pledged	1,421,732	3,200,812	39,519,162
Description of debt	Special Assessment Refunding & Improvement Bonds, Series 2009-2010 (Visions 90 Projects) Series 2009, to refund	Capital Improvement Surtax Bonds, issued 2018	Water and Sewer Utility Revenue Bonds, issued 2015; Improvement Bonds, issued 2020
Purpose of debt	Special Assessment Bonds, Series 2001; Series 2010, to finance certain improvements within the Downtown District	Infrastructure	Refunding and Improvements within Water and Sewer System
Term of commitment	2010-2030	2018-2026	2015-2040
Percentage of debt service to pledged revenues (current year)	93%	29%	13%

Additional information related to pledged revenue debt coverage is provided in the Debt Capacity of the Statistical Section.

J. Defeasance of Debt

The City defeased certain general obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments of the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's general purpose financial statements. At September 30, 2025, \$3,380,000 of bonds outstanding is considered defeased.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

10. Employee Retirement Systems

The City of Boca Raton sponsors three defined benefit plans – General Employees’ Pension Plan, Police and Firefighters’ Retirement System and the Executive Employees’ Retirement Plan. The General Employees’ Pension Plan, the Police and Firefighters’ Retirement System and the Executive Employees’ Retirement Plan each issue a publicly available audited GAAP financial report that includes financial statements and required supplementary information. The information reported below is a brief summary of information reported in more detail in the independently published financial statements for each pension plan. Copies of these reports are available at City Hall in the Financial Services Department, Room 160, located at 201 West Palmetto Park Road, Boca Raton, FL 33432.

The pension plans’ financial statements are prepared using the accrual basis of accounting. Contributions from members are recognized in the period the City makes payroll deductions from participants. City contributions to each Plan are recognized when due as determined actuarially and are remitted on a monthly basis along with the members’ contributions. The City has made a formal commitment to provide the contributions to the pension plans. Benefit payments and refunds to members are recognized when due and payable in accordance with the terms of each plan.

Current Membership of Pension Plans:

Current membership, at September 30, 2025 in the General Employees’ Pension Plan, Police and Firefighters’ Retirement System and Executive Employees’ Retirement Plan, is comprised of the following:

	General Employees' Pension Plan	Police and Firefighters' Retirement System	Executive Employees' Retirement Plan
Inactive plan members/beneficiaries currently receiving benefits	654	417	56
Inactive plan members entitled to, but not yet receiving, benefits	50	11	15
Active plan members	552	374	46
Total	<u>1,256</u>	<u>802</u>	<u>117</u>

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

The following summarizes the pension related amounts for the City as of the indicated measurement date.

	Measurement Date	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense/ (Income)
General Employees' Pension Plan	9/30/24	\$ 25,160,999	\$ 32,613,314	\$ 34,939,315	\$ 1,584,999
Police and Firefighters' Retirement System	9/30/24	217,285,750	60,353,140	8,153,633	6,454,933
Executive Employees' Retirement Plan	9/30/24	15,227,534	11,018,986	10,257,127	943,401
Florida Retirement System Plan	6/30/25	317,935	84,050	163,859	(26,348)
Retiree Health Insurance Subsidy Program	6/30/25	36,666	1,144	18,637	(2,155)
Total		<u>\$ 258,028,884</u>	<u>\$ 104,070,634</u>	<u>\$ 53,532,571</u>	<u>\$ 8,954,830</u>

General Employees' Pension Plan:

General Information about the Pension Plan:

Plan Description:

The General Employees' Pension Plan (GE Plan) is a single-employer defined benefit plan administered by a Board of Trustees (the Board) that covers all regular full-time City employees except police, fire, and executive management employees. The Board consists of eight trustees, each serving a term of three years. Four of the trustees are Plan members who are elected by members of the Plan and the other four trustees are appointed by City Council. The GE Plan was established by Ordinance No.1806, adopted April 17, 1973, by City Council and amended by Ordinance No. 5641 adopted January 10, 2023. The GE Plan is also governed by Chapter 112, Florida Statutes. The Plan issued a publicly available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained online at <https://myboca.us/> or by writing to:

General Employees' Pension Plan
Boca Raton City Hall, Suite 230
201 West Palmetto Park Road
Boca Raton, Florida 33432

The GE Plan is divided into three levels of benefit- Plan A, Plan B and Plan C. Employees hired prior to October 1, 1987 are enrolled in GE Plan A. Employees hired from October 1, 1987 to October 31, 2007 or transferred from GE Plan A are enrolled in GE Plan B. Employees hired on or after November 1, 2007, or who elect to transfer from GE Plan A or B, may enroll in GE Plan C or the City's defined contribution plan. On an ongoing basis, all assets accumulated for the payment of benefits may legally be used to pay benefits to members or beneficiaries of GE Plan A, B and C.

CITY OF BOCA RATON, FLORIDA
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Benefits Provided:

Retirement benefits are calculated by multiplying the member's earnings averaged over five years times the member's years of continuous service times a multiplier determined by their plan level.

Members become eligible for unreduced benefits upon the attainment of age 65, without regard to service, age 55 with the completion of 20 years of continuous service, or age 53 with the completion of 30 years of continuous service. GE Plan A and B participants utilize a 3.00% multiplier and GE Plan C participants utilize a 2.00% multiplier.

Members become eligible for a Rule 68 retirement benefit when age plus service equals 68 and requires a minimum age of 50 and minimum continuous service of 15 years. For the Rule of 68 retirement option, GE Plan A participants utilize a 2.5% multiplier. GE Plan B and C participants utilize a 1.50% multiplier.

Members qualify for alternate unreduced early retirement upon the attainment of age 55 and minimum continuous service of 15 years. GE Plan A and B participants utilize a 2% multiplier. GE Plan C participants utilize a 1.75% multiplier.

Members qualify for early retirement benefits upon attaining age 50 with 20 years of continuous service. If a participant terminates employment after having attained the early retirement date, they have the following two available options: 1) The benefits can be deferred until the member's normal retirement date, in which case the benefit will be calculated the same as normal retirement, or 2) The member may take a reduced benefit, which may start any time prior to the normal retirement date. The reduction factor is 5% for each year early retirement precedes the normal retirement age 55.

Active employees who become disabled receive 60% (50% of earnings for disabilities incurred away from work) of the monthly earnings in effect at the time of disability, reduced by workers' compensation or any public disability benefits to which the member is entitled. Disability benefits are paid until the earlier of death, recovery, or the end of the maximum benefit period. The maximum benefit period is until age 65 if the member became disabled prior to attainment of age 60 or for 60 months if the member became disabled after the attainment of age 60.

If an employee dies while an active member or on disability, the benefit is equal to 3.5 times the member's annual earnings as of the date of death or the date the member became disabled. The beneficiary receives an initial lump sum followed by monthly payments until the designated amount is paid in full. Interest, at a rate equal to the yield of the five-year U.S. Treasury Note on the first day of the fiscal year, is approved annually by the Board of Trustees and is credited on the unpaid balance.

If a member meets the minimum service requirement of 10 years of continuous service at the time employment terminates, the benefit will be paid when the member turns 65 or later attains the age requirement for unreduced benefits provided the service requirement

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for unreduced benefits was met prior to termination. A member may elect to take an immediate reduced benefit, when eligible, calculated in the same manner as for early retirement.

If termination occurs after the completion of 10 years of continuous service, the full accrued retirement benefit is payable at the normal retirement date. If termination occurs prior to the completion of 10 years of continuous service, the member's contributions will be refunded with interest credited at 3% per year, compounded annually.

The Deferred Retirement Option Plan (DROP) is available to all GE Plan members who are still actively employed and have attained the age of 55 with at least 20 years of continuous service, age 53 with at least 30 years of continuous service, or a reduced benefit at age 50 with 20 years of continuous service. Upon electing to participate in the DROP, members are considered to have retired for pension purposes of the GE Plan but continue to remain in active employment with the City. The member's pension benefit is calculated as if they actually retired on the date of DROP participation, using continuous service, average monthly earnings, and the current multiplier as of that date. Instead of paying the benefit to the member, a DROP account is established and the benefit is deposited in the account each month; these deposits continue to accumulate interest during the remainder of the member's employment with the City. City and employee contributions cease when a member elects to participate in the DROP. Maximum duration of participation is seven years. If a member continues to remain in employment more than the maximum period, no further deposits will be made to the member's account and investment earnings will cease to be posted. Upon termination of employment, members shall receive their normal retirement benefits and may elect to receive their funds from the DROP account in a lump sum distribution or roll their account balance into a qualified instrument. When participating in the DROP, participants are no longer eligible for disability or preretirement death benefits from the GE Plan. If a participant dies prior to the DROP balance being paid in full, the beneficiary shall have the same rights to which the participant was entitled. At September 30, 2025, there were 81 DROP participants with a total balance of \$13,554,055. These amounts are included in the total investment balance presented on the Pension Trust Funds Statement of Fiduciary Net Position.

There are no automatic annual cost-of-living adjustments for members in the Plan. However, under Section 12-03, City Code of Ordinance, provides for a biennial review of retirement and disability benefits. In 2025, Ordinance No. 5750 was passed by City Council, providing for a one-time lump sum payment equal to 5.0% of the annual retirement benefit to members who began receiving benefits prior to October 1, 2015, and a one-time lump sum payment equal to 3.0% of the annual retirement benefit to members who began receiving benefits on or after October 1, 2015 and prior to October 1, 2020.

GE Plan Contributions:

GE Plan A and B members are required to contribute 9.65% of their annual earnings while GE Plan C members are required to contribute 7.75% of their annual earnings. Member contributions are established in accordance with the applicable collective bargaining

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agreement. Annual earnings include basic wages and longevity pay but exclude overtime, bonuses and any other extra compensation. Annual earnings does not include payments made to a member for any portion of a cost of living adjustment and/or merit increase, which exceeds the maximum of the employee's respective salary range. Employer contributions for the fiscal year ended September 30, 2025 determined using the actuarial valuation dated October 1, 2023 were 7.72% of covered payroll for GE Plan A, B and C members. The City is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions of actuarially determined amounts.

City's Net Pension Liability Regarding the GE Plan:

The City's liability for the net pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions.

The total pension liability was determined by an actuarial valuation as of October 1, 2023, rolled forward to September 30, 2024 using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation	2.6%
Salary increases	Service based
Investment rate of return	7.50%

Mortality rates, as mandated by Chapter 2015-157, Laws of Florida, were those used by the Florida Retirement System (FRS) for non-special risk employees, with appropriate adjustments made based on the plan demographics.

The long-term expected rate of return on the GE plan investments is 7.50%. The GE plan's policy regarding the allocation of investments is established by the GE Plan Board of Trustees. The long-term expected rate of return of each pension plan asset class is based upon the historical average or mean returns. This historical data reveals a tendency for the returns of various asset classes to fall within a range, but the expected returns are based upon the average returns during these past periods. In order to determine the real rates of return, it is necessary to subtract the expected inflation rate from the nominal investment return. The long-term expected rate of return for the GE plan was calculated by weighting the expected future rates of return of each asset class by the corresponding target allocation percentages.

Best estimates of real rates of return for each major asset class included in the GE plan's target asset allocation as of September 30, 2024 are summarized as follows:

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<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	8.5%
International equity	3.3
Convertibles	6.4
Infrastructure	3.3
Fixed Income	1.9
REITs	7.4
Private Real estate	5.5
Private Equity	5.1
Private Credit	5.1
Cash	0.0

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows was used to determine the discount rate assumed the GE Plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the GE Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current GE Plan members. Therefore, the long-term expected rate of return on GE Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset):

<u>Component</u>	<u>General Employees' Pension Plan</u> <u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u> <u>(a)</u>	<u>Plan Fiduciary Net Position</u> <u>(b)</u>	<u>Net Pension Liability (Asset)</u> <u>(a) - (b)</u>
Balance at September 30, 2023	\$ 270,484,368	\$ 221,140,080	\$ 49,344,288
Changes for the year:			
Service cost	3,630,670	-	3,630,670
Interest	19,802,077	-	19,802,077
Assumption changes	-	-	-
Plan changes	-	-	-
Differences between expected and actual experience	3,398,474	-	3,398,474
Contributions - employer		2,449,531	(2,449,531)
Contributions - employee		3,049,593	(3,049,593)
Net investment income (loss)	-	45,690,063	(45,690,063)
Benefit payments, including refunds of employee contributions	(20,039,546)	(20,039,546)	-
Transfers	(135,146)	(135,146)	
Administrative Expenses	-	(174,677)	174,677
Net changes	6,656,529	30,839,818	(24,183,289)
Balance at September 30, 2024	\$ 277,140,897	\$ 251,979,898	\$ 25,160,999

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.50 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

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		1% Decrease 6.50%		Current Rate 7.50%		1% Increase 8.50%
Net pension liability (asset)	\$	51,744,522	\$	25,160,999	\$	2,556,814

GE Plan Fiduciary Net Position:

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to GE Plan:

For the fiscal year ended September 30, 2025 the City recognized pension expense of \$1,584,994 on the government-wide Statement of Activities for the GE Plan. This amount is included as part of personnel services expenses within the functional program activities.

At September 30, 2025, the City reports deferred outflows and inflows of resources related to the GE Plan from the following sources:

General Employees' Pension Plan	Deferred Outflow of Resources	Deferred Inflow of Resources
Experience gain/(loss)	\$ 3,042,153	\$ (1,494,165)
Asset gain/(loss)	2,214,860	-
Assumptions	-	(8,804,542)
Subsequent contributions	2,715,693	-
Total	<u>\$ 7,972,706</u>	<u>\$ (10,298,707)</u>

The total aggregated deferred outflows and deferred inflows related to the GE Plan is \$32,613,314 and \$34,939,315, respectively. The net effect of these amounts is \$2,326,001. The above table represents the netting of such amounts.

Deferred outflows of resources related to the GE Plan, totaling \$2,715,693 resulting from City contributions subsequent to the September 30, 2024 measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ending September 30, 2026. Other asset and liability gains & losses reported as deferred outflows of resources and as deferred inflows of resources related to the GE Plan will be recognized in pension expense in subsequent years as follows:

Year ended September 30:	
2026	\$ 541,493
2027	6,655,541
2028	(6,306,439)
2029	(5,932,289)
Total	<u>\$ (5,041,694)</u>

The schedule of changes in the City's net pension liability and related ratios and the schedule of contributions, presented as Required Supplementary Information (RSI) following the notes to the financial statements, provide additional information about the net pension liability, plan assets and contributions.

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Police and Firefighters' Retirement System:

General Information about the Pension Plan:

Plan Description:

The Police and Firefighters' Retirement System (PF Plan) is a single-employer defined benefit plan administered by Board of Trustees (the Board) which covers all City of Boca Raton (the City) police officers and firefighters. The Board consists of eight trustees, each serving a term of two years. Two of the trustees are eligible police officer members of the Plan who are elected by the other police officer members of the Plan. Two of the trustees are eligible firefighter members of the Plan who are elected by other firefighter members of the Plan. The other four trustees are appointed by the City Council. The PF Plan issued a publicly available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained online at the City's website at <https://myboca.us/> or by writing to:

Police and Firefighters' Retirement System
Boca Raton City Hall, Suite 230
201 West Palmetto Park Road
Boca Raton, Florida 33432

The PF Plan was established by Ordinance No. 1806, adopted April 17, 1973, by City Council. The PF Plan is also governed by Chapters 112, 175, and 185, Florida Statutes. Pursuant to Chapters 175 and 185 of the Florida Statutes, premium taxes on certain property and casualty insurance contracts written on City properties is collected by the State and is remitted to the PF Plan. This amount totaled \$5,310,037 for the fiscal year ended September 30, 2025: \$3,829,308 for property insurance contracts for firefighters under Chapter 175 and \$2,326,580 for casualty insurance contracts for police officers under Chapter 185. This amount was recognized as an expenditure and revenue in the Retirement Sustainability Internal Service Fund.

Benefits Provided:

The earliest date at which a police officer and a firefighter can receive full benefits is called the normal retirement date. The normal retirement date is the first day of the month coincident with or following completion of 20 years of continuous service or attainment of age 55 with 10 years of continuous service. There is no mandatory retirement date; members may work past their normal retirement date and continue to accrue additional benefits subject to certain maximums as described below.

Police officer members exercising normal retirement are entitled to receive monthly benefits payable at 3.5% of their average monthly earnings (AME), which is the highest two-year average preceding retirement, multiplied by their years of continuous services, subject to a maximum of the greater of 87.5% of AME or 2% of AME multiplied by the years of service. For those police officers retiring on or after April 14, 2015, the maximum benefit is 77% of AME. The maximum benefit shall be increased to include the percentage attributable to the past service purchase but in no event shall the total benefit exceed 87.5% of AME. For those members retiring on or after April 14, 2015, longevity pay shall

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not be included in AME and AME will be the highest 3-year average prior to retirement, provided that the AME for a police officer member who retires prior to October 1, 2017 shall be the greater of the arithmetic average of the highest 2 years preceding actual retirement or the arithmetic average of annual earnings for the 3 consecutive years immediately preceding retirement. A police officer, who becomes a member of the Plan on or after April 14, 2015, shall not have any overtime pay included in the calculation of AME.

Notwithstanding the prior maximums, the maximum normal retirement benefit for members who retire on or after July 24, 2018 shall be 84% of AME; provided, if a member's accrued benefit as of July 24, 2018 exceeded 84% of the AME, the member shall retain the accrued benefit as of that date but shall not thereafter accrue any additional benefit. In no event shall such member's normal retirement benefit be less than 2% of the AME for each year of service. For those members who purchased past service on or before April 14, 2015, the maximum benefit of 84% of AME shall be increased to include the percentage attributable to the previously past service, but in no event shall the maximum normal retirement benefit (when applied to the normal form of benefit) at the time of retirement shall not exceed 87.5% of AME. Past service purchased on or after April 14, 2015 shall not increase the maximum normal retirement benefit above 84% of the AME.

Firefighter members exercising normal retirement are entitled to receive monthly benefits of 3.4% of their AME, multiplied by the member's years of continuous service, subject to a maximum of 100% of AME. For those firefighter members retiring on or after April 14, 2015, the maximum benefit shall be the lesser of \$100,000 or 90% of AME. This maximum benefit will increase 2% per year.

Police and Firefighter members retiring before October 26, 2010 received a \$10 monthly supplement per year of service. Members separating from service on or after October 26, 2010, received a \$10.50 monthly supplement per year of service. Ordinance No. 5578, adopted on May 5, 2021, increased the supplemental for Police members separating from service, on or after May 25, 2021, from \$10.50 to \$20.00. Ordinance No. 5674, adopted on October 24, 2023, increased the supplement to \$50.00 per month for Firefighter members who retire and begin collecting benefits on or after September 21, 2023. Ordinance No. 5673, adopted on October 24, 2023, increased the supplement to \$50.00 per month for Police members who retire and begin collecting benefits on or after October 1, 2023. The supplement for terminated vested members was frozen as of April 14, 2015, and going forward, members are no longer eligible for the retirement supplement.

A member of the PF Plan may be eligible for early retirement after attainment of age 50 with 10 years of continuous service. Members so qualifying may receive benefits under one of the following two options:

- The benefits can be deferred until the member's normal retirement date, in which case the benefit will be calculated the same as discussed above under normal retirement, or
- The member may take a reduced benefit, which may start any time prior to the normal retirement date. The reduction factor is 3% for each year prior to the normal retirement date.

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Active employees under a disability retirement shall be entitled to receive a retirement benefit equal to 75% of the member's average monthly earnings or accrued benefit if the disability occurred in-service. The monthly benefit for a non-service incurred disability is equal to the normal benefit accrued by the member as of the date of the disability. Such benefit is payable from the first day of disability. Disability benefits are paid until the earlier of death or recovery from disability.

If an active employee dies from a service-incurred death, a lump-sum payment of \$5,000 is paid to the beneficiaries. In addition, the surviving spouse receives a monthly benefit until death, equal to 75% of the average monthly earnings. An additional 7½% of the average monthly earnings is paid for each minor child, but in no event does the amount paid to the spouse and children exceed 90% of the member's average monthly earnings. The payments to the children end upon the earlier of death, marriage, attainment of age 18, or age 22 if the child is a full-time student in an accredited school.

If an active employee dies from a non-service incurred cause and has less than one year of continuous service, a single payment of \$2,500 is paid to the beneficiaries. If the employee has more than one year of continuous service, a single payment of \$5,000 is paid to the beneficiaries. If the employee has five or more years of service, the surviving spouse will receive a monthly pension equal to 65% of the employee's accrued pension. An additional 7½% of the average monthly earnings is paid for each minor child, but in no event does the amount paid to the spouse and children exceed 50% of the member's average monthly earnings. Payments to the children end upon the earlier of death, marriage, attainment of age 18, or age 22 if the child is a full-time student in an accredited school.

If a member terminates employment and is not eligible for any other benefits under the system, he or she is entitled to the following:

- With less than 10 years of continuous service, a refund of the member contribution is made plus 3% interest, or
- With 10 or more years of continuous service, the pension accrued to the date of termination, payable commencing at his or her normal retirement date, or at the member's option, a lump sum refund of the member contribution plus 3% interest.

Police officers and firefighters who have reached normal retirement age may elect to participate in the Deferred Retirement Option Plan (DROP). Upon electing to participate in the DROP, members are considered to have retired for purposes of the pension plan, but continue to remain in active employment with the City. Under Section 12-153, City of Boca Raton Code of Ordinances, as of July 24, 2018, a police officer member's election into the DROP will be deemed irrevocable. The member's normal retirement benefit is calculated as if the member had actually retired on the date of DROP participation, using continuous service and average monthly earnings as of that date.

Instead of paying the benefit to the member, a DROP account is established and the benefit is deposited in the account each month; these deposits continue to accumulate interest during the remainder of the member's employment with the City. The DROP

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account may remain a commingled part of the pension plan or may be self-directed with an established retirement corporation. City and employee contributions cease when a member elects to participate in the DROP.

During the period of DROP participation, the member's DROP account is credited monthly with investment earnings at the same rate that is earned on the total pension fund or as self-directed, if applicable. In addition, each member's account is charged with a portion of the administrative expenses. The maximum duration of DROP participation is seven years. If a member continues to remain in employment more than seven years, no further deposits will be made to the member's account and investment earnings will cease to be posted. Administrative expenses will continue to be charged. There is no taxation of benefits during the period of DROP participation.

Upon termination of employment, members may elect to receive their funds from the DROP account in a lump sum, annual installments or monthly annuity distributions. Benefit distributions must commence by age 72 ½. When participating in the DROP, participants are no longer eligible for disability or preretirement death benefits from the PF Plan. If a participant dies prior to the DROP balance being paid in full, the beneficiary shall have the same rights to which the participant was entitled. At September 30, 2025, there were 152 DROP participants with a total balance of \$44,063,868. These amounts are included in the total investment balance presented on the Pension Trust Funds Statement of Fiduciary Net Position.

Police officer members eligible to receive normal retirement benefits at the time they leave the employment of the City, on or after October 1, 2001, are eligible to receive a 2% annual increase every year after the year of retirement. Retirements before October 1, 2001 receive a 3% annual increase every 2 years. On or after April 14, 2015 a police officer member shall be eligible to receive an annual increase upon attainment of their normal retirement date while actively employed. For police officer members who enter the DROP on or after April 14, 2015, the annual increase on the retirement benefit will begin the earlier of 1 year after termination of employment or 3 years after DROP entry.

Firefighter members eligible to receive normal retirement benefits at the time they leave the employment of the City (who retired prior to April 14, 2015) and have 22 or more years of continuous service (or 20 years if retired prior to December 9, 2008), are eligible for a cost of living adjustment of 3% each year once they have attained the age of 52 or have been retired one year, whichever comes later. Firefighter members with 21 years of continuous service are eligible for the cost-of-living adjustment after two years and with 20 years of continuous service are eligible after three years. For firefighter members retiring on or after April 14, 2015, for that portion of the retirement benefit that accrues on or after April 14, 2015, the cost of living adjustment shall be based on the continuous service earned on or after April 14, 2015 and the annual cost of living adjustment shall be 2.5 percent.

Benefits payable for service-related death and disability benefits are increased by 3% each year starting with the date they would have attained age 52. No increases apply to nonservice related death or disability benefits unless they complete 20 years of continuous service prior to their death or disability. For firefighter members retiring on or after April

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14, 2015, for that portion of the retirement benefit that accrues on or after April 14, 2015, the cost of living adjustment shall be based on continuous service earned on or after April 14, 2015, the annual increase in their retirement benefit shall be 2.5 percent.

PF Plan Contributions:

Firefighter member contributions are at the rate of 10.2% of compensation. Effective October 1, 2015 police officer member contributions increased from 10.2% to 11.5% of compensation. Employer contributions for the year ended September 30, 2025, determined using the actuarial valuation dated October 1, 2023, were 55.20% of covered payroll. The Plan's funding policy provides for actuarially determined periodic employer contributions sufficient to pay the benefits provided by the Plan when they become due. Administrative costs are funded through investment earnings.

Police officer members are required to contribute 11.5% of their annual earnings. Member contributions are established in accordance with the applicable collective bargaining agreement. For those police officers who became members of the Plan prior to April 14, 2015 annual earnings include basic wages, longevity pay and the first 300 hours of overtime but exclude any overtime earnings in excess of 300 hours, bonuses and any other extra compensation. For those police officers who became members of the Plan on or after April 14, 2015 annual earnings include basic wages only. Firefighter members are required to contribute 10.2% of their annual earnings. Member contributions are established in accordance with the applicable collective bargaining agreement. Annual earnings include basic wages, certification pay and longevity pay but exclude overtime, bonuses and any other extra compensation.

For police officers, the PF Plan receives funding from premium taxes on certain property and casualty insurance contracts written on City properties that is collected by the State and remitted directly to the PF Plan as a contribution, which was 10.43% of covered payroll for police officers. Employer contributions for the fiscal year ended September 30, 2025 determined using the actuarial valuation dated October 1, 2023 were 58.79% of covered payroll. The City is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions of actuarially determined amounts.

For firefighters, the PF Plan receives funding from premium taxes on certain property and casualty insurance contracts written on City properties that is collected by the State and remitted directly to the PF Plan as a contribution, which was 14.90% of covered payroll for firefighters. Employer contributions for the fiscal year ended September 30, 2025 determined using the actuarial valuation dated October 1, 2023 were 47.83% of covered payroll. The City is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions of actuarially determined amounts.

City's Net Pension Liability Regarding the PF Plan:

The City's liability for the net pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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Actuarial Assumptions.

The total pension liability was determined by an actuarial valuation as of October 1, 2023, rolled forward to September 30, 2024 using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation	2.5%
Salary increases	Age based
Investment rate of return	7.50%
Cost of living adjustment	varies

Mortality rates, as mandated by Chapter 2015-157, Laws of Florida, were those used by the Florida Retirement System (FRS) for special risk employees, with appropriate adjustments made based on the plan demographics.

The long-term expected rate of return on the PF plan investments is 7.50%. The PF plan's policy in regard to the allocation of investments is established by the PF Plan Board of Trustees. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return for the PF plan by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimate of arithmetic real rates of return for each major asset class included in the PF Plan's target asset allocation as of September 30, 2024 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	6.10%
U.S. Small Cap Equity	6.96%
Non-US Equity (includes Emerging)	7.01%
Core Fixed Income	1.72%
High Yield Fixed Income	3.43%
Emerging Markets Debt	3.53%
Multi-Asset Class Solutions	2.67%
Private Equity	9.43%
Long/Short Equity Strategies	4.29%
Credit/Event Hedge Strategies	3.91%
Real Estate - Core	3.53%
Private Debt	5.91%

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows was used to determine the discount rate assumed the PF Plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the PF Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current PF Plan members. Therefore, the long-term expected rate of return on PF Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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Changes in Net Pension Liability:

	Police & Firefighters' Retirement System		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at September 30, 2023	\$ 729,171,784	\$ 488,504,422	\$ 240,667,362
Changes for the year:			
Service cost	14,425,819	-	14,425,819
Interest	55,150,546	-	55,150,546
Changes of benefit terms	-	-	-
Differences between expected and actual experience	4,615,742	-	4,615,742
Changes of assumptions	8,701,459	-	8,701,459
Contributions - employer	-	20,333,519	(20,333,519)
Contributions - State	-	5,578,730	(5,578,730)
Contributions - employee	-	5,224,547	(5,224,547)
Contributions - buy back	300,181	300,181	-
Net investment income (loss)	-	75,343,569	(75,343,569)
Benefit payments, including re-funds of employee contributions	(35,865,043)	(35,865,043)	-
Transfers	-	87,517	(87,517)
Administrative expense	-	(292,704)	292,704
Net changes	<u>47,328,704</u>	<u>70,710,316</u>	<u>(23,381,612)</u>
Balance at September 30, 2024	<u>\$ 776,500,488</u>	<u>\$ 559,214,738</u>	<u>\$ 217,285,750</u>

Florida State Statutes Chapters 175 and 185 establish minimum benefits and standards for all municipal Police Officer and Firefighter pension plans. The statutes govern the allocation of insurance premium excise taxes that are levied to provide a partial funding source for these plans. In 2015, the statutes were amended to allow the City and the Unions to mutually agree on the use of these funds. The balance of the insurance premium excise taxes to be used for future benefits at September 30, 2025 totals \$22,617,937.

The following presents the net pension liability of the City, calculated using the discount rate of 7.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease	Current Rate	1% Increase
	6.50%	7.50%	8.50%
Net pension liability	\$ 314,706,469	\$ 217,285,750	\$ 137,439,107

PF Plan Fiduciary Net Position:

Detailed information about the PF Plan's Fiduciary Net Position is available in a separately issued financial report. The report may be obtained on the internet at the City's website (<http://myboca.us/>).

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to PF Plan:

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For the fiscal year ended September 30, 2025 the City recognized pension expense of \$6,454,933 on the government-wide Statement of Activities for the PF Plan. This amount is included as part of personnel services expenses within the functional program activities.

At September 30, 2025, the City reported deferred outflows and inflows of resources related to the PF Plan from the following sources:

Police and Firefighters' Retirement System	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 11,565,996	\$ -
Changes of assumptions	17,224,876	
Net difference between projected and actual earnings on pension plan investments	-	8,153,633
Employer and state contributions subsequent to the measurement date	31,562,268	-
Total	\$ 60,353,140	\$ 8,153,633

Deferred outflows of resources related to the PF Plan, totaling \$31,562,268 resulting from City and State contributions subsequent to the September 30, 2024 measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ending September 30, 2026. Other asset and liability gains & losses reported as deferred outflows of resources and as deferred inflows of resources related to the PF Plan will be recognized in pension expense in subsequent years as follows:

Year ended September 30:	
2026	\$ 7,014,963
2027	18,506,581
2028	(2,222,240)
2029	(2,662,065)
Thereafter	-
Total	\$ 20,637,239

The schedule of changes in the City's net pension liability and related ratios and the schedule of contributions, presented as Required Supplementary Information (RSI) following the notes to the financial statements, provide additional information about the net pension liability, plan assets and contributions.

Executive Employees' Retirement Plan

Plan Description:

The Executive Employees' Retirement Plan (EE Plan) is a single-employer defined benefit plan administered by a five-member Board of Trustees (the Board) that covers the executive employees of the City of Boca Raton. Two of the trustees are members of the Plan appointed by the city manager, two are appointed by the city council, and the other is the city manager. The EE Plan was established by Ordinance 4745, adopted November

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12, 2003, by City Council. The EE Plan is also governed by Chapter 112, Florida Statutes. The Plan issued a publicly available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained online at <https://myboca.us/> or by writing to:

Florida Municipal Pension Trust Fund
Florida League of Cities, Inc.
Post Office Box 1757
Tallahassee, FL 32302-1757
Direct Line (850) 701-3633

EE Plan members are assigned to one of four divisions, each providing different levels of benefits depending on their division and entry into the plan. Division 1 includes D1, D2 and D3 pay classifications; Division 2 includes D4 and higher D pay classifications; Division 3 includes DD pay classifications and Division 4 includes the City Manager and City Attorney, if they elect to participate in the EE Plan.

Monthly benefits are calculated as a percentage of average final compensation. Retirement benefits are calculated by multiplying the member's earnings averaged over five years (for Division 1 through Division 3) or two years (for Division 4) times the member's years of continuous service times a multiplier determined by their plan level subject to a maximum of 90% for those members that entered the plan on or prior to September 30, 2010 and 80% for those members that entered the plan after September 30, 2010.

For members hired on or before September 30, 2010, Division 1, Division 2 or Division 3 utilize multipliers of 3.05, 3.15 and 3.25 respectively. For members who retire or enter the DROP before January 26, 2021, Division 4 utilizes a multiplier of 4.55 for the first 10 years and 3.35 thereafter. For members who retire or enter the DROP on or after January 26, 2021, Division 4 utilizes the same percentage multiplier as provided for Division 3 members, plus 0.1. After September 30, 2010, new members assigned to Division 1, Division 2, Division 3 and Division 4 utilize multipliers of 2.35, 2.45, 2.55 and 2.65 respectively.

Members are eligible to retire the earlier of reaching age 65 with at least 6 years of vesting service or reaching age 55 with at least 10 years of vesting service or for new members after September 30, 2010 age 58 with at least 10 years of vesting service. Members qualify for early retirement benefits upon attaining age 50 with 10 years of continuous service or for new members after September 30, 2010 age 53 with 10 years of continuous service. If a participant terminates employment after having attained the early retirement date, they have the following two available options: 1) The benefits can be deferred until the member's normal retirement date, in which case the benefit will be calculated the same as normal retirement, or 2) The member may take a reduced benefit, which may start any time prior to the normal retirement date. The reduction factor is 5% for each year the early retirement precedes the normal retirement age 55 or 58 for new members who join the plan after September 30, 2010.

A cost of living increase of 2% per year for Divisions 1, 2 and 3 and 3% per year for Division

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4 in current monthly benefits commences on October 1st following 5 years after retirement. Members who terminate employment with 10 years or more but less than 25 years of benefit service and are eligible for immediate early or normal retirement receive a monthly supplement of \$10 per year of service if separated before January 26, 2021, \$20 per year of service if separated after January 26, 2021 and before October 1, 2023, and \$50 for each complete year of the combined period of benefit service plus participation in the Deferred Retirement Option Plan (DROP) if separated after October 1, 2023.

Members who have reached normal retirement age may elect to participate in the DROP. They will remain active employees of the City, but will no longer contribute to the EE Plan. Their benefits will remain frozen and continue to accrue interest until they retire from the City, at which time DROP benefits will be paid. Maximum duration of participation is eighty-four months. Funds held in the DROP account may remain a commingled part of the pension plan's investments or, pursuant to section 12-179 of the Code of Ordinances, may be directed by a member to a self-directed DROP account and invested among select Florida Municipal Pension Trust Fund (FMPTF) mutual funds. At September 30, 2025, there were 7 DROP participants. The DROP account, and self-directed DROP account, had balances of \$1,673,172 and \$1,406,037, respectively, for a total of \$3,079,209. These amounts are included in the total investment balance presented on the Pension Trust Funds Statement of Fiduciary Net Position.

Active employees who become disabled receive 60% of the average final compensation as of the date of disability payable starting at age 65. Disability benefits are paid until the earlier of death or recovery from disability. If an active employee dies, a member's beneficiary is entitled to an accrued benefit that varies with age, length of service and employee division. If an employee terminates his employment with the City and is not eligible for any other benefits under the EE Plan, the member is entitled to the following:

- with less than six years of continuous service, a refund of member contribution plus 5% interest.
- with six or more years of continuous service, the pension accrued to the date of termination, payable commencing at the member's normal retirement date.

The City by Ordinance No. 4749 established a Preservation of Benefits Plan to pay benefit obligations. In the event that the accrued benefit for a member under the EE Plan is reduced pursuant to Section 401(a)(17) or Section 415(b) of the Internal Revenue Code, the City will pay a supplemental benefit amount equal to the amount reduced under the Internal Revenue Code limits.

Plan Contributions:

Members are required to contribute 11% of their annual earnings. Annual earnings include basic wages but exclude overtime, bonuses, longevity pay and any other extra compensation. Annual earnings do not include payments made to a member for any portion of a cost of living adjustment and/or merit increase, which exceeds the maximum of the employee's respective salary range. Employer contributions for the fiscal year ended September 30, 2025 determined using the actuarial valuation dated October 1,

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2023 were 40.33% of covered payroll. The City is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions of actuarially determined amounts.

City's Net Pension Liability Regarding the EE Plan:

The City's liability for the net pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of October 1, 2023, rolled forward to September 30, 2024 using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation	2.75%
Salary increases	Varies
Investment rate of return	7.00%
Cost of living adjustment	Varies

Pursuant to Florida Statutes Chapter 112.63(1)(f), the mortality tables used are the same as those used in the July 1, 2022 Pension Actuarial Valuation of the Florida Retirement System (FRS) for Regular (other than K-12 School Instructional Personnel). These tables are based on the Pub-2010 mortality tables with mortality improvements projected for healthy lives to all future years after 2010 using Scale MP-2018.

The long-term expected rate of return on the EE plan investments is 7.00%. The EE Plan's policy regarding the allocation of investments is established by the EE Plan Board of Trustees. The long-term expected rates of return on pension plan investments were developed by the investment consultant Asset Consulting Group (ACG) using Monte Carlo Simulations to analyze a range of possible outcomes. The output of the Monte Carlo Simulation is based on ACG's capital market assumptions that are derived from proprietary models based upon well-recognized financial principles and reasonable estimates about relevant future market conditions. The long-term expected rate of return for the EE Plan was calculated by weighting the expected future real rates of return of each asset class by the target asset allocation percentage and by adding expected inflation. Best estimate of arithmetic real rates of return for each major asset class included in the EE Plan's target asset allocation as of September 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Core Bonds	2.5%
Core Plus	2.8
U.S. Large Cap Equity	7.1
U.S. Small Cap Equity	8.5
Non-U.S. Equity	8.2
Core Real Estate	6.4

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The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows was used to determine the discount rate assumed the EE Plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the EE Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current EE Plan members. Therefore, the long-term expected rate of return on EE Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability:

	Executive Employees' Pension Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at September 30, 2023	\$ 79,892,380	\$ 59,785,381	\$ 20,106,999
Changes for the year:			
Service cost	1,190,105	-	1,190,105
Interest	5,479,185	-	5,479,185
Changes of benefit terms	2,339,701	-	2,339,701
Difference between expected and actual experience	2,438,773	-	2,438,773
Changes to assumptions	-	-	-
Contributions - employer	-	2,525,416	(2,525,416)
Contributions - employee	-	786,481	(786,481)
Transfer from other pension plans	-	47,630	(47,630)
Net investment income (loss)	-	13,087,021	(13,087,021)
Benefit payments, including re-funds of employee contributions	(5,616,819)	(5,616,819)	-
Administrative expense	-	(119,319)	119,319
Net changes	5,830,945	10,710,410	(4,879,465)
Balance at September 30, 2024	\$ 85,723,325	\$ 70,495,791	\$ 15,227,534

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.00 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease	Current Rate	1% Increase
	6.00%	7.00%	8.00%
Net pension liability	\$ 25,205,899	\$ 15,227,534	\$ 6,961,775

EE Plan Fiduciary Net Position:

Detailed information about the EE Plan's Fiduciary Net Position is available in a separately

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issued financial report. The report may be obtained online at the City's website at <http://myboca.us> or by writing to:

Florida Municipal Pension Trust Fund
Florida League of Cities, Inc.
Post Office Box 1757
Tallahassee, FL 32302-1757
Direct Line (850)701-3633

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to EE Plan:

For the fiscal year ended September 30, 2025 the City recognized pension expense of \$943,401 on the government-wide Statement of Activities. This amount is included as part of personal services expenses within the functional program activities.

At September 30, 2025, the City reports deferred outflows and inflows of resources related to the EE Plan from the following sources:

Executive Employees' Retirement Plan	Deferred Outflow of Resources	Deferred Inflow of Resources
Experience gain/(loss)	\$ 2,526,590	\$ 346,125
Asset (gain)/loss	5,519,062	9,857,399
Assumption change	154,341	53,603
Contribution subsequent to measurement date	2,818,993	-
Total	\$ 11,018,986	\$ 10,257,127

Deferred outflows of resources related to the EE Plan, totaling \$2,818,993, resulting from City contributions subsequent to the September 30, 2024 measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2026. Other asset and liability gains & losses reported as deferred outflows of resources and as deferred inflows of resources related to the EE Plan will be recognized in pension expense in subsequent years as follows:

Year ended September 30:

2026	\$ 127,026
2027	1,517,791
2028	(1,922,583)
2029	(1,779,368)
Total	(2,057,134)

The schedule of changes in the City's net pension liability and related ratios and the schedule of contributions, presented as Required Supplementary Information (RSI) following the notes to the financial statements, provide additional information about the net pension liability, plan assets and contributions.

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Florida Retirement System (FRS) Plans:

General Information about the FRS Pension Plans:

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' website (www.dms.myflorida.com) or by contacting the Division of Retirement at:

Department of Management Services
Division of Retirement
Research and Education Section
P. O. Box 9000
Tallahassee, FL 32315-9000
850-488-5706 or toll free at 877-377-1737

Plan Description:

FRS Pension Plan

The FRS Pension Plan (Plan) is a cost-sharing, multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. Only elected officials of the City may become members of the Plan under the FRS Elected Officers' Class (EOC) of membership.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires

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before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

The DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. Eligible employees can elect to participate in the DROP for a period not to exceed a maximum of 96 calendar months. The election to participate in the DROP can be made at any time after the member first reaches their normal retirement date by age or service. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

HIS Plan

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of the State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided:

FRS Pension Plan

Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation (AFC). For members initially enrolled before July 1, 2011, the AFC is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the AFC is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

The percentage value for each year of service credit earned under the FRS Elected Officers' Class is 3.00%.

Pursuant to Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

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HIS Plan

For the fiscal year ended September 30, 2025 eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. Beginning July 1, 2023, each eligible retirees and beneficiaries received a monthly HIS payment of \$7.5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month, pursuant to Section 12.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Plan Contributions:

FRS Pension Plan

The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates for the Elected Officials Class during the 2025 fiscal year were as follows:

Percent of Gross Salary		Percent of Gross Salary	
October 1, 2024 to June 30, 2025		July 1, 2025 to September 30, 2025	
<u>Employee</u>	<u>Employer¹</u>	<u>Employee</u>	<u>Employer¹</u>
3.00%	58.68%	3.00%	58.68%

¹Employer rates include a postemployment HIS contribution rate of 2.00% and an Investment plan administrative charge of .06%.

The City's contributions to the Plan totaled \$71,702 for the fiscal year ended September 30, 2025. This excludes the HIS defined benefit pension plan contributions and the investment plan administrative charge.

HIS Plan

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. The HIS contribution rate for the period October 1, 2024 through September 30, 2025 was 2.00%. The City contributed 100% of its statutorily required contributions for the current year. The HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants' benefits may be reduced or canceled.

The City's contributions to the HIS Plan totaled \$2,576 for the fiscal year ended September 30, 2025.

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City's Net Pension Liability Regarding the FRS and HIS Plans:

Actuarial Assumptions

Actuarial assumptions for both the FRS and HIS cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS plan has a valuation performed annually. The HIS Program has a valuations performed biennially that is updated for GASB reporting in the year a valuation is not performed. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	FRS	HIS
Actuarial Cost Method	Individual Entry Age	
Investment Rate of Return	6.70%	5.20%
Salary Increase	3.50%	3.50%
Inflation	2.40%	2.40%

Mortality assumptions for both the FRS Pension Plan and HIS program were based on the PUB-2010 base table, projected generationally with Scale MP-2021.

The most recent experience study for the FRS Pension Plan was completed in 2024 for the period July 1, 2018, through June 30, 2023. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined 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 long-term expected rate of return on the FRS plan investments was not based on historical returns, but instead is based on a 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 the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

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Asset Class	Target Allocation ¹	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.2%	3.2%	1.1%
Fixed income	29.0%	5.5%	5.4%	4.0%
Global equity	45.0%	8.5%	6.9%	18.3%
Real estate	12.0%	8.4%	7.1%	16.8%
Private equity	11.0%	12.4%	8.8%	28.4%
Strategic investments	2.0%	6.5%	6.1%	8.7%
Total	100.0%			

Assumed Inflation - Mean 2.4% 1.5%

¹As outlined in the FRS Pension Plan's investment policy

The discount rate used to measure the total pension liability was 6.7% for the FRS plan. The 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 calculating the total pension liability is equal to the long-term expected rate of return. The HIS program uses a pay as you go funding structure. Therefore, the depletion date is considered to be immediate and the single equivalent discount rate is equal to the municipal bond rate. The municipal bond rate of 5.20 was used to determine the total pension liability for the program. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

The following change in actuarial assumptions occurred in 2025:

- The municipal bond rate used to determine total HIS pension liability was increased from 3.93 to 5.20.

Pension Liability

At September 30, 2025, the City reported a liability of \$317,935 for its proportionate share of the FRS Pension Plan's net pension liability and \$36,666 for the HIS net pension liability. The net pension liability was measured as of June 30, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The City's proportionate share of the net pension liability was calculated using accrued retirement contributions related to the reporting periods included in the system's current and several prior measurement dates. At June 30, 2025, the City's proportionate share was .001024436% for the FRS plan and .000286061% for the HIS plan, which represent an increase of .000012122%, and a decrease of .000010730%, respectively, from the proportionate shares measured as of June 30, 2024.

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

The following presents the City's proportionate share of the net pension liability for the FRS and HIS Plans calculated using the discount rates of 6.7% and 5.2% respectively, 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 1-percentage-point lower (5.7% for FRS and 4.2% for HIS) or 1-percentage-point higher (7.7% for FRS and 6.2% for HIS) than the current rate:

FRS Net Pension Liability			HIS Net Pension Liability		
1% Decrease	Current Rate	1% Increase	1% Decrease	Current Rate	1% Increase
5.70%	6.70%	7.70%	4.20%	5.20%	6.20%
\$ 623,943	\$ 317,935	\$ 61,383	\$ 41,346	\$ 36,666	\$ 32,740

Plan Fiduciary Net Position

Detailed information about the fiduciary net position of both benefit plans are available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

Pension Expense and Deferred Outflows and Inflows of Resources

For the fiscal year ended September 30, 2025 the City recognized pension expense of \$26,348 related to the FRS Pension Plan and \$2,155 related to the HIS plan. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		
	FRS	HIS	Total
Differences between expected and actual experience	\$ 33,959	\$ 219	\$ 34,178
Changes in assumptions	36,921	325	37,245
Net difference between projected and actual investment earnings	-	-	-
Changes in proportion and differences between City FRS contributions and proportionate share of FRS contributions	-	-	-
City FRS contributions subsequent to the measurement date	13,170	600	13,770
Total Deferred Outflows of Resources	\$ 84,050	\$ 1,144	\$ 85,194

	Deferred Inflows of Resources		
	FRS	HIS	Total
Differences between expected and actual experience	- \$	58 \$	58
Changes in assumptions	-	8,868	8,868
Net difference between projected and actual investment earnings	\$ 53,082	30	53,112
Changes in proportion and differences between City FRS contributions and proportionate share of FRS contributions	110,777	9,681	120,458
Total Deferred Inflows of Resources	\$ 163,859	\$ 18,637	\$ 182,496

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The deferred outflows of resources related to pensions, totaling \$13,770 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	FRS	HIS	Total
2026	\$ (55)	\$ (4,787)	\$ (4,842)
2027	(45,407)	(4,921)	(50,329)
2028	(32,905)	(4,320)	(37,224)
2029	(14,613)	(2,728)	(17,341)
2029	-	(1,339)	(1,339)
Thereafter	-	-	-
Total	(92,980)	(18,095)	(111,075)

Payables to the Pension Plan – At September 30, 2025, the City did not report a payable to the Plan for the fiscal year ended September 30, 2025.

FRS Investment Plan

Pursuant to Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS Defined Benefit Plan. The Investment Plan is a defined contribution plan for which the employer and employee contributions are defined by law. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. An individual member's benefit depends, in part, on the performance of the investment funds selected. Members are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings.

The Investment Plan is funded with the same employer and employee contribution rates as the FRS Pension Plan, which are defined by law, and are based on salary and membership class. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations from the Florida Retirement System Contribution Clearing Trust Fund to the Investment Plan member accounts are established by Section 121.72, Florida Statutes. Effective July 1, 2023, the allocation to the Elected Officers' Class accounts was 16.34%.

DROP participation is not available under the Investment Plan, though Pension Plan DROP participants may roll over their DROP benefit into the Investment Plan following termination from the DROP. After termination and applying to receive benefits, a member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; members may either transfer their Investment Plan account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

account balance for retirement income. The monthly HIS benefit is available to eligible members.

The City's and the employees' contributions to the Investment Plan totaled \$48,495 and \$2,520, respectively, for the fiscal year ended September 30, 2025.

11. Other Post Employment Benefits (OPEB)

OPEB Plan Description

The City provides a single employer defined benefit health care plan (the Plan) to all of its employees except for the firefighter members covered by the collective bargaining agreement between the City and the International Association of Firefighters. The Plan is not accounted for as a trust fund since an irrevocable trust has not been established to fund the plan. The Plan has no assets and does not issue a separate financial report.

The Plan allows its employees and their beneficiaries, at their own cost and until the attainment of age 65, to continue to obtain health, dental and other insurance benefits upon retirement. The benefits of the Plan conform to the Florida Statutes, which are the legal authority for the Plan. Eligible employees of the City who satisfy early or normal retirement provisions of their respective pension plan are allowed access to the Plan until the participant reaches Medicare eligibility at the participant's cost. The City does not have a policy to provide a subsidy to retirees towards the cost of coverage. However, if retirees are in the HRA plan, they will also receive HRA funding from the City. General eligibility rules are as follows:

- General employees, police, and executive employees, must meet the eligibility requirements for their respective retirement plan.
- Participants electing to participate in the City's Internal Revenue Code (IRC) 401a plan, in lieu of the City's three defined retirement benefit plans, must meet the eligibility requirements under the City's IRC 401a plan.

Where applicable, participants currently electing to participate in the DROP are assumed to begin receiving benefits under OPEB at the end of the DROP period, which is 7 years.

Dependents and surviving spouses of participants are allowed access to the plan at the participant cost. There is no subsidy offered by the City for dependents.

Participants who terminate employment prior to reaching retirement eligibility are not allowed access to the plan.

At September 30, 2025, the OPEB Plan covered 1,206 active employees and 129 retirees.

Total OPEB Liability

Actuarial Methods and Assumptions

The OPEB liability is based on the May 1, 2025 valuation which includes several actuarial assumptions. September 30, 2025 was the actuarial measurement date. Projections of benefits are based on the substantive plan (the plan as understood by the employer and

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities. Significant methods and assumptions are listed below.

Actuarial Assumptions	Rate/ Methodology
Actuarial Cost Method	Entry Age Normal (EAN)
Discount Rate	
(based on the 20-year High Grade Rate index)	4.50%
Inflation rate	2.60%
Medical Trend Rate	
(using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model baseline assumptions)	4.04%
Salary Increase	General - Varies Police & Executives - Varies Pub-2010 mortality fully generational using scale MP- 2021
Mortality Rate	

The discount rate used to determine the liabilities under *GASB Statement No. 75* is based on an index rate for 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. This rate was 3.88% as of September 30, 2024 and 4.50% as of September 30, 2025.

Retirees in the HRA Plan receive an HRA contribution from the City and the City recognizes that there is an "implicit subsidy" arising as a result of the blended rate premium since retiree health care costs, on average, are higher than active employee healthcare costs.

Total OPEB Liability

At September 30, 2025, the City reported a total OPEB liability of \$9,296,110, representing 8.88% of covered payroll. The components of the City's OPEB liability were as follows:

Component	Value
Total OPEB liability	\$ 9,296,110
Plan fiduciary net position	--
Total OPEB liability	<u>\$ 9,296,110</u>
Plan fiduciary net position as a percentage of OPEB liability	0%
Covered payroll	\$ 104,629,561
Total OPEB liability as a percentage of covered payroll	8.88%

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Change in OPEB Liability

The detail of the change in OPEB liability for fiscal year 2025 is presented below:

Component	Increase (Decrease)
Balance at September 30, 2024	\$ 9,090,585
Changes for the year:	
Service cost	260,608
Interest cost	347,822
Plan changes	
Changes in benefit terms	(188,587)
Differences between expected and actual experience	967,762
Changes in assumptions	(408,664)
Benefit payments, net of retiree contributions	(773,416)
Net changes	205,525
Balance at September 30, 2025	\$ 9,296,110

Sensitivity of Total OPEB Liability to Changes in Discount Rate or Medical Trend Rate

The chart below presents the total OPEB liability of the City, calculated using the discount rate of 4.50%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.50%) or 1-percentage-point higher (5.50%) than the current rate.

	1% Decrease 3.50%	Discount Rate 4.50%	1% Increase 5.50%
Total OPEB liability	\$ 9,969,797	\$ 9,296,110	\$ 8,694,092

The chart below presents the total OPEB liability of the City, calculated using a health care cost trend rate of 4.04%, as well as what the total OPEB liability would be if it were calculated using a health care cost trend rate that is 1-percentage-point lower (3.04%) or 1-percentage-point higher (5.04%) than the current rate.

	1% Decrease 3.04%	Medical Trend 4.04%	1% Increase 5.04%
Total OPEB liability	\$ 8,618,740	\$ 9,296,110	\$ 10,072,199

OPEB expense

For the fiscal year ended September 30, 2025, the City recognized OPEB expense of \$1,030,652. This amount is broken down in more details below.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Expense	Amount
Service cost	\$ 260,608
Interest	347,822
Changes in benefit terms	(188,587)
Differences between expected and actual experience	
In current fiscal year, recognized in current year	138,252
From past years recognized in current year	<u>727,168</u>
Total	<u>865,420</u>
Changes in assumptions	
In current fiscal year, recognized in current year	(58,381)
From past years recognized in current year	<u>(196,230)</u>
Total	<u>(254,611)</u>
Total OPEB expense	<u>\$ 1,030,652</u>

Changes in OPEB liability are recognized in OPEB expense during the fiscal year except for certain items as discussed in the deferred inflows/outflows of resources section below.

OPEB Fiduciary Net Position

Deferred Inflows/Outflows of Resources related to OPEB

For the fiscal year ended September 30, 2025, the City reported deferred outflows and inflows of resources related to OPEB from the following source(s):

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 4,337,540	\$ 44,771
Changes in assumptions	<u>52,439</u>	<u>1,083,880</u>
Total	<u>\$ 4,389,979</u>	<u>\$ 1,128,651</u>

Deferred outflows of resources of \$4,389,979 and deferred inflows of resources of \$1,128,651 are the result of changes in assumptions which decreased the total OPEB liability by \$408,664, of which \$58,381 was recognized in OPEB expense at September 30, 2025. The remainder of the balance will be recognized to OPEB expense as follows:

Fiscal year ended September 30:	
2026	610,807
2027	631,459
2028	617,303
2029	653,377
2030	668,510
Thereafter	<u>79,872</u>
Total	<u>\$ 3,261,328</u>

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

12. Interfund Receivables, Payables, Transfers and Advances

A. Due To/From Other Funds (Balances Expected To Be Repaid Within One Year)

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

The following is a summary of interfund receivable and payable balances at September 30, 2025:

	Interfund Receivables (Due From)	Interfund Payables (Due To)
Major funds:		
General Fund	\$ 3,626,501	
Beach and Park Operations Fund		\$ 3,148,126
Non Major Special Revenue Funds		478,375
Non Major Enterprise Funds		-
Total interfund receivables/payables	<u>\$ 3,626,501</u>	<u>\$ 3,626,501</u>

The inter-fund balances above represent short-term loans to cover temporary negative balances in each fund's equity in pooled cash at year end.

B. Interfund Transfer Reconciliation

Transfers from:	To General	To Other Governmental	To Internal Service	Total
General			\$ 3,699,600	\$ 3,699,600
CRA Revenue			312,800	312,800
Land Proceeds		\$ 1,934,100		1,934,100
5 Year Capital Improvements	\$ 1,667,000		4,534,300	6,201,300
Beach and Park Operations			154,200	154,200
Infrastructure Surtax		3,198,996		3,198,996
Water and Sewer			371,400	371,400
Non-major governmental	3,311,900	24,077,841	698,800	28,088,541
Non-major enterprise			35,300	35,300
Total	<u>\$ 4,978,900</u>	<u>\$ 29,210,937</u>	<u>\$ 9,806,400</u>	<u>\$ 43,996,237</u>

Transfers into the nonmajor governmental funds relate to support for CRA operations and required debt service payments. Transfers from the major governmental funds to other governmental funds are made to provide resources for debt service and capital improvement projects. Transfers into the internal service funds support the purchase of capital assets that are not recovered through user fees and partially offset operating costs in the Information Technology Fund.

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

13. Self-Insurance Programs

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; and natural disasters. The City has established a Self-Insurance Fund (an Internal Service Fund) to account for and finance its uninsured risks of loss. Under this program the City has established three programs, Workers Compensation, Employees' Health and General and Automobile Liability.

The City is fully self-insured for workers' compensation, general liability, automobile liability, employment liability, police professional liability and errors and omissions. In addition, the City purchases an excess liability policy at a self-insured retention of \$1,500,000 for each workers' compensation claim, \$200,000 per claim for general liability, auto liability, law enforcement liability, and \$300,000 for public official's liability and employment practices liability losses. The City has excess policy insurance with Safety National for general liability coverage and excess workers' compensation coverage. The City purchases commercial insurance for property damage to vehicles valued in excess of \$50,000 and City owned buildings and other structures with a total insured value of \$150,000,000. The collision deductible for vehicles is \$5,000, the all other perils deductible for structures is \$100,000. The wind deductible is a percentage of the building value. The City has a contract with Cigna to provide for employee health insurance through a self-insurance program with Cigna as a third party payer. The City has Stop-Loss coverage for the group medical and pharmacy plan with a specific deductible of \$575,000 and with Aggregate contract attachment point of \$20,318,133 with 125% aggregate corridor. The City is ultimately responsible for the establishment of reserve amounts on claims.

All funds of the City participate in the program and make payments to the Self-Insurance Fund, based on actuarial estimates of amounts needed to pay prior and current year claims. The claims liability of \$11,572,102 reported in the Fund at September 30, 2025 is based on the requirements of GASB Statement No. 10, "*Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*," 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. A discount rate of 3.88% is assumed for group medical claims.

The City's estimated liability for self-insured losses for general liability and workers' compensation was determined by an independent actuarial valuation performed as of September 30, 2025. Liabilities include an amount for claims incurred but not reported (IBNR). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The liability for self-insured losses are based on estimates and the ultimate settlement of the claims may differ from the amounts recorded. A discount rate of 3.0% is assumed for general liability and workers compensation claims.

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

The estimated liability at September 30, 2024 and 2025 is as follows:

Type	As of 9/30/24	As of 9/30/25	Due Within One Year
Workers Compensation	\$ 7,421,000	\$ 7,413,001	\$ 1,321,001
General and Automobile Liability	3,429,000	3,135,999	1,358,999
Health Insurance	816,740	1,023,102	1,023,102
Total	<u>\$ 11,666,740</u>	<u>\$ 11,572,102</u>	<u>\$ 3,703,102</u>

Changes in the estimated liability for the fiscal years ended September 30, 2024 and 2025 are as follows:

Fiscal Year	Liability on October 1	Changes in Estimates	Claim Payments	Liability on September 30
2024	\$ 12,340,422	\$ 18,967,253	\$ 19,640,935	\$ 11,666,740
2025	\$ 11,666,740	\$ 22,247,231	\$ 22,341,869	\$ 11,572,102

14. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, might constitute a liability of the applicable funds. It is management's opinion that there are not any significant contingent liabilities relating to these grants.

The City is a defendant in various lawsuits at September 30, 2025. The estimated liability for probable losses, as a result of the lawsuits, was determined based on advice from legal counsel after giving consideration for insurance coverage and, in certain instances, the Florida statutory limitations of governmental liability, and is included in the estimated liability for self-insured claims in the internal service fund (see Note 13). Although the ultimate outcome of these lawsuits is not presently determinable, it is the opinion of management, based on advice from legal counsel, that the amount of losses resulting from the above litigation in excess of the amount accrued as of September 30, 2025, would not have a material adverse effect on the financial position of the City.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

15. PFAS Settlement Proceeds

During fiscal year 2025, the City received settlement proceeds of \$ 18.071 million from a class-action lawsuit concerning per- and polyfluoroalkyl substances (PFAS) contamination. The settlement resolved claims related to alleged PFAS releases into local water systems, property, or other public resources, and the City did not admit liability in connection with this agreement.

These proceeds are not subject to any external restrictions or legal requirements for specified use. As a result, they have been recorded as nonoperating revenue in the Water and Sewer Fund in accordance with GASB guidance. The City does not currently expect any limitations on use by third parties, and no earmarking or future allocation commitments have been made by the City as of the report date.

Because the settlement proceeds are unrestricted, they have been recognized as revenue in the period received and are available for any legally permissible expenditure, including general operations, capital improvements, or other needs determined by the City.

16. Boca Raton Community Redevelopment Agency

The Florida Legislature during the 2019 Legislative Session revised Chapter 163.387 relating to the Redevelopment trust funds to provide for a financial audit each year by an independent certified public accountant or firm financial statements and the issuance of an audit report. The Boca Raton Community Redevelopment Agency, a component unit of the City of Boca Raton, has engaged an independent public accountant firm which has performed a financial audit and the Community Redevelopment Agency has issued separate trust fund financial statements and an audit report. Please refer to the City's website for the documents.

Pursuant to Florida Statute 163.387, listed below is a summary of the sources and amounts of deposits to, and the purpose and amounts of withdrawals from, the Community Redevelopment Agency Funds (CRA) for the fiscal year ended September 30, 2025:

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

	<u>Deposits</u>	<u>Withdrawals</u>
Source of deposits:		
Tax increment revenues	\$ 22,684,041	
Lease revenues	3,684,941	
Investment income (loss)	1,980,808	
Other charges for services	1,003,594	
Purpose of withdrawals:		
Repayment to City		\$ 6,500,000
Salaries and benefits (for City Employees)		3,812,195
Project expense		1,245,549
Capital outlay		1,038,626
Professional services		614,646
Motor pool		374,637
General maintenance		284,141
Bank fees		273,946
IT Technology		263,993
Other operating charges		88,656
Supplies		38,628
Dues and subscriptions		27,123
Insurance premiums		25,425
Advertising		9,460
Other contractual services		61
Total	<u>\$ 29,353,384</u>	<u>\$ 14,597,086</u>

17. Subsequent Events

The City has evaluated subsequent events through March 30, 2026, which was the date the financial statements were available to be issued.

On July 24, 2025, the City entered into a purchase agreement to acquire a building intended for operational use. In accordance with the agreement, the City remitted a \$450,000 deposit, which is reported as a deposit at fiscal year-end within the Building Permit fund and governmental activities.

The acquisition closed on October 23, 2025, at which time title transferred to the City and the remaining purchase price related to the \$17,400,000 acquisition, together with applicable closing costs and fees, was paid using available funds. Because the closing occurred subsequent to fiscal year-end, the building and related capital outlay are not reflected in the accompanying financial statements other than the deposit recorded at September 30, 2025.



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CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾

General Employees' Pension Plan

September 30,	Year 2024	Year 2023	Year 2022	Year 2021
Total Pension Liability				
Service cost	\$ 3,630,670	\$ 3,462,844	\$ 3,697,669	\$ 3,555,679
Interest	19,802,077	19,776,020	19,380,873	18,924,357
Reserve for 2% lump sum payments	-	-	-	299,877
Changes of benefit terms	-	326,143	1,510,201	-
Differences between expected and actual experience	3,398,474	(2,674,808)	1,233,245	(783,804)
Changes of Assumptions	-	2,391,841	2,328,837	437,024
Benefit payments, including refunds of member contributions	(20,039,546)	(19,091,235)	(16,569,324)	(16,338,054)
Transfers (net)	(135,146)	-	(143,810)	(94,108)
Net Change in Total Pension Liability	6,656,529	4,190,805	11,437,691	6,000,971
Total Pension Liability - Beginning	270,484,368	266,293,563	254,855,872	248,854,901
Total Pension Liability - Ending (a)	277,140,897	270,484,368	266,293,563	254,855,872
Plan Fiduciary Net Position				
Contributions - employer	2,449,531	1,653,734	1,327,279	1,624,278
Contributions - member	3,049,593	2,582,642	2,292,470	2,469,616
Net investment income (loss)	45,690,063	21,838,707	(41,396,618)	47,849,423
Benefit payments, including refunds of member contributions	(20,039,546)	(19,156,913)	(16,584,387)	(16,356,549)
Administrative expense	(174,677)	(157,312)	(142,566)	(152,106)
Transfers (net)	(135,146)	-	(143,810)	(94,108)
Net Change in Plan Fiduciary Net Position	30,839,818	6,760,858	(54,647,632)	35,340,554
Plan Fiduciary Net Position - Beginning	221,140,080	214,379,222	269,026,854	233,686,300
Plan Fiduciary Net Position - Ending (b)	251,979,898	221,140,080	214,379,222	269,026,854
Net Pension Liability (Asset) - Ending (a) - (b)	\$ 25,160,999	\$ 49,344,288	\$ 51,914,341	\$ (14,170,982)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.92%	81.76%	80.50%	105.56%
Covered Payroll	\$ 32,301,291	\$ 31,616,869	\$ 31,378,390	\$ 32,820,497
Net Pension Liability (Asset) as a Percentage of Covered Payroll	77.89%	156.07%	165.45%	(43.18)%

Notes to Schedule:

¹ This schedule is presented as required by accounting principles generally accepted in the United States of America.

CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾

General Employees' Pension Plan

Year 2020	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015
\$ 3,621,703	\$ 3,565,692	\$ 3,439,409	\$ 3,224,234	\$ 3,855,305	\$ 3,952,877
18,427,537	18,235,699	17,465,497	16,928,618	16,311,059	15,878,172
(78,088)	78,088				
647,487	1,105,146		1,501,811		
2,084,345	(3,967,222)	2,976,520	(1,491,049)	113,363	(1,726,306)
(167,450)	1,078,853	1,083,605	2,087,606	636,444	
(15,220,344)	(15,389,621)	(13,435,956)	(12,101,909)	(12,610,638)	(12,424,759)
(259,656)	(466,265)	(398,832)	(310,001)	(108,675)	(48,097)
9,055,534	4,240,370	11,130,243	9,839,310	8,196,858	5,631,887
239,799,367	235,558,997	224,428,754	214,589,444	206,392,586	200,760,699
248,854,901	239,799,367	235,558,997	224,428,754	214,589,444	206,392,586
1,725,822	2,240,997	2,093,506	2,340,675	3,361,534	3,925,569
2,520,603	2,468,106	2,560,917	2,431,496	2,509,043	2,335,348
20,891,319	7,574,765	18,067,722	22,496,220	16,484,179	(2,130,561)
(15,220,344)	(15,389,621)	(13,435,956)	(12,101,909)	(12,610,638)	(12,424,759)
(131,381)	(114,677)	(106,870)	(135,013)	(132,952)	(90,032)
(259,656)	(466,265)	(398,832)	(310,001)	(108,675)	6,442
9,526,363	(3,686,695)	8,780,487	14,721,468	9,502,491	(8,377,993)
224,159,937	227,846,632	219,066,145	204,344,677	194,842,186	203,220,179
233,686,300	224,159,937	227,846,632	219,066,145	204,344,677	194,842,186
<u>\$ 15,168,601</u>	<u>\$ 15,639,430</u>	<u>\$ 7,712,365</u>	<u>\$ 5,362,609</u>	<u>\$ 10,244,767</u>	<u>\$ 11,550,400</u>
93.90%	93.48%	96.73%	97.61%	95.23%	94.40%
\$ 32,830,669	\$ 31,486,792	\$ 37,233,984	\$ 36,206,318	\$ 35,094,926	\$ 35,658,133
46.20%	49.67%	20.71%	14.81%	29.19%	32.39%

Notes to Schedule:

¹ This schedule is presented as required by accounting principles generally accepted in the United States of America.

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years**

General Employees' Pension Plan

Fiscal Year	(1) Actuarially Determined Contribution	(2) Contribution in relation to the actuarially determined contribution	(3) Contribution excess/ (deficiency) (2)-(1)	(4) Covered payroll	(5) Actuarially determined contributions as a percentage of covered payroll (1)/(4)	(6) Contributions as a percentage of covered payroll (2)/(4)
2016	\$ 3,361,534	\$ 3,361,534	\$ -	\$ 35,094,926	9.58%	9.58%
2017	2,340,675	2,340,675	-	36,206,318	6.46%	6.46%
2018	2,093,506	2,093,506	-	37,233,984	5.62%	5.62%
2019	2,240,997	2,240,997	-	31,486,792	7.12%	7.12%
2020	1,342,842	1,725,822	382,980	32,830,669	4.09%	5.26%
2021	1,624,278	1,624,278	-	32,820,497	4.95%	4.95%
2022	1,653,797	1,327,279	(326,518)	31,378,390	5.27%	4.23%
2023	1,687,778	1,653,734	(34,044)	31,616,869	5.34%	5.23%
2024	2,449,531	2,449,531	-	32,301,291	7.58%	7.58%
2025	2,715,693	2,715,693	-	35,168,651	7.72%	7.72%

Notes to Schedule:

Valuation date: October 1, 2023

Actuarially determined contribution rates are calculated as of October 1, one year prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Measurement date	October 1
Actuarial cost method	Entry age
Asset valuation method	4-year smoothing
Salary increases	Service based
Inflation	2.60%
Investment rate of return	7.50%

Mortality is assumed to follow the Florida Retirement System (FRS) Mortality Table.



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CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾

Police & Firefighters' Retirement System

September 30,	Year 2024	Year 2023	Year 2022	Year 2021
Total Pension Liability				
Service cost	\$ 14,425,819	\$ 12,449,906	\$ 12,345,197	\$ 12,396,281
Interest	55,150,546	50,745,564	47,573,810	45,369,348
Changes of benefit terms		20,036,837		2,622,670
Differences between expected and actual experience	4,615,742	3,484,985	9,908,537	812,119
Transfer from (to) General Employees' Plan				
Changes of Assumptions	8,701,459	10,633,937		3,273,141
Contributions - buy back	300,181	91,287	146,368	98,446
Benefit payments, including refunds of member contributions	(35,865,043)	(29,708,241)	(28,065,780)	(30,869,226)
Net Change in Total Pension Liability	47,328,704	67,734,275	41,908,132	33,702,779
Total Pension Liability - Beginning	729,171,784	661,437,509	619,529,377	585,826,598
Total Pension Liability - Ending (a)	776,500,488	729,171,784	661,437,509	619,529,377
Plan Fiduciary Net Position				
Contributions - employer	20,333,519	19,205,096	18,593,875	15,721,887
Contributions - State	5,578,730	4,935,969	4,214,956	3,711,634
Contributions - member	5,224,547	4,495,088	4,358,025	4,271,551
Contributions - buy back	300,181	91,287	146,368	98,446
Transfer from General Employees' Plan	87,517			
Net investment income	75,343,569	40,594,693	(60,924,791)	101,524,813
Benefit payments, including refunds of member contributions	(35,865,043)	(29,708,241)	(28,065,780)	(30,869,226)
Administrative expense	(292,704)	(256,897)	(270,024)	(229,349)
Net Change in Plan Fiduciary Net Position	70,710,316	39,356,995	(61,947,371)	94,229,756
Plan Fiduciary Net Position - Beginning	488,504,422	449,147,427	511,094,798	416,865,042
Plan Fiduciary Net Position - Ending (b)	559,214,738	488,504,422	449,147,427	511,094,798
Net Pension Liability - Ending (a) - (b)	\$ 217,285,750	\$ 240,667,362	\$ 212,290,082	\$ 108,434,579
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.02%	66.99%	67.90%	82.50%
Covered Payroll	\$ 48,450,527	\$ 41,655,740	\$ 40,390,535	\$ 39,548,028
Net Pension Liability (Asset) as a Percentage of Covered Payroll	448.47%	577.75%	525.59%	274.18%

Notes to Schedule:

¹This schedule is presented as required by accounting principles generally accepted in the United States of America.

CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾

Police & Firefighters' Retirement System

Year 2020	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015
\$ 11,741,146	\$ 11,021,198	\$ 10,027,517	\$ 9,139,764	\$ 8,067,516	\$ 8,019,243
42,316,629	39,878,548	37,651,191	35,591,072	33,015,209	31,100,803
937,428		1,270,260			(12,002,331)
1,950,627	5,211,764	4,019,386	1,149,110	(154,745)	2,110,050
	11,307	(10,300)			
12,500,208	3,076,955	2,874,659	2,864,781	13,548,989	
245,305	414,164	113,861	135,964	25,319	51,514
(27,414,110)	(26,100,713)	(22,420,013)	(21,835,563)	(19,320,864)	(15,478,755)
42,277,233	33,513,223	33,526,561	27,045,128	35,181,424	13,800,524
543,549,365	510,036,142	476,509,581	449,464,453	414,283,029	400,482,505
585,826,598	543,549,365	510,036,142	476,509,581	449,464,453	414,283,029
14,654,808	13,316,657	10,186,562	8,020,870	8,111,246	11,352,729
3,464,368	3,483,705	3,313,018	2,771,797	3,899,711	3,198,125
4,372,630	4,201,798	3,956,634	3,620,915	3,436,368	3,109,262
245,305	414,164	113,861	135,964	25,319	51,514
	11,307	(10,300)			
20,999,386	13,400,305	27,561,870	38,904,664	26,257,007	2,205,514
(27,414,110)	(26,100,713)	(22,420,013)	(21,835,562)	(19,320,864)	(15,478,755)
(249,355)	(216,090)	(228,726)	(250,745)	(256,228)	(222,131)
16,073,032	8,511,133	22,472,906	31,367,903	22,152,559	4,216,258
400,792,010	392,280,877	369,807,971	338,440,068	316,287,509	312,071,251
416,865,042	400,792,010	392,280,877	369,807,971	338,440,068	316,287,509
<u>\$ 168,961,556</u>	<u>\$ 142,757,355</u>	<u>\$ 117,755,265</u>	<u>\$ 106,701,610</u>	<u>\$ 111,024,385</u>	<u>\$ 97,995,520</u>
71.16%	73.74%	76.91%	77.61%	75.30%	76.35%
\$ 40,455,610	\$ 38,811,038	\$ 36,539,436	\$ 33,450,986	\$ 31,834,502	\$ 29,855,531
417.65%	367.83%	322.27%	318.98%	348.75%	328.23%

Notes to Schedule:

¹This schedule is presented as required by accounting principles generally accepted in the United States of America.

CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years
Police & Firefighters' Retirement System

Fiscal Year	(1) Actuarially Determined Contribution	(2) Contribution in relation to the actuarially determined contribution	(3) Contribution excess/ (deficiency) (2)-(1)	(4) Covered payroll	(5) Actuarially determined contributions as a percentage of covered payroll (1)/(4)	(6) Contributions as a percentage of covered payroll (2)/(4)
2016	\$ 13,919,199	\$ 12,010,957	\$ (1,908,242)	\$ 31,834,502	43.72%	37.73%
2017	10,792,667	10,792,667	-	33,450,986	32.26%	32.26%
2018	13,499,580	13,499,580	-	36,539,436	36.95%	36.95%
2019	16,800,362	16,800,362	-	38,811,038	43.29%	43.29%
2020	18,119,176	18,119,176	-	40,455,610	44.79%	44.79%
2021	19,433,521	19,433,521	-	39,548,028	49.14%	49.14%
2022	22,808,831	22,808,831	-	40,390,535	56.47%	56.47%
2023	24,141,065	24,141,065	-	41,655,740	57.95%	57.95%
2024	25,912,249	25,912,249	-	48,450,527	53.48%	53.48%
2025	31,562,268	31,562,268	-	48,005,957	65.75%	65.75%

Notes to Schedule:

Valuation date: October 1, 2023

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Measurement date	October 1
Actuarial cost method	Entry age
Amortization method	Level percentage of pay, closed
Remaining amortization period	20 years (as of 10/1/2018)
Asset valuation method	4-year smoothing
Payroll growth projection	2.92% per annum
Inflation	2.50%
Investment rate of return	7.50%

Mortality is assumed to follow the Florida Retirement System (FRS) Mortality Table.



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CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾

Executive Employees' Retirement Plan

September 30,	Year 2024	Year 2023	Year 2022	Year 2021	Year 2020
Total Pension Liability					
Service cost	\$ 1,190,105	\$ 1,126,253	\$ 1,165,162	\$ 1,004,178	\$ 979,825
Interest	5,479,185	5,209,960	5,331,239	5,080,148	4,523,118
Changes of benefit terms	2,339,701			-	3,756,497
Differences between expected and actual experience	2,438,773	2,204,903	(2,942,073)	777,025	1,966,158
Changes of assumptions		411,575	(455,633)		212,007
Benefit payments, including refunds of member contributions	(5,616,819)	(3,668,398)	(3,776,453)	(3,244,704)	(2,352,833)
Net Change in Total Pension Liability	5,830,945	5,284,293	(677,758)	3,616,647	9,084,772
Total Pension Liability - Beginning	79,892,380	74,608,087	75,285,845	71,669,198	62,584,426
Total Pension Liability - Ending (a)	85,723,325	79,892,380	74,608,087	75,285,845	71,669,198
Plan Fiduciary Net Position					
Contributions - employer	2,525,416	2,296,520	2,560,502	2,600,459	2,234,407
Contributions - member	786,481	729,911	632,861	698,790	857,673
Transfer from other pension plans	47,630	116,538	143,810	94,108	
Net investment income	13,087,021	5,737,676	(9,123,735)	12,058,989	3,403,805
Benefit payments, including refunds of member contributions	(5,616,819)	(3,668,398)	(3,776,453)	(3,244,704)	(2,352,833)
Administrative expense	(119,319)	(91,246)	(163,088)	(107,702)	(82,798)
Net Change in Plan Fiduciary Net Position	10,710,410	5,121,001	(9,726,103)	12,099,940	4,060,254
Plan Fiduciary Net Position - Beginning	59,785,381	54,664,380	64,390,483	52,290,543	48,230,289
Plan Fiduciary Net Position - Ending (b)	70,495,791	59,785,381	54,664,380	64,390,483	52,290,543
Net Pension Liability - Ending (a) - (b)	\$ 15,227,534	\$ 20,106,999	\$ 19,943,707	\$ 10,895,362	\$ 19,378,655
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.24%	74.83%	73.27%	85.53%	72.96%
Covered Payroll	\$ 6,607,798	\$ 6,111,060	\$ 5,777,148	\$ 5,728,084	\$ 5,593,482
Net Pension Liability as a Percentage of Covered Payroll	230.45%	329.03%	345.22%	190.21%	346.45%

Notes to Schedule:

¹This schedule is presented as required by accounting principles generally accepted in the United States of America.

CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾
Executive Employees' Retirement Plan

Year 2020	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015
\$ 979,825 4,523,118 3,756,497	\$ 1,027,733 4,012,692	\$ 1,033,954 3,759,183	\$ 999,642 3,607,804	\$ 887,093 3,302,491	\$ 830,044 3,130,704
1,966,158 212,007	4,304,119	1,258,361 461,746	1,970,552	1,605,801	(145,142)
(2,352,833)	(2,159,731)	(3,860,948)	(1,870,177)	(1,804,008)	(1,360,326)
9,084,772	7,184,813	2,652,296	4,707,821	3,991,377	2,455,280
62,584,426	55,399,613	52,747,317	48,039,496	44,048,119	41,592,839
71,669,198	62,584,426	55,399,613	52,747,317	48,039,496	44,048,119
2,234,407 857,673	1,954,554 1,089,408	1,850,134 885,015	1,525,219 639,876	1,482,115 762,047	1,457,248 635,026
3,403,805	2,550,698	3,770,512	5,423,879	2,819,391	85,342
(2,352,833) (82,798)	(2,159,731) (75,265)	(3,860,949) (46,064)	(1,870,177) (31,744)	(1,804,008) (29,006)	(1,360,326) (27,327)
4,060,254	3,359,664	3,007,780	6,001,578	3,339,214	811,643
48,230,289	44,870,625	41,862,845	35,861,267	32,522,053	31,710,410
52,290,543	48,230,289	44,870,625	41,862,845	35,861,267	32,522,053
\$ 19,378,655	\$ 14,354,137	\$ 10,528,988	\$ 10,884,472	\$ 12,178,229	\$ 11,526,066
72.96%	77.06%	80.99%	79.36%	74.65%	73.83%
\$ 5,593,482	\$ 5,593,482	\$ 5,361,342	\$ 5,748,308	\$ 5,359,816	\$ 4,748,431
346.45%	256.62%	196.39%	189.35%	227.21%	242.73%

Notes to Schedule:

¹This schedule is presented as required by accounting principles generally accepted in the United States of America.

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years
Executive Employees' Retirement Plan**

Fiscal Year Ended	(1) Actuarially Determined Contribution	(2) Contribution in relation to the actuarially determined contribution	(3) Contribution excess/ (deficiency) (2)-(1)	(4) Covered payroll	(5) Actuarially determined contributions as a percentage of covered payroll (1)/(4)	(6) Contributions as a percentage of covered payroll (2)/(4)
2016	\$ 1,482,115	\$ 1,482,115	\$ -	\$ 5,359,816	27.65%	27.65%
2017	1,525,219	1,525,219	-	5,748,308	26.53%	26.53%
2018	1,850,134	1,850,134	-	5,361,342	34.51%	34.51%
2019	1,954,554	1,954,554	-	5,593,482	34.94%	34.94%
2020	2,234,407	2,234,407	-	5,549,081	40.27%	40.27%
2021	2,600,459	2,600,459	-	5,728,084	45.40%	45.40%
2022	2,560,502	2,560,502	-	5,777,148	44.32%	44.32%
2023	2,296,520	2,296,520	-	6,111,060	37.58%	37.58%
2024	2,525,416	2,525,416	-	6,607,798	38.22%	38.22%
2025	2,818,993	2,818,993	-	6,990,585	40.33%	40.33%

Notes to Schedule:

Valuation date: October 1, 2023

Actuarially determined contribution rates are calculated as of October 1, 1 year prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Measurement date	October 1
Actuarial cost method	Entry age
Asset valuation method	5-year smoothing
Salary increases	varies
Inflation	2.75%
Investment rate of return	7.00%

Mortality is assumed to follow the Florida Retirement System (FRS) Mortality Table.



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**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Florida Retirement System (FRS) Pension Plan
Last Ten Fiscal Years ⁽¹⁾**

June 30,	Year 2025	Year 2024	Year 2023	Year 2022	Year 2021
City of Boca Raton's proportion of the FRS net pension liability (asset)	0.001024436%	0.001012315%	0.001251951%	0.001602367%	0.001758816%
City of Boca Raton's proportionate share of the FRS net pension liability (asset)	\$ 317,935	\$ 391,611	\$ 498,863	\$ 596,209	\$ 132,859
City of Boca Raton's covered payroll	127,800	125,600	124,165	147,077	147,115
City of Boca Raton's proportionate share of the FRS net pension liability (asset) as a percentage of its covered payroll	248.78%	311.79%	401.77%	405.37%	90.31%
Plan fiduciary net position as a percentage of the total pension liability	87.26%	83.70%	82.38%	82.89%	96.40%

June 30,	Year 2020	Year 2019	Year 2018	Year 2017 ³	Year 2016
City of Boca Raton's proportion of the FRS net pension liability (asset)	0.000432167%	0.002126274%	0.002140260%	0.001760086%	0.000573538%
City of Boca Raton's proportionate share of the FRS net pension liability (asset)	\$ 891,269	\$ 732,259	\$ 644,657	\$ 520,622	\$ 144,819
City of Boca Raton's covered payroll	150,000	145,333	145,333	121,950	37,800
City of Boca Raton's proportionate share of the FRS net pension liability (asset) as a percentage of its covered payroll	594.18%	503.85%	443.57%	426.91%	383.12%
Plan fiduciary net position as a percentage of the total pension liability	78.85%	82.61%	84.26%	83.89%	84.88%

Notes to Schedule:

¹ The amounts presented for each fiscal year were determined as of the measurement date, June 30.

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Health Insurance Subsidy (HIS) Plan
Last Ten Fiscal Years⁽¹⁾**

June 30,	<u>Year 2025</u>	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
City of Boca Raton's proportion of the HIS net pension liability (asset)	0.000286061%	0.000296792%	0.000313390%	0.000403548%	0.000415530%
City of Boca Raton's proportionate share of the HIS net pension liability (asset)	\$ 36,666	\$ 44,522	\$ 49,771	\$ 42,742	\$ 50,971
City of Boca Raton's covered payroll	127,800	125,600	124,165	147,077	147,115
covered payroll		35.45%	40.08%	29.06%	
liability		4.80%	4.12%	4.81%	
	<u>Year 2020</u>	<u>Year 2019</u>	<u>Year 2018</u>	<u>Year 2017³</u>	<u>Year 2016</u>
HIS net pension liability (asset)	0.000432167%	0.000434533%	0.000444945%	0.000382574%	0.000122446%
(asset)	\$ 52,767	\$ 48,620	\$ 47,093	\$ 40,907	\$ 14,271
City of Boca Raton's covered payroll	150,000	145,333	145,333	121,950	37,800
payroll	35.18%	33.45%	32.40%	33.54%	37.75%
liability	3.00%	2.63%	2.15%	1.64%	0.97%

Notes to Schedule:

¹ The amounts presented for each fiscal year were determined as of the measurement date, June 30.
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**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CITY CONTRIBUTIONS
Florida Retirement System (FRS) Pension Plan
Last Ten Fiscal Years ⁽¹⁾**

September 30,	<u>Year 2025</u>	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
Contractually required contribution	\$ 71,702	\$ 71,115	\$ 67,201	\$ 70,875	\$ 72,094
Contributions in relation to the contractually required contribution	<u>(71,702)</u>	<u>(71,115)</u>	<u>(67,201)</u>	<u>(70,875)</u>	<u>(72,094)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City of Boca Raton's covered payroll	\$ 128,815	\$ 125,600	\$ 120,861	\$ 138,980	\$ 150,000
Contributions as a percentage of covered payroll	55.66%	56.62%	55.60%	51.00%	48.06%

September 30,	<u>Year 2020</u>	<u>Year 2019</u>	<u>Year 2018</u>	<u>Year 2017</u>	<u>Year 2016</u>
Contractually required contribution	\$ 70,785	\$ 70,515	\$ 62,634	\$ 62,261	\$ 15,352
Contributions in relation to the contractually required contribution	<u>(70,785)</u>	<u>(70,515)</u>	<u>(62,634)</u>	<u>(62,261)</u>	<u>(15,352)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City of Boca Raton's covered payroll	\$ 150,000	\$ 150,000	\$ 140,667	\$ 150,000	\$ 37,800
Contributions as a percentage of covered payroll	47.19%	47.01%	44.53%	41.51%	40.61%

Notes to Schedule:

¹ The amounts presented for each fiscal year were determined as of the measurement date, June 30.
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**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CITY CONTRIBUTIONS
Health Insurance Subsidy (HIS) Plan
Last Ten Fiscal Years ⁽¹⁾**

September 30,	<u>Year 2025</u>	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
Contractually required contribution	\$ 2,576	\$ 2,512	\$ 2,105	\$ 2,307	\$ 2,490
Contributions in relation to the contractually required contribution	<u>(2,576)</u>	<u>(2,512)</u>	<u>(2,105)</u>	<u>(2,307)</u>	<u>(2,490)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City of Boca Raton's covered payroll	\$ 128,815	\$ 125,600	\$ 120,861	\$ 138,980	\$ 150,000
Contributions as a percentage of covered payroll	2.00%	2.00%	1.74%	1.66%	1.66%

September 30,	<u>Year 2020</u>	<u>Year 2019</u>	<u>Year 2018</u>	<u>Year 2017</u>	<u>Year 2016</u>
Contractually required contribution	\$ 2,490	\$ 2,490	\$ 2,335	\$ 2,490	\$ 627
Contributions in relation to the contractually required contribution	<u>(2,490)</u>	<u>(2,490)</u>	<u>(2,335)</u>	<u>(2,490)</u>	<u>(627)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City of Boca Raton's covered payroll	\$ 150,000	\$ 150,000	\$ 140,667	\$ 150,000	\$ 37,800
Contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.66%	1.66%

Notes to Schedule:

¹ The amounts presented for each fiscal year were determined as of the measurement date, June 30.



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**CITY OF BOCA RATON, FLORIDA
OTHER POST EMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS⁽¹⁾⁽²⁾**

September 30,	Year 2025	Year 2024	Year 2023	Year 2022	Year 2021
Total OPEB Liability					
Service cost	\$ 260,608	\$ 162,577	\$ 163,395	\$ 271,029	\$ 250,988
Interest Cost	347,822	255,415	246,698	126,992	134,824
Changes of benefit terms	(188,587)	-	-	-	-
Experience Losses/(Gains)	967,762	4,172,776	-	1,230,776	-
Changes of assumptions	(408,664)	(52,303)	(105,937)	(1,483,311)	99,114
Benefit payments	<u>(773,416)</u>	<u>(1,173,000)</u>	<u>(371,633)</u>	<u>(303,224)</u>	<u>(257,865)</u>
Net change in total OPEB liability	205,525	3,365,465	(67,477)	(157,738)	227,061
Total OPEB liability - beginning	<u>9,090,585</u>	<u>5,725,120</u>	<u>5,792,597</u>	<u>5,950,335</u>	<u>5,723,274</u>
Total OPEB liability - ending	<u><u>\$ 9,296,110</u></u>	<u><u>\$ 9,090,585</u></u>	<u><u>\$ 5,725,120</u></u>	<u><u>\$ 5,792,597</u></u>	<u><u>\$ 5,950,335</u></u>
Covered-employee payroll	\$ 104,629,561	\$ 99,568,375	\$ 96,850,595	\$ 93,228,645	\$ 81,312,364
Total OPEB liability as a percentage of covered-employee payroll	8.88%	9.13%	5.91%	6.21%	7.32%

***Note to schedule**

1 This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

2 There are no assets accumulated in a trust that meet the criteria of GASB codification P.22.101 or P52.101 to pay related benefits for the OPEB plan.

**CITY OF BOCA RATON, FLORIDA
OTHER POST EMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS⁽¹⁾⁽²⁾**

September 30,	<u>Year 2020</u>	<u>Year 2019</u>	<u>Year 2018</u>
Total OPEB Liability			
Service cost	\$ 320,837	\$ 263,838	\$ 265,614
Interest Cost	152,590	187,333	169,577
Changes of benefit terms	-	-	-
Experience Losses/(Gains)	(313,379)	-	-
Changes of assumptions	168,834	486,576	(140,911)
Benefit payments	(308,672)	(251,787)	(244,453)
Net change in total OPEB liability	<u>20,210</u>	<u>685,960</u>	<u>49,827</u>
Total OPEB liability - beginning	<u>5,703,064</u>	<u>5,017,104</u>	<u>4,967,277</u>
Total OPEB liability - ending	<u><u>\$ 5,723,274</u></u>	<u><u>\$ 5,703,064</u></u>	<u><u>\$ 5,017,104</u></u>
Covered-employee payroll	\$ 80,542,532	\$ 75,374,981	\$ 70,611,024
Total OPEB liability as a percentage of covered-employee payroll	7.11%	7.57%	7.11%

***Note to schedule**

¹This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

² There are no assets accumulated in a trust that meet the criteria of GASB codification P.22.101 or P52.101 to pay related benefits for the OPEB plan.

**CITY OF BOCA RATON, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
PROPERTY TAXES	\$ 120,429,700	\$ 120,429,700	\$ 120,169,391	\$ (260,309)
EXCISE TAXES				
Utility	24,971,000	24,971,000	25,607,420	636,420
Total excise taxes	24,971,000	24,971,000	25,607,420	636,420
FRANCHISE TAXES				
Electrical	13,250,000	13,250,000	12,632,886	(617,114)
Television	1,600,000	1,600,000	1,378,031	(221,969)
Natural gas	280,000	280,000	323,496	43,496
Solid waste	1,850,000	1,850,000	2,052,976	202,976
Total franchise taxes	16,980,000	16,980,000	16,387,389	(592,611)
Total taxes	162,380,700	162,380,700	162,164,200	(216,500)
LICENSES AND PERMITS				
Local business taxes	1,853,000	1,853,000	1,603,276	(249,724)
Beverage licenses	150,000	150,000	154,579	4,579
Special permits	14,000	14,000	15,409	1,409
Other	678,000	678,000	576,405	(101,595)
Total licenses and permits	2,695,000	2,695,000	2,349,669	(345,331)
INTERGOVERNMENTAL				
State and Federal Grants			192,418	192,418
State revenue sharing	15,222,600	15,222,600	15,078,515	(144,085)
Palm Beach County	7,111,000	7,111,000	6,964,050	(146,950)
Beach tax district	2,485,500	2,485,500	2,372,206	(113,294)
Other shared local revenue	571,000	571,000	468,979	(102,021)
Total intergovernmental	25,390,100	25,390,100	25,076,168	(313,932)
CHARGES FOR SERVICES				
Physical environment	202,000	202,000	140,244	(61,756)
Planning and zoning fees	810,000	810,000	1,049,362	239,362
Fire services	16,574,000	16,574,000	17,448,495	874,495
Police services	394,000	394,000	388,274	(5,726)
Library	246,900	246,900	368,745	121,845
Recreation services	7,577,500	7,577,500	8,751,754	1,174,254
Parking	1,280,000	1,280,000	1,849,318	569,318
Administrative service charge	9,468,100	9,468,100	9,462,650	(5,450)
Other charges for services	368,000	433,000	884,246	451,246
Total charges for services	36,920,500	36,985,500	40,343,088	3,357,588
FINES AND FORFEITURES	2,009,500	2,009,500	1,942,311	(67,189)
INVESTMENT EARNINGS (LOSS)	6,888,000	6,888,000	5,126,952	(1,761,048)
MISCELLANEOUS	125,200	500,200	1,061,477	561,277
Total revenues	236,409,000	236,849,000	238,063,865	1,214,865
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
City council	470,100	470,100	447,694	22,406
Total city council	470,100	470,100	447,694	22,406
City manager				
Administration	2,920,500	2,960,400	2,213,866	746,534
City clerk	1,433,900	1,434,500	1,154,675	279,825
Human resources	3,450,800	3,560,200	3,149,497	410,703
Communications	775,000	800,700	702,942	97,758
Sustainability Office	413,700	498,600	393,445	105,155
Total city manager	8,993,900	9,254,400	7,614,425	1,639,975

(CONTINUED)

CITY OF BOCA RATON, FLORIDA
GENERAL FUND (continued)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Financial services				
Financial services administration	\$ 1,644,600	\$ 1,647,100	\$ 1,542,925	\$ 104,175
Pension	708,300	2,109,100	618,145	1,490,955
Accounting	1,034,700	1,034,700	776,837	257,863
Treasury	172,500	177,100	171,256	5,844
Accounts payable	491,400	491,400	483,902	7,498
Alarm administration	119,400	119,400	110,418	8,982
Purchasing	1,452,100	1,458,800	1,267,516	191,284
Parking	260,000	260,000	232,040	27,960
Office of management and budget	755,200	761,600	725,058	36,542
Total financial services	6,638,200	8,059,200	5,928,097	2,131,103
City attorney	2,116,500	2,116,900	1,948,817	168,083
Total city attorney	2,116,500	2,116,900	1,948,817	168,083
Development services				
Development services administration	1,286,800	1,296,100	1,323,072	(26,972)
Code compliance/licensing	2,224,500	2,227,800	1,961,749	266,051
Planning and zoning	2,905,300	2,988,900	2,731,043	257,857
Total development services	6,416,600	6,512,800	6,015,864	496,936
Other non-departmental services	12,452,500	13,072,300	11,841,248	1,231,052
Total general government	37,087,800	39,485,700	33,796,145	5,689,555
PUBLIC SAFETY				
Law enforcement				
Communications/dispatch	4,609,800	4,610,600	3,583,663	1,026,937
Community services	21,900,600	22,145,700	37,385,103	(15,239,403)
Bureau of field services	45,057,500	45,057,500	44,850,235	207,265
Biological Processing Lab	425,700	425,700	399,939	25,761
Total law enforcement	71,993,600	72,239,500	86,218,940	(13,979,440)
Fire rescue services				
Fire administration	5,566,000	5,838,900	5,518,366	320,534
Logistics and support	5,274,700	5,284,500	4,552,168	732,332
Fire operations	59,903,200	61,288,800	62,198,715	(909,915)
Fire and life safety	1,124,000	1,124,000	1,122,481	1,519
Total fire rescue services	71,867,900	73,536,200	73,391,730	144,470
Total public safety	143,861,500	145,775,700	159,610,670	(13,834,970)
PHYSICAL ENVIRONMENT				
Physical environment administration	1,543,500	1,629,500	1,233,288	396,212
Dredge	654,700	669,500	648,914	20,586
Facilities management	5,804,500	6,220,200	5,150,709	1,069,491
Total physical environment	8,002,700	8,519,200	7,032,911	1,486,289
TRANSPORTATION				
Streets	1,843,700	1,845,600	1,427,048	418,552
Traffic/special projects	6,814,000	7,259,000	5,196,118	2,062,882
Engineering-survey	486,800	486,800	334,063	152,737
Engineering-design	1,475,100	1,593,900	1,240,314	353,586
Total transportation	10,619,600	11,185,300	8,197,543	2,987,757

(CONTINUED)

CITY OF BOCA RATON, FLORIDA
GENERAL FUND (continued)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
PARKS AND RECREATION				
Parks and rec administration	\$ 3,618,300	\$ 3,985,700	\$ 3,861,482	\$ 124,218
Library	6,507,600	6,530,600	6,635,244	(104,644)
Community center	745,400	745,400	683,349	62,051
Public art	210,700	210,700	179,331	31,369
Camp programs	336,800	336,800	7,200	329,600
Athletics	533,100	537,700	571,168	(33,468)
Children's Museum	26,000	26,000	22,697	3,303
Skateboard park	59,300	62,400	68,670	(6,270)
Special programs	2,985,000	2,985,000	1,831,652	1,153,348
Aquatics	690,000	710,000	794,260	(84,260)
Tennis center	418,500	420,400	434,541	(14,141)
Special interest activity	714,500	731,800	412,449	319,351
Ocean rescue	2,614,900	2,617,700	2,570,137	47,563
Parks District I	7,282,600	7,545,300	7,295,463	249,837
Golf Course	4,718,400	4,915,500	4,335,052	580,448
Parks District II	1,108,000	1,108,200	955,323	152,877
Mizner Park	1,338,700	1,377,900	1,212,381	165,519
Mizner Park Amphitheater	2,012,400	2,072,000	1,794,359	277,641
Park rangers	1,409,000	1,409,500	1,237,279	172,221
Irrigation	2,185,400	2,204,600	2,037,300	167,300
Beautification	8,266,000	8,288,300	7,666,668	621,632
Total parks and recreation	<u>47,780,600</u>	<u>48,821,500</u>	<u>44,606,005</u>	<u>4,215,495</u>
Total expenditures	<u>247,352,200</u>	<u>253,787,400</u>	<u>253,243,274</u>	<u>544,126</u>
Excess (deficiency) of revenues over expenditures	<u>(10,943,200)</u>	<u>(16,938,400)</u>	<u>(15,179,409)</u>	<u>1,758,991</u>
OTHER FINANCING SOURCES (USES)				
Leases:				
Lease (right-of-use asset) acquired			14,297,950	14,297,950
Transfers in:				
Downtown Infrastructure Fund	2,900	2,900	2,900	
Total transfers in	<u>2,900</u>	<u>2,900</u>	<u>2,900</u>	
Transfers out:				
Building Permits Fund		3,309,000	3,309,000	
Capital Improvement Fund			1,667,000	1,667,000
Information Technology Fund	(30,900)	(350,600)	(350,600)	
Fleet Management Fund	(3,349,000)	(3,349,000)	(3,349,000)	
Total transfers out	<u>(3,379,900)</u>	<u>(390,600)</u>	<u>1,276,400</u>	<u>1,667,000</u>
Total other financing uses	<u>(3,377,000)</u>	<u>(387,700)</u>	<u>15,577,250</u>	<u>15,964,950</u>
Net change in fund balance	<u>\$ (14,320,200)</u>	<u>\$ (17,326,100)</u>	<u>397,841</u>	<u>\$ 17,723,941</u>
Fund balance - beginning			<u>95,966,317</u>	
Fund balance - ending			<u>\$ 96,364,158</u>	

CITY OF BOCA RATON, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY OPERATING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Taxes	\$ 22,500,000	\$ 22,500,000	\$ 22,684,041	\$ 184,041
Charges for services	2,763,100	2,763,100	4,688,535	1,925,435
Investment earnings (loss)	1,143,000	1,143,000	1,980,808	837,808
Total revenues	<u>26,406,100</u>	<u>26,406,100</u>	<u>29,353,384</u>	<u>2,947,284</u>
EXPENDITURES				
Physical environment	76,200	76,200	11,980	64,220
Transportation	116,600	116,600	21,347	95,253
Community development	20,072,200	19,820,400	13,196,598	6,623,802
Parks and recreation			15,735	(15,735)
Capital outlay	15,030,300	15,729,900	1,038,626	14,691,274
Total expenditures	<u>35,295,300</u>	<u>35,743,100</u>	<u>14,284,286</u>	<u>21,458,814</u>
Excess (deficiency) of revenues over expenditures	<u>(8,889,200)</u>	<u>(9,337,000)</u>	<u>15,069,098</u>	<u>24,406,098</u>
OTHER FINANCING USES				
Transfers out	<u>(312,800)</u>	<u>(312,800)</u>	<u>(312,800)</u>	
Total other financing uses	<u>(312,800)</u>	<u>(312,800)</u>	<u>(312,800)</u>	
Net change in fund balance	<u>\$ (9,202,000)</u>	<u>\$ (9,649,800)</u>	<u>14,756,298</u>	<u>\$ 24,406,098</u>
Fund balance - beginning			<u>35,213,415</u>	
Fund balance - ending			<u>\$ 49,969,713</u>	

See accompanying note to required supplementary information

**CITY OF BOCA RATON, FLORIDA
LAND PROCEEDS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Investment earnings (loss)			\$ 2,359,581	\$ 2,359,581
Total revenues			<u>2,359,581</u>	<u>2,359,581</u>
OTHER FINANCING USES				
Transfers out	\$ (1,934,100)	\$ (1,934,100)	(1,934,100)	
Total other financing uses	<u>(1,934,100)</u>	<u>(1,934,100)</u>	<u>(1,934,100)</u>	
Net change in fund balance	<u>\$ (1,934,100)</u>	<u>\$ (1,934,100)</u>	425,481	<u>\$ 2,359,581</u>
Fund balance - beginning			<u>56,514,107</u>	
Fund balance - ending			<u>\$ 56,939,588</u>	

See accompanying note to required supplementary information

**CITY OF BOCA RATON, FLORIDA
BEACH AND PARK OPERATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Intergovernmental	\$ 23,626,700	\$ 24,637,100	\$ 19,038,717	\$ (5,598,383)
Charges for services	4,332,800	4,332,800	4,753,171	420,371
Donations in lieu of land	25,000	25,000	26,248	1,248
Miscellaneous			26,196	26,196
Total revenues	<u>27,984,500</u>	<u>28,994,900</u>	<u>23,844,332</u>	<u>(5,150,568)</u>
EXPENDITURES				
Current:				
Parks and recreation	23,391,100	23,600,000	21,889,511	1,710,489
Capital outlay	4,439,200	5,240,700	1,800,621	3,440,079
Total expenditures	<u>27,830,300</u>	<u>28,840,700</u>	<u>23,690,132</u>	<u>5,150,568</u>
Excess (deficiency) of revenues over expenditures	<u>154,200</u>	<u>154,200</u>	<u>154,200</u>	
OTHER FINANCING USES				
Transfers out	(154,200)	(154,200)	(154,200)	
Total other financing uses	<u>(154,200)</u>	<u>(154,200)</u>	<u>(154,200)</u>	
Net change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>
Fund balance - beginning				
Fund balance - ending			<u>\$</u>	

See accompanying note to required supplementary information

CITY OF BOCA RATON, FLORIDA
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2025

Stewardship, Compliance and Accountability

A. Budgetary Information

General governmental revenue and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements, which govern the City's operations. Annual budgets have been legally adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP) for the General Fund, Special Revenue Funds (except the General Trust Fund), Debt Service Funds and Capital Projects Funds. Budgets in governmental funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. While appropriations lapse at the end of the fiscal year, the succeeding year's budget ordinance specifically provides for the re-appropriation of year end encumbrances.

The City Manager is authorized to transfer budgeted amounts within departments within any fund; however, any revisions that increase the total expenditures of any department or fund must be approved by the City Council. The level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department (by fund) level. All necessary supplemental appropriations are adopted by the City Council as part of a quarterly budget review process and are included in the "Final Budget" columns on the schedule of revenues, expenditures and changes in fund balance – budget and actual.

Major Governmental Fund

CAPITAL PROJECTS FUNDS

The capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Five-Year Capital Improvement Program Fund -- To account for various building, park and street construction projects. Financing is provided by general tax revenue, bond proceeds, excise tax and interest income.

Infrastructure Surtax Fund - To account for the bond proceeds and payment of designated infrastructure expenses as a result of the 1-cent sales surtax approved by Palm Beach County voters in November 2016.

CITY OF BOCA RATON, FLORIDA
FIVE YEAR CAPITAL IMPROVEMENT PROGRAM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Taxes	\$ 12,493,700	\$ 12,493,700	\$ 12,575,172	\$ 81,472
Intergovernmental	6,256,100	6,256,100	1,206,073	(5,050,027)
Donations in lieu of land	400,000	400,000	412,751	12,751
Investment earnings (loss)	1,764,000	1,764,000	2,068,908	304,908
Total revenues	<u>20,913,800</u>	<u>20,913,800</u>	<u>16,262,904</u>	<u>(4,650,896)</u>
EXPENDITURES				
General government	714,900	714,900	718,567	(3,667)
Public safety			613,088	(613,088)
Parks & recreation			1,232,311	(1,232,311)
Community services			2,591,851	(2,591,851)
Capital outlay	33,911,100	40,223,000	4,330,548	35,892,452
Capital outlay:				
Transportation		77,300	1,215,358	(1,138,058)
Total expenditures	<u>34,626,000</u>	<u>41,015,200</u>	<u>10,701,723</u>	<u>30,313,477</u>
Excess (deficiency) of revenues over expenditures	<u>(13,712,200)</u>	<u>(20,101,400)</u>	<u>5,561,181</u>	<u>25,662,581</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,934,100	11,332,300	11,332,300	
Transfers out	<u>(4,534,300)</u>	<u>(4,534,300)</u>	<u>(4,534,300)</u>	
Total other financing uses	<u>(2,600,200)</u>	<u>6,798,000</u>	<u>6,798,000</u>	
Net change in fund balance	<u>\$ (16,312,400)</u>	<u>\$ (13,303,400)</u>	<u>12,359,181</u>	<u>\$ 25,662,581</u>
Fund balance - beginning			<u>42,761,713</u>	
Fund balance - ending			<u>\$ 55,120,894</u>	

**CITY OF BOCA RATON, FLORIDA
INFRASTRUCTURE SURTAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Taxes	\$ 3,000,000	\$ 3,000,000	\$ 10,302,921	\$ 7,302,921
Investment earnings (loss)	613,000	613,000	781,793	168,793
Total revenues	<u>3,613,000</u>	<u>3,613,000</u>	<u>11,084,714</u>	<u>7,471,714</u>
EXPENDITURES				
Capital outlay	4,300,000	8,243,900	1,667,134	6,576,766
Transportation			352,092	(352,092)
Total expenditures	<u>4,300,000</u>	<u>8,243,900</u>	<u>2,019,226</u>	<u>6,224,674</u>
Excess (deficiency) of revenues over expenditures	<u>(687,000)</u>	<u>(4,630,900)</u>	<u>9,065,488</u>	<u>13,696,388</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,199,000)	(3,199,000)	(3,198,996)	4
Total other financing uses	<u>(3,199,000)</u>	<u>(3,199,000)</u>	<u>(3,198,996)</u>	<u>4</u>
Net change in fund balance	<u>\$ (3,886,000)</u>	<u>\$ (7,829,900)</u>	<u>5,866,492</u>	<u>\$ 13,696,392</u>
Fund balance - beginning			<u>16,432,799</u>	
Fund balance - ending			<u>\$ 22,299,291</u>	

Non-Major Governmental Funds

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Community Development Block Grant Program Fund -- To account for revenue from a grant agreement between the City and the U.S. Department of Housing and Urban Development (HUD) and expenditures for qualified neighborhood revitalization. The program includes expenditures for housing rehabilitation, clearance of housing and relocation of families, the construction of new, low and moderate income housing units, and public improvements to the neighborhood.

Housing Assistance Trust Fund -- To account for funds received from the State Housing Initiatives Partnership for the purpose of providing affordable housing in the City.

Building Permits — is to ensure a safely built environment for the community through responsible enforcement of Building Codes, City Ordinances and State Laws utilizing a customer focused approach.

Law Enforcement Trust Fund -- To account for funds received from State and Federal forfeitures.

Transportation Fund -- To account for local option gas tax restricted for roadway program expenditures.

Ocean Breeze Greater Boca Raton Beach & Park District Fund (GBRBPD)—To account for GBRBPD annual reimbursement to the City for the debt service costs.

Economic Development Fund -- To support economic development activities benefitting the City, including a variety of incentive programs.

General Trust Fund -- To account for moneys received as donations, which have been restricted to expenditures for specified purposes.

Grant Funds -- To account for revenues and expenditures of specific state and federally funded grants.

PERMANENT FUND

Perpetual Care Fund -- To account for moneys received for the purpose of providing perpetual care for the City's cemetery and mausoleum.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

City Debt Service Fund -- To account for the payment of principal and interest, and fiscal charges on the City's general obligation bonds which are payable from ad valorem taxes; and the City's revenue bonds and notes payable which are payable from non ad valorem revenues.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Right of Way Acquisition Fund -- To account for the cost of acquiring right of way property. Revenue is provided from land sales proceeds and interest income.

Park Land Dedication Fund -- To account for the cost of buying and constructing park developments. Financing is being provided by donations from developers as required by City ordinance.

Downtown Land Dedication Fund -- To account for the cost of buying and constructing park developments in the downtown area. Financing is being provided by donations from developers in the downtown as required by City ordinance.

Downtown Infrastructure Fund -- To account for the financing and implementation of the downtown infrastructure program.

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2025**

	Special Revenue	Permanent	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 12,786,635		\$ 576,635	\$ 3,033,964	\$ 16,397,234
Investments	45,656,062	\$ 211,563		17,028,471	62,896,096
Receivables, net:					
Accounts receivable	11,835				11,835
Assessments				54,320	54,320
Interest	317,728			118,812	436,540
Due from other governmental units	993,364				993,364
Restricted:					
Restricted cash and cash equivalents	160,564	286,127			446,691
Investments	782,461	1,394,365			2,176,826
Interest receivable on investments	6,288	11,205			17,493
Restricted accounts receivable		24,767			24,767
Total assets	<u>\$ 60,714,937</u>	<u>\$ 1,928,027</u>	<u>\$ 576,635</u>	<u>\$ 20,235,567</u>	<u>\$ 83,455,166</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 1,619,533			\$ 5,200	\$ 1,624,733
Performance bonds and escrow funds	1,068,033	\$ 4,000			1,072,033
Due to other governmental units	9,729				9,729
Due to other funds	478,375				478,375
Unearned revenue	8,050				8,050
Total liabilities	<u>3,183,720</u>	<u>4,000</u>		<u>5,200</u>	<u>3,192,920</u>
FUND BALANCES					
Non-spendable:					
Perpetual care, cemetery and mausoleum		1,924,027			1,924,027
Restricted for:					
Building permits	36,377,585				36,377,585
Debt service			\$ 576,635		576,635
Housing	3,281,515				3,281,515
Law enforcement	1,559,074				1,559,074
Transportation	9,984,460				9,984,460
Downtown				1,482,453	1,482,453
Economic development	6,328,583				6,328,583
Land dedication				15,975,731	15,975,731
Committed to:					
Right of way acquisition				2,772,183	2,772,183
Total fund balances	<u>57,531,217</u>	<u>1,924,027</u>	<u>576,635</u>	<u>20,230,367</u>	<u>80,262,246</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 60,714,937</u>	<u>\$ 1,928,027</u>	<u>\$ 576,635</u>	<u>\$ 20,235,567</u>	<u>\$ 83,455,166</u>

**CITY OF BOCA RATON, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Special Revenue	Permanent	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
REVENUES					
Taxes	\$ 3,221,678		\$ 669,920		\$ 3,891,598
Licenses and permits	15,899,006				15,899,006
Intergovernmental	16,081,310				16,081,310
Charges for services	404,521	\$ 250,641			655,162
Fines and forfeitures	86,377				86,377
Special assessments				\$ 304,825	304,825
Donations in lieu of land				215,870	215,870
Investment earnings (loss)	2,743,785	107,652		861,451	3,712,888
Miscellaneous	23,922				23,922
Total revenues	<u>38,460,599</u>	<u>358,293</u>	<u>669,920</u>	<u>1,382,146</u>	<u>40,870,958</u>
EXPENDITURES					
Current:					
General government	142,489				142,489
Law enforcement	216,727				216,727
Fire rescue	2,043,989				2,043,989
Physical environment	358,073				358,073
Transportation	2,323,119				2,323,119
Community development	11,359,201				11,359,201
Parks and recreation				92,218	92,218
Capital outlay	2,854,836			211,323	3,066,159
Debt service:					
Principal			15,295,000		15,295,000
Interest			699,231		699,231
Total expenditures	<u>19,298,434</u>	<u></u>	<u>15,994,231</u>	<u>303,541</u>	<u>35,596,206</u>
Excess (deficiency) of revenues over expenditures	<u>19,162,165</u>	<u>358,293</u>	<u>(15,324,311)</u>	<u>1,078,605</u>	<u>5,274,752</u>
OTHER FINANCING SOURCES (USES)					
Transfers in			15,324,237		15,324,237
Transfers out	(25,247,447)	(2,554,400)		(286,694)	(28,088,541)
Total other financing sources (uses)	<u>(25,247,447)</u>	<u>(2,554,400)</u>	<u>15,324,237</u>	<u>(286,694)</u>	<u>(12,764,304)</u>
Net change in fund balances	(6,085,282)	(2,196,107)	(74)	791,911	(7,489,552)
Fund balances - beginning	<u>63,616,499</u>	<u>4,120,134</u>	<u>576,709</u>	<u>19,438,456</u>	<u>87,751,798</u>
Fund balances - ending	<u>\$ 57,531,217</u>	<u>\$ 1,924,027</u>	<u>\$ 576,635</u>	<u>\$ 20,230,367</u>	<u>\$ 80,262,246</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2025**

	Community Development Block Grant Program	SHIP Housing Assistance Trust Fund	Building Permits Fund	Law Enforcement Trust Fund	Transpor- tation Fund
ASSETS					
Cash and cash equivalents		\$ 3,284,887	\$ 5,957,901	\$ 1,023,707	\$ 1,554,288
Investments			30,913,718	533,640	8,723,634
Receivables, net:					
Accounts receivable					
Interest			215,694	3,723	60,868
Due from other governmental units	\$ 247,867				353,423
Restricted:					
Restricted cash and cash equivalents					
Investments					
Interest receivable on investments					
Total assets	<u>\$ 247,867</u>	<u>\$ 3,284,887</u>	<u>\$ 37,087,313</u>	<u>\$ 1,561,070</u>	<u>\$ 10,692,213</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 146,290	\$ 3,372	\$ 709,728	\$ 1,996	\$ 707,753
Performance bonds and escrow funds					
Due to other governmental units					
Due to other funds	101,577				
Unearned revenue					
Total liabilities	<u>247,867</u>	<u>3,372</u>	<u>709,728</u>	<u>1,996</u>	<u>707,753</u>
FUND BALANCES					
Restricted for:					
Building permits			36,377,585		
Housing		3,281,515			
Law enforcement				1,559,074	
Transportation					9,984,460
Economic development					
Committed to:					
Total fund balances	<u></u>	<u>3,281,515</u>	<u>36,377,585</u>	<u>1,559,074</u>	<u>9,984,460</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 247,867</u>	<u>\$ 3,284,887</u>	<u>\$ 37,087,313</u>	<u>\$ 1,561,070</u>	<u>\$ 10,692,213</u>

<u>Ocean Breeze GBRPD</u>	<u>Economic Development Fund</u>	<u>General Trust Fund</u>	<u>Grant Funds</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 9,729	\$ 956,123 5,366,350	\$ 118,720		\$ 12,786,635 45,656,062
	37,443		\$ 11,835	11,835
			392,074	317,728
		160,564		993,364
		782,461		160,564
		6,288		782,461
<u>\$ 9,729</u>	<u>\$ 6,359,916</u>	<u>\$ 1,068,033</u>	<u>\$ 403,909</u>	<u>\$ 60,714,937</u>
	\$ 31,333	\$ 1,068,033	\$ 19,061	\$ 1,619,533
\$ 9,729				1,068,033
			376,798	9,729
			8,050	478,375
<u>9,729</u>	<u>31,333</u>	<u>1,068,033</u>	<u>403,909</u>	<u>3,183,720</u>
				36,377,585
				3,281,515
				1,559,074
	6,328,583			9,984,460
				6,328,583
	<u>6,328,583</u>			<u>57,531,217</u>
<u>\$ 9,729</u>	<u>\$ 6,359,916</u>	<u>\$ 1,068,033</u>	<u>\$ 403,909</u>	<u>\$ 60,714,937</u>

CITY OF BOCA RATON, FLORIDA
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Community Development Block Grant Program	SHIP Housing Assistance Trust Fund	Building Permits Fund	Law Enforcement Trust Fund	Transportation Fund
REVENUES					
Taxes					\$ 2,221,678
Licenses and permits			\$ 15,899,006		
Intergovernmental	\$ 878,329	\$ 2,890,543	41,185		
Charges for services			404,521		
Fines and forfeitures				\$ 86,377	
Investment earnings (loss)		15,962	1,963,621	35,729	441,728
Miscellaneous					23,922
Total revenues	<u>878,329</u>	<u>2,906,505</u>	<u>18,308,333</u>	<u>122,106</u>	<u>2,687,328</u>
EXPENDITURES					
Current:					
General government			42,489		
Law enforcement				81,014	
Fire rescue			2,043,989		
Physical environment			358,073		
Transportation			1,058,902		1,264,217
Community development	300,799	626,379	9,197,346		
Capital outlay	577,530		338,105		1,645,108
Total expenditures	<u>878,329</u>	<u>626,379</u>	<u>13,038,904</u>	<u>81,014</u>	<u>2,909,325</u>
Excess (deficiency) of revenues over expenditures		<u>2,280,126</u>	<u>5,269,429</u>	<u>41,092</u>	<u>(221,997)</u>
OTHER FINANCING SOURCES (USES)					
Transfers out			(13,406,000)		
Total other financing sources (uses)			<u>(13,406,000)</u>		
Net change in fund balances		2,280,126	(8,136,571)	41,092	(221,997)
Fund balances - beginning		1,001,389	44,514,156	1,517,982	10,206,457
Fund balances - ending	<u>\$</u>	<u>\$ 3,281,515</u>	<u>\$ 36,377,585</u>	<u>\$ 1,559,074</u>	<u>\$ 9,984,460</u>

Ocean Breeze GBRBDP	Economic Development Fund	Grant Funds	Total Nonmajor Special Revenue Funds
	\$ 1,000,000		\$ 3,221,678
			15,899,006
\$ 11,841,447		\$ 429,806	16,081,310
			404,521
			86,377
	286,745		2,743,785
			23,922
<u>11,841,447</u>	<u>1,286,745</u>	<u>429,806</u>	<u>38,460,599</u>
	100,000		142,489
		135,713	216,727
			2,043,989
			358,073
			2,323,119
	1,234,677		11,359,201
		294,093	2,854,836
	<u>1,334,677</u>	<u>429,806</u>	<u>19,298,434</u>
<u>11,841,447</u>	<u>(47,932)</u>		<u>19,162,165</u>
<u>(11,841,447)</u>			<u>(25,247,447)</u>
<u>(11,841,447)</u>			<u>(25,247,447)</u>
	(47,932)		(6,085,282)
	6,376,515		63,616,499
<u>\$</u>	<u>\$ 6,328,583</u>	<u>\$</u>	<u>\$ 57,531,217</u>

**CITY OF BOCA RATON, FLORIDA
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Intergovernmental	\$ 488,300	\$ 488,300	\$ 878,329	\$ 390,029
Miscellaneous	794,500	1,375,400		(1,375,400)
Total revenues	<u>1,282,800</u>	<u>1,863,700</u>	<u>878,329</u>	<u>(985,371)</u>
EXPENDITURES				
Current:				
Community development	199,200	199,200	300,799	(101,599)
Capital outlay	1,083,600	1,664,500	577,530	1,086,970
Total expenditures	<u>1,282,800</u>	<u>1,863,700</u>	<u>878,329</u>	<u>985,371</u>
Net change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>
Fund balance - beginning				
Fund balance - ending			<u>\$</u>	

**CITY OF BOCA RATON, FLORIDA
HOUSING ASSISTANCE TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Intergovernmental	\$ 762,200	\$ 762,200	\$ 2,890,543	\$ 2,128,343
Investment earnings (loss)	18,000	18,000	15,962	(2,038)
Miscellaneous	<u>3,391,100</u>	<u>3,391,100</u>		<u>(3,391,100)</u>
Total revenues	<u>4,171,300</u>	<u>4,171,300</u>	<u>2,906,505</u>	<u>(1,264,795)</u>
EXPENDITURES				
Current:				
Community development	<u>4,171,300</u>	<u>4,171,300</u>	<u>626,379</u>	<u>3,544,921</u>
Total expenditures	<u>4,171,300</u>	<u>4,171,300</u>	<u>626,379</u>	<u>3,544,921</u>
Net change in fund balance	<u>\$</u>	<u>\$</u>	2,280,126	<u>\$ 2,280,126</u>
Fund balance - beginning			<u>1,001,389</u>	
Fund balance - ending			<u>\$ 3,281,515</u>	

CITY OF BOCA RATON, FLORIDA
BUILDING PERMITS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Licenses and permits	\$ 15,000,000	\$ 15,476,400	\$ 15,899,006	\$ 422,606
Intergovernmental			41,185	41,185
Charges for services	200,000	200,000	404,521	204,521
Investment earnings (loss)	1,556,000	1,556,000	1,963,621	407,621
Total revenues	<u>16,756,000</u>	<u>17,232,400</u>	<u>18,308,333</u>	<u>1,075,933</u>
EXPENDITURES				
General government	165,600	165,600	42,489	123,111
Fire rescue	2,070,400	2,070,400	2,043,989	26,411
Physical environment	525,400	525,400	358,073	167,327
Transportation	1,432,200	1,436,800	1,058,902	377,898
Community development	10,748,600	23,516,900	21,904,546	1,612,354
Capital outlay	30,200,000	30,348,600	338,105	30,010,495
Total expenditures	<u>45,142,200</u>	<u>58,063,700</u>	<u>25,746,104</u>	<u>32,317,596</u>
Excess (deficiency) of revenues over expenditures	<u>(28,386,200)</u>	<u>(40,831,300)</u>	<u>(7,437,771)</u>	<u>33,393,529</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(698,800)	(698,800)	(698,800)	
Total other financing sources (uses)	<u>(698,800)</u>	<u>(698,800)</u>	<u>(698,800)</u>	
Net change in fund balance	<u>\$ (29,085,000)</u>	<u>\$ (41,530,100)</u>	<u>(8,136,571)</u>	<u>\$ 33,393,529</u>
Fund balance - beginning			<u>44,514,156</u>	
Fund balance - ending			<u>\$ 36,377,585</u>	

**CITY OF BOCA RATON, FLORIDA
LAW ENFORCEMENT TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Fines and forfeitures	\$ 180,000	\$ 180,000	\$ 86,377	\$ (93,623)
Investment earnings (loss)	59,000	59,000	35,729	(23,271)
Total revenues	<u>239,000</u>	<u>239,000</u>	<u>122,106</u>	<u>(116,894)</u>
EXPENDITURES				
Current:				
Law enforcement	220,000	220,000	81,014	138,986
Total expenditures	<u>220,000</u>	<u>220,000</u>	<u>81,014</u>	<u>138,986</u>
Net change in fund balance	<u>\$ 19,000</u>	<u>\$ 19,000</u>	41,092	<u>\$ 22,092</u>
Fund balance - beginning			<u>1,517,982</u>	
Fund balance - ending			<u>\$ 1,559,074</u>	

CITY OF BOCA RATON, FLORIDA
TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Taxes	\$ 2,346,000	\$ 2,346,000	\$ 2,221,678	\$ (124,322)
Investment earnings (loss)	387,000	387,000	441,728	54,728
Miscellaneous			23,922	23,922
Total revenues	<u>2,733,000</u>	<u>2,733,000</u>	<u>2,687,328</u>	<u>(45,672)</u>
EXPENDITURES				
Current:				
Transportation		800	1,264,217	(1,263,417)
Capital outlay	<u>7,474,400</u>	<u>9,182,500</u>	<u>1,645,108</u>	<u>7,537,392</u>
Total expenditures	<u>7,474,400</u>	<u>9,183,300</u>	<u>2,909,325</u>	<u>6,273,975</u>
Net change in fund balance	<u>\$ (4,741,400)</u>	<u>\$ (6,450,300)</u>	(221,997)	<u>\$ 6,228,303</u>
Fund balance - beginning			<u>10,206,457</u>	
Fund balance - ending			<u>\$ 9,984,460</u>	

**CITY OF BOCA RATON, FLORIDA
OCEAN BREEZE GBRBPD
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Intergovernmental	\$ 1,614,000	\$ 11,841,500	\$ 11,841,447	\$ (53)
Total revenues	<u>1,614,000</u>	<u>11,841,500</u>	<u>11,841,447</u>	<u>(53)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(1,614,000)</u>	<u>(11,841,500)</u>	<u>(11,841,447)</u>	<u>53</u>
Total other financing sources (uses)	<u>(1,614,000)</u>	<u>(11,841,500)</u>	<u>(11,841,447)</u>	<u>53</u>
Net change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>
Fund balance - beginning				
Fund balance - ending			<u>\$</u>	

**CITY OF BOCA RATON, FLORIDA
ECONOMIC DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Taxes	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	
Investment earnings (loss)	272,000	272,000	286,745	\$ 14,745
Total revenues	<u>1,272,000</u>	<u>1,272,000</u>	<u>1,286,745</u>	<u>14,745</u>
EXPENDITURES				
Current:				
General government	100,000	100,000	100,000	
Community development	2,216,000	2,216,000	1,234,677	981,323
Total expenditures	<u>2,316,000</u>	<u>2,316,000</u>	<u>1,334,677</u>	<u>981,323</u>
Net change in fund balance	<u>\$ (1,044,000)</u>	<u>\$ (1,044,000)</u>	(47,932)	<u>\$ 996,068</u>
Fund balance - beginning			<u>6,376,515</u>	
Fund balance - ending			<u>\$ 6,328,583</u>	

CITY OF BOCA RATON, FLORIDA
GRANT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Intergovernmental	\$ 3,015,000	\$ 3,330,300	\$ 429,806	\$ (2,900,494)
Total revenues	<u>3,015,000</u>	<u>3,330,300</u>	<u>429,806</u>	<u>(2,900,494)</u>
EXPENDITURES				
Current:				
General government	70,000	70,000		70,000
Law enforcement			135,713	(135,713)
Transportation	2,000,000	2,000,000		2,000,000
Parks and recreation	175,000	175,000		175,000
Capital outlay	770,000	1,085,300	294,093	791,207
Total expenditures	<u>3,015,000</u>	<u>3,330,300</u>	<u>429,806</u>	<u>2,900,494</u>
Net change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>
Fund balance - beginning				
Fund balance - ending			<u>\$</u>	

CITY OF BOCA RATON, FLORIDA
PERPETUAL CARE PERMANENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Charges for services	\$ 220,000	\$ 220,000	\$ 250,641	\$ 30,641
Investment earnings (loss)	148,000	148,000	107,652	(40,348)
Total revenues	<u>368,000</u>	<u>368,000</u>	<u>358,293</u>	<u>(9,707)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(1,554,400)</u>	<u>(2,554,400)</u>	<u>(2,554,400)</u>	
Total other financing sources (uses)	<u>(1,554,400)</u>	<u>(2,554,400)</u>	<u>(2,554,400)</u>	
Net change in fund balance	<u>\$ (1,186,400)</u>	<u>\$ (2,186,400)</u>	<u>(2,196,107)</u>	<u>\$ (9,707)</u>
Fund balance - beginning			<u>4,120,134</u>	
Fund balance - ending			<u>\$ 1,924,027</u>	

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2025**

	City Debt Service Fund	Total Non-major Debt Service Funds
ASSETS		
Cash and cash equivalents	\$ 576,635	\$ 576,635
Total assets	<u>\$ 576,635</u>	<u>\$ 576,635</u>
FUND BALANCES		
Restricted for:		
Debt service	\$ 576,635	\$ 576,635
Total fund balances	<u>576,635</u>	<u>576,635</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 576,635</u>	 <u>\$ 576,635</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	City Debt Service Fund	Total Non-major Debt Service Funds
REVENUES		
Taxes	\$ 669,920	\$ 669,920
Total revenues	<u>669,920</u>	<u>669,920</u>
EXPENDITURES		
Debt service:		
Principal	15,295,000	15,295,000
Interest	<u>699,231</u>	<u>699,231</u>
Total expenditures	<u>15,994,231</u>	<u>15,994,231</u>
Excess (deficiency) of revenues over expenditures	<u>(15,324,311)</u>	<u>(15,324,311)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	<u>15,324,237</u>	<u>15,324,237</u>
Total other financing sources (uses)	<u>15,324,237</u>	<u>15,324,237</u>
Net change in fund balances	(74)	(74)
Fund balances - beginning	<u>576,709</u>	<u>576,709</u>
Fund balances - ending	<u><u>\$ 576,635</u></u>	<u><u>\$ 576,635</u></u>

CITY OF BOCA RATON, FLORIDA
CITY DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Taxes	\$ 670,000	\$ 670,000	\$ 669,920	\$ (80)
Total revenues	670,000	670,000	669,920	(80)
EXPENDITURES				
Debt service:				
Principal	5,090,000	15,295,000	15,295,000	
Interest	679,600	702,400	699,231	3,169
Total expenditures	5,769,600	15,997,400	15,994,231	3,169
Excess (deficiency) of revenues over expenditures	(5,099,600)	(15,327,400)	(15,324,311)	3,089
OTHER FINANCING SOURCES				
Transfers in	5,096,800	15,324,300	15,324,237	(63)
Total other financing sources	5,096,800	15,324,300	15,324,237	(63)
Net change in fund balance	<u>\$ (2,800)</u>	<u>\$ (3,100)</u>	(74)	<u>\$ 3,026</u>
Fund balance - beginning			576,709	
Fund balance - ending			<u>\$ 576,635</u>	

**CITY OF BOCA RATON, FLORIDA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2025**

	Right of Way Acquisition Program Fund	Park Land Dedication Fund	Downtown Land Dedication Fund
ASSETS			
Cash and cash equivalents	\$ 416,759	\$ 844,726	\$ 1,557,779
Investments	2,339,104	4,741,129	8,743,213
Receivables, net:			
Assessments			
Interest	16,320	33,080	61,004
Total assets	<u>\$ 2,772,183</u>	<u>\$ 5,618,935</u>	<u>\$ 10,361,996</u>
LIABILITIES			
Accounts payable and accrued liabilities		\$ 5,200	
FUND BALANCES			
Restricted for:			
Downtown			
Land dedication		5,613,735	\$ 10,361,996
Committed to:			
Right of way acquisition	<u>\$ 2,772,183</u>		
Total fund balances	<u>2,772,183</u>	<u>5,613,735</u>	<u>10,361,996</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,772,183</u>	<u>\$ 5,618,935</u>	<u>\$ 10,361,996</u>

Downtown Infrastructure Fund	Total Non-Major Capital Projects Funds
\$ 214,700	\$ 3,033,964
1,205,025	17,028,471
54,320	54,320
8,408	118,812
<u>\$ 1,482,453</u>	<u>\$ 20,235,567</u>
	\$ 5,200
\$ 1,482,453	1,482,453
	15,975,731
	<u>2,772,183</u>
<u>1,482,453</u>	<u>20,230,367</u>
<u>\$ 1,482,453</u>	<u>\$ 20,235,567</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Right of Way Acquisition Program Fund	Park Land Dedication Fund	Downtown Land Dedication Fund
REVENUES			
Special assessments			
Donations in lieu of land		\$ 215,870	
Investment earnings (loss)	\$ 117,060	244,112	\$ 437,549
Total revenues	<u>117,060</u>	<u>459,982</u>	<u>437,549</u>
EXPENDITURES			
Parks and recreation		92,218	
Capital outlay		211,323	
Total expenditures		<u>303,541</u>	
Excess (deficiency) of revenues over expenditures	<u>117,060</u>	<u>156,441</u>	<u>437,549</u>
OTHER FINANCING SOURCES (USES)			
Transfers out			
Total other financing sources (uses)			
Net change in fund balances	117,060	156,441	437,549
Fund balances - beginning	<u>2,655,123</u>	<u>5,457,294</u>	<u>9,924,447</u>
Fund balances - ending	<u><u>\$ 2,772,183</u></u>	<u><u>\$ 5,613,735</u></u>	<u><u>\$ 10,361,996</u></u>

Downtown Infrastructure Fund	Total Non-Major Capital Project Funds
\$ 304,825	\$ 304,825
62,730	215,870
<u>367,555</u>	<u>861,451</u>
	<u>1,382,146</u>
	92,218
	<u>211,323</u>
	<u>303,541</u>
<u>367,555</u>	<u>1,078,605</u>
(286,694)	(286,694)
<u>(286,694)</u>	<u>(286,694)</u>
80,861	791,911
<u>1,401,592</u>	<u>19,438,456</u>
<u>\$ 1,482,453</u>	<u>\$ 20,230,367</u>

**CITY OF BOCA RATON, FLORIDA
RIGHT OF WAY ACQUISITION PROGRAM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Investment earnings (loss)	\$ 102,000	\$ 102,000	\$ 117,060	\$ 15,060
Total revenues	<u>102,000</u>	<u>102,000</u>	<u>117,060</u>	<u>15,060</u>
EXPENDITURES				
Total expenditures				
Net change in fund balance	<u>\$ 102,000</u>	<u>\$ 102,000</u>	117,060	<u>\$ 15,060</u>
Fund balance - beginning			<u>2,655,123</u>	
Fund balance - ending			<u>\$ 2,772,183</u>	

**CITY OF BOCA RATON, FLORIDA
PARK LAND DEDICATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Donations in lieu of land	\$ 300,000	\$ 300,000	\$ 215,870	\$ (84,130)
Investment earnings (loss)	315,000	315,000	244,112	(70,888)
Total revenues	<u>615,000</u>	<u>615,000</u>	<u>459,982</u>	<u>(155,018)</u>
EXPENDITURES				
Parks and recreation			92,218	(92,218)
Capital outlay	<u>1,582,500</u>	<u>1,830,000</u>	<u>211,323</u>	<u>1,618,677</u>
Total expenditures	<u>1,582,500</u>	<u>1,830,000</u>	<u>303,541</u>	<u>1,526,459</u>
Net change in fund balance	<u>\$ (967,500)</u>	<u>\$ (1,215,000)</u>	156,441	<u>\$ 1,371,441</u>
Fund balance - beginning			<u>5,457,294</u>	
Fund balance - ending			<u>\$ 5,613,735</u>	

**CITY OF BOCA RATON, FLORIDA
DOWNTOWN LAND DEDICATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Investment earnings (loss)	\$ 383,000	\$ 383,000	\$ 437,549	\$ 54,549
Total revenues	<u>383,000</u>	<u>383,000</u>	<u>437,549</u>	<u>54,549</u>
Net change in fund balance	<u>\$ 383,000</u>	<u>\$ 383,000</u>	437,549	<u>\$ 54,549</u>
Fund balance - beginning			<u>9,924,447</u>	
Fund balance - ending			<u>\$ 10,361,996</u>	

**CITY OF BOCA RATON, FLORIDA
DOWNTOWN INFRASTRUCTURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Special assessments	\$ 302,200	\$ 302,200	\$ 304,825	\$ 2,625
Investment earnings (loss)	56,000	56,000	62,730	6,730
Total revenues	358,200	358,200	367,555	9,355
OTHER FINANCING SOURCES (USES)				
Transfers out	(286,700)	(286,700)	(286,694)	6
Total other financing sources (uses)	(286,700)	(286,700)	(286,694)	6
Net change in fund balance	<u>\$ 71,500</u>	<u>\$ 71,500</u>	80,861	<u>\$ 9,361</u>
Fund balance - beginning			<u>1,401,592</u>	
Fund balance - ending			<u>\$ 1,482,453</u>	



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Non-Major Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The costs of providing goods or services to the general public are financed or recovered primarily through user charges.

Cemetery Fund -- To account for the operation of the City's cemetery and mausoleum.

Stormwater Utility Fund -- To account for the provision of stormwater maintenance and capital improvements to the residents of the City.

Sanitation Fund -- To account for the provision of solid waste services and capital assets used to provide the services to the residents of the City.

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2025**

	Cemetery Mausoleum	Stormwater Utility	Sanitation	Total Non-Major Enterprise Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 275,689	\$ 1,400,895	\$ 2,622,791	\$ 4,299,375
Investments	1,547,344	7,862,678	14,720,721	24,130,743
Interest receivable on investments	10,797	54,861	102,710	168,368
Accounts receivable	10,782	772,184	2,238,965	3,021,931
Due from other governmental units		30,939		30,939
Inventories	59,002			59,002
Total current assets	<u>1,903,614</u>	<u>10,121,557</u>	<u>19,685,187</u>	<u>31,710,358</u>
Noncurrent assets:				
Capital assets:				
Land	118,000			118,000
Construction in progress		1,718,181	1,179,766	2,897,947
Buildings	1,488,761			1,488,761
Improvements other than buildings	588,373	19,258,631		19,847,004
Machinery and equipment	251,439	2,142,250	18,553,547	20,947,236
Less accumulated depreciation	(1,984,211)	(11,924,846)	(7,263,503)	(21,172,560)
Total capital assets (net of accumulated depreciation)	<u>462,362</u>	<u>11,194,216</u>	<u>12,469,810</u>	<u>24,126,388</u>
Total noncurrent assets	<u>462,362</u>	<u>11,194,216</u>	<u>12,469,810</u>	<u>24,126,388</u>
Total assets	<u>2,365,976</u>	<u>21,315,773</u>	<u>32,154,997</u>	<u>55,836,746</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows for pensions	218,615	478,527	1,203,042	1,900,184
Deferred outflows for OPEB	15,485	38,712	149,688	203,885
Total deferred outflows of resources	<u>234,100</u>	<u>517,239</u>	<u>1,352,730</u>	<u>2,104,069</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	30,651	122,697	160,805	314,153
Compensated absences	3,223	13,245	40,429	56,897
Current OPEB liability	3,279	8,198	31,697	43,174
Retainage payable		16,543		16,543
Customer deposits payable			10,196	10,196
Total current liabilities	<u>37,153</u>	<u>160,683</u>	<u>243,127</u>	<u>440,963</u>
Non-current liabilities:				
Compensated absences	29,010	119,207	363,860	512,077
Net pension liability	168,660	441,303	928,141	1,538,104
Noncurrent OPEB liability	29,511	73,778	285,278	388,567
Total noncurrent liabilities	<u>227,181</u>	<u>634,288</u>	<u>1,577,279</u>	<u>2,438,748</u>
Total liabilities	<u>264,334</u>	<u>794,971</u>	<u>1,820,406</u>	<u>2,879,711</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows for pensions	234,206	496,062	1,288,844	2,019,112
Deferred inflows for OPEB	3,981	9,953	38,484	52,418
Total deferred inflows of resources	<u>238,187</u>	<u>506,015</u>	<u>1,327,328</u>	<u>2,071,530</u>
NET POSITION				
Net investment in capital assets	462,362	11,174,399	12,469,810	24,106,571
Unrestricted	1,635,193	9,357,627	17,890,183	28,883,003
Total net position	<u>\$ 2,097,555</u>	<u>\$ 20,532,026</u>	<u>\$ 30,359,993</u>	<u>\$ 52,989,574</u>

CITY OF BOCA RATON, FLORIDA
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Cemetery Mausoleum	Stormwater Utility	Sanitation	Total Non-major Enterprise Funds
OPERATING REVENUES				
Charges for sales and services	\$ 444,275	\$ 3,462,294	\$ 12,554,769	\$ 16,461,338
Other	111	322		433
Total operating revenues	<u>444,386</u>	<u>3,462,616</u>	<u>12,554,769</u>	<u>16,461,771</u>
OPERATING EXPENSES				
Personnel services	490,868	1,023,048	4,293,752	5,807,668
Materials and supplies	66,657	6,918	209,154	282,729
General and administration	58,114	623,373	1,138,300	1,819,787
Other services and charges	735,848	799,450	2,403,353	3,938,651
Depreciation/amortization of capital assets	57,075	796,830	1,671,184	2,525,089
Total operating expenses	<u>1,408,562</u>	<u>3,249,619</u>	<u>9,715,743</u>	<u>14,373,924</u>
Operating income (loss)	<u>(964,176)</u>	<u>212,997</u>	<u>2,839,026</u>	<u>2,087,847</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings (loss)	66,332	407,617	747,317	1,221,266
Intergovernmental		30,939		30,939
Gain (loss) on disposal of capital assets	<u>2,421</u>	<u></u>	<u>(84,370)</u>	<u>(81,949)</u>
Total nonoperating revenues (expenses)	<u>68,753</u>	<u>438,556</u>	<u>662,947</u>	<u>1,170,256</u>
Income (loss) before transfers and contributions	(895,423)	651,553	3,501,973	3,258,103
Transfers in	2,554,400			2,554,400
Transfers out			(35,300)	(35,300)
Change in net position	1,658,977	651,553	3,466,673	5,777,203
Net position, beginning	<u>438,578</u>	<u>19,880,473</u>	<u>26,893,320</u>	<u>47,212,371</u>
Net position, ending	<u>\$ 2,097,555</u>	<u>\$ 20,532,026</u>	<u>\$ 30,359,993</u>	<u>\$ 52,989,574</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Cemetery Mausoleum	Stormwater Utility	Sanitation	Total Non- Major Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 455,353	\$ 3,272,140	\$ 12,529,369	\$ 16,256,862
Payments to suppliers	(852,149)	(1,517,962)	(3,762,398)	(6,132,509)
Payments to employees	(444,914)	(1,088,002)	(4,102,856)	(5,635,772)
Net cash provided by (used in) operating activities	<u>(841,710)</u>	<u>666,176</u>	<u>4,664,115</u>	<u>4,488,581</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	2,554,400			2,554,400
Transfers out			(35,300)	(35,300)
Net cash provided by (used in) noncapital financing activities	<u>2,554,400</u>	<u></u>	<u>(35,300)</u>	<u>2,519,100</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	105,026	(1,308,386)	(4,181,447)	(5,384,807)
Due to other funds	(50,218)			(50,218)
Net cash provided by (used in) capital and related financing activities	<u>54,808</u>	<u>(1,308,386)</u>	<u>(4,181,447)</u>	<u>(5,435,025)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends received	38,886	312,056	561,199	912,141
Sale of investments	6,704	8,155,691	13,879,091	22,041,486
Purchase of investments	(1,537,399)	(7,781,371)	(14,573,763)	(23,892,533)
Net cash provided by (used in) investing activities	<u>(1,491,809)</u>	<u>686,376</u>	<u>(133,473)</u>	<u>(938,906)</u>
Net increase (decrease) in cash and cash equivalents	<u>275,689</u>	<u>44,166</u>	<u>313,895</u>	<u>633,750</u>
Cash and cash equivalents				
Beginning of year		1,356,729	2,308,896	3,665,625
End of year	<u>\$ 275,689</u>	<u>\$ 1,400,895</u>	<u>\$ 2,622,791</u>	<u>\$ 4,299,375</u>

(Continued)

CITY OF BOCA RATON, FLORIDA
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS (continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Cemetery Mausoleum	Stormwater Utility	Sanitation	Total Non- Major Enterprise Funds
RECONCILIATION OF OPERATING INCOME (LOSS)				
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	\$ (964,176)	\$ 212,997	\$ 2,839,026	\$ 2,087,847
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization expense	57,075	796,830	1,671,184	2,525,089
(Increase) decrease in accounts receivable	10,967	(190,476)	(25,492)	(205,001)
(Increase) decrease in inventories	(1,267)			(1,267)
(Increase) decrease in deferred pension outflows	25,332	238,502	131,408	395,242
Increase (decrease) in accounts payable and accrued liabilities	8,767	(76,991)	(12,609)	(80,833)
Increase (decrease) in retainage payable		(11,347)		(11,347)
Increase (decrease) in customer deposits payable			92	92
Increase (decrease) in compensated absences	7,169	9,069	(34,562)	(18,324)
Increase (decrease) in current OPEB liability	27	67	257	351
Increase (decrease) in noncurrent OPEB liability	239	598	2,315	3,152
Increase (decrease) in net pension liability	(107,784)	(474,055)	(583,352)	(1,165,191)
Increase (decrease) in deferred inflows for pensions	121,744	160,489	673,943	956,176
Increase (decrease) in deferred inflows for OPEB	197	493	1,905	2,595
Total adjustments	122,466	453,179	1,825,089	2,400,734
Net cash provided by (used in) operating activities	\$ (841,710)	\$ 666,176	\$ 4,664,115	\$ 4,488,581
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Unrealized gain (loss) on investments	\$ 9,945	\$ 81,307	\$ 146,958	\$ 238,210
Purchase of machinery, equipment, and vehicles on account	\$ -	\$ (19,817)	\$ -	\$ (19,817)



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Internal Service Funds

Internal Service Funds -- are used to account for the financing of goods or services provided by one department to other departments of the government on a cost reimbursement basis.

Fleet Management -- To account for the cost of operating a maintenance facility for automotive equipment used by other City departments, and administering the City fleet.

Information Technology -- To account for the cost of operating a computer facility used by other City departments.

Self-Insurance Programs -- To account for the cost of providing health and workers' compensation insurance coverage to all City employees, and the City's general liability self-insurance program.

Retirement Sustainability Fund -- provides a separate funding for certain receipts and expenditures for all of the City's defined benefit plans and accounts for reserves to reduce the financial burden, if any, of retiree defined benefit plan payments on future taxpayers.

**CITY OF BOCA RATON, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2025**

	Fleet Management Fund	Information Technology Fund	Self- Insurance Programs Fund	Retirement Sustainability Fund	Total Internal Service Funds
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 5,678,857	\$ 1,906,967	\$ 6,479,315	\$ 7,862,008	\$ 21,927,147
Investments	31,873,238	10,701,648	30,253,757	44,126,420	116,955,063
Interest receivable on investments	222,389	74,668	211,091	307,883	816,031
Accounts receivable			192,769		192,769
Inventories	992,696				992,696
Prepaid expenses			3,106,075	81,148	3,187,223
Total current assets	<u>38,767,180</u>	<u>12,683,283</u>	<u>40,243,007</u>	<u>52,377,459</u>	<u>144,070,929</u>
Noncurrent assets:					
Capital assets:					
Construction in progress	180,572	2,029,333			2,209,905
Buildings	1,270,000				1,270,000
Machinery and equipment	52,696,889	5,521,666			58,218,555
Less accumulated depreciation	(33,977,605)	(3,914,909)			(37,892,514)
Right-to-use assets (intangible)		10,134,905			10,134,905
Less accumulated amortization		(5,063,234)			(5,063,234)
Total capital assets (net of accumulated depreciation/amortization)	<u>20,169,856</u>	<u>8,707,761</u>			<u>28,877,617</u>
Total noncurrent assets	<u>20,169,856</u>	<u>8,707,761</u>			<u>28,877,617</u>
Total assets	<u>58,937,036</u>	<u>21,391,044</u>	<u>40,243,007</u>	<u>52,377,459</u>	<u>172,948,546</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows for pensions	543,224	3,780,949	192,116		4,516,289
Deferred outflows for OPEB	49,036	147,107	18,065		214,208
Total deferred outflows of resources	<u>592,260</u>	<u>3,928,056</u>	<u>210,181</u>		<u>4,730,497</u>
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	108,607	733,403	3,332,422		4,174,432
Compensated absences	14,082	79,323	6,290		99,695
Current OPEB liability	10,384	31,151	3,825		45,360
Estimated liability for self-insurance losses			3,703,102		3,703,102
Lease and subscription liability		2,744,930			2,744,930
Accrued interest payable		101,595			101,595
Total current liabilities	<u>133,073</u>	<u>3,690,402</u>	<u>7,045,639</u>		<u>10,869,114</u>
Non-current liabilities:					
Compensated absences	126,734	713,909	56,614		897,257
Net pension liability	419,094	3,706,917	148,216		4,274,227
Noncurrent OPEB liability	93,453	280,359	34,430		408,242
Estimated liability for self-insurance losses			7,869,000		7,869,000
Total noncurrent liabilities	<u>639,281</u>	<u>4,701,185</u>	<u>8,108,260</u>		<u>13,448,726</u>
Total liabilities	<u>772,354</u>	<u>8,391,587</u>	<u>15,153,899</u>		<u>24,317,840</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows for pensions	581,967	3,868,845	205,817		4,656,629
Deferred inflows for OPEB	12,607	37,821	4,645		55,073
Total deferred inflows of resources	<u>594,574</u>	<u>3,906,666</u>	<u>210,462</u>		<u>4,711,702</u>
NET POSITION					
Net investment in capital assets	20,150,775	5,929,633			26,080,408
Restricted assets				81,148	81,148
Unrestricted	38,011,593	7,091,214	25,088,827	52,296,311	122,487,945
Total net position	<u>\$ 58,162,368</u>	<u>\$ 13,020,847</u>	<u>\$ 25,088,827</u>	<u>\$ 52,377,459</u>	<u>\$ 148,649,501</u>

CITY OF BOCA RATON, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Fleet Management Fund	Information Technology Fund	Self- Insurance Programs Fund	Retirement Sustainability Fund	Total Internal Service Funds
OPERATING REVENUES					
Fleet management	\$ 8,054,462				\$ 8,054,462
Management information processing		\$ 14,864,200			14,864,200
Insurance premiums			\$ 30,541,767		30,541,767
Insurance premium tax				\$ 6,155,888	6,155,888
Other	59,568	44,860	2,462,298		2,566,726
Total operating revenues	<u>8,114,030</u>	<u>14,909,060</u>	<u>33,004,065</u>	<u>6,155,888</u>	<u>62,183,043</u>
OPERATING EXPENSES					
Personnel services	1,700,824	7,801,526	490,088	243,444	10,235,882
Materials and supplies	73,505	135,180	42,855		251,540
General and administration	260,935	270,956	83,411		615,302
Other services and charges	287,974	9,392,751	6,912,537		16,593,262
Insurance claims			22,247,231		22,247,231
Pension benefits				6,155,888	6,155,888
Depreciation/amortization of capital assets	4,660,972	2,188,071			6,849,043
Total operating expenses	<u>6,984,210</u>	<u>19,788,484</u>	<u>29,776,122</u>	<u>6,399,332</u>	<u>62,948,148</u>
Operating income (loss)	<u>1,129,820</u>	<u>(4,879,424)</u>	<u>3,227,943</u>	<u>(243,444)</u>	<u>(765,105)</u>
NONOPERATING REVENUES (EXPENSES)					
Investment earnings (loss)	1,536,677	507,020	1,484,212	2,211,912	5,739,821
Lease interest expense		(144,030)			(144,030)
Gain (loss) on disposal of capital assets	258,251				258,251
Total nonoperating revenues (expenses)	<u>1,794,928</u>	<u>362,990</u>	<u>1,484,212</u>	<u>2,211,912</u>	<u>5,854,042</u>
Income (loss) before transfers and contributions	2,924,748	(4,516,434)	4,712,155	1,968,468	5,088,937
Transfers in	<u>3,959,000</u>	<u>5,847,400</u>			<u>9,806,400</u>
Change in net position	6,883,748	1,330,966	4,712,155	1,968,468	14,895,337
Net position, beginning	<u>51,278,620</u>	<u>11,689,881</u>	<u>20,376,672</u>	<u>50,408,991</u>	<u>133,754,164</u>
Net position, ending	<u>\$ 58,162,368</u>	<u>\$ 13,020,847</u>	<u>\$ 25,088,827</u>	<u>\$ 52,377,459</u>	<u>\$ 148,649,501</u>

CITY OF BOCA RATON, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Fleet Management Fund	Information Technology Fund	Self-Insurance Programs Fund	Retirement Sustainability Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 8,135,369	\$ 14,909,060	\$ 33,138,996	\$ 6,155,888	\$ 62,339,313
Payments to suppliers	(438,531)	(10,681,870)	(10,012,086)	(6,198,266)	(27,330,753)
Payments to employees	(1,711,430)	(7,478,070)	(825,819)	(243,444)	(10,258,763)
Claims paid			(22,341,869)		(22,341,869)
Net cash provided by (used in) operating activities	<u>5,985,408</u>	<u>(3,250,880)</u>	<u>(40,778)</u>	<u>(285,822)</u>	<u>2,407,928</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	3,959,000	5,847,400			9,806,400
Net cash provided by (used in) noncapital financing activities	<u>3,959,000</u>	<u>5,847,400</u>			<u>9,806,400</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(5,621,079)	(347,458)			(5,968,537)
Interest paid	-	(115,324)	-	-	(115,324)
Net cash provided by (used in) capital and related financing activities	<u>(5,621,079)</u>	<u>(462,782)</u>			<u>(6,083,861)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends received	1,126,133	365,391	1,117,950	1,669,251	4,278,725
Sale of investments	27,260,815	8,576,426	30,244,569	43,298,736	109,380,546
Purchase of investments	(31,565,588)	(10,600,540)	(29,945,186)	(43,976,378)	(116,087,692)
Net cash provided by (used in) investing activities	<u>(3,178,640)</u>	<u>(1,658,723)</u>	<u>1,417,333</u>	<u>991,609</u>	<u>(2,428,421)</u>
Net increase (decrease) in cash and cash equivalents	<u>1,144,689</u>	<u>475,015</u>	<u>1,376,555</u>	<u>705,787</u>	<u>3,702,046</u>
Cash and cash equivalents					
Beginning of year	<u>4,534,168</u>	<u>1,431,952</u>	<u>5,102,760</u>	<u>7,156,221</u>	<u>18,225,101</u>
End of year	<u>\$ 5,678,857</u>	<u>\$ 1,906,967</u>	<u>\$ 6,479,315</u>	<u>\$ 7,862,008</u>	<u>\$ 21,927,147</u>

(Continued)

CITY OF BOCA RATON, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS (continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Fleet Management Fund	Information Technology Fund	Self-Insurance Programs Fund	Retirement Sustainability Fund	Total Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS)					
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating income (loss)	\$ 1,129,820	\$ (4,879,424)	\$ 3,227,943	\$ (243,444)	\$ (765,105)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization expense	4,660,972	2,188,071			6,849,043
Change in assets, liabilities, deferred outflows & deferred inflows					
(Increase) decrease in accounts receivable	21,339		134,931		156,270
(Increase) decrease in inventories	181,366				181,366
(Increase) decrease in deferred pension outflows	167,595	858,623	425,409		1,451,627
(Increase) decrease in prepaid expenses			(3,106,075)	(42,378)	(3,148,453)
Increase (decrease) in accounts payable and accrued liabilities	2,411	162,551	132,141		297,103
Increase (decrease) in compensated absences	(47,478)	(978)	(3,399)		(51,855)
Increase (decrease) in lease and subscription liability		1,692,181			1,692,181
Increase (decrease) in noncurrent lease and subscription liability		(2,744,932)			(2,744,932)
Increase (decrease) in current OPEB liability	85	2,963	31		3,079
Increase (decrease) in noncurrent OPEB liability	758	26,668	279		27,705
Increase (decrease) in estimated liability for self-insurance losses			(94,638)		(94,638)
Increase (decrease) in net pension liability	(386,373)	(2,251,688)	(672,796)		(3,310,857)
Increase (decrease) in deferred inflows for pensions	254,289	1,690,059	(84,834)		1,859,514
Increase (decrease) in deferred inflows for OPEB	624	5,026	230		5,880
Total adjustments	4,855,588	1,628,544	(3,268,721)	(42,378)	3,173,033
Net cash provided by (used in) operating activities	\$ 5,985,408	\$ (3,250,880)	\$ (40,778)	\$ (285,822)	\$ 2,407,928
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Unrealized gain (loss) on investments	\$ 307,650	\$ 101,108	\$ 308,571	\$ 150,042	\$ 867,371
Noncash portion of subscription liability	-	(1,052,749)	-	-	(1,052,749)
Purchase of machinery, equipment, and vehicles on account	(19,081)	(33,198)	-	-	(52,279)



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Pension Trust Funds

Pension Trust Funds account for financial operations and condition of the City's three pension plans.

General Employees' Pension Plan, Police and Firefighters' Retirement System and Executive Employees' Retirement Plan -- To account for the accumulation of resources to be used for the retirement benefit payments to the City's employees. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial valuation.

CITY OF BOCA RATON, FLORIDA
PENSION TRUST FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2025

	Police and Firefighters' Retirement System	General Employees' Pension Plan	Executive Employees' Retirement Plan	Total Pension Trust Funds
ASSETS				
Cash and cash equivalents	\$ 28,629,392	\$ 22,902,338	\$ 815,241	\$ 52,346,971
Investments:				
Common and preferred stock	162,892,601			162,892,601
U.S. government securities		43,090,908		43,090,908
Corporate bonds and debentures	352,909,214	49,738,425		402,647,639
Corporate convertible equity		140,523,448		140,523,448
Real estate	68,899,341			68,899,341
Florida Municipal Pension Trust Fund			74,703,594	74,703,594
Total investments	<u>584,701,156</u>	<u>233,352,781</u>	<u>74,703,594</u>	<u>892,757,531</u>
Receivables:				
Interest and dividends	607,493	473,337		1,080,830
Unsettled trades receivable	194,414			194,414
Accounts receivable		113,067		113,067
Total receivables	<u>801,907</u>	<u>586,404</u>		<u>1,388,311</u>
Prepaid expenses	35,749	23,244		58,993
Total assets	<u>614,168,204</u>	<u>256,864,767</u>	<u>75,518,835</u>	<u>946,551,806</u>
LIABILITIES				
Accounts payable		134,768		134,768
Unsettled trades payable	1,134,697			1,134,697
Total liabilities	<u>1,134,697</u>	<u>134,768</u>		<u>1,269,465</u>
 NET POSITION RESTRICTED FOR PENSIONS	 <u>\$ 613,033,507</u>	 <u>\$ 256,729,999</u>	 <u>\$ 75,518,835</u>	 <u>\$ 945,282,341</u>

CITY OF BOCA RATON, FLORIDA
PENSION TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Police and Firefighters' Retirement System	General Employees' Pension Plan	Executive Employees' Retirement Plan	Total Pension Trust Funds
ADDITIONS				
Contributions:				
City	\$ 25,406,380	\$ 2,715,693	\$ 2,818,993	\$ 30,941,066
State	6,155,888			6,155,888
Employee	5,444,743	3,057,780	932,150	9,434,673
Transfer from other pension trust funds			843,624	843,624
Total contributions	<u>37,007,011</u>	<u>5,773,473</u>	<u>4,594,767</u>	<u>47,375,251</u>
Investment income:				
Interest revenue	3,849,711	19,279,734	6,135,495	29,264,940
Dividends	14,399,918	2,953,108	72,644	17,425,670
Net appreciation (depreciation) in fair value of investments	44,085,962			44,085,962
Other investment income		2,727		2,727
Investment expense	<u>(8,029,779)</u>	<u>(1,213,889)</u>	<u>(55,802)</u>	<u>(9,299,470)</u>
Total investment income	<u>54,305,812</u>	<u>21,021,680</u>	<u>6,152,337</u>	<u>81,479,829</u>
Total additions	<u>91,312,823</u>	<u>26,795,153</u>	<u>10,747,104</u>	<u>128,855,080</u>
DEDUCTIONS				
Benefits paid:				
Retirement	28,393,595	15,010,523	3,744,837	47,148,955
Disability	1,361,594	119,856		1,481,450
Death	1,464,553	1,170,521		2,635,074
Deferred retirement option plan	5,941,346	4,428,874	1,815,968	12,186,188
Termination refunds	123,182	340,541	31,297	495,020
Administrative expenses	209,784	131,113	131,958	472,855
Transfer to other pension trust funds		843,624		843,624
Total deductions	<u>37,494,054</u>	<u>22,045,052</u>	<u>5,724,060</u>	<u>65,263,166</u>
Net increase/(decrease) in net position	53,818,769	4,750,101	5,023,044	63,591,914
NET POSITION RESTRICTED FOR PENSION				
Beginning of year	559,214,738	251,979,898	70,495,791	881,690,427
End of year	<u>\$ 613,033,507</u>	<u>\$ 256,729,999</u>	<u>\$ 75,518,835</u>	<u>\$ 945,282,341</u>

STATISTICAL SECTION

This part of the City of Boca Raton annual comprehensive financial report represents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial position.

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The information presented in this section is intended to assist users in understanding and assessing how a government's financial position has changed over time.

Revenue Capacity	189
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This section is intended to assist users in understanding and assessing the factors affecting a government's ability to generate its own-source revenue.

Debt Capacity	194
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The information presented in this section is intended to assist users in understanding and assessing a government's debt burden and its ability to issue additional debt.

Demographic and Economic Information	202
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This section is intended (1) to assist users in understanding the socioeconomic environment within which a government operates and (2) to provide information that facilitates comparisons of financial statement information over time and among governments.

Operating Information	205
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This section is intended to provide contextual information about a government's operations and resources to assist readers in using financial statement information to understand and assess a government's economic condition.



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FINANCIAL TREND INFORMATION

The information presented in this section is intended to assist users in understanding and assessing how a government's financial position has changed over time.

CITY OF BOCA RATON, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

(accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Governmental activities				
Net investment in capital assets	\$346,406	\$383,364	\$356,695	\$339,885
Restricted	68,787	77,176	84,149	109,664
Unrestricted	64,216	25,208	44,238	49,682
Total governmental activities net position	<u>\$479,409</u>	<u>\$485,748</u>	<u>\$485,082</u>	<u>\$499,231</u>
Business-type activities				
Net investment in capital assets	\$228,380	\$229,424	\$227,958	\$239,614
Restricted	79,734	75,550	61,802	59,222
Unrestricted	72,893	90,195	111,578	120,150
Total business-type activities net position	<u>\$381,007</u>	<u>\$395,169</u>	<u>\$401,338</u>	<u>\$418,986</u>
Primary government				
Net investment in capital assets	\$574,786	\$612,788	\$584,653	\$579,499
Restricted	148,521	152,726	145,951	168,886
Unrestricted	137,109	115,403	155,816	169,832
Total primary government net position	<u>\$860,416</u>	<u>\$880,917</u>	<u>\$886,420</u>	<u>\$918,217</u>

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$352,856	\$352,192	\$373,750	\$393,618	\$401,020	\$402,397
94,209	89,740	104,403	104,692	135,765	198,855
43,288	55,310	126,759	128,934	94,485	61,166
<u>\$490,353</u>	<u>\$497,242</u>	<u>\$604,912</u>	<u>\$627,244</u>	<u>\$631,270</u>	<u>\$662,418</u>

\$249,111	\$256,087	\$226,710	\$223,326	\$239,865	\$270,244
45,114	74,943	81,751	76,907	72,016	83,607
133,956	124,327	126,604	140,017	148,760	148,045
<u>\$428,181</u>	<u>\$455,357</u>	<u>\$435,065</u>	<u>\$440,250</u>	<u>\$460,641</u>	<u>\$501,896</u>

\$601,967	\$608,279	\$600,460	\$616,944	\$640,885	\$672,641
139,323	164,683	186,154	181,599	207,781	282,462
177,244	179,637	253,363	268,951	243,245	209,211
<u>\$918,534</u>	<u>\$952,599</u>	<u>\$1,039,977</u>	<u>\$1,067,494</u>	<u>\$1,091,911</u>	<u>\$1,164,314</u>

CITY OF BOCA RATON, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

(accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Expenses				
Governmental activities:				
General government	\$ 34,158	\$ 28,232	\$ 32,066	\$ 39,341
Law enforcement	34,328	72,198	49,796	49,727
Fire rescue	37,701	35,501	53,134	49,475
Physical environment	4,449	5,034	5,507	5,222
Transportation	13,672	20,177	25,420	31,725
Community development	5,345	5,702	6,384	13,517
Parks and recreation	38,605	42,614	44,873	46,220
Interest and fiscal charges	2,393	1,968	1,293	1,719
Total governmental activities expenses	<u>170,651</u>	<u>211,426</u>	<u>218,473</u>	<u>236,946</u>
Business-type activities:				
Water and sewer	48,415	49,730	52,174	53,646
Cemetery	664	720	671	652
Golf course	2,831	3,091	2,777	2,843
Stormwater utility	2,260	2,596	2,804	3,396
Sanitation	6,816	7,102	7,381	7,829
Total business-type activities expenses	<u>60,986</u>	<u>63,239</u>	<u>65,807</u>	<u>68,366</u>
Total primary government expenses	<u>\$ 231,637</u>	<u>\$ 274,665</u>	<u>\$ 284,280</u>	<u>\$ 305,312</u>

Program Revenues

Governmental activities:				
Charges for services:				
General government	\$ 27,994	\$ 26,992	\$ 26,057	\$ 31,309
Fire rescue	10,554	12,162	14,043	15,038
Law enforcement	2,055	2,010	1,812	1,902
Physical environment	1,942	3,369	270	207
Transportation	49	26	178	67
Community development	2,174	2,051	2,306	1,942
Parks and recreation	21,141	21,210	22,862	23,896
Interest and fiscal charges				
Operating grants and contributions	5,979	7,679	6,781	13,680
Capital grants and contributions	5,060	4,747	1,036	1,910
Total governmental activities program revenues	<u>76,948</u>	<u>80,246</u>	<u>75,345</u>	<u>89,951</u>
Business-type activities:				
Charges for services:				
Water and sewer	\$ 54,142	\$ 57,400	\$ 56,704	\$ 60,504
Cemetery	241	449	375	378
Golf course	2,482	2,518	2,432	2,534
Stormwater utility	2,379	2,474	2,534	2,653
Sanitation	7,629	7,835	7,715	8,038
Operating grants and contributions				
Capital grants and contribution	11,902	6,295	1,017	5,834
Total business-type activities program revenues	<u>78,775</u>	<u>76,971</u>	<u>70,777</u>	<u>79,941</u>
Total primary government program revenues	<u>\$ 155,723</u>	<u>\$ 157,217</u>	<u>\$ 146,122</u>	<u>\$ 169,892</u>

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 69,844	\$ 35,481	\$ 23,411	\$ 31,824	\$ 34,870	\$ 36,114
54,068	63,401	50,922	68,761	90,028	80,790
54,266	65,142	63,052	71,705	91,623	79,052
5,406	4,448	4,684	4,757	4,854	6,077
14,215	26,269	37,356	23,643	35,885	24,581
15,876	19,447	29,828	22,700	21,764	25,259
43,243	46,749	46,717	66,168	71,000	70,311
1,589	1,318	1,055	696	794	674
258,507	262,255	257,025	290,254	350,818	322,858

57,576	59,759	61,848	69,856	67,584	68,172
1,028	902	682	950	1,019	1,408
3,100	3,254				-
2,848	2,852	3,544	3,579	3,503	3,250
7,987	7,979	8,277	9,205	9,157	9,716
72,539	74,746	74,351	83,590	81,263	82,546
\$ 331,046	\$ 337,001	\$ 331,376	\$ 373,844	\$ 432,081	\$ 405,404

\$ 28,305	\$ 40,598	\$ 21,904	\$ 14,253	\$ 15,291	\$ 15,126
15,290	15,205	15,583	17,719	19,418	4,408
1,500	2,771	3,610	4,019	4,281	19,258
205	250	182	2,019	2,079	139
90	8	57	8	-	24
1,332	1,680	25,624	16,553	22,269	19,427
20,462	22,039	28,147	31,865	35,637	35,482
				338	304
19,131	16,844	30,494	12,376	10,468	12,855
1,670	3,762	68,560	877	1,032	1,228
87,985	103,157	194,161	99,689	110,813	108,251

\$ 58,944	\$ 57,973	\$ 60,205	\$ 64,102	\$ 67,772	\$ 74,149
302	369	455	289	415	447
2,489	2,920	-	-	-	-
3,017	3,021	3,137	3,445	3,525	3,493
10,134	10,921	11,279	11,439	11,944	12,555
	84	410	278	960	450
3,410	26,325	5,098	2,056	1,850	21,180
78,296	101,613	80,584	81,609	86,466	112,274

\$ 166,281	\$ 204,770	\$ 274,745	\$ 181,298	\$ 197,279	\$ 220,525
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CITY OF BOCA RATON, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

(accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Net (Expenses) Revenue				
Governmental activities	\$ (93,703)	\$ (131,180)	\$ (143,129)	\$ (146,996)
Business-type activities	17,789	13,733	4,971	11,574
Total primary government net expense	<u>\$ (75,914)</u>	<u>\$ (117,447)</u>	<u>\$ (138,158)</u>	<u>\$ (135,422)</u>
General Revenue and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property tax	\$ 69,785	\$ 74,866	\$ 79,753	\$ 84,781
Utility tax	20,652	21,645	21,894	22,174
Franchise tax	12,536	12,826	13,215	13,350
Sales tax	6,898	6,916	7,177	7,464
Infrastructure tax		4,312	6,471	6,767
Gas tax	2,154	2,312	2,244	2,265
Incremental property tax	8,449	9,720	12,489	13,366
State shared revenues unrestricted	2,781	2,849	2,924	3,108
Investment earnings (loss) unrestricted	1,083	1,030	2,279	7,886
Gain (loss) on disposal of capital assets	253	315	392	288
Miscellaneous	237	322	362	288
Transfers	518	408	(144)	(593)
Total governmental activities	<u>125,346</u>	<u>137,521</u>	<u>149,056</u>	<u>161,144</u>
Business-type activities				
Investment earnings (loss)	675	614	1,154	4,702
Gain (loss) on disposal of capital assets	67	186	116	195
Transfers	(518)	(408)	144	593
Miscellaneous	51	36	208	583
Total business-type activities	<u>275</u>	<u>428</u>	<u>1,622</u>	<u>6,073</u>
Total primary government	<u>\$ 125,621</u>	<u>\$ 137,949</u>	<u>\$ 150,678</u>	<u>\$ 167,217</u>
Changes in net position				
Governmental activities	\$ 31,643	\$ 6,339	\$ 5,927	\$ 14,148
Business-type activities	18,064	14,162	6,593	17,647
Total primary government	<u>\$ 49,707</u>	<u>\$ 20,501</u>	<u>\$ 12,520</u>	<u>\$ 31,795</u>

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ (170,519)	\$ (159,098)	\$ (62,863)	\$ (190,565)	\$ (240,005)	\$ (214,607)
5,757	26,867	6,232	(1,981)	5,203	29,728
\$ (164,762)	\$ (132,231)	\$ (56,631)	\$ (192,546)	\$ (234,802)	\$ (184,879)

\$ 88,550	\$ 92,750	\$ 96,069	\$ 109,769	\$ 122,734	\$ 132,358
21,804	21,841	23,266	25,960	26,280	27,631
12,882	13,243	15,209	16,465	16,545	16,387
7,040	8,365	9,757	10,179	9,843	9,802
6,471	7,645	9,175	9,636	9,966	10,303
2,018	2,132	2,209	2,279	2,202	2,222
14,150	14,780	16,391	20,212	21,486	22,695
2,878	3,364	4,208	4,452	4,286	4,410
5,658	1,068	(12,379)	13,275	30,461	21,695
150	653	204	431	61	319
397	50	57	77	82	81
(354)	96	20,251	162	85	(2,148)
161,644	165,987	184,417	212,897	244,031	245,755

3,119	385	(6,660)	6,864	15,237	9,446
(183)	20	386	464	36	(67)
148		(20,251)	(162)	(85)	2,148
354	(96)				
3,438	309	(26,525)	7,166	15,188	11,527

\$ 165,082	\$ 166,296	\$ 157,892	\$ 220,063	\$ 259,219	\$ 257,283
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\$ (8,878)	\$ 6,889	\$ 121,553	\$ 22,332	\$ 4,026	\$ 31,148
9,195	27,176	(20,292)	5,185	20,391	41,255
\$ 317	\$ 34,065	\$ 101,261	\$ 27,517	\$ 24,417	\$ 72,403

CITY OF BOCA RATON, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS

(modified accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Fund:				
Non-spendable:				
Inventories, Advance	\$ 345	\$ 339	\$ 347	\$ 337
Restricted for:				
Army Corp of Engineers	170	170	170	170
Building permits				6,514
Committed to:				
Right of way beautification		35	223	225
Hurricane/ disaster emergency	10,600	13,424	12,936	18,590
Mizner Park debt service	1,633	1,633		
Assigned to:				
Subsequent year's budget	14,825	14,703	1,233	7,425
Unassigned	38,822	30,242	33,323	30,383
Total general fund	<u>\$ 66,395</u>	<u>\$ 60,546</u>	<u>\$ 48,232</u>	<u>\$ 63,644</u>
All Other Governmental Funds:				
Non-spendable:				
Perpetual care, cemetery	\$ 1,446	\$ 1,610	\$ 1,678	\$ 1,646
Perpetual care, masoleum	2,695	2,822	2,773	2,597
Restricted for:				
Building Permits				
Debt service	11,948	12,073	12,712	2,116
Housing	814	1,204	886	807
Infrastructure		4,315	8,718	27,750
Law enforcement	1,159	1,293	1,190	1,125
Transportation	10,682	11,882	10,368	10,674
Downtown	5,920	6,128	5,909	11,002
Economic development	4,636	5,574	8,562	6,176
Land dedication	14,317	15,910	16,397	17,940
Committed to:				
Land Proceeds			6	31
Parking	3	3	3	3
Right of way beautification	1,231			
Retirement system reserve	-	-	-	-
Right of way acquisition	2,341	2,350	2,367	2,431
Assigned to:				
Capital projects	25,544	21,268	22,547	23,786
Total all other governmental funds	<u>\$ 82,736</u>	<u>\$ 86,432</u>	<u>\$ 94,116</u>	<u>\$ 108,084</u>

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 344	\$ 346	\$ 19	\$ 16	\$ 24	\$ 16
170	170	170	170	170	170
9,230	20,966				
139	790	27			380
18,590	18,870	19,625	20,410	24,743	25,612
6,964	16,242	9,657	132	14,064	1,270
36,963	39,717	50,449	67,538	56,966	68,916
<u>\$ 72,400</u>	<u>\$ 97,101</u>	<u>\$ 79,947</u>	<u>\$ 88,266</u>	<u>\$ 95,967</u>	<u>\$ 96,364</u>
\$ 1,615	\$ 1,722	\$ 1,635	\$ 1,780	\$ 1,936	\$ 1,702
2,505	2,645	2,105	2,237	2,184	222
		32,309	35,390	44,514	36,378
2,150	2,288	2,313	570	577	577
529	466	1,155	1,122	1,001	3,281
19,297	17,600	9,838	14,547	16,433	22,299
1,190	1,206	1,227	1,412	1,518	1,559
9,896	8,013	9,875	9,385	10,206	9,984
12,428	12,414	10,658	15,734	36,612	51,449
6,185	6,174	5,834	6,043	6,377	6,329
19,018	20,443	17,830	17,575	15,382	15,976
49	40	57,869	54,370	56,514	56,940
3	3	3	3	3	3
-	-	-	-	-	52,377
2,474	2,479	2,401	2,479	2,655	2,772
24,631	24,955	33,383	41,610	42,762	55,121
<u>\$ 101,970</u>	<u>\$ 100,448</u>	<u>\$ 188,435</u>	<u>\$ 204,257</u>	<u>\$ 238,674</u>	<u>\$ 316,969</u>

CITY OF BOCA RATON, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting)
(Unaudited)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Revenues:				
Taxes	\$ 114,075,840	\$ 125,189,629	\$ 136,042,459	\$ 142,744,416
Licenses and permits	15,527,771	13,752,420	13,031,240	16,632,462
Intergovernmental	33,169,318	38,983,346	34,985,353	44,054,242
Charges of services	29,598,932	31,536,517	33,605,151	35,741,289
Fines and forfeitures	1,602,642	1,667,585	1,430,218	1,615,709
Special assessments	1,511,197	1,512,790	1,519,976	1,547,777
Donations in lieu of land	4,927,834	2,218,238	840,499	1,786,918
Investment earnings (loss)	768,096	700,702	1,433,234	5,122,263
Sponsorships and donations				
Miscellaneous	332,882	484,425	723,413	554,589
Total revenues	<u>201,514,512</u>	<u>216,045,652</u>	<u>223,611,543</u>	<u>249,799,665</u>
Expenditures:				
Current:				
General government	21,996,764	26,458,740	29,102,759	29,450,258
Law enforcement	41,031,455	44,500,795	47,594,807	50,202,799
Fire rescue	44,686,248	44,292,717	48,332,421	50,792,426
Physical environment	4,956,152	4,652,372	5,269,402	5,206,147
Transportation	11,830,942	18,003,649	15,487,320	14,612,619
Community development	7,353,945	6,255,361	7,309,798	13,872,937
Parks and recreation	38,642,169	40,307,017	60,654,784	42,649,422
Capital outlay	6,022,772	9,961,955	4,811,148	10,909,768
Debt service:				
Principal	7,680,486	7,665,707	8,087,014	8,894,599
Interest	5,107,954	5,111,168	5,274,703	5,634,349
Bond issuance costs			44,050	64,201
Total expenditures	<u>189,308,887</u>	<u>207,209,481</u>	<u>231,968,206</u>	<u>232,289,525</u>
Excess (deficiency) of revenues Over expenditures	<u>12,205,625</u>	<u>8,836,171</u>	<u>(8,356,663)</u>	<u>17,510,140</u>
Other financing sources (uses):				
Transfers in	9,924,796	16,157,948	11,441,485	13,135,524
Transfers out	(15,381,200)	(27,146,976)	(22,153,685)	(21,264,524)
Proceeds from sale of capital assets				
Lease (right-of-use asset) acquired				
Refunding and new bonds issued			19,100,000	20,000,000
Total other financing sources (uses)	<u>(5,456,404)</u>	<u>(10,989,028)</u>	<u>8,387,800</u>	<u>11,871,000</u>
Net change in fund balances	<u>\$ 6,749,221</u>	<u>\$ (2,152,857)</u>	<u>\$ 31,137</u>	<u>\$ 29,381,140</u>
Debt service as a percentage of Noncapital expenditures	6.95%	6.52%	5.86%	6.50%

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 145,894,699	\$ 152,359,558	\$ 162,316,213	\$ 184,359,276	\$ 199,188,604	\$ 211,617,932
14,938,041	26,143,143	29,177,341	15,587,435	20,705,744	18,248,675
47,253,581	46,746,248	64,098,933	49,458,557	54,269,890	67,558,156
32,819,230	36,324,451	42,048,497	46,514,850	47,546,021	50,488,111
1,218,360	1,326,229	1,695,277	1,901,328	1,952,556	2,028,688
1,531,554	1,530,233	1,558,455	302,171	315,465	304,825
1,641,007	3,761,985	2,795,987	876,785	1,032,344	1,228,438
3,833,082	849,709	(8,750,377)	9,702,087	22,287,452	18,242,842
					137,100
690,221	749,768	814,120	1,198,190	590,846	352,771
<u>249,819,775</u>	<u>269,791,324</u>	<u>295,754,446</u>	<u>309,900,679</u>	<u>347,888,922</u>	<u>370,207,538</u>
30,099,361	30,363,079	26,978,318	28,400,304	31,266,343	34,789,803
53,781,452	53,661,403	57,561,256	59,446,940	68,838,338	72,782,553
54,101,552	56,064,052	59,301,549	65,173,067	69,226,282	75,937,717
5,399,507	7,385,089	9,360,580	7,035,304	6,810,339	7,752,556
18,754,633	12,148,808	11,060,413	11,469,521	10,472,426	11,611,641
16,732,880	19,647,705	29,092,902	22,088,098	20,805,636	24,571,423
42,430,428	42,979,799	53,549,195	56,280,984	59,689,906	67,313,679
12,785,429	12,384,494	29,699,835	32,199,265	25,177,944	27,114,244
9,230,000	7,350,000	7,755,725	4,815,000	4,955,000	15,295,000
1,768,336	1,488,170	1,230,545	960,516	818,377	699,231
<u>245,083,578</u>	<u>243,472,599</u>	<u>285,590,318</u>	<u>287,868,999</u>	<u>298,060,591</u>	<u>337,867,847</u>
4,736,197	26,318,725	10,164,128	22,031,680	49,828,331	32,339,691
11,959,995	11,826,964	41,710,424	21,605,675	5,105,684	31,635,437
(13,744,795)	(14,967,564)	(47,332,724)	(19,663,175)	(12,816,884)	(43,589,537)
		65,981,088			
		309,742	166,532		14,297,950
<u>(1,784,800)</u>	<u>(3,140,600)</u>	<u>60,668,530</u>	<u>2,109,032</u>	<u>(7,711,200)</u>	<u>2,343,850</u>
<u>\$ 2,951,397</u>	<u>\$ 23,178,125</u>	<u>\$ 70,832,658</u>	<u>\$ 24,140,712</u>	<u>\$ 42,117,131</u>	<u>\$ 34,683,541</u>
4.73%	3.81%	3.81%	2.23%	2.08%	4.73%



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REVENUE CAPACITY INFORMATION

This section is intended to assist users in understanding and assessing the factors affecting a government's ability to generate its own-source revenue.

CITY OF BOCA RATON, FLORIDA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)
LAST TEN FISCAL YEARS

(Unaudited)

<u>Fiscal Year</u> ⁽²⁾	<u>Real Property</u> ⁽¹⁾	<u>Personal Property</u>	<u>Total Assessed Value</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
2016	23,483,977,167	960,239,397	24,444,216,564	4,889,767,942	19,554,448,622	3.68
2017	25,535,736,108	1,038,415,774	26,574,151,882	5,567,612,961	21,006,538,921	3.68
2018	27,103,496,479	900,034,862	28,003,531,341	5,496,652,239	22,506,879,102	3.68
2019	28,436,576,386	912,320,426	29,348,896,812	5,463,573,971	23,885,322,841	3.68
2020	29,698,116,755	1,120,267,563	30,818,384,318	5,621,330,641	25,197,053,677	3.68
2021	30,531,500,361	955,496,379	31,486,996,740	5,344,152,213	26,142,844,527	3.68
2022	34,137,840,300	1,079,809,342	35,217,649,642	4,254,923,628	30,962,726,014	3.68
2023	38,117,191,278	1,182,855,612	39,300,046,890	4,603,803,365	34,696,243,525	3.68
2024	41,200,953,273	1,181,353,211	42,382,306,484	4,828,168,612	37,554,137,872	3.67
2025	43,959,132,071	1,186,297,399	45,145,429,470	4,992,570,141	40,152,859,329	3.67

Notes: (1) Except for the Save Our Homes cap noted below, Florida State Law requires all property to be assessed at current fair market value.
The Save Our Homes cap, provides that property qualifying for, and receiving, homestead exemption is assessed at the lower of the annual percentage change in the Consumer Price Index or 3% of the previous year's assessment.
There is a 10% cap assessment limitation on the increase in taxable assessed valuation for non-homesteaded properties.
(2) As of December 31st of each year listed.

Source: Palm Beach County Property Appraiser

<u>Estimated Actual</u> <u>Value</u>	<u>Taxable Assessed</u> <u>Value as a % of</u> <u>Actual Taxable</u> <u>Value</u>
25,841,728,608	75.77%
28,046,758,787	74.90%
29,587,726,191	76.07%
31,015,888,721	77.01%
32,545,643,512	77.42%
33,311,515,653	78.48%
45,804,319,450	67.60%
54,228,727,671	63.98%
56,870,639,627	66.03%
57,887,462,925	69.36%

CITY OF BOCA RATON, FLORIDA
PROPERTY TAX RATES
ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS (1)
(Unaudited)

Tax Year	Operating Millage	Debt Service	Total City Millage	Operating Millage	Debt Service	Total County Tax	Operating Millage	Debt Service	Total Schools	Other	Total
2016	3.439	0.240	3.679	4.782	0.133	4.914	7.070	0.000	7.070	2.860	18.523
2017	3.579	0.100	3.679	4.782	0.121	4.902	6.769	0.000	6.769	2.689	18.038
2018	3.469	0.210	3.679	4.782	0.117	4.898	6.572	0.000	6.572	2.607	17.755
2019	3.479	0.199	3.679	4.782	0.077	4.858	7.164	0.000	7.164	2.602	18.303
2020	3.570	0.108	3.679	4.782	0.031	4.812	7.01	0.000	7.010	2.557	18.058
2021	3.579	0.100	3.679	4.782	0.033	4.815	6.875	0.000	6.875	2.689	18.057
2022	3.656	0.023	3.678	4.715	0.029	4.744	6.519	0.000	6.519	2.619	17.560
2023	3.658	0.020	3.678	4.500	0.019	4.519	6.457	0.000	6.457	2.522	17.176
2024	3.655	0.019	3.673	4.500	0.040	4.540	6.314	0.000	6.314	2.486	17.013
2025	3.648	0.017	3.665	4.500	0.033	4.533	6.321	0.000	6.321	2.484	17.003

Source: Palm Beach County Tax Collector

(1) Millage rates are per \$1,000 of assessed valuation.

**CITY OF BOCA RATON, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
FOR THE CURRENT CALENDAR YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
TOWN CENTER AT BOCA RATON TRUST	\$ 654,150,511	1	1.63%	\$ 460,000,000	1	2.35%
BOCA OWNER LLC	527,329,768	2	1.31%			
FLORIDA POWER & LIGHT CO	266,739,736	3	0.66%	146,554,965	3	0.75%
BOCA RATON CRA LESSOR	221,849,061	4	0.55%			
PALMETTO PROMENADE OWNER LLC	171,547,060	5	0.43%			
G&I X BRIC FEE OWNER LLC	143,691,795	9	0.36%			
MIZNER 366 LLC	165,441,125	6	0.41%			
ROYAL PALM PLACE INVESTMENTS LLC	158,898,783	7	0.40%	84,339,647	6	0.43%
ALTIS BOCA RATON LLC	147,243,937	8	0.37%			
MQMF BOCA BROKEN SOUND LLC	141,191,896	10	0.35%			
PANTHERS BRHC LTD. PARTNERSHIP				197,606,518	2	1.01%
HUB PROPERTIES TRUST				136,462,746	4	0.70%
BOCA T REX BORROWER LLC				96,000,000	5	0.49%
PANTHERS BRHC LLC				76,855,007	7	0.39%
PR III BROADSTONE NORTH BOCA LLC				75,977,277	8	0.39%
CP BOCA PLACE LLC				72,988,528	9	0.37%
SAN MARCO HOLDINGS LLC				71,612,174	10	0.37%
Total	\$ 2,598,083,672		6.47%	\$ 1,418,396,862		7.25%

Source: City of Boca Raton , FL
Palm Beach County Tax Collector System

CITY OF BOCA RATON, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in subsequent Years	Total Collections To Date	
		Amount⁽¹⁾	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 71,957,439	\$ 69,322,388	96.3%	\$ 97,104	\$ 69,419,492	96.5%
2017	77,249,421	74,490,355	96.4%	34,453	74,524,808	96.5%
2018	82,659,659	79,727,836	96.5%	21,330	79,749,166	96.5%
2019	87,708,652	84,586,487	96.4%	289,016	84,875,503	96.8%
2020	91,843,259	88,322,011	96.2%	112,708	88,434,719	96.3%
2021	93,197,588	89,765,770	96.3%	90,143	89,855,913	96.4%
2022	99,575,009	96,008,158	96.4%	95,504	96,103,662	96.5%
2023	113,683,458	109,633,898	96.4%	(109,644)	109,524,254	96.3%
2024	127,623,193	122,747,424	96.2%	92,876	122,840,300	96.3%
2025	137,374,414	132,397,989	96.4%	-	132,397,989	96.4%

(1) Includes discount taken for early payment of property taxes and current year refunds

Source: Palm Beach County Tax Collector System
<https://pbcpao.gov/tax-roll.htm>

DEBT CAPACITY INFORMATION

The information presented in this section is intended to assist users in understanding and assessing a government's debt burden and its ability to issue additional debt.

CITY OF BOCA RATON, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

(Unaudited)

Governmental Activities

Fiscal Year	General Obligation Bonds	Special Assessment Bonds	Revenue Bonds	Tax Increment Bonds ²	Leases	Subscriptions
2016	\$ 25,495,000	\$ 9,005,000		\$ 18,607,867		
2017	21,550,000	7,955,000		12,735,754		
2018	17,495,000	6,860,000	\$ 18,705,000	6,566,021		
2019	13,325,000	5,705,000	37,585,000			
2020	9,065,000	4,500,000	34,431,570			
2021	6,850,000	3,240,000	29,945,000			
2022	4,770,068	1,911,778	25,927,650		\$ 148,225	
2023	4,236,336	1,702,827	21,830,981		139,387	\$ 4,671,775
2024	3,687,604	1,483,876	17,619,312		55,647	3,797,682
2025	3,123,872	1,259,925	3,110,000		14,082	15,438,076

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

¹ See Demographic and Economic Statistics table for personal income and population data.
These ratios are calculated using personal income and population for the prior year.

² Includes accreted interest on Capital Appreciation Bond.

		Business-Type Activities					
Total Governmental Activities		Water & Sewer Revenue Bonds		Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹	
		Leases					
\$	53,107,867	\$	26,625,000	\$	79,732,867	0.0887%	903
	42,240,754		26,625,000		68,865,754	0.1069%	750
	49,626,021		22,440,000		72,066,021	0.0771%	771
	56,615,000		18,065,000		74,680,000	0.0793%	790
	47,996,570		14,595,000		62,591,570	0.0977%	658
	40,035,000		46,005,000		86,040,000	0.0691%	878
	32,757,721		43,280,000	\$	11,319	0.0791%	764
	32,581,306		40,315,000		2,374	0.1057%	725
	26,644,121		37,285,000		63,929,121	0.1135%	636
	22,945,955		31,020,000		53,965,955	0.1409%	535

CITY OF BOCA RATON, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(dollars in thousands, except per capita)
(Unaudited)

Fiscal Year	General Obligation Bonds	Restricted for Debt Service	Assessed Value of Taxable Property	Percentage of Estimated Actual Taxable Value of Property	Population	Per Capita
2016	\$ 25,495	\$ 11,948	\$ 19,581,516	0.07%	88,275	0.15
2017	21,550	12,073	21,006,539	0.05%	91,797	0.10
2018	17,495	12,712	22,506,879	0.02%	93,417	0.05
2019	13,325	2,116	23,888,627	0.05%	94,488	0.12
2020	9,065	2,150	24,966,225	0.03%	95,139	0.07
2021	6,850	2,288	26,142,854	0.02%	98,046	0.05
2022	4,545	2,313	27,096,140	0.01%	99,542	0.02
2023	4,040	570	30,985,771	0.01%	100,491	0.03
2024	3,520	577	34,725,434	0.01%	100,560	0.03
2025	3,124	577	37,550,608	0.01%	100,897	0.03

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements
The current ordinances of the City of Boca Raton do not specify a legal debt margin.

CITY OF BOCA RATON, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2025
(Amounts Expressed in Thousands)
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
OVERLAPPING:			
Palm Beach County	\$ 95,565,000 ¹	0.01% ³	\$ 11,293
Palm Beach School District	- ²	0.01% ³	-
SUBTOTAL	\$ 95,565,000		11,293
DIRECT DEBT:			
General obligation bonds	\$ 3,124 ⁴	100.00%	3,124
Special assessment bonds	1,260 ⁴	100.00%	1,260
Revenue bonds	3,110 ⁴	100.00%	3,110
Capital leases	14 ⁴	100.00%	14
Subscriptions	15,438 ⁴	100.00%	15,438
SUBTOTAL	\$ 22,946		22,946
TOTAL DIRECT AND OVERLAPPING DEBT			\$ 34,239

¹ Source: Palm Beach County

² Source: Palm Beach County School District

³ Determined by dividing:
taxable assessed valuation of the City of Boca Raton
by the total taxable valuation of Palm Beach County.

⁴ Source: City of Boca Raton, Financial Services Department

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

CITY OF BOCA RATON, FLORIDA
PLEDGED-REVENUE COVERAGE FOR WATER AND SEWER REVENUE BONDS
LAST TEN FISCAL YEARS
(Unaudited)

<u>Fiscal Year</u>	<u>Utility Service Charges</u>	<u>Less: Operating Expenses (1)</u>	<u>Net Available Revenue</u>	<u>Debt Service</u>		<u>Coverage by Net Revenue Available for Debt Service (2)</u>
				<u>Principal</u>	<u>Interest</u>	
2016	\$ 54,800,138	\$ 34,830,929	\$ 19,969,209	\$ 7,720,000	\$ 982,282	2.29
2017	57,990,998	35,898,856	22,092,142	-	909,106	24.30
2018	57,957,825	37,929,374	20,028,451	4,185,000	724,074	4.08
2019	63,981,813	38,158,738	25,823,075	4,375,000	555,471	5.24
2020	61,877,711	42,014,353	19,863,358	3,470,000	424,564	5.10
2021	58,372,258	42,936,145	15,436,113	3,590,000	580,309	3.70
2022	54,614,981	44,738,911	9,876,070	2,725,000	950,487	2.69
2023	70,487,555	52,476,850	18,010,705	2,965,000	888,672	4.67
2024	81,574,383	50,503,497	31,070,886	3,030,000	823,362	8.06
2025	81,689,690	51,314,210	30,375,480	3,095,000	756,629	7.89

(1) Total expense exclusive of depreciation, amortization and debt service on revenue bonds.

(2) 1.10 net revenues test required by the rate covenants applies to the 2008 and 2009 bonds.

Note: This table excludes system development charges (capital contributions).

CITY OF BOCA RATON, FLORIDA
PLEDGED-REVENUE COVERAGE FOR SPECIAL ASSESSMENT BONDS
LAST TEN FISCAL YEARS
(Unaudited)

<u>Fiscal</u> <u>Year</u>	<u>Special</u> <u>Assessments</u>		<u>Special</u> <u>Assessment</u>		<u>Debt Service</u>		<u>Coverage by Net</u>
	<u>Levied (1)</u>		<u>Collections (2)</u>		<u>Principal</u>	<u>Interest</u>	<u>Collections Available</u> <u>for Debt Service (3)</u>
2016	\$ 1,511,197		\$ 1,518,448		\$ 1,015,000	\$ 391,569	1.08
2017	1,512,790		1,487,248		1,050,000	353,519	1.06
2018	1,519,976		1,483,885		1,095,000	313,269	1.05
2019	1,547,777		1,504,292		1,155,000	271,269	1.05
2020	1,531,554		2,085,869		1,205,000	226,688	1.46
2021	1,530,486		1,649,888		1,260,000	179,438	1.15
2022	1,543,701		1,722,668		1,320,000	128,681	1.19
2023	302,171		315,187		210,000	74,119	1.11
2024	315,464		285,425		220,000	66,769	1.00
2025	304,825		404,175		225,000	58,794	1.42

- (1) Includes amounts from adopted assessment rolls and penalties assessed for late payment
(2) Collections reported are inclusive of payments on current and prior year assessments and penalties where cash was received in the listed fiscal year
(3) Available funds to be used for debt service coverage are the Special Assessment Collections for that fiscal year

CITY OF BOCA RATON, FLORIDA
PLEDGED-REVENUE COVERAGE FOR TAX INCREMENT REVENUE REFUNDING BONDS
LAST TEN FISCAL YEARS
(Unaudited)

<u>Fiscal</u> <u>Year</u>		<u>Lease</u> <u>Revenue</u>	<u>Tax</u> <u>Increment</u> <u>Revenue</u>	<u>Collections</u>	<u>Debt Service</u>		<u>Coverage by</u> <u>Net Revenue</u> <u>Available for</u> <u>Debt Service</u>
					<u>Principal (1)</u>	<u>Interest</u>	
2016	\$	1,767,671	\$ 8,448,676	\$ 10,216,347	\$ 2,815,486	\$ 3,804,514	1.54
2017		1,653,839	9,719,650	11,373,489	2,670,707	3,949,293	1.72
2018		1,908,824	12,489,146	14,397,970	2,542,014	4,077,986	2.17
2019		1,806,562	13,366,285	15,172,847	2,449,599	4,170,401	2.29
2020		1,565,313	14,150,342	15,715,655	-	-	-
2021		1,912,226	14,780,347	16,692,573	-	-	-
2022		1,179,691	16,390,645	17,570,336	-	-	-
2023		1,175,247	20,212,473	21,387,720	-	-	-
2024		3,622,863	21,486,017	25,108,880	-	-	-
2025		3,684,941	22,694,973	26,379,914	-	-	-

- (1) In October, 1998, the Boca Raton Community Redevelopment Agency Tax Increment Revenue Refunding Bonds, Series 1998 (Mizner Park Project) was used to refinance the CRA's Tax Increment Revenue Bond, Series 1992.

CITY OF BOCA RATON, FLORIDA
PLEDGED-REVENUE COVERAGE FOR ALL NON AD VALOREM REVENUE BONDS AND LOANS PAYABLE
BY MAXIMUM ANNUAL DEBT SERVICE
LAST TEN FISCAL YEARS

(Unaudited)

					<u>Tax Increment</u>	<u>(Loans Payable)</u>	<u>Coverage by</u>
					<u>Revenue</u>	<u>First Florida</u>	<u>Net Revenue</u>
<u>Fiscal</u>	<u>Net Revenue</u>	<u>Revenue</u>	<u>Special Assessment</u>	<u>Revenue</u>	<u>Refunding</u>	<u>Governmental Financing</u>	<u>Available for</u>
<u>Year</u>	<u>Available</u> ⁽¹⁾	<u>Bonds</u>	<u>Bonds</u>	<u>Bonds</u>	<u>Bonds</u>	<u>Commission</u>	<u>Maximum Debt</u>
		<u>2018</u>	<u>2009</u>	<u>2010</u>	<u>1998</u>	<u>2001B</u> <u>2003</u>	<u>Service</u>
						<u>Total</u>	
2016	\$ 50,512,120		\$ 1,121,119	\$ 285,450	\$ 6,620,000	\$ 8,026,569	6.29
2017	52,672,177		1,117,319	286,200	6,620,000	8,023,518	6.56
2018	53,508,013	\$ 574,285	1,122,319	285,950	6,620,000	8,602,554	6.22
2019	51,385,793	1,613,812	1,140,719	285,550	6,620,000	9,660,081	5.32
2020	43,321,116	1,614,244	1,146,919	284,769		3,045,932	14.22
2021	44,458,043	1,613,884	1,156,319	283,119		3,053,322	14.56
2022	66,997,853	1,617,732	1,162,387	286,294		3,066,413	21.85
2023	67,298,702	1,615,656		284,119		1,899,775	35.42
2024	65,918,099	1,617,788		286,769		1,904,557	34.61
2025	59,418,111	11,841,447		283,794		12,125,241	4.90

(1) Net revenue available after deducting operating expenses, restricted, and committed amounts.

DEMOGRAPHIC AND ECONOMIC INFORMATION

This section is intended (1) to assist users in understanding the socioeconomic environment within which a government operates and (2) to provide information that facilitates comparisons of financial statement information over time and among governments.

CITY OF BOCA RATON, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Population⁴	Personal Income (amounts expressed in thousands)	Per Capita Personal Income⁵	Median Age³	Education Level in Years of Schooling	School Enrollment²	Unemployment Rate¹
2016	88,275	\$ 6,495,892	\$ 73,587	45	13	13,861	4.8%
2017	91,797	4,756,186	51,812	46	13	13,535	4.3%
2018	93,417	5,190,155	55,559	47	13	13,450	3.3%
2019	94,488	5,593,028	59,193	47	13	13,448	2.2%
2020	95,139	5,815,657	61,128	48	13	13,371	7.0%
2021	98,046	5,827,168	59,433	48	13	12,678	3.7%
2022	99,542	5,987,252	60,148	48	13	11,281	2.3%
2023	100,491	7,740,520	77,027	44	13	11,090	2.5%
2024	100,560	7,294,824	72,542	47	13	11,003	2.5%
2025	100,897	7,672,107	76,039	46	13	13,112	4.1%

Source¹: Bureau of Labor Statistics for Miami-Fort Lauderdale-West Palm Beach, FL Metropolitan Statistical Area

Source²: 2025 October Enrollment Report - www.Palmbeachschools.org

Source³: U.S. Census Bureau - Median Age (ACS 1-Year Estimates)

Source⁴: Bureau of Economic and Business Research (BEBR)

Source⁵: U.S. Census Bureau - Per capita income in past 12 months (in 2024 dollars)

CITY OF BOCA RATON, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Employer	2025 ⁽¹⁾			2016 ⁽²⁾		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Baptist Health SF (fka BR Regional)	6,773	1	5.94%	2,500	2	2.52%
Florida Atlantic University	6,335	2	5.55%	2,529	1	2.55%
Office Depot (Hdqtrs)	2,000	3	1.75%	2,000	3	2.01%
City of Boca Raton	1,857	4	1.63%	1,423	4	1.43%
The Boca Raton (fka BR Resort & Club)	1,376	5	1.21%	1,292	5	1.30%
National Council of Comp Ins (NCCI)	850	6	0.74%	865	6	0.87%
Johnson Controls / Tyco (Hdqtrs)	741	7	0.65%			
International Bus. Machines (IBM)	600	8	0.53%	599	7	0.60%
ADT Security Services (Hdqtrs)	500	9	0.44%	579	8	0.58%
ModMed	479	10	0.42%			
Biotest Pharmaceuticals Corp				523	10	0.53%
Cross Country Staffing Inc				534	9	0.54%
TOTAL	21,511		18.86%	12,844		12.93%
TOTAL CITY WORKFORCE⁽³⁾	114,045			99,256		

⁽¹⁾Source of 2025 data: Business Development Board of Palm Beach County

⁽²⁾Source of 2016 data: 2016 City of Boca Raton ACFR

⁽³⁾Source of Workforce: U.S. Census Bureau, On TheMap-Work Area Profile Analysis (2023)

CITY OF BOCA RATON, FLORIDA
FULL-TIME EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

Function/Program	Fiscal Years									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government	202	217	239	249	255	255	260	271	280	287
Public safety										
Police										
Officers	203	211	216	208	208	209	209	209	209	211
Civilians	99	105	106	115	119	118	118	118	120	120
Fire										
Firefighters and officers	209	226	232	226	238	238	238	242	244	245
Civilians	11	12	14	21	21	21	21	21	21	22
Highways and streets										
Engineering	8	12	13	16	16	16	16	16	16	16
Maintenance	16	19	19	20	20	20	20	20	20	22
Sanitation	46	50	52	52	57	57	58	58	58	58
Culture and recreation	355	377	384	392	396	396	411	413	416	442
Water/sewer	168	174	174	174	180	180	180	180	182	184
Stormwater	11	11	11	10	11	12	13	15	14	14
Information technology	38	42	47	48	48	48	48	49	52	57
Motor pool	14	14	14	16	16	18	19	19	19	19
Cemetery	5	6	6	6	6	6	6	6	6	6
Total	1,385	1,476	1,527	1,553	1,614	1,594	1,617	1,637	1,679	1,703

Source: City of Boca Raton Approved Budget Books FY2015-16 through FY2025-26

OPERATING INFORMATION

This section is intended to provide contextual information about a government's operations and resources to assist readers in using financial statement information to understand and assess a government's economic condition.

CITY OF BOCA RATON, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>Function/Program</u>	2016	2017	2018
Governmental activities:			
General government			
Bond ratings - G.O. bonds			
Moody's	Aaa	Aaa	Aaa
Standard & Poor's	AAA	AAA	AAA
Fitch	AAA	AAA	AAA
Building permits issued	8,211	9,460	10,165
Law enforcement			
Physical arrests	2,844	3,026	2,200
Parking violations	264	212	155
Traffic violations	37,795	29,823	22,298
Fire rescue			
Number of calls answered	18,372	18,386	17,602
Inspections	5,542	4,479	9,176
Transportation			
Streets resurfacing (miles)	2	1	15
Potholes repaired (tons)	3	14	12
Physical environment			
Refuse collection(tons/daily)	140	131	106
Recyclables collected (tons/daily)	16	16	16
Vegetation Collected (tons/daily)	0	0	0
Bulk Trash Collected (tons/daily)	0	0	0
Parks & recreation			
Athletic field permits issued	9,479	9,161	8,813
Community center admissions	430,438	471,451	490,547
Tennis participation	193,023	185,961	180,768
Camp programs	3,388	3,357	3,611
Aquatics participation programs	55,629	46,679	52,065
Business-type activities:			
Water			
New connections (excl Iris)	77	123	89
Water mains breaks	34	35	27
Average daily consumption (thousands of gallons)	33,505	34,484	35,873
Active accounts	36,561	36,676	36,802
Sewer			
Average daily sewage treatment (thousands of gallons)	13,635	13,440	13,140
Active accounts	33,571	33,690	33,773
Golf courses			
Annual golf permits	41	40	34
Golf participation	98,744	98,223	94,557

Source: Various City Departments

2019	2020	2021	2022	2023	2024	2025
Aaa AAA AAA	Aaa AAA AAA	Aaa AAA AAA	Aaa AAA AAA	Aaa AAA AAA	Aaa AAA AAA	Aaa AAA AAA
9,827	10,874	12,671	11,548	10,051	9,231	9,305
1,760	1,116	1,262	1,593	1,400	1,462	1,236
162	236	177	185	114	158	153
21,870	9,138	16,434	23,561	18,805	27,199	18,763
18,235	15,860	17,499	17,715	18,824	18,402	18,102
7,756	7,089	9,950	9,840	9,933	9,245	8,920
11	17	6	10	5	12	10
1	17	4	4	4	3	3
108	160	165	159	160	116	117
16	23	22	21	21	4	12
0	54	51	51	51	35	36
0	9	12	10	7	13	4
8,884	7,461	8,437	10,311	10,330	11,366	11,903
459,568	203,402	66,121	258,762	446,091	440,502	631,498
182,270	118,348	153,728	186,234	221,777	202,682	200,270
4,182	554	4,005	16,788	17,437	17,341	18,084
60,217	38,586	50,001	68,575	65,264	57,557	66,877
29	33	11	41	144	187	12
29	29	32	44	46	55	46
35,306	33,106	33,339	33,860	34,388	35,570	35,649
36,857	36,919	36,930	36,776	36,911	37,601	37,620
12,260	13,354	13,003	13,281	13,741	13,877	13,596
33,787	33,807	33,815	33,687	33,732	34,023	34,014
34	32	41	N/A	N/A	N/A	N/A
99,624	87,976	99,740	60,554	75,046	81,232	88,505

CITY OF BOCA RATON, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

Function/Program	Fiscal Years									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Law enforcement										
Police stations/substations	2	3	3	3	2	2	2	2	2	2
Patrol units	278	282	284	284	284	284	290	312	324	319
Fire rescue										
Fire stations	8	8	8	8	8	8	8	8	8	8
Fire rescue units	34	35	35	35	35	35	35	36	40	41
Physical environment										
Sanitation-collection trucks	41	45	51	53	49	50	49	51	52	59
Transportation										
Street (miles)	220	220	220	220	220	200	220	220	220	220
Street lights	863	1,082	1,082	1,082	1,082	1,082	1,305	1,305	1,449	1,482
Traffic signals	137	138	138	138	139	139	140	140	140	140
Lane miles	487	487	487	487	487	487	487	487	487	487
Parks and recreation										
Park acreage	658	658	660	660	687	903	832	832	832	832
Parks	32	42	43	43	44	48	43	43	43	43
Swimming pools	2	2	2	2	2	2	1	1	1	1
Tennis centers	3	3	3	3	3	3	1	1	1	1
Community centers	3	3	3	3	3	3	1	1	1	1
Public libraries	2	2	2	2	2	2	2	2	2	2
Public beaches (miles)	2	2	2	2	2	2	2	2	2	2
Business-type activities										
Water										
Water mains & service lines(miles)	706	706	708	675	672	622	620	620	620	620
Fire hydrants	5,498	5,513	5,646	5,651	5,657	5,657	5,669	5,701	5,732	5,737
Maximum daily capacity (thousands of gallons)	70	70	70	70	70	70	70	70	70	-
Sewer										
Sanitary sewers & service laterals (r	591	591	591	607	618	710	601	601	601	601
Maximum daily treatment capacity (thousands of gallons)	18	18	18	18	18	18	18	18	18	18
Waste water pumping stations	241	241	241	242	242	242	242	243	243	243
Cemetery	1	1	1	1	1	1	1	1	1	1
Golf courses	3	3	3	3	2	2	2	2	2	2
Storm water utilities										
Storm sewer(miles)	100	100	100	100	100	100	100	101	101	101

Sources: Various City departments

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

CITY OF BOCA RATON, FLORIDA
COMPLIANCE REPORTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

CITY OF BOCA RATON, FLORIDA

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

To the Honorable Mayor, City Council and City Manager
City of Boca Raton, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Boca Raton, Florida (the "City") as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 30, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

CBIZ CPAs P.C.

Boca Raton, Florida
March 30, 2026

Independent Auditors' Report on Compliance for the Major Federal Program and State Project; Report on Internal Control over Compliance; And Report on the Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General

To the Honorable Mayor, City Council and City Manager
City of Boca Raton, Florida

Report on Compliance for the Major Federal Program and State Project

Opinion on the Major Federal Program and State Project

We have audited the City of Boca Raton, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement*, and the requirements described in the *State of Florida Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on the City's major federal program and major state project for the fiscal year ended September 30, 2025. The City's major federal program and major state project are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program and major state project for the fiscal year ended September 30, 2025.

Basis for Opinion on the Major Federal Program and Major State Project

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, we:

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

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

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.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550. 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 Rules of the Auditor General

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, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon dated March 30, 2026, which contained unmodified opinions on those basic financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.550, 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 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 schedule of expenditures of federal awards and state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

CBIZ CPAs P.C.

Boca Raton, Florida
March 30, 2026

CITY OF BOCA RATON, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Federal/State Agency, Pass-through Entity, Federal Program/State Project	ALN/ CSFA No.	Grant/Contract Number	Passed through to Subrecipients	Expenditures
FEDERAL GRANTS:				
U.S. Department of Homeland Security				
Direct Program:				
Homeland Security Grant Program - Operation Stonegarden - FY23	97.067	24-MIPMIP-10-003 V0	\$ -	\$ 30,273
Total U.S. Department of Homeland Security			--	30,273
Federal Emergency Management Agency				
Direct Program:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - Hurricane Nicole	97.036	4680	--	34,220
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - Hurricane Ian	97.036	4673	--	164
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - Hurricane Milton	97.036	4834	--	62,640
Pass-through:				
Passed through Florida Division of Emergency Management:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - Hurricane Nicole	97.036	4680	--	5,703
Total Federal Emergency Management Agency			--	102,727
U.S. Department of Justice:				
Direct Programs:				
Bulletproof Vest Partnership Program - FY23	16.607	N/A	--	5,259
Bulletproof Vest Partnership Program - FY24	16.607	N/A	--	83,374
Total Bulletproof Vest Partnership Program			-	88,633
Edward Byrne Memorial Justice Assistance Grant - FY 2024	16.738	15PBJA-24-GG-04556-JAGX	--	16,167
Total U.S. Department of Justice			--	104,800
U.S. Department of Environmental Protection Agency:				
Pass-through:				
Passed through State of Florida, Department of Environmental Protection Drinking Water State Revolving Fund	66.468	DW5020F0		229,763
Total U.S. Department of Environmental Protection Agency			--	229,763
US Department of Transportation:				
Direct Program:				
Safe Streets and Roads for All	20.939	693JJ32340135	--	254,095
Highway Planning and Construction	20.205	G2416	--	203,594
Total US Department of Transportation			--	457,689
U.S. Department of Housing and Urban Development:				
Direct Programs:				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grant (CDBG)	14.218	B-19-MC-12-0001	--	8,125
Community Development Block Grant (CDBG)	14.218	B-20-MC-12-0001	--	88,507
Community Development Block Grant (CDBG)	14.218	B-21-MC-12-0001	--	51,300
Community Development Block Grant (CDBG)	14.218	B-22-MC-12-0001	--	319,500
Community Development Block Grant (CDBG)	14.218	B-23-MC-12-0001	--	218,511
Community Development Block Grant (CDBG)	14.218	B-24-MC-12-0001	--	170,800
COVID-19 Community Development Block Grant (CDBG)	14.218	B-20-MW-12-0001	--	21,586
Total Community Development Block Grant				878,329
Total Community Development Block Grant - Entitlement Grants Cluster			--	878,329
Total U.S. Department of Housing and Urban Development			--	878,329
Total Expenditures of Federal Awards			\$ --	\$ 1,803,581

(continued)

CITY OF BOCA RATON, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Federal/State Agency, Pass-through Entity, Federal Program/State Project	ALN/ CSFA No.	Grant/Contract Number	Passed through to Subrecipients	Expenditures
STATE GRANTS:				
Florida Department of Law Enforcement:				
Direct Program:				
FDLE Drone Replacement Program	71.092	3X047	--	40,638
Total Florida Department of Law Enforcement			--	40,638
Florida Department of Environmental Protection:				
Direct Program:				
Beach Management Funding Assistance Program - North Beach	37.003	22PB7	--	15,817
Beach Management Funding Assistance Program - Central Beach	37.003	22PB5	--	6,797
Beach Management Funding Assistance Program - Inlet	37.003	23PB7	--	7,262
Beach Management Funding Assistance Program - South Beach	37.003	22PB3	--	12,555
Total Beach Management Funding Assistance Program			-	42,431
Statewide Water Quality Restoration Projects	37.039	LPA0463	--	30,939
Resilient Florida Program	37.098	24PLN30	--	75,000
Total Florida Department of Environmental Protection			--	148,370
Florida Housing Finance Corporation:				
Direct Program:				
State Housing Initiatives Partnership (SHIP)	40.901	N/A	--	626,379
Total Florida Housing Finance Corporation			--	626,379
Total Expenditures of State Financial Assistance			\$ --	\$ 815,387
Total Expenditures of Federal Awards and State Financial Assistance			\$ --	\$ 2,618,968

CITY OF BATON RATON, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the “Schedule”) presents the expenditures activity of all federal awards and state financial assistance of the City of Boca Raton, Florida (the “City”) for the fiscal year ended September 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”), and Chapter 10.550, Rules of the Auditor General. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 – INDIRECT COST RATE

The City has elected not to use the de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF BOCA RATON, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

_____ Yes X No

Significant deficiency(ies) identified?

_____ Yes X None reported

Non-compliance material to financial statements noted?

_____ Yes X No

Federal Awards and State Projects

Internal control over the major federal program and state project:

Material weakness(es) identified?

_____ Yes X No

Significant deficiency(ies) identified?

_____ Yes X None reported

Type of auditors’ report issued on compliance for the major federal program and state project:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or Chapter 10.557, Rules of the Auditor General?

_____ Yes X No

Identification of the Major Federal Program and State Project:

Assistance Listing Number

Federal Program or Cluster

14.218

United States Department of Housing and Urban -
Community Development Block Grants -
Entitlement Grants Cluster

CSFA No.

State Project

40.901

State Housing Initiatives Partnership Program

Dollar threshold used to distinguish between Type A and Type B programs/projects – Federal:

\$1,000,000

Dollar threshold used to distinguish between Type A and Type B programs/projects – State:

\$300,000

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?

X Yes _____ No

CITY OF BOCA RATON, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AND STATE AWARDS FINDINGS AND QUESTIONED COSTS

None.

SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

There were no findings reported in the prior fiscal year.

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

To the Honorable Mayor, City Council, and City Manager
City of Boca Raton, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Boca Raton, Florida (the “City”), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 30, 2026.

Auditors’ Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors’ Report on Compliance for the Major Federal Program and State Project; Report 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 Accountants’ Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 30, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City has made these disclosures 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 communicate 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 to identify of the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Property Assessed Clean Energy (PACE) Program

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the City's geographical boundaries during the fiscal year under audit. There was no PACE Program operating within the City's geographical boundaries during the fiscal year ended September 30, 2025.

Special District Component Units

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

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7., Rules of the Auditor General, the Boca Raton Community Development Agency (the "CRA") required information is reported in the Other Information section of the CRA's stand-alone financial statements for the fiscal year ended September 30, 2025.

Additional Matters

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

Purpose of this Letter

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

CBIZ CPAs P.C.

Boca Raton, Florida
March 30, 2026



CBIZ CPAs P.C.

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

P: 561.994.5050

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

To the Honorable Mayor, City Council and City Manager
City of Boca Raton, Florida

We have examined the City of Boca Raton, Florida (the "City")'s compliance with Section 218.415, Florida Statutes, Local Government Investment Policies for the fiscal year ended September 30, 2025. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

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

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

In our opinion, the City complied, in all material respects, with Section 218.415, Florida Statutes, for the fiscal year ended September 30, 2025.

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

CBIZ CPAs P.C.

Boca Raton, Florida
March 30, 2026