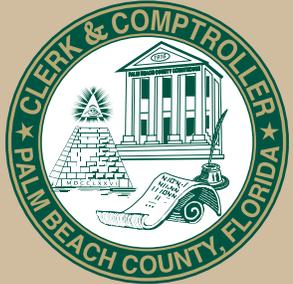


38.2%: 119.29

116.71



Comprehensive Annual Financial Report

SHARON R. BOCK
Clerk & Comptroller
Palm Beach County

Palm Beach County, Florida
Fiscal Year Ended September 30, 2015

PREPARED BY THE CLERK & COMPTROLLER, PALM BEACH COUNTY



72.48

About the Clerk & Comptroller's Office



Sharon R. Bock
Clerk & Comptroller
Palm Beach County

As the third largest of the 67 Clerk's offices in Florida, the Clerk & Comptroller of Palm Beach County serves a local population of nearly 1.4 million residents. The office performs more than 1,000 different functions and provides services from several locations and online at www.mypalmbeachclerk.com.

More than 170 years ago, the Florida Constitution established the Clerk & Comptroller as an independent public trustee, directly elected by the public to serve four major functions:

CHIEF FINANCIAL OFFICER, TREASURER, CLERK OF THE BOARD OF COUNTY COMMISSIONERS

- Serves as an independent check and balance on Palm Beach County's revenue, debt and spending.
- Invests and earns interest income on County funds, reducing the tax burden on residents.
- Maintains financial records and produces financial statements and reports.
- Documents and maintains the minutes, records and activities of government meetings, including Palm Beach County Commission meetings, and is Clerk to the County's Value Adjustment Board.

CLERK OF THE CIRCUIT COURT

- Protects the integrity of public records and public funds as an independent, impartial third party, directly accountable to the citizens.
- Electronically receives, processes and files all civil and criminal court documents; protects evidence; disburses all court fees, fines and costs; and provides the public with access to court records in paper and online.
- Manages the County's jury system, issues marriage licenses and provides a state-of-the-art Self Service Center for residents representing themselves in court.

COUNTY RECORDER

- Maintains the Official Records of the County dating back to 1909.
- Electronically records documents such as mortgages, deeds, liens, judgments and marriage licenses and makes images available online.

INSPECTOR GENERAL/AUDITOR

- Provides independent and objective auditing and investigative services to the County, ensuring the efficiency of operations and uncovering waste, fraud and abuse.
- Audits court-appointed guardianships and operates the Guardianship Fraud Hotline to detect and deter financial abuse and mismanagement.
- Audits all County funds ensuring expenses are lawful, serve a public purpose and have a sufficient budget.

Many Clerk & Comptroller services are available at www.mypalmbeachclerk.com, including court case record searches, Official Record searches, E-Filing, eRecording, Value Adjustment Board petitions, foreclosure and tax deed sales, County financial information and County Commission meeting minutes and video.

The Clerk & Comptroller's financial reporting is regularly recognized for excellence. The *Comprehensive Annual Financial Report* (CAFR) has earned the Government Finance Officers Association's (GFOA) "Certificate of Achievement for Excellence in Financial Reporting" for 26 consecutive years.

The GFOA has also recognized the CAFR's sister publication, *Checks & Balances: Your Guide to County Finances*, with the "Award for Outstanding Achievement in Popular Annual Financial Reporting" every year since its Fiscal Year 2006 debut.

PALM BEACH COUNTY, FLORIDA
COMPREHENSIVE
ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2015

Prepared By
SHARON R. BOCK
Clerk & Comptroller
Palm Beach County
Finance Department



PALM BEACH COUNTY, FLORIDA

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

Fiscal Year Ended September 30, 2015

TABLE OF CONTENTS

INTRODUCTORY SECTION

Transmittal Letter of the Clerk & Comptroller.....i
Principal Officials.....viii
Organization Chart.....ix
Certificate of Achievement for Excellence in Financial Reporting.....x

FINANCIAL SECTION

Report of Independent Certified Public Accountantsxi

Management’s Discussion and Analysis.....xv

Basic Financial Statements

Government-wide Financial Statements

Statement of Net Position.....2
Statement of Activities.....4

Fund Financial Statements

Descriptions of Major Funds.....7
Balance Sheet - Governmental Funds.....8
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position - Governmental Activities10
Statement of Revenues, Expenditures, and Changes in Fund
Balances - Governmental Funds.....12
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds to
the Statement of Activities - Governmental Activities14
Statement of Revenues, Expenditures, and Changes in Fund
Balances - Budget and Actual
- General Fund16
- Fire Rescue Special Revenue Fund.....19
Statement of Net Position - Proprietary Funds.....20
Statement of Revenues, Expenses, and Changes in
Net Position - Proprietary Funds24
Statement of Cash Flows - Proprietary Funds.....26
Statement of Fiduciary Net Position - Agency Funds.....30

Notes to the Financial Statements	31
--	----

Required Supplementary Information:

Schedules of County’s Proportionate Share of the Net Pension Liability for the	
- Florida Retirement System Pension Plan	137
- Health Insurance Subsidy Pension Plan.....	138
Schedules of County Contributions for the	
- Florida Retirement System Pension Plan	139
- Health Insurance Subsidy Pension Plan.....	140
Schedules of Solid Waste Authority’s (a Component Unit) Proportionate Share of the Net Pension Liability for the	
- Florida Retirement System Pension Plan	141
- Health Insurance Subsidy Pension Plan.....	142
Schedules of Solid Waste Authority (a Component Unit) Contributions for the	
- Florida Retirement System Pension Plan	143
- Health Insurance Subsidy Pension Plan.....	144
Schedules of Changes in the Net Pension Liability and Related Ratios for the	
- Palm Tran Pension Plan.....	145
- Lantana Pension Plan	146
Schedules of Investment Returns for the	
- Palm Tran Pension Plan.....	147
- Lantana Pension Plan	148
Schedules of Contributions for the	
- Palm Tran Pension Plan.....	149
- Lantana Pension Plan	150
Schedules of Funding Progress for the	
- Palm Beach County Healthcare Plans, Fire Rescue Long-Term Disability Plan and the Solid Waste Authority Healthcare Plan (a Component Unit)	151

Combining and Individual Fund Statements and Schedules

General Fund by Category

Descriptions.....	153
Combining Balance Sheet - General Fund by Category.....	154
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - General Fund by Category	156
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
General Fund - BOCC	158
General Fund - Sheriff.....	159
General Fund - Clerk & Comptroller	160
General Fund - Tax Collector.....	161
General Fund - Property Appraiser.....	162
General Fund - Supervisor of Elections	163

Nonmajor Governmental Funds

Descriptions.....	165
Combining Balance Sheet - Nonmajor Governmental Funds.....	168
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	172
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	

Special Revenue Funds:

Tourist Development	176
Law Enforcement Grants.....	177
County Transportation Trust.....	178
Municipal Service Taxing District.....	179
Library Taxing District.....	180
Community & Social Development.....	181
Housing and Economic Development.....	182
Affordable Housing Trust Fund (SHIP).....	183
Palm Tran	184
Other Special Revenue Fund	185

Debt Service Funds:

General Obligation Bonds	187
Revenue Bonds	188
Other Financing	189

Capital Projects Funds:

Criminal Justice	190
Environmental Lands.....	191
Fire Rescue	192
Libraries	193
Parks and Recreation.....	194
Street and Drainage	195
Major Fund - Road Program.....	196
Major Fund - General Government	197

Internal Service Funds

Descriptions.....	199
Combining Statement of Net Position	200
Combining Statement of Revenues, Expenses, and Changes in Net Position.....	201
Combining Statement of Cash Flows.....	202

Agency Funds

Descriptions.....	205
Combining Statement of Fiduciary Net Position - Agency Funds	206
Combining Statement of Changes in Assets and Liabilities - All Agency Funds	207

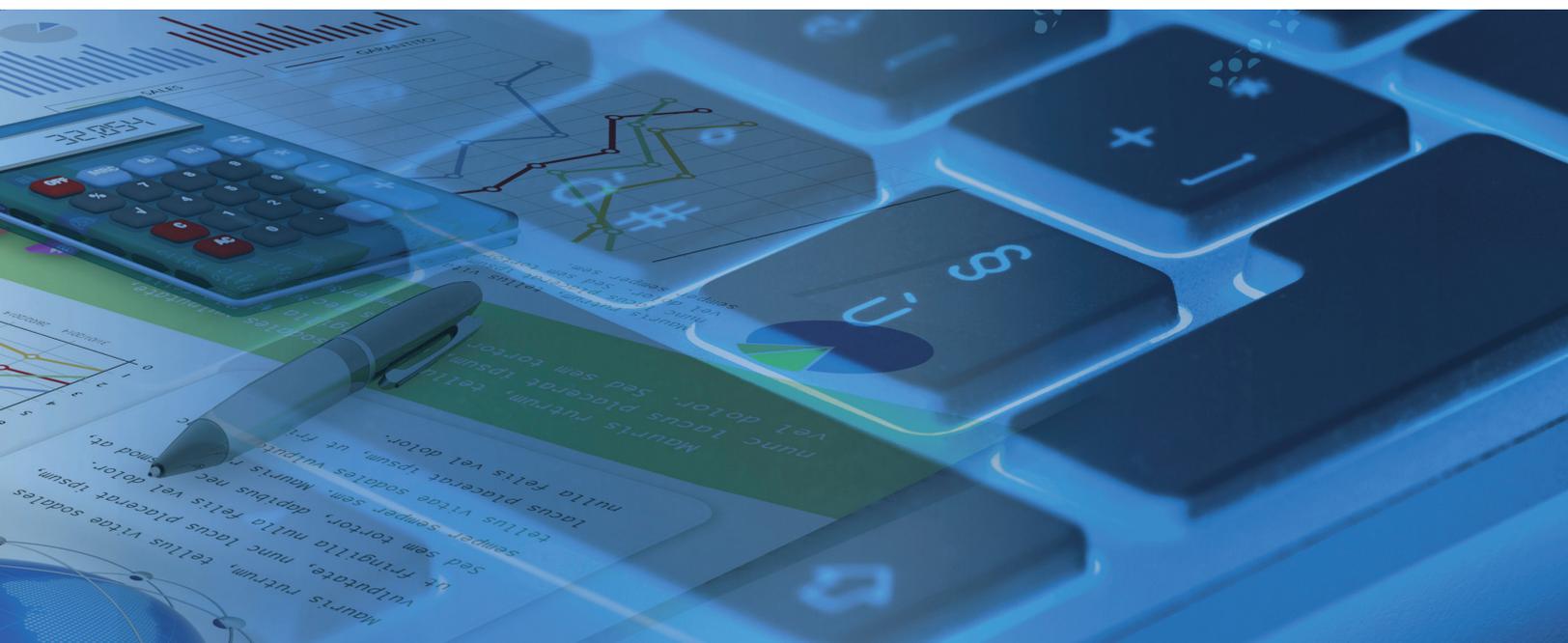
STATISTICAL SECTION

Net Position by Component.....	216
Changes in Net Position	218
Fund Balances - Governmental Funds	222
Changes in Fund Balances - Governmental Funds	224
Tax and Intergovernmental Revenue by Source.....	226
Actual Value and Assessed Value of Taxable Property	228
Direct and Overlapping Property Tax Rates	230
Principal Property Tax Payers	231
Property Tax Levies and Collections.....	232
Non-Ad Valorem Revenue	234
Ratios of Outstanding Debt by Type.....	237
Ratios of Net General Bonded Debt Outstanding	238
Direct and Overlapping Governmental Activities Debt	239
Legal Debt Margin Information	240
Pledged Revenue Coverage	241
Demographic and Economic Statistics.....	243
Principal Employers.....	244
County Government Employees by Function/Program.....	246
Operating Indicators by Function/Program.....	247
Capital Asset Statistics by Function/Program	248



Introductory Section

The Introductory Section contains the letter of transmittal, which provides an overview of Palm Beach County's finances, economic prospects, and achievements. Also included in this section is the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association. It is the highest form of recognition in governmental financial reporting.





SHARON R. BOCK

Clerk & Comptroller
Palm Beach County

May 18, 2016

To the residents of Palm Beach County, Florida, the
Honorable Mayor Mary Lou Berger, and the Members of the
Board of County Commissioners:

The Palm Beach County, Florida, Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2015 is a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited by independent Certified Public Accountants in accordance with auditing standards generally accepted in the United States (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (GAGAS).

The CAFR was prepared by the Finance Department of the Clerk & Comptroller of Palm Beach County in accordance with Section 218.32 and 218.39, Florida Statutes. Responsibility for both the accuracy of the data presented, and the completeness and fairness of the presentation, including all disclosures, rests with the Clerk & Comptroller's Office. Palm Beach County has established a comprehensive set of internal controls designed to ensure that the County's assets are protected from loss, theft or misuse, and that sufficient, reliable accounting information is compiled to allow for financial statement preparation in conformity with GAAP. Since the cost of internal control should not exceed its expected benefit, the County's internal control structure has been designed to provide reasonable, but not absolute, assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

In accordance with Sections 11.45 and 125.01, Florida Statutes, the Palm Beach County financial statements were audited by RSM US, LLP, an independent Certified Public Accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2015 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Based on their audit, the independent Certified Public Accountants concluded that there was a reasonable basis for rendering an unmodified opinion stating that the County's financial statements for the fiscal year ended September 30, 2015 were fairly presented in all material respects in conformity with GAAP.

301 North Olive Avenue
West Palm Beach, FL 33401

P.O. Box 229
West Palm Beach, FL 33402

Telephone 561-355-2996
Facsimile 561-355-6727

www.mypalmbeachclerk.com

Management's Discussion and Analysis (MD&A) is a narrative required to accompany the basic financial statements. It provides an objective and easy to read analysis of the County's financial activities based on currently known facts, decisions, or conditions. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The MD&A can be found immediately following the Independent Certified Public Accountants' report.

PROFILE OF THE GOVERNMENT

Palm Beach County is a political subdivision of the State of Florida governed by the State Constitution and general laws of the State of Florida.

The legislative and governing body of the County is the seven member Board of County Commissioners (BOCC). Commissioners are elected to a maximum of 2 four-year terms by voters in the district in which they reside. Commissioners annually elect a Mayor to preside over meetings and serve as ceremonial head of the County. A Vice Mayor is also selected to assume these duties in the absence of the Mayor.

The Clerk & Comptroller's Office is responsible for safeguarding public records and public funds. The Clerk is independently elected by and accountable to Palm Beach County residents. In addition to the roles of Chief Financial Officer, Treasurer and Auditor for Palm Beach County, the Clerk & Comptroller is the Clerk of the Circuit Court, County Recorder, Clerk of the Board of County Commissioners and Value Adjustment Board.

As a result of a County-wide general election on November 6, 1984, Palm Beach County became a Home Rule Charter County on January 1, 1985, operating under a "County Manager" form of government with separation of legislative and executive functions. The County Administrator is responsible for the operations of all departments of the County except for the elected Constitutional Officers, the joint State/County agencies, and the staff departments that report directly to the Commission.

The County and its independently elected constitutional officers provide a full range of services, including law enforcement, tourist development, fire rescue, conservation and resource management, public improvements, human services, parks and recreation, cultural facilities, planning and zoning, public transportation, economic development, property tax assessments and collections, official recordkeeping, court-related support functions, and financial services, including the investment of public funds and financial reporting. The County also operates two business enterprise activities: the Department of Airports and the Water Utilities Department. The separately elected members of the BOCC and the Constitutional Officers together are the elected officials who are accountable to the residents of Palm Beach County. The officials holding these offices as of September 30, 2015 are identified on the page immediately following this letter. The organizations of the BOCC and the Constitutional Officers together comprise the Palm Beach County primary government.

This report covers the Palm Beach County reporting entity which includes the primary government as well as the component units. Component units are legally separate entities for which the primary government is financially accountable. Component units are either classified as blended component units or discretely presented component units, depending on the nature of the entity's relationship with the primary government.

The blended component units are included as a part of the primary government because although they are legally separate entities, in substance they are considered to be a part of the primary government's operations. Palm Tran is a blended component unit.

The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government. The Housing Finance Authority of Palm Beach County, the Metropolitan Planning Organization, the Westgate/Belvedere Homes Community Redevelopment Agency and the Solid Waste Authority are reported as discretely presented component units.

More information on the financial reporting entity may be obtained in Note 1 of the *Notes to the Financial Statements*.

The County's annual budget is prepared pursuant to Chapter 129, Florida Statutes, and represents the legal authority to levy taxes and expend funds for all County purposes. Florida Statutes also require that the County have a balanced budget. The County has complied with this requirement after inclusion of re-appropriated beginning fund balances, in accordance with Florida Statutes. The Office of Financial Management and Budget (OFMB) initiates the budget process by reviewing revenue and expenditure projections for the coming year. Based on the County Administrator's direction, OFMB prepares and distributes specific instructions to the various department heads and to the elected Constitutional Officers to guide them in the preparation of their budget requests. The County Administrator's tentative budget is prepared by OFMB and presented to the County Commission in July. The BOCC reviews the budget and makes changes as necessary. A summary of the tentative budget is advertised and publicly reviewed and revised prior to approval and adoption by the County Commission. For managerial purposes, the Board has delegated its authority to approve intradepartmental transfers to the Director of OFMB. All other amendments to the adopted budget must be approved by Board action at a regularly scheduled Board meeting.

LOCAL ECONOMY

Located on the southeast coast, Palm Beach County is the largest of Florida's 67 counties. As part of Florida's Gold Coast, Palm Beach County is bordered on the east by the Atlantic Ocean with 45 miles of shoreline. It is located just 50 miles north of Ft. Lauderdale, 70 miles north of Miami, and 150 miles south of Orlando. The County's 2,385 square miles include 1,977 square miles of land and 408 square miles of surface water, making it one of the largest counties east of the Mississippi River. The surface water areas include the Intracoastal Waterway and approximately one third of Lake Okeechobee. Lake Okeechobee is the largest freshwater lake in the state and the largest in the United States, other than the Great Lakes.

Palm Beach County's climate has enhanced its image as a location that provides a high quality of life to its residents. The average temperature is 75 degrees with an average of 82 degrees in the summer and 67 degrees in the winter. The wet season extends from June through October, with an average annual rainfall of 62 inches.

There are 38 municipalities within the County, encompassing a total of 342 square miles or approximately 17% of the County's area. An estimated 56% of the County's population resides within the municipalities. West Palm Beach remains the largest city both in size and population

in Palm Beach County with approximately 104,630 residents within 57.79 square miles. Cloud Lake is the smallest with approximately 133 people living within 0.06 square miles. In addition, 13 municipalities are less than one square mile each.

Tourism – Palm Beach County government is making a concentrated and continuing effort to increase the number of visitors to our area each year, which is expected to generate a 13% increase in Tourist Development Tax (also known as Bed Tax) revenues in fiscal year 2016 with the benefit of the Sixth (6th) Cent for a full fiscal year. There were an estimated 82,700 people employed in Leisure and Hospitality jobs in the County. The economic impact from our visitors is approximately \$7.6 billion annually to the County’s economy. During fiscal year 2015, Palm Beach County had an exceptional year for tourism. Bed tax revenues increased 26% with the benefit of seven (7) months of the additional 1 Cent Bed Tax over the previous year.

Agriculture – Palm Beach County agricultural acreage has remained stable for the last six years. Palm Beach County still leads the state of Florida and all counties east of the Mississippi River in agricultural proceeds. Palm Beach County leads the nation in the production of sugarcane, bell peppers, fresh sweet corn, and sod. It leads the state in the production of rice, lettuce, radishes, Chinese vegetables, specialty leaf produce, and celery. The 460,445 acres dedicated to agriculture represent 36% of the County’s total land mass. It ranks third in Florida in nursery production with estimated sales at \$139 million, and leads the state in agricultural wages and salary with over \$348 million. The industry currently uses bagasse, a sugarcane by-product, in conjunction with other waste wood products as the fuel source for the largest agriculturally based biomass co-generation plant in the United States for electricity generation. Equestrian acreage in western Palm Beach County continues to expand, currently ranking it as the second largest equine county in the state, behind Marion County.

Bioscience – Scripps Research Institute and the Max Planck Florida Institute are anchors to an eight million square feet bioscience cluster in northern Palm Beach County. A “cluster” of related bio-technology businesses will form a hub to strengthen the County’s position as a leader in this industry. Smaller bio-related companies, such as Ocean Ridge Biosciences LLC and Sancilio & Company, Inc., have either expanded or moved to the County.

Construction – During FY 2015, the total number of permits increased by 3% compared to FY 2014. Building Permit revenues increased by 10% to \$17.5 million, as compared to \$15.9 million in FY 2014. For residential construction, there were 340 multi-family and 1,766 single-family unit starts, as compared to 370 multi-family and 1,185 single-family unit starts in FY 2014. The total value was \$625 million in FY 2015, as compared to \$525 million during FY 2014. Total value of all construction permitted increased from \$1.08 billion in FY 2014 to over \$1.15 billion in FY 2015. Overall, permitting activity in both residential and commercial construction continues to increase.

LONG-TERM FINANCIAL PLANNING

The BOCC adopted a county-wide millage rate of 4.7815 (excluding debt service) for FY 2015, which is 6.07% above the roll back rate. Following the impact of the recession over the past 4 to 5 years, taxable property values are beginning to rebound. Last year’s values increased 4%.

The most significant impact on the FY 2015 General Fund budget was the Sheriff's budget request, which was a net ad valorem increase of \$28.3 million. A few of the other major impacts on the FY 2015 budget include Palm Tran Connection Service, a 3% pay increase for general employees, and a decrease in beginning balances brought forward.

RELEVANT FINANCIAL POLICIES

The County has in place a federally approved overhead distribution system which allocates from the General Fund administrative charges to the various County departments benefitting from such administrative activities. This system ensures qualification for federal reimbursement of administrative costs associated with federal programs.

The adopted budget for the General Fund includes unassigned reserves (reserves for balance brought forward including contingency) in an amount between 10% and 15% of net budgeted expenditures and transfers in accordance with budgetary policy and statutory requirements.

The County maintains unassigned fund balance in the General Fund between 15% and 20% of prior year audited expenditures and transfers to other funds. To the extent that unassigned fund balance falls outside of this range, corrective action will be taken over a three year period to bring the balance into conformity with this policy.

MAJOR INITIATIVES

Public Safety – Criminal Justice and Fire Rescue services continue to be a driving force on the County budget and a priority of the BOCC. The FY 2015 Sheriff and Fire Rescue requested budgets were fully funded by the Board. The Sheriff and Fire Rescue Main MSTU total FY 2015 adopted appropriation budgets (net of reserves) are \$531 million and \$272 million, respectively.

Homelessness – The County's "Ten-Year Plan to End Homelessness" outlines the various strategies and timelines to target homelessness and the lack of affordable housing in the County. The Homeless Advisory Board is responsible for overseeing the implementation of the Ten-Year Plan. The Homeless Continuum of Care, for which the Division of Human Services is the lead, adopted a new assessment tool that allows for service prioritization based on vulnerability. Prioritizing services to those most in need, provides the opportunity to examine our homeless service delivery system. It will provide data in the coming year regarding system gaps. It provides objective, evidenced-informed insight into which individuals/families should be served in which order based upon presenting needs, not the order of arrival.

During the second year of operation, the Homeless Resource Center (the Philip D. Lewis Center) served 747 homeless children in 510 families, and 1,987 single adults. The Center's operating budget is comprised primarily of Ad Valorem funds coupled with federal Community Development Block Grant dollars, in addition to other grants and donations. The Homeless Coalition of Palm Beach County, under an agreement with the County, continues to fundraise in support of housing placement for those served through the Lewis Center, beyond government resources. They also work to increase awareness regarding the needs of homeless individuals and families. Total FY 2015 funding for this effort was \$4.63 million.

Economic Development – The Palm Beach County Department of Economic Sustainability priorities are established by the BOCC and are driven by the specific economic needs of the County including job creation, the continued preservation of affordable housing, and infrastructure improvements. Palm Beach County serves as a financial resource for businesses, community redevelopment and housing initiatives through Federal, State and County assistance programs including loans, grants and tax exemptions leveraged by private capital investments. Key targeted industry clusters within Palm Beach County include Aerospace & Aviation, Business & Financial Services, Corporate Headquarters, IT & Telecommunications, Manufacturing, Transportation & Logistics, and Healthcare & Life Sciences as demonstrated by the County’s significant investments in Scripps and Max Planck research institutes.

Baseball – The County has recently entered into agreements with the Houston Astros and the Washington Nationals to build a spring training stadium in Palm Beach County. Bonds were issued in November 2015 to fund the stadium with spring training to begin in 2017. Palm Beach County will be the first county in the state to have two, two-team stadiums. The stadium costs will be funded by the State, the teams, and County tourist development tax revenues.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Palm Beach County, Florida, for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2014. This was the 26th consecutive year that the government achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States and applicable legal requirements.

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

The GFOA has also given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Palm Beach County, Florida, for its Popular Annual Financial Report (PAFR) for the fiscal year ended September 30, 2014. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Palm Beach County has received a Popular Award for the last nine consecutive years.

In addition, Palm Beach County also received the GFOA's Award for Distinguished Budget Presentation for its annual adopted budget for the fiscal year beginning October 1, 2014. This was the 29th time that Palm Beach County received this prestigious award. Also, the Clerk & Comptroller’s Office received the GFOA’s Award for Distinguished Budget Presentation for its

annual adopted budget for the fiscal year beginning October 1, 2014. This was the 3rd time that the Clerk & Comptroller's Office received this award. In order to qualify for the Distinguished Budget Presentation Award, the budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

The preparation of this Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated services of the entire Clerk & Comptroller's Finance Department with special acknowledgment to the Accounting and Financial Reporting staff.

Our appreciation is also extended to the Board of County Commissioners, Constitutional Officers, County Administrator, Office of Financial Management and Budget and their respective staffs, as well as our external auditors RSM US, LLP for making preparation of this report possible.

Respectfully submitted,

A handwritten signature in black ink that reads "Sharon R. Bock". The signature is written in a cursive, flowing style with a large initial 'S' and 'B'.

SHARON R. BOCK, Esq.
Clerk & Comptroller
Palm Beach County, Florida

PALM BEACH COUNTY, FLORIDA
PRINCIPAL OFFICIALS
AS OF SEPTEMBER 30, 2015

BOARD OF COUNTY COMMISSIONERS

SHELLEY VANA
County Commission Mayor
District #3

HAL R. VALECHE
County Commissioner
District #1

MARY LOU BERGER
County Commissioner
District #5

PAULETTE BURDICK
County Commissioner
District #2

MELISSA MCKINLAY
County Commissioner
District #6

STEVEN L. ABRAMS
County Commissioner
District #4

PRISCILLA A. TAYLOR
County Commissioner
District #7

APPOINTED OFFICIALS

COUNTY ADMINISTRATOR Verdenia C. Baker

COUNTY ATTORNEY Denise Nieman

COMMISSION AUDITOR Joseph F. Bergeron

CONSTITUTIONAL OFFICERS

Sharon R. Bock
CLERK & COMPTROLLER

Susan Bucher
SUPERVISOR OF ELECTIONS

Gary R. Nikolits
PROPERTY APPRAISER

Anne Gannon
TAX COLLECTOR

Ric Bradshaw
SHERIFF



Government Finance Officers Association

**Certificate of Achievement
for Excellence in
Financial Reporting**

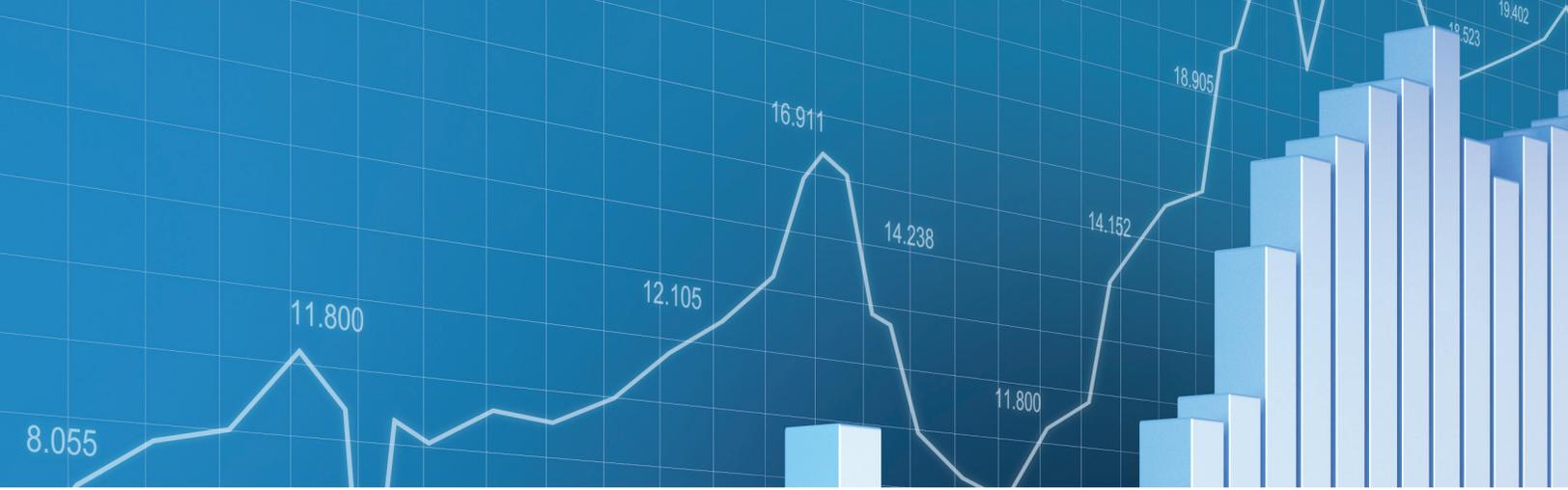
Presented to

**Palm Beach County
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2014

Executive Director/CEO



Financial Section

The Financial Section includes the Independent Auditor's Report, Management's Discussion and Analysis, Basic Financial Statements, Required Supplementary Information, and Combining and Individual Fund Statements and Schedules.





Independent Auditor's Report

RSM US LLP

Honorable Chair and Members of
the Board of County Commissioners
Palm Beach County, Florida

Honorable Ric L. Bradshaw
Sheriff

Honorable Sharon R. Bock
Clerk and Comptroller

Honorable Susan Bucher
Supervisor of Elections

Honorable Gary R. Nikolits
Property Appraiser

Honorable Anne Gannon
Tax Collector

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Palm Beach County, Florida (the County), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Solid Waste Authority, the Westgate Belvedere Homes Community Redevelopment Agency, and the Housing Finance Authority, discretely presented component units, which collectively represent 99% of the total assets and 99% of the total revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Solid Waste Authority, Westgate Belvedere Homes Community Redevelopment Agency, and Housing Finance Authority, is based on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions

Opinions.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Palm Beach County, Florida, as of September 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and Fire Rescue Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 17 to the financial statements, the County adopted the recognition and disclosure requirements of Governmental Accounting Standards Board Statements No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68*, effective October 1, 2014 which resulted in the County restating net position for recognition of the County's pension related activity incurred prior to October 1, 2014. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the schedules of County's proportionate share of the net pension liability for the Florida Retirement System Pension Plan (FRS) and Health Insurance Subsidy Pension Plan (HIS), the schedules of County contributions for the FRS and HIS, schedules of the Solid Waste Authority's proportionate share of the net pension liability for FRS and HIS, schedules of Solid Waste Authority's contributions for FRS and HIS, schedules of changes in net pension liability and related ratios for the Palm Tran Pension Plan (Palm Tran) and Lantana Pension Plan (Lantana), schedules of investment returns and schedules of contributions for the Palm Tran and Lantana plans, and the schedules of funding progress for the County Healthcare plans, Fire Rescue Long-Term Disability Plan, and Solid Waste Healthcare Plan as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and the statistical section 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 combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued, under a separate cover, our report dated May 18, 2016, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 County's internal control over financial reporting and compliance.

RSM US LLP

West Palm Beach, Florida
May 18, 2016





Management's Discussion & Analysis

The Management's Discussion and Analysis subsection provides a narrative introduction to and overview and analysis of the basic financial statements. It includes a description of the government-wide and fund financial statements, as well as an analysis of Palm Beach County's overall financial position and results of operations.



Management's Discussion and Analysis

Our discussion and analysis provides an overview of the financial activities of Palm Beach County, Florida (the "County") for the fiscal year ended September 30, 2015. We encourage reading this narrative in conjunction with the additional information provided in the transmittal letter (beginning on page i) and the accompanying financial statements (beginning on page 2).

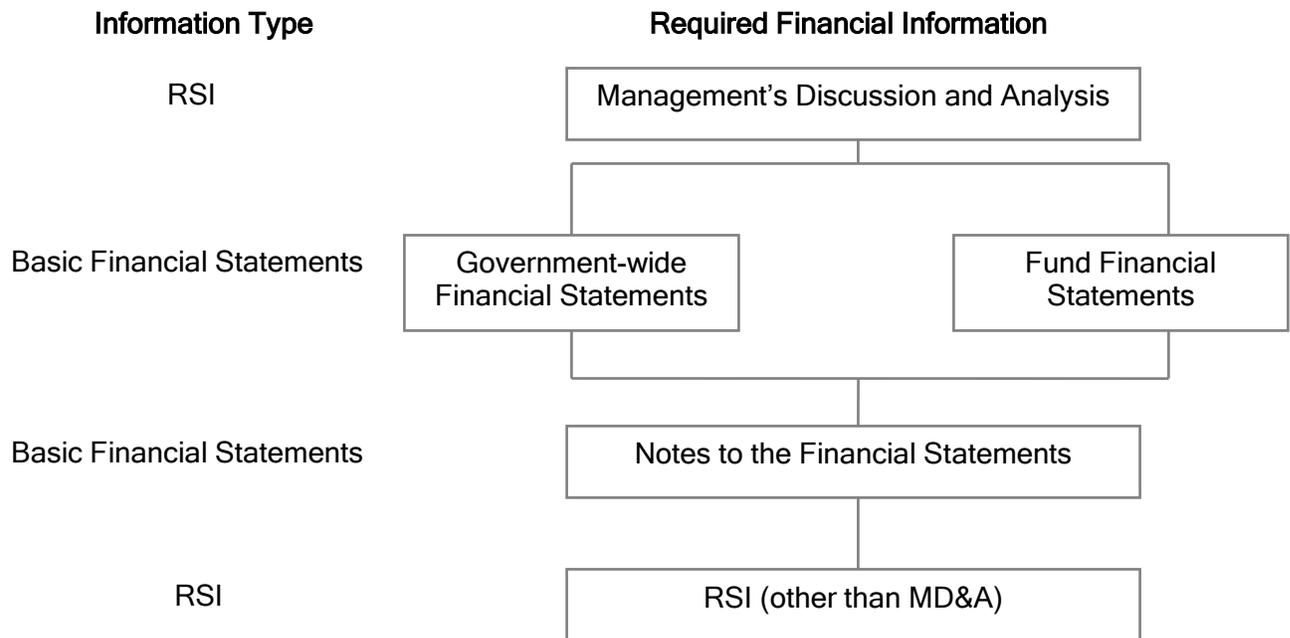
Financial Highlights

- The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources (net position) by approximately \$3.181 billion and \$3.010 billion at the close of fiscal years 2015 and 2014, respectively. Of these amounts, \$2.738 billion and \$2.641 billion were the net investment in capital assets. In addition, \$621 million and \$626 million were restricted by law, grant agreements, debt covenants, or for capital projects. As a result, (\$178) million and (\$257) million were available at year-end to meet the County's ongoing obligations to residents, creditors, and enterprise fund customers.
- The County's total liabilities at September 30, 2015 and 2014 were \$2.522 billion and \$2.315 billion, respectively.
- During the year, the County's total net position increased by \$171 million, compared to a decrease of \$35 million during the previous fiscal year. Business-type activities increased by \$77 million, and governmental activities increased by \$94 million.
- As of September 30, 2015, the County's governmental funds reported a combined ending fund balance of \$1.056 billion, an increase of \$18.6 million or approximately 2% from the previous year.
- As of September 30, 2015, the fund balance for the General Fund, including Constitutional Officers, was \$193.4 million, an increase of \$9.1 million or approximately 5% from the previous year.
- The County's two enterprise funds had a combined increase in net position of \$75.9 million. The Department of Airports increase was \$34.5 million and the Water Utilities Department had an increase of \$41.4 million.
- The County implemented Governmental Accounting Standards Board (GASB) Statement No. 68, "*Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27*" and GASB Statement No. 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*". These statements require a new approach to recording an employer's pension liability and reflect the underlying notion that pensions are a form of compensation provided to employees in exchange for the services they provide to a government over the employees' career. As a result of this new standard, the County's beginning net position was reduced by \$730 million as explained further in Notes 10 and 17.

Overview of the Financial Statements

This CAFR consists of the Basic Financial Statements and other statements. The County's basic financial statements contain three components: government-wide financial statements, fund financial statements, and notes to the financial statements.

Minimum Financial Reporting Requirements



Government-wide Financial Statements

The government-wide financial statements provide an overview of the County's financial position using the accrual basis of accounting, which is similar to the accounting used by private-sector businesses. The Statement of Net Position shows the County's assets plus deferred outflows less its liabilities plus deferred inflows as of September 30, 2015. The difference between these assets and deferred outflows and liabilities and deferred inflows is reported as net position. Changes in net position may serve as an indicator of whether the financial position of the County is improving or deteriorating. The Statement of Activities follows the Statement of Net Position and presents information showing how the County's net position changed during the fiscal year. Changes in net position are reported as soon as the underlying economic transactions occur, regardless of when cash is received or paid. Therefore, some of the revenues or expenses reported in the statement of activities will have cash flows in future fiscal periods. For example, certain sales taxes are shown as revenues although cash receipts will occur early in the following fiscal year. Alternatively, an increase in unused vacation leave is recorded as an expense although related cash outflows will occur in the future.

The government-wide financial statements show a distinction between activities that are supported primarily by taxes and intergovernmental revenues (governmental activities) and

activities that are supported by the recovery of all or most of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services, and culture and recreation functions. The business-type activities of the County are the Department of Airports and the Water Utilities Department.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also the legally separate entities for which the County is financially accountable (known as *component units*). The discretely presented component units of the County are the Metropolitan Planning Organization, the Housing Finance Authority of Palm Beach County, the Westgate/Belvedere Homes Community Redevelopment Agency, and the Solid Waste Authority. The financial activity of these component units is reported separately from the financial information of the primary government.

To obtain the separately issued financial statements of the discretely presented component units, see *Note 1 – Summary of Significant Accounting Policies*, in the Notes to the Financial Statements for contact information.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with legal, legislative, contractual, and other finance-related provisions. All of the County's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds

Most of the County's basic services are reported in governmental funds, which focus on the inflow and outflow of money or other spendable resources and on the level of balances remaining at year-end that are available for expenditure. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general governmental operations to account for available financial resources and demonstrate fiscal accountability. Governmental fund information helps illustrate the extent of financial resources that are available for expenditure on County programs. Reconciliations of the differences between the government-wide and fund financial statements are provided immediately after the *Balance Sheet-Governmental Funds* and *Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds*, respectively, in the *Basic Financial Statements*.

Funds that are significant in terms of revenues, expenditures, assets or liabilities are identified as *major* funds in the *Basic Financial Statements* and reported separately. Budget and actual comparison statements are also presented in this section for the General Fund and each major special revenue fund with an annually adopted budget. The County's nonmajor funds, and budget and actual comparisons schedules for any nonmajor funds with annually appropriated

budgets are presented in the *Combining and Individual Fund Statements and Schedules* section of this report.

Proprietary funds

The County uses both types of proprietary funds, Enterprise and Internal Service Funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Airports and Water Utilities operations. Both of these operations are considered to be major proprietary funds of the County. *Internal Service funds* are used to accumulate and allocate costs internally among the County's other functions. The County uses internal service funds to account for its Fleet Management and Risk Management programs. These programs are included within governmental activities in the government-wide financial statements because they predominantly benefit governmental rather than business-type functions. The three internal service funds are combined into a single presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the *Combining and Individual Fund Statements and Schedules* section of this report. The proprietary fund financial statements can be found in the *Basic Financial Statements*.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Agency funds are the only type of fiduciary fund used by the County. The amounts in these agency funds are not included in the government-wide financial statements because the resources of these funds are not available to support the County's own programs. However, the *Statement of Fiduciary Net Position – Agency Funds* in the *Basic Financial Statements* is provided for information on the agency funds. In addition, the individual agency funds are presented in the *Combining and Individual Fund Statements and Schedules* section of this report.

Notes to the financial statements

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

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information containing pension and other post-employment benefits (OPEB) data as listed in the table of contents. The combining statements for the nonmajor funds, internal service funds, agency funds, as well as individual fund budget and actual comparison schedules are found in the *Combining and Individual Fund Statements and Schedules* section of this report.

Government-wide Financial Analysis

Palm Beach County's net investment in capital assets such as land, roads, parks, buildings, machinery and equipment, as a percentage of net position, amounts to 86% and 88% as of September 30, 2015 and 2014, respectively. These asset values are presented less any outstanding debt related to the acquisition and accumulated depreciation of those assets. The County uses capital assets to provide services to the citizens and consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the capital assets themselves cannot be used to liquidate that liability, and other resources will be needed to repay any associated debt.

Another portion of the County's net position is *restricted* net position which represents resources that are subject to constraints such as debt covenants, grantors, laws or regulations. *Unrestricted* net position is that portion of County resources that are available to meet the ongoing obligations to residents, creditors, and enterprise fund customers.

The following table provides a comparative analysis of the County's net position for the fiscal years ended September 30, 2015 and 2014.

Palm Beach County, Florida						
Net Position at Year-End (in millions)						
	Governmental Activities		Business-type Activities		TOTAL PRIMARY GOVERNMENT	
	2015	2014 *	2015	2014 *	2015	2014 *
Assets						
Current and other assets	\$ 1,335	\$ 1,312	\$ 518	\$ 498	\$ 1,853	\$ 1,810
Capital assets	2,440	2,455	1,389	1,338	3,829	3,793
Total assets	3,775	3,767	1,907	1,836	5,682	5,603
Total deferred outflows of resources	293	84	23	16	316	100
Liabilities						
Current	236	276	60	54	296	330
Long-term debt due in more than one year	1,283	1,276	279	289	1,562	1,565
Net pension liability	643	406	21	14	664	420
Total liabilities	2,162	1,958	360	357	2,522	2,315
Total deferred inflows of resources	285	366	10	12	295	378
Net Position						
Net investment in capital assets	1,610	1,578	1,128	1,063	2,738	2,641
Restricted	539	538	82	88	621	626
Unrestricted	(528)	(589)	350	332	(178)	(257)
Total net position	\$ 1,621	\$ 1,527	\$ 1,560	\$ 1,483	\$ 3,181	\$ 3,010

* FY 2014 restated for GASB 68. Also, Business-type adjusted for reclassification of Goodwill to Deferred Outflows.

The (\$178) million unrestricted deficit in net position reflects the shortfall the County would face in the event it would have to liquidate all of its non-capital liabilities, including insurance claims payable, compensated absences, pensions and other post-employment benefits at September 30, 2015. Consequently, these long-term considerations have a significant impact on the resulting net position. The unrestricted deficit of (\$178) million resulted primarily from the implementation of GASB Statements No. 68 and 71. These GASB Statements required the County to record its proportionate share of pension liabilities for its various defined benefit retirement plans for County employees. These pension liabilities represent the amounts to be paid in the future when employees retire and will be funded through future contributions to the retirement plans. A deficit in unrestricted net position should not be considered, solely, as evidence of economic financial difficulties.

Governmental activities

Significant changes in the Statement of Net Position are as follows:

- Current and other assets for Governmental activities increased by \$23 million. Much of the change is due to overall higher cash, cash and cash equivalents, and investment balances on hand at the end of the fiscal year. These higher balances are partially due to new debt issuances and additional property tax revenue received.
- Capital assets for Governmental activities decreased by \$15 million primarily as a result of the effects of depreciation.
- The small increase in long-term debt for Governmental activities of \$7 million is due to in part to new debt issued in the General Government Capital Projects Fund and the Housing and Economic Development Special Revenue Fund.

Governmental activities were responsible for a \$94 million increase in the County's net position during fiscal year 2015, as compared with a \$100 million decrease during the previous fiscal year. This year's increase in net position from governmental activities is attributed to several factors:

Charges for services increased by \$34 million or 10% from the previous fiscal year. This increase is due in part to several factors, including a \$1.7 million increase in zoning fees revenue, or approximately 19%. Also attributing to the increase in this category are Ambulance transport fees, which were up \$2.8 million or 14%, as well as increase in the County's golf course revenues, which were up almost a half million dollars or 6%.

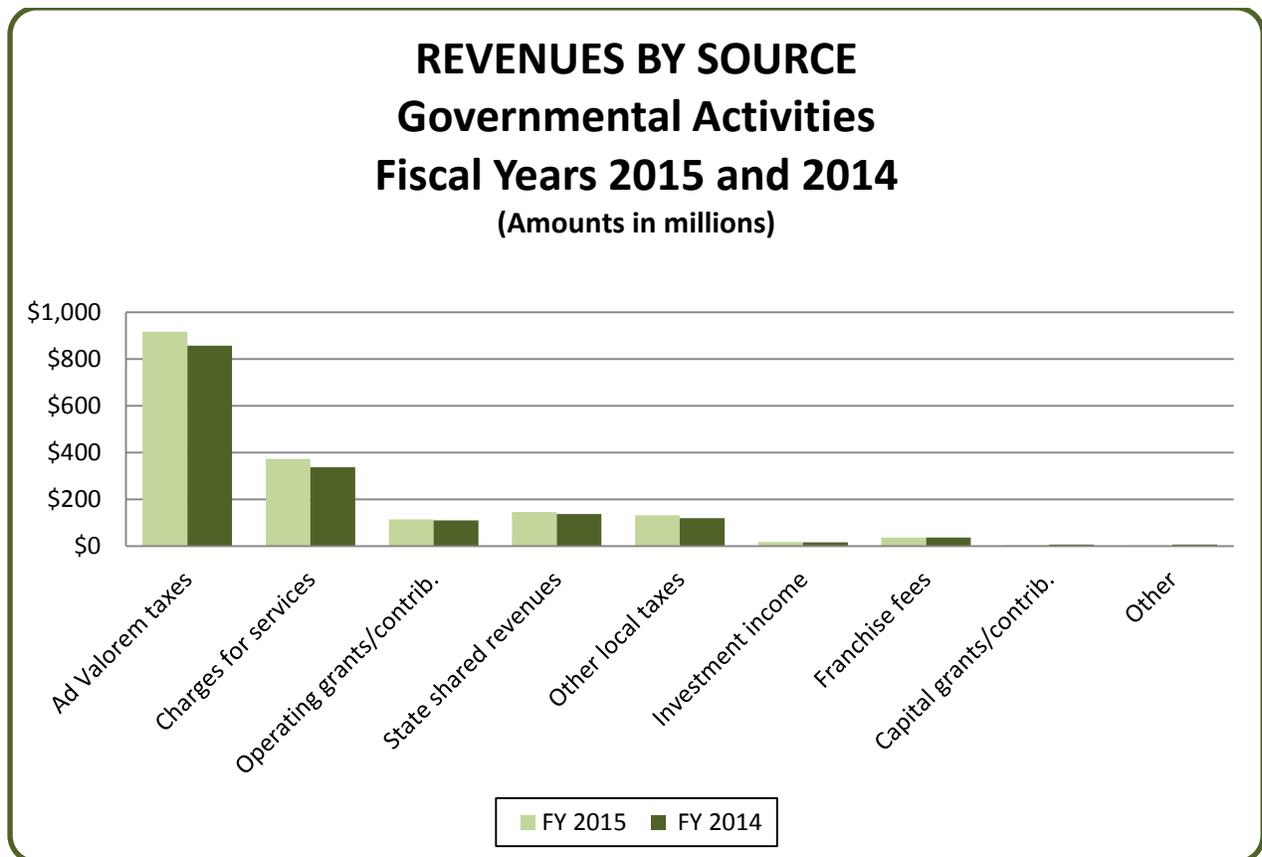
Investment income increased by \$2 million or 13% from the previous fiscal year due to the continued restructuring of the portfolio in order to decrease market price sensitivity. Pursuant to GASB 31, investments are required to be recorded at market or fair value based upon quoted market prices regardless of whether these changes are realized. With interest rates remaining at historic lows, interest income is diminished, leaving little flexibility to mitigate interest rate risk. Any fixed income portfolio will experience changes in fair value when rates rise or other market conditions change to affect fixed income markets.

Ad-valorem tax revenue increased approximately \$60 million or 7% from the previous fiscal year. The increase is due to higher overall taxable values.

General government expenses increased \$9 million or 3% from the previous fiscal year due in part to some increased spending related to road projects during the fiscal year.

Transportation expenses decreased \$20 million or 12% from the previous fiscal year. Some of this decrease is attributable to lower fuel prices and more efficient vehicles used in the County’s fleet operation and with the Palm Tran public bus system.

The County’s governmental activities had net expenses of \$1.172 billion. These services are intended to be primarily funded by taxes and other general revenues as opposed to charges for service and grants. Total revenues (program, general revenues and transfers in) were higher than total expenses by \$94 million.



Business-type activities

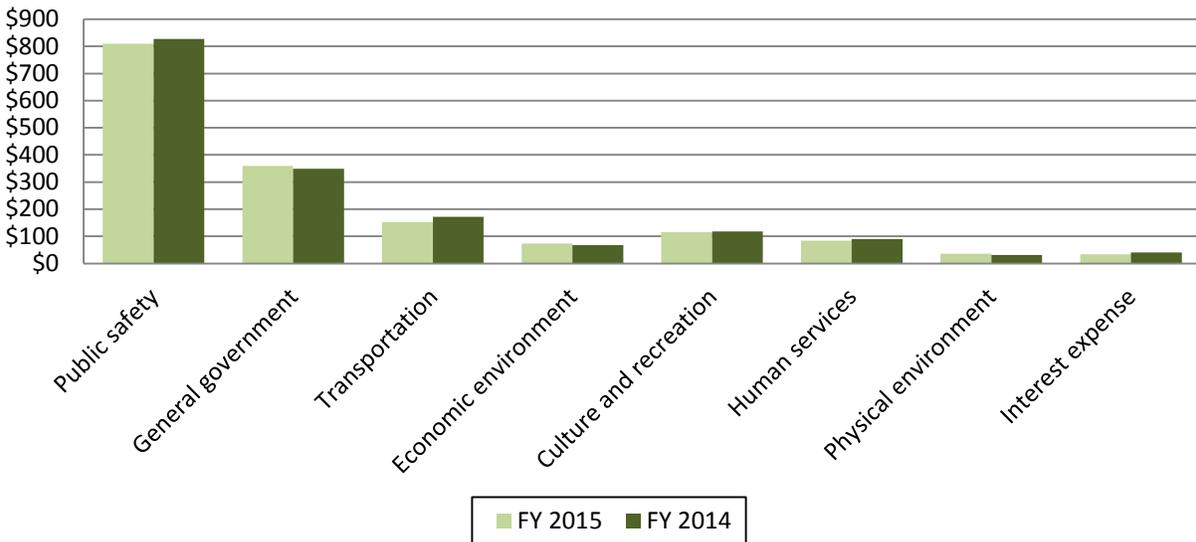
The County’s business-type activities reported total revenues of \$327 million which exceeded total expenses (including transfers) by \$77 million (refer to the **Proprietary funds** section of **Financial Analysis of the Government’s Funds** which follows for more information on the County’s business-type activities). Significant changes in the business-type activities Statement of Net Position included increases in cash as well as increases in capital assets.

Palm Beach County, Florida
Changes in Net Position (in millions)

	Governmental Activities		Business-type Activities		TOTAL PRIMARY GOVERNMENT	
	2015	2014 *	2015	2014 *	2015	2014 *
Revenues						
Program Revenues:						
Charges for services	\$ 373	\$ 339	\$ 264	\$ 258	\$ 637	\$ 597
Operating grants and contributions	114	111	-	-	114	111
Capital grants and contributions	4	7	58	35	62	42
	<u>491</u>	<u>457</u>	<u>322</u>	<u>293</u>	<u>813</u>	<u>750</u>
General Revenues:						
Ad valorem taxes	917	857	-	-	917	857
Other local taxes	132	120	-	-	132	120
State shared revenues	146	138	-	-	146	138
Franchise fees	37	37	-	-	37	37
Investment income	18	16	5	5	23	21
Other	3	6	-	-	3	6
Total revenues	<u>1,744</u>	<u>1,631</u>	<u>327</u>	<u>298</u>	<u>2,071</u>	<u>1,929</u>
Expenses						
General government	359	350	-	-	359	350
Public safety	809	827	-	-	809	827
Physical environment	36	31	-	-	36	31
Transportation	152	172	-	-	152	172
Economic environment	73	68	-	-	73	68
Human services	84	90	-	-	84	90
Culture and recreation	116	118	-	-	116	118
Interest expense	34	41	-	-	34	41
Department of Airports	-	-	74	74	74	74
Water Utilities Department	-	-	163	160	163	160
Total expenses	<u>1,663</u>	<u>1,697</u>	<u>237</u>	<u>234</u>	<u>1,900</u>	<u>1,931</u>
Excess of revenues over (under) expenses						
	81	(66)	90	64	171	(2)
Transfers In (Out)	13	(1)	(13)	1	-	-
Special items	-	(33)	-	-	-	(33)
Change in net position	<u>94</u>	<u>(100)</u>	<u>77</u>	<u>65</u>	<u>171</u>	<u>(35)</u>
Beginning net position	1,527	2,333	1,483	1,442	3,010	3,775
Cumulative effect of GASB 68	<u>-</u>	<u>(706)</u>	<u>-</u>	<u>(24)</u>	<u>-</u>	<u>(730)</u>
Beginning net position, as restated	1,527	1,627	1,483	1,418	3,010	3,045
Ending net position	<u>\$ 1,621</u>	<u>\$ 1,527</u>	<u>\$ 1,560</u>	<u>\$ 1,483</u>	<u>\$ 3,181</u>	<u>\$ 3,010</u>

* FY 2014 restated for GASB 68.

EXPENDITURES BY FUNCTION Governmental Activities Fiscal Years 2015 and 2014 (Amounts in millions)



Financial Analysis of the Government's Funds

As mentioned earlier, the County uses fund accounting to ensure and demonstrate compliance with legal, legislative, contractual, and other finance-related provisions.

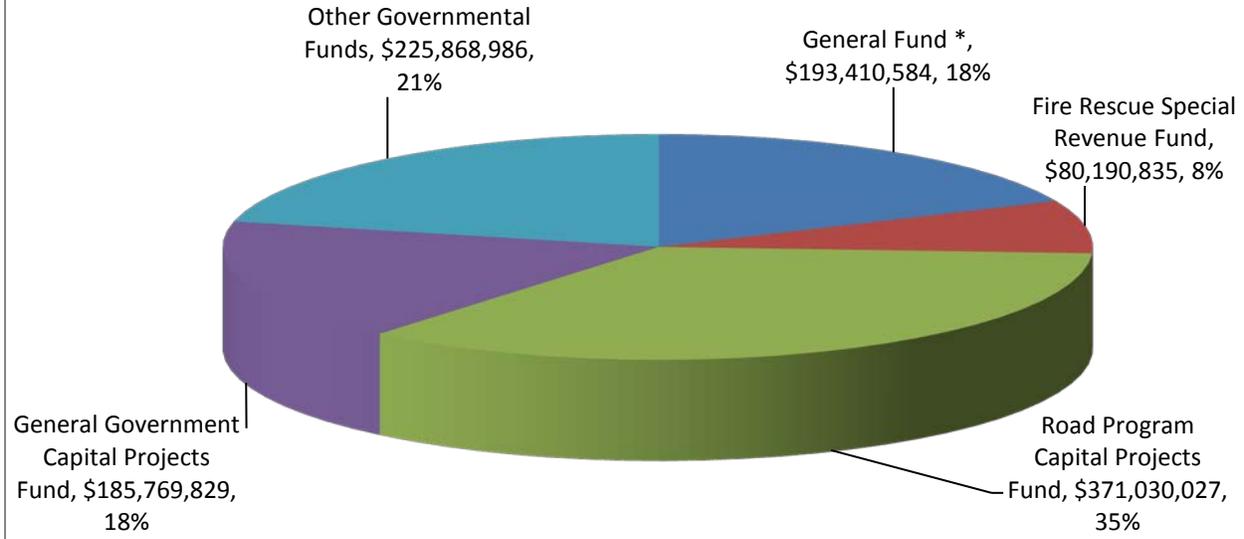
Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in determining the County's financing resources.

GOVERNMENTAL FUNDS

FUND BALANCE

Total \$1,056,270,261

September 30, 2015



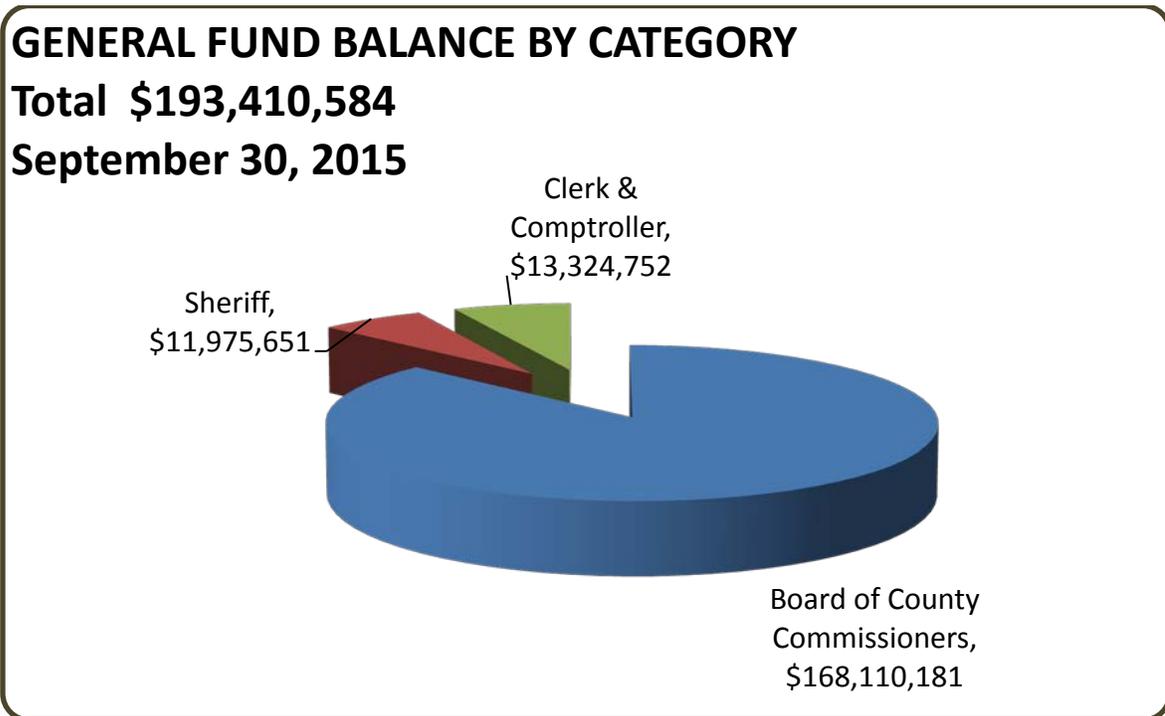
* Includes BOCC, Sheriff and Clerk & Comptroller

Changes in Fund Balance – Governmental Funds

At September 30, 2015, the County's governmental funds reported combined ending fund balances of \$1.056 billion, an increase of \$18.6 million from the previous year. Below are highlights of the change in fund balance.

- The increase in the General Fund's fund balance of \$9.1 million is primarily attributable to revenues outpacing expenditures for the 2015 fiscal year. Total revenues in the General Fund were \$1.081 billion, an increase of \$64.5 million or 6%. Most of this increase was related to Tax revenue, which increased \$43.4 million or 7%.
- The increase in the Fire Rescue Special Revenue Fund of \$5.1 million is attributable to an increase in overall revenues, primarily from Taxes and Charges for Services. The Charges for Services increase was due mainly from increases in transport activity as well as fee increases that were effective in January 2015. Costs were up slightly from the previous year in personal services due to an increase in salary costs as a result of across-the-board raises.

- The increase of \$19.5 million in the Road Program Capital Projects Fund is related to an overall increase in Special Assessments revenue, which increased \$5.9 million or 28% over the prior fiscal year.
- The increase of \$21.6 million in the General Government Capital Projects Fund is primarily due to the issuance of long-term debt (reported in other financing sources) during the fiscal year.
- The decrease of \$36.7 million in Other Governmental Funds is due to several factors. Significant impacts include an increase in Tourist Development expenditures of \$4.8 million or 22% over the previous fiscal year due to increases in economic activity. Transfers out from this fund, again due to increases in economic activity, were up \$14.6 million or 113% over the previous year. Palm Tran expenditures were up \$6.9 million, or 8% over the previous year due to increased costs with the Palm Tran Connection para-transit service.



Proprietary funds. The proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Financial highlights of each of the County’s enterprise funds are as follows:

Department of Airports:

- The Department’s net position increased by \$34.5 million in fiscal year 2015, compared to an increase of \$23.0 million in fiscal year 2014.

- ➔ Operating revenues decreased 7.8 to \$63.2 million. Airline revenues declined due to decreased costs, specifically annual debt service requirements as discussed below. The County's Airline agreement bases charges to airlines on costs to operate the terminal and airfield facilities. Other revenues increased including parking, up 11% totaling \$17.4 million, car rental concession revenue up 6%, totaling \$11.6 million, and non-airline facility rentals up 5%, totaling \$11.7 million.
- ➔ Compared to the prior year, operating expenses (excluding depreciation and amortization) increased by 4% or \$1.6 million. Increases were spread evenly across all expense categories.
- ➔ Debt service, as calculated by sinking fund requirements during the year, decreased from \$17.6 million to \$6.8 million. The decrease is due to the Series 2002 Revenue Bonds maturing October 1, 2015.

Water Utilities Department:

- ◆ The Department's net position increased by \$41.3 million in fiscal year 2015, compared to an increase of \$40.4 million in fiscal year 2014.
- ◆ Long-term debt (net of the current portion) decreased by \$8.0 million, or 3.8%, during the year. This decrease was due to the annual debt service payments being made in accordance with the debt service schedules.
- ◆ Operating revenues in fiscal year 2015 totaled \$176.8 million, an increase of \$6.9 million or 4.1% from fiscal year 2014. Fiscal year 2015 included the effect of rate indexing and a .7% increase in the customer base.
- ◆ Operating expenses before depreciation and amortization and equity interest in net loss of joint venture totaled \$115.2 million, an increase of \$3.4 million or .07%. This increase in operating expenses was due to increased contractual expenses related to increased activity and increased costs of purchased water and wastewater treatment.
- ◆ Non-operating income increased by \$4.3 million, or 104.9% in fiscal year 2015. This increase relates primarily to a \$3 million increase in guaranteed revenues from developers which were caused by increased developer construction activity within the County in 2015.
- ◆ The Department showed net income before contributions and transfers of \$27.7 million for fiscal year 2015, an increase of \$7.7 million or 39% from fiscal year 2014.

Budgetary Highlights

Budget and actual comparison statements are presented in the Basic Financial Statements for the General Fund and all major special revenue funds with annually appropriated budgets. Budget

and actual comparison schedules are also provided in the Combining and Individual Fund Statements and Schedules section for all nonmajor funds with annually appropriated budgets. The budget and actual comparison statements and schedules show the original adopted budget, the final revised budget, actual results and a variance between the final budget and actual results. There were no funds with total actual expenditures in excess of the final revised budget.

After the original budget is approved, it may be revised for a variety of reasons such as unforeseen circumstances, corrections of errors, new bond or loan proceeds, new grant awards and other revenues. During FY 2015, supplemental appropriations to the Board of County Commissioners' budget for all funds, excluding component units, were approximately \$345 million, or 9% of the original adopted budget.

Differences between the original budget for FY 2015 and the final amended budget for the General Fund can be summarized as follows:

- On March 10, 2015, the Board amended the budget to reflect the “true up” of the original budgeted beginning fund balance to the actual fund balance, which accounts for a \$14.7 million adjustment to the reserves for balances forward in the General Government budget, reduced the transfer to the Public Building Improvement Fund in the amount of \$1.6 million, and other miscellaneous adjustments.
- On August 18, 2015, the Board amended the budget to reflect an interfund transfer from the Beach Improvement Fund in the amount of \$905,452. This was necessary to recognize the reimbursement of funds from the Florida Department of Environmental Protection relating to a cost sharing project.
- The remaining amendments were primarily associated with new grants and carry forward of existing grant funds.

Budget to Actual Revenues

- Ad valorem tax collections were 96% of budget, in line with the historical collection rate. Florida Statutes require revenues to be budgeted at 95% of reasonably anticipated receipts. Palm Beach County budgets a negative 5% statutory reserve to accomplish this. Allowing for the reserve, ad valorem taxes were actually over collected by \$6.7 million.
- Major Revenues
 - ✓ Actual Electric Utility Service Tax and Franchise Fee revenues were 3% under budget. This revenue source is based on usage and is affected by area temperatures. Actual revenues are difficult to project. The FY 2016 budget has been adjusted to reflect the current usage.
 - ✓ FY 2015 budget for State Revenue Sharing and Sales Tax was set at a total of \$112.5 million, or 5.4% greater than the actual FY 2014 collections. However, FY 2015 actual collections came in at \$114.4 million, or 7.2%, over FY 2014 collections.

- ✓ Actual Communications Services Tax revenue was 4.8% below the FY 2015 budget.
 - ✓ Overall, the major revenues budget was set at a total of \$215.4 million, or 4.8% greater than the actual FY 2014 collections. FY 2015 actual collections came in at \$214.2, a variance of only .6%.
- Traffic Surcharge revenue was 25% under budget. This is directly due to a decline in civil traffic citations. Future budgets will be reduced to reflect current trends.
 - Public Safety actual revenues in the County General Fund were \$3.9 million, or 6%, over budget. Revenue estimates will be revised for future years.
 - Investment income for the General Fund was \$2.2 million over budget. While interest income is reasonably estimable, GASB 31 has made it difficult to project investment income that will be recognized. Fair market gains and losses cannot be projected as they are driven by real time market conditions, resulting in possible variances in recognized income. The FY 2016 budget has been adjusted to reflect current rate of return.
 - The remaining variance is primarily associated with Department specific revenues. Actual revenues were \$1.8 million, or 4.7%, over budget.

Budget to Actual Expenditures

- The year-end General Fund reserves budget was \$100.5 million, which represents 93% of the total unexpended appropriations in the fund. These unexpended funds will be carried over into FY 2016 and re-appropriated.
- The Division of Juvenile Justice Pre-Predisposition costs were \$2 million under budget due to a revised State allocation of the costs to counties.
- The Property Appraiser's net cost was \$.5 million under budget primarily due to an increase in excess fees returned to the County.
- The Tax Collector's net cost was \$8.2 million over budget primarily due to a decrease in the excess fees return to the County. This was due to costs associated with a new facility.
- The actual interfund transfer to the Office of Inspector General Fund was down \$438,000. This is due to position vacancies and unexpended operating expenses and reserves.
- Actual costs for a disparity study were \$553,000 under budget. These funds will be re-appropriated in FY 2016 to fund the remaining cost of the study.

- The remaining unspent funds can be primarily attributed to County departments spending less than budgeted. Actual expenses were \$11.2 million, or 4.7%, under budget.

Budget to Actual – Other financing sources

- Transfers-In
 - ✓ Actual excess fees received from the Sheriff, Supervisor of Elections, and the Clerk amounted to \$9.6 million, \$3.7 million more than the budget.
 - ✓ An unbudgeted interfund transfer of \$4.7 million from the TDC 1st Cent Fund was recognized for the purchase of land for the baseball stadium project.

Capital Assets and Debt Administration

Capital assets. The County’s capital assets for its governmental and business-type activities as of September 30, 2015, amounts to \$3.829 billion (net of accumulated depreciation). This investment in capital assets includes a broad range of capital assets, including land, buildings and improvements, improvements other than buildings, equipment, infrastructure, and construction in progress. The County’s capital assets for FY 2015 increased by \$36 million; governmental activities decreased \$15 million and business-type activities increased by \$51 million.

Palm Beach County, Florida							
Capital Assets, net of Accumulated Depreciation at Year-End (in millions)							
	Governmental Activities		Business-type Activities		TOTAL PRIMARY GOVERNMENT		
	2015	2014	2015	2014 *	2015	2014 *	
Land	\$ 689	\$ 688	\$ 123	\$ 117	\$ 812	\$ 805	
Buildings & improvements	736	760	218	231	954	991	
Improvements other than buildings	191	202	901	891	1,092	1,093	
Equipment	214	194	27	26	241	220	
Infrastructure	384	399	-	-	384	399	
Intangible - easement rights	-	-	11	11	11	11	
Construction in progress	226	212	109	62	335	274	
TOTALS	\$ 2,440	\$ 2,455	\$ 1,389	\$ 1,338	\$ 3,829	\$ 3,793	

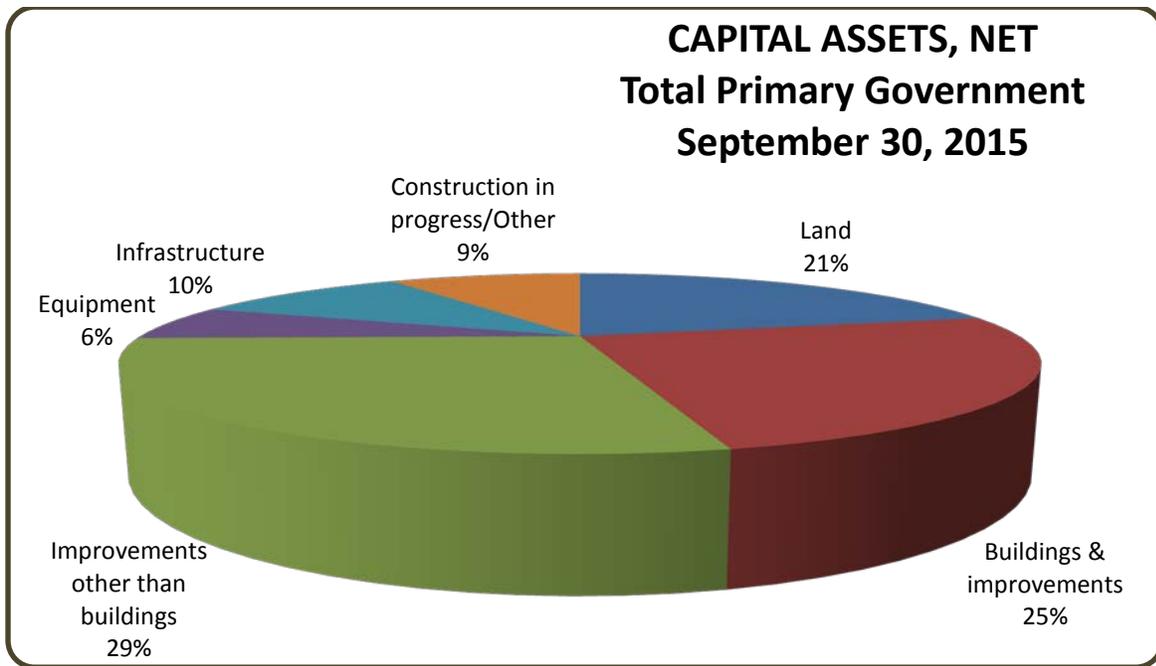
* FY 2014 adjusted for reclassification of Goodwill to Deferred Outflows.

Major capital asset events during the fiscal year include the following:

- Governmental activities Net Capital Assets decreased by \$15 million. This change was due to current year depreciation exceeding current year additions. Changes included a decrease of \$24 million in Buildings and Improvements and \$15 million in Infrastructure due to the effects of depreciation, offset by increases in Equipment of \$20 million. Part of this increase in Equipment is due to additional transportation equipment purchased by the

County’s Fleet Management department. The County continues to make strides in improving fuel economy and efficiency by replacing larger, less fuel efficient vehicles with hybrids as much as possible.

- Business-type activities Net Capital Assets increased overall by \$51 million to \$1.389 billion, primarily attributable to increases in Construction in Progress of the Water Utilities Department. Since the County assumed the Glades Utility Authority, a large portion of the increase is due to the department continuing to repair and replace infrastructure in order to improve the water quality in the cities of Belle Glade, South Bay and Pahokee.
- Major capital asset additions by the Water Utilities Department included construction of additional raw water wells for \$7.8 million and construction of the Northern Region Operations Center for \$4.9 million.
- The Department of Airports expended \$45.9 million on capital activities which is a substantial increase over prior years due to the ongoing construction of an in line baggage system to be substantially complete in 2016 at a total cost of \$30 million. Completed projects during 2015 totaling \$10.1 million were transferred from Construction in Progress to their respective capital accounts. The major projects completed in FY 2015 involved airfield, parking garage and terminal improvements, including \$7 million for North County Airport wetlands and \$1.2 million for the General Aviation Security System.



See Note 3, *Capital Assets*, in the *Notes to the Financial Statements* for additional information.

Long-term liabilities. At September 30, 2015, the primary government had 38 issues of bonded debt totaling \$1.203 billion. Of this amount, \$152 million comprises debt backed by the full

faith and credit of the government. \$775 million is special obligation debt secured by dedicated revenue sources and \$276 million is secured by specified enterprise revenue sources. Other obligations consist primarily of self-insurance liabilities, compensated absences, and other post-employment benefits (see chart below for more information).

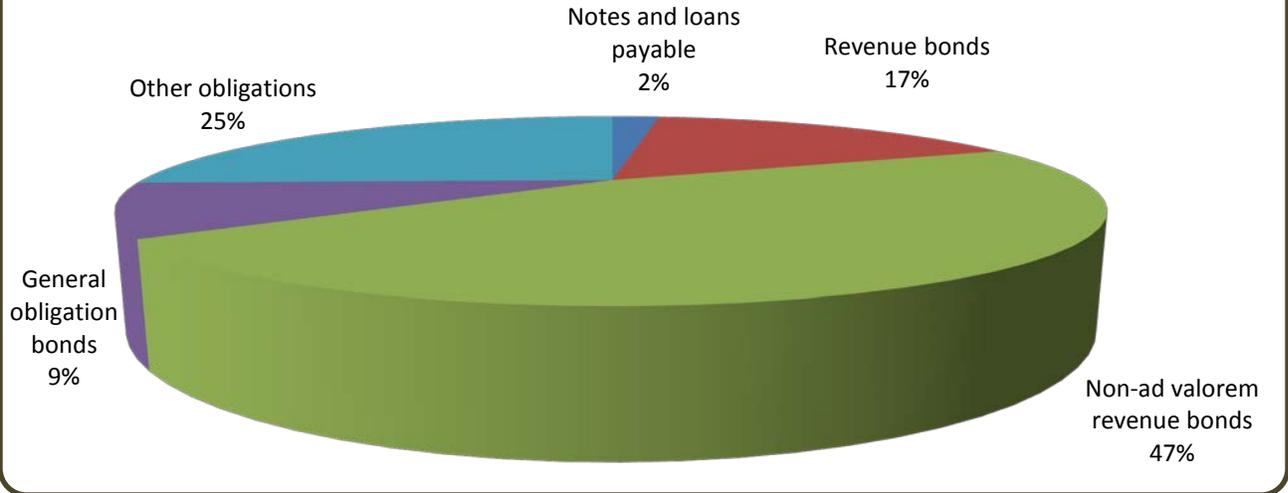
Palm Beach County, Florida						
Long-Term Liabilities at Year-End (in millions)						
	Governmental Activities		Business-type Activities		TOTAL PRIMARY GOVERNMENT	
	2015	2014	2015	2014	2015	2014
General obligation bonds	\$ 152	\$ 175	\$ -	\$ -	\$ 152	\$ 175
Non-ad valorem revenue bonds	775	773	-	-	775	773
Revenue bonds	-	-	276	296	276	296
Notes and loans payable	26	26	9	10	35	36
Other obligations	420	417	4	4	424	421
TOTALS	\$ 1,373	\$ 1,391	\$ 289	\$ 310	\$ 1,662	\$ 1,701

Bonded Debt. The County's bond issues are rated by three primary bond rating agencies: Moody's Investors Service, Standard & Poor's and Fitch Ratings. These ratings, which are listed in the following chart, are indicative of the County's strong management team, broad-based economy, continually well-performing tax base, increasingly strong financial position, minimal debt requirements and high quality residential tax base. At September 30, 2015, the County's non ad-valorem revenues were 3.92 times the debt service required in the current or any future fiscal year.

<u>Type of Debt Issue</u>	<u>Moody's</u>	<u>Fitch Ratings</u>	<u>S&P</u>
General obligation bonds	Aaa	AAA	AAA
Non-ad valorem revenue bonds	Aa1	AA+	AA+
Water and Sewer System Enterprise revenue bonds	Aaa	AAA	AAA
Water and Wastewater System Enterprise revenue bonds	Aaa	AAA	AAA
Airport System Enterprise revenue bonds	A2	A	A

Note: Highest rating: AAA/Aaa Investment grade ratings: AAA/Aaa through BBB/Baa, Lowest Rating: C

LONG-TERM LIABILITIES
Total Primary Government
September 30, 2015



See Note 13, *Long-Term Debt*, in the *Notes to the Financial Statements* for additional information.

Economic Factors

Local, national, and international economic factors influence the County’s revenues in a variety of ways. Positive economic growth is correlated with increased revenues from property taxes, sales taxes, fuel taxes, charges for services, state revenue sharing as well as state and federal grants. Economic growth may be measured by a variety of indicators such as job growth, employment, tourism, new construction and assessed values, diversification of the property tax base, and Enterprise Fund revenue and net position growth.

- The County’s population increased from 1,360,248 in 2014 to 1,378,417 in 2015, an increase of approximately 1%.
- The civilian labor force for Palm Beach County increased from 669,252 on September 30, 2014 to 685,491 as of September 30, 2015. The County’s unemployment rate decreased from 6% on September 30, 2014 to 5.3% as of September 30, 2015.
- Gross property taxes levied for fiscal year 2015 increased from \$890.7 million in 2014 to \$953.2 million for 2015, an increase of \$62.5 million or 7%.
- Palm Beach County has a diversified property tax base. The ten largest property taxpayers in the County represent 16% of the total ad valorem property taxes levied.
- Residential building permits issued in Palm Beach County for single family and multi-family units increased from 3,960 in 2014 to 4,355 in 2015, an increase of 10%, which is another indicator of an improving local economy.

- The median sales price for a single-family home in Palm Beach County rose from \$275,000 in 2014 to \$305,000 in 2015, an increase of 10.9%. The median sales price for Townhouses/Condominiums also rose from \$140,000 in 2014 to \$155,000 in 2015, an increase of 10.7%.
- Palm Beach County's local economy continues to show signs of improvement. Sales tax revenue for fiscal year 2015 totaled \$84.7 million, which was \$5.3 million or 7% higher than fiscal year 2014.
- Property Tax revenues for fiscal year 2015 were \$917.3 million, an increase of \$60.5 million from fiscal year 2014, or 7.1%.
- It was a positive showing for tourism in Palm Beach County during the year. Tourist development tax increased from \$33.8 million in fiscal year 2014 to \$42.7 million in fiscal year 2015, an increase of \$8.9 million or 26%.

More information on economic factors is provided in the *Statistical Section*.

To Obtain Further Information

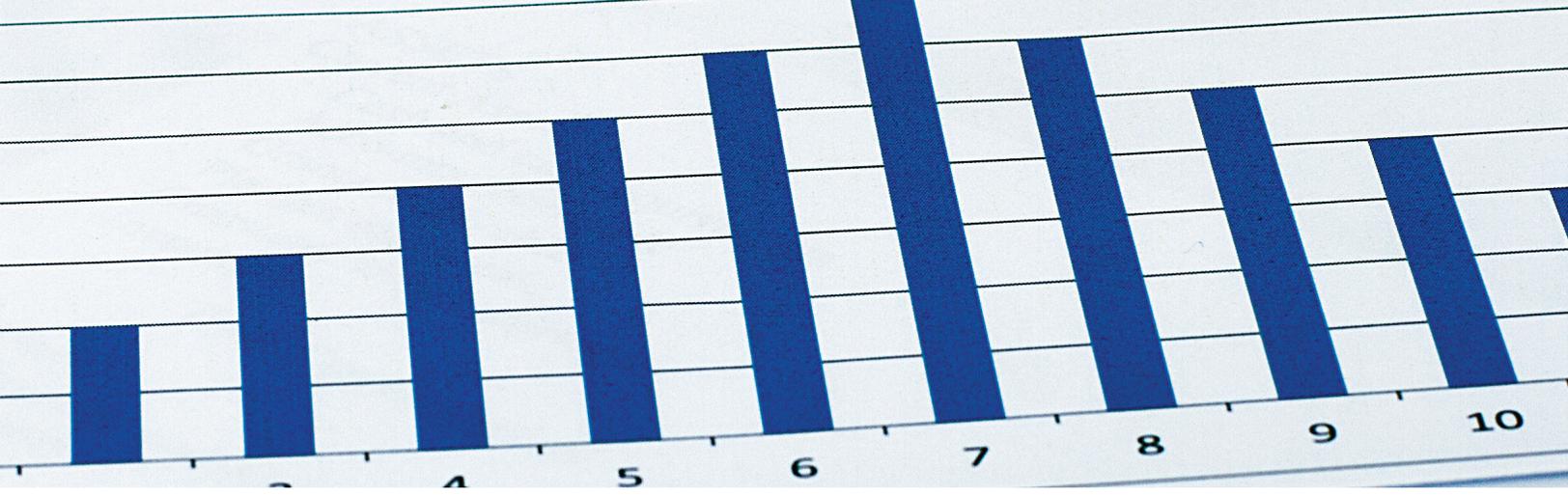
This financial report was designed to provide an overview of the County's finances. If you have any questions concerning budgets, long-term financial planning, future debt issuances or questions related to the management of County operations, please contact the County Administrator at:

County Administrator
301 North Olive Avenue, 11th Floor
West Palm Beach, FL 33401

If you have any questions concerning the Basic Financial Statements or other accounting information in this report, please contact the Financial Reporting Manager at:

Clerk & Comptroller, Palm Beach County
Finance Department
301 North Olive Avenue, 2nd Floor
West Palm Beach, FL 33401





Basic Financial Statements

The Basic Financial Statements subsection includes the government-wide financial statements, which incorporate governmental and business type activities of Palm Beach County and activities of component units in order to provide an overview of the financial position and results of operation for the reporting entity. This subsection also includes the fund financial statements of the County and the accompanying notes to the financial statements.





PALM BEACH COUNTY, FLORIDA
Statement of Net Position
September 30, 2015

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash, cash equivalents, and investments	\$ 850,291,596	\$ 317,478,182	\$ 1,167,769,778
Interest receivable	249,163	553,800	802,963
Accounts receivable - net	28,734,313	23,742,516	52,476,829
Internal balances	(7,458,004)	7,458,004	-
Due from primary government	-	-	-
Due from other governments	52,070,374	21,223,043	73,293,417
Due from component units	356,052	-	356,052
Inventories	14,036,295	7,173,760	21,210,055
Other assets	8,895,073	5,070,335	13,965,408
Other receivables - noncurrent	15,900,132	13,466,712	29,366,844
Investment in joint ventures	-	44,542,136	44,542,136
Noncurrent restricted cash, cash equivalents and investments	372,619,360	76,873,591	449,492,951
Capital assets			
Non-depreciable capital assets	915,152,769	234,359,100	1,149,511,869
Depreciable capital assets, net	1,524,926,473	1,154,698,981	2,679,625,454
Total assets	3,775,773,596	1,906,640,160	5,682,413,756
DEFERRED OUTFLOWS OF RESOURCES			
Pension related (Note 10)	264,020,908	8,612,441	272,633,349
Deferred charges on refunding	28,847,189	9,013,933	37,861,122
Goodwill	-	4,951,828	4,951,828
Total deferred outflows of resources	292,868,097	22,578,202	315,446,299
LIABILITIES			
Vouchers payable and accruals	75,045,105	32,386,240	107,431,345
Due to primary government	-	-	-
Due to other governments	17,255,907	1,101,914	18,357,821
Due to component units	12,402,408	757	12,403,165
Due to individuals	453,150	7,421,452	7,874,602
Accrued interest payable	13,971,989	6,196,952	20,168,941
Unearned revenue	15,120,143	1,160,708	16,280,851
Other current liabilities	11,576,825	-	11,576,825
Long-term liabilities			
Long-term liabilities due within one year	89,838,315	11,033,948	100,872,263
Long-term liabilities due in more than one year	1,283,301,839	278,594,903	1,561,896,742
Net pension liability	643,229,409	21,123,788	664,353,197
Total liabilities	2,162,195,090	359,020,662	2,521,215,752
DEFERRED INFLOWS OF RESOURCES			
Pension related (Note 10)	285,208,555	9,816,958	295,025,513
Other	124,250	183,875	308,125
Total deferred inflows of resources	285,332,805	10,000,833	295,333,638
NET POSITION			
Net investment in capital assets	1,610,129,282	1,127,828,939	2,737,958,221
Restricted for:			
Debt service	11,211,425	10,081,528	21,292,953
Capital projects	366,213,076	61,706,492	427,919,568
Library services	8,360,273	-	8,360,273
Fire rescue services	25,599,478	-	25,599,478
Tourist development programs	17,136,573	-	17,136,573
Grant and economic development programs	26,403,255	-	26,403,255
Environmental protection programs	12,003,961	-	12,003,961
Public safety and judicial programs	16,358,919	-	16,358,919
Other services and programs	55,642,067	10,280,002	65,922,069
Unrestricted	(527,944,511)	350,299,906	(177,644,605)
Total net position	\$ 1,621,113,798	\$ 1,560,196,867	\$ 3,181,310,665

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

Component Units			
Metropolitan Planning Organization	Housing Finance Authority	Westgate/ Belvedere Homes Community Redevelopment Agency	Solid Waste Authority
\$ 150	\$ 3,172,685	\$ 760,602	\$ 296,664,389
-	8,886	-	220,867
7,124	375,978	5,156	6,425,846
-	-	-	-
43,103	8,037,743	-	4,322,319
376,937	-	-	-
-	-	-	-
-	-	-	2,885,828
31,131	28,696	2,678,580	2,190,019
-	112,207	-	-
-	-	-	-
-	-	-	113,235,006
-	-	3,646,295	73,988,863
-	-	2,998,385	1,255,424,466
458,445	11,736,195	10,089,018	1,755,357,603
-	-	64,874	3,056,406
-	-	-	23,348,088
-	-	-	-
-	-	64,874	26,404,494
85,537	75,845	19,871	37,117,604
3,508	-	-	352,544
500	-	-	937,330
-	-	-	-
-	-	-	583,750
-	-	-	22,029,982
-	-	-	-
-	105,000	19,228	112,974
7,854	-	579,326	15,736,488
18,771	-	830,179	1,070,759,378
-	-	185,382	15,632,652
116,170	180,845	1,633,986	1,163,262,702
-	-	82,076	2,224,505
-	-	2,400	-
-	-	84,476	2,224,505
-	-	6,384,680	472,589,369
-	-	285,276	-
-	-	90,161	12,324,469
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	24,179,761
342,275	11,555,350	1,675,313	107,181,291
\$ 342,275	\$ 11,555,350	\$ 8,435,430	\$ 616,274,890

PALM BEACH COUNTY, FLORIDA
Statement of Activities
For the fiscal year ended September 30, 2015

	Expenses		Program Revenues		
	Direct	Indirect	Fines, Fees and Charges for Services	Operating Grants, Contributions and Restricted Interest Income	Capital Grants and Contributions
PRIMARY GOVERNMENT					
Governmental Activities					
General Government	\$ 376,569,650	\$ (16,697,854)	\$ 151,696,645	\$ 2,862,801	\$ 959,723
Public Safety	803,091,170	6,027,693	141,814,407	6,889,109	271,742
Physical Environment	35,899,781	-	33,990,543	12,927,336	904,627
Transportation	151,556,124	-	16,139,081	51,226,466	1,794,335
Economic Environment	73,078,560	147,090	3,437,371	18,450,689	-
Human Services	83,663,921	113,860	3,085,915	20,172,563	-
Culture and Recreation	112,112,616	3,491,550	22,573,135	1,719,109	206,600
Interest Expense	33,558,583	-	-	-	-
Total Governmental Activities	1,669,530,405	(6,917,661)	372,737,097	114,248,073	4,137,027
Business Activities					
Department of Airports	73,254,787	967,509	76,008,774	-	31,765,529
Water Utilities Department	156,789,691	5,856,977	187,516,359	-	26,222,932
Total Business Activities	230,044,478	6,824,486	263,525,133	-	57,988,461
Total Primary Government	\$ 1,899,574,883	\$ (93,175)	\$ 636,262,230	\$ 114,248,073	\$ 62,125,488
COMPONENT UNITS					
Metropolitan Planning Organization	\$ 1,259,961	\$ 93,175	\$ -	\$ 1,416,714	\$ -
Housing Finance Authority	1,220,632	-	434,050	354,119	-
Westgate/Belvedere CRA	991,050	-	-	55,500	-
Solid Waste Authority	228,831,387	-	270,250,913	897,341	-
Total Component Units	\$ 232,303,030	\$ 93,175	\$ 270,684,963	\$ 2,723,674	\$ -
General Revenues Taxes - levied by the County Ad-valorem taxes Utility service taxes Local option gas taxes Tourist development taxes State shared sales tax-unrestricted Franchise gross receipts fee State shared revenues-unrestricted Interest income Net change in fair value of investments Other general revenues Transfers - net <u> Total general revenues and transfers</u>					
Increase (decrease) in net position					
<u>Beginning net position, October 1, 2014, as restated (Note 17)</u>					
<u>Ending net position, September 30, 2015</u>					

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

Net (Expense) Revenue and Changes in Net Position

Primary Government			Component Units			
Governmental Activities	Business-Type Activities	Total	Metropolitan Planning Organization	Housing Finance Authority	Westgate/ Belvedere Homes	Solid Waste Authority
					Community Redevelopment Agency	
\$ (204,352,627)	\$ -	\$ (204,352,627)	\$ -	\$ -	\$ -	\$ -
(660,143,605)	-	(660,143,605)	-	-	-	-
11,922,725	-	11,922,725	-	-	-	-
(82,396,242)	-	(82,396,242)	-	-	-	-
(51,337,590)	-	(51,337,590)	-	-	-	-
(60,519,303)	-	(60,519,303)	-	-	-	-
(91,105,322)	-	(91,105,322)	-	-	-	-
(33,558,583)	-	(33,558,583)	-	-	-	-
<u>(1,171,490,547)</u>	<u>-</u>	<u>(1,171,490,547)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	33,552,007	33,552,007	-	-	-	-
-	51,092,623	51,092,623	-	-	-	-
-	84,644,630	84,644,630	-	-	-	-
<u>\$ (1,171,490,547)</u>	<u>\$ 84,644,630</u>	<u>\$ (1,086,845,917)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 63,578	\$ -	\$ -	\$ -
-	-	-	-	(432,463)	-	-
-	-	-	-	-	(935,550)	-
-	-	-	-	-	-	42,316,867
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,578</u>	<u>\$ (432,463)</u>	<u>\$ (935,550)</u>	<u>\$ 42,316,867</u>
\$ 917,301,988	\$ -	\$ 917,301,988	\$ -	\$ -	\$ 1,366,885	\$ -
39,936,056	-	39,936,056	-	-	-	-
49,750,672	-	49,750,672	-	-	-	-
42,736,409	-	42,736,409	-	-	-	-
84,668,592	-	84,668,592	-	-	-	-
37,293,992	-	37,293,992	-	-	-	-
61,040,743	-	61,040,743	-	-	-	-
20,403,519	5,373,482	25,777,001	-	-	720	-
(2,474,815)	(625,241)	(3,100,056)	-	-	-	-
2,675,830	-	2,675,830	68	-	52,864	-
12,667,873	(12,667,873)	-	-	-	-	-
<u>1,266,000,859</u>	<u>(7,919,632)</u>	<u>1,258,081,227</u>	<u>68</u>	<u>-</u>	<u>1,420,469</u>	<u>-</u>
94,510,312	76,724,998	171,235,310	63,646	(432,463)	484,919	42,316,867
1,526,603,486	1,483,471,869	3,010,075,355	278,629	11,987,813	7,950,511	573,958,023
<u>\$ 1,621,113,798</u>	<u>\$ 1,560,196,867</u>	<u>\$ 3,181,310,665</u>	<u>\$ 342,275</u>	<u>\$ 11,555,350</u>	<u>\$ 8,435,430</u>	<u>\$ 616,274,890</u>



DESCRIPTIONS OF MAJOR FUNDS

GOVERNMENTAL FUNDS

General Fund - To account for all financial resources of the general government except those required to be accounted for in other funds. The General Fund is subdivided into the following categories: Board of County Commissioners (BOCC), Sheriff, Clerk & Comptroller, Tax Collector, Property Appraiser and the Supervisor of Elections.

Fire Rescue Special Revenue Fund - To account for ad-valorem taxes and other revenues designated for fire rescue services.

Road Program Capital Projects - To account for costs related to the design, acquisition of rights-of-way and construction of improvements to the County's major thoroughfare road system, primarily represented by the County's Five Year Road Program.

General Government Capital Projects - To account for costs of capital improvements not included in any other category.

PROPRIETARY FUNDS

Airports - To account for activities related to the operation of the four County-owned airports - Palm Beach International Airport in West Palm Beach and three general aviation airports located in Lantana, Pahokee and Palm Beach Gardens.

Water Utilities - To account for activities related to the operation of the County-owned water and sewage system which provides water and sewer services to portions of the unincorporated area of the County as well as to certain municipalities.

PALM BEACH COUNTY, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2015

	MAJOR FUNDS		
	General Fund	Fire Rescue Special Revenue Fund	Road Program Capital Projects
ASSETS			
Cash, cash equivalents, and investments	\$ 252,409,605	\$ 82,554,352	\$ 372,781,667
Accounts receivable, net	11,745,515	4,231,386	-
Due from other county funds	24,460,644	2,821,344	744,670
Due from other governments	9,920,635	5,716,930	3,666,916
Due from component unit	351,966	-	-
Inventory	6,298,908	2,724,420	-
Other assets	389,980	75	-
Other receivables, noncurrent	-	-	-
Total assets	\$ 305,577,253	\$ 98,048,507	\$ 377,193,253
LIABILITIES			
Vouchers payable and accrued liabilities	\$ 37,853,168	\$ 11,299,548	\$ 3,173,286
Due to other county funds	18,697,651	128,848	44,809
Due to other governments	16,316,703	16,824	20
Due to component unit	12,401,765	-	-
Due to individuals	65,894	-	-
Insurance claims payable	2,160,554	-	-
Unearned revenue	13,019,423	-	1,415,162
Other liabilities	11,542,308	-	-
Total liabilities	112,057,466	11,445,220	4,633,277
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	109,203	6,412,452	1,529,949
FUND BALANCES			
Non-Spendable			
Inventory	6,298,908	2,724,420	-
Prepaid items	237,394	-	-
Spendable			
Restricted for:			
Debt service	-	-	-
Capital projects	-	-	279,762,002
Library services	-	-	-
Fire rescue services	-	77,466,415	-
Tourist development programs	-	-	-
Grant and economic development programs	-	-	-
Environmental protection programs	-	-	-
Public safety and judicial programs	21,558,765	-	-
Other services and programs	-	-	-
Assigned to:			
Capital projects	-	-	91,268,025
Tourist development programs	-	-	-
Other services and programs	-	-	-
Unassigned	165,315,517	-	-
Total fund balances	193,410,584	80,190,835	371,030,027
Total liabilities, deferred inflows of resources and fund balances	\$ 305,577,253	\$ 98,048,507	\$ 377,193,253

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

General Government Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 179,697,154	\$ 239,964,587	\$ 1,127,407,365
-	10,512,421	26,489,322
12,641,152	14,003,169	54,670,979
161,360	32,467,927	51,933,768
-	-	351,966
-	4,366,839	13,390,167
-	804,535	1,194,590
-	15,900,132	15,900,132
<u>\$ 192,499,666</u>	<u>\$ 318,019,610</u>	<u>\$ 1,291,338,289</u>
\$ 6,719,529	\$ 12,975,662	\$ 72,021,193
10,308	40,004,402	58,886,018
-	790,029	17,123,576
-	643	12,402,408
-	387,256	453,150
-	-	2,160,554
-	685,558	15,120,143
-	34,517	11,576,825
<u>6,729,837</u>	<u>54,878,067</u>	<u>189,743,867</u>
-	37,272,557	45,324,161
-	4,366,839	13,390,167
-	194,085	431,479
-	22,524,260	22,524,260
110,493,488	69,332,745	459,588,235
-	10,574,441	10,574,441
-	-	77,466,415
-	17,136,573	17,136,573
-	25,249,512	25,249,512
-	11,004,928	11,004,928
-	4,589,585	26,148,350
-	43,894,478	43,894,478
75,276,341	15,048,243	181,592,609
-	5,853,970	5,853,970
-	5,703,144	5,703,144
-	(9,603,817)	155,711,700
<u>185,769,829</u>	<u>225,868,986</u>	<u>1,056,270,261</u>
<u>\$ 192,499,666</u>	<u>\$ 318,019,610</u>	<u>\$ 1,291,338,289</u>

PALM BEACH COUNTY, FLORIDA
 Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position - Governmental Activities
 September 30, 2015

Fund balances for total of governmental funds (page 9)	\$	1,056,270,261
Amounts reported for governmental activities in the statement of net position are different because:		
Report internal service funds as governmental activities		
Internal service funds are used by management to charge the costs of certain activities, such as insurance, computer services, and vehicles to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		
Net position per fund statements	\$	66,544,838
Less amount due to business-type activities for 'look-back' allocation		<u>(8,238,909)</u>
		58,305,929
Report as a liability general long-term debt obligations		
Liabilities that are not due and payable in the current period are not payable from current financial resources and therefore are not reported in the governmental fund statements.		
General obligation bonds payable		(141,605,000)
Non-ad valorem bonds payable		(720,750,050)
Notes and loans payable		(26,348,989)
Compensated absences		(149,766,794)
OPEB obligation		(155,297,038)
Claims and judgments		(49,999,649)
Unamortized premium		(64,768,255)
Arbitrage accrued		(17,269)
Capital lease obligation		<u>(1,278,052)</u>
		(1,309,831,096)
Report refunding losses as deferred outflows		28,847,189
Report refunding gain as deferred inflow		(124,250)
Report net deferred inflow - pension related		(21,187,647)
Report as an asset the cost of general capital assets and accumulated depreciation		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental fund statements.		
Non-depreciable capital assets		915,152,769
Depreciable capital assets, net of accumulated depreciation		<u>1,501,709,791</u>
		2,416,862,560
Report other adjustments to convert from modified accrual to full accrual		
<i>OPEB Asset</i>		
Cumulative plan contributions in excess of ARC is reported as an asset.		
However, the plan contributions are reported as expenditures in the governmental fund statements.		3,806,569
<i>Net Pension Liability</i>		
Net pension liability that is not due and payable in the current period is not reported in the governmental fund statements.		
		(643,229,409)
<i>Accrued Interest Payable</i>		
Accrued Interest Payable that is not due and payable in the current period is not reported in the governmental fund statements.		
		(13,971,989)
<i>Unavailable revenue</i>		
Revenue is recognized when earned. However, revenue is not available until the current financial resources are received in the governmental fund statements.		
		45,324,161
<i>Other Adjustments</i>		
		<u>41,520</u>
		<u>(608,029,148)</u>
Net position of governmental activities (page 2)	\$	<u>1,621,113,798</u>

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



PALM BEACH COUNTY, FLORIDA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the fiscal year ended September 30, 2015

	MAJOR FUNDS		
	General Fund	Fire Rescue Special Revenue Fund	Road Program Capital Projects
Revenues:			
Taxes (net of discount)	\$ 709,329,399	\$ 205,708,414	\$ 10,192,853
Special assessments	-	271,741	26,891,668
Licenses and permits	36,603,116	19,636	-
Intergovernmental	119,018,169	400,936	824,648
Charges for services	229,682,166	38,447,805	5,850
Less - excess fees paid out	(31,461,960)	-	-
Fines and forfeitures	5,397,314	-	-
Interest Income	4,585,919	1,847,650	5,256,168
Net change in fair value of investments	(440,045)	(258,837)	(743,407)
Miscellaneous	8,823,244	518,836	635,909
Total revenues	1,081,537,322	246,956,181	43,063,689
Expenditures:			
Current:			
General government	276,517,781	-	2,922,662
Public safety	509,828,734	259,125,506	-
Physical environment	11,692,040	-	-
Transportation	4,235,000	-	3,994,336
Economic environment	26,684,324	573,672	637,182
Human services	60,919,369	-	-
Culture and recreation	54,724,357	-	-
Capital outlay	21,409,773	3,782,226	16,478,571
Debt service	-	-	-
Total expenditures	966,011,378	263,481,404	24,032,751
Excess of revenues over (under) expenditures	115,525,944	(16,525,223)	19,030,938
Other financing sources (uses):			
Transfers in	31,801,738	22,169,981	1,500,000
Transfers out	(138,227,597)	(706,409)	(1,035,336)
Capital lease	-	-	-
Issuance of long-term debt	-	-	-
Premium on long-term debt	-	-	-
Issuance of refunding of debt	-	-	-
Premium on refunding of debt	-	-	-
Payment to escrow agent for refunding	-	-	-
Total other financing sources (uses)	(106,425,859)	21,463,572	464,664
Net change in fund balances	9,100,085	4,938,349	19,495,602
Fund balances, October 1, 2014, as restated (Note 17)	184,316,777	75,012,508	351,534,425
Change in nonspendable fund balances	(6,278)	239,978	-
Fund balances, September 30, 2015	\$ 193,410,584	\$ 80,190,835	\$ 371,030,027

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

General Government Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 674	\$ 151,856,405	\$ 1,077,087,745
2,177,747	12,646,169	41,987,325
-	22,506,588	59,129,340
193,356	99,071,486	219,508,595
980,652	39,095,852	308,212,325
-	-	(31,461,960)
1,229,058	3,444,834	10,071,206
2,167,433	5,180,278	19,037,448
(320,547)	(516,318)	(2,279,154)
415,938	15,233,443	25,627,370
<u>6,844,311</u>	<u>348,518,737</u>	<u>1,726,920,240</u>
31,576,377	14,717,308	325,734,128
34,099	23,850,377	792,838,716
-	23,633,849	35,325,889
89,781	126,730,670	135,049,787
29,219	45,290,458	73,214,855
-	22,187,024	83,106,393
-	45,831,120	100,555,477
34,521,525	29,398,879	105,590,974
1,406,399	134,942,663	136,349,062
<u>67,657,400</u>	<u>466,582,348</u>	<u>1,787,765,281</u>
<u>(60,813,089)</u>	<u>(118,063,611)</u>	<u>(60,845,041)</u>
25,146,676	135,969,295	216,587,690
(9,175,481)	(54,767,383)	(203,912,206)
-	964,588	964,588
63,155,000	1,963,000	65,118,000
3,257,441	-	3,257,441
-	136,080,000	136,080,000
-	23,235,345	23,235,345
-	(162,146,879)	(162,146,879)
<u>82,383,636</u>	<u>81,297,966</u>	<u>79,183,979</u>
21,570,547	(36,765,645)	18,338,938
164,199,282	262,617,843	1,037,680,835
-	16,788	250,488
<u>\$ 185,769,829</u>	<u>\$ 225,868,986</u>	<u>\$ 1,056,270,261</u>

PALM BEACH COUNTY, FLORIDA
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
 of Governmental Funds to the Statement of Activities - Governmental Activities
 For the fiscal year ended September 30, 2015

Net change in fund balances for total governmental funds (page 13) \$ 18,338,938

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

Report internal service funds as governmental activities

Internal service funds are used by management to charge the cost of certain activities, such as vehicles and insurance to individual funds. The net income of the internal service funds is reported with governmental activities.

Net income per fund statements	\$	10,915,219	
Adjusted for current year allocation of internal service funds to business-type activities		(857,991)	10,057,228

Report as a liability long-term debt obligations

Debt issuance and capital leases

Debt and capital leases provide current financial resources to governmental funds, but such activities increase long-term liabilities in the statement of net position.

Current year face value of debt issued		(202,162,588)	
--	--	---------------	--

Governmental funds report the premium and discount as other financing sources/uses when debt is issued, but in the statement of activities these amounts are amortized to interest expense over the term of the debt.

Current year (premium) discount on debt issued		(26,492,786)	
Current year amortization & retirement of premium / discount		10,196,918	

Governmental funds report the effect of gains and losses on refundings when the debt is first issued, but in the statement of activities these amounts are deferred and amortized.

Current year refunding loss deferred		13,509,185	
Current year amortization & retirement of deferred refunding loss		(2,864,158)	
Current year amortization & retirement of deferred refunding gain		26,601	

Debt retirement

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not result in an expense.

238,608,490

The change in accrued liabilities reported as long-term obligations do not require the use of current financial resources and therefore are not reported in the governmental fund statements.

Net change in arbitrage 'long term' accrued liability		74,037	
Net change in OPEB obligation		(19,318,528)	
Net change in estimated self-insurance obligation		(5,862,677)	
Net change in capital leases		143,675	
Net change in net pension liability		27,434,798	
Net change in compensated absences liability		(5,606,263)	

27,686,704

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

Report as an asset the cost of general capital assets and accumulated depreciation

Acquisition of capital assets

Governmental funds report capital outlays as expenditures, but capital purchases increase assets in the statement of net position and do not result in an expense. 105,590,972

Acquisition of capital assets from contributions do not generate current financial resources and therefore are not reported in the governmental fund statements as revenue. 294,132

Depreciation expense

The cost of capital assets is allocated over their useful life as depreciation expense. However, depreciation does not require the use of current financial resources and therefore is not reported in the governmental fund statements. (119,632,653)

Retirement of capital assets

In the statement of activities, only the gain on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance. (4,663,926)

(18,411,475)

Report other adjustments for converting from modified accrual to full accrual

Net change in inventory 250,488

Net change in OPEB obligation asset 1,115,681

Net change in accrued interest payable 916,647

Net change in unavailable revenue 12,094,542

Net change in net pension liability 42,461,559

56,838,917

Change in net position of governmental activities (page 5)

\$ 94,510,312

PALM BEACH COUNTY, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)
General Fund

For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues				
Taxes (net of discount)	\$ 738,778,198	\$ 738,778,198	\$ 709,329,399	\$ (29,448,799)
Licenses and permits	37,072,025	37,072,025	36,603,116	(468,909)
Intergovernmental	115,306,995	115,597,927	117,561,572	1,963,645
Charges for services	99,304,518	99,366,609	99,699,549	332,940
Fines and forfeitures	1,230,500	1,230,500	1,712,431	481,931
Interest income	1,723,915	1,723,915	4,415,453	2,691,538
Net change in fair value of investments	-	-	(440,045)	(440,045)
Miscellaneous	7,395,605	7,213,893	8,762,246	1,548,353
Less 5% anticipated revenues	(50,334,965)	(50,334,965)	-	50,334,965
Total revenues	950,476,791	950,648,102	977,643,721	26,995,619
Expenditures				
Current:				
General government:				
County Administrator	2,132,320	2,132,320	2,082,692	49,628
County Attorney	5,650,633	5,650,633	5,183,891	466,742
Commission on Ethics	573,253	573,253	550,380	22,873
County Commission	3,283,740	3,287,806	3,107,459	180,347
Employee Relations & Personnel	2,919,741	2,919,741	2,574,615	345,126
Engineering & Public Works	4,204,619	4,184,619	4,018,656	165,963
Facilities Dev & Ops	37,432,660	36,681,138	36,226,527	454,611
Financial Management & Budget	3,285,022	3,285,022	3,151,297	133,725
Information Systems Services	30,003,937	30,049,758	29,809,841	239,917
Internal Auditor	1,110,295	1,110,295	1,032,655	77,640
Judicial	1,491,298	1,544,864	1,474,885	69,979
Planning, Zoning & Building	8,088,337	8,127,294	7,793,171	334,123
Public Affairs	4,365,397	4,365,397	4,074,078	291,319
Legislative Affairs	520,063	520,063	419,214	100,849
Public Safety	3,716,757	3,783,649	3,638,707	144,942
Purchasing	3,695,841	3,695,841	3,549,600	146,241
Risk Management	385,975	385,975	381,463	4,512
Other County Funded Programs	175,000	175,000	5,561	169,439
General Government Operations	20,643,856	22,172,232	28,482,927	(6,310,695)
Value Adjustment Board	600,000	600,000	587,645	12,355
Non-departmental specific reserves	86,726,605	101,008,856	51,629	100,957,227
Office of Small Business Assistance	863,865	867,813	830,947	36,866
Total general government	221,869,214	237,121,569	139,027,840	98,093,729
Public safety:				
Sheriff - PBC Expenses	300,000	300,000	238,063	61,937
Facilities Dev & Ops	2,803,538	2,803,538	2,887,314	(83,776)
Information Systems Services	90,523	110,523	107,000	3,523
Planning, Zoning & Building	4,026,343	4,026,343	3,601,453	424,890
Public Safety	6,702,162	6,690,022	6,193,192	496,830
Medical Examiner	2,723,874	2,833,284	2,805,242	28,042
Other County Funded Programs	3,725,000	3,725,000	1,727,899	1,997,101
General Government Operations	191,852	191,852	41,135	150,717
Criminal Justice Comm Grants	230,846	217,366	203,554	13,812
Criminal Justice Commission	538,683	558,683	513,018	45,665
Total public safety	21,332,821	21,456,611	18,317,870	3,138,741

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

PALM BEACH COUNTY, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)
General Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Physical environment:				
County Cooperative Ext Serv	2,362,736	2,370,212	2,053,525	316,687
Engineering & Public Works	546,432	566,432	461,661	104,771
Environmental Resources Mgt	9,333,032	9,329,532	9,176,854	152,678
Total physical environment	12,242,200	12,266,176	11,692,040	574,136
Transportation:				
Other County Funded Programs	4,235,000	4,235,000	4,235,000	-
Total transportation	4,235,000	4,235,000	4,235,000	-
Economic environment:				
Department of Economic Sustainability	295,813	295,813	281,715	14,098
Community Services/Human Serv	256,316	256,316	244,034	12,282
Equal Opportunity	826,622	659,197	436,142	223,055
Scripps	200,000	200,000	215	199,785
Office Of Comm. Revitalization	635,800	635,800	580,240	55,560
Community Redevelopment Agncys	25,180,470	25,180,470	25,141,978	38,492
Total economic environment	27,395,021	27,227,596	26,684,324	543,272
Human services:				
Community Services	1,948,225	1,921,225	1,775,086	146,139
Community Services/Human Serv	10,249,239	10,531,801	9,656,635	875,166
Youth Services Department	7,022,764	6,882,322	5,883,216	999,106
Youth Services-Children's Services Council/Head Start	5,558,715	5,674,015	5,595,572	78,443
Environmental Resources Mgt	1,979,644	1,979,644	1,884,772	94,872
Health Department	2,052,586	2,052,586	1,881,537	171,049
Public Safety	8,519,958	8,530,382	7,731,792	798,590
Financially Assisted Agencies	11,290,068	11,490,068	11,272,594	217,474
Other County Funded Programs	15,200,000	15,208,856	15,191,864	16,992
Criminal Justice Commission	-	47,234	46,301	933
Total human services	63,821,199	64,318,133	60,919,369	3,398,764
Culture and recreation:				
Parks & Recreation	57,339,194	57,318,858	54,724,357	2,594,501
Total culture and recreation	57,339,194	57,318,858	54,724,357	2,594,501
Capital outlay:				
Community Services	3,000	30,000	23,671	6,329
Youth Services Department	-	25,300	24,838	462
County Attorney	5,936	5,936	1,627	4,309
Commission on Ethics	4,500	4,500	-	4,500
County Commission	1,000	1,000	2,714	(1,714)
County Cooperative Ext Serv	-	4,154	4,154	-
Employee Relations & Personnel	3,000	3,000	2,340	660
Environmental Resources Mgt	-	3,500	3,471	29
Facilities Dev & Ops	179,500	179,922	170,455	9,467
Information Systems Services	22,150	25,020	23,835	1,185
Parks & Recreation	124,221	173,757	144,095	29,662
Planning, Zoning & Building	30,000	30,000	14,683	15,317
Public Affairs	55,000	55,000	16,684	38,316
Public Safety	-	26,248	24,199	2,049
Medical Examiner	21,000	16,115	16,115	-

PALM BEACH COUNTY, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)
General Fund

For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Criminal Justice Commission	2,152	2,152	1,357	795
Office of Small Business Assistance	4,320	372	-	372
Total capital outlay	455,779	585,976	474,238	111,738
Total expenditures	408,690,428	424,529,919	316,075,038	108,454,881
Excess of revenues over expenditures	541,786,363	526,118,183	661,568,683	135,450,500
Other financing sources (uses)				
Transfers in	24,304,580	28,151,469	36,364,980	8,213,511
Transfers out	(713,731,343)	(712,433,469)	(690,870,321)	21,563,148
Total other financing sources (uses)	(689,426,763)	(684,282,000)	(654,505,341)	29,776,659
Net change in fund balances	(147,640,400)	(158,163,817)	7,063,342	165,227,159
Fund balances, October 1, 2014, as restated	147,640,400	158,163,817	161,053,117	2,889,300
Change in nonspendable fund balance	-	-	(6,278)	(6,278)
Fund balances, September 30, 2015	\$ -	\$ -	168,110,181	\$ 168,110,181

Perspective difference between budget basis and GAAP 25,300,403

Fund balances, September 30, 2015 (GAAP) \$ 193,410,584

<u>Reconciliation of Budget to GAAP:</u>	Revenues	Expenditures	Transfers in	Transfers out	Net change in fund balance
Board of County Commissioners	\$ 977,643,721	\$ (316,075,038)	\$ 36,364,980	\$ (690,870,321)	\$ 7,063,342
Sheriff	4,658,546	(530,036,734)	536,329,180	(7,687,985)	3,263,007
Clerk & Comptroller	43,743,255	(56,741,011)	12,656,531	(885,039)	(1,226,264)
Tax Collector	33,627,251	(33,627,251)	-	-	-
Property Appraiser	21,395,648	(21,395,648)	-	-	-
Supervisor of Elections	468,901	(8,135,696)	9,219,250	(1,552,455)	-
Eliminations	-	-	(562,768,203)	562,768,203	-
Totals	\$1,081,537,322	\$ (966,011,378)	\$ 31,801,738	\$ (138,227,597)	\$ 9,100,085

NOTE: Budgetary comparisons presented herein are on a basis consistent with GAAP and only include the operations of the Board of County Commissioners since that is what was legally adopted. In accordance with GASB 54, the individual County Constitutional Officers no longer met the definition to be reported as separate special revenue funds of the County and as a result their activities have been combined into the County general fund for GAAP reporting purposes. The above table provides a reconciliation of the amounts between the two schedules.

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

PALM BEACH COUNTY, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Fire Rescue Special Revenue Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Taxes (net of discount)	\$ 214,569,880	\$ 214,569,880	\$ 205,708,414	\$ (8,861,466)
Special assessments	281,685	281,685	271,741	(9,944)
Licenses and permits	14,000	14,000	19,636	5,636
Intergovernmental	332,185	449,506	400,936	(48,570)
Charges for services	37,287,520	37,312,520	38,447,805	1,135,285
Interest income	189,700	189,700	1,847,650	1,657,950
Net change in fair value of investments	-	380,000	(258,837)	(638,837)
Miscellaneous	195,000	195,000	518,836	323,836
Less 5% anticipated revenues	(12,395,884)	(12,395,884)	-	12,395,884
Total revenues	240,474,086	240,996,407	246,956,181	5,959,774
Expenditures:				
Current:				
Public safety	321,631,424	325,917,144	259,125,506	66,791,638
Economic environment	581,404	581,404	573,672	7,732
Capital outlay	9,996,023	10,500,752	3,782,226	6,718,526
Total expenditures	332,208,851	336,999,300	263,481,404	73,517,896
Excess of revenues over (under) expenditures	(91,734,765)	(96,002,893)	(16,525,223)	79,477,670
Other financing sources (uses):				
Transfers in	24,093,100	24,181,238	22,169,981	(2,011,257)
Transfers out	(320,245)	(706,410)	(706,409)	1
Total other financing sources (uses)	23,772,855	23,474,828	21,463,572	(2,011,256)
Net change in fund balances	(67,961,910)	(72,528,065)	4,938,349	77,466,414
Fund balances, October 1, 2014	67,961,910	72,528,065	75,012,508	2,484,443
Change in nonspendable fund balance	-	-	239,978	239,978
Fund balances, September 30, 2015	\$ -	\$ -	\$ 80,190,835	\$ 80,190,835

NOTE: The effective legal budgetary control is at the department level for the General Fund and special revenue funds with approved budgets which is reflected in the budget to actual statements presented in the fund financial statements section and the combining and individual fund statements and schedules section. The Fire Rescue Special Revenue Fund reflects the actual department. Annual budgets are legally adopted for all governmental and proprietary fund types. Budgetary comparisons presented herein are on a basis consistent with GAAP.

PALM BEACH COUNTY, FLORIDA
Statement of Net Position
Proprietary Funds
September 30, 2015

	Business-type Activities -	
	Airports	Water Utilities
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 75,100,776	\$ 217,983,723
Cash and cash equivalents - restricted	263,737	19,498,062
Cash with fiscal agent - restricted	4,631,884	-
Interest receivable - restricted	-	553,800
Accounts receivable, net	2,587,033	18,598,791
Due from other county funds	107,181	8,668
Due from other governments	20,937,043	286,000
Due from component unit	-	-
Inventory	1,454,067	5,719,693
Current portion of other receivables	-	902,161
Other assets	4,683,285	374,917
Total current assets	109,765,006	263,925,815
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	67,332,897	9,540,694
Accounts receivable, net	1,654,531	-
Total noncurrent restricted assets	68,987,428	9,540,694
Capital assets:		
Land	108,129,920	15,477,158
Buildings	371,809,068	116,080,228
Improvements other than buildings	241,346,565	1,365,318,767
Furniture, fixtures and equipment	43,256,622	75,849,560
Intangible - easement rights	13,754,957	1,660,856
Accumulated depreciation and amortization	(446,636,631)	(626,080,155)
Construction in progress	51,392,749	57,698,417
Total capital assets	383,053,250	1,006,004,831
Investment in joint ventures	-	44,542,136
Other post-employment benefit net asset	5,368	6,765
Other receivables, noncurrent	-	13,466,712
Total noncurrent assets	452,046,046	1,073,561,138
Total assets	\$ 561,811,052	\$ 1,337,486,953
DEFERRED OUTFLOWS OF RESOURCES		
Pension related	\$ 2,010,597	\$ 6,601,844
Deferred charges on refunding	-	9,013,933
Goodwill	-	4,951,828
Total deferred outflows of resources	\$ 2,010,597	\$ 20,567,605

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

<u>Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
Totals	
\$ 293,084,499	\$ 95,503,591
19,761,799	-
4,631,884	-
553,800	-
21,185,824	2,494,154
115,849	5,024,632
21,223,043	136,606
-	4,086
7,173,760	646,128
902,161	-
5,058,202	3,852,393
<u>373,690,821</u>	<u>107,661,590</u>
76,873,591	-
1,654,531	-
<u>78,528,122</u>	<u>-</u>
123,607,078	-
487,889,296	206,558
1,606,665,332	512,286
119,106,182	81,372,971
15,415,813	-
(1,072,716,786)	(58,875,133)
109,091,166	-
<u>1,389,058,081</u>	<u>23,216,682</u>
44,542,136	-
12,133	-
13,466,712	-
<u>1,525,607,184</u>	<u>23,216,682</u>
\$ 1,899,298,005	\$ 130,878,272
\$ 8,612,441	\$ -
9,013,933	-
4,951,828	-
<u>\$ 22,578,202</u>	<u>\$ -</u>

PALM BEACH COUNTY, FLORIDA
Statement of Net Position
Proprietary Funds
September 30, 2015

	Business-type Activities -	
	Airports	Water Utilities
LIABILITIES		
Current liabilities payable from current assets:		
Vouchers payable and accrued liabilities	\$ 20,929,162	\$ 10,869,959
Due to other county funds	115,472	781,282
Due to other governments	93,918	1,007,996
Due to component unit	757	-
Unearned revenue	1,160,708	-
Compensated absences	74,035	200,000
Insurance claims payable	-	-
Other liabilities	565,059	6,694
Total current liabilities payable from current assets	22,939,111	12,865,931
Current liabilities payable from restricted assets:		
Customers' deposits	263,739	7,157,713
Accounts and contracts payable	-	15,366
Current portion of long-term debt	2,425,000	8,334,913
Interest payable on bonds	2,206,882	3,990,070
Total current liabilities payable from restricted assets	4,895,621	19,498,062
Total current liabilities	27,834,732	32,363,993
Noncurrent liabilities:		
Compensated absences	1,049,704	3,065,276
Revenue bonds payable, net	83,837,967	190,641,956
Insurance claims payable	-	-
Net pension liability	4,927,476	16,196,312
Other long-term liabilities	-	-
Total noncurrent liabilities	89,815,147	209,903,544
Total liabilities	\$ 117,649,879	\$ 242,267,537
DEFERRED INFLOWS OF RESOURCES		
Pension related	\$ 2,289,970	\$ 7,526,988
Other	-	183,875
Total deferred inflows of resources	\$ 2,289,970	\$ 7,710,863
NET POSITION		
Net investment in capital assets	\$ 296,790,283	\$ 831,038,656
Restricted for:		
Debt service	2,728,854	7,352,674
Capital projects	60,706,492	1,000,000
Grants and other	10,280,002	-
Unrestricted	73,376,169	268,684,828
Total net position	\$ 443,881,800	\$ 1,108,076,158

Some amounts reported for business-type activities in the statement of net position (page 2) are different because certain internal service fund assets and liabilities are included with business-type activities.

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

<u>Enterprise Funds</u>		Governmental Activities Internal Service Funds
Totals		
\$ 31,799,121	\$ 3,023,911	
896,754	28,688	
1,101,914	132,331	
757	-	
1,160,708	-	
274,035	-	
-	12,488,237	
571,753	-	
<u>35,805,042</u>	<u>15,673,167</u>	
7,421,452	-	
15,366	-	
10,759,913	-	
6,196,952	-	
<u>24,393,683</u>	<u>-</u>	
<u>60,198,725</u>	<u>15,673,167</u>	
4,114,980	708,903	
274,479,923	-	
-	47,935,634	
21,123,788	-	
-	15,730	
<u>299,718,691</u>	<u>48,660,267</u>	
\$ 359,917,416	\$ 64,333,434	
\$ 9,816,958	\$ -	
183,875	-	
<u>\$ 10,000,833</u>	<u>\$ -</u>	
\$ 1,127,828,939	\$ 23,216,682	
10,081,528	-	
61,706,492	-	
10,280,002	-	
342,060,997	43,328,156	
<u>1,551,957,958</u>	<u>\$ 66,544,838</u>	
8,238,909		
<u>\$ 1,560,196,867</u>		

PALM BEACH COUNTY, FLORIDA
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the fiscal year ended September 30, 2015

	Business-type Activities -	
	Airports	Water Utilities
Operating revenues:		
Charges for services	\$ 60,782,053	\$ 170,471,157
Miscellaneous	2,381,705	6,332,292
Total operating revenues	63,163,758	176,803,449
Operating expenses:		
Aviation services	42,406,403	-
Water and sewer services	-	115,196,111
Transportation services	-	-
Self-insurance services	-	-
Equity interest in net loss of joint ventures	-	(192,746)
Depreciation and amortization	27,443,447	42,384,438
Total operating expenses	69,849,850	157,387,803
Operating income (loss)	(6,686,092)	19,415,646
Nonoperating revenues (expenses):		
Interest income	1,240,508	4,132,974
Net change in fair value of investments	(174,255)	(450,986)
Guaranteed revenue	-	7,603,125
Passenger facility charges	12,602,242	-
Interest expense	(4,413,766)	(6,075,536)
Other revenues (expenses)	242,774	3,109,785
Total nonoperating revenues (expenses)	9,497,503	8,319,362
Income before capital contributions and transfers	2,811,411	27,735,008
Capital contributions	31,765,529	26,222,932
Transfers out	(56,484)	(12,611,389)
Change in net position	34,520,456	41,346,551
Net position, October 1, 2014, as restated (Note 17)	409,361,344	1,066,729,607
Net position, September 30, 2015	\$ 443,881,800	\$ 1,108,076,158

Some amounts reported for business-type activities in the statement of activities (page 5) are different because the net revenue (expense) of certain internal service funds is reported with business-type activities.

Change in net position of business-type activities

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

<u>Enterprise Funds</u>	Governmental Activities Internal Service Funds
<u>Totals</u>	
\$ 231,253,210	\$ 130,480,907
8,713,997	-
<u>239,967,207</u>	<u>130,480,907</u>
42,406,403	-
115,196,111	-
-	19,783,621
-	95,981,918
(192,746)	-
<u>69,827,885</u>	<u>6,998,638</u>
<u>227,237,653</u>	<u>122,764,177</u>
<u>12,729,554</u>	<u>7,716,730</u>
5,373,482	1,366,071
(625,241)	(195,661)
7,603,125	-
12,602,242	-
(10,489,302)	-
<u>3,352,559</u>	<u>2,035,690</u>
<u>17,816,865</u>	<u>3,206,100</u>
30,546,419	10,922,830
57,988,461	-
<u>(12,667,873)</u>	<u>(7,611)</u>
75,867,007	10,915,219
	<u>55,629,619</u>
	<u>\$ 66,544,838</u>
857,991	
<u>\$ 76,724,998</u>	

PALM BEACH COUNTY, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the fiscal year ended September 30, 2015

	Business-type Activities -	
	Airports	Water Utilities
Cash flows from operating activities:		
Cash received from customers	\$ 60,596,154	\$ 168,267,407
Cash received from other funds for goods and services	-	-
Cash payments to vendors for goods and services	(18,670,069)	(62,831,214)
Cash payments to employees for services	(11,419,626)	(32,013,713)
Cash payments to other funds	(16,724,943)	(21,694,555)
Claims paid	-	-
Other receipts	-	5,703,348
Net cash provided by operating activities	13,781,516	57,431,273
Cash flows from noncapital financing activities:		
Operating grants and other	327,309	-
Transfers out	(56,484)	(12,611,389)
Net cash provided by (used in) noncapital financing activities	270,825	(12,611,389)
Cash flows from capital and related financing activities:		
Proceeds from sale of capital assets	45,766	287,575
Contributed capital	14,325,648	21,362,957
Purchase and construction of capital assets	(25,667,241)	(57,599,389)
Bond issuance costs paid	-	(434,433)
Payments to joint ventures	-	(1,452,401)
Principal payments on debt	(12,500,000)	(8,018,934)
Interest payments on debt	(4,773,143)	(8,739,259)
Paying agent fees	-	(5,350)
Passenger facility charges received	12,754,835	-
Proceeds on issuance of refunding revenue bonds	-	27,608,488
Principal paid on refunded revenue bonds	-	(25,300,000)
Payments to escrow agent on refunding revenue bonds	-	(1,784,423)
Cash contributed by other governments	-	2,574,852
Net cash (used in) capital and related financing activities	(15,814,135)	(51,500,317)
Cash flows from investing activities:		
Interest and gains or losses on investments	1,066,253	3,723,688
Receipt of repayments on other receivables	74,311	-
Net cash provided by investing activities	1,140,564	3,723,688
Net increase (decrease) in cash and cash equivalents	(621,230)	(2,956,745)
Cash and cash equivalents, October 1, 2014	147,950,524	249,979,224
Cash and cash equivalents, September 30, 2015	\$ 147,329,294	\$ 247,022,479

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

<u>Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
Totals	
\$ 228,863,561	\$ 9,635,676
-	119,505,851
(81,501,283)	(29,365,922)
(43,433,339)	(6,659,151)
(38,419,498)	(2,676,137)
-	(79,289,658)
5,703,348	1,245,766
<hr/>	<hr/>
71,212,789	12,396,425
<hr/>	<hr/>
327,309	-
(12,667,873)	(7,611)
<hr/>	<hr/>
(12,340,564)	(7,611)
<hr/>	<hr/>
333,341	1,309,046
35,688,605	-
(83,266,630)	(11,203,661)
(434,433)	-
(1,452,401)	-
(20,518,934)	-
(13,512,402)	-
(5,350)	-
12,754,835	-
27,608,488	-
(25,300,000)	-
(1,784,423)	-
2,574,852	-
<hr/>	<hr/>
(67,314,452)	(9,894,615)
<hr/>	<hr/>
4,789,941	1,170,410
74,311	-
<hr/>	<hr/>
4,864,252	1,170,410
<hr/>	<hr/>
(3,577,975)	3,664,609
<hr/>	<hr/>
397,929,748	91,838,982
<hr/>	<hr/>
\$ 394,351,773	\$ 95,503,591
<hr/> <hr/>	<hr/> <hr/>

PALM BEACH COUNTY, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the fiscal year ended September 30, 2015

	Business-type Activities -	
	Airports	Water Utilities
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	\$ (6,686,092)	\$ 19,415,646
Adjustments to reconcile operating income to net cash provided by operating activities, net of absorption:		
Depreciation and amortization	27,443,447	42,384,438
Equity interest in net loss of joint ventures	-	(192,746)
Provision for doubtful accounts	(69,895)	(823,000)
Miscellaneous revenue	-	-
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	687,463	(2,291,379)
(Increase) decrease in due from other county funds	(107,181)	7,591
Decrease in due from other governments	-	-
(Increase) decrease in inventory	(110,082)	(29,092)
(Increase) decrease in other assets	(3,647,680)	12,345
(Increase) in deferred outflows related to pensions	(1,508,502)	(4,869,679)
Decrease in due from component unit	-	(102,886)
Increase (decrease) in vouchers payable and accrued liabilities	(4,158,787)	114,223
Increase (decrease) in due to other county funds	20,980	99,944
Increase (decrease) in due to other governments	-	(22,922)
Increase in other current liabilities	13,339	-
Increase (decrease) in unearned revenue	510,873	-
Increase (decrease) in customer deposits	(20,127)	106,238
(Decrease) in insurance claims payable	-	-
(Decrease) in other long-term liabilities	-	-
(Decrease) in deferred inflows related to pensions	(459,503)	(1,995,662)
Increase in net pension liability	1,873,263	5,618,214
Net cash provided by operating activities	\$ 13,781,516	\$ 57,431,273
Supplemental disclosure of noncash capital and related financing activities:		
Amortization of premium on bonds	\$ (7,932)	\$ 1,280,952
Amortization of bond refunding costs	\$ -	\$ 757,070
Payables related to capital asset acquisition	\$ -	\$ 7,391,125
Receivables related to capital asset acquisition	\$ 17,439,881	\$ -
Receivables related to passenger facility charges	\$ 1,641,837	\$ -
Contribution of capital assets	\$ -	\$ 13,105,711
Capitalized interest	\$ -	\$ 1,865,160
Disposal of fully depreciated capital assets	\$ 1,925,427	\$ 1,769,632

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

<u>Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
Totals	
\$ 12,729,554	\$ 7,716,730
69,827,885	6,998,638
(192,746)	-
(892,895)	-
-	1,245,766
(1,603,916)	(295,038)
(99,590)	(584,958)
-	12,825
(139,174)	403,272
(3,635,335)	125,111
(6,378,181)	-
(102,886)	(458)
(4,044,564)	(1,302,355)
120,924	(39,945)
(22,922)	6,738
13,339	-
510,873	(471,748)
86,111	-
-	(316,666)
-	(1,101,487)
(2,455,165)	-
7,491,477	-
<u>\$ 71,212,789</u>	<u>\$ 12,396,425</u>

<u>\$ 1,273,020</u>	<u>\$ -</u>
<u>\$ 757,070</u>	<u>\$ -</u>
<u>\$ 7,391,125</u>	<u>\$ -</u>
<u>\$ 17,439,881</u>	<u>\$ -</u>
<u>\$ 1,641,837</u>	<u>\$ -</u>
<u>\$ 13,105,711</u>	<u>\$ -</u>
<u>\$ 1,865,160</u>	<u>\$ -</u>
<u>\$ 3,695,059</u>	<u>\$ 5,210,188</u>

PALM BEACH COUNTY, FLORIDA
Statement of Fiduciary Net Position - Agency Funds
September 30, 2015

	Total Agency Funds
ASSETS	
Cash, cash equivalents, and investments	\$143,471,932
Accounts receivable, net	1,076,236
Due from other governments	714,431
Other assets	291
<div style="text-align: right;">Total assets</div>	
<div style="text-align: right;">\$145,262,890</div>	
LIABILITIES	
Vouchers payable and accrued liabilities	\$ 4,915,893
Due to other governments	40,219,680
Due to individuals	100,032,281
Other liabilities	95,036
<div style="text-align: right;">Total liabilities</div>	
<div style="text-align: right;">\$145,262,890</div>	

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

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

INDEX

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.....	32
2. CASH AND INVESTMENTS	53
3. CAPITAL ASSETS	61
4. RELATED PARTY TRANSACTIONS.....	63
5. MAJOR CUSTOMERS	63
6. INTERFUND RECEIVABLE AND PAYABLE BALANCES.....	64
7. INTERFUND TRANSFERS	66
8. LEASES	68
9. RISK MANAGEMENT.....	70
10. RETIREMENT PLANS.....	74
11. OTHER POST EMPLOYMENT BENEFITS (OPEB)	93
12. REFUNDING OF DEBT	102
13. LONG-TERM DEBT.....	104
14. PLEDGED REVENUES	127
15. COMMITMENTS.....	128
16. CONTINGENCIES.....	131
17. RESTATEMENTS AND RECLASSIFICATIONS	133
18. SUBSEQUENT EVENTS	135

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Financial Reporting Entity

Palm Beach County is a political subdivision of the State of Florida pursuant to Article VIII, Section (1) of the Constitution of the State of Florida. It is governed by a seven member elected Board of County Commissioners (the Board) which is regulated by State Statutes and a local County Charter, operating under a County Manager form of government with separation of legislative and executive functions. In addition to the members of the Board, there are five elected Constitutional Officers: the Tax Collector, Property Appraiser, Clerk & Comptroller, Sheriff, and the Supervisor of Elections. The Board and the Constitutional Officers comprise the Palm Beach County primary government.

Palm Beach County Fire-Rescue and the County Library Taxing District are dependent districts under the control of the Board of County Commissioners. They levy millages that apply to all property owners in the unincorporated portion of the County and residents of the municipalities that have elected to join the districts rather than provide the services themselves. They are reported as special revenue funds of the County.

As required by GAAP, these financial statements cover the Palm Beach County reporting entity which includes the Palm Beach County primary government as well as its component units. Component units are legally separate entities for which the primary government is financially accountable. In accordance with GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, component units are either classified as blended component units or discretely presented component units, depending on the nature of the entity's relationship with the primary government. GASB Statement No. 14 provides the following criteria for determining whether or not an entity is a component unit of the reporting entity:

The definition of the reporting entity is based primarily on the concept of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of the separate organization's governing body *and* either is able to impose its will on that organization or there is the potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it and provide a financial benefit or impose a financial burden.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, activities of, or the level of services performed or provided by the organization.

A financial benefit or burden relationship exists if the primary government is entitled to the organization's resources; is legally obligated or has otherwise assumed the obligations to finance the deficits of, or provide financial support to, the organization; or is obligated in some manner for the debt of the organization.

Some organizations are included as component units because of their fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government.

In addition, any entity, for which the primary government is not financially accountable but for which exclusion would cause the primary government's financial statements to be misleading, should be included as a component unit.

In accordance with GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units: an Amendment of GASB Statement No. 14*, a government must include certain legally separate, tax-exempt entities in the government's financial reporting entity as discretely presented component units if they meet all three of the following conditions: (a) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (b) the primary government or its component units, are entitled to or have the ability to otherwise access a majority of the economic resources received or held by the separate organizations; or (c) the economic resources received or held by an individual organization that the specific primary government is entitled to, or has the ability to otherwise access, are significant to that primary government. GASB Statement No. 39 had no effect on determining the County's discretely presented component units and therefore had no effect on the financial statements. Based on the criteria specified above, the Palm Beach County reporting entity includes both blended component units and discretely presented component units.

Blended Component Units

The following organizations have been presented as blended component units because either (a) the organization's governing body is substantially the same as the governing body of the County and (1) there is a financial benefit or burden relationship between the primary government and component unit or (2) management of the primary government has operational responsibility, (b) the organization provides services almost entirely to the primary government and (c) the component unit's total debt outstanding is expected to be repaid entirely or almost entirely with resources of the primary government.

Palm Beach County Public Building Corporation – This corporation was created by Palm Beach County Ordinance 81-11 pursuant to Article VIII, Section 1 (f) of the Constitution of the State of Florida and Sections 125.01 (w) and 125.66, Florida Statutes. The corporation was incorporated on April 2, 1981 to provide financial assistance for and on behalf of the County by paying the costs of acquiring, constructing and equipping an Administrative Complex located at 301 North Olive Avenue in the City of West Palm Beach, Florida (the Project). The corporation also participates in certain activities

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

incidental to such purpose, including the leasing of the Project to the County. This corporation currently has no fiscal activity.

Transportation Authority (Palm Tran, Inc.) – This corporation was created by Palm Beach County Resolution 95-1636D pursuant to Chapter 617, Florida Statutes. Its purpose is to operate for the advancement of public transportation and lessening the burden on Palm Beach County to provide a transportation system. The Board of Palm Tran, Inc. consists of the seven members of the Board of County Commissioners of Palm Beach County. The bylaws provide that the corporation shall have a president to act as the corporation's chief executive officer who shall be the County Administrator, a secretary/treasurer who shall be the Clerk to the Board of County Commissioners or a deputy clerk designated for such purposes, and an executive director who shall be responsible for the day to day management and operations of the corporation. Palm Tran, Inc. is reported as a special revenue fund.

Discretely Presented Component Units

The Component Unit columns in the basic financial statements include the financial data of the County's discretely presented Component Units. They are reported in separate columns to emphasize that they are legally separate from the County. The following organizations are included in the reporting entity because the primary government (1) appointed a voting majority of the organization's board, (2) is able to impose its will on the organization, and (3) the organization provides services to the citizenry of Palm Beach County.

Additionally, as a result of GASB Statement No. 61, the following four component units do not qualify to be reported as blended component units because (a) the governing body is not substantially the same as the primary government and (1) The Primary Government and the Component Unit are *not* financially interdependent (i.e. there is not a relationship of potential financial benefit or burden between them) and (2) Management is *not* responsible for the day-to-day operations of the component unit (i.e. operational responsibility), (b) the component unit does not provide services entirely or almost entirely to the primary government, and (c) the component unit's total debt outstanding is not expected to be repaid entirely or almost entirely with resources of the primary government.

Housing Finance Authority of Palm Beach County, Florida (HFA) – This public authority was created by Palm Beach County Ordinance 79-3 pursuant to Chapter 159, Florida Statutes, as amended and supplemented. It was created to alleviate the shortage of housing available at affordable rates in Palm Beach County and the shortage of capital for investments in such housing. The HFA has the power to issue single family and multi-family revenue bonds to finance the purchase of housing by families of low and moderate income through investing in mortgage loans to eligible families. The HFA is presented as a proprietary fund type. The HFA is a discretely presented component unit because the Board of County Commissioners (BOCC) appoints the members of the HFA governing body and because the BOCC is able to impose its will on the HFA. The County Ordinance which created the HFA provides that the BOCC may remove members

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

of the HFA's governing body without cause, and may change the structure, organization, or activities of the HFA, including terminating the HFA.

Westgate/Belvedere Homes Community Redevelopment Agency (CRA) – This agency was created by Palm Beach County Resolution 89-649 pursuant to Section 163.355, Florida Statutes. It was created in order to develop and revitalize the blighted area known as Westgate/Belvedere Homes with intent to benefit Palm Beach County as a whole by returning improved property to the County's tax base. The CRA has the power to issue redevelopment revenue bonds from time to time to finance its undertaking of community redevelopment to the designated area. The CRA is presented as a governmental fund type. The CRA is a discretely presented component unit because the BOCC appoints the members of the CRA governing body and because there also is a financial benefit/burden relationship with the County since the creation of the CRA allows tax increment financing to implement the provisions of the County's Redevelopment Plan to rehabilitate the Redevelopment Area. Also, the County has agreed to fund any deficiency in the reserve fund of the CRA's Redevelopment Revenue Bonds.

Metropolitan Planning Organization (MPO) – This organization was created by Palm Beach County Resolution 79-1684 pursuant to Section 334.215, Florida Statutes, as amended by Section 339.175, Florida Statutes. The members of the MPO are appointed by the Governor and consist of five members of the BOCC, eleven members from local municipalities, and one member from the governing board of the Port of Palm Beach. The purpose of the MPO is to administer and execute the inter-local agreement providing for short-term and long-term planning for all modes of travel in order to benefit the citizens of Palm Beach County. The MPO is reported as a governmental fund type. The MPO is a discretely presented component unit because there is a financial benefit/burden relationship with the BOCC and the MPO is fiscally dependent on the BOCC since the BOCC has the ability to modify or approve its budget.

Solid Waste Authority of Palm Beach County (SWA) – The SWA is a dependent special district created by the Florida Legislature under the Palm Beach County Solid Waste Act, Chapter 75-473, Laws of Florida, Special Acts of 1975, as amended and supplemented (the Act). The Act gives the SWA the power to construct and operate solid waste disposal facilities sufficient to effectively manage all solid waste generated in Palm Beach County. Additionally, the Act provides the SWA with the jurisdiction to collect waste throughout the unincorporated areas of the County, which is handled by private haulers under contract with the SWA. The SWA is a discretely presented component unit because the SWA is governed by a seven member board, consisting of the Board of County Commissioners of Palm Beach County and is financially accountable for the operations of the SWA. The SWA is reported as a proprietary fund type.

Complete financial statements for each of the individual component units may be obtained at the respective entity's administrative offices as follows:

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Palm Beach County Public Building Corporation
301 North Olive Avenue
West Palm Beach, FL 33401

Metropolitan Planning Organization
2300 North Jog Road, 4th Floor
West Palm Beach, FL 33411

Solid Waste Authority
of Palm Beach County
7501 North Jog Road
West Palm Beach, FL 33412

Housing Finance Authority
of Palm Beach County
100 Australian Ave, Suite 410
West Palm Beach, FL 33406

Westgate/Belvedere Homes Community Redevelopment Agency
1280 North Congress Ave, Suite 215
West Palm Beach, FL 33409

Related Organizations

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations do not extend beyond making the appointments.

The following organizations are related organizations which have not been included in the reporting entity:

Palm Beach County Educational Facilities Authority (PBCEFA) – This organization was created by Palm Beach County Resolution 79-1493 pursuant to Chapter 243.18, Florida Statutes. Members of the PBCEFA are appointed by the Board of County Commissioners of Palm Beach County, but the County does not provide funding, has no obligation for the debt issued by the authority and cannot impose its will.

Palm Beach County Health Facilities Authority (PBCHFA) – This organization was created pursuant to Part III – Chapter 154, Florida Statutes, and by Ordinance 77-379 and 77-398 adopted by the Board of County Commissioners. Members of the PBCHFA are appointed by the Board of County Commissioners of Palm Beach County, but the County does not provide the funding, has no obligation for the debt issued by the authority and cannot impose its will.

Palm Beach County Workforce Development Board, Inc. (WDB) – The WDB was created pursuant to Palm Beach County Resolution 96-805D, as amended by Resolutions 96-1539D and 97-510Dm as a result of the enactment by the Florida Legislature of the Workforce Florida Act of 1996. Members of the WDB are appointed by the Board of County Commissioners of Palm Beach County, but the County does not provide the funding, has no obligation for the debt issued by the board and cannot impose its will.

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

Equity Joint Ventures

East Central Regional Wastewater Facility

Palm Beach County has a thirty-year joint inter-local agreement (the Agreement) with four municipalities for the East Central Regional Wastewater Facility (the Facility). The Facility was created to receive, treat and dispose of sewage generated within each municipality and the County. Under GAAP, the County is required to account for this joint venture using the equity method. Accordingly, the County recorded its initial investment at cost and is required to record its proportionate share of the Facility’s income or loss as well as additional contributions made or distributions received. Palm Beach County’s interest in the joint venture is recorded in the County’s Water Utilities Enterprise Fund. As of September 30, 2014, the Facility had total assets of \$129,628,140 and total net assets of \$99,344,226 including \$71,656,147 invested in capital, net of debt, and \$4,874,028 of unrestricted net assets. September 30, 2015 amounts are expected to approximate the above figures. As of September 30, 2015, the County’s investment in this joint venture is \$40.0 million.

The Agreement provides for the establishment of a board comprised of one representative from each participating entity, with the City of West Palm Beach being designated to administer and operate the Facility. The Facility’s board has the authority to accept and disburse funds, approve an annual budget, transact business, enter into contracts and decide all other matters related to the Facility.

The proportionate share for each entity is determined by the reserve capacity of the Facility allocated to each participant. At September 30, 2015, Palm Beach County had a 34.29% interest. The participants and each entity’s interest at September 30, 2015 are as follows:

PARTICIPANT	RESERVE CAPACITY PERCENTAGES
City of West Palm Beach	29.29%
Palm Beach County	34.29%
City of Lake Worth	16.43%
City of Riviera Beach	11.42%
Town of Palm Beach	8.57%
TOTAL	100.00%

Separate financial statements for the Facility may be obtained at the following address:

East Central Regional Wastewater Facilities
City of West Palm Beach
P.O. Box 3506
West Palm Beach, FL 33402

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Biosolids Processing and Recycling Facility

The Board of County Commissioners, on behalf of the Water Utilities Department (WUD), has an interlocal agreement with the Solid Waste Authority (SWA) to fund a portion of the cost to design, build, and operate a Biosolids Processing and Recycling Facility (BPF). The BPF processes certain wastewater treatment residuals (biosolids) and is necessary to comply with increasingly stringent environmental regulations that have significantly decreased the number of land application sites available. Bulk land application was the method of disposing of the biosolids.

The agreement is for a period of twenty years beginning with the August 1, 2009 operations commencement. Upon the conclusion of the term of the agreement, the BPF will remain the property of SWA with each participating entity owning its share of the BPF, in perpetuity, for the life of the plant. Under accounting principles generally accepted in the United States of America, WUD is required to account for this arrangement as a joint venture. Therefore, an asset is reported on the WUD financial statements under the caption "Investment in Joint Ventures".

Since the BPF agreement does not state that the participants are to share in the profits and losses of the joint venture, the investment in joint venture account will not be adjusted to reflect the joint venture's results of operations. Rather, the investment in joint venture will be amortized using the straight line method over the twenty-year life of the agreement. WUD's 27.5% share resulted in pro rata obligations of \$9.2 million for construction costs and \$580,000 annually for operating expenses for the twenty-year period. In July 2013, WUD sold excess capacity shares in the BPF to the ECR, leaving WUD with a 17.82% pro-rata share in the BPF's capacity. This amount was recorded as a reduction of WUD's investment in joint venture. WUD's total operating costs were \$1,132,000 for the year ended September 30, 2015. As of September 30, 2015, the County's investment in the BPF is \$4.5 million, which is shown as an asset – investment in joint ventures – on the statement of net position.

No separate financial statements are prepared for the BPF which is reported as part of SWA operations. SWA financial statements may be obtained from their office at 7501 North Jog Road, West Palm Beach, Florida, 33412.

Sunshine State Governmental Financing Commission

The Sunshine State Governmental Financing Commission (the Commission) was created in November 1985. As a joint venture among the member governmental units, the Commission enables a limited number of qualifying governments to participate in pooled debt financing with pricing and cost structures not normally available to governmental entities acting individually. The County has no current borrowings.

Financial Statements may be obtained from the Commission.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

B. Basic Financial Statements

The County's Basic Financial Statements contain three components; government-wide financial statements, fund financial statements and notes to the financial statements.

Government-wide financial statements - The government-wide financial statements provide an overview of the County's financial position using the accrual basis of accounting. The Statement of Net Position presents information on all of the assets and deferred outflows and liabilities and deferred inflows of the County as a whole, excluding fiduciary funds. The difference between assets and deferred outflows and liabilities and deferred inflows is reported as net position. Changes in net position may serve as an indicator of whether the financial position of the County is improving or deteriorating. The Statement of Activities presents information showing how the County's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying economic transactions occur, regardless of when cash is received or paid. Therefore, some of the revenues or expenses reported in the Statement of Activities will have cash flows in future fiscal periods. For example, uncollected taxes are reported as revenues although cash receipts will occur in the future. Unused vacation leave results in an expense although related cash outflows will occur in the future.

The government-wide financial statements presentation distinguishes between activities that are supported primarily by taxes and intergovernmental revenues (governmental activities) and activities that are intended to recover all or most of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services and culture and recreation. The business-type activities of the County include the Water Utilities Department and the Department of Airports.

The government-wide financial statements include not only the County itself (the primary government) but also its discretely presented component units, the legally separate entities for which the County is financially accountable.

Fund financial statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with legal, legislative, contractual, and other finance-related provisions. All of the funds of the County may be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds – Most of the County's basic services are reported in governmental funds, which focus on how money or other spendable financial resources flow into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general governmental operations and the basic services it provides. The measurement focus is based upon determination of changes in financial resources. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. The

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

governmental fund category includes the general fund, special revenue funds, debt service funds, and capital project funds. There is a reconciliation of the governmental activities presented in the Statement of Net Position and the Statement of Activities to the governmental funds presented in the fund financial statements.

The following are definitions of the governmental fund types:

General Fund: Used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds: Used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The restricted or committed proceeds of specific revenue sources should be expected to continue to comprise a substantial portion of the inflows reported in the fund. The county uses a minimum of 50% as its definition of substantial.

Capital Projects Funds: Used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital related outflows financed by proprietary funds or assets that will be held in trust for individuals, private organizations or other governments.

Debt Service Funds: Used for and reports financial resources that are restricted, committed or assigned to expenditures for principal and interest.

The following is a description of the County's major governmental funds:

The **General Fund** is the primary operating fund of the County. It is used to account for all financial resources of the general government except those required to be accounted for in other funds. The General Fund is subdivided into the following categories representing each of the elected officials of the County: BOCC, Sheriff, Clerk & Comptroller, Tax Collector, Property Appraiser and the Supervisor of Elections.

Special Revenue Funds:

The **Fire Rescue Special Revenue Fund** is used to account for ad valorem taxes and other revenues designated for fire rescue services.

Capital Projects Funds:

The **Road Program Capital Projects Fund** is used to account for costs related to the design and acquisition of rights of way and the construction of improvements to the County's major thoroughfare road system, primarily represented by the County's Five Year Road Program.

The **General Government Capital Projects Fund** is used to account for costs of capital improvements not included in any other category. Based on the nature of this fund's activities,

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

management has determined it is particularly important to the financial statement users and for consistency from year to year.

All other nonmajor governmental funds are aggregated into a single column for presentation purposes.

Proprietary Funds – The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Water Utilities Department and the Department of Airports. These two operations are considered to be major proprietary funds of the County. Internal Service Funds are used to accumulate and allocate costs internally among the County’s other functions. The County uses internal service funds to account for Fleet Management and Risk Management programs. These programs are included in the governmental activities column of the government-wide financial statements because they predominantly benefit governmental rather than business-type functions. The measurement focus is based on changes in economic resources. The three internal service funds are aggregated into a single column for presentation in the proprietary fund financial statements. The County’s two major proprietary funds are described below:

The **Water Utilities Department Fund** is used to account for the operations of the water and wastewater system in the unincorporated areas of the County. Water and wastewater fees are determined annually by rate studies and are set at levels to recover the expenses of operations, including debt service, in a manner similar to private business enterprises. Activities necessary to provide water and wastewater service are accounted for in this fund, including customer service, engineering, operations and maintenance.

The **Department of Airports Fund** is used to account for the operations of the four County-owned airports – Palm Beach International Airport in West Palm Beach and three general aviation airports located in Palm Beach Gardens, Lantana and Pahokee.

Agency Funds are custodial in nature (assets equal liabilities) and do not measure results of operations. Agency funds are used to account for resources held by the government as an agent for individuals, private organizations and other governments. Assets held include cash bonds, purchasing bid bonds, security deposits, fines and forfeitures, tax deeds, tax payments, and license and registration payments. These funds are not included in the government-wide financial statements because the resources in these funds are not available to support the County’s own programs.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment for transactions is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets and deferred outflows less current liabilities and deferred inflows) or economic resources (all assets and deferred outflows and liabilities and deferred inflows). The basis of accounting indicates the timing of transactions or events for recognition in the financial reports.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

The government-wide and proprietary fund financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The governmental fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. The Agency fund financial statements are presented using the accrual basis of accounting.

With the economic resources measurement focus, all assets and deferred outflows and liabilities and deferred inflows associated with the operation of these funds are included on the balance sheet. With the accrual method of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Government-wide financial statements and proprietary fund financial statements show increases (revenues) and decreases (expenses) in net position.

Governmental fund financial statements are presented using the current financial resources and the modified accrual basis of accounting. With this measurement focus, only current assets and deferred outflows and current liabilities and deferred inflows are generally included on the balance sheet. Operating statements of these funds show increases (i.e., revenues and other financing resources) and decreases (i.e., expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, that is, when they become both measurable and available to pay liabilities of the current period. For this purpose, the County considers revenue to be available if they are collected within 60 days of year-end. Revenues not considered available are recorded as deferred inflows. Property taxes (when levied for, intergovernmental revenue when all eligibility requirements have been met), franchise fees, utility taxes, licenses and permits, charges for services, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditures generally are recorded when a liability is incurred; however, debt service expenditures, as well as expenditures related to pensions, compensated absences, claims and judgments, and other postemployment benefits are recorded only when payment is due.

D. Implementation of New Governmental Accounting Standards Board (GASB) Statements

The County implemented GASB Statement No. 68 *“Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27)”* and GASB Statement No. 71 *“Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68”* during the fiscal year ended September 30, 2015. The County participates in the Florida Retirement System (FRS) defined benefit pension plan and the Health Insurance Subsidy (HIS) defined benefit plan administered by the Florida Division of Retirement. As a participating employer, GASB 68 requires employers participating in cost-sharing multiple-employer defined benefit pension plans to report the employer’s proportionate share of the net pension liabilities and related pension amounts of the defined benefit pension plan.

Additionally, the County participates in the Amalgamated Transit Union Local 1577 (Palm Tran) pension plan which is a mandatory contribution, single employer, defined benefit retirement

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

program as well as the Lantana Firefighter's Pension Fund which is a combined defined benefit and defined contribution pension plan. GASB Statements No. 68 and 71 require the employer to report the employers net pension liability and related pension amounts of the defined benefit pension plans.

Refer to the subsequent Restatement Note for more information on the effects of the implementation of these new accounting standards on the County's financial statements.

E. Unadopted GASB Statements

The GASB issued Statement No. 72 "*Fair Value Measurement and Application*" in February 2015. This Statement will address accounting and financial reporting issues related to fair value measurements, provide guidance for determining a fair value measurement for financial reporting purposes, and provide guidance for applying fair value to certain investments and disclosures related to all fair value measurements. This Statement is effective for the County for fiscal year 2016.

The GASB issued Statement No. 75 "*Financial Reporting for Postemployment Benefits Other Than Pensions*" in June 2015. This Statement outlines reporting by governments that provide Other Post-Employment Benefits (OPEB) to their employees and for governments that finance OPEB for employees of other governments. This Statement is effective for the County for fiscal year 2018.

The GASB issued Statement No. 77 "*Tax Abatement Disclosures*" in August 2015. This Statement requires state and local governments to disclose information about tax abatement agreements and what effect these agreements have on the government's tax revenues. This Statement is effective for the County for fiscal year 2017.

The impact on the County's financial position or results of operations has not yet been determined for these unadopted statements.

F. Cash and Investments

Deposits

All deposits are held in qualified public depositories pursuant to the Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act" and are covered by either federal depository insurance or collateral held by the Chief Financial Officer of Florida.

In the event of a default by a qualified public depository, all claims for government deposits would be satisfied by the Chief Financial Officer of Florida from the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Cash Equivalents

Highly liquid investments with maturities of three months or less when purchased are reported as cash equivalents. The County maintains an internal investment pool for substantially all funds. Earnings are allocated daily to each fund based on their equity balances in the pool. Each fund reports their equity in the County's internal investment pool as a cash equivalent.

Investments

All investments are reported at fair value except for the following which are reported at amortized cost as permitted by GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*:

- Florida Prime Investment Pool
- Money Market Mutual Funds

State statutes and local ordinances authorize County investments in obligations of the U.S. Government, its agencies and instrumentalities, repurchase agreements, interest-bearing time deposits, savings accounts, Florida Prime Investment Pool (formerly known as the Local Government Surplus funds Trust Fund LGIP administered by the State Board of Administration), the Florida Local Government Investment Trust (FLGIT), collateralized mortgage obligations (CMO), certain corporate securities, instruments backed by the full faith and credit of the State of Israel, bankers acceptances, and money market mutual funds.

State statutes authorize Solid Waste Authority (SWA) investments in the Florida Prime Investment Pool (formerly known as the Local Government Surplus funds Trust Fund LGIP administered by the State Board of Administration), interest-bearing time deposits, savings accounts, negotiable direct obligations of or obligations unconditionally guaranteed by the U.S. Government, obligations of the Federal Farm Credit Banks, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank or its districts, interest rate swap agreements, and obligations guaranteed by the Government National Mortgage Association and obligations of the Federal National Mortgage Association and mutual funds limited to U.S. Government securities.

The following external investment pools are not SEC-registered:

The State Board of Administration (SBA) administers the *Florida Prime Investment Pool* (formerly known as the Local Government Surplus funds Trust Fund LGIP) which is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 218 and 215 of the Florida Statutes. The Florida Prime Investment Pool is an external investment pool operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The investment in the Florida Prime Investment Pool is not insured by FDIC or any other governmental agency. Regulatory oversight of the State Board of Administration is provided by three elected officials who are accountable to the electorate: the Governor of the State of Florida, as Chairman; the Chief Financial Officer of Florida, as Treasurer; and the State Comptroller, as Secretary. External oversight of the State Board of Administration is provided by the Investment Advisory Council which reviews the investments made by the staff of the Board of Administration and

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

makes recommendations to the Board regarding investment policy, strategy, and procedures. Audit oversight is provided by the Florida Auditor General's Office.

The *Florida Local Government Investment Trust* (FLGIT) is a local government investment pool developed jointly by the Florida Association of Court Clerks and the Florida Association of Counties. The FLGIT has no regulatory oversight, but has been recognized by an Internal Revenue Service private letter ruling as a tax-exempt organization, has received a Standard and Poor's rating and is governed by a six member Board of Trustees. The share price of this investment represents the fair value of the fund's underlying investments.

Additional information is provided in the Cash and Investments Note.

G. Accounts and Other Receivables

Accounts receivable are recorded net of allowances for bad debts. Allowance for uncollectible receivables is based upon historical trends and the periodic aging of receivables. These allowances relate to the enterprise funds and are not significant. Billings to water utility customers are based on metered consumption which is determined at various dates each month. Estimated unbilled consumption at year-end is recognized as revenue in the Water Utilities Fund. Other receivables include low income housing loans to individuals and developers, a loan to the convention center and a contribution receivable from FAU as part of the Scripps project and Fire Rescue ambulatory services. The allowance for uncollectible receivables for Fire Rescue services is based on historic trends and analysis of current economic factors. As of September 30, 2015 there was an allowance of \$18.4 million for these receivables.

H. Inventories and Prepaid Items

Inventories consisting primarily of materials and supplies are stated at cost based upon the first-in, first-out method. Purchases of inventories for governmental funds are reported as expenditures in the period purchased, except for the Sheriff, which is accounted for using the consumption method. Inventories for governmental fund types, which use the purchases method, are reported on the governmental funds balance sheet as an asset of the fund with a corresponding amount recorded as non-spendable fund balance. Inventories of proprietary type funds are reported as an expense when consumed in the operations of the fund.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Expenditures for insurance and similar services extending over more than one accounting period are accounted for as expenditures of the period of acquisition.

I. Restricted Assets

Assets are reported separately as 'restricted' in proprietary funds and the entity-wide statement of net position when restrictions on asset use change the nature or normal understanding of the availability of the asset.

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

Consistent with this principle, the following assets are reported as restricted assets:

1. Assets that are restricted as to withdrawal or use for other than current operations.
2. Assets that are restricted for expenditure in the acquisition or construction of noncurrent assets.

J. Capital Assets

Property, plant, and equipment and infrastructure assets (such as roads, sidewalks, bridges, and drainage systems) are reported in the applicable governmental or business-type activities columns of the government-wide financial statements and proprietary fund financial statements. All work in process for the current and prior fiscal years has been capitalized as Construction In Progress as the related projects have not yet been completed. Capital assets are defined as those assets with an initial, individual cost of over \$1,000. Contributed capital assets are recorded at their estimated fair value at the time received. 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. In addition, for business-type activities and enterprise funds, net interest costs are capitalized on projects during the construction period. Depreciation is calculated using the straight-line method over estimated useful lives as follows:

<u>Asset Classification</u>	<u>Estimated Useful Life (In Years)</u>
Buildings, Utility Plants and Systems	10-50
Furniture, Fixtures and Equipment	2-15
Improvements Other Than Buildings	5-20
Infrastructure	20-50

In the governmental fund financial statements, the costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures. Capital assets are not shown on the governmental fund balance sheets.

Goodwill is determined based on the difference between the acquisition price and the fair value of all assets acquired. Amortization of goodwill related to the utility system acquisition is also computed on the straight-line method. The Water Utilities Department has two items of goodwill: 1) the goodwill resulting from the acquisition of the Village of Royal Palm Beach's Utility System is amortized over 30 years which represents the period the bonds issued to fund the acquisition will be outstanding, and 2) the goodwill resulting from the acquisition of the Indian Trail Improvement District Utility System is amortized over 40 years.

K. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources which represents a consumption of net position applicable to a future period and will not be recognized as an outflow (expense/expenditure) until that time. The County reports deferred outflows related to pensions, Goodwill, and the deferred loss on refunding of debt in this category. All of these deferred outflows are reported in the government-wide statement of net position and the proprietary funds statement of net position. A deferred

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

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

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources, which represents an acquisition of net position that applies to a future period and will not be recognized as an inflow (revenue) until that time. The County reports deferred inflows related to pensions and deferred gains on refunding in the government-wide statement of net position and the proprietary funds statement of net position. The County also reports deferred inflows related to unavailable revenue in the governmental funds balance sheet.

L. Compensated Absences

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, the County accrues a liability for compensated absences, as well as certain other salary-related costs associated with the payment of compensated absences. Vacation leave is accrued as a liability as the benefits are earned by the employees. Sick leave is also accrued as a liability as the benefits are earned by the employees, but only to the extent that it is probable that the County will compensate the employees for the benefits through cash payments at termination or retirement.

Under the accrual basis of accounting used in the government-wide financial statements and the separate proprietary fund financial statements, the entire compensated absences liability (long-term and short-term) is reported when earned as described above. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

M. Amortization of Discount/Premium on Bonds and Debt Issuance Costs

Amortization of discount and premium on bonds is determined by using the outstanding principal method over the life of the related debt. The amortization of discount or premium is recorded as an adjustment to interest expense. Bonds payable are reported net of the applicable bond discount or premium. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued and premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Bond issuing costs are expensed when incurred. In the fund financial statements, governmental fund types recognize bond issuance costs during the current period as debt service expenditures.

N. Self-Insurance

The County maintains a Risk Management (Workers' Compensation) self-insurance program, a Casualty self-insurance program, and an Employee health self-insurance program which are accounted for as internal service funds. The County has elected to essentially self-insure itself for health benefits to County employees and employees of component units of the County electing to participate in the plan. The plan covers approximately 4,300 participants.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

The three (3) self-insurance programs are designed to be self-sustaining through actuarially determined premiums established annually to cover expected claims, administration and a margin for unexpected losses or expenses. Claims are recorded as incurred with an estimate added at year-end based on an actuarially determined estimate of incurred but not reported claims.

O. Pensions and Other Post-Employment Benefits Disclosure

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS), Health Insurance Subsidy (HIS) deferred benefit plans, and the Palm Tran and Lantana Plans additions to/deductions from all three Plans fiduciary net position have been determined on the same basis as they are reported by the Plans and are recorded in the government-wide and Proprietary Fund statements. For this purpose, benefit payments (including refunds of employee contributions), are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The County applies GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, for the measurement, recognition, and display of OPEB expenditures or expenses, liabilities and assets as discussed in a subsequent note.

P. Elimination of Internal Activity

In the government-wide Statement of Activities, interfund activity, such as transfers in and out as well as transfers within the Internal Service Funds and within the Governmental Activities category is eliminated. Interfund activity between governmental and business-type activities is not eliminated. Interfund services provided and used between functions are not eliminated because removing interfund services would distort the functional expenses presented in the Statement of Activities.

Q. Program Revenues

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, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

R. Budgets

BOARD OF COUNTY COMMISSIONERS

Pursuant to Chapter 129, Florida Statutes, General Budget Policies, the following procedures are followed by the Board of County Commissioners in establishing, adopting and maintaining the operating budget.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

1. On or before July 15, the County Administrator, through the Office of Financial Management and Budget (OFMB) submits to the Board of County Commissioners a tentative budget for the fiscal year commencing the following October 1. This is a detailed plan outlining all programs and estimated departmental revenues and expenditures for the upcoming year.
2. Taxpayers are informed of the proposed budget and tentative millage rates through advertising and public hearings which are held to elicit taxpayer comments.
3. The budget is legally adopted through Board of County Commission action for the fiscal year beginning October 1.
4. The Board at any time within a fiscal year may amend a budget for that year as follows:
 - a. Appropriations for expenditures in any fund may be decreased and other appropriations in the same fund correspondingly increased by action recorded in the minutes, provided that the total of the appropriations of the fund are not changed. The Board of County Commissioners, however, may establish procedures by which the designated budget officer may authorize certain intradepartmental budget amendments, provided that the total appropriation of the department shall not be changed.
 - b. Appropriations from reserves may be made to increase appropriations by resolution of the Board, but no expenditures shall be directly charged to any reserve.
 - c. A receipt from a source not anticipated in the budget and received for a particular purpose including, but not limited to, grants, donations, gifts or reimbursements for damages may, by resolution of the Board recorded in its minutes, be appropriated and expended for that purpose, in addition to the appropriations and expenditures provided for in the budget. Such receipts and appropriations shall be added to the budget in the proper fund. During fiscal year 2015, supplemental appropriations amounted to a net increase of \$345,293,794, or approximately 9% of the original budget.
5. It is unlawful for the Board to expend or contract for the expenditures in any fiscal year more than the amount budgeted in each individual fund's budget, and in no case shall the total appropriations of any budget be exceeded. In addition, to comply with the above statutory requirements, the Board of County Commissioners has elected to adopt management controls and approved guidelines, which provide for the budget to be controlled at a detail level greater than the statutory level of control. The effective legal budgetary control is at the department level for the General Fund and special revenue funds with approved budgets which is reflected in the budget to actual statements presented in the fund financial statements section and the combining and individual fund statements and schedules section. It should be noted that in some instances the name of the Special Revenue fund reflects the department such that further department breakout in the budget to actual schedule is not necessary – an example of this would be the Library District Fund. Also, concerning debt service and capital project funds with annually appropriated budgets, the effective legal budgetary control is at the fund level, which is

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

reflected in the budget to actual schedule presentation. Annual budgets are legally adopted for all governmental and proprietary fund types. Budgetary comparisons presented herein are on a basis consistent with GAAP.

CLERK OF THE CIRCUIT COURT

Chapter 218.35, Florida Statutes, governs the preparation, adoption and administration of the Clerk & Comptroller's (the Clerk) annual budget. The Clerk, as county fee officer, establishes an annual budget for her office, which clearly reflects the revenues available to the office and the functions for which the money is to be expended.

The Clerk, functioning in her capacity as Clerk of the Circuit and County Courts and as Clerk of the Board of County Commissioners, prepares her budget in two parts:

1. The budget for funds necessary to perform court-related functions as provided for in Florida Statute 28.36, which details the methodologies used to apportion costs between court-related and non-court-related functions performed by the clerk.
2. The budget relating to the requirements of the Clerk as Clerk of the Board of County Commissioners, County Auditor, and Custodian or Treasurer of all county funds and other county related duties.

SHERIFF

Chapter 30.49, Florida Statutes, governs the preparation, adoption and administration of the Sheriff's annual budget. By May 1 each year, the Sheriff shall certify to the Board a proposed budget of expenditures for performing the duties of his office for the ensuing fiscal year. The Sheriff's budget is legally adopted by Board of County Commission action for the fiscal year beginning October 1.

TAX COLLECTOR AND PROPERTY APPRAISER

Chapter 195.087, Florida Statutes, governs the preparation, adoption and administration of the budgets of the Tax Collector and Property Appraiser. On or before a legally designated date each year, the Tax Collector and the Property Appraiser shall submit to the Florida Department of Revenue a budget for the ensuing fiscal year. A copy of such budget shall be furnished at the same time to the Board of County Commissioners. Final approval of the budgets is given by the Florida Department of Revenue.

SUPERVISOR OF ELECTIONS

Chapter 129, (sections .02 and .202), Florida Statutes, governs the preparation, adoption and administration of the budget of the Supervisor of Elections. On or before June 1 of each year, the Supervisor of Elections shall submit to the Board of County Commissioners a tentative budget for the ensuing fiscal year.

However, the Board of County Commissioners of Palm Beach County, by resolution R-95-1195, requires the tentative budget to be submitted by May 1 of each year.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

S. Encumbrances

The County uses encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation. Encumbrances represent the estimated amount of expenditures ultimately to result if unperformed contracts and open purchase orders are completed. Although encumbrances lapse at year-end, it is the County's intention to substantially honor these encumbrances under the authority provided in the subsequent year's budget. Refer to the Commitments Note for more information.

T. Operating versus Non-operating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues of the County's Enterprise and Internal Service funds are charges to customers for sales and services. Operating revenues for the Enterprise Funds include water and wastewater service fees, as well as airport fees and charges. For the Internal Service funds, operating revenues include charges to other departments for various maintenance, communications and insurance services. Operating expenses for the Enterprise and Internal Service Funds include costs of sales and services, administrative fees, insurance payments and depreciation. All revenues and expenses not meeting this definition are considered non-operating items.

U. Fund Balance

Fund balances are reported in classifications based on whether the amounts are non-spendable or spendable.

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

Spendable amounts are classified based on the extent to which there are external and/or internal constraints in how the fund balance amounts may be spent.

Amounts that are restricted to specific purposes either by constraints (a) placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances.

Amounts that are constrained for specific purposes that are internally imposed by the County's highest level of decision making authority, the BOCC, are classified as committed fund balances. Formal action in the form of a County Ordinance must be taken by the BOCC prior to the end of the fiscal year. The same formal action must be taken by the BOCC to remove or change the limitations placed on the funds.

Amounts that are constrained by the County's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Assignments are made by the County Administrator. Palm Beach County is a Charter County and operates under a County Manager form of Government (as previously stated in Note 1, Section A, *Financial Reporting Entity*). The Charter of Palm Beach County, Florida, Article II, Sections 2.1 and 2.4 provide for the County Administrator to assign fund balance. As such, the County Administrator is responsible for preparing and managing the County's budget along with the establishment and classification of all its funds.

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. Unassigned fund balance also includes any deficit fund balance of other governmental funds.

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

The County has not formally adopted a minimum fund balance policy.

V. Net Position

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is comprised of three categories:

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

Restricted Net Position - This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents net position that does not meet the definition of “net investment in capital assets” or “restricted”.

W. Property Tax

Taxes in Palm Beach County are levied by the Board of County Commissioners for the County. The millage levies are determined on the basis of estimates of revenue needs and the total taxable valuations within the jurisdiction of the Board of County Commissioners. No aggregate ad valorem tax millage in excess of 10 mills on the dollar is levied against property of the County as specified in Chapter 200.071, Florida Statutes.

Each year the total taxable valuation is established by the County Property Appraiser and the list of property assessments is submitted to the State Department of Revenue for approval. County ad valorem taxes are a lien on the property against which they are assessed from January 1 of the

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

year of assessment until paid or barred by operation of law (statute of limitations). Taxes are levied on October 1, become due and payable on November 1 of each year, or as soon thereafter as the assessment roll is opened for collection, and are delinquent on April 1 of the following year. Discounts for payment prior to April 1st were determined as follows:

4%	if paid by November 30th
3%	if paid by December 31st
2%	if paid by January 31st
1%	if paid by February 28th

Pursuant to Florida law, the Tax Collector advertises and sells tax certificates on all real property for which there are unpaid taxes. Accordingly, there is no property taxes receivable as of September 30, 2015.

X. Interest Costs

Interest cost incurred by proprietary funds for the fiscal year ended September 30, 2015 amounted to \$12,354,462, of which \$1,865,160 was capitalized.

Y. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. CASH AND INVESTMENTS

Additional cash and investment information is provided in Note 1, paragraph F (Summary of Significant Accounting Policies - Cash and Investments).

At September 30, 2015, the cash and investments consisted of the following:

	Bank Balance	Carrying Value	Investments
Deposits in Financial Institutions	\$ 331,627,709	\$ 303,600,129	\$ -
Cash on hand		332,432	-
Internal Investment Pool		1,382,420,554	1,381,119,925
Cash Equivalents		74,381,546	74,381,546
Total		\$ 1,760,734,661	\$ 1,455,501,471

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

The carrying value of the internal investment pool includes cash, accrued interest receivable, and investments.

Cash and investments are reported in the financial statements as follows:

Statement of Net Position			
Primary Government			
Cash, cash equivalents & investments	\$	1,167,769,778	
Restricted cash, cash equivalents & investments		449,492,951	
Statement of Fiduciary Net Position			\$ 1,617,262,729
Agency Funds			
Cash & cash equivalents	\$	143,471,932	
			143,471,932
			\$ 1,760,734,661

Investment Type	Fair Value	Effective Duration in Years		
		Less Than 2 Years	2 Years but Less Than 5 Years	5 Years but Less Than 10 Years
Investments subject to interest rate risk				
Small Business Administration	\$ 156,804,926	\$ 156,804,926	\$ -	\$ -
Certificates of Deposit	742,280,762	-	347,656,450	394,624,312
Florida Local Govt Investment Trust	50,985,985	50,985,985	-	-
Foreign Government Bonds	43,100,000	14,000,000	29,100,000	-
	993,171,673	\$ 221,790,911	\$ 376,756,450	\$ 394,624,312
Other Investments				
Money Market Mutual Funds	459,999,766			
Florida Prime Investment Pool (SBA)	1,145,464			
Cash and Receivables	1,184,568			
	\$ 1,455,501,471			

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

In accordance with the County Investment Policy, the Clerk & Comptroller manages the County's internal investment pool's exposure to declines in fair values by managing overall effective duration appropriate to the risk tolerance in meeting stated objectives. The Policy states that at the time of purchase, the County's investments must have a final maturity or average life of 10 years or less.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Credit Risk

Credit risk is the risk that an issuer will not fulfill its obligations.

Investments	Fair Value	Percentage of Total Portfolio	Standard & Poor's Investment Rating Service
Certificates of Deposit	\$742,280,762	51.0%	Not rated
U.S. Treasuries & Guaranteed Agencies	156,804,926	10.7%	AA+
Florida Local Govt Investment Trust	50,985,985	3.5%	AAAf
Foreign Government Bonds	43,100,000	3.0%	A+
Money Market Mutual Funds/Accounts and FL CLASS	459,999,766	31.6%	AAAm
Florida Prime Investment Pool (SBA)	1,145,464	0.1%	AAAm
Cash and Receivables	1,184,568	0.1%	N/A
	\$1,455,501,471	100.0%	

In accordance with the County's Investment Policy for the internal investment pool, investments in commercial paper and bankers acceptances are limited to ratings of A-1 or P-1 or higher by Standard and Poor's and Moody's, respectively. Investments in certificates of deposit with maturities of less than one year are allowable if the issuer maintains a short-term debt rating of at least A-1 or P1, respectively. Investments in certificates of deposit with maturities greater than one year are allowable if the issuer maintains a long-term debt rating of A or better, as determined by Standard & Poor's or Moody's. If an issuer of a certificate of deposit is not rated, it may still be an issuer if it maintains a quarterly average ranking of at least 50 as published by the State of Florida's Chief Financial Officer in conjunction with the Florida public deposits program. Investments in corporate securities are limited to ratings of AA or higher by Standard and Poor's and Moody's. The Investment Policy allows for the timely and appropriate disposal when an investment credit rating falls below a minimum threshold. No-load money market mutual funds are allowable if rated in the highest rating category of a Nationally Recognized Statistical Rating Organization (NRSRO). Investments in State of Israel Bonds are allowable only if the State of Israel's foreign debt at the time of purchase is at least A or higher by Standard & Poor's and Moody's rating services. All securities shall be transferred "Delivery versus Payment."

Custodial Credit Risk- Investments

This type of risk would arise in the event of the failure of a custodian of County investments, after which the government would not be able to recover the value of its investments that are in the possession of the third party custodian.

To guard against this risk, the County's investment policy for the internal investment pool requires that all securities be insured or registered in the name of the County and held by a third party custodial institution, with capital and surplus stock of at least \$500 million and a separate custody account at the Federal Reserve Bank (FED) specifically designated by the FED as

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

restricted for the safekeeping of the member-bank’s customer-owned securities only. All securities purchased or sold are transferred “delivery versus payment” or “payment versus delivery” to ensure that funds or securities are not released until all criteria relating to the specific transactions are met.

Concentration Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer.

Investment Issuer	Fair Value	Percentage of Total
TD Bank Certificates of Deposit	\$ 742,280,762	51.0%
Small Business Administration	156,804,926	10.7%
Florida Local Government Investment Trust (FLGIT)	50,985,985	3.5%
Foreign Government Bonds	43,100,000	3.0%
Money Market Mutual Funds/Accounts and FL CLASS	459,999,766	31.6%
Florida Prime Investment Pool (SBA)	1,145,464	0.1%
Cash and Receivables	1,184,568	0.1%
	\$ 1,455,501,471	100.0%

Investments in intergovernmental investment pools are limited to no more than 20% with one entity. Investments in Small Business Administration pools are limited to no more than 20% (at market value) at the time of purchase. Investments in State of Israel bonds are limited to no more than 3% (at market value) of the total portfolio at the time of purchase. Corporate securities are limited to no more than 20% of the investment pool’s total market value, excluding commercial paper, which is limited to 15% of the total market value. The County’s investment policy limits investments in corporate securities to 2% of total pool market value per single issuer at time of purchase. Investments in collateralized mortgage obligations (CMO) are limited to 20% of total value of the County’s internal investment pool. Investments in IO (interest only), PO (principal only), inverse floaters, other volatile CMO types, and corporate convertible securities are all prohibited. All CMO issues must pass the Federal Financial Institutions Examination Council (FFIEC) High Risk Security Test on a quarterly basis, or as specified in any Trust Indenture.

Foreign Currency Risk:

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. There was no exposure to foreign currency risk. The County investment in foreign bonds is denominated in U.S. dollars.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

COMPONENT UNIT – Solid Waste Authority (SWA)

Cash and Cash Equivalents: The bank balance and carrying value of the SWA’s cash and cash equivalents, including restricted balances, were as follows at September 30, 2015:

Bank balance of deposits with financial institutions	<u>\$ 10,709,608</u>
Carrying value	
Deposits with financial institutions	\$ 10,672,403
Petty Cash	9,950
Money market mutual funds	219,091,592
Florida Prime	<u>178,915,450</u>
Total cash and cash equivalents	<u>\$ 408,689,395</u>

The deposits with financial institutions were entirely covered by a combination of federal depository insurance and a collateral pool pledged to the State Treasurer of Florida by financial institutions that comply with the requirements of Florida Statutes and have been designated as a qualified public depository by the State Treasurer. Qualified public depositories are required to pledge collateral to the State Treasurer with a fair value equal to a percentage of the average daily balance of all government deposits in excess of any federal deposit insurance. In the event of a default by a qualified public depository, all claims for government deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool. Accordingly, all deposits with financial institutions are considered fully insured in accordance with pronouncements of the Governmental Accounting Standards Board. At September 30, 2015, the SWA had Certificate of Deposits with a carrying amount of \$1,210,000 reported as investments with a maturity date of May 6, 2016.

The money market mutual funds consist of investments with financial institutions in open end, institutional, money market funds complying with Securities and Exchange Commission (SEC) Rule 2a7 and investing only in U.S. Government and Agency. Rule 2a7 allows SEC registered mutual funds to use amortized cost rather than fair value to report net assets used to compute share prices if certain conditions are met. Those conditions include restrictions on the types of investments held, restrictions on the term-to-maturity of individual investments and the dollar-weighted average of the portfolio, requirements for portfolio diversification, and requirements for divestiture considerations in the event of security downgrades and defaults, and required actions if the fair value of the portfolio deviates from amortized cost by a specified amount. The investment in Florida Prime consists of equity in an external, “2a7-like” investment pool managed by the State of Florida that was available to be withdrawn by the SWA on an overnight

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

basis. The fair value of the position in Florida Prime was considered to be the same as the SWA's account balance (amortized cost) in the pool. The money market mutual funds and Florida Prime are classified as cash equivalents in the statements of net position and statements of cash flows. Cash and cash equivalents at September 30, 2015 include \$1,210,000 pledged as collateral for a letter of credit issued for the SWA's workers compensation insurance program.

Investments: Florida Statutes and SWA policy authorize investments in Florida administered by the State; negotiable direct obligations of or obligations unconditionally guaranteed by the U.S. Government; interest-bearing time deposits or savings accounts in financial institutions located in Florida and organized under federal or Florida laws; obligations of the Federal Farm Credit Banks, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank or its district banks; obligations guaranteed by Ginnie Mae; obligations of Fannie Mae; SEC registered money market mutual funds with the highest credit quality rating; mutual funds limited to U.S. Government securities; interest rate swaps, interest rate exchange agreements, investment contracts, or contracts providing for payments based on levels of or changes in interest rates, or contracts to exchange cash flows, a series of payments, or to hedge payment rate, spread or similar exposure; and, repurchase agreements fully collateralized by SEC registered money market mutual funds with the highest credit quality ratings. The SWA's bond resolutions authorize the investment of bond proceeds in obligations of certain federal government agencies or obligations guaranteed by those agencies; obligations of the United States Government or obligations guaranteed by the United States Government; guaranteed investment contracts meeting certain restrictions; or certain certificates of deposit, repurchase agreements, and investments that are insured or collateralized and otherwise permitted by Florida law.

At September 30, 2015, the fair value of the SWA's investments, including unrestricted and restricted asset balances were as follows:

Cash equivalents

Money market mutual funds	\$ 219,091,592
Florida Prime	178,915,450
	<u>\$ 398,007,042</u>

Investments

Certificate of Deposits	\$ 1,210,000
	<u>\$ 1,210,000</u>

Repurchase Agreement: In conjunction with the issuance of the \$599,860,000 Solid Waste Authority of Palm Beach County Refunding Revenue Bonds, Series 2011, the SWA entered into a master repurchase agreement (the "Agreement") with two multi-national financial institutions for an initial purchase price of \$598,511,702 with no additional purchases permitted. Eligible securities under the Agreement include cash and bonds or other obligations which, as to principal and interest, constitute direct obligations of, or are unconditionally guaranteed by, the U.S. Government, including obligations of any Federal agency to the extent such obligations are

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

unconditionally guaranteed by the U.S. Government. Repurchase dates and amounts are set forth in the Agreement with a final repurchase date of November 1, 2014.

Custodial Credit Risk: Custodial credit risk is defined as the risk that the SWA may not recover the securities held by another party in the event of a financial failure. The SWA's investment policy for custodial credit risk requires all investment securities to be held in the SWA's name by a third party safekeeping institution. The SWA's investment in the repurchase agreement is categorized as Category 1 under GASB pronouncements, because the SWA is a direct party to the tri-party agreement and the custodian is not the trust department of or affiliated with the financial institution that is the seller-borrower of the repurchase agreement. All deposits with financial institutions are considered fully insured or collateralized pursuant to the custodial credit risk categories of GASB pronouncements. The investments in money market mutual funds and Florida Prime are considered *unclassified* pursuant to the custodial credit risk categories of GASB pronouncements.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The money market mutual funds and Florida Prime have a weighted average maturity of less than 90 days, resulting in minimal interest rate risk.

Credit Risk: Credit risk is the risk that an issuer will not fulfill its obligations. The SWA's investment policy addresses credit risk by limiting allowable investments to the SBA Florida Prime investment pool, deposits with a financial institution meeting the requirements of a Florida qualified public depository, securities guaranteed by the U.S. Government, or investments that are otherwise fully collateralized or secured. The credit quality rating by a Nationally Recognized Statistical Rating Organization (NRSRO) is also an indication of credit risk. The repurchase agreement does not have a credit quality rating.

The credit quality ratings of the investments held at September 30, 2015 are as follows:

	Fair Value	Credit Quality Ratings	
		S&P	Moody's
Money Market mutual funds	\$ 219,091,592	AAAm	Aaa
Florida Prime	178,915,450	AAAm	Not Rated

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 SWA's investment policy addresses the concentration of credit risk by limiting the maximum amount that may be invested in certain investments and in any one issuer, except for investments in Florida Prime, U.S. Treasury

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

obligations and money market mutual funds which are not limited. Time and savings deposits are limited to 20% of the portfolio value, but no more than 5% per issuer. U.S. Government Agency and Instrumentality securities are limited to 40% of the portfolio value. Guaranteed investment contracts are limited to the total debt service reserve balance. Interest rate swap and repurchase agreements are generally limited to 50% of the portfolio fair value and must be fully collateralized or otherwise insured.

The SWA was in compliance with these limitations at September 30, 2015.

At September 30, 2015 certain individual investments exceeded 5% of the total investment portfolio (including cash and cash equivalents) as follows:

	Fair Value	Total Investment Portfolio
	<hr/>	<hr/>
Florida Prime	\$ 178,915,450	33.4%
Money market mutual funds		
Dreyfus Government	143,759,113	26.9%
Fidelity Government	75,332,479	14.0%

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. There was no exposure to foreign currency risk in the SWA's investments at September 30, 2015.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

3. CAPITAL ASSETS

A summary of changes in capital assets follows:

Primary Government

	Beginning Balance	Additions	Deductions	Ending Balance
Governmental Activities:				
Non-depreciable assets:				
Land	\$ 687,931,808	\$ 1,228,695	\$ (303,594)	\$ 688,856,909
Construction In Progress	211,771,742	52,339,454	(37,815,336)	226,295,860
Total non-depreciable assets	<u>899,703,550</u>	<u>53,568,149</u>	<u>(38,118,930)</u>	<u>915,152,769</u>
Depreciable assets:				
Buildings and improvements	1,149,118,201	3,092,423	(69,750)	1,152,140,874
Improvements other than buildings	427,133,413	2,679,538	(589,347)	429,223,604
Equipment	670,813,187	78,303,864	(45,638,658)	703,478,393
Infrastructure	1,498,605,599	14,957,551	-	1,513,563,150
Total depreciable assets	<u>3,745,670,400</u>	<u>99,033,376</u>	<u>(46,297,755)</u>	<u>3,798,406,021</u>
Less accumulated depreciation for:				
Buildings and improvements	(388,804,149)	(27,270,257)	344	(416,074,062)
Improvements other than buildings	(225,609,657)	(12,990,650)	395,187	(238,205,120)
Equipment	(476,564,248)	(56,601,796)	43,325,348	(489,840,696)
Infrastructure	(1,099,591,083)	(29,768,587)	-	(1,129,359,670)
Total accumulated depreciation	<u>(2,190,569,137)</u>	<u>(126,631,290)</u>	<u>43,720,879</u>	<u>(2,273,479,548)</u>
Total capital assets, being depreciated, net	<u>1,555,101,263</u>	<u>(27,597,914)</u>	<u>(2,576,876)</u>	<u>1,524,926,473</u>
Total governmental capital assets, net	<u>\$ 2,454,804,813</u>	<u>\$ 25,970,235</u>	<u>\$ (40,695,806)</u>	<u>\$ 2,440,079,242</u>

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

	Beginning Balance *	Additions	Deductions	Ending Balance
Business-type Activities:				
Non-depreciable assets:				
Land	\$ 116,647,186	\$ 7,059,493	\$ (99,601)	\$ 123,607,078
Intangible - easement rights	1,660,856	-	-	1,660,856
Construction In Progress	62,017,778	100,120,122	(53,046,734)	109,091,166
Total non-depreciable assets	<u>180,325,820</u>	<u>107,179,615</u>	<u>(53,146,335)</u>	<u>234,359,100</u>
Depreciable assets:				
Buildings and improvements	484,612,856	5,173,735	(1,897,295)	487,889,296
Improvements other than buildings	1,553,356,785	53,308,547	-	1,606,665,332
Equipment	114,998,752	7,188,146	(3,080,716)	119,106,182
Intangible - easement rights	13,754,957	-	-	13,754,957
Total depreciable assets	<u>2,166,723,350</u>	<u>65,670,428</u>	<u>(4,978,011)</u>	<u>2,227,415,767</u>
Less accumulated depreciation for:				
Buildings and improvements	(253,655,597)	(18,155,451)	1,754,086	(270,056,962)
Improvements other than buildings	(661,891,238)	(43,640,925)	-	(705,532,163)
Equipment	(88,781,457)	(6,240,351)	2,772,813	(92,248,995)
Intangible - easement rights	(4,534,792)	(343,874)	-	(4,878,666)
Total accumulated depreciation	<u>(1,008,863,084)</u>	<u>(68,380,601)</u>	<u>4,526,899</u>	<u>(1,072,716,786)</u>
Total capital assets, being depreciated, net	<u>1,157,860,266</u>	<u>(2,710,173)</u>	<u>(451,112)</u>	<u>1,154,698,981</u>
Total business-type capital assets, net	<u>\$ 1,338,186,086</u>	<u>\$ 104,469,442</u>	<u>\$ (53,597,447)</u>	<u>\$ 1,389,058,081</u>

* Beginning balance has been adjusted since Goodwill is now considered a Deferred Outflow as a result of GASB Statement No. 65. As such, Goodwill in the amount of \$6,915,903 and related accumulated depreciation of \$1,747,120 is now reported as Deferred Outflow in the Proprietary fund financial statements.

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

Governmental activities:

General government	\$ 23,174,961
Public safety	31,435,964
Physical environment	1,735,340
Transportation	43,282,563
Economic environment	501,505
Human services	1,145,984
Culture and recreation	18,356,335

In addition, depreciation on capital assets held by the County's internal service funds is charged to the various functions based on their usage of assets.

Total increases to accumulated depreciation \$ 6,998,638

Total increases to accumulated depreciation \$ 126,631,290

Business-type Activities:

Department of Airports	\$ 27,443,447
Water Utilities Department	40,937,154
Total depreciation expense - business-type activities	<u>\$ 68,380,601</u>

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

COMPONENT UNIT – Solid Waste Authority

A summary of changes in capital assets for the Solid Waste Authority follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Non-depreciable assets:				
Land	\$ 50,626,126	\$ -	\$ -	\$ 50,626,126
Construction In Progress	762,122,884	73,374,599	(812,134,746)	23,362,737
Total non-depreciable assets	<u>812,749,010</u>	<u>73,374,599</u>	<u>(812,134,746)</u>	<u>73,988,863</u>
Depreciable assets:				
Buildings and improvements	560,172,746	221,190,164	-	781,362,910
Improvements other than buildings	112,736,388	39,480,865	-	152,217,253
Equipment	188,379,270	558,129,240	(3,615,618)	742,892,892
Total depreciable assets	<u>861,288,404</u>	<u>818,800,269</u>	<u>(3,615,618)</u>	<u>1,676,473,055</u>
Less accumulated depreciation for:				
Buildings and improvements	(193,343,909)	(22,158,989)	-	(215,502,898)
Improvements other than buildings	(51,356,274)	(5,787,716)	-	(57,143,990)
Equipment	(136,255,689)	(15,737,087)	3,591,075	(148,401,701)
Total accumulated depreciation	<u>(380,955,872)</u>	<u>(43,683,792)</u>	<u>3,591,075</u>	<u>(421,048,589)</u>
Total capital assets, being depreciated, net	<u>480,332,532</u>	<u>775,116,477</u>	<u>(24,543)</u>	<u>1,255,424,466</u>
Total component unit capital assets, net	<u>\$ 1,293,081,542</u>	<u>\$ 848,491,076</u>	<u>\$ (812,159,289)</u>	<u>\$ 1,329,413,329</u>

4. RELATED PARTY TRANSACTIONS

Various departments within the County provide goods, administration, public safety, maintenance and various other services to other operating departments. Charges for these services are determined using direct and indirect cost allocation methods or amounts determined based upon direct negotiations between the related parties. The most significant of these transactions involves the reimbursement of indirect costs in accordance with the indirect cost plan. Accordingly, the reimbursement of these indirect costs in fiscal year 2015 was \$16,697,854.

5. MAJOR CUSTOMERS

A significant portion of the Department of Airports' earnings and revenues are directly or indirectly attributed to a number of major airlines operating out of Palm Beach International Airport (PBI). The Department of Airports' earnings and revenues could be materially and adversely affected should any of those airlines discontinue operations and not be replaced with other airlines providing similar activity. Five airlines account for 95% of the total enplaned passengers at PBI as follows: Delta Airlines – 26.8%, Jet Blue – 25.8%, American – 21.2%, Southwest – 11.1%, and United – 10.1%.

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

6. INTERFUND RECEIVABLE AND PAYABLE BALANCES

Interfund balances at September 30, 2015, are expected to be repaid within one year. Interfund receivable and payable balances at September 30, 2015 were as follows:

Payable Fund	Receivable Fund			
	General Fund	Fire Rescue Special Revenue Fund	Road Program Capital Projects	General Government Capital Projects
General Fund	\$ -	\$ 2,821,344	\$ 850	\$ 741,151
Fire Rescue Special Revenue Fund	-	-	-	-
Road Program Capital Projects	538	-	-	-
General Government Capital Projects	-	-	-	-
Nonmajor Governmental Funds	24,447,682	-	743,820	11,900,001
Airports	51	-	-	-
Water Utilities	4,979	-	-	-
Internal Service	7,394	-	-	-
Total	\$ 24,460,644	\$ 2,821,344	\$ 744,670	\$ 12,641,152

The outstanding balances between funds result mainly from the time lag between dates that: (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments are made between funds, (4) temporary loans are used to cover deficit cash.

Payable To	Receivable From - Primary Government			
	General Fund	Fleet Management	Combined Insurance	Total
Primary Government:				
General Fund	\$ -	\$ -	\$ -	\$ -
Nonmajor Governmental Funds	-	-	-	-
Airports	-	-	-	-
Component Units:				
Metropolitan Planning Organization	-	-	3,508	3,508
Solid Waste Authority	351,966	578	-	352,544
Total	\$ 351,966	\$ 578	\$ 3,508	\$ 356,052

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

Receivable Fund

Nonmajor Governmental Funds	Total Governmental Funds	Airports	Water Utilities	Total Enterprise Funds	Internal Service	Total
\$ 12,428,234	\$ 15,991,579	\$ -	\$ 6,557	\$ 6,557	\$ 2,699,515	\$ 18,697,651
-	-	-	274	274	128,574	128,848
-	538	-	-	-	44,271	44,809
-	-	-	-	-	10,308	10,308
1,574,935	38,666,438	76,849	1,191	78,040	1,259,924	40,004,402
-	51	-	559	559	114,862	115,472
-	4,979	30,332	-	30,332	745,971	781,282
-	7,394	-	87	87	21,207	28,688
\$ 14,003,169	\$ 54,670,979	\$ 107,181	\$ 8,668	\$ 115,849	\$ 5,024,632	\$ 59,811,460

Receivable From - Component Units

Housing Finance Authority	Metropolitan Planning Organization	Solid Waste Authority	Total
\$ 8,037,743	\$ 43,103	\$ 4,320,919	\$ 12,401,765
-	-	643	643
-	-	757	757
-	-	-	-
-	-	-	-
\$ 8,037,743	\$ 43,103	\$ 4,322,319	\$ 12,403,165

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

7. INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2015, were as follows:

Transfers In	Transfers Out		
	General Fund	Fire Rescue Special Revenue Fund	Road Program Capital Projects
General Fund	\$ -	\$ -	\$ -
Fire Rescue Special Revenue Fund	7,289,425	-	-
Road Program Capital Projects	-	-	-
General Government Capital Projects	12,461,016	288,799	-
Nonmajor Governmental Funds	118,477,156	417,610	1,035,336
Total	\$ 138,227,597	\$ 706,409	\$ 1,035,336

Transfers are used to:

1. Move revenues from within the fund which a statute or budget requires them to be collected to a fund from which a statute or budget requires them to be expended.
2. Move receipts which are restricted to debt service from the funds where the receipts are collected into the debt service fund, as debt service payments become due.
3. Provide matching funds for the County's portion of grant agreements.
4. Use and transfer unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.
5. Provide funding for various capital projects by means of transfers.

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

General Governments Capital Projects	Nonmajor Governmental Funds	Airports	Water Utilities	Internal Service Funds	Total
\$ 5,761,994	\$ 13,539,745	\$ -	\$ 12,499,999	\$ -	\$ 31,801,738
-	14,880,556	-	-	-	22,169,981
-	1,500,000	-	-	-	1,500,000
-	12,308,698	36,999	43,553	7,611	25,146,676
3,413,487	12,538,384	19,485	67,837	-	135,969,295
\$ 9,175,481	\$ 54,767,383	\$ 56,484	\$ 12,611,389	\$ 7,611	\$216,587,690

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

8. LEASES

Leases Receivable: Enterprise Funds

The Department of Airports leases a major portion of its property to airlines, rental car companies and concessionaires. Certain concessionaire leases provide for minimum rentals plus a contingency portion specified as a percentage of the tenants' gross revenues. Contingent rental income under such arrangements amounted to \$2,482,220 for the year ended September 30, 2015. All Department of Airports' leases are operating leases. A significant portion of the rental car companies operating leases are scheduled to expire after fiscal year 2016 resulting in a decline in minimum future receipts.

Minimum future receipts, exclusive of contingent rentals under such leases, are approximately:

Year Ended September 30	
2016	\$ 33,282,545
2017	21,747,559
2018	21,723,107
2019	21,316,082
2020	11,784,515
Thereafter	65,960,845
Total	<u>\$ 175,814,653</u>

A schedule of the carrying value of property held for lease, by major classification, as of September 30, 2015 is as follows:

Buildings	\$ 251,620,742
Less: accumulated depreciation	<u>(177,177,660)</u>
Net Buildings	74,443,082
Land	9,158,963
Total property held for lease	<u>\$ 83,602,045</u>

Lease Obligations

The County has entered into various leases which are classified as operating or capital leases for accounting purposes. Total rent expense for operating leases for the fiscal year ended September 30, 2015 amounted to \$4,824,669, comprised of \$4,708,214 for Governmental Funds, \$103,987 for Enterprise Funds, and \$12,468 for Internal Service Funds.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Operating Leases

Future minimum rental payments under non-cancellable operating leases as of September 30, 2015 are as follows:

Fiscal Year	Governmental Funds	Enterprise Funds	Internal Service Funds	Total
2016	\$ 2,768,541	\$ 88,576	\$ 11,456	\$ 2,868,573
2017	2,039,004	37,279	8,172	2,084,455
2018	1,197,934	9,046	2,506	1,209,486
2019	902,635	-	237	902,872
2020	751,519	-	-	751,519
Thereafter	59,521	-	-	59,521
Total	\$ 7,719,154	\$ 134,901	\$ 22,371	\$ 7,876,426

Capital Leases

Capital leases are those which are determined to have passed substantially all of the risks and benefits of ownership to the lessee. There were no capital leases in the proprietary fund types. Future minimum lease payments under capital leases as of September 30, 2015 are as follows:

Fiscal Year	Governmental Funds
2016	\$ 409,041
2017	409,041
2018	266,605
2019	253,657
Total minimum lease payments	1,338,344
Less imputed interest	(60,292)
Present value of minimum lease payments	<u>\$ 1,278,052</u>

The following schedule shows the leased assets capitalized as of September 30, 2015, by major asset class:

	Capital Assets
Equipment	\$ 1,180,943
Less: accumulated depreciation for entity-wide	(457,621)
Carrying value	<u>\$ 723,322</u>

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

9. RISK MANAGEMENT

The County maintains various self-insurance programs which are accounted for as internal service funds. Following is a brief description of each of the County's insurance programs. The claims liability reported in each of the funds at September 30, 2015, is actuarially determined based on the requirements of GASB 10, which specifies that a liability for claims be reported if information prior to the issuance of the financial statements indicated 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.

Property and Liability

The County is exposed to various risks of loss related to torts, theft, damage and destruction of assets, errors and omissions, and natural disasters. The County self-funds its Property and Liability exposures up to the amounts of \$1,000,000 for Property and \$500,000 for Liability with the exception of Palm Tran which is up to \$200,000. In addition, the County purchases a portfolio of excess insurance policies for both Property and Liability as well as numerous smaller policies for areas that are typically excluded in a standard policy or are specialized in nature. Liability exposures are limited to \$200,000 per person and \$300,000 per occurrence under Florida's sovereign immunity statute 768.28. The insurance program covers the Board of County Commissioners, the Supervisor of Elections, the Tax Collector, and the Clerk & Comptroller. In addition, the Property Appraiser participates in a small portion of the program as outlined in the Self-Insured Retention Program.

Participants in the program make payments to the Property and Liability Insurance Fund, included in the Combined Insurance Fund, based on estimates of the amounts needed to pay prior and current year claims and to establish an additional liability for claims incurred but not reported. The claims liability reported in this fund at September 30, 2015 is \$6,677,974. During claim years 2015 and 2014, changes recorded to the claims liability for property and liability insurance were as follows:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year-End</u>
2014	\$4,693,687	\$4,357,893	(\$1,807,953)	\$7,243,627
2015	7,243,627	1,858,550	(2,424,203)	6,677,974

Workers' Compensation Insurance

The County self-funds its workers' compensation exposure. The fund is professionally administered by a third party claims administrator. This fund covers all employees of the Board of County Commissioners, the Supervisor of Elections, the Clerk & Comptroller, the Property Appraiser, and the Tax Collector. Although the Sheriff's payroll and losses are reported to the State by the Risk Management Department, the Sheriff manages his own program using a third party administrator. Under the County's Self-Insurance Program, the Workers' Compensation

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

Fund provides full coverage pursuant to Florida Statute 440. The County purchases excess coverage for losses above the self-insured retention limit of \$2,500,000, for each workers' compensation occurrence.

Participants in the program make payments to the Workers' Compensation Insurance Fund, included in the Combined Insurance Fund, based on estimates of the amounts needed to pay prior and current year claims and to establish an additional liability for claims incurred but not reported. The claims liability reported in this fund at September 30, 2015 is \$49,291,834. During claim years 2015 and 2014, changes recorded to the claims liability for workers' compensation insurance were as follows:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year-End</u>
2014	\$47,542,768	\$10,274,934	(\$7,510,326)	\$50,307,376
2015	50,307,376	3,360,779	(4,376,321)	49,291,834

Employee Group Health Insurance

The County provides health insurance for its employees, retirees, and eligible dependents. The County has a \$600,000 specific excess insurance policy to protect the County against catastrophic health claims. The Health Insurance Fund covers all employees of the Board of County Commissioners and the Supervisor of Elections.

Participants in the program make payments to the Employee Health Insurance fund, included in the Combined Insurance Fund, based on estimates of amounts needed to pay prior and current year claims and to establish an additional liability for claims incurred but not reported. The claims liability reported in the fund at September 30, 2015 is \$3,740,062. During claim years 2015 and 2014, changes recorded to the claims liability for employee health insurance were as follows:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year-End</u>
2014	\$3,624,079	\$56,527,362	(\$56,653,587)	\$3,497,854
2015	3,497,854	59,741,294	(59,499,086)	3,740,062

SHERIFF

The Sheriff's Office maintains a general liability self-insurance program, a workers' compensation self-insurance program and a commercially insured employee health insurance

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

program which record current activity in the Sheriff's General fund and an obligation in the government-wide financial statements. The following is a brief description of each of the Sheriff's insurance programs.

General Liability Insurance

The Sheriff's office is exposed to various risks of loss related to torts, theft, damage and destruction of assets, errors and omissions, and natural disasters. The claims liability reported for general liability at September 30, 2015 is \$21,893,109. This amount is based on the requirements of GASB 10 which specifies 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.

During claim years 2015 and 2014, changes recorded to the claims liability for general liability were as follows:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year-End</u>
2014	\$14,408,539	\$9,518,185	(\$3,879,956)	\$20,046,768
2015	20,046,768	8,390,761	(6,544,420)	21,893,109

Workers' Compensation Insurance

The Sheriff's office is self-funded for its workers' compensation exposure. The claims liability reported at September 30, 2015 is \$30,267,095. This amount is the actuarially determined claims liability based on the requirements of GASB 10 which specifies 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.

During claim years 2015 and 2014, changes recorded to the claims liability for workers' compensation were as follows:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year-End</u>
2014	\$23,195,163	\$12,135,586	(\$8,915,215)	\$26,415,534
2015	26,415,534	11,642,282	(7,790,721)	30,267,095

Employee Group Health Insurance

The Sheriff's office maintains a fully insured program for its employee group health insurance program.

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

CLERK & COMPTROLLER

Employee Group Health Insurance

The Clerk's office provides health insurance for its employees and eligible dependents. The Clerk's office is self-insured for its health insurance coverage. The health insurance program is accounted for as an internal service fund.

During claim years 2015 and 2014, changes recorded to the claims liability for health insurance were as follows:

<u>Fiscal Year</u>	<u>Liability</u>	<u>Estimates</u>	<u>Payments</u>	<u>Year-End</u>
2014	\$750,000	\$10,845,090	(\$10,777,090)	\$818,000
2015	818,000	10,543,783	(10,647,783)	714,000

TAX COLLECTOR

Employee Group Health and Dental Insurance

The Tax Collector's office provides health and dental insurance to its employees and eligible dependents. The Tax Collector is fully insured for its health and dental coverage.

PROPERTY APPRAISER

Employee Group Health and Dental Insurance

The Property Appraiser's office provides health and dental insurance to its employees and eligible dependents. The Property Appraiser is fully insured for its health and dental coverage.

COMPONENT UNIT - Solid Waste Authority (SWA)

The SWA is exposed to various risks of loss related to torts, theft, damage and destruction of assets, errors and omissions, injuries to employees, life and health of employees, and natural disasters. The SWA purchases commercial insurance for property damage with coverage up to a maximum of approximately \$1 billion. This is subject to various policy sub-limits, generally ranging from \$1 million to \$100 million and deductibles ranging from \$50,000 to \$500,000 per occurrence (2% for Renewable Energy Facility #1 and 5% of total property damage values at all other locations for a named windstorm, subject to a minimum of \$250,000). The SWA also purchases commercial insurance for general liability claims with coverage up to \$5 million per occurrence and \$5 million aggregate, with excess liability coverage of \$45 million, all subject to various deductibles up to \$50,000 per occurrence. General liability claims are limited by the Florida constitutional doctrine of sovereign immunity to \$200,000 per claim and \$300,000 per occurrence unless a higher claim is approved by the Florida Legislature. Settled claims for property damage and general liability insurance have not exceeded commercial insurance coverage in any of the last three years.

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

The SWA purchases commercial insurance for workers' compensation benefits with a \$1,000,000 per occurrence and per employee policy limit, subject to a deductible of \$250,000 per occurrence. Settled claims have not exceeded commercial coverage in any of the last three years. Changes in the claims liability amount for workers' compensation benefits for the years ended September 30, 2015 were as follows:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year-End</u>
2014	\$377,000	\$106,254	(\$223,254)	\$260,000
2015	260,000	(25,492)	(180,508)	54,000

The SWA purchases health insurance through a commercial health insurance plan.

10. RETIREMENT PLANS

The County provides retirement benefits to County employees through the following plans:

Plan Descriptions

The **Florida Retirement System (FRS) Pension Plan** and the **Retiree Health Insurance Subsidy (HIS) Program** are cost-sharing, multiple-employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement. The FRS Pension Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. These benefits are established by Chapter 121, Florida Statutes, and may only be amended by the Florida legislature.

The HIS Program benefit is a monthly payment to assist retirees of the State-administered retirement systems in paying their health insurance costs. The HIS Program was established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time.

A comprehensive annual financial report including financial information and required supplementary information on both plans is publicly available on the web site of the Florida Department of Management Services (<http://www.dms.myflorida.com>).

The **Palm Tran, Inc. Amalgamated Transit Union Local 1577 (Palm Tran) Pension Plan** is a single-employer defined benefit retirement program administered by The Resource Centers, LLC. The Palm Tran pension plan provides retirement, disability, and death benefits to plan members and beneficiaries. A comprehensive annual financial report that includes financial statements and required supplementary information for this plan is publicly available on the web at <http://www.resourcecenters.com>.

The **Town of Lantana Firefighters' Pension Fund (LFPF)** is a combined single-employer defined benefit and defined contribution pension plan covering Town of Lantana (Town) firefighters employed by Palm Beach County who elected to remain in the Town plan when

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

merged into the County's Fire-Rescue department. LPPF provides a defined-benefit retirement annuity to retiring participants and a defined contribution retirement benefit in the form of share accounts, payable upon retirement, death, or disability. LPPF is governed by a separate Board of Trustees made up of representatives of the firefighters and the Town, and is administered by The Resource Centers, LLC. The LPPF issues a stand-alone, publicly available financial report that includes financial statements and required supplementary information, which is available on the web at <http://www.resourcecenters.com>.

The County contributes to the **Florida Retirement System Investment Plan (Investment Plan)**, a defined contribution plan, for its eligible employees who elect to participate in the Investment Plan in lieu of participating in the FRS Pension Plan. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of FRS defined-benefit plan. County employees participating in the DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.) as the FRS Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. The Investment Plan is administered by the State Board of Administration (SBA), and is reported in the SBA's annual financial statements and in the State of Florida's comprehensive annual financial report. Financial information on this plan is available on the web at <http://www.sbafla.com/>.

PENSION EXPENSE/EXPENDITURES

The County's aggregate pension expense/expenditures for all plans amounted to \$51,586,397 for the fiscal year ended September 30, 2015. The County's aggregate net pension liability for all plans was \$664,353,197, with balances of deferred outflows of resources related to pensions of \$272,633,349 and deferred inflows of resources related to pensions of \$295,025,513 as of September 30, 2015.

FLORIDA RETIREMENT SYSTEM (FRS) PENSION PLAN

Benefits Provided

The Florida Retirement System was created on December 1, 1970. Members enrolled in the FRS and actively employed on July 1, 2001, or first enrolled between July 1, 2001 and June 30, 2011, will be vested, or eligible to receive future benefits after 6 years of creditable service. Participants first enrolled on or after July 1, 2011 will be vested, or eligible to receive future benefits after 8 years of creditable service. Retirement, disability, and death benefits are based on age, average final compensation and years-of-service credit. For members initially enrolled in the FRS before July 1, 2011, average final compensation is the average of the five highest fiscal years of salary earned during covered employment. For members initially enrolled in the FRS on

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

or after July 1, 2011, average final compensation is the average of the eight highest fiscal years of salary earned during covered employment. Members are eligible for normal retirement when they have met the minimum requirements established by their membership class. For members initially enrolled in the FRS before July 1, 2011, Regular Class members are eligible for normal retirement if they are vested and age 62 or if they have 30 years of creditable service regardless of age. For members initially enrolled in the FRS on or after July 1, 2011, Regular Class members are eligible for normal retirement if they are vested and age 65 or if they have 33 years of creditable service regardless of age. Early retirement may be taken any time after vesting. However, there is a 5% reduction of benefits for each year prior to normal retirement age or date. The percentage level of employees' payroll contribution rates is determined using the frozen entry age actuarial cost method.

Beginning July 1, 1998, the FRS implemented the Deferred Retirement Option Program (DROP), which is a program within the FRS Pension Plan that allows members to retire without terminating their employment for up to five years while their retirement benefits accumulate and earn interest compounded monthly at a stated effective annual rate. For members who entered DROP prior to July 1, 2011, the rate is 6.5%. For members who enter DROP on or after July 1, 2011, the rate is 1.3%. Members may participate in DROP when they are vested and have reached their normal retirement date. When the DROP period ends, members must terminate employment. At that time, members will receive their accumulated DROP benefits and begin receiving their monthly retirement benefit.

The FRS was amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution plan is known as the FRS Investment Plan, which is described later in this note.

Contributions

The following membership classes and contribution rates, which apply to both the FRS Pension Plan and the FRS Investment Plan, were in effect at September 30, 2015:

<u>Membership Class</u>	<u>Employee Contribution Rate</u>	<u>Employer Contribution Rate*</u>
Regular	3.00%	7.26%
Special Risk	3.00%	22.04%
State Attorney/Public Defender	3.00%	45.80%
County, City, Special District Elected Officers	3.00%	42.27%
Special Risk Administrative Support	3.00%	32.95%
Senior Management	3.00%	21.43%
Deferred Retirement Option Program	N/A	12.88%

*Employer contribution rates in the above table include a 1.26% contribution for the Retiree Health Insurance Subsidy Program.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

The County's employer contributions to the FRS Pension Plan totaled \$89.5 million and employee contributions totaled \$19.1 million for the fiscal year ended September 30, 2015. The County contributed 100 percent of its statutorily required contributions for the current and preceding two years.

Net Pension Liability, Deferrals, and Pension Expense

At September 30, 2015, the County reported a liability of \$406.2 million for its proportionate share of the FRS Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The County's proportionate share of the net pension liability was based on the County's 2014-15 fiscal year contributions relative to the 2014-15 fiscal year contributions of all participating members. At June 30, 2015, the County's proportionate share was 3.15%, which was a decrease of .49% from its proportionate share measured as of June 30, 2014.

For the fiscal year ended September 30, 2015, the County recognized pension expense of \$20.9 million related to the FRS Pension Plan. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to the FRS Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 42,883,131	\$ 9,633,926
Change of assumptions	26,961,133	-
Net difference between projected and actual earnings on pension plan investments	143,076,356	240,071,112
Changes in proportion and differences between County contributions and proportionate share of contributions	6,626,173	42,044,603
County contributions subsequent to the measurement date	25,041,233	-
Total	\$ 244,588,026	\$ 291,749,641

The County's contributions to the FRS Pension Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the FRS Pension Plan will be recognized in pension expense as follows:

<u>Fiscal Year Ending September 30:</u>	<u>Deferred Outflows/ (Inflows), net</u>
2016	\$ (19,570,971)
2017	(19,570,971)
2018	(19,570,971)
2019	(19,570,971)
2020	4,677,718
Thereafter	1,403,318

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

Actuarial Assumptions

The total pension liability in the July 1, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflations
Investment rate of return	7.65 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

The long-term expected rate of return on pension 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:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Compound</u>		<u>Standard Deviation</u>
		<u>Annual Arithmetic Return</u>	<u>Annual (Geometric) Return</u>	
Cash	1.00%	3.11%	3.10%	1.65%
Intermediate-Term Bonds	18.00%	4.18%	4.05%	5.15%
High Yield Bonds	3.00%	6.79%	6.25%	10.95%
Broad US Equities	26.50%	8.51%	6.95%	18.90%
Developed Foreign Equities	21.20%	8.66%	6.85%	20.40%
Emerging Market Equities	5.30%	11.58%	7.60%	31.15%
Private Equity	6.00%	11.80%	8.11%	30.00%
Hedge Funds/Absolute Return	7.00%	5.81%	5.35%	10.00%
Real Estate (Property)	12.00%	7.11%	6.35%	13.00%
TOTAL	<u>100.00%</u>			
Assumed inflation - Mean		2.60%		2.00%

Note: (1) As outlined in the Plan's investment policy

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent. The Plan's fiduciary net position was projected to be available to make all projected benefit payments of current and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

Sensitivity to Changes in the Discount Rate

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.65 percent, as well as what the County's proportionate share of the net pension liability would be if were calculated using a discount rate that is 1-percentage point lower (6.65 percent) or 1-percent higher (8.65 percent) than the current rate:

	1% Decrease (6.65%)	Current Discount Rate (7.65%)	1% Increase (8.65%)
County's proportionate share of the Net Pension Liability	\$1,052,566,844	\$406,204,159	(\$131,675,764)

Pension Plan Fiduciary Net Position

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

RETIREE HEALTH INSURANCE SUBSIDY (HIS) PROGRAM

Benefits Provided

For the fiscal year ended September 30, 2015, eligible retirees and beneficiaries received a monthly HIS payment of \$5 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. 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.

Contributions

The HIS Program 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. For the fiscal year ended September 30, 2015, the contribution rate was 1.26 percent of payroll. The County contributed 100 percent of its statutorily required contributions for the current and preceding three years. The HIS Program contributions are deposited in a separate trust fund from which payments are authorized. The HIS Program 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 cancelled.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

The County's employer contributions to the HIS Program totaled \$7.3 million for the fiscal year ended September 30, 2015. The County contributed 100 percent of its statutorily required contributions for the current and preceding two years.

Net Pension Liability, Deferrals, and Pension Expense

At September 30, 2015, the County reported a liability of \$236.4 million for its proportionate share of the HIS Program's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014, and update procedures were used to determine liabilities as of July 1, 2015. The County's proportionate share of the net pension liability was based on the County's 2014-15 fiscal year contributions relative to the 2014-15 fiscal year contributions of all participating members. At June 30, 2015, the County's proportionate share was 2.32%, which was an increase of .07% from its proportionate share measured as of June 30, 2014.

For the fiscal year ended September 30, 2015, the County recognized pension expense of \$17.6 million related to the HIS Program. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to the HIS Program from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Change of assumptions	18,598,920	-
Net difference between projected and actual earnings on pension plan investments	127,972	-
Changes in proportion and differences between County contributions and proportionate share of contributions	3,347,827	3,275,872
County contributions subsequent to the measurement date	319,546	-
Total	\$ 22,394,265	\$ 3,275,872

The County's contributions to the HIS Program subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Program will be recognized in pension expense as follows:

<u>Fiscal Year Ending September 30:</u>	<u>Deferred Outflows/ (Inflows), net</u>
2016	\$ 3,043,424
2017	3,043,424
2018	3,043,424
2019	3,043,424
2020	3,011,431
Thereafter	3,613,720

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

Actuarial Assumptions

The total pension liability in the July 1, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflations
Municipal Bond Rate	3.80 percent

Mortality rates were based on the Generational RP-2000 with Projection Scale BB, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

Discount Rate

The discount rate used to measure the total pension liability was 3.80 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent of discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable bond index.

Sensitivity to Changes in the Discount Rate.

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 3.80 percent, as well as what the County's proportionate share of the net pension liability would be if were calculated using a discount rate that is 1-percentage point lower (2.80 percent) or 1-percent higher (4.80 percent) than the current rate:

	1% Decrease (2.80%)	Current Discount Rate (3.80%)	1% Increase (4.80%)
County's proportionate share of the Net Pension Liability	\$269,372,733	\$236,405,210	\$208,915,246

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

FLORIDA RETIREMENT SYSTEM INVESTMENT PLAN

Vesting Provisions

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04% of payroll, which is included in the FRS contribution rates, and by forfeited benefits of Investment Plan members. For the fiscal year ended September 30, 2015, the information for the amount of forfeitures was unavailable from the SBA, however, management believe that these amounts, if any, would be immaterial to the County. After termination and applying to receive benefits, the 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; the member may either transfer the 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 account balance for retirement income.

The County's employer contributions to the Investment Plan totaled \$4.1 million for the fiscal year ended September 30, 2015.

PALM TRAN, INC. – DEFINED BENEFIT PLAN

Benefits Provided

The Palm Tran Inc. Amalgamated Transit Union Local 1577 (Palm Tran) Pension Plan provides retirement, disability, and death benefits to plan members and beneficiaries. The Board of Trustees of the Palm Tran pension plan has the authority to establish and amend benefit provisions.

Membership Statistics

Number of

Inactive members or beneficiaries receiving benefits	289
Inactive members entitled to but not yet receiving benefits	100
Active Members	<u>560</u>
TOTAL	<u><u>949</u></u>

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Contributions

The contribution requirements of plan members and Palm Tran, Inc. are established by the Pension Trust Agreement and may be amended by the Board of Trustees. Plan members hired after October 1, 2013 are required to contribute 3.0% of their annual salary. Plan members hired prior to October 1, 2013 have a contribution phase in period to match those hired after this date. For employees hired prior to October 1, 2013, the employee contribution is 2.5% of annual salary through September 30, 2014. For the period October 1, 2014 – September 30, 2015, the contribution is 2.75% of salary. Employee contributions after October 1, 2015 will be 3.0% of annual salary. Employer contributions by Palm Tran, Inc. are 14.8% of annual covered payroll.

Net Pension Liability

The components of the net pension liability at December 31, 2014 were as follows:

Total pension liability	\$ 106,630,772
Plan fiduciary net position	<u>(87,951,303)</u>
Net pension liability	<u>\$ 18,679,469</u>

Plan fiduciary net position as percentage of the total pension liability: 82.5%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of January 1, 2015 using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	5% to 12.5%
Investment rate of return	8.0% net of investment expense, including inflation
Mortality	RP-00 fully generational with Scale AA

Assumptions are based on the results of an actuarial experience study for the period January 1, 2004 to December 31, 2008.

Discount Rate

The discount rate used to measure the total pension liability was 8%. This is the single rate that reflects the long-term expected net rate of return on pension plan investments expected to be used to finance the payment of benefits, including inflation. The fiduciary net position is projected to be sufficient to make projected benefit payments. For purposes of this determination, pension plan assets are expected to be invested using a strategy to achieve the 8.0% net discount rate.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Sensitivity to Changes in Discount Rate

The following table illustrates the impact of interest rate sensitivity on the net pension liability for fiscal year ended September 30, 2015:

	1% Decrease (7.0%)	Current Discount Rate (8.0%)	1% Increase (9.0%)
Net Pension Liability	\$30,082,361	\$18,679,469	\$8,937,689

Expected Rate of Return

The long-term expected net rate of return on investments was determined using a building-block method. Best-estimate ranges of expected future real rates of return (expected returns net of investment expenses and inflation) are developed for each major asset class. The long-term expected net rate of return on investments is the best-estimate ranges weighted by the asset allocation plus expected inflation, and, as of December 31, 2014, they are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Asset Group Contribution
Domestic Equity	30%	11.14%	3.34%
International Equity	15%	6.35%	0.95%
Bonds	20%	7.64%	1.53%
TIPS	5%	6.17%	0.31%
Convertibles	10%	9.47%	0.95%
Private Real Estate	5%	7.06%	0.35%
REITS	5%	9.66%	0.48%
MLPs	5%	16.89%	0.84%
Hedge Fund	5%	7.23%	0.36%
	100%		
Long-Term Expected Real Rate of Return		9.11%	

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at December 31, 2013	\$ 98,038,801	\$ 80,065,768	\$ 17,973,033
Changes for the year:			
Service cost	3,517,163	-	3,517,163
Interest	7,920,953	-	7,920,953
Differences between expected and actual experience	1,780,535	-	1,780,535
Contributions - employer	-	7,205,534	(7,205,534)
Contributions - employee	-	684,731	(684,731)
Net investment income	-	4,845,252	(4,845,252)
Benefit payments, including refunds of employee contributions	(4,626,680)	(4,626,680)	-
Administrative expense	-	(223,302)	223,302
Net changes	8,591,971	7,885,535	706,436
Balances at December 31, 2014	\$ 106,630,772	\$ 87,951,303	\$ 18,679,469

Pension Expense and Deferrals

For the year ended September 30, 2015, the County recognized pension expense of \$11.9 million. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

The following table illustrates the deferred inflows and outflows under GASB 68 as of September 30, 2015:

<u>Description</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,417,161	\$ -
Change of assumptions	-	-
Net difference between projected and actual earnings	1,092,852	-
Total	\$ 2,510,013	\$ -

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

**PALM BEACH COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2015**

<u>Measurement Year Ending December 31:</u>	<u>Deferred Outflows/ (Inflows), net</u>
2015	\$ 636,587
2016	636,587
2017	636,587
2018	600,252
2019	-

TOWN OF LANTANA FIREFIGHTERS' PENSION FUND

Benefits Provided

The Town of Lantana Firefighters' Pension Fund (LFPF) provides a defined benefit retirement annuity to retiring participants and also provides a defined contribution retirement benefit in the form of share accounts, payable upon retirement, death or disability. The LFPF members are full-time certified firefighters employed in the fire department of Palm Beach County Fire Rescue. Members are eligible to retire at age 55 with 10 or more years of credited service; or any age with 20 or more years of credited service. The pension amount is three percent (3%) of average final compensation multiplied by credited service. The normal form of benefit is a benefit payable for life with the first 10 years guaranteed. Early retirement and other benefits may be available in accordance with Town of Lantana Code, Division 3 of Chapter 14, Article IV, as amended by Town Ordinances and Palm Beach County agreements pertaining to the fund.

Membership Statistics

Number of

Retirees and Beneficiaries	17
Inactive, Nonretired members	2
Active Members	15
TOTAL	34

Contributions

Plan members are required to contribute 10% of their salary to the Plan. Of this, 2% is allocated to the defined benefit portion of the Plan and 8% is allocated to the defined contribution portion. Pursuant to Chapter 175, Florida Statutes, the Town imposes a 1.85% tax on fire insurance premiums paid to insure real or personal property within its corporate limits. 100% of the net proceeds of this 1.85% excise tax are allocated to the defined benefit portion of the Plan. Because the County is ultimately responsible for the actuarial soundness of the Plan, the County must contribute an amount determined by the Trustees, in conjunction with the Plan's actuary, to be sufficient, along with the employees' contributions and the proceeds from the insurance tax, described above, to fund the defined benefits under the Plan. The current rate is 77.3% of annual covered payroll.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Net Pension Liability

The components of the net pension liability at September 30, 2015 were as follows:

Total pension liability	\$ 35,502,556
Plan fiduciary net position	<u>(32,438,197)</u>
Net pension liability	<u><u>\$ 3,064,359</u></u>

Plan fiduciary net position as percentage of the total pension liability: 91.4%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of September 30, 2014 using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	5.00%
Salary increases	7%, including inflation
Investment rate of return	8.00%
Mortality	RP-2000 Mortality Table for males and females

Expected Rate of Return

GASB Statement No. 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the total pension liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The plan's net position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a "risk-free" rate is required, as described in the following paragraph.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on the Bond Buyer 20-Bond Index of general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). For the purpose of this valuation, the expected rate of return on pension plan investments is 8.00%; the municipal bond rate is 4.11%; and the resulting single discount rate is 8.00%.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Discount Rate

The discount rate used to measure the total pension liability was 8%. This is the single rate that reflects the long-term expected net rate of return on pension plan investments expected to be used to finance the payment of benefits, including inflation. The fiduciary net position is projected to be sufficient to make projected benefit payments. For purposes of this determination, pension plan assets are expected to be invested using a strategy to achieve the 8.0% net discount rate.

Sensitivity to Changes in the Discount Rate

The following table illustrates the impact of interest rate sensitivity on the net pension liability for fiscal year ended September 30, 2015:

	1% Decrease (7.0%)	Current Discount Rate (8.0%)	1% Increase (9.0%)
Net Pension Liability	\$6,860,965	\$3,064,359	(\$22,412)

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at September 30, 2014	\$ 33,260,167	\$ 32,889,907	\$ 370,260
Prior Period Adjustment	-	-	-
Changes for the year:			
Service cost	450,605	-	450,605
Interest	2,605,711	-	2,605,711
Differences between expected and actual experience	1,014,242	-	1,014,242
Contributions - employer and state	-	1,725,181	(1,725,181)
Contributions - employee	-	244,101	(244,101)
Net investment income	-	(550,596)	550,596
Benefit payments, including refunds of employee contributions	(1,828,169)	(1,828,169)	-
Administrative expense/Other	-	(42,227)	42,227
Net changes	2,242,389	(451,710)	2,694,099
Balances at September 30, 2015	\$ 35,502,556	\$ 32,438,197	\$ 3,064,359

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

Pension Expense and Deferrals

For the year ended September 30, 2015, the County recognized pension expense of \$1.1 million. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

The following table illustrates the deferred inflows and outflows under GASB 68 as of September 30, 2015:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 592,450	\$ -
Net difference between projected and actual earnings on pension plan investments	2,548,595	-
Total	\$ 3,141,045	\$ -

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

<u>Fiscal Year Ending September 30:</u>	<u>Deferred outflows/ (inflows), net</u>
2016	\$ 1,058,941
2017	807,806
2018	637,149
2019	637,149

OTHER PENSION PAYMENTS

The County entered into agreements with the City of Lake Worth (City) for law enforcement services, effective October 1, 2008, and fire rescue services, effective October 1, 2009. Employees of the City who became County employees had the choice to remain in the appropriate City-sponsored retirement plan or to become a member of the Florida Retirement System (FRS). The County contributes to the City-sponsored plans the equivalent amount that would be required by FRS. The County's contributions for employees who elected to remain with the City-sponsored plans were \$691,605 for the year ended September 30, 2015.

COMPONENT UNIT – Solid Waste Authority (SWA)

Like the Primary Government, the SWA also participates in the **Florida Retirement System (FRS) Pension Plan**, the **Retiree Health Insurance Subsidy (HIS) Program** and the **Florida Retirement System Investment Plan**. Refer to those sections within this note for information on plan descriptions, contribution rates, actuarial assumptions and discount rates.

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

FLORIDA RETIREMENT SYSTEM (FRS) PENSION PLAN

SWA contributions to the FRS Pension Plan totaled \$1,426,153 for the fiscal year ended September 30, 2015.

At September 30, 2015, the SWA reported a liability of \$8,090,343 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The SWA's proportionate share of the net pension liability was based on the SWA's 2014-15 plan year contributions relative to the 2014-15 plan year contributions of all participating members. At June 30, 2015, the SWA's proportionate share was 0.0626365 percent, which was a decrease of .0004014 percent from its proportionate share measured as of June 30, 2014. For the fiscal year ended September 30, 2015, the SWA recognized pension expense of \$658,638 related to the Plan.

The SWA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 854,101	\$ 191,878
Change of assumptions	536,983	-
Net difference between projected and actual earnings on pension plan investments	-	1,931,838
Change in proportion and differences between SWA pension plan contributions and proportionate share of contributions	503,815	52,684
Pension plan contributions subsequent to the measurement date	403,994	-
Total	<u>\$ 2,298,893</u>	<u>\$ 2,176,400</u>

The deferred outflows of resources related to the Pension Plan, totaling \$403,994 resulting from SWA 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, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

<u>Fiscal Year Ending September 30:</u>	<u>Deferred outflows/ (inflows), net</u>
2016	\$ (532,782)
2017	(532,782)
2018	(532,782)
2019	1,061,045
2020	210,439
Thereafter	45,361
	<u>\$ (281,501)</u>

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

The following represents the SWA's proportionate share of the net pension liability calculated using the discount rate of 7.65%, as well as what the SWA's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.65%) or one percentage point higher (8.65%) than the current rate:

	1% Decrease (6.65%)	Current Discount Rate (7.65%)	1% Increase (8.65%)
Proportionate share of the net pension liability	\$20,963,908	\$8,090,343	(\$2,622,578)

RETIREE HEALTH INSURANCE SUBSIDY (HIS) PROGRAM

SWA's contributions to the HIS Plan totaled \$310,975 for the fiscal year ended September 30, 2015.

At September 30, 2015, the SWA reported a liability of \$7,542,309 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The SWA's proportionate share of the net pension liability was based on the SWA's 2014-15 plan year contributions relative to the 2014-15 plan year contributions of all participating members. At June 30, 2015, the SWA's proportionate share was .00739559 percent, which was a decrease of 0.0006198 percent from its proportionate share measured as of June 30, 2014. For the fiscal year ended September 30, 2015, the SWA recognized pension expense of \$565,163.

Deferred Outflows and Inflows of Resources Related to Pensions: In addition the SWA reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Change of assumptions	\$ 593,383	\$ -
Net difference between projected and actual earnings on pension plan investments	4,083	-
Change in proportion and differences between SWA pension plan contributions and proportionate share of contributions	57,316	48,105
Pension plan contributions subsequent to the measurement date	102,731	-
Total	<u>\$ 757,513</u>	<u>\$ 48,105</u>

The deferred outflows of resources related to the HIS Plan, totaling \$102,731 resulting from Authority contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

<u>Fiscal Year Ending September 30:</u>	<u>Deferred outflows/ (inflows), net</u>
2016	\$ 106,599
2017	106,599
2018	106,599
2019	105,769
2020	105,371
Thereafter	75,740
	<u>\$ 606,677</u>

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

The following represents the SWA's proportionate share of the net pension liability calculated using the discount rate of 3.80%, as well as what the SWA's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.80%) or one percentage point higher (4.80%) than the current rate:

	<u>1% Decrease (2.80%)</u>	<u>Discount Rate (3.80%)</u>	<u>1% Increase (4.80%)</u>
Proportionate share of the net pension liability	\$8,594,110	\$7,542,309	\$6,665,265

INVESTMENT PLAN

The SWA's Investment Plan pension expense totaled \$195,470 for the fiscal year ended September 30, 2015.

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

11. OTHER POST EMPLOYMENT BENEFITS (OPEB)

Overview

Entities of the Reporting Unit provide the following post-employment benefits to retirees:

A. Healthcare Plans:

1. County includes:
 - (a) BOCC
 - (b) Supervisor of Elections
 - (c) Metropolitan Planning Organization
2. Tax Collector
3. Property Appraiser
4. Clerk & Comptroller
5. Sheriff
6. Fire Rescue Union

B. Long Term Disability Plan:

1. Fire Rescue Taxing District

Healthcare Benefits Provided to Retirees

Postretirement Benefits: The amount reported as the postretirement benefit obligation represents the actuarial present value of those estimated future benefits that are attributed by the terms of the plan to employees' service rendered to the date of the financial statements, reduced by the actuarial present value of contributions expected to be received in the future from current plan participants. Postretirement benefits include future benefits expected to be paid to or for both of the following:

1. Currently retired or terminated employees and their beneficiaries and dependents.
2. Active employees and their beneficiaries and dependents after retirement from service with participating employers.

The postretirement benefit obligation represents the amount that is to be funded by contributions from the plan's participating employers and from existing plan assets. Before an active employee's full eligibility date, the postretirement benefit obligation is the portion of the expected postretirement benefit obligation that is attributed to that employee's service in the County rendered to the valuation date.

The actuarial present value of the expected postretirement benefit obligation is determined by an actuary and is the amount that results from applying actuarial assumptions to historical claims-cost data to estimate future annual incurred claims costs per participant and to adjust such estimates for the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as those for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

Plan Description: The defined benefit post-employment healthcare plans provide medical benefits to eligible retired employees and their dependents. The plans are single employer plans which are administered by the employer for their employees. The Supervisor of Elections and Metropolitan Planning Organization participate in the County plan. The plans do not issue separate standalone financial reports.

The Fire Rescue retiree health plan is a defined benefit plan with attributes similar to a defined contribution plan. The County is required, per the Collective Bargaining Agreement, to make contributions equal to 3% of the total current base annual pay plus benefits for the Fire Rescue employees. Since the primary government is not entitled to nor does it have the ability to otherwise access the economic resources received or held by the Fire Rescue retiree health plan, and since Palm Beach County has no reversionary interest in the economic resources received or held by the Fire Rescue retiree health plan and the County is not responsible for custody of the assets of the plan, therefore it is not reported as a fiduciary fund of the County. The plan does not issue a separate standalone financial report.

Funding Policy: The contribution requirements of plan members and the employer are established and may be amended by the employer or by the union for Fire Rescue. All entities of the Primary Government are required by Florida Statute 112.0801 to allow their retirees (and eligible dependents) to continue participation in the group insurance plan. Retirees must be offered the same coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees which results in an implicit subsidy as defined by GASB 45.

At September 30, 2015 retirees receiving benefits contributed the following monthly premiums:

	County	Tax Collector	Property Appraiser	Clerk & Comptroller	Sheriff	Fire Rescue Union
Monthly Minimum	\$ 655	\$ 786	\$ 418	\$ 653	\$ 534	\$ 574
Monthly Maximum	2,033	2,589	1,949	2,279	2,234	1,106

In addition to the ‘implicit’ benefit, two of the plans offer an explicit benefit. The Sheriff and Fire Rescue Plans provide a subsidy that retirees can use to partially or fully offset the cost of health insurance.

The costs of the County-wide OPEB plan are allocated to the various operating departments based on the number of personnel and personnel costs.

In accordance with the Fire Rescue Collective Bargaining Agreement, the plan provides a post-retirement health insurance benefit. The Retirees must meet retirement eligibility criteria in order to be eligible for the full benefit. For employees who retired before September 27, 2005, the subsidy is a monthly benefit of \$75 plus \$12 per year of service. Unless otherwise precluded, for employees retiring on or after September 27, 2005, the subsidy is a monthly benefit of \$140 plus \$17 per year of service. This subsidy is payable for life and is assumed to remain fixed in the future. Employees who retire with at least ten years of service but before attaining normal

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

retirement eligibility are eligible for a reduction to this benefit in the amount of 6% for each year between their age of retirement and age 55. This reduction remains fixed in the future.

Under the Sheriff's Plan, for employees who retire in good standing after six years of service and who elect to retain the Sheriff's Office group medical and/or dental coverage, the Sheriff provides a subsidy of \$16 per month per year of service toward medical and dental coverage for the retiree and eligible family members, based on years of service to the Sheriff. This subsidy ends at the death of the retiree or when the retiree discontinues coverage under the Sheriff's plan. A special subsidy of 90% of medical and dental premiums for employee or employee-plus-one coverage is offered to the Sheriff, Chief Deputy, Deputy Director, Director, and Colonel. A special subsidy of 80% of medical and dental premiums for employee or employee-plus-one coverage is offered to Majors and the Bureau Director. A special subsidy of 100% of medical and dental premiums for employee or employee-plus-one coverage is offered to employees who become disabled in the line of duty and spouses of employees who die in the line of duty.

OPEB Cost and Net OPEB Obligation: The annual other post-employment benefit cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and the amortization of any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. A portion of the County's net OPEB asset/obligation is allocated to the enterprise and internal service fund operations.

The following table shows the components of the annual OPEB cost for the year, the amount contributed to the plan, and changes in the net OPEB obligation as of fiscal year ended September 30, 2015:

	County	Tax Collector	Property Appraiser	Clerk & Comptroller	Sheriff	Fire Rescue Union
Annual required contribution (ARC)	\$ 768,000	\$ 351,628	\$ 28,643	\$ 517,241	\$ 15,878,000	\$ 11,777,000
Interest on net OPEB obligation	(114,000)	70,769	8,053	42,785	4,306,000	1,502,000
Adjustment to annually required contribution	99,000	(60,494)	(7,662)	(60,557)	(3,654,000)	(1,341,000)
Annual OPEB cost	753,000	361,903	29,034	499,469	16,530,000	11,938,000
Contributions made	(1,951,054)	-	-	(65,721)	(5,174,000)	(4,740,927)
Increase (decrease) in net OPEB obligation	(1,198,054)	361,903	29,034	433,748	11,356,000	7,197,073
Net OPEB obligation (asset) - beginning of year	(2,681,569)	1,476,559	208,499	999,452	95,687,000	37,547,770
Net OPEB obligation (asset) - end of year	\$ (3,879,623)	\$ 1,838,462	\$ 237,533	\$ 1,433,200	\$ 107,043,000	\$ 44,744,843

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation (asset) for the current and preceding two fiscal years:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
County			
9/30/2013	\$ 1,265,000	137.0 %	\$ (1,415,762)
9/30/2014	771,000	264.2	(2,681,569)
9/30/2015	753,000	259.1	(3,879,623)
Tax Collector			
9/30/2013	\$ 288,560	0.0 %	\$ 1,205,541
9/30/2014	271,018	0.0	1,476,559
9/30/2015	361,903	0.0	1,838,462
Property Appraiser			
9/30/2013	\$ 30,022	17.7 %	\$ 181,388
9/30/2014	27,111	0.0	208,499
9/30/2015	29,034	0.0	237,533
Clerk & Comptroller			
9/30/2013	\$ 487,446	38.6 %	\$ 715,636
9/30/2014	501,266	43.4	999,452
9/30/2015	499,469	13.2	1,433,200
Sheriff			
9/30/2013	\$ 22,600,000	20.5 %	\$ 84,770,000
9/30/2014	15,673,000	30.3	95,687,000
9/30/2015	16,530,000	31.3	107,043,000
Fire Rescue Union			
9/30/2013	\$ 10,602,000	48.8 %	\$ 30,424,229
9/30/2014	10,890,000	41.7	37,547,770
9/30/2015	11,938,000	39.7	44,744,843

Funded Status and Funding Progress: The plans are financed on a 'pay-as-you-go' basis. The funded status of the plans as of the most recent actuarial valuation date was as follows:

	County	Tax Collector	Property Appraiser	Clerk & Comptroller	Sheriff	Fire Rescue Union
Actuarial accrued liability (AAL)	\$ 10,632,000	\$ 2,161,466	\$ 238,420	\$ 6,041,155	\$ 191,022,000	\$ 186,453,000
Actuarial value of plan asset	-	-	-	-	-	45,156,000
Unfunded actuarial accrued liability (UAAL)	\$ 10,632,000	\$ 2,161,466	\$ 238,420	\$ 6,041,155	\$ 191,022,000	\$ 141,297,000
Funded ratio (actuarial value of plan / AAL)	0.0%	0.0%	0.0%	0.0%	0.0%	24.2%
Covered payroll (active plan members)	\$ 242,102,185	\$ 13,881,307	\$ 14,386,649	\$ 32,477,317	\$ 281,188,646	\$ 147,273,415
UAAL as a percentage of covered payroll	4.4%	15.6%	1.7%	18.6%	67.9%	95.9%

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Due to the small number of retirees in the Tax Collector's Plan, it was determined that any implicit subsidy is insignificant and conservatively reported as zero.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Significant methods and assumptions were as follows:

	County	Tax Collector	Property Appraiser	Clerk & Comptroller	Sheriff	Fire Rescue Union
Actuarial valuation date	10/1/2013	10/1/2014	10/1/2014	10/1/2013	10/1/2013	10/1/2014
Actuarial cost method	Projected Unit Credit Actuarial Cost Method	Entry Age Normal Actuarial Cost Method	Entry Age Normal Actuarial Cost Method	Entry Age Normal Actuarial Cost Method	Projected Unit Credit Actuarial Cost Method	Projected Unit Credit Actuarial Cost Method
Actuarial amortization method	Level percentage of projected payroll on open basis	Level percentage of projected payroll on closed basis	Level percentage of projected payroll on closed basis	Level percentage of projected payroll on open basis	Level percentage of projected payroll on open basis	Level percentage of projected payroll on open basis
Remaining amortization period	30 yrs- Open	30 yrs- Closed	30 yrs- Closed	30 yrs- Open	30 yrs- Open	30 yrs- Open
Asset valuation method	na	na	na	na	na	na
Actuarial assumptions						
Investment rate of return	4.25%	5.0%	4.0%	4.0%	4.5%	4.0%
Inflation rate	3.5%	3.0%	3.0%	3.0%	3.0%	3.5%
Projected salary increases	3.5%	4.0%	4.0%	2.5%	3.5%	3.5%
Healthcare inflation rate-initial	8.0%	7.0%	7.0%	6.5%	8.0%	8.0%
Healthcare trend rate-ultimate	5.0%	5.0%	5.0%	4.5%	4.35%	4.5%

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Long Term Disability Benefits Provided to Retirees

Plan Description: The Palm Beach County Fire Rescue Supplemental Disability Plan is a defined benefit plan that provides disability benefits to Firefighters and District Chiefs totally and permanently prevented from rendering useful and efficient service as a Firefighter/District Chief incurred in the line of duty. The plan is a single employer plan which is administered by the Palm Beach County Fire Rescue Department. The plan does not issue a separate standalone financial report.

Funding Policy: The contribution requirements of plan members and Palm Beach County are established and may be amended by collective bargaining between Palm Beach County and the Professional Firefighters/Paramedics of Palm Beach County, Local 2928, IAFF, Inc. The plan is funded by the County based on an annually required contribution calculated by an actuary. The earmarked funding, related earnings, expenditures and administrative costs are recorded in a special revenue fund.

OPEB Cost and Net OPEB Obligation: The annual other post-employment benefit cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortized any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the annual OPEB cost for the current fiscal year, the amount contributed to the plan, and changes in the net OPEB obligation:

Annual required contribution	\$ 837,230
Interest on net OPEB obligation	398
Adjustment to annual required contribution	(713)
Annual OPEB cost	<u>836,915</u>
Contributions made	<u>(1,079,344)</u>
Change in net OPEB obligation	(242,429)
Net OPEB obligation - beginning of year	9,945
Net OPEB obligation (asset) - end of year	<u><u>\$ (232,484)</u></u>

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the current and preceding two fiscal years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
9/30/2013	\$ 768,836	109.1%	\$ 160,612
9/30/2014	744,791	120.2%	9,945
9/30/2015	836,915	129.0%	(232,484)

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Funded Status and Funding Progress: The plan is financed on a ‘pay-as-you-go’ basis. The funded status of the plan as of September 30, 2015, was as follows:

Actuarial accrued liability (AAL)	\$ 9,818,416
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 9,818,416</u>
Funded ratio (actuarial value of plan / AAL)	0.0%
Covered payroll (active plan members)	\$ 147,273,415
UAAL as a percentage of covered payroll	6.7%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, disability occurrences, and workmen’s compensation payments. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Significant methods and assumptions were as follows:

Actuarial valuation date	10/1/2014
Actuarial cost method	Projected Unit Credit Actuarial Cost Method
Amortization method	Level Percentage of Projected Payroll on Open Basis
Remaining amortization period	15 years - Open
Asset valuation method	na
Actuarial assumptions:	
Investment rate of return	4.0%
Inflation rate	3.5%
Projected salary increases	4.5%
Cost of living adjustments	None

COMPONENT UNIT - Solid Waste Authority (SWA)

Plan Description: The SWA has a single-employer defined benefit healthcare plan to provide benefits to its eligible retired employees and their beneficiaries (the “Plan”). The Plan is administered by the SWA’s Board, which also has the authority to establish and amend premiums for and the benefit provisions of the Plan. The Plan is financed on a “pay-as-you-go”

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

basis and is not administered as a formal qualifying trust. The Plan does not issue a publicly available financial report.

Funding Policy: The contribution requirements of Plan members and the SWA are established and may be amended by the SWA's Board. The SWA is required by Florida Statute 112.0801 to allow retirees to buy healthcare coverage at the same group insurance rates that current employees are charged resulting in an implicit healthcare benefit. The State of Florida prohibits the Plan from separately rating retirees and active employees. The Plan therefore charges both groups an equal, blended rate premium. Although both groups are charged the same blended rate premium, GAAP requires the actuarial figures to be calculated using age adjusted premiums approximating claim costs for retirees separate from active employees. The use of age adjusted premiums results in the addition of an implicit rate subsidy into the actuarial accrued liability. Plan members receiving benefits contribute 100% of the monthly premium ranging from a minimum of \$731 to a maximum of \$2,355.

Annual OPEB Cost and Net OPEB Obligation: The annual other postemployment benefit cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and the amortization of any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The SWA's annual OPEB cost, the annual OPEB cost contributed to the plans, and the net OPEB obligation for the years ended September 30, 2015 were as follows:

Annual required contribution	\$	64,000
Interest on net OPEB obligation		13,000
Adjustment to annual required contribution		<u>(11,000)</u>
Annual OPEB cost		66,000
Contributions made		<u>(34,118)</u>
Change in net OPEB obligation		31,882
Net OPEB obligation, beginning of year		<u>315,409</u>
Net OPEB obligation, end of year	<u>\$</u>	<u>347,291</u>

Comparative trend data for prior years is as follows:

<u>Year Ended</u> <u>September 30,</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Actual Employer</u> <u>Contribution</u>	<u>Percentage</u> <u>Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
2015	\$ 66,000	\$ 34,118	51.7%	\$ 347,291
2014	76,000	83,541	109.9%	315,409
2013	72,000	84,049	116.7%	322,950

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Funded Status and Funding Progress: The Plan is financed on a pay-as-you-go basis. The latest actuarial valuation was done as of October 1, 2014 and the SWA intends to obtain such valuations every other year in the future. The following schedule of funding progress is based upon available information and presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits:

Date of Actuarial Valuation	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
October 1, 2014	-	\$ 742,000	\$ 742,000	0.0%	\$ 22,147,000	3.4%

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The Plan uses the projected unit credit actuarial cost method. The actuarial assumptions include a 4.0% investment rate of return (net of administrative expenses), and an annual healthcare cost trend rate of 8.0%, annually reduced by decrements of 0.5% to an ultimate rate of 4.5%. The investment rate of return and the healthcare cost trend rate include an inflation assumption of 3.5% and 3.0%, respectively. The actuarial value of assets will be determined using fair value. The UAAL will be amortized as a level percentage of projected payroll on an open basis. The remaining amortization period is 30 years.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Although the valuation results are based on values that management and the actuarial consultant believe are reasonable assumptions, the valuation result is only an estimate of what future costs may actually be and reflect a long-term perspective. Deviations in any of several factors, such as future interest rate discounts, medical cost inflation, Medicare coverage and changes in marital status, could result in actual costs being greater or less than estimated.

Changes in Actuarial Assumptions: Several actuarial assumptions were changed in the October 1, 2010 valuation resulting in a decrease in the AAL of approximately \$700,000. These changes include the following: (1) claim costs did not increase at the rates assumed in the prior valuation, (2) there were fewer lives in total, fewer retirees and fewer spouses covered than there were previously, (3) the trend assumption applicable to assumed administrative expenses was changed, and (4) the assumed participation rate for retirees was reduced based on the census.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

12. REFUNDING OF DEBT

Advance Refundings:

Certain bond issues have been refunded through in-substance defeasance by placing into irrevocable trust funds sufficient monies to meet future principal and interest payments. These funds have been invested in U.S. Government securities and securities backed by the U.S. Government.

On October 1, 2014 Palm Beach County issued \$72,445,000 Public Improvement Revenue Refunding Bonds, Series 2014A with an effective interest rate of 2.253% to advance a partial refund of \$8,870,000 outstanding Public Improvement Revenue Bonds, Series 2006 (Parking Facilities Expansion Project) and a partial refund of \$60,615,000 outstanding Public Improvement Revenue Bonds, Series 2007C (Biomedical Research Park Project, and \$2,005,028 of outstanding Refunding Public Improvement Biomedical Research Project, Series 2006A, and \$4,154,554 of outstanding Refunding Tax Public Improvement Biomedical Research Project, Series 2006B. The net proceeds of \$84,525,595 (after allowing for \$12,642,278 in bond premium and \$561,683 in issuance costs) were used to purchase U.S. Government securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds.

The reacquisition price exceeded the carrying amount, resulting in an accounting loss of \$5,243,756. This amount is being recorded as a deferred outflow and is being amortized over the remaining life of the refunded debt, which is shorter than the life of the new debt issued. The County decreased its aggregate debt service payments by approximately \$8,177,888 over a period of thirteen years and incurred an economic gain of approximately \$7,237,422 (difference between the present value of the old and new debt service payments). The purpose of the refunding was to take advantage of the unusually low interest rates that were available at this time.

On March 11, 2015 Palm Beach County issued \$63,635,000 Revenue Refunding Bonds, Series 2015 with an effective interest rate of 1.969% to advance refund \$9,598,000 of outstanding Refunding Public Improvement Sunshine State Government Finance Commission, Series 2008A and a partial refund of \$58,485,000 outstanding Public Improvement Revenue Bonds, Series 2008-2. The net proceeds of \$73,449,207 (after allowing for \$10,593,067 in bond premium and \$778,860 in issuance costs) were used to purchase U.S. Government securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds.

The reacquisition price exceeded the carrying amount, resulting in an accounting loss of \$8,324,536. This amount is being recorded as a deferred outflow and being amortized over the remaining life of the refunded debt, which is shorter than the life of the new debt issued. The County decreased its aggregate debt service payments by approximately \$11,564,897 over a period of fourteen years and incurred an economic gain of approximately \$9,850,626 (difference between the present value of the old and new debt service payments). The purpose of the refunding was to take advantage of the unusually low interest rates that were available at this time.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

On March 11, 2015 the Water Utilities Department issued \$26,930,000 Water and Sewer Revenue Refunding Bonds Series 2015 with an effective interest rate of 3.405% to advance refund \$25,300,000 of outstanding Water and Sewer Revenue Bonds Series 2006A. The net proceeds of \$27,608,488 (after allowing for \$678,488 in bond premium and \$488,932 in issuance costs) were used to purchase U.S. Government securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds.

The reacquisition price exceeded the carrying amount, resulting in an accounting loss of \$766,475. This amount is being recorded as a deferred outflow and being amortized over the remaining life of the refunded debt, which is shorter than the life of the new debt issued. The Department decreased its aggregate debt service payments by approximately \$4,559,825 over a period of twenty-one years and incurred an economic gain of approximately \$3,467,760 (difference between the present value of the old and new debt service payments). The purpose of the refunding was to take advantage of the unusually low interest rates that were available at this time.

The amount of in-substance defeased bonds outstanding, as of September 30, 2015, consists of the following:

<u>Bond Issues</u>	<u>Amount</u>
Governmental Funds:	
Public Improvement Revenue Bonds (Parking Facilities Exp Project), 2006	\$ 8,870,000
Public Improvement Revenue Bonds, Series (Biomedical Res Pk Proj) 2007C	60,615,000
Public Improvement Revenue Bonds, Series 2008-2	58,485,000
General Obligation Bonds (Library District Imp), 2006	12,735,000
General Obligation Bonds (Waterfront Access), 2006	29,735,000
	<u>170,440,000</u>
Proprietary Funds:	
Water and Sewer Revenue Bonds, 2006A	76,260,000
Water and Sewer Revenue Bonds, 2006A	25,300,000
	<u>101,560,000</u>
Total Defeased Bonds Outstanding	<u><u>\$ 272,000,000</u></u>

Current Refundings:

There were no current refundings during the current fiscal year.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

13. LONG-TERM DEBT

Changes in Long-Term Obligations – The following is a summary of changes in long-term obligations for the year ended September 30, 2015 for both governmental activities and business-type activities:

Governmental activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable:					
General obligation bonds	\$ 163,630,000	\$ -	\$ 22,025,000	\$ 141,605,000	\$ 18,845,000
Non-ad valorem revenue bonds	736,162,756	199,235,000	214,647,706	720,750,050	48,068,625
Unamortized bond premiums	48,472,387	26,492,786	10,196,918	64,768,255	-
Total bonds payable	948,265,143	225,727,786	246,869,624	927,123,305	66,913,625
Notes and loans payable	26,321,773	1,963,000	1,935,784	26,348,989	1,937,784
Arbitrage liability	91,307	6,023	80,061	17,269	11,245
Compensated absences	144,847,569	59,256,488	53,628,360	150,475,697	5,946,650
OPEB	135,991,298	19,380,700	59,230	155,312,768	-
Pension obligation	27,434,798	-	27,434,798	-	-
Capital leases	457,139	964,588	143,675	1,278,052	380,220
Estimated Self-Insurance Obligation	108,329,159	95,537,449	91,282,534	112,584,074	14,648,791
Governmental activity long-term obligations	<u>\$ 1,391,738,186</u>	<u>\$ 402,836,034</u>	<u>\$ 421,434,066</u>	<u>\$ 1,373,140,154</u>	<u>\$ 89,838,315</u>

Long-term obligations other than debt (bonds and loans) are liquidated by the governmental funds incurring the expenditure. Specifically, for compensated absences, the General Fund liquidates 82%, with Fire Rescue Special Revenue Fund, Community & Social Development Special Revenue Fund, and the Road Program Capital Projects Funds liquidating 11%, 1%, and 1%, respectively. The remaining 6% is liquidated by other special revenue funds and an Internal Service Fund. Nearly 100% of the Other Post-Employment Benefit Obligations is liquidated by the General Fund, with less than 1% being liquidated by the Fire Rescue Special Revenue Fund and an Internal Service Fund. For the estimated Self-Insurance Obligation, the Internal service funds liquidate 98%, with the remaining 2% liquidated by another special revenue Fund. The capital leases are liquidated 100% by other special revenue funds. The arbitrage liability is expected to be liquidated 72% by the General Government Capital Projects Fund and the remaining 28% is liquidated by a debt service fund and another capital projects fund.

Business-type activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable:					
Revenue bonds	\$ 278,960,823	\$ 26,930,000	\$ 45,280,972	\$ 260,609,851	\$ 10,211,785
Unamortized bond premiums	17,126,041	678,488	2,311,805	15,492,724	-
Total bonds payable	296,086,864	27,608,488	47,592,777	276,102,575	10,211,785
Notes and loans payable	9,675,223	-	537,962	9,137,261	548,128
Compensated absences	4,347,220	232,561	190,766	4,389,015	274,035
OPEB	39,051	-	39,051	-	-
Business-type activities long-term obligations	<u>\$ 310,148,358</u>	<u>\$ 27,841,049</u>	<u>\$ 48,360,556</u>	<u>\$ 289,628,851</u>	<u>\$ 11,033,948</u>

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Governmental Activities General Long-Term Debt

General long-term debt, including current maturities, at September 30, 2015 consisted of the following:

General Obligation Bonds

<p>\$16,025,000 General Obligation Refunding Bonds (Recreational and Cultural Facilities Program), Series 2005A were issued for paying and defeasing the County's outstanding General Obligation Bonds (Recreational and Cultural Facilities Program), Series 1999A maturing on and after August 1, 2010. The annual installments range from \$1,540,000 to \$1,920,000 through August 1, 2019, with interest rates from 3.500% to 5.000% payable semi-annually on February 1 and August 1 of each year. The bonds are general obligations of the County and are payable from ad valorem revenues.</p>	<p>\$ 7,205,000</p>
<p>\$22,335,000 General Obligation Bonds (Library District Improvements), Series 2006 were issued for financing additional library facilities and renovation of existing facilities within the County. The annual installments range from \$1,035,000 to \$1,665,000 through August 1, 2025, with interest rates from 4.000% to 5.000% payable semi-annually on February 1 and August 1 of each year. The bonds are general obligations of the County and are payable from ad valorem revenues. The County advance refunded \$12,735,000 of this issue on August 19, 2014.</p>	<p>\$ 1,140,000</p>
<p>\$50,000,000 General Obligation Bonds (Waterfront Access Projects), Series 2006 were issued for financing the purchase of waterfront access within the County. The annual installments range from \$2,195,000 to \$3,570,000 through August 1, 2026, with interest rates from 3.800% to 5.000% payable semi-annually on February 1 and August 1 of each year. The bonds are general obligations of the County and are payable from ad valorem revenues. The County advance refunded \$29,735,000 of this issue on August 19, 2014.</p>	<p>\$ 2,370,000</p>
<p>\$115,825,000 Taxable General Obligation Refunding Bonds, Series 2006 were issued for paying and defeasing the County's outstanding General Obligation Bonds (Land Acquisition Program), Series 1999B and paying and defeasing the County's outstanding General Obligation Bonds (Land Acquisition Program), Series 2001A. The annual installments range from \$7,630,000 to \$11,355,000 through June 1, 2020, with interest rates from 5.798% to 5.938% payable semi-annually on June 1 and December 1 of each year. The bonds are general obligations of the County and are payable from ad valorem revenues.</p>	<p>\$ 49,405,000</p>

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

\$19,530,000 General Obligation Refunding Bonds (Library District Improvement Project), Series 2010 were issued for paying and defeasing the County's outstanding General Obligation Bonds (Library District Improvement Project), Series 2003 maturing on and after July 1, 2014. The annual installments range from \$1,640,000 to \$2,090,000 through July 1, 2023, with interest rates from 2.000% to 3.000% payable semi-annually on January 1 and July 1 of each year. The bonds are general obligations of the County and are payable from ad valorem revenues. \$ 15,400,000

\$28,700,000 General Obligation Refunding Bonds (Recreational and Cultural Facilities), Series 2010 were issued for paying and defeasing a portion of the County's outstanding General Obligation Bonds (Recreational and Cultural Facilities), Series 2003 maturing on and after July 1, 2014 and a portion of its General Obligation Bonds (Recreational and Cultural Facilities), Series 2005 maturing on and after July 1, 2016. The annual installments range from \$1,110,000 to \$3,335,000 through July 1, 2025, with interest rates from 4.000% to 5.000% payable semi-annually on January 1 and July 1 of each year. The bonds are general obligations of the County and are payable from ad valorem revenues. \$ 26,185,000

\$11,865,000 General Obligation Refunding Bonds (Library District Improvement Projects), Series 2014 were issued for paying and defeasing a portion of the County's outstanding General Obligation Bonds (Library District Improvement Project), Series 2006 maturing on and after August 1, 2016. The annual installments range from \$1,080,000 to \$1,565,000 through August 1, 2025, with interest rates from 3.000% to 5.000% payable semi-annually on February 1 and August 1 of each year. The bonds are general obligations of the County and are payable from ad valorem revenues \$ 11,865,000

\$28,035,000 General Obligation Refunding Bonds (Waterfront Access Projects), Series 2014 were issued for paying and defeasing a portion of the County's outstanding General Obligation Bonds (Waterfront Access Projects), Series 2006 maturing on and after August 1, 2016. The annual installments range from \$2,245,000 to \$3,350,000 through August 1, 2026, with interest rates from 3.000% to 5.000% payable semi-annually on February 1 and August 1 of each year. The bonds are general obligations of the County and are payable from ad valorem revenues \$ 28,035,000

	\$ 28,035,000
Total General Obligation Bonds	\$ 141,605,000

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Non-Ad Valorem Revenue Bonds

\$17,455,000 Parks and Recreation Facilities Revenue Refunding Bonds, Series 2005 were issued to pay the cost of refunding the County's Parks and Recreation Facilities Revenue Bonds, Series 1996 maturing on and after November 1, 2007. The annual installments range from \$1,760,000 to \$2,000,000 through November 1, 2016, with interest rates from 3.750% to 5.000% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 3,915,000

\$13,485,000 Revenue Refunding Bonds (North County Courthouse and Sheriff's Motor Pool Facility Projects), Series 2005 were issued to pay the cost of defeasing a portion of the County's outstanding Revenue Improvement Bonds, Series 1997 (North County Courthouse and Sheriff's Motor Pool Facilities Projects). The annual installments range from \$1,365,000 to \$1,605,000 through December 1, 2017, with interest rates from 3.300% to 5.000% payable semi-annually on June 1 and December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 4,585,000

\$9,520,000 Public Improvement Revenue Refunding Bonds, Judicial Center Parking Facilities, Series 2005 were issued to pay the cost of refunding the County's Public Improvement Revenue Bonds, Judicial Parking Facilities, Series 1995 maturing on and after November 1, 2006. The annual installments range from \$1,030,000 to \$1,120,000 through November 1, 2015, with interest rates from 4.000% to 5.000% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 1,120,000

\$20,070,000 Stadium Facilities Revenue Refunding Bonds, Series 2005 were issued to pay the cost of refunding all of the County's outstanding Stadium Facilities Revenue Bonds, Series 1996. The annual installments range from \$1,835,000 to \$2,090,000 through December 1, 2016, with interest rates of 3.375% to 5.000% payable semi-annually on June 1 and December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 4,085,000

\$14,685,000 Public Improvement Revenue Bonds (Parking Facilities Expansion Project), Series 2006 were issued to pay the costs of construction related to the expansion of the Judicial Center Parking Garage. The annual installments range from \$615,000 to \$1,085,000 through December 1, 2026, with interest rates of 4.000% to 5.000% payable semi-annually on June 1 and December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 1,355,000

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

\$98,080,000 Public Improvement Revenue Bonds (Biomedical Research Park Project), Series 2007C were issued to redeem the County's Public Improvement Revenue Bond Anticipation Notes (Biomedical Research Park Project), Series 2006, to fund a grant to the Scripps Research Institute to enable Scripps to pay a portion of the cost of their permanent facilities, and to pay for the preparation of the Briger Site for development. The annual installments range from \$3,795,000 to \$7,490,000 through November 1, 2027, with interest rates from 4.250% to 5.000% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 13,055,000

\$176,585,000 Public Improvement Revenue Bonds, Series 2008 were issued to pay for additional criminal justice (law enforcement) facilities. The annual installments range from \$3,650,000 to \$10,730,000 through May 1, 2038, with interest rates from 4.000% to 5.000% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 153,835,000

\$94,235,000 Public Improvement Revenue Bonds, Series 2008-2 were issued to fund a grant to Max Planck Florida Corporation to establish a biomedical research facility in the County and also to refinance the County's five Series J variable rate loans with the Sunshine State Governmental Financing Commission. The annual installments range from \$3,415,000 to \$7,295,000 through November 1, 2028, with interest rates from 5.000% to 5.500% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 16,210,000

\$11,598,107 Taxable Public Improvement Revenue Bonds (Convention Center Hotel Project), Series 2010 were issued to pay the principal on the County's Taxable Public Improvement Revenue Bond Anticipation Notes (Convention Center Hotel Project), Series 2007. The annual installments range from \$592,668 to \$1,066,262 through November 1, 2024, with an interest rate of 5.484% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 8,484,351

\$30,691,407 Revenue Improvement Bond (Ocean Avenue Lantana Bridge and Max Planck Florida Corporation Projects), Series 2011 was issued to finance the costs of demolition and reconstruction of the Ocean Avenue Lantana Bridge and to fund a \$15,615,000 Grant to the Max Planck Florida Corporation. The annual installments range from \$1,195,058 to \$2,032,212 through August 1, 2031, with an interest rate of 3.172% payable semi-annually on February 1 and August 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 25,992,857

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

\$62,775,000 Public Improvement Revenue Refunding Bonds (Convention Center Project), Series 2011 were issued to defease and pay at redemption that portion of the County's outstanding \$81,340,000 original aggregate principal amount of Public Improvement Revenue Refunding Bonds (Convention Center Project), Series 2004 maturing on November 1, 2030. The annual installments range from \$0 to \$5,560,000 through November 1, 2030, with an interest rate of 5.000% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 62,775,000

\$16,189,340 Capital Improvement Revenue Bond (Four Points and Other Public Buildings Projects), Series 2012 was issued to pay the County's Capital Improvement Bond Anticipation Notes, Series 2009. The annual installments range from \$999,712 to \$1,176,435 through March 1, 2027, with an interest rate of 2.520% payable semi-annually on March 1 and September 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 13,190,046

\$147,000,000 Public Improvement Revenue Refunding Bonds, Series 2012 were issued to defease and redeem the County's outstanding Public Improvement Revenue and Refunding Bonds, Series 2004 maturing on and after August 1, 2015 and its Public Improvement Revenue Bonds (Biomedical Research Park Project), Series 2004A maturing on and after November 1, 2015 and its Public Improvement Revenue Bonds (Biomedical Research Park Project), Series 2005A maturing on and after June 1, 2016. The annual installments range from \$0 to \$17,395,000 through June 1, 2025, with interest rates from 3.000% to 5.000% payable semi-annually on June 1 and December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 142,735,000

\$10,032,000 Public Improvement Revenue Bond (Unified Messaging System Project), Series 2013 was issued to finance the cost of replacing the County's existing telephone systems with a modern unified messaging system. The annual installments range from \$1,391,007 to \$1,482,340 through November 1, 2019, with an interest rate of 1.280% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 7,226,711

\$13,180,000 Public Improvement Revenue Bond, (Max Planck3 Project), Series 2013 was issued to fund the third installment (\$13,137,000) of the grant to Max Planck Florida Corporation, and to pay the costs of issuing the Bond. The annual installments range from \$692,449 to \$1,040,229 through December 1, 2028, with an interest rate of 2.470% payable annually on December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 12,487,551

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

\$10,667,000 Improvement Revenue Bond (Sheriff's Equipment Project) Series 2013 was issued to finance road patrol vehicles with radio and mobile equipment and other electronic required by the Sheriff's office, and to pay the cost of issuing the Bond. The annual installments range from \$2,073,467 to \$2,186,333 through June 1, 2019, with an interest rate of 1.180% payable semi-annually on June 1 and December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 8,593,534

\$28,075,000 Tax Public Improvement Revenue Bond (Convention Center Hotel Project), Series 2013 was issued for the purpose of providing funds to finance a portion of the costs of development, acquisition, construction and equipping of a convention center hotel to be located adjacent to the County's convention center pursuant to written agreements related to this development, and to the pay costs of issuance of the Bonds. The annual installments range from \$550,000 to \$1,705,000 through November 1, 2043, with an interest rate from 1.00% to 5.250% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 27,525,000

\$17,830,000 Public Improvement Revenue Bond (Palm Tran Equipment), Series 2014 was issued for the purpose of refinancing the cost of certain transportation equipment for the County's Palm Tran Paratransit transportation service and paying certain costs. The annual installments range from \$3,485,000 to \$3,650,000 through September 1, 2019, with an interest rate of 1.160% payable semi-annually on March 1 and September 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 14,345,000

\$72,445,000 Public Improvement Revenue Refunding Bond, Series 2014A for the purpose of providing funds to refund and redeem the following outstanding obligations of the County: (a) a portion of the callable maturities of the Palm Beach County, Florida Public Improvement Revenue Bonds, Series 2006 (Parking Facilities Expansion Project), (b) a portion of the outstanding Palm Beach County, Florida Public Improvement Revenue Refunding Bonds, Series 2007A (Biomedical Research Park Project), (c) a portion of the outstanding Palm Beach County, Florida Taxable Public Improvement Revenue Refunding Bond, Series 2007B (Biomedical Research Park Project) and (d) a portion of the callable maturities of the Palm Beach County, Florida Public Improvement Revenue Bonds, Series 2007C (Biomedical Research Park Project). Proceeds of the Bonds were used to pay the cost of issuance of the bonds. The annual installments range from \$265,000 to \$8,570,000 through November 1, 2027, with an interest rate of 3% to 5% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. \$ 72,445,000

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

\$63,635,000 Public Improvement Revenue Refunding Bond, Series 2015 for the purpose of providing funds to refund and redeem the following outstanding obligations of the County: (a) all of the callable maturities of the Palm Beach County, Florida Refunding Public Improvement Sunshine State Government Finance Commission, Series 2008A and (b) a portion of the outstanding Palm Beach County, Florida Public Improvement Revenue Bonds, Series 2008-2. Proceeds of the bonds will also be used to pay the cost of issuance of the Bonds. The annual installments range from \$950,000 to \$6,655,000 through November 1, 2028, with an interest rate of 3% to 5% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues.

\$ 63,635,000

\$63,155,000 Public Improvement Revenue Bond (Various Public Improvements Project) series 2015A. The bond was issued by Palm Beach County for the purpose of providing funds for the construction of a public parking garage adjacent to the County Convention Center and the renovation of a portion of a County-owned office building. The annual installments range from \$2,320,000 to \$4,295,000 through November 1, 2035, with an interest rate of 2% to 4% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and payable from non-ad valorem revenues.

\$ 63,155,000

Total Non-Ad Valorem Revenue Bonds

\$ 720,750,050

Face Amount of Bonds Payable

\$ 862,355,050

Unamortized bond premiums

64,768,255

Net General Obligation and Non-Ad Valorem Revenue Bonds

\$ 927,123,305

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

Notes and Loans Payable

\$1,660,000 - HUD Section 108 Loan #1, 2004, payable to the Secretary of Housing and Urban Development due in annual installments ranging from \$87,000 to \$94,000 through August 1, 2023, with interest rates of 5.190% to 5.970% payable semi-annually on February 1 and August 1 of each year. The loan is a general obligation of the County. The debt service will be paid using the cash flows received by the County from the sub-recipient borrower. In the event the cash flows from the sub-recipient are not sufficient to service the HUD loan, the County is obligated to use other resources. \$ 703,000

\$11,697,676 Public Improvement Revenue Note (Environmentally Sensitive Land Acquisition Project) Series 2008 was issued to pay the cost of the acquisition of environmentally sensitive land in Palm Beach County. The annual installments are \$584,884 through August 1, 2028, with a variable rate of interest in effect of 1.042% payable semiannually on February 1 and August 1 of each year. The note is not a general obligation of the County and is payable from non-ad valorem revenues. \$ 7,603,489

\$2,600,000 - HUD Section 108 Loan. \$2,600,000 is authorized leaving \$0 available for future financing. The HUD Loan was obtained to provide funding for County loans to various borrowers for the Belle Glade Avenue "A" Revitalization Project. The annual installments range from \$50,000 to \$143,900 through August 1, 2032, with a variable rate of interest in effect of 0.439% to .525% payable quarterly on February 1, May 1, August 1 and November 1 of each year. The loans are general obligations of the County. The debt service will be paid using the cash flows received by the County from the sub-recipient borrowers. In the event the cash flows from the sub-recipients are not sufficient to service the HUD loans, the County is obligated to use other resources. As of September 30, 2015 the outstanding individual loans are as follows:

\$ 199,000 - Glades Gas & Electric, 2009	\$109,000	
89,000 - Glades Home Health Care Med Ctr, 2010	44,500	
878,000 - Muslet Brothers, 2010	675,000	
21,000 - Building 172, Belle Glade, 2012	16,000	
592,000 - America's Sound, 2012	499,000	
770,000 - Old City Hall - BI Development, 2013	730,000	
51,000 - Building 172 Overrun, 2013	49,000	
		\$ 2,122,500

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

\$13,340,000 - HUD Section 108 Loan. \$13,340,000 is authorized leaving \$0 available for future financing. The HUD Loan was obtained to provide funding for County loans to various borrowers for the Community Development Business Loan Program Project. The annual installments range from \$2,000 to \$727,000 through August 1, 2035, with a variable rate of interest in effect of 0.439% to .525% payable quarterly on February 1, May 1, August 1 and November 1 of each year. The loans are general obligations of the County. The debt service will be paid using the cash flows received by the County from the sub-recipient borrowers. In the event the cash flows from the sub-recipients are not sufficient to service the HUD loans, the County is obligated to use other resources.

As of September 30, 2015 the outstanding individual loans are as follows:

\$1,000,000 - The Baron Group, 2009	\$400,000	
57,000 - Kiddie Haven Pre-School, 2010	27,000	
250,000 - Concrete Services LLC, 2010	129,000	
5,948,000 - Oxygen Development LLC, 2011	4,905,000	
265,000 - Donia Adams Roberts PA, 2011	210,000	
198,000 - Ameliascapes, 2011	132,000	
257,000 - F&T of Belle Glade, 2011	197,000	
1,412,000 - Glades Plaza Enterprises LLC, 2012	1,190,000	
473,000 - Doctors Scientific Organica, 2012	400,000	
455,000 - Schomburg Latin America LLC, 2012	280,000	
264,000 - Medical Career Institute, 2012	192,000	
244,000 - A&E Auto Sales, 2012	208,000	
244,000 - SSB Investments, 2013	218,000	
196,000 - GUS Distribution Corporation, 2014	182,000	
179,000 - Pinewood Cleaners Inc., 2014	158,000	
1,898,000 - Critical Needs Program, 2014	<u>1,898,000</u>	\$ 10,726,000

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

\$2,824,000 - HUD Section 108 Loan. \$2,824,000 is authorized leaving \$0 available for future financing. The HUD Loan was obtained to provide funding for County loans to various borrowers for the Pahokee Downtown Revitalization Project. The annual installments range from \$6,000 to \$110,000 through November 1, 2035, with a variable rate of 0.439% to 0.525% payable quarterly on February 1, May 1, August 1 and November 1 of each year. The loans are general obligations of the County. The debt service will be paid using the cash flows received by the County from the sub-recipient borrowers. In the event the cash flows from the sub-recipient are not sufficient to service the HUD loans, the County is obligated to use other resources. As of September 30, 2015 the outstanding individual loans are as follows:

\$152,000 - Circle S Pharmacy, 2010	\$120,000	
100,000 - Simco, 2012	85,000	
609,000 - HER Tech LLC, 2014	487,000	
1,963,000 - Pahokee Revitalization Program, 2015	<u>1,963,000</u>	\$ 2,655,000

\$2,558,000 - HUD Section 108 Loan. \$10,000,000 is authorized leaving \$7,442,000 available for future financing. The HUD Loan was obtained to provide additional funding for County loans to various borrowers for the Community Development Business Loan Program Project. The annual installments range from \$13,000 to \$260,000 through August 1, 2033, with a variable rate of interest in effect of 0.439% to 0.525% payable quarterly on February 1, May 1, August 1 and November 1 of each year. The loans are general obligations of the County. The debt service will be paid using the cash flows received by the County from the sub-recipient borrowers. In the event the cash flows from the sub-recipient are not sufficient to service the HUD loans, the County is obligated to use other resources. As of September 30, 2015 the outstanding individual loans are as follows:

\$2,300,000 - Jupiter CY, 2013	\$1,780,000	
258,000 - Old City Hall - Bi Development 2, 2014	<u>245,000</u>	\$ 2,025,000

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

\$400,000 – USDA Palm Beach County Relending Program (PBC IRP) funded by the U.S. Department of Agriculture. PBC IRP loans provide a dedicated, national source of low interest loans for use by individuals, a corporation, partnership, limited liability company, non-profit corporation or entity with economic development projects located in the rural areas to alleviate poverty and increase economic activity and employment. The annual installments range from \$925 to \$5,556 through April 15, 2044, with an interest rate of 1.00% payable annually on April 15 of each year. The debt service will be paid using the cash flows received by the County from the sub-recipient borrowers. In the event the cash flows from the sub-recipient are not sufficient to service the USDA loans, the County is obligated to use other resources. As of September 30, 2015 the outstanding loans are as follows:

\$150,000 - IRP BI Development Group, 2014	\$150,000	
25,000 - IRP Gus Distributing Corp, 2014	25,000	
150,000 - IRP EHR LLC, 201, 2014	150,000	
75,000 - IRP PR Local Electric, 2014	75,000	\$ 400,000

\$131,000 - HUD Section 108 Loan. \$1,568,000 is authorized leaving \$1,437,000 available for future financing. The HUD Loan was obtained to provide funding for County loans to various borrowers for the Community Development Business Loan Program Project. The annual installments range from \$3,000 to \$15,000 through August 1, 2023, with a variable rate of interest in effect of 0.439% to .525% payable quarterly on February 1, May 1, August 1 and November 1 of each year. The loans are general obligations of the County. The debt service will be paid using the cash flows received by the County from the sub-recipient borrowers. In the event the cash flows from the sub-recipients are not sufficient to service the HUD loans, the County is obligated to use other resources. As of September 30, 2014 the outstanding individual loans are as follows:

\$131,000 - Kiddie Haven Pre-School Inc., 2014	\$114,000	\$ 114,000
Total Notes and Other Loans Payable		\$ 26,348,989

Lines of Credit

The County entered into a line of credit agreement with a financial institution to support the issuance of letters of credit to satisfy the debt service reserve funding requirements for several of the County’s outstanding bond issues. Principal borrowed on the line of credit is due at maturity on May 20, 2016. Interest on the principal balance accrues at a rate equivalent to the one-month LIBOR rate plus 1.500% and is paid quarterly. The County does not anticipate that any draws on the letters of credit will occur. The County will use non-ad valorem revenues to fund the letter of credit fees. As of September 30, 2015, this \$7,656,938 line of credit, covering the following outstanding bond issue, had no outstanding balance on the loan payable.

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

\$98,080,000 Public Improvement Revenue Bonds (Biomedical Research Park Project) Series 2007C	\$7,565,938
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The County entered into a line of credit agreement with a financial institution to support the issuance of standby letters of credit to satisfy the debt service reserve funding requirements for several of the County's outstanding bond issues. Principal borrowed on the line of credit is due at maturity on June 3, 2016. Interest on the principal balance accrues at a rate per year equal to the sum of (i) the Prime Rate plus (ii) for the first 30 days such amount is outstanding, 0%, for the 31st through 60th day such amount is outstanding, 0.5%, for the 61st through 90th day such amount is outstanding, 1.0%, and after the 90th day, 2.0%. The County does not anticipate that any draws on the letters of credit will occur. The County will use non-ad valorem revenues to fund the letter of credit fees. As of September 30, 2015, this \$2,996,178 line of credit, covering the following outstanding bond issues, had no outstanding balance on the loan payable.

\$38,895,000 Public Improvement Revenue Bonds (Biomedical Research Park Project) Series 2004A	\$1,869,178
\$14,685,000 Public Improvement Revenue Bonds (Parking Facilities Expansion Project) Series 2006	<u>\$1,127,000</u> \$2,996,178

Arbitrage Liability

Certain County debt obligations are subject to Section 148 of the Internal Revenue Code which requires that interest earned on proceeds from tax-exempt debt be rebated to the federal government to the extent that those earnings exceed the interest cost of the related tax-exempt debt. The arbitrage rebate must be calculated and paid to the federal government every five years from the date of issue until the debt matures. The County employs a consultant to make computations on an annual basis. However, since the rebate is cumulative (excess earnings in one year can be offset with deficit earnings in another year), the annually computed estimate may change significantly (increase or decrease) before the actual due date.

\$ 17,269

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

Compensated Absences

Compensated absences are liquidation by the governmental fund incurring the expense.

General Fund

Board of County Commissioners	\$	15,031,773	
Sheriff		105,555,473	
Tax Collector		1,343,539	
Property Appraiser		2,742,548	
Supervisor of Elections		259,708	
Total General Fund		\$ 124,933,041	
Special Revenue Funds		24,082,737	
Capital Project Funds		751,017	
Internal Service Funds		708,902	
	\$		150,475,697
OPEB (see note on OPEB)			155,312,768
Capital Leases (see note on Leases)			1,278,052
Estimated Self-Insurance Obligation (see note on Risk Management)			112,584,074
Total governmental activities general long-term debt including current portion			\$ 1,373,140,154

Business-type Activities Long-Term Debt

Business-type long-term debt, including current portion, at September 30, 2015 consisted of the following:

Revenue Bonds

\$8,515,000 Pahokee Arcadia Pool Revenue Bonds, Series 2004 were assumed by the County on May 1, 2013 under the terms of the County's absorption of the Glades Utility Authority (GUA). The annual installments range from \$660,000 to \$765,000 through December 1, 2017, with interest rates from 3.600% to 4.250% payable semi-annually on June 1 and December 1 of each year. The bonds are not general obligations of the County and are secured by a first lien on and pledge of the net revenues of the County's Water and Sewer system and a first lien on and pledge of the connection fees.

\$ 2,210,000

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

\$125,850,000 Water and Sewer Revenue Bonds, Series 2006A were issued to pay a portion of the costs of constructing certain additions and improvements to the County's water and wastewater facilities and acquisition of certain water and wastewater assets from the Village of Royal Palm Beach, Florida. The annual installments range from \$0 to \$7,760,000 through October 1, 2036, with interest rates from 4.000% to 5.000% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are secured by a first lien on and pledge of the net revenues of the County's Water and Wastewater System and a first lien on and pledge of the connection charges of the system. The County advance refunded \$76,260,000 of this issue on February 27, 2013. \$ 5,710,000

\$12,485,000 Water and Sewer Revenue Refunding Bonds, Series 2006B were issued to pay for the refunding of the County's Water and Sewer Revenue Bonds, Series 1998 maturing on and after October 1, 2012. The annual installments range from \$1,915,000 to \$2,245,000 through October 1, 2017, with interest rates from 4.000% to 4.250% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are secured by a first lien on and pledge of the net revenues of the County's Water and Sewer system and a first lien on and pledge of the connection charges of the system. \$ 6,470,000

\$68,115,000 Water and Sewer Revenue Bonds, Series 2009 (FPL Reclaimed Water Project) were issued to finance the acquisition and construction of additions to the County's Water and Sewer System and to reimburse Florida Power and Light for costs advanced by them. The annual installments range from \$0 to \$4,225,000 through October 1, 2040, with interest rates from 4.000% to 5.250% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are secured by a first lien on and pledge of the net revenues of the County's Water and Sewer System and a first lien on and pledge of the connection fees. \$ 55,720,000

\$9,385,488 Belle Glade Restructuring Loan, Series 2009 was assumed by the County on May 1, 2013 under the terms of the County's absorption of the Glades Utility Authority (GUA). The annual installments range from \$871,910 to \$1,134,151 through April 1, 2020, with an interest rate of 4.480% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are secured by a first lien on and pledge of the net revenues of the County's Water and Sewer system and a first lien on and pledge of the connection fees. \$ 5,204,851

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

\$72,430,000 Water and Sewer Revenue Refunding Bonds, Series 2013 were issued to pay the cost of advance refunding a portion of the County's Water and Sewer Revenue Bonds, Series 2006A. The annual installments range from \$0 to \$6,330,000 through October 1, 2033, with interest rates from 4.000% to 5.000% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are secured by a first lien on and pledge of the net revenues of the County's Water and Sewer system and a first lien on and pledge of the connection fees. \$ 72,430,000

\$26,930,000 Water and Sewer Revenue Refunding Bonds, Series 2015 was issued to partially refund the Series 2006A Bonds through an in-substance defeasance. The Department placed into irrevocable trusts funds sufficient to meet future principal and interest payments on the defeased bonds, outstanding principal of which was \$25,300,000. The annual installments range from \$3,545,000 to \$8,080,000 through October 1, 2036, with an interest rate of 3.125% to 4.0% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are payable solely from and secured from the accounts pledged under the bond resolution. \$ 26,930,000

\$69,080,000 Airport System Revenue Bonds, Series 2006A were issued to pay a portion of the costs of constructing certain facilities and improvements to the Airport System. The annual installments range from \$0 to \$6,055,000 through October 1, 2036, with interest rates from 4.700% to 5.000% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are payable solely from and secured from the net revenues available for Debt Service and the funds and accounts pledged under the bond resolution. \$ 69,080,000

\$16,855,000 Airport System Revenue Refunding Bonds, Series 2006B were issued to advance refund a portion of the Airport System Revenue Bonds, Series 2001 and a portion of the Airport System Revenue Bonds, Series 2002. The annual installments range from \$0 to \$3,225,000 through October 1, 2020, with an interest rate of 5.905% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are payable solely from and secured from the net revenues available for Debt Service and the funds and accounts pledged under the bond resolution. \$ 16,855,000

Total face value of revenue bonds payable	\$ 260,609,851
Unamortized bond premiums	15,492,724
Net Revenue Bonds, Business-Type Activities	<u>\$ 276,102,575</u>

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Notes and Loans Payable

\$9,706,342 – Florida Department of Environmental Protection Loans. These State Revolving Fund Loans were assumed by the County on May 1, 2013 under the terms of the County’s absorption of the Glades Utility Authority (GUA). The annual installments range from \$20,888 to \$674,537 through May 15, 2033, with interest rates from 1.640% to 2.820% payable semi-annually. The bonds are not general obligations of the County and are secured by a first lien on and pledge of the net revenues of the County's Water and Sewer system and a first lien on and pledge of the connection fees. As of September 30, 2015 the outstanding individual loans are as follows:

\$ 430,015 - Pahokee SRF Loan	\$ 377,641	
722,989 - Belle Glade SRF Loan	672,909	
6,515,388 - Belle Glade SRF Loan	6,131,154	
2,037,950 - Belle Glade SRF Loan	<u>1,955,557</u>	<u>\$ 9,137,261</u>

Compensated Absences

Compensated absences are liquidation by the governmental fund incurring the expense.

Business-Type Fund

Water Utilities Department	\$ 3,265,276	
Department of Airports	<u>1,123,739</u>	<u>\$ 4,389,015</u>

Total Business-Type Activities Long-Term Debt, including current portion	<u><u>\$ 289,628,851</u></u>
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PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Annual debt service requirements to maturity for governmental activities long-term debt are as follows:

Governmental Activities General Long-Term Debt

Year Ending September 30	General Obligation Bonds		Non-Ad Valorem Revenue Bonds		Notes and Loans Payable		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2016	\$ 18,845,000	\$ 6,878,560	\$ 48,068,625	\$ 30,934,401	\$ 1,937,784	\$ 213,238	\$ 106,877,608
2017	19,455,000	5,931,820	51,144,710	29,010,399	2,044,266	197,647	107,783,842
2018	20,455,000	4,920,698	46,635,208	27,135,505	2,162,599	179,554	101,488,564
2019	21,735,000	3,846,737	47,450,288	25,249,011	2,162,599	160,722	100,604,357
2020	16,375,000	2,708,619	43,192,997	23,346,481	1,984,598	141,820	87,749,515
2021-2025	41,390,000	5,215,650	220,283,601	87,073,794	8,398,496	449,491	362,811,032
2026-2030	3,350,000	100,500	142,457,409	43,076,273	6,074,731	152,363	195,211,276
2031-2035	-	-	73,917,212	20,890,534	1,457,073	26,425	96,291,244
2036-2040	-	-	41,275,000	5,695,298	74,070	4,861	47,049,229
2041-2045	-	-	6,325,000	685,519	52,773	1,222	7,064,514
Total	\$ 141,605,000	\$ 29,602,584	\$ 720,750,050	\$ 293,097,215	\$ 26,348,989	\$ 1,527,343	\$ 1,212,931,181

Annual debt service requirements to maturity for business-type activities long-term debt are as follows:

Business-type Activities Long-Term Debt

Year Ending September 30	Revenue Bonds		Notes and Loans Payable		Total
	Principal	Interest	Principal	Interest	
2016	\$ 10,211,785	\$ 12,316,703	\$ 548,128	\$ 175,797	\$ 23,252,413
2017	10,714,423	11,807,751	558,524	165,404	\$ 23,246,102
2018	11,698,973	11,266,503	569,124	154,805	\$ 23,689,405
2019	8,555,519	10,778,953	579,933	143,994	\$ 20,058,399
2020	8,974,151	10,338,193	590,958	132,969	\$ 20,036,271
2021-2025	43,340,000	45,272,587	3,127,998	491,637	\$ 92,232,222
2026-2030	54,375,000	33,458,550	2,750,794	187,285	\$ 90,771,629
2031-2035	70,390,000	17,966,228	411,802	19,899	\$ 88,787,929
2036-2040	38,125,000	2,968,000	-	-	\$ 41,093,000
2041-2045	4,225,000	105,625	-	-	\$ 4,330,625
Total	\$ 260,609,851	\$ 156,279,093	\$ 9,137,261	\$ 1,471,790	\$ 427,497,995

CONDUIT DEBT

The County issues Industrial Development Bonds to provide financial assistance to not-for-profit and private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The County is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. During the current reporting period, three series of Industrial Development Bonds were issued with an aggregate par value of \$20 million. As of September 30, 2015, there were forty-five series of Industrial Development Bonds outstanding, with an estimated aggregate principal amount payable of \$632 million.

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

COMPONENT UNIT – Solid Waste Authority (SWA)

Note Payable

On January 9, 2008, the SWA entered into an \$80 million Subordinated Improvement Revenue Note, Series 2008 (the “Series 2008 Note”) with CitiCapital Municipal Finance to finance costs incurred in connection with the relocation of facilities and improvements to the solid waste system. Interest on the outstanding principal balance of the Series 2008 Note accrues at a rate equivalent to 65% of the one month LIBOR rate plus 82 basis points (approximately 0.94% at September 30, 2015) and is due semi-annually in arrears on April 1st and October 1st. The outstanding principal balance on the Series 2008 Note was \$52 million at September 30, 2015 and is payable in annual installments of \$4 million on October 1st through maturity on October 1, 2027. Borrowings on the Series 2008 Note are payable from and secured by a pledge of the net revenues of the solid waste system and all monies and amounts held under the SWA’s trust indenture, subordinate to the lien and pledge of net revenues and trust amounts for repayment of the SWA’s bonds. The Series 2008 Note may be prepaid by the SWA on any principal or interest payment date.

Revenue Bonds Payable

Revenue bonds payable by the SWA at September 30, 2015 are summarized as follows:

Series 2015	\$	50,330,000
Series 2011		570,000,000
Series 2009		250,955,000
Unamortized premium and discount, net		53,593,763
Net revenue bonds payable		924,878,763
Less current maturities		(8,140,000)
Revenue bonds payable, long-term portion	\$	916,738,763

Series 2015: \$50,330,000 Solid Waste Authority of Palm Beach County Refunding Revenue Bonds, Series 2015 dated February 19, 2015. The Series 2015 Bonds, in conjunction with approximately \$83.8 million in the SWA’s 2008B Project Account, \$3.0 million from the 2008B Interest Account, and \$6.2 million from the Debt Service Reserve Fund provided funding to advance refund and defease all of the SWA’s outstanding Improvement Revenue Bonds, Series 2008B and pay the cost of issuance of the Series 2015 Bonds.

The advance refunding of the Series 2008B by the SWA reduced its aggregate debt service payments by approximately \$47,004,000 over the life of the bonds and produced an economic gain (the difference between the present values of the old and new debt service payments) of approximately \$20,385,000. Interest on the Series 2015 Bonds is payable semiannually on April 1st and October 1st and principal payments are due on October 1st, with the final payment due on October 1, 2028.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

The debt service requirements and interest rates of the Series 2015 Bonds are as follows:

Year Ending September 30	Interest Rate	Principal	Interest	Total
2016	5.00%	\$ -	\$ 2,810,092	\$ 2,810,092
2017	5.00	-	2,516,500	2,516,500
2018	5.00	-	2,516,500	2,516,500
2019	5.00	-	2,516,500	2,516,500
2020	5.00	-	2,516,500	2,516,500
2021	5.00	-	2,516,500	2,516,500
2022	5.00	-	2,516,500	2,516,500
2023	5.00	-	2,516,500	2,516,500
2024	5.00	-	2,516,500	2,516,500
2025	5.00	-	2,516,500	2,516,500
2026	5.00	10,870,000	2,244,750	13,114,750
2027	5.00	11,525,000	1,684,875	13,209,875
2028	5.00	12,130,000	1,093,500	13,223,500
2029	5.00	15,805,000	395,125	16,200,125
		<u>\$ 50,330,000</u>	<u>\$ 30,876,842</u>	<u>\$ 81,206,842</u>

Series 2011: \$599,860,000 Solid Waste Authority of Palm Beach County Refunding Revenue Bonds, Series 2011 dated October 26, 2011. The Series 2011 Bonds, in conjunction with the refunded Series 2010 Bonds, provided funding for the acquisition and construction of the Renewable Energy Facility #2 (REF #2) mass burn facility, funding for the corresponding Debt Service Reserve Account, and funds for the cost of issuance of the Series 2011 Bonds.

Interest on the Series 2011 Bonds is payable semi-annually on April 1st and October 1st and principal payments are due on October 1st, with the final payment due on October 1, 2031.

The debt service requirements and interest rates of the Series 2011 Bonds are as follows:

Year Ending September 30	Interest Rate	Principal	Interest	Total
2016	3.00-5.00	\$ 5,045,000	\$ 28,012,275	\$ 33,057,275
2017	3.00	4,620,000	27,855,650	32,475,650
2018	3.50-5.00	15,045,000	27,419,000	42,464,000
2019	4.00-5.00	16,750,000	26,652,900	43,402,900
2020	4.00-5.00	18,515,000	25,811,275	44,326,275
2021	3.00-5.00	21,370,000	24,869,900	46,239,900
2022	4.00-5.00	20,340,000	23,882,900	44,222,900
2023	4.00-5.00	21,285,000	22,864,025	44,149,025
2024	5.00	22,310,000	21,775,900	44,085,900
2025	5.00	33,095,000	20,390,775	53,485,775
2026	5.00	42,045,000	18,512,275	60,557,275
2027	4.25-5.00	44,310,000	16,354,881	60,664,881
2028	4.25-5.00	46,600,000	14,085,094	60,685,094
2029	4.25-5.00	52,045,000	11,621,931	63,666,931
2030	4.25-5.00	65,545,000	8,685,144	74,230,144
2031	4.25-5.00	68,820,000	5,329,000	74,149,000
2032	4.25-5.00	72,260,000	1,805,000	74,065,000
		<u>\$ 570,000,000</u>	<u>\$ 325,927,925</u>	<u>\$ 895,927,925</u>

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Series 2009: \$261,545,000 Solid Waste Authority of Palm Beach County Improvement Revenue Bonds, Series 2009 dated April 23, 2009. The Series 2009 Bonds proceeds were used for funding various solid waste system projects, funding a deposit to the Debt Service Reserve Account, purchasing a bond insurance policy on the Series 2009 Bonds, and paying the costs of issuance for the Series 2009 Bonds. Interest on the Series 2009 Bonds is payable semi-annually on April 1st and October 1st and principal payments are due on October 1st, with the final payment due on October 1, 2028. For marketing purposes, the 2009 bonds maturing on October 1, 2017 through October 1, 2023 were offered with two different coupon rates and prices producing identical yields.

The debt service requirements and interest rates of the Series 2009 Bonds are as follows:

Year Ending September 30	Interest Rate	Principal	Interest	Total
2016	3.10%	\$ 3,095,000	\$ 12,808,708	\$ 15,903,708
2017	3.40	3,650,000	12,698,685	16,348,685
2018	4.00-5.00	22,485,000	12,096,635	34,581,635
2019	4.00-5.25	23,690,000	10,955,991	34,645,991
2020	4.00-5.25	25,025,000	9,732,879	34,757,879
2021	4.25-5.50	26,400,000	8,406,410	34,806,410
2022	4.50-5.25	27,935,000	6,973,166	34,908,166
2023	4.60-5.50	29,525,000	5,437,318	34,962,318
2024	4.75-5.50	31,270,000	3,775,306	35,045,306
2025	5.00	22,410,000	2,359,650	24,769,650
2026	5.00	7,920,000	1,601,400	9,521,400
2027	5.00	8,335,000	1,195,025	9,530,025
2028	5.00	8,855,000	765,275	9,620,275
2029	5.25	10,360,000	271,950	10,631,950
		<u>\$ 250,955,000</u>	<u>\$ 89,078,398</u>	<u>\$ 340,033,398</u>

Advance Refundings

Series 2008B: \$131,565,000 Solid Waste Authority of Palm Beach County Improvement Revenue Bonds, Series 2008B dated November 25, 2008. The Series 2008B Bonds provided funding for various solid waste system projects, a deposit to the Debt Service Reserve Account, and the costs of issuance for the Series 2008B Bonds. On February 19, 2015, the proceeds of the sale of the Series 2015 Bonds, together with funds contributed by the SWA, after payment of costs of issuance, were deposited into the Series 2008B special fund, an irrevocable trust with an independent trustee created under the Indenture. The trustee of the Special Fund invested the amounts on deposit in cash and U.S. Government Securities to provide for all future debt service payments when due. As a result, the Series 2008B Bonds are considered to be “defeased” and do not constitute a debt or indebtedness of the SWA, nor is the SWA obligated for repayment of these bonds. During 2015, the SWA incurred a loss of approximately \$24,584,000 on the defeasance of Series 2008B Bonds.

Series 2002: \$30,560,000 Solid Waste Authority of Palm Beach County Refunding Revenue Bonds, Series 2002A and \$39,869,386 Revenue Bonds, Series 2002B, both dated November 7,

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

2002. The Series 2002B Bonds include term bonds of \$1,135,000 and capital appreciation bonds of \$38,734,386. The Series 2002 Bonds proceeds were used for currently refunding the Series 1992 bonds due on December 1, 2003 and thereafter, for capital improvements to the solid waste system, and paying the costs of issuance for the Series 2002 Bonds.

Net proceeds of approximately \$31.3 million from the Series 2002A Bonds plus approximately \$740,000 of sinking fund monies were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide sufficient funds to call and retire the remaining \$30,530,000 Series 1992 Bonds on December 12, 2002. The advance refunding of the Series 1992 Bonds by the SWA reduced its aggregate debt service payments by approximately \$1,984,000 over the life of the bonds and produced an economic gain (the difference between the present values of the old and new debt service payments) of approximately \$1,162,000. Interest on the Series 2002 Bonds, except for the \$38,734,386 Series 2002B capital appreciation bonds, is payable semi-annually on April 1st and October 1st and principal payments are due October 1st.

On September 6, 2013, the SWA deposited approximately \$24.3 million of available SWA monies into an escrow account to defease \$13,769,586 of 2002B Bonds that have a scheduled maturity date of October 1, 2014. This transaction resulted in a loss on extinguishment of the debt in the amount of approximately \$1,195,000.

On September 11, 2014, the SWA deposited approximately \$24.3 million of available SWA monies into an escrow account to defease \$12,961,000 of 2002B Bonds that have a scheduled maturity date of October 1, 2015. This transaction resulted in a loss on extinguishment of the debt in the amount of approximately \$1,195,000.

On September 14, 2015, the SWA deposited approximately \$24 million of available SWA monies into an escrow account to defease \$12,003,800 of 2002B Bonds that have a scheduled maturity date of October 1, 2016. This transaction resulted in a loss on extinguishment of the debt in the amount of approximately \$1,108,000. As of September 30, 2015, the entire Series 2002B Bonds Payable has been defeased.

Annual Maturities: The aggregate maturities for the outstanding bonds of the SWA, including total interest of \$445,883,165 are as follows:

Year Ending September 30	Revenue Bonds
2016	\$ 51,771,075
2017	51,340,835
2018	79,562,135
2019	80,565,391
2012	81,600,654
2021-2025	409,257,850
2026-2030	414,856,225
2031-2032	148,214,000
	\$ 1,317,168,165

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Interest Expense: Total interest costs incurred on all SWA debt for the years ended September 30, 2015 and 2014 were \$46,842,199 and \$51,267,999, respectively. For the years ended September 30, 2015 and 2014, net interest costs (net of interest revenue on construction funds of \$10,588 and \$182,017 in 2015 and 2014, respectively) of \$23,419,811 and \$28,460,431, respectively, were capitalized on construction in progress and \$23,411,800 and \$22,625,551, respectively, was expensed.

Defeased Bonds: In 2012, the SWA defeased \$11,479,972 Refunding Revenue Bonds, Series 1998A, by placing available cash in an irrevocable trust to provide for all future debt service payments on these bonds. In 2014, the defeased Series 1998A Bonds were paid in full. In 2014 and 2015, the SWA defeased \$12,961,000 and \$12,003,800 of Revenue Bonds, Series 2002B, respectively, by placing cash in an irrevocable trust to provide for all future debt service payments on these bonds. At September 30, 2015, defeased Series 2002B Revenue Bonds totaling \$24,964,800 remain outstanding. In 2015, the SWA defeased \$131,565,000 of Revenue Bonds, Series 2008B by placing cash in an irrevocable trust to provide for all future debt service payments on these bonds. At September 30, 2015, defeased Series 2008B Refunding Bonds totaling \$131,565,000 remain outstanding.

Changes in Noncurrent Liabilities

Changes in long-term debt for the year ended September 30, 2015 are summarized as follows:

September 30, 2015	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Compensated absences	\$ 4,627,277	\$ 2,754,592	\$ 2,422,532	\$ 4,959,337	\$ 283,178
Advance capacity payment	56,643,942	-	621,096	56,022,846	2,981,260
Landfill closure and postclosure care costs	45,672,184	2,955,278	339,833	48,287,629	332,050
Note Payable, Series 2008	56,000,000	-	4,000,000	52,000,000	4,000,000
Accrued interest payable on capital appreciation bonds	9,726,691	1,062,335	10,789,026	-	-
Revenue Bonds					
Series 2015		50,330,000	-	50,330,000	-
Series 2011	580,700,000	-	10,700,000	570,000,000	5,045,000
Series 2009	253,850,000	-	2,895,000	250,955,000	3,095,000
Series 2008B	131,565,000	-	131,565,000	-	-
Series 2002B	12,003,800	-	12,003,800	-	-
Totals	<u>\$ 1,150,788,894</u>	<u>\$ 57,102,205</u>	<u>\$ 175,336,287</u>	1,032,554,812	<u>\$ 15,736,488</u>
Unamortized premium and discount, net				53,593,763	
Current maturities				<u>(15,736,488)</u>	
Net Long-term debt				<u>\$ 1,070,412,087</u>	

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

14. PLEDGED REVENUES

The County has pledged a portion of future non-ad valorem revenues to repay \$728.3 million in revenue bonds, notes and loans issued between July 10, 1990 and May 20, 2015. A ten year history of the pledged revenues is reported in statistical table X. Proceeds from the debt provided financing for capital additions, improvements, and expansion of County facilities, equipment and infrastructure. The bonds are payable solely from available non-ad valorem revenues and are payable through Nov 1, 2043. Total principal and interest remaining to be paid on the bonds is \$1 billion with annual requirements ranging from \$81.2 million in fiscal year 2017 decreasing to \$1.8 million in fiscal year 2044. The pledged non-ad valorem revenues, from which the appropriations will be made, have averaged \$380.5 million per year over the last 10 years. Principal and interest paid for the current year and total pledged non-ad valorem revenues were \$102.1 million and \$400.5 million, respectively.

The County has pledged future airport revenues net of specified operating expenses to repay \$85.9 million in airport revenue bonds issued between July 3, 2002 and May 17, 2006. Proceeds from the bonds provided financing for the addition, improvements and expansion of the airport facilities, equipment and infrastructure. The bonds are payable solely from the airport net revenues and are payable through October 1, 2036. Total principal and interest remaining to be paid on the bonds is \$140.2 million with annual requirements ranging from \$6.8 million in fiscal year 2016 decreasing to \$6.2 million in fiscal year 2037. Annual principal and interest payments on the bonds are expected to require less than 27% of projected future net revenues. Principal and interest paid for the current year and net operating income before interest expense were \$6.8 million and \$22.9 million, respectively.

The County has pledged future water utility revenues net of specified operating expenses to repay \$183.8 million in water and sewer revenue bonds issued between July 8, 2003 and March 11, 2015. Proceeds from the bonds provided financing for the addition, improvements and expansion of the water and sewer facilities, equipment and infrastructure. The bonds are payable solely from the water utility net revenues and are payable through October 1, 2040. Total principal and interest remaining to be paid on the bonds is \$287.3 million with annual requirements ranging from \$16.9 million in fiscal year 2018 decreasing to \$211,250 in fiscal years 2039 and 2040. Annual principal and interest payments on the bonds are expected to require less than 28% of projected future net revenues. Principal and interest paid for the current year and net operating income before interest expense were \$16.2 million and \$83.5 million, respectively.

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

15. COMMITMENTS

Outstanding Purchase Orders and Contracts

Purchase orders and contracts (including construction contracts) had been executed, but goods and services were not received in the amounts shown below as of September 30, 2015:

Governmental Activities:	Amount
Major funds:	
General Fund	\$ 2,266,169
Fire Rescue Special Revenue Fund	5,120,004
Road Program Capital Projects Fund	31,107,842
General Government Capital Projects Fund	64,814,275
Total major funds	103,308,290
Nonmajor governmental activities	
Total governmental activities	37,776,910
	141,085,200
Business-type Activities:	
Airports	38,956,141
Water Utilities	41,080,000
Total business-type activities	80,036,141
Total commitments	\$ 221,121,341

Because the budget authority for these amounts lapses at fiscal year-end, they are not reported as either encumbrances or liabilities in the financial statements. Funds are appropriated at the beginning of each fiscal year to provide for these commitments. These amounts are presented as restricted, committed, or assigned in the Statement of Net Position or Balance Sheets, as appropriate, based on the purpose of the funding.

County Home

The County has an inter-local agreement with the Palm Beach County Health Care District (the District) regarding the Medicaid Match and the County Home and General Care Facility (County Home). The agreement ends in July 2035 and provides that the County will make a fixed annual payment of \$15 million to the District in exchange for the District's agreement to operate and manage the County Home and to pay 100% of the Medicaid Match funding as required by the State for hospital and nursing home care.

Max Planck

The County has an economic development grant agreement with Max Planck Florida Corporation (MPFC) providing funding for approximately \$86.9 million for the construction and operation of an approximate 100,000 square foot Biomedical Research Facility in the County. Under the terms of the agreement, a maximum of \$60 million will be spent towards the construction costs for the Permanent Facility and \$26.9 million towards the reimbursement of operational costs. The term of the agreement ends in July 2023. The County, MPFC and FAU entered into a sublease agreement to lease a portion of the John D. MacArthur Campus of FAU

**PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

to MPFC for construction of its permanent Florida facilities. The execution of the FAU sublease is a condition to the disbursement of the grant funds. The County has paid \$78.5 million towards this commitment through September 30, 2015.

Tri-County Commuter Rail Authority

Pursuant to Chapter 343 of the Florida Statutes, the South Florida Regional Transportation Authority (SFRTA) was created and established as an agency of the State to own, operate, maintain, and manage a transit system in the tri-county area of Miami-Dade, Broward, and Palm Beach Counties.

A state-authorized, local option recurring funding source available to the tri-counties is directed to SFRTA to fund its capital, operating, and maintenance expenses if the counties dedicate and transfer annually not less than \$2.67 million. In addition, each county shall continue to annually fund the operations of SFRTA in an amount not less than \$1.565 million. The total annual commitment for Palm Beach County is \$4.235 million.

COMPONENT UNIT - Solid Waste Authority (SWA)

Contract Commitments: SWA has several uncompleted construction contracts for improvements to the solid waste system. The construction is being funded primarily from existing capital improvement funds and bond proceeds. At September 30, 2015 the uncompleted contracts are summarized as follows:

	<u>Contract Amount</u>	<u>Approved Payments</u>	<u>Retainage Payable</u>	<u>Remaining Contract Commitment</u>
Bond Funds	<u>\$678,944,516</u>	<u>\$611,991,550</u>	<u>\$22,526,708</u>	<u>\$44,426,258</u>

In addition to the construction contract commitments, SWA also had outstanding purchase commitments for various equipment, goods and services totaling approximately \$12.1 million at September 30, 2015.

Interlocal Agreement: SWA entered into an interlocal agreement with Palm Beach County to provide funding for a hazardous materials emergency response team to provide regional hazardous materials investigation and mitigation services through the fiscal year ending September 30, 2017.

SWA paid \$1,996,069 for 2015. SWA is required to pay \$2,055,951 under this agreement for the fiscal year ended September 30, 2016. The amount due each year can increase up to 3% per year.

Lease Commitments: SWA owns approximately 1,600 acres of farmland in western Palm Beach County, which is held as a replacement waste disposal site. SWA has an operating lease expiring in 2018 with the former owner to maintain and continue farming the property. The lease provides for annual rental payments to SWA adjusted each year based on the change in the producer price index for raw cane sugar, provided that the total annual rent shall not exceed \$450,000. Rental income from this lease for the year ended September 30, 2015 was approximately \$260,000. The

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

carrying value of the land subject to the lease was approximately \$8 million at September 30, 2015. The lease also provides the option to extend the term for three additional periods of four years each (through 2030), under the same terms and conditions. SWA retains the right to terminate the lease, in part, for areas designated for landfill development by SWA after the initial lease term. Management expects the operating lease to be renewed until the property is utilized for its intended purpose as a replacement waste disposal site.

SWA leases the current site of the Delray Beach transfer station from the City of Delray Beach under a 20 year operating lease expiring September 30, 2020 with an option to renew for an additional 20 years under the existing terms. The lease provides for annual rental payments increased by the annual change in the consumer price index. Rent expense for the year ended September 30, 2015 was approximately \$150,000. The minimum future rental payments based on an annual increase of 3 percent, under this operating lease at September 30, 2015 were as follows:

Year Ending September 30,	Amount
2016	\$ 154,239
2017	158,866
2018	163,632
2019	168,541
2020	<u>173,597</u>
	<u>\$ 818,875</u>

Landfill Closure and Postclosure Care Costs

The SWA operated one active landfill site for the year ended September 30, 2015. In addition, the SWA is responsible for two landfill sites closed after 1991 and three landfill sites closed prior to 1991. State and federal laws and regulations require the SWA to place a final cover on its operating landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at that and other landfill sites closed after 1991, for thirty years after closure. Although the majority of closure and postclosure care costs will be paid near or after the date that the operating landfill stops accepting waste, the SWA reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each statement of net position date.

Landfill closure and postclosure care liabilities at September 30, 2015 are as follows:

Accrued closure and postclosure care costs	\$ 44,967,125
Accrued postclosure care for closed landfills	3,320,504
Total Accrued Landfill Closure Costs	<u>\$ 48,287,629</u>

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

The \$44,967,125 of accrued closure and postclosure care liabilities at September 30, 2015 represents the cumulative cost based on the use of 44.3% of the estimated capacity of the operating landfill. The SWA will recognize the remaining estimated cost of closure and postclosure care of approximately \$67.3 million for the operating landfill as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2015. Based on current demographic information and engineering estimates of landfill consumption, the SWA expects to close the landfill in approximately 2047. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The SWA is required by state laws and regulations to make annual contributions to an escrow account to finance all closure costs and one year of postclosure care for landfills closed after 1991. The SWA is in compliance with these requirements, and at September 30, 2015 cash and cash equivalents of \$31,596,648 were held for these purposes. These amounts are reported as noncurrent restricted assets on the statements of net position. The SWA expects that future inflation costs will be paid from interest earnings on these invested amounts and subsequent annual contributions. However, if interest earnings are inadequate or additional closure or postclosure care requirements are determined (due to changes in technology or applicable laws or regulations), these costs may need to be covered by charges to future users of the solid waste system or from future non-ad valorem assessments.

At September 30, 2015, the statutorily required escrow account balances were as follows:

Site	
Site 7 closure costs	\$ 29,062,990
Dyer landfill long-term care	332,050
	\$ 29,395,040

State laws and regulations specify that required landfill escrow account balances must be calculated using either the “Pay-in” or the “Balance” method, as they are statutorily defined. During 2006 the SWA changed from the Pay-in method to the Balance method. The SWA will be required to continue using the Balance method through the remaining design life of the Site 7 landfill. Although the SWA is not legally required by state or federal laws and regulations to provide funding for the landfill sites closed prior to 1991, the SWA has accepted financial responsibility for these sites. The annual long-term care funding requirements for these sites were not estimated or accrued at September 30, 2015; however, management does not believe that the annual costs are material to the SWA and these costs will be adequately funded through future, annual operating budgets.

16. CONTINGENCIES

Litigation

The County is involved in various lawsuits arising in the ordinary course of operations. Where it has been determined that a loss is probable related to these matters, a liability has been recorded in our self-insurance obligations. In addition, the County is involved with other matters the outcome of which is not presently determinable; it is the opinion of management of the County,

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

based upon consultation with legal counsel, that the outcome of these matters would not have a material adverse effect on the financial position of the County.

State and Federal Grants

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

Interlocal Agreement

On September 22, 1992 the Board of County Commissioners approved an interlocal agreement between the County and the Westgate/Belvedere Homes Community Redevelopment Agency (Agency), whereby the County has agreed to fund any deficiency in the reserve fund of the Agency's Redevelopment Revenue Bonds. The Agency is required to notify the County on or before May 2nd of each year of any deficiency amount that the Agency expects to exist on the next succeeding November 1st. At present, the County has not been made aware of any deficiency amount.

Bond Guaranty

On October 17, 2000 the Board of County Commissioners approved a trust agreement between the County and SunTrust Bank, (the Trustee), whereby the County has agreed to fund any deficiency in the reserve fund of the Palm Beach County, Florida, Industrial Development Revenue Bonds (South Florida Fair project), Series 2000. The Trustee is required to notify the County after June 1st and on or before June 5th of each year of the deficiency amount, if any, as of such date. At present, the County has not been made aware of any deficiency amount.

Letters of credit have been arranged in lieu of debt service reserve surety insurance policies where credit ratings of the insurers declined below the rating required by the bond covenants. Additional information on the letters of credit may be found in the note for long-term debt.

COMPONENT UNIT - Solid Waste Authority (SWA) - Environmental Liabilities:

SWA, in cooperation with other state and local regulatory agencies, maintains an extensive monitoring program for potential environmental contaminants at each of its sites and facilities. These monitoring programs have not identified any contaminants caused by landfill leachate or other operations of SWA. In the event that any environmental contaminants are identified, SWA may be financially responsible for the environmental assessment and cleanup costs, as well as potential fines imposed by governmental regulatory agencies.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

17. RESTATEMENTS AND RECLASSIFICATIONS

Restatement for Adoption of New Accounting Standard

The County implemented GASB Statement No. 68, “*Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27)*” and GASB Statement No. 71, “*Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*” during the fiscal year ended September 30, 2015. As a result of the implementation of these statements, the County was required to restate Net Position in the Government-Wide financial statements and the Proprietary fund financial statements to report the County’s net pension liability and related pension amounts for the defined benefit plans. Accordingly, beginning Net Position has been restated as follows:

Government-Wide Financial Statements:

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Westgate CRA	Solid Waste Authority
Net position, as originally reported, October 1, 2014	\$2,233,294,303	\$1,507,142,043	\$3,740,436,346	\$8,169,596	\$589,349,157
Cumulative effect of GASB Statements No. 68 and 71 implementation	(706,878,615)	(23,670,174)	(730,548,789)	(219,085)	(15,391,134)
Other adjustments	187,798	-	187,798	-	-
Net position, as restated, October 1, 2014	<u>\$1,526,603,486</u>	<u>\$1,483,471,869</u>	<u>\$3,010,075,355</u>	<u>\$7,950,511</u>	<u>\$573,958,023</u>

The implementation of GASB Statement Nos. 68 and 71 resulted in the County recording deferred outflows of \$68,810,401, deferred inflows of \$378,790,286, and a net pension liability of \$420,568,904 as of October 1, 2014, related to their pension plans in the Government-Wide financial statements for the Primary Government.

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

Fund Financial Statements:

	Governmental Fund	Proprietary Funds	
	General Fund	Airports	Water Utilities
Net position, as originally reported, October 1, 2014	\$184,128,979	\$414,662,935	\$1,085,098,190
Cumulative effect of GASB Statements No. 68 and 71 implementation	-	(5,301,591)	(18,368,583)
Other adjustments	187,798	-	-
Net position, as restated, October 1, 2014	<u>\$184,316,777</u>	<u>\$409,361,344</u>	<u>\$1,066,729,607</u>

The implementation of GASB Statement Nos. 68 and 71 resulted in the County recording deferred outflows of \$2,234,260, deferred inflows of \$12,272,123, and a net pension liability of \$13,632,311 as of October 1, 2014, related to their pension plans in the Proprietary fund financial statements.

Reclassifications

In addition, in the current year the Community & Social Development Special Revenue Fund (previously a Major Fund) was split into two separate funds; the Community & Social Development Special Revenue Fund (a Non-Major Fund) and the Housing and Economic Development Special Revenue Fund (a Non-Major Fund) for financial reporting purposes. As a result, this affected the beginning fund balance for these funds as follows:

	Major Fund	Non-Major Funds	
	Community & Social Development Special Revenue Fund	Community & Social Development Special Revenue Fund	Housing & Economic Development Special Revenue Fund
Fund balance, as originally reported, October 1, 2014	\$ 7,215,310	\$ -	\$ -
Community & Social Development Special Revenue fund	(4,255,454)	4,255,454	-
Housing & Economic Development Special Revenue fund	(2,959,856)	-	2,959,856
Fund balance, as restated, October 1, 2014	<u>\$ -</u>	<u>\$ 4,255,454</u>	<u>\$ 2,959,856</u>

PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

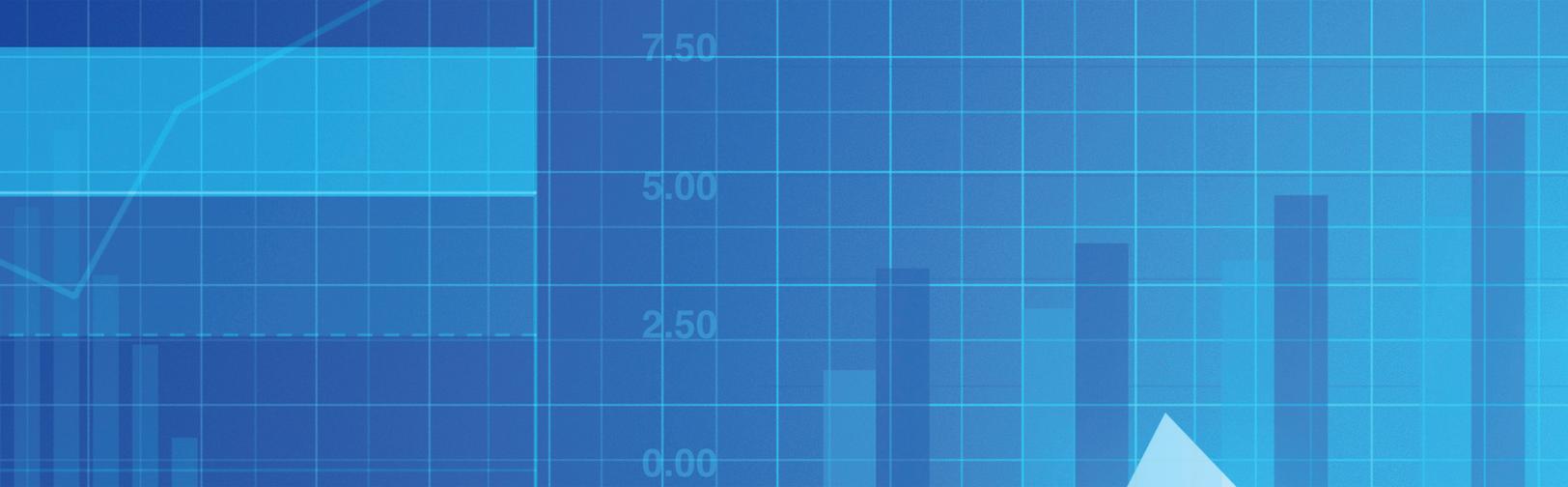
18. SUBSEQUENT EVENTS

On October 14, 2015, the County issued \$18,805,000 Public Improvement Taxable Revenue Bonds (Max Planck Project), Series 2015B as a direct bank placement. This direct bank placement loan was issued to fulfill the grant agreement between the County and the Max Planck Florida Corporation for the construction and operation of a Biomedical Research Facility in Palm Beach County.

On December 9, 2015, the County issued \$122,005,000 Public Improvement Revenue Bonds (Professional Sports Franchise Facility Project). The issuance was comprised of a \$65,360,000 Taxable Series 2015 C (the "Series 2015C Bonds") and a \$56,645,000 Tax Exempt Series 2015D (the "Series 2015D Bonds"). The bonds are being issued by the County for the purpose of providing funds, together with other legally available moneys of the County, to (i) finance the construction and equipping of a professional sports franchise facility and pay certain costs related and incidental thereto, and (ii) pay costs of issuance of the Bonds.

On April 27, 2016, the County issued \$121,035,000 Revenue Refunding Bonds, Series 2016. The bonds are being issued by the County for the purpose of providing funds, together with other available moneys, to (i) pay and defease a portion of its outstanding Public Improvement Revenue Bonds, Series 2008, and (ii) pay costs of issuance of the Bonds.





Required Supplementary Information

The Required Supplementary Information subsection includes the following schedules:

- Schedules of the Proportionate Share of the Net Pension Liability for the Florida Retirement System and Health Insurance Subsidy Pension Plans - County and Solid Waste Authority (a Component Unit)
- Schedules of Contributions for the Florida Retirement System and Health Insurance Subsidy Pension Plans - County and Solid Waste Authority (a Component Unit)
- Schedules of Changes in the Net Pension Liability and Related Ratios for the Palm Tran and Lantana Pension Plans
- Schedules of Investment Returns for the Palm Tran and Lantana Pension Plans
- Schedules of Contributions for the Palm Tran and Lantana Pension Plans
- Schedules of funding progress related to the Palm Beach County Healthcare Plans and the Fire-Rescue Long-Term Disability Plan
- Schedule of funding progress for the Solid Waste Authority's Healthcare Plan (a Component Unit)

PALM BEACH COUNTY, FLORIDA
Schedule of the County's Proportionate Share of the Net Pension Liability-
Florida Retirement System Pension Plan
Last Ten Fiscal Years *
(Required Supplementary Information)

	<u>2015</u>	<u>2014</u>
County's proportion of the FRS net pension liability	3.15%	3.16%
County's proportionate share of the FRS net pension liability	\$ 406,204,159	\$ 192,829,398
County's covered-employee payroll	\$ 585,549,661	\$ 575,072,943
County's proportionate share of the FRS net pension liability as a percentage of its covered payroll	69.4%	33.5%
FRS Plan fiduciary net position as a percentage of the total pension liability	92.00%	96.09%

* The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for fiscal years 2014 and 2015 is available.

PALM BEACH COUNTY, FLORIDA
 Schedule of the County's Proportionate Share of the Net Pension Liability-
 Health Insurance Subsidy Pension Plan
 Last Ten Fiscal Years *
 (Required Supplementary Information)

	<u>2015</u>	<u>2014</u>
County's proportion of the HIS net pension liability	2.32%	2.32%
County's proportionate share of the HIS net pension liability	\$ 236,405,210	\$ 216,601,747
County's covered-employee payroll	\$ 585,549,661	\$ 575,072,943
County's proportionate share of the HIS net pension liability as a percentage of its covered payroll	40.4%	37.7%
HIS Plan fiduciary net position as a percentage of the total pension liability	0.50%	0.99%

* The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for fiscal years 2014 and 2015 is available.

PALM BEACH COUNTY, FLORIDA
 Schedule of County Contributions-
 Florida Retirement System Pension Plan
 Last Ten Fiscal Years
 (Required Supplementary Information)

	<u>2015</u>	<u>2014</u>
Contractually required FRS contribution	\$ 89,482,686	\$ 83,794,037
FRS contributions in relation to the contractually required contribution	<u>\$ 89,482,686</u>	<u>\$ 83,794,037</u>
FRS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 579,003,748	\$ 563,609,163
FRS contributions as a percentage of covered employee payroll	15.5%	14.9%

Note: The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for 2014 and 2015 is available.

PALM BEACH COUNTY, FLORIDA
Schedule of County Contributions-
Health Insurance Subsidy Pension Plan
Last Ten Fiscal Years
(Required Supplementary Information)

	<u>2015</u>	<u>2014</u>
Contractually required HIS contribution	\$ 7,295,447	\$ 6,763,310
HIS contributions in relation to the contractually required contribution	<u>\$ 7,295,447</u>	<u>\$ 6,763,310</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 579,003,748	\$ 563,609,163
HIS contributions as a percentage of covered employee payroll	1.3%	1.2%

Note: The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for 2014 and 2015 is available.

PALM BEACH COUNTY, FLORIDA
Solid Waste Authority - Component Unit
Schedule of Proportionate Share of the Net Pension Liability-
Florida Retirement System Pension Plan
Last Ten Fiscal Years *
(Required Supplementary Information)

	<u>2015</u>	<u>2014</u>
Proportion of the FRS net pension liability	0.626365%	0.630379%
Proportionate share of the FRS net pension liability	\$ 8,090,343	\$ 3,848,240
SWA's covered-employee payroll	\$ 18,723,083	\$ 19,815,911
SWA's proportionate share of the FRS net pension liability as a percentage of its covered payroll	43.21%	19.42%
FRS Plan fiduciary net position as a percentage of the total pension liability	92.00%	96.09%

* The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for fiscal years 2014 and 2015 is available.

PALM BEACH COUNTY, FLORIDA
Solid Waste Authority - Component Unit
Schedule of the Proportionate Share of the Net Pension Liability-
Health Insurance Subsidy Pension Plan
Last Ten Fiscal Years *
(Required Supplementary Information)

	<u>2015</u>	<u>2014</u>
Proportion of the HIS net pension liability	0.7395560%	0.0745754%
Proportionate share of the HIS net pension liability	\$ 7,542,309	\$ 6,972,985
SWA's covered-employee payroll	\$ 22,039,025	\$ 22,152,039
SWA's proportionate share of the HIS net pension liability as a percentage of its covered payroll	34.22%	31.48%
HIS Plan fiduciary net position as a percentage of the total pension liability	0.50%	0.99%

* The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for fiscal years 2014 and 2015 is available.

PALM BEACH COUNTY, FLORIDA
Solid Waste Authority - Component Unit
Schedule of Employer Contributions-
Florida Retirement System Pension Plan
Last Ten Fiscal Years
(Required Supplementary Information)

	<u>2015</u>	<u>2014</u>
Contractually required FRS contribution	\$ 1,426,153	\$ 1,332,111
FRS contributions in relation to the contractually required contribution	<u>\$ 1,426,153</u>	<u>\$ 1,332,111</u>
FRS contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
SWA's covered-employee payroll	\$ 18,723,083	\$ 19,815,911
FRS contributions as a percentage of covered employee payroll	7.62%	6.72%

Note: The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for 2014 and 2015 is available.

PALM BEACH COUNTY, FLORIDA
Solid Waste Authority - Component Unit
Schedule of Contributions-
Health Insurance Subsidy Pension Plan
Last Ten Fiscal Years
(Required Supplementary Information)

	<u>2015</u>	<u>2014</u>
Contractually required HIS contribution	\$ 310,975	\$ 257,664
HIS contributions in relation to the contractually required contribution	<u>\$ 310,975</u>	<u>\$ 257,664</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
SWA's covered-employee payroll	\$ 22,039,025	\$ 22,152,039
HIS contributions as a percentage of covered employee payroll	1.41%	1.16%

Note: The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for 2014 and 2015 is available.

PALM BEACH COUNTY, FLORIDA
Schedule of Changes in the Net Pension Liability and Related Ratios
Palm Tran Pension Plan
September 30, 2015
(Required Supplementary Information)

	2014
Total pension liability	
Service cost	\$ 3,517,163
Interest	7,920,953
Changes of benefit terms	-
Differences between expected and actual experience	1,780,535
Change of assumptions	-
Benefit payments, including refunds of member contributions	(4,626,680)
Net change in total pension liability	8,591,971
Total pension liability- beginning	98,038,801
Total pension liability- ending (a)	106,630,772
 Plan fiduciary net position	
Contributions - employer	7,205,534
Contributions - employee	684,731
Net investment income	4,845,252
Benefit payments, including refunds of member contributions	(4,626,680)
Administrative expense	(223,302)
Other	-
Net change in plan fiduciary net position	7,885,535
Plan fiduciary net position - beginning	80,065,768
Plan fiduciary net position - ending (b)	87,951,303
 Net pension liability - ending (a) - (b)	\$ 18,679,469
 Plan fiduciary net position as a percentage of the total pension liability	82.5%
 Covered payroll	\$ 24,661,404
 Net pension liability as a percentage of covered employee payroll	75.7%

Notes:

- (1) This schedule will be updated each year until a 10-year history is accumulated.
- (2) Amounts are as of December 31 of each year.

PALM BEACH COUNTY, FLORIDA
Schedule of Changes in the Net Pension Liability and Related Ratios
Lantana Pension Plan
September 30, 2015
(Required Supplementary Information)

	2015	2014
Total pension liability		
Service cost	\$ 450,605	\$ 535,323
Interest	2,605,711	2,494,851
Changes of benefit terms	-	-
Differences between expected and actual experience	1,014,242	-
Change of assumptions	-	-
Benefit payments, including refunds of member contributions	(1,828,169)	(1,375,968)
Net change in total pension liability	2,242,389	1,654,206
Total pension liability- beginning	33,260,167	31,605,961
Total pension liability- ending (a)	35,502,556	33,260,167
Plan fiduciary net position		
Contributions - employer and state	1,725,181	1,761,403
Contributions - employee	244,101	263,191
Net investment income	(550,596)	2,671,295
Benefit payments, including refunds of member contributions	(1,828,169)	(1,375,968)
Administrative expense	(60,354)	(48,365)
Other	18,127	13,310
Net change in plan fiduciary net position	(451,710)	3,284,866
Plan fiduciary net position - beginning	32,889,907	28,314,454
Prior Period Adjustment	-	1,290,587
Plan fiduciary net position - ending (b)	32,438,197	32,889,907
Net pension liability - ending (a) - (b)	\$ 3,064,359	\$ 370,260
Plan fiduciary net position as a percentage of the total pension liability	91.4%	98.9%
Covered payroll	\$ 1,914,133	\$ 2,119,708
Net pension liability as a percentage of covered employee payroll	160.1%	17.5%

Notes:

- (1) This schedule will be updated each year until a 10-year history is accumulated.
- (2) Amounts are as of September 30 of each year.

PALM BEACH COUNTY, FLORIDA
Schedule of Investment Returns
Palm Tran Pension Plan
September 30, 2015
(Required Supplementary Information)

	2014
Annual money-weighted rate of return, net of investment expense	<u>6.6%</u>

- Notes: (1) This schedule will be updated each year until a 10-year history is accumulated.
(2) The above is as provided by the investment monitor.
(3) Amounts are as of December 31 of each year.

PALM BEACH COUNTY, FLORIDA
Schedule of Investment Returns
Lantana Pension Plan
September 30, 2015
(Required Supplementary Information)

	2015	2014
Annual money-weighted rate of return, net of investment expense	8.0%	8.0%

Notes: (1) This schedule will be updated each year until a 10-year history is accumulated.
(2) Amounts are as of September 30 of each year.

PALM BEACH COUNTY, FLORIDA
Schedule of Contributions
Palm Tran Pension Plan
September 30, 2015
(Required Supplementary Information)

Year Ending September 30,	2015
Actuarially determined contribution	\$ 5,029,111
Contributions in relation to the actuarially determined contribution	5,148,840
Contribution deficiency (excess)	<u>\$ (119,729)</u>
Covered-employee payroll	\$ 28,129,612
Actuarially determined contribution as a percentage of covered-employee payroll	17.9%
Actual contributions as a percentage of covered employee payroll	18.3%

This schedule will be updated until a 10-year history is accumulated.

Notes to Schedule:

Methods and assumptions used to determine contributions:

Actuarial cost method	Entry age
Amortization method	Level dollar, closed
Remaining amortization period	17 year equivalent single amortization period as of January 1, 2014.
Asset valuation method	5-year smoothed market
Inflation	2.75%
Salary increases	5% to 12.5%, including inflation
Investment rate of return	8.0%, net of investment expenses, including inflation
Retirement age	Tier 1 Members are assumed to retire at the earliest of age 65 with 5 years of service, age 62 with 10 years of service, or when age plus service equals 85. Tier 2 and 3 Members are assumed to retire at the earliest of 65 with 5 years of service, age 62 with 10 years of service, or at 33 years of service regardless of age. Tier 4 Members are assumed to retire at the earliest of 65 with 8 years of service or 62 with 10 years of service.
Mortality	RP-2000 Combined Mortality Table Fully Generational using Scale AA.

PALM BEACH COUNTY, FLORIDA
Schedule of Contributions
Lantana Pension Plan
September 30, 2015
(Required Supplementary Information)

	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 1,697,036	\$ 1,721,439
Contributions in relation to the actuarially determined contribution	1,697,036	1,721,439
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 1,914,133	\$ 2,119,708
Actuarially determined contribution as a percentage of covered-employee payroll	88.7%	81.2%
Actual contributions as a percentage of covered employee payroll	88.7%	81.2%

Notes to Schedule:

- (1) Amounts are as of September 30 of each year.
(2) This schedule will be updated each year until a 10-year history is accumulated.

Valuation Date September 30, 2014

Methods and assumptions used to determine contributions:

Actuarial cost method	Entry age Normal
Amortization method	Level Percent-of-Payroll, closed
Remaining amortization period	2-12 years, beginning October 1, 2015
Asset valuation method	5-year smoothed market
Wage Inflation	5.00%
Salary increases	7% including inflation
Investment rate of return	8.00%
Long-Term Municipal Bond Rate	3.71%
Retirement age	Age and Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2000 Mortality Table for males and females. There is no provision for future mortality improvement.

Other Information:

Notes	There were no benefit changes or assumption changes reflected in the TPL as of September 30, 2015.
Cost-of-Living Adjustment	For members receiving a retirement benefit and entering retirement on or after October 1, 2005, retirement income will be increased by 3.0% on October 1 of each year after the later of the date on which the retiree attains age 55 or one year after retirement.

REQUIRED SUPPLEMENTARY INFORMATION

Palm Beach County Primary Government Healthcare Plans Schedule of Funding Progress

County	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
County	10/1/2009	\$ -	\$ 14,760,000	\$ 14,760,000	0.0%	\$ 253,793,723	5.8%
	10/1/2011	-	16,267,000	16,267,000	0.0%	241,965,767	6.7%
	10/1/2013	-	10,632,000	10,632,000	0.0%	242,102,185	4.4%
Tax Collector	10/1/2009	-	1,208,095	1,208,095	0.0%	10,945,091	11.0%
	10/1/2012	-	2,017,870	2,017,870	0.0%	13,184,831	15.3%
	10/1/2014	-	2,161,466	2,161,466	0.0%	13,881,307	15.6%
Property Appraiser	10/1/2009	-	348,156	348,156	0.0%	14,286,192	2.4%
	10/1/2012	-	192,396	192,396	0.0%	13,971,954	1.4%
	10/1/2014	-	238,420	238,420	0.0%	14,386,649	1.7%
Clerk & Comptroller	10/1/2009	-	5,202,000	5,202,000	0.0%	27,581,451	18.9%
	10/1/2011	-	6,200,857	6,200,857	0.0%	31,154,225	19.9%
	10/1/2013	-	6,041,155	6,041,155	0.0%	32,477,317	18.6%
Sheriff	1/1/2010	-	190,600,000	190,600,000	0.0%	269,750,942	70.7%
	1/1/2012	-	240,478,000	240,478,000	0.0%	257,194,182	93.5%
	10/1/2013	-	191,022,000	191,022,000	0.0%	281,188,646	67.9%
Fire Rescue Union	10/1/2010	23,359,477	129,760,000	106,400,523	18.0%	138,684,968	76.7%
	10/1/2012	39,708,000	173,654,000	133,946,000	22.9%	143,944,458	93.1%
	10/1/2014	45,156,000	186,453,000	141,297,000	24.2%	147,273,415	95.9%

Palm Beach County Fire Rescue Taxing District Long Term Disability Plan Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
10/1/2012	\$ -	\$ 9,026,331	\$ 9,026,331	0.0%	\$ 144,075,816	6.3%
10/1/2013	-	8,737,834	8,737,834	0.0%	143,944,458	6.1%
10/1/2014	-	9,818,416	9,818,416	0.0%	147,273,415	6.7%

Solid Waste Authority Healthcare Plan - Component Unit Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
10/1/2010	\$ -	\$ 724,000	\$ 724,000	0.0%	\$ 22,391,000	3.2%
10/1/2012	-	726,000	726,000	0.0%	21,558,000	3.4%
10/1/2014	-	742,000	742,000	0.0%	22,147,000	3.4%





Combining and Individual Fund Statements and Schedules

This subsection includes the combining and individual fund statements and schedules for the following:

- General Fund by Category
- Nonmajor Governmental Funds
- Internal Service Funds
- Agency Funds



GENERAL FUND BY CATEGORY

General Fund - Board of County Commissioners (BOCC) - To account for the revenues and expenditures of the BOCC portion of the General Fund - which are activities that benefit all County residents.

General Fund - Sheriff - To account for the revenues and expenditures necessary to carry out the duties and obligations of the Sheriff as specified in Section 30.15, Florida Statutes.

General Fund - Clerk & Comptroller - To account for all funds received and expended to carry out the duties and responsibilities of the elected office of the Clerk & Comptroller.

General Fund - Tax Collector - To account for all funds received and expended to carry out the duties and responsibilities of the elected office of the Tax Collector.

General Fund - Property Appraiser - To account for all funds received and expended to carry out the duties and responsibilities of the elected office of the Property Appraiser.

General Fund - Supervisor of Elections - To account for all funds received and expended to carry out the duties and responsibilities of the elected office of the Supervisor of Elections.

PALM BEACH COUNTY, FLORIDA
Combining Balance Sheet
General Fund by Category
September 30, 2015

	BOCC	Sheriff	Clerk & Comptroller	Tax Collector
ASSETS				
Cash, cash equivalents, and investments	\$ 128,303,810	\$ 63,951,542	\$ 19,587,170	\$ 36,006,279
Accounts receivable, net	10,725,499	380,400	630,958	8,658
Due from other county funds	57,866,054	6,957	213,834	-
Due from other governments	8,411,245	1,317,372	192,018	-
Due from component unit	351,966	-	-	-
Inventory	2,695,224	3,603,684	-	-
Other assets	3,330	285,000	-	53,700
Total assets	\$ 208,357,128	\$ 69,544,955	\$ 20,623,980	\$ 36,068,637
LIABILITIES				
Vouchers payable and accrued liabilities	\$ 9,116,475	\$ 22,801,354	\$ 2,299,770	\$ 2,927,252
Due to other county funds	9,447,110	13,150,538	2,013,183	24,474,165
Due to other governments	1,691,436	8,355,892	2,536,005	3,501,677
Due to component unit	8,102,897	-	-	4,298,868
Due to individuals	34,766	827	-	30,301
Insurance claims payable	-	2,160,554	-	-
Unearned revenue	11,745,060	8,101	-	836,374
Other liabilities	-	11,092,038	450,270	-
Total liabilities	40,137,744	57,569,304	7,299,228	36,068,637
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	109,203	-	-	-
FUND BALANCES				
Non-Spendable				
Inventory	2,695,224	3,603,684	-	-
Prepaid Items	3,000	137,954	-	48,490
Spendable				
Restricted	-	8,234,013	13,324,752	-
Unassigned	165,411,957	-	-	(48,490)
Total fund balances	168,110,181	11,975,651	13,324,752	-
Total liabilities, deferred inflows of resources and fund balances	\$ 208,357,128	\$ 69,544,955	\$ 20,623,980	\$ 36,068,637

Property Appraiser	Supervisor of Elections	Total	Eliminate Intra-Entity Balances	Adjusted Totals
\$ 2,853,163	\$ 1,707,641	\$ 252,409,605	\$ -	\$ 252,409,605
-	-	11,745,515	-	11,745,515
-	-	58,086,845	(33,626,201)	24,460,644
-	-	9,920,635	-	9,920,635
-	-	351,966	-	351,966
-	-	6,298,908	-	6,298,908
-	47,950	389,980	-	389,980
<u>\$ 2,853,163</u>	<u>\$ 1,755,591</u>	<u>\$ 339,203,454</u>	<u>\$ (33,626,201)</u>	<u>\$ 305,577,253</u>
\$ 614,201	\$ 94,116	\$ 37,853,168	\$ -	\$ 37,853,168
1,679,481	1,559,375	52,323,852	(33,626,201)	18,697,651
208,575	23,118	16,316,703	-	16,316,703
-	-	12,401,765	-	12,401,765
-	-	65,894	-	65,894
-	-	2,160,554	-	2,160,554
350,906	78,982	13,019,423	-	13,019,423
-	-	11,542,308	-	11,542,308
<u>2,853,163</u>	<u>1,755,591</u>	<u>145,683,667</u>	<u>(33,626,201)</u>	<u>112,057,466</u>
-	-	109,203	-	109,203
-	-	6,298,908	-	6,298,908
-	47,950	237,394	-	237,394
-	-	21,558,765	-	21,558,765
-	(47,950)	165,315,517	-	165,315,517
-	-	193,410,584	-	193,410,584
<u>\$ 2,853,163</u>	<u>\$ 1,755,591</u>	<u>\$ 339,203,454</u>	<u>\$ (33,626,201)</u>	<u>\$ 305,577,253</u>

PALM BEACH COUNTY, FLORIDA
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
General Fund by Category
For the fiscal year ended September 30, 2015

	BOCC	Sheriff	Clerk & Comptroller	Tax Collector
Revenues:				
Taxes (net of discount)	\$ 709,329,399	\$ -	\$ -	\$ -
Licenses and permits	36,603,116	-	-	-
Intergovernmental	117,561,572	-	1,316,838	-
Charges for services	99,699,549	2,054,205	41,135,692	63,246,276
Less - excess fees paid out	-	-	-	(29,630,507)
Fines and forfeitures	1,712,431	2,437,255	1,247,628	-
Interest income	4,415,453	106,088	43,097	11,482
Net change in fair value of investments	(440,045)	-	-	-
Miscellaneous	8,762,246	60,998	-	-
Total revenues	977,643,721	4,658,546	43,743,255	33,627,251
Expenditures:				
Current:				
General government	139,027,840	27,170,907	56,370,604	24,621,146
Public safety	18,317,870	491,510,864	-	-
Physical environment	11,692,040	-	-	-
Transportation	4,235,000	-	-	-
Economic environment	26,684,324	-	-	-
Human services	60,919,369	-	-	-
Culture and recreation	54,724,357	-	-	-
Capital outlay	474,238	11,354,963	370,407	9,006,105
Total expenditures	316,075,038	530,036,734	56,741,011	33,627,251
Excess of revenues over (under) expenditures	661,568,683	(525,378,188)	(12,997,756)	-
Other financing sources (uses):				
Transfers in	36,364,980	536,329,180	12,656,531	-
Transfers out	(690,870,321)	(7,687,985)	(885,039)	-
Total other financing sources (uses)	(654,505,341)	528,641,195	11,771,492	-
Net change in fund balances	7,063,342	3,263,007	(1,226,264)	-
Fund balances, October 1, 2014, restated	161,053,117	8,712,644	14,551,016	-
Change in nonspendable fund balance	(6,278)	-	-	-
Fund balances, September 30, 2015	\$ 168,110,181	\$ 11,975,651	\$ 13,324,752	\$ -

Property Appraiser	Supervisor of Elections	Total	Eliminate Intra-Entity Balances	Adjusted Totals
\$ -	\$ -	\$ 709,329,399	\$ -	\$ 709,329,399
-	-	36,603,116	-	36,603,116
-	139,759	119,018,169	-	119,018,169
23,217,552	328,892	229,682,166	-	229,682,166
(1,831,453)	-	(31,461,960)	-	(31,461,960)
-	-	5,397,314	-	5,397,314
9,549	250	4,585,919	-	4,585,919
-	-	(440,045)	-	(440,045)
-	-	8,823,244	-	8,823,244
21,395,648	468,901	1,081,537,322	-	1,081,537,322
21,247,713	8,079,571	276,517,781	-	276,517,781
-	-	509,828,734	-	509,828,734
-	-	11,692,040	-	11,692,040
-	-	4,235,000	-	4,235,000
-	-	26,684,324	-	26,684,324
-	-	60,919,369	-	60,919,369
-	-	54,724,357	-	54,724,357
147,935	56,125	21,409,773	-	21,409,773
21,395,648	8,135,696	966,011,378	-	966,011,378
-	(7,666,795)	115,525,944	-	115,525,944
-	9,219,250	594,569,941	(562,768,203)	31,801,738
-	(1,552,455)	(700,995,800)	562,768,203	(138,227,597)
-	7,666,795	(106,425,859)	-	(106,425,859)
-	-	9,100,085	-	9,100,085
-	-	184,316,777	-	184,316,777
-	-	(6,278)	-	(6,278)
\$ -	\$ -	\$ 193,410,584	\$ -	\$ 193,410,584

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund - BOCC
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Taxes (net of discount)	\$ 738,778,198	\$ 738,778,198	\$ 709,329,399	\$ (29,448,799)
Licenses and permits	37,072,025	37,072,025	36,603,116	(468,909)
Intergovernmental	115,306,995	115,597,927	117,561,572	1,963,645
Charges for services	99,304,518	99,366,609	99,699,549	332,940
Fines and forfeitures	1,230,500	1,230,500	1,712,431	481,931
Interest income	1,723,915	1,723,915	4,415,453	2,691,538
Net change in fair value of investments	-	-	(440,045)	(440,045)
Miscellaneous	7,395,605	7,213,893	8,762,246	1,548,353
Less 5% anticipated revenues	(50,334,965)	(50,334,965)	-	50,334,965
Total revenues	950,476,791	950,648,102	977,643,721	26,995,619
Expenditures:				
Current:				
General government	221,869,214	237,121,569	139,027,840	98,093,729
Public safety	21,332,821	21,456,611	18,317,870	3,138,741
Physical environment	12,242,200	12,266,176	11,692,040	574,136
Transportation	4,235,000	4,235,000	4,235,000	-
Economic environment	27,395,021	27,227,596	26,684,324	543,272
Human services	63,821,199	64,318,133	60,919,369	3,398,764
Culture and recreation	57,339,194	57,318,858	54,724,357	2,594,501
Capital outlay	455,779	585,976	474,238	111,738
Total expenditures	408,690,428	424,529,919	316,075,038	108,454,881
Excess of revenues over (under) expenditures	541,786,363	526,118,183	661,568,683	135,450,500
Other financing sources (uses):				
Transfers in	24,304,580	28,151,469	36,364,980	8,213,511
Transfers out	(713,731,343)	(712,433,469)	(690,870,321)	21,563,148
Total other financing sources (uses)	(689,426,763)	(684,282,000)	(654,505,341)	29,776,659
Net change in fund balances	(147,640,400)	(158,163,817)	7,063,342	165,227,159
Fund balances, October 1, 2014 (Restated)	147,640,400	158,163,817	161,053,117	2,889,300
Change in nonspendable fund balance	-	-	(6,278)	(6,278)
Fund balances, September 30, 2015	\$ -	\$ -	\$ 168,110,181	\$ 168,110,181

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund - Sheriff
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ -	\$ -	\$ 2,054,205	\$ 2,054,205
Fines and forfeitures	-	-	2,437,255	2,437,255
Interest income	-	-	106,088	106,088
Miscellaneous	-	-	60,998	60,998
Total revenues	-	-	4,658,546	4,658,546
Expenditures:				
Current:				
General government	25,860,667	27,471,979	27,170,907	301,072
Public safety	499,895,593	496,481,219	491,510,864	4,970,355
Capital outlay	6,076,428	12,751,526	11,354,963	1,396,563
Total expenditures	531,832,688	536,704,724	530,036,734	6,667,990
Excess of revenues over (under) expenditures	(531,832,688)	(536,704,724)	(525,378,188)	11,326,536
Other financing sources (uses):				
Transfers in	531,832,688	537,262,439	536,329,180	(933,259)
Transfers out	-	(557,715)	(7,687,985)	(7,130,270)
Total other financing sources (uses)	531,832,688	536,704,724	528,641,195	(8,063,529)
Net change in fund balances	-	-	3,263,007	3,263,007
Fund balances, October 1, 2014	-	-	8,712,644	8,712,644
Fund balances, September 30, 2015	\$ -	\$ -	\$ 11,975,651	\$ 11,975,651

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund - Clerk & Comptroller
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 1,532,371	\$ 1,540,561	\$ 1,316,838	\$ (223,723)
Charges for services	44,712,286	42,141,300	41,135,692	(1,005,608)
Fines and forfeitures	1,413,200	1,413,200	1,247,628	(165,572)
Interest income	5,007	5,007	43,097	38,090
Total revenues	47,662,864	45,100,068	43,743,255	(1,356,813)
Expenditures:				
Current:				
General government	64,876,155	61,849,357	56,370,604	5,478,753
Capital outlay	224,000	688,001	370,407	317,594
Total expenditures	65,100,155	62,537,358	56,741,011	5,796,347
Excess of revenues over (under) expenditures	(17,437,291)	(17,437,290)	(12,997,756)	4,439,534
Other financing sources (uses):				
Transfers in	17,269,670	17,269,670	12,656,531	(4,613,139)
Transfers out	(4,911,376)	(4,911,376)	(885,039)	4,026,337
Total other financing sources (uses)	12,358,294	12,358,294	11,771,492	(586,802)
Net change in fund balances	(5,078,997)	(5,078,996)	(1,226,264)	3,852,732
Fund balances, October 1, 2014	14,551,016	14,551,016	14,551,016	-
Fund balances, September 30, 2015	\$ 9,472,019	\$ 9,472,020	\$ 13,324,752	\$ 3,852,732

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund - Tax Collector
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ 59,250,970	\$ 59,250,970	\$ 63,246,276	\$ 3,995,306
Less - excess fees paid out	(23,361,637)	(23,212,292)	(29,630,507)	(6,418,215)
Interest income	-	-	11,482	11,482
Total revenues	35,889,333	36,038,678	33,627,251	(2,411,427)
Expenditures:				
Current:				
General government	25,356,453	25,505,798	24,621,146	884,652
Capital outlay	10,532,880	10,532,880	9,006,105	1,526,775
Total expenditures	35,889,333	36,038,678	33,627,251	2,411,427
Excess of revenues over (under) expenditures	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances, October 1, 2014	-	-	-	-
Fund balances, September 30, 2015	\$ -	\$ -	\$ -	\$ -

PALM BEACH COUNTY, FLORIDA
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 General Fund - Property Appraiser
 For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ 23,161,395	\$ 23,161,395	\$ 23,217,552	\$ 56,157
Less - excess fees paid out	-	-	(1,831,453)	(1,831,453)
Interest income	-	-	9,549	9,549
Total revenues	23,161,395	23,161,395	21,395,648	(1,765,747)
Expenditures:				
Current:				
General government	22,916,395	22,912,695	21,247,713	1,664,982
Capital outlay	245,000	248,700	147,935	100,765
Total expenditures	23,161,395	23,161,395	21,395,648	1,765,747
Excess of revenues over (under) expenditures	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances, October 1, 2014	-	-	-	-
Fund balances, September 30, 2015	\$ -	\$ -	\$ -	\$ -

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund - Supervisor of Elections
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 139,759	\$ 139,759
Charges for services	220,000	220,000	328,892	108,892
Interest income	1,200	1,200	250	(950)
Total revenues	221,200	221,200	468,901	247,701
Expenditures:				
Current:				
General government	9,405,450	9,405,450	8,079,571	1,325,879
Capital outlay	35,000	35,000	56,125	(21,125)
Total expenditures	9,440,450	9,440,450	8,135,696	1,304,754
Excess of revenues over (under) expenditures	(9,219,250)	(9,219,250)	(7,666,795)	1,552,455
Other financing sources (uses):				
Transfers in	9,219,250	9,219,250	9,219,250	-
Transfers out	-	-	(1,552,455)	(1,552,455)
Total other financing sources (uses)	9,219,250	9,219,250	7,666,795	(1,552,455)
Net change in fund balances	-	-	-	-
Fund balances, October 1, 2014	-	-	-	-
Fund balances, September 30, 2015	\$ -	\$ -	\$ -	\$ -



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Tourist Development - To account for tourist development taxes designated to promote tourism in Palm Beach County.

Law Enforcement Grants - To account for revenues to be used for law enforcement grants, including but not limited to the Justice Assistance Grants (JAG).

County Transportation Trust - To account for ad-valorem taxes, gas taxes and other revenues designated for the construction and maintenance of County roads.

Municipal Service Taxing District - To account for revenues to be used in the unincorporated areas of the County for services rendered.

Library Taxing District - To account for ad-valorem taxes and governmental grant funds designated to operate and maintain the County's public library system.

Community & Social Development - To account for governmental grant funds and other revenues designated for community and social services.

Housing & Economic Development - To account for governmental grant funds and other revenues designated for housing and economic development activities.

Affordable Housing Trust Fund (SHIP)- To account for intergovernmental revenues and other revenues designated for providing standard, affordable housing for persons of low to moderate income.

Palm Tran - To account for activities related to the operation of the County-owned public bus transportation system.

Other Special Revenue Fund - To account for all other special revenue funds except those required to be accounted for in other funds.

DEBT SERVICE FUNDS

General Obligation Bonds - To account for the annual debt service requirements of all general obligation bonds.

Revenue Bonds - To account for the annual debt service requirements of non ad-valorem, non self-supporting revenue bonds.

Other Financing - To account for the annual debt service requirements of other financing arrangements.

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

Criminal Justice - To account for costs related to the design and construction of courthouses, jails and other physical facilities required for the courts, law enforcement and detention operations.

Environmental Lands - To account for costs related to the acquisition of environmentally sensitive ecological sites, and for the design and construction of beach improvements such as sand/beach re-nourishment or dune replacement projects.

Fire Rescue - To account for costs related to the design, acquisition and construction of fire stations, training and administrative facilities, and equipment acquisitions for new stations.

Libraries - To account for costs related to the design, acquisition and construction of libraries, including library materials.

Parks & Recreation - To account for costs related to the design, acquisition and construction or expansion of beach, regional, district and community parks including active and passive recreational facilities and administrative facilities for park operations.

Street & Drainage - To account for costs related to the design and construction of neighborhood streets, replacing shell rock (dirt) roads and providing drainage associated with the streets. These improvements are primarily funded by assessments against the benefiting properties.



PALM BEACH COUNTY, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2015

	Tourist Development Special Revenue Fund	Law Enforcement Grants Special Revenue Fund	County Transportation Trust Special Revenue Fund	Municipal Service Taxing District Special Revenue Fund
ASSETS				
Cash, cash equivalents, and investments	\$ 38,333,419	\$ -	\$ 1,925,580	\$ 28,855,937
Accounts receivable, net	198,792	699,919	-	1,787
Due from other county funds	89,497	4,921,346	-	-
Due from other governments	-	315,957	3,896,614	-
Inventory	-	-	2,146,585	-
Other assets	794,085	-	-	-
Other receivable, noncurrent	2,000,000	-	-	-
Total assets	\$ 41,415,793	\$ 5,937,222	\$ 7,968,779	\$ 28,857,724
LIABILITIES				
Vouchers payable and accrued liabilities	\$ 3,423,868	\$ 147,394	\$ 1,424,327	\$ 315,130
Due to other county funds	12,807,297	1,987,753	3,012,775	82,651
Due to other governments	-	26,455	6,568	227
Due to component unit	-	-	307	-
Due to individuals	-	-	-	-
Unearned revenue	-	12	-	-
Other liabilities	-	-	-	-
Total liabilities	16,231,165	2,161,614	4,443,977	398,008
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	2,000,000	730,910	-	-
FUND BALANCES				
Non-Spendable				
Inventory	-	-	2,146,585	-
Prepaid items	194,085	-	-	-
Spendable				
Restricted for:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Library services	-	-	-	-
Tourist development programs	17,136,573	-	-	-
Grant and economic development programs	-	3,309,166	-	-
Environmental protection programs	-	-	-	-
Public safety and judicial programs	-	-	-	-
Other services and programs	-	-	1,378,217	28,459,716
Assigned to:				
Capital projects	-	-	-	-
Tourist development programs	5,853,970	-	-	-
Other services and programs	-	-	-	-
Unassigned	-	(264,468)	-	-
Total fund balances (deficit)	23,184,628	3,044,698	3,524,802	28,459,716
Total liabilities, deferred inflows of resources and fund balances	\$ 41,415,793	\$ 5,937,222	\$ 7,968,779	\$ 28,857,724

Library Taxing District Special Revenue Fund	Community & Social Development Special Revenue Fund	Housing & Economic Development Special Revenue Fund	Affordable Housing Trust Fund (SHIP) Special Revenue Fund	Palm Tran Special Revenue Fund	Other Special Revenue Fund	Total Special Revenue Funds
\$ 11,249,790	\$ 223,310	\$ 5,203,148	\$ 6,364,646	\$ 1,300	\$ 42,718,971	\$ 134,876,101
672	3,683,092	129,118	207,726	191,830	17,671	5,130,607
430,852	3,525,810	192,803	141,520	3,222,494	566,822	13,091,144
-	2,510,119	5,843,404	-	10,009,223	5,565,215	28,140,532
-	-	-	-	2,168,802	51,452	4,366,839
-	-	-	-	-	10,250	804,335
-	677,145	13,057,987	-	-	-	15,735,132
\$ 11,681,314	\$ 10,619,476	\$ 24,426,460	\$ 6,713,892	\$ 15,593,649	\$ 48,930,381	\$ 202,144,690
\$ 962,631	\$ 1,800,331	\$ 185,658	\$ 81,686	\$ 2,351,755	\$ 1,792,565	\$ 12,485,345
142,532	4,624,245	3,890,179	383,350	11,371,961	1,089,975	39,392,718
663	176,623	201,576	612	7,750	320,601	741,075
-	-	-	-	-	336	643
-	-	334,418	51,432	406	1,000	387,256
-	-	275,000	-	-	410,546	685,558
1,047	-	-	23,470	-	-	24,517
1,106,873	6,601,199	4,886,831	540,550	13,731,872	3,615,023	53,717,112
-	2,225,585	13,570,466	6,275	8,511,286	2,418,215	29,462,737
-	-	-	-	2,168,802	51,452	4,366,839
-	-	-	-	-	-	194,085
-	-	-	-	-	-	-
-	-	-	-	-	-	-
10,574,441	-	-	-	-	-	10,574,441
-	-	-	-	-	-	17,136,573
-	592,769	1,285,804	5,287,833	-	14,773,940	25,249,512
-	-	-	-	-	11,004,928	11,004,928
-	-	-	-	-	4,589,585	4,589,585
-	986,309	5,203,294	879,234	-	6,987,708	43,894,478
-	-	-	-	-	-	-
-	-	-	-	-	-	5,853,970
-	213,614	-	-	-	5,489,530	5,703,144
-	-	(519,935)	-	(8,818,311)	-	(9,602,714)
10,574,441	1,792,692	5,969,163	6,167,067	(6,649,509)	42,897,143	118,964,841
\$ 11,681,314	\$ 10,619,476	\$ 24,426,460	\$ 6,713,892	\$ 15,593,649	\$ 48,930,381	\$ 202,144,690

PALM BEACH COUNTY, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2015

	General Obligation Bonds Debt Service	Revenue Bonds Debt Service	Other Financing Debt Service	Total Debt Service Funds	Criminal Justice Capital Projects
ASSETS					
Cash, cash equivalents, and investments	\$ 663,734	\$ 22,428,162	\$ -	\$ 23,091,896	\$ 6,421,659
Accounts receivable, net	-	-	-	-	-
Due from other county funds	-	3,192	159	3,351	-
Due from other governments	-	-	-	-	571
Inventory	-	-	-	-	-
Other assets	-	-	-	-	-
Other receivable, noncurrent	-	165,000	-	165,000	-
Total assets	\$ 663,734	\$ 22,596,354	\$ 159	\$ 23,260,247	\$ 6,422,230
LIABILITIES					
Vouchers payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ 41,440
Due to other county funds	4	571,927	159	572,090	-
Due to other governments	-	-	-	-	-
Due to component unit	-	-	-	-	-
Due to individuals	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	4	571,927	159	572,090	41,440
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	165,000	-	165,000	-
FUND BALANCES					
Non-Spendable					
Inventory	-	-	-	-	-
Prepaid items	-	-	-	-	-
Spendable					
Restricted for:					
Debt service	664,833	21,859,427	-	22,524,260	-
Capital projects	-	-	-	-	6,380,790
Library services	-	-	-	-	-
Tourist development programs	-	-	-	-	-
Grant and economic development programs	-	-	-	-	-
Environmental protection programs	-	-	-	-	-
Public safety and judicial programs	-	-	-	-	-
Other services and programs	-	-	-	-	-
Assigned to:					
Capital projects	-	-	-	-	-
Tourist development programs	-	-	-	-	-
Other services and programs	-	-	-	-	-
Unassigned	(1,103)	-	-	(1,103)	-
Total fund balances (deficit)	663,730	21,859,427	-	22,523,157	6,380,790
Total liabilities, deferred inflows of resources and fund balances	\$ 663,734	\$ 22,596,354	\$ 159	\$ 23,260,247	\$ 6,422,230

Environmental Lands Capital Projects	Fire Rescue Capital Projects	Libraries Capital Projects	Parks & Recreation Capital Projects	Street & Drainage Capital Projects	Total Capital Projects Funds	Total Nonmajor Governmental Funds
\$ 8,117,915	\$ 18,027,696	\$ 14,009,120	\$ 26,457,395	\$ 8,962,805	\$ 81,996,590	\$ 239,964,587
-	-	-	-	5,381,814	5,381,814	10,512,421
905,821	-	-	1	2,852	908,674	14,003,169
4,241,717	-	6,855	78,252	-	4,327,395	32,467,927
-	-	-	-	-	-	4,366,839
-	200	-	-	-	200	804,535
-	-	-	-	-	-	15,900,132
<u>\$ 13,265,453</u>	<u>\$ 18,027,896</u>	<u>\$ 14,015,975</u>	<u>\$ 26,535,648</u>	<u>\$ 14,347,471</u>	<u>\$ 92,614,673</u>	<u>\$ 318,019,610</u>
\$ 172,939	\$ 19,157	\$ 42,994	\$ 213,132	\$ 655	\$ 490,317	\$ 12,975,662
39,594	-	-	-	-	39,594	40,004,402
-	-	-	300	48,654	48,954	790,029
-	-	-	-	-	-	643
-	-	-	-	-	-	387,256
-	-	-	-	-	-	685,558
10,000	-	-	-	-	10,000	34,517
<u>222,533</u>	<u>19,157</u>	<u>42,994</u>	<u>213,432</u>	<u>49,309</u>	<u>588,865</u>	<u>54,878,067</u>
<u>2,263,006</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,381,814</u>	<u>7,644,820</u>	<u>37,272,557</u>
-	-	-	-	-	-	4,366,839
-	-	-	-	-	-	194,085
-	-	-	-	-	-	22,524,260
5,809,195	18,008,739	13,972,981	22,237,508	2,923,532	69,332,745	69,332,745
-	-	-	-	-	-	10,574,441
-	-	-	-	-	-	17,136,573
-	-	-	-	-	-	25,249,512
-	-	-	-	-	-	11,004,928
-	-	-	-	-	-	4,589,585
-	-	-	-	-	-	43,894,478
4,970,719	-	-	4,084,708	5,992,816	15,048,243	15,048,243
-	-	-	-	-	-	5,853,970
-	-	-	-	-	-	5,703,144
-	-	-	-	-	-	(9,603,817)
<u>10,779,914</u>	<u>18,008,739</u>	<u>13,972,981</u>	<u>26,322,216</u>	<u>8,916,348</u>	<u>84,380,988</u>	<u>225,868,986</u>
<u>\$ 13,265,453</u>	<u>\$ 18,027,896</u>	<u>\$ 14,015,975</u>	<u>\$ 26,535,648</u>	<u>\$ 14,347,471</u>	<u>\$ 92,614,673</u>	<u>\$ 318,019,610</u>

PALM BEACH COUNTY, FLORIDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the fiscal year ended September 30, 2015

	Tourist Development Special Revenue Fund	Law Enforcement Grants Special Revenue Fund	County Transportation Trust Special Revenue Fund	Municipal Service Taxing District Special Revenue Fund
Revenues:				
Taxes (net of discount)	\$ 42,736,409	\$ -	\$ 6,441,457	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	-	14,140	17,538,351
Intergovernmental	250,000	5,343,804	17,416,224	-
Charges for services	3,296,402	-	980,880	1,366,413
Fines and forfeitures	-	1,410,030	-	29,732
Interest income	496,460	6,768	(21,523)	368,762
Net change in fair value of investments	(75,319)	(1,184)	3,651	(50,217)
Miscellaneous	652	388,037	3,282,837	10,892
Total revenues	46,704,604	7,147,455	28,117,666	19,263,933
Expenditures:				
Current:				
General government	-	785,149	-	-
Public safety	-	869,890	-	12,062,292
Physical environment	-	-	-	-
Transportation	-	-	40,317,847	-
Economic environment	26,458,419	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	598,302	-	615,025	47,877
Debt service	-	-	-	-
Total expenditures	27,056,721	1,655,039	40,932,872	12,110,169
Excess of revenues over (under) expenditures	19,647,883	5,492,416	(12,815,206)	7,153,764
Other financing sources (uses):				
Transfers in	-	130	11,750,370	-
Transfers out	(27,547,641)	(3,213,339)	(36,788)	(38,809)
Capital lease	-	-	-	-
Issuance of long-term debt	-	-	-	-
Issuance of refunding debt	-	-	-	-
Premium on refunding debt	-	-	-	-
Payment to escrow agent for refunding	-	-	-	-
Total other financing sources (uses)	(27,547,641)	(3,213,209)	11,713,582	(38,809)
Net change in fund balances	(7,899,758)	2,279,207	(1,101,624)	7,114,955
Fund balances (deficit), October 1, 2014	31,084,386	765,491	4,544,761	21,344,761
Change in nonspendable fund balances	-	-	81,665	-
Fund balances (deficit), September 30, 2015	\$ 23,184,628	\$ 3,044,698	\$ 3,524,802	\$ 28,459,716

Library Taxing District Special Revenue Fund	Community & Social Development Special Revenue Fund	Housing & Economic Development Special Revenue Fund	Affordable Housing Trust Fund (SHIP) Special Revenue Fund	Palm Tran Special Revenue Fund	Other Special Revenue Fund	Total Special Revenue Funds
\$ 39,912,178	\$ -	\$ -	\$ -	\$ 33,116,361	\$ 42,101	\$ 122,248,506
-	-	-	-	-	7,840,510	7,840,510
26,355	-	-	-	56,261	4,460,879	22,095,986
1,557,501	19,424,861	12,631,007	4,253,320	23,739,014	5,669,606	90,285,337
800	99,331	5,372	-	13,642,236	19,350,368	38,741,802
612,508	-	-	-	-	1,363,291	3,415,561
287,586	30,899	859,320	339,572	(117,606)	774,793	3,025,031
(40,783)	(1,721)	(1,665)	(12,902)	14,359	(81,051)	(246,832)
255,385	324,430	3,137,330	1,025,691	2,462,349	3,330,866	14,218,469
42,611,530	19,877,800	16,631,364	5,605,681	72,912,974	42,751,363	301,624,370
-	-	101,770	-	-	13,576,442	14,463,361
-	1,775,744	-	-	-	9,133,182	23,841,108
-	-	7,000	-	-	11,587,331	11,594,331
-	-	-	-	86,163,865	33,955	126,515,667
-	3,790,818	11,341,008	3,409,909	-	264,000	45,264,154
-	20,976,345	567,548	-	-	643,131	22,187,024
38,592,644	-	-	-	-	6,412,573	45,005,217
3,586,120	175,112	13,629	-	10,601,572	2,247,334	17,884,971
-	3,470	1,473,107	-	-	155,385	1,631,962
42,178,764	26,721,489	13,504,062	3,409,909	96,765,437	44,053,333	308,387,795
432,766	(6,843,689)	3,127,302	2,195,772	(23,852,463)	(1,301,970)	(6,763,425)
13,024	5,966,678	191,189	141,520	20,490,930	3,072,896	41,626,737
(64,640)	(1,585,751)	(2,272,184)	-	(64,906)	(3,693,386)	(38,517,444)
-	-	-	-	-	964,588	964,588
-	-	1,963,000	-	-	-	1,963,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(51,616)	4,380,927	(117,995)	141,520	20,426,024	344,098	6,036,881
381,150	(2,462,762)	3,009,307	2,337,292	(3,426,439)	(957,872)	(726,544)
10,193,291	4,255,454	2,959,856	3,829,775	(3,156,209)	43,853,031	119,674,597
-	-	-	-	(66,861)	1,984	16,788
\$ 10,574,441	\$ 1,792,692	\$ 5,969,163	\$ 6,167,067	\$ (6,649,509)	\$ 42,897,143	\$ 118,964,841

PALM BEACH COUNTY, FLORIDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the fiscal year ended September 30, 2015

	General Obligation Bonds Debt Service	Revenue Bonds Debt Service	Other Financing Debt Service	Total Debt Service Funds	Criminal Justice Capital Projects
Revenues:					
Taxes (net of discount)	\$ 29,604,969	\$ -	\$ -	\$ 29,604,969	\$ -
Special assessments	-	-	-	-	254,249
Licenses and permits	-	-	-	-	-
Intergovernmental	2,750	-	-	2,750	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Interest income	153,109	418,627	4,167	575,903	101,316
Net change in fair value of investments	(27,938)	(60,153)	(789)	(88,880)	(13,785)
Miscellaneous	6,889	109,022	-	115,911	-
Total revenues	29,739,779	467,496	3,378	30,210,653	341,780
Expenditures:					
Current:					
General government	-	-	-	-	253,947
Public safety	-	-	-	-	-
Physical environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic environment	-	-	-	-	-
Human services	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	1,130,151
Debt service	29,809,552	102,831,684	669,465	133,310,701	-
Total expenditures	29,809,552	102,831,684	669,465	133,310,701	1,384,098
Excess of revenues over (under) expenditures	(69,773)	(102,364,188)	(666,087)	(103,100,048)	(1,042,318)
Other financing sources (uses):					
Transfers in	402,318	88,148,658	291,159	88,842,135	-
Transfers out	(91,680)	-	-	(91,680)	(70,527)
Capital lease	-	-	-	-	-
Issuance of long-term debt	-	-	-	-	-
Issuance of refunding debt	-	136,080,000	-	136,080,000	-
Premium on refunding debt	-	23,235,345	-	23,235,345	-
Payment to escrow agent for refunding	-	(162,146,879)	-	(162,146,879)	-
Total other financing sources (uses)	310,638	85,317,124	291,159	85,918,921	(70,527)
Net change in fund balances	240,865	(17,047,064)	(374,928)	(17,181,127)	(1,112,845)
Fund balances (deficit), October 1, 2014	422,865	38,906,491	374,928	39,704,284	7,493,635
Change in nonspendable fund balances	-	-	-	-	-
Fund balances (deficit), September 30, 2015	\$ 663,730	\$ 21,859,427	\$ -	\$ 22,523,157	\$ 6,380,790

Environmental Lands Capital Projects	Fire Rescue Capital Projects	Libraries Capital Projects	Parks & Recreation Capital Projects	Street & Drainage Capital Projects	Total Capital Projects Funds	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 2,930	\$ -	\$ 2,930	\$ 151,856,405
-	115,667	638,209	3,101,440	696,094	4,805,659	12,646,169
-	-	-	410,602	-	410,602	22,506,588
8,583,899	-	-	199,500	-	8,783,399	99,071,486
323,979	-	-	30,071	-	354,050	39,095,852
29,273	-	-	-	-	29,273	3,444,834
138,674	356,685	207,655	387,153	387,861	1,579,344	5,180,278
(17,636)	(46,966)	(28,538)	(54,693)	(18,988)	(180,606)	(516,318)
844,176	2,094	541	52,252	-	899,063	15,233,443
9,902,365	427,480	817,867	4,129,255	1,064,967	16,683,714	348,518,737
-	-	-	-	-	253,947	14,717,308
-	9,269	-	-	-	9,269	23,850,377
12,039,518	-	-	-	-	12,039,518	23,633,849
-	-	-	-	215,003	215,003	126,730,670
-	-	-	26,304	-	26,304	45,290,458
-	-	-	-	-	-	22,187,024
-	-	327,690	498,213	-	825,903	45,831,120
2,221,119	807,455	1,477,438	4,262,038	1,615,707	11,513,908	29,398,879
-	-	-	-	-	-	134,942,663
14,260,637	816,724	1,805,128	4,786,555	1,830,710	24,883,852	466,582,348
(4,358,272)	(389,244)	(987,261)	(657,300)	(765,743)	(8,200,138)	(118,063,611)
4,105,133	372,000	-	1,023,290	-	5,500,423	135,969,295
(1,428,060)	(14,553,918)	-	(105,754)	-	(16,158,259)	(54,767,383)
-	-	-	-	-	-	964,588
-	-	-	-	-	-	1,963,000
-	-	-	-	-	-	136,080,000
-	-	-	-	-	-	23,235,345
-	-	-	-	-	-	(162,146,879)
2,677,073	(14,181,918)	-	917,536	-	(10,657,836)	81,297,966
(1,681,199)	(14,571,162)	(987,261)	260,236	(765,743)	(18,857,974)	(36,765,645)
12,461,113	32,579,901	14,960,242	26,061,980	9,682,091	103,238,962	262,617,843
-	-	-	-	-	-	16,788
\$ 10,779,914	\$ 18,008,739	\$ 13,972,981	\$ 26,322,216	\$ 8,916,348	\$ 84,380,988	\$ 225,868,986

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Tourist Development Special Revenue Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Taxes (net of discount)	\$ 34,293,369	\$ 34,293,369	\$ 42,736,409	\$ 8,443,040
Intergovernmental	-	-	250,000	250,000
Charges for services	3,490,166	3,490,166	3,296,402	(193,764)
Interest income	-	-	496,460	496,460
Net change in fair value of investments	-	-	(75,319)	(75,319)
Miscellaneous	250,000	250,000	652	(249,348)
Less 5% anticipated revenues	(1,901,678)	(1,901,678)	-	1,901,678
Total revenues	36,131,857	36,131,857	46,704,604	10,572,747
Expenditures:				
Current:				
Economic environment	47,252,305	43,611,941	26,458,419	17,153,522
Capital Outlay	-	700,000	598,302	101,698
Total expenditures	47,252,305	44,311,941	27,056,721	17,255,220
Excess of revenues over (under) expenditures	(11,120,448)	(8,180,084)	19,647,883	27,827,967
Other financing sources (uses):				
Transfers out	(17,761,237)	(22,904,301)	(27,547,641)	(4,643,340)
Total other financing sources (uses)	(17,761,237)	(22,904,301)	(27,547,641)	(4,643,340)
Net change in fund balances	(28,881,685)	(31,084,385)	(7,899,758)	23,184,627
Fund balances, October 1, 2014	28,881,685	31,084,385	31,084,386	1
Fund balances, September 30, 2015	\$ -	\$ -	\$ 23,184,628	\$ 23,184,628

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Law Enforcement Grants Special Revenue Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 2,862,681	\$ 7,933,148	\$ 5,343,804	\$ (2,589,344)
Fines and forfeitures	-	-	1,410,030	1,410,030
Interest income	-	-	6,768	6,768
Net change in fair value of investments	-	-	(1,184)	(1,184)
Miscellaneous	-	494,148	388,037	(106,111)
<hr/>				
Less 5% anticipated revenues			-	-
<hr/>				
Total revenues	2,862,681	8,427,296	7,147,455	(1,279,841)
<hr/>				
Expenditures:				
Current:				
General government	1,943,409	1,752,927	785,149	967,778
Public safety	544,142	1,036,178	869,890	166,288
<hr/>				
Total expenditures	2,487,551	2,789,105	1,655,039	1,134,066
<hr/>				
Excess of revenues over (under) expenditures	375,130	5,638,191	5,492,416	(145,775)
<hr/>				
Other financing sources (uses):				
Transfers in	-	130	130	-
Transfers out	(1,832,310)	(6,403,812)	(3,213,339)	3,190,473
<hr/>				
Total other financing sources (uses)	(1,832,310)	(6,403,682)	(3,213,209)	3,190,473
<hr/>				
Net change in fund balances	(1,457,180)	(765,491)	2,279,207	3,044,698
<hr/>				
Fund balances, October 1, 2014	1,457,180	765,491	765,491	-
<hr/>				
Fund balances, September 30, 2015	\$ -	\$ -	\$ 3,044,698	\$ 3,044,698

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
County Transportation Trust Special Revenue Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Taxes (net of discount)	\$ 4,261,000	\$ 4,261,000	\$ 6,441,457	\$ 2,180,457
Licenses and permits	20,000	20,000	14,140	(5,860)
Intergovernmental	16,685,000	16,685,000	17,416,224	731,224
Charges for services	1,035,100	1,035,100	980,880	(54,220)
Interest income	-	-	(21,523)	(21,523)
Net change in fair value of investments	-	-	3,651	3,651
Miscellaneous	4,135,135	4,135,135	3,282,837	(852,298)
Less 5% anticipated revenues	(1,249,065)	(1,249,065)	-	1,249,065
Total revenues	24,887,170	24,887,170	28,117,666	3,230,496
Expenditures:				
Current:				
Transportation	45,852,614	46,075,918	40,317,847	5,758,071
Capital outlay	1,951,180	1,743,680	615,025	1,128,655
Total expenditures	47,803,794	47,819,598	40,932,872	6,886,726
Excess of revenues over (under) expenditures	(22,916,624)	(22,932,428)	(12,815,206)	10,117,222
Other financing sources (uses):				
Transfers in	20,489,376	20,489,376	11,750,370	(8,739,006)
Transfers out	(36,575)	(36,788)	(36,788)	-
Total other financing sources (uses)	20,452,801	20,452,588	11,713,582	(8,739,006)
Net change in fund balances	(2,463,823)	(2,479,840)	(1,101,624)	1,378,216
Fund balances, October 1, 2014	2,463,823	2,479,840	4,544,761	2,064,921
Change in nonspendable fund balance	-	-	81,665	81,665
Fund balances, September 30, 2015	\$ -	\$ -	\$ 3,524,802	\$ 3,524,802

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Municipal Service Taxing District Special Revenue Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Licenses and permits	\$ 15,501,500	\$ 15,501,500	\$ 17,538,351	\$ 2,036,851
Charges for services	1,093,550	1,093,550	1,366,413	272,863
Fines and forfeitures	15,000	15,000	29,732	14,732
Interest income	2,000	2,000	368,762	366,762
Net change in fair value of investments	-	-	(50,217)	(50,217)
Miscellaneous	70	70	10,892	10,822
Less 5% anticipated revenues	(830,606)	(830,606)	-	830,606
Total revenues	15,781,514	15,781,514	19,263,933	3,482,419
Expenditures:				
Current:				
Public safety	35,710,741	36,977,465	12,062,292	24,915,173
Capital outlay	110,000	110,000	47,877	62,123
Total expenditures	35,820,741	37,087,465	12,110,169	24,977,296
Excess of revenues over (under) expenditures	(20,039,227)	(21,305,951)	7,153,764	28,459,715
Other financing sources (uses):				
Transfers out	(26,124)	(38,810)	(38,809)	1
Total other financing sources (uses)	(26,124)	(38,810)	(38,809)	1
Net change in fund balances	(20,065,351)	(21,344,761)	7,114,955	28,459,716
Fund balances, October 1, 2014	20,065,351	21,344,761	21,344,761	-
Fund balances, September 30, 2015	\$ -	\$ -	\$ 28,459,716	\$ 28,459,716

PALM BEACH COUNTY, FLORIDA
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 Library Taxing District Special Revenue Fund
 For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Taxes (net of discount)	\$ 41,652,138	\$ 41,652,138	\$ 39,912,178	\$ (1,739,960)
Licenses and permits	20,000	20,000	26,355	6,355
Intergovernmental	1,132,185	1,554,565	1,557,501	2,936
Charges for services	1,000	1,000	800	(200)
Fines and forfeitures	525,000	525,000	612,508	87,508
Interest income	5,000	5,000	287,586	282,586
Net change in fair value of investments	-	-	(40,783)	(40,783)
Miscellaneous	122,000	122,000	255,385	133,385
Less 5% anticipated revenues	(2,116,407)	(2,116,407)	-	2,116,407
Total revenues	41,340,916	41,763,296	42,611,530	848,234
Expenditures:				
Current:				
Culture and recreation	44,788,026	47,878,317	38,592,644	9,285,673
Capital outlay	4,013,630	4,013,630	3,586,120	427,510
Total expenditures	48,801,656	51,891,947	42,178,764	9,713,183
Excess of revenues over (under) expenditures	(7,460,740)	(10,128,651)	432,766	10,561,417
Other financing sources (uses):				
Transfers in	-	-	13,024	13,024
Transfers out	(64,640)	(64,640)	(64,640)	-
Total other financing sources (uses)	(64,640)	(64,640)	(51,616)	13,024
Net change in fund balances	(7,525,380)	(10,193,291)	381,150	10,574,441
Fund balances, October 1, 2014	7,525,380	10,193,291	10,193,291	-
Fund balances, September 30, 2015	\$ -	\$ -	\$ 10,574,441	\$ 10,574,441

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Community and Social Development Special Revenue Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 17,591,306	\$ 31,760,169	\$ 19,424,861	\$ (12,335,308)
Charges for services	902,327	906,992	99,331	(807,661)
Interest income	13,000	14,000	30,899	16,899
Net change in fair value of investments	-	-	(1,721)	(1,721)
Miscellaneous	283,518	282,295	324,430	42,135
Less 5% anticipated revenues	(14,750)	(14,750)	-	14,750
Total revenues	18,775,401	32,948,706	19,877,800	(13,070,906)
Expenditures:				
Current:				
Public safety	999,119	3,908,867	1,775,744	2,133,123
Economic environment	7,407,446	8,174,464	3,790,818	4,383,646
Human services	20,479,408	30,720,257	20,976,345	9,743,912
Capital outlay	171,060	329,363	175,112	154,251
Debt service	7,900	7,900	3,470	4,430
Total expenditures	29,064,933	43,140,851	26,721,489	16,419,362
Excess of revenues over (under) expenditures	(10,289,532)	(10,192,145)	(6,843,689)	3,348,456
Other financing sources (uses):				
Transfers in	7,007,122	7,523,442	5,966,678	(1,556,764)
Transfers out	(1,647,297)	(1,586,751)	(1,585,751)	1,000
Issuance of long-term debt	250,000	-	-	-
Total other financing sources (uses)	5,609,825	5,936,691	4,380,927	(1,555,764)
Net change in fund balances	(4,679,707)	(4,255,454)	(2,462,762)	1,792,692
Fund balances, October 1, 2014	4,679,707	4,255,454	4,255,454	-
Fund balances, September 30, 2015	\$ -	\$ -	\$ 1,792,692	\$ 1,792,692

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Housing and Economic Development Special Revenue Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 23,056,745	\$ 31,781,516	\$ 12,631,007	\$ (19,150,509)
Charges for services	2,525	2,525	5,372	2,847
Interest income	1,082,776	1,082,776	859,320	(223,456)
Net change in fair value of investments	-	-	(1,665)	(1,665)
Miscellaneous	2,259,903	2,259,903	3,137,330	877,427
Less 5% anticipated revenues	(500)	(500)	-	500
Total revenues	26,401,449	35,126,220	16,631,364	(18,494,856)
Expenditures:				
Current:				
General government	260,372	202,556	101,770	100,786
Physical environment	28,720	7,000	7,000	-
Transportation	6,660	5,568	-	5,568
Economic environment	34,296,830	41,266,705	11,341,008	29,925,697
Human services	1,089,609	1,132,105	567,548	564,557
Capital outlay	12,431	36,452	13,629	22,823
Debt service	3,271,174	2,648,133	1,473,107	1,175,026
Total expenditures	38,965,796	45,298,519	13,504,062	31,794,457
Excess of revenues over (under) expenditures	(12,564,347)	(10,172,299)	3,127,302	13,299,601
Other financing sources (uses):				
Transfers in	203,187	203,187	191,189	(11,998)
Transfers out	(1,706,573)	(3,832,745)	(2,272,184)	1,560,561
Issuance of long-term debt	10,842,000	10,842,000	1,963,000	(8,879,000)
Total other financing sources (uses)	9,338,614	7,212,442	(117,995)	(7,330,437)
Net change in fund balances	(3,225,733)	(2,959,857)	3,009,307	5,969,164
Fund balances, October 1, 2014	3,225,733	2,959,857	2,959,856	(1)
Fund balances, September 30, 2015	\$ -	\$ -	\$ 5,969,163	\$ 5,969,163

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Affordable Housing Trust Fund (SHIP) Special Revenue Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 1,450,757	\$ 9,214,385	\$ 4,253,320	\$ (4,961,065)
Interest income	70,000	70,000	339,572	269,572
Net change in fair value of investments	-	-	(12,902)	(12,902)
Miscellaneous	86,000	586,000	1,025,691	439,691
Total revenues	1,606,757	9,870,385	5,605,681	(4,264,704)
Expenditures:				
Current:				
Economic environment	3,261,347	13,841,680	3,409,909	10,431,771
Total expenditures	3,261,347	13,841,680	3,409,909	10,431,771
Excess of revenues over (under) expenditures	(1,654,590)	(3,971,295)	2,195,772	6,167,067
Other financing sources (uses):				
Transfers in	141,520	141,520	141,520	-
Total other financing sources (uses)	141,520	141,520	141,520	-
Net change in fund balances	(1,513,070)	(3,829,775)	2,337,292	6,167,067
Fund balances, October 1, 2014	1,513,070	3,829,775	3,829,775	-
Fund balances, September 30, 2015	\$ -	\$ -	\$ 6,167,067	\$ 6,167,067

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Palm Tran Special Revenue Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Taxes (net of discount)	\$ 32,197,000	\$ 32,197,000	\$ 33,116,361	\$ 919,361
Licenses and permits	36,000	36,000	56,261	20,261
Intergovernmental	42,239,593	55,705,924	23,739,014	(31,966,910)
Charges for services	14,697,723	14,697,723	13,642,236	(1,055,487)
Interest income	-	-	(117,606)	(117,606)
Net change in fair value of investments	-	-	14,359	14,359
Miscellaneous	1,239,047	1,239,047	2,462,349	1,223,302
Less 5% anticipated revenues	(2,375,355)	(2,375,355)	-	2,375,355
Total revenues	88,034,008	101,500,339	72,912,974	(28,587,365)
Expenditures:				
Current:				
Transportation	91,020,547	96,088,669	86,163,865	9,924,804
Capital outlay	22,015,132	25,034,934	10,601,572	14,433,362
Total expenditures	113,035,679	121,123,603	96,765,437	24,358,166
Excess of revenues over (under) expenditures	(25,001,671)	(19,623,264)	(23,852,463)	(4,229,199)
Other financing sources (uses):				
Transfers in	25,037,728	25,080,043	20,490,930	(4,589,113)
Transfers out	(65,541)	(64,906)	(64,906)	-
Total other financing sources (uses)	24,972,187	25,015,137	20,426,024	(4,589,113)
Net change in fund balances	(29,484)	5,391,873	(3,426,439)	(8,818,312)
Fund balances (deficit), October 1, 2014	29,484	(5,391,873)	(3,156,209)	2,235,664
Change in nonspendable fund balance	-	-	(66,861)	(66,861)
Fund balances (deficit), September 30, 2015	\$ -	\$ -	\$ (6,649,509)	\$ (6,649,509)

PALM BEACH COUNTY, FLORIDA
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 Other Special Revenue Fund
 For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Taxes (net of discount)	\$ 36,500	\$ 36,500	\$ 42,101	\$ 5,601
Special assessments	5,476,466	6,896,625	7,840,510	943,885
Licenses and permits	6,117,600	6,117,600	4,460,879	(1,656,721)
Intergovernmental	5,732,266	9,571,191	5,669,606	(3,901,585)
Charges for services	15,195,571	16,752,516	19,350,368	2,597,852
Fines and forfeitures	1,240,206	1,240,206	1,363,291	123,085
Interest income	-	397	774,793	774,396
Net change in fair value of investments	-	-	(81,051)	(81,051)
Miscellaneous	2,205,637	3,648,132	3,330,866	(317,266)
Less 5% anticipated revenues	(1,404,634)	(1,404,634)	-	1,404,634
Total revenues	34,599,612	42,858,533	42,751,363	(107,170)
Expenditures:				
Current:				
General government:				
County Administrator	147,788	174,881	53,961	120,920
Office of Inspector General	2,767,549	2,767,549	2,434,539	333,010
Judicial	4,722,933	4,594,565	4,382,702	211,863
Public Affairs	60,000	130,000	26,141	103,859
Other County Funded Programs	4,000	6,681,238	6,679,099	2,139
Total general government	7,702,270	14,348,233	13,576,442	771,791
Public safety:				
Judicial	-	225,028	151,499	73,529
Planning, Zoning & Building	429,600	429,600	352,337	77,263
Public Safety	8,001,337	8,493,597	7,771,526	722,071
Public Safety Grants	-	150,000	49,921	100,079
Other County Funded Programs	1,817,667	1,844,722	705,084	1,139,638
Criminal Justice Commission	103,770	101,404	102,815	(1,411)
Total public safety	10,352,374	11,244,351	9,133,182	2,111,169
Physical environment:				
County Cooperative Extension	270,321	450,066	175,669	274,397
Environmental Resource Management	25,837,113	33,669,786	11,305,128	22,364,658
Other County Funded Programs	33,638,793	12,707,052	106,534	12,600,518
Total physical environment	59,746,227	46,826,904	11,587,331	35,239,573
Transportation:				
Engineering & Public Works	1,450,000	1,450,000	33,955	1,416,045
Economic environment:				
Oeo Federal Assistance	103,952	264,000	264,000	-
Human services:				
Youth Services Department	36,360	38,580	6,053	32,527
Environmental Resource Management	66,039	68,088	12,420	55,668
Equal Opportunity	101,204	101,204	86,986	14,218
Public Safety	445,269	445,269	389,053	56,216
Criminal Justice Commission	-	209,304	148,619	60,685
Total human services	648,872	862,445	643,131	219,314

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Other Special Revenue Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Culture and recreation:				
Parks & Recreation	6,437,234	6,712,234	6,412,573	299,661
Capital outlay:				
County Administrator	-	25,119	25,118	1
Office of the Inspector General	10,000	10,000	-	10,000
Environmental Resource Management	-	90,000	62,614	27,386
Judicial	328,862	473,327	420,133	53,194
Parks & Recreation	1,400,000	1,400,000	1,702,479	(302,479)
Public Affairs	120,700	120,700	-	120,700
Public Safety	-	36,991	36,990	1
Total capital outlay	1,859,562	2,156,137	2,247,334	(91,197)
Debt Service:				
Parks & Recreation	233,265	233,265	155,385	77,880
Total expenditures	88,533,756	84,097,569	44,053,333	40,044,236
Excess of revenues over (under) expenditures	(53,934,144)	(41,239,036)	(1,301,970)	39,937,066
Other financing sources (uses):				
Transfers in	3,352,601	3,665,022	3,072,896	(592,126)
Transfers out	(6,600,714)	(6,229,549)	(3,693,386)	2,536,163
Capital Lease	-	-	964,588	964,588
Total other financing sources (uses)	(3,248,113)	(2,564,527)	344,098	2,908,625
Net change in fund balances	(57,182,257)	(43,803,563)	(957,872)	42,845,691
Fund balances, October 1, 2014	57,182,257	43,803,563	43,853,031	49,468
Change in nonspendable fund balance	-	-	1,984	1,984
Fund balances, September 30, 2015	\$ -	\$ -	\$ 42,897,143	\$ 42,897,143

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Obligation Bonds Debt Service Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Taxes (net of discount)	\$ 30,759,771	\$ 30,759,771	\$ 29,604,969	\$ (1,154,802)
Intergovernmental	-	-	2,750	2,750
Interest income	-	1,231	153,109	151,878
Net change in fair value of investments	-	-	(27,938)	(27,938)
Miscellaneous	-	-	6,889	6,889
Less 5% anticipated revenues	(1,538,989)	(1,454,182)	-	1,454,182
Total revenues	29,220,782	29,306,820	29,739,779	432,959
Expenditures:				
Current:				
Debt service	29,956,687	30,033,849	29,809,552	224,297
Total expenditures	29,956,687	30,033,849	29,809,552	224,297
Excess of revenues over (under) expenditures	(735,905)	(727,029)	(69,773)	657,256
Other financing sources (uses):				
Transfers in	395,845	395,844	402,318	6,474
Transfers out	-	(91,680)	(91,680)	-
Total other financing sources (uses)	395,845	304,164	310,638	6,474
Net change in fund balances	(340,060)	(422,865)	240,865	663,730
Fund balances, October 1, 2014	340,060	422,865	422,865	-
Fund balances, September 30, 2015	\$ -	\$ -	\$ 663,730	\$ 663,730

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Revenue Bonds Debt Service Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Interest income	\$ -	\$ 49	\$ 418,627	\$ 418,578
Net change in fair value of investments	-	-	(60,153)	(60,153)
Miscellaneous	108,530	108,530	109,022	492
Total revenues	108,530	108,579	467,496	358,917
Expenditures:				
Current:				
Debt service	129,318,172	124,963,808	102,831,684	22,132,124
Total expenditures	129,318,172	124,963,808	102,831,684	22,132,124
Excess of revenues over (under) expenditures	(129,209,642)	(124,855,229)	(102,364,188)	22,491,041
Other financing sources (uses):				
Transfers in	90,589,353	88,780,272	88,148,658	(631,614)
Issuance of refunding debt	-	136,080,000	136,080,000	-
Premium (discount) refunding debt	-	23,235,345	23,235,345	-
Payment to escrow agent for refunding	-	(162,146,879)	(162,146,879)	-
Total other financing sources (uses)	90,589,353	85,948,738	85,317,124	(631,614)
Net change in fund balances	(38,620,289)	(38,906,491)	(17,047,064)	21,859,427
Fund balances, October 1, 2014	38,620,289	38,906,491	38,906,491	-
Fund balances, September 30, 2015	\$ -	\$ -	\$ 21,859,427	\$ 21,859,427

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Other Financing Debt Service Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Interest income	\$ -	\$ -	\$ 4,167	\$ 4,167
Net change in fair value of investments	-	-	(789)	(789)
Total revenues	-	-	3,378	3,378
Expenditures:				
Current:				
Debt service	744,884	1,119,812	669,465	450,347
Total expenditures	744,884	1,119,812	669,465	450,347
Excess of revenues over (under) expenditures	(744,884)	(1,119,812)	(666,087)	453,725
Other financing sources (uses):				
Transfers in	744,884	744,884	291,159	(453,725)
Total other financing sources (uses)	744,884	744,884	291,159	(453,725)
Net change in fund balances	-	(374,928)	(374,928)	-
Fund balances, October 1, 2014	-	374,928	374,928	-
Fund balances, September 30, 2015	\$ -	\$ -	\$ -	\$ -

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Criminal Justice Capital Projects Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Special assessments	\$ 252,223	\$ 252,223	\$ 254,249	\$ 2,026
Interest income	-	5,000	101,316	96,316
Net change in fair value of investments	-	-	(13,785)	(13,785)
Less 5% anticipated revenues	(12,611)	(12,611)	-	12,611
Total revenues	239,612	244,612	341,780	97,168
Expenditures:				
Current:				
General government	3,259,031	3,455,916	253,947	3,201,969
Capital outlay	5,455,298	4,207,623	1,130,151	3,077,472
Total expenditures	8,714,329	7,663,539	1,384,098	6,279,441
Excess of revenues over (under) expenditures	(8,474,717)	(7,418,927)	(1,042,318)	6,376,609
Other financing sources (uses):				
Transfers out	(1,931,668)	(74,708)	(70,527)	4,181
Total other financing sources (uses)	(1,931,668)	(74,708)	(70,527)	4,181
Net change in fund balances	(10,406,385)	(7,493,635)	(1,112,845)	6,380,790
Fund balances, October 1, 2014	10,406,385	7,493,635	7,493,635	-
Fund balances, September 30, 2015	\$ -	\$ -	\$ 6,380,790	\$ 6,380,790

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Environmental Lands Capital Projects Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 9,209,099	\$ 14,889,932	\$ 8,583,899	\$ (6,306,033)
Charges for services	326,115	526,115	323,979	(202,136)
Fines and forfeitures	-	-	29,273	29,273
Interest income	-	-	138,674	138,674
Net change in fair value of investments	-	-	(17,636)	(17,636)
Miscellaneous	1,874,163	2,135,763	844,176	(1,291,587)
Total revenues	11,409,377	17,551,810	9,902,365	(7,649,445)
Expenditures:				
Current:				
Physical environment	28,657,964	29,214,486	12,039,518	17,174,968
Capital outlay	4,249,392	5,385,101	2,221,119	3,163,982
Total expenditures	32,907,356	34,599,587	14,260,637	20,338,950
Excess of revenues over (under) expenditures	(21,497,979)	(17,047,777)	(4,358,272)	12,689,505
Other financing sources (uses):				
Transfers in	5,896,184	6,498,999	4,105,133	(2,393,866)
Transfers out	(744,884)	(1,912,335)	(1,428,060)	484,275
Total other financing sources (uses)	5,151,300	4,586,664	2,677,073	(1,909,591)
Net change in fund balances	(16,346,679)	(12,461,113)	(1,681,199)	10,779,914
Fund balances, October 1, 2014	16,346,679	12,461,113	12,461,113	-
Fund balances, September 30, 2015	\$ -	\$ -	\$ 10,779,914	\$ 10,779,914

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Fire Rescue Capital Projects Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Special assessments	\$ -	\$ -	\$ 115,667	\$ 115,667
Interest income	-	-	356,685	356,685
Net change in fair value of investments	-	-	(46,966)	(46,966)
Miscellaneous	-	-	2,094	2,094
Total revenues	-	-	427,480	427,480
Expenditures:				
Current:				
Public safety	2,832,860	2,508,660	9,269	2,499,391
Capital outlay	15,742,043	15,889,324	807,455	15,081,869
Total expenditures	18,574,903	18,397,984	816,724	17,581,260
Excess of revenues over (under) expenditures	(18,574,903)	(18,397,984)	(389,244)	18,008,740
Other financing sources (uses):				
Transfers in	-	372,000	372,000	-
Transfers out	(14,553,918)	(14,553,918)	(14,553,918)	-
Total other financing sources (uses)	(14,553,918)	(14,181,918)	(14,181,918)	-
Net change in fund balances	(33,128,821)	(32,579,902)	(14,571,162)	18,008,740
Fund balances, October 1, 2014	33,128,821	32,579,902	32,579,901	(1)
Fund balances, September 30, 2015	\$ -	\$ -	\$ 18,008,739	\$ 18,008,739

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Libraries Capital Projects Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Special assessments	\$ 453,043	\$ 453,043	\$ 638,209	\$ 185,166
Interest income	-	500	207,655	207,155
Net change in fair value of investments	-	-	(28,538)	(28,538)
Miscellaneous	-	500	541	41
Less 5% anticipated revenues	(22,652)	(22,652)	-	22,652
Total revenues	430,391	431,391	817,867	386,476
Expenditures:				
Current:				
Culture and recreation	9,450,234	11,913,403	327,690	11,585,713
Capital outlay	7,561,713	3,478,231	1,477,438	2,000,793
Total expenditures	17,011,947	15,391,634	1,805,128	13,586,506
Excess of revenues over (under) expenditures	(16,581,556)	(14,960,243)	(987,261)	13,972,982
Net change in fund balances	(16,581,556)	(14,960,243)	(987,261)	13,972,982
Fund balances, October 1, 2014	16,581,556	14,960,243	14,960,242	(1)
Fund balances, September 30, 2015	\$ -	\$ -	\$ 13,972,981	\$ 13,972,981

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Parks & Recreation Capital Projects Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Taxes (net of discount)	\$ -	\$ -	\$ 2,930	\$ 2,930
Special assessments	2,681,000	2,681,000	3,101,440	420,440
Licenses and permits	360,000	360,000	410,602	50,602
Intergovernmental	743,920	599,500	199,500	(400,000)
Charges for services	-	-	30,071	30,071
Interest income	13,997	17,495	387,153	369,658
Net change in fair value of investments	-	-	(54,693)	(54,693)
Miscellaneous	1,639,740	3,832,100	52,252	(3,779,848)
Less 5% anticipated revenues	(154,000)	(153,400)	-	153,400
Total revenues	5,284,657	7,336,695	4,129,255	(3,207,440)
Expenditures:				
Current:				
Physical environment	45,000	-	-	-
Economic environment	1	26,306	26,304	2
Culture and recreation	2,307,870	2,168,187	498,213	1,669,974
Capital outlay	30,821,867	32,121,718	4,262,038	27,859,680
Debt service	8,011	-	-	-
Total expenditures	33,182,749	34,316,211	4,786,555	29,529,656
Excess of revenues over (under) expenditures	(27,898,092)	(26,979,516)	(657,300)	26,322,216
Other financing sources (uses):				
Transfers in	1,000,000	1,023,291	1,023,290	(1)
Transfers out	(105,754)	(105,754)	(105,754)	-
Total other financing sources (uses)	894,246	917,537	917,536	(1)
Net change in fund balances	(27,003,846)	(26,061,979)	260,236	26,322,215
Fund balances, October 1, 2014	27,003,846	26,061,979	26,061,980	1
Fund balances, September 30, 2015	\$ -	\$ -	\$ 26,322,216	\$ 26,322,216

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Street & Drainage Capital Projects Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Special assessments	\$ 350,000	\$ 350,000	\$ 696,094	\$ 346,094
Interest income	150,000	150,000	387,861	237,861
Net change in fair value of investments	-	-	(18,988)	(18,988)
Miscellaneous	-	-	-	-
Less 5% anticipated revenues	(25,000)	(25,000)	-	25,000
Total revenues	475,000	475,000	1,064,967	589,967
Expenditures:				
Current:				
Transportation	212,861	211,550	215,003	(3,453)
Capital outlay	9,991,001	9,945,541	1,615,707	8,329,834
Total expenditures	10,203,862	10,157,091	1,830,710	8,326,381
Excess of revenues over (under) expenditures	(9,728,862)	(9,682,091)	(765,743)	8,916,348
Net change in fund balances	(9,728,862)	(9,682,091)	(765,743)	8,916,348
Fund balances, October 1, 2014	9,728,862	9,682,091	9,682,091	-
Fund balances, September 30, 2015	\$ -	\$ -	\$ 8,916,348	\$ 8,916,348

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Major Fund - Road Program Capital Projects Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Taxes (net of discount)	\$ 9,537,000	\$ 9,537,000	\$ 10,192,853	\$ 655,853
Special assessments	30,749,667	30,749,667	26,891,668	(3,857,999)
Intergovernmental	4,648,324	5,451,205	824,648	(4,626,557)
Charges for services	-	-	5,850	5,850
Interest income	1,000,000	1,005,000	5,256,168	4,251,168
Net change in fair value of investments	-	-	(743,407)	(743,407)
Miscellaneous	630,946	795,191	635,909	(159,282)
Less 5% anticipated revenues	(2,014,334)	(2,014,334)	-	2,014,334
Total revenues	44,551,603	45,523,729	43,063,689	(2,460,040)
Expenditures:				
Current:				
General government	2,811,222	2,811,222	2,922,662	(111,440)
Transportation	4,333,610	8,841,424	3,994,336	4,847,088
Economic environment	-	968,375	637,182	331,193
Capital outlay	387,148,073	384,898,800	16,478,571	368,420,229
Total expenditures	394,292,905	397,519,821	24,032,751	373,487,070
Excess of revenues over (under) expenditures	(349,741,302)	(351,996,092)	19,030,938	371,027,030
Other financing sources (uses):				
Transfers in	-	1,500,000	1,500,000	-
Transfers out	(1,027,375)	(1,038,334)	(1,035,336)	2,998
Total other financing sources (uses)	(1,027,375)	461,666	464,664	2,998
Net change in fund balances	(350,768,677)	(351,534,426)	19,495,602	371,030,028
Fund balances, October 1, 2014	350,768,677	351,534,426	351,534,425	(1)
Fund balances, September 30, 2015	\$ -	\$ -	\$ 371,030,027	\$ 371,030,027

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Major Fund - General Government Capital Projects Fund
For the fiscal year ended September 30, 2015

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Taxes (net of discount)	\$ -	\$ -	\$ 674	\$ 674
Special assessments	870,554	870,554	2,177,747	1,307,193
Intergovernmental	-	1,118,717	193,356	(925,361)
Charges for services	2,417,140	2,161,179	980,652	(1,180,527)
Fines and forfeitures	1,383,000	1,383,000	1,229,058	(153,942)
Interest income	165,883	243,583	2,167,433	1,923,850
Net change in fair value of investments	-	-	(320,547)	(320,547)
Miscellaneous	1,648,776	1,779,821	415,938	(1,363,883)
Less 5% anticipated revenues	(43,528)	(43,528)	-	43,528
Total revenues	6,441,825	7,513,326	6,844,311	(669,015)
Expenditures:				
Current:				
General government	131,812,402	141,290,512	31,576,377	109,714,135
Public safety	-	158,000	34,099	123,901
Physical environment	148,783	142,538	-	142,538
Transportation	290,700	1,245,243	89,781	1,155,462
Economic environment	406,225	370,058	29,219	340,839
Human services	2,348	2,348	-	2,348
Culture and recreation	-	-	-	-
Capital outlay	53,067,748	108,140,109	34,521,525	73,618,584
Debt service	66,012	1,463,011	1,406,399	56,612
Total expenditures	185,794,218	252,811,819	67,657,400	185,154,419
Excess of revenues over (under) expenditures	(179,352,393)	(245,298,493)	(60,813,089)	184,485,404
Other financing sources (uses):				
Transfers in	24,971,177	30,303,478	25,146,676	(5,156,802)
Transfers out	(11,254,629)	(15,616,708)	(9,175,481)	6,441,227
Issuance of long-term debt	-	63,155,000	63,155,000	-
Premium on long-term debt	-	3,257,441	3,257,441	-
Total other financing sources (uses)	13,716,548	81,099,211	82,383,636	1,284,425
Net change in fund balances	(165,635,845)	(164,199,282)	21,570,547	185,769,829
Fund balances, October 1, 2014	165,635,845	164,199,282	164,199,282	-
Fund balances, September 30, 2015	\$ -	\$ -	\$ 185,769,829	\$ 185,769,829



INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Fleet Management - To account for the cost of operations for the repair and maintenance of County owned/leased vehicles and equipment as well as interdepartmental rental of cars, trucks and specialized equipment and automated fuel service. Such costs are billed to user departments at estimated cost of operations including equipment replacement and additions.

Combined Insurance Fund - To account for the assessed premiums, claims and administration of the County's Risk Management Department for general, auto and property liability, employee group health, and workers' compensation.

Clerk & Comptroller Insurance Fund - To account for the assessed premiums, claims and administration of the Clerk & Comptroller's employee group health insurance program.

PALM BEACH COUNTY, FLORIDA
Combining Statement of Net Position
Internal Service Funds
September 30, 2015

	Fleet Management	Combined Insurance Fund	Clerk & Comptroller Insurance Fund	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 20,619,284	\$ 71,955,501	\$ 2,928,806	\$ 95,503,591
Accounts receivable, net	242	2,337,827	156,085	2,494,154
Due from other county funds	2,450,775	1,823,409	750,448	5,024,632
Due from other governments	136,606	-	-	136,606
Due from component unit	578	3,508	-	4,086
Inventory	646,128	-	-	646,128
Other assets	74,911	3,777,482	-	3,852,393
Total current assets	23,928,524	79,897,727	3,835,339	107,661,590
Capital assets:				
Buildings	206,558	-	-	206,558
Improvements other than buildings	512,286	-	-	512,286
Furniture, fixtures and equipment	81,166,259	206,712	-	81,372,971
Accumulated depreciation	(58,680,464)	(194,669)	-	(58,875,133)
Total assets	47,133,163	79,909,770	3,835,339	130,878,272
LIABILITIES				
Current liabilities:				
Vouchers payable and accrued liabilities	1,736,844	1,286,549	518	3,023,911
Due to other county funds	21,294	-	7,394	28,688
Due to other governments	93	120,215	12,023	132,331
Insurance claims payable	-	11,774,237	714,000	12,488,237
Total current liabilities	1,758,231	13,181,001	733,935	15,673,167
Noncurrent liabilities:				
Compensated absences	524,101	184,802	-	708,903
Insurance claims payable	-	47,935,634	-	47,935,634
Other long-term liabilities	-	15,730	-	15,730
Total noncurrent liabilities	524,101	48,136,166	-	48,660,267
Total liabilities	2,282,332	61,317,167	733,935	64,333,434
NET POSITION				
Net investment in capital assets	23,204,639	12,043	-	23,216,682
Unrestricted	21,646,192	18,580,560	3,101,404	43,328,156
Total net position	\$ 44,850,831	\$ 18,592,603	\$ 3,101,404	\$ 66,544,838

PALM BEACH COUNTY, FLORIDA
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the fiscal year ended September 30, 2015

	Fleet Management	Combined Insurance Fund	Clerk & Comptroller Insurance Fund	Total
Operating revenues:				
Charges for services	\$ 31,752,006	\$ 87,985,452	\$ 10,743,449	\$ 130,480,907
Total operating revenues	31,752,006	87,985,452	10,743,449	130,480,907
Operating expenses:				
Transportation services	19,783,621	-	-	19,783,621
Self-insurance services	-	85,438,135	10,543,783	95,981,918
Depreciation and amortization	6,990,065	8,573	-	6,998,638
Total operating expenses	26,773,686	85,446,708	10,543,783	122,764,177
Operating income	4,978,320	2,538,744	199,666	7,716,730
Nonoperating revenues:				
Interest income	295,446	1,058,009	12,616	1,366,071
Net change in fair value of investments	(42,610)	(153,051)	-	(195,661)
Other revenues	861,365	1,174,325	-	2,035,690
Total nonoperating revenues	1,114,201	2,079,283	12,616	3,206,100
Income before transfers	6,092,521	4,618,027	212,282	10,922,830
Transfers out	(7,611)	-	-	(7,611)
Change in net position	6,084,910	4,618,027	212,282	10,915,219
Net position, October 1, 2014	38,765,921	13,974,576	2,889,122	55,629,619
Net position, September 30, 2015	\$ 44,850,831	\$ 18,592,603	\$ 3,101,404	\$ 66,544,838

PALM BEACH COUNTY, FLORIDA
Combining Statement of Cash Flows
Internal Service Funds
For the fiscal year ended September 30, 2015

	Fleet Management	Combined Insurance Fund
Cash flows from operating activities:		
Cash received from customers	\$ 906,000	\$ 7,198,624
Cash received from other funds for goods and services	31,102,757	79,836,555
Cash payments to vendors for goods and services	(14,556,338)	(13,191,733)
Cash payments to employees for services	(4,448,185)	(2,210,966)
Cash payments to other funds	(858,727)	(1,817,410)
Claims paid	-	(70,279,604)
Other receipts	71,441	1,174,325
Net cash provided by (used in) operating activities	12,216,948	709,791
Cash flows from noncapital financing activities:		
Transfers out	(7,611)	-
Net cash (used in) noncapital financing activities	(7,611)	-
Cash flows from capital and related financing activities:		
Proceeds from sale of capital assets	1,309,046	-
Purchase and construction of capital assets	(11,202,518)	(1,143)
Net cash (used in) capital and related financing activities	(9,893,472)	(1,143)
Cash flows from investing activities:		
Interest and gains or losses on investments	252,836	904,958
Net cash provided by investing activities	252,836	904,958
Net increase (decrease) in cash and cash equivalents	2,568,701	1,613,606
Cash and cash equivalents, October 1, 2014	18,050,583	70,341,895
Cash and cash equivalents, September 30, 2015	\$ 20,619,284	\$ 71,955,501
Reconciliation of operating income to net cash provided by (used in) operating activities:		
Operating income	\$ 4,978,320	\$ 2,538,744
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Depreciation and amortization	6,990,065	8,573
Miscellaneous revenue	71,441	1,174,325
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	2,505	(149,369)
(Increase) decrease in due from other county funds	241,001	(328,275)
Decrease in due from other governments	12,825	-
Decrease in inventory	403,272	-
(Increase) decrease in other assets	(18,462)	143,573
(Increase) decrease in due from component unit	421	(879)
Increase (decrease) in vouchers payable and accrued liabilities	(483,653)	(819,220)
Increase (decrease) in due to other county funds	2,634	(49,916)
Increase (decrease) in due to other governments	27	(5,312)
(Decrease) in unearned revenue	-	(471,748)
(Decrease) in insurance claims payable	-	(212,666)
Increase (decrease) in other long-term liabilities	16,552	(1,118,039)
Net cash provided by (used in) operating activities	\$ 12,216,948	\$ 709,791
Supplemental disclosure of noncash capital and related financing activities:		
Disposal of fully depreciated capital assets	\$ 5,145,256	\$ 64,932

Clerk & Comptroller Insurance Fund	Total
\$ 1,531,052	\$ 9,635,676
8,566,539	119,505,851
(1,617,851)	(29,365,922)
-	(6,659,151)
-	(2,676,137)
(9,010,054)	(79,289,658)
-	1,245,766
<u>(530,314)</u>	<u>12,396,425</u>
-	(7,611)
-	(7,611)
-	1,309,046
-	(11,203,661)
-	(9,894,615)
12,616	1,170,410
12,616	1,170,410
(517,698)	3,664,609
3,446,504	91,838,982
<u>\$ 2,928,806</u>	<u>\$ 95,503,591</u>
\$ 199,666	\$ 7,716,730
-	6,998,638
-	1,245,766
(148,174)	(295,038)
(497,684)	(584,958)
-	12,825
-	403,272
-	125,111
-	(458)
518	(1,302,355)
7,337	(39,945)
12,023	6,738
-	(471,748)
(104,000)	(316,666)
-	(1,101,487)
<u>\$ (530,314)</u>	<u>\$ 12,396,425</u>
<u>\$ -</u>	<u>\$ 5,210,188</u>



AGENCY FUNDS

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations and other governments.

Board of County Commissioners - To account for the assets held by the Board as an agent for individuals, organizations or other governments. These funds include: cash bonds, purchasing bid bonds, security deposits, and various payroll liabilities.

Sheriff - To account for the assets held by the Sheriff as an agent for individuals, organizations or other governments. These funds include: cash bonds, evidence and suspense.

Clerk & Comptroller - To account for the assets held by the Clerk of the Courts as an agent for individuals, organizations and other governments. These funds include: fines and forfeitures, jury and witness, tax deed, registry of court, probate, support and general agency.

Tax Collector - To account for the assets held by the Tax Collector as an agent for individuals, organizations or other governments. These funds include: ad-valorem and non ad-valorem tax payments and license and registration payments.

PALM BEACH COUNTY, FLORIDA
Combining Statement of Fiduciary Net Position - Agency Funds
September 30, 2015

AGENCY FUNDS					
	Board of County Commissioners	Sheriff	Clerk & Comptroller	Tax Collector	Total Agency Funds
ASSETS					
Cash, cash equivalents, and investments	\$ 9,284,260	\$ 1,525,013	\$ 80,336,113	\$ 52,326,546	\$ 143,471,932
Accounts receivable, net	-	430,999	573,307	71,930	1,076,236
Due from other governments	75,753	638,647	-	31	714,431
Other assets	-	291	-	-	291
Total assets	\$ 9,360,013	\$ 2,594,950	\$ 80,909,420	\$ 52,398,507	\$ 145,262,890
LIABILITIES					
Vouchers payable and accrued liabilities	\$ 4,594,245	\$ 55,587	\$ -	\$ 266,061	\$ 4,915,893
Due to other governments	534,334	371,414	10,436,227	28,877,705	40,219,680
Due to individuals	4,136,398	2,167,949	70,473,193	23,254,741	100,032,281
Other liabilities	95,036	-	-	-	95,036
Total liabilities	\$ 9,360,013	\$ 2,594,950	\$ 80,909,420	\$ 52,398,507	\$ 145,262,890

PALM BEACH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the fiscal year ended September 30, 2015

BOARD OF COUNTY COMMISSIONERS

	Balance 10/1/2014	Additions	Deductions	Balance 9/30/2015
ASSETS				
Cash, cash equivalents, and investments	\$ 9,452,480	\$ 64,946,592	\$ 65,114,812	\$ 9,284,260
Accounts receivable, net	11	631	642	-
Due from other county funds	-	671	671	-
Due from other governments	79,667	74,711	78,625	75,753
Due from component unit	-	-	-	-
Other assets	-	-	-	-
Total assets	\$ 9,532,158	\$ 65,022,605	\$ 65,194,750	\$ 9,360,013
LIABILITIES				
Vouchers payable and accrued liabilities	\$ 4,281,821	\$ 54,666,800	\$ 54,354,376	\$ 4,594,245
Due to other county funds	-	97,055	97,055	-
Due to other governments	283,080	1,381,773	1,130,519	534,334
Due to component unit	-	353,411	353,411	-
Due to individuals	4,750,218	2,426,879	3,040,699	4,136,398
Other liabilities	217,039	6,302,444	6,424,447	95,036
Total liabilities	\$ 9,532,158	\$ 65,228,362	\$ 65,400,507	\$ 9,360,013

PALM BEACH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the fiscal year ended September 30, 2015

SHERIFF

	Balance 10/1/2014	Additions	Deductions	Balance 9/30/2015
ASSETS				
Cash, cash equivalents, and investments	\$ 1,649,169	\$ 92,403,169	\$ 92,527,325	\$ 1,525,013
Accounts receivable, net	408,171	8,093,253	8,070,425	430,999
Due from other county funds	-	12,793,595	12,793,595	-
Due from other governments	695,097	48,142,168	48,198,618	638,647
Due from component unit	-	-	-	-
Other assets	321	963	993	291
Total assets	\$ 2,752,758	\$ 161,433,148	\$ 161,590,956	\$ 2,594,950
LIABILITIES				
Vouchers payable and accrued liabilities	\$ 54,853	\$ 9,001,011	\$ 9,000,277	\$ 55,587
Due to other county funds	-	122,640,571	122,640,571	-
Due to other governments	336,327	1,153,702	1,118,615	371,414
Due to component unit	-	-	-	-
Due to individuals	2,361,578	10,594,683	10,788,312	2,167,949
Other liabilities	-	46,206,927	46,206,927	-
Total liabilities	\$ 2,752,758	\$ 189,596,894	\$ 189,754,702	\$ 2,594,950

PALM BEACH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the fiscal year ended September 30, 2015

CLERK & COMPTROLLER

	Balance 10/1/2014	Additions	Deductions	Balance 9/30/2015
ASSETS				
Cash, cash equivalents, and investments	\$ 81,914,059	\$ 509,269,905	\$ 510,847,851	\$ 80,336,113
Accounts receivable, net	932,412	515,107	874,212	573,307
Due from other county funds	-	5,472,021	5,472,021	-
Due from other governments	20	5,780	5,800	-
Due from component unit	-	-	-	-
Other assets	-	-	-	-
Total assets	\$ 82,846,491	\$ 515,262,813	\$ 517,199,884	\$ 80,909,420
LIABILITIES				
Vouchers payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Due to other county funds	-	37,159,225	37,159,225	-
Due to other governments	9,333,520	277,560,395	276,457,688	10,436,227
Due to component unit	-	-	-	-
Due to individuals	73,512,971	296,326,665	299,366,443	70,473,193
Other liabilities	-	-	-	-
Total liabilities	\$ 82,846,491	\$ 611,046,285	\$ 612,983,356	\$ 80,909,420

PALM BEACH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the fiscal year ended September 30, 2015

TAX COLLECTOR

	Balance 10/1/2014	Additions	Deductions	Balance 9/30/2015
ASSETS				
Cash, cash equivalents, and investments	\$ 45,030,471	\$ 3,553,109,219	\$ 3,545,813,144	\$ 52,326,546
Accounts receivable, net	100,515	12,529,520	12,558,105	71,930
Due from other county funds	-	1,080,425	1,080,425	-
Due from other governments	-	274	243	31
Due from component unit	-	-	-	-
Other assets	-	-	-	-
Total assets	\$ 45,130,986	\$ 3,566,719,438	\$ 3,559,451,917	\$ 52,398,507
LIABILITIES				
Vouchers payable and accrued liabilities	\$ 177,142	\$ 266,060	\$ 177,141	\$ 266,061
Due to other county funds	-	628,350,805	628,350,805	-
Due to other governments	24,124,295	1,465,661,744	1,460,908,334	28,877,705
Due to component unit	-	186,823,317	186,823,317	-
Due to individuals	20,829,549	1,049,601,714	1,047,176,522	23,254,741
Other liabilities	-	-	-	-
Total liabilities	\$ 45,130,986	\$ 3,330,703,640	\$ 3,323,436,119	\$ 52,398,507

PALM BEACH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the fiscal year ended September 30, 2015

<u>TOTAL AGENCY FUNDS</u>				
	Balance 10/1/2014	Additions	Deductions	Balance 9/30/2015
ASSETS				
Cash, cash equivalents, and investments	\$ 138,046,179	\$ 4,219,728,885	\$ 4,214,303,132	\$ 143,471,932
Accounts receivable, net	1,441,109	21,138,511	21,503,384	1,076,236
Due from other county funds	-	19,346,712	19,346,712	-
Due from other governments	774,784	48,222,933	48,283,286	714,431
Due from component unit	-	-	-	-
Other assets	321	963	993	291
Total assets	\$ 140,262,393	\$ 4,308,438,004	\$ 4,303,437,507	\$ 145,262,890
LIABILITIES				
Vouchers payable and accrued liabilities	\$ 4,513,816	\$ 63,933,871	\$ 63,531,794	\$ 4,915,893
Due to other county funds	-	788,247,656	788,247,656	-
Due to other governments	34,077,222	1,745,757,614	1,739,615,156	40,219,680
Due to component unit	-	187,176,728	187,176,728	-
Due to individuals	101,454,316	1,358,949,941	1,360,371,976	100,032,281
Other liabilities	217,039	52,509,371	52,631,374	95,036
Total liabilities	\$ 140,262,393	\$ 4,196,575,181	\$ 4,191,574,684	\$ 145,262,890





Statistical Section

The Statistical Section provides financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, including the accompanying notes, and required supplementary information to assess the County's economic condition. Information is presented in the following five categories:

- Financial trends information
- Revenue capacity information
- Debt capacity information
- Demographic & economic information
- Operating information



Statistical Section

This part of Palm Beach County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about Palm Beach County's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends Information <i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	216
Revenue Capacity Information <i>These schedules contain information to help the reader assess the County's most significant local revenue source, Property Taxes.</i>	228
Debt Capacity Information <i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	237
Demographic and Economic Information <i>These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	243
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.</i>	246

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



FINANCIAL TRENDS INFORMATION

TABLE I
PALM BEACH COUNTY, FLORIDA
Net Position by Component
Last Ten Fiscal Years
September 30, 2015
(accrual basis of accounting)

	2015	2014	2013	2012
Governmental activities				
Net investment in capital assets	\$ 1,610,129,282	\$ 1,578,473,003	\$ 1,665,496,482	\$ 1,613,352,906
Restricted	538,929,027	538,405,409	575,891,358	607,934,453
Unrestricted	(527,944,511)	116,415,891	96,955,634	157,779,274
Subtotal governmental activities net position	<u>1,621,113,798</u>	<u>2,233,294,303</u>	<u>2,338,343,474</u>	<u>2,379,066,633</u>
Business-type activities				
Net investment in capital assets	1,127,828,939	1,062,570,754	1,044,481,295	962,437,487
Restricted	82,068,022	88,136,072	80,982,424	80,734,828
Unrestricted	350,299,906	356,435,217	319,395,356	286,575,362
Subtotal business-type activities net position	<u>1,560,196,867</u>	<u>1,507,142,043</u>	<u>1,444,859,075</u>	<u>1,329,747,677</u>
Primary government				
Net investment in capital assets	2,737,958,221	2,641,043,757	2,709,977,777	2,575,790,393
Restricted	620,997,049	626,541,481	656,873,782	688,669,281
Unrestricted	(177,644,605)	472,851,108	416,350,990	444,354,636
Total primary government net position	<u>\$ 3,181,310,665</u>	<u>\$ 3,740,436,346</u>	<u>\$ 3,783,202,549</u>	<u>\$ 3,708,814,310</u>

2011	2010	2009	2008	2007	2006
\$1,489,989,254	\$1,450,011,423	\$1,379,604,426	\$1,259,900,977	\$1,258,858,321	\$1,149,700,254
595,555,856	775,130,243	791,216,501	721,136,994	691,922,069	653,306,180
266,652,171	125,567,464	215,300,661	404,592,872	424,170,355	440,749,051
<u>2,352,197,281</u>	<u>2,350,709,130</u>	<u>2,386,121,588</u>	<u>2,385,630,843</u>	<u>2,374,950,745</u>	<u>2,243,755,485</u>
956,542,617	1,279,889,595	1,295,978,868	1,221,939,326	1,086,676,383	948,165,708
80,426,727	100,822,222	102,511,960	81,853,521	96,296,100	75,198,428
244,844,404	289,268,076	247,786,962	256,633,886	280,151,773	293,449,654
<u>1,281,813,748</u>	<u>1,669,979,893</u>	<u>1,646,277,790</u>	<u>1,560,426,733</u>	<u>1,463,124,256</u>	<u>1,316,813,790</u>
2,446,531,871	2,729,901,018	2,675,583,294	2,481,840,303	2,345,534,704	2,097,865,962
675,982,583	875,952,465	893,728,461	802,990,515	788,218,169	728,504,608
511,496,575	414,835,540	463,087,623	661,226,758	704,322,128	734,198,705
<u>\$3,634,011,029</u>	<u>\$4,020,689,023</u>	<u>\$4,032,399,378</u>	<u>\$3,946,057,576</u>	<u>\$3,838,075,001</u>	<u>\$3,560,569,275</u>

TABLE II
PALM BEACH COUNTY, FLORIDA
Changes in Net Position
Last Ten Fiscal Years
September 30, 2015
(accrual basis of accounting)

	2015	2014	2013	2012
Expenses				
Governmental activities:				
General government	\$ 359,871,796	\$ 348,499,005	\$ 321,910,646	\$ 314,666,246
Public safety	809,118,863	826,889,486	786,379,088	759,899,255
Physical environment	35,899,781	31,189,932	37,638,256	29,206,388
Transportation	151,556,124	171,955,805	162,593,689	168,483,843
Economic environment	73,225,650	68,013,327	91,339,802	114,825,751
Human services	83,777,781	90,190,605	98,658,322	97,827,366
Culture & recreation	115,604,166	118,340,261	123,512,012	107,783,211
Interest expense	33,558,583	40,903,205	43,439,813	48,095,197
Total governmental activities expenses	1,662,612,744	1,695,981,626	1,665,471,628	1,640,787,257
Business-type activities:				
Department of Airports	74,222,296	74,221,674	74,545,618	73,838,549
Water Utilities Department	162,646,668	159,870,113	154,872,466	149,310,319
Solid Waste Authority	-	-	-	-
Total business-type activities expenses	236,868,964	234,091,787	229,418,084	223,148,868
Total primary government expenses	1,899,481,708	1,930,073,413	1,894,889,712	1,863,936,125
Program Revenues				
Governmental activities:				
Fines, fees and charges for services				
General government	151,696,645	143,904,381	124,520,179	111,559,056
Public safety	141,814,407	123,114,049	126,581,672	117,831,187
Physical environment	33,990,543	5,393,092	7,875,400	8,298,140
Transportation	16,139,081	38,166,842	34,130,936	27,167,174
Economic environment	3,437,371	3,734,295	3,846,217	3,354,941
Human services	3,085,915	3,094,407	3,422,947	3,547,332
Culture & recreation	22,573,135	20,740,160	21,214,293	19,313,804
Operating Grants and Contributions	114,248,073	111,212,437	183,246,981	223,500,504
Capital Grants and Contributions	4,137,027	7,084,678	14,200,249	20,135,358
Total governmental activities program revenue	491,122,197	456,444,341	519,038,874	534,707,496
Business-type activities:				
Fines, fees and charges for services				
Department of Airports	76,008,774	80,978,685	77,052,942	77,400,041
Water Utilities Department	187,516,359	177,548,088	166,506,631	157,177,871
Solid Waste Authority	-	-	-	-
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	57,988,461	34,561,299	34,866,940	30,204,065
Total business-type activities program revenue	321,513,594	293,088,072	278,426,513	264,781,977
Total primary government program revenues	812,635,791	749,532,413	797,465,387	799,489,473

2011	2010	2009	2008	2007	2006
\$ 341,822,193	\$ 371,148,103	\$ 361,226,125	\$ 350,734,704	\$ 353,587,607	\$ 334,221,067
766,484,908	786,471,756	745,921,020	687,642,947	648,701,203	594,769,838
28,162,354	43,167,022	31,362,849	25,796,346	28,636,570	22,758,674
154,340,423	156,220,175	159,185,218	164,201,354	169,132,729	146,885,943
81,393,923	81,413,581	97,971,339	213,041,163	160,162,014	70,953,984
103,147,354	105,602,745	102,646,882	101,164,791	100,967,046	92,500,262
116,388,965	125,116,020	119,372,592	124,177,434	119,260,294	135,554,637
51,630,978	54,553,591	57,030,394	49,875,129	49,027,928	46,868,063
1,643,371,098	1,723,692,993	1,674,716,419	1,716,633,868	1,629,475,391	1,444,512,468
75,500,620	76,945,438	78,046,101	71,747,321	66,276,956	65,296,423
147,231,279	138,430,579	139,641,769	127,812,208	112,853,464	98,664,387
-	201,080,621	182,688,229	160,805,739	158,484,143	211,845,828
222,731,899	416,456,638	400,376,099	360,365,268	337,614,563	375,806,638
1,866,102,997	2,140,149,631	2,075,092,518	2,076,999,136	1,967,089,954	1,820,319,106
102,103,820	103,620,685	114,047,649	129,124,303	132,000,732	157,791,914
112,387,583	115,863,889	110,334,202	98,503,611	94,764,762	90,472,783
6,499,713	17,133,350	10,151,537	4,997,300	5,680,770	8,888,175
20,060,113	18,614,170	17,193,688	26,379,224	31,801,521	56,056,281
3,058,264	3,437,443	3,290,607	3,227,522	3,122,003	2,985,295
3,351,710	3,348,276	3,698,309	5,897,399	3,140,222	2,884,924
16,699,485	15,373,433	14,251,315	12,332,208	15,254,861	20,951,076
209,692,465	166,400,734	124,370,724	132,135,333	132,204,759	169,338,489
22,045,772	17,336,040	18,467,156	40,630,120	18,202,648	18,860,932
495,898,925	461,128,020	415,805,187	453,227,020	436,172,278	528,229,869
78,911,145	76,165,984	75,700,643	74,338,460	77,478,538	73,656,481
152,312,882	141,616,613	130,226,088	118,720,944	107,090,233	97,504,258
-	238,743,084	226,946,893	195,947,347	195,898,364	176,395,212
-	1,587,479	2,611,735	9,076,750	30,829,908	71,862,103
22,455,857	29,919,742	39,857,577	59,477,117	57,146,874	86,049,256
253,679,884	488,032,902	475,342,936	457,560,618	468,443,917	505,467,310
749,578,809	949,160,922	891,148,123	910,787,638	904,616,195	1,033,697,179

TABLE II
PALM BEACH COUNTY, FLORIDA
Changes in Net Position
Last Ten Fiscal Years
September 30, 2015
(accrual basis of accounting)

(Continuations)

	2015	2014	2013	2012
Net (Expenses)/Revenue				
Governmental activities	\$ (1,171,490,547)	\$ (1,239,537,285)	\$ (1,146,432,754)	\$ (1,106,079,761)
Business-type activities	84,644,630	58,996,285	49,008,429	41,633,109
Total primary government net expense	(1,086,845,917)	(1,180,541,000)	(1,097,424,325)	(1,064,446,652)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes levied by the County				
Ad valorem taxes	917,301,988	856,759,011	827,864,189	824,015,386
Utility service taxes	39,936,056	39,077,775	35,925,527	33,553,838
Local option gas taxes	49,750,672	46,939,093	45,494,125	45,637,158
Tourist development taxes	42,736,409	33,842,266	30,523,694	28,821,660
State shared sales tax-unrestricted	84,668,592	79,413,855	74,054,478	70,206,178
Franchise gross receipts fee	37,293,992	37,095,854	34,540,341	34,955,780
State shared revenue-unrestricted	61,040,743	58,596,967	58,432,861	55,026,652
Investment income (1)	17,928,704	16,612,089	(3,387,696)	40,425,709
Other general revenues	2,675,830	5,931,019	4,251,955	3,138,225
Gain on disposal of capital assets	-	798,013	-	-
Transfers-net	12,667,873	(1,280,226)	(1,989,879)	(2,831,473)
Special item - loss on sale of land	-	(33,300,538)	-	-
Total governmental activities	1,266,000,859	1,140,485,178	1,105,709,595	1,132,949,113
Business-type activities:				
Investment income (1)	4,748,241	4,433,772	184,583	7,041,371
Other general revenues	-	-	-	-
Gain on disposal of capital assets	-	-	-	-
Transfers-net	(12,667,873)	1,280,226	1,989,879	2,831,473
Special items	-	-	63,928,507	(3,572,024)
Total business-type activities	(7,919,632)	5,713,998	66,102,969	6,300,820
Total primary government	1,258,081,227	1,146,199,176	1,171,812,564	1,139,249,933
Change in Net Position				
Governmental activities	94,510,312	(99,052,107)	(40,723,159)	26,869,352
Business-type activities	76,724,998	64,710,283	115,111,398	47,933,929
Total primary government	\$ 171,235,310	\$ (34,341,824)	\$ 74,388,239	\$ 74,803,281

(1) Includes interest income and net change in fair value of investments

2011	2010	2009	2008	2007	2006
\$ (1,147,472,173)	\$ (1,262,564,973)	\$ (1,258,911,232)	\$ (1,263,406,848)	\$ (1,193,303,113)	\$ (916,282,599)
30,947,985	71,576,264	74,966,837	97,195,350	130,829,354	129,660,672
(1,116,524,188)	(1,190,988,709)	(1,183,944,395)	(1,166,211,498)	(1,062,473,759)	(786,621,927)
839,684,057	860,977,954	855,761,096	897,890,650	939,719,588	800,033,319
33,947,339	33,837,191	29,662,838	30,543,325	29,824,203	28,882,670
44,603,467	44,949,024	45,472,637	46,068,630	47,668,148	49,144,912
25,480,495	23,219,185	22,346,492	27,813,718	26,818,069	23,528,567
66,826,717	64,268,114	64,658,133	72,375,458	76,120,744	80,019,101
36,350,282	38,512,546	34,149,094	30,039,809	30,005,367	29,707,735
52,288,454	87,130,547	62,583,579	59,369,923	61,569,609	61,593,434
47,432,115	71,620,542	135,105,777	87,183,609	98,855,421	75,370,005
2,073,844	3,638,664	8,562,331	6,092,958	9,640,268	5,274,520
2,001,396	-	-	-	6,804,989	-
(1,727,842)	(1,001,252)	1,100,000	9,654,866	(2,528,033)	(11,055,000)
-	-	-	-	-	-
1,148,960,324	1,227,152,515	1,259,401,977	1,267,032,946	1,324,498,373	1,142,499,263
8,271,098	7,506,002	11,984,220	9,684,500	12,932,755	9,298,155
-	-	-	-	-	48,047
-	-	-	77,493	20,324	3,416,202
1,727,842	1,001,252	(1,100,000)	(9,654,866)	2,528,033	11,055,000
(4,045,999)	(56,381,415)	-	-	-	(32,214,001)
5,952,941	(47,874,161)	10,884,220	107,127	15,481,112	(8,396,597)
1,154,913,265	1,179,278,354	1,270,286,197	1,267,140,073	1,339,979,485	1,134,102,666
1,488,151	(35,412,458)	490,745	3,626,098	131,195,260	226,216,664
36,900,926	23,702,103	85,851,057	97,302,477	146,310,466	121,264,075
\$ 38,389,077	\$ (11,710,355)	\$ 86,341,802	\$ 100,928,575	\$ 277,505,726	\$ 347,480,739

TABLE III
PALM BEACH COUNTY, FLORIDA
Fund Balances
Governmental Funds
Last Ten Fiscal Years
September 30, 2015

(modified accrual basis of accounting)

Post - GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions"

	2015	2014	2013	2012	2011
General Fund					
Nonspendable	\$ 6,536,302	\$ 6,375,081	\$ 6,366,867	\$ 5,762,610	\$ 6,528,628
Spendable:					
Restricted	21,558,765	19,723,752	18,011,430	17,648,934	15,615,345
Assigned	-	-	200,000	437,425	-
Unassigned	165,315,517	158,030,146	175,544,442	193,701,053	178,636,195
Total general fund	<u>\$ 193,410,584</u>	<u>\$ 184,128,979</u>	<u>\$ 200,122,739</u>	<u>\$ 217,550,022</u>	<u>\$ 200,780,168</u>
All Other Governmental Funds					
Nonspendable	\$ 7,285,344	\$ 6,834,495	\$ 6,865,612	\$ 6,599,801	\$ 6,894,353
Spendable:					
Restricted	672,028,427	657,364,640	653,092,679	708,502,550	746,335,862
Assigned	193,149,723	196,147,753	197,177,604	199,476,831	201,848,573
Unassigned	(9,603,817)	(6,982,830)	(13,508,904)	(11,011,102)	(8,283,268)
Total all other governmental funds	<u>\$ 862,859,677</u>	<u>\$ 853,364,058</u>	<u>\$ 843,626,991</u>	<u>\$ 903,568,080</u>	<u>\$ 946,795,520</u>

GASB Statement No. 54 was implemented in fiscal year 2011.

Pre - GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions"

	2010	2009	2008	2007	2006
General Fund					
Reserved	\$ 2,075,220	\$ 2,050,551	\$ 1,998,639	\$ 2,072,013	\$ 2,705,674
Unreserved	167,040,777	178,812,646	218,575,161	240,764,804	218,802,474
Total general fund	<u>\$ 169,115,997</u>	<u>\$ 180,863,197</u>	<u>\$ 220,573,800</u>	<u>\$ 242,836,817</u>	<u>\$ 221,508,148</u>
All Other Governmental Funds					
Reserved	\$ 41,693,047	\$ 42,910,572	\$ 46,696,097	\$ 29,563,773	\$ 35,810,097
Unreserved, reported in:					
Special revenue funds	286,753,270	269,123,104	276,245,476	254,283,049	244,649,627
Capital project funds	759,316,295	931,298,645	973,138,644	883,294,634	981,898,355
Total all other governmental funds	<u>\$1,087,762,612</u>	<u>\$1,243,332,321</u>	<u>\$1,296,080,217</u>	<u>\$1,167,141,456</u>	<u>\$1,262,358,079</u>

Table IV
PALM BEACH COUNTY, FLORIDA
Changes in Fund Balances
Governmental Funds
Last Ten Fiscal Years
September 30, 2015
(modified accrual basis of accounting)

	2015	2014	2013	2012	2011
Revenues					
Taxes (See Table V)	\$ 1,077,087,745	\$ 1,004,370,198	\$ 968,750,227	\$ 958,796,572	\$ 969,585,795
Special assessments	41,987,325	35,095,158	41,048,707	32,282,348	14,264,557
Licenses and permits	59,129,340	57,218,722	53,415,426	50,461,027	50,712,934
Intergovernmental (See Table V)	219,508,595	219,318,714	291,104,738	323,637,494	289,165,379
Charges for services	308,212,325	298,570,908	272,817,920	259,051,389	259,016,731
Less - excess fees paid out	(31,461,960)	(35,910,422)	(38,411,704)	(39,445,243)	(39,568,304)
Fines & forfeitures	10,071,206	8,381,066	7,190,565	7,215,209	8,104,263
Investment income (2)	16,758,294	15,517,081	(2,998,748)	38,090,657	44,264,314
Miscellaneous	25,627,370	21,408,593	30,055,033	24,492,007	20,006,576
Total revenues	1,726,920,240	1,623,970,018	1,622,972,164	1,654,581,460	1,615,552,245
Expenditures					
General government	325,734,128	312,052,203	290,607,876	274,355,685	320,404,417
Public safety	792,838,716	762,287,119	721,898,647	695,133,161	713,024,043
Physical environment	35,325,889	29,418,463	36,797,874	27,896,485	27,236,858
Transportation	135,049,787	129,731,700	123,345,920	125,192,758	120,620,172
Economic environment	73,214,855	67,872,773	91,353,398	114,737,668	81,389,450
Human services	83,106,393	90,251,756	98,089,003	96,774,300	102,158,971
Culture & recreation	100,555,477	99,430,309	106,283,033	90,721,377	100,116,700
Capital outlay	105,590,974	99,597,884	115,826,465	142,048,560	165,108,941
Debt service					
Principal	95,024,583	93,437,510	88,153,933	82,574,228	82,679,150
Interest	38,175,301	44,276,746	46,723,445	48,791,317	53,082,857
Other charges	3,149,178	1,359,806	5,035,185	1,275,884	3,354,054
Total expenditures	1,787,765,281	1,729,716,269	1,724,114,779	1,699,501,423	1,769,175,613
Excess of revenues over (under) expenditures	(60,845,041)	(105,746,251)	(101,142,615)	(44,919,963)	(153,623,368)
Other Financing Sources (Uses)					
Transfers in	216,587,690	195,960,153	197,465,378	211,372,253	202,873,127
Transfers out	(203,912,206)	(197,232,768)	(188,347,646)	(196,634,999)	(202,840,602)
Sale of land	-	27,367,844	-	-	-
Capital lease	964,588	-	722,603	-	-
Issuance of long-term debt	65,118,000	73,423,000	13,397,000	3,561,000	37,359,407
Premium (discount) long-term debt	3,257,441	(130,619)	-	-	-
Issuance of refunding debt	136,080,000	39,900,000	-	163,189,340	91,475,000
Premium (discount) refunding debt	23,235,345	6,087,994	-	28,470,407	14,763,603
Payment to escrow agent for refunding	(162,146,879)	(45,641,587)	-	(191,000,713)	(99,819,373)
Total other financing sources (uses)	79,183,979	99,734,017	23,237,335	18,957,288	43,811,162
Net change in fund balances	\$ 18,338,938	\$ (6,012,234)	\$ (77,905,280)	\$ (25,962,675)	\$ (109,812,206)
Debt service as a percentage of noncapital expenditures (1)	7.9%	8.4%	8.4%	8.4%	8.5%

(1) Debt service percentage = (principal & interest) / (total expenditures - capital outlay capitalized as capital assets)

(2) Includes interest income and net change in fair value of investments

2010	2009	2008	2007	2006
\$ 990,532,379	\$ 981,612,885	\$ 1,060,648,899	\$ 1,103,524,951	\$ 959,811,851
14,280,821	12,800,895	30,766,826	37,199,384	93,320,734
51,631,037	45,277,203	14,495,838	18,905,841	27,124,893
281,852,363	230,405,234	231,253,335	225,178,347	274,002,360
270,399,489	268,772,594	263,170,088	258,533,429	254,197,688
(42,088,065)	(45,435,474)	(48,986,202)	(50,266,917)	(40,873,561)
7,834,661	12,050,681	13,409,495	14,905,754	7,655,171
66,901,016	127,214,081	84,558,686	97,232,629	71,586,595
26,792,351	23,927,073	25,256,701	39,679,635	35,124,869
<u>1,668,136,052</u>	<u>1,656,625,172</u>	<u>1,674,573,666</u>	<u>1,744,893,053</u>	<u>1,681,950,600</u>
320,528,157	301,345,410	310,329,730	313,015,263	290,838,621
725,092,311	689,356,967	653,281,284	599,870,191	574,135,189
41,730,420	29,585,239	24,897,201	26,549,400	21,343,348
121,543,922	129,347,587	136,380,373	133,592,630	121,777,304
81,075,787	99,032,530	175,019,052	155,367,439	70,743,624
103,155,921	101,393,023	99,860,522	99,109,754	91,612,500
107,158,290	103,713,504	106,653,976	103,809,416	123,390,031
206,202,286	226,570,069	245,434,936	326,185,756	228,383,696
80,097,501	75,847,513	73,892,468	88,291,399	62,308,629
56,656,584	54,810,052	48,576,404	49,666,635	45,439,931
3,464,706	2,771,849	4,845,829	665,931	3,024,010
<u>1,846,705,885</u>	<u>1,813,773,743</u>	<u>1,879,171,775</u>	<u>1,896,123,814</u>	<u>1,632,996,883</u>
(178,569,833)	(157,148,571)	(204,598,109)	(151,230,761)	48,953,717
796,831,395	874,338,459	790,518,983	789,706,485	649,145,798
(786,720,354)	(874,688,943)	(790,164,731)	(790,338,523)	(654,200,798)
-	-	-	-	-
-	-	-	-	-
1,426,000	59,844,760	304,926,006	78,470,918	105,504,655
-	804,667	5,446,308	561,966	(48,226)
31,128,107	51,730,000	53,751,266	-	115,825,000
1,114,948	979,778	797,115	-	-
(31,998,005)	(47,904,895)	(54,185,517)	-	(121,560,729)
<u>11,782,091</u>	<u>65,103,826</u>	<u>311,089,430</u>	<u>78,400,846</u>	<u>94,665,700</u>
<u>\$ (166,787,742)</u>	<u>\$ (92,044,745)</u>	<u>\$ 106,491,321</u>	<u>\$ (72,829,915)</u>	<u>\$ 143,619,417</u>
8.3%	8.2%	7.5%	8.8%	7.7%

TABLE V
PALM BEACH COUNTY, FLORIDA
Tax and Intergovernmental Revenue by Source
Last Ten Fiscal Years
September 30, 2015
(modified accrual basis of accounting)
(dollars in thousands)

County Taxes

Fiscal Year	Ad Valorem Tax	Tourist		Utility Tax	Communication		Local Business Tax (3)	Total County Taxes
		Development Tax	Local Option Gas Tax		Services Tax	Franchise Fees (3)		
2006	\$ 800,033	\$ 23,528	\$ 49,145	\$ 28,883	\$ 28,515	\$ 29,708	\$ -	\$ 959,812
2007	939,720	26,818	47,668	29,824	29,490	30,005	-	1,103,525
2008	897,891	27,814	46,069	30,543	28,992	29,340	-	1,060,649
2009	855,761	22,346	45,473	29,663	26,447	-	1,923	981,613
2010	860,978	23,219	44,949	33,837	25,645	-	1,904	990,532
2011	839,684	25,481	44,603	33,947	24,126	-	1,745	969,586
2012	824,015	28,822	45,637	33,554	24,914	-	1,855	958,797
2013	827,864	30,524	45,494	35,926	27,111	-	1,831	968,750
2014	856,759	33,842	46,939	39,078	25,902	-	1,850	1,004,370
2015	917,302	42,736	49,751	39,936	25,412	-	1,951	1,077,088

Intergovernmental Revenue

Fiscal Year	Sales Tax	State Shared		Federal Grants (2)	State		Other (1)	Total Intergovernmental Revenue
		Revenue Sharing	State Levied Fuel Taxes		Other Grants			
2006	\$ 80,019	\$ 27,931	\$ 17,499	\$ 112,383	\$ 31,023	\$ 5,147	\$ 274,002	
2007	76,121	26,861	17,405	71,340	26,693	6,758	225,178	
2008	72,375	24,802	16,388	69,728	41,172	6,788	231,253	
2009	64,658	30,508	16,017	68,041	42,400	8,781	230,405	
2010	64,268	55,691	15,835	111,184	26,522	8,352	281,852	
2011	66,827	56,053	15,698	117,734	22,733	10,120	289,165	
2012	70,206	57,394	15,807	137,342	34,740	8,148	323,637	
2013	74,054	51,002	15,831	112,174	31,178	6,866	291,105	
2014	79,414	27,735	16,363	72,485	16,940	6,382	219,319	
2015	84,669	30,063	17,010	59,223	21,980	6,564	219,509	

(1) Other revenue includes: Alcoholic Beverage Licenses, Racing Tax, Insurance Agent County Licenses, Mobile Home licenses, Firefighters Supplemental Comp, and 911 Wireless Fees.

(2) The increases in FY's 06, 10, 11 & 12 are the result of FEMA Disaster reimbursements for hurricane damage suffered in Palm Beach County.

(3) Effective with FY09, franchise fees are now considered to be "Licenses, Permits and Fees" and are no longer included in this table. Additionally, occupational licenses are now considered to be "Taxes" and are included in this table under the "Local Business Tax" column.

Note: Some values may differ from amounts reported in the Entity-wide Statement of Activities. That statement reports revenues using the full accrual method of accounting.

REVENUE CAPACITY INFORMATION

TABLE VI
 PALM BEACH COUNTY, FLORIDA
 Actual Value and Assessed Value of Taxable Property
 Last Ten Fiscal Years
 September 30, 2015
(in thousands of dollars)

Fiscal Year Ended Sept. 30	Residential Property	Commercial Property	Industrial Property	Other Property
2006	\$ 186,122,863	\$ 19,818,634	\$ 3,754,689	\$ 15,233,577
2007	186,691,396	20,990,540	4,125,245	16,415,476
2008	171,730,204	21,856,923	4,408,947	17,058,313
2009	138,686,709	20,363,548	5,713,502	16,523,612
2010	119,853,487	17,121,091	4,686,925	15,281,251
2011	118,927,021	16,264,373	4,548,654	14,861,109
2012	118,105,507	16,251,322	4,276,860	15,009,710
2013	124,767,998	16,967,663	4,442,499	15,930,742
2014	141,889,587	18,937,143	3,620,474	18,436,337
2015	159,490,352	21,696,600	3,983,608	21,291,257

Source: Palm Beach County Property Appraiser's Office, Form DR-403V and DRPC_AUTH.

Notes: Florida State Law requires all property to be assessed at current fair market value.

Exemptions for real property include: homestead exemptions, widows/widowers exemption, disability/blind exemption, governmental exemption, institutional exemption, economic development, and other exemptions as allowed by law.

Certain prior year amounts in this table have been revised based on additional information received.

Tangible Personal Property	Railroad And Telegraph	Total Property Just Value	Total Property Assessed Value	Less: Total Exempt Value	Total Taxable Value	Total Direct Tax Rate
\$ 7,862,551	\$ 80,168	\$ 232,872,482	\$ 182,194,149	\$ 21,209,952	\$ 160,984,197	4.7192
8,023,846	102,611	236,349,114	191,826,739	21,816,790	170,009,949	4.4775
8,243,267	130,188	223,427,842	191,249,945	30,890,030	160,359,915	3.9813
8,403,311	104,151	189,794,833	171,643,979	30,201,055	141,442,924	3.9656
9,341,651	95,024	166,379,429	155,555,378	28,865,751	126,689,627	4.5614
8,584,234	99,221	163,284,612	152,332,012	28,062,318	124,269,694	4.9960
9,266,245	102,050	163,011,694	152,792,949	27,711,700	125,081,249	4.9925
9,444,021	111,667	171,664,590	157,928,325	27,968,541	129,959,784	4.9902
9,604,974	131,145	192,619,660	167,702,639	28,483,761	139,218,878	4.9852
11,014,027	135,067	217,610,911	181,898,452	29,335,635	152,562,817	4.9729

TABLE VII
 PALM BEACH COUNTY, FLORIDA
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
 September 30, 2015
(Per \$1,000 of Assessed Value)

Fiscal Year Ended Sept. 30	Direct Rates			Overlapping Rates						
	General Government	Debt Service Fund	Total Direct Rates	Palm Beach County School Board	South Florida Water Management District	Florida Inland Navigation District	Children's Services Council	Health Care District	Total Overlapping Rates	Total Countywide
2006	4.4500	0.2692	4.7192	8.1060	0.6970	0.0385	0.6887	1.0800	10.6102	15.3294
2007	4.2800	0.1975	4.4775	7.8720	0.6970	0.0385	0.6199	0.9700	10.1974	14.6749
2008	3.7811	0.2002	3.9813	7.3560	0.6240	0.0345	0.5823	0.8900	9.4868	13.4681
2009	3.7811	0.1845	3.9656	7.2510	0.6240	0.0345	0.6009	0.9975	9.5079	13.4735
2010	4.3440	0.2174	4.5614	7.9830	0.6240	0.0345	0.6898	1.1451	10.4764	15.0378
2011	4.7500	0.2460	4.9960	8.1540	0.6240	0.0345	0.7513	1.1451	10.7089	15.7049
2012	4.7815	0.2110	4.9925	8.1800	0.4363	0.0345	0.7475	1.1250	10.5233	15.5158
2013	4.7815	0.2087	4.9902	7.7780	0.4289	0.0345	0.7300	1.1220	10.0934	15.0836
2014	4.7815	0.2037	4.9852	7.5860	0.4110	0.0345	0.7025	1.0800	9.8140	14.7992
2015	4.7815	0.1914	4.9729	7.5940	0.3842	0.0345	0.6745	1.0800	9.7672	14.7401

TABLE VIII
PALM BEACH COUNTY, FLORIDA
Principal Property Tax Payers
Current Year and Nine Years Ago
September 30, 2015

Taxpayer	2015			2006		
	Total Tax	Rank	Percentage Of Total Taxes Levied	Total Tax	Rank	Percentage Of Total Taxes Levied
Florida Power & Light	\$ 102,893,652	1	10.79 %	\$ 24,629,494	1	2.96 %
Town Center	8,240,225	2	0.86	5,533,384	3	0.66
Gardens Venture LLC	5,506,996	3	0.58	-	-	-
U.S. Sugar Corporation	5,321,920	4	0.56	5,295,981	4	0.64
BellSouth Telecommunications	5,201,778	5	0.55	10,251,138	2	1.23
TM Wellington Green Mall LP	5,088,671	6	0.53	-	-	-
Comcast of Florida/Georgia LLC	5,062,990	7	0.53	-	-	-
Breakers Palm Beach Inc.	5,058,673	8	0.53	4,378,861	6	0.53
Palm Beach Outlets I LLC	4,547,745	9	0.48	-	-	-
Panthers BRHC LTD	3,880,139	10	0.41	4,482,201	5	0.54
Okeelanta Corporation	-	-	-	3,184,745	10	0.38
TJ Palm Beach Assoc LTD Ptnrs	-	-	-	3,260,221	9	0.39
Landry, Lawrence L.	-	-	-	3,998,763	7	0.48
Batmasian James H	-	-	-	3,482,509	8	0.42
Total	\$ 150,802,789		15.82 %	\$ 68,497,297		8.23 %
 Total Taxes levied:	 \$ 953,172,213			 \$ 831,870,587		

Source: Palm Beach County, Office of the Tax Collector

TABLE IX
 PALM BEACH COUNTY, FLORIDA
 Property Tax Levies and Collections
 Last Ten Fiscal Years
 September 30, 2015

Fiscal Year Ended Sept. 30	Gross Taxes Levied for the Fiscal Year	Discounts For Early Payment	Net Taxes Levied for the Fiscal Year	Collections of Current Year Levy		Collections of Delinquent Taxes	Total Tax Collections	
				Amount	Percentage of Net Levy		Amount	Percentage of Net Levy
2006	\$ 831,870,587	\$ 30,533,941	\$ 801,336,646	\$ 799,229,729	99.7 %	\$ 803,590	\$ 800,033,319	99.8 %
2007	978,089,028	33,329,636	944,759,392	938,520,585	99.3	1,199,004	939,719,589	99.5
2008	931,762,735	31,267,722	900,495,013	896,209,694	99.5	1,680,958	897,890,652	99.7
2009	890,906,615	29,693,804	861,212,811	850,038,302	98.7	5,722,794	855,761,096	99.4
2010	898,787,811	30,228,928	868,558,883	849,830,375	97.8	11,147,578	860,977,953	99.1
2011	873,688,271	30,051,107	843,637,164	833,742,236	98.8	5,941,820	839,684,056	99.5
2012	855,036,629	29,541,270	825,495,359	818,681,741	99.2	5,333,645	824,015,386	99.8
2013	859,489,532	29,859,773	829,629,759	823,515,920	99.3	4,348,269	827,864,189	99.8
2014	890,681,695	31,168,237	859,513,458	854,253,131	99.4	2,505,879	856,759,010	99.7
2015	953,172,213	33,525,026	919,647,187	915,225,779	99.5	2,076,210	917,301,989	99.7

Source: Palm Beach County Tax Collector's Office



TABLE X
PALM BEACH COUNTY, FLORIDA
Non-Ad Valorem Revenue
Last Ten Fiscal Years
September 30, 2015

Fiscal Year Ended Sept. 30	2015	2014	2013	2012
Charges for Other Services	\$ 92,665,643	\$ 92,074,911	\$ 88,539,116	\$ 78,347,467
Half-Cent Sales Tax	84,668,593	79,413,855	74,054,479	70,206,178
Electric Franchise Tax	34,386,027	33,805,585	31,120,936	31,407,084
Utility Service Tax	39,935,857	39,075,041	35,336,635	33,478,695
Communications Service Tax	25,411,828	25,902,187	27,111,442	24,914,036
State Revenue Sharing	29,747,095	27,332,082	25,608,477	24,222,170
Reimburse of Indirect Costs	16,515,985	15,158,201	16,122,397	16,335,055
Investment Income (5)	5,401,095	4,911,939	(1,352,105)	14,355,141
Local Option Gas Tax (3)	7,265,789	7,156,641	9,291,029	9,363,976
Miscellaneous	13,265,362	13,684,870	12,319,389	11,899,272
Parks & Recreation Fees	17,808,182	16,706,087	15,717,948	12,491,427
Licenses & Permits	6,586,006	6,308,799	5,983,168	5,691,190
Available Tourist Development Tax (4)	7,625,554	6,768,453	6,104,739	5,764,332
County Officer's Fees	4,293,332	4,915,792	5,077,527	5,785,694
Animal Regulation Fees	3,027,887	3,005,894	2,936,369	2,976,200
Fines and Forfeitures	1,902,889	1,797,266	1,606,023	1,553,566
Parking Revenue	381,702	431,375	418,901	326,900
Excess Fees - Supervisor of Elections (1) (2)	1,552,455	2,318,092	822,354	4,928,198
Excess Fees - Sheriff (2)	7,130,270	9,720,956	14,524,716	17,889,890
Excess Fees - Clerk & Comptroller (2)	885,039	2,140,285	5,353,999	1,929,119
TOTALS	\$ 400,456,590	\$ 392,628,311	\$ 376,697,539	\$ 373,865,590

(1) In 2007, the Supervisor of Elections became a separate fiscal entity.

(2) Excess fees represent unspent appropriations of the constitutional officers which are required by Florida Statute to be returned to the County at the end of the fiscal year. The excess fees are recorded as 'transfer-in' by the County and 'transfer-out' by the constitutional officers in the fund statements.

(3) When used for debt service, Local Option Gas Tax is only available for transportation capital projects; prior years have been restated to include this tax.

(4) When used for debt service, Available Tourist Development Tax is only available for construction or renovation projects associated with professional or spring training sports facilities or convention center facilities.

(5) Includes interest income and net change in fair value of investments

Source: Palm Beach County, Office of Financial Management and Budget

Note: Non-Ad Valorem Revenues are available revenues of the County other than ad valorem taxation on real and personal property, which are legally available for payment of debt service by the County. See Table XV Debt Coverage.

2011	2010	2009	2008	2007	2006
\$ 79,154,771	\$ 87,470,077	\$ 81,137,945	\$ 49,967,579	\$ 47,855,195	\$ 37,429,716
66,826,718	64,268,115	64,658,133	72,375,457	76,120,744	80,019,101
33,262,458	34,017,118	29,913,714	25,042,044	25,495,545	25,022,599
33,947,339	33,837,191	29,662,838	30,543,325	29,824,203	28,882,669
24,125,967	25,645,070	26,446,677	28,992,767	29,489,576	28,514,647
22,779,584	21,985,390	22,072,684	24,757,350	26,814,892	27,881,333
18,015,373	15,912,878	14,277,742	13,357,131	12,222,067	11,583,034
14,880,568	26,413,522	57,833,423	34,257,321	38,635,994	28,689,237
9,123,492	9,169,898	9,379,891	9,415,973	9,666,224	9,820,590
16,638,345	16,465,716	13,524,257	23,109,714	34,917,301	45,918,261
12,905,162	12,631,848	12,559,968	12,311,308	10,555,850	11,033,646
5,404,452	5,375,253	5,609,587	5,965,537	6,205,700	6,189,425
5,096,099	4,643,837	4,469,298	5,562,744	5,672,139	5,882,141
6,355,787	6,335,079	3,218,454	2,750,190	2,233,823	2,404,971
2,779,778	2,751,155	3,107,008	2,802,393	2,299,257	2,467,856
1,956,199	1,760,663	2,337,136	1,979,045	2,206,725	2,611,542
364,290	373,136	353,503	213,747	270,741	254,324
5,125,239	2,642,680	855,558	1,481,382	651,827	-
17,777,509	15,635,667	17,192,263	7,697,452	10,290,391	3,048,686
1,161,931	1,415,897	492,167	503,679	2,785,224	11,295,945
<u>\$ 377,681,061</u>	<u>\$ 388,750,190</u>	<u>\$ 399,102,246</u>	<u>\$ 353,086,138</u>	<u>\$ 374,213,418</u>	<u>\$ 368,949,723</u>

DEBT CAPACITY INFORMATION

TABLE XI
 PALM BEACH COUNTY, FLORIDA
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
 September 30, 2015
(dollars in thousands, except per capita)

Fiscal Year	Governmental Activities				Business-Type Activities (1)		Total Primary Government	Percentage of Personal Income (3)	Per Capita (3)
	General Obligation Bonds (2)	Non-Ad Valorem Revenue Bonds (2)	Loans Payable	Capital Leases	Revenue Bonds (2)	Loans Payable			
2006	\$ 340,227	\$ 622,599	\$ 94,871	\$ 43	\$ 651,798	\$ 7,654	\$1,717,192	2.39 %	\$ 1,333
2007	317,454	597,943	129,057	11	602,941	250	1,647,656	2.18	1,272
2008	294,081	910,613	75,494	7	550,053	80,000	1,910,248	2.49	1,475
2009	273,554	952,611	41,327	3	962,258	76,000	2,305,753	3.40	1,791
2010	253,707	904,352	30,317	-	866,571	72,000	2,126,947	3.06	1,611
2011	233,878	876,267	36,129	-	334,422	-	1,480,696	2.05	1,117
2012	213,938	839,575	22,574	-	315,484	-	1,391,571	1.84	1,042
2013	193,087	778,603	24,489	597	317,387	9,696	1,323,859	1.66	984
2014	174,931	773,334	26,322	457	296,087	9,675	1,280,806	1.37	942
2015	151,736	775,387	26,348	1,278	276,102	9,137	1,239,988	N/A	900

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
 Information regarding personal income was not available for FY15.
 (1) Beginning with fiscal year 2011, the Solid Waste Authority is no longer reported as part of the Primary Government.
 (2) Amounts are reported net of premiums and discounts.
 (3) See Table XVI for personal income and population data.

TABLE XII
 PALM BEACH COUNTY, FLORIDA
 Ratios of Net General Bonded Debt Outstanding
 Last Ten Fiscal Years
 September 30, 2015
(dollars in thousands, except per capita)

Fiscal Year Ended Sept. 30	General Obligation Bonds Outstanding (1)	Less Restricted Resources	Net G.O. Bonds Outstanding	Total Property Assessed Value (2)	Net G.O. Bonds Outstanding as a Percentage of Total Property Assessed Value	County Population (3)	Net G.O. Bonds Outstanding Per Capita
2006	\$ 340,227	\$ 7,803	\$ 332,424	\$ 182,194,149	0.18%	1,287,987	\$ 258.10
2007	317,454	2,374	315,080	191,826,739	0.16%	1,295,033	243.30
2008	294,081	2,195	291,886	191,249,945	0.15%	1,294,654	225.45
2009	273,554	1,139	272,415	171,643,979	0.16%	1,287,344	211.61
2010	253,707	765	252,942	155,555,378	0.16%	1,320,134	191.60
2011	233,878	1,229	232,649	152,332,012	0.15%	1,325,758	175.48
2012	213,938	1,132	212,806	152,792,949	0.14%	1,335,415	159.36
2013	193,087	443	192,644	157,928,325	0.12%	1,345,652	143.16
2014	174,931	423	174,508	167,702,639	0.10%	1,360,248	128.29
2015	151,736	665	151,071	181,898,452	0.08%	1,378,417	109.60

Note: (1) See Table XI for General Obligation (G.O.) Bonds and Other Debt.
 (2) See Table VI for Total Property Assessed Value; prior year amounts have been revised based on additional information received.
 (3) See Table XVI for County Population.

TABLE XIII
PALM BEACH COUNTY, FLORIDA
Direct and Overlapping Governmental Activities Debt
September 30, 2015
(dollars in thousands)

	Debt Payable from Ad Valorem Taxes			Debt Payable from Non-Ad Valorem Revenues			Estimated Share of Direct & Overlapping Debt
	Debt Outstanding	Estimated Percentage Applicable based on Property Assessed Value (1)	Estimated Share of Overlapping Debt	Debt Outstanding	Estimated Percentage Applicable based on Population (2)	Estimated Share of Overlapping Debt	
Overlapping debt							
School District	\$ 17,430	100%	\$ 17,430	\$ 1,600,393	100.00%	\$ 1,600,393	\$ 1,617,823
South Florida Water Management District	-	100%	-	466,940	17.03%	79,520	79,520
Municipalities	<u>65,146</u>	51%	<u>33,224</u>	<u>538,326</u>	50.00%	<u>269,163</u>	<u>302,387</u>
Subtotal, overlapping debt	<u>\$ 82,576</u>		50,654	<u>\$ 2,605,659</u>		1,949,076	1,999,730
Direct debt (3)			151,736			803,013	954,749
Total direct and overlapping debt			<u>\$ 202,390</u>			<u>\$ 2,752,089</u>	<u>\$ 2,954,479</u>

- (1) Taxable assessed value of overlapping governments/total property assessed value of Palm Beach County. See Table VI for Total Property Assessed Value.
- (2) Population of overlapping governments/total population of Palm Beach County. See Table XVI for Population.
- (3) The County's direct debt consists of net bonds payable, notes and loans payable, and capital leases.

Note: The following 100% overlapping governments did not have debt outstanding at fiscal year end: Florida Inland Navigation District, Children's Services Council, and the Health Care District.

Overlapping governments are those that coincide, at least in part, with geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of Palm Beach County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers 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.

TABLE XIV
PALM BEACH COUNTY, FLORIDA
Legal Debt Margin Information
September 30, 2015

The constitution of the State of Florida, Florida Statute 200.181, and Palm Beach County set no legal debt limit.

TABLE XV
PALM BEACH COUNTY, FLORIDA
Pledged-Revenue Coverage
Last Ten Fiscal Years
September 30, 2015
(dollars in thousands)

Fiscal Year Ended Sept. 30	Non-Ad Valorem Indebtedness (1)				Water Utilities Revenue Bonds (2)							
	Debt Service		Non-Ad Valorem Revenues	Coverage	Gross Revenues	Expenses	Net Revenue Available	Debt Service		Total	Coverage	
	Principal	Interest						Principal	Interest			
2006	\$ 43,361	\$ 32,302	\$ 368,950	4.88	\$ 99,324	\$ 65,524	\$ 33,800	\$ 10,745	\$ 2,898	\$ 13,643	2.48	
2007	53,993	32,521	374,213	4.33	114,019	73,781	40,238	13,255	3,809	17,064	2.36	
2008	48,201	32,977	353,086	4.35	121,929	81,927	40,002	13,955	8,376	22,331	1.79	
2009	55,496	40,740	399,102	4.15	140,118	89,241	50,877	14,568	8,377	22,945	2.22	
2010	58,601	43,510	388,750	3.81	152,156	90,889	61,267	11,053	10,517	21,570	2.84	
2011	59,593	41,832	377,681	3.72	159,222	99,591	59,631	10,036	9,863	19,899	3.00	
2012	62,979	38,206	373,866	3.69	163,369	100,798	62,571	6,465	9,263	15,728	3.98	
2013	67,032	37,047	376,698	3.62	170,093	104,747	65,346	7,387	9,071	16,458	3.97	
2014	71,035	35,604	392,628	3.68	180,993	111,815	69,178	7,631	8,938	16,569	4.18	
2015	71,505	30,661	400,456	3.92	191,318	116,443	74,875	8,166	8,465	16,631	4.50	

Note: Details regarding the County's outstanding debt can be found in the financial statements.

- (1) The County has covenanted and agreed that it will not issue any indebtedness or incur any indebtedness payable from or supported by a pledge of non-ad valorem revenues unless the County can show that the total amount of non-ad valorem revenues in each fiscal year in which bonds are outstanding will be greater than 2.00 times the non-self supporting debt service in each such fiscal year.
- (2) The calculation of gross revenues excludes connection fees and extraordinary gains and the calculation of expenses excludes interest expense, depreciation and extraordinary losses.

DEMOGRAPHIC AND ECONOMIC INFORMATION

TABLE XVI
 PALM BEACH COUNTY, FLORIDA
 Demographic and Economic Statistics
 Last Ten Fiscal Years
 September 30, 2015

Year	Population	Personal Income (\$000s)	Per Capita Personal Income	Civilian Labor Force	Unemployment Rates
2006	1,287,987	\$71,720,669	\$55,836	645,211	3.7 %
2007	1,295,033	75,585,800	58,749	650,548	4.8
2008	1,294,654	76,712,607	59,240	655,669	7.3
2009	1,287,344	67,866,247	51,910	626,400	11.7
2010 *	1,320,134	69,488,201	52,526	623,320	12.4
2011	1,325,758	72,053,531	53,871	621,616	10.9
2012	1,335,415	75,461,490	55,628	622,775	9.2
2013	1,345,652	79,564,774	57,985	640,219	7.1
2014	1,360,248	93,526,272	66,914	669,252	6.0
2015	1,378,417	N/A	N/A	685,491	5.3

Source: Florida Legislature, Office of Economic and Demographic Research
 Florida Department of Economic Opportunity, Labor Market Statistics Center,
 Local Area Unemployment Statistics Program, in cooperation
 with the U.S. Department of Labor, Bureau of Labor Statistics.

Note: Population and income data are per calendar year.
 Income data is not available for 2015.
 Personal Income data and Per Capita Income data is revised annually.
 Labor Force and Unemployment data are for September of each year.
 * Population data has been restated to reflect the 2010 Census.

TABLE XVII
PALM BEACH COUNTY, FLORIDA
Principal Employers
Current Year and Nine Years Ago
September 30, 2015

	2015			2006		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Palm Beach County School Board	22,000	1	3.21%	21,616	1	3.35%
Palm Beach County Government	11,505	2	1.68%	6,594	3	1.02%
Tenet Healthcare Corp	6,100	3	0.89%	4,794	7	0.74%
NextEra Energy (Florida Power & Light)	3,854	4	0.56%	2,850	8	0.44%
Hospital Corporation of America (HCA) (1)	2,714	5	0.40%	5,200	5	0.81%
Florida Atlantic University	2,655	6	0.39%	-	-	-
Bethesda Memorial Hospital	2,600	7	0.38%	-	-	-
Boca Raton Regional Hospital	2,500	8	0.36%	-	-	-
Veterans Health Administration	2,500	9	0.36%	-	-	-
Jupiter Medical Center	2,000	10	0.29%	-	-	-
G4S (Wackenhut Corp)	-	-	-	2,825	9	0.44%
State Government	-	-	-	9,200	2	1.43%
Federal Government	-	-	-	6,300	4	0.98%
Boca Raton Resort & Club	-	-	-	2,200	10	0.34%
United Rental Highway Techs	-	-	-	5,000	6	0.77%
Total	<u>58,428</u>		<u>8.52%</u>	<u>66,579</u>		<u>10.32%</u>

Sources: Business Development Board of Palm Beach County, Profile 2015,
except for Palm Beach County Government, where the source is the Office of Financial Management and Budget

Notes:

(1) Formerly Columbia Palm Beach Health Care System, Inc

OPERATING INFORMATION

TABLE XVIII
PALM BEACH COUNTY, FLORIDA
County Government Employees by Function/Program
Last Ten Fiscal Years
September 30, 2015

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General government										
Facilities Development & Operations	305	297	300	307	318	330	358	386	392	370
Planning, Zoning & Building	260	243	240	252	263	278	333	400	401	393
Clerk & Comptroller	771	779	766	759	760	758	857	821	803	750
Property Appraiser	266	266	266	266	266	266	280	280	280	276
Tax Collector	315	314	305	305	269	269	269	269	280	284
Supervisor of Elections	49	45	45	45	42	42	45	45	45	41
Other	604	603	604	595	610	642	454	470	489	475
Public safety										
Fire-Rescue	1,494	1,490	1,490	1,511	1,511	1,542	1,473	1,471	1,418	1,298
Sheriff	3,982	3,952	3,912	3,924	3,919	4,011	3,848	3,812	3,615	3,502
Other	252	308	307	314	331	341	349	372	368	342
Physical environment										
Environmental Resources Management	113	113	113	114	125	130	130	136	140	132
County Cooperative Extension Service	32	31	30	29	28	32	36	39	39	39
Transportation										
Palm Tran	609	579	558	549	549	548	555	570	570	561
Engineering & Public Works	293	290	292	291	310	324	337	344	352	346
Economic environment										
Economic Sustainability (3)	51	56	69	58	51	41	53	53	49	44
Other	69	68	86	80	74	55	57	60	60	61
Human services										
Community services	156	406	432	440	471	461	471	469	475	478
Other	91	13	13	13	14	15	15	15	16	15
Culture & recreation										
Parks & Recreation	571	559	562	569	595	624	657	699	720	698
County Libraries	422	420	419	419	452	452	452	481	416	394
Internal service funds										
Information System Services (1)	-	-	-	-	-	-	211	225	231	229
Graphics (2)	-	-	-	-	-	-	-	9	9	10
Fleet Management	54	54	54	59	60	64	70	72	69	69
Risk Management	30	30	30	30	30	32	36	37	37	37
Enterprise funds										
Airports	148	149	149	149	158	158	161	159	150	151
Water Utilities	568	561	558	558	558	561	505	518	499	440
Total	11,505	11,626	11,600	11,636	11,764	11,976	12,012	12,212	11,923	11,435

- (1) Effective beginning with FY 2010, ISS is now included in the General Fund under "General government - Other"
(2) Effective beginning with FY 2009, Graphics is now included in the General Fund under "General government - Other"
(3) Effective FY 2012, Housing & Community Development is now Economic Sustainability

Source: Office of Financial Management and Budget

TABLE XIX
PALM BEACH COUNTY, FLORIDA
Operating Indicators by Function/Program
Ten Fiscal Years
September 30, 2015

Function/Program	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General government										
Planning, Zoning & Building										
Code enforcement violations	2,709	2,115	2,228	3,032	2,391	5,703	3,369	3,507	4,464	4,571
Construction plans reviewed	33,532	30,929	22,778	23,272	21,602	21,080	25,332	37,702	65,691	59,288
Permits issued	65,579	58,935	38,087	41,556	35,131	32,867	42,944	53,964	70,751	62,304
Public safety										
Fire-Rescue										
Response time	6:33	6:37	6:37	6:32	6:27	6:30	6:36	N/A	6:27	6:23
Fire responses	17,259	15,938	15,876	15,925	15,779	16,067	16,831	20,714	23,536	22,295
Medical responses	111,879	104,342	101,160	98,186	97,353	89,646	87,099	82,199	76,517	74,706
Inspections	26,397	28,814	28,114	29,114	30,073	27,013	27,044	25,475	22,281	20,079
Physical environment										
Environmental Resource Management										
Tonnage of artificial reef materials	9,925	17,900	18,600	12,800	18,400	10,000	1,650	3,150	4,900	23,484
Trees and plants planted or arranged	55,575	123,328	102,526	147,400	224,000	55,000	321,000	60,000	41,100	54,500
Cubic yards beach sand (thousands)	1,200	1,200	1,300	1,291	1,366	1,360	1,150	1,050	1,087	1,016
Transportation										
Palm Tran										
Passengers (millions)	11.4	12.0	11.6	11.0	10.3	10.0	9.8	10.1	9.3	8.3
Engineering & Public Works										
Land development permits issued	15	9	16	16	9	6	11	15	12	26
Lane miles of roads maintained	3,643	3,520	3,520	3,292	3,372	3,432	3,295	3,299	3,431	3,299
Lane miles resurfaced	80	34	34	9	22	52	53	45	35	50
Linear feet of roadway striped (millions)	1.8	0.7	0.8	1.8	1.0	1.0	1.8	1.1	0.8	1.4
Permits issued for construction of: right-of-ways, drainage and utilities	663	593	570	570	468	493	616	495	569	554
Economic environment										
Department of Economic Sustainability										
Single-family new construction	0	0	0	0	3	0	25	60	2	0
Human services *										
Enrollment - Head Start and Early Head Start	0	2,296	2,296	2,296	2,705	2,051	2,323	2,158	2,126	2,068
Children with disabilities	0	263	230	230	213	359	295	292	223	232
Meals - Head Start (thousands)	0	481	525	512	509	526	517	461	488	460
Culture & recreation										
Parks & Recreation										
Golf rounds played (thousands)	270	254	228	217	170	179	178	169	142	145
County Library										
Circulation (millions)	9.3	9.0	9.0	8.6	8.6	8.3	7.5	6.6	5.8	6.0
Cardholders (thousands)	600	589	588	563	556	535	517	499	486	477
Internal service funds										
Information System Services										
%CSRs on time - Applications	82%	86%	85%	N/A	99%	85%	83%	82%	93%	92%
Graphics										
% timely delivery	99%	99%	99%	99%	99%	99%	99%	99%	98%	99%
Risk Management										
# of employees enrolled in Health ins	4,367	4,425	4,494	4,316	4,316	4,776	5,388	5,297	4,191	4,250
# of employees enrolled in Dental ins	3,841	3,862	3,802	3,830	3,841	3,643	3,295	3,298	3,122	3,125
Enterprise funds										
Water Utilities										
Average water dwelling units served (thousands)	240	239	226	225	223	223	221	219	207	197
Average wastewater treated per day (millions of gallons)	40.4	40.0	37.4	35.0	37.9	37.1	34.1	33.4	35.7	36.1
Airports										
Total passengers (millions)	5.8	5.6	5.6	5.8	5.9	5.9	6.6	7.0	6.8	7.0
Operating expense per passenger (prior years restated)	\$7.00	\$7.04	\$7.24	\$7.19	\$7.51	\$7.78	\$6.74	\$5.84	\$5.84	\$5.41
Operating revenue per passenger (prior years restated)	\$11.77	\$11.57	\$11.69	\$11.38	\$10.83	\$10.79	\$9.72	\$9.43	\$9.44	\$8.73

N/A = Not available

* Effective 6/30/14, Head Start was transferred to Lutheran Services Florida, Inc.

Sources: Office of Financial Management and Budget

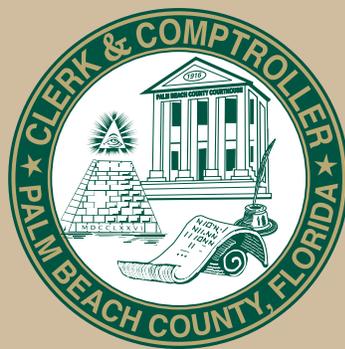
Department of Airports

Note: 2015 data is not yet available.

TABLE XX
PALM BEACH COUNTY, FLORIDA
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
September 30, 2015

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Public safety										
Fire Rescue										
Fire Stations	49	49	49	49	49	49	47	45	44	43
Transportation										
Palm Tran										
Buses	180	169	173	181	184	158	161	154	176	160
Engineering & Public Works										
County Roads (mileage)	1,308	1,269	1,269	1,282	1,282	1,282	1,288	1,285	1,297	1,294
Traffic Lights	1,240	1,212	1,338	1,192	1,200	1,192	1,289	1,150	1,160	1,120
Culture & recreation										
Parks & Recreation										
Developed acres	5,954	5,841	5,724	5,701	5,713	5,702	5,074	5,067	5,134	4,817
Enterprise funds										
Water Utilities										
Water mains (miles)	2,407	2,384	2,364	2,152	2,141	2,121	2,126	2,162	2,081	2,064
Storage and repump stations	17	17	17	17	17	17	17	17	18	10
Fire hydrants	18,155	17,839	17,593	16,582	16,353	16,235	16,066	15,866	15,630	14,834
Sewers (miles)	1,256	1,248	1,238	1,165	1,157	1,152	1,145	1,142	1,132	1,103
Pump stations	899	893	886	778	768	764	767	764	762	750

Source: Office of Financial Management and Budget



SHARON R. BOCK
Clerk & Comptroller
Palm Beach County

www.mypalmbeachclerk.com

