

POPULAR ANNUAL FINANCIAL REPORT



THE #21 GRANT WITH MOST U.S. NESTS RESIDING IN FLORIDA
ARTIST: DORA STAGLIANO
GRANT WOOD (1894-1952) WAS AN AMERICAN PAINTER BEST KNOWN FOR HIS PAINTINGS DEPICTING RURAL AMERICA. "AMERICAN GOTHIC" WAS AN EARLY 20TH CENTURY EXAMPLE OF AMERICAN ART.
SPONSORED BY: MIKE MORELLO, INC.
NOVEMBER 2023
SCULPTURE PROJECT BY COAST ARTS FOUNDATION



*For the Fiscal Year Ended
September 30, 2023*

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ABOUT *Palm Coast*

Palm Coast, Florida, established in 1999, is a Florida paradise with its 70 miles of waterways and proximity to Atlantic Ocean beaches. Renowned for its emphasis on quality of life, the city boasts numerous parks, over 130+ miles of trails, and abundant opportunities for outdoor recreation such as fishing, boating, tennis, and golf. Its parks and trails, adorned with native flora, offer serene environments for activities like bird-watching, with spots like St. Joe Walkway and Linear Park designated as Great Florida Birding & Wildlife Trails. Additionally, visitors can enjoy glimpses of dolphins and seabirds along the Intracoastal at Waterfront Park.

ABOUT *this document*



Government Finance Officers Association

Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting

Presented to

**City of Palm Coast
Florida**

For its Annual Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrill
Executive Director/CEO

Popular Annual Financial Report

This Popular Annual Financial Report (PAFR) of the City of Palm Coast is being published in order to increase public awareness and provide a simplified overview of the City's financial position. It is designed to provide citizens, taxpayers, customers and creditors with a general overview of the financial condition.

The PAFR summarizes and condenses the financial activities of the City of Palm Coast governmental and business-type activities and derives its information from the Annual Comprehensive Financial Report for Fiscal Year 2023 which ended September 30, 2023. The comprehensive report was prepared in conformance with Generally Accepted Accounting Principles (GAAP) and includes financial statements audited by the City's auditors. Unlike the comprehensive report, the PAFR is un-audited and presented on a non-GAAP basis. This means that it contains condensed financial information and does not provide all of the necessary financial statements and note disclosures required by GAAP for governmental entities. We invite you to review the City's audited comprehensive financial report which includes detailed information on the City's finances.

Financial reports are available online at www.palmcoast.gov/finance/reports-and-documents and paper copies are available upon request at City Offices.

ELECTED *officials*

The Mayor and City Council members are elected at-large, for a term of four years. Council Members and the Mayor may serve no more than two consecutive four-year terms in the same seat.



Residents of Palm Coast



DAVID ALFIN
MAYOR



ED DANKO
VICE MAYOR
DISTRICT 1



THERESA CARLI PONTIERI
COUNCIL MEMBER
DISTRICT 2



NICK KLUFAS
COUNCIL MEMBER
DISTRICT 3



CATHY HEIGTER
COUNCIL MEMBER
DISTRICT 4

City Council meets in regular session on the first Tuesday of each month at 6:00 p.m. and the third Tuesday of each month at 9 a.m. at the Palm Coast City Hall, 160 Lake Ave. Live coverage may be viewed on the City's YouTube channel at <http://www.youtube.com/@PalmCoastFL>. Meetings are also offered on demand on the City Council Agendas and Minutes page of the City website at <http://www.palmcoast.gov/agendas>.

The City Council also conducts workshop meetings on the second Tuesday of each month at 9 a.m. Both workshop meetings and regular sessions of the City Council are open to the public.



Scan to visit the City's
YouTube channel



Scan to visit the City's
Agenda & Meetings page

ABOUT *Palm Coast*

The City of Palm Coast was incorporated on December 31, 1999 under a Council/Mayor form of government.



564 Miles of Paved Streets



13 Park Facilities



1 Community Center



5 Treatment Plants



130+ Miles of Trails



5 Fire Stations



50 Sports Fields



1 Swimming Pool



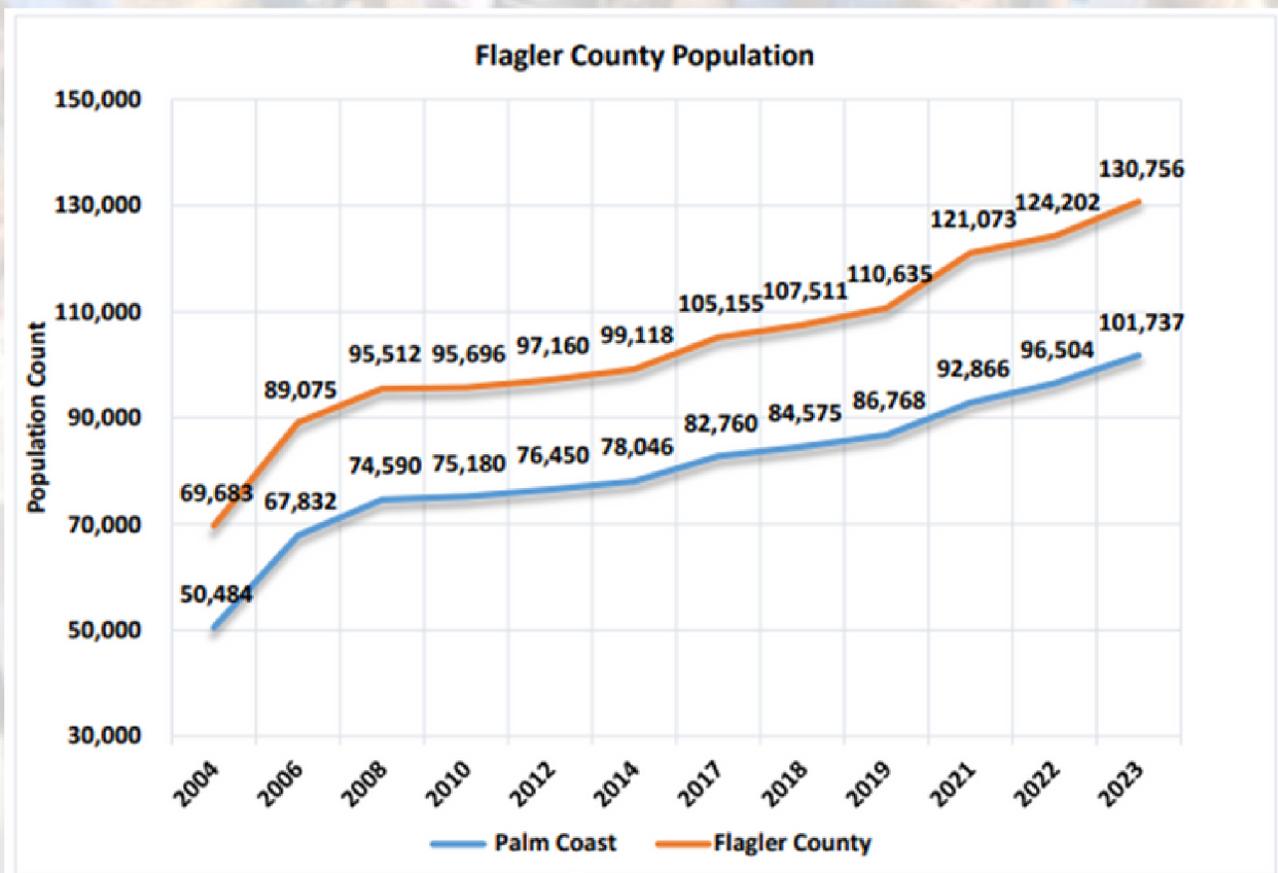
9,000 Traffic Signs
& Signals

POPULATION

FLAGLER COUNTY POPULATION

County/City	Apr-10 (Census)	Apr-23 (Estimate)	Total Change
Flagler County	95,696	130,756	35,060
Beverly Beach	338	495	157
Bunnell	2,676	4,027	1,351
Flagler Beach (part)	4,424	5,216	792
Marineland (part)	16	12	(4)
Palm Coast	75,180	101,737	26,557
UNINCORPORATED	13,062	19,269	6,207

**This information provided by Bureau of Economic and Business Research*



EMPLOYMENT

LARGEST PRIVATE EMPLOYERS

Advent Health Palm Coast	1,398
ALSW LLC	828
Publix Supermarkets	815
Hammock Beach Resort	468
Walmart	437
Boston Whaler	430
Home Depot	202
Lowe's	189
Target	193

LARGEST PUBLIC EMPLOYERS

Flagler County Schools	2,147
City of Palm Coast	574
Flagler County Board of County Commissioners	493
Flagler County Sheriff's Office	341

Source: Florida Research and Economic database for civilian workforce, and Career Source.

LABOR FORCE & UNEMPLOYMENT (as of August 2023)

Rate	3.90%
Unemployment	1,821
Employment	51,888
Labor Force	53,709

Source: Florida Department of Economic Opportunity (DEO), Bureau of Labor Market Statistics

Our Core Beliefs



OUR VISION

A multigenerational community recognized as one of Florida's premier cities that values:

- Building a diverse, sustainable economic base to support innovation while providing necessary infrastructure and services.
- Providing exceptional amenities and standards that support a high quality lifestyle and promote cultural activities.
- Protecting the environment and beauty of Palm Coast while conserving natural resources.



OUR MISSION

Delivering exceptional service by making citizens our priority.

VALUES

Pride, Accountability, Leadership, Motivated Collaborative, Ownership, Achievement, Stewardship, Trust





Pillars of Priorities



STRONG RESILIENT ECONOMY

Support the expansion and smart growth of both population and businesses to ensure success locally as well as regionally.

Improve financial strengths within the City to promote fiscal responsibility and secure future stability.



SAFE & RELIABLE SERVICES

A safe community for all is the catalyst to ensure that residents and regional visitors experience exceptional quality amenities year-round.

Recruiting and retaining a quality, talented workforce to maintain uninterrupted services to the citizens.



CIVIC ENGAGEMENT

Build a cooperative and trusting relationship between the City and the community.

Promote the opportunity for communication between the decision-makers. Enhance existing channels through which accurate and timely information is disseminated from the City.

Increase the public's understanding and support of the City's goals and strategies.



SUSTAINABLE ENVIRONMENT & INFRASTRUCTURE

Build and effectively manage sustainable infrastructure that promotes clean water, safe streets, and green infrastructure.

Anticipate the need for additional services and infrastructure. Continue to provide opportunities for development. Maintain visual appeal by caring for our land, water, air, and wildlife.



FY2023 *Accomplishments*

JAN. 2023



SOUTHERN RECREATION CENTER AND LEHIGH TRAILHEAD GROUNDBREAKING

FEB. 2023



WASTEWATER TREATMENT PLANT #1 RIBBON CUTTING

APRIL 2023



PALM COAST FIRE DEPARTMENT'S 50TH ANNIVERSARY CELEBRATION



15K+
CALLS FOR SERVICE
84%
FIRES CONTAINED



60K
CONNECT CASES
RESOLVED



100+
CAPITAL PROJECTS
1.9 MILLION
LINEAR FEET OF
DITCHES MAINTAINED



100K
LBS OF LITTER
8K+
MILES OF MEDIANS
MAINTAINED



40+
SPECIAL EVENTS



20 YEAR
AWARD WINNER

STRONG RESILIENT ECONOMY

CITY COUNCIL PRIORITIES

Town Center should promote a home for arts & culture, including opportunities for performance, display, and creative expression.

- Staff to investigate grant opportunities and other funding sources.

Palm Coast brands its future as a “City on the Rise” to include becoming a regional model for medical training, technology and careers.

Develop economic opportunity tools and communication strategies to support and sustain small businesses.

- Create a business recruitment process to diversify our business offerings in our community.
- Develop a fast-tracking process to cut red tape, minimize delays in opening, and make more financially feasible.
- Focus on commercial development including retail and restaurants in the Town Center core.

Palm Coast’s future expansion is guided by master planning for smart, managed growth.

- Staff to develop an infrastructure plan to include public safety, conservation, water resources, transportation, and economic resiliency.
- Create a communications strategy to promote business recruitment and community benefits.

Conduct analysis of new/untapped revenue sources to help lessen reliance on residential property taxes and relieve burden on residential homeowners.

Millage rate should be revenue neutral for taxpayers.

Staff to conduct an analysis of commercial solid waste hauling.

SAFE & RELIABLE SERVICES

Ensure that the Maintenance & Operations Complex is a top priority facility project and commence with initial improvements based on Capital Improvement Plan timeline.

Identify local recreation demands (i.e. aquatics, fields, senior services, etc.) to balance the need of regional activity centers.

- Prioritize projects on the Parks & Recreation Capital Improvement Plan.
- Evaluate grants for various park projects.

Seek opportunities for the Community Center to help relieve parking pressures through the following approaches:

- Evaluate the option to repurpose Fire Station 22 to preserve the historical value and expand the visitor awareness of Palm Coast.

Evaluate hiring a dedicated grant writer or consultant for the City to identify and secure the multitude of grants from federal and state agencies.

Continue to focus on residential safety, and conduct a comprehensive approach to neighborhood safety..

- Work with FCSO to identify and enforce problem areas.
- Evaluate legality and possibility of lowering residential street speed limits.
- Explore what speed-tracking devices have successfully reduced residential speeds in comparable cities and communities.

CIVIC ENGAGEMENT

Encourage residents to learn more about their community and our history.

Create an opportunity for residents to participate in Town Hall style meetings. Evaluate options for in-person and virtual formats.

SUSTAINABLE ENVIRONMENT & INFRASTRUCTURE

Collaborate with FPL and community partners to provide electric vehicle fast charging stations across multiple locations in the City.

- Explore ways to add revenues for street improvements/enterprise fund through user fees for EV charging stations.

Develop a plan for maintenance of the saltwater canals.



STATEMENT OF *Net Position*

The following financial summary is based upon a condensed view of the City's assets, liabilities, and deferred inflows/outflows for the three most recent fiscal years:

	Governmental Activities	Business-type Activities	2023 Total	2022 Total	2021 Total
Current and other assets	\$ 126,198,826	\$ 119,693,748	\$ 245,892,574	\$ 223,023,044	\$ 170,860,397
Capital assets	342,862,391	297,690,744	640,553,135	604,965,471	589,211,094
Total assets	469,061,217	417,384,492	886,445,709	827,988,515	760,071,491
Total deferred outflows of resources	955,290	2,572,544	3,527,834	4,321,996	4,064,704
Long-term liabilities	10,452,897	153,111,512	163,564,409	166,842,211	165,325,463
Other liabilities	34,252,759	4,228,104	38,480,863	30,626,536	21,754,205
Total liabilities	44,705,656	157,339,616	202,045,272	197,468,747	187,079,668
Total deferred inflows of resources	1,457,937	3,947,881	5,405,818	5,154,281	2,816,045
Net position:					
Net investment in capital assets	338,416,406	151,376,398	489,792,804	451,696,251	438,206,581
Restricted	40,352,387	48,231,754	88,584,141	90,671,255	61,225,960
Unrestricted	45,084,121	59,061,387	104,145,508	87,319,977	74,807,941
Total net position	\$ 423,852,914	\$ 258,669,539	\$ 682,522,453	\$ 629,687,483	\$ 574,240,482

Government-wide Overall Financial Analysis

The City of Palm Coast's net position was \$683 million at the close of the most recent fiscal year. Of this, 15% falls in the unrestricted category. Unrestricted net position is the amount that can be used to provide services to residents. Net assets increased city-wide by \$53 million. The previous year increase in net position from 2021 to 2022 was \$55 million.

Approximately 13% of net position represents resources that are subject to external restrictions and are not available to provide services to residents. By far, the largest portion of the City of Palm Coast's net position (72%) reflects its investment in capital assets less any outstanding related debt used to acquire those assets. Capital assets, which include an investment in land, buildings or roads, are not available for future spending. Resources needed to repay debt must be provided from future revenue sources.

Current and Other Assets - Assets that include cash, securities, receivables, inventory and prepaid assets, and can be converted into cash usually within one year.

Capital Assets - Long-term investments in land, buildings, equipment, improvements, infrastructure, and construction in progress.

Current and Other Liabilities - These are primarily debts that can be paid off in one year or less. This includes accounts payable, accrued payroll, and accrued interest payable.

Deferred Inflows/Outflows - Acquisition/consumption of net assets applicable to future reporting periods.

Long-Term Liabilities - Represents mainly debt obligations of the City. The proceeds from these various debt issues are used to finance large projects such as building and roadway construction, renovations and major equipment purchases.

Net Position - Total assets and deferred outflows less liabilities and deferred inflows.

Restricted Net Position - Resources whose use is subject to externally imposed restrictions.

Unrestricted Net Position - These are resources that are accessible to the City to provide services to the residents if there were no additional revenues or resources available.

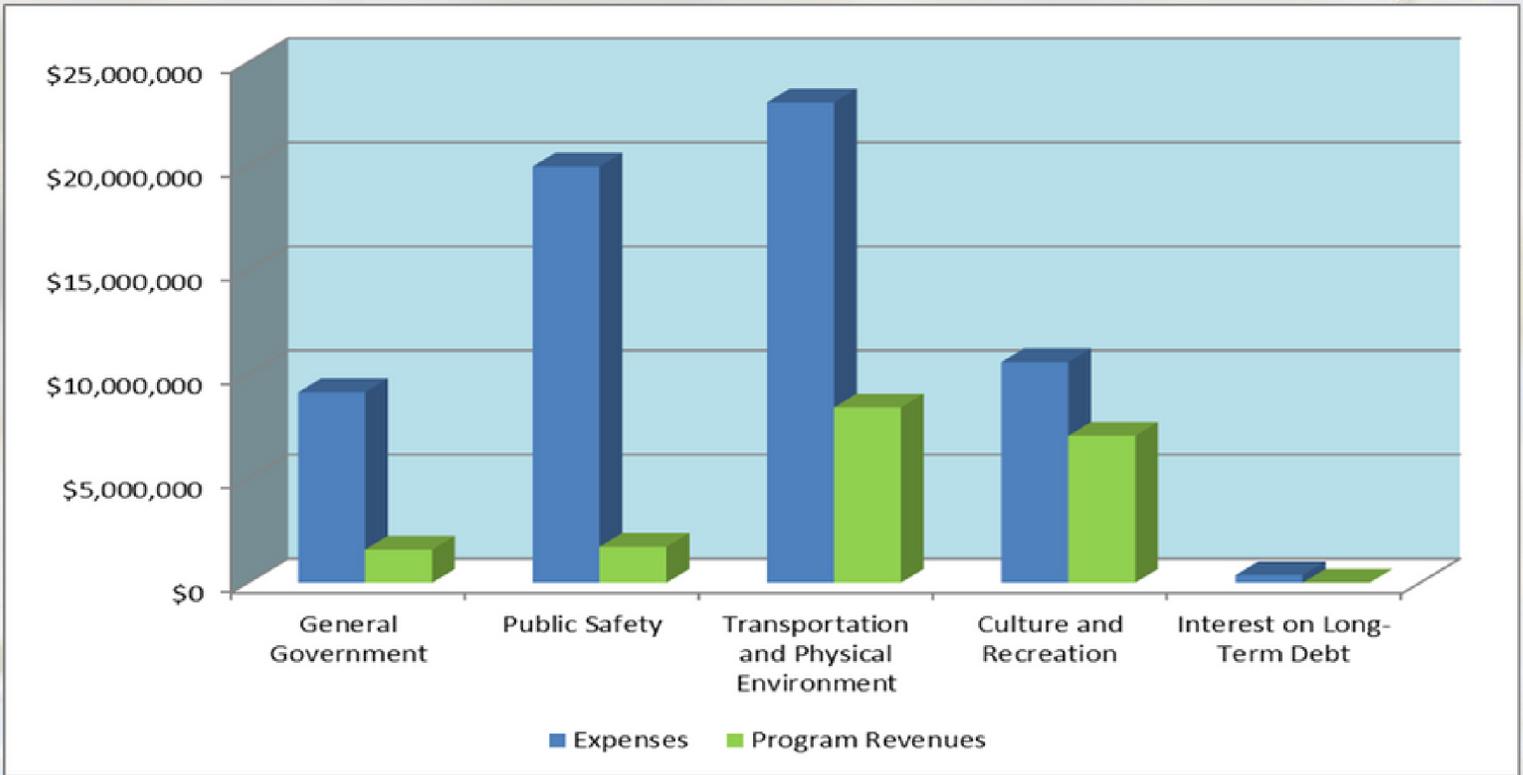
STATEMENT OF *Activities*

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. The Statement of Activities distinguish functions of the City of Palm Coast that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

	Governmental Activities	Business-type Activities	2023 Total	2022 Total	2021 Total
Revenues:					
Program revenues:					
Charges for services	\$ 4,239,811	\$ 92,860,540	\$ 97,100,351	\$ 88,104,795	\$ 75,864,273
Operating grants and contributions	5,030,503	351,663	5,382,166	4,545,259	4,379,320
Capital grants and contributions	9,524,515	23,045,772	32,570,287	46,055,011	34,713,726
General revenues:					
Property taxes	35,058,990	526,225	35,585,215	29,938,104	27,725,373
Other taxes	9,605,354	-	9,605,354	8,996,381	7,974,502
Intergovernmental	6,375,395	-	6,375,395	5,847,983	5,254,442
Other	5,648,914	3,602,476	9,251,390	(1,306,558)	1,126,773
Total revenues	75,483,482	120,386,676	195,870,158	182,180,975	157,038,409
Expenses:					
General government	9,155,865	-	9,155,865	8,011,828	11,229,978
Public safety	19,999,882	-	19,999,882	17,843,411	13,579,443
Transportation and physical environment	23,078,078	-	23,078,078	21,609,665	20,273,231
Culture and recreation	10,596,107	-	10,596,107	9,106,759	7,867,389
Utility	-	49,252,925	49,252,925	44,761,380	42,430,005
Solid waste	-	15,354,772	15,354,772	11,078,167	9,132,145
Stormwater	-	11,421,834	11,421,834	10,509,526	9,879,087
Building permits	-	3,028,633	3,028,633	2,707,992	2,574,502
Information technology	-	774,010	774,010	720,585	671,142
Interest on long-term debt	373,082	-	373,082	384,661	409,920
Total expenses	63,203,014	79,832,174	143,035,188	126,733,974	118,046,842
Increase (decrease) in net					
position before transfers	12,280,468	40,554,502	52,834,970	55,447,001	38,991,567
Transfers	2,235,826	(2,235,826)	-	-	-
Increase (decrease) in net position	14,516,294	38,318,676	52,834,970	55,447,001	38,991,567
Net position - beginning	409,336,620	220,350,863	629,687,483	574,240,482	535,248,915
Net position - ending	\$ 423,852,914	\$ 258,669,539	\$ 682,522,453	\$ 629,687,483	\$ 574,240,482

Governmental Activities - Activities which provide services to citizens and are primarily financed through taxes and intergovernmental grants.
Business - Type Activities - Activities that are carried out primarily to provide specific services in exchange for a specific user fee.
Program Revenues - Charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function.

The governmental activities of the City of Palm Coast include general government, public safety, transportation and physical environment, and culture and recreation. Amounts reported as program revenues are charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. In addition, program revenues include grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function. Any expenses not covered by program revenues are supplemented with taxes and other general revenues.



Governmental activities increased the City of Palm Coast’s net position by \$14.5 million during the current fiscal year. Factors include revenues in excess of expenditures in the general fund, interest earnings, and accumulation of impact fees.

Governmental activities unrestricted net position increased by \$4.5 million. The primary driver for this increase was revenues in excess of expenditures in the general fund.

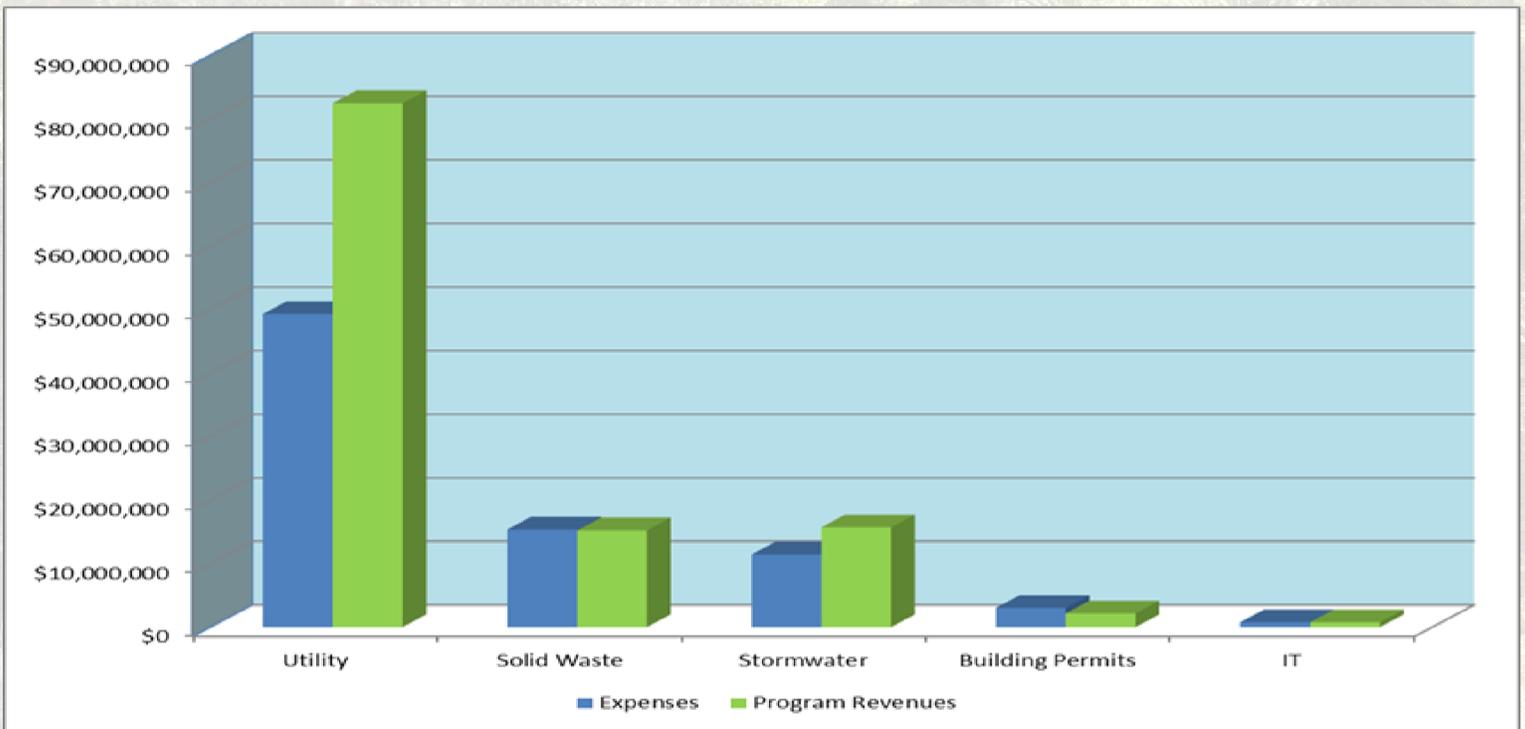
Capital grants and contributions decreased \$18 million primarily due to capital asset land donated during the previous fiscal year. Operating grants and contributions increased \$485 thousand primarily due to grant funding received. Property taxes increased \$5.6 million due to increases in taxable value throughout the City. Other revenue increased \$6 million mainly due to the increase in investment earnings.

- General Government** – General services which include Human Resources, the City Clerk, Administration and Financial Services.
- Public Safety** – Provide citizens with Police and Fire services.
- Transportation & Physical Environment** – Includes street construction, resurfacing and maintenance.
- Culture & Recreation** – Includes recreational programs and maintenance to city parks.

The business-type activities of the City of Palm Coast include a water and sewer utility, solid waste collection, stormwater management, building permits and inspections and information technology (IT).

Business-type activities increased the City of Palm Coast’s net position by \$38 million. The increase in net position was attributable to an approximately \$33 million increase in the utility fund. The increase was mainly due to capital grants and contributions received, the continuing effect of a multi-year rate increase and increased revenues due to development. Utility expenses also increased due to the increasing customer base and increases in cost.

Stormwater net position increased approximately \$4.6 million for the year due to increase in revenue rates for capacity projects and necessary maintenance pursuant to Council’s focus on improving the stormwater system. Building permits decrease of \$1 million due to reduction of fees for planned usage of fund balance. The net results of these activities above were the primary drivers of business-type activities unrestricted net position increasing by approximately \$12 million. The decrease of \$5 million in restricted net position was primarily related to usage of impact fees collected and renewal and replacement capital funds used for improvement projects of the utility system.



Bond Proceeds – Funds used to finance a project or purpose for which the bonds were issued and to pay certain costs of the issuance.

Capital Projects – Projects with long range returns and useful life spans. These projects are relatively expensive and have physical presence such as buildings or roads.

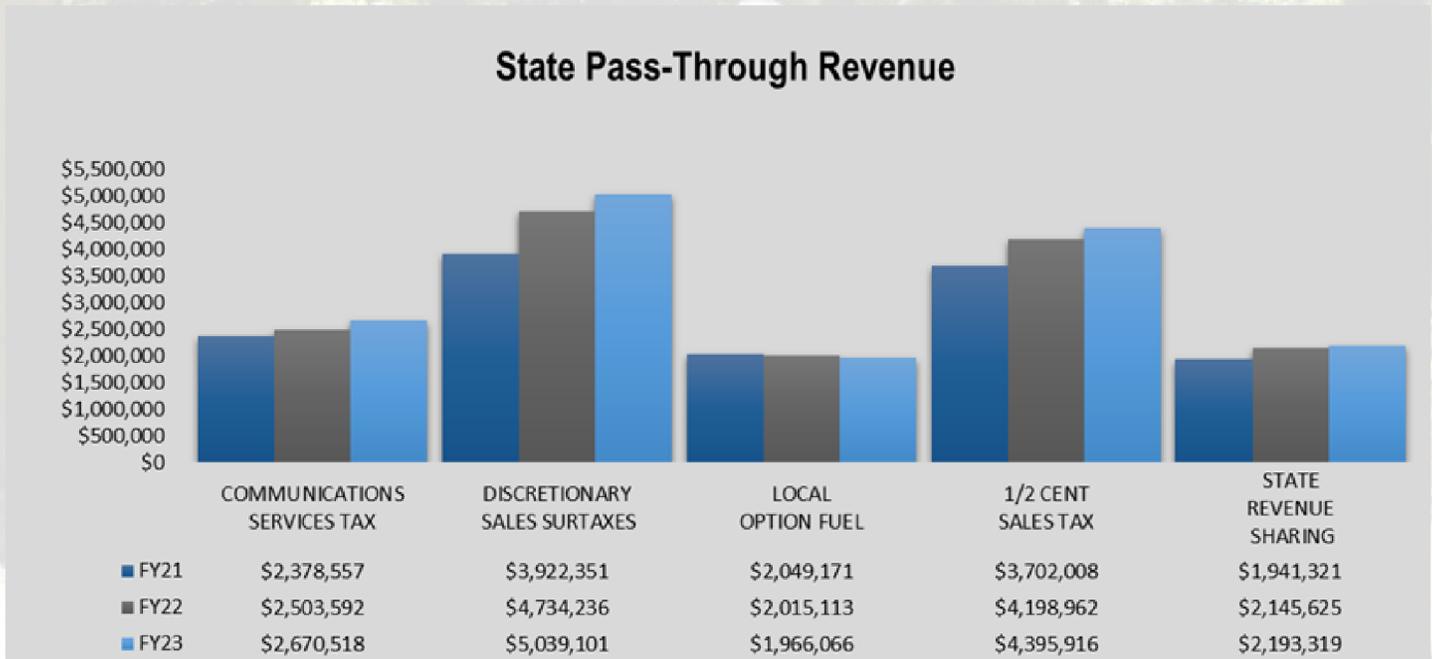
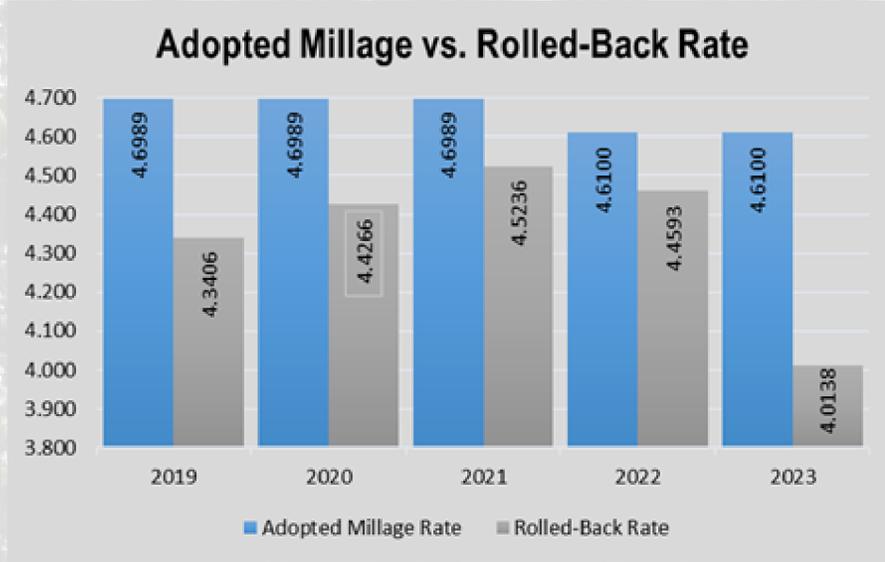
General Fund – The largest fund within the City. This fund accounts for most of the traditional services provided by cities. Revenues include property taxes, licenses, local taxes and service charges.

REVENUES

For fiscal year 2023, City Council adopted a millage rate of 4.6100. Property taxes are approximately 10% of the total City revenue budget. However, they remain the largest revenue source for the General Fund.

City Council has been sensitive to the public's desire to maintain level property taxes, but inflationary pressure and future infrastructure requirements will have an effect on future tax collections.

Other major sources of tax revenue for the General Fund include the Communication Services Tax and the Half-Cent Sales Tax. Revenue diversification in the General Fund provides opportunities to mitigate the effect of rising costs, service level enhancements, and infrastructure funding.



Ad Valorem Tax - (Property or Real Estate Taxes) Taxes assessed on a portion of a property's value.

Communications Services Tax - The communications services tax applies to telecommunications, video, direct-to-home satellite and related services at a rate of 5.22%. These tax revenues may be used for any public purpose.

Half Cent Sales Tax - This program generates the largest amount of revenue for local governments among the state-shared revenue sources currently authorized by Legislature. It distributes a portion of the state 6% sales tax.

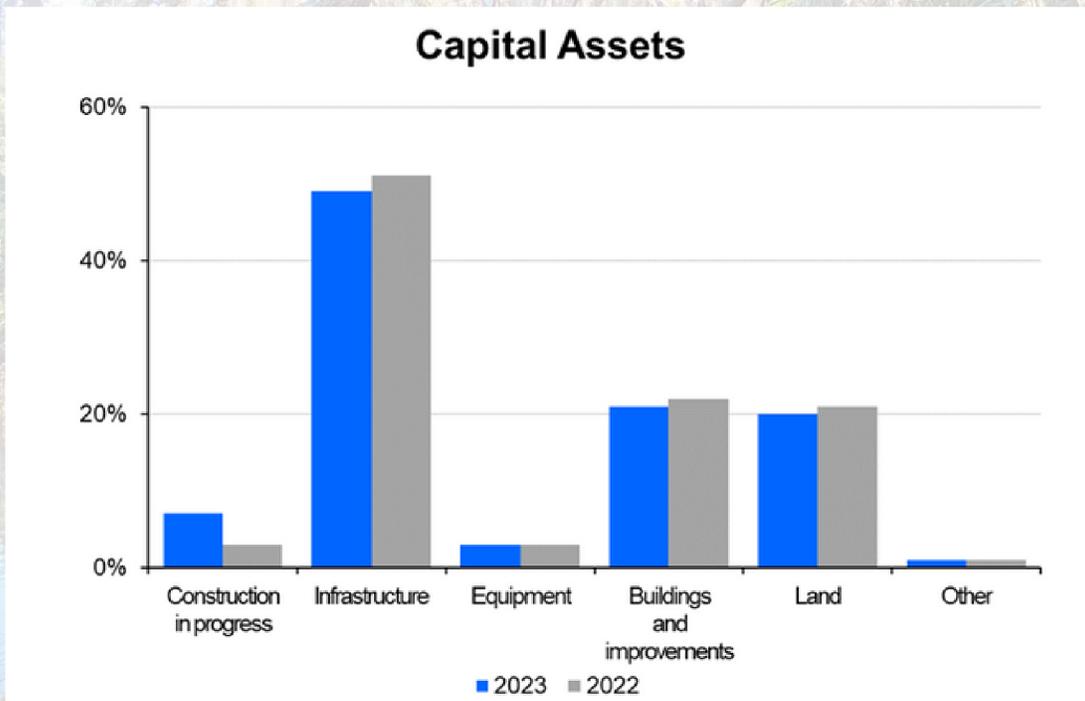
Millage Rate - For property tax purposes, a rate established per \$1,000 of assessed taxable value. A property tax millage rate of 3.5 mills for example, would mean property with a taxable value of \$100,000 would pay \$350 in property taxes.

Rolled-Back Rate - The millage necessary to raise the same amount of Ad Valorem Tax Revenue as the previous year, excluding taxes from new construction.

CAPITAL ASSETS

The City of Palm Coast’s investment in capital assets as of September 30, 2023, amounts to \$640.5 million (net of accumulated depreciation). This investment increased by \$36 million for the current fiscal year. The overall increase is due to road expansions, bridge rehabilitation, utility infrastructure and park expansions, offset by regular depreciation expense for the fiscal year.

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 113,815,824	\$ 113,300,352	\$ 14,514,747	\$ 14,509,680	\$ 128,330,571	\$ 127,810,032
Buildings and improvements						
other than buildings	52,518,935	53,863,202	79,842,766	80,433,931	132,361,701	134,297,133
Infrastructure	140,013,840	148,734,881	172,265,458	158,603,850	312,279,298	307,338,731
Equipment	18,078,148	14,994,836	665,730	381,207	18,743,878	15,376,043
Construction in progress	17,959,466	5,234,440	30,066,581	13,913,422	48,026,047	19,147,862
Right-to-use leased equipment	-	-	335,462	384,554	335,462	384,554
SBITA	476,178	-	-	-	476,178	-
Total	\$ 342,862,391	\$ 336,127,711	\$ 297,690,744	\$ 268,226,644	\$ 640,553,135	\$ 604,354,355



Asset - Property owned by the City, which has monetary value.

Capital Assets - Long-term investments in land, buildings, equipment, improvements, infrastructure, and construction in progress.

Construction in Progress - Construction work which has been started but is not yet completed.

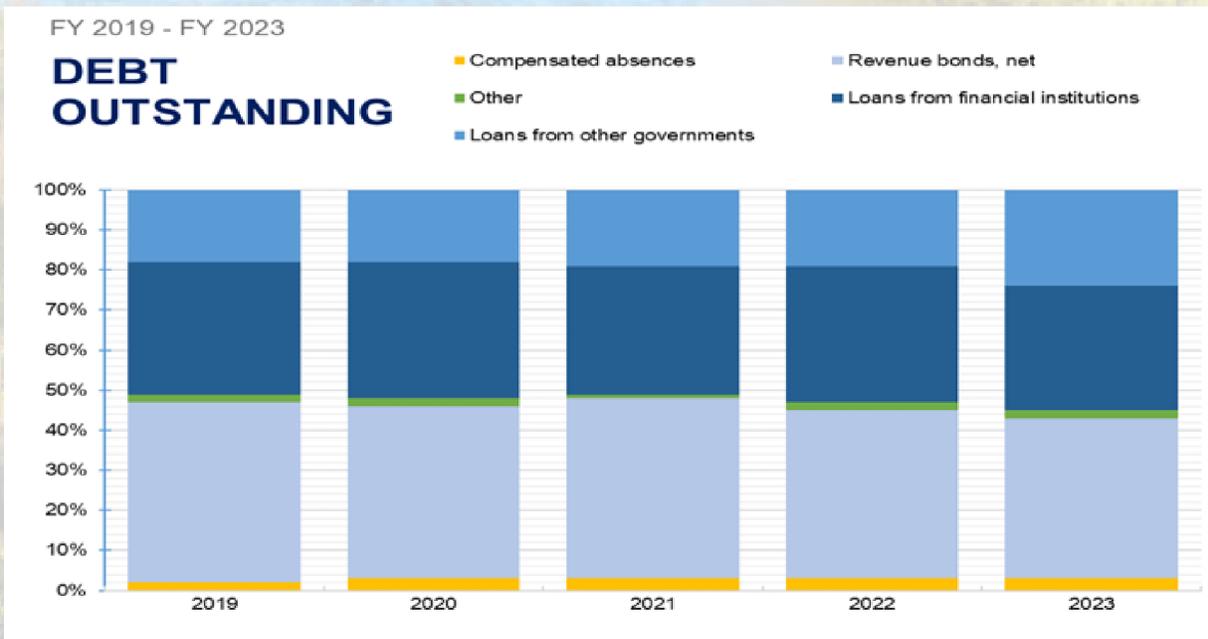
Depreciation - A measurement of the decline in value of an asset over a period of time.

Infrastructure - Basic equipment and structures, such as roads and bridges, needed for the City to function properly.

CITY DEBT

The City of Palm Coast owes \$65 million in revenue bonds, including premiums, used for the purchase and expansion of the utility system. There are State Revolving Fund loans and bank loans totaling \$85 million primarily for utility and stormwater improvements. The City also has two CRA revenue loans for redevelopment costs with a balance of \$3.9 million at year end. The remainder of the long-term debt is made up of compensated absences, an unfunded total OPEB liability, a net pension liability, and leases and SBITA liabilities. The total long-term debt of the City is \$163.5 million.

	Governmental Activities		Business-type Activities		Total	
	2023	2022, as restated	2023	2022, as restated	2023	2022, as restated
Loans from other governments	\$ -	\$ -	\$ 38,989,491	\$ 32,114,818	\$ 38,989,491	\$ 32,114,818
Loans from financial institutions	3,980,809	4,750,809	46,161,000	51,212,000	50,121,809	55,962,809
Revenue bonds, net	-	-	65,175,000	70,298,885	65,175,000	70,298,885
Net pension liability	1,658,031	1,740,684	-	-	1,658,031	1,740,684
OPEB liability	935,537	1,027,692	249,646	276,762	1,185,183	1,304,454
Compensated absences	3,413,344	2,986,927	2,190,742	2,041,840	5,604,086	5,028,767
Leases payable	-	-	345,633	391,795	345,633	391,795
SBITA	485,176	843,044	-	-	485,176	843,044
TOTAL	\$ 10,452,897	\$ 11,349,156	\$153,111,512	\$156,336,100	\$ 163,564,409	\$ 167,685,256



CRA - Community Redevelopment Area - A special district in which any future increases in property taxes are set aside to support economic development projects within the district.

Compensated Absences - Expected payments to employees who miss work because of illness, vacation or holidays.

OPEB - Other post employment benefits - Post employment benefits that an employee will begin to receive at the start of retirement.

Revenue Bond - A special type of municipal bond distinguished by its guarantee of repayment solely by revenues generated by a specified revenue-generating entity associated with the purpose of the bonds.

Net Pension Liability - Liability related to Florida Retirement System (FRS) pension benefits.

Long Term Debt - Debt that is due in one year or more.

NEXT YEAR'S Budget & Rates

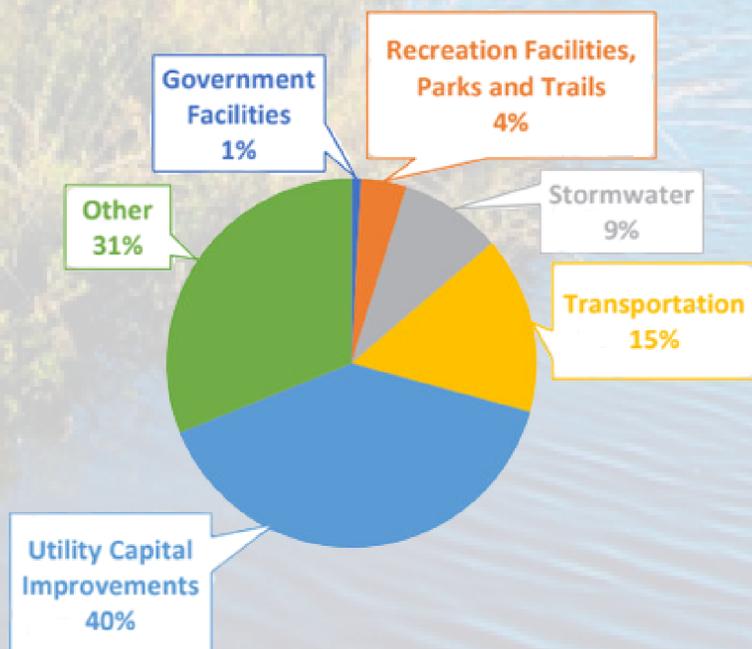
During the current fiscal year, the unassigned fund balance in the general fund increased to \$20 million. The available fund balance, as a percentage of prior year expenditures and transfers out, is approximately 37%.

The City Council approved a rolled-back millage rate of 4.2570 mills for fiscal year 2024. Of the total millage, .0628 mills will be dedicated to the stormwater fund. The balance of 4.1942 mills is assigned to the general fund. Market values of properties have increased for the eleventh consecutive year. The increase in taxable value was approximately 14.41%. New construction added approximately 5.98% to the taxable value, therefore the City had a net 8.43% increase in taxable property value for the year.

The water and sewer rates increased for fiscal year 2024 as a result of a rate study performed in 2018. The water and sewer rates increased by an average of 3% for all customers effective October 1, 2023, and will receive annual C.P.I. adjustments. The City is currently undergoing a rate study, and results will be presented to Council in 2024. The rate increases are necessary to cover anticipated increases in operating costs and capital replacement needs. As a result of these actions, Fitch rated the City's bond rating to AA.

The City Council adopted a policy of having new development help fund its impact on infrastructure in the community through impact fees. These fees are annually indexed and will increase approximately two percent for the fiscal year 2024.

The fiscal year 2024 budget includes over \$177 million invested in new and replacement infrastructure City-wide. This investment includes roadway expansions, refurbished recreational facilities, bridge rehabilitation, stormwater control structure replacements, and utility infrastructure expansion and replacements.



Additional requests for information:
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