



BROWARD COUNTY, FLORIDA

Annual Financial Audit Report

Pursuant to Section 218.39, Florida Statutes

For the Fiscal Year Ended September 30, 2019

BROWARD COUNTY, FLORIDA

Annual Financial Audit Report – FYE September 30, 2019

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PART I
BROWARD COUNTY

2019



Comprehensive Annual Financial Report

Broward County, Florida
Fiscal Year Ended September 30, 2019

Investing in Our Community



Broward County Commission



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DISTRICT 9
FY2019 Vice Mayor • Dale V.C. Holness
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Commission Values:

- Ensuring economic opportunities for Broward's diverse population and businesses
- Prominently marketing Broward County as a brand, while increasing public understanding of programs and services
- Approaching human services collaboratively and compassionately, with special emphasis on the most vulnerable
- Cooperatively delivering an efficient and accessible regional intermodal transportation network
- Encouraging investments in renewable energy, sustainable practices and environmental protection
- Cultivating community culture, arts, recreation and life-long learning
- Offering sustainable, compatible, innovative housing options for all income levels, including integrated, permanent supportive housing
- Consistently delivering responsive, efficient, quality services to the public and internal customers



Prepared by:
Finance and Administrative Services Department
George Tablack, CPA, Chief Financial Officer
Accounting Division
Kristin Carpenter
William O'Reilly
Su Jin Hwang

Broward County, Florida
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2019
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- County Administrator's Message
- Letter of Transmittal
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- Organizational Chart



Public Safety Investment

Broward County's investment in 911 is approaching \$500 million since regional consolidation in 2014. Important 2019 enhancements include:

- Created a \$800 million 16-radio tower system that strengthens communications for first responders.
- Launched Texting to 911 by the end of the fiscal year more than 600 texts had been received, saving lives in the process.
- Moved more than 4,000 local government and public school radio users off the public safety radio system and on to their own network to create a \$1.3 million dedicated public safety radio system that also saves money for local government and public school users.

Broward County received over \$41 million through the FEMA Hazard Mitigation Grant Program for Hurricane Irma including \$5.7 million for the retrofit of North and Central Homeless Assistance Centers.

Broward County was also awarded \$194,000 through the State of Florida Hurricane Loss Program to retrofit approved homes within the Broward Municipal Services District.



March 26, 2020

Mayor, Members of the Broward County Board of County Commissioners and Residents:

I am pleased to present the Broward County Comprehensive Annual Financial Report for the fiscal year ended September 30, 2019. In addition to the successes highlighted in this report, noteworthy achievements during the past fiscal year include:

- A 7-member Transportation Surtax Appointing Authority was created to nominate members for an Oversight Board; a 9-member Independent Transportation Surtax Independent Oversight Board was then established including operational policies and began officially meeting. \$146,288,731 was approved by the Oversight Board reflecting projects and expenditures outlined in the County's FY2020 Recommended Budget funded from the surtax capital trust fund; up to \$124.7M for municipal projects contained in the Financial Plan approved by the Board remains available. Surtax-funded MPO staff are currently prioritizing 500+ municipal-requested projects in the Plan approved by voters.
- The Broward County Economic Development Partnership, which consists of Broward County, the Greater Fort Lauderdale Alliance and the County's 31 municipalities, coordinated efforts over the last 18 months that resulted in the retention of nearly 2,000 jobs, recruitment of over 2,200 targeted industry jobs and attraction of capital investment of approximately \$288 million.
- An innovative partnership between Libraries and Transportation brings Pop Up Libraries to buses since May 2019. Broward County Library became the first in the world to launch Pop Up Libraries on buses. A pilot project "on wheels" allows Broward County Transit riders access to hundreds of free eBooks instantly with no library card and no special app required.
- The Convention Center broke ground and will be completed in 2024.
- Construction progressed on the Southport Turning Notch Extension. A total of 4,200 linear feet (12,500 tons) of U.S. manufactured steel has been installed to support the incoming bulkheads. And, 32,000 loads (702,000 cubic yards) of muck and trash from the site has been excavated. This project will create up to five additional cargo berths with three Super Post-Panamax gantry cranes in Southport. In addition, the Port broke ground on the 295,207-square-foot Port Everglades International Logistics Center (ILC).
- To advance major infrastructure expansion projects at Port Everglades, Broward County sold Series 2019 Port Facilities Revenue Bonds, and refunded other outstanding obligations to achieve debt service savings.
- The North Runway was reopened on October 1, 2019. The \$95 million project for the rehabilitation of the North Runway is moving along with continuing work on the adjacent taxiways. The contractor appears poised to complete all associated work in March 2020.
- Fourteen New Destinations at FLL (Flint, Denver, Grand Cayman, Steamboat Springs, Phoenix, St. Maarten, Guayaquil (Ecuador), Jacksonville, Austin, Raleigh Durham, Charlotte, Pensacola, Hamilton (Canada), St. Johns (Newfoundland)).
- Fourteen New Restaurants and Specialty Shops Open at FLL (Market Food & Wine Kiosk, Offerdahl's, Starbucks, Red Stripe, Hudson, Tommy Bahama, Desigual, Brighton, Bijoux Turner, Business & Currency Exchange, Today Show, Duty Free)
- 698 juvenile civil citations were issued by Broward County law enforcement agencies and were served through the Juvenile Civil Citation Program. 88% of juveniles successfully complete the program and 98% of youth who complete the program did not re-offend within the following 12 months.
- During the fiscal year Juvenile Civil Citation help Broward County taxpayers avoid approximately \$3,220,572 in arrest costs.
- 124 Juvenile were ordered by Broward County judges to participate in the Juvenile Predisposition Program (JPS). 91% of the youth enrolled completed the program successfully.

- A total of 750 payments processed for 1,058 households who requested case management services. These services totaled to approximately \$1.2 million in expenditures to stabilize families by assisting with rent/mortgage, hotel/motel, school uniforms, utilities, job training, transportation, and food through the Family Success Centers general fund. Additional case management services were provided through other programs.
- A total of 13,197 households requested energy assistance services and a total of 11,203 payments were processed, which resulted in a total of \$3.76 million in expenditures. The average assistance payment was \$336 to stabilize families by providing utility assistance for residents of Broward County living at or near the poverty line.

We remain dedicated to fiscal sustainability and to providing open and easy access to programs, services and information for our residents, businesses and visitors. Be sure to read the Transmittal Letter accompanying this report, and Visit Broward.org and explore the many ways we contribute to the excellent quality of life in our community.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bertha Henry". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.



FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT

115 S. Andrews Avenue, Room 515 • Fort Lauderdale, Florida 33301 • 954-357-7130 • FAX 954-357-7134

March 26, 2020

To the Mayor, Members of the Broward County Board of County Commissioners and Residents:

We are pleased to present Broward County's (the County) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2019. State law requires that all general-purpose local governments annually publish a complete set of financial statements within nine months of the close of each fiscal year. These financial statements are presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and have been audited in accordance with generally accepted auditing standards by an external auditing firm. Management is responsible for the completeness and reliability of the information contained in this report. The data presented in this report is believed to be accurate in all material respects, and all statements and disclosures necessary for the reader to obtain a thorough understanding of the County's financial activities have been included.

The County's management is responsible for the establishment and maintenance of accounting and other internal controls to ensure compliance with applicable laws and County policies so that financial transactions are properly recorded and documented to provide reliable information for the preparation of the County's financial statements. Because the cost of internal controls should not exceed anticipated benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

The County's financial statements have been audited by RSM US LLP, a firm of licensed certified public accountants. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on the County's financial statements for the fiscal year ended September 30, 2019. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County is in addition to a federal and state mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on the administration of federal and state awards. These reports are available in the County's separately issued Single Audit Report. The Single Audit Report, as well as the CAFR, may be accessed via the internet at Broward.org/Accounting.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

PROFILE OF BROWARD COUNTY

The County was incorporated in 1915 and is located along the southeastern coast of the State of Florida. With a developable area of 428 square miles and a population of approximately 1.9 million people, the County is one of the largest counties in the country. The County is governed by its amended Charter, originally adopted in 1974, and functions as a home rule government under the Florida Constitution and the general laws of the State.

The Board of County Commissioners (BOCC) is the legislative and policy-making body of the County. Each of the nine Commissioners is elected from a separate district. Elections are held every two years for staggered four-year terms. Annually, the BOCC elects a Mayor who serves as its presiding officer. The BOCC appoints the County Administrator to act as the County's chief executive officer.

The Administrator implements policies of the BOCC, provides organizational leadership, and directs business and administrative procedures. In addition, there are four elected Constitutional Officers: The Clerk of the Circuit and County Courts, the Property Appraiser, the Sheriff, and the Supervisor of Elections. Circuit Court and County Court judges are also elected.

The County and its independently elected Constitutional Officers provide a broad range of services. These services include law enforcement, fire rescue protection, maintenance of streets, highways, bridges, traffic signals, transportation, environmental protection, urban planning, economic development, human services, parks, libraries, a convention center, property assessments, and tax collections. The County also operates enterprise activities including two airports, a seaport, and the water and sewer systems. Certain legally separate entities are also included as an integral part of the County's financial statements as explained in Note I to the financial statements.

The annual budget serves as the foundation for the County's financial planning and control systems. Management's budget request is presented to the BOCC by the County Administrator. The BOCC holds public hearings on the proposed budget prior to adopting the budget and setting the tax rates (millage) for the budget year. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. These comparisons are presented in the required supplementary information and other supplemental information sections of this report.

LOCAL ECONOMY

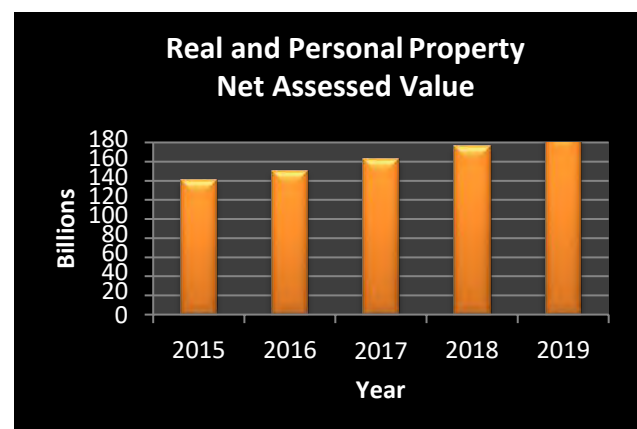
The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the environment within which the County operates. The County enjoys a diverse economic base thanks to a vibrant tourism industry, an active construction industry, highly efficient and productive airport and seaport facilities, and other dynamic industry sectors. Fort Lauderdale-Hollywood Airport (FLL) is the fastest growing large hub airport in the U.S. with a total of 32.9 million passengers at the end of fiscal year 2018, while Port Everglade's (Port) welcomed more than 3.87 million cruise passengers.

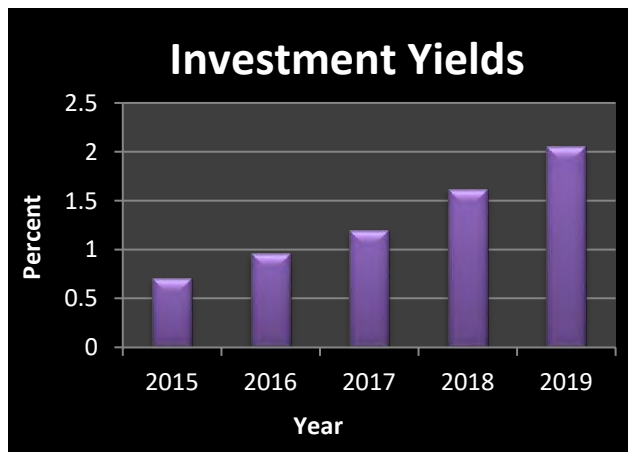
The County's unemployment rate at September 30, 2019 was 2.8% as compared with the rate of 2.8% at September 30, 2018. In comparison, the unemployment rates for Florida and the United States were 3.2% and 3.5%, respectively.

Tourism and the related service industries are an important economic factor in the County, employing approximately 180,000 people and injecting more than \$7.6 billion directly into the County's economy. The combination of a favorable climate (an average year-round temperature of 77 degrees Fahrenheit), together with diverse recreational opportunities, including theaters, parks, pristine public beaches, yacht basins, fishing, golf, tennis, thoroughbred racing, jai alai, and water recreational facilities, have made the County a major tourist center.

The County is maturing as an urban area, and little undeveloped property remains available. Redevelopment will be a primary focus of the County in the years ahead, but future population growth and new development may depend on national economic recovery trends and employment opportunities.

The net assessed value of real and personal property increased in fiscal year 2019 by approximately 6.8%. This is the fifth consecutive year the County has seen an increase in net assessed value since the low point of this economic cycle in fiscal year 2013. This growth pace is not expected to continue; however, the County is 1% above the peak tax roll year, which was reached in fiscal year 2008. Fiscal year 2019 will be the second year in eleven years that the adopted budget is based on a higher overall property tax assessment than before the recession. In fiscal year 2019, property taxpayers will not see an increase in their County-levied millage rate as a result of this budget.





During fiscal year 2019, the Federal Reserve Bank raised short-term interest rates one time and lowered short-term rates two times. With this change in the direction of short-term interest rates, the County's Portfolio yield exceeded the Bank of America Merrill Lynch 1-3 Year Treasury and Agency Index, the County's benchmark, by 0.365% as of September 30, 2019. This benchmark tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years and has a monthly average duration of 1.85, while the monthly average duration on the County's Portfolio is 0.68. In a decreasing rate environment, it is typical for Index yields to decrease quicker as they incorporate changes at a faster pace. The primary objective of the County's investment policy is preservation of capital which is achieved through focusing on the safety and liquidity of investments.

MAJOR INITIATIVES

The business of Broward County government is to deliver cost-effective and collaborative services to enhance and promote the quality of life for our residents, businesses, and visitors. The County is a diverse, vibrant, urban community with parks, beaches, and green space. Positioned at the center of Southeast Florida, we are environmentally and economically sustainable and a gateway to the international marketplace. The County is a regional body working together with government partners and stakeholders to achieve common goals. We are home to innovation and a great place to live, work, play, and visit. The BOCC set forth a number of values and goals in support of their mission, and some of the achievements during the year are detailed below.

Ensuring Economic Opportunities for Broward's Diverse Population and Businesses

- A major terminal modernization project is underway as part of FLL's approximately \$3.2 billion airport expansion/development program, resulting in two new concourses, additional terminal space and new and improved concessions. In addition to several thousand construction jobs, additional permanent jobs are expected as the expansion and improvements are completed
- Construction progressed on the Southport Turning Notch Extension. During Mayor Bogen's tenure, a total of 4,200 linear feet (12,500 tons) of U.S. manufactured steel has been installed to support the incoming bulkheads. And, 32,000 loads (702,000 cubic yards) of muck and trash from the site has been excavated. This project will lengthen the existing Turning Notch from 900 feet to 2,400 feet to create up to five additional cargo berths with three Super Post-Panamax gantry cranes in Southport. of the Southport Turning Notch Extension (STNE) and Crane Improvement projects, the largest expansion in Port Everglades' history valued at \$437.5 million. The STNE project will lengthen the existing deep-water turnaround area for cargo ships from approximately 900 feet to 2,400 feet, which will allow for up to five new cargo berths. The existing gantry crane rails will be extended to the full length of the extended Turning Notch berth to utilize the existing cranes.
- The Convention Center Expansion and Headquarters Hotel Project continues to move forward schematic drawings of the convention center expansion and construction drawings for three "enabling" projects that are necessary to execute before the main project can move to construction. The County's Convention Center is South Florida's premiere waterfront conference center – a beautiful 600,000 square-foot LEED® Gold Certified facility. The planned expansion of the Convention Center and the addition of an adjacent 800-room headquarters hotel with full amenities will take advantage of and be an asset to this scenic location. This combined facility is expected to help the County attract more business, increase tourism, create new jobs and boost the economy by more than \$100.0 million annually.
- The County is targeting small and disadvantaged businesses and continuing to focus on a variety of economic stimulus policies to attract and help sustain small and disadvantaged businesses in the County's business community. The Office of Economic and Small Business Development (OESBD) implemented additional outreach efforts to increase the level of small business participation in the County's procurement process. During fiscal year 2019, the County's focus on business development resulted in the certification of 199 new firms in local small business programs.

Offering Sustainable, Compatible, Innovative Housing Options for All Income Levels, including Integrated, Permanent Supportive Housing

- During fiscal year 2019, 21 new single-family affordable homes were completed in the Central County for low- to moderate-income eligible homeowners. The construction of these homes was made possible through the efforts of the County, the U.S. Department of Housing and Urban Development (HUD), and the Housing Finance Authority.

- The County issued 77 mortgage credit certificates to qualified buyers, reducing their mortgage rates by one percent over the life of the loan.

Cooperatively Delivering an Efficient and Accessible Regional Intermodal Transportation Network

- A 7-member Transportation Surtax Appointing Authority was created to nominate members for an Oversight Board; a 9-member Independent Transportation Surtax Independent Oversight Board was then established including operational policies and began officially meeting.
- A dedicated Mobility Advancement Program office/team was assembled.
- \$146.2 million was approved by the Oversight Board reflecting projects and expenditures outlined in the County's FY2020 Recommended Budget funded from the surtax capital trust fund; up to \$124.7 million for municipal projects contained in the Financial Plan approved by the Board remains available. Surtax-funded MPO staff are currently prioritizing 500+ municipal-requested projects in the Plan approved by voters.
- Construction has begun on "shovel ready" projects that include fiber optics, mast arm upgrades and school safety zone improvements along with BCT enhancements, numerous transportation-related studies and analyses, and legal agreements with stakeholders.
- Existing Community Shuttles in 18 municipalities became eligible for full funding in October.

Cultivating Community Culture, Arts, Recreation and Life-Long Learning

- Overall park attendance reached nearly 12.0 million
- Pop Up Libraries - Visitors to the Pop-Up Library sites can instantly download a free eBook to a smartphone or other device, no library card necessary. An array of hot titles is available for a one-week, free checkout period with no waiting. Pop Up Library customers can simply log in to the Pop-Up Library's mobile hotspot, select a book title and download it to a phone or smart device. No app is necessary - the eBook is ready to read.
- Nine new public art and design projects were unveiled at various locations including at FLL, Port Everglades, Broward Addiction Recovery Center, and in the Broward Municipal Service District.

Approaching Human Services Collaboratively and Compassionately, with Special Emphasis on the Most Vulnerable

- The Family Success Administration Division provided case management services, expended over \$8 million in payments and stabilized over 18,000 households to help prevent residents of Broward County from experiencing unemployment, home foreclosure and/or homelessness; and provided payment assistance for utilities, tuition, transportation, nutrition, childcare and other important services.
- Access to elderly services was enhanced with the establishment of a centralized intake process that resulted in more timely assessments and reduced wait time for services for our most vulnerable seniors and veterans. Over 98% of the 1,886 seniors served remained in their homes and communities, avoiding premature institutional placement that would require a higher and far more costly level of care.
- The Elderly and Veterans Services Division assisted 11,930 veterans and their families with filing for federal benefits from the Veterans Administration, processing 2,206 claims, an 8% increase from FY18 with only one office visit and securing nearly \$12.0 million in benefits.
- Under the Crisis Intervention Support Division's Juvenile Civil Citation program, 698 youth received a civil citation in lieu of being arrested and processed through the juvenile justice system. As an indicator of the program's success, 88% of juveniles successfully completed the program and 99% of the youth completing the Juvenile Civil Citation program did not re-offend within the following 12 months.

Encouraging Investments in Renewable Energy, Sustainable Practices and Environmental Protection

- Three additional brownfield areas were designated within Broward County, for a total of 34 areas encompassing approximately 6,956 acres.
- Broward County hosted the 2019 Broward Roundtable on Climate and Resilience, which was attended by 80 municipal mayors and commissioners, city staff, business representatives and others.

Consistently Delivering Responsive, Efficient, Quality Services to the Public and Internal Customers

- The County is investing in technology for future efficiencies and cost savings. The Enterprise Resource Planning (ERP) project, a five-year endeavor that will transform the way the County does business, continues. The purpose of the ERP is to integrate our core business processes to improve our access to information and ease the way County staff perform their jobs. The ERP, once

fully implemented, will greatly increase the transparency and efficiency of the County's operations, allow it to meet critical business needs, and deliver improved services. Phase II of this project commence in fiscal year 2019.

- Targeted the issue of computer security and completed numerous projects to strengthen the security posture of the County's network, with an emphasis on examining and remediating items of exploitation that could potentially allow a cyberattack.

A final, overarching value adopted by the BOCC is the prominent marketing of Broward County as a brand, while increasing public understanding of programs and services. Numerous activities are undertaken across the enterprise in support of this goal.

LONG-TERM FINANCIAL PLANNING

As an organization, the County has continued to do its best with available resources. The County has consistently balanced the demands for services with the need for financial stability, multi-year planning and responsible stewardship of human and capital resources. The County has continued to rebound from the recession that began eleven years ago. The fiscal year 2019 budget is the second year since 2008 that the adopted budget is based on a higher overall property tax assessment. While the County still faces challenges such as homelessness, safety and security, the economy continues to show growth in employment and people are moving to the County to enjoy our quality of life.

The enterprise fund agencies, which operate without property tax subsidies, continue to flourish and create significant economic opportunities for the community and the region. In 2019, rating agencies reaffirmed existing ratings on bonds all three major enterprise funds, while the County's outstanding Port Facilities Revenue bonds were upgraded by S&P to A in October 2018. The County's General Obligation bonds are rated Aaa by Moody's Investors Service, AAA by Standard and Poor's Ratings Services, and AAA by Fitch, making it one of only four counties in the state of Florida with the distinction of being top rated by all three major rating agencies. The County's Professional Sports Facility bonds were upgraded by Moody's to Aa2 in December 2018.

BUDGET OVERVIEW

The total adopted budget for fiscal year 2020, which includes tax supported as well as non-tax supported funds, compares to the revised fiscal year 2019 budget as follows (in millions):

	2019	2020	Increase (Decrease)
Operating Budget	\$3,247.8	\$3,476.3	\$228.5
Capital Budget	1,256.1	1,595.1	339.0
Debt Service Budget	723.1	739.5	16.4
Total	\$5,227.0	\$5,810.9	583.9

Overall, the total adopted budget is higher than FY19 by \$583.9 million, with operating budgets increased by \$228.5 million (7% over FY19 Revised Budget), debt service higher by \$16.4 million, and capital budgets higher by \$339 million (with increase driven by the new Transportation Surtax funds and Aviation Capital) than the budget for FY19. General Fund operating budgets (constitutional officers and county agencies) increase by \$72.5 million, or about 5.5% of the revised FY19 Budget.

The general fund budget includes a 5.5% increase to the Broward Sheriff's Office budget, to allow for additional efforts centered on recruiting for the future, training for preparedness, and expansion of real time threat management capabilities. The adopted budget includes funding to address critical county priorities: building upon last year's effort in Fort Lauderdale by working to address homelessness in Pompano Beach; adding \$5 million to the already existing FY2020 funding of \$5 million toward affordable housing; advancing \$10 million to Pompano Beach to accelerate beautification and other activities related to the CRA settlement; expanding services in a number of critical areas that help people in vulnerable situations or facing significant health issues; increasing funding for the Broward County Sheriff's office by 5.5%; adding to safety resources for the Broward County park system, and expanding access for visitors to Broward County's wonderful parks.

The budget also continues efforts to improve technology for better customer service and computer security throughout the County; and prepares for the future by adding to the existing reserve for the local portion of FEMA funding related to any future emergency; funding a marketing initiative for the 2020 Census; supporting a Resiliency program and electric vehicle infrastructure in the capital program; and creating a county-wide Innovation Unit to address a wide range of issues that cross existing administrative boundaries and recommend improvements to better serve citizens.

This adopted budget also invests in specific initiatives identified by the County Commission as critical priorities, such as reserving funds for the FY21 health care cost differential element of the already passed Living Wage Ordinance—the recurring impact on General Fund contracts in FY21 is estimated at \$3.25 million; capital funding to add a complex trial courtroom and to improve the offerings at

Markham Target Range; providing funds for a 2050 Community Strategic Plan and to the Town of Pembroke Park to fund a Community Garden Agri-Tourism Project; providing recurring funding for activities at Gulfstream Early Learning Center and for FITCE (Florida International Trade and Cultural Expo); providing non-recurring funds for Junior Achievement; and reserving funds for the anticipated expansion of the Additional Senior Low Income Long term Homestead Exemption in FY21.

Capital projects are prioritized based on the policies of the BOCC articulated through their goals, the Adopted Comprehensive Plan, and other criteria such as the need to protect public health and safety, to maintain the County's infrastructure investments, to comply with federal and state mandates, and to minimize the impact of additional operating costs on the taxpayers. Capital program priorities are also guided by a multitude of programmatic master plans, such as those for the Airport and the Port, which are designed to ensure preservation of existing infrastructure and new infrastructure to promote long-term economic growth. The capital budget increase in fiscal year 2020 is primarily due to an increase in capital improvement funding in the Aviation enterprise fund, which was offset with decreases in the Port Everglades and Water and Wastewater enterprise funds. The capital programs and associated debt service for Aviation, Port Everglades and the Water and Wastewater utility are completely supported by the fees paid by their customers and other revenues and grants associated with their operation. The increase in the Aviation capital budget of \$323.3 million is attributable primarily to additional funding for the five-gate expansion and terminal modernizations. The decrease in the Port Everglades capital budget of \$36.5 million is attributable to the planned five-year project schedule for planned improvement and maintenance projects at the Port. The decrease of \$145.9 million in the Water and Wastewater capital budget is attributable to the planned five-year project schedule for planned improvement and maintenance projects. The capital budget for non-enterprise activities increased by approximately \$141 million in fiscal year 2020, primarily due to in FY20 the Transportation Surtax program is budgeted for the full fiscal year, since in FY19 the effective date of the Transportation Surtax was January 1, 2019. These non-enterprise projects are funded by general revenues, including property taxes, dedicated revenues, and fund balances carried over from the prior year in those capital funds.

The FY20 total net debt service budget is approximately \$714.2 million, which is 1.5% greater than the FY19 debt service budget of \$703.6 million. The change in debt service is primarily due to a net \$26.4 million increase in Port Everglades debt service due to the issuance of the Series 2019 bonds, a net \$17.6 million decrease in Aviation debt service due to a decrease in the Reserve for Future Debt Service, as the bond interest was not capitalized during 2019, as planned, and a \$1.1 million increase in reserves for the General Obligation and Water & Wastewater debt programs. The remaining \$700,000 in variances in debt service budgets reflect programmed changes in debt service schedules.

GFOA CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2018. This was the 34th consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements.

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

ACKNOWLEDGMENTS

The timely preparation and publication of this CAFR represents a significant effort by many of the accountants throughout the County, as well as the excellent cooperation and assistance of other County employees who contributed to its preparation. In particular, we wish to express our appreciation to the entire Accounting Division staff who were responsible for compiling the data comprising this report and to the Public Communications Office staff whose efforts have greatly enhanced the appearance of this report. We also wish to thank the County's independent auditors, RSM US LLP, for their cooperation and review of this report.

Sincere appreciation is also expressed to the Commissioners, County Administrator, and Directors of Departments, Offices, and Divisions for their assistance throughout the year in matters pertaining to the financial affairs of the County.

Respectfully submitted,



George Tablack, CPA
Chief Financial Officer

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Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
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Presented to

**Broward County
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Morill

Executive Director/CEO

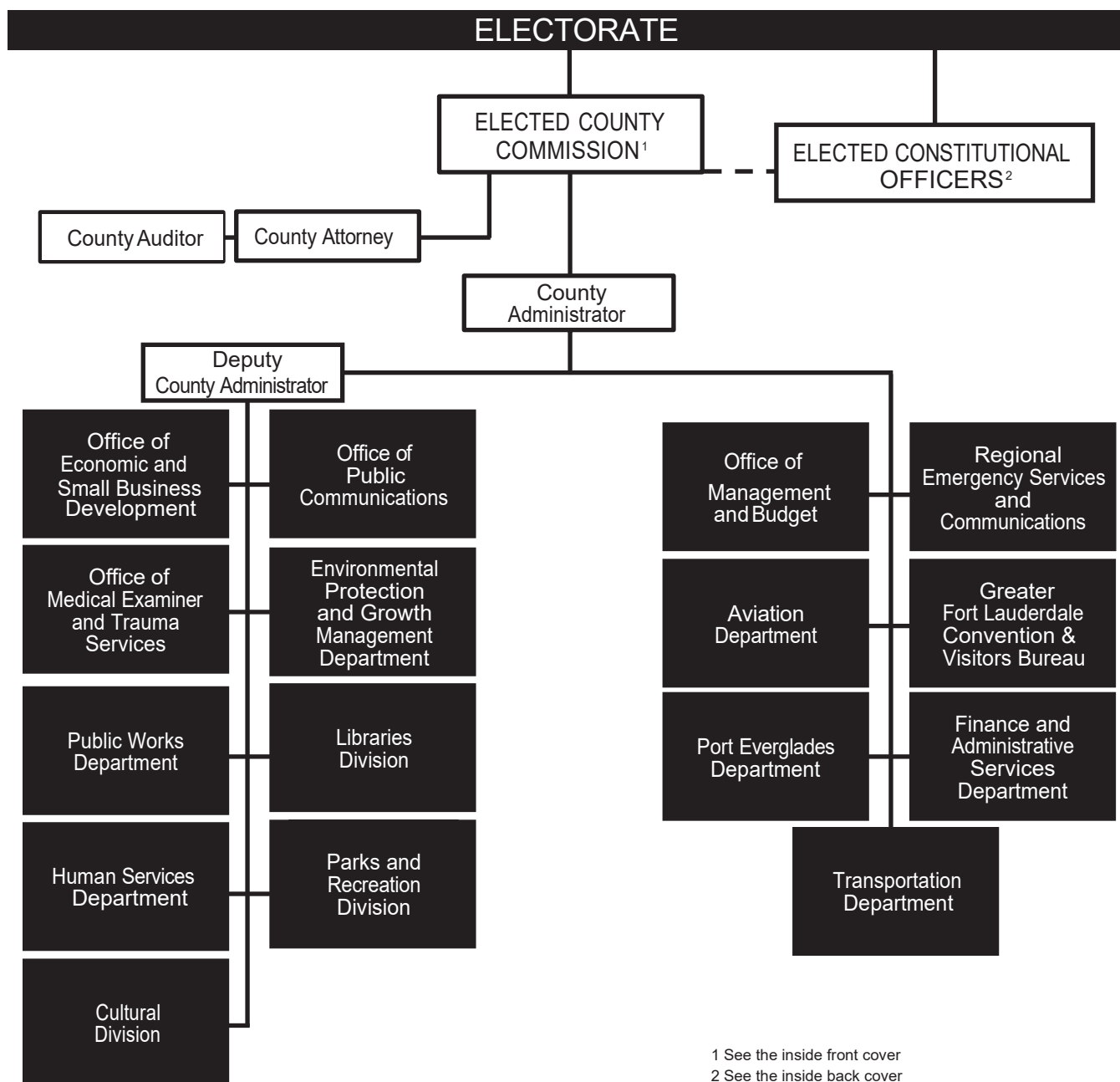
ORGANIZATION OF BROWARD COUNTY GOVERNMENT

The County is governed by the provisions of its Charter as amended – originally adopted by the electors of the County on November 5, 1974. Under the Charter, the County functions as a home rule government consistent with the provisions of the Florida Constitution and the general laws of the State.

The nine member Board of County Commissioners (the “BOCC”) is the legislative body of the County government. The BOCC annually elects a Mayor, who serves as the presiding officer. The Charter provides for one County Commissioner to be elected from each of the Commission districts. Elections are held every two years for staggered four-year terms. Each candidate must be a registered elector and a legal resident of the district to be represented.

The BOCC appoints the County Administrator to act as the County’s chief executive officer. The Administrator serves at the pleasure of the BOCC, implements policies, provides organizational leadership for addressing major issues and directs business and administrative procedures. The BOCC also appoints the County Attorney, advisory board members and authorities to administer certain public services. The County Auditor is nominated by an independent board and is subject to ratification by a majority of the BOCC.

In addition to the BOCC members, County residents elect the 58 Circuit Court Judges, 32 County Court Judges and four constitutional officers: the Clerk of the Circuit and County Courts, the Property Appraiser, the Sheriff and the Supervisor of Elections. Certain costs of the judicial system and the operating costs of the constitutional offices are funded by the Board pursuant to state law.



Financial Section

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund
- Financial Statements and Schedules



Airport Infrastructure and Safety Improvements

Broward County's Fort Lauderdale-Hollywood International Airport (FLL) is the country's 19th busiest for airline passengers.

In 2019, fourteen new destinations were introduced and new restaurant and retail offerings opened. A **\$95 million project** to rehabilitate the North Runway was completed.

Broward County issued \$510 million in Airport System Revenue Bonds, which will primarily fund ongoing capital improvements at FLL. The majority of proceeds from the bonds will be used to pay for current construction projects, including terminal modernization initiatives, concourse renovations, and new enclosed walkways connecting terminals. Taking advantage of historically low interest rates, the County also refinanced more than \$800 million of the airport's previous debt. This refinancing will result in approximately \$87 million of present value savings to the airlines compared to the previous debt repayment terms.

New technology was introduced to help employees respond to airport significant threats, roadway or terminal closures, aircraft incidents and weather-related emergencies.

Interactive emergency phones with visual capabilities were installed to allow employees and the public to report an incident in real time improving response to any emergency or perceived threat.

Independent Auditor's Report

To The Honorable Board of County Commissioners
Broward County, Florida

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 Broward County, Florida (the County), as of and for the year ended September 30, 2019, 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: (1) Clerk of Circuit and County Courts (a discretely presented component unit), (2) Broward County Housing Finance Authority (a discretely presented component unit), (3) Broward County Supervisor of Elections (reported as part of the County's general fund) and (4) Broward County Property Appraiser (reported as part of the County's general fund) which represent less than 1% of assets and 1.94% of revenues of the governmental activities opinion unit, and less than 1% of total assets and 3.62% of total revenue of the General Fund opinion unit, and 99.8% of the assets and 99.95% of the revenue of the aggregate discretely presented component units opinion unit.

Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Broward County Property Appraiser, Broward County Supervisor of Elections, Clerk of the Circuit and County Courts and Broward County Housing Finance Authority, are based solely 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 performed the audit to obtain reasonable assurance about whether the financial statements are free from 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.

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 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 Broward County, Florida, as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules for the general fund, the sheriff contractual services special revenue fund, the transportation surtax special revenue fund and the schedules related to the pension and other post-employment benefits plans 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 accompanying 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.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements 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 separate cover, our report dated March 26, 2020, 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, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

RSM US LLP

March 26, 2020
Fort Lauderdale, Florida

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MANAGEMENT'S DISCUSSION AND ANALYSIS

(unaudited)

The management of Broward County (the County) offers this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2019. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

The following are key financial highlights for the fiscal year:

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at September 30, 2019, by \$5.2 billion (net position). Of this amount, \$116.4 million represents a net deficit in unrestricted net position which is composed of long-term obligations the County will fund from future revenues.
- The County's current year activities increased total net position by \$400.3 million in fiscal year 2019. Business-type activities increased total net position by \$145.0 million due to positive results of operations in the Aviation, Port Everglades and Water and Wastewater funds. Governmental-type activities increased the total net position by \$255.3 million.
- As of September 30, 2019, the County's governmental funds reported combined ending fund balances of \$1.6 billion, which represents an increase of \$383.6 million from the prior year. The fund balances for the County's three major funds increased by \$324.4 million, of which \$50.9 million was attributable to the General Fund and \$278.5 million was attributable to the Transportation Surtax Fund created in 2019. The increases in the other two major funds was partially offset by a decrease of \$5.0 million from the Sheriff Contractual Services Fund. Additionally, there was an increase of \$59.2 million in the Nonmajor Governmental Funds, of which \$52.7 million was attributable to the Nonmajor Capital Projects Funds.
- At the end of the current fiscal year, unrestricted fund balance (the total of committed, assigned, and unassigned components of fund balance) for the General Fund was \$466.1 million, or 37.3% of total General Fund expenditures and other financing uses.
- The County's total outstanding debt increased by \$277.5 million, or 8.7%, during the current fiscal year. During the year, the County issued \$40.0 million to fund short term financing for the Convention Center construction project and \$490.7 million in Port Facility Revenue Bonds to fund Port projects and refund outstanding debt, and \$7.9 million in capital leases for equipment for the Sheriff. During the year, the County made payments for the mandatory and optional retirements of \$261.1 million in debt.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the County's 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. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to a private-sector business. The statement of net position presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, transportation, human services, culture and recreation, physical environment, economic environment, the Sheriff, Property Appraiser, and Supervisor of Elections. The business-type activities of the County include an airport, seaport, water and wastewater utilities, and solid waste operations. The government-wide financial statements include not only the County itself, but also the Housing Finance Authority, the Health Facilities Authority, and the Clerk of the Courts, which are, legally separate entities for which the County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 18 and 19 of this report.

Fund Financial Statements

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

Governmental funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements

focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

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

The County maintains 26 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Sheriff Contractual Services Fund, and the Transportation Surtax Fund, which are considered to be major funds. Data from the other governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 20-23 of this report.

Proprietary funds – The County maintains two different types of proprietary funds, enterprise funds 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 airport, seaport, water and wastewater, and solid waste operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its self-insurance, vehicle fleet, and print shop operations. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide disaggregated information for each of the three major enterprise operations. The remaining enterprise funds, which are considered nonmajor funds, are aggregated and reported in a single column in the proprietary fund financial statements. Internal service funds are also aggregated and presented in a single column in the proprietary fund financial statements. Data for the nonmajor enterprise funds and the internal service funds is provided in the form of combining statements elsewhere in this report. The basic proprietary fund financial statements can be found on pages 24-28 of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The County maintains agency funds which represent resources held by the County in a custodial capacity for individuals, private organizations, and other governments. The basic fiduciary fund financial statements can be found on page 29 of this report.

Notes to the Financial Statements

The notes provide additional information, that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32-71 of this report.

Other Information

In addition to the basic financial statements, which includes the accompanying notes, this report also presents certain required supplementary information concerning the County's progress in funding its obligation to provide other post employment benefits, the County's proportionate share of the net pension liability, and the County's pension contributions. This section also includes budget to actual comparisons for the general and major special revenue funds to demonstrate compliance with their budgets. Required supplementary information can be found on pages 72-78 of the report.

The nonmajor governmental funds, nonmajor enterprise funds, internal service funds, and fiduciary funds combining and individual fund statements can be found on pages 80-116 of this report immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

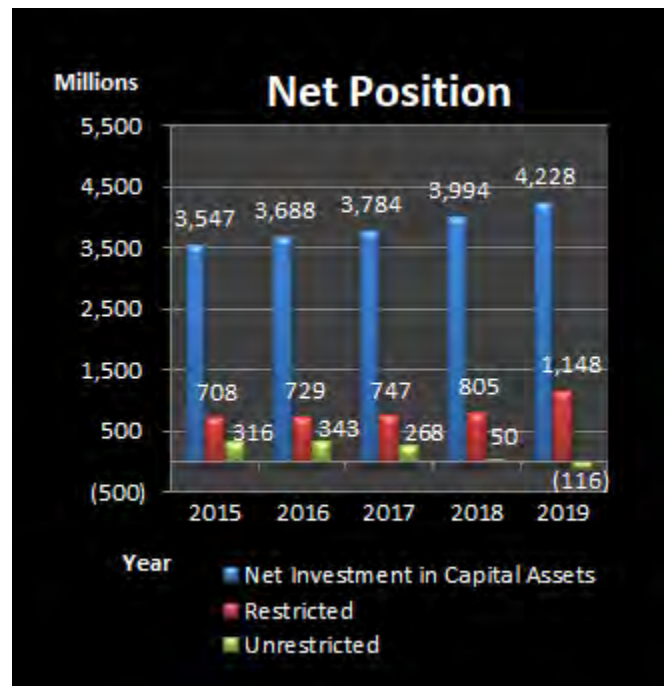
The following schedule is a summary of net position for the County as of September 30, 2019, with comparative information for fiscal year 2018.

Broward County's Net Position As of September 30, 2019 and 2018 (In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and Other Assets	\$ 2,021,973	\$ 1,624,943	\$ 1,690,706	\$ 1,615,740	\$ 3,712,679	\$ 3,240,683
Capital Assets	2,460,515	2,400,099	5,057,337	4,549,018	7,517,852	6,949,117
Total Assets	4,482,488	4,025,042	6,748,043	6,164,758	11,230,531	10,189,800
Total Deferred Outflows of Resources	472,431	497,463	51,383	52,940	523,814	550,403
Long-term Obligations	2,355,065	2,171,894	3,401,284	3,057,409	5,756,349	5,229,303
Other Liabilities	210,747	190,959	393,388	299,459	604,135	490,418
Total Liabilities	2,565,812	2,362,853	3,794,672	3,356,868	6,360,484	5,719,721
Total deferred Inflows of Resources	138,491	164,337	5,934	7,043	144,425	171,380
Net Position:						
Net Investment in Capital Assets	1,954,794	2,065,418	2,262,669	1,929,021	4,217,463	3,994,439
Restricted	645,200	320,891	503,186	484,195	1,148,386	805,086
Unrestricted (deficit)	(349,378)	(390,994)	232,965	440,571	(116,413)	49,577
Total Net Position	\$ 2,250,616	\$ 1,995,315	\$ 2,998,820	\$ 2,853,787	\$ 5,249,436	\$ 4,849,102

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of September 30, 2019, the County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$5.2 billion. By far the largest portion of the County's net position, 80.3% or \$4.2 billion, reflects its investment in capital assets (e.g. land, buildings, machinery and equipment) less any related outstanding debt used to acquire those assets. These capital assets are used to provide services to citizens; consequently these assets are not available for future spending. It should also be noted that the resources required to repay the related debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the County's net position, 21.9% or \$1.1 billion, represents resources that are subject to external restrictions on how they may be used. The County had a deficit of 2.2% or \$116.4 million in unrestricted net position. As of September 30, 2019, the governmental activities had an unrestricted deficit of \$349.4 million, while the business-type activities unrestricted net position totaled \$233.0 million. The negative unrestricted net position in the governmental activities is primarily the result of recording the net pension liability.

The County's current year governmental activities increased net position by \$255.3 million. Current year activities increased business-type activities net position by \$145.0 million due to positive results of operations in the Aviation, Port Everglades and Water and Wastewater funds. The reasons for the overall increases/decreases in current year activities are discussed in the following sections for the governmental activities and business-type activities. The following schedule is a summary of the government-wide activity for the fiscal year ended September 30, 2019, with comparative information for the fiscal year ended September 30, 2018.



Broward County's Changes in Net Position
For the Years Ended September 30, 2019 and 2018
(In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 559,916	\$ 542,190	\$ 709,482	\$ 684,525	\$ 1,269,398	\$ 1,226,715
Operating grants and contributions	123,985	148,151	22,274	7,885	146,259	156,036
Capital grants and contributions	30,135	58,429	105,372	74,956	135,507	133,385
General revenues:						
Property taxes	1,031,880	965,941			1,031,880	965,941
Other taxes	529,622	242,366			529,622	242,366
Other	133,859	70,321	53,693	17,951	187,552	88,272
Total revenues	2,409,397	2,027,398	890,821	785,317	3,300,218	2,812,715
Expenses:						
General government	286,548	273,641			286,548	273,641
Public safety	54,632	43,241			54,632	43,241
Transportation	276,896	241,628			276,896	241,628
Human services	171,846	158,915			171,846	158,915
Culture and recreation	210,164	174,325			210,164	174,325
Physical environment	23,395	23,978			23,395	23,978
Economic environment	19,816	20,878			19,816	20,878
Sheriff	1,039,643	873,962			1,039,643	873,962
Property Appraiser	27,246	23,619			27,246	23,619
Supervisor of Elections	23,500	16,654			23,500	16,654
Interest on long-term debt	18,990	21,362			18,990	21,362
Aviation			445,086	376,860	445,086	376,860
Port Everglades			149,511	139,108	149,511	139,108
Water and wastewater			133,405	122,875	133,405	122,875
Solid waste			15,522	23,750	15,522	23,750
Unincorporated area waste			1,248	1,141	1,248	1,141
Water management			2,436	2,481	2,436	2,481
Total expenses	2,152,676	1,872,203	747,208	666,215	2,899,884	2,538,418
Increase in net position before transfers	256,721	155,195	143,613	119,102	400,334	274,297
Transfers	(1,420)	(1,848)	1,420	1,848		
Change in net position	255,301	153,347	145,033	120,950	400,334	274,297
Net position - Beginning	1,995,315	1,841,968	2,853,787	2,732,837	4,849,102	4,574,805
Net position - Ending	\$ 2,250,616	\$ 1,995,315	\$ 2,998,820	\$ 2,853,787	\$ 5,249,436	\$ 4,849,102

Governmental Activities

Revenues:

Governmental activities revenues increased by \$382.0 million over the prior year. Some of the significant changes in revenues were as follows:

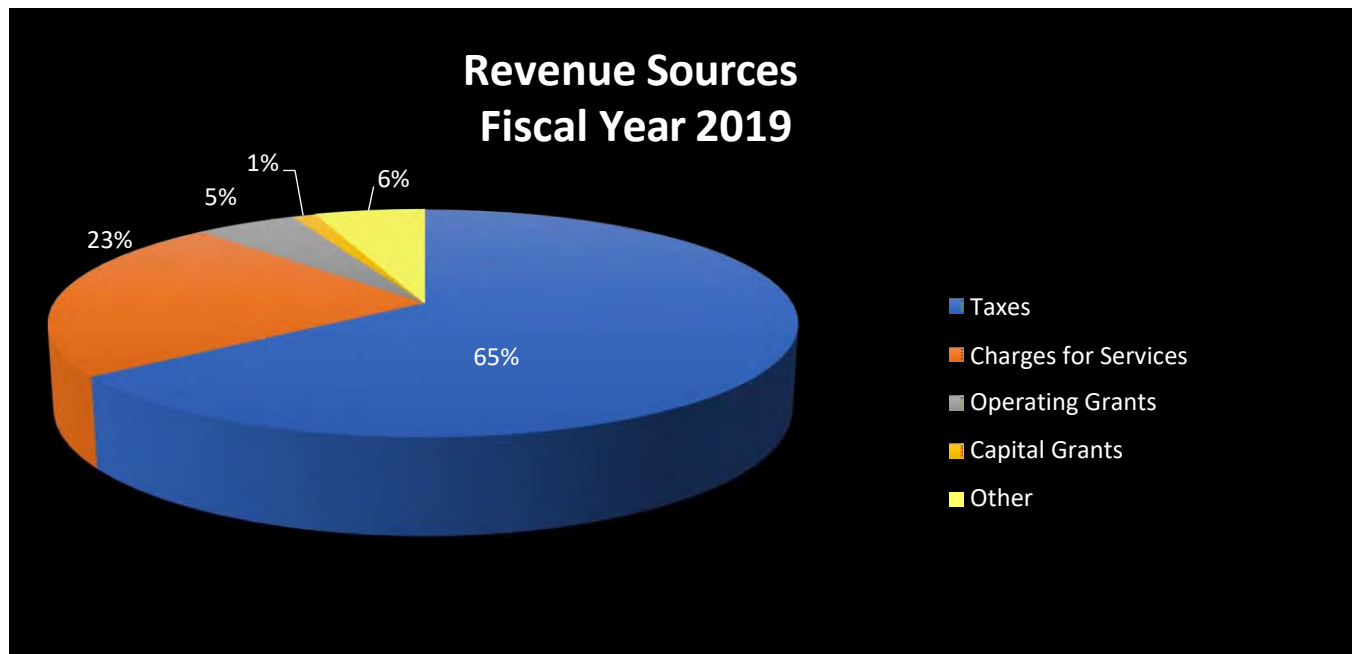
- Charges for services increased by \$17.7 million primarily as a result of several items. There was an increase of \$9.8 million in the Sheriff revenues due to increases in contracts with municipalities for police and fire protection services. General Government licenses and fees increased by \$9.2 million. In Public Safety, there was an increase of \$1.1 million due to more enforcement. The increases were offset by decreases in Culture and Recreation for less park attendance in the amount of \$1.8 million due to the temporary park closures for repairs and decreases in Physical Environment in enforcement fees in the amount of \$2.2 million.
- Operating grants and contributions decreased by \$24.2 million from the prior year as a result of several items. Operating grants and contributions for the Sheriff decreased \$10.3 million due to a decrease in reimbursements for Hurricane spending compared to 2018. In addition, there was a decrease of \$5.7 million for Economic Environment due to not having spent all of the grants funds the County received to provide housing. There was a decrease in Public Safety revenue of \$9.0 million due to decrease in operating grant income for Emergency Management.
- Capital grants and contributions decreased by \$28.3 million from the prior year. This decrease is primarily attributable to a decrease of \$38.2 million in transportation capital grants due to less spending in the current year on farebox software, bus purchases, and bus shelter improvements including ADA upgrades. The decline was partially offset by an increase of \$8.5 million in Economic Environment for Housing projects.
- Property tax revenues increased by \$65.9 million as a result of an increase in assessed property values. Another significant increase was the first 9 months of revenue in the new Transportation Surtax in the amount of \$282.6 million. Other tax revenues increased by \$4.6 million primarily due to an increase of \$4.3 million in Tourist Development Taxes.
- Other general revenues increased by \$63.5 million from the prior year primarily due to an increase of \$49.3 million in interest income resulting from unrealized gains associated with fluctuations in the value of marketable investments. Miscellaneous revenue increased by \$13.1 million of which \$2.9 million related to reimbursements for road construction and \$10.3 million related to increased Community Reinvestment Act refunds received.

Expenses:

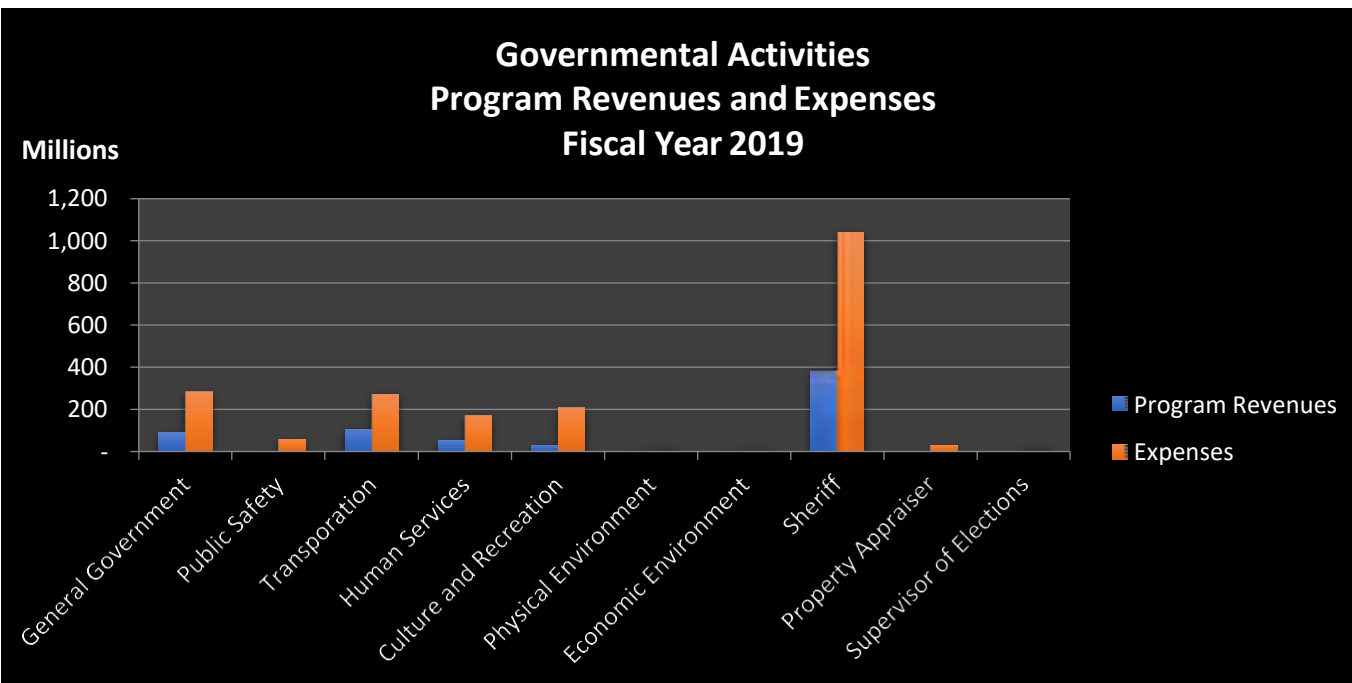
Governmental activities expenses increased overall by \$280.5 million. Of that amount, \$177.5 million was the adjustment for pension expense for a net increase of \$103.0 million. Significant changes in expenses are as follows:

- General government expenses increased by \$12.9 million from the prior year. The result of operations in the internal service funds was less than the previous year in the amount of \$7.3 million. Improvements to network security and financial systems were \$4.3 million.
- Public Safety expenses increased by \$11.4 million from the prior year. Expenses increased by \$4.6 million as a result of purchases of hurricane equipment and supplies that did not meet the capitalization threshold for emergency preparedness as well as increased operations for the Office of Public Communications.
- Transportation expenses increased by \$35.3 million from the prior year due to increased road and traffic maintenance expense for the transit system in the amount of \$35.7 million.
- Culture and Recreation expenses increased \$35.8 million from the prior year mainly due to a \$14.6 million increase in expenses for operations for Parks and Libraries and a \$11.5 million increase in expenses for Tourism.
- Human Services expenses increased \$13.0 million from the prior year. Net increases in community services operations related supportive services of \$8.3 million. The change in long term assets and liabilities was an increase of \$4.7 million.
- Property Appraiser expenses increased \$3.6 million due to increased expenses for general operations.
- Sheriff expenses increased by \$165.7 million from the prior year based upon increased spending for crime prevention, corrections and rehabilitation, and fire rescue and rehabilitation.

The following is a chart of the fiscal year 2019 governmental activities revenues by source and by percent of total revenues.



The following chart compares program revenues and expenses for the governmental activities for fiscal year 2019.



Business-Type Activities

Net position for the business-type activities as of September 30, 2019 was \$3.0 billion, an increase of \$145.0 million from the prior year balance of \$2.9 billion. As compared to the prior year, program revenues and general revenues increased by \$105.5 million and expenses increased by \$81.0 million. Some of the significant changes in revenues and expenses were as follows:

Revenues:

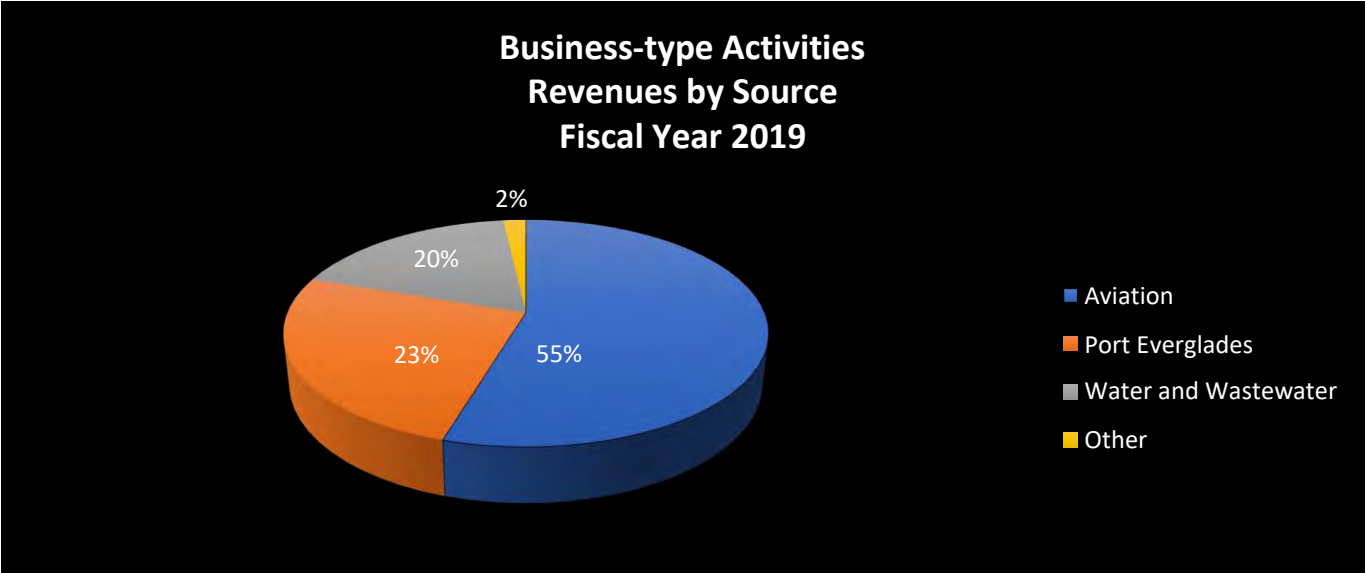
- Charges for services increased by \$25.0 million in fiscal year 2019 as compared to fiscal year 2018 as follows:
 - Aviation revenues increased by \$23.3 million over the prior year primarily as a result of an increase of \$16.2 million in airline revenues, an increase of \$5.0 million in non-airline revenues (rental car revenues, parking fees and concession fees), and a \$1.8 million increase in passenger facility charges. The increase in airline revenues was in accordance with the residual rate-making formula in the airline agreements, as well as an increase in the level of airline activity. Revenue from parking fees and concessions increased resulting from enhancement to the parking garage and improved concessions. The increase in the passenger facility charges is due to increased passenger numbers.
 - Port Everglades revenues increased \$2.7 million due to more tourism.
- Operating grants and contribution increased \$14.4 million from the prior year due to the level of funding applicable to the noise mitigation program in fiscal year 2019 as compared to fiscal year 2018.
- Capital grants and contributions increased \$30.4 million from the prior year. Aviation capital grants increased by \$2.2 million from the prior year mainly due to a increase in grants from the FAA and FDOT for the terminal improvements. Port Everglades capital grants increased by \$26.1 million due to an increase in capital grants to assist with funding of the Southport Turning Notch Extension and infrastructure projects. Water and Wastewater capital contributions increased \$2.2 million.

Expenses:

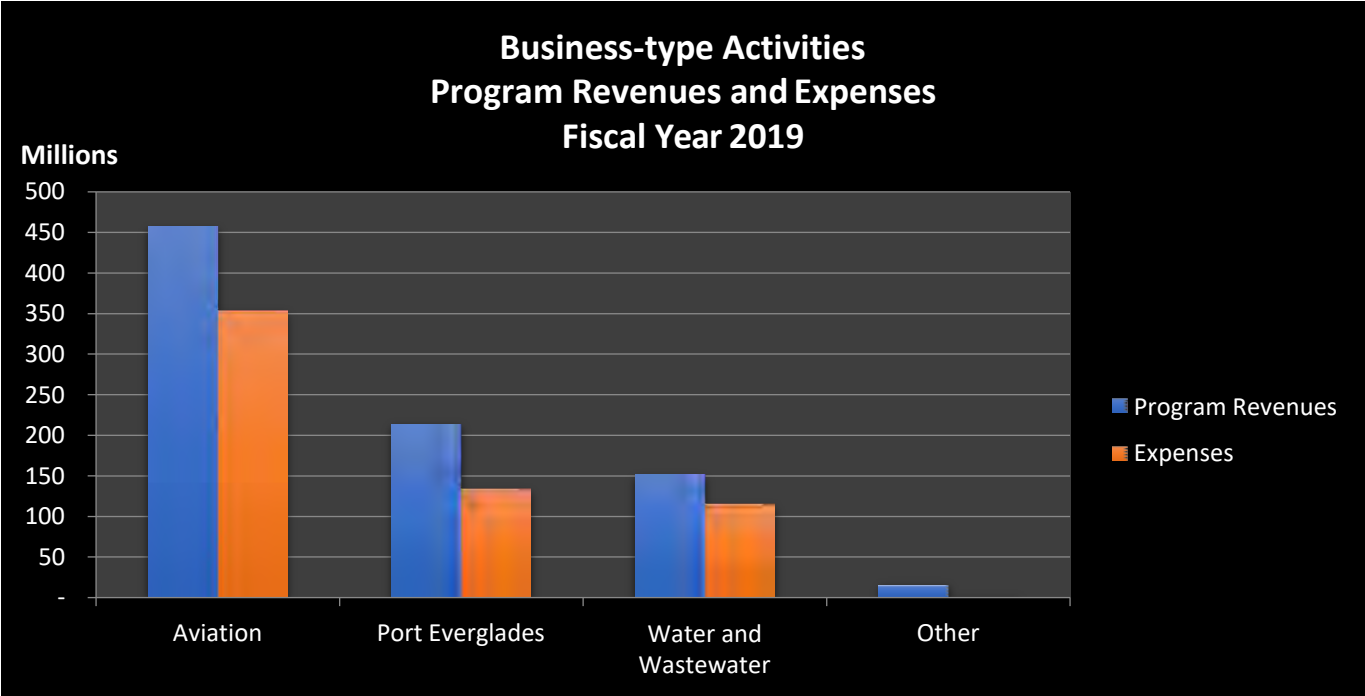
Overall expenses in the business-type activities increased by \$81.0 million as compared with the prior fiscal year. There were significant increases in the Aviation, Port Everglades and Water and Wastewater expenses, which were partially offset by a decrease in the Solid Waste expenses.

- Aviation expenses increased by \$68.2 million from the prior year. Salary and benefits increased by \$8.0 million due to salary adjustments and increases in health insurance and pension costs. General operating expenses increased by \$12.8 million for shuttle service costs for off-site employee parking, janitorial costs, security costs, law enforcement and fire rescue costs, and utility costs. Depreciation expense increased by \$11.8 million due to assets placed in service as a result of the ongoing airport expansion and improvement project. Interest expense increased by \$18.0 million from the prior year due to the implementation of *GASB 89, Accounting for Interest Cost Incurred before the End of a Construction Period*. Noise mitigation costs increased by \$19.8 million. These increases were partially offset by a decrease in the bond issuance costs of \$2.0 million.
- Port Everglades expenses increased by \$10.4 million from the prior year. Salary and benefits increased by \$1.5 million due to salary adjustments and increases in health insurance and pension costs. Depreciation expense increased \$1.1 million. Interest expense increased by \$2.3 million due to implementation of *GASB 89, Accounting for Interest Cost Incurred before the End of a Construction Period*. In addition, bond issuance costs increased by \$3.1 million, and there was a loss of \$2.5 million on the in-substance defeasance of debt.
- Water and Wastewater expenses increased by \$10.5 million from the prior year. Salary and benefits increased by \$3.3 million due to an increased headcount, salary adjustments and increased health insurance and pension costs. Depreciation expense increased by \$276 thousand, and Interest expense increased by \$5.7 million due to implementation of *GASB 89, Accounting for Interest Cost Incurred before the End of a Construction Period* which requires interest paid during the construction period to be expensed rather than capitalized.
- Solid Waste expenses decreased by \$8.2 million from the prior year due to a decrease in landfill closure expenses

The following is a chart of the fiscal year 2019 business-type activities revenues by source and by percent of total revenues.



The following chart compares program revenues and expenses for the business-type activities for fiscal year 2019.



FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental Funds

The focus of the County's governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Board of County Commissioners.

At September 30, 2019, the County's governmental funds reported combined ending fund balances of \$1.6 billion, an increase of \$383.6 million from the prior year. As of September 30, 2019, the County's governmental funds reported an unassigned deficit of \$79.7 million. The remainder of fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form (\$23.4 million), 2) restricted for particular purposes (\$651.0 million), 3) committed for particular purposes (\$511.6 million), or 4) assigned for particular purposes (\$379.1 million).

The General Fund is the chief operating fund of the County. At September 30, 2019, the unassigned fund balance of the General Fund was \$80.0 million while total fund balance was \$520.1 million. As a measure of the General Fund's liquidity, it may be more useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures and other financing uses. Unassigned fund balance represents 0.6% of total General Fund expenditures and other financing uses, while total fund balance represents 39.2% of that same amount.

The fund balance of the County's General Fund increased by \$50.9 million during the current fiscal year. This increase was achieved by positive variances in overall revenues, expenditures, and net transfers. Property taxes were the main contributor to the overall positive revenue variance indicating improvement in the economy.

The fund balance of the Sheriff Contractual Services Fund, a major fund, decreased by \$16.5 million during the current fiscal year. Although revenues were less than the amounts estimated, this shortfall was not mitigated by expenditure savings.

The fund balance of the Transportation Surtax Fund, a major fund created during 2019, accumulated to \$278.6 million during the current fiscal year. Revenues in the first nine months of operation (a short period) were more than the amounts estimated and exceeded expenditure in the first nine months (a short period).

Proprietary Funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, but in more detail.

The Aviation Fund generated an operating loss of \$16.6 million and an increase in net position of \$46.3 million in fiscal year 2019. As of September 30, 2019, net position totaled \$1.6 billion of which \$131.5 million was unrestricted.

The Port Everglades Fund generated operating income of \$36.5 million and an increase in net position of \$74.2 million in fiscal year 2019. As of September 30, 2019, net position totaled \$896.8 million, of which \$94.1 million was unrestricted.

The Water and Wastewater Fund generated operating income of \$29.0 million and an increase in net position of \$21.4 million in fiscal year 2019. As of September 30, 2019, net position totaled \$481.7 million, of which \$0.4 million was unrestricted deficit.

Other factors concerning the finances of these funds have already been addressed in the previous discussion of the County's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Overall, there was a \$156.9 million increase in appropriations between the original and final budget. The main components of this increase are in Public Works - Administration (\$9.7 million), the Sheriff (\$56.3 million), Public Safety - County Administration, Office of Regional Communications Technology (\$5.3 million), Human Services - Children, Homeless and Health Care Services, Elderly and Veteran Services, Family Success (\$7.8 million), Libraries, Parks and Cultural (\$9.1 million); and transfers out (\$40.7 million). Of the total \$156.9 million increase in appropriations, \$14.5 million was funded by unanticipated revenues and transfers in, and the remaining \$142.4 million was funded by fund balance.

General Fund revenues for the 2019 fiscal year totaled \$1.3 billion or 98.2% of the final budget. Total expenditures of \$1.3 billion were 91.0% of the final budget as several functional areas experienced budget savings. Significant positive variances were primarily in public safety category where expenditures were \$73.9 million less than the final budget due to savings in operating expenditures and capital project costs related to the Sheriff. The general government expenditures were \$23.8 million less than the budget, which was primarily attributable to court facility capital costs being budgeted but not incurred, salary adjustments being budgeted but not implemented, as well as other general savings in various categories. Other financing sources totaled \$86.0 million or 118.9% of the final budget, while other financing uses totaled \$74.3

million or 89.6% of the final budget. General Fund revenues and other financing sources exceeded expenditures and other financing uses by \$50.9 million, resulting in a positive variance with the final budget of \$185.7 million.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2019, amounted to \$7.5 billion (net of accumulated depreciation). In fiscal year 2019, there was a net increase in capital assets totaling \$568.7 million (additions, net of retirements and depreciation).

Broward County's Capital Assets (net of depreciation) September 30, 2019 and 2018

(In Thousands)

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
Land and land improvements	\$ 523,048	\$ 476,634	\$ 460,141	\$ 450,550	\$ 983,189	\$ 927,184
Land held for leasing	-	-	151,974	151,974	151,974	151,974
Construction in progress	123,102	99,871	1,030,226	557,389	1,153,328	657,260
Landfill	-	-	31,382	32,557	31,382	32,557
Property held for leasing	-	-	516,708	512,800	516,708	512,800
Buildings and building improvements	889,928	912,836	820,813	742,488	1,710,741	1,655,324
Improvements other than buildings	684,227	675,190	1,317,174	1,367,691	2,001,401	2,042,881
Utility plant in service	-	-	623,912	628,137	623,912	628,137
Equipment	240,210	235,568	105,007	105,432	345,217	341,000
Total	\$ 2,460,515	\$ 2,400,099	\$ 5,057,337	\$ 4,549,018	\$ 7,517,852	\$ 6,949,117

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

Governmental activities:

- Land and easements acquisitions (\$48.1 million)
- Traffic and road improvements and equipment (\$39.9 million)
- Transit and Fleet vehicles purchases (\$7.8 million)
- County computer equipment purchases (\$2.1 million)

Business-type activities:

- Terminal projects, airfield projects including runway rehabilitation, baggage systems and other projects (\$242.9 million)
- Port Everglades cruise terminal expansion, parking garage, Southport turning notch, and Super Post-Panamax Cranes (\$298.8 million)
- Water and wastewater infrastructure improvements and neighborhood improvements (\$116.2 million)

Additional information on the County's capital assets can be found in Note 6 to the financial statements.

Long-Term Debt

The enterprise fund agencies, which operate without property tax subsidies, continue to flourish and create significant economic opportunities for the community and the region. In 2019, rating agencies reaffirmed existing ratings on bonds all three major enterprise funds, while the County's outstanding Port Facilities Revenue bonds were upgraded by S&P to A in October 2018. The County's General Obligation bonds are rated Aaa by Moody's Investors Service, AAA by Standard and Poor's Ratings Services, and AAA by Fitch, making it one of only four counties in the state of Florida with the distinction of being top rated by all three major rating agencies. The County's Professional Sports Facility bonds were upgraded by Moody's to Aa2 in December 2018.

At September 30, 2019, the County had \$3.5 billion in outstanding debt as compared to \$3.2 billion in the prior year. Of the total debt outstanding, \$155.2 million, or 6.3%, was backed by the full faith and credit of the County and the balance was secured by various specific revenue sources.

The County's outstanding debt as of September 30, 2019, for the governmental activities decreased by \$8.0 million, while the outstanding bonded indebtedness for the business-type activities increased by \$269.5 million during the 2019 fiscal year. These increases are the result of payments made during the fiscal year towards outstanding obligations and were offset by the issuance of new debt and refunding debt.

Broward County's Outstanding Debt September 30, 2019 and 2018

(In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
General obligation bonds	\$ 155,245	\$ 181,970	-	-	\$ 155,245	\$ 181,970
Special obligation bonds	215,580	228,060	-	-	215,580	228,060
Direct placement loans	108,535	68,955	-	-	108,535	68,955
Capital leases	8,077	406	-	-	8,077	406
Revenue bonds	-	-	\$ 2,985,165	\$ 2,715,685	2,985,165	2,715,685
Total	487,437	479,391	2,985,165	2,715,685	3,472,602	3,195,076

The County's required Annual Disclosure Statement may be found on line at www.broward.org/Finance/InvestorRelations/Pages/Default.aspx. This disclosure report details and updates certain statistics and financial performance which form the basis for the security for the County's indebtedness. Additional information on the County's long-term debt can be found in Note 7 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Local, national, and international economic factors influence the County's revenues. Positive economic growth is correlated with increased revenues from property taxes, sales taxes, charges for services, as well as state and federal grants. Economic growth in the local economy may be measured by a variety of indicators such as employment growth, unemployment, new construction, assessed valuation and enterprise fund revenues.

- Net assessed value of real and personal property within the County increased by approximately 5.9% in fiscal year 2020 over fiscal year 2019.
- Property taxpayers will not see an increase in their County levied millage rate in fiscal year 2020. The debt service millage rate will decline slightly with a corresponding increase in the general capital rate. The capital millage rate is based on the goal on continuing to rebuild the "pay as you go" capital program which was significantly impacted during the recession, and is essential to meeting infrastructure maintenance requirements. With over \$2 billion in tax supported assets to maintain, it is essential that the County continues to rebuild the pay as you go program with recurring revenue until an acceptable level based on a detailed asset management program and national benchmarks are met.
- The fiscal year 2020 budget includes funding to address critical County priorities including protecting public safety by allocating \$4.4 million for a new public safety radio system, providing additional resources totaling \$351.0 million to support transit connectivity, relieve traffic congestion, improve transit service, and allocating 2.2 million as the County's contribution to the community partnership to address homelessness, and working to expand the amount of affordable housing by directing \$5 million towards partnerships with the private sector and other governments to increase the number of affordable available units for working families.
- The unemployment rate for the County as of September 30, 2019 was 2.8%. This compares favorably to the State's unemployment rate of 3.2% and the national rate of 3.5%.

All of the above factors were considered in preparing the County's fiscal year 2020 budget. The increase in the net assessed value provides revenue to help address cost increases and fund improvements. Where revenues are growing, such as in the enterprise funds, the County is investing resources into infrastructure improvements guided by carefully crafted master plans that will serve the community well for years to come and strengthen the local economy.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Director, Accounting Division
115 S. Andrews Avenue, Room 221,
Fort Lauderdale, FL 33301

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Basic Financial Statements



Convention Center Expansion

Planning and demolition work began on a massive \$1 billion expansion of the Broward County Convention Center and Headquarters Hotel project. The County signed a comprehensive development agreement with Matthews Southwest and broke ground on the project. County Commissioners recently approved the major terms for a hotel management agreement with Omni Hotels and Resorts.

The expanded Convention Center will boast more than 1,200,000 square feet (sf), including 350,000 sf contiguous exhibition hall, a new 65,000 sf waterfront ballroom, the latest in new technology, new dining concepts, enhanced water taxi access, and an iconic waterfront plaza with increased public access.

The Convention Center Expansion will not be built at taxpayer expense. The project will be funded by a combination of tourism tax and the revenue from the sale of County bonds. In addition, the added jobs and tourism revenue will greatly enhance the local economy.

STATEMENT OF NET POSITION

September 30, 2019

(In Thousands)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Cash and Cash Equivalents	\$ 272,278	\$ 115,098	\$ 387,376	\$ 7,317
Investments	1,418,539	281,766	1,700,305	12,103
Receivables (Net)	21,325	34,640	55,965	1,672
Delinquent Taxes Receivable (Net)	739		739	
Internal Balances	84,904	(84,904)		
Due from Other Governments (Net)	151,271	20,705	171,976	
Deposits	5,940		5,940	2
Inventories	21,379	17,397	38,776	
Prepaid Items	7,348	11,081	18,429	
Advance to Component Unit	428		428	
Restricted Assets:				
Cash and Cash Equivalents	37,822	759,363	797,185	1,090
Investments		490,104	490,104	
Accounts Receivable (Net)				5,462
Passenger Facility Charges Receivable		8,497	8,497	
Interest Receivable		1,983	1,983	
Due from Primary Government				208
Due from Other Governments		34,976	34,976	914
Prepaid Items				891
Capital Assets:				
Non-depreciable	646,150	1,642,341	2,288,491	622
Depreciable (Net)	1,814,365	3,414,996	5,229,361	1,089
Total Assets	4,482,488	6,748,043	11,230,531	31,370
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge on Refunding	6,587	24,677	31,264	
Deferred Outflows on Other Post Employment Benefit	1,857	403	2,260	277
Deferred Outflows on Pensions	463,987	26,303	490,290	8,380
Total Deferred Outflows of Resources	472,431	51,383	523,814	8,657
LIABILITIES				
Accounts Payable	83,693	63,272	146,965	579
Accrued Liabilities	44,475	4,623	49,098	2,794
Accrued Interest Payable	5,810		5,810	164
Deposits	25,271	6,412	31,683	75
Due to Component Unit	208		208	
Due to Other Governments	25,017	5,964	30,981	2,518
Advance from Primary Government				428
Unearned Revenues	26,273	63,396	89,669	2,515
Liabilities Payable from Restricted Assets:				
Accounts Payable		177,458	177,458	
Accrued Interest Payable		61,396	61,396	
Deposits		10,867	10,867	
Non-current Liabilities:				
Due Within One Year	143,074	97,130	240,204	832
Due in More Than One Year	2,211,991	3,304,154	5,516,145	35,226
Total Liabilities	2,565,812	3,794,672	6,360,484	45,131
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows on Other Post Employment Benefits	39,767	154	39,921	105
Deferred Inflows on Pensions	98,724	5,780	104,504	4,802
Total Deferred Inflows of Resources	138,491	5,934	144,425	4,907
NET POSITION (DEFICIT)				
Net Investment in Capital Assets	1,954,794	2,262,669	4,217,463	1,711
Restricted for:				
Capital Projects	114,231	190,343	304,574	
Transportation Capital Projects	459,847		459,847	
Debt Service	14,959	276,442	291,401	
E-911	25,621		25,621	
Court Fee Funds	9,139		9,139	
Equipment Modernization	754		754	
Public Safety	20,649		20,649	
Landfill Closure		8,856	8,856	
Operating and Maintenance		17,521	17,521	
Renewal, Replacement and Improvements		10,024	10,024	
Unrestricted (Deficit)	(349,378)	232,965	(116,413)	(11,725)
Total Net Position (Deficit)	\$ 2,250,616	\$ 2,998,820	\$ 5,249,436	\$ (10,014)

See accompanying notes.

STATEMENT OF ACTIVITIES

for the fiscal year ended September 30, 2019

(In Thousands)

					Net (Expenses) Revenues and Changes in Net Position			
					Primary Government			Component Units
					Governmental Activities	Business-type Activities	Total	
		Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions			
Activities:								
Primary Government:								
Governmental Activities:								
General Government	\$	286,548	\$ 87,916	\$ 654	\$ 2,826	\$ (195,152)	\$	(195,152)
Public Safety		54,632	7,524	686	91	(46,331)		(46,331)
Transportation		276,896	49,451	44,049	17,465	(165,931)		(165,931)
Human Services		171,846	5,698	46,889		(119,259)		(119,259)
Culture and Recreation		210,164	29,168	3,559	699	(176,738)		(176,738)
Physical Environment		23,395	8,387	1,125	584	(13,299)		(13,299)
Economic Environment		19,816	1,101	1,811	8,470	(8,434)		(8,434)
Sheriff		1,039,643	366,224	24,190		(649,229)		(649,229)
Property Appraiser		27,246	2,962			(24,284)		(24,284)
Supervisor of Elections		23,500	1,485	1,022		(20,993)		(20,993)
Interest on Long-term Debt		18,990				(18,990)		(18,990)
Total Governmental Activities		2,152,676	559,916	123,985	30,135	(1,438,640)		(1,438,640)
Business-type Activities:								
Aviation		445,086	381,009	22,274	54,141		\$ 12,338	12,338
Port Everglades		149,511	170,744		43,022		64,255	64,255
Water and Wastewater		133,405	142,948		8,209		17,752	17,752
Solid Waste		15,522	12,398				(3,124)	(3,124)
Unincorporated Area Waste		1,248	1,430				182	182
Water Management		2,436	953				(1,483)	(1,483)
Total Business-type Activities		747,208	709,482	22,274	105,372		89,920	89,920
Total Primary Government	\$	2,899,884	\$ 1,269,398	\$ 146,259	\$ 135,507	\$ (1,438,640)	\$ 89,920	\$ (1,348,720)
Component Units:								
Clerk of Courts	\$	47,229	\$ 44,504					\$ (2,725)
Housing Finance Authority		1,161	982					(179)
Health Facilities Authority		6	24					18
Total Component Units	\$	48,396	\$ 45,510					\$ (2,886)
General Revenues:								
Taxes:								
Property Taxes						1,031,880		1,031,880
Transportation Surtax						282,631		282,631
One-Half Cent Sales Tax						85,568		85,568
Gasoline Taxes						67,825		67,825
Tourist Development Tax						88,375		88,375
Other						5,223		5,223
Revenue Sharing - Unrestricted						34,245		34,245
Interest Income						62,874	43,036	105,910
Gain on Sale of Capital Assets						171	5,066	5,237
Miscellaneous						36,569	5,591	42,160
Transfers						(1,420)	1,420	
Total General Revenues and Transfers						1,693,941	55,113	1,749,054
Change in Net Position						255,301	145,033	400,334
Net Position (Deficit) - Beginning						1,995,315	2,853,787	4,849,102
Net Position (Deficit) - Ending						2,250,616	2,998,820	5,249,436
								(10,014)

See accompanying notes.

GOVERNMENTAL FUNDS

Balance Sheet

September 30, 2019

(In Thousands)

	<i>MAJOR FUNDS</i>				
	<i>General Fund</i>	<i>Sheriff Contractual Services</i>	<i>Transportation Surtax</i>	<i>Nonmajor Governmental Funds</i>	<i>Total Governmental Funds</i>
ASSETS					
Cash and Cash Equivalents	\$ 61,652	\$ 25,076	\$ 59,741	\$ 107,684	\$ 254,153
Investments	473,202		155,643	642,928	1,271,773
Receivables (Net):					
Accounts	4,373	914		7,880	13,167
Other	2,788		471	2,989	6,248
Delinquent Taxes Receivable (Net)	692	4		43	739
Due from Other County Funds	61,214	11,425		90,634	163,273
Due from Other Governments (Net)	27,923	621	63,290	59,318	151,152
Deposits	260				260
Inventories	17,240			3,477	20,717
Prepaid Items	120			2,557	2,677
Advance to Component Unit				428	428
Restricted Assets:					
Cash and Cash Equivalents				37,822	37,822
Total Assets	\$ 649,464	\$ 38,040	\$ 279,145	\$ 955,760	\$ 1,922,409
LIABILITIES					
Accounts Payable	\$ 34,494		\$ 554	\$ 45,092	\$ 80,140
Accrued Liabilities	38,861		19	2,417	41,297
Deposits	8,029			16,754	24,783
Due to Other County Funds	25,550	\$ 21,695		42,907	90,152
Due to Component Unit	208				208
Due to Other Governments	21,348	1,569		2,061	24,978
Unearned Revenues	319			15,607	15,926
Total Liabilities	128,809	23,264	573	124,838	277,484
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	561	4		43	608
Total Deferred Inflows of Resources	561	4		43	608
FUND BALANCES					
Nonspendable	17,360			6,034	23,394
Restricted	36,658		278,572	335,784	651,014
Committed	21,746			489,894	511,640
Assigned	364,312	14,772			379,084
Unassigned (Deficit)	80,018			(833)	79,185
Total Fund Balances	520,094	14,772	278,572	830,879	1,644,317
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 649,464	\$ 38,040	\$ 279,145	\$ 955,760	\$ 1,922,409

See accompanying notes.

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

September 30, 2019

(In Thousands)

Fund balances - total governmental funds \$ 1,644,317

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

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

	Asset Cost	Accumulated Depreciation	Net	
Land	\$ 523,048		\$ 523,048	
Construction in progress	123,102		123,102	
Buildings	1,455,333	\$ (565,405)	889,928	
Improvements	1,292,826	(608,599)	684,227	
Equipment	826,366	(587,121)	239,245	2,459,550

Other long-term assets are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the governmental funds. 608

Certain assets reported in governmental activities are not financial resources and therefore are not reported in governmental funds.
Prepaid Items 1,119

Deferred outflows of resources related to the deferred amount on refunding are applicable to future periods and, therefore, are not reported in the governmental funds. 6,587

Deferred outflows of resources and deferred inflows of resources related to pensions are applicable to future periods and, therefore are not reported in the governmental funds.

Deferred outflows of resources related to Other Post Employment Benefits	1,826	
Deferred outflows of resources related to pensions	461,803	
Deferred inflows of resources related to Other Post Employment Benefits	(39,755)	
Deferred inflows of resources related to pensions	<u>(98,244)</u>	325,630

Some liabilities applicable to the County's governmental activities are not due and payable in the current period and are not reported as fund liabilities.

General obligation bonds	(155,245)	
Special obligation bonds	(215,580)	
Direct placement loans	(108,535)	
Capital leases	(8,077)	
Premiums and discounts on debt	(18,640)	
Compensated absences	(109,637)	
Other post employment benefits	(271,843)	
Net pension liability	(1,347,109)	
Accrued interest payable	<u>(5,810)</u>	(2,240,476)

Internal service funds are used by management to charge the costs of self-insurance, printing, and fleet services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 53,281

Total net position of governmental activities \$ 2,250,616

See accompanying notes.

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and Changes
in Fund Balances
for the fiscal year ended September 30, 2019
(In Thousands)

	MAJOR FUNDS					
	General Fund	Sheriff Contractual Services	Transportation Surtax	Nonmajor Governmental Funds	Total Governmental Funds	
Revenues:						
Taxes (Net of Discounts)	\$ 964,903	\$ 2,082	\$ 282,631	\$ 226,640	\$ 1,476,256	
Special Assessment/Impact Fees	22	1,086		11,117	12,225	
Licenses and Permits	21,450			886	22,336	
Federal Revenues:						
Grants	1,022			83,389	84,411	
State Revenues:						
Revenue Sharing	44,142				44,142	
Grants	11,364			38,927	50,291	
Licenses				982	982	
Gasoline Taxes				25,252	25,252	
One-Half Cent Sales Tax	68,420	685		16,463	85,568	
Other				2,000	2,000	
Charges for Services	118,834	344,664		16,017	479,515	
Fines and Forfeitures	9,369			12,821	22,190	
Interest Income	22,915	469	1,650	31,659	56,693	
Miscellaneous	26,716	506		20,130	47,352	
Total Revenues	1,289,157	349,492	284,281	486,283	2,409,213	
Expenditures:						
Current:						
General Government	272,002			9,380	281,382	
Public Safety	579,103	325,704		40,386	945,193	
Transportation	139,276		883	38,416	178,575	
Human Services	114,727			48,627	163,354	
Culture and Recreation	122,688			40,124	162,812	
Physical Environment	15,626			2,770	18,396	
Economic Environment	6,349			10,212	16,561	
Capital Outlay		9,250	1,013	224,792	235,055	
Debt Service:						
Principal Retirement	239			39,625	39,864	
Interest and Fiscal Charges	20			22,947	22,967	
Total Expenditures	1,250,030	334,954	1,896	477,279	2,064,159	
Excess (Deficiency) of Revenues Over Expenditures	39,127	14,538	282,385	9,004	345,054	
Other Financing Sources (Uses):						
Bond Anticipation Note Issued				40,000	40,000	
Transfers In	86,044	3,565		222,695	312,304	
Transfers Out	(74,319)	(23,129)	(3,813)	(212,463)	(313,724)	
Total Other Financing Sources (Uses)	11,725	(19,564)	(3,813)	50,232	38,580	
Net Change in Fund Balances	50,852	(5,026)	278,572	59,236	383,634	
Fund Balances - Beginning	469,242	19,798		771,643	1,260,683	
Fund Balances - Ending	\$ 520,094	\$ 14,772	\$ 278,572	\$ 830,879	\$ 1,644,317	

See accompanying notes.

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

for the fiscal year ended September 30, 2019

(In Thousands)

Net change in fund balances - total governmental funds		\$ 383,634
Total change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Expenditures for capital assets	\$ 196,202	
Current year depreciation	<u>(127,357)</u>	68,845
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.		
		7,801
Some of the revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
		(9,961)
The issuance of long-term debt (i.e. bonds, capital leases) provides current financial resources to governmental funds, but issuing the debt increases the long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but reduces the long-term liability in the statement of net position.		
Principal payments	39,625	
Loan issued	(40,000)	
Capital lease payments	(7,938)	
Capital lease proceeds	<u>267</u>	(8,046)
Governmental funds report operating leases as expenditures. However, these amounts are reported on the statement of net position as prepaid items and amortized over the life of the lease.		
Amortization of prepaid rent		(45)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These expenses are:		
Compensated absences	(8,196)	
Other post employment benefits	2,227	
Pension Expenses	(177,526)	
Accrued interest on long-term debt	1,760	
Amortization of premiums and discounts on debt	3,377	
Amortization of deferred charge on refunding	<u>(1,070)</u>	(179,428)
The net expense of internal service funds is reported with governmental activities on the statement of activities.		
		(7,499)
Change in net position of governmental activities		<u>\$ 255,301</u>

See accompanying notes.

PROPRIETARY FUNDS

Statement of Net Position

September 30, 2019

(In Thousands)

	<i>Business-type Activities-Enterprise Funds</i>					
	<i>Aviation</i>	<i>Port Everglades</i>	<i>Water and Wastewater</i>	<i>Nonmajor Enterprise Funds</i>	<i>Total</i>	<i>Internal Service Funds</i>
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 33,128	\$ 66,165	\$ 13,860	\$ 1,945	\$ 115,098	\$ 18,125
Investments	183,692	27,366	48,316	22,392	281,766	146,766
Receivables (Net):						
Accounts	14,194	7,274	10,552	789	32,809	1,296
Other	939	587	161	144	1,831	614
Due from Other County Funds		1	293		294	101
Due from Other Governments (Net)	19,243	1,201		261	20,705	119
Deposits						5,680
Inventories	452	7,714	9,118	113	17,397	662
Prepaid Items	8,175	2,221	685		11,081	3,552
Restricted Assets:						
Cash and Cash Equivalents	240,890	377	25,641		266,908	
Investments		62,265	9,514		71,779	
Interest Receivable	1,983				1,983	
Total Current Assets	502,696	175,171	118,140	25,644	821,651	176,915
Noncurrent Assets:						
Restricted Assets:						
Cash and Cash Equivalents	67,534	356,867	36,752	31,302	492,455	
Investments	377,306	33,995	7,024		418,325	
Passenger Facility Charges Receivable	8,497				8,497	
Due from Other Governments	34,976				34,976	
Capital Assets:						
Land and Land Improvements	395,282	58,303	4,936	1,620	460,141	
Land Held for Leasing	698	151,276			151,974	
Construction in Progress	379,101	365,678	285,447		1,030,226	
Landfill (Net)				31,382	31,382	
Property Held for Leasing (Net)	474,162	41,685			515,847	
Buildings and Building Improvements (Net)	578,976	242,028		668	821,672	
Improvements Other Than Buildings (Net)	1,218,560	92,542		6,072	1,317,174	
Utility Plant in Service (Net)			623,912		623,912	
Equipment (Net)	31,918	58,300	13,131	1,660	105,009	965
Total Noncurrent Assets	3,567,010	1,400,674	971,202	72,704	6,011,590	965
Total Assets	4,069,706	1,575,845	1,089,342	98,348	6,833,241	177,880
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Charge on Refunding	983	3,747	19,947		24,677	
Deferred Outflows on Other Post Employment Benefit	174	84	128	17	403	31
Deferred Outflows on Pensions	11,518	5,535	8,113	1,137	26,303	2,184
Total Deferred Outflows of Resources	12,675	9,366	28,188	1,154	51,383	2,215

(continued)

PROPRIETARY FUNDS
Statement of Net Position, continued
September 30, 2019
(In Thousands)

	<i>Business-type Activities-Enterprise Funds</i>					
	<i>Aviation</i>	<i>Port Everglades</i>	<i>Water and Wastewater</i>	<i>Nonmajor Enterprise Funds</i>	<i>Total</i>	<i>Internal Service Funds</i>
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 18,910	\$ 8,881	\$ 34,326	\$ 1,155	\$ 63,272	\$ 3,553
Accrued Liabilities	3,291	480	755	97	4,623	3,178
Deposits	6,212			200	6,412	488
Due to Other County Funds	12,138	1,052	60,094	1	73,285	2
Due to Other Governments	1,320	929	3,683	32	5,964	39
Unearned Revenues	62,646			750	63,396	10,347
Claims Payable						30,853
Compensated Absences	2,689	1,399	2,037	285	6,410	489
Payable from Restricted Assets:						
Accounts Payable	125,063	52,395			177,458	
Accrued Interest Payable	50,571	389	10,436		61,396	
Deposits		1,353	9,514		10,867	
Due to Other County Funds	229				229	
Revenue Bonds Payable	67,010	8,505	15,205		90,720	
Total Current Liabilities	350,079	75,383	136,050	2,520	564,032	48,949
Noncurrent Liabilities:						
Revenue Bonds Payable (Net)	2,133,138	589,712	467,311		3,190,161	
Claims Payable						82,389
Compensated Absences	3,099	1,275	1,842	268	6,484	451
Total Other Post Employment Benefits Liability	1,922	981	1,369	241	4,513	411
Net Pension Liability	29,215	19,799	27,419	4,117	80,550	5,806
Liability for Closure and Postclosure Care Costs				22,446	22,446	
Total Noncurrent Liabilities	2,167,374	611,767	497,941	27,072	3,304,154	89,057
Total Liabilities	2,517,453	687,150	633,991	29,592	3,868,186	138,006
DEFERRED INFLOWS OF RESOURCES						
Deferred Inflows on Other Post Employment Benefits	66	32	49	7	154	12
Deferred Inflows on Pensions	2,531	1,216	1,783	250	5,780	480
Total Deferred Inflows of Resources	2,597	1,248	1,832	257	5,934	492
NET POSITION						
Net Investment in Capital Assets	979,509	781,913	459,845	41,402	2,262,669	965
Restricted for:						
Capital Projects	190,343				190,343	
Debt Service	261,005	232	15,205		276,442	
Landfill Closure				8,856	8,856	
Operating and Maintenance		17,521			17,521	
Renewal, Replacement and Improvements		3,000	7,024		10,024	
Unrestricted (Deficit)	131,474	94,147	(367)	19,395	244,649	40,632
Total Net Position	\$ 1,562,331	\$ 896,813	\$ 481,707	\$ 69,653	3,010,504	\$ 41,597
Adjustments to reflect the consolidation of internal service fund activities related to business-type activities					(11,684)	
Net position of business-type activities					\$ 2,998,820	

See accompanying notes.

PROPRIETARY FUNDS

Statement of Revenues, Expenses, and Changes in Net Position

for the fiscal year ended September 30, 2019

(In Thousands)

<i>Business-type Activities-Enterprise Funds</i>						
	<i>Aviation</i>	<i>Port Everglades</i>	<i>Water and Wastewater</i>	<i>Nonmajor Enterprise Funds</i>	<i>Total</i>	<i>Internal Service Funds</i>
Operating Revenues:						
Airline Revenues	\$ 121,053				\$ 121,053	
Rental Cars	65,645				65,645	
Parking Fees	53,228	\$ 8,769			61,997	
Concessions	44,797				44,797	
Vessel, Cargo and Passenger Services	2,066	142,015			144,081	
Leasing of Facilities		17,583			17,583	
Wastewater Treatment Charges			\$ 83,942		83,942	
Water Sales			54,856		54,856	
Tipping Fees				\$ 10,976	10,976	
General Aviation and Fixed Based Operators	7,575				7,575	
Non-airline Terminal Rent and Other Rents	6,222				6,222	
North Perry Airport	1,561				1,561	
Recycling				139	139	
Assessments				1,157	1,157	
Miscellaneous and Interfund Charges	3,994	2,377	4,150	2,509	13,030	\$ 131,633
Total Operating Revenues	306,141	170,744	142,948	14,781	634,614	131,633
Operating Expenses:						
Personal Services	52,380	24,603	34,001	4,976	115,960	10,079
General Operating	144,312	81,151	45,615	11,837	282,915	136,543
Depreciation	126,073	28,469	34,355	2,415	191,312	658
Total Operating Expenses	322,765	134,223	113,971	19,228	590,187	147,280
Operating Income (Loss)	(16,624)	36,521	28,977	(4,447)	44,427	(15,647)
Non-Operating Revenues (Expenses):						
Grants	22,274				22,274	
Interest Income	29,584	8,381	3,467	1,604	43,036	6,180
Interest Expense (Net)	(91,991)	(7,485)	(19,293)		(118,769)	
Bond Issuance Costs		(3,093)			(3,093)	
Discontinued Project Costs			(359)		(359)	
Noise Mitigation Costs	(30,906)				(30,906)	
Gain (Loss) on Sale of Capital Assets	4,984	(2,510)	82		2,556	1
Gain (Loss) on Defeasance in Substance		(2,529)			(2,529)	
Passenger Facility Charges	74,868				74,868	
Other	1	1,888	364	3,338	5,591	3,112
Total Non-Operating Revenues (Expenses)	8,814	(5,348)	(15,739)	4,942	(7,331)	9,293
Income (Loss) Before Capital Contributions and Transfers	(7,810)	31,173	13,238	495	37,096	(6,354)
Capital Contributions	54,141	43,022	8,209		105,372	
Transfers In				1,695	1,695	
Transfers Out				(275)	(275)	
Change in Net Position	46,331	74,195	21,447	1,915	143,888	(6,354)
Net Position - Beginning	1,516,000	822,618	460,260	67,738		47,951
Net Position - Ending	\$ 1,562,331	\$ 896,813	\$ 481,707	\$ 69,653		\$ 41,597
Adjustments to reflect the allocation of internal service fund net revenue (expense) to business-type activities					1,145	
Change in net position of business-type activities					\$ 145,033	

See accompanying notes.

PROPRIETARY FUNDS

Statement of Cash Flows

for the fiscal year ended September 30, 2019

(In Thousands)

Business-type Activities-Enterprise Funds						
	Aviation	Port Everglades	Water and Wastewater	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash Flows from Operating Activities:						
Cash Received from Customers	\$ 320,033	\$ 172,079	\$ 150,877	\$ 19,816	\$ 662,805	\$ 10,833
Cash Received for Premiums						122,312
Cash Payments to Suppliers for Goods and Services	(138,143)	(73,279)	(46,329)	(14,700)	(272,451)	(48,804)
Cash Payments to Employees for Services	(47,747)	(22,042)	(30,536)	(4,540)	(104,865)	(9,161)
Cash Payments for Claims						(81,005)
Other Cash Received	1	408	367	3,471	4,247	3,112
Other Cash Paid	(1,310)	(568)		(133)	(2,011)	
Net Cash Provided by (Used for) Operating Activities	132,834	76,598	74,379	3,914	287,725	(2,713)
Cash Flows from Noncapital Financing Activities:						
Payment of Noise Mitigation Costs	(36,352)				(36,352)	
Nonoperating Grants Received	25,607	171			25,778	
Transfers In				1,695	1,695	
Transfers Out				(275)	(275)	
Net Cash Provided by (Used for) Noncapital Financing Activities	(10,745)	171		1,420	(9,154)	
Cash Flows from Capital and Related Financing Activities:						
Proceeds from issuance of bonds		497,726			497,726	
Interfund Loan			60,000		60,000	
Payment to Refunded Bonds Escrow Agent		(6,669)			(6,669)	
Acquisition and Construction of Capital Assets	(222,681)	(276,532)	(105,006)	(473)	(604,692)	(118)
Proceeds from Sale of Capital Assets	10,605		83		10,688	1
Legal Settlement Proceeds		2,506			2,506	
Debt Principal Payments	(63,620)	(14,320)	(14,635)		(92,575)	
Defeased Debt Principal Payments		(53,755)			(53,755)	
Loss on Defeased Debt		(3,330)			(3,330)	
Interest and Fiscal Charges Paid	(102,832)	(8,271)	(21,157)		(132,260)	
Payment of Other Debt Service Costs		(1,697)	(3)		(1,700)	
Capital Contributions	27,300	52,237	4,201		83,738	
Passenger Facility Charges Received	73,326				73,326	
Net Cash Provided by (Used for) Capital and Related Financing Activities	(277,902)	187,895	(76,517)	(473)	(166,997)	(117)
Cash Flows from Investing Activities:						
Purchase of Investment Securities	(1,048,034)	(152,488)	(108,071)	(22,238)	(1,330,831)	(168,244)
Proceeds from Sale and Maturities of Investment Securities	1,184,692	251,843	141,480	20,469	1,598,484	157,965
Interest and Dividends on Investments	28,602	8,521	3,581	1,578	42,282	6,040
Net Cash Provided by (Used for) Investing Activities	165,260	107,876	36,990	(191)	309,935	(4,239)
Net Increase (Decrease) in Cash and Cash Equivalents	9,447	372,540	34,852	4,670	421,509	(7,069)
Cash and Cash Equivalents, October 1	332,105	50,869	41,401	28,577	452,952	25,194
Cash and Cash Equivalents, September 30	\$ 341,552	\$ 423,409	\$ 76,253	\$ 33,247	\$ 874,461	\$ 18,125

(continued)

PROPRIETARY FUNDS

Statement of Cash Flows, continued

for the fiscal year ended September 30, 2019

(In Thousands)

Business-type Activities-Enterprise Funds						
	Aviation	Port Everglades	Water and Wastewater	Nonmajor Enterprise Funds	Total	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:						
Operating Income (Loss)	\$ (16,624)	\$ 36,521	\$ 28,977	\$ (4,447)	\$ 44,427	\$ (15,647)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:						
Depreciation Expense	126,073	28,469	34,355	2,415	191,312	658
Other Non-Operating Revenues (Expenses)	(1,309)	(160)	367	3,338	2,236	3,112
Decrease (Increase) in Assets and Deferred Outflows of Resources:						
Accounts Receivable (Net)	5,001	1,185	8,013	(154)	14,045	942
Due from Other County Funds		(1)	(99)	268	168	(83)
Due from Other Governments (Net)				4,922	4,922	(30)
Deposits						152
Inventories	29	86	246	(31)	330	112
Prepaid Items	(2,276)	7,040	(134)		4,630	(1,077)
Deferred Outflows on Other Post Employment Benefits	(120)	(59)	(88)	(13)	(280)	(20)
Deferred Outflows on Pensions	(148)	581	397	96	926	86
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:						
Accounts Payable	1,738	(52)	(822)	(734)	130	(513)
Accrued Liabilities	202	132	227	27	588	(531)
Deposits	908	151	80	18	1,157	2
Due to Other County Funds	6,908	665	14	(1)	7,586	(50)
Due to Other Governments	70	133	(83)	(41)	79	32
Unearned Revenues	7,844				7,844	693
Claims Payable						8,651
Compensated Absences	382	86	122	(32)	558	45
Total Other Post Employment Benefits Liability	189	82	140	19	430	32
Net Pension Liability	4,311	2,072	3,037	425	9,845	817
Liability for Closure and Postclosure Care Costs				(2,098)	(2,098)	
Deferred Inflows on Other Post Employment Benefits	43	21	32	(23)	73	7
Deferred Inflows on Pensions	(387)	(354)	(402)	(40)	(1,183)	(103)
Total Adjustments	149,458	40,077	45,402	8,361	243,298	12,934
Net Cash Provided by (Used for) Operating Activities	\$ 132,834	\$ 76,598	\$ 74,379	\$ 3,914	\$ 287,725	\$ (2,713)
Noncash Investing, Capital and Related Financing Activities:						
Issuance of Refunding Bonds		\$ 73,127			\$ 73,127	
Capital Assets Acquired through Current Accounts Payable	\$ 129,061	56,165	\$ 30,940		216,166	
Capital Contributions	54,219	1,201	4,008		59,428	
Amortization of Deferred Charge on Refunding	106	533	1,812		2,451	
Amortization of Bond Discounts and Premiums	(9,257)	(2,063)	(3,451)		(14,771)	
Change in Fair Value of Interest Rate Swap		(1,706)			(1,706)	
Change in Fair Value of Investments	10,263	3,711	1,025	\$ 454	15,453	\$ 2,878

See accompanying notes.

AGENCY FUNDS
Statement of Fiduciary Assets and Liabilities
September 30, 2019
(In Thousands)

	<i>Total</i>
<i>ASSETS</i>	
Cash and Cash Equivalents	\$ 56,133
Investments	3,817
Receivables (Net):	
Accounts	644
Other	14
Delinquent Taxes Receivable	16,393
Due from Other Governments (Net)	21
Total Assets	\$ 77,022
<i>LIABILITIES</i>	
Accounts Payable	\$ 1,366
Due to Other Governments	27,668
Due to Individuals	3,337
Deposits	41,239
Evidence Seizures	3,412
Total Liabilities	\$ 77,022

See accompanying notes.

COMPONENT UNITS

Statement of Net Position

September 30, 2019

(In Thousands)

	<i>Clerk of Courts</i>	<i>Housing Finance Authority</i>	<i>Health Facilities Authority</i>	<i>Total</i>
ASSETS				
Cash and Cash Equivalents	\$ 5,657	\$ 1,580	\$ 80	\$ 7,317
Investments		12,103		12,103
Receivables (Net):				
Notes		1,315		1,315
Loans		318		318
Other		39		39
Deposits		2		2
Restricted Assets:				
Cash and Cash Equivalents	615	475		1,090
Accounts Receivable (Net)	5,462			5,462
Due from Primary Government	208			208
Due from Other Governments	914			914
Prepaid Items	891			891
Capital Assets:				
Non-depreciable		622		622
Depreciable (Net)	701	388		1,089
Total Assets	14,448	16,842	80	31,370
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows on Other Post Employment Benefit	277			277
Deferred Outflows on Pensions	8,140	240		8,380
Total Deferred Outflows of Resources	8,417	240		8,657
LIABILITIES				
Accounts Payable	550	29		579
Accrued Liabilities	2,606	188		2,794
Accrued Interest Payable		164		164
Deposits		75		75
Due to Other Governments	2,518			2,518
Unearned Revenue	2,515			2,515
Advance from Primary Government		428		428
Non-current Liabilities:				
Due Within One Year	787	45		832
Due in More Than One Year	34,627	599		35,226
Total Liabilities	43,603	1,528		45,131
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows on Other Post Employment Benefits	105			105
Deferred Inflows on Pensions	4,749	53		4,802
Total Deferred Inflows of Resources	4,854	53		4,907
NET POSITION (DEFICIT)				
Net Investment in Capital Assets	701	1,010		1,711
Unrestricted (Deficit)	(26,296)	14,491	80	(11,725)
Total Net Position (Deficit)	\$ (25,595)	\$ 15,501	\$ 80	\$ (10,014)

See accompanying notes

COMPONENT UNITS

Statement of Activities

for the fiscal year ended September 30, 2019
(In Thousands)

	<i>Clerk of Courts</i>	<i>Housing Finance Authority</i>	<i>Health Facilities Authority</i>	<i>Total</i>
Program Expenses:				
Personal Services	\$ 41,105	\$ 700		\$ 41,805
Professional Fees		433	\$ 6	439
General Operating	5,848			5,848
Depreciation	276	28		304
Total Program Expenses	47,229	1,161	6	48,396
Program Revenues:				
Charges for Services				
Court Related Revenues	41,387			41,387
Recording Fees	3,117			3,117
Authority Fees		811	24	835
Rentals		127		127
Bond Issuance and Redemption Income		44		44
Total Program Revenues	44,504	982	24	45,510
Program Income (Loss)	(2,725)	(179)	18	(2,886)
General Revenues:				
Interest Income	1	683		684
Total General Revenues	1	683		684
Change in Net Position	(2,724)	504	18	(2,202)
Net Position (Deficit) - Beginning	(22,871)	14,997	62	(7,812)
Net Position (Deficit) - Ending	\$ (25,595)	\$ 15,501	\$ 80	\$ (10,014)

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS - CONTENTS

September 30, 2019

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NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Broward County, Florida (County) is a political subdivision of the State of Florida. It is guided by an elected Board of County Commissioners (BOCC) that is governed by the Florida Statutes and a local County Charter. In addition, there are four elected Constitutional Officers: the Clerk of the Circuit and County Courts (Clerk); Property Appraiser; Sheriff; and Supervisor of Elections. The BOCC, Property Appraiser, Sheriff, and Supervisor of Elections comprise the Broward County primary government.

The accompanying financial statements present the County (the primary government) and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County's operations. The blended component units are presented as funds of the County. Discretely presented component units are reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that they are legally separate from the County.

Blended Component Units

Water Control Districts are special taxing districts created to maintain and improve water resource and drainage programs in the County. The BOCC is the governing body of the Water Control Districts. Management of the County has operational responsibility for the Water Control Districts and manages the activities in essentially the same manner in which it manages its own programs, departments, or agencies. The financial results of the four individual Water Control Districts (District No. 2, District No. 3, District No. 4, and Cocomar) are combined into one special revenue fund to facilitate presentation. Separate financial statements are not required or prepared for the Water Control Districts.

The legal authority by which each of the following Water Control Districts was created is as follows:

Broward County Water Control District No. 2 - Section 298.01, F.S.; County Ordinance No. 79-93.

Broward County Water Control District No. 3 - Section 298.01, F.S.; County Referendum 4/15/69.

Broward County Water Control District No. 4 - Section 298.01, F.S.; County Referendum 3/29/66.

Cocomar Water Control District - Section 125.01(5) (a), F.S.; County Ordinance No. 80-17.

The following organizations are also shown as blended component units:

The **Broward County Community Redevelopment Agency (CRA)** acts in an advisory capacity to the County to establish and carry out redevelopment objectives in economically deprived areas of the County. It was established by Florida Statute Section 163.356 and County Ordinance No. 80-110. The BOCC is the governing body of the CRA. The services of the CRA exclusively benefit the County, even though it does not provide services directly to the County. The CRA did not conduct any financial transactions during the year and has no assets, deferred outflows of resources, liabilities, deferred inflows of resources, or fund balance.

The **Broward County Educational Facilities Authority (EFA)** acts in an advisory capacity to the County in alleviating the shortage of educational facilities and projects in the County. It was established by Florida Statute Section 243.21 and County Ordinance No. 86-15. The BOCC appoints the governing body and is able to impose its will on the EFA. The services of the EFA exclusively benefit the County, even though it does provide services directly to the County. The EFA did not conduct any financial transactions during the year and has no assets, deferred outflows of resources, liabilities, deferred inflows of resources, or fund balance.

The **Broward County Commission Governmental Leasing Corporation (Corporation)** has entered into master lease-purchase agreements with the County to finance the acquisition, construction or equipping of certain facilities. The Corporation was formed by the County solely for the purpose of acting as lessor of the facilities. The BOCC is the governing body of the Corporation, and the Corporation provides services exclusively to the County. The Corporation did not conduct any financial transactions during the year and has no assets, deferred outflows of resources, liabilities, deferred inflows of resources, or fund balance.

The **Broward Solid Waste Disposal District (District)** exists as a means to address certain statutory obligations of the County concerning solid waste disposal and related matters. It was established by Florida Statutes Sections 125.01 and 403.706 and County Ordinances No. 87-3 and 2013-26. The BOCC is the governing body of the District. The District did not conduct any financial transactions during the year and has no assets, deferred outflows of resources, liabilities, deferred inflows of resources, or fund balance.

Discretely Presented Component Units

The Clerk is an elected Constitutional Officer of the County and has separate legal standing from the County. The governing body of the Clerk is not the same as the governing body of the County. The Clerk provides services to the courts and receives most of its revenues from those who are utilizing court services and processes. The Clerk is included as a component unit because its exclusion from the financial reporting entity could render the County's financial statements misleading.

The Broward County Health Facilities Authority (HeFA), which is a legally separate entity from the County, was established in 1977 by Florida Statute Section 154.207 and County Ordinance No. 77-35 to assist in the acquisition, construction, financing, and refinancing of health facilities in the County. The HeFA is governed by a Board appointed by the BOCC and is financially accountable to the County. The HeFA is authorized to issue bonds that are not deemed to constitute a debt of HeFA, the County, or any political sub-division thereof (see Note 7). The HeFA does not meet the blending criteria and is therefore reported as a discretely presented component unit.

The Broward County Housing Finance Authority (HFA), which is a legally separate entity from the County, was established in 1979 by County Ordinance No. 79-41 for the purpose of encouraging the investment of private capital and stimulating the construction of residential housing for low and moderate income families through the use of public financing. The HFA is governed by a Board appointed by the BOCC, and the County must also approve HFA's contracts and bond issues. The HFA is authorized to issue revenue bonds that are not deemed to constitute a debt of HFA, the County, or any political sub-division thereof (see Note 7). The HFA does not meet the blending criteria and is therefore reported as a discretely presented component unit.

Complete financial statements for each of the individual discretely presented component units may be obtained at the entities' administrative offices as follows. Financial statements are not required for other component units.

Clerk of Circuit and County Courts

Finance and Budget Department
201 S.E. 6th Street, Room 275
Fort Lauderdale, FL 33301

Broward County Health Facilities Authority

Accounting Division
115 S. Andrews Avenue, Room 221
Fort Lauderdale, FL 33301

Broward County Housing Finance Authority

110 N.E. 3rd Street, Room 300
Fort Lauderdale, FL 33301

B. Basis of Presentation

Government-wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. Fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's various functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Certain indirect costs are included in the program expense reported for individual functions and activities.

Fund Financial Statements

The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

The County reports the following major governmental funds:

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

Sheriff Contractual Services Fund – This fund accounts for financial resources generated by services provided by the Sheriff's Office for law enforcement services, and emergency medical and fire protection services. Revenues are generated from contracts with the Fort Lauderdale-Hollywood International Airport, Port Everglades, unincorporated areas, and a number of municipalities for police and fire rescue services.

Transportation Surtax Fund - This fund accounts for revenue received from the one percent transportation sales surtax to support transportation improvements.

The County reports the following major enterprise funds:

Aviation Fund – This fund accounts for the operations of the Fort Lauderdale-Hollywood International and North Perry Airports.

Port Everglades Fund – This fund accounts for the operations of the County's seaport system.

Water and Wastewater Fund – This fund accounts for water and sewage treatment services provided to certain incorporated and unincorporated areas of the County.

The County also reports the following fund types:

Internal Service Funds – These funds account for the County's insurance programs, vehicle management services, and printing services, all of which are provided to other County departments on a cost-reimbursement basis.

Agency Funds – These funds account for taxes and licenses collected on behalf of the County and other entities, funds received and disbursed by the Sheriff's Office in a fiduciary capacity, and various other funds and fees received and disbursed in a fiduciary capacity.

Interfund Balances and Interfund Transfers

During the course of operations, the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In the fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment 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 or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for grants, which are considered to be collectible if they are collected within six months. Property taxes, sales taxes, intergovernmental revenues, and interest income associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, if available. All other revenue items are considered to be measurable only when cash is received by the County. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension, other post employment benefits, and claims and judgments are recorded only when payment is due. Capital asset acquisitions are reported as expenditures in the governmental funds. The issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

The Agency funds included in the fiduciary fund financial statements have no measurement focus, but utilize the accrual basis of accounting for reporting assets and liabilities.

D. Implementation of Governmental Accounting Standards Board Statements

The County adopted the following Governmental Accounting Standards Board (GASB) Statements during the fiscal year ended September 30, 2019:

1. GASB Statement No. 83 "Certain Asset Retirement Obligations"

Statement No. 83 establishes guidance for governments to recognize and measure legally enforceable liabilities associated with the retirement of certain tangible capital assets and determining the timing and pattern of recognition for liabilities and corresponding deferred outflow of resources related to asset retirement obligations. The County adopted this Statement for fiscal year 2019. The adoption of Statement No. 83 did not impact the County's financial position or results in operations.

2. GASB Statement No. 88 "Certain Disclosures related to Debt, including Direct Borrowings and Direct Placements"

Statement No. 88 establishes improved information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The County implemented this Statement for fiscal year 2019. The adoption of Statement No. 88 required the County to disclose in Note 7 its assets pledged as collateral for debt, separately display direct borrowing on its debt tables, and disclose significant finance related consequences relating to events of default.

3. GASB Statement No. 89 "Accounting for Interest Cost Incurred Before the End of a Construction Period"

Statement No. 89 is effective beginning with its year ending September 30, 2021, but the County adopted it in 2019. The primary objective of this Statement is to (1) enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period, and (2) simplify accounting for interest cost incurred before the end of a construction period. The effect of adoption of Statement No. 89 during fiscal year 2019 was to expense interest cost incurred on funds used to finance construction before the end of a construction period where previously it was capitalized and included in the cost of capital assets. Statement No. 89 was applied prospectively and had no impact on previously reported financial position or results of operations.

4. GASB Statement No. 91 "Conduit Debt Obligations"

Statement No. 91 is effective beginning with its year ending September 30, 2022, but the County adopted it in 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. Statement No. 91 clarifies the existing definition of a conduit debt obligation; establishes that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improves required note disclosures. The adoption of Statement No. 91 did not impact the County's financial position or results of operations because its existing accounting and reporting practices were consistent with Statement No. 91.

The County is currently evaluating the following issued but unadopted Governmental Accounting Standards Board (GASB) Statements during the fiscal year ended September 30, 2019.

5. GASB Statement No. 84 "Fiduciary Activities"

Statement No. 84 will be effective for the County beginning with its year ending September 30, 2020. This Statement establishes improved guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and establishes criteria for identifying fiduciary activities of all state and local governments.

6. GASB Statement No. 87 "Leases"

Statement No. 87 will be effective for the County beginning with its year ending September 30, 2021. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Statement No. 87 requires note disclosure only for certain leases subject to regulation and establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under Statement No. 87, the County, as a lessee, is required to recognize a lease liability and an intangible right-to-use lease asset, and, as a lessor, is required to recognize a lease receivable and a deferred inflow of resources. Management is currently evaluating the impact of the adoption of this statement on the County's financial statements and does expect it to have a significant effect.

7. GASB Statement No. 90 "Majority equity interests - An amendment of GASB Statements No. 14 and No 61"

Statement No. 90 will be effective for the County beginning with its year ending September 30, 2021. The primary objective of this Statement is to improve the consistency of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.

8. GASB Statement No. 92 "Omnibus 2020"

Statement No. 92 addresses various accounting issues including: the modification of the effective date of Statement No. 87; reporting of intra-entity transfers of assets between a primary government and a component unit defined benefit pension plan or defined benefit OPEB plan; the applicability of certain GASB statements to reporting assets accumulated for pension and OPEB; the applicability of certain requirements of Statements No. 84; and measurements of liabilities and assets, if any, related to asset retirement obligations in a government acquisition. The change in the effective date for GASB 87 was immediate and the other provisions are effective for the County beginning with its fiscal year ending September 30, 2022.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

I. Deposits and Investments

The County maintains an investment pool for substantially all cash and cash equivalents and investments. Each fund's portion of the pool is presented as "cash and cash equivalents," "investments," or "restricted assets" as appropriate. Earnings are allocated to each fund based on average daily cash and investment balances. The County also maintains cash and investments outside of the investment pool relating to bond proceeds for the purpose of funding debt service payments and bond reserve requirements, as well as for investment purposes. The County considers cash and cash equivalents to be cash on hand, demand deposits, and investments with original maturities of three months or less from the date of acquisition. All investments are carried at fair value.

2. Receivables

All trade and other receivables are shown net of allowances for uncollectible amounts. Receivables are analyzed for their collectability based on the terms and conditions of agreements, as well as current economic conditions and consideration of the creditors ability to pay. In addition to those receivables specifically identified as uncollectible, a general allowance is established for receivables older than one year.

3. Due from Other Governments

Due from other governments includes amounts due to the County for services provided, for grants due from Federal and State agencies and for shared revenues. Amounts due from other governments are analyzed for their collectability. In addition to those receivables specifically identified as uncollectible, a general allowance is established for amounts older than one year.

4. Inventories and Prepaid Items

Inventories consist principally of materials and supplies held for consumption and are recorded at cost using the first in-first out method for governmental funds and at the lower of average cost or net realizable value for proprietary funds. In the governmental funds, the cost of inventories are recorded as expenditures at the time of purchase, while in the proprietary funds, the cost of inventories are recorded as an expense when consumed. Certain payments reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expenditure/expense when consumed, rather than when purchased in both the governmental and proprietary funds. In the governmental funds, reported inventories and prepaid items are classified as nonspendable fund balances.

5. Restricted Assets

Restricted assets of the governmental and enterprise funds primarily represent amounts set aside for construction, debt service, operating and maintenance, and renewal, replacement and improvements under the terms of outstanding bond agreements and regulatory requirements. The bond construction accounts include bond proceeds available for design and construction of capital projects. The debt service accounts contain the principal and interest amounts required for payments due within one year. The bond reserve accounts contain the maximum amount of principal and interest requirements pursuant to the bond resolutions. The operating and maintenance accounts contain the amount required per bond resolution to be set aside for operating expenses during the next two fiscal months. The renewal, replacement, and improvement accounts contain the amounts required to be set aside for the renewal and replacement of equipment and infrastructure. Restricted assets also include the passenger facility charges account which contains amounts collected and receivables, amounts set aside for the landfill escrow closure account, and amounts set aside for deposits.

6. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported at cost or estimated historical cost. Donated capital assets are recorded at acquisition value at the date of donation. The capitalization levels are \$1,000 for equipment and \$5,000 for land, buildings, and infrastructure. 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.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation is calculated using the straight-line method over the following estimated useful lives:

Buildings, Structures, and Improvements	3-65 years
Runways, Aprons, and Taxiways	5-40 years
Utility Plant in Service	10-45 years
Furniture, Fixtures, and Equipment	3-30 years
Roads, Streets, and Bridges	40-50 years
Sidewalks and Traffic Signals	30 years
Lakes, Waterways, and Water Control Structures	50-75 years

7. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The category of deferred outflow of resources reported in the Statement of Net Position in the governmental activities, business-type activities, and the proprietary funds is related to debt refunding, other post employment benefits, and pensions. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or refunding debt. Deferred outflows on pension and other post employment activities are more fully discussed in Note I section E item 10 and 11, Note 13 and Note 14.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has only reported certain items in this category under the modified accrual basis of accounting. Accordingly, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for property taxes and grant reimbursements where revenue is not available. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The County's deferred inflows of resources reported on the Statement of Net Position for the governmental activities, business-type activities, and the proprietary funds relate to pension and other post employment benefits. Deferred inflows on other post employment benefits and pension activities are more fully discussed in Note I section E, item 10. and 11, Note 13 and Note 14.

8. Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund Statement of Net Position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method or a straight-line basis, if it approximates the effective interest rate method. Bonds payable, as reported, includes unamortized bond premiums or discounts.

In the governmental funds fund financial statements bond premiums and discounts are recognized during the current period. The face amount of the debt issues are reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Principal payments on debt are reported as debt service expenditures.

9. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick leave. The cost of accumulated vacation pay is accrued when earned in the government-wide and proprietary fund financial statements. A liability for accumulated sick leave is accrued only to the extent that the leave will result in cash payments at termination. A liability for these amounts is reported in governmental funds only if they have matured, due to employee retirement or resignation.

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

The total OPEB liability is measured as the portion of actuarial present value of projected benefits that is attributed to past periods of employee service. The total OPEB liability is measured as of a date (measurement date) no earlier than the end of the employers' prior fiscal year, consistently applied from period to period. The total OPEB liability is reported in the statement of net position. In the governmental funds, expenditures are recognized when they are paid or are expected to be paid with current available resources. Changes in the OPEB liability during the period are recorded as OPEB expense, deferred outflows of resources, or deferred inflows of resources, depending on the nature of the change.

11. Pensions

In the governmental activities, business-type activities, and proprietary funds Statement of Net Position, pension liabilities are recognized for the County's proportionate share of each pension plan's net pension liability over the period of service of employees. For purposes of measuring the net pension liability, deferred outflows of resources related to pensions, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan (Pension Plan) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan, and additions to and deductions from the Pension Plan's and the HIS's fiduciary net position, have been determined on the same basis as they are reported by the Pension Plan and HIS plans. Changes in the net pension liability during the period are recorded as pension expense, deferred outflows of resources, or deferred inflows of resources, depending on the nature of the change. Those changes in the net pension liability that are recorded as deferred outflows of resources or deferred inflows of resources that arise from changes in actuarial assumptions or other inputs, changes in the proportionate share of the net pension liability, and differences between expected or actual experience, are amortized over the average expected remaining service lives of all employees that are provided with pensions through the pension plans, and recorded as a component of pension expense beginning with the period in which they arose. Differences between projected and actual investment earnings are reported as deferred outflows of resources or deferred inflows of resources, and are amortized as a component of pension expense using a systematic and rational method over a five year period beginning with the period in which a difference arose.

12. Net Position and Net Position Flow Assumption

Net position represents the residual interest in the County's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted and consists of three components: net investment in capital assets, restricted, and unrestricted net position. Net investment in capital assets includes capital assets, net of accumulated depreciation, reduced by outstanding debt incurred to acquire, construct, or improve those capital assets, excluding unexpended proceeds. The restricted category represents the balance of assets restricted for general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

13. Fund Balance and Fund Balance Flow Assumption

In the fund financial statements, governmental funds report fund balance in classifications based on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- 1. Nonspendable* – amounts cannot be spent because they are not in spendable form (e.g., inventories, prepaid items, and long-term loans receivable) or are legally or contractually required to be maintained intact.
- 2. Restricted* – amounts are restricted to specific purposes due to the constraints imposed externally by creditors, grantors, contributors, laws or regulations of other governments, or by law through constitutional provisions or enabling legislation.
- 3. Committed* – amounts can be used for specific purposes pursuant to the constraints imposed by formal actions (ordinance) of the BOCC, the County's highest level of decision making authority. Amounts specifically committed for use in satisfying contractual obligations are also included in this classification.
- 4. Assigned* – amounts are constrained by the County's intent to be used for specific purposes. Intent is expressed by the BOCC or its delegated body. The BOCC, through the Administrative Code, has authorized the Office of Management and Budget to assign fund balance. This category also includes all remaining amounts (except for negative balances) reported in the debt service, capital projects, and special revenue funds that are not classified as nonspendable and neither restricted nor committed.
- 5. Unassigned* – residual amount reported in the General Fund and any negative residual amount in the debt service, capital projects, or special revenue funds. The General Fund is the only fund that reports a positive unassigned fund balance amount.

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

F. Revenues and Expenditures/Expenses

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

2. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied and are due and payable on November 1 of each year and may be paid upon receipt of the notice at declining discounts through the month of February. All unpaid taxes on real and personal property become delinquent on April 1 of the year following the year in which the taxes were levied. Delinquent real property taxes bear interest at the rate of one and one-half percent per month, and interest continues to accrue until a certificate is sold at auction, from which time the interest rate shall be as bid by the buyer of the certificate. Personal property taxes bear interest at one and one-half percent per month from April 1 until paid. After May 1 of each year and following proper procedures, a court order may be issued to seize and sell the property.

3. Proprietary Funds Operating and Nonoperating 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 proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds and of the internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

G. Passenger Facility Charges

In 1990, Congress authorized domestic airports to impose a Passenger Facility Charge (PFC) on each departing passenger. Subsequently, the Federal Aviation Administration (FAA) issued regulations for the use and reporting of PFCs. Airports are authorized to use PFCs for projects that must meet at least one of the following eligibility requirements: (1) preserve or enhance safety, security, or capacity of the national transportation system; (2) reduce noise or reduce noise impacts resulting from an airport; or (3) furnish opportunities for enhanced competition between or among carriers. The FAA authorized the Aviation Department to impose a PFC of \$3 per departing passenger commencing January 1, 1995. This authorization was amended to increase the charge to \$4.50 per departing passenger effective October 1, 2005. The ticketing airline includes the departing PFC in the price of each ticket when it is sold to the traveler. The \$4.50 PFC collected by the airlines is remitted monthly to the Aviation Department, less an \$0.11 per passenger administrative fee retained by the airlines.

Through initial and subsequent FAA approvals, the Aviation Department is authorized to collect PFCs up to \$1.901 billion, of which \$1.009 billion has been collected as of September 30, 2019. The net receipts from PFCs are non-refundable and restricted for use on FAA approved capital projects and debt service on revenue bonds that fund approved PFC eligible projects. As of September 30, 2019, \$832.760 million of the collected PFCs had been spent on approved projects or debt service, and the remaining \$175.828 million cash, along with a receivable of \$8.497 million and interest receivable of \$468,000 are reflected in restricted net position.

H. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Excess of Expenditures over Appropriations

For the year ended September 30, 2019, General Fund expenditures exceeded appropriations in the following departments (in thousands):

	<u>Amount</u>
General Government	
Supervisor of Elections	\$ 1,002

For the year ended September 30, 2019, the transfers out in the Tourist Development Tax Fund exceeded appropriations by \$2.357 million.

Fund Deficits

The Water Management Fund had an unrestricted deficit of \$735,000 and a total fund deficit of \$599,000 as of September 30, 2019. The County plans to fund the deficit in the Water Management Fund in future fiscal years from general fund.

As of September 30, 2019, the Transportation Capital Projects Fund and Transit Capital Projects Fund had unassigned deficits of \$485,000, and \$348,000, respectively. Management intends to fund the deficit in these funds with future pay as you go resources.

The Water and Wastewater Fund had an unrestricted deficit of \$367,000 as of September 30, 2019. This deficit is the result of costs relating to the acquisition and construction of major water and sewer capital facilities and equipment. This deficit will be eliminated when bonds are issued to reimburse the costs.

NOTE 3 - DEPOSITS AND INVESTMENTS

A. Deposits

Custodial Credit Risk- The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The County mitigates custodial credit risk by generally requiring public funds to be deposited in a qualified public depository pursuant to State Statutes. Under the State Statutes, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depositories' collateral pledging level. The pledging level may range from 25% to 150% depending upon the depositories' financial condition ranking from two nationally recognized financial rating services, as well as consideration of financial ratios, trends and other pertinent information. All collateral must be deposited with an approved financial institution. Any potential losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral, and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

At September 30, 2019, \$96.407 million was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institutions' trust department, but not in the County's name.

B. Investments

The County's investment practices are governed by 218.415 of the Florida Statutes, *County Code of Ordinances*, Chapter I, Article I, Section 1-10 and the requirements of the bond indentures. The County has a formal investment policy that, in the opinion of management, is designed to ensure conformity with State Statutes and seeks to limit exposure to investment risks. The investment policy specifies the types, issuer, maturity, and performance measurement of investment securities that are permissible. Securities are held to maturity with limited exceptions outlined in the investment policy. Qualified institutions utilized for investment transactions are also addressed within the policy, as well as diversification requirements for the investment portfolio.

Under State Statutes and County Ordinances, the County is authorized to invest in obligations of the U.S. Government, its agencies and instrumentalities, the Florida Local Government Surplus Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, repurchase agreements with primary dealers, commercial paper, bonds, notes or obligations of the State of Florida or any municipality, political subdivision or agency or authority of the State, certificates of deposit, securities in certain open-end or closed-end investment companies or trusts, World Bank notes, bonds and discount notes, obligations of the Tennessee Valley Authority, certain money market funds and rated or unrated bonds, notes or instruments backed by the full faith and credit of the government of Israel. The County may also invest in collateralized mortgage obligations, reverse repurchase agreements and asset-backed commercial paper with the approval of the County's Chief Financial Officer. County policy requires that securities underlying repurchase agreements must have a market value of at least 102% of the cost of the repurchase agreements.

As of September 30, 2019, the County's investments consisted of the following (in thousands):

<i>Investment Type</i>	<i>Fair Value</i>	<i>Weighted Average Maturity (Days)</i>
U.S. Treasuries	\$ 261,443	227
U.S. Agencies	1,881,075	777
Commercial Paper	19,030	40
World Bank	65,691	748
Sovereign Bond	4,999	31
Money Market Mutual Funds	577,421	31
Total Investments	\$ 2,809,659	
Portfolio Weighted Average Maturity		566

Interest Rate Risk - In accordance with its investment policy, the County manages its exposure to interest rate volatility by limiting the weighted average maturity of its investment portfolio within the following maturity categories: overnight 35%; 1-30 days 80%; 31-90 days 80%; 91 days to 1 year 70%; 1-2 years 40%; 2-3 years 25%; 3-4 years 20%; 4-5 years 15%; 5-7 years 10%. Assets held pursuant to bond covenants are exempt from these maturity limitations. As of September 30, 2019, the portfolio weighted average maturity was 566 days, and was in accordance with the County's investment policy.

Credit Risk -The County's investment policy contains specific rating criteria for certain investments. The policy states that commercial paper and asset-backed commercial paper, as well as bonds, notes, or obligations of the State of Florida, any municipality or political subdivision, or any agency or authority of the State, must be rated in one of the two highest rating categories by at least two nationally recognized rating agencies. Commercial paper not rated must be backed by a letter of credit or line of credit rated in one of the two highest rating categories. Any investments in World Bank notes, bonds, and discount notes must be rated AAA or equivalent by Moody's Investors Service or Standard & Poor's Ratings Services. Investments in Sovereign bonds are allowable by the Broward County Investment Policy whether the bonds are rated or unrated. Investments in Securities and Exchange Commission registered money market funds must have the highest credit quality rating from a nationally recognized rating agency.

The County's investments in U.S. Treasuries and U.S. Agencies, except for investments of \$98.270 million in the Federal Agricultural Mortgage Corporation which are not rated, are rated AA+ by Standard & Poor's Rating Services and Aaa by Moody's Investors Services. The County's investments in commercial paper are rated A-1 and A-1+ by Standard & Poor's Rating Services, P-1 by Moody's Investors Service and F1 and F1+ by Fitch. The County's investments in World Bank notes are rated AAA by Standard & Poor's Rating Services and Fitch, and Aaa by Moody's Investors Service. The County's investments in Sovereign Bonds are rated AA- by Standard & Poor's Rating Services, A-1 by Moody's Investors Service and A+ by Fitch. The County's investments in the Money Market Mutual Funds are rated AAAM by Standard & Poor's Ratings Services and Aaa-mf by Moody's Investors Services. At September 30, 2019, the County's investments were held in the County's name.

Concentration of Credit Risk – The County requires that all investments be diversified with no more than 5% of the value of the portfolio invested in the securities of any single issuer at the time of purchase. The County investment policy also limits investments in any one money market or mutual fund to no more than 10% of the total investment portfolio, whereas, the County places no limit on the amount that may be invested in securities of the U.S. Government and U.S. Agencies thereof, or government-sponsored corporation securities. The County purchased shares of Goldman Sachs Financial Square Governmental Fund on September 26, 2019, which represented 12.24% of the County's investment portfolio. The County cured the over-allocation within five business days of discovery. GASB Statement No. 40, "Deposit and Investment Risk Disclosures - an amendment of GASB Statement No. 3" requires disclosure when 5% or more is invested in any one issuer. In addition to the investment in the Goldman Sachs Financial Square Governmental Fund as described above, the investment in the Federal Farm Credit Bank was 11.93%, Federal Home Loan Bank was 20.39%, the Federal Home Loan Mortgage Corporation was 14.97%, and the Federal National Mortgage Association was 16.16% as of September 30, 2019.

Fair Value Measurement - The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the asset and liability. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The County does not have any investments that are categorized as Level 3.

The County has the following recurring fair value measurements as of September 30, 2019 (in thousands):

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by Fair Value Level			
Debt Securities:			
U.S. Treasuries	\$ 261,443		\$ 261,443
U.S. Agencies	1,881,075		1,881,075
Commercial Paper	19,030		19,030
World Bank	65,691		65,691
Sovereign Bond	4,999		4,999
Total Debt Securities	\$ 2,232,238		\$ 2,232,238
Money Market Mutual Funds	577,421	\$ 577,421	
Total Investments at Fair Value	\$ 2,809,659	\$ 577,421	\$ 2,232,238

- U.S. Treasuries, U.S. Agencies, Commercial Paper and World Bank debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices (Level 2 inputs).
- Money market mutual funds are valued using the quoted market prices (Level 1 inputs).

NOTE 4 - RESTRICTED ASSETS

The components of restricted assets for the County's individual major and nonmajor funds are as follows (in thousands):

	Nonmajor Governmental	Aviation	Port Everglades	Water and Wastewater	Nonmajor Enterprise	Total
Bond Construction Accounts		\$ 79,522	\$ 392,395			\$ 471,917
Debt Service Accounts	\$ 37,822	311,577	8,894	\$ 25,641		383,934
Bond Reserve Accounts		149,745	30,341	36,752		216,838
Passenger Facility Charges Account		184,793				184,793
Landfill Closure Escrow Account					\$ 31,302	31,302
Operating and Maintenance Accounts			17,521			17,521
Renewal, Replacement, and Improvement Accounts			3,000	7,024		10,024
Other Restricted Accounts		5,549	1,353	9,514		16,416
Total	\$ 37,822	\$ 731,186	\$ 453,504	\$ 78,931	\$ 31,302	\$ 1,332,745

Restricted assets for the County's governmental funds and enterprise funds are classified on the governmental funds balance sheet and proprietary fund Statement of Net Position, respectively, as follows (in thousands):

	Nonmajor Governmental	Aviation	Port Everglades	Water and Wastewater	Nonmajor Enterprise	Total
Restricted Assets						
Cash and Cash Equivalents	\$ 37,822					\$ 37,822
Current Restricted Assets						
Cash and Cash Equivalents		\$ 240,890	\$ 377	\$ 25,641		266,908
Investments			62,265	9,514		71,779
Interest Receivable		1,983				1,983
Noncurrent Restricted Assets						
Cash and Cash Equivalents		67,534	356,867	36,752	\$ 31,302	492,455
Investments		377,306	33,995	7,024		418,325
Passenger Facility Charges Receivable		8,497				8,497
Due from Other Governments		34,976				34,976
Total	\$ 37,822	\$ 731,186	\$ 453,504	\$ 78,931	\$ 31,302	\$ 1,332,745

NOTE 5 - RECEIVABLES AND PAYABLES

Receivables

Receivables as of September 30, 2019, for the County's individual major and nonmajor funds, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows (in thousands):

Governmental Activities	General	Sheriff Contractual Services	Transportation Surtax	Nonmajor Governmental	Internal Service	Total
Emergency Services	\$ 729	\$ 5,560				\$ 6,289
Lines Receivable	2,773			\$ 1,734		4,507
Customer Account	1,925					1,925
Slot Machine Revenue	70					70
Tourist Development Taxes				4,318		4,318
Convention Center				1,351		1,351
Credit Card Rebate	315					315
Franchise Fees and Service Tax	187					187
Note Receivable				45,059		45,059
Loan Receivable				2,183		2,183
Interest Receivable	2,788		\$ 471	2,989	\$ 614	6,862
Other	3,806			2,803	1,296	7,905
Allowance for Uncollectible	(5,432)	(4,646)		(49,568)		(59,646)
Total Governmental Activities	\$ 7,161	\$ 914	\$ 471	\$ 10,869	\$ 1,910	\$ 21,325

Business-type Activities	Aviation	Port Everglades	Water and Wastewater	Nonmajor Enterprise	Total
Airlines and Concessionaires	\$ 15,426				\$ 15,426
Cruise Lines and Concessionaires		\$ 7,281			7,281
Water and Sewer Retail/Wholesale Customers			\$ 17,976		17,976
Solid Waste Disposal and Collection Customers				\$ 1,273	1,273
Interest Receivable	939	587	161	144	1,831
Other				30	30
Allowance for Uncollectible	(1,232)	(7)	(7,424)	(514)	(9,177)
Total Business-type Activities	\$ 15,133	\$ 7,861	\$ 10,713	\$ 933	\$ 34,640

Payables

Accounts payable balances in each fund are 100% payable to vendors.

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2019, was as follows (in thousands):

	Balance October 1, 2018	Increases	Decreases	Balance September 30, 2019
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land and Land Improvements	\$ 476,634	\$ 48,068	\$ (1,654)	\$ 523,048
Construction in Progress	99,871	66,966	(43,735)	123,102
Total Capital Assets Not Being Depreciated	576,505	115,034	(45,389)	646,150
Capital Assets Being Depreciated:				
Buildings and Building Improvements	1,438,516	16,817		1,455,333
Improvements Other Than Buildings	1,250,606	42,364	(144)	1,292,826
Equipment	789,816	59,905	(10,562)	839,159
Total Capital Assets Being Depreciated	3,478,938	119,086	(10,706)	3,587,318
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(525,680)	(39,725)		(565,405)
Improvements Other Than Buildings	(575,416)	(33,193)	10	(608,599)
Equipment	(554,248)	(55,097)	10,396	(598,949)
Total Accumulated Depreciation	(1,655,344)	(128,015)	10,406	(1,772,953)
Total Capital Assets Being Depreciated, Net	1,823,594	(8,929)	(300)	1,814,365
Governmental Activities Capital Assets, Net	\$ 2,400,099	\$ 106,105	\$ (45,689)	\$ 2,460,515
Business-type Activities				
Capital Assets Not Being Depreciated:				
Land and Land Improvements	\$ 450,550	\$ 15,212	\$ (5,621)	\$ 460,141
Land Held for Leasing	151,974			151,974
Construction in Progress	557,389	638,895	(166,058)	1,030,226
Total Capital Assets Not Being Depreciated	1,159,913	654,107	(171,679)	1,642,341
Capital Assets Being Depreciated:				
Landfill	48,577			48,577
Property Held for Leasing	802,521	26,776		829,297
Buildings and Building Improvements	1,155,301	112,851	(11,918)	1,256,234
Improvements Other Than Buildings	2,023,884	37,254	(1,362)	2,059,776
Utility Plant in Service	1,227,900	27,770		1,255,670
Equipment	294,800	15,063	(1,556)	308,307
Total Capital Assets Being Depreciated	5,552,983	219,714	(14,836)	5,757,861
Less Accumulated Depreciation for:				
Landfill	(16,020)	(1,175)		(17,195)
Property Held for Leasing	(289,721)	(23,729)		(313,450)
Buildings and Building Improvements	(412,813)	(31,363)	9,614	(434,562)
Improvements Other Than Buildings	(656,193)	(87,575)	1,166	(742,602)
Utility Plant in Service	(599,763)	(31,995)		(631,758)
Equipment	(189,368)	(15,475)	1,545	(203,298)
Total Accumulated Depreciation	(2,163,878)	(191,312)	12,325	(2,342,865)
Total Capital Assets Being Depreciated, Net	3,389,105	28,402	(2,511)	3,414,996
Business-type Activities Capital Assets, Net	\$ 4,549,018	\$ 682,509	\$ (174,190)	\$ 5,057,337

As of September 30, 2019, property held for leasing included both non-depreciable capital assets (land and land improvements of \$151.974 million) and depreciable capital assets (buildings, facilities, piers, and other improvements of \$829.297 million), totaling \$981.271 million less accumulated depreciation of \$313.450 million for a net book value of \$667.821 million.

Depreciation expense was charged to functions/programs of the primary government as follows (in thousands):

Governmental Activities	Amount
General Government	\$ 24,309
Public Safety	7,865
Transportation	45,947
Human Services	2,547
Culture and Recreation	19,790
Physical Environment	2,149
Economic Environment	272
Sheriff	22,883
Property Appraiser	296
Supervisor of Elections	1,957
Total Depreciation Expense - Governmental Activities	\$ 128,015
Business-type Activities	
Aviation	\$ 126,073
Port Everglades	28,469
Water and Wastewater	34,355
Other	2,415
Total Depreciation Expense - Business-type Activities	\$ 191,312

Construction Commitments

At September 30, 2019, the County had in process various uncompleted construction projects with commitments totaling approximately \$96.912 million for the governmental activities and \$644.541 million for the business-type activities. The retainage payable on these contracts totaled \$14.331 million for the governmental activities and \$67.929 million for the business-type activities. Funding for these projects is to be made primarily through the proceeds of related bond issues, loans, future taxes and enterprise activities.

Discretely Presented Component Units

Capital asset activity for the year ended September 30, 2019, is as follows (in thousands):

Governmental Activities	Balance October 1, 2018	Increases	Decreases	Balance September 30, 2019
Capital Assets Not Being Depreciated:				
Land	\$ 622			\$ 622
Total Capital Assets Not Being Depreciated	622			622
Capital Assets Being Depreciated:				
Buildings	1,036			1,036
Equipment	25,656	\$ 216		25,872
Total Capital Assets Being Depreciated	26,692	216		26,908
Less Accumulated Depreciation for:				
Buildings	(622)	(28)		(650)
Equipment	(24,893)	(276)		(25,169)
Total Accumulated Depreciation	(25,515)	(304)		(25,819)
Total Capital Assets Being Depreciated, Net	1,177	(88)		1,089
Capital Assets, Net	\$ 1,799	\$ (88)		\$ 1,711

Property Held for Leasing

Property held for leasing consists of land and buildings leased under operating leases to commercial enterprises by the Aviation and Port Everglades departments. Lease terms vary and require, in some cases, the construction of leasehold improvements that will be contributed to the County at lease termination. The following is a schedule of minimum future rentals on non-cancelable operating leases as of September 30, 2019 (in thousands):

Years Ending September 30		Aviation		Port Everglades		Total
2020	\$	128,618	\$	10,946	\$	139,564
2021		128,680		11,032		139,712
2022		130,115		10,941		141,056
2023		128,909		10,098		139,007
2024		127,506		9,881		137,387
2025-2029		457,230		14,038		471,268
2030-2034		89,165		1,562		90,727
2035-2039		28,400		1		28,401
2040-2044		10,101				10,101
2045-2049		7,492				7,492
2050-2054		793				793
Total	\$	1,237,009	\$	68,499	\$	1,305,508

Total minimum future rentals do not include contingent rentals that may be received under certain concession leases on the basis of a percentage of the tenant's gross revenues in excess of stipulated minimums. Contingent rentals for the fiscal year ended September 30, 2019, amounted to \$43.739 million.

The County has entered into lease and use agreements with its major airline tenants (the signatory airline agreements). The airline agreements, which are based on a residual rate-setting methodology for the terminal complex and the airfield, will terminate on September 30, 2026. The agreements require that landing fees and terminal rentals be reviewed annually and adjusted, as necessary, so that the total revenue is sufficient to meet the Aviation Fund's requirements as determined by the signatory airline agreements. At the end of the fiscal year, after all required deposits have been made; any remaining excess funds are used to meet the requirements in the following fiscal year. These excess funds have been recorded as unearned revenue by the Aviation Fund at September 30, 2019. For the year ended September 30, 2019, these funds amounted to \$57.822 million.

NOTE 7 - LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended September 30, 2019, were as follows (in thousands):

Governmental Activities	Balance October 1, 2018	Additions	Reductions	Balance September 30, 2019	Due Within One Year
General Obligation Bonds	\$ 181,970		\$(26,725)	\$ 155,245	\$ 27,930
Special Obligation Bonds	228,060		(12,480)	215,580	13,190
Direct Placement Loans	68,955	\$ 40,000	(420)	108,535	840
Unamortized Bond Premiums and Discounts	22,017		(3,377)	18,640	
Total Bonds and Loans, Including Premiums and Discounts	501,002	40,000	(43,002)	498,000	41,960
Capital Leases	406	7,938	(267)	8,077	2,729
Claims Payable	104,591	88,359	(79,708)	113,242	30,853
Compensated Absences	118,728	83,772	(91,923)	110,577	67,532
Other Post Employment Benefits	276,066		(3,812)	272,254	
Net Pension Liability	1,171,101	181,814		1,352,915	
Total	\$ 2,171,894	\$ 401,883	\$(218,712)	\$ 2,355,065	\$ 143,074

Business-type Activities	Balance October 1, 2018	Additions	Reductions	Balance September 30, 2019	Due Within One Year
Revenue Bonds Payable	\$ 2,715,685	\$ 490,670	\$(221,190)	\$ 2,985,165	\$ 90,720
Unamortized Bond Premiums and Discounts	230,055	80,183	(14,522)	295,716	
Total Revenue Bonds, Including Premiums and Discounts	2,945,740	570,853	(235,712)	3,280,881	90,720
Compensated Absences	12,336	\$ 8,357	(7,799)	12,894	6,410
Other Post Employment Benefits	4,083	430		4,513	
Net Pension Liability	70,705	9,845		80,550	
Liability for Closure and Postclosure Care Costs	24,545		(2,099)	22,446	
Total	\$ 3,057,409	\$ 589,485	\$(245,610)	\$ 3,401,284	\$ 97,130

For the governmental activities, compensated absences, net pension liability and other post employment benefits are generally liquidated by the general fund.

The debt service requirements for all bonds and direct placement loans outstanding as of September 30, 2019, are as follows (in thousands):

GOVERNMENTAL ACTIVITIES								BUSINESS- TYPE ACTIVITIES		
Years Ending September 30	General Obligation Bonds		Special Obligation Bonds		Direct Placement Loans		Total Governmental		Revenue Bonds Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 27,930	\$ 6,908	\$ 13,190	\$ 12,333	\$ 840	\$ 1,826	\$ 41,960	\$ 21,067	\$ 90,720	\$ 141,487
2021	29,860	5,536	13,975	11,641	40,865	2,901	84,700	20,078	99,560	138,094
2022	28,665	4,111	14,835	10,884	895	1,772	44,395	16,767	104,050	132,824
2023	29,585	2,696	15,545	10,061	920	1,743	46,050	14,500	111,680	127,443
2024	29,805	1,215	16,270	9,200	955	1,714	47,030	12,129	117,090	121,777
2025-2029	9,400	235	76,740	31,830	4,625	8,094	90,765	40,159	539,775	525,685
2030-2034			16,245	17,008	29,130	6,535	45,375	23,543	521,610	397,393
2035-2039			23,520	14,462	30,305	1,195	53,825	15,657	588,170	263,889
2040-2044			25,260	1,671			25,260	1,671	555,750	126,749
2045-2049									256,760	27,362
Total	\$ 155,245	\$ 20,701	\$ 215,580	\$ 119,090	\$ 108,535	\$ 25,780	\$ 479,360	\$ 165,571	\$ 2,985,165	\$ 2,002,703

Certain bond indentures contain provisions as to annual debt service, sinking fund, and minimum net revenue requirements. In addition, certain indentures require maintenance of various accounts and specify the deposits to be made to such accounts. At September 30, 2019, the County was in compliance with all debt covenants.

The following is a summary of the major provisions and significant debt service requirements for the outstanding bonds and direct placement loans at September 30, 2019 (in thousands):

	Primary Purpose	Type	Interest Payment Rate %	Date
Governmental Activities				
General Obligation Bonds (GOB):				
2007 GOB A Refunding	Library Partial Advance Refunding	serial	4.0-5.0	1-1 7-1
2007 GOB B Refunding	Parks Partial Advance Refunding	serial	5.0	1-1 7-1
2012 GOB Refunding	Parks Partial Advance Refunding	serial	2.0-5.0	1-1 7-1
Total General Obligation Bonds				
Special Obligation Bonds:				
2006 Professional Sports Facilities	Civic Arena - Refunding Issue - B	serial/term	5.663-5.998	3-1 9-1
2010 Half-Cent Sales Tax - Series A	Main Courthouse Project	serial/term	2.5-5.25	4-1 10-1
2010 Half-Cent Sales Tax - Series B	Main Courthouse Project	term	5.764-6.206	4-1 10-1
2010 Half-Cent Sales Tax - Series C	Main Courthouse Project	term	7.0	4-1 10-1
2016 Professional Sports Facilities - Series A	Civic Arena - Refunding Issue - A	serial/term	4.0-5.0	3-1 9-1
Total Special Obligation Bonds				
Direct Placement Loans				
2017 Privately Placed Bank Term Loan - Bank of America	Main Courthouse Project - Refunding Issue - 2010 A	Term	2.60	4-1 10-1
2018 Privately Placed Bank Term Loan - BB&T	First Florida Financing - Refunding Issue -2005 B	Term	3.69	3-1 9-1
2019 Bond Anticipation Note - Wells Fargo	Convention Center Hotel Project	Term	2.15	10-1
Total Direct Placement Loans				
Business - Type Activities Revenue Bonds				
Aviation Fund				
2001 J-2 Airport System Revenue	Improvements	term	6.9	4-1 10-1
2009 O Airport System Revenue	Refunding Issue	serial	2.0-5.0	4-1 10-1
2009 O Airport System Revenue	Refunding Issue	term	5.0-5.375	4-1 10-1
2012 P-1 Airport System Revenue	Refunding Issue	serial	3.0-5.0	4-1 10-1
2012 P-2 Airport System Revenue	Refunding Issue	serial	3.25-5.0	4-1 10-1
2012 Q-1 Airport System Revenue	Improvements	serial	3.0-5.0	4-1 10-1
2012 Q-1 Airport System Revenue	Improvements	term	4.0-5.0	4-1 10-1
2012 Q-2 Airport System Revenue	Improvements	serial	5.0	4-1 10-1
2012 Q-2 Airport System Revenue	Improvements	term	5.0	4-1 10-1
2013 A Airport System Revenue	Improvements	serial	1.25-5.25	4-1 10-1
2013 A Airport System Revenue	Improvements	term	5.125-5.25	4-1 10-1
2013 B Airport System Revenue	Improvements	serial	2.0-5.5	4-1 10-1
2013 B Airport System Revenue	Improvements	term	5.0-5.25	4-1 10-1
2013 C Airport System Revenue	Improvements	serial	1.25-5.5	4-1 10-1
2013 C Airport System Revenue	Improvements	term	5.125-5.25	4-1 10-1
2015 A Airport System Revenue	Improvements	serial	2.0-5.0	4-1 10-1
2015 A Airport System Revenue	Improvements	term	5.0	4-1 10-1
2015 A Airport System Revenue	Improvements	term	5.0	4-1 10-1
2015 B Airport System Revenue	Improvements	term	5.0	4-1 10-1
2015 C Airport System Revenue	Refunding Issue	serial	2.0-5.0	4-1 10-1
2017 Airport System Revenue	Improvements	serial	5.0	4-1 10-1
2017 Airport System Revenue	Improvements	term	5.0	4-1 10-1
2017 Airport System Revenue	Improvements	term	5.0	4-1 10-1
Total Aviation Bonds				
Port Everglades Fund				
2011 A Port Facilities	Refunding Issue	serial	5.0	3-1 9-1
2011 B Port Facilities	Refunding Issue	serial	5.0	3-1 9-1
2011 B Port Facilities	Refunding Issue	term	4.625	3-1 9-1
2019 A Port Facilities	Improvements	serial	4.0-5.0	3-1 9-1
2019 A Port Facilities	Improvements	term	5.0	3-1 9-1
2019 B Port Facilities	Improvements	serial	2.25-5.0	3-1 9-1
2019 B Port Facilities	Improvements	term	3.0-4.0	3-1 9-1
2019 C Port Facilities	Refunding Issue	serial	5.0	3-1 9-1
2019 D Port Facilities	Refunding Issue	serial	5.0	3-1 9-1
Total Port Everglades Bonds				
Water and Wastewater Fund				
2009 A Water and Sewer Utility	Improvements	term	5.25-5.3	4-1 10-1
2012 A Water and Sewer Utility	Improvements	serial	1.0-5.0	4-1 10-1
2012 A Water and Sewer Utility	Improvements	term	5.0	4-1 10-1
2012 B Water and Sewer Utility	Refunding Issue	serial	4.0-5.0	4-1 10-1
2015 A Water and Sewer Utility	Refunding Issue	serial	5.0	4-1 10-1
2015 B Water and Sewer Utility	Refunding Issue	serial	3.0-5.0	4-1 10-1
Total Water and Wastewater Bonds				
Total Revenue Bonds				

Redemption		Final Maturity Date	Original Amount Issued	Retired/ Refunded	Outstanding at September 30, 2019
Optional (O) or Mandatory (M)	Year				
N/A	N/A	1/1/2021	\$ 86,690	\$ (63,945)	\$ 22,745
O	2021	1/1/2024	77,830		77,830
O	2022	1/1/2025	101,345	(46,675)	54,670
					\$ 155,245
O	2016	9/1/2028	\$ 52,475	\$ (23,475)	\$ 29,000
O	2021	10/1/2036	95,960	(85,395)	10,565
O	2021	10/1/2030	69,950		69,950
O	2021	10/1/2040	48,780		48,780
O	2023	9/1/2028	71,990	(14,705)	57,285
					\$ 215,580
NA	NA	10/1/2036	63,985		63,985
NA	NA	9/1/2028	\$ 5,170	\$ (620)	\$ 4,550
NA	NA	10/1/2020	40,000		40,000
					\$ 108,535
M	2016	10/1/2021	\$ 75,460	\$ (33,965)	\$ 41,495
O	2019	10/1/2020	29,395	(22,810)	6,585
M	2021	10/1/2029	71,745		71,745
O	2022	10/1/2026	217,080	(73,640)	143,440
O	2022	10/1/2026	92,775	(31,565)	61,210
O	2022	10/1/2033	283,600	(54,865)	228,735
M	2034	10/1/2042	232,020		232,020
O	2022	10/1/2032	51,800	(9,370)	42,430
M	2033	10/1/2042	53,910		53,910
O	2023	10/1/2033	81,345	(13,585)	67,760
M	2034	10/1/2043	83,960		83,960
O	2023	10/1/2033	27,395	(4,755)	22,640
M	2034	10/1/2043	28,005		28,005
O	2023	10/1/2033	103,265	(17,240)	86,025
M	2034	10/1/2043	107,710		107,710
O	2025	10/1/2037	248,120	(8,420)	239,700
M	2040	10/1/2040	61,990		61,990
M	2045	10/1/2045	116,205		116,205
O	2025	10/1/2045	9,575		9,575
M	2025	10/1/2025	46,305	(12,255)	34,050
O	2027	10/1/2037	138,495		138,495
M	2038	10/1/2042	65,640		65,640
M	2043	10/1/2047	83,770		83,770
					\$ 2,027,095
O	2021	9/1/2025	\$ 12,370	\$ (8,280)	\$ 4,090
O	2021	9/1/2023	69,055	(57,060)	11,995
M	2025	9/1/2027	31,640	(21,180)	10,460
O	2029	9/1/2049	42,690		42,690
M	2040	9/1/2049	58,510		58,510
O	2030	9/1/2019	143,790		143,790
M	2040	9/1/2049	184,875		184,875
N/A	N/A	9/1/2019	40,565		40,565
N/A	N/A	9/1/2027	20,240		20,240
					\$ 517,215
O	2019	10/1/2021	\$ 63,555	\$ (58,300)	\$ 5,255
O	2023	10/1/2033	51,295	(10,220)	41,075
M	2035	10/1/2037	89,330		89,330
O	2023	10/1/2027	110,920	(5,535)	105,385
O	2025	10/1/2030	42,255		42,255
O	2025	10/1/2034	157,555		157,555
					\$ 440,855
					\$ 2,985,165

A. Governmental Activities

I. Direct Placement Loans

Privately Placed Bond- Bank of America

On December 27, 2017, the County issued \$63.985 million in Half-Cent Sales Tax Revenue Refunding Bonds, Series 2017A (the "Series 2017A Bond") with an interest rate of 2.60%. The privately placed Series 2017A Bond was issued to partially advance refund and defease \$58.625 million of Half-Cent Sales Tax Revenue Bonds (Main Courthouse Project), Series 2010A maturing on October 1, 2036, which had an interest rate of 5.25%. The County issued the Series 2017A Bond with a twelve-year put feature with a put date occurring on October 1, 2019. The principal payments are due in annual installments through 2037. Interest is payable semi-annually. The Series 2017A Bond is secured by pledged revenues derived from the Half Cents Sales Tax Revenues, moneys on deposit in the various funds and accounts created and established under the terms of the 2017A Bond Resolution, and the earnings and investment income arising from the investment and reinvestment thereof, and Federal Direct Payments, if any, received in connection with the Series 2017A Bond (the foregoing collectively referred to herein as the "Pledged Revenues"). Under the 2017A Resolution, Federal Direct Payments means direct payments from the United States Treasury with respect to bonds, as well as any other grants, tax credits, refunds or other forms of subsidies received from the federal government relative to debt service on any bonds or indebtedness. Currently, the County is not receiving any Federal Direct Payments with respect to the Series 2017A Bond.

Upon the occurrence and during the continuation of any event that constitutes an "Event of Default" (typically payment, bankruptcy or covenant related compliance criteria), as defined in the 2017A Resolution, under Subsections 6.01(a), or 6.01(b) of the Article VI of the Loan Agreement, any holder of the Series 2017A Bond may, or under Subsection 6.01(c) of the Article VI of the Agreement, the holders of not less than 25% in aggregate principal amount of the Series 2017A Bond then outstanding may pursue any available remedy at law or in equity, or by statute, including any applicable law or statute of the United States of America or of the State of Florida, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, to enforce the payment of principal of and interest on such Series 2017A Bond then outstanding or the obligations of the County under the 2017A Resolution or 2017A Covenant Agreement. Notwithstanding anything contained in the 2017A Resolution, the Lender does not have a contractual right to accelerate the payment of principal of and interest on such Series 2017A Bonds.

Privately Placed Bank Term Loan - BB&T

On March 7, 2018, pursuant to Resolution No. 2018-050 adopted by the Board of County Commissioners of the County on February 27, 2018 (the "2018 Note Resolution"), the County issued a \$5.170 million in Non-Ad Valorem Taxable Revenue Note, Series 2018 (the "Series 2018 Note"). The Series 2018 Note was issued to fully refund the First Governmental Florida Financing Commission's Taxable Refunding Revenue Bonds, Series 2005B issued for the benefit of the County. The Series 2018 Note is secured by a covenant to budget and appropriate, on an annual basis, County's legally available Non-Ad Valorem Revenues sufficient to satisfy the debt service payments for the Series 2018 Note. Interest on the Series 2018 Note is at fixed rate of 3.69% payable semi-annually through 2028. Provided, however, upon the occurrence and continuation of an "Event of Default" (typically payment, bankruptcy or covenant related compliance criteria), as defined in the 2018 Note Resolution, interest on the Series 2018 Note will accrue at the "Default Rate," which is defined as the lesser of (1) 3.69%, plus 2% per annum or (2) the maximum interest rate permitted by applicable law.

Bond Anticipation Note, Series 2019 – Wells Fargo Municipal Capital Strategies, LLC.

On June 20, 2019, pursuant to Resolution No. 2019-315 adopted by the County on June 11, 2019 (the "2019 Note Resolution"), the County entered into a Note Purchase Agreement (the "NPA") for the advancement of a loan with Wells Fargo Municipal Strategies, LLC as evidenced by the County's Bond Anticipation Note (BAN), Series 2019 (Convention Center Expansion and Headquarters Hotel Project), in the principal amount of \$40.000 million. If the County does not provide for the payment of the BAN from other sources, the County will endeavor to issue sufficient bonds to pay the BAN. If the County determines that it will not have proceeds of bonds to pay the BAN on its maturity date, the County covenants to budget and appropriate from the County's Non-Ad Valorem Revenues amounts sufficient to satisfy the payments for the BAN. The BAN bears interest at a fixed interest rate of 2.150%, for the purpose of providing funds to reimburse the County for certain costs of the Project and pay the costs of the Loan totaling \$110,250. The principal and interest are due on October 1, 2020. The Lender does not have a contractual right to accelerate the payment of principal of and interest on this BAN upon the occurrence and during the continuation of any event that constitutes an "Event of Default" as defined in the NPA (typically payment, bankruptcy or covenant related compliance criteria.)

2. Capital Leases

The County has entered into lease agreements as lessee for financing the acquisition of public safety capital equipment. As of September 30, 2019, assets acquired under the capital leases totaled \$24.745 million and the accumulated depreciation totaled \$12.649 million. This year, \$3.206 million was included in depreciation expense in the government-wide financial statements. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date. The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2019, are as follows (in thousands):

<i>Years Ending September 30</i>	<i>Amount</i>
2020	\$ 2,921
2021	2,750
2022	2,749
2023	38
2024	3
Total minimum lease payments	8,461
Less amount representing interest	(384)
Present value of minimum lease payments	\$ 8,077

B. Business-Type Activities

Revenue Bonds

On September 26, 2019, pursuant to that Amended and Restated Master Bond Resolution No. 2019-374 (the "Master Bond Resolution"), dated August 20, 2019, as supplemented by Resolution No. 2019-375 (the "2019 Series Resolution," together with the Master Bond Resolution, the "Bond Resolution"), dated August 20, 2019, the County issued: (i) \$101.200 million Port Facilities Revenue Bonds, Series 2019A (Non-AMT) (the "Series 2019A Bonds"), with interest rates ranging from 4.00% to 5.00%; (ii) \$328.665 million Port Facilities Revenue Bonds, Series 2019B (AMT) (the "Series 2019B Bonds"), with interest rates ranging from 2.25% to 5.00%; (iii) \$40.565 million Port Facilities Refunding Revenue Bonds, Series 2019C (Non-AMT) (the "Series 2019C Bonds"), at an interest rate of 5.00%; and (iv) \$20.240 million Subordinate Port Facilities Refunding Revenue Bonds, Series 2019D (AMT) (the "Subordinate Series 2019D Bonds"), at an interest rate of 5.00%, with a combined premium of \$80.183 million resulting in a combined true interest rate of 3.17%.

The Series 2019A Bonds were issued for the primary purpose of (a) providing funding for a portion of the a new multi-story parking garage structure ("New Garage") west of Cruise Terminal 4 at Port Everglades; (b) construction of an elevated horizontal pedestrian connector from the New Garage to Cruise Terminal 2; (c) funding a separate subaccount for the Senior Lien Reserve Account (created under the Bond Resolution) for the Series 2019A Bonds; and (d) paying certain costs of issuance and expenses relating to the Series 2019A Bonds.

The Series 2019B Bonds were issued to provide partial funding for the: (a) lengthening of the County's existing deep-water turnaround area for cargo ships (the "Turning Notch") from approximately 900 feet to 2,400 feet to allow for up to five new cargo berths; (b) acquisition, design, construction, transportation, equipping and delivery of three new Low Profile Super Post-Panamax container handling gantry cranes to be added to the County's existing gantry cranes in Southport to increase containerized cargo shipping capacity; (c) design, construction and extension of crane rails to the full length of the County's existing Turning Notch berth and extension to utilize the County's existing gantry cranes and its new gantry cranes; (d) certain other Improvements (as defined in the Bond Resolution), as deemed necessary and desirable by the County; (e) funding a separate subaccount of the Senior Lien Reserve Account for the Series 2019B Bonds; and (f) payment of certain costs of issuance and expenses relating to the Series 2019B Bonds.

The Series 2019C Bonds were issued to: (a) refund \$52.280 million of the County's then outstanding Port Facilities Revenue Bonds, Series 2009A Bonds (Non-AMT) (the "Refunded 2009A Bonds"), which had interest rates ranging from 5.00% to 6.00%; (b) fund a separate subaccount of the Senior Lien Reserve Account for the Series 2019C Bonds; and (c) pay certain costs of issuance and expenses relating to the Series 2019C Bonds. The net proceeds of the Series 2019C Bonds which totaled \$55.205 million (consisting of the par amount of \$40.565 million, plus original issue premium of \$7.889 million, plus \$7.040 million in the debt service reserve fund relating to the Refunded Series 2009A Bonds, after the payment of underwriting fees and other issuance costs of \$289,362), were deposited in an irrevocable trust with an escrow agent to provide funds for the debt service payments on the refunded bonds. As a result, the refunded bonds are considered defeased and the liability for those bonds has been removed from the Statement of Net Position.

The Subordinate Series 2019D Bonds were issued to: (a) refund \$22.580 million of the County's then outstanding Subordinate Port Facilities Refunding Revenue Bonds, Series 2008, which had a fixed synthetic fixed interest rate of 3.642%; (b) fund a separate subaccount of the Subordinate Reserve Account (created under the Bond Resolution) for the Subordinate Series 2019D Bonds; (c) terminate an interest rate hedge agreement and related documents between Goldman Sachs Capital Markets, L.P. and the County related to the Refunded 2008 Subordinate Bonds; and (d) pay certain costs of issuance and expenses relating to the Subordinate Series 2019D Bonds. The net proceeds of the Series 2019D Bonds \$23.868 million (consisting of the par amount of \$20.240 million, plus original issue premium of \$2.950 million, plus \$3.416 million in the debt service reserve fund relating to the Refunded Subordinate Bonds, plus \$56,326 equity contribution, after the payment of underwriting fees and other issuance costs of \$147,130 and swap termination fee of \$2.647 million), were deposited in an irrevocable trust with the bond trustee for the Subordinate Series 2019D Bonds and applied to reimburse the letter of credit bank for the draw on the letter of credit that was applied, on September 26, 2019, to refund the Refunded 2008 Subordinate Bonds. As a result, the refunded bonds are considered defeased and the liability for those bonds has been removed from the Statement of Net Position.

The reacquisition price exceeded the net carrying amount of the old debt by \$3.421 million. This amount was reported in the accompanying financial statements as deferred outflow of resources and are being charged to operations through the fiscal year 2027 for the Series 2019C Bonds, and through the fiscal year 2029 for the Subordinate Series 2019D Bonds using the straight-line method of amortization. The County completed the current refunding of the Series 2019C Bonds and the Subordinate Series 2019D Bonds to reduce its total debt service payments over the next 8 years by \$16.806 million and next 10 years by \$2.580 million, respectively. The County also obtained an economic gain (difference between the present value of the old and the new debt service payments) of \$11.000 million and \$154,600, respectively.

The various Bond Resolutions applicable to the outstanding Revenue Bonds generally contain provisions that, upon the occurrence of and any event that constitutes an "Event of Default" (typically payment or covenant related compliance criteria), the outstanding principal balance, accrued interest, and/or penalties may, at the option of a required percentage of Bondholders, be accelerated and would be due and payable immediately. Revenue bonds are typically backed by a pledge of funds derived from users of the related facilities and are not supported by the full faith and credit of the County.

C. Defeased Bonds

On August 28, 2019, the County paid \$57.084 million from available cash to Regions Bank to complete a partial cash defeasance of the Series 2011A Port Facilities Revenue Bonds to reduce its total debt service payments over the next six years by \$10.422 million, as well as the Series 2011B Port Facilities Revenue Bonds over the next 8 years by \$55.541 million.

The County defeased certain debt as listed in the table below, by placing the proceeds of new bonds or its own cash in irrevocable escrow accounts and invested in U.S. Treasury obligations that, together with interest earned thereon, will provide amounts sufficient for future payments of interest and principal on the bond issues being refunded. The refunded bonds are not included in the County's Statement of Net Position as a liability since the County has legally satisfied its obligations through the refunding transactions.

The following is a summary of the County's outstanding defeased bonds (in thousands):

<i>Year of Defeasance</i>	<i>Bond Issue Defeased</i>	<i>Principal Outstanding September 30, 2019</i>
2017	Half-Cent Sales Tax Bonds Series 2010 A (Partially Refunded)	\$ 58,625
2019	Port Facilities Revenue Bonds Series 2011 A (Partially Refunded)	8,280
2019	Port Facilities Revenue Bonds Series 2011 B (Partially Refunded)	45,475
2019	Port Facilities Revenue Bonds Series 2009A	52,280
2019	Subordinate Port Facilities Revenue Bonds Series 2008	22,580
	Total	\$ 187,240

D. Pledged Revenues

The County issues bonds and a loan that are secured by a pledge of specific revenues. Total pledged revenues to repay the principal and interest of revenue bonds and a loan as of September 30, 2019, are as follows (in thousands):

Governmental Activities:

Source of Revenue Pledged	Professional Sports Franchise Facilities Tax, Professional Sports Franchise Sales Tax Rebate, and the County Preferred Revenue Allocation	Half-Cent Sales Tax and Federal Direct Payments from Build America Bonds
Current Revenue Pledged	\$ 34,094	\$ 88,297
Current Year Debt Service	\$ 12,625	\$ 14,492
Total Future Revenue Pledged*	\$ 109,617	\$ 291,417
Description of Debt	Professional Sports Facilities Tax and Revenue Refunding Bonds, Series 2006B and Series 2016A	Half-Cent Sales Tax Revenue Bonds, Series 2010 A, B, C and 2017 A
Purpose of Debt	To refund Civic Arena Bonds Series 1996 and Series 2006A	Financing the acquisition and construction of a new courthouse and related parking facility
Term of Commitment	2007-2028	2011-2041
Percentage of Debt Service to Pledged Revenues (Current Year)	37.0%	16.4%

* Total future principal and interest payments

Business-type Activities:

Source of Revenue Pledged	Airport Net Revenues	Port Everglades Net Revenues	Water and Sewer Net Revenues
Current Revenue Pledged	\$ 186,330	\$ 67,074	\$ 66,130
Current Year Debt Service	\$ 94,087	\$ 22,568	\$ 35,792
Total Future Revenue Pledged*	\$ 3,399,568	\$ 926,989	\$ 661,311
Description of Debt	Airport System Revenue Bonds, issued 2001-2017	Port Facility Revenue Bonds, issued 2008-2019	Water and Sewer Utility Revenue Bonds, issued 2009-2015
Purpose of Debt	Improvement and Refunding	Improvement and Refunding	Improvement and Refunding
Term of Commitment	2001-2048	2008-2049	2009-2038
Percentage of Debt Service to Pledged Revenues (Current Year)	50.5%	33.6%	54.1%

*Total future principal and interest payments

E. Conduit Debt

Two component units of the County, HeFA and HFA, are authorized to issue bonds to fulfill their corporate purposes. Bonds issued by HeFA and HFA shall not be deemed to constitute a debt of the HeFA, HFA, the County, or any political sub-division thereof. As of September 30, 2019, the total revenue bonds outstanding for HeFA are \$1.710 million and HFA are \$286.297 million. There are also other industrial development bonds issued by the County which are not deemed to constitute a debt of the County or any political sub-division thereof. The County does not maintain the total outstanding balance of these bonds.

NOTE 8 - INTERFUND BALANCES AND INTERFUND TRANSFERS

Interfund Balances

Interfund balances at September 30, 2019, were as follows (in thousands):

Due To	Due From								Total
	General	Sheriff Contractual Services	Aviation	Port Everglades	Water and Wastewater	Nonmajor Governmental	Nonmajor Enterprise	Internal Service	
General		\$ 21,694	\$ 11	\$ 115	\$ 34	\$ 39,360			\$ 61,214
Sheriff Contractual Services	\$ 7		11,215	203					11,425
Port Everglades		1							1
Water and Wastewater	71		214			5	\$ 1	\$ 2	293
Nonmajor Governmental	25,451		927	654	60,060	3,542			90,634
Internal Service	21			80					101
Total	\$ 25,550	\$ 21,695	\$ 12,367	\$ 1,052	\$ 60,094	\$ 42,907	\$ 1	\$ 2	\$ 163,668

- \$21.205 million of the \$21.694 million due to the General Fund from the Sheriff Contractual Services Fund and \$24.930 million of the \$39.360 million due to the General Fund from the Nonmajor Governmental Funds are for temporary loans to cover negative cash.
- \$13.887 million of the \$39.360 million due to the General Fund from the Nonmajor Governmental Funds are for amounts due to cover various special projects and grant related costs incurred by the Sheriff.
- The \$11.425 million due to the Sheriff Contractual Services Fund from the General Fund, Aviation Fund and Port Everglades Fund is for police and fire protection services provided.
- The \$293,000 due to the Water and Wastewater Fund from the General Fund, Aviation Fund, Nonmajor Governmental Fund, Nonmajor Enterprise Fund and Internal Service Fund is for water services provided.
- \$25.000 million of the \$25.451 million due to the Nonmajor Governmental Funds from the General Fund is to cover the budgeted transfer amount to the Capital Outlay Reserve Fund for reimbursing projects the County borrowed \$11.000 million from the purchase of the Citrix building as well as \$14.000 million is reserved for projects in future capital budget development.
- The \$927,000 and \$654,000 due to the Nonmajor Governmental Funds from Aviation Fund and Port Everglades Fund, respectively, are for reimbursement for purchase of radio equipment.
- The \$60.060 million due to the Nonmajor Governmental Funds from Water and Wastewater Fund is an internal loan to fund capital projects for the Water and Wastewater System.
- \$2.675 million of the \$3.542 million from the Nonmajor Governmental Funds to other Nonmajor Governmental Funds is to fund debt service payments for the Professional Sports Facilities Bonds and \$812,000 is to fund eligible capital projects using constitutional gas tax funds.

All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund Transfers

Interfund transfers for the year ended September 30, 2019, were as follows (in thousands):

Transfer To	Transfer From					Total
	General	Sheriff Contractual Services	Transportation Surtax	Nonmajor Governmental	Nonmajor Enterprise	
General		\$ 23,129	\$ 3,813	\$ 59,102		\$ 86,044
Sheriff Contractual Services	\$ 3,565					3,565
Nonmajor						
Governmental	69,334			153,361		222,695
Enterprise	1,420				\$ 275	1,695
Total	\$ 74,319	\$ 23,129	\$ 3,813	\$ 212,463	\$ 275	\$ 313,999

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Purposes of significant transfers made during the 2019 fiscal year are as follows:

- The transfer from the General Fund to the Sheriff Contractual Service Fund of \$3.565 million was to fund fire rescue services and training and to fund the implementation of the inmate transport agreement with Broward Sheriff's Office and several municipalities,
- The transfer from the General Fund to the Nonmajor Governmental Funds of \$69.334 million includes \$55.372 million to fund various general capital outlay projects, including the Convention Center Hotel Projects and the construction of a 500-car parking garage projects, \$12.105 million to fund debt service payments on the Half Cent Sales Tax Revenue Bonds, and \$1.857 million to fund required cash match for various grants programs.
- The transfer from the General Fund to the Nonmajor Enterprise Funds of \$1.420 million was to fund operating activities up to \$1.220 million for Water Management Fund and \$200,000 for the Solid Waste Fund.
- Of the \$23.129 million transferred from the Sheriff Contractual Services Fund to the General Fund, \$13.782 million was funding for the other postemployment benefits reserve and \$9.347 million was for indirect costs charged to contract municipalities and other agencies.
- Of the \$59.102 million transferred from the Nonmajor Governmental Funds to the General Fund, \$57.570 million was funding for mass transit operations.
- The \$153.361 million transfer from the Nonmajor Governmental Funds to other Nonmajor Governmental Funds includes \$31.462 million to fund debt service payments of the Professional Sports Facilities and Civic Arena Bonds, \$24.135 million to fund tourist development activities, \$24.294 million to fund transportation capital projects, \$7.000 million to fund beach renourishment projects, \$54.309 million to fund Convention Center capital projects, and \$11.685 million to fund transit capital projects.

NOTE 9 - FUND BALANCES

The following schedule details the fund balances of the governmental funds as of September 30, 2019 (in thousands):

	MAJOR FUNDS			Total Governmental Funds
	General	Sheriff Contractual Services	Transportation Surtax	
Fund Balances:				
Nonspendable				
Inventories	\$ 17,240		\$ 3,477	\$ 20,717
Prepaid Items	120		2,557	2,677
Total Nonspendable	17,360		6,034	23,394
Restricted for:				
E-911	25,621			25,621
Court Fee Funds	9,139			9,139
Equipment Modernization	754			754
Debt Service			20,773	20,773
Parks and Land Preservation			17,206	17,206
Beach Renourishment			65,399	65,399
Libraries			6,935	6,935
Transportation Surtax			\$ 278,572	278,572
Transportation Capital Projects			181,275	181,275
Building and Improvements			14,505	14,505
Public Safety - Sheriff			16,061	16,061
Inmate Welfare - Sheriff			4,588	4,588
Convention Center Capital Projects			7,031	7,031
Other Purposes	1,144		2,011	3,155
Total Restricted	36,658		335,784	651,014
Committed to:				
Park Open Space and Recreational			2,219	2,219
Public Art and Design			1,618	1,618
Public Safety			16,300	16,300
Air Quality and Pollution Recovery	1,216		550	1,766
Animal Care	1,002			1,002
Community Services			1,513	1,513
Transportation Capital Projects			9,029	9,029
Greater Fort Lauderdale Convention and Visitors Bureau			7,438	7,438
Water Control Districts			4,767	4,767
Law Library	588			588
Board of Rules and Appeals	8,892			8,892
Manatee Protection Plan	1,784			1,784
Municipal Lighting District	126			126
Pay Telephone	838			838
Community Redevelopment and Affordable Housing			26,079	26,079
Tourist Tax Capital Projects			93,047	93,047
Unincorporated Area Capital Projects			26,442	26,442
Park Improvements			16,149	16,149
Buildings and Improvements			169,280	169,280
Library Improvements			4,025	4,025
Other Capital Projects			111,438	111,438
Other Purposes	7,300			7,300
Total Committed	21,746		489,894	511,640

(continued)

Governmental fund balances in detail as of September 30, 2019 (in thousands) continued:

	MAJOR FUNDS				
	General	Sheriff Contractual Services	Transportation Surtax	Nonmajor Governmental	Total Governmental Funds
Assigned to:					
Emergencies and Cash Flow	\$ 110,000				\$ 110,000
Fuel Increase	3,000				3,000
Future Capital Projects	85				85
Revenue Fluctuations	3,687				3,687
Public Safety - Sheriff	1,220	\$ 14,772			15,992
Other Post Employment Benefits	131,969				131,969
FRS Increases	3,100				3,100
Economic Development Initiatives	850				850
Transit Improvements	20,492				20,492
Future Debt Service	10,000				10,000
Municipal Service District	11,274				11,274
Building Code Services	15,851				15,851
Mass Transit - Operating	15,106				15,106
Central Examining Board	8,063				8,063
Grant Match	793				793
Other Purposes	14,313				14,313
Subsequent Year's Budget	14,509				14,509
Total Assigned	364,312	14,772			379,084
Unassigned	80,018			(833)	79,185
Total Fund Balances	\$ 520,094	\$ 14,772	\$ 278,572	\$ 830,879	\$ 1,644,317

NOTE 10 - RISK MANAGEMENT

The County is exposed to various risks and losses related to alleged torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For its self-insured workers' compensation exposure, the County purchases excess coverage above a \$2.0 million retention limit and pays any claims below the retention from its Self-Insurance Fund. Mass transit liability, auto liability, medical malpractice, and general liability are entirely self-insured, with the County providing coverage up to the statutory limits of \$200,000 per person and \$300,000 per occurrence. The Owner Controlled Insurance Program (OCIP) is a large deductible self-insurance program for County construction projects providing qualified participants with workers' compensation, general liability, and environmental insurance coverage. The program has a \$250,000 per occurrence deductible for workers' compensation and general liability claims and a \$50,000 deductible for environmental claims except for the Port and Wastewater which has \$25,000. County organizations participating in the OCIP program make contributions based on the estimated construction value, insurance costs and estimated potential losses of its project. The County is self-insured for employee health insurance and has also purchased stop-loss coverage for the group medical and pharmacy plan with a specific deductible of \$400,000 per individual. The County (through the Self-Insurance Fund) purchases commercial insurance for airport owner's and operator's liability, seaport liability, property coverage, and numerous smaller policies that are required by lease agreements, union contracts, state statutes, etc. Settled claims have not exceeded commercial coverage in the past three years.

Due to the unique nature of the exposures presented by airport operations, the Aviation purchased airport owners and operators general liability insurance coverage with an aggregate limit of \$500 million in coverage provided by various insurers.

The Port purchased several policies under the Control Insurance Program (PECIP) for a major construction project, the Southport Turning Notch Extension (STNE)/Crane Rail Infrastructure Improvements. The PECIP provides project insurance coverages including workers compensation, general liability, excess liability and contractors' pollution liability. The Port provided to the insurer as security for payment obligations a renewable twelve-month term Standby Irrevocable Letter of Credit, in the amount of \$3.650 million. The workers' compensation and general liability insurance have a deductible amount of \$250,000 for each occurrence respectively, and \$350,000 for worker's compensation and general liability in the aggregate. Under the PECIP, the Port's maximum exposure for worker's compensation and general liability shall not exceed \$3.625 million. Excess liability insurance has a zero deductible amount and the limit of insurance is \$100 million for each occurrence and the \$100 million in the aggregate. Pollution insurance has a self-insured retention amount of \$50,000 and a limit of the policy is \$50 million. The insurer will pay claims exceeding the deductible, up to the policy limit.

The STNE project also required the Port to purchase owner's protection professional liability insurance (OPPI) and builder's risk insurance with terms of coverage that started at the beginning of the actual construction of the project and will continue until project completion plus ten-year completed operation from substantial completion. OPPI is essentially a supplemental insurance that provides additional coverage in excess of the construction manager's professional liability insurance. The OPPI self-insured retention amount is \$500,000 and the limit of the policy is \$20 million. The builder's risk insurance policy was purchased by the Port to provide coverage protection to the property controlled by the Port while the STNE project is under construction. The builder's risk policy will reimburse the Port for repairs less than a \$100,000 deductible, of which the \$25,000 will be paid by the contractor. For flood and named windstorm the builder's risk policy will cover the repairs less a deductible of 5% of the total insurance value at the time and place of loss, subject to a \$250,000 minimum deductible. The insurer will pay up to the limits set forth in the policy.

The Sheriff's Office is a constitutionally separate office from the County which operates its own Self-Insurance Program for law enforcement, auto, and workers' compensation liability risks. The Sheriff provides coverage up to the statutory limits of \$200,000 per person and \$300,000 per occurrence. Excess coverage for losses over \$2.5 million per occurrence is provided through commercial coverage. Settled claims have not exceeded this commercial coverage in the past three years.

Funds participating in the Self-Insurance Programs make payments to the Self-Insurance Fund based on actuarial estimates of the amounts needed to pay prior and current year claims and fund reserves for all losses. Participating funds are indemnified against any losses in a given year in excess of the fees charged. Fees charged are expensed as incurred in all funds. The estimated liabilities for self-insured losses were determined by independent actuarial valuations performed as of September 30, 2019. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends (including frequency and amounts of payouts), and other economic and social factors. The claims liability estimates also include amounts for incremental adjustment expenses as well as estimated recoveries from salvage or subrogation. The claims liability is based on an estimate, and the ultimate settlement of the claims may differ from the amounts recorded.

Changes in the Program's claims liability amount in fiscal year 2019 and 2018 were as follows (in thousands):

<i>Insurance Type</i>	<i>Balance October 1, 2018</i>	<i>Current Year Claims and Changes in Estimates</i>	<i>Liability Claims Payments</i>	<i>Balance September 30, 2019</i>
Workers' Compensation				
County	\$ 23,211	\$ 7,641	\$ (5,093)	\$ 25,759
BSO	52,265	17,922	(16,013)	54,174
Law Enforcement and Auto Liability - BSO	16,388	9,488	(5,658)	20,218
General Liability and Other - County	7,586	2,571	(2,266)	7,891
Health Insurance - County	5,141	50,737	(50,678)	5,200
Total	\$ 104,591	\$ 88,359	\$(79,708)	\$ 113,242

<i>Insurance Type</i>	<i>Balance October 1, 2017</i>	<i>Current Year Claims and Changes in Estimates</i>	<i>Liability Claims Payments</i>	<i>Balance September 30, 2018</i>
Workers' Compensation				
County	\$ 23,711	\$ 5,070	\$ (5,570)	\$ 23,211
BSO	53,364	12,418	(13,517)	52,265
Law Enforcement and Auto Liability - BSO	16,792	3,945	(4,349)	16,388
General Liability and Other - County	9,352	630	(2,396)	7,586
Health Insurance -County	4,265	44,937	(44,061)	5,141
Total	\$ 107,484	\$ 67,000	\$(69,893)	\$ 104,591

NOTE 11 - LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State laws and regulations require the County to place a final cover on its landfills when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for up to thirty years after closure. Although closure and postclosure care costs will be paid only near or after the landfill stops accepting waste, the County recognizes a portion of these costs as an operating expense in each period based on landfill capacity utilized.

At September 30, 2019, the County estimates that the cost of permanently capping and maintaining its landfills in accordance with existing regulations will be \$38.989 million. Of this amount, the County has accrued a landfill closure and postclosure care liability of \$22.446 million based on the use of the estimated capacity of the landfills. The County will recognize the remaining estimated cost of closure and post-closure care of \$16.543 million as the remaining estimated capacity is filled. The total liability is included in noncurrent liabilities on the Proprietary Funds Statement of Net Position.

The County's two landfills are the Southwest Regional (interim contingency) landfill and the Resource Recovery landfill (Ash Monofill). A summary of the landfill account liabilities is as follows (dollars in thousands):

		<i>Southwest Regional (Interim Contingency) Landfill</i>		<i>South Broward Resource Recovery (Ash Monofill) Landfill</i>
Liability 9/30/19	\$	12,082	\$	10,364
Estimated Obligation Remaining to be Recognized	\$	9,721	\$	6,822
Estimated Remaining Life of Landfill (in Years)		9		5
Capacity Used to Date		72.0%		86.0%

The \$38.989 million cost estimate was determined by the County's consulting engineers. However, existing regulations may change which may require the County to incur additional closure and postclosure care costs. The cost estimate, which pertains only to the permitted portions of each landfill, does not include contingent liabilities, including but not limited to landfill-related environmental conditions caused by storm events. The cost estimate also does not include required landfill care and maintenance for the period beyond thirty years after landfill closure.

The County is required by state laws and regulations to make annual deposits to finance closure and postclosure care costs. At September 30, 2019, cash and investments of \$31.302 million are held for these purposes and are reported as restricted assets on the Proprietary Funds Statement of Net Position. The County expects that future inflation costs will be paid from interest earnings on these annual deposits. However, if interest earnings are inadequate or additional closure or postclosure care requirements are determined; these costs may need to be covered by charges to future landfill users.

NOTE 12 - LARGE USER AGREEMENTS

The County has entered into agreements with large (wholesale) users of the North Regional Wastewater System (the System). These agreements provide that the cost of operating the System be charged to each large user on the basis of each user's proportionate share of total gallons processed. In addition, each large user is charged a debt service fee for the principal, interest, and debt coverage requirements on debt issued to finance the construction of the North Regional Wastewater Treatment Facility. The debt service charge is based on the relative percentage of reserve capacity designated for each user to total reserve capacity. Large user revenues makeup 26% of the Water and Wastewater Fund's total revenue.

NOTE 13 - OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description

The County has two single employer defined benefit healthcare plans, the County plan and the BSO plan. The County plan allows its employees and their beneficiaries to continue obtaining health, dental, and other insurance benefits upon retirement. The number of active and retired employees were 5,328 and 237, respectively as of September 30, 2019. The BSO plan provides post employment health insurance benefits for employees and sworn officers upon retirement and subsidizes a portion of the premiums. The number of active and retired employees were 5,047 and 1,192, respectively at September 30, 2019. The benefits of the County's plan conform to Florida Statutes, which are the legal authority for the plan. The provisions of the BSO plan may be amended through negotiations between BSO and its employee bargaining units. The plans have no assets and do not issue separate financial reports.

Funding Policy

The County makes no direct contribution to the County plan. Retirees and their beneficiaries pay the same group rates as are charged to the County for active employees. The County's actuaries, in their actuarial valuation, calculate an offset to the cost of these benefits in the same manner as the BSO actuaries.

BSO retirees and their beneficiaries pay the same blended rates as active employees. However, BSO provides a discount of 2% for each year of service with BSO up to 50% of the blended rates if retirees and their beneficiaries meet certain qualifications and if the retiree was hired prior to October 1, 2007. BSO also pays 100% of the premiums for line-of-duty disabled retirees.

BSO makes no advance funding contributions to the plan; rather, it pays the discounts for retirees and their beneficiaries when due. In addition, the actuaries calculate an offset to the cost of these benefits that it includes in the Employer Contributions. This offset equals the total age-adjusted costs paid by BSO or its active employees for coverage of the retirees and their dependents for the year, net of the retirees' own payments for the year. Cumulatively, the County has assigned fund balance for future plan costs of \$131.969 million, including \$21.659 million during fiscal year 2019. The reserve balance also includes accumulated interest of \$7.097 million. The County intends to set aside additional funds for this purpose when available in the future. However, the County did not establish an irrevocable trust fund, so these amounts are not considered as plan "funding".

The County follows the guidance contained in GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* for certain post-employment health care benefits provided by the County and BSO for the fiscal year ended September 30, 2019.

Actuarial Methods and Assumptions

The actuarial assumptions used represent a reasonable long term expectation of future OPEB outcomes. As a national economic and County experience change over time, the assumptions will be tested for ongoing reasonableness and, if necessary updated. Significant methods and assumptions were as follows:

	County, Excluding BSO	BSO
Actuarial Valuation Date/Measurement Date	9/30/2019	10/1/2018
Actuarial Cost Method	Entry age	Entry age
Discount Rate	3.58%	3.83%
Projected Cash Flows	Pay As You Go	Pay As You Go
Municipal Bond Rate	20 Year Tax Exempt General Obligation	20 Year Tax Exempt General Obligation
Bond Rate Basis	AA/Aa or higher	AA or higher
Projected Salary Increases	3.25%	3.7%-7.8%
Healthcare Cost Trend Rate	8.0% initial - 4.5% ultimate	6.0% initial - 4.4% ultimate

*Includes 2.6% general inflation rate for Broward County Employees and for Broward Sheriff Employees.

Changes in Total OPEB Liability and Related Ratios

Below are the details regarding the total OPEB liability for the period from October 1, 2018 to September 30, 2019 (in thousands):

	County, Excluding BSO	BSO
Total OPEB Liability at 10/1/2018	\$ 23,603	\$ 256,546
Changes for the Fiscal Year		
Service Cost	1,207	7,698
Interest	1,024	8,994
Difference Between Actual and Expected Experience	(693)	
Assumption Changes	1,900	(7,667)
Benefit Payments	(1,194)	(14,651)
Net Changes in Total OPEB Liability	2,244	(5,626)
Total OPEB liability at 9/30/2019	\$ 25,847	\$ 250,920
Covered-Employee Payroll	\$ 296,993	\$ 348,130
TOL as a Percentage of Covered-Employee Payroll	8.70%	72.08%

Sensitivity of the Total OPEB Liability

The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate (in thousands):

	County, Excluding BSO			BSO		
	Current			Current		
	1% Decrease	Discount Rate	1% Increase	1% Decrease	Discount Rate	1% Increase
	2.58%	3.58%	4.58%	2.83%	3.83%	4.83%
Total OPEB Liability	\$ 28,899	\$ 25,847	\$ 22,094	\$ 273,314	\$ 250,920	\$ 222,517

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower and 1 percentage point higher than the current healthcare cost trend rates (in thousands):

	County, Excluding BSO			BSO		
	Current			Current		
	1% Decrease	Discount Rate	1% Increase	1% Decrease	Discount Rate	1% Increase
	7.00% to 3.50%	8.00% to 4.50%	9.00% to 5.50%	5.00% to 3.40%	6.00% to 4.40%	7.0% to 5.40%
Total OPEB Liability	\$ 21,202	\$ 25,847	\$ 30,286	\$ 222,674	\$ 250,920	\$ 280,644

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2019, the County recognized OPEB expense of 2.383 million for the County, excluding BSO, and \$11.508 million for BSO. At September 30, 2019, the County reported deferred outflows and deferred inflows of resources related to OPEB for the following sources (in thousands):

	County, Excluding BSO		BSO	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 2,260			\$ (8,170)
Change of Assumptions		\$ (862)		(30,889)
Total	\$ 2,260	\$ (862)	\$ -	\$ (39,059)

Amounts recognized in the deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the OPEB expense as follows (in thousands):

Years Ending September 30	County, Excluding BSO		BSO	
2020	\$	151	\$	(5,209)
2021		151		(5,209)
2022		151		(5,209)
2023		151		(5,209)
2024		151		(5,209)
Thereafter		643		(13,014)
Total	\$	1,398	\$	(39,059)

NOTE 14 - RETIREMENT PLANS

All of the County's eligible employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the Pension Plan and the Retiree Health Insurance Subsidy (HIS Plan). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (Investment Plan) alternative to the Pension Plan, which is administered by the State Board of Administration (SBA). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Florida Legislature establishes and may amend the contribution requirements and benefit terms of all FRS plans.

The plan administrator for FRS prepares and publishes its own stand-alone comprehensive annual financial report, including financial statements and required supplementary information. Copies of this report can be obtained from the Department of Management Services, Division of Retirement, Bureau of Research and Member Communications, P.O. Box 9000, Tallahassee, Florida 32315-9000; or at the Division's website (www.frs.myflorida.com).

A. Pension Plan

Plan Description - The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees.

The general classes of membership for the County are as follows:

- Regular Class - Members of the FRS who do not qualify for membership in the other classes.
- Senior Management Service Class (SMSC) - Members in senior management level positions.
- Special Risk Class - Members who are employed as law enforcement officers and firefighters and other specified positions which qualify for this class.
- Elected Officers' Class (EOC) - Members who hold specified elected offices of local government.

Employees enrolled in the Pension Plan prior to July 1, 2011, vest after six years of creditable service, and employees enrolled in the Pension Plan on or after July 1, 2011, vest after eight years of creditable service. Regular Class, SMSC, and EOC members initially enrolled in the Pension Plan before July 1, 2011, once vested, are eligible for normal retirement benefits at age 62 or at any age after 30 years of creditable service. Members in these classes initially enrolled in the Pension Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Special Risk members initially enrolled in the Pension Plan before July 1, 2011, once vested, are eligible for normal retirement benefits at age 55 or at any age after 25 years of creditable service. Members in this class initially enrolled in the Pension Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 60 or any age after 30 years of creditable service. Early retirement may be taken any time after vesting within 20 years of normal retirement age, however, there is a 5.0% benefit reduction for each year prior to the normal retirement age.

DROP is available under the Pension Plan when the member first reaches eligibility for normal retirement. The DROP allows a member to retire while continuing employment for up to 60 months. While in the DROP, the member's retirement benefits accumulate in the FRS Trust Fund increased by a cost-of-living adjustment each July, and earn monthly interest equivalent to an annual rate of 1.30% on the preceding months DROP accumulation until DROP participation ends.

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

The following chart shows the percentage value for each year of service credit earned.

Class, Initial Enrollment, and Retirement Age/Years of Service	% Value (Per Year of Service)
Regular Class Members Initially Enrolled Before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60%
Retirement at age 63 or with 31 years of service	1.63%
Retirement at age 64 or with 32 years of service	1.65%
Retirement at age 65 or with 33 or more years of service	1.68%
Regular Class Members Initially Enrolled On or After July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60%
Retirement at age 66 or with 34 years of service	1.63%
Retirement at age 67 or with 35 years of service	1.65%
Retirement at age 68 or with 36 or more years of service	1.68%
Senior Management Service Class	2.00%
Special Risk Class	
Service from December 1, 1970, through September 30, 1974	2.00%
Service on or after October 1, 1974	3.00%
Elected Officers' Class	
Service as elected county officer	3.00%

The benefits received by retirees and beneficiaries are increased by a cost-of-living adjustment (COLA) each July. If the member was initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before that time, the annual COLA is 3.0% per year. The annual COLA for retirees with an effective retirement date or DROP date beginning on or after August 1, 2011, who were initially enrolled before July 1, 2011, is a proportion of 3.0% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3.0%. Pension Plan members initially enrolled on or after July 1, 2011, will not have a COLA after retirement.

Contributions - Effective July 1, 2011, all enrolled members of the Pension Plan, other than DROP participants, are required to contribute 3.0% of their salary to the Pension Plan. In addition to member contributions, governmental employers are required to make contributions to the Pension Plan based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from July 1, 2018 through June 30, 2019 and from July 1, 2019 through September 30, 2019, respectively, were as follows: Regular – 6.54% and 6.75%; Senior Management Service – 22.34% and 23.69%; Special Risk – 22.78% and 23.76%; Elected Officers' – 46.98% and 47.10%; and DROP participants - 12.37% and 12.94%. These employer contribution rates do not include the HIS Plan contribution rate and the administrative cost assessment. For the fiscal year ending September 30, 2019, contributions, including employee contributions of \$8.345 million, to the Pension Plan for the County, excluding the Broward Sheriff's Office (BSO), totaled \$33.033 million. For the fiscal year ending September 30, 2019, BSO contributions, including employee contributions of \$11.011 million totaled \$84.419 million.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2019, the County reported a liability of \$1.148 billion for its proportionate share of the Pension Plan's net pension liability. Of this amount, \$299.976 million was for the County, excluding BSO, and \$847.657 million was for BSO. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The County's and BSO's proportionate share of the net pension liability was based on the County's and BSO's 2018-2019 fiscal year contributions relative to the 2018-2019 fiscal year contributions of all participating members. At June 30, 2019, the County's proportionate share excluding BSO was 0.87105%, and BSO's proportionate share was 2.46136%. The proportionate share for the County and BSO at June 30, 2019 as compared to June 30, 2018 were increases of 0.01210% and 0.07276%, respectively.

For the fiscal year ended September 30, 2019, the County recognized pension expense of \$75.655 million for the County, excluding BSO, and \$208.447 million for BSO.

In addition, the County reported deferred outflows of resources and deferred inflows of resources related to the Pension Plan from the following sources (in thousands):

	County, Excluding BSO		BSO	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 17,784	\$ (186)	\$ 50,277	\$ (526)
Change of Assumptions	77,011		217,715	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		(16,590)		(46,897)
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	8,069	(2,194)	34,883	(11,591)
Pension Plan Contributions Subsequent to the Measurement Date	7,656		19,663	
Total	\$ 110,520	\$ (18,970)	\$ 322,538	\$ (59,014)

The deferred outflows of resources related to the Pension Plan, totaling \$7.656 million for the County, excluding BSO, and \$19.663 million for BSO, resulting from 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, 2020. 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 (in thousands):

Years Ending September 30	County, Excluding BSO		BSO	
2020	\$	28,294	\$	79,991
2021		8,536		24,131
2022		20,623		58,303
2023		15,557		43,981
2024		4,012		11,343
Thereafter		6,872		26,112
Total	\$	83,894	\$	243,861

Actuarial Assumptions - The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.60%
Salary Increases	3.25% average, including inflation
Investment Rate of Return	6.90%, net of pension plan investment expense, including inflation
Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.	

The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018. The assumptions used in the July 1, 2019 valuation were unchanged from those used in the prior valuation as of July 1, 2018 except for the investment rate of return assumption which was decreased from 7.00% to 6.90%.

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:

Asset Class	Target Allocation*	Annual Arithmetic Return	Compound Annual (Geometric) Return	Annual Standard Deviation
Cash Equivalents	1.0%	3.3%	3.3%	1.2%
Fixed Income	18.0%	4.1%	4.1%	3.5%
Global Equity	54.0%	8.0%	6.8%	16.5%
Real Estate	10.0%	6.7%	6.1%	11.7%
Private Equity	11.0%	11.2%	8.4%	25.8%
Strategic Investments	6.0%	5.9%	5.7%	6.7%
Total	100.0%			
Assumed Inflation - Mean				2.6%
				1.7%

*As outlined in the Pension Plan's investment policy.

Discount Rate - The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions will be made at the statutorily required rates. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the valuations of the defined benefit pension plans pursuant to Section 216.136(10), Florida Statutes. The 6.90% rate of return assumption used in the June 30, 2019 calculations was determined by the Plan's consulting actuary to be reasonable and appropriate per Actuarial Standard of Practice No. 27 (ASOP 27) for accounting purposes which differs from the rate used for funding purposes which is used to establish the contribution rates for the Pension Plan. The discount rate used in the July 1, 2018 valuation was 7.00%.

Sensitivity of the Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County's, excluding BSO, and BSO's proportionate shares of the net pension liability calculated using the discount rate of 6.90%, as well as what the proportionate shares of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate (dollars in thousands):

	County, Excluding BSO			BSO		
	1%	Current	1%	1%	Current	1%
	Decrease	Discount Rate	Increase	Decrease	Discount Rate	Increase
	5.90%	6.90%	7.90%	5.90%	6.90%	7.90%
Proportional Share of the						
Net Pension Liability	\$ 518,319	\$ 299,976	\$ 117,368	\$ 1,465,316	\$ 847,657	\$ 331,807

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

Payables to the Pension Plan - At September 30, 2019, the County, excluding BSO, and BSO, reported payables in the amounts of \$2.562 million and \$8.331 million, respectively, for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2019.

B. HIS Plan

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

Benefits Provided - For the fiscal year ended September 30, 2018, 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 these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. The employer contributions are a percentage of gross compensation for all active FRS members. The employer contribution rates for the period from July 1, 2018 through June 30, 2019 and from July 1, 2019 through September 30, 2019 were 1.66% and 1.66%, respectively. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

For the fiscal year ending September 30, 2019, contributions to the HIS Plan for the County, excluding BSO, and BSO totaled \$5.149 million and \$6.766 million, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2019, the County reported a liability of \$285.832 million for its proportionate share of the HIS Plan's net pension liability. Of this amount \$129.995 million was for the County, excluding BSO, and \$155.837 million was for BSO. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. Liabilities originally calculated as of the actuarial valuation date have been recalculated as of June 30, 2019 using a standard actuarial roll-forward technique. The County's and BSO's proportionate share of the net pension liability was based on the County's and BSO's 2018-2019 fiscal year contributions relative to the 2018-2019 fiscal year contributions of all participating members. At June 30, 2019, the County's proportionate share excluding BSO was 1.16181% and BSO's proportionate share was 1.39277%. The proportionate share for the County and BSO at June 30, 2019 as compared to June 30, 2018 were increases of 0.02883% and 0.03494%, respectively.

For the fiscal year ended September 30, 2019, the County recognized pension expense of \$11.382 million for the County, excluding BSO, and \$13.492 million for BSO. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to the HIS Plan from the following sources (in thousands):

	County, Excluding BSO		BSO	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,578	\$ (159)	\$ 1,893	\$ (191)
Change of Assumptions	15,044	(10,619)	18,043	(12,737)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	84		101	
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	8,074	(358)	8,748	(2,456)
Pension Plan Contributions Subsequent to the Measurement Date	1,778		1,889	
Total	\$ 26,558	\$ (11,136)	\$ 30,674	\$ (15,384)

The deferred outflows of resources related to the HIS Plan, totaling \$1.778 million for the County, excluding BSO, and \$1.889 million for BSO, resulting from 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, 2020. 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 (in thousands):

Years Ending September 30	County, Excluding BSO		BSO	
2020	\$	2,526	\$	3,030
2021		2,022		2,425
2022		1,107		1,327
2023		(804)		(964)
2024		146		175
Thereafter		8,647		7,408
Total	\$	13,644	\$	13,401

Actuarial Assumptions - Actuarial valuations for the HIS plan are conducted biennially. The July 1, 2018 HIS valuation is the most recent actuarial valuation and was used to develop the liabilities as of June 30, 2019. Liabilities originally calculated as of the actuarial valuation date have been recalculated as of June 30, 2019 using a standard actuarial roll-forward technique. The total pension liability as of June 30, 2019 was determined using the following actuarial assumptions:

Inflation	2.60%
Salary Increases	3.25% average, including inflation
Investment Rate of Return	3.50%, net of pension plan investment expense, including inflation
Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.	

The actuarial assumptions that determined the total pension liability as of June 30, 2019 were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2019 was 3.50%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to 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 FRS Actuarial Assumption Conference. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate used in the June 30, 2018 liability measurement was 3.87%. The change between the two measurement dates is due to the changes in the applicable municipal bond index between the dates.

Sensitivity of the Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County's, excluding BSO, and BSO's proportionate shares of the net pension liability calculated using the discount rate of 3.50%, as well as what the proportionate shares of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate (dollars in thousands):

	County, Excluding BSO			BSO		
	1% Decrease	Current Discount Rate	1% Increase	1% Decrease	Current Discount Rate	1% Increase
	2.50%	3.50%	4.50%	2.50%	3.50%	4.50%
Proportional Share of the Net Pension Liability	\$ 148,315	\$ 129,995	\$ 114,607	\$ 177,895	\$ 155,837	\$ 137,464

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

Payables to the HIS Plan - At September 30, 2019, the County, excluding BSO, and BSO, reported payables in the amounts of approximately \$388,000 and \$141,000, respectively, for outstanding contributions to the HIS plan required for the fiscal year ended September 30, 2019.

The County's proportionate share of the Plans' net pension liability, deferred outflows of resources and deferred inflows of resources as of September 30, 2019, and pension expense / adjustment for the fiscal year ended September 30, 2019 was allocated to the County's funds based on each fund's respective contributions. Amounts are as follows (in thousands):

Governmental Activities	Net Pension Liabilities	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense Adjustment
Pension Plan	\$ (1,091,524)	\$ 411,893	\$ (74,348)	\$ 168,789
HIS Plan	(261,391)	52,094	(24,376)	9,537
Total Governmental Activities	\$ (1,352,915)	\$ 463,987	\$ (98,724)	\$ 178,326
Business-type Activities	Net Pension Liabilities	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense Adjustment
Pension Plan	\$ (56,109)	\$ 21,165	\$ (3,636)	\$ 8,676
HIS Plan	(24,441)	5,138	(2,144)	883
Total Business-type Activities	\$ (80,550)	\$ 26,303	\$ (5,780)	\$ 9,559

C. Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the defined benefit pension plan. County employees participating in 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 State Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04% of payroll and by forfeited benefits of plan members. Effective July 1, 2012, allocations to the investment member's accounts, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular Class - 6.30, Senior Management Service Class - 7.67%, Special Risk Class - 14.0%, and Elected Officers' Class - 11.34%.

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 Pension Plan is transferred to the Investment Plan, the member must have the years of service required for 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. For the fiscal year ended September 30, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes 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 Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The Investment Plan pension expense for the County, excluding BSO, and BSO totaled \$7.578 million and \$12.700 million, respectively, for the fiscal year ended September 30, 2019.

At September 30, 2019, the County, excluding BSO, and BSO, reported payables in the amounts of approximately \$669,000 and \$1.03 million respectively, for outstanding contributions to the Investment Plan required for the fiscal year ended September 30, 2019.

NOTE 15 - TAX ABATEMENTS

Pursuant to Broward County's Job Growth/Economic Development Incentive Act, Sections 9 ½-50 through 9 ½ 55, Broward County Code of Ordinances, the County offers the Direct Cash/Job Creation Incentive Program. Under this Program, the County may award cash incentives to new, relocating, or expanding companies based upon the number of new jobs created in Broward County. Such cash incentives may be granted to qualified companies that pay 115% of the average annual wage and create a minimum of ten new jobs, with the exception of Special Projects. Cash incentives shall not exceed more than \$2,000 for each full-time, permanent job created. Direct cash incentives may be combined with State and local match incentive programs. The County may pay 100% of cash incentives for new jobs created in unincorporated areas of the County, or may negotiate with local municipalities, a share of any local participation for new jobs created within a municipality. Applicants must agree to sanctions that may include full repayment of all incentive funds and potential additional penalties in the event of failure to perform. For the fiscal year ended September 30, 2019, payments from property taxes made under this program totaled \$12,500.

Article VII, Section 3 of the Florida Constitution authorizes Counties and municipalities to adopt an ordinance to allow ad valorem tax exemptions to owners of historic properties. The County adopted Ordinance No. 96-14, The Broward County Historic Property Tax Exemption Ordinances, which provides that the BOCC may authorize an ad valorem tax exemption of the assessed value of all improvements to historic properties which result from the restoration, renovation or rehabilitation of such properties. The Ordinance provides that if an improvement qualifies a historic property for an exemption, the BOCC may authorize an exemption from ad valorem taxation of 50% of the assessed value of the property, as improved, for a ten year period. To qualify for an exemption, the property owner must enter into a preservation exemption covenant with the County for the term for which the exemption is granted. Any violations of the covenant shall result in the property owner being subject to the payment of the differences between the total amount of taxes which would have been due in March in each of the previous years in which the covenant was in effect had the property not received the exemption and the total amount of taxes actually paid in those years, plus interest on the difference calculated as provided in Section 212.12(3), Florida Statutes. The County also adopted Ordinance No. 04-32, which, pursuant to the provisions of the Section 196.1961, Florida Statutes expanded the exemption to include certain historical property used for commercial or certain nonprofit purposes as provided for in the Statutes. The property must comply with each and every provision of Section 196.1961, Florida Statutes to be entitled to the ad valorem exemption and the tax exemption shall apply only to Broward County. A taxpayer claiming the exemption must submit an annual application with the property appraiser pursuant to the requirements set forth in Section 196.011, Florida Statutes. For the fiscal year ended September 30, 2019, the County abated property taxes totaling \$127,157 under this program.

NOTE 16 - MAJOR CUSTOMERS

A significant portion of Aviation's revenues are directly or indirectly attributed to the activity of a number of major airlines operating out of Fort Lauderdale-Hollywood International Airport (FLL). Aviation's revenues could materially and adversely be affected should any of these major airlines discontinue operations at FLL and should Aviation be unable to replace those airlines with similar activity. The level of operations is determined based upon the relative share of the enplaned passengers, and the top five airlines totaled 82.1% of enplanement in fiscal year 2019 and no carrier above 23.6%. This diversity reduces the reliance on the performance of one dominant airline. The top five airlines, based on number enplaned passenger, are as follows:

Airlines	Passenger Enplanements	Percentage
JetBlue Airways	4,295,418	23.6%
Spirit Airlines	4,053,992	22.3%
Southwest Airlines	3,671,169	20.2%
Delta Air Lines	1,813,691	10.0%
United Airlines	1,087,381	6.0%
Others	3,242,776	17.9%
Total Enplanements	18,164,427	100.0%

A significant portion of Water and Wastewater's revenues are directly or indirectly attributed to the demand of large users and major retail customers. The Large User Agreements contain an automatic renewal clause. It is unlikely that any of the Large User customers would cease to be a customer of the system. As of September 30, 2019, the top ten customers revenues accounted for 34.1% of total operating revenue. The top ten major, based on dollars of revenue, are as follows:

Customer	Percentage of Operating Revenues
Coconut Creek ¹	7.0%
Pompano Beach	5.9%
Coral Springs	4.1%
Tamarac	3.6%
Deerfield Beach	3.3%
Lauderhill	3.2%
Broward County Agencies ²	2.2%
North Lauderdale	2.0%
North Springs Improvement District	1.7%
Broward County School Board ²	1.1%
Total	34.1%

1. Retail Customer for Water 2. Retail Customer for Wastewater and Water

A significant portion of Port Everglade's revenues are directly or indirectly attributed to the activity of two major customers operating out of Port Everglades. Port Everglade's revenues could be materially and adversely affected should either of these major customers discontinue operations at Port Everglades and not be replaced with comparable activity. As of September 30, 2019, two customers accounted for 34.6% and 24.3% of Port Everglade's total operating revenues and accounts receivable as follows: Royal Caribbean Cruises Ltd. and its affiliates - 19.2 % and 20.5% respectively and Carnival Corporation and its affiliates - 15.4% and 3.8% respectively.

NOTE 17 - COMMITMENTS AND CONTINGENT LIABILITIES

Litigation

A claim in excess of \$20.0 million has been submitted by a contractor to the County related to the construction of the new courthouse. There are material issues with the validity of the claim and there are entities other than the County that would be responsible if portions of the claim were found to be valid.

A contractor working on the T3 Security Checkpoint improvement project grew vastly behind schedule as well as producing inadequate work for the items completed. As a result, the contractor was terminated for cause from the project. The contractor is seeking damages for the work performed and improper termination for cause by the County and its architect/consultant on the project. The County has filed a counterclaim against the contractor. This case is likely to proceed to trial in the 2nd quarter of 2020.

More than 200 individual plaintiffs filed actions against the County relating to the south runway expansion at FLL and the associated noise mitigation program, and all were dismissed in favor of the County and only five individual actions remain pending. We expect to resolve these few remaining claims over the next year.

In March 2019, the County and two of its vendors were sued in Federal Court in the Southern District of Florida. The lawsuit alleges violations of the federal Fair and Accurate Credit Transactions Act of 2003 ("FACTA") at Fort Lauderdale-Hollywood International Airport (FLL) parking facility. The lawsuit alleges that parking receipts issued at the Airport parking facility, during a specified period, violated FACTA's "truncation" requirement, which prohibits printing on the receipt more than the last five digits of the card number or the card's expiration date. The lawsuit will seek certification to cover a class of all individuals who received receipts in violation of FACTA's truncation requirement, starting with the period that began two years prior to the date the lawsuit was filed. Besides the one receipt issued to the plaintiff, the County has not been able to determine that any other prohibited receipts were issued to customers. However, the County does know that during the relevant time frame there are as many as 106,000 credit card transactions. It is too early in the litigation for the County to evaluate the likelihood of a particular outcome. However, the Office of the County Attorney is of the opinion that the possible exposure resulting from any ultimate resolution of this litigation would not have a material adverse economic effect on the County.

There are five lawsuits pending against the County arising out of the January 6, 2017 shooting at FLL. Each suit is identical in its allegations and name Delta Airlines, Allied Barton Security Services (contracted security), Broward County and the Broward Sheriff's Office as defendants. The cases assert claims for negligence and negligent security. The County has denied liability for the claims. The County's general liability insurance carrier is providing a complete defense and has acknowledged coverage for any damages that may result from the lawsuits. Accordingly, any recovery from any resolution would not have a material adverse economic effect on the County.

The County is also currently engaged in various lawsuits including cases where the redress sought is for other than monetary damages, i.e., mandamus, injunction, and declaratory relief, as well as cases for which the County has insurance or is named as a nominal defendant.

The County will continue to vigorously defend all claims. The Office of the County Attorney is of the opinion that the possible exposure resulting from the outcome of the claims that have not been accrued in the Self-Insurance Fund would not have a material adverse economic effect on the County.

Federal and State Grants

Federal and State of Florida grants are subject to audit by the granting agencies to determine if activities comply with conditions of the grants. Management believes that no material liability will arise from any grant audits.

Operating Leases

The County leases office facilities and equipment under various leases, most of which have been executed on a year-to-year basis. Rental expenses for equipment leases and office facilities for the year ended September 30, 2019, amounted to \$9.962 million. Future commitments under operating leases at September 30, 2019 are as follows (in thousands):

Years Ending September 30	Amount
2020	\$ 8,126
2021	4,694
2022	3,756
2023	2,409
2024	1,593
2025-2029	3,424
2030-2034	3,200
2035-2039	2,197
2040-2044	1,644
2045-2049	628
Total	\$ 31,671

The County's encumbrance policy is for fiscal year end individual encumbrances exceeding \$500,000 to be considered significant encumbrances. All encumbrances are classified as Restricted, Committed, or Assigned fund balance in the governmental funds. Significant encumbrances as of September 30, 2019 are as follows (in thousands):

	General	Transportation Surtax	Nonmajor Governmental	Total
Building Improvements				
Convention Center Expansion			\$ 37,294	\$ 37,294
Nancy J Cotterman Center			12,671	12,671
General Government Facilities			1,712	1,712
Main Courthouse	\$ 1,518		10,254	11,772
Main Courthouse Parking Garage			1,089	1,089
Main Jail			5,989	5,989
Other Courthouse Projects			1,628	1,628
Libraries			2,755	2,755
Parks			1,923	1,923
Equipment				
ERP Project Software			8,387	8,387
Public Safety Radio Communications			14,267	14,267
Engineering Road Projects				
Bridge Improvements			3,012	3,012
Road Improvements		\$ 1,236	6,267	7,503
Traffic Signals			1,395	1,395
Beach Renourishment Projects				
Broward Shore Protection Project			866	866
Port Everglades Sand Bypass Project			6,878	6,878
Mass Transit Projects				
Buses		43,438	55,731	99,169
Other Transit Projects			1,270	1,270
Total	\$ 1,518	\$ 44,674	\$ 173,388	\$ 219,580

NOTE 18 - SUBSEQUENT EVENTS

On November 21, 2019, the County issued \$435.060 million in Airport System Revenue Bonds, Series 2019A (AMT) with coupon interest rates ranging from 4.00% to 5.00%, \$61.630 million in Airport System Revenue Bonds, Series 2019B (AMT) with a coupon interest rate of 5.00%, \$719.935 million in Airport System Revenue Bonds, Series 2019C (Taxable) with coupon interest rates ranging from 1.84% to 3.48%, with a combined premium of \$87.693 million resulting in a combined true interest rate of 3.26%. The Series 2019A Bonds were issued to provide funding for terminal renovation and expansion projects and related airport improvement projects, funding of a separate reserve account for the series 2019A Bonds as well as paying certain costs of issuance and expenses relating to the Series 2019A Bonds. The Series B Bonds were issued to defease and refund, on a current basis, \$75.105 million of the County's then outstanding Airport System Revenue Bonds Series 2009O (AMT) Bonds and pay certain costs of issuance and expenses relating to the Series 2019B Bonds. The Series 2019C Bonds were issued to defease and refund, on an advance basis, \$642.740 million of the County's then outstanding multiple series of Airport System Revenue Bonds spanning the following series: 2012P-1, 2012P-2, 2012Q-1, 2012Q-2, 2013A, 2013B and 2013C. The proceed of the Series 2019C Bonds was also used to pay for certain costs of issuance and expenses relating to the Series 2019C Bonds.

On December 4, 2019, the County issued \$249.110 million in Water and Sewer Utility Revenue Bonds, Series 2019A, with coupon interest rates ranging from 3.00% to 5.00%. The issuance included a premium of \$36.318 million resulting in a true interest rate of 3.31%. The Series 2019A Bonds were issued for the purposes of acquisition and construction of major capital facilities and equipment in addition to funding for the cost of issuance and expenses relating to the Series 2019A Bonds and the increase to the debt service reserve. On the same day, the County also issued \$111.375 million in Water and Sewer Utility Revenue Refunding Bonds, Series 2019B (Taxable), at par with coupon interest rates ranging from 2.56% to 3.34% and a true interest rate of 3.31%. The Series 2019B Bonds were issued for the purposes of providing funds, together with other legally available funds, if any, to refund and defease a portion of the County's Outstanding Water and Sewer Utility Revenue Bonds, Series 2012A, and pay the costs of issuance and expenses relating to the Series 2019B Bonds.

On February 25, 2020, the Board approved a three-year Bargaining Agreement between the County and the Amalgamated Transit Union, Local 1267, representing the County's Transit employees, for Fiscal Years 2017/2018, 2018/2019, and 2019/2020. For each of the Fiscal Years, the Agreements provide for the applicable step movement for current employees in steps and a 2.0% adjustment effective retroactively to the first full pay period in October 1, 2017, 2018 and 2019 for employees who were at the "Thereafter Step" on October 1, 2017, 2018, and 2019, respectively. The estimated fiscal impact for the prior fiscal years totals \$1.488 million.

In December 2019, a novel strain of coronavirus surfaced in Wuhan, China, and has spread around the world, with resulting business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of the County could be significantly adversely affected. The extent to which the coronavirus may impact governmental activity, business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus or treat its impact, among others.

Required Supplementary Information



Port Master Planning

Master planning continues at Broward County's Port Everglades, the 3rd busiest cruise passenger port in the world. In 2019, construction was completed on Terminal 25 in time for the arrival of Celebrity Cruises' first new ship class in a decade, *Celebrity Edge*.

The Southport Turning Notch Extension will add 4,200 linear feet of U.S. manufactured steel to support incoming bulkheads, lengthening the existing Turning Notch from 900 to 2,400 feet and creating up to five additional cargo berths with three Super Post-Panamax gantry cranes.

The Port broke ground on the nearly 300,000-square-foot International Logistics Center.

U.S. Customs & Border Protection deployed high-speed 3D facial recognition technology in Cruise Terminals 18 and 25 to expedite customs clearance of passengers with passports.

To advance major infrastructure expansion projects, the County sold Series 2019 Port Facilities Revenue Bonds, and refunded other outstanding obligations for debt service savings. In conjunction, rating agencies Moody's, Standard & Poor's (S&P) and Fitch also reaffirmed their stable ratings for Port Everglades.

GENERAL FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual

for the fiscal year ended September 30, 2019
(In Thousands)

	<i>Original Budgeted Amounts</i>	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance With Final Budget Positive (Negative)</i>
Revenues:				
Taxes (Net of Discounts)	\$ 1,007,353	\$ 1,007,353	\$ 964,903	\$ (42,450)
Special Assessment/Impact Fees			22	22
Licenses and Permits	18,732	18,732	21,450	2,718
Federal Revenues:				
Grants			1,022	1,022
State Revenues:				
Revenue Sharing	42,952	43,410	44,142	732
Grants	10,660	10,660	11,364	704
One-Half Cent Sales Tax	69,837	69,837	68,420	(1,417)
Charges for Services	120,353	122,378	118,834	(3,544)
Fines and Forfeitures	8,457	8,457	9,369	912
Interest Income	5,917	6,099	22,915	16,816
Miscellaneous	18,118	25,316	26,716	1,400
Subtotal	1,302,379	1,312,242	1,289,157	(23,085)
Less 5% of Anticipated Revenue	(64,052)	(64,079)		64,079
Total Revenues	1,238,327	1,248,163	1,289,157	40,994
Expenditures:				
Current:				
General Government				
County Commission	18,415	18,890	17,456	1,434
Property Appraiser	23,961	24,958	24,456	502
Supervisor of Elections	18,932	21,211	22,213	(1,002)
County Administrator	5,170	9,338	6,604	2,734
Office of Management and Budget	66,159	65,496	57,782	7,714
Governmental Relations	6,008	6,123	5,778	345
Finance and Administrative Services	65,630	68,382	65,819	2,563
Boards and Other Agencies	6,074	6,449	5,645	804
Judicial	7,710	8,611	7,859	752
Environmental Protection and Growth Management	10,506	11,764	10,617	1,147
Public Works - Administration	44,940	54,600	47,773	6,827
Total General Government	273,505	295,822	272,002	23,820
Public Safety				
Sheriff	555,543	611,807	546,841	64,966
County Administration - Office of Regional Communication Technology	16,660	21,991	15,760	6,231
Boards and Other Agencies - Medical Examiner and Trauma Services	7,386	7,536	7,155	381
Human Services - Driver Education	622	625	622	3
Environmental Protection and Growth Management - Consumer Affairs	5,034	5,584	4,851	733
Emergency and Disaster Relief	2,440	5,020	3,572	1,448
Public Works - Detention and Correction Facilities	102	102	26	76
Public Works - Facilities Improvements	277	277	250	27
Public Works - School Guard	33	33	26	7
Total Public Safety	588,097	652,975	579,103	73,872
Transportation				
Transit	142,446	150,703	139,130	11,573
Public Works - Road and Street Facilities	150	150	146	4
Total Transportation	\$ 142,596	\$ 150,853	\$ 139,276	\$ 11,577

(continued)

GENERAL FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual, continued

for the fiscal year ended September 30, 2019

(In Thousands)

	<i>Original Budgeted Amounts</i>	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance With Final Budget Positive (Negative)</i>
Human Services				
Human Services - Children, Homeless and Health Care Services, Elderly and Veteran Services, Family Success	\$ 102,987	\$ 110,800	\$ 103,893	\$ 6,907
Community Services - Animal Care and Regulation	1,164	1,475	1,024	451
Environmental Protection and Growth Management - Animal Care	6,147	6,279	6,015	264
Judicial - Legal Aid	1,220	1,220	1,220	
Public Works - Mosquito Control	2,131	2,588	2,575	13
Total Human Services	113,649	122,362	114,727	7,635
Culture and Recreation				
Libraries, Parks, and Cultural	116,417	125,497	122,348	3,149
Public Works - Libraries, Parks and Recreation	479	487	340	147
Total Culture and Recreation	116,896	125,984	122,688	3,296
Physical Environment				
Environmental Protection and Growth Management	14,974	17,317	15,602	1,715
Public Works - Waste and Recycling Services		24	24	
Total Physical Environment	14,974	17,341	15,626	1,715
Economic Environment				
Environmental Protection and Growth Management - Housing Finance and Community Development	306	417	303	114
Office of Economic Development	3,067	3,237	3,095	142
Office of Equal Opportunity	2,464	2,536	2,295	241
Human Services - Veteran's Services	626	656	656	
Total Economic Environment	6,463	6,846	6,349	497
Debt Service:				
Principal Retirement		239	239	
Interest and Fiscal Charges		20	20	
Total Debt Service		259	259	
Total Expenditures	1,256,180	1,372,442	1,250,030	122,412
Excess (Deficiency) of Revenues Over Expenditures	(17,853)	(124,279)	39,127	163,406
Other Financing Sources (Uses):				
Transfers In	67,674	72,384	86,044	13,660
Transfers Out	(42,267)	(82,924)	(74,319)	8,605
Total Other Financing Sources (Uses)	25,407	(10,540)	11,725	22,265
Net Change in Fund Balance	7,554	(134,819)	50,852	185,671
Fund Balance - Beginning	215,221	354,410	469,242	114,832
Fund Balance - Ending	\$ 222,775	\$ 219,591	\$ 520,094	\$ 300,503

SHERIFF CONTRACTUAL SERVICES FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual

for the fiscal year ended September 30, 2019
(In Thousands)

	<i>Original Budgeted Amounts</i>	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance With Final Budget Positive (Negative)</i>
Revenues:				
Taxes (Net of Discounts)	\$ 2,163	\$ 2,163	\$ 2,082	\$ (81)
Special Assessment/Impact Fees	1,117	1,117	1,086	(31)
State Revenues:				
One-Half Cent Sales Tax	680	680	685	5
Charges for Services	354,164	353,555	344,664	(8,891)
Interest Income			469	469
Miscellaneous	200	200	506	306
Subtotal	358,324	357,715	349,492	(8,223)
Less 5% of Anticipated Revenue	(327)	(327)		327
Total Revenues	357,997	357,388	349,492	(7,896)
Expenditures:				
Current:				
Public Safety				
Sheriff	338,476	344,384	325,704	18,680
Capital Outlay	9,841	10,723	9,250	1,473
Total Expenditures	348,317	355,107	334,954	20,153
Excess (Deficiency) of Revenues Over Expenditures	9,680	2,281	14,538	12,257
Other Financing Sources (Uses):				
Transfers In	2,204	3,565	3,565	
Transfers Out	(9,369)	(23,129)	(23,129)	
Total Other Financing Sources (Uses)	(7,165)	(19,564)	(19,564)	
Net Change in Fund Balance	2,515	(17,283)	(5,026)	12,257
Fund Balance - Beginning		19,798	19,798	
Fund Balance - Ending	\$ 2,515	\$ 2,515	\$ 14,772	\$ 12,257

TRANSPORTATION SURTAX FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual

for the fiscal year ended September 30, 2019
(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance With Final Budget Positive (Negative)</i>
Revenues:			
Taxes (Net of Discounts)	\$ 202,998	\$ 282,631	\$ 79,633
Interest Income		1,650	1,650
Less 5% of Anticipated Revenue	(10,150)		10,150
Total Revenues	192,848	284,281	91,433
Expenditures:			
Current:			
Transportation			
Transit	2,963	883	2,080
Capital Outlay	52,824	1,013	51,811
Total Expenditures	55,787	1,896	53,891
Excess (Deficiency) of Revenues Over Expenditures	137,061	282,385	145,324
Other Financing Sources (Uses):			
Transfers Out	(3,813)	(3,813)	
Total Other Financing Sources (Uses)	(3,813)	(3,813)	
Net Change in Fund Balance	133,248	278,572	145,324
Fund Balance - Beginning			
Fund Balance - Ending	\$ 133,248	\$ 278,572	\$ 145,324

SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OTHER POST EMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS (I)

Last Ten Fiscal Years*
(Dollars in Thousands)

Total OPEB Liability	County, Excluding BSO	
	2019	2018
Service Cost	\$ 1,207	\$ 1,080
Interest	1,024	817
Difference Between Actual and Expected Experience	(693)	(308)
Assumption Changes	1,900	716
Benefit Payments	(1,194)	(1,144)
Net change in Total OPEB Liability	2,244	1,161
Total OPEB Liability - Beginning	23,603	22,442
Total OPEB Liability - Ending	\$ 25,847	\$ 23,603
Covered-Employee Payroll	\$ 296,993	\$ 300,103
Total OPEB Liability as a Percentage of Covered-Employee Payroll	8.70%	7.86%

SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OTHER POST EMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS (I) - Continued

Last Ten Fiscal Years*
(Dollars in Thousands)

Total OPEB Liability	BSO	
	2019	2018
Service Cost	\$ 7,698	\$ 10,490
Interest	8,994	9,168
Difference Between Actual and Expected Experience		(30,581)
Assumption Changes	(7,667)	(10,379)
Benefit Payments	(14,651)	(14,684)
Net change in Total OPEB Liability	(5,626)	(35,986)
Total OPEB Liability - Beginning	256,546	292,532
Total OPEB Liability - Ending	\$ 250,920	\$ 256,546
Covered-Employee Payroll	\$ 348,130	\$ 333,580
Total OPEB Liability as a Percentage of Covered-Employee Payroll	72.08%	76.91%

(I) The amounts presented for each fiscal year were determined as of September 30th.

* This is a 10-year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

FLORIDA RETIREMENT SYSTEM PENSION PLAN (I)

Schedule of the Proportionate Share of the Net Pension Liability

Last Ten Fiscal Years
(Dollars In Thousands)

	County, Excluding BSO					
	2019	2018	2017	2016	2015	2014
Proportion of the Net Pension Liability	0.87105%	0.85894%	0.82601%	0.80903%	0.84559%	0.84974%
Proportionate Share of the Net Pension Liability	\$ 299,976	\$ 258,717	\$ 244,328	\$ 204,280	\$ 109,219	\$ 51,846
Covered Payroll (2)	\$ 307,169	\$ 282,068	\$ 281,435	\$ 266,769	\$ 259,541	\$ 256,393
Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	97.66%	91.72%	86.82%	75.08%	41.19%	19.85%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

FLORIDA RETIREMENT SYSTEM PENSION PLAN (I) - Continued

Schedule of the Proportionate Share of the Net Pension Liability

Last Ten Fiscal Years
(Dollars In Thousands)

	BSO					
	2019	2018	2017	2016	2015	2014
Proportion of the Net Pension Liability	2.46136%	2.38860%	2.46562%	2.31892%	2.12365%	2.11982%
Proportionate Share of the Net Pension Liability	\$ 847,657	\$ 719,458	\$ 729,313	\$ 585,530	\$ 274,298	\$ 129,340
Covered Payroll (2)	\$ 398,810	\$ 378,277	\$ 377,036	\$ 341,773	\$ 337,141	\$ 326,157
Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	212.55%	190.19%	193.43%	161.05%	76.20%	37.33%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

Note: The information in this schedule is not required to be presented retroactively. Therefore, years will be added to this schedule in future fiscal years until ten years of information are available.

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll for 2014 through 2016 was restated due to the implementation of GASB Statement No. 82.

FLORIDA RETIREMENT SYSTEM PENSION PLAN (I)

Schedule of Contributions

Last Ten Fiscal Years
(Dollars In Thousands)

	County, Excluding BSO					
	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ 24,688	\$ 21,252	\$ 20,452	\$ 19,042	\$ 18,517	\$ 17,908
Contributions in Relation to the Contractually Required Contribution	\$ (24,688)	\$ (21,252)	\$ (20,452)	\$ (19,042)	\$ (18,517)	\$ (17,908)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll (2)	\$ 310,180	\$ 284,032	\$ 288,030	\$ 279,172	\$ 259,931	\$ 256,872
Contributions as a Percentage of Covered Payroll	7.96%	7.48%	7.10%	6.82%	7.12%	6.97%

FLORIDA RETIREMENT SYSTEM PENSION PLAN (I) - Continued

Schedule of Contributions

Last Ten Fiscal Years
(Dollars in Thousands)

	BSO					
	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ 73,408	\$ 76,907	\$ 58,305	\$ 53,726	\$ 49,604	\$ 46,213
Contributions in Relation to the Contractually Required Contribution	\$ (73,408)	\$ (76,907)	\$ (58,305)	\$ (53,726)	\$ (49,604)	\$ (46,213)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll (2)	\$ 407,584	\$ 384,408	\$ 363,834	\$ 346,717	\$ 338,951	\$ 329,937
Contribution as a Percentage of Covered Payroll	18.01%	20.01%	16.03%	15.50%	14.63%	14.01%

Note: The information in this schedule is not required to be presented retroactively. Therefore, years will be added to this schedule in future fiscal years until ten years of information are available.

(1) The amounts present for each fiscal year were determined as of September 30.

(2) Covered payroll for 2014 through 2016 was restated due to the implementation of GASB Statement No. 82.

FLORIDA RETIREMENT SYSTEM HEALTH INSURANCE SUBSIDY PENSION PLAN (I)

Schedule of the Proportionate Share of the Net Pension Liability

Last Ten Fiscal Years
(Dollars In Thousands)

	County, Excluding BSO					
	2019	2018	2017	2016	2015	2014
Proportion of the Net Pension Liability	1.16181%	1.13299%	1.08838%	1.06383%	1.04583%	1.04583%
Proportionate Share of the Net Pension Liability	\$ 129,995	\$ 119,917	\$ 116,374	\$ 123,985	\$ 106,659	\$ 98,151
Covered Payroll (2)	\$ 307,169	\$ 282,068	\$ 281,435	\$ 266,769	\$ 259,541	\$ 256,393
Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	42.32%	42.51%	41.35%	45.57%	40.23%	37.57%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	2.63%	2.15%	1.64%	0.97%	0.50%	0.50%

FLORIDA RETIREMENT SYSTEM HEALTH INSURANCE SUBSIDY PENSION PLAN (I) - Continued

Schedule of the Proportionate Share of the Net Pension Liability

Last Ten Fiscal Years
(Dollars in Thousands)

	BSO					
	2019	2018	2017	2016	2015	2014
Proportion of the Net Pension Liability	1.39277%	1.35783%	1.38657%	1.29987%	1.04583%	1.04583%
Proportionate Share of the Net Pension Liability	\$ 155,837	\$ 143,714	\$ 148,259	\$ 151,494	\$ 133,430	\$ 120,786
Covered Payroll (2)	\$ 398,810	\$ 378,277	\$ 377,036	\$ 341,773	\$ 337,141	\$ 326,157
Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	39.08%	37.99%	39.32%	41.67%	37.07%	34.86%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	2.63%	2.15%	1.64%	0.97%	0.50%	0.50%

Note: The information in this schedule is not required to be presented retroactively. Therefore, years will be added to this schedule in future fiscal years until ten years of information are available.

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll for 2014 through 2016 was restated due to the implementation of GASB Statement No. 82.

FLORIDA RETIREMENT SYSTEM HEALTH INSURANCE SUBSIDY PENSION PLAN (I)

Schedule of Contributions

Last Ten Fiscal Years
(Dollars In Thousands)

	County, Excluding BSO					
	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ 5,149	\$ 4,706	\$ 4,781	\$ 4,634	\$ 3,513	\$ 3,118
Contributions in Relation to the Contractually Required Contribution	\$ (5,149)	\$ (4,706)	\$ (4,781)	\$ (4,634)	\$ (3,513)	\$ (3,118)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll (2)	\$ 310,180	\$ 284,032	\$ 288,030	\$ 279,172	\$ 259,931	\$ 256,872
Contributions as a Percentage of Covered Payroll	1.66%	1.66%	1.66%	1.66%	1.35%	1.21%

FLORIDA RETIREMENT SYSTEM HEALTH INSURANCE SUBSIDY PENSION PLAN (I) - Continued

Schedule of Contributions

Last Ten Fiscal Years
(Dollars in Thousands)

	BSO					
	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ 6,766	\$ 6,381	\$ 6,040	\$ 5,755	\$ 4,634	\$ 4,013
Contributions in Relation to the Contractually Required Contribution	\$ (6,766)	\$ (6,381)	\$ (6,040)	\$ (5,755)	\$ (4,634)	\$ (4,013)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll (2)	\$ 407,584	\$ 384,408	\$ 363,834	\$ 346,717	\$ 338,951	\$ 329,937
Contributions as a Percentage of Covered Payroll	1.66%	1.66%	1.66%	1.66%	1.37%	1.22%

Note: The information in this schedule is not required to be presented retroactively. Therefore, years will be added to this schedule in future fiscal years until ten years of information are available.

(1) The amounts presented for each fiscal year were determined as of September 30.

(2) Covered payroll for 2014 through 2016 was restated due to the implementation of GASB Statement No. 82.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

September 30, 2018

NOTE 1 - BUDGETARY INFORMATION

State Statutes require that all county governments establish budgetary systems and approve balanced annual budgets for such funds as may be required by law or by sound financial practices and accounting principles generally accepted in the United States. The BOCC, after review of the tentative budgets, holds public hearings and then adopts the annual budget for the General, certain Special Revenue, and Debt Service Funds. The Constitutional Officers, except for the Clerk, prepare annual operating budgets for their general funds which are reflected as part of the County's General Fund. No annual budgets are established for the Sheriff's Special Revenue Fund, the Federal and State Grants Fund, and the Capital Projects Funds. The Sheriff's Special Revenue Fund has no budget since all costs incurred are budgeted in the Sheriff's General Fund and are reimbursed by the Sheriff's Special Revenue Fund. The Federal and State Grants Fund does not have an appropriated budget since other means control the use of these resources and sometimes span a period of more than one year. The Capital Projects Funds are budgeted on a multi-year basis. All governmental fund appropriations lapse at year end except capital outlay items.

The appropriated budget is prepared by fund, department, and division on the same basis of accounting as required for governmental fund types and conforms with GAAP. By County budget policy, transfers of appropriations between departments and increase of appropriations at the department level require the approval of the Board. The County's legal level of budgetary control, the level at which expenditures may not legally exceed appropriations, is at the department level.

NOTE 2 - OPEB INFORMATION

The County did not have plan assets accumulated in a trust. For the measurement date of September 30, 2019, the actuarial valuation used a discount rate of 3.83% as of October 1, 2018 for BSO and 3.58% as of September 30, 2019 for the County, excluding BSO. The discount rate will be updated annually to reflect market conditions as of the measurement date.

NOTE 3 - PENSION INFORMATION

The discount rate used to measure the pension liability of the Pension Plan at June 30, 2019 was decreased from 7.00% to 6.90%. The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the valuations of the defined benefit pension plans pursuant to Section 216.136(10), Florida Statutes. The 6.90% rate of return assumption used in the June 30, 2019 calculations was determined by the Plan's consulting actuary to be reasonable and appropriate per Actuarial Standard of Practice No. 27 (ASOP 27) for accounting purposes which differs from the rate used for funding purposes which is used to establish the contribution rates of the Pension Plan.

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Combining and Individual Fund Financial Statements and Schedules



Transportation

In November 2018, Broward County voters approved a 30-year, a one percent surtax to fund transportation and mobility projects. The goals of the initiative are to create connectivity, improve transit service, expand multimodal options, economic development and benefits, and traffic system management.

Surtax revenues will leverage up to \$3 billion from federal, state and other sources to help meet transportation goals for a growing population.

Construction has begun on “shovel ready” projects that include fiber optics, mast arm upgrades and school safety zone improvements along with transit enhancements and numerous transportation-related studies and analyses.

The Office of Economic and Small Business Development began a “30% for 30 Years” campaign to educate small businesses in Broward opportunities to become partners in area projects. Eligible transportation surtax projects have a 30 percent small business goal.

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

County Transportation Trust Fund - To account for transportation construction and maintenance projects funded by state and local gasoline taxes, developer contributions, and payments from other governments.

Tourist Development Tax Fund - To account for tourist development tax receipts used to promote tourism in Broward County.

Local Housing Assistance Trust Fund - To account for funds received for the State Housing Initiatives Partnership Program.

Water Control Districts Fund - To account for funds received for the maintenance of water resource and drainage programs in special districts of the County.

Other Special Revenue Fund - To account for other special revenue activities.

Sheriff Special Revenue Fund - To account for funds received from the County Law Enforcement Trust Fund and grants received for public safety and capital expenditures.

Federal and State Grants Fund - To account for revenues and expenditures associated with funding from Federal and State granting agencies except for certain transit and other specific grants.

NONMAJOR DEBT SERVICE FUNDS

Libraries General Obligation Bonds Debt Service Fund - To account for the payment of the current year's principal and interest requirements on the General Obligation Bonds issued for the construction, expansion, and renovation of the County's libraries.

Parks and Land Preservation General Obligation Bonds Debt Service Fund - To account for the payment of the current year's principal and interest requirements on the General Obligation Bonds issued for the acquisition and preservation of land and the renovation and expansion of parks.

Professional Sports Facilities and Civic Arena Bonds Debt Service Fund - To account for the payment of the current year's principal and interest requirements on the Professional Sports Facilities and Civic Arena Bonds.

Courthouse Bonds Debt Service Fund - To account for the payment of the current year's principal and interest requirements on the Half-Cent Sales Tax Revenue Bonds issued for the construction and replacement of the Main Courthouse.

Florida Financing Loan Pool Debt Service Fund - To account for the payment of the current year's principal and interest requirements on the Florida Financing Loan Pool debt.

NONMAJOR CAPITAL PROJECTS FUNDS

Capital Outlay Reserve Fund - To account for the general capital projects which typically do not have dedicated funding sources.

Main Courthouse Capital Projects Fund - To account for the construction and replacement of the Main Courthouse.

Tourist Tax Capital Projects Fund - To account for improvements to the Convention Center.

Convention Center Capital Projects Fund - To account for the Convention Center expansion project.

Beach Renourishment Capital Projects Fund - To account for the restoration of eroded beaches.

Unincorporated Area Capital Projects Fund - To account for the capital improvements program in the County's unincorporated areas.

Libraries Capital Projects Fund - To account for the construction, expansion, and renovation of the County's libraries.

Parks and Land Preservation Capital Projects Fund - To account for the acquisition and preservation of land and the renovation and expansion of parks.

General Capital Projects Fund - To account for general capital projects funded by federal and state grants.

Transit Capital Projects Fund - To account for transit capital outlay and transit capital projects funded by federal and state grants.

Transportation Capital Projects Fund - To account for the construction and maintenance of roads, bridges, and traffic engineering projects.

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet

September 30, 2019

(In Thousands)

	<i>Special Revenue</i>	<i>Debt Service</i>	<i>Capital Projects</i>	<i>Total Nonmajor Governmental Funds</i>
ASSETS				
Cash and Cash Equivalents	\$ 45,855	\$ 1,841	\$ 59,988	\$ 107,684
Investments	74,424	867	567,637	642,928
Receivables (Net):				
Accounts	7,230		650	7,880
Other	337	21	2,631	2,989
Delinquent Taxes Receivable (Net)	2	24	17	43
Due from Other County Funds	1,323	1,447	87,864	90,634
Due from Other Governments (Net)	44,790	3	14,525	59,318
Inventories	3,477			3,477
Prepaid Items	60		2,497	2,557
Advance to Component Unit			428	428
Restricted Assets:				
Cash and Cash Equivalents		17,822	20,000	37,822
Total Assets	\$ 177,498	\$ 22,025	\$ 756,237	\$ 955,760
LIABILITIES				
Accounts Payable	\$ 7,477		\$ 37,615	\$ 45,092
Accrued Liabilities	2,046		371	2,417
Deposits	16,433		321	16,754
Due to Other County Funds	32,016	\$ 1,228	9,663	42,907
Due to Other Governments	1,479		582	2,061
Unearned Revenues	13,538		2,069	15,607
Total Liabilities	72,989	1,228	50,621	124,838
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	2	24	17	43
Total Deferred Inflows of Resources	2	24	17	43
FUND BALANCES				
Nonspendable	3,537		2,497	6,034
Restricted	64,475	20,773	250,536	335,784
Committed	36,495		453,399	489,894
Unassigned (Deficit)			(833)	(833)
Total Fund Balances	104,507	20,773	705,599	830,879
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 177,498	\$ 22,025	\$ 756,237	\$ 955,760

NONMAJOR GOVERNMENTAL FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

for the fiscal year ended September 30, 2019
(In Thousands)

	<i>Special Revenue</i>	<i>Debt Service</i>	<i>Capital Projects</i>	<i>Total Nonmajor Governmental Funds</i>
Revenues:				
Taxes (Net of Discounts)	\$ 157,937	\$ 34,452	\$ 34,251	\$ 226,640
Special Assessment/Impact Fees	9,693		1,424	11,117
Licenses and Permits	886			886
Federal Grants	65,859	2,729	14,801	83,389
State Revenues:				
Grants	36,063		2,864	38,927
Licenses	481		501	982
Gasoline Taxes	25,252			25,252
One-Half Cent Sales Tax	16,463			16,463
Other	2,000			2,000
Charges for Services	14,804		1,213	16,017
Fines and Forfeitures	12,821			12,821
Interest Income	5,004	659	25,996	31,659
Miscellaneous	9,049	3,228	7,853	20,130
Total Revenues	356,312	41,068	88,903	486,283
Expenditures:				
Current:				
General Government			9,380	9,380
Public Safety	40,386			40,386
Transportation	38,416			38,416
Human Services	48,627			48,627
Culture and Recreation	40,124			40,124
Physical Environment	2,770			2,770
Economic Environment	10,212			10,212
Capital Outlay	5,350		219,442	224,792
Debt Service:				
Principal Retirement		39,625		39,625
Interest and Fiscal Charges		22,947		22,947
Total Expenditures	185,885	62,572	228,822	477,279
Excess(Deficiency) of Revenues Over Expenditures	170,427	(21,504)	(139,919)	9,004
Other Financing Sources (Uses):				
Bond Anticipation Note Issued			40,000	40,000
Transfers In	25,991	43,572	153,132	222,695
Transfers Out	(187,787)	(24,140)	(536)	(212,463)
Total Other Financing Sources (Uses)	(161,796)	19,432	192,596	50,232
Net Change in Fund Balances	8,631	(2,072)	52,677	59,236
Fund Balances - Beginning	95,876	22,845	652,922	771,643
Fund Balances - Ending	\$ 104,507	\$ 20,773	\$ 705,599	\$ 830,879

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NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

September 30, 2019

(In Thousands)

	County Transportation Trust	Tourist Development Tax	Local Housing Assistance Trust	Water Control Districts	Other Special Revenue
ASSETS					
Cash and Cash Equivalents	\$ 3,954	\$ 15,366	\$ 1,035	\$ 386	\$ 194
Investments	43,791	11,354	3,885	4,442	1,928
Receivables (Net):					
Accounts		5,669			
Other	193	57	19	21	7
Delinquent Taxes Receivable (Net)				2	
Due from Other County Funds		1,228			
Due from Other Governments (Net)	18,582		2		92
Inventories	3,477				
Prepaid Items					
Total Assets	\$ 69,997	\$ 33,674	\$ 4,941	\$ 4,851	\$ 2,221
LIABILITIES					
Accounts Payable	\$ 551	\$ 2,356	\$ 27	\$ 76	\$ 48
Accrued Liabilities	493	153	4		28
Deposits	16,347	41		6	
Due to Other County Funds	5,357	1,447			40
Due to Other Governments	4	12			42
Unearned Revenues			4,910		
Total Liabilities	22,752	4,009	4,941	82	158
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes				2	
Total Deferred Inflows of Resources				2	
FUND BALANCES					
Nonspendable	3,477				
Restricted	43,768				
Committed		29,665		4,767	2,063
Total Fund Balances	47,245	29,665		4,767	2,063
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 69,997	\$ 33,674	\$ 4,941	\$ 4,851	\$ 2,221

<i>Sheriff Special Revenue</i>	<i>Federal and State Grants</i>	<i>Total</i>
\$ 18,213	\$ 6,707	\$ 45,855
9,024		74,424
205	1,356	7,230
40		337
		2
90	5	1,323
8,935	17,179	44,790
		3,477
60		60
<u>\$ 36,567</u>	<u>\$ 25,247</u>	<u>\$ 177,498</u>
\$ 232	\$ 4,187	\$ 7,477
907	461	2,046
39		16,433
13,887	11,285	32,016
273	1,148	1,479
462	8,166	13,538
<u>15,800</u>	<u>25,247</u>	<u>72,989</u>
		<u>2</u>
		<u>2</u>
60		3,537
20,707		64,475
		<u>36,495</u>
<u>20,767</u>		<u>104,507</u>
<u>\$ 36,567</u>	<u>\$ 25,247</u>	<u>\$ 177,498</u>

NONMAJOR SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

for the fiscal year ended September 30, 2019

(In Thousands)

	<i>County Transportation Trust</i>	<i>Tourist Development Tax</i>	<i>Local Housing Assistance Trust</i>	<i>Water Control Districts</i>	<i>Other Special Revenue</i>
Revenues:					
Taxes (Net of Discounts)	\$ 67,825	\$ 88,375		\$ 1,737	
Special Assessment/Impact Fees	9,693				
Licenses and Permits	110	15			\$ 761
Federal Grants					
State Revenues:					
Grants			\$ 1,569		
Licenses	481				
Gasoline Taxes	25,252				
One-Half Cent Sales Tax	16,463				
Other		2,000			
Charges for Services	2,669	7,393			1,377
Fines and Forfeitures		124			
Interest Income	2,539	1,543	3	184	87
Miscellaneous	92	703			
Total Revenues	125,124	100,153	1,572	1,921	2,225
Expenditures:					
Current:					
Public Safety					
Transportation	27,600				
Human Services					
Culture and Recreation		39,116			614
Physical Environment				1,109	1,184
Economic Environment			1,572		
Capital Outlay	52	92		30	547
Total Expenditures	27,652	39,208	1,572	1,139	2,345
Excess (Deficiency) of Revenues Over Expenditures	97,472	60,945		782	(120)
Other Financing Sources (Uses):					
Transfers In		24,135			
Transfers Out	(93,654)	(93,370)			
Total Other Financing Sources (Uses)	(93,654)	(69,235)			
Net Change in Fund Balances	3,818	(8,290)		782	(120)
Fund Balances - Beginning	43,427	37,955		3,985	2,183
Fund Balances - Ending	\$ 47,245	\$ 29,665	\$ -	\$ 4,767	\$ 2,063

<i>Sheriff Special Revenue</i>	<i>Federal and State Grants</i>	<i>Total</i>
	\$	157,937
		9,693
		886
\$ 21,865	\$ 43,994	65,859
12,607	21,887	36,063
		481
		25,252
		16,463
		2,000
1,382	1,983	14,804
12,697		12,821
561	87	5,004
7,028	1,226	9,049
56,140	69,177	356,312
39,255	1,131	40,386
	10,816	38,416
	48,627	48,627
	394	40,124
	477	2,770
	8,640	10,212
4,444	185	5,350
43,699	70,270	185,885
12,441	(1,093)	170,427
	1,856	25,991
	(763)	(187,787)
	1,093	(161,796)
12,441		8,631
8,326		95,876
\$ 20,767	\$ -	\$ 104,507

COUNTY TRANSPORTATION TRUST FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual

for the fiscal year ended September 30, 2019
(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance With Final Budget Positive (Negative)</i>
Revenues:			
Taxes (Net of Discounts)	\$ 66,050	\$ 67,825	\$ 1,775
Special Assessment/Impact Fees	4,632	9,693	5,061
Licenses and Permits	111	110	(1)
State Revenues:			
Licenses	350	481	131
Gasoline Taxes	24,790	25,252	462
One-Half Cent Sales Tax	16,800	16,463	(337)
Charges for Services	2,094	2,669	575
Interest Income	100	2,539	2,439
Miscellaneous	19	92	73
Subtotal	114,946	125,124	10,178
Less 5% of Anticipated Revenue	(5,747)		5,747
Total Revenues	109,199	125,124	15,925
Expenditures:			
Current:			
Transportation			
Public Works - Road and Street Facilities	28,265	27,600	665
Capital Outlay	1,656	52	1,604
Total Expenditures	29,921	27,652	2,269
Excess (Deficiency) of Revenues Over Expenditures	79,278	97,472	18,194
Other Financing Sources (Uses):			
Transfers Out	(93,654)	(93,654)	
Total Other Financing Sources (Uses)	(93,654)	(93,654)	
Net Change in Fund Balance	(14,376)	3,818	18,194
Fund Balance - Beginning	41,534	43,427	1,893
Fund Balance - Ending	\$ 27,158	\$ 47,245	\$ 20,087

TOURIST DEVELOPMENT TAX FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual

for the fiscal year ended September 30, 2019
(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance With Final Budget Positive (Negative)</i>
Revenues:			
Taxes (Net of Discounts)	\$ 84,000	\$ 88,375	\$ 4,375
Licenses and Permits		15	15
State Revenues:			
Other	2,000	2,000	
Charges for Services	9,200	7,393	(1,807)
Fines and Forfeitures		124	124
Interest Income	245	1,543	1,298
Miscellaneous	121	703	582
Subtotal	95,566	100,153	4,587
Less 5% of Anticipated Revenue	(4,772)		4,772
Total Revenues	90,794	100,153	9,359
Expenditures:			
Current:			
Culture and Recreation			
Greater Fort Lauderdale Convention and Visitors Bureau	43,463	39,116	4,347
Capital Outlay	850	92	758
Total Expenditures	44,313	39,208	5,105
Excess (Deficiency) of Revenues Over Expenditures	46,481	60,945	14,464
Other Financing Sources (Uses):			
Transfers In	24,135	24,135	
Transfers Out	(91,013)	(93,370)	(2,357)
Total Other Financing Sources (Uses)	(66,878)	(69,235)	(2,357)
Net Change in Fund Balance	(20,397)	(8,290)	12,107
Fund Balance - Beginning	38,632	37,955	(677)
Fund Balance - Ending	\$ 18,235	\$ 29,665	\$ 11,430

LOCAL HOUSING ASSISTANCE TRUST FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual

for the fiscal year ended September 30, 2019
(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance With Final Budget Positive (Negative)</i>
Revenues:			
State Revenues:			
Grants	\$ 4,997	\$ 1,569	\$ (3,428)
Interest Income		3	3
Total Revenues	4,997	1,572	(3,425)
Expenditures:			
Current:			
Economic Environment			
Environmental Protection and Growth Management -			
Housing Finance and Community Development	4,997	1,572	3,425
Total Expenditures	4,997	1,572	3,425
Excess (Deficiency) of Revenues Over Expenditures			
Fund Balance - Beginning			
Fund Balance - Ending	\$ -	\$ -	-

WATER CONTROL DISTRICTS FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual

for the fiscal year ended September 30, 2019
(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance With Final Budget Positive (Negative)</i>
Revenues:			
Taxes (Net of Discounts)	\$ 1,843	\$ 1,737	\$ (106)
Interest Income	40	184	144
Subtotal	1,883	1,921	38
Less 5% of Anticipated Revenue	(94)		94
Total Revenues	1,789	1,921	132
Expenditures:			
Current:			
Physical Environment			
Public Works	1,430	1,109	321
Capital Outlay	190	30	160
Total Expenditures	1,620	1,139	481
Excess (Deficiency) of Revenues Over Expenditures	169	782	613
Fund Balance - Beginning	4,051	3,985	(66)
Fund Balance - Ending	\$ 4,220	\$ 4,767	\$ 547

OTHER SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual

for the fiscal year ended September 30, 2019
(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance With Final Budget Positive (Negative)</i>
Revenues:			
Licenses and Permits	\$ 670	\$ 761	\$ 91
Charges for Services	1,380	1,377	(3)
Interest Income	10	87	77
Subtotal	2,060	2,225	165
Less 5% of Anticipated Revenue	(103)		103
Total Revenues	1,957	2,225	268
Expenditures:			
Current:			
Culture and Recreation			
Libraries, Parks, and Cultural	972	614	358
Physical Environment			
Environmental Protection and Growth Management	1,257	1,184	73
Capital Outlay	645	547	98
Total Expenditures	2,874	2,345	529
Excess (Deficiency) of Revenues Over Expenditures	(917)	(120)	797
Fund Balance - Beginning	2,219	2,183	(36)
Fund Balance - Ending	\$ 1,302	\$ 2,063	\$ 761

NONMAJOR DEBT SERVICE FUNDS

Combining Balance Sheet

September 30, 2019

(In Thousands)

	<i>Libraries General Obligation Bonds</i>	<i>Parks and Land Preservation General Obligation Bonds</i>	<i>Professional Sports Facilities and Civic Arena Bonds</i>	<i>Courthouse Bonds</i>	<i>Florida Financing Loan Pool</i>	<i>Total</i>
ASSETS						
Cash and Cash Equivalents	\$ 36	\$ 83		\$ 1,722	\$	1,841
Investments	210	380		274	\$ 3	867
Receivables:						
Other	1	2	\$ 1	17		21
Delinquent Taxes Receivable (Net)	8	16				24
Due from Other County Funds			1,447			1,447
Due from Other Governments (Net)	1	2				3
Restricted Assets:						
Cash and Cash Equivalents			8,431	9,391		17,822
Total Assets	\$ 256	\$ 483	\$ 9,879	\$ 11,404	\$ 3	\$ 22,025
LIABILITIES						
Due to Other County Funds			1,228			1,228
Total Liabilities			1,228			1,228
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue - Property Taxes	8	16				24
Total Deferred Inflows of Resources	8	16				24
FUND BALANCES						
Restricted	248	467	8,651	11,404	3	20,773
Total Fund Balances	248	467	8,651	11,404	3	20,773
Total Liabilities, Deferred Inflows of Revenues and Fund Balances	\$ 256	\$ 483	\$ 9,879	\$ 11,404	\$ 3	\$ 22,025

NONMAJOR DEBT SERVICE FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

for the fiscal year ended September 30, 2019

(In Thousands)

	<i>Libraries General Obligation Bonds</i>	<i>Parks and Land Preservation General Obligation Bonds</i>	<i>Professional Sports Facilities and Civic Arena Bonds</i>	<i>Courthouse Bonds</i>	<i>Florida Financing Loan Pool</i>	<i>Total</i>
Revenues:						
Taxes (Net of Discounts)	\$ 11,821	\$ 22,631			\$	34,452
Federal Grants				\$ 2,729		2,729
Interest Income	64	143	\$ 298	154		659
Miscellaneous			2,625		\$ 603	3,228
Total Revenues	11,885	22,774	2,923	2,883	603	41,068
Expenditures:						
Debt Service:						
Principal Retirement	10,545	16,180	7,685	4,795	420	39,625
Interest and Fiscal Charges	1,401	6,721	4,944	9,698	183	22,947
Total Expenditures	11,946	22,901	12,629	14,493	603	62,572
Excess (Deficiency) of Revenues Over Expenditures	(61)	(127)	(9,706)	(11,610)		(21,504)
Other Financing Sources (Uses):						
Transfers In			31,462	12,105	5	43,572
Transfers Out			(24,140)			(24,140)
Total Other Financing Sources (Uses)			7,322	12,105	5	19,432
Net Change in Fund Balances	(61)	(127)	(2,384)	495	5	(2,072)
Fund Balances (Deficit) - Beginning	309	594	11,035	10,909	(2)	22,845
Fund Balances - Ending	\$ 248	\$ 467	\$ 8,651	\$ 11,404	\$ 3	\$ 20,773

LIBRARIES GENERAL OBLIGATION BONDS

DEBT SERVICE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual

for the fiscal year ended September 30, 2019

(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance With Final Budget Positive (Negative)</i>
Revenues:			
Taxes (Net of Discounts)	\$ 12,334	\$ 11,821	\$ (513)
Interest Income	35	64	29
Subtotal	12,369	11,885	(484)
Less 5% of Anticipated Revenue	(618)		618
Total Revenues	11,751	11,885	134
Expenditures:			
Debt Service:			
Principal Retirement	10,545	10,545	
Interest and Fiscal Charges	1,406	1,401	5
Total Expenditures	11,951	11,946	5
Excess (Deficiency) of Revenues Over Expenditures	(200)	(61)	139
Fund Balance - Beginning	313	309	(4)
Fund Balance - Ending	\$ 113	\$ 248	\$ 135

PARKS AND LAND PRESERVATION GENERAL OBLIGATION BONDS

DEBT SERVICE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual

for the fiscal year ended September 30, 2019

(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance With Final Budget Positive (Negative)</i>
Revenues:			
Taxes (Net of Discounts)	\$ 23,626	\$ 22,631	\$ (995)
Interest Income	64	143	79
Subtotal	23,690	22,774	(916)
Less 5% of Anticipated Revenue	(1,184)		1,184
Total Revenues	22,506	22,774	268
Expenditures:			
Debt Service:			
Principal Retirement	16,180	16,180	
Interest and Fiscal Charges	6,725	6,721	4
Total Expenditures	22,905	22,901	4
Excess (Deficiency) of Revenues Over Expenditures	(399)	(127)	272
Fund Balance - Beginning	603	594	(9)
Fund Balance - Ending	\$ 204	\$ 467	\$ 263

PROFESSIONAL SPORTS FACILITIES AND CIVIC ARENA BONDS

DEBT SERVICE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual

for the fiscal year ended September 30, 2019

(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance With Final Budget Positive (Negative)</i>
Revenues:			
Interest Income	\$ 60	\$ 298	\$ 238
Miscellaneous	2,625	2,625	
Subtotal	2,685	2,923	238
Less 5% of Anticipated Revenue	(134)		134
Total Revenues	2,551	2,923	372
Expenditures:			
Debt Service:			
Principal Retirement	7,685	7,685	
Interest and Fiscal Charges	4,945	4,944	1
Total Expenditures	12,630	12,629	1
Excess (Deficiency) of Revenues Over Expenditures	(10,079)	(9,706)	373
Other Financing Sources (Uses):			
Transfers In	28,379	31,462	3,083
Transfers Out	(24,140)	(24,140)	
Total Other Financing Sources (Uses)	4,239	7,322	3,083
Net Change in Fund Balance	(5,840)	(2,384)	3,456
Fund Balance - Beginning	11,035	11,035	
Fund Balance - Ending	\$ 5,195	\$ 8,651	\$ 3,456

COURTHOUSE BONDS DEBT SERVICE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual

for the fiscal year ended September 30, 2019
(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance With Final Budget Positive (Negative)</i>
Revenues:			
Federal Grants	\$ 2,707	\$ 2,729	\$ 22
Interest Income		154	154
Total Revenues	2,707	2,883	176
Expenditures:			
Debt Service:			
Principal Retirement	4,795	4,795	
Interest and Fiscal Charges	9,809	9,698	111
Total Expenditures	14,604	14,493	111
Excess (Deficiency) of Revenues Over Expenditures	(11,897)	(11,610)	287
Other Financing Sources (Uses):			
Transfers In	12,105	12,105	
Total Other Financing Sources (Uses)	12,105	12,105	
Net Change in Fund Balance	208	495	287
Fund Balance - Beginning	10,939	10,909	(30)
Fund Balance - Ending	\$ 11,147	\$ 11,404	\$ 257

FLORIDA FINANCING LOAN POOL
DEBT SERVICE FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual

for the fiscal year ended September 30, 2019
(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance With Final Budget Positive (Negative)</i>
Revenues:			
Miscellaneous	\$ 608	\$ 603	\$ (5)
Subtotal	608	603	(5)
Total Revenues	608	603	(5)
Expenditures:			
Debt Service:			
Principal Retirement	420	420	
Interest and Fiscal Charges	191	183	8
Total Expenditures	611	603	8
Excess (Deficiency) of Revenues Over Expenditures	(3)		3
Other Financing Sources (Uses):			
Transfers In	5	5	
Total Other Financing Sources (Uses)	5	5	
Net Change in Fund Balance	2	5	3
Fund Balance (Deficit) - Beginning	(2)	(2)	
Fund Balance - Ending	\$ -	\$ 3	\$ 3

NONMAJOR CAPITAL PROJECTS FUNDS

Combining Balance Sheet

September 30, 2019

(In Thousands)

	<i>Capital Outlay Reserve</i>	<i>Main Courthouse Capital Projects</i>	<i>Tourist Tax Capital Projects</i>	<i>Convention Center Capital Projects</i>	<i>Beach Renourishment Capital Projects</i>
ASSETS					
Cash and Cash Equivalents	\$ 11,362		\$ 16,002	\$ 249	\$ 8,321
Investments	260,131		59,648	7,934	57,215
Receivables:					
Accounts					
Other	1,297	\$ 29	245	23	255
Delinquent Taxes Receivable (Net)	17				
Due from Other County Funds	87,042	10			
Due from Other Governments (Net)	597				
Prepaid Items	134	1,762			
Advance to Component Unit	428				
Restricted Assets:					
Cash and Cash Equivalents		20,000			
Total Assets	\$ 361,008	\$ 21,801	\$ 75,895	\$ 8,206	\$ 65,791
LIABILITIES					
Accounts Payable	\$ 9,525	\$ 5,258	\$ 5,071	\$ 1,175	\$ 382
Accrued Liabilities	276		4		5
Deposits		321			
Due to Other County Funds	34				
Due to Other Governments	1				5
Unearned Revenues					
Total Liabilities	9,836	5,579	5,075	1,175	392
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	17				
Total Deferred Inflows of Resources	17				
FUND BALANCES					
Nonspendable	134	1,762			
Restricted	1,912	14,460			65,399
Committed	349,109		70,820	7,031	
Unassigned (Deficit)					
Total Fund Balances	351,155	16,222	70,820	7,031	65,399
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 361,008	\$ 21,801	\$ 75,895	\$ 8,206	\$ 65,791

<i>Unincorporated Area Capital Projects</i>	<i>Libraries Capital Projects</i>	<i>Parks and Land Preservation Capital Projects</i>	<i>General Capital Projects</i>	<i>Transit Capital Projects</i>	<i>Transportation Capital Projects</i>	<i>Total</i>
\$ 2,910	\$ 827	\$ 24	\$ 7,563	\$ 12,730	\$ 59,988	
23,873	6,315	16,996	38,812	96,713	567,637	
			5	645	650	
110	28	19		174	2,631	
					17	
					812	
				12,758	14,525	
		5			596	
					428	
					20,000	
\$ 26,893	\$ 7,170	\$ 17,020	\$ 29	\$ 59,952	\$ 112,472	\$ 756,237
\$ 454	\$ 235	\$ 1,653	\$ 4,186	\$ 9,676	\$ 37,615	
		10	9	67	371	
					321	
				9,629	9,663	
		58	40	478	582	
		\$ 29	109	1,931	2,069	
454	235	1,721	29	13,973	12,152	50,621
						17
						17
		5			596	2,497
	6,935	15,294		46,327	100,209	250,536
26,439						453,399
				(348)	(485)	(833)
26,439	6,935	15,299		45,979	100,320	705,599
\$ 26,893	\$ 7,170	\$ 17,020	\$ 29	\$ 59,952	\$ 112,472	\$ 756,237

NONMAJOR CAPITAL PROJECTS FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

for the fiscal year ended September 30, 2019

(In Thousands)

	<i>Capital Outlay Reserve</i>	<i>Main Courthouse Capital Projects</i>	<i>Tourist Tax Capital Projects</i>	<i>Convention Center Capital Projects</i>	<i>Beach Renourishment Capital Projects</i>
Revenues:					
Taxes (Net of Discounts)	\$ 34,251				
Special Assessment/Impact Fees	1,424				
Federal Grants					
State Revenues:					
Grants					
Licenses	501				
Charges for Services	1,103				
Interest Income	13,189	\$ 417	\$ 1,807	\$ 117	\$ 2,344
Miscellaneous	2,076			12	
Total Revenues	52,544	417	1,807	129	2,344
Expenditures:					
Current:					
General Government	199		8,691	110	
Capital Outlay	118,541	2,434	15,113	5,332	1,938
Total Expenditures	118,740	2,434	23,804	5,442	1,938
Excess (Deficiency) of Revenues Over Expenditures	(66,196)	(2,017)	(21,997)	(5,313)	406
Other Financing Sources (Uses):					
Bond Anticipation Note Issued				40,000	
Transfers In	55,373	471	54,309		7,000
Transfers Out	(536)				
Total Other Financing Sources (Uses)	54,837	471	54,309	40,000	7,000
Net Change in Fund Balances	(11,359)	(1,546)	32,312	34,687	7,406
Fund Balances (Deficit) - Beginning	362,514	17,768	38,508	(27,656)	57,993
Fund Balances - Ending	\$ 351,155	\$ 16,222	\$ 70,820	\$ 7,031	\$ 65,399

<i>Unincorporated Area Capital Projects</i>	<i>Libraries Capital Projects</i>	<i>Parks and Land Preservation Capital Projects</i>	<i>General Capital Projects</i>	<i>Transit Capital Projects</i>	<i>Transportation Capital Projects</i>	<i>Total</i>
					\$	34,251
						1,424
				\$ 14,725	\$ 76	14,801
	\$ 200			121	2,543	2,864
						501
					110	1,213
\$ 1,092	267	\$ 561		1,572	4,630	25,996
3		1			5,761	7,853
1,095	467	562		16,418	13,120	88,903
365		15				9,380
2,075	25	3,255		18,796	51,933	219,442
2,440	25	3,270		18,796	51,933	228,822
(1,345)	442	(2,708)		(2,378)	(38,813)	(139,919)
						40,000
				11,685	24,294	153,132
						(536)
				11,685	24,294	192,596
(1,345)	442	(2,708)		9,307	(14,519)	52,677
27,784	6,493	18,007		36,672	114,839	652,922
\$ 26,439	\$ 6,935	\$ 15,299	\$ -	\$ 45,979	\$ 100,320	\$ 705,599

PROPRIETARY FUNDS

NONMAJOR ENTERPRISE FUNDS

Solid Waste Fund -To account for solid waste activities, recycling programs, and landfill closure costs.

Unincorporated Area Waste Collection Fund - To account for solid waste services provided to the unincorporated areas of the County.

Water Management Fund - To account for water management services provided to the residents of the County in order to meet the County's needs for flood protection and an ample urban water supply.

INTERNAL SERVICE FUNDS

Self-Insurance Fund - To account for the County's insurance programs.

Fleet Services Fund - To account for vehicle management services provided to all County departments.

Print Shop Fund - To account for printing services provided to all County departments.

NONMAJOR ENTERPRISE FUNDS

Combining Statement of Net Position

September 30, 2019

(In Thousands)

	<i>Solid Waste</i>	<i>Unincorporated Area Waste Collection</i>	<i>Water Management</i>	<i>Total</i>
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 1,079	\$ 776	\$ 90	\$ 1,945
Investments	14,759	7,106	527	22,392
Receivables (Net):				
Accounts	773	16		789
Other	110	32	2	144
Due from Other Governments (Net)	261			261
Inventories			113	113
Total Current Assets	16,982	7,930	732	25,644
Noncurrent Assets:				
Restricted Assets:				
Cash and Cash Equivalents	31,302			31,302
Capital Assets:				
Land and Land Improvements	1,620			1,620
Landfill (Net)	31,382			31,382
Buildings and Building Improvements (Net)	668			668
Improvements Other Than Buildings (Net)	6,072			6,072
Equipment (Net)	1,506	18	136	1,660
Total Noncurrent Assets	72,550	18	136	72,704
Total Assets	89,532	7,948	868	98,348
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows on Other Post Employment Benefit	12		5	17
Deferred Outflows on Pensions	737	74	326	1,137
Total Deferred Outflows of Resources	749	74	331	1,154
LIABILITIES				
Current Liabilities:				
Accounts Payable	1,090	54	11	1,155
Accrued Liabilities	66	7	24	97
Deposits	200			200
Due to Other County Funds	1			1
Due to Other Governments	32			32
Unearned Revenues	750			750
Compensated Absences	163	22	100	285
Total Current Liabilities	2,302	83	135	2,520
Noncurrent Liabilities:				
Compensated Absences	166	43	59	268
Total Other Post Employment Benefits Liability	186		55	241
Net Pension Liability	2,411	231	1,475	4,117
Liability for Closure and Postclosure Care Costs	22,446			22,446
Total Noncurrent Liabilities	25,209	274	1,589	27,072
Total Liabilities	27,511	357	1,724	29,592
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows on Other Post Employment Benefits	5		2	7
Deferred Inflows on Pensions	162	16	72	250
Total Deferred Inflows of Resources	167	16	74	257
NET POSITION (DEFICIT)				
Net Investment in Capital Assets	41,248	18	136	41,402
Restricted for:				
Landfill Closure	8,856			8,856
Unrestricted (Deficit)	12,499	7,631	(735)	19,395
Total Net Position (Deficit)	\$ 62,603	\$ 7,649	\$ (599)	\$ 69,653

NONMAJOR ENTERPRISE FUNDS
Combining Statement of Revenues, Expenses, and Changes in Net Position
for the fiscal year ended September 30, 2019
(In Thousands)

	<i>Solid Waste</i>	<i>Unincorporated Area Waste Collection</i>	<i>Water Management</i>	<i>Total</i>
Operating Revenues:				
Tipping Fees	\$ 10,976		\$	10,976
Recycling	130	\$ 9		139
Assessments		1,157		1,157
Miscellaneous and Interfund Charges	1,292	264	\$ 953	2,509
Total Operating Revenues	12,398	1,430	953	14,781
Operating Expenses:				
Personal Services	3,122	366	1,488	4,976
General Operating	10,059	876	902	11,837
Depreciation	2,356	7	52	2,415
Total Operating Expenses	15,537	1,249	2,442	19,228
Operating Income (Loss)	(3,139)	181	(1,489)	(4,447)
Non-Operating Revenues (Expenses):				
Interest Income	1,261	310	33	1,604
Other	3,338			3,338
Total Non-Operating Revenues (Expenses)	4,599	310	33	4,942
Income (Loss) Before Transfers	1,460	491	(1,456)	495
Transfers In	475		1,220	1,695
Transfers Out		(275)		(275)
Change in Net Position	1,935	216	(236)	1,915
Net Position (Deficit) - Beginning	60,668	7,433	(363)	67,738
Net Position (Deficit) - Ending	\$ 62,603	\$ 7,649	\$ (599)	\$ 69,653

NONMAJOR ENTERPRISE FUNDS

Combining Statement of Cash Flows

for the fiscal year ended September 30, 2019

(In Thousands)

	Solid Waste	Unincorporated Area Waste Collection	Water Management	Total
Cash Flows from Operating Activities:				
Cash Received from Customers	\$ 17,424	\$ 1,439	\$ 953	19,816
Cash Payments to Suppliers for Goods and Services	(12,751)	(902)	(1,047)	(14,700)
Cash Payments to Employees for Services	(2,873)	(298)	(1,369)	(4,540)
Other Cash Received	3,471			3,471
Other Cash Paid	(133)			(133)
Net Cash Provided by (Used for) Operating Activities	5,138	239	(1,463)	3,914
Cash Flows from Noncapital Financing Activities:				
Transfers In	475		1,220	1,695
Transfers Out		(275)		(275)
Net Cash Provided by (Used for) Noncapital Financing Activities	475	(275)	1,220	1,420
Cash Flows from Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets	(430)	(2)	(41)	(473)
Proceeds from Sale of Capital Assets				-
Net Cash Used for Capital and Related Financing Activities	(430)	(2)	(41)	(473)
Cash Flows from Investing Activities:				
Purchase of Investment Securities	(14,430)	(6,597)	(1,211)	(22,238)
Proceeds from Sales and Maturities of Investment Securities	12,693	6,309	1,467	20,469
Interest and Dividends on Investments	1,240	304	34	1,578
Net Cash Provided by (Used for) Investing Activities	(497)	16	290	(191)
Net Increase in Cash and Cash Equivalents	4,686	(22)	6	4,670
Cash and Cash Equivalents, October 1	27,695	798	84	28,577
Cash and Cash Equivalents, September 30	\$ 32,381	\$ 776	\$ 90	33,247
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for)				
Operating Activities:				
Operating Income (Loss)	\$ (3,139)	\$ 181	\$ (1,489)	(4,447)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Depreciation Expense	2,356	7	52	2,415
Miscellaneous Non-Operating Revenues	3,338			3,338
Decrease (Increase) in Assets and Deferred Outflows of Resources:				
Accounts Receivable (Net)	(164)	10		(154)
Due from Other County Funds	268			268
Due from Other Governments	4,922			4,922
Inventories			(31)	(31)
Deferred Outflows on Other Post Employment Benefits	(9)		(4)	(13)
Deferred Outflows on Pensions	11	26	59	96
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:				
Accounts Payable	(605)	(15)	(114)	(734)
Accrued Liabilities	23	2	2	27
Deposits	18			18
Due to Other County Funds	1	(2)		(1)
Due to Other Governments	(30)	(11)		(41)
Compensated Absences	(16)	24	(40)	(32)
Total Other Post Employment Benefits Liability	13		6	19
Net Pension Liability	276	27	122	425
Liability for Closure and Postclosure Care Costs	(2,099)		1	(2,098)
Deferred Inflows on Other Post Employment Benefits	4		(27)	(23)
Deferred Inflows on Pensions	(30)	(10)		(40)
Total Adjustments	8,277	58	26	8,361
Net Cash Provided by (Used For) Operating Activities	\$ 5,138	\$ 239	\$ (1,463)	3,914
Noncash Investing, Capital and Related Financing Activities:				
Change in Fair Value of Investments	\$ 290	\$ 148	\$ 16	454

INTERNAL SERVICE FUNDS

Combining Statement of Net Position

September 30, 2019

(In Thousands)

	<i>Self- Insurance</i>	<i>Fleet Services</i>	<i>Print Shop</i>	<i>Total</i>
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 17,158	\$ 755	\$ 212	\$ 18,125
Investments	144,608	975	1,183	146,766
Receivables (Net):				
Accounts	1,293	2	1	1,296
Other	606	4	4	614
Due from Other County Funds	80	9	12	101
Due from Other Governments (Net)	18	96	5	119
Deposits	5,680			5,680
Inventories		645	17	662
Prepaid Items	3,552			3,552
Total Current Assets	172,995	2,486	1,434	176,915
Noncurrent Assets:				
Capital Assets:				
Equipment (Net)	20	602	343	965
Total Noncurrent Assets	20	602	343	965
Total Assets	173,015	3,088	1,777	177,880
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows on Other Post Employment Benefit	16	13	2	31
Deferred Outflows on Pensions	1,278	800	106	2,184
Total Deferred Outflows of Resources	1,294	813	108	2,215
LIABILITIES				
Current Liabilities:				
Accounts Payable	3,171	330	52	3,553
Accrued Liabilities	3,087	78	13	3,178
Deposits	488			488
Due to Other County Funds		2		2
Due to Other Governments	39			39
Unearned Revenues	10,347			10,347
Claims Payable	30,853			30,853
Compensated Absences	280	176	33	489
Total Current Liabilities	48,265	586	98	48,949
Noncurrent Liabilities:				
Claims Payable	82,389			82,389
Compensated Absences	223	174	54	451
Total Other Post Employment Benefits Liability	221	160	30	411
Net Pension Liability	2,695	2,720	391	5,806
Total Noncurrent Liabilities	85,528	3,054	475	89,057
Total Liabilities	133,793	3,640	573	138,006
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows on Other Post Employment Benefits	6	5	1	12
Deferred Inflows on Pensions	281	176	23	480
Total Deferred Inflows of Resources	287	181	24	492
NET POSITION				
Net Investment in Capital Assets	20	602	343	965
Unrestricted (Deficit)	40,209	(522)	945	40,632
Total Net Position	\$ 40,229	\$ 80	\$ 1,288	\$ 41,597

INTERNAL SERVICE FUNDS

Combining Statement of Revenues, Expenses, and Changes in Net Position

for the fiscal year ended September 30, 2019

(In Thousands)

	<i>Self- Insurance</i>	<i>Fleet Services</i>	<i>Print Shop</i>	<i>Total</i>
Operating Revenues:				
Miscellaneous and Interfund Charges	\$ 120,778	\$ 9,873	\$ 982	\$ 131,633
Operating Expenses:				
Personal Services	5,914	3,629	536	10,079
General Operating	130,268	5,954	321	136,543
Depreciation	11	538	109	658
Total Operating Expenses	136,193	10,121	966	147,280
Operating Income (Loss)	(15,415)	(248)	16	(15,647)
Non-Operating Revenues (Expenses):				
Interest Income	6,087	39	54	6,180
Gain (Loss) on Sale of Capital Assets		1		1
Other	3,082	30		3,112
Total Non-Operating Revenues (Expenses)	9,169	70	54	9,293
Change in Net Position	(6,246)	(178)	70	(6,354)
Net Position - Beginning	46,475	258	1,218	47,951
Net Position - Ending	\$ 40,229	\$ 80	\$ 1,288	\$ 41,597

INTERNAL SERVICE FUNDS

Combining Statement of Cash Flows

for the fiscal year ended September 30, 2019

(In Thousands)

	Self-Insurance	Fleet Services	Print Shop	Total
Cash Flows From Operating Activities:				
Cash Received from Customers	\$	\$ 9,857	\$ 976	10,833
Cash Received for Premiums	122,312			122,312
Cash Payments to Suppliers for Goods and Services	(42,500)	(5,874)	(430)	(48,804)
Cash Payments to Employees for Services	(5,388)	(3,303)	(470)	(9,161)
Cash Payments for Claims	(81,005)			(81,005)
Other Cash Received	3,082	30		3,112
Net Cash Provided by (Used for) Operating Activities	(3,499)	710	76	(2,713)
Cash Flows from Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets	(4)	(6)	(108)	(118)
Proceeds from Sale of Capital Assets		1		1
Net Cash Used for Capital and Related Financing Activities	(4)	(5)	(108)	(117)
Cash Flows from Investing Activities:				
Purchase of Investment Securities	(164,989)	(2,169)	(1,086)	(168,244)
Proceeds from Sale and Maturities of Investment Securities	155,147	1,694	1,124	157,965
Interest and Dividends on Investments	5,950	36	54	6,040
Net Cash Used for Investing Activities	(3,892)	(439)	92	(4,239)
Net Increase (Decrease) in Cash and Cash Equivalents	(7,395)	266	60	(7,069)
Cash and Cash Equivalents, October 1	24,553	489	152	25,194
Cash and Cash Equivalents, September 30	\$ 17,158	\$ 755	\$ 212	18,125
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for)				
Operating Activities:				
Operating Income (Loss)	\$ (15,415)	\$ (248)	\$ 16	(15,647)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for)				
Operating Activities:				
Depreciation Expense	11	538	109	658
Miscellaneous Non-Operating Revenues (Expenses)	3,082	30		3,112
Decrease (Increase) in Assets and Deferred Outflows of Resources:				
Accounts Receivable (Net)	941		1	942
Due from Other County Funds	(72)	1	(12)	(83)
Due from Other Governments (Net)	(18)	(17)	5	(30)
Deposits	152			152
Inventories		109	3	112
Prepaid Items	(1,077)			(1,077)
Deferred Outflows on Other Post Employment Benefits	(10)	(9)	(1)	(20)
Deferred Outflows on Pensions	51	31	4	86
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:				
Accounts Payable	(375)	(26)	(112)	(513)
Accrued Liabilities	(561)	25	5	(531)
Deposits	2			2
Due to Other County Funds	(51)	1		(50)
Due to Other Governments	36	(4)		32
Unearned Revenues	693			693
Claims Payable	8,651			8,651
Compensated Absences	23	1	21	45
Total Other Post Employment Benefits Liability	16	14	2	32
Net Pension Liability	479	299	39	817
Deferred Inflows on Other Post Employment Benefits	3	3	1	7
Deferred Inflows on Pensions	(60)	(38)	(5)	(103)
Total Adjustments	11,916	958	60	12,934
Net Cash Provided by (Used for) Operating Activities	\$ (3,499)	\$ 710	\$ 76	(2,713)
Noncash Investing, Capital and Financing Activities:				
Change in Fair Value of Investments	\$ 2,840	\$ 12	\$ 26	2,878

FIDUCIARY FUNDS

Agency Funds

Revenue Collection Fund - To account for the collection and distribution of taxes and licenses for the County and other entities.

Other Agency Fund - To account for funds received and disbursed to other government agencies for Employee Payroll Tax and Other Withholdings, Hunting and Fishing Licenses, School Impact Fees, Recording, Tax Certificates, Tags and Other Licenses, and Building Permit Surcharges.

Sheriff Agency Fund - To account for funds received and disbursed by the Sheriff's Office in a fiduciary capacity.

FIDUCIARY FUNDS

Combining Statement of Assets and Liabilities - Agency Funds

September 30, 2019

(In Thousands)

	<i>Revenue Collection</i>	<i>Other Agency</i>	<i>Sheriff Agency</i>	<i>Total</i>
ASSETS				
Cash and Cash Equivalents	\$ 23,380	\$ 24,892	\$ 7,861	\$ 56,133
Investments		3,817		3,817
Receivables (Net)				
Accounts	283	196	165	644
Other		14		14
Delinquent Taxes Receivable	16,393			16,393
Due from Other Governments (Net)		21		21
Total Assets	\$ 40,056	\$ 28,940	\$ 8,026	\$ 77,022
LIABILITIES				
Accounts Payable	\$ 603	\$ 370	\$ 393	\$ 1,366
Due to Other Governments	1,572	25,436	660	27,668
Due to Individuals			3,337	3,337
Deposits	37,881	3,134	224	41,239
Evidence Seizures			3,412	3,412
Total Liabilities	\$ 40,056	\$ 28,940	\$ 8,026	\$ 77,022

FIDUCIARY FUNDS

Combining Statement of Changes in Assets and Liabilities - Agency Funds

for the fiscal year ended September 30, 2019

(In Thousands)

	<i>Balance October 1, 2018</i>		<i>Additions</i>		<i>Deductions</i>		<i>Balance September 30, 2019</i>
<u>REVENUE COLLECTION</u>							
ASSETS							
Cash and Cash Equivalents	\$ 11,301	\$	14,088,106	\$	14,076,027	\$	23,380
Investments	7,935		3,158,730		3,166,665		-
Receivable (Net)							
Accounts	369		120,594		120,680		283
Delinquent Taxes Receivable	17,899		995		2,501		16,393
Total Assets	\$ 37,504	\$	17,368,425	\$	17,365,873	\$	40,056
LIABILITIES							
Accounts Payable	246	\$	29,701	\$	29,344	\$	603
Due to Other Governments	871	\$	7,394,691		7,393,990		1,572
Deposits	36,387		1,595,752		1,594,258		37,881
Total Liabilities	\$ 37,504	\$	9,020,144	\$	9,017,592	\$	40,056
<u>OTHER AGENCY</u>							
ASSETS							
Cash and Cash Equivalents	\$ 17,952	\$	2,716,713	\$	2,709,773	\$	24,892
Investments	2,779		12,032		10,994		3,817
Receivable (Net)							
Accounts	151		21,903		21,858		196
Other	7		60		53		14
Due from Other Governments (Net)	28		116		123		21
Total Assets	\$ 20,917	\$	2,750,824	\$	2,742,801	\$	28,940
LIABILITIES							
Accounts Payable	498	\$	625,183	\$	625,311	\$	370
Due to Other Governments	18,567		510,455		503,586		25,436
Deposits	1,852		391,960		390,678		3,134
Total Liabilities	\$ 20,917	\$	1,527,598	\$	1,519,575	\$	28,940
<u>SHERIFF AGENCY</u>							
ASSETS							
Cash and Cash Equivalents	\$ 9,689	\$	405,387	\$	407,215	\$	7,861
Receivable (Net)							
Accounts	127		22,813		22,775		165
Due from Other Governments (Net)	65		3,168		3,233		-
Total Assets	\$ 9,881	\$	431,368	\$	433,223	\$	8,026
LIABILITIES							
Accounts Payable	371	\$	408	\$	386	\$	393
Due to Other Governments	575		6,038		5,953		660
Due to Individuals	3,336		27,888		27,887		3,337
Deposits	223		126		125		224
Evidence Seizures	5,376		4,251		6,215		3,412
Total Liabilities	\$ 9,881	\$	38,711	\$	40,566	\$	8,026

(continued)

FIDUCIARY FUNDS

Combining Statement of Changes in Assets and Liabilities - Agency Funds, continued for the fiscal year ended September 30, 2019 (In Thousands)

	<i>Balance October 1, 2018</i>		<i>Additions</i>		<i>Deductions</i>		<i>Balance September 30, 2019</i>
<u>TOTAL - ALL AGENCY FUNDS</u>							
ASSETS							
Cash and Cash Equivalents	\$ 38,942	\$	17,210,206	\$	17,193,015	\$	56,133
Investments	10,714		3,170,762		3,177,659		3,817
Receivable (Net)							
Accounts	647		165,310		165,313		644
Other	7		60		53		14
Delinquent Taxes Receivable	17,899		995		2,501		16,393
Due from Other Governments (Net)	93		3,284		3,356		21
Total Assets	\$ 68,302	\$	20,550,617	\$	20,541,897	\$	77,022
LIABILITIES							
Accounts Payable	\$ 1,115	\$	655,292	\$	655,041	\$	1,366
Due to Other Governments	20,013		7,911,184		7,903,529		27,668
Due to Individuals	3,336		27,888		27,887		3,337
Deposits	38,462		1,987,838		1,985,061		41,239
Evidence Seizures	5,376		4,251		6,215		3,412
Total Liabilities	\$ 68,302	\$	10,586,453	\$	10,577,733	\$	77,022

Statistical Section



The statistical section of Broward 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 say about the County’s overall financial health.

<u>CONTENTS</u>	PAGE
Financial Trends	117
These schedules contain trend information to help understand how the County’s financial performance and well-being have changed over time.	
Revenue Capacity	121
These schedules contain information to help assess the County’s most significant revenue source, property taxes.	
Debt Capacity	124
These schedules contain information to help assess the affordability of the County’s current levels of outstanding debt and the County’s ability to issue additional debt in the future.	
Demographic and Economic Information	128
These schedules offer demographic and economic indicators to help understand the environment in which the County’s financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	129
These schedules contain information about the County’s operations and resources to help understand how the County’s financial information relates to the services the County provides and activities it performs.	
Miscellaneous	133
These schedules contain supplemental data and statistics to the financial statements.	

NET POSITION BY COMPONENT(1) - Table I

Last Ten Fiscal Years
(Accrual Basis of Accounting)
(In Thousands)

		Fiscal Year									
		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities:											
Net Investment in Capital Assets (2)	\$	1,843,431	\$ 1,887,557	\$ 1,693,845	\$ 1,745,123	\$ 1,782,204	\$ 1,855,616	\$ 1,910,446	\$ 1,984,872	\$ 2,065,418	\$ 1,954,794
Restricted		318,991	313,206	296,925	288,106	335,898	310,437	289,901	302,117	320,891	645,200
Unrestricted (deficit)		525,484	462,506	480,612	445,015	417,400	(100,361)	(113,287)	(221,244)	(391,582)	(349,378)
Total Governmental Activities Net Position	\$	2,687,906	\$ 2,663,269	\$ 2,471,382	\$ 2,478,244	\$ 2,535,502	\$ 2,065,692	\$ 2,087,060	\$ 2,065,745	\$ 1,994,727	\$ 2,250,616
Business-Type Activities											
Net Investment in Capital Assets(2)	\$	1,282,520	\$ 1,354,527	\$ 1,492,396	\$ 1,597,447	\$ 1,637,785	\$ 1,691,586	\$ 1,777,168	\$ 1,799,384	\$ 1,929,021	\$ 2,262,669
Restricted		412,477	387,866	313,052	349,498	360,190	402,213	438,971	444,772	484,195	503,186
Unrestricted		353,906	383,417	433,641	370,434	463,209	411,358	456,262	489,506	440,571	232,965
Total Business-Type Activities Net Position	\$	2,048,903	\$ 2,125,810	\$ 2,239,089	\$ 2,317,379	\$ 2,461,184	\$ 2,505,157	\$ 2,672,401	\$ 2,733,662	\$ 2,853,787	\$ 2,998,820
Primary Government:											
Net Investment in Capital Assets(2)	\$	3,125,951	\$ 3,242,084	\$ 3,186,241	\$ 3,342,570	\$ 3,419,989	\$ 3,547,202	\$ 3,687,614	\$ 3,784,256	\$ 3,994,439	\$ 4,217,463
Restricted		731,468	701,072	609,977	637,604	696,088	712,650	728,872	746,889	805,086	1,148,386
Unrestricted		879,390	845,923	914,253	815,449	880,609	310,997	342,975	268,262	48,989	(116,413)
Total Primary Government Net Position	\$	4,736,809	\$ 4,789,079	\$ 4,710,471	\$ 4,795,623	\$ 4,996,686	\$ 4,570,849	\$ 4,759,461	\$ 4,799,407	\$ 4,848,514	\$ 5,249,436

(1) Effective with the implementation of GASB Statement No. 63 in fiscal year 2013, Net Assets was renamed Net Position.

(2) Effective with the implementation of GASB Statement No. 63 in fiscal year 2013, Invested in Capital Assets, Net of Related Debt was renamed Net Investment in Capital Assets.

CHANGES IN NET POSITION(1) - Table 2

Last Ten Fiscal Years
(Accrual Basis of Accounting)
(In Thousands)

		Fiscal Year									
		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses											
Governmental Activities:											
General Government	\$	203,699	\$ 189,850	\$ 184,469	\$ 188,944	\$ 209,951	\$ 211,545	\$ 255,029	\$ 245,988	\$ 273,641	\$ 286,548
Public Safety		24,115	25,905	23,171	43,609	47,439	43,663	43,799	38,889	43,241	54,632
Transportation		173,169	188,116	189,174	203,377	205,384	213,425	223,989	236,424	241,628	276,896
Human Services		141,203	135,480	134,331	132,492	132,822	133,662	138,837	153,823	158,915	171,846
Culture and Recreation		144,700	156,814	155,077	164,930	162,810	161,180	166,835	178,433	174,325	210,164
Physical Environment		21,305	38,496	33,088	28,045	20,105	23,073	54,633	29,931	23,978	23,395
Economic Environment		32,244	32,368	26,252	13,778	18,212	16,007	12,628	15,137	20,878	19,816
Sheriff		736,512	714,365	721,206	705,233	742,744	729,958	817,673	902,277	873,962	1,039,643
Property Appraiser		18,150	17,716	17,060	17,896	18,951	19,249	21,179	22,650	24,101	27,246
Supervisor of Elections		12,173	11,303	13,144	13,858	12,458	13,675	18,769	18,218	16,760	23,500
Interest on Long-Term Debt		28,983	38,442	35,542	32,620	30,871	29,326	28,298	24,777	21,362	18,990
Total Governmental Activities Expenses		1,536,253	1,548,855	1,532,514	1,544,782	1,601,747	1,594,763	1,781,669	1,866,547	1,872,791	2,152,676
Business-Type Activities:											
Aviation		209,987	205,210	212,980	234,443	249,483	276,234	293,501	345,481	376,860	445,086
Port Everglades		111,863	116,499	117,698	115,943	122,005	118,227	121,846	127,711	139,108	149,511
Water and Wastewater		115,647	112,002	114,506	114,990	114,866	121,335	118,282	125,929	122,875	133,405
Resource Recovery System		102,757	111,619	89,956	71,702	3,505	34,743				
Other		6,044	4,457	4,956	3,967	21,779	13,354	19,473	17,888	27,372	19,206
Total Business-Type Activities		546,298	549,787	540,096	541,045	511,638	563,893	553,102	617,009	666,215	747,208
Expenses											
Total Primary Government Expenses	\$	2,082,551	\$ 2,098,642	\$ 2,072,610	\$ 2,085,827	\$ 2,113,385	\$ 2,158,656	\$ 2,334,771	\$ 2,483,556	\$ 2,539,006	\$ 2,899,884

(1) Effective with the implementation of GASB Statement No. 63 in fiscal year 2013, Net Assets was renamed Net Position.

(continued)

CHANGES IN NET POSITION(1) - Table 2, Continued

Last Ten Fiscal Years
(Accrual Basis of Accounting)
(In Thousands)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Program Revenues										
Governmental Activities:										
Charges for Services:										
Sheriff	\$ 283,413	\$ 278,669	\$ 311,939	\$ 305,210	\$ 312,420	\$ 321,357	\$ 336,497	\$ 347,889	\$ 356,383	\$ 366,224
General Government	52,643	48,395	58,775	64,535	78,692	82,582	83,462	83,462	78,700	87,916
Transportation	34,393	40,246	42,731	45,873	46,920	48,953	47,906	45,983	48,017	49,451
Culture and Recreation	19,606	19,363	24,446	15,895	25,101	26,812	27,065	29,404	30,989	29,168
Other	31,554	29,027	31,284	25,772	24,120	22,927	25,359	25,359	28,101	27,157
Operating Grants and Contributions	160,186	151,739	147,547	133,869	135,570	139,668	134,079	134,079	148,151	123,985
Capital Grants and Contributions	47,496	41,152	45,690	54,883	58,677	79,008	42,073	21,057	58,429	30,135
Total Governmental Activities Program Revenues	629,291	608,591	662,412	646,037	681,500	721,307	696,441	687,233	748,770	714,036
Business-Type Activities										
Charges for Services:										
Aviation	233,119	227,721	230,566	234,100	243,320	268,546	291,605	311,286	357,710	381,009
Port Everglades	124,653	139,177	142,931	146,825	153,194	153,324	162,597	161,733	167,996	170,744
Water and Wastewater	109,607	114,051	116,662	120,216	122,770	131,428	131,949	136,919	138,001	142,948
Resource Recovery System	103,271	97,465	74,088	55,485	4	3				
Other	3,577	2,711	3,044	2,664	18,196	10,396	11,224	11,504	20,818	14,781
Operating Grants and Contributions	1,813		382	47	11	18	18,073	16,001	7,885	22,274
Capital Grants and Contributions	43,064	38,571	77,296	71,662	109,484	85,564	91,635	91,635	74,956	105,372
Total Business-Type Activities Program Revenues	619,104	619,696	644,969	630,999	646,979	649,279	707,083	729,078	767,366	837,128
Total Primary Government Program Revenues	\$ 1,248,395	\$ 1,228,287	\$ 1,307,381	\$ 1,277,036	\$ 1,328,479	\$ 1,370,586	\$ 1,403,524	\$ 1,416,311	\$ 1,516,136	\$ 1,551,164
Net (Expense) Revenue										
Governmental Activities	\$ (906,962)	\$ (940,264)	\$ (870,102)	\$ (898,745)	\$ (920,247)	\$ (873,456)	\$ (1,085,228)	\$ (1,182,486)	\$ (1,124,021)	\$ (1,438,640)
Business-Type Activities	72,806	69,909	104,873	89,954	135,341	85,386	153,981	91,913	101,151	89,920
Total Primary Government Net Expense	\$ (834,156)	\$ (870,355)	\$ (765,229)	\$ (808,791)	\$ (784,906)	\$ (788,070)	\$ (931,247)	\$ (1,090,573)	\$ (1,022,870)	\$ (1,348,720)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Taxes	\$ 769,207	\$ 688,641	\$ 670,824	\$ 681,705	\$ 724,429	\$ 771,579	\$ 832,338	\$ 891,878	\$ 965,941	\$ 1,031,880
Transportation Surtax										282,631
One-Half Cent Sales Tax	59,355	62,035	64,467	69,046	73,265	77,135	79,700	80,738	86,089	85,568
Gasoline Taxes	60,278	60,623	59,203	59,679	60,740	63,044	64,820	66,795	67,053	67,825
Tourist Development Taxes	37,534	40,630	44,502	47,428	52,993	58,250	61,849	62,940	84,077	88,375
Other Taxes	5,811	4,948	4,811	4,703	5,200	5,067	5,300	5,006	5,147	5,223
State Revenue Sharing - Unrestricted	23,573	24,865	26,116	25,711	27,405	29,387	30,226	31,495	32,793	34,245
Interest Income	24,208	17,064	14,884	1,764	9,304	13,738	11,636	9,860	13,566	62,874
Miscellaneous	10,762	18,124	30,895	22,805	25,477	14,158	22,035	22,035	23,962	36,740
Transfers	(1,466)	(1,303)	(1,308)	(1,308)	(1,308)	14,820	(1,308)	(8,216)	(1,848)	(1,420)
Total Governmental Activities	989,262	915,627	914,394	911,533	977,505	1,047,178	1,106,596	1,162,531	1,276,780	1,693,941
Business-Type Activities:										
Interest Income	8,255	5,695	4,590	2,309	4,819	8,870	9,377	7,199	13,693	43,036
Gain on Sale of Capital Assets			70	128	70	146	211	2,740	171	5,066
Miscellaneous			2,438	6,972	2,267	4,732	2,367	3,130	4,087	5,591
Transfers	1,466	1,303	1,308	1,308	1,308	(14,820)	1,308	8,216	1,848	1,420
Total Business-Type Activities	9,721	6,998	8,406	10,717	8,464	(1,072)	13,263	21,285	19,799	55,113
Total Primary Government	\$ 998,983	\$ 922,625	\$ 922,800	\$ 922,250	\$ 985,969	\$ 1,046,106	\$ 1,119,859	\$ 1,183,816	\$ 1,296,579	\$ 1,749,054
Change in Net Position										
Governmental Activities	\$ 82,300	\$ (24,637)	\$ 44,292	\$ 12,788	\$ 57,258	\$ 173,722	\$ 21,368	\$ (19,955)	\$ 152,759	\$ 255,301
Business-Type Activities	82,527	76,907	113,279	100,671	143,805	84,314	167,244	113,198	120,950	145,033
Total Primary Government	\$ 164,827	\$ 52,270	\$ 157,571	\$ 113,459	\$ 201,063	\$ 258,036	\$ 188,612	\$ 93,243	\$ 273,709	\$ 400,334

(1) Effective with the implementation of GASB Statement No. 63 in fiscal year 2013, Net Assets was renamed Net Position.

FUND BALANCES OF GOVERNMENTAL FUNDS - Table 3

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(In Thousands)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Nonspendable	\$ 6,510	\$ 9,295	\$ 9,852	\$ 15,547	\$ 14,203	\$ 10,032	\$ 11,323	\$ 13,775	\$ 16,182	\$ 17,360
Restricted	49,078	49,819	50,224	48,678	47,174	44,729	43,426	39,568	35,903	36,658
Committed	18,143	30,859	29,002	28,938	32,416	13,231	15,580	17,388	20,329	21,746
Assigned	54,763	242,939	244,068	285,849	277,635	311,246	338,231	355,276	374,713	364,312
Unassigned	168,287	23,833	52,939	17,401	18,366	27,031	37,288	26,132	22,115	80,018
Total General Fund	\$ 296,781	\$ 356,745	\$ 386,085	\$ 396,413	\$ 389,794	\$ 406,269	\$ 445,848	\$ 452,139	\$ 469,242	\$ 520,094
All Other Governmental Funds										
Nonspendable, reported in:										
Special Revenue Funds	\$ 3,387	\$ 12	\$ 11	\$ 62	\$ 242	\$ 2,917	\$ 2,879	\$ 2,952	\$ 3,037	\$ 3,537
Capital Project Funds	1,568	2,004	7,011	5,965	5,955	2,392	3,607	2,251	2,472	2,497
Restricted, reported in:										
Special Revenue Funds	20,941	21,929	16,559	11,757	13,078	39,306	41,807	50,668	50,140	343,047
Capital Project Funds	532,616	499,327	475,671	418,132	386,944	280,647	246,955	250,016	251,499	250,536
Debt Service Funds	17,816	26,127	24,110	23,005	20,033	20,688	18,810	17,232	22,847	20,773
Committed, reported in:										
Special Revenue Funds	15,710	4,942	4,962	5,470	5,763	31,148	32,598	30,670	52,981	36,495
Capital Project Funds	439,925	384,441	355,779	332,202	320,238	365,299	373,422	379,051	426,607	453,399
Assigned, reported in:										
Special Revenue Funds	17,619		9,248	10,056	12,054	12,590	11,206	15,632	19,798	14,772
Debt Service Funds	32,143	9,912	2,140							
Unassigned, reported in:										
Special Revenue Funds		(2,934)						(10,712)	(10,282)	
Capital Projects Funds								(28,039)	(27,656)	(833)
Debt Service Funds		(20)							(2)	
Total All Other Governmental Funds	\$ 1,081,725	\$ 945,740	\$ 895,491	\$ 806,649	\$ 764,307	\$ 754,987	\$ 731,284	\$ 709,721	\$ 791,441	\$ 1,124,223

Note: New fund balance classifications are used beginning in fiscal year 2010 with the implementation of GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions."

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS - Table 4

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(In Thousands)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Taxes	\$ 872,731	\$ 795,594	\$ 782,665	\$ 794,382	\$ 843,456	\$ 897,950	\$ 964,190	\$ 1,026,725	\$ 1,122,512	\$ 1,476,256
Special Assessment/Impact Fees	4,319	4,880	6,950	10,108	9,672	12,371	12,705	11,142	15,670	12,225
Licenses and Permits	18,801	17,380	17,941	19,301	20,268	20,715	25,036	20,054	20,725	22,336
Federal Revenues	140,665	120,733	131,656	109,015	126,215	136,645	85,801	75,835	93,105	84,411
State Revenues	150,944	159,596	157,863	174,557	168,828	186,930	198,502	190,596	221,378	208,235
Charges for Services	363,460	353,030	381,946	393,598	407,685	419,266	433,666	454,009	466,824	479,515
Fines and Forfeitures	11,877	23,829	33,605	20,366	20,427	24,196	28,290	24,225	22,032	22,190
Interest Income	21,955	15,834	13,139	1,737	8,436	12,278	10,358	9,149	12,495	56,693
Miscellaneous	32,765	34,167	40,380	43,653	46,909	37,549	41,256	36,460	39,824	47,352
Total Revenues	1,617,517	1,525,043	1,566,145	1,566,717	1,651,896	1,747,900	1,799,804	1,848,195	2,014,565	2,409,213
Expenditures										
General Government	199,763	192,909	200,150	194,160	214,301	214,563	235,208	254,721	258,925	281,382
Public Safety	711,068	701,086	712,315	727,598	761,604	787,582	807,772	850,962	888,931	945,193
Transportation	120,230	119,189	125,757	124,030	136,108	183,640	153,050	162,768	168,369	178,575
Human Services	141,319	134,319	133,318	131,238	132,211	133,388	135,575	149,200	155,061	163,354
Culture and Recreation	131,788	123,417	122,868	129,452	129,559	134,904	137,641	145,644	150,321	162,812
Physical Environment	15,958	16,191	17,459	16,185	16,125	15,878	18,999	18,622	19,678	18,396
Economic Environment	28,766	25,451	24,000	13,446	17,853	15,735	12,112	13,017	14,350	16,561
Capital Outlay	186,776	194,996	169,806	236,012	223,600	216,040	205,901	190,175	190,004	235,055
Debt Service:										
Principal	90,989	54,770	43,400	37,020	36,153	35,896	46,915	41,649	42,361	39,864
Interest and Fiscal Charges	32,172	37,475	38,204	35,629	33,899	32,320	30,672	27,630	25,151	22,967
Bond and Loan Issuance Costs	1,899	2	802					689	211	-
							\$ 1,783,845			
Total Expenditures	1,660,728	1,599,805	1,588,079	1,644,770	1,701,413	1,769,946		\$ 1,855,077	\$ 1,913,362	2,064,159
Excess (Deficiency) of Revenues Over Expenditures	(43,211)	(74,762)	(21,934)	(78,053)	(49,517)	(22,046)	15,959	(6,882)	101,203	345,054
Other Financing Sources (Uses)										
Refunding Loans and Bonds Issued			101,345					71,990	69,155	-
Payment to Refunded Loan and Bond Escrow Agent			(117,489)					(83,909)	(69,662)	-
Loans and Bonds Issued	214,690									40,000
Premium on Bonds Issued	5,262		16,956					11,813		
Discount on Bonds Issued	(16)									
Capital Leases					2,510	13,500				
Transfers In	138,912	131,385	172,697	181,214	195,659	286,374	272,730	284,729	293,161	312,304
Transfers Out	(140,378)	(132,688)	(174,005)	(182,522)	(196,967)	(271,598)	(272,813)	(293,013)	(295,034)	(313,724)
Total Other Financing Sources (Uses)	218,470	(1,303)	(496)	(1,308)	1,202	28,276	(83)	(8,390)	(2,380)	38,580
Net Change in Fund Balances	\$ 175,259	\$ (76,065)	\$ (22,430)	\$ (79,361)	\$ (48,315)	\$ 6,230	\$ 15,876	\$ (15,272)	\$ 98,823	\$ 383,634
Debt Service as a Percentage of Noncapital Expenditures	11.00%	6.34%	5.55%	4.94%	4.59%	4.37%	4.69%	4.06%	3.86%	3.36%

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY - Table 5

Last Ten Fiscal Years
(Dollars In Thousands)

Fiscal Year Ended Sept. 30	Real Property					Exemptions					Total Taxable Direct Tax Rate (1)	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Industrial Property	Other Property	Total	Personal Property and Centrally Assessed Property	Total Assessed Value	Real Property	Personal Property and Centrally Assessed Property	Total Taxable Assessed Value			
2010	\$ 122,319,808	\$ 30,195,996	\$ 10,446,522	\$ 17,958,347	\$ 180,920,673	\$ 7,999,694	\$ 188,920,367	\$ 39,485,401	\$ 964,024	\$ 148,470,942	5.3889	\$ 211,445,745	70.22%
2011	105,265,013	27,939,770	9,375,889	19,053,695	161,634,367	7,760,374	169,394,741	39,038,103	935,759	129,420,879	5.5530	180,749,927	71.60
2012	103,749,806	26,000,204	8,605,642	19,649,717	158,005,369	7,451,404	165,456,773	38,650,844	936,518	125,869,411	5.5530	177,994,409	70.72
2013	104,996,606	25,425,135	8,470,416	19,687,870	158,580,027	7,393,213	165,973,240	38,185,005	926,997	126,861,238	5.5530	177,737,782	71.38
2014	109,201,164	25,713,258	8,595,967	19,931,262	163,441,651	7,678,033	171,119,684	38,257,742	939,982	131,921,960	5.7230	185,676,484	71.05
2015	116,598,835	26,368,923	9,135,547	20,370,703	172,474,008	7,735,468	180,209,476	38,548,543	987,827	140,673,106	5.7230	205,666,774	68.40
2016	124,808,083	27,883,728	9,328,117	20,545,574	182,565,502	8,088,741	190,654,243	38,958,355	1,072,735	150,623,153	5.7230	224,087,009	67.22
2017	133,796,047	30,338,019	9,946,186	20,874,377	194,954,629	8,549,428	203,504,057	39,534,398	1,100,229	162,869,430	5.6690	243,327,482	66.93
2018	143,662,173	32,975,458	10,824,645	21,462,385	208,924,661	10,034,353	218,959,014	40,808,963	1,047,175	177,102,876	5.6690	262,092,504	67.57
2019	153,351,118	34,876,625	11,768,457	21,875,155	221,871,355	10,278,694	232,150,049	41,951,470	1,051,244	189,147,335	5.6690	278,028,614	68.03

Source: Broward County Property Appraiser Assessment Roll Recapitulation

Note: The basis of assessed value is approximately one hundred percent (100%) of actual value.

(1) Per \$1,000 of assessed value

DIRECT AND OVERLAPPING PROPERTY TAX RATES - Table 6

Last Ten Fiscal Years
(Rate Per \$1,000 of Assessed Value)

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
County Commission	5.3889	5.5530	5.5530	5.5530	5.7230	5.7230	5.7230	5.6690	5.6690	5.6690
School Board	7.4310	7.6310	7.4180	7.4560	7.4800	7.4380	7.2740	6.9063	6.5394	6.4029
Children's Services Council	0.4243	0.4696	0.4789	0.4902	0.4882	0.4882	0.4882	0.4882	0.4882	0.4882
South Florida Water Management District	0.6240	0.6240	0.4363	0.4289	0.4110	0.3842	0.3551	0.3307	0.3100	0.2936
Florida Inland Navigation District	0.0345	0.0345	0.0345	0.0345	0.0345	0.0345	0.0320	0.0320	0.0320	0.0320
Unincorporated	2.3353	2.3353	2.3353	2.3353	2.3353	2.3353	2.3353	2.3353	2.3353	2.3353
County Fire Rescue	2.5224	2.5224	2.5224	2.5224	2.6191	2.6191	2.6191	2.6191	2.6191	2.6191
North Broward Hospital District	1.7059	1.8750	1.8750	1.8564	1.7554	1.5939	1.4425	1.3462	1.2483	1.0855
South Broward Hospital District	1.2732	1.2732	0.7500	0.6000	0.4000	0.1863	0.1737	0.1615	0.1496	0.1414
Hillsboro Inlet	0.0860	0.0860	0.0860	0.0860	0.0860	0.0860	0.0860	0.0860	0.0860	0.0860
Fort Lauderdale DDA	0.9283	0.9283	0.9660	1.0322	1.0446	1.1248	1.0405	1.0274	0.9371	0.9335
Pompano Beach EMS	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
Municipality Rate:										
Coconut Creek	5.6837	6.4036	6.3857	6.3250	6.3250	6.2301	6.1803	6.1370	6.5378	6.5378
Cooper City	4.9804	5.2679	5.2679	5.8772	5.8772	5.8772	6.0772	6.5272	7.2678	7.2343
Coral Springs	4.0629	4.5322	4.6854	4.8603	4.7730	4.7735	5.0915	5.0930	6.1485	6.1384
Dania Beach	6.0093	6.2450	6.2507	6.2678	6.2688	6.2593	6.2432	6.2462	6.1909	6.1758
Davie	5.5949	5.6772	5.6007	5.6422	5.9450	5.8910	5.7976	5.6962	5.8485	6.0121
Deerfield Beach	5.7900	6.7688	5.7688	5.7688	6.7688	6.7688	6.6688	6.5007	6.5007	6.5007
Fort Lauderdale	4.2536	4.3366	4.2888	4.3342	4.3263	4.3151	4.2952	4.2803	4.1884	4.1833
Hallandale Beach	5.9000	5.9000	5.9000	5.6833	5.6833	5.1918	5.1918	5.7998	5.7998	6.7353
Hillsboro Beach	2.9600	3.3900	3.3900	3.3900	3.3900	3.3900	3.5000	3.5000	3.5000	3.5000
Hollywood	6.3375	7.1368	7.8928	7.7519	7.8436	7.8007	7.7677	7.7363	7.6992	7.6992
Lauderdale-By-The-Sea	3.9990	3.9990	3.9990	3.9312	3.9312	3.8000	3.7379	3.6873	3.5989	3.5989
Lauderdale Lakes	7.5000	8.2050	10.8560	10.8683	10.8959	10.3454	9.8400	9.7100	9.5950	9.6950
Lauderhill	6.9274	7.1954	8.0949	8.7002	8.6502	8.6502	8.6615	8.6180	9.5364	9.9362
Lazy Lake	4.3775	4.9481	4.9481	5.8349	5.9363	5.1496	4.7931	4.7931	4.7931	4.7940
Lighthouse Point	3.8825	3.8825	3.8602	3.8691	3.8307	3.8175	3.8028	3.7892	3.7803	3.7623
Margate	7.9335	7.9788	7.9892	7.7365	7.5593	7.3093	7.3093	7.0593	7.0593	7.0593
Miramar	6.4654	6.4654	6.4654	6.4654	6.4654	6.7654	6.7654	6.7654	6.7654	7.1172
North Lauderdale	7.1548	7.2347	7.7504	7.6078	7.6078	7.5000	7.5000	7.5000	7.4000	7.4000
Oakland Park	5.7252	5.7252	6.0138	6.3142	6.3995	6.2744	6.1995	6.1555	6.0985	5.9985
Parkland	4.0198	4.0198	4.0198	3.9999	3.9900	3.9890	3.9870	3.9800	3.9780	4.4000
Pembroke Park	8.5000	8.5000	8.5000	8.5000	8.5000	8.5000	8.5000	8.5000	8.5000	8.5000
Pembroke Pines	5.7200	6.3660	6.3081	6.3084	6.2776	6.2303	6.2385	6.2381	6.1958	6.1419
Plantation	4.5142	4.5142	4.6142	5.6142	5.6142	5.7500	5.9000	5.9000	6.2380	6.2622
Pompano Beach	4.1663	4.4077	4.7027	4.9700	4.8712	4.7470	4.9865	4.8252	4.9865	5.6024
Sea Ranch Lakes	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	7.2500
Southwest Ranches	3.9400	3.9404	3.9404	3.9042	3.9404	4.2719	4.3354	4.4629	4.4629	4.8311
Sunrise	6.0543	6.0543	6.0543	6.0543	6.0543	6.0543	6.4426	6.4293	6.3838	6.3550
Tamarac	6.0800	6.5894	6.7774	7.4027	7.3985	7.3909	7.3851	7.3638	7.2899	7.2899
West Park	7.5697	8.5000	8.9900	9.4200	9.4200	8.9200	8.6500	8.6500	8.6500	8.6500
Weston	1.7670	2.0000	2.0000	2.0000	2.0000	2.3900	2.3900	2.3900	2.3900	3.3464
Wilton Manors	6.4527	7.6178	6.9994	6.9605	6.9319	6.7225	6.6764	6.5547	6.4854	6.4298

Source: Broward County Property Appraiser

PRINCIPAL PROPERTY TAX PAYERS - Table 7

Current Year and Nine Years Ago
(Dollars In Thousands)

Taxpayer	2019			2010		
	Taxes Levied	Rank	Percent to Aggregate Taxes Levied	Taxes Levied	Rank	Percent to Aggregate Taxes Levied
Florida Power and Light Co.	\$ 75,302	1	1.76 %	\$ 34,252	1	1.00 %
Sunrise Mills, LTD. Partners	14,535	2	0.34	8,439	3	0.25
Diplomat Hotel Owner LLC	8,250	3	0.19	6,281	5	0.18
Publix Super Markets, Inc.	6,933	4	0.16	3,326	9	0.10
Wal-Mart Stores East LP	5,966	5	0.14	5,528	6	0.16
Arium Resort LLC	5,126	6	0.12			
Harbor Beach Property LLC	4,506	7	0.11			
Bellsouth Telecommunications Inc.	4,094	8	0.10	11,644	2	0.34
Taf GG Las Olas LP	3,723	9	0.09			
Sunbeam Properties, Inc.	3,317	10	0.08			
WCI Communities, Inc.				8,205	4	0.24
City of Fort Lauderdale				4,375	7	0.13
Pembroke Lakes Mall, LTD				3,333	8	0.10
Northwestern Mutual Life Insurance Co.				3,308	10	0.10
	\$ 131,752		3.09 %	\$ 88,691		2.60 %

Source: County Tax Roll

PROPERTY TAX LEVIES AND COLLECTIONS - Table 8

Last Ten Fiscal Years
(Dollars In Thousands)

Fiscal Year	Taxes Levied		Total Adjusted Levy	Property Tax Discount	Net Tax Levy	Collected Within the Fiscal Year of the Levy		Total Collections to Date		
	for the Fiscal Year (Original Levy)	Adjustments				Amount	Percentage of Original Levy	Collections in Subsequent Years	Amount	Percentage of Adjusted Levy
2010	\$ 802,614	\$(9,243)	\$ 793,371	\$ 26,205	\$ 767,166	\$ 758,499	98.87 %	\$ 4,877	\$ 763,376	99.51 %
2011	720,555	(8,720)	711,835	24,170	687,665	681,850	99.15	5,762	687,612	99.99
2012	700,353	(4,549)	695,804	23,902	671,902	669,929	99.71	1,609	671,538	99.95
2013	705,846	(3,308)	702,538	24,265	678,273	677,308	99.86	946	678,254	99.99
2014	718,911	(3,963)	714,948	24,863	690,085	689,257	99.88	778	690,035	99.99
2015	769,048	(6,988)	762,060	26,712	735,348	734,493	99.88	506	734,999	99.95
2016	825,776	(4,721)	821,055	28,886	792,169	791,238	99.88	597	791,835	99.96
2017	888,491	(3,996)	884,495	31,275	853,220	852,450	99.91	351	852,801	99.95
2018	968,747	(6,919)	961,828	34,262	927,566	926,598	99.90	643	927,241	99.96
2019	1,037,932	(7,593)	1,030,339	36,699	993,640	993,057	99.94		993,057	99.94

Source: Broward County Records, Taxes, and Treasury Division

OUTSTANDING DEBT BY TYPE - Table 9

Last Ten Years
(Dollars In Thousands, Except Per Capita)

Fiscal Year Ended September	Governmental Activities				Business-type Activities				Total	Percentage of Personal Income (2)	Per Capita (2)
	General	Special	Loans Payable		Revenue	Loans Payable					
	Obligation	Obligation	and Other	Capital	Bonds	and Other	Capital				
	Bonds (1)	Bonds (1)	Obligations (1)	Leases	Payable (1)	Obligations	Lease				
2010	\$ 412,249	\$ 385,986	\$ 35,205		\$ 1,457,487	\$ 7,566	\$ 3,358	\$ 2,301,851	3.28	%	\$ 1,317
2011	373,093	377,926	26,101		1,382,565	2,766	479	2,162,930	2.93		1,234
2012	351,219	372,648	20,418		2,164,025			2,908,310	3.82		1,642
2013	326,817	361,505	15,280		2,103,961			2,807,563	3.65		1,573
2014	301,370	348,837	13,782	\$ 2,342	2,467,348			3,133,679	3.87		1,737
2015	274,813	337,973	12,215	15,306	2,401,719			3,042,026	3.61		1,665
2016	247,946	326,314	6,113	10,301	2,790,589			3,381,263	3.89		1,823
2017	221,269	313,314	5,026	5,222	2,701,180			3,246,011	3.56		1,732
2018	193,497	238,550	68,955	406	2,945,740			3,447,148	3.61		1,816
2019	164,580	224,885	108,535	8,077	3,280,881			3,786,958	(3)		1,973

(1) Presented net of original issue discounts and premiums.

(2) See Table 15 for personal income and population data.

(3) Personal income not available for 2019.

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING - Table 10

Last Ten Fiscal Years
(Dollars in Thousands, Except Per Capita)

Fiscal Year Ended September 30	Total		Debt		Net		Ratio of Net	
	Taxable	General	Service	Net	General	General Obligation		
	Assessed	Obligation	Monies	Obligation	Obligation	Bonded Debt to	Net General	
	Value	Bonded Debt(1)	Available	Bonded Debt	Bonded Debt	Total Taxable	Obligation Bonded	
						Assessed Value	Debt Per Capita(2)	
2010	\$ 148,470,942	\$ 412,249	\$ 391	\$ 411,858		0.28	% \$	235.61
2011	129,420,879	373,093	300	372,793		0.29		212.64
2012	125,869,411	351,219	455	350,764		0.28		198.05
2013	126,861,238	326,817	800	326,017		0.26		182.67
2014	131,921,960	301,370	604	300,766		0.23		166.73
2015	140,673,106	274,813	324	274,489		0.20		150.21
2016	150,623,153	247,946	577	247,369		0.16		133.39
2017	162,869,430	221,269	525	220,744		0.14		117.79
2018	177,102,877	193,497	903	192,594		0.11		101.47
2019	189,147,336	164,580	715	163,865		0.09		85.36

(1) Presented net of original issue discounts and premiums.

(2) See Table 15 for population data.

SCHEDULE OF REVENUE BOND COVERAGE - Table 11

Water and Wastewater
Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year Ended September 30	Revenues	Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2010	\$ 111,634	\$ 65,487	\$ 46,147	\$ 9,765	\$ 20,233	\$ 29,998	1.54
2011	116,473	63,943	52,530	10,110	19,889	29,999	1.75
2012	118,529	64,073	54,456	10,440	21,693	32,133	1.69
2013	122,344	63,375	58,969	13,360	24,136	37,496	1.57
2014	123,983	62,463	61,520	13,705	23,794	37,499	1.64
2015	132,139	66,885	65,254	13,875	23,347	37,222	1.75
2016	132,825	70,117	62,708	14,080	21,999	36,079	1.74
2017	138,546	72,874	65,672	14,340	21,739	36,079	1.82
2018	140,483	74,855	65,628	14,635	21,442	36,077	1.82
2019	145,746	79,616	66,130	14,340	21,737	36,077	1.83

SCHEDULE OF REVENUE BOND COVERAGE - Table 12

Aviation
Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year Ended September 30	Revenues	Expenses	Transfer from General Purposes Account	Net Revenue Available for Debt Service	Debt Service Requirements				Coverage
					Principal	Interest	PFC/ Grant/Offset	Total	
2010	\$ 183,293	\$ 115,918	\$ 14,687	\$ 82,062	\$ 36,610	\$ 33,142	\$ (12,742)	\$ 57,010	1.44
2011	179,358	115,341	24,751	88,768	38,850	30,901	(13,826)	55,925	1.59
2012	180,952	119,548	17,194	78,598	40,448	29,374	(13,343)	56,479	1.39
2013	189,487	125,660	15,863	79,690	43,945	58,418	(40,239)	62,124	1.28
2014	199,241	128,591	16,192	86,842	42,580	77,007	(53,471)	66,116	1.31
2015	217,846	135,915	16,998	98,929	48,015	76,552	(55,696)	68,871	1.44
2016	238,546	140,939	33,766	131,373	51,294	75,743	(58,082)	68,955	1.91
2017	255,027	160,985	23,216	117,258	53,840	73,417	(57,976)	69,281	1.69
2018	299,416	174,830	22,437	147,023	63,620	90,129	(57,974)	95,775	1.54
2019	325,462	192,918	53,786	186,330	67,010	86,747	(57,970)	95,787	1.95

SCHEDULE OF REVENUE BOND COVERAGE - Table 13

Port Everglades
Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year Ended September 30	Revenues		Expenses		Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
						Principal	Interest	Total	
2010	\$	125,234	\$	74,239	\$ 50,995	\$ 15,480	\$ 16,563	\$ 32,043	1.59
2011		140,032		74,640	65,392	16,855	15,188	32,043	2.04
2012		144,209		73,073	71,136	8,985	12,057	21,042	3.38
2013		148,934		76,259	72,675	19,985	12,087	32,072	2.27
2014		154,008		80,564	73,444	20,425	11,647	32,072	2.29
2015		154,306		80,744	73,562	20,945	11,123	32,068	2.29
2016		163,241		84,205	79,036	21,815	10,253	32,068	2.46
2017		163,096		90,439	72,657	13,020	9,519	22,539	3.22
2018		170,049		104,930	65,119	13,645	8,902	22,547	2.89
2019		179,598		112,524	67,074	14,320	8,248	22,568	2.97

SCHEDULE OF REVENUE BOND COVERAGE - Table 14

Special Obligation Bonds
Last Ten Years
(Dollars in Thousands)

Fiscal Year Ended September 30	Gross Revenue Available for Debt Service	Debt Service Requirements			Coverage
		Principal	Interest (1)	Total	
1998 - Six Cent Gas Tax					
2010	\$ 29,328	\$ 5,335	\$ 280	\$ 5,615	5.22
2004 - Tourist Development Tax (2)					
2010	\$ 29,708	\$ 2,135	\$ 341	\$ 2,476	12.00
2011	30,876	2,200	276	2,476	12.47
2012	33,735	2,260	203	2,463	13.70
2013	35,278	2,340	124	2,464	14.32
2014	38,841	2,420	42	2,462	15.78
2006 and 2016 Professional Sports Facilities (3)					
2010	\$ 16,987	\$ 5,580	\$ 8,345	\$ 13,925	1.22
2011	22,275	5,900	8,097	13,997	1.59
2012	23,787	6,155	7,833	13,988	1.70
2013	24,971	6,445	7,554	13,999	1.78
2014	27,172	6,730	7,263	13,993	1.94
2015	29,311	7,045	6,947	13,992	2.09
2016	30,734	7,410	6,586	13,996	2.20
2017	29,232	6,835	5,227	12,062	2.42
2018	33,796	7,295	5,327	12,622	2.68
2019	34,094	7,685	4,940	12,625	2.70
2010 and 2017 Half-Cent Sales Tax (4)					
2011	\$ 64,945		\$ 8,898	\$ 8,898	7.30
2012	67,377	\$ 540	12,172	12,712	5.30
2013	71,825	2,065	12,138	14,203	5.06
2014	75,965	3,235	12,050	15,285	4.97
2015	79,832	3,535	11,917	15,452	5.17
2016	82,398	3,965	11,748	15,713	5.24
2017	83,445	4,165	11,544	15,709	5.31
2018	88,808	4,470	10,224	14,694	6.04
2019	88,297	4,795	9,697	14,492	6.09

(1) Amount does not include fiscal charges

(2) Tourist Development Tax, Series 2004 refunded Tourist Development Tax Series 1994

(3) Professional Sports Facilities Series 2016A refunded Professional Sports Facilities Series 2006A

(4) Half-Cent Sales Tax Revenue Bonds includes series 2010 A, B, C and 2017 A Direct Placement of Debt which was issued to partially refund 2010 A Series.

DEMOGRAPHIC AND ECONOMIC STATISTICS - Table 15

Last Ten Fiscal Years

Fiscal Year Ended September 30	Population(1)	Total Personal Income(1) (Dollars in Thousands)	Per Capita Personal Income	School Enrollment(2)	Resident Births(3)	Unemployment Rate(1)
2010	1,748,066	\$ 71,263,407	\$ 40,767	256,872	21,016	10.2 %
2011	1,753,162	72,761,482	41,503	258,803	22,766	9.4
2012	1,771,099	74,356,049	41,983	260,796	23,020	7.7
2013	1,784,715	73,032,323	40,921	262,563	23,288	6.6
2014	1,803,903	78,103,588	43,297	265,401	23,391	5.9
2015	1,827,367	84,236,137	46,097	268,836	23,760	5.0
2016	1,854,513	86,038,276	46,394	271,105	24,067	4.6
2017	1,873,970	89,907,459	47,977	271,517	23,917	3.8
2018	1,897,976	95,409,356	50,269	270,550	23,987	3.1
2019	1,919,644	(4)	(4)	267,970	23,638	2.8

Sources:

- (1) Broward County Planning and Redevelopment Division
- (2) School Board of Broward County
- (3) Florida Department of Health
- (4) Information unavailable for 2019

PRINCIPAL EMPLOYERS - Table 16

Current Year and Nine Years Ago

Employer	2019			2010		
	Employees	Rank	Percent of Total County	Employees	Rank	Percent of Total County
Broward County School Board	34,320	1	3.24 %	27,426	1	2.76 %
Memorial Healthcare System	13,500	2	1.27	10,500	3	1.06
Broward County Government	12,058	3	1.14	11,706	2	1.18
Broward Health	8,424	4	0.79	8,043	5	0.81
Nova Southeastern University	6,685	5	0.63	3,028	8	0.30
Auto Nation	4,100	6	0.39			
American Express	3,500	7	0.33	5,800	6	0.58
Spirit Airlines	3,349	8	0.32			
City of Fort Lauderdale	2,749	9	0.26	2,660	10	0.27
Citrix	1,700	10	0.16			
Tenet Healthcare Corp.				10,156	4	1.02
The Continental Group				3,900	7	0.39
PRC				2,700	9	0.27
	90,385		8.53 %	85,919		8.64 %

Source: Broward County Planning and Redevelopment Division

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION - Table 17

Last Ten Fiscal Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities:										
General Government	1,134	1,074	1,100	1,091	1,102	1,121	1,126	1,147	1,165	1,187
Public Safety	224	267	259	274	290	298	306	254	278	284
Transportation	1,348	1,343	1,367	1,378	1,399	1,463	1,495	1,582	1,586	1,587
Human Services	549	522	393	526	473	484	514	519	567	575
Culture and Recreation	1,219	1,089	1,086	1,139	1,099	1,099	1,107	1,101	1,100	1,102
Physical Environment	124	154	165	155	182	130	129	128	125	126
Economic Environment	93	134	185	23	70	117	119	114	119	122
Sheriff	5,489	5,309	5,306	5,294	5,402	5,394	5,375	5,402	5,519	5,659
Property Appraiser	225	209	207	202	202	208	210	211	223	224
Supervisor of Elections	72	72	72	72	72	72	72	72	74	74
Business-type Activities:										
Aviation	484	484	486	490	506	503	524	545	601	621
Port Everglades	246	244	244	238	238	241	246	248	251	251
Water and Wastewater	418	418	418	418	414	414	414	415	415	417
Resource Recovery System	81	81	67	60	41	41	42	42	42	42
	11,706	11,400	11,355	11,360	11,490	11,585	11,679	11,780	12,065	12,271

Source: Broward County Office of Management and Budget

OPERATING INDICATORS BY FUNCTION - Table I 8

Last Ten Fiscal Years

Function:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities:										
General Government										
Tourist Visitors	10.8M	11.0M	12.0M	13.0M	13.2M	13.7M	13.6M	13.8M	N/A	N/A
Ad Valorem Tax Bills	824K	822K	822K	822K	822K	826K	830K	833K	834K	836K
Call Center Calls	370K	333K	312K	317K	319K	315K	303K	438K	391K	371K
Jobs Created or Retained *	3,142	4,129	3,470	3,319	7,944	2,745	3,636	N/A	N/A	N/A
Transportation										
Bus Transit Trips	36.5M	35.9M	37.9M	38.0M	38.1M	37.2M	32.7M	29.0M	27.8M	26.4M
Paratransit Trips	700K	700K	700K	700K	641K	618K	702K	806K	867K	949K
Human Services										
Primary Care Medical Encounters	301K	266K	270K	260K	219K	200K	190K	201K	200K	98K
Homeless Clients Served	12,433	12,634	9,914	10,810	13,239	15,706	14,208	9,376	12,779	9,301
Families in Crisis Assisted	6,605	6,135	1,914	1,588	1,193	1,097	1,194	1,200	688	1,062
Culture and Recreation										
Library Materials Circulated	10.7M	10.4M	10.3M	10.5M	9.8M	9.3M	8.8M	8.2M	8.2M	8.6M
Library Customers	9.3M	9.2M	8.7M	8.7M	8.1M	7.6M	7.7M	7.6M	7.2M	7.2M
Park Attendance	4.4M	6.2M	7.8M	9.0M	10.3M	10.7M	11.3M	11.4M	12.4M	12.0M
Physical Environment										
Storage Tank Inspections	3,539	3,049	3,363	2,601	1,997	2,469	2,245	2,114	2,470	3,078
Public Safety										
911 Call Received	1.4M	1.5M	1.5M	1.5M	1.5M	1.6M	1.5M	1.4M	1.4M	1.4M
Medical Alarm Responses	16K	18K	25K	34K	34K	34K	35K	35K	34K	35K
Business-Type Activities:										
Aviation										
Airline Passengers	21.8M	23.3M	23.5M	23.6M	24.1M	26.3M	28.7M	31.7M	35.3M	36.4M
Airport Parking Transactions	1.8M	1.8M	1.8M	1.8M	1.8M	2.4M	2.3M	2.4M	2.6M	2.6M
Port Everglades										
Vessel Calls	4,079	4,183	4,000	3,850	3,970	3,768	3,929	4,029	4,214	4,016
Cruise Passengers	3.6M	3.9M	3.8M	3.6M	4.0M	3.8M	3.8M	3.9M	3.9M	3.9M
Water and Wastewater										
Retail Gallons of Water Delivered	9.4M	9.5M	9.1M	9.4M	9.3M	9.8M	9.6M	9.8M	8.8M	9.8M
Retail Gallons of Wastewater Collected	4.7M	4.0M	4.9M	5.0M	5.3M	4.8M	5.1M	4.8M	5.4M	4.5M
Regional Gallons of Wastewater Treated	27.3M	21.8M	26.0M	25.0M	25.3M	23.4M	25.3M	24.1M	25.9M	23.5M
Resource Recovery/Solid Waste **										
Landfill Tons of Waste Received	27,369	28,431	28,830	30,307	44,219	53,820	52,057	54,167	93,101	114,135
Incinerator Tons of Waste Received/Landfilled ***	991K	927K	939K	696K	653K	680K	720K	747K	795K	869K
Recyclable Tons Received	62,001	62,876	71,044	59,774	N/A	N/A	N/A	N/A	N/A	N/A

Legend: M = millions, K = thousands, N/A = not available

Note: Some measures vary significantly due to changes in the methodology of reporting the information from year to year.

Source: Annual budget documents from the Office of Management and Budget and various County agencies

* Information unavailable for the entire County.

** Effective 2014, the governing body is Broward County's Solid Waste Division.

*** Effective 2014 amounts presented are Landfilled.

CAPITAL ASSET STATISTICS BY FUNCTION - Table 19

Last Ten Fiscal Years

Function:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities:										
General Government										
Miles of Road	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,200	1,200	1,200
Square Feet of Buildings	7.8M	8.1M	8.1M	8.1M	7.9M	8.3M	8.3M	8.4M	8.4M	8.4M
Public Safety										
Number of Fire Stations	16	16	22	22	22	22	22	22	22	21
Number of Jails	5	5	5	5	5	5	5	5	5	5
Transportation										
Number of Bus Routes	41	38	41	41	42	44	44	44	44	45
Number of Buses	307	299	316	313	315	337	343	359	367	310
Culture and Recreation										
Library Branches	37	38	40	40	39	37	37	37	37	37
Library Square Feet	1.4M	1.4M	1.4M	1.4M	1.4M	1.4M	1.4M	1.5M	1.5M	1.5M
Acres of Parks	5,036	5,037	5,037	5,024	5,025	5,026	5,027	5,027	5,027	5,028
Number of Parks	54	54	54	53	53	53	53	53	53	53
Business-Type Activities:										
Aviation										
Number of Airlines	32	30	24	30	30	34	25	25	26	25
Number of Gates	57	57	57	57	54	56	56	62	64	64
Number of Parking Spaces	15,720	16,383	16,383	16,263	15,399	15,418	15,482	15,482	15,482	15,482
Port Everglades										
Number of Passenger Terminals	11	11	11	11	11	11	11	8	8	8
Acres Paved	350.81	350.81	350.81	350.81	358.01	363.61	364.76	364.80	383.16	383.16
Water and Wastewater										
Miles of Water Mains	699.24	699.44	703.48	707.83	720.99	710.76	714.72	729.90	726.55	739.50
Miles of Sewer Mains	500.51	499.94	523.25	540.22	556.07	551.40	555.48	556.00	564.75	568.10
Resource Recovery/Solid Waste *										
Landfill Cubic Yards/Tons Remaining **	2.1M	2.0M	2.0M	2.2M	2.0M	1.9M	1.6M	1.4M	1.2M	1.0M

Legend: M = millions, K = thousands, N/A = not available

Source: Various County Agencies

*Effective 2014, the governing body is Broward County's Solid Waste Division.

**Effective 2013 amounts reported are in tons.

CONSTRUCTION AND PROPERTY VALUE - Table 20

Last Ten Fiscal Years

Fiscal Year Ended September 30	Residential Construction(1)		Property Value (In Thousands)(2)		
	Number of Units	Value (In Thousands)	Commercial, Industrial, and Other	Residential	Nontaxable
2010	1,197	\$ 230,351	\$ 58,600,865	\$ 122,319,808	\$ 39,485,401
2011	1,759	220,767	56,369,354	105,265,013	39,038,103
2012	3,098	393,485	54,255,563	103,749,806	38,650,844
2013	3,900	469,849	53,583,421	104,996,606	38,185,005
2014	2,983	483,408	54,240,487	109,201,164	38,257,742
2015	3,207	493,355	55,875,173	116,598,835	38,548,543
2016	4,356	740,027	57,757,419	124,808,083	38,958,355
2017	4,388	835,737	61,158,582	133,796,047	39,534,398
2018	4,578	939,499	65,258,661	143,662,173	40,808,963
2019	5,216	974,670	68,520,237	153,351,118	41,951,470

Sources:

(1) U.S. Census Bureau

(2) Broward County Property Appraiser Assessment Roll Recapitulation

INSURANCE IN FORCE - Table 21

September 30, 2019

Type of Coverage	Insurer	Policy Number	Policy Period	Coverage Limits
Workers' Comp Excess	Safety National Casualty Corporation	SP4061347	09/30/19 - 09/30/20	Statutory
Government Crime Coverage	Fidelity & Deposit Co. Maryland	CCP0063551-13	04/18/19 - 04/18/20	\$ 10,500,000
Aircraft Liability/PD Mosquito Control	Westchester Fire Insurance Co	AAC N05618708 012	08/17/19 - 08/17/20	5,000,000
Pollution Liability Fuel Tanks - County/Port	Indian Harbor Insurance	PEC004667902	09/28/19 - 09/28/21	10,000,000
Environmental Liability Fuel Tanks - Aviation	Illinois Union Insurance Co.	PPL G28192113 001	12/04/16 - 12/04/19	26,000,000
Property/Wind & Flood Policy - Aviation	AmRISC (primary) with Various Excess Carriers	Various	02/01/19 - 03/01/20	Various
Property/Wind & Flood Policy - WWS	Ace American Insurance Company with Various Excess Carriers	Various	02/01/19 - 03/01/20	Various
Property/Wind & Flood Policy - County	Lexington Ins. Co. with Various Excess Carriers	Various	02/01/19 - 03/01/20	Various
Property/Terrorism-Physical & Biological/Chemical	Lloyds of London	FC0098219/FC0200919/FC0097219	02/01/19 - 03/01/20	Various
Automobile Physical Damage (BCAD) - Fire Trucks	Great Lakes Reinsurance	RK36689A19	09/06/19 - 09/06/20	1,250,000
GL Aviation Owner's Liability	ACE Property and Casualty Insurance Company	AAPN14308702 002	11/04/18 - 11/04/19	100,000,000
Port Liability - Primary & Excess & Terrorism	Transport Mutual (TT Club) & Various Excess Carriers	Various	12/31/18 - 12/31/21	75,000,000
Airport Customs Importer Bond	Western Surety Company	40922010	10/13/18 - 10/13/19	100,000
GL FPL Easement land at the Port and GL on FPL Equipment @ 1 University Drive	Scottsdale Insurance Co	CPS3024504	02/13/19 - 02/13/20	3,000,000
Port Foreign Trade Zone Bond	American Alternative Insurance Corporation	59600053100	03/14/19 - 03/14/20	1,000,000
GL-SW Reg Lib & W Young Ctr *	Mt. Hawley Insurance Co.	MGL0190285	06/25/19 - 06/25/20	2,000,000
Out of State Workers Comp	Safety National Casualty Corp.	PRP4052644	09/30/19 - 09/30/20	Statutory
Cyber Liability-Aviation Only	Lloyds of London (Beazley)	W13EDF170601	11/04/18 - 11/04/19	5,000,000
Excess Terrorism - Aviation Only	Westchester Specialty Ins Serv	N9905772	11/04/18 - 11/04/19	500,000,000
Foreign Travel	ACE American Insurance Co.	PHFD38274387007	09/01/19 - 09/01/20	1,000,000
Foreign Travel - Kidnap and Ransom	ACE American Insurance Co.	ABDG27370561002	12/05/16 - 12/05/19	1,000,000
Control Insurance Program - Port Everglades	Old Republic Contractors Insurance Group, Inc & Various Excess Carriers	Various	3/19/18 - 12/31/22	Various
Builders Risk - Convention Center	Starr Surplus Lines	SLSTCON11492819	07/04/19 - 04/04/20	12,000,000

* City of Pembroke Pines is the named insured with Broward County Board of Commissioners and the School Board as additional insureds.

Source: Broward County Risk Management Division

MISCELLANEOUS STATISTICAL DATA - Table 22

September 30, 2019

Population Density, 2019 (1)

Population	1,919,644
Land Area in Square Miles	1,225
Developable Square Miles	428
Persons per Developable Square Mile	4,485

Population Projections, 2020-2040(1)

2020	1,942,686
2030	2,120,334
2040	2,238,307

<u>Year Established</u>	<u>Number of Employees</u>
1915	12,271

<u>Type of Government</u>	<u>Civilian Labor Force (1)</u>
Charter, Effective 1975	1,060,747

Governing Body
Board of County Commissioners (9)

Municipalities (31)

Coconut Creek	Lauderdale Lakes	Plantation
Cooper City	Lauderhill	Pompano Beach
Coral Springs	Lazy Lake	Sea Ranch Lake
Dania Beach	Lighthouse Point	Southwest Ranches
Davie	Margate	Sunrise
Deerfield Beach	Miramar	Tamarac
Fort Lauderdale	North Lauderdale	West Park
Hallandale Beach	Oakland Park	Weston
Hillsboro Beach	Parkland	Wilton Manors
Hollywood	Pembroke Park	
Lauderdale-By-The-Sea	Pembroke Pines	

Source:

(1) Broward County Planning and Redevelopment Division

County Elected Officials



SHERIFF
Gregory Tony
954-831-8901
sheriff.org



SUPERVISOR OF ELECTIONS
Peter Antonacci
954-357-7050
browardsoe.org



CLERK OF THE COURTS
Brenda D. Forman
954-831-7019
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PROPERTY APPRAISER
Marty Kiar
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PUBLIC DEFENDER
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STATE ATTORNEY
Michael J. Satz
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FY19 CHIEF JUDGE
17TH JUDICIAL CIRCUIT
Jack Tuter
954-831-7576
17th.flcourts.org



Finance and Administrative
Services Department
115 S. Andrews Avenue, Room 513
Fort Lauderdale, FL 33301
Broward.org/Finance

Broward County, Florida

Reports in Accordance with *Government
Auditing Standards* and Chapter 10.550,
Rules of the Auditor General of the State of Florida
Fiscal Year Ended September 30, 2019

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**Independent Auditor's Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance With
Government Auditing Standards**

To the Board of County Commissioners
Broward County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Broward County, Florida (the County), as of and for the year ended September 30, 2019, and the related notes to the financial statements, and have issued our report thereon dated March 26, 2020. Our report includes a reference to other auditors who audited the financial statements of (1) Clerk of Circuit and County Courts (a discretely presented component unit), (2) Broward County Housing Finance Authority (a discretely presented component unit), (3) Broward County Supervisor of Elections (reported as part of the County's General Fund) and (4) Broward County Property Appraiser (reported as part of the County's General Fund). This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying *schedule of findings and questioned costs* as item 2019-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RSM US LLP

Fort Lauderdale, Florida
March 26, 2020

**BROWARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditors’ report issued Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified that are not to be material weakness(es)? Yes

Noncompliance material to financial statements noted? No

Section II – Current Year Findings and Recommendations

IC 2019-001 Revenue and Unearned Revenue Reported by Broward County Sheriff’s Office

Criteria: In accordance with the requirements of Governmental Accounting Standards Board (GASB) Statement 33, “Accounting and Financial Reporting for Nonexchange Transactions”, recipients should recognize revenues when all applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met should be reported by the recipient as unearned revenue. Resources received with purpose restrictions, which specify the purpose for which the resources are required to be used, do not affect the timing of recognition for any class of nonexchange transactions.

Current Year Condition: It was noted that one of the two transactions recorded in unearned revenue selected for testing at the Broward Sheriff’s Office (Sheriff) met the eligibility requirements, which allowed revenue recognition in the current year. The amount should not have been recorded as unearned revenue. This recording error was not captured through the review process.

Current Year Cause: The Sheriff’s Finance department did not sufficiently review the balance to determine that all items noted as unearned revenue did not meet the criteria for revenue recognition under GASB 33.

Context: This condition is considered to be isolated in nature.

Effect: Failure to review the unearned revenue at year-end may result in improper revenue recognition of certain nonexchange type transactions.

Current Year Recommendation: We recommend that the Sheriff’s Finance department review its current process for review and approval of the recording of nonexchange transactions.

Views of Responsible Officials and Planned Corrective Action: Sheriff’s management understands the notice given. We have already made changes to make sure these issues do not occur in the next fiscal year.

SECTION III – PRIOR YEAR FINDINGS AND RECOMMENDATIONS

IC 2018-001 Revenue, Unavailable and Unearned Revenue Reported by Broward County Sheriff’s Office

A similar finding was noted as item 2019-001. See section II.



RSM US LLP

**Independent Accountant's Report on Compliance
With Section 218.415, Florida Statutes**

To the Board of County Commissioners
Broward County, Florida

We have examined Broward County, Florida's (the County) compliance with the local government investment policy requirements of *Section 218.415, Florida Statutes, Local Government Investment Policies* for the year ended September 30, 2019. The County's management is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

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

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

In our opinion, the County complied, in all material respects, with the local government investment policy requirements of *Section 218.415, Florida Statutes, Local Government Investment Policies* for the year ended September 30, 2019.

This report is intended solely for the information and use of the Florida Auditor General, the Honorable Mayor, Board of County Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

RSM US LLP

Fort Lauderdale, Florida
March 26, 2020



RSM US LLP

**Independent Accountant's Report on Compliance
With Section 365.172 and 365.173, Florida Statutes**

Members of the Board of County Commissioners
Broward County, Florida

We have examined Broward County's (the County) compliance with *Sections 365.172 and 365.173, Florida Statutes, Emergency Communications Number E911 System Fund* during the year ended September 30, 2019. The County's management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

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

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

In our opinion, the County complied, in all material respects, with the specified requirements referenced above for the year ended September 30, 2019.

This report is intended solely for the information and use of the Florida Auditor General, the Honorable Mayor, Board of County Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

RSM US LLP

Ft. Lauderdale, Florida
March 26, 2020

**Management Letter in Accordance with the
Rules of the Auditor General of the State of Florida**

To the Board of County Commissioners
Broward County, Florida
Fort Lauderdale, Florida

Report on the Financial Statements

We have audited the 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 Broward County, Florida (the County) as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated March 26, 2020. Our report includes a reference to other auditors who audited the financial statements of the (1) Clerk of Circuit and County Courts (a discretely presented component unit), (2) Broward County Housing Finance Authority (a discretely presented component unit), (3) Broward County Supervisor of Elections (reported as part of the County's general fund) and (4) Broward County Property Appraiser (reported as part of the County's general fund). This report does not include the findings and recommendations of the other auditors' that are reported on separately by those auditors.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and an Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated March 26, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective action was taken to address the prior year's recommendation to improve financial management, noted as item 2018-001 *Internal Controls over Customer Deposits*.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The information is disclosed in Note 1 to the County's financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the County met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the County did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the County. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

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

Additional Matters

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

Purpose of This Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

RSM US LLP

Fort Lauderdale, Florida
March 26, 2020

BROWARD COUNTY, FLORIDA
SINGLE AUDIT REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2019

BROWARD COUNTY, FLORIDA
SINGLE AUDIT REPORT
Year Ended September 30, 2019

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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

Honorable Board of County Commissioners
Broward County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Broward County, Florida's (the "County") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") *Compliance Supplement* and the requirements described in the Department of Financial Services State Projects Compliance Supplement that could have a direct and material effect on each of the County's major federal programs and state projects for the year ended September 30, 2019. The County's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General*. Those standards, the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the County's compliance.



Opinion on Each Major Federal and State Project

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2019.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program or state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program or state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.



Miramar, Florida
June 5, 2020



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Honorable Board of County Commissioners
Broward County, Florida

We have audited the accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the "Schedule") of Broward County, Florida (the "County") for the year ended September 30, 2019, and the related notes to the Schedule.

Management's Responsibility

Management is responsible for the preparation and fair presentation of this Schedule in accordance with accounting principles generally accepted in the United States of America; Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and Chapter 10.550, *Rules of the Auditor General*; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles*, and Chapter 10.550, *Rules of Auditor General*. Those standards, the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the Schedule 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 County'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 Schedule.

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



Report on Audited Financial Statements

The 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 the County as of and for the year ended September 30, 2019, were audited by other auditors, and they have issued their report thereon dated March 26, 2020. Their audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements as a whole, and they issued unmodified opinions thereon.

In accordance with *Government Auditing Standards*, the other auditors have also issued a report dated March 26, 2020, on their consideration of the County's internal control over financial reporting and on their tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of their testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide opinions 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* and should be considered in assessing the results of our audit.

Opinion

In our opinion, the Schedule referred to above presents fairly, in all material respects the Schedule of Expenditures of Federal Awards and State Financial Assistance of Broward County, Florida for the year ended September 30, 2019 in accordance with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Board of County Commissioners, management, and specific legislative or regulatory bodies and is not intended to be, and should not be, used by anyone other than these specified parties.



Miramar, Florida
June 5, 2020

BROWARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2019

Federal Government Grants	CFDA	CONTRACT	TOTAL	PASSED
<u>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</u>	<u>NUMBER</u>	<u>NUMBER/ PASS-THROUGH</u>	<u>EXPENDITURES</u>	<u>THROUGH TO</u>
<u>Department of Agriculture</u>		<u>ENTITY</u>		<u>SUBRECIPIENTS</u>
		<u>IDENTIFYING NUMBER</u>		
Food and Nutrition Service State Administrative Matching Grants				
Pass-Through Florida Department of Children and Families				
Supplemental Nutrition Program FY 2018-19	10.561	JJZ04	\$ 19,794	\$ -
Total Program			19,794	-
Total Department of Agriculture			19,794	-
Department of Commerce, National Oceanic and Atmospheric Administration				
Pass-through State of Florida Department of Environmental Protection				
Coastal Zone Management Administration Awards	11.419	CM736	39,615	-
Total Program			39,615	-
Total Department of Commerce, National Oceanic and Atmospheric Administration			39,615	-
Department of Housing and Urban Development				
Community Development Block Grants (CDBG)/Entitlement Grants Cluster				
Community Development Block Grant	14.218	B-12-UC-12-0001	7,623	-
Community Development Block Grant	14.218	B-14-UC-12-0001	1,063	-
Community Development Block Grant - Program income	14.218	B-14-UC-12-0001	20,000	-
Community Development Block Grant	14.218	B-14-MC-12-0045	174,497	-
Community Development Block Grant	14.218	B-15-UC-12-0001	75,189	78,765
Community Development Block Grant - Program income	14.218	B-15-UC-12-0001	19,294	-
Community Development Block Grant - Program income	14.218	B-15-UC-12-0001	144,105	-
Community Development Block Grant	14.218	B-15-MC-12-0045	280,248	-
Community Development Block Grant	14.218	B-16-UC-12-0001	390,310	465,577
Community Development Block Grant - Program income	14.218	B-16-UC-12-0001	2,349	-
Community Development Block Grant	14.218	B-16-MC-12-0045	138,316	-
Community Development Block Grant	14.218	B-16-MC-12-0062	151,261	-
Community Development Block Grant	14.218	B-17-UC-12-0001	787,484	714,121
Community Development Block Grant - Program income	14.218	B-17-UC-12-0001	39,173	-
Community Development Block Grant	14.218	B-17-UC-12-0062	152,689	-
Community Development Block Grant	14.218	B-17-MC-12-0045	118,059	-
Community Development Block Grant - Program income	14.218	B-17-MC-12-0045	24,395	-
Community Development Block Grant	14.218	B-18-UC-12-0001	1,217,142	201,069
Community Development Block Grant - Program income	14.218	B-18-UC-12-0001	57,000	-
Community Development Block Grant	14.218	B-18-UC-12-0062	157,359	-
Community Development Block Grant	14.218	B-18-MC-12-0045	69,625	-
Neighborhood Stabilization Grant- Program income	14.218	B-11-UN-12-0002	16,320	-
Sub Total Direct Program			4,043,501	1,459,532
Pass-Through City of Pompano Beach				
2019 Pompano Beach Summer GREAT Program	14.218	Resolution #2019-67	14,408	-
Sub Total Indirect Program			14,408	-
Total CDBG/Entitlement Grants Cluster			4,057,909	1,459,532
Emergency Solutions Grant Program				
Emergency Shelter Grant 2015-16	14.231	E-16-UC-12-0001	21,838	14,589
Emergency Shelter Grant 2016-17	14.231	E-17-UC-12-0001	194,599	109,504
Emergency Shelter Grant 2017-18	14.231	E-18-UC-12-0001	13,594	-

(Continued on next page)

See Notes to Schedule.

BROWARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2019

Federal Government Grants	CFDA	CONTRACT	TOTAL	PASSED
Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	NUMBER	NUMBER/ PASS-THROUGH ENTITY IDENTIFYING NUMBER	EXPENDITURES	THROUGH TO SUBRECIPIENTS
Sub Total Direct Program			<u>230,031</u>	<u>124,093</u>
Pass-Through Florida Department of Children and Families				
Emergency Shelter Grant FY19 (Unified Homeless)	14.231	JP002	237,295	235,732
Emergency Shelter Grant FY20 (Unified Homeless)	14.231	JP003	<u>7,809</u>	<u>5,274</u>
Sub Total Indirect Program			<u>245,104</u>	<u>241,006</u>
Total Emergency Solutions Grant Program			<u>475,135</u>	<u>365,099</u>
Home Investment Partnership Program				
HOME-Program Income 2015-16	14.239	M-16-DC-12-0201	295,335	-
HOME-Program Income 2016-17	14.239	M-17-DC-12-0201	147,585	-
HOME-Program Income 2017-18	14.239	M-18-DC-12-0201	540,671	-
HOME Investment Partnership Program 2011-12	14.239	M-12-DC-12-0201	-	3,761
HOME Investment Partnership Program 2012-13	14.239	M-13-DC-12-0201	-	73,345
HOME Investment Partnership Program 2013-14	14.239	M-14-DC-12-0201	50,192	137,993
HOME Investment Partnership Program 2014-15	14.239	M-15-DC-12-0201	321,230	106,965
HOME Investment Partnership Program 2015-16	14.239	M-16-DC-12-0201	783,454	839,950
HOME Investment Partnership Program 2016-17	14.239	M-17-DC-12-0201	542,683	199,257
HOME Investment Partnership Program 2017-18	14.239	M-18-DC-12-0201	<u>1,043,243</u>	<u>323,148</u>
Total Program			<u>3,724,393</u>	<u>1,684,419</u>
Continuum of Care Program				
Homeless Families - Continuum of Care Program	14.267	FL0245L4D011607	17,301	73,106
Homeless Families - Continuum of Care Program	14.267	FL0245L4D011708	261,211	230,176
Homeless Families - Continuum of Care Program	14.267	FL0245L4D011708	239,326	185,368
Homeless Families - Continuum of Care Program	14.267	FL0248L4D011710	826,102	899,455
Homeless Families - Continuum of Care Program	14.267	FL0248L4D011811	164,130	134,289
Homeless Families - Continuum of Care Program	14.267	FL0249L4D011710	142,710	179,712
Homeless Families - Continuum of Care Program	14.267	FL0249L4D011811	77,406	14,678
Homeless Families - Continuum of Care Program	14.267	FL0251L4D011701	594,944	662,205
Homeless Families - Continuum of Care Program	14.267	FL0251L4D011811	284,395	142,867
Homeless Families - Continuum of Care Program	14.267	FL0252L4D011710	235,731	354,261
Homeless Families - Continuum of Care Program	14.267	FL0252L4D011811	121,993	29,810
Homeless Families - Continuum of Care Program	14.267	FL0254L4D011609	34,199	-
Homeless Families - Continuum of Care Program	14.267	FL0257L4D011710	252,131	280,042
Homeless Families - Continuum of Care Program	14.267	FL0257L4D011811	118,068	56,857
Homeless Families - Continuum of Care Program	14.267	FL0258L4D011609	81,061	300,054
Homeless Families - Continuum of Care Program	14.267	FL0258L4D011710	854,883	752,076
Homeless Families - Continuum of Care Program	14.267	FL0364L4D011708	88,351	-
Homeless Families - Continuum of Care Program	14.267	FL0364L4D011809	182,286	-
Homeless Families - Continuum of Care Program	14.267	FL0364L4D011708	362,972	-
Homeless Families - Continuum of Care Program	14.267	FL0366L4D011708	162,114	181,087
Homeless Families - Continuum of Care Program	14.267	FL0366L4D011809	76,932	35,119
Homeless Families - Continuum of Care Program	14.267	FL0401L4D011606	-	31,804
Homeless Families - Continuum of Care Program	14.267	FL0401L4D011707	173,507	157,910
Homeless Families - Continuum of Care Program	14.267	FL0464L4D011604	78,935	212,212
Homeless Families - Continuum of Care Program	14.267	FL0465L4D011604	33,324	-
Homeless Families - Continuum of Care Program	14.267	FL0465L4D011705	184,733	-
Homeless Families - Continuum of Care Program	14.267	FL0477L4D011603	47,819	91,589
Homeless Families - Continuum of Care Program	14.267	FL0497L4D011603	70,853	99,048

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Federal Government Grants	CFDA	CONTRACT	TOTAL	PASSED
Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	NUMBER	NUMBER/ PASS-THROUGH ENTITY IDENTIFYING NUMBER	EXPENDITURES	THROUGH TO SUBRECIPIENTS
Homeless Families - Continuum of Care Program	14.267	FL0498L4D011603	38,031	55,246
Homeless Families - Continuum of Care Program	14.267	FL0498L4D011704	252,609	188,703
Homeless Families - Continuum of Care Program	14.267	FL0534L4D011602	-	20,691
Homeless Families - Continuum of Care Program	14.267	FL0534L4D011804	18,494	-
Homeless Families - Continuum of Care Program	14.267	FL0534L4D011701	205,185	227,491
Homeless Families - Continuum of Care Program	14.267	FL0535L4D011602	28,820	65,344
Homeless Families - Continuum of Care Program	14.267	FL0535L4D011703	278,649	259,255
Homeless Families - Continuum of Care Program	14.267	FL0659L4D011600	40,897	-
Homeless Families - Continuum of Care Program	14.267	FL0668L4D011701	327,681	367,571
Homeless Families - Continuum of Care Program	14.267	FL0668L4D011802	78,305	-
Homeless Families - Continuum of Care Program	14.267	FL0704L4D011700	217,922	-
Homeless Families - Continuum of Care Program	14.267	FL0705L4D011700	121,500	101,887
Homeless Families - Continuum of Care Program	14.267	FL0714L4D011700	4,493	-
Homeless Families - Continuum of Care Program	14.267	FL0715L4D011700	13,696	-
Total Program			7,393,699	6,389,913
<i>Total Department of Housing and Urban Development Program</i>			15,651,136	9,898,963
Department of Justice				
Missing Children's Assistance				
2015 (ICAC) - Internet Crimes Continuation	16.543	2015-MC-FX-K008	158,826	-
2018 (ICAC) - Internet Crimes Continuation	16.543	2018-MC-FX-K042	281,679	-
Total Program			440,505	-
National Institute of Justice Research, Evaluation, and Development Project Grants				
Broward County Forensic Pathology Fellowship	16.560	2017-DN-BX-0141	64,986	-
Broward County Forensic Pathology Fellowship	16.560	2018-DU-BX-0149	31,735	-
Total Program			96,721	-
Crime Victim Assistance				
Pass-Through Florida Office of the Attorney General				
Crime Victim Assistance	16.575	VOCA-2018 BSO-00017	74,213	-
Total Program			74,213	-
Violence Against Woman Formula Grant				
Pass-Through Florida Coalition Against Domestic Violence				
2019 Law Enforcement Equipment	16.575	19-8007-LE-Equipment	25,710	-
Total Program			25,710	-
Violence Against Women Formula Grants				
Pass-Through Florida Coalition Against Domestic Violence				
2018-2019 Enhanced Law Enforcement	16.588	19-8007-LE-ENH	95,510	-
2018-2019 InVest Grant Award	16.588	19-8007-LE-INV	118,951	-
2019-20 Enhanced Law Enforcement	16.588	20-8007-LE-ENH	16,426	-
2019-2020 InVest Grant Award	16.588	20-8007-LE-INV	24,199	-
Total Program			255,086	-
Bullet Proof Vest Grant				
2018 Bullet Proof Vest	16.607	2018BOBX18095039	20,597	-
Total Program			20,597	-

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Federal Government Grants	CFDA	CONTRACT	TOTAL	PASSED
<u>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</u>	<u>NUMBER</u>	<u>NUMBER/ PASS-THROUGH</u>	<u>EXPENDITURES</u>	<u>THROUGH TO</u>
		<u>ENTITY</u>		<u>SUBRECIPIENTS</u>
		<u>IDENTIFYING NUMBER</u>		
Public Safety Partnership and Community Policing Grants				
Broward 2019 COPS Stop School Violence	16.710	2018SVWX0056	<u>77,605</u>	<u>77,605</u>
Total Program			<u>77,605</u>	<u>77,605</u>
Edward Byrne Memorial Justice Assistance Grant Program				
2016 Justice Assistance Grant	16.738	2016-DJ-BX-0574	113,226	89,695
2017 Justice Assistance Grant	16.738	2017-DJ-BX-0017	<u>7,144</u>	<u>-</u>
Sub Total Direct Program			<u>120,370</u>	<u>89,695</u>
Pass-Through Florida Department of Law Enforcement				
Edward Byrne Justice Assistance Grant 2019	16.738	2019-JAGC-BROW-4-N2-139	15,217	-
Edward Byrne Justice Assistance Grant 2019	16.738	2019-JAGC-BROW-2-F9-237	<u>29,373</u>	<u>-</u>
Sub Total Indirect Program			<u>44,590</u>	<u>-</u>
Total Program			<u>164,960</u>	<u>89,695</u>
DNA Backlog Reduction Program				
2016 DNA Backlog Reduction Program	16.741	2016-DN-BX-0102	7,938	-
2017 DNA Backlog Reduction Program	16.741	2017-DN-BX-0022	<u>260,925</u>	<u>-</u>
Total Program			<u>268,863</u>	<u>-</u>
Paul Coverdell Forensic Sciences Improvement Grant Program				
Pass-Through Florida Department of Law Enforcement				
2017 Paul Coverdell Forensic Sciences	16.742	2017-CD-BX-0010	25,619	-
2018 Paul Coverdell Forensic Sciences	16.742	2018-CD-BX-0017	28,096	-
2017 Paul Coverdell Forensic Sciences	16.742	2017-CD-BX-0010	2,577	-
2018 Paul Coverdell Forensic Sciences	16.742	2018-CD-BX-0017	<u>2,475</u>	<u>-</u>
Total Program			<u>58,767</u>	<u>-</u>
Edward Byrne Memorial Competitive Grant Program				
2018 Expansion Initiative	16.751	2018-PREA-BROW-1-F3-001	29,621	-
2018 Expansion Initiative #2	16.751	2019-PREA-BROW-1-A6-002	<u>2,150</u>	<u>-</u>
Total Program			<u>31,771</u>	<u>-</u>
Second Chance Act Reentry Initiative				
Innovations in Reentry	16.812	2018-CA-BX-0200	<u>23,021</u>	<u>-</u>
Total Program			<u>23,021</u>	<u>-</u>
Equitable Sharing Programs				
Equitable Sharing Program	16.922	N/A	<u>1,002,457</u>	<u>-</u>
Total Program			<u>1,002,457</u>	<u>-</u>
Total Department of Justice			<u>2,540,276</u>	<u>167,300</u>
Department of Transportation				
Airport Improvement Program				
FAA Implement Noise Mitigation #4	20.106	3-12-0025-076-2015	236,110	-
FAA FLL Part 150 Update	20.106	3-12-0025-078-2016	398,449	-
FAA FLL Airport Master Plan & ALP	20.106	3-12-0025-079-2016	262,171	-
FAA FWO Master Plan	20.106	3-12-0029-010-2016	120,449	-
FAA Implement Noise Mitigation #5	20.106	3-12-0025-082-2017	1,759,554	-

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Federal Government Grants	CFDA	CONTRACT	TOTAL	PASSED
Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	NUMBER	NUMBER/ PASS-THROUGH ENTITY IDENTIFYING NUMBER	EXPENDITURES	THROUGH TO SUBRECIPIENTS
FAA Implement Noise Mitigation #8	20.106	3-12-0025-085-2018	29,409,276	-
FAA Extended Runway 9R/27L LOI#9	20.106	3-12-0025-087-2019	20,000,000	-
FAA FLL Rehab N. Runway 10L-28R Pavement Rehab	20.106	3-12-0025-088-2019	14,665,366	-
Total Program			66,851,375	-
Highway Planning and Construction Cluster				
Pass-Through University of South Florida Board of Trustees				
2018 High Visibility Enforcement Program	20.205	43144-1-8404 GOY79	243,803	-
Pass-Through Florida Department of Transportation				
Davie Road Extension from SR-817/University Drive to SR-848/ Stirling Road	20.205	435143-1-58-01 G-0J88	271,313	-
Total Program			515,116	-
Total Highway Planning and Construction Cluster			515,116	-
Federal Transit Cluster				
Federal Transit Capital Investment Grants				
FTA Capital Assistance - Broward Blvd. Livability	20.500	FL-04-0149-01	224,380	-
FTA Capital Assistance - Infrastructure Stop/Shelter	20.500	FL-04-0159-00	21,385	-
FTA Capital Assistance - Tamarac Shelters	20.500	FL-04-0177-00	30,546	-
FTA Capital Assistance - Onboard Camera System	20.500	FL-05-0117-00	246	-
FTA Capital Assistance - DDA Streetscape HPP	20.500	FL-55-0004-01	74,484	74,484
Total Program			351,041	74,484
Federal Transit Formula Grants				
FTA Formula-Capital Projects - FY 2010	20.507	FL-90-X736-00	906,888	-
FTA Formula-Capital Projects - FY 2011	20.507	FL-90-X836-00	220,465	-
FTA Formula-Capital Projects - FY 2012	20.507	FL-90-X837-00	912,364	-
FTA Formula-Capital Projects - FY 2013	20.507	FL-90-X835-00	353,697	-
FTA Formula-Capital Projects - FY 2014	20.507	FL-90-X844-00	271,940	-
FTA Formula-Capital Projects - FY 2015	20.507	FL-2017-081-00	978,392	-
FTA Formula-Capital Projects - FY 2016	20.507	FL-2018-027-00	1,060,936	-
FTA Formula-Capital Projects - FY 2017	20.507	FL-2018-087-00	1,393,381	-
FTA Formula-Capital Projects - FY 2018	20.507	FL-XXX	5,497,539	-
FTA Formula-MPO Stop/Shelter Enhancements	20.507	FL-95-X028-00	1,324,446	-
FTA Formula-Town of Davie Shelters	20.507	FL-95-X038-00	18,055	-
FTA Formula-FTA Lauderdale Lakes Shelters Collaborative	20.507	FL-95-X045-00	107,098	-
FTA Formula-West Park Shelters and Enhancements	20.507	FL-95-X046-00	39,469	-
FTA Formula-MPO Fare Interoperability Pilot Project	20.507	FL-95-X064-00	1,167,034	-
Total Program			14,251,704	-
Bus and Bus Facilities Formula Program				
Bus and Bus Facilities-FY2013 Purchase of 40 ft. replacement buses	20.526	FL-34-0009-00	15,510	-
Bus and Bus Facilities-FY2017 Purchase of 40 ft. replacement buses	20.526	FL-2018-028-00	81,990	-
Bus and Bus Facilities-FY2015 Purchase of 40 ft. replacement buses	20.526	FL-2017-089-00	2,015	-
Bus and Bus Facilities-FY2016 Purchase of 40 ft. replacement buses	20.526	FL-2017-092-00	1,657	-
Total Program			101,172	-
Total Federal Transit Cluster			14,703,917	74,484

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<u>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</u>	<u>NUMBER</u>	<u>NUMBER/ PASS-THROUGH</u>	<u>EXPENDITURES</u>	<u>THROUGH TO</u>
		<u>ENTITY</u>		<u>SUBRECIPIENTS</u>
		<u>IDENTIFYING NUMBER</u>		
Transit Services Program Cluster				
Pass-Through Florida Department of Transportation				
Enhanced Mobility of Seniors and Individuals with Disabilities Non-cash Item				
(see Note 9)	20.513	435210-4-93-14	<u>959,100</u>	<u>-</u>
Total Transit Services Cluster			<u>959,100</u>	<u>-</u>
Public Transportation Research				
Public Transportation Research-DDA Streetscape TCSP	20.514	FL26-0020-01	<u>12,107</u>	<u>-</u>
Total Program			<u>12,107</u>	<u>-</u>
Highway Safety Cluster				
Pass-Through Florida Department of Transportation				
State and Community Highway Safety- Broward Aggressive Speed Enforcement	20.600	SC-19-13-04	98,716	-
State and Community Highway Safety- Broward Distracted Driving	20.600	DD-19-04-02	10,000	-
State and Community Highway Safety- Broward Motorcycle Safety Enforcement	20.600	MC-19-10-11	79,890	-
State and Community Highway Safety- Broward Grand Drivers 65+	20.600	CP-19-04-12	<u>13,084</u>	<u>-</u>
Total Program			<u>201,690</u>	<u>-</u>
National Priority Safety Programs				
Pass-Through Florida Department of Transportation				
2017-18 Operation Buckle Up	20.616	M2HVE-19-20-02	<u>44,863</u>	<u>-</u>
Total Program			<u>44,863</u>	<u>-</u>
Total Highway Safety Cluster			<u>246,553</u>	<u>-</u>
Total Department of Transportation			<u>83,288,168</u>	<u>74,484</u>
Department of the Treasury Programs				
Equitable Sharing Programs				
Equitable Sharing Program	21.016	N/A	<u>755,826</u>	<u>-</u>
Total Program			<u>755,826</u>	<u>-</u>
Total Department of the Treasury Programs			<u>755,826</u>	<u>-</u>
National Aeronautics and Space Administration				
Pass-Through American Library Association				
Science	43.001	N/A	<u>485</u>	<u>-</u>
Total Program			<u>485</u>	<u>-</u>
Total National Aeronautics and Space Administration			<u>485</u>	<u>-</u>
Institute of Museum and Library Services				
Pass-Through Florida Department of State				
Grants to States				
Library Services and Technology Act Grant for Project Welcome	45.310	18-LSTA-B-02	81,733	-
Library Services and Technology Act Grant for Innovation	45.310	18-LSTA-D-04	<u>2,875</u>	<u>-</u>
Total Program			<u>84,608</u>	<u>-</u>
Total Institute of Museum and Library Services			<u>84,608</u>	<u>-</u>

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<u>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</u>	<u>NUMBER</u>	<u>NUMBER/ PASS-THROUGH</u>	<u>EXPENDITURES</u>	<u>THROUGH TO</u>
		<u>ENTITY</u>		<u>SUBRECIPIENTS</u>
		<u>IDENTIFYING NUMBER</u>		
<i>National Science Foundation</i>				
Pass-Through Space Science Institute (SSI)				
Education and Human Resources				
Project Build: Building Using an Interactive Learning Design-Year 3	47.076	1657593/0000782	<u>1,402</u>	<u>-</u>
Total Program			<u>1,402</u>	<u>-</u>
<i>Total National Science Foundation</i>			<u>1,402</u>	<u>-</u>
<i>Environmental Protection Agency</i>				
Air Pollution Control Program Support				
EPA 105 Air Pollution Control	66.001	A-00402615	<u>340,728</u>	<u>-</u>
Total Program			<u>340,728</u>	<u>-</u>
Surveys, Studies, Research, Investigations, Demonstrations and Special Purpose				
Activities Relating to the Clean Air Act Programs				
Particulate Matter 2.5 Ambient Air Monitoring Network	66.034	PM-96495815	<u>90,845</u>	<u>-</u>
Total Program			<u>90,845</u>	<u>-</u>
<i>Total Environmental Protection Agency</i>			<u>431,573</u>	<u>-</u>
<i>U.S. Election Assistance Commission</i>				
Help America Vote Act (HAVA) Requirement Payments				
Pass-Through Florida Department of State, Division of Elections				
HAVA - Election Security Grant 2018	90.401	MOA 2018-19-01	921,448	-
HAVA - Election Security Grant 2018	90.401	MOA 2018-19-04	18,500	-
HAVA- Federal Election Activities Grant 2018	90.401	MOA 2017-18-01	<u>82,019</u>	<u>-</u>
Total Program			<u>1,021,967</u>	<u>-</u>
<i>Total U.S. Election Assistance Commission</i>			<u>1,021,967</u>	<u>-</u>
<i>Department of Health and Human Services</i>				
National Family Care Giver Support, Title IIIIE, Part E				
Pass-Through Areawide Council on Aging of Broward County Inc.				
Title IIE Support Services	93.052	JA118-15-2018	1,923	-
Title IIE Support Services	93.052	JA119-15-2019	<u>7,104</u>	<u>-</u>
Total Program			<u>9,027</u>	<u>-</u>
Comprehensive Community Mental Health Services for Children with Serious				
Emotional Disturbances (SED) Programs				
One Community Partnership Expansion Project - OCP2 - 19	93.104	5U79SM062454-04	<u>975,747</u>	<u>681,710</u>
Total Program			<u>975,747</u>	<u>681,710</u>
Substance Abuse and Mental Health Services Projects of Regional and National				
Significance				
Drug Court Expansion	93.243	6H79SP080310-01MM002	273,071	-
Drug Court Expansion	93.243	1H79TI080132-01	<u>228,354</u>	<u>-</u>
Sub Total Direct Programs			<u>501,425</u>	<u>-</u>
Pass-Through Broward County Sheriff Office				
Adult Post-Adjudicatory Drug Court Expansion	93.243	6H79SP080310-01MM001	<u>33,176</u>	<u>-</u>
Sub Total Indirect Programs			<u>33,176</u>	<u>-</u>
Total Program			<u>534,601</u>	<u>-</u>

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Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	NUMBER	NUMBER/ PASS-THROUGH	EXPENDITURES	THROUGH TO
		ENTITY		SUBRECIPIENTS
		IDENTIFYING NUMBER		
TANF Cluster				
Pass-Through Florida Department of Children and Families				
Child Protective Investigations FY 2018-19	93.558	JJZ04	2,778,295	-
Temporary Assistance for Needy Families (Unified Homeless)	93.558	JP002	31,500	-
Pass-Through Broward Behavioral Health Coalition				
Substance Abuse FY 2017-18	93.558	34346-18	266,333	-
Substance Abuse FY 2018-19	93.558	34346-19	<u>195,873</u>	<u>-</u>
Total TANF Cluster			<u>3,272,001</u>	<u>-</u>
Low-Income Home Energy Assistance				
Pass-Through Florida Department of Economic Opportunity				
Low Income Home Energy Assistance Program	93.568	17EA-0F-11-16-01-004	3,584,248	-
Low Income Home Energy Assistance Program	93.568	17EA-0F-11-16-01-004	<u>957,760</u>	<u>-</u>
Total Program			<u>4,542,008</u>	<u>-</u>
Community Services Block Grant				
Pass-Through Florida Department of Economic Opportunity				
Community Services Block Grant	93.569	17SB-OD-11-16-01-103	1,049,276	-
Community Services Block Grant	93.569	17SB-OD-11-16-01-103	<u>541,932</u>	<u>-</u>
Total Program			<u>1,591,208</u>	<u>-</u>
Child Care and Development Fund (CCDF) Cluster				
Child Care and Development Block Grant				
Pass-Through Florida Department of Children and Families				
Child Care Licensing and Enforcement - FY18-19	93.575	JC206	189,615	-
Child Care Licensing and Enforcement - FY19-20	93.575	JC206	<u>63,205</u>	<u>-</u>
Total Child Care and Development Fund (CCDF) Cluster			<u>252,820</u>	<u>-</u>
Assets for Independence Demonstration				
Assets for Independence 2014-2019	93.602	90EI0876	36,350	144
Assets for Independence 2016-2021	93.602	90EI0972	<u>67,235</u>	<u>17,482</u>
Total Program			<u>103,585</u>	<u>17,626</u>
Social Services Block Grant				
Pass-Through Florida Department of Children and Families				
Foster Care Title IV-E FY 2018-19	93.658	JJZ04	<u>355,437</u>	<u>-</u>
Total Program			<u>355,437</u>	<u>-</u>
Social Services Block Grant				
Pass-Through Florida Department of Children and Families				
Child Protective Investigations FY 2018-19	93.667	JJZ04	2,620,898	-
Child Care Licensing and Enforcement FY 2018-19	93.667	JC206	61,234	-
Child Care Licensing and Enforcement FY 2019-20	93.667	JC206	20,411	-
Pass-Through Florida Department of Health				
Social Services Block Grant FY18-19	93.667	CPX10	499,126	-
Social Services Block Grant FY19-20	93.667	CPX10	<u>114,930</u>	<u>-</u>
Total Program			<u>3,316,599</u>	<u>-</u>

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Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	NUMBER	NUMBER/ PASS-THROUGH	TOTAL	PASSED
		ENTITY	EXPENDITURES	THROUGH TO
		IDENTIFYING NUMBER		SUBRECIPIENTS
Social Services Block Grant				
Pass-Through Florida Department of Children and Families				
Medical Assistance Program FY 2018-19	93.778	JJZ04	19,794	-
Total Program			19,794	-
Opioid State Targeted Response				
Pass-Through Broward Behavioral Health Coalition				
Behavioral Health and Substance Abuse	93.788	34346-18	866,657	-
Behavioral Health and Substance Abuse	93.788	34346-19	177,261	-
Total Program			1,043,918	-
Opioid State Targeted Response				
Pass-Through Florida Alcohol and Drug Abuse Association, Inc.				
FADAA - DCF FY 2019	93.788	Agreement	82,783	-
FADAA - DCF FY 2020	93.788	Agreement	25,073	-
Total Program			107,856	-
HIV Emergency Relief Project Grants				
Ryan White HIV Emergency Relief Grant 18/19	93.914	H89HA00002-28	6,367,294	7,672,505
Ryan White HIV Emergency Relief Grant 19/20	93.914	H89HA00002-29	8,121,207	5,687,167
Total Program			14,488,501	13,359,672
HIV Care Formula Grants				
Pass-Through Florida Department of Health				
HIV - Substance Abuse Grant - FY18	93.917	BW703 R1	99,620	-
HIV - Substance Abuse Grant - FY19	93.917	BW703 R2	144,811	-
Total Program			244,431	-
Block Grants for Community Mental Health Services				
Pass-Through Broward Behavioral Health Coalition				
Block Grants for Community Mental Health Services	93.958	34352-18	100,736	-
Block Grants for Community Mental Health Services	93.958	34352-19	16,718	-
Behavioral Health and Substance Abuse Grant	93.958	34345-18	39,340	-
Behavioral Health and Substance Abuse Grant	93.958	34345-19	13,247	-
Total Program			170,041	-
Block Grants for Prevention and Treatment of Substance Abuse				
Pass-Through Broward Behavioral Health Coalition				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	34352-18	638,327	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	34352-19	209,003	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	34346-19	297,825	-
Total Program			1,145,155	-
Total Department of Health and Human Services			32,172,729	14,059,008

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AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2019

Federal Government Grants	CFDA	CONTRACT	TOTAL	PASSED
<u>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</u>	<u>NUMBER</u>	<u>NUMBER/ PASS-THROUGH</u>	<u>EXPENDITURES</u>	<u>THROUGH TO</u>
<u>Executive Office of the President - ONDCP</u>		<u>ENTITY</u>		<u>SUBRECIPIENTS</u>
		<u>IDENTIFYING NUMBER</u>		
High Intensity Drug Trafficking Area Programs				
HIDTA - Broward County Drug Task Force 2017	95.001	G17MI0003A	95,272	-
HIDTA - Broward County Drug Task Force 2018	95.001	G18MI0003A	580,648	-
HIDTA - Broward County Drug Task Force 2019	95.001	G19MI0003A	136,862	-
Total Program			812,782	-
Total Executive Office of the President ONDCP			812,782	-
Department of Homeland Security				
Emergency Food and Shelter National Board Program				
Emergency Food and Shelter Program Phase 35	97.024	N/A	98,371	-
Total Program			98,371	-
Disaster Grants-Public Assistance-Presidentially Declared Disasters				
Hurricane Irma Broward Sheriff's Office	97.036	Z0041	10,508,763	
Hurricane Irma	97.036	Z00474	4,707,535	
Pass-Through Florida Division of Emergency Management				
Hurricane Irma Broward Sheriff's Office	97.036	Z0041	4,268	-
Hurricane Irma	97.036	Z00474	766,343	-
Total Program			15,986,909	-
Emergency Management Performance Grant				
Pass-Through Florida Division of Emergency Management				
Emergency Management Performance Grant (EMPG FY19)	97.042	19-FG-AF-11-16-01-245	189,759	-
Emergency Management Performance Grant (EMPG FY20)	97.042	G0058	81,995	-
Total Program			271,754	-
Port Security Grant Program				
2016 Port Security Grant	97.056	EMW-2016-PU-00347-S01	139,415	-
2017 Port Security Grant	97.056	EMW-2017-PU-00576-S01	404,194	-
2018 Port Security Grant	97.056	EMW-2018-PU-00283-S01	232,988	-
Total Program			776,597	-
Pass-Through Florida Division of Emergency Management				
Pass-Through City of Miami				
2017 Urban Area Security Initiative	97.067	17-DS-X3-11-23-02-376	123,826	-
2018 Urban Area Security Initiative	97.067	18-DS-04-11-23-02-319	12,288	-
Homeland Security Grant Program	97.067	18-DS-X3-11-23-02-376	104,041	-
Homeland Security Grant Program	97.067	19DS-04-11-23-02-319	20,541	-
Subtotal Indirect Program			260,696	-
Homeland Security Grant				
Pass-Through Florida Division of Emergency Management				
2016 Operation Stonegarden - Issue 44	97.067	17-DS-W1-11-16-23-263	22,534	-
2017 State Homeland Security - Fire Rescue	97.067	18-DS-X1-11-16-23-311	53,735	-
2018 State Homeland Security - Operation Stonegarden Issue 48	97.067	19-DS-X5-11-16-23-246	138,908	-
2018 Operation Stonegarden - Issue 44	97.067	19-DX-06-11-16-23-270	35,470	-
2018 State Homeland Security - Fire Rescue	97.067	19-DS-01-11-16-23-220	282,054	-
Subtotal Indirect Program			532,701	-

(Continued on next page)

See Notes to Schedule.

BROWARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2019

Federal Government Grants	CFDA	CONTRACT	TOTAL	PASSED
<u>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</u>	<u>NUMBER</u>	<u>NUMBER/ PASS-THROUGH</u>	<u>EXPENDITURES</u>	<u>THROUGH TO</u>
		<u>ENTITY</u>		<u>SUBRECIPIENTS</u>
		<u>IDENTIFYING NUMBER</u>		
Rail and Transit Security Grant Program				
Transit Security Grant Program	97.075	EMW-2017-RA-00046	<u>1,116</u>	<u>-</u>
Subtotal Direct Program			<u>1,116</u>	<u>-</u>
Total Program			<u>794,513</u>	<u>-</u>
Homeland Security Bio Watch Program				
Bio Watch Program Field Operations and Sample Collection Activities	97.091	06OHBIO00013-02-00	<u>243,013</u>	<u>-</u>
Bio Watch Program Field Operations and Sample Collection Activities	97.091	06OHBIO00013-14-00	<u>74,459</u>	<u>-</u>
Total Program			<u>317,472</u>	<u>-</u>
Preparing for Emerging Threats and Hazards				
Communities for Complex Coordinated Terror Attacks	97.133	EMW-2016-GR-0097-S01	<u>34,235</u>	<u>-</u>
Total Program			<u>34,235</u>	<u>-</u>
<i>Total Department of Homeland Security</i>			<u>18,279,851</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 155,100,212</u>	<u>\$ 24,199,755</u>

(Continued on next page)

See Notes to Schedule.

BROWARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2019

State Government Grants/ State Agency/ Pass-Through Grantor/ Program or Cluster Title	CFS NUMBER	CONTRACT NUMBER/ PASS-THROUGH ENTITY IDENTIFYING NUMBER	TOTAL EXPENDITURES	PASSED- THROUGH TO SUBRECIPIENTS
<i>Florida State Courts System, Office of the State Court Administrator</i>				
Post-Adjudicatory Drug Court Program				
Adult Drug Court Expansion Project	22.021	170064O	830,534	-
Total Program			830,534	-
Florida Alcohol and Drug Abuse Association				
Naltrexone Program B FY 18-19	22.022	Agreement	90,670	-
Naltrexone Program B FY 19-20	22.022	Agreement	63,364	-
Naltrexone Program A FY 18-19	22.022	Agreement	231,870	-
Naltrexone Program A FY 19-20	22.022	Agreement	70,940	-
Total Program			456,844	-
<i>Total Florida State Courts System, Office of the State Court Administrator</i>			1,287,378	-
<i>Executive Office of the Governor</i>				
Emergency Management Program				
Emergency Management Preparedness and Assistance Grant FY19	31.063	19-BG-21-11-16-01-287	57,669	-
Emergency Management Preparedness and Assistance Grant FY20	31.063	A0035	17,580	-
Total Program			75,249	-
Emergency Management Projects				
Hazardous Material Assistance Grant 19	31.067	19-CP-11-11-16-01-258	16,527	-
Total Program			16,527	-
<i>Total Executive Office of the Governor</i>			91,776	-
<i>Florida Department of Environmental Protection</i>				
Beach Management Funding Assistance Program				
Port Everglades Implementation	37.003	16BO1	39,430	-
Broward County Shore Protection Project-Segment III	37.003	17BO1	93,862	-
Broward County Shore Protection Project-Segment II	37.003	18BO1	22,374	-
Broward County Shore Protection Project-Segment II	37.003	19BO1	19,950	-
Total Program			175,616	-
Delegated Title V Air Pollution Control Activities				
Title V Funding for Air Pollution Control	37.043	TV001	31,818	-
Title V Funding for Air Pollution Control	37.043	TV007	13,581	-
Total Program			45,399	-
<i>Total Florida Department of Environmental Protection</i>			221,015	-
<i>Florida Housing Finance Corporation</i>				
State Housing Initiatives Partnership Program (SHIP)				
State Housing Initiatives Partnership (SHIP)	40.901	N/A	1,571,568	-
Total Program			1,571,568	-
<i>Total Florida Housing Finance Corporation</i>			1,571,568	-

(Continued on next page)

See Notes to Schedule.

BROWARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2019

State Government Grants/ State Agency/ Pass-Through Grantor/ Program or Cluster Title	CFS NUMBER	CONTRACT NUMBER/ PASS-THROUGH ENTITY IDENTIFYING NUMBER	TOTAL EXPENDITURES	PASSED- THROUGH TO SUBRECIPIENTS
<i>Florida Department of Legal Affairs and Attorney General</i>				
Florida Council Against Sexual Violence				
Pass-Through Florida Council Against Sexual Violence				
Sexual Battery Recovery Services 18/19	41.010	18OAG27	18,761	-
Sexual Battery Recovery Services 19/20	41.010	19OAG27	6,254	-
Total Program			25,015	-
<i>Florida Department of Legal Affairs and Attorney General</i>				
Florida Network of Children Advocacy Centers				
Grant in Aid 18-19	41.031	18/19-GR-CAC26	328,880	-
OSCA 18-19	41.031	18/19-GR-CAC26	231,800	-
Grant in Aid 19-20	41.031	19/20-GR-CAC26	77,070	-
Total Program			637,750	-
<i>Total Florida Department of Legal Affairs and Attorney General</i>			662,765	-
<i>Florida Department of Agriculture and Consumer Services</i>				
Mosquito Control	42.003	024760	42,101	-
Total Program			42,101	-
<i>Total Florida Department of Agriculture and Consumer Services</i>			42,101	-
<i>Florida Department of State</i>				
State Aid to Libraries	45.030	19-ST-02	1,398,383	-
Total Program			1,398,383	-
Historic Preservation Grants				
Small Matching Grant 2018	45.031	19.H.SM.200.047	50,000	-
Total Program			50,000	-
State Aid to Cultural Affairs				
General Operating Support-LAA	45.061	19.C.PS.500.621	1,189	-
General Operating Support-LAA	45.061	20.C.PS.500.546	14,437	-
Total Program			15,626	-
<i>Total Florida Department of State</i>			1,464,009	-
<i>Florida Department of Education and Commissioner of Education</i>				
Marjory Stoneman Douglas High School Public Safety Act				
Coach Aaron Feis Guardian Program	48.140	96F-90210-9D001	1,947,771	-
Total Program			1,947,771	-
<i>Total Florida Department of Education and Commissioner of Education</i>			1,947,771	-
<i>Florida Department of Transportation</i>				
Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program				
Florida Commission for the Transportation Disadvantaged Trip and Equipment	55.001	GOX12	3,322,944	-
Florida Commission for the Transportation Disadvantaged Trip and Equipment	55.001	G1A14	1,149,088	-
Florida Commission for the Transportation Disadvantaged Trip and Equipment	55.001	G0X91	51,957	51,957
Total Program			4,523,989	51,957

(Continued on next page)

See Notes to Schedule.

BROWARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2019

State Government Grants/ State Agency/ Pass-Through Grantor/ Program or Cluster Title	CFSA NUMBER	CONTRACT NUMBER/ PASS-THROUGH ENTITY IDENTIFYING NUMBER	TOTAL EXPENDITURES	PASSED- THROUGH TO SUBRECIPIENTS
Aviation Grant Programs				
FDOT HWO Security Enhancements	55.004	ARC74	8,444	-
FDOT FLL Airport Master Plan & ALP	55.004	G0329	124,463	-
FDOT HWO Master Plan	55.004	G0330	21,132	-
FDOT Extended Runway 10R-28L	55.004	AP652	22,968,383	-
FDOT Environmental Assessment/Design of Runway 10R-28L	55.004	ARR45	176,231	-
FDOT FLL Rehab N. Runway 10L-28R Taxiway Paving	55.004	GOV91	2,548,130	-
FDOT FLL Rehab N. Runway 10L-28R Taxiway Lighting	55.004	GOZ35	325,000	-
FDOT FLL Rehab N. Runway 10L-28R Pavement Rehab	55.004	ASB54	2,781,250	-
FDOT FLL Rehab N. Runway 10L-28R Runway Lighting	55.004	GOZ36	1,000,000	-
FDOT Gate Expansion	55.004	GOZ37	180,326	-
FDOT Airport Access Roadway System	55.004	GO012	<u>956,153</u>	<u>-</u>
Total Program			<u>31,089,512</u>	<u>-</u>
Seaport Grant Programs				
Southport Turning Notch Extension	55.005	AQV62	40,843,392	-
Berths 9 and 10 Improvements	55.005	AR538	1,157,161	-
USACOE Deepening & Widening of PEV	55.005	AR539	<u>655,924</u>	<u>-</u>
Total Program			<u>42,656,477</u>	<u>-</u>
Commuter Assistance Program /Ride Share Grants				
I-95 Express Service	55.007	G0E36	100,376	-
I-95 Express Service-Park and Ride Leases	55.007	G1230	<u>20,400</u>	<u>-</u>
Total Program			<u>120,776</u>	<u>-</u>
County Incentive Grant Program				
CIGP - Wiles Road. SR7 to Rock Island Road	55.008	ARG-71	793,709	-
CIGP - Pine Island Road I-595 to Nova Drive	55.008	ARG-72	101,687	-
CIGP - Wiles Road Riverside Drive to Rock Island Road	55.008	G-0D28	1,484,880	-
CIGP - Pembroke Road from Dykes to East of Silver Shores Boulevard	55.008	G-0M01	1,956,977	-
CIGP - Wiles Road from University Drive to Riverside Drive	55.008	G-0O28	<u>233,675</u>	<u>-</u>
Total Program			<u>4,570,928</u>	<u>-</u>
Public Transit Block Grant Program				
Transit Block Grant	55.010	G1590	<u>9,560,213</u>	<u>-</u>
Total Program			<u>9,560,213</u>	<u>-</u>
Public Transit Service Development Program				
I-595 Express Bus Service	55.012	423976-4-84-01/G0389	<u>1,954,368</u>	<u>-</u>
Total Program			<u>1,954,368</u>	<u>-</u>
Transit Corridor Development Program				
Broward Boulevard Breeze	55.013	440262-1-84-01/G0W68	541,414	-
I-95 Express Operations and Maintenance	55.013	G0361	<u>2,205,996</u>	<u>-</u>
Total Program			<u>2,747,410</u>	<u>-</u>

(Continued on next page)

See Notes to Schedule.

BROWARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2019

State Government Grants/ State Agency/ Pass-Through Grantor/ Program or Cluster Title	CFSA NUMBER	CONTRACT NUMBER/ PASS-THROUGH ENTITY IDENTIFYING NUMBER	TOTAL EXPENDITURES	PASSED- THROUGH TO SUBRECIPIENTS
Transportation Regional Incentive Program				
McIntosh Road Constructions	55.026	G0G33	<u>365,297</u>	<u>-</u>
Total Program			<u>365,297</u>	<u>-</u>
<i>Total Florida Department of Transportation</i>			<u>97,588,970</u>	<u>51,957</u>
<i>Florida Department of Children and Families</i>				
Homeless Challenge Grant				
Challenge Grant FY17-18	60.014	JP002	142,908	137,900
Challenge Grant FY19-20	60.014	JP003	<u>10,504</u>	<u>3,357</u>
Total Program			<u>153,412</u>	<u>141,257</u>
Homeless Grants-in-Aid				
Unified Homeless FY18-19	60.021	JP002	81,387	-
Unified Homeless FY19-20	60.021	JP003	<u>17,705</u>	<u>-</u>
Total Program			<u>99,092</u>	<u>-</u>
Florida Network Children's Advocacy Center				
Pass-Through Florida Network of Child Advocacy Centers				
Grants and Donations Trust Fund	60.124	Agreement	<u>8,921</u>	<u>-</u>
Total Program			<u>8,921</u>	<u>-</u>
<i>Total Florida Department of Children and Families</i>			<u>261,425</u>	<u>141,257</u>
<i>Florida Department of Health</i>				
County Grant Awards				
Emergency Medical Services County Grant 17-18	64.005	C6006	26,397	26,397
Emergency Medical Services County Grant 18-19	64.005	C7006	<u>120,017</u>	<u>118,414</u>
Total Program			<u>146,414</u>	<u>144,811</u>
Medical Services for Abused and Neglected Children				
Child Protection Team - 18-19	64.006	CPX10	468,087	-
Child Protection Team - 19-20	64.006	CPX10	<u>229,860</u>	<u>-</u>
Total Program			<u>697,947</u>	<u>-</u>
Rape Crisis Program Trust Fund - Sexual Battery Victims' Access To Services Act				
Pass-Through Florida Council Against Sexual Violence				
Rape Crisis Program 18-19	64.061	16TFGR27	58,999	-
Rape Crisis Program 19-20	64.061	16TFGR27	<u>18,054</u>	<u>-</u>
Total Program			<u>77,053</u>	<u>-</u>
Rape Crisis Center				
Pass-Through Florida Council Against Sexual Violence				
General Revenue 18-19	64.069	16TFGR27	97,656	-
General Revenue 19-20	64.069	16TFGR27	<u>31,266</u>	<u>-</u>
Total Program			<u>128,922</u>	<u>-</u>
<i>Total Florida Department of Health</i>			<u>1,050,336</u>	<u>144,811</u>

(Continued on next page)

See Notes to Schedule.

BROWARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2019

State Government Grants/ State Agency/ Pass-Through Grantor/ Program or Cluster Title	CFSA NUMBER	CONTRACT NUMBER/ PASS-THROUGH ENTITY IDENTIFYING NUMBER	TOTAL EXPENDITURES	PASSED- THROUGH TO SUBRECIPIENTS
<i>Florida Department of Elder Affairs</i>				
Home Care for the Elderly				
Pass-Through Area-Wide Council on Aging of Broward County				
Home Care for the Elderly	65.001	JH118-15-2019	128,312	-
Home Care for the Elderly	65.001	JH119-15-2020	52,931	-
Total Program			181,243	-
Alzheimer's Respite Services				
Pass-Through Area-Wide Council on Aging of Broward County				
Alzheimer's Disease Initiative	65.004	JZ118-15-2019	632,978	-
Alzheimer's Disease Initiative	65.004	JZ119-15-2020	192,687	-
Total Program			825,665	-
Community Care for the Elderly				
Pass-Through Area-Wide Council on Aging of Broward County				
Community Care for the Elderly	65.010	JC118-15-2019	4,486,315	-
Community Care for the Elderly	65.010	JC119-15-2020	1,541,650	-
Total Program			6,027,965	-
<i>Total Florida Department of Elder Affairs</i>			7,034,873	-
<i>Florida Department of Law Enforcement</i>				
Statewide Criminal Analysis Laboratory System				
2018-2019 Statewide Crime Lab	71.002	2019-SFA-CL-06-8A-001	491,963	-
Total Statewide Criminal Analysis Laboratory System			491,963	-
Assistance with Investigative Operations				
Electronic Surveillance Support Team Task Force	71.010	EST34/9M003	10,033	-
Electronic Surveillance Support Team Task Force	71.010	2020-SFA-ESST-06-M5-003/9M003	10,264	-
Total Assistance with Investigative Operations			20,297	-
<i>Total Florida Department of Law Enforcement</i>			512,260	-
<i>Florida Department of Revenue</i>				
Facilities for New Professional Sports, Retained Professional Sports, or Retained Spring Training Franchise				
Sales Tax Rebate for Arena	73.016	N/A	2,000,004	-
Total Program			2,000,004	-
<i>Total Florida Department of Revenue</i>			2,000,004	-
<i>Florida Department of Highway Safety and Motor Vehicles</i>				
Child Abuse Prevention and Intervention License Plate Project				
Pass-Through Florida Network for Children's Advocacy Centers, Inc.	76.067	N/A	6,673	-
Child Advocacy Trust Fund			6,673	-
Total Program				

(Continued on next page)

See Notes to Schedule.

BROWARD COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2019

State Government Grants/ State Agency/ Pass-Through Grantor/ Program or Cluster Title	CFSA NUMBER	CONTRACT NUMBER/ PASS-THROUGH ENTITY IDENTIFYING NUMBER	TOTAL EXPENDITURES	PASSED- THROUGH TO SUBRECIPIENTS
Florida Network of Children's Advocacy Center Voluntary Contribution				
Pass-Through Florida Network for Children's Advocacy Centers, Inc.				
Stop Child Abuse License Plate & Voluntary Contribution Program	76.123	N/A	<u>1,922</u>	<u>-</u>
Total Program			<u>1,922</u>	<u>-</u>
<i>Total Florida Department of Highway Safety and Motor Vehicles</i>			<u>8,595</u>	<u>-</u>
 <i>Florida Department of Juvenile Justice</i>				
Delinquency Prevention				
Anti-Human Trafficking	80.029	10615	65,207	-
Youth Against Gun Violence	80.029	10627	<u>75,009</u>	<u>-</u>
Total Program			<u>140,216</u>	<u>-</u>
<i>Total Florida Department of Juvenile Justice</i>			<u>140,216</u>	<u>-</u>
 <i>Total Expenditures of State Financial Assistance</i>			\$ <u>115,885,062</u>	\$ <u>338,025</u>

See Notes to Schedule.

BROWARD COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2019

NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the “Schedule”) included herein represents the federal and state-initiated grant activity of Broward County, Florida (the “County”), recorded by the County during the fiscal year ended September 30, 2019. For purposes of this Schedule, federal awards and state financial assistance include both federal and state assistance received directly from a federal or state agency, respectively, as well as federal or state funds received indirectly by the County from non-federal or non-state organizations. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The information in this Schedule is presented in accordance with the requirements of the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*: (“Uniform Guidance”); Chapter 69I-5, *Schedule of Expenditures of State Financial Assistance*, Rules of the Department of Financial Services; and Chapter 10.550, *Rules of the Auditor General*. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements of the County.

Basis of Accounting

The expenditures in the accompanying Schedule are presented using the modified accrual basis of accounting, except for the pass-through to subrecipients, which is presented using the cash basis of accounting. Under the modified accrual basis of accounting, expenditures are recognized when the County becomes obligated for a payment as a result of the receipt of the related goods or services.

NOTE 3 – CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBER

The program titles and CFDA numbers were obtained from the federal or pass-through grantor of the 2018 Catalog of Federal Domestic Assistance. If no CFDA number had been assigned to a program, the two-digit federal agency identifier and the federal contract number were used. When there was no federal contract number the, the word “Agreement” was used.

NOTE 4 – CATALOG OF STATE FINANCIAL ASSISTANCE (CSFA) NUMBER

The program titles and CSFA numbers were obtained from the Florida state or pass-through grantor of the 2019 Catalog of State Financial Assistance. If no CSFA number had been assigned to a program, the two-digit state agency identifier and the state contract number were used. When there was no state contract number the, the word “Agreement” was used.

BROWARD COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2019

NOTE 5 – CONTINGENCIES

Grant monies received and disbursed by the County are for specific purposes and are subject to review by grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures.

Based upon prior experience, the County does not believe that such disallowances, if any, would have a material effect on the financial position of the County. Management is not aware of any material questioned or disallowed costs as a result of grant audits in process or completed; however, the possible disallowance by a governmental agency of any item charged to a program cannot be determined at this time.

NOTE 6 – SUBRECIPIENTS

Certain program funds are passed through the County to subrecipient organizations. Subrecipients are noted on the schedule as “Passed Through to Subrecipients.”

NOTE 7 – INDIRECT COST RATE

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

NOTE 8 – PUBLIC TRANSIT BLOCK GRANT - CFDA 55.010

The Public Transit Block Grant was tested and it was certified that the following have been adhered to:

- Funds did not exceed local revenue
- Funds were not expended for depreciation or amortization of capital assets
- Funds did not supplant local tax revenues made available for operations in the previous year

NOTE 9 – PRIOR YEAR EXPENDITURES

The current year Schedule includes prior fiscal year expenditures for the programs noted below. Although the expenditures were incurred in prior fiscal years, the funding approvals for the expenditures were obtained in the current fiscal year.

<u>AGENCY</u>	<u>CFDA</u>	<u>CONTRACT NUMBER</u>	<u>PRIOR YEAR EXPENDITURES REPORTED IN FY19</u>
FEDERAL AWARDS			
DOT-FAA	20.106	3-12-0025-087-2019	\$ 20,000,000
DOT-FAA	20.106	3-12-0025-076-2015	236,110
DOT-FAA	20.106	3-12-0025-082-2017	1,759,554
DOT-FAA	20.106	3-12-0025-085-2018	1,639,027
STATE FINANCIAL ASSISTANCE			
FDOT	55.004	AP652	22,968,383

BROWARD COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2019

NOTE 10 – CORRECTION OF OTHER PRIOR YEAR GRANT EXPENDITURES REPORTED

The prior year expenditures for the following federal programs and state projects have been changed due to an adjustment of expenditures, which were originally reported in prior years. These amounts have not been included as part of the current year expenditures presented in the Schedule in order to avoid misstatement of current year expenditures.

<u>AGENCY</u>	<u>CFDA</u>	<u>CONTRACT NUMBER</u>	<u>EXPENDITURES REPORTED IN PRIOR YEARS</u>	<u>ADJUSTMENT INCREASE (DECREASE)</u>	<u>PRIOR YEAR EXPENDITURES AS CORRECTED</u>
FEDERAL AWARDS					
FEMA	97.036	Z0041	\$ -	\$ 10,513,031	\$ 10,513,031
FEMA	97.036	Z00474	-	5,473,878	5,473,878
DOT-FAA	20.106	3-12-0025-079-2106	244,573	53,339	297,912
DOT-FAA	20.106	3-12-0025-078-2016	400,959	118,694	519,653
DOT-FAA	20.106	3-12-0029-010-2016	101,596	(10,858)	90,738
STATE FINANCIAL ASSISTANCE					
FDOT	55.004	GO329	127,304	(134)	127,170
FDOT	55.004	GO330	33,137	1,289	34,426
FDOT	55.004	ARC74	19,911	4,069	23,980
FDOT	55.004	ARR45	-	168,262	168,262

NOTE 11 – NON-CASH EXPENDITURES

Non-cash expenditures reported on the Schedule represent the value of 46 specialty sedans totaling \$959,100 received from the Florida Department of Transportation under the Federal Enhanced Mobility of Seniors and Individuals with Disabilities (CFDA 20.513).

BROWARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2019

Section I - Summary of Independent Auditors' Results

Financial Statements

Type of Auditors' Report Issued:

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?
- Noncompliance material to financial statements noted?

Unmodified Opinion

_____ Yes X No
 _____ Yes X None Reported
 _____ Yes X No

Federal Awards and State Financial Assistance

Internal control over major Federal programs and State projects:

- Material weakness(es) identified?
- Significant deficiency(ies) identified that are not considered to be material weaknesses?

_____ Yes X No
 _____ Yes X None Reported

Type of Auditors' Report issued on Compliance for Major Federal Programs and State Projects:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with Section 516 of the Uniform Guidance or Chapter 10.557, *Rules of the Auditor General*?

_____ Yes X No

Identification of Major Federal Programs and State Projects:

CFDA Numbers

Name of Federal Programs

Transit Cluster

20.106	Airport Improvement Program
97.036	Disaster Grants - Public Assistance
90.401	Help America Vote Act Requirements Payments
93.558	Temporary Assistance for Needy Families Cluster
93.569	Community Services Block Grant

CSFA Numbers

Name of State Projects

55.004	Aviation Grant Programs
55.005	Seaport Grant Programs
55.012	Public Transit Service Development Program

Dollar threshold used to distinguish between

Type A and Type B programs:

Federal \$3,000,000

State \$3,476,552

Auditee qualified as low-risk auditee? X Yes _____ No

BROWARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2019

Section II - Current Year Findings - Financial Statement Audit

Other auditors whose report is dated May 26, 2020 reported the following financial statement finding.

IC 2019-001 Revenue and Unearned Revenue Reported by Broward County Sheriff's Office

Criteria

In accordance with the requirements of Governmental Accounting Standards Board (GASB) Statement 33, "Accounting and Financial Reporting for Nonexchange Transactions", recipients should recognize revenues when all applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met should be reported by the recipient as unearned revenue. Resources received with purpose restrictions, which specify the purpose for which the resources are required to be used, do not affect the timing of recognition for any class of nonexchange transactions.

Current Year Condition

It was noted that one of the two transactions recorded in unearned revenue selected for testing at the Broward Sheriff's Office (Sheriff) met the eligibility requirements, which allowed revenue recognition in the current year. The amount should not have been recorded as unearned revenue. This recording error was not captured through the review process.

Current Year Cause

The Sheriff's Finance department did not sufficiently review the balance to determine that all items noted as unearned revenue did not meet the criteria for revenue recognition under GASB 33.

Context

This condition is considered to be isolated in nature.

Effect

Failure to review the unearned revenue at year-end may result in improper revenue recognition of certain nonexchange type transactions.

Current Year Recommendation

We recommend that the Sheriff's Finance department review its current process for review and approval of the recording of nonexchange transactions.

Views of Responsible Officials and Planned Corrective Action

Sheriff's management understands the notice given. We have already made changes to make sure these issues do not occur in the next fiscal year.

BROWARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2019

Section III - Current Year - Major Federal Award Programs and State Financial Assistance Findings and Questioned Costs

Federal Grants

None Reported.

State Grants

None Reported.

BROWARD COUNTY, FLORIDA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended September 30, 2019

Section IV - Prior Year Findings - Financial Statement Audit

Other auditors whose report is dated March 26, 2020 reported the following financial statement finding.

IC 2018-001 Revenue, Unavailable and Unearned Revenue Reported by Broward County Sheriff's Office

A similar finding was noted as item 2019-001. See section II.

Section V - Prior Year Major Federal Award Programs and State Financial Assistance Findings and Questioned Costs

None Reported.

PART II
SHERIFF, BROWARD COUNTY

SHERIFF, BROWARD COUNTY, FLORIDA

SPECIAL-PURPOSE FINANCIAL STATEMENTS

September 30, 2019

SHERIFF, BROWARD COUNTY, FLORIDA
Fort Lauderdale, Florida

SPECIAL-PURPOSE FINANCIAL STATEMENTS
September 30, 2019

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Independent Auditor's Report

Honorable Gregory Tony
Broward County, Florida Sheriff
Fort Lauderdale, Florida

Report on the Special-Purpose Financial Statements

We have audited the accompanying special-purpose financial statements of each major fund and the aggregate remaining fund information of the Broward County, Florida Sheriff (the Sheriff), as of and for the year ended September 30, 2019, and the related notes to the special-purpose financial statements, which collectively comprise the Sheriff's special-purpose financial statements as listed in the table of contents.

Management's Responsibility for the Special-Purpose Financial Statements

Management is responsible for the preparation and fair presentation of these special-purpose 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 the special-purpose 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 special-purpose financial statements based on our audit. 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 special-purpose financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special-purpose financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special-purpose 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 special-purpose 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 special-purpose financial statements.

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, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Sheriff as of September 30, 2019, and the respective changes in financial position, and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note 1, the special-purpose financial statements were prepared for the purpose of complying with the financial reporting provisions of Section 218.39, *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General*, and are not intended to be a complete presentation of the financial position of the Sheriff or Broward County, Florida as of September 30, 2019, and the changes in their financial position, or where applicable, its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that budgetary comparison schedules be presented to supplement the special-purpose financial statements. Such information, although not a part of the special-purpose financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the special-purpose 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 special-purpose financial statements, and other knowledge we obtained during our audit of the special-purpose 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 special-purpose financial statements that collectively comprise the Sheriff's special-purpose financial statements. The combining non-major fund financial statements and combining statement of changes in fiduciary assets and liabilities – agency funds are presented for purposes of additional analysis and are not a required part of the special-purpose financial statements.

The combining non-major fund financial statements and combining statement of changes in assets and liabilities – agency funds are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special-purpose financial statements or to the special-purpose 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 non-major fund financial statements and combining statement of changes in fiduciary assets and liabilities – agency funds are fairly stated, in all material respects, in relation to the special-purpose financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2020 on our consideration of the Sheriff's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

RSM VS LLP

Fort Lauderdale, Florida
March 5, 2020

SHERIFF, BROWARD COUNTY, FLORIDA
SPECIAL-PURPOSE BALANCE SHEET – GOVERNMENTAL FUNDS
September 30, 2019

	Major Funds		Nonmajor Funds	
	General Fund	Grants and Special Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash	\$ 77,193,968	\$ 8,306,404	\$ 8,044,741	\$ 93,545,113
Due from other funds	13,694,694	-	-	13,694,694
Accounts receivable	10,637	11,474	193,289	215,400
Due from other governmental agencies (net of allowance for uncollectibles)	112,683	8,934,835	-	9,047,518
Due from Board of County Commissioners	1,813,201	89,951	10,000	1,913,152
Prepaid items	120,460	59,911	-	180,371
Inventory	4,748,550	-	-	4,748,550
Total assets	\$ 97,694,193	\$ 17,402,575	\$ 8,248,030	\$ 123,344,798
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES FUND BALANCE				
Liabilities:				
Due to Board of County Commissioners	\$ 51,504,404	\$ 48,309	\$ 684,899	\$ 52,237,612
Due to other funds	-	13,694,694	-	13,694,694
Accounts payable and accrued liabilities	40,841,853	966,973	171,793	41,980,619
Due to other governmental agencies	375,850	236,261	36,461	648,572
Due to individual depositors	103,076	-	38,698	141,774
Unearned revenue	-	313,085	149,103	462,188
Total liabilities	92,825,183	15,259,322	1,080,954	109,165,459
Deferred inflows of resources:				
Unavailable revenue	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balance (deficit)				
Nonspendable	4,869,010	59,911	-	4,928,921
Restricted	-	2,025,633	7,167,076	9,192,709
Assigned	-	57,709	-	57,709
Total fund balance (deficit)	4,869,010	2,143,253	7,167,076	14,179,339
Total liabilities, deferred inflows of resources and fund balance	\$ 97,694,193	\$ 17,402,575	\$ 8,248,030	\$ 123,344,798

See accompanying notes to special-purpose financial statements.

SHERIFF, BROWARD COUNTY, FLORIDA
SPECIAL-PURPOSE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
Year ended September 30, 2019

	<u>Major Funds</u>		<u>Nonmajor Funds</u>	
	<u>General Fund</u>	<u>Grants and Special Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues and appropriations				
County appropriation	\$ 936,356,447	\$ -	\$ -	\$ 936,356,447
County law enforcement trust revenues	-	-	7,924,685	7,924,685
Operating grants, projects and contributions	-	40,414,867	30,141	40,445,008
Charges for services	-	-	1,382,161	1,382,161
Total revenues and appropriations	<u>936,356,447</u>	<u>40,414,867</u>	<u>9,336,987</u>	<u>986,108,301</u>
Expenditures				
Current:				
General – crime prevention	392,463,838	27,334,932	8,296,832	428,095,602
Bailiffs – court services	9,712,189	-	-	9,712,189
Consolidated dispatch	43,203,904	-	-	43,203,904
Corrections and rehabilitation	268,904,688	-	-	268,904,688
Fire rescue and emergency services	139,922,636	-	-	139,922,636
Capital outlay	30,504,538	11,419,862	566,592	42,490,992
Debt services:				
Principal retirement	266,820	-	-	266,820
Interest and fiscal charges	19,657	-	-	19,657
Total expenditures	<u>884,998,270</u>	<u>38,754,794</u>	<u>8,863,424</u>	<u>932,616,488</u>
Excess (deficiency) of revenues and appropriations over expenditures	<u>51,358,177</u>	<u>1,660,073</u>	<u>473,563</u>	<u>53,491,813</u>
Other financing sources (uses)				
Transfers out to County/excess appropriations	(51,358,177)	-	-	(51,358,177)
Capital lease arrangements	-	7,938,432	-	7,938,432
Sale of capital assets	-	684,068	-	684,068
Total other financing sources (uses)	<u>(51,358,177)</u>	<u>8,622,500</u>	<u>-</u>	<u>(42,735,677)</u>
Net change in fund balances (deficit)	-	10,282,573	473,563	10,756,136
Fund balance (deficit) at beginning of year	4,435,842	(8,139,320)	6,693,513	2,990,035
Changes in nonspendable for prepaids	(2,925)	-	-	(2,925)
Changes in nonspendable for inventory	436,093	-	-	436,093
Fund balance (deficit) at end of year	<u>\$ 4,869,010</u>	<u>\$ 2,143,253</u>	<u>\$ 7,167,076</u>	<u>\$ 14,179,339</u>

See accompanying notes to special-purpose financial statements.

SHERIFF, BROWARD COUNTY, FLORIDA

SPECIAL-PURPOSE STATEMENT OF FIDUCIARY
ASSETS AND LIABILITIES – AGENCY FUNDS
September 30, 2019

ASSETS

Cash	\$	12,829,733
Accounts receivable		1,622,604
Due from Board of County Commissioners		12,966,152
Due from other governmental agencies (net of allowance for uncollectibles)		<u>2,083,510</u>

Total assets

\$ 29,501,999

LIABILITIES

Due to Board of County Commissioners	\$	19,906,697
Due to other governmental agencies		2,229,267
Due to individuals		349,350
Accounts payable and accrued liabilities		392,714
Inmate escrow		224,421
Evidence seizures		3,411,822
Cash bond liability		<u>2,987,728</u>

Total liabilities

\$ 29,501,999

See accompanying notes to special-purpose financial statements.

SHERIFF, BROWARD COUNTY, FLORIDA
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: The Sheriff, Broward County, Florida (the Sheriff) is a Constitutional Office in Florida and the Chief Law Enforcement Officer in Broward County (the County). The Sheriff is elected by the electors of the County for terms of four (4) years. The Florida Legislature has recognized the independence of the Sheriff in Section 30.53, *Florida Statutes*, which specifically preserves such independence concerning the purchase of supplies and equipment, selection of personnel, and the hiring, firing and setting of salaries of such personnel.

The special-purpose financial statements presented include the funds of the Sheriff's Office and were prepared for complying with Section 10.557, *Rules of the Auditor General for Local Government Entity Audits*. The special-purpose financial statements are not intended to be a complete presentation under Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments* as a result the special-purpose financial statements and are not intended to be a complete presentation of the financial position of the Sheriff or County, or the changes in financial position and, where applicable, cash flows, in conformity with accounting principles generally accepted in the United States (U.S. GAAP). The financial activities of the Sheriff, as a constitutional officer, are included in the County's comprehensive annual financial report.

The Sheriff's Office is funded by appropriations requisitioned monthly from the County's Board of County Commissioners (Board). Section 218.36(2), *Florida Statutes*, provides that unexpended year-end balances in the General Fund shall be distributed back to the Board.

Basis of Presentation: These special-purpose financial statements are fund financial statements that have been prepared in conformity with GAAP as applied to governmental units. The GASB is the accepted standard-setting body for establishing governmental and financial reporting principles. The Sheriff's significant accounting policies are described below.

The special-purpose financial statements were prepared in accordance with applicable GASB pronouncements for the financial reporting entity, which establishes standards for defining and reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the Sheriff, organizations for which the Sheriff is financially accountable and other organizations for which the nature and significance of their relationship with the Sheriff are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Sheriff is financially accountable for a component unit if it appoints a voting majority of the organization's governing board and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the Sheriff. Based upon the application of these criteria, there were no organizations that met the criteria for component units described above.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation: Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Sheriff considers revenues available if they are collected within 60 days of the end of the current fiscal period except for grants, which are considered collectible if they are collected within six months. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures for capital leases, as well as expenditures related to compensated absences, pension and other post-employment benefits are recorded only when payment is due. The Agency funds which are fiduciary funds report only assets and liabilities and have no measurement focus and use the accrual basis of accounting.

(Continued)

SHERIFF, BROWARD COUNTY, FLORIDA
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Substantially all of the Sheriff's funding is appropriated by the Board. In applying the "susceptible to accrual" concept to intergovernmental revenues, there are essentially two types of revenues. In one type, monies must be expended on the specific purpose or project before any amounts will be paid to the Sheriff; therefore, revenues are recognized when the expenditures have been incurred. The majority of grant revenues are recorded in this manner; however, there are some where the cash is received in advance but the applicable eligibility requirements have not been met and revenue for these grants is not recorded until all eligibility requirements have been met. In the other, monies are generally unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if measurable and available to finance expenditures of the current period. Other revenues susceptible to accrual include interest and charges for services.

The Sheriff reports the following major governmental funds:

General Fund: The General Fund is used to account for all revenues, appropriations and expenditures applicable to the general operations of the Sheriff which are not properly accounted for in another fund. All operating revenues and appropriations which are not specifically restricted or designated as to use are recorded in the General Fund. General property taxes levied by the Board that are allocated to the Sheriff are reported as County Appropriation. Excess revenues and appropriations over expenditures (surplus) at year end that are due back to the County are reported as Transfers out to County/Excess appropriations.

Grants and Special Projects Fund: The Grants and Special Projects Fund are used to account for all Federal, State and local grant related revenues and expenditures. The grants received in the fund are used to supplement the Sheriff's public safety services overall.

The Sheriff also reports the following fund types:

Special Revenue Funds: Special Revenue Funds are used to account for revenue sources that are legally restricted to expenditures for specific purposes. These include funds received from donations for youth-related programs, funds from the Broward County Law Enforcement Trust Fund and funds from various federal and state grantor agencies to be used for specific law enforcement purposes, and funds to be used for inmate welfare and victim witness purposes. All of the Special Revenue Funds are considered non-major funds for financial reporting purposes except for the Grants and Special Projects Fund, which is considered a major fund.

Agency Funds: Agency Funds are used to account for assets held by the Sheriff in a fiduciary capacity or as an agent for individuals, private organizations, other governments and/or other funds. The Agency Funds are also used to account for charges to municipalities for services provided (contract cities). These assets include amounts held for inmates of the County jail system, surety (appearance) bonds of accused individuals, civil fees for services performed by the Sheriff, such as subpoena or summons and other miscellaneous items.

(Continued)

SHERIFF, BROWARD COUNTY, FLORIDA
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance: Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Sheriff is bound to honor constraints for the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

Non-spendable: Fund balances are reported as non-spendable when amounts cannot be spent because they are either: (a) not in spendable form (i.e., items that are not expected to be converted to cash), or (b) legally or contractually required to be maintained intact. As of September 30, 2019, there were no amounts that were legally or contractually required to be maintained intact including the non-spendable category. Non-spendable consists of prepaid items and inventory: \$120,460 of prepaid items in the General Fund; \$59,911 of prepaid items in the Grants and Special Projects Fund and \$4,748,550 of inventory in the General Fund.

Restricted: Fund balances are reported as restricted when there are limitations imposed on their use through the enabling legislation adopted either by the Sheriff or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted fund balance of the Grants and Special Projects Fund consists of \$2,025,633 restricted for various projects funded primarily by federal and state grants. Restricted fund balance of the Non-major Governmental Funds consists of \$2,396,370 restricted for inmate welfare, \$4,588,409 restricted for law enforcement and \$182,297 restricted for other purposes.

Committed: Fund balances are reported as committed when they can be used only for specific purposes pursuant to the constraints imposed by formal action of the Sheriff through the adoption of a resolution. The Sheriff also may modify or rescind the commitment. No amounts are committed as of September 30, 2019.

Assigned: Fund balances are reported as assigned when amounts are constrained by the Sheriff's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Sheriff has authorized the finance committee or the finance director to assign fund balances.

Unassigned: Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The Sheriff reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds. No amounts are reported as unassigned as of September 30, 2019.

Flow Assumptions: When both restricted and unrestricted resources are available for use for expenditures incurred, it is the Sheriff's policy to use restricted amounts first and then unrestricted amounts, as they are needed. For unrestricted amounts of fund balance, it is the Sheriff's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Fund Balance Policy: The Sheriff does not have a minimum fund balance policy.

(Continued)

SHERIFF, BROWARD COUNTY, FLORIDA
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deposits and Investments: Cash and cash equivalents include cash on hand, demand deposits and highly liquid investments with a maturity date of three months or less when purchased. Certificates of deposit with maturities greater than three months are classified as investments. All investments are stated at fair value. The Sheriff had no such investments as of September 30, 2019.

Inventory and Prepaid Items: Inventories recorded in the General Fund consist of expendable supplies held in the Sheriff's operations. Inventories are stated at cost, principally on a weighted-average cost basis. This inventory is accounted for under the purchase method and is recorded as expenditures when purchased. Inventory in the Inmate Commissary Trust Fund is stated at the lower of cost or market (first-in, first-out) and consists primarily of snacks and personal sundries held for resale to prisoners. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

Capital Assets: Capital assets, which include vehicles, software, equipment and building improvements, are recorded as capital outlay expenditures in the governmental funds at the time goods are received and a liability is incurred. These assets are then capitalized at cost in the statement of net position as part of the basic government-wide financial statements of the County. The capitalization threshold set by the Sheriff is \$1,000.

Capital assets are depreciated using the straight-line method over 5 to 7 years for motor vehicles; five years for communications equipment; 3 to 10 years for furniture and other equipment; and 40 years for building improvements. The depreciation expense is recorded in the statement of activities as part of the basic government-wide financial statements of the County.

Compensated Absences: Employees of the Sheriff accumulate vacation and sick leave based on the number of years of continuous service in addition to unused holiday and overtime pay. Upon termination of employment, employees can receive payment for accumulated unused leave, if they meet certain criteria. The long-term liability for accumulated leave is recorded in the governmental activities column of the statement of net position as part of the basic financial statements of the County. A liability for these amounts is reported in governmental funds only if they have matured, due to employee retirement or resignation.

Pensions: In the governmental funds, no liability is recorded for the net pension liability and the expense is recorded when due and payable. In the government-wide statement of net position, liabilities are recognized for the Sheriff's proportionate share of each pension plan's net pension liability. For the purpose 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) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to deductions from the FRS's and the HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

Post-Employment Benefits Other Than Pensions: The Sheriff's Office applies GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions* (OPEB), for measurement, recognition, and display of OPEB expenses, OPEB liabilities and deferred outflows/inflows of resources which are recorded in the governmental activities column of the statement of net position and statement of activities as part of the basic financial statements of the County. In the governmental funds, no liability is recorded for the total OPEB liability and the expense is recorded when due and payable.

(Continued)

SHERIFF, BROWARD COUNTY, FLORIDA
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unearned Revenue: Unearned revenue includes amounts collected before revenue recognition criteria are met. The unearned items consist primarily of grant revenues received in advance of incurring eligible expenditures.

Use of Estimates: The special-purpose financial statements and related disclosures are prepared in conformity with U.S. GAAP. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the special-purpose financial statements and revenue and expenditures during the period reported. These estimates include assessing collectability of accounts receivable. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the special-purpose financial statements in the period they are determined to be necessary. Actual results could differ from those estimates.

New Accounting Standards: In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. This Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported and establishes criteria for identifying fiduciary activities of all state and local governments. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Management is currently evaluating the impact of the adoption of this statement on the special-purpose financial statements.

In June 2017, GASB issued Statement No. 87, *Leases*. This Statement outlines new guidance that establishes a single approach to accounting for and reporting leases by state and local governments. The goal is to better align reporting these leases with their particular situations, as well as provide greater transparency and usefulness of financial statements. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management is currently evaluating the impact of the adoption of this statement on the special-purpose financial statements.

In August 2018, GASB issued Statement No. 90, *Majority Equity Interests*. This Statement clarifies the accounting and financial reporting requirements for a state or local government's majority equity interest in an organization that remains legally separate after acquisition. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management is currently evaluating the impact of the adoption of this statement on the special-purpose financial statements.

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with: (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. Management has determined that implementation of this statement will result in no modifications to the special-purpose financial statements and the applicable footnotes.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents: In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Chief Financial Officer to hold public funds. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

(Continued)

SHERIFF, BROWARD COUNTY, FLORIDA
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
September 30, 2019

NOTE 3 – CAPITAL ASSETS

The following summarizes capital asset activity for the fiscal year ended September 30, 2019:

	Beginning Balance	Additions	Disposals/ Write-offs	Transfers In (Out)	Ending Balance
Capital assets, not being depreciated:					
Construction in progress	\$ 153,351	\$ 1,901,739	\$ -	\$ (72,371)	\$ 1,982,719
Total capital assets, not being depreciated	153,351	1,901,739	-	(72,371)	1,982,719
Capital assets, being depreciated:					
Lease – Motor vehicles	15,593,564	-	196,165	-	15,397,399
Lease – Communications equipment	936,302	7,770,924	-	-	8,707,226
Lease – Furniture and other equipment	472,764	167,506	-	-	640,270
Motor vehicles	112,315,314	16,178,416	4,012,767	-	124,480,963
Communications equipment	14,474,782	1,421,128	10,338	149	15,885,721
Furniture and other equipment	76,840,196	9,603,175	1,959,819	72,222	84,555,774
Software	24,840,360	684,357	127,840	-	25,396,877
Building improvements	35,970,180	4,602,435	-	-	40,572,615
Total capital assets, being depreciated	281,443,462	40,427,941	6,306,929	72,371	315,636,845
Less accumulated depreciation for:					
Lease – Motor vehicles	8,399,355	2,930,837	129,869	-	11,200,323
Lease – Communications equipment	889,487	176,330	-	-	1,065,817
Lease – Furniture and other equipment	283,658	99,206	-	-	382,864
Motor vehicles	71,752,059	10,942,323	3,928,337	-	78,766,045
Communications equipment	12,810,365	538,036	10,338	-	13,338,063
Furniture and other equipment	62,422,742	5,905,255	1,933,187	-	66,394,810
Software	22,815,320	1,119,103	127,672	-	23,806,751
Building improvements	6,956,197	1,172,270	-	-	8,128,467
Total accumulated depreciation	186,329,183	22,883,360	6,129,403	-	203,083,140
Total capital assets, being depreciated, net	95,114,279	17,544,581	177,526	72,371	112,553,705
Capital assets (net)	\$ 95,267,630	\$ 19,446,320	\$ 177,526	\$ -	\$ 114,536,424

These assets are capitalized at cost in the statement of net position and the related depreciation expense is recorded in the statement of activities as part of the government activities in the basic financial statements of the County.

(Continued)

NOTE 4 – FLORIDA RETIREMENT SYSTEM

Funding Policy: Substantially, all full-time employees of the Sheriff are eligible to participate in the State of Florida Retirement System (System or FRS), a cost-sharing, multiple-employer defined benefit plan administered by the State of Florida, Division of Retirement. The system is a defined benefit plan for all state, and participating county, district school board, community college, and university employees (Pension Plan). The System also offers eligible employees participation in an alternative defined contribution plan (Investment Plan). The Sheriff participates in the Elected State Officers' Class investment plan. The plan is administered by the State of Florida. Contribution rates are established statewide for all participating governmental units. The System publishes an annual report that provides information about how progress is being made to accumulate sufficient assets to pay benefits when due. This report may be obtained by writing to Division of Retirement, Research, Education, and Policy Section, P.O. Box 9000, Tallahassee, Florida 32315-9000, or by calling (877) 377-1266, or accessing their Internet site at:

http://dms.myflorida.com/workforce_operations/retirement/publications/annual_reports.

The Sheriff is required to contribute an actuarially determined rate. The contribution requirements of the Sheriff are established and may be amended by the State of Florida. The required contribution rates by job class were as follows: special-risk employees 27.50%, county elected officials 51.70%, regular 11.26%, and DROP employees 14.03% from October 1, 2018 through June 30, 2019; special-risk employees 28.48%, County elected officials 51.82%, regular 11.47%, and DROP employees 14.60% from July 1, 2019 through September 30, 2020. Effective July 1, 2011, employees participating in the System were required to contribute 3% of their eligible salaries to the Pension Plan. The Sheriff's contributions to the plan for the year ended September 30, 2019, was \$105,999,985, equal to the actuarially determined contributions for the year. The Sheriff's portion of the net pension liability and deferred inflows/outflows of resources and the associated footnotes are not reported in the special-purpose financial statements of the Sheriff, however they are reported in the Sheriff's Comprehensive Annual Financial Report and the basic financial statements of the County.

Pension Plan: For members first enrolled in FRS prior to July 1, 2011, the system provides for vesting of benefits after 6 years of creditable service. Regular risk employees are eligible for normal retirement at age 62. Special Risk employees are eligible for normal retirement at age 55. Early retirement may be taken any time after 6 years of service. If an eligible employee elects to take early retirement, there is a 5% benefit reduction for each year prior to Normal retirement.

For members first enrolled in FRS on or after July 1, 2011, the system provides for vesting of benefits after eight years of creditable service. Regular risk employees are eligible for normal retirement at age 65. Special Risk employees are eligible for normal retirement at age 60. Early retirement may be taken any time after 8 years of service. If an eligible employee elects to take early retirement, there is a 5% benefit reduction for each year prior to normal retirement.

Plan Benefits: Benefits are computed on an employee's years of creditable service with FRS, a percentage value (1.6% for regular risk and 3.0% for special risk) and the employee's average final compensation. Average final compensation is the average of the five highest fiscal years of earnings for members first enrolled in FRS prior to July 1, 2011. Average final compensation for members enrolled after July 1, 2011, is the average of the eight highest fiscal years of earnings. The system also provides for death and disability benefits.

(Continued)

NOTE 4 – FLORIDA RETIREMENT SYSTEM (Continued)

The Deferred Retirement Option Program (DROP) is available under the Pension Plan when a member first reaches eligibility for normal retirement. The DROP allows a member to retire while continuing employment for up to 60 months. While in DROP, the member's retirement benefits accumulate in the FRS Trust Fund (increased by a cost of living adjustment each July) and earn monthly interest equivalent to an annual rate of 1.30% if the effective DROP commencement date is on or after July 1, 2011, or an annual rate of 6.50% if the DROP commencement date is before July 1, 2011.

Investment Plan: In 2000, the Florida Legislature created the FRS investment Plan, a defined contribution program available to FRS members beginning in 2002. The FRS Investment Plan is available as an option for current and future FRS members. The FRS Investment Plan is a defined contribution plan, in which employer and employee contributions are defined by law, but benefit depends in part on the performance of the investment funds.

The FRS Investment Plan is funded by employer and employee contributions that are based on the salary and FRS membership class (Regular Class, Special Risk Class, etc.) of each employee. An employee is vested upon completion of one year of service in the FRS Investment Plan. The Investment Plan directs contributions to individual member accounts, and allocates contributions and account balance among various investment funds.

Plan Benefits: Employee contributions are immediately vested. If employment is terminated prior to meeting the vesting requirements of the Investment Plan, the employee will be entitled to a refund of contributions. The Investment Plan retirement benefit is the value of the account at termination.

Other Plans: Employees acquired through inter-local agreements with cities in the County had the option of staying with their city's retirement plan, to which the Sheriff contributes the same actuarially determined rate as FRS, or electing to go with FRS. The contribution requirements for employees covered by the cities for the year ended September 30, 2019, was \$10,457,996, which is equal to the required contribution for each year. The City is obligated for all pension amounts other than the current contribution, and therefore a liability, if any, is reported by the city or other government.

NOTE 5 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description: The Sheriff's plan (a single employer plan) provides post-employment health insurance benefits for employees and sworn officers upon retirement and subsidizes a portion of the premiums. The provisions of the plan for the Sheriff may be amended through negotiations between the Sheriff and its employee bargaining units. The plan has no assets and does not issue separate financial reports.

Funding Policy and Annual OPEB Cost: Retirees of the Sheriff's plan and their beneficiaries pay the same blended rates as active employees. However, the Sheriff's provides a discount of 2% for each year of service, prorated on a monthly basis, with the Sheriff up to 50% of the blended rates to retirees and their beneficiaries who meet certain qualifications. The Sheriff also pays 100% of the premiums for line-of-duty disabled retirees in accordance with Florida Statutes. Employees hired on or after October 1, 2007, are not eligible for these amounts. The Sheriff makes no advance funding contributions to the plan; rather, it pays the discounts for retirees and their beneficiaries when due. In addition, the Sheriff's actuaries, in their actuarial valuation, calculate an offset to the cost of these benefits that it includes in the Employer Contributions. This offset equals the total age-adjusted costs paid by the Sheriff or its active employees for coverage of the retirees and their dependents for the year net of the retiree's own payments for the year.

(Continued)

SHERIFF, BROWARD COUNTY, FLORIDA
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
September 30, 2019

NOTE 5 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

The Sheriff follows the guidance contained in GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, (GASB 75); for certain post-employment health care benefits provided by the Sheriff for the fiscal year ended September 30, 2019. The Sheriff's OPEB liability and deferred inflows/outflows of resources and the associated footnotes are not reported in the special-purpose financial statements of the Sheriff, however they are reported in the Sheriff's Comprehensive Annual Financial Report and the basic financial statements of the County.

NOTE 6 – COMPENSATED ABSENCES

The following changes in compensated absences occurred during the year ended September 30, 2019:

Balance at October 1, 2018	\$ 73,015,265
Additions	51,820,160
Payments	<u>(61,042,667)</u>
Balance at September 30, 2019	63,792,758
Less current portion	<u>(42,170,865)</u>
Long-term portion	<u>\$ 21,621,893</u>

Compensated absences is generally liquidated by the General Fund. The liability for compensated absences is reported in the governmental activities of the statement of net position as part of the basic financial statements of the County. The current portion of compensated absences is calculated based upon a three-year average amount as it represents the average one year payout based on a three-year history.

NOTE 7 – RELATED PARTY TRANSACTIONS

The charges from The Board of County Commissioners includes an allocation of certain costs for motor pool, communications, legal fees, printing, subpoenas, warehouse use, maintenance, and printing. Expenditures for these services for the year ended September 30, 2019, were \$1,333,668. The Sheriff also utilizes the self-insurance program of the Board for coverage against Workers' Compensation claims. Additionally, certain other insurance coverage is purchased by the Board from an insurance carrier on behalf of the Sheriff. For the year ended September 30, 2019, self-insurance costs and other insurance coverage charged to the Sheriff were \$4,493,880 and \$1,421,780, respectively. The County also provides certain office space to the Sheriff at no charge.

In addition, the Sheriff provided police services to certain County agencies in the amount of \$52,587,075 for the year ended September 30, 2019. Contract services revenues and related expenditures are reported in a special revenue fund in the County financials.

(Continued)

SHERIFF, BROWARD COUNTY, FLORIDA
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
September 30, 2019

NOTE 8 – CONTRACT SERVICES

The Sheriff provides police services along with fire rescue and emergency services to various municipalities and other governmental agencies throughout Broward County. These services are performed in accordance with mutually agreed-upon contracts. The Sheriff's annual budget includes an appropriation for these contract agreements. Payments received by the Sheriff in accordance with their respective contracts are remitted to the Board. During the year ended September 30, 2019, these services amounted to \$284,566,933. The Sheriff has recorded receivables from several municipalities for services rendered which are reported in the Sheriff's Agency funds. Contract services revenues and related expenditures are reported in a special revenue fund in the County financials.

NOTE 9 – INTER-FUND RECEIVABLES AND PAYABLES

Inter-fund receivables and payables balances at September 30, 2019, are as follows:

	Interfund Receivable	Interfund Payable
General Fund	\$ 13,694,694	\$ -
Grants and Special Projects Fund	-	13,694,694
	<u>\$ 13,694,694</u>	<u>\$ 13,694,694</u>

These inter-fund balances relate primarily to payroll costs that are paid through the General Fund and subsequently reimbursed by the other funds as well as other general inter-fund-operating transactions.

NOTE 10 – RISK MANAGEMENT

The Sheriff is self-insured for its workers' compensation program up to \$2,500,000 per claim. Excess Insurance is purchased for any amount paid above the retention level on a per claim basis. The County, through an independent actuary, evaluates the Sheriff's workers' compensation claim portfolio at the end of each year to determine the workers' compensation self-insured allocation. The administration of the workers' compensation program was transferred in its entirety to the Sheriff, effective October 1, 2012.

The Sheriff is responsible for all claims, including the amounts needed to pay claims incurred while the workers compensation program was under the responsibility of the County's Risk Management Program, with the exception of all Firefighters claims incurred prior to October 1, 2003, which remain the sole and exclusive responsibility of the County. The Fire Rescue services were transferred from the County to the Sheriff on October 1, 2003, pursuant to an agreement. Reserves are established for all losses and a claims liability is recorded in the self-insurance internal service fund in the basic financial statements of the County.

The Sheriff's Self-Insurance Program is responsible for general, professional and auto liability claims, within the Self Insured Retention (SIR) Limit of \$500,000 per occurrence and will be funded through the County's annual budgetary process. Excess coverage for losses above the SIR, up to \$2,500,000 per occurrence, is provided through commercial excess insurance coverage. This insurance coverage is purchased primarily due to the fact that there is no immunity in federal courts from cases involving 1983 civil rights violations. The state statutory sovereign immunity limits do not apply to civil rights claims, which are primarily filed in the federal courts. Claims and settlements have not exceeded coverage limits in each of the last three years.

(Continued)

SHERIFF, BROWARD COUNTY, FLORIDA
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
September 30, 2019

NOTE 11 – LITIGATION AND CONTINGENCIES

The Sheriff is involved in numerous litigation matters and claims arising from the ordinary course of operations. The results of litigation proceedings cannot be predicted with certainty and the Sheriff has instructed legal counsel to defend its position vigorously. In the unforeseen circumstance that judgments, if any, against the Sheriff are in excess of funds budgeted or insurance coverage, additional appropriations will be provided by the County. In the opinion of management, the outcome of these matters will not materially affect the financial position of the Sheriff and amounts of any potential obligations that are probable have been included in the claims liability amounts reported in the County's self-insurance fund.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the Federal government and the State of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the Sheriff expects such amounts, if any, to be immaterial.

NOTE 12 – CONFISCATED PROPERTY

Property confiscated by the Sheriff is retained until a court decree is received. At that time, the goods are: 1) put up for auction and the net proceeds remitted to the County's Law Enforcement Trust Fund, 2) traded at their estimated values for usable goods which are recorded as capital assets at their estimated values, 3) recorded as capital assets at an estimated value, or 4) destroyed if there is no value. Confiscated property is inventoried only when it is recorded as a capital asset.

Proceeds from confiscated property that are remitted to the County's Law Enforcement Trust Fund are held by the County and are available to the Sheriff only for law enforcement purposes. The Sheriff must request and obtain the County's approval before funds are released for such purposes. In some cases, proceeds from confiscated property are remitted to a contract city's Law Enforcement Trust Fund if required by the contract between the city and the Sheriff and the confiscation is derived from the efforts of personnel permanently assigned to the city.

NOTE 13 – CAPITAL LEASES

The Sheriff has entered into several long-term capital leases for the acquisition of capital equipment. A summary of the long-term debt is as follows:

	Balance as of October 1,			Balance as of September 30,		Balance Due Within
	2018	Additions	Deletions	2019		One Year
2014 Vehicles	\$ 328,642	\$ -	\$ 162,188	\$ 166,454	\$	166,454
2014 Hazmat Vehicle	76,931	-	76,931	-		-
2019 Lease Voice IP Phones System – Pompano	-	167,506	27,701	139,805		31,682
2019 Lease Portable Radios – Agencywide	-	7,770,926	-	7,770,926		2,530,881
	<u>\$ 405,573</u>	<u>\$ 7,938,432</u>	<u>\$ 266,820</u>	<u>\$ 8,077,185</u>		<u>\$ 2,729,017</u>

(Continued)

SHERIFF, BROWARD COUNTY, FLORIDA
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
September 30, 2019

NOTE 13 – CAPITAL LEASES (Continued)

The 2014 Vehicles lease represents the purchase of three vehicles, for which a yearly payment is spread over seven years based on an annual compounding interest rate of 2.6303%. As of September 30, 2019, the outstanding balance was \$166,454. The assets acquired under the lease are reported at a cost of \$1,105,290 less accumulated depreciation of \$884,232. Debt service requirements to maturity were as follows:

Payment Schedule	Beginning Balance	Interest	Principal	Ending Balance
FY 09/30/20	\$ 166,454	\$ 4,378	\$ 166,454	\$ -

The 2019 Radio lease represents the purchase of radios for the Department of Law enforcement, Detention, and Fire Rescue for which a yearly payment is spread over three years based on an annual compounding interest rate of 2.33%. As of September 30, 2019, the outstanding balance was \$7,770,926. The assets acquired under the lease are reported at a cost of \$7,770,926 less accumulated depreciation of \$129,515. Debt service requirements to maturity were as follows:

Payment Schedule	Beginning Balance	Interest	Principal	Ending Balance
FY 09/30/20	\$ 7,770,926	\$ 181,063	\$ 2,530,881	\$ 5,240,045
FY 09/30/21	5,240,045	122,093	2,589,851	2,650,194
FY 09/30/22	2,650,194	61,750	2,650,194	-

The 2019 VOIP Phone System lease represents a purchase of equipment for the Pompano District for which a monthly payment is spread over five years based on an annual compounding interest rate of 4.70%. As of September 30, 2019, the outstanding balance was \$139,805. The assets acquired under the lease are reported at a cost of \$167,506 less accumulated depreciation of \$4,653. Debt service requirements to maturity were as follows:

Payment Schedule	Beginning Balance	Interest	Principal	Ending Balance
FY 09/30/20	\$ 139,805	\$ 6,195	\$ 31,682	\$ 108,123
FY 09/30/21	108,123	4,457	33,283	74,840
FY 09/30/22	74,840	2,769	34,965	39,875
FY 09/30/23	39,875	1,146	36,732	3,143
FY 09/30/24	3,143	13	3,143	-

(Continued)

SHERIFF, BROWARD COUNTY, FLORIDA
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
September 30, 2019

NOTE 13 – CAPITAL LEASES (Continued)

The debt service payments are funded and paid out of the Sheriff's General Fund. A summary of the debt service payments follows:

Fiscal Year Ended September 30, 2019	
2020	\$ 2,920,653
2021	2,749,684
2022	2,749,678
2023	37,878
2024	<u>3,156</u>
Total minimum lease payments	8,461,049
Less amount representing interest	<u>(383,864)</u>
Present value of minimum lease payments	<u><u>\$ 8,077,185</u></u>

(Continued)

REQUIRED SUPPLEMENTARY INFORMATION

SHERIFF, BROWARD COUNTY, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND
Year Ended September 30, 2019

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
County appropriation	\$ 917,608,150	\$ 1,007,523,036	\$ 936,356,447	\$ (71,166,589)
Expenditures:				
General – crime prevention:				
Personal services	354,274,640	361,152,356	344,457,713	16,694,643
Operations	55,607,160	56,642,654	48,245,244	8,397,410
Capital outlay	15,833,280	28,514,725	21,672,760	6,841,965
Contingencies/reserves/transfers	7,861,400	57,546,448	-	57,546,448
Total general – crime prevention	433,576,480	503,856,183	414,375,717	89,480,466
Bailiffs – court services:				
Personal services	9,800,430	9,800,430	9,669,519	130,911
Operations	59,750	59,750	42,670	17,080
Total bailiffs – court services	9,860,180	9,860,180	9,712,189	147,991
Consolidated dispatch:				
Personal services	41,362,810	42,783,368	42,857,086	(73,718)
Operations	945,540	420,540	346,818	73,722
Capital outlay	20,000	12,000	12,000	-
Transfers/reserves	-	1,212,000	-	1,212,000
Total consolidated dispatch	42,328,350	44,427,908	43,215,904	1,212,004
Corrections and rehabilitation:				
Personal services	212,817,420	212,817,420	212,519,011	298,409
Operations	58,778,590	60,957,695	56,385,678	4,572,017
Capital outlay	4,469,480	5,722,138	3,793,737	1,928,401
Total corrections and rehabilitation	276,065,490	279,497,253	272,698,426	6,798,827
Fire rescue and emergency services:				
Personal services	128,221,190	130,775,612	125,519,390	5,256,222
Operations	18,003,160	17,222,229	14,403,245	2,818,984
Capital outlay	3,639,660	9,475,530	4,786,922	4,688,608
Transfers/reserves	5,913,640	12,408,141	-	12,408,141
Total fire rescue and emergency services	155,777,650	169,881,512	144,709,557	25,171,955
Debt services:				
Principal retirement	-	-	266,820	(266,820)
Interest and fiscal charges	-	-	19,657	(19,657)
Total debt services	-	-	286,477	(286,477)
Total expenditures	917,608,150	1,007,523,036	884,998,270	122,524,766
Excess of revenues over expenditures	-	-	51,358,177	51,358,177
Unexpended County appropriations, net of advance for prepaid items	-	-	(51,358,177)	(51,358,177)
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	4,435,842	-
Changes in reserves for prepaids	-	-	(2,925)	-
Changes in reserves for inventory	-	-	436,093	-
Fund balance at end of year	\$ -	\$ -	\$ 4,869,010	\$ -

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES BUDGETARY PROCESS

The Sheriff's budget is submitted annually to the Board pursuant to Section 30.49, *Florida Statutes*. Sections 30 and 129.03(2), *Florida Statutes*, which govern the preparation, adoption and administration process of the Sheriff's annual budget. A budget is prepared annually by the Sheriff for the General Fund and is submitted to the Board for approval. Any subsequent amendments to the budget must also be approved by the Board. The budget is prepared on the modified accrual basis of accounting. Budgetary control is maintained at the major object expenditure level and expenditures may not legally exceed appropriations at the department level. Budgetary changes at the department level within the major object expenditure classification are made at the discretion of the Sheriff. Supplemental appropriations of \$89,914,886 were approved by the Board during the year. Appropriations lapse at year-end. Budgets prepared for the Grants and Special Projects Fund and the other non-major governmental funds are not submitted to the Board for approval.

COMBINING NONMAJOR FUND FINANCIAL STATEMENTS

NON MAJOR GOVERNMENTAL FUNDS

SHERIFF, BROWARD COUNTY, FLORIDA

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
September 30, 2019

	Community Programs Fund	Law Enforcement Trust Fund	Inmate Commissary Trust Fund	Victim Witness Fund	Total
ASSETS					
Cash	\$ 182,113	\$ 5,459,526	\$ 2,247,656	\$ 155,446	\$ 8,044,741
Accounts receivables	184	9,032	184,073	-	193,289
Due from Board of County Commissioners	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
Total assets	<u>\$ 182,297</u>	<u>\$ 5,478,558</u>	<u>\$ 2,431,729</u>	<u>\$ 155,446</u>	<u>\$ 8,248,030</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Due to Board of County Commissioners	\$ -	\$ 542,399	\$ -	\$ 142,500	\$ 684,899
Accounts payable and accrued liabilities	-	123,778	35,359	12,656	171,793
Due to other governmental agencies	-	36,171	-	290	36,461
Due to individual depositors	-	38,698	-	-	38,698
Unearned revenue	<u>-</u>	<u>149,103</u>	<u>-</u>	<u>-</u>	<u>149,103</u>
Total liabilities	<u>-</u>	<u>890,149</u>	<u>35,359</u>	<u>155,446</u>	<u>1,080,954</u>
Fund balance:					
Nonspendable	-	-	-	-	-
Restricted	182,297	4,588,409	2,396,370	-	7,167,076
Total fund balance	<u>182,297</u>	<u>4,588,409</u>	<u>2,396,370</u>	<u>-</u>	<u>7,167,076</u>
Total liabilities and fund balance	<u>\$ 182,297</u>	<u>\$ 5,478,558</u>	<u>\$ 2,431,729</u>	<u>\$ 155,446</u>	<u>\$ 8,248,030</u>

See accompanying notes to special-purpose financial statements.

SHERIFF, BROWARD COUNTY, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL
FUNDS
Year Ended September 30, 2019

	Community Programs Fund	Law Enforcement Trust Fund	Inmate Commissary Trust Fund	Victim Witness Fund	Total
Revenues					
County law enforcement trust revenues	\$ -	\$ 7,924,685	\$ -	\$ -	\$ 7,924,685
Operating grants, projects and contributions	30,141	-	-	-	30,141
Charges for services	-	-	1,225,301	156,860	1,382,161
Total revenues	<u>\$ 30,141</u>	<u>\$ 7,924,685</u>	<u>\$ 1,225,301</u>	<u>\$ 156,860</u>	<u>\$ 9,336,987</u>
Expenditures					
Current:					
General – crime prevention	\$ 24,762	\$ 7,283,441	\$ 831,769	\$ 156,860	\$ 8,296,832
Capital outlay	-	547,860	18,732	-	566,592
Total expenditures	<u>24,762</u>	<u>7,831,301</u>	<u>850,501</u>	<u>156,860</u>	<u>8,863,424</u>
Net change in fund balance	5,379	93,384	374,800	-	473,563
Fund balance at beginning of year	<u>176,918</u>	<u>4,495,025</u>	<u>2,021,570</u>	<u>-</u>	<u>6,693,513</u>
Fund balance at end of year	<u>\$ 182,297</u>	<u>\$ 4,588,409</u>	<u>\$ 2,396,370</u>	<u>\$ -</u>	<u>\$ 7,167,076</u>

See accompanying notes to special-purpose financial statements.

AGENCY FUNDS

SHERIFF, BROWARD COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES – AGENCY
FUNDS
September 30, 2019

	Civil/Detail Division	Cash Bonds Division	Inmate Welfare Fund	Evidence	Total
ASSETS					
Cash	\$ 6,016,752	\$ 2,937,751	\$ 403,991	\$ 3,471,239	\$ 12,829,733
Accounts receivable	1,458,404	24,152	134,772	5,276	1,622,604
Due from Board of County Commissioners	12,940,327	25,825	-	-	12,966,152
Due from other governmental agencies (net of allowance for uncollectibles)	<u>2,083,510</u>				<u>2,083,510</u>
Total assets	<u>\$ 22,498,993</u>	<u>\$ 2,987,728</u>	<u>\$ 538,763</u>	<u>\$ 3,476,515</u>	<u>\$ 29,501,999</u>
LIABILITIES					
Due to Board of County Commissioners	\$ 19,906,697	\$ -	\$ -	\$ -	\$ 19,906,697
Due to other governmental agencies	2,229,267	-	-	-	2,229,267
Due to individuals	349,350	-	-	-	349,350
Accounts payable and accrued liabilities	13,679	-	314,342	64,693	392,714
Inmate escrow	-	-	224,421	-	224,421
Evidence seizures	-	-	-	3,411,822	3,411,822
Cash bond liability	<u>-</u>	<u>2,987,728</u>	<u>-</u>	<u>-</u>	<u>2,987,728</u>
Total liabilities	<u>\$ 22,498,993</u>	<u>\$ 2,987,728</u>	<u>\$ 538,763</u>	<u>\$ 3,476,515</u>	<u>\$ 29,501,999</u>

See accompanying notes to special-purpose financial statements.

**Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters
Based on an Audit of the Special-Purpose Financial Statements Performed
in Accordance With *Government Auditing Standards***

Independent Auditor's Report

Honorable Gregory Tony
Broward County, Florida Sheriff

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of each major fund, and the aggregate remaining fund information of the Broward County, Florida Sheriff (the Sheriff), as of and for the year ended September 30, 2019, and the related notes to the special-purpose financial statements, which collectively comprise the Sheriff's special-purpose financial statements, and have issued our report thereon dated March 5, 2020. Our report was modified to reflect that these financial statements were prepared to comply with Section 218.39(2), Florida Statutes and Section 10.557(3), Rules of the Auditor General for Local Government Entity Audits.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying *schedule of findings and questioned costs* as item 2019-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RSM VS LLP

Fort Lauderdale, Florida
March 5, 2020

SHERIFF, BROWARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2019

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditors' report issued	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not to be material weakness(es)?	Yes
Noncompliance material to financial statements noted?	No

Section II – Current Year Findings and Recommendations

IC 2019-001 Revenue, Unavailable and Unearned Revenue

Criteria: In accordance with the requirements of Governmental Accounting Standards Board (GASB) Statement 33, “Accounting and Financial Reporting for Nonexchange Transactions”, recipients should recognize revenues when all applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met should be reported by the recipient as unearned revenue. Resources received with purpose restrictions, which specify the purpose for which the resources are required to be used, do not affect the timing of recognition for any class of nonexchange transactions.

Current Year Condition: It was noted that one of the two transactions recorded in unearned revenue selected for testing met the eligibility requirements, which allowed revenue recognition in the current year. The amount should not have been recorded as unearned revenue. This recording error was not captured through the review process.

Current Year Cause: The Finance department did not sufficiently review the balance to determine that all items noted as unearned revenue did not meet the criteria for revenue recognition under GASB 33.

Context: This condition is considered to be isolated in nature.

Effect: Failure to review the unearned revenue at year-end may result in improper revenue recognition of certain nonexchange type transactions.

Current Year Recommendation: We recommend that the Finance department review its current process for review and approval of the recording of nonexchange transactions.

Views of Responsible Officials and Planned Corrective Action: Now that we are aware of the issue we will make the necessary arrangements to have this taken care of going forward.

SECTION III – PRIOR YEAR FINDINGS AND RECOMMENDATIONS

IC 2018-001 Revenue, Unavailable and Unearned Revenue

A similar finding was noted as item 2019-001. See section II.

Broward County, Florida Sheriff

Management Letter in Accordance
With Chapter 10.550, *Rules of the Auditor General*
of the State of Florida
Year Ended September 30, 2019

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**Management Letter in Accordance with the
Rules of the Auditor General of the State of Florida**

The Honorable Gregory Tony
Broward County, Florida Sheriff
Fort Lauderdale, Florida

Report on the Special-Purpose Financial Statements

We have audited the special-purpose financial statements of each major fund and the aggregate remaining fund information of the Broward County, Florida Sheriff (the Sheriff), as of and for the year ended September 30, 2019, and have issued our report thereon dated March 5, 2020.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, if any, which are dated March 5, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the Special-Purpose Financial Statements. The Sheriff was established by the Constitution of the State of Florida, Article VIII, Section 1(d). The Sheriff did not include any component units.

Financial Management

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. The recommendations to improve the Sheriff's financial management have been addressed in "Current Year's Recommendations to Improve Financial Management" in Appendix A to this report. Management's responses to the recommendations to improve the Sheriff's financial management have been addressed in "Current Year's Recommendations to Improve Financial Management" in Appendix A to this report. We did not audit the Sheriff's response, and accordingly, we express no opinion on it.

Additional Matters

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

Purpose of This Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Sheriff, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

RSM VS LLP

Fort Lauderdale, Florida
March 5, 2020

Appendix A – Current Year’s Recommendations to Improve Financial Management

2019-01 – Workers’ Compensation Self-Insurance Estimated Liability

Criteria: The actuarial analysis of information should be performed based on historical trends for a population with similar risk profile, which best serves to provide a more accurate analysis of the estimated liability.

Condition: We noted that the data provided to the Sheriff’s actuary for their analysis was not requested by the actuary to be compiled in a manner that provided enough information based on cumulative historical trends for cases with similar risk profiles. For example, cases that are specific to participants that are affected by cardiac and hypertension matters.

Cause: Management was not aware of the need to provide the data in a manner that separated risk factors.

Effect: The actuarially determined loss liability could potentially not fully represent the exposure.

Recommendation: We recommend that the Sheriff’s risk department provide cumulative historical information of like kind risk data to its actuary for analysis. An example of a segregated like kind risk data would include cardiac and hypertension cases, or other lifetime related cases.

Views of responsible officials and planned corrective actions: The actuary is not the Sheriff’s actuary. The actuary is hired by Broward County. As such, BSO Risk Management provides the actuary with whatever information is requested in order to complete the actuarial report. BSO Risk Management will continue to cooperate with the actuary and provide whatever information is necessary to complete the report.

Independent Accountant's Report

Honorable Gregory Tony
Broward County, Florida Sheriff
Fort Lauderdale, Florida

We have examined the Broward County, Florida Sheriff's (the Sheriff) compliance with Section 218.415, *Florida Statutes, Local Government Investment Policies* during the year ended September 30, 2019. Management is responsible for the Sheriff's compliance with the specified requirements. Our responsibility is to express an opinion on the Sheriff's compliance with the specified requirements based on our examination.

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

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

In our opinion, the Sheriff complied, in all material respects, with *Section 218.415, Florida Statutes, Local Government Investment Policies* during the period October 1, 2018 to September 30, 2019.

This report is intended solely for the information and use of the Florida Auditor General, the Honorable Sheriff, Board of County Commissioners and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

RSM US LLP

Fort Lauderdale, Florida
March 5, 2020

PART III
BROWARD COUNTY PROPERTY APPRAISER

BROWARD COUNTY PROPERTY APPRAISER
SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

**BROWARD COUNTY PROPERTY APPRAISER
SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Honorable Marty Kiar
Property Appraiser of Broward County, Florida

We have audited the accompanying financial statements of the Property Appraiser of Broward County, Florida, a component unit of Broward County, Florida (the "Property Appraiser") as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statement 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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Property Appraiser of Broward County, Florida as of September 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.



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Other Matters

Accounting principles generally accepted in the United States of America require that budgetary comparison information on page 9 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the accompanying financial statements present the financial position and the changes in financial position of the Property Appraiser. These financial statements do not purport to, and do not present fairly the financial position of Broward County, Florida, as of September 30, 2019, and the changes in financial position and cash flows, where applicable for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 17, 2019 on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Property Appraiser's internal control over financial reporting and compliance.



December 17, 2019

**BROWARD COUNTY PROPERTY APPRAISER
BALANCE SHEET – GENERAL FUND
SEPTEMBER 30, 2019**

ASSETS

Cash and cash equivalents	\$ 1,153,134
Accounts receivable	<u>1,894</u>
Total Assets	<u>\$ 1,155,028</u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$ 252,129
Accrued liabilities	339,856
Due to Board of County Commissioners	3,020
Excess commissions	<u>560,023</u>
Total Liabilities	1,155,028
Fund balance	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 1,155,028</u>

The accompanying notes are an integral part of these financial statements.

**BROWARD COUNTY PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

REVENUES

Commissions from taxing authorities	\$ 24,040,546
Less unexpended commissions	(473,747)
Other income	<u>889,174</u>
Total Revenues	<u>24,455,973</u>

EXPENDITURES

Current:

General government:

Salaries and benefits	20,418,487
Operating expenditures	3,019,752
Capital outlay	<u>1,017,734</u>
Total Expenditures	<u>24,455,973</u>

Net change in fund balance	-
Fund balance - beginning of year	<u>-</u>
Fund balance - end of year	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

**BROWARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 1 - Summary of Significant Accounting Policies

The following is a summary of the more significant accounting policies used in the preparation of these special purpose financial statements.

Reporting Requirement

The Broward County Property Appraiser (the "Property Appraiser") is a separately elected county official established pursuant to the Constitution of the State of Florida. The Property Appraiser's financial statements do not purport to reflect the financial position or the results of operations of Broward County, Florida, taken as a whole. These special purpose financial statements are presented to comply with the requirements of Florida Statutes and the Rules of the Auditor General of the State of Florida. The Property Appraiser's General Fund is combined with the Board of County Commissioners' (the "Board") and other constitutional officers' general funds in the Broward County, Florida ("County"), Comprehensive Annual Financial Report ("CAFR") to properly reflect the county-wide General Fund.

Description of Fund

The accounting records are organized on the basis of funds and classified for reporting purposes into one basic fund type:

General Fund – The General Fund is a governmental fund used to account for all revenues and expenditures applicable to the general operations of the Property Appraiser. The General Fund measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources, rather than upon net income determination).

Basis of Accounting and Presentation

The accounts of the General Fund are maintained on the modified accrual basis. Under the modified accrual basis of accounting, expenditures are recorded at the time liabilities are incurred and revenues are recorded when received in cash or when they are considered both measurable and available and, as such, susceptible to accrual. The extent to which General Fund revenues exceed General Fund expenditures is reflected as a liability in compliance with Florida Statutes.

Budgetary Requirements and Basis

Expenditures are controlled by appropriations in accordance with the budgetary requirements set forth in the Florida Statutes. The budgeted revenues and expenditures in these financial statements reflect all amendments approved by the Florida Department of Revenue. The budget is adopted on a basis consistent with generally accepted accounting principles.

**BROWARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 2 - Cash and Cash Equivalents

Cash

Cash consists of various demand deposit accounts, which are insured by the Federal Deposit Insurance Corporation or are covered by the state of Florida collateral pool, a multiple financial institution pool with the ability to assess its members for collateral shortfalls if a member institution fails.

Investments

Florida Statutes 218.415, 219.075 and the Property Appraiser's investment policy authorize investments in certificates of deposit, savings accounts, repurchase agreements, the Local Government Surplus Funds Trust Fund, administered by the Florida State Board of Administration, and obligations of the U.S. Government and government agencies unconditionally guaranteed by the U.S. Government. Effective December 12, 2018 the Property Appraiser no longer invested in the repurchase agreement. The Property Appraiser had no investments at September 30, 2019.

Interest Rate Risk

Interest rate risk refers to the portfolio's exposure to fair value losses arising from increasing interest rates. The Appraiser has an investment policy that limits the maturities on repurchase agreements to no more than 60 days from the date of purchase.

Credit Risk

The Appraiser's repurchase agreement was fully collateralized by U.S. Treasury, U.S. Government agencies and/or United States Government obligations.

Note 3 - Excess Commissions

In accordance with Florida Statute 218.36 the excess funds at the end of fiscal year 2019 were divided into parts for each governmental unit which was billed, and which paid for the operation of the Property Appraiser's office in the same proportion as the governmental units were originally billed. These excess funds are reported as unexpended commissions in the Financial Statements and were treated as an advance on the fiscal year 2020 second quarter budget invoices.

BROWARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 4 - Long-Term Liabilities

The Property Appraiser incurs a liability for employees' rights to receive compensation for future absences when certain conditions are met. The Property Appraiser is not legally required and does not accumulate expendable available financial resources to liquidate this obligation. A summary of changes in long-term liabilities for the fiscal year ended September 30, 2019, is as follows:

	<u>Balance</u> <u>October 1,</u> <u>2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>September 30,</u> <u>2019</u>	<u>Less</u> <u>Current</u> <u>Portion</u>	<u>Long</u> <u>Term</u> <u>Portion</u>
Compensated absences	<u>\$ 1,361,705</u>	<u>\$ 1,543,975</u>	<u>\$ (1,452,128)</u>	<u>\$ 1,453,552</u>	<u>\$ (996,869)</u>	<u>\$ 456,683</u>

Note 5 - Pension Plan

Plan Description

The Property Appraiser's employees participate in the Florida Retirement System ("FRS"), a multiple-employer, cost-sharing, defined-benefit retirement system, administered by the Florida Department of Management Services. As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the state of Florida. For a detailed plan description, see the Broward County, Florida, CAFR for the fiscal year ended September 30, 2019.

Funding Policy

The Property Appraiser's contributions to the FRS for fiscal years ended September 30, 2017 through 2019 were \$1,357,635, \$1,503,585, and \$1,631,356, respectively, which were equal to the required employer contribution for each fiscal year. Beginning in July 2011 FRS Investment Plan and Pension Plan members, except those in the Defined Retirement Option Program ("DROP"), are required to make 3% employee contributions on a pretax basis. The employees' contributions to the FRS for fiscal year ended September 30, 2019 were \$430,578.

Note 6 - Other Post-Employment Benefits

Plan Description

The Property Appraiser has a single employer defined benefit healthcare plan. The Property Appraiser plan allows its employees and their beneficiaries to continue obtaining health, dental and other insurance benefits upon retirement. The retirees are required to pay the premium(s) in advance in order to participate. The benefits of the Property Appraiser's plan conform to Florida Statutes, which are the legal authority for the plan. The plan has no assets and does not issue separate financial reports.

**BROWARD COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 6 - Other Post-Employment Benefits (cont'd)

Funding Policy and Annual Other Postemployment Benefit ("OPEB") Cost

The amount of any liability for the employees of the Broward County Property Appraiser has been reported in the September 30, 2019 Broward County, Florida CAFR. The County has also included a schedule of funding progress in their September 30, 2019 financial statements.

Nyhart, an actuarial and employee benefit firm, was engaged by Broward County to perform an actuarial valuation of its post-employment benefits provided to retiring employees. The OPEB information disclosed in the September 30, 2019 Broward County, Florida CAFR related to the Property Appraiser was provided by Broward County.

Note 7 - Insurance Coverage

The Property Appraiser participates in the County's self-insurance program for workers' compensation. Any losses above the self-insured retention limit would be covered by the Board's purchase of excess coverage. Expenditures for self-insured worker's compensation coverage charged by Broward County for the year ended September 30, 2019 was approximately \$112,580. All required payments have been made during the fiscal year.

Note 8 - Contingencies

Various lawsuits and claims arising in the ordinary course of operations are pending against the Property Appraiser. These primarily relate to property assessments within the County. The ultimate effect of such litigation cannot be ascertained at this time. In the opinion of management for the Property Appraiser, the liabilities that may arise from such action would not result in losses that would materially affect the financial position of the Property Appraiser or its changes in financial position.

Note 9 - Subsequent Events

Management has evaluated events and transactions for subsequent events that would impact the financial statements for the year ended September 30, 2019 through December 17, 2019, the date the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the financial statements.

BROWARD COUNTY PROPERTY APPRAISER
SPECIAL PURPOSE FINANCIAL STATEMENTS
OTHER INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2019

**BROWARD COUNTY PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – GENERAL FUND
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Charges for services	\$ 24,040,070	\$ 24,126,823	\$ 24,040,546	\$ (86,277)
Less unexpended portion	-	-	(473,747)	(473,747)
Miscellaneous income	<u>-</u>	<u>831,403</u>	<u>889,174</u>	<u>57,771</u>
Total Revenues	<u>24,040,070</u>	<u>24,958,226</u>	<u>24,455,973</u>	<u>(502,253)</u>
EXPENDITURES				
Current:				
General government:				
Salaries and benefits	19,456,333	20,488,346	20,418,487	69,859
Operating expenditures	2,741,738	3,128,638	3,019,752	108,886
Capital outlay	205,601	1,237,742	1,017,734	220,008
Non-operating	<u>1,636,398</u>	<u>103,500</u>	<u>-</u>	<u>103,500</u>
Total Expenditures	<u>24,040,070</u>	<u>24,958,226</u>	<u>24,455,973</u>	<u>502,253</u>
Net change in fund balance	-	-	<u>-</u>	-
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The Property Appraiser provides contractual services for non-ad valorem districts, which are not included in the budget submitted to the Department of Revenue. The Property Appraiser adopts an internal budget for these activities. Any excess revenues over expenditures at the end of the fiscal year are included in excess commissions collected in advance. Revenues budgeted internally totaled \$831,403. These budgeted revenues were offset by related budgeted expenditures of \$831,403.

BROWARD COUNTY PROPERTY APPRAISER

SPECIAL PURPOSE FINANCIAL STATEMENTS

COMPLIANCE SECTION

FOR THE YEAR ENDED SEPTEMBER 30, 2019



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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

To the Honorable Marty Kiar
Property Appraiser of Broward County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standard* issued by the Comptroller General of the United States, the special-purpose financial statements of the Property Appraiser of Broward County as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements, and have issued our report thereon dated December 17, 2019.

Internal Control over Financial Reporting

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

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

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



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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Property Appraiser's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



December 17, 2019



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE
WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

To the Honorable Marty Kiar
Property Appraiser of Broward County, Florida

We have examined the Property Appraiser of Broward County, Florida ("Property Appraiser"), compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2019. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Property Appraiser's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Property Appraiser's compliance with the specified requirements.

In our opinion, the Property Appraiser of Broward County, Florida complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2019.

December 17, 2019



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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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

To the Honorable Marty Kiar
Property Appraiser of Broward County, Florida

We have audited the special-purpose financial statements of the Property Appraiser of Broward County, Florida (the "Property Appraiser"), as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated December 17, 2019.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida Auditor General.

Other Report and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated December 17, 2019, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The name or official title and legal authority of the primary government and component unit are disclosed in the notes to the financial statements.

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Other Matters

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, and the Property Appraiser and is not intended to be and should not be used by anyone other than these specified parties.



December 17, 2019

PART IV

SUPERVISOR OF ELECTIONS' OFFICE, BROWARD COUNTY



C Borders-Byrd, CPA LLC
Accountants and Consultants

Financial Statements and Report of Independent Certified Public Accountants

Broward County Supervisor of Elections

September 30, 2019

Supervisor of Elections' Office
Broward County, Florida

Financial Statements

September 30, 2019

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Honorable Peter Antonacci
Broward County Supervisor of Elections
Broward County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Broward County, Florida Supervisor of Elections (the "Supervisor of Elections") as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' 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 an opinion on these financial statements based on our audit. 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.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Supervisor of Elections as of September 30, 2019, and the change in financial position for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Emphasis-of-Matter

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and *Rules of the Auditor General for Local Governmental Entity Audits, State of Florida* (the "Rules"). They do not purport, and do not present fairly the financial position of Broward County, Florida as of September 30, 2019, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. 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 budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2020, on our consideration of the Supervisor of Elections' internal control over financial reporting and 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 Supervisor of Elections' internal control over financial reporting and compliance.

Lauderhill, Florida
January 15, 2020

Supervisor of Elections' Office
Broward County, Florida

BALANCE SHEET - GOVERNMENTAL FUND

September 30, 2019

	<u>General Fund</u>
ASSETS	
Assets:	
Cash	\$ 537,175
Due from other government	138,898
Due from Board of County Commissioners	<u>23,646</u>
Total assets	<u><u>\$ 699,719</u></u>
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable and accrued expenses	\$ 136,528
Accrued payroll	218,408
Due to Board of County Commissioners	159,379
Unearned revenue	<u>185,404</u>
Total liabilities	<u><u>699,719</u></u>
 Fund balance	 <u>-</u>
Total liabilities and fund balance	<u><u>\$ 699,719</u></u>

The accompanying notes are an integral part of this financial statement.

**Supervisor of Elections' Office
Broward County, Florida**

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND**

For the Year Ended September 30, 2019

	<u>General Fund</u>
Revenues:	
Appropriation from Board of County Commissioners	\$ 21,190,726
Grant revenue	<u>1,021,967</u>
Total revenue	22,212,693
 Expenditures:	
Current:	
Personal services	11,168,410
Operating expenses	8,777,812
Capital expenditures	<u>2,266,471</u>
Total expenditures	22,212,693
 Net change in fund balance	-
 Fund balance, beginning of year	<u>-</u>
 Fund balance, end of year	<u><u>\$ -</u></u>

The accompanying notes are an integral part of this financial statement.

**Supervisor of Elections' Office
Broward County, Florida**

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Supervisor of Elections is an elected official in Broward County, Florida (the County), who is responsible for conducting all elections in the County, maintaining voter records and organizing various outreach programs, including seminars and voter registration drives. The Supervisor of Elections' Office (the Supervisor) is part of the overall entity of the County and is included in the financial statements of the County.

The financial statements include the General Fund of the Supervisor's office. The financial statements were prepared for the purpose of complying with Section 10.557, *Rules of the Auditor General for Local Governmental Entity Audits, State of Florida* and are not intended to be a complete presentation of the financial position of the County, or the changes in financial position and cash flows, where applicable, thereof in conformity with accounting principles generally accepted in the United States of America. Pursuant to Florida Statutes, the Supervisor's financial statements are included in the County's Comprehensive Annual Financial Report (CAFR).

The following is a summary of the more significant accounting principles and policies used in the preparation of these financial statements:

Basis of Presentation

Fund Financial Statements: The fund financial statements provide information about the Supervisor's General Fund. The General Fund, a governmental fund, is used to account for all financial resources applicable to the general operations of the Supervisor. The emphasis of fund financial statements is on major governmental funds.

Basis of Accounting and Measurement Focus

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Supervisor considers all revenues reported in the General Fund to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred. The extent to which General Fund revenues exceeded General Fund expenditures, this amount is reflected as a liability in compliance with Florida Statutes 129.202(1)(f).

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

**Supervisor of Elections' Office
Broward County, Florida**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended September 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Budgetary Requirements

The Supervisor operates under budget procedures pursuant to Florida Statute 129.202. The Supervisor's budgeting process is based on estimates of revenue and expenditures and requires that all budgets be approved by the Broward County Board of County Commissioners (the Board) after a public hearing is held. Subsequent amendments to the budget, if any, are approved by the Board.

Budgets are prepared on the basis of accounting consistent with accounting principles generally accepted in the United States of America. Expenditures may exceed the approved budget amounts for individual categories as long as total expenditures do not exceed the approved budget. Budget appropriations lapse at the end of the year and are not carried over to the following year. Any remaining fund balances are remitted to the Board at the end of each year.

Accrued Vacation and Sick Pay

The Supervisor's employees accumulate vacation and sick pay based on the number of years of continuous service. Upon termination of employment, employees can receive payment for accumulated leave in accordance with the Supervisor's policy, if they meet certain criteria. The cost of vested vacation and sick pay benefits is recognized when payments are made to employees, using the modified accrual basis of accounting.

Capital Assets

Capital assets (vehicles, equipment, and other tangible property costing at least \$1,000 with a useful life of more than one year) are recorded as capital expenditures in the fund level financial statements. Capital assets used in the operations of the Supervisor's office are recorded in the property records of the County.

NOTE 2 - CASH

At September 30, 2019, the carrying amount of the Supervisor's cash, which consists solely of demand deposits, was approximately \$537,175. Under the State of Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act," the State Treasurer requires all qualified public depositories to deposit with the Treasurer or banking institution eligible collateral having an average daily balance for each month of all public deposits that meet certain statutory requirements. The percentage of eligible collateral (generally, U.S. Government and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a public depository, the remaining public depositories would be responsible for covering any resulting losses. Therefore, all cash deposits in an approved Florida banking institution are collateralized and insured and not subject to a concentration of credit risk nor a custodial credit risk, as defined in Governmental Accounting Standards Board (GASB) Statement No. 40.

**Supervisor of Elections' Office
Broward County, Florida**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended September 30, 2019

NOTE 2 - CASH - Continued

As of September 30, 2019, all the depositories utilized by the Supervisor were qualified and eligible for public deposits pursuant to Florida Statute 280, Department Financial Services, State of Florida.

NOTE 3 - UNEARNED REVENUE

Unearned revenue represents grant funding received but not earned. As funds are expended for a specific purpose, grant revenue is recognized in accordance with the grant agreement.

NOTE 4 - RETIREMENT PLAN

The Supervisor participates in the Florida Retirement System (FRS), a cost-sharing, multiple-employer Public Employment Retirement System (PERS) totally administered by the Florida Department of Management Services. Effective July 1, 2011, the FRS requires a 3% contribution from all employees, except those enrolled in the Deferred Retirement Option Program (DROP) plan. As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the state of Florida. For financial reporting purposes, the Supervisor is deemed to be part of the primary government of Broward County, Florida. Effective October 1, 2014, the County implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. A liability, if any, related to the Supervisor's proportionate share of the FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of Broward County, Florida for the fiscal year ended September 30, 2019.

The Supervisor's contributions to the FRS for fiscal years ended September 30, 2017 through 2019 were \$371,737, \$404,548 and \$430,210 respectively, which were equal to the required contribution for each fiscal year. Employee contributions for this purpose amounted to \$94,294 and \$96,873 and \$103,834 for the fiscal years ended September 30, 2017 through 2019, respectively, which were equal to the required contribution for each fiscal year.

NOTE 5 - INSURANCE COVERAGE

The Supervisor participates in the County's self-insurance program for services other than medical and dental insurance. Payments are made to the County in the amounts needed to pay prior and current-year claims. All required payments have been made during the fiscal year. Broward County is self-insured for workers' compensation. Commercial insurance is purchased for all other risks, including property and casualty, vehicle, and public officials. Claims settlements have not exceeded insurance coverage during the fiscal year.

**Supervisor of Elections' Office
Broward County, Florida**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended September 30, 2019

NOTE 6 - LONG-TERM LIABILITIES

The Supervisor accrues a liability for employees' rights to receive compensation for future absences when certain conditions are met. The Supervisor is not legally required to and does not accumulate expendable, available financial resources to liquidate this obligation. A summary of changes in long-term liabilities for the fiscal year ended September 30, 2019 is as follows:

	Balance October 1, 2018	Additions	Reductions	Balance September 30, 2019	Due Within One Year
Compensated absences	<u>\$ 597,742</u>	<u>\$ 405,419</u>	<u>\$ 347,676</u>	<u>\$ 655,485</u>	<u>\$ 233,607</u>

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS

Plan Description and Funding Policy and Annual OPEB Cost

The Supervisor has a single-employer, defined-benefit healthcare plan, which allows its employees and their beneficiaries to continue obtaining health, dental, and other insurance benefits upon retirement. The plan does not issue separate financial reports.

Effective October 1, 2017, the County implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. A liability, if any, related to the Supervisor's proportionate share of these benefits, along with a detailed plan description, is reported in the financial statements of Broward County, Florida.

NOTE 8 – CONTINGENCIES

The Supervisor of Elections received grant funding from the State of Florida. This grant is subject to audit by the State and if found to be in error or noncompliance, could result in refunds to the grantor or decreases to future grant awards. The Supervisor of Elections' Office from time to time is involved in litigation incidental to the conduct of its business. In the opinion of management, the expected liability, from these claims, more than insurance coverage, if any, would not be material to its financial position or results of operations.

NOTE 9 – RELATED PARTIES

The Supervisor of Elections' Office on behalf of Broward County, Florida collects cash from the sale of voter rolls, precinct maps, etc. and reimbursements for municipal election expenditures. The amount collected during fiscal 2019 was approximately \$1,479,218. These amounts are remitted to the County at the end of each fiscal year. The amount Due to Board of County Commissioners consist of amounts collected from other governments for elections and the excess of appropriations over expenditures for the year ended 2019.

NOTE 10 – SUBSEQUENT EVENTS

Management has evaluated events and transactions for subsequent events that would impact the financial statements for the year ended September 30, 2019, through January 15, 2020, the date the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the financial statements.

Required Supplementary Information

**Supervisor of Elections' Office
Broward County, Florida**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND**

For the Year Ended September 30, 2019

	Original Budget	Appropriated Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Appropriation from Board of County Commissioners	\$ 18,931,850	\$ 21,211,206	\$ 21,190,726	\$ (20,480)
Help America Vote Act Grant	-	-	1,021,967	1,021,967
Total revenue	<u>18,931,850</u>	<u>21,211,206</u>	<u>22,212,693</u>	<u>1,001,487</u>
Expenditures:				
Current:				
Personal services	9,632,970	11,129,578	11,168,410	(38,832)
Operating expenditures	7,557,050	7,489,838	8,777,812	(1,287,974)
Capital expenditures	<u>1,741,830</u>	<u>2,591,790</u>	<u>2,266,471</u>	<u>325,319</u>
Total expenditures	<u>18,931,850</u>	<u>21,211,206</u>	<u>22,212,693</u>	<u>(1,001,487)</u>
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Notes to Required Supplementary Information:

The appropriated budget is prepared by fund on the same basis of accounting as required for governmental fund types and conforms with GAAP. By County budget policy, transfers of appropriations between departments and increase of appropriations at the department level require the approval of the Board. The County's legal level of budgetary control, the level at which expenditures may not legally exceed appropriations, is at the department level.

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

To the Honorable Peter Antonacci
Broward County Supervisor of Elections
Broward County, Florida

We have audited the financial statements of the Broward County, Florida Supervisor of Elections (the "Supervisor of Elections") as of and for the year ended September 30, 2019 and have issued our report thereon dated January 15, 2020. 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.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Supervisor of Elections' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Supervisor of Elections' internal control. Accordingly, we do not express an opinion on the effectiveness of the Supervisor of Elections' internal control.

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

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



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Supervisor of Elections' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Supervisor of Elections in a separate letter dated January 15, 2020.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "C. Borders-Byrd, CPA LLC".

Lauderhill, Florida
January 15, 2020

INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Peter Antonacci
Broward County Supervisor of Elections
Broward County, Florida

We have examined the Broward County, Florida Supervisor of Elections' (the "Supervisor of Elections") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2019. Management is responsible for the Supervisor of Elections' compliance with those requirements. Our responsibility is to express an opinion on the Supervisor of Elections' compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Supervisor of Elections' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

In our opinion, the Supervisor of Elections complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2019.



Lauderhill, Florida
January 15, 2020

MANAGEMENT LETTER - SUPERVISOR OF ELECTIONS' OFFICE

To the Honorable Peter Antonacci
Broward County Supervisor of Elections
Broward County, Florida

Report on the Financial Statements

We have audited the basic financial statements of the Broward County, Florida Supervisor of Elections (the "Supervisor of Elections") as of and for the fiscal year ended September 30, 2019 and have issued our report thereon dated January 15, 2020.

Auditor's Responsibility

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 and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated January 15, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In connection with the preceding audit, there were no findings and one recommendation for which corrective action was taken.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority is disclosed in the notes to the financial statements.



Financial Management

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we have the following recommendations.

2019-01 Supervision and Review

We noted that the bank reconciliations are prepared timely, however, there is no evidence of supervisor review and approval.

We noted payroll processing is performed by the finance department, however, there is no evidence of supervisor review and approval.

Recommendation

Management should consider reevaluating its staffing needs to ensure internal controls are adequate to provide for proper segregation of duties and supervisory review.

Management's Response

Currently, evidence of supervisory approval is indicated on every bank reconciliation and payroll register.

We agree with the auditor that in order strengthen our system of internal controls, specifically as it relates to proper segregation of duties, there should be an additional full-time staff person assigned to the finance department.

2019-02 Election Day Worker Disbursements

Election day workers' sign-in sheets documenting the provision of service are maintained by the field personnel. The field personnel transfers payroll related data to an excel spreadsheet and submits it to the finance department for payment. There is no evidence of supervision and review.

The finance department prepares disbursements based on the excel spreadsheets submitted from the field. There is no evidence of supervision and review.

Recommendation

Management should consider documenting their review of the transfer of data by the field personnel to the excel spreadsheet used to make election day worker payments. Additionally, the processing of payments of election day workers by finance should have documentation of review and approval.



Management's Response

Payment to a substantial amount of election workers, via a transfer of data described by the auditor, is completed through a download of payment information from the voter registration system directly to Microsoft Excel, a process that was initiated by the previous IT Director. In the future, some election workers will be required to enter their time directly into ADP's time and attendance module, which includes a robust internal control system related to the review and approval of timecards. Any additional transfer of payroll data to ADP will include proper approvals by the Department Directors responsible for hiring seasonal election workers.

2019-03 Check Inventory

We noted that the check inventory (unused checks) is not stored in a secure location. Additionally, we noted that several fraudulent checks, identified by management during the bank reconciliation process cleared the bank as of September 30, 2019 and many have not been reimbursed by the financial institution.

Recommendation

Management should consider maintaining a log of utilization of blank checks. The check inventory and check log should be maintained in a secured location.

Management's Response

Despite a contrary insinuation, the fraudulent checks at issue were not connected, in any way, to the maintenance of check stock because the fraudulent checks represent images of checks already issued and/or check numbers that do not exist. Currently, the last check available in our operating account is check number 64001, while some of the fraudulent checks were issued using check numbers in the 9 series, which does not exist.

Currently, check stock is maintained under lock and key.

Since July 2019, the current administration ordered Bank of America to attach positive pay to all bank accounts as an internal control measure to protect against fraud. It took Bank of America over 3 months to implement this important feature, which is now in effect. Moreover, Bank of America cleared fraudulent checks with the signatures of Dr. Brenda Snipes and Linda Levinson, long after both employees had resigned from office. In addition, in the teeth of Bank of America's recalcitrance, the current administration further reported these checks to legal counsel to pursue the recovery of funds.

Because Bank of America has been unresponsive, the current administration will transfer its banking relationship to Suntrust Bank in early 2020.



2019-04 Documentation of Approved Rates of Pay

We noted that there was no documentation of the approved rate of pay for certain employees in their personnel file.

Recommendation

Management should consider documenting approvals of all pay rates.

Management's Response

While management included a general pay rate approval letter in each employee's file, we agree that the letter could have been more specific. This recommendation will be implemented.

2019-05 Disbursement Approval

We noted a vendor payment which did not adhere to the purchase order policy and there was no evidence of supervisor approval.

Recommendation

Management should adhere to their policy for procurement.

Management's Response

Management strictly adheres to its policies and procedures; and it is unsurprising that out of 4,988 checks written in fiscal year 2019, audit testing revealed only 1 instance otherwise.

The current administration modernized its procurement policy to comport with industry best practices, and similar practices used by other Florida Election Supervisors.

Additional Matters

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

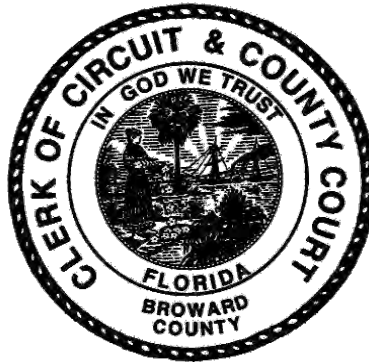
**Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Supervisor of Elections and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

Lauderhill, Florida
January 15, 2020

PART V

CLERK OF THE CIRCUIT AND COUNTY COURT



**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA**

FINANCIAL STATEMENTS

SEPTEMBER 30, 2019



**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

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**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT AUDITORS' REPORT

To Honorable Brenda Forman, Clerk of the Circuit
and County Courts of Broward County, Florida
Seventeenth Judicial Circuit of Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Clerk of the Circuit and County Courts of the Broward County, Florida, Seventeenth Judicial Circuit of Florida (the "Clerk"), as of and for the fiscal year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Clerk'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 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 from 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.

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



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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information for the Clerk as of September 30, 2019, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the governmental activities, each major fund, and the aggregate remaining fund information, only for that portion of the governmental activities, major funds, and the aggregate remaining fund information, of Broward County that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Broward County as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, budgetary comparison schedules, schedules of the proportionate share of net pension liability, schedule of employer contributions*, as listed in the table of contents, be presented to supplement the 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 financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk's basic financial statements. The schedule of changes in fiduciary net position - agency funds is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Other Matters (cont'd)

The schedule of changes in fiduciary net position - agency funds, 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of changes in fiduciary net position - agency funds is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2020 on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading "Independent Auditor's Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of The Financial Statements Performed In Accordance With *Government Auditing Standards*." The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clerk's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.



Fort Lauderdale, Florida
March 10, 2020

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

Introduction

The management of the Broward Clerk of Courts (the "Clerk") offers this narrative overview and analysis of the financial activities of the Clerk for the fiscal year ended September 30, 2019. It provides an introduction to the Clerk's 2019 financial statements. Information contained in this Management's Discussion and Analysis (MD&A) has been prepared by the Clerk's Finance Department and should be considered in conjunction with the financial statements and accompanying notes.

FINANCIAL HIGHLIGHTS

The clerks of court continue to function as fee offices with the following minor change enacted by the legislature in June 2017. That change directed clerks to record their 10% revenues, which had been locally retained, in the fine and forfeiture fund and eliminated the locally retained 10% revenues. The related expenditure authority for these 10% revenues was incorporated in the Florida Clerks of Court Operations Corporation (the "CCOC") budget process in fiscal year 2017-2018. Local fees collected in excess of 1/12 of an individual clerk's approved budget continue to be sent to the state each month.

For fiscal year 2018–2019, the Revenue Estimating Conference still determines the statewide budget for the 67 clerks. The Conference uses estimates from various participants in the budget process to determine the amount of dollars available to the clerks for the fiscal year. This estimated revenue functions as a cap in the CCOC budget approval process. The CCOC approved clerks' budgeted expenditures may not exceed that estimated revenue cap.

On April 27, 2018, in Brenda Forman v. Florida Department of Revenue, et al., the trial court found that the Broward County Clerk of Courts was unconstitutionally underfunded. Florida's Department of Revenue and Department of Financial Services appealed the trial court's ruling. Although the First District Court of Appeals reversed the trial court's unconstitutional ruling, the appellate court continued to find that "the [Broward County] Clerk proved her office was operationally underfunded." The Broward County Clerk of Courts then sought discretionary review of the appellate court's ruling with Florida Supreme Court. On November 25, 2019, the Florida Supreme Court declined to accept jurisdiction over the matter and denied the petition for review.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

FINANCIAL HIGHLIGHTS - Continued

For county fiscal year 2018-2019, the CCOC approved a state-wide clerk of the courts' budget of approximately \$425 million for the 67 clerks of the circuit court, with an approved budget for the Clerk's office of approximately \$37.6 million, which includes a specific budget allocation of \$870,364 for jury management functions.

The Clerk's office continues to be fiscally constrained by the current budget process. The Clerk struggles to keep pace with increasing health and retirement employee costs in addition to paying employees lower than average market wages.

Electronic case filings are improving case processing workloads, which alleviate staffing issues. Although electronic case filing for all case types continues to reduce paper related processes, the storage and retrieval of some paper court records still require dedicated Clerk staff. These Clerk employees continue to back scan older circuit criminal cases. Improved electronic case processing methods for civil case filings are producing additional workload efficiencies.

The following are key financial highlights for the fiscal year:

- The liabilities of the Clerk exceeded its assets and resources by \$25.6 million (net position) at September 30, 2019, versus \$22.9 million at September 30, 2018.
- The Clerk's total net position decreased by \$2.7 million in fiscal year 2019.
- As of September 30, 2019, the Clerk's governmental funds reported combined ending fund balances of \$5.6 million, an increase of approximately \$195 thousand from the prior year.
- During fiscal year 2019, the Clerk spent \$216 thousand in capital expenditures. These purchases are mostly related to computer equipment and service agreements.
- As of September 30, 2019, the Clerk's Public Records Modernization Trust Fund reported an ending fund balance of \$303 thousand.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Clerk's basic financial statements. The Clerk's basic financial statements contain three components: government-wide financial statements; fund financial statements; and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

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

The statement of net position presents information on all the Clerk's assets and liabilities. Net position is the result of assets less liabilities. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Clerk is improving or deteriorating.

The statement of activities presents information showing how the Clerk's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Clerk's office that are principally supported by court and non-court related activities.

The government-wide financial statements include the General Fund and three special revenue funds: *Court Operations Fund*, *Public Records Modernization Trust Fund* and the *Technology Trust Fund*.

Fund Financial Statements

A fund is a grouping of related accounts that is used to control resources that have been segregated for specific activities or objectives. The Clerk uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the Clerk can be divided into two categories: governmental funds and fiduciary funds.

CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019

OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

Fund Financial Statements (cont'd)

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

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

Fiduciary funds are used to account for resources held for the benefit of parties outside the Clerk's Office. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support the Clerk's operations.

Notes to Financial Statements

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

Other Information

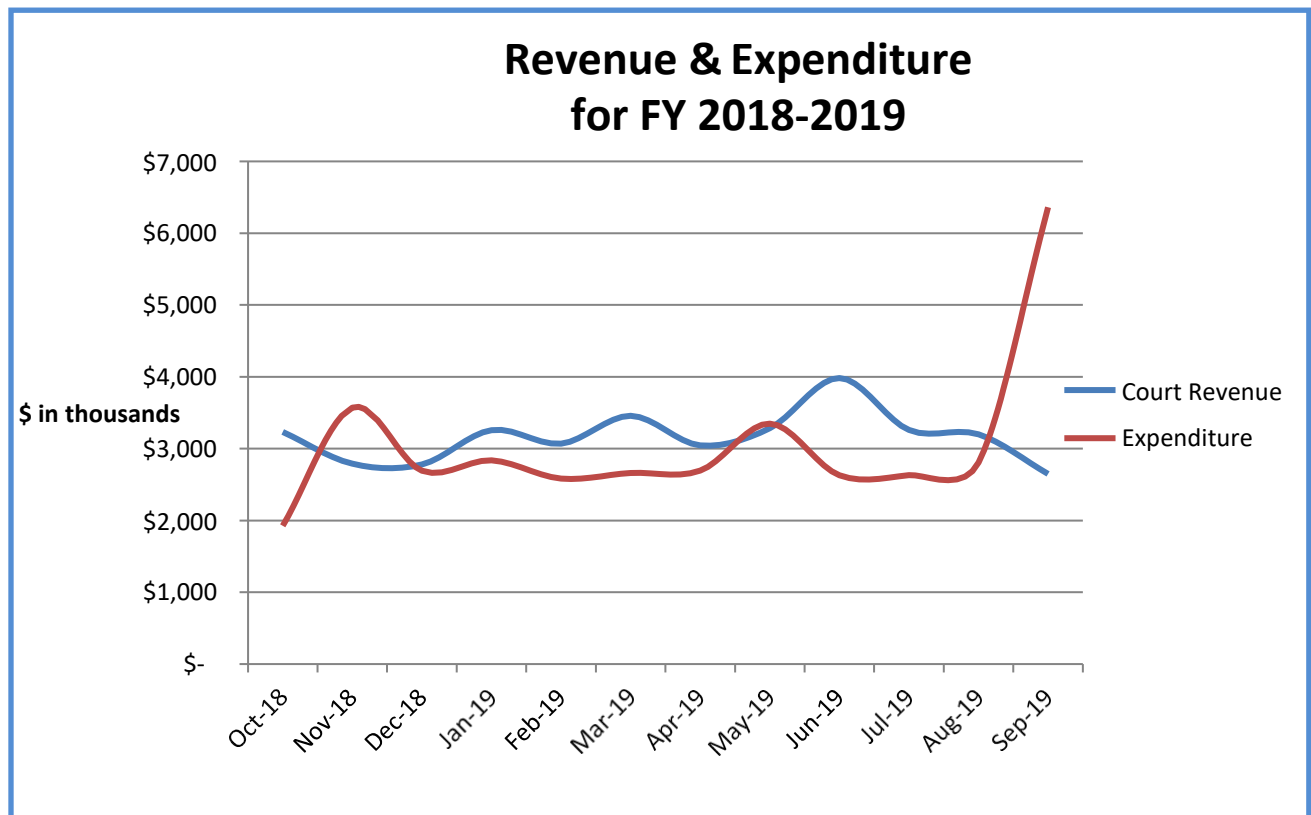
In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information containing budget to actual comparisons for the general and special revenue funds.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

GOVERNMENT- ACTIVITIES

On average for fiscal year 2018-2019, the Clerk's office generated revenues of approximately \$3.1 million each month with revenues varying between a high of \$3.9 million to a low of \$2.6 million. During the same period, the Clerk incurred expenditures of approximately \$3 million each month with expenditures varying between a high of \$6.3 million and a low of \$2.5 million. Graph 1 shows the Clerk's revenues and expenditures throughout the fiscal year.

Criminal case types during the year range from as low as 2,862 for juvenile delinquency cases to as high as 26,015 for traffic criminal cases. Civil case types range from as low as 793 for juvenile dependency cases to as high as 251,742 for traffic civil cases.

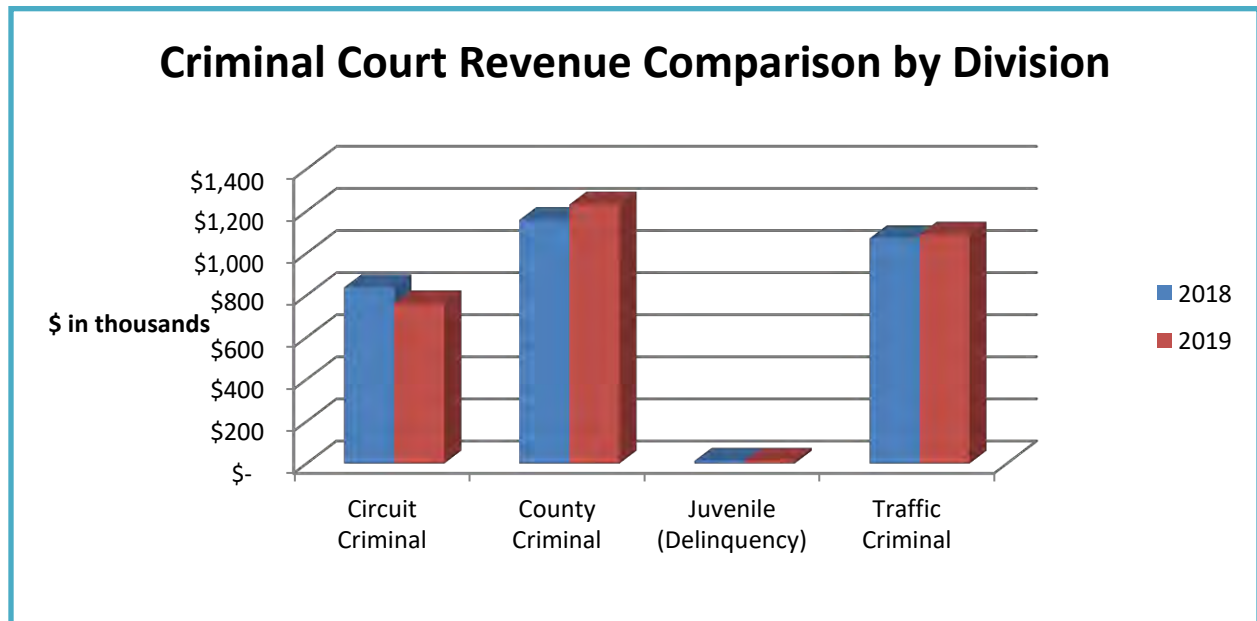


Graph 1

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

GOVERNMENT- ACTIVITIES (cont'd)

Graph 2 below compares revenues collected in criminal courts for current and prior fiscal years by case type.

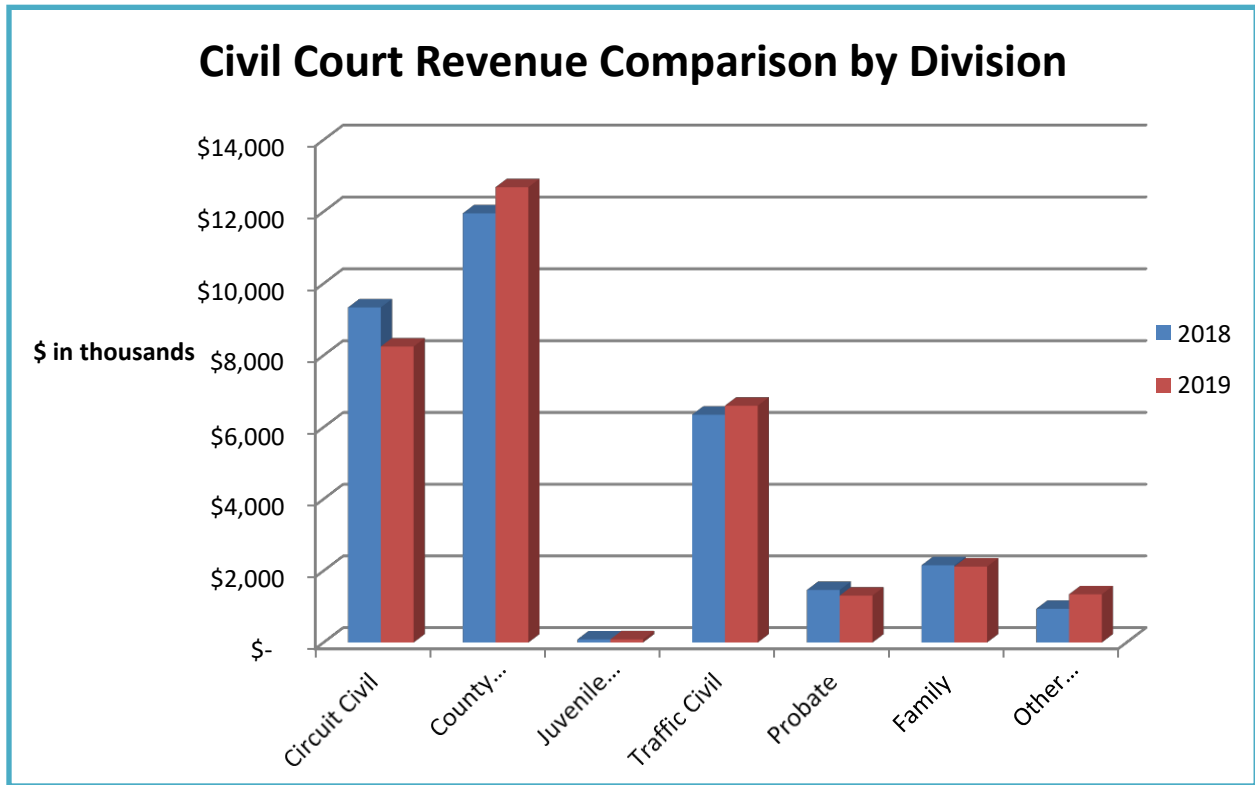


Graph 2

Revenue for criminal case types in the current fiscal year was very similar to FY 2018 with a miniscule increase of 0.45% (\$14,000) in FY 2019 compared to the prior year. The largest, variances occurred in circuit criminal where there was a 9.12% (\$76,000) decrease in revenues, while county criminal experienced a 6.31% (\$73,000) increase.

Graph 3 below compares revenues collected in civil courts for current and prior fiscal years by case type. Similarly to criminal courts, the civil courts experienced a very small increase of 0.32% (\$102,000) in revenue in FY 2019 over the prior year, with the majority of these revenues being generated in the county civil division (6.09% increase - \$728,000) and other local revenues (43.08% - \$405,000). However, these increases were off-set by decreases of 11.66% (\$1 million) and 10.70% (\$157,000) in circuit civil and probate, respectively.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**



Graph 3

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

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

Governmental Funds

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

At September 30, 2019, the Clerk's governmental funds reported combined ending fund balances of \$5.6 million, an increase of approximately \$195 thousand from the prior year.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

BUDGETARY HIGHLIGHTS

Budget and actual comparison schedules are provided in the *Basic Financial Statements* for the general fund and all major special revenue funds. The budget and actual comparison schedules show the final budgets, actual results, and variances between the final budgets and actual results for the general fund (and separately for court and non-court operations) and major special revenue funds.

Increases to the general fund court related budget are restricted by the state appropriation process and are determined by formula as found in Section 28.36, Florida Statutes.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The legislature controls the rates for filing fees and charges for services that the Clerk collects for local use and remittance to the state as mentioned above. Court related revenues used to support Clerk operations are anticipated to increase for the 2019-2020 fiscal year.

After constant decreases in the Clerk's authorized expenditure budget from fiscal year 2014 through fiscal year 2018, the Clerk anticipates an increase in the authorized expenditure budget in 2020. That increase is expected to be approximately a 9% increase over 2019 and is expected to be approximately \$40 million. However, an adequate funding solution is desperately needed to address the long term consequences of inadequate funding over the last decade.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Clerk finances for all those with an interest in the Clerk's financial operations. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Marie W. Elianor, CGFO, Chief Financial Officer
Jason Maraj, MBA, Assistant Chief Financial Officer
Broward County Clerk of Courts
201 Southeast 6th Street, #18120
Fort Lauderdale, FL 33301

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019**

(In Thousands)

ASSETS

Current assets:

Cash and cash equivalents	\$ 3,142
Restricted assets:	
Cash and cash equivalents	614
Receivables (net)	5,462
Due from primary government	208
Due from other government agencies	914
Prepaid	<u>891</u>
Total current assets	<u>11,231</u>

Capital assets:

Depreciable (net)	<u>701</u>
Total Assets	<u>11,932</u>

DEFERRED OUTFLOWS

Deferred outflows related to pensions	8,140
Deferred outflows related to OPEB	<u>277</u>
Total Deferred Outflows	<u>8,417</u>

LIABILITIES

Current liabilities:

Accounts payable	550
Accrued liabilities	2,606
Unearned revenue	2,518
Due to other government agencies	-
Liability for compensated absences	<u>763</u>
Total current liabilities	6,437

Non-current liabilities:

Liability for compensated absences	2,016
Net pension liability	29,023
Net OPEB liability	<u>3,614</u>
Total non-current liabilities	<u>34,653</u>
Total Liabilities	<u>41,090</u>

DEFERRED INFLOWS

Deferred inflows related to pension	4,749
Deferred inflows related to OPEB	<u>105</u>
Total Deferred Inflows	<u>4,854</u>

NET POSITION

Invested in capital assets	701
Unrestricted (deficit)	<u>(26,296)</u>
Total Net Position	<u>\$ (25,595)</u>

The accompanying notes are an integral part of these financial statements.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

(In Thousands)

Program expenses:

Personnel services	\$ 41,105
General operating	5,847
Depreciation	<u>276</u>
Total program expenses	<u>47,228</u>

Program revenues:

Charges for services:

Appropriations	2,836
Recording fees	3,117
Child support federal reimbursement	1,082
Filing fees	20,919
Service charges	8,998
Court costs	4,721
Judgments and fines	2,110
Other fines and/or forfeitures	<u>721</u>
Total program revenues	<u>44,504</u>

Interest Income	<u>1</u>
Total revenues	<u>44,505</u>

Change in net position	(2,723)
Beginning net position as restated	<u>(22,872)</u>
Net position, end of year	<u><u>\$ (25,595)</u></u>

The accompanying notes are an integral part of these financial statements.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	(In Thousands)				
	<u>Major Funds</u>			<u>Non-Major Funds</u>	
	<u>Special Revenue Funds</u>				
	<u>General Fund</u>	<u>Court Operations</u>	<u>Technology Trust Fund</u>	<u>Public Records Trust Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 3,568	\$ (124)	\$ 312	\$ -	\$ 3,756
Due from General Fund	-	-	526	303	829
Due from Agency Fund	639	4,708	115	-	5,462
Due from Court Operations	-	-	-	-	-
Due from Board of County Commissioners	-	65	143	-	208
Due from Other Governmental Agencies	-	914	-	-	914
Prepaid expenses	<u>-</u>	<u>891</u>	<u>-</u>	<u>-</u>	<u>891</u>
Total Assets	<u>\$ 4,207</u>	<u>\$ 6,454</u>	<u>\$ 1,096</u>	<u>\$ 303</u>	<u>\$ 12,060</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 536	\$ 14	\$ -	\$ 550
Accrued liabilities	-	2,571	35	-	2,606
Unearned revenue	-	2,518	-	-	2,518
Due to General Fund	-	-	-	-	-
Due to Public Records Trust Fund	-	303	-	-	303
Due to Technology Trust Fund	-	526	-	-	526
Due to State of Florida	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>6,454</u>	<u>49</u>	<u>-</u>	<u>6,503</u>
Fund Balances:					
Unrestricted funds	4,207	-	-	-	4,207
Restricted funds	<u>-</u>	<u>-</u>	<u>1,047</u>	<u>303</u>	<u>1,350</u>
Total fund balances	<u>4,207</u>	<u>-</u>	<u>1,047</u>	<u>303</u>	<u>5,557</u>
Total Liabilities and Fund Balances	<u>\$ 4,207</u>	<u>\$ 6,454</u>	<u>\$ 1,096</u>	<u>\$ 303</u>	<u>\$ 12,060</u>

The accompanying notes are an integral part of these financial statements.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2019**

(In Thousands)

Fund Balances - total governmental funds	\$ 5,557
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***Amounts reported for governmental activities in the statement of net position
are different as a result of:***

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

Capital assets	\$ 25,656	
Accumulated depreciation	<u>(24,955)</u>	701

Long-term liabilities applicable to the Clerk's governmental activities are not due and payable in the current period and are not reported as fund liabilities:

Compensated absences	(2,779)
Net pension liability	(29,023)
Net OPEB liability	(3,614)

Deferred outflows (inflows) of resources are reported in the statement net position

Net deferred outflow - pensions	3,391
Net deferred outflow - OPEB	<u>172</u>
Total net position - governmental activities	<u>\$ (25,595)</u>

The accompanying notes are an integral part of these financial statements.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

(In Thousands)					
	Major Funds			Non-Major Funds	
	Special Revenue Funds				
	General Fund	Court Operations	Technology Trust Fund	Public Records Trust Fund	Total Governmental Funds
Revenues:					
Federal grant	\$ -	\$ -	\$ 38	\$ -	\$ 38
Appropriation from Florida Clerks of Court Operations Corporation Under Florida Statutes 28.36(10)(a)	-	711	-	-	711
Appropriation under Florida Statutes 28.37(2)	-	2,087	-	-	2,087
Total appropriations	-	2,798	38	-	2,836
Operating Revenues:					
Recording fees	-	-	2,871	246	3,117
Child support federal reimbursement	-	1,082	-	-	1,082
Filing fees	-	20,919	-	-	20,919
Service charges	1,872	6,178	948	-	8,998
Court costs	-	4,721	-	-	4,721
Judgments and fines	-	2,110	-	-	2,110
Other fines and/or forfeitures	-	721	-	-	721
Total operating revenues	1,872	35,731	3,819	246	41,668
Interest income	-	1	-	-	1
Total Revenues	1,872	38,530	3,857	246	44,505
Expenditures:					
Personnel services	1,163	34,199	2,885	-	38,247
Operating expenses	70	4,259	1,518	-	5,847
Capital outlay	-	72	144	-	216
Total Expenditures	1,233	38,530	4,547	-	44,310
Net change in fund balances	639	-	(690)	246	195
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Fund Balance, October 1	3,568	-	1,737	57	5,362
Fund Balance, September 30	\$ 4,207	\$ -	\$ 1,047	\$ 303	\$ 5,557

The accompanying notes are an integral part of these financial statements.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

(In Thousands)

Net change in fund balances - total governmental funds	\$ 195
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Total change in net position reported for governmental activities in the statement of activities is different as a result of:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of those assets are allocated over their estimated useful lives and are reported as a depreciation expense. In the statement of activities, only the loss on disposed capital assets is reported. The change in net position differs from the change in fund balance by the carrying value of capital assets disposed.

Expenditures for capital assets	\$ 216	
Current year depreciation	<u>(276)</u>	(60)

Some expenses reported in the statement of activities do not require the use of financial resources and therefore are not reported as expenditures in governmental funds. These expenses are:

Change in compensated absences	(32)
The net effect of pension contribution expenses to increase net position	(2,681)
The net effect of OPEB expenses	<u>(145)</u>
Change in net position of governmental activities	<u><u>\$ (2,723)</u></u>

The accompanying notes are an integral part of these financial statements.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION – AGENCY FUNDS
SEPTEMBER 30, 2019**

(In Thousands)

ASSETS

Cash and short-term investments	\$ 61,064
Total Assets	<u>\$ 61,064</u>

LIABILITIES

Due to primary government	\$ 35
Due to Broward County	755
Due to general fund	5,347
Due to technology fund	115
Un-remitted cash bond collections	1,893
Un-remitted court registry collections	47,229
Un-remitted fines, forfeitures and costs	5,130
Un-remitted filing, other fees and interest income	4
Un-remitted jury and witness advances	<u>556</u>
Total Liabilities	<u>\$ 61,064</u>

The accompanying notes are an integral part of these financial statements.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 1 - Financial Reporting Entity

Under Article V to the Florida Constitution the clerks are funded through fines, filing fees and service charges. The Florida legislature establishes the fees associated with court related functions and the legislature passes various bills to implement the funding requirements under Article V. Establishing the fees for court services through the legislative process affects every clerk of the courts in Florida and those individuals and agencies using the Florida court system.

The clerks of court are required to prepare annual court related budgets and submit them to the CCOC. Budget revisions and amendments for individual clerk offices must also pass through the CCOC and comply with the state-wide revenue estimation provided by the Revenue Estimating Conference.

The clerks of courts continue to be funded by fees collected locally. As required under the Florida statutes, monthly revenues collected in excess of 1/12 of a clerk's approved budget are remitted to the state. The monthly portion of local fees collected up to 1/12 of a clerk's budget is retained for operational expenditures.

Broward County, (the "County") is mandated to provide facilities, security, and communications under Section 29.008, Florida Statutes. Additionally, recording fees remitted to the Clerk from Broward County are set aside for technology needs and support services (including technology related salaries).

Under Article V, the Clerk functions as an administrative office of the judiciary. The Clerk's duties are specified in the Florida statutes and the Broward County Charter. The Clerk conducts various administrative and financial functions as required by state law, local ordinances, and administrative orders. The office serves a 1,205 square mile region of South Florida containing a population of nearly 1.7 million residents. The Clerk is included in the county's general-purpose financial statements. An elected official leads the organization of approximately 815 budgeted employees in various divisions providing support to fifty-eight circuit court judges, thirty-two county court judges, and eleven general magistrates/hearing officers, as well as providing services to the general public and other governmental agencies.

The Clerk's core services include recording judicial decisions in criminal court proceedings on official documents; filing and retrieving official records such as arrest warrants, information, traffic citations, affidavits, other court related documents in both criminal and civil proceedings, and marriage licenses; collecting court fees, fines, service charges, and forfeitures; creating court dockets; sending notices to participants in legal proceedings; reinstating driver's licenses; and processing online payments through the internet at www.browardclerk.org.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 1 - Financial Reporting Entity (cont'd)

As noted above, the Florida legislature establishes the amounts the Clerk collects for service charges, court costs, and fees. The Clerk receives a subsidy from the Justice Administration Commission for court related juror payments, including juror meals, lodging costs, and jury management costs. The Clerk continues to be tasked with the primary determination of indigent status, which means no fees are collected for case processing.

The financial statements presented include the funds of the Clerk's office. The accompanying financial statements are prepared in compliance with Section 10.550, *Rules of the Auditor General for Local Government Entity Audits*, and are not intended to be a complete presentation of the financial position of the County or the changes in financial position and cash flows of the County. However, the financial statements conform to accounting principles generally accepted in the United States of America. Pursuant to Florida statutes, the Clerk's financial statements are included in the County's general-purpose financial statements.

Note 2 - Summary of Significant Accounting Policies

Basis of presentation

The Clerk's method of financial statement reporting conforms to Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion & Analysis for State and Local Governments*. The government-wide financial statements, consisting of the statement of net position and the statement of activities, report information on all of the non-fiduciary activities of the Clerk's office. For the most part, the effect of inter-fund activity has been removed from these statements. Only governmental activities have been reported for the current year.

The statement of activities demonstrates the degree to which the program expenditures are offset by program revenues and appropriations. Direct expenditures are those that are clearly identifiable with a specific function or identifiable activity. Program revenues include charges to customers who use, or directly benefit from, services provided by a given function or identifiable activity and other revenues and appropriations that are often restricted to meeting the operational or capital requirements of a particular function or identifiable activity. Other revenue items not properly included among program revenues are reported instead as general revenue.

Separate fund financial statements are provided for governmental funds, general fund, special revenue funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 2 - Summary of Significant Accounting Policies (cont'd)

Governmental Funds

Major Governmental Funds

General Fund - The General Fund accounts for all revenues and expenditures applicable to the Clerk's non-court related operations of marriage licenses, passport applications and parking citation processing. All operating revenues that are not specifically restricted or designated as to use are recorded in the General Fund. The General Fund is considered a major fund as defined in GASB Statement No. 34.

Special Revenue Fund - Court Operations - The Special Revenue Fund accounts for revenue sources that are legally restricted to expenditures for specific purposes. These funds include proceeds of specific revenue related to the Public Records Modernization and Technology Trust Funds. The State approves the use of these locally collected funds to the clerks of the courts through an appropriation process pursuant to Section 28.36, Florida Statutes.

Special Revenue Fund - Technology Trust Fund - The Technology Trust Fund is supported by a statutory \$4.00 county recording fee, of which the Clerk receives \$1.90, and charges related to technology provided services. This fund accounts for specific revenue restricted to technology related expenditures in support of the Clerk's information and technology endeavors.

Non-major Governmental Funds

Special Revenue Fund - Public Records Trust Fund - Section 28.24 of the Florida Statutes entitles the Clerk to receive 25% of the moneys deposited by the County into the Public Records Modernization Trust Fund for equipment, maintenance of equipment, training, and technical assistance in modernizing the system for storing and maintaining records in the office of the Clerk. Related revenues and expenditures for the fiscal year ended September 30, 2019, were as follows (in thousands):

Revenues	\$ 246
Expenditures	<u>-</u>
Net change in fund balance	246
Fund Balance, October 1	<u>57</u>
Fund Balance, September 30	<u><u>\$ 303</u></u>

CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 2 - Summary of Significant Accounting Policies (cont'd)

Fiduciary Funds

Agency Fund - The Agency Fund accounts for assets held by the Clerk in a fiduciary capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These assets include amounts deposited in the Clerk's court registry accounts and amounts collected for fines, forfeitures and costs, cash bonds, filings, other fees and interest income, judicial sales and other miscellaneous items.

Measurement Focus and Basis of Accounting

The financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences, claims and judgments are recorded only when payment is due.

Pronouncements Issued, Not Yet Effective, and Recently Adopted

The GASB issued Statement No. 83, *Certain Asset Retirement Obligations*; addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The provisions of this Statement are effective for the financial reporting periods beginning after June 15, 2018. Management has determined that this statement will have no effect on the Clerk's financial statements.

The GASB issued Statement No. 84, *Fiduciary Activities*; the objective is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The provisions of this Statement are effective for the financial reporting periods beginning after December 15, 2018. Management has determined that this statement will have no effect on the Clerk's financial statements.

CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 2 - Summary of Significant Accounting Policies (cont'd)

Pronouncements Issued, Not Yet Effective, and Recently Adopted (cont'd)

The GASB issued Statement No. 87, Leases; the objective is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The provisions of this Statement are effective for the financial reporting periods beginning after December 15, 2019. Management has determined that this statement will have no effect on the Clerk's financial statements.

The GASB issued Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established.

The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not consistently provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms associated with debt will be disclosed. The provisions of this Statement are effective for the financial reporting periods beginning after June 15, 2018. Management has determined that this statement will have no effect on the Clerk's financial statements.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 2 - Summary of Significant Accounting Policies (cont'd)

Pronouncements Issued, Not Yet Effective, and Recently Adopted (cont'd)

The GASB issued Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The provisions of this Statement are effective for the financial reporting periods beginning after December 15, 2019. Management has determined that this statement will have no effect on the Clerk's financial statements.

The GASB issued Statement No. 90, Majority Equity Interest – an amendment of GASB Statements No.14 and No. 61. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition. The provisions of this Statement are effective for the financial reporting periods beginning after December 15, 2018. Management has determined that this statement will have no effect on the Clerk's financial statements.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 2 - Summary of Significant Accounting Policies (cont'd)

Pronouncements Issued, Not Yet Effective, and Recently Adopted (cont'd)

The GASB issued Statement No. 91, *Conduit Debt Obligations*; in May 2019, the primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. Management has determined that this statement will have no effect on the Clerk's financial statements.

Encumbrances

Encumbrance accounting (used in accounting for General Fund Types) records purchase orders, contracts and other commitments for the expenditure of moneys in order to reserve that portion of the applicable appropriation. Both the General and Special Revenue Funds use encumbrance accounting when recording purchase orders.

Stewardship, Compliance, Accountability, and Budgetary Information

State statutes require all county governments to establish budgetary systems and to approve balanced annual budgets for such funds as required by law or by sound financial practices and accounting principles generally accepted in the United States. The Clerk is required to prepare an annual budget for its court related operations using a process established by law and approved by the CCOC and the Florida Department of Financial Services.

General Fixed Assets

Certain tangible personal property acquired during the fiscal year is a capital outlay expenditure recorded in the Governmental Fund Types at the time of purchase. Under Florida law, the County provides office space, telecommunications, courier transportation, and security services used in the Clerk's operations at no cost to the Clerk.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 2 - Summary of Significant Accounting Policies (cont'd)

General Fixed Assets(cont'd)

Capital assets, which include furniture, computer, and office equipment, are reported in the government-wide financial statements. Capital assets are defined by the Clerk as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or do not materially extend the life of the asset are not capitalized.

Capital assets of the Clerk are depreciated using the straight-line method over the assets' estimated useful lives ranging from 3 to 30 years.

Employee Benefits

The Clerk's employees accumulate vacation and sick pay based on the number of years of continuous service. Upon termination of employment, employees may receive payment for accumulated leave in accordance with criteria outlined in the Clerk's organizational policies and Florida statutes. The cost of earned but unused vacation leave is accrued only to the extent that the leave will result in cash payments at termination. Actual cost of vested vacation and sick pay benefits is recognized when paid to employees. The Clerk records pension costs in the period salaries are earned (See Note 8).

The Clerk offers employees a deferred compensation plan (the "Plan") as established in accordance with Internal Revenue Code Section 457. The Plan is available to Clerk's employees and permits them to defer a portion of their salary until termination, retirement, death, or unforeseeable emergency. In accordance with federal law, all assets and income of the Plan are held in trust accounts, custodial accounts or annuity contracts by third party administrators for the exclusive benefit of the participants and their beneficiaries. The Clerk's involvement is limited to transmitting to plan administrators those amounts withheld from employees through payroll deductions. The Plan administrators perform all investing functions. Through contractual agreement and applicable law, plan assets will not be diverted for any other purpose and, therefore, are excluded from Agency Fund reporting.

Government Grants and Matching Contributions

The Clerk recognizes grant revenues, received as reimbursements for specific purposes, when the expenditures are incurred.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 2 - Summary of Significant Accounting Policies (cont'd)

Net Position

Net position represents the difference between assets and liabilities and is reported as restricted when limitations are imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement section, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expenses/expenditure) until that time. The Clerk currently reports deferred outflows related to pensions and OPEB in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement section, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Clerk currently reports deferred inflows related to pensions and OPEB in the government-wide statements.

Pensions

In the governmental activities, Statement of Net Position, pension liabilities are recognized for the Clerk's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources related to pensions, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan (Pension Plan) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to and deductions from the Pension Plan's and the HIS's fiduciary net position have been determined on the same basis as they are reported by the Pension Plan and HIS plans. Changes in the net pension liability during the period are recorded as pension expense, deferred outflows of resources, or deferred inflows of resources depending on the nature of the change. Those changes in the net pension liability that are recorded as deferred outflows of resources or deferred inflows of resources that arise from changes in actuarial assumptions or other inputs, changes in the proportionate share of the net pension liability, and differences between expected or actual experience are amortized over the average expected remaining service lives of all employees that are provided with pensions through the pension plans and recorded as a component of pension expense beginning with the period in which they arose. Differences between projected and actual investment earnings are reported as deferred outflows of resources or deferred inflows of resources and are amortized as a component of pension expense using a systematic and rational method over a five year period.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 2 - Summary of Significant Accounting Policies (cont'd)

Use of Estimates

Management's estimates and assumptions, required by generally accepted accounting principles, affect the reported assets, liabilities, and disclosures for contingent assets and liabilities as of the date of the financial statements as well as the revenues and expenditures for the reported period. Actual results could differ from those estimates.

Note 3 - Cash and Cash Equivalents

At September 30, 2019, the carrying amount of the Clerk's Governmental Fund's operating cash and short-term investments, including repurchase agreements, had an approximated market value of \$3.8 million. The carrying amount of Agency Fund cash and short-term investments at September 30, 2019, consists of approximately \$48 million in demand deposits and approximately \$13 million in repurchase agreements.

The Clerk's investment practices are governed by Florida Statutes, Chapters 125 and 280, which allow the Clerk to invest temporarily idle cash in designated depository financial institutions, interest bearing certificates, or any direct U.S. Government obligations or repurchase agreements.

Deposit balances are insured by either the Federal Depository Insurance Corporation or the State of Florida Multiple Financial Institution Collateral Pool; therefore, for the purpose of classification in accordance with Governmental Accounting Standards Board Statement No. 40, bank balances are considered fully secured but not insured and, accordingly, contain custodial credit risk.

Repurchase agreements are with a financial institution and collateralized by U.S. Government obligations held by the financial institution, segregated for the Clerk, but not held in the Clerk's name. For classification purposes in accordance with Governmental Accounting Standards Board Statement No. 40, these investments are considered fully secured, insured by the financial institution, registered in the State of Florida.

Note 4 - Capital Assets

The following is a summary of capital assets activity during the current year (in thousands):

	Beginning Balance	Increases	Ending Balance
Furniture and equipment	\$ 25,440	\$ 216	\$ 25,656
Less accumulated depreciation	<u>(24,679)</u>	<u>(276)</u>	<u>(24,955)</u>
Total capital assets	<u>\$ 761</u>	<u>\$ (60)</u>	<u>\$ 701</u>

Depreciation expense recognized during the current year was approximately \$276 thousand.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
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SEPTEMBER 30, 2019**

Note 5 - Intergovernmental Transactions

The amount due from other governmental agency of approximately \$914 thousand represents reimbursable costs incurred and accrued but not yet received as of the year ended September 30, 2019, \$225 thousand for the Child Support Enforcement Program funded by the Florida Department of Revenue, and a reimbursement mechanism from the Clerk of Courts Operations Corporation of \$689 thousand, pursuant to Section 28.37(2), Florida Statutes.

Note 6 - Appropriations

Court Operations

In accordance with Florida statutes governing fines, fees, service charges and costs remitted to the state, the Clerk must remit to the Florida Department of Revenue the portion of collected fines, fees, service charges and court costs each month in excess of 1/12 of the Clerk's approved budget under Section 28.37(2), Florida Statutes.

For the county fiscal year (CFY) 2018-2019, the Florida Legislature appropriated a clerk of courts statewide budget cap of approximately \$425 million. The CCOC's CFY 2018-2019 spending authority apportioned from this total for the Broward Clerk of Courts is approximately \$37.5 million.

The CCOC's current calculation method for determining surplus funds, which are due to the state in January of each year for the most recent fiscal year just ended, matches the previous month's collections to the following month's expenditures. This calculation method is based on the CCOC's legal counsel's opinion of the statute concerning the clerks of courts budget process.

The 2019 fiscal year revenue and state appropriations from the Clerk's Trust Fund was less than the Clerk's expenditures by approximately \$609 thousand; therefore, the Clerk will be reimbursed by the CCOC for the shortage.

As previously stated, the clerks of court are funded by fees collected locally as opposed to a specific line item appropriation from the state. As required under the Florida Statutes, monthly revenues collected in excess of 1/12 of a clerk's approved budget using the calculation method discussed above are remitted to the state. The monthly portion of local fees collected up to 1/12 of a clerk's budget is retained for operations independent of monthly expenditures.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 7 - Related Party Transactions

The Broward County Board of County Commissioners (the "Board") also provides various non-cash resources to the Clerk throughout the fiscal year. Such non-cash resources include, but are not limited to, the use of data processing facilities, office space, and telecommunications equipment.

For the fiscal year ended September 30, 2019, the Clerk's office recorded the following amounts due to and from the Board (in thousands):

	Governmental Funds	Fiduciary Funds
Due from the Board for reimbursements not yet received	\$208	-
Due to the Board as a component of unremitted fines, forfeitures and costs	-	\$755

The Clerk utilizes the self-insurance program of the Board. The self-insurance program provides coverage against workers' compensation claims (for losses up to \$500 thousand per claim). The self-insurance program indemnifies each participant against any losses in a given year. Expenditures for insurance coverage charged by the Board for the fiscal year ended September 30, 2019, is approximately \$427 thousand.

Note 8 - Pension Costs

Retirement Plans

All of the Clerk's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the Pension Plan and the Retiree Health Insurance Subsidy (HIS Plan). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (Investment Plan) alternative to the Pension Plan, which is administered by the State Board of Administration (SBA). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Florida Legislature establishes and may amend the contribution requirements and benefit terms of all FRS plans.

The plan administrator for FRS prepares and publishes its own stand-alone comprehensive annual financial report, including financial statements and required supplementary information.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 8 - Pension Costs

Retirement Plans (cont'd)

Copies of this report can be obtained from the Department of Management Services, Division of Retirement, Bureau of Research and Member Communications, P.O. Box 9000 Tallahassee, Florida 32315-9000; or at the Division's website (www.frs.myflorida.com).

A. Pension Plan - Florida Retirement System (FRS)

Plan Description - The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees.

The general classes of membership for the Clerk are as follows:

- Regular Class - Members of the FRS who do not qualify for membership in the other classes
- Senior Management Service Class (SMSC) - Members in senior management level positions
- Elected Officers' Class (EOC) – Members who hold specified elected offices of local government

Employees enrolled in the Pension Plan prior to July 1, 2011, vest after six years of creditable service, and employees enrolled in the Pension Plan on or after July 1, 2011, vest after eight years of creditable service. Regular Class, SMSC and EOC members initially enrolled in the Pension Plan before July 1, 2011, once vested, are eligible for normal retirement benefits at age 62 or at any age after 30 years of creditable service. Members in these classes initially enrolled in the Pension Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Early retirement may be taken any time after vesting within 20 years of normal retirement age; however, there is a 5.0% benefit reduction for each year prior to the normal retirement age.

DROP is available under the Pension Plan when the member first reaches eligibility for normal retirement. The DROP allows a member to retire while continuing employment for up to 60 months. While in the DROP, the member's retirement benefits accumulate in the FRS Trust Fund increased by a cost-of-living adjustment each July and earn monthly interest equivalent to an annual rate of 1.30% on the preceding months.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 8 - Pension Costs (cont'd)

A. Pension Plan - Florida Retirement System (FRS) (cont'd)

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

The following chart shows the percentage value for each year of service credit earned.

Class, Initial Enrollment, and Retirement Age/Years of Service	% Value (Per Year of Service)
Regular Class Members Initially Enrolled Before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60%
Retirement at age 63 or with 31 years of service	1.63%
Retirement at age 64 or with 32 years of service	1.65%
Retirement at age 65 or with 33 or more years of service	1.68%
Regular Class Members Initially Enrolled On or After July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60%
Retirement at age 66 or with 34 years of service	1.63%
Retirement at age 67 or with 35 years of service	1.65%
Retirement at age 68 or with 36 or more years of service	1.68%
Senior Management Service Class	2.00%
Elected Officers' Class	
Service as Governor, Lt. Governor, Cabinet Officer, Legislator, state attorney, public defender, elected county officer, or elected official of a city or special district that chose EOC membership for its elected officials	3.00%

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 8 - Pension Costs (cont'd)

A. Pension Plan - Florida Retirement System (FRS) (cont'd)

The benefits received by retirees and beneficiaries are increased by a cost-of-living adjustment (COLA) each July. If the member was initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before that time, the annual COLA is 3.0% per year. The annual COLA for retirees with an effective retirement date or DROP date beginning on or after August 1, 2011, who were initially enrolled before July 1, 2011 is a proportion of 3.0% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3.0%. Pension Plan members initially enrolled on or after July 1, 2011, will not have a COLA after retirement.

Contributions - Effective July 1, 2011, all enrolled members of the Pension Plan, other than DROP participants, are required to contribute 3.0% of their salary to the Pension Plan. In addition to member contributions, governmental employers are required to make contributions to the Pension Plan based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from July 1, 2018, through June 30, 2019, and from July 1, 2019, through September 30, 2019, respectively, were as follows: Regular – 6.54% and 6.75%; Senior Management Service – 22.34% and 23.69%; DROP participants – 12.37% and 12.94% and Elected Officials – 46.98% and 47.10%. These employer contribution rates do not include the HIS Plan contribution rate and the administrative cost assessment.

For the fiscal year ending September 30, 2019, contributions, including employee contributions, to the Pension Plan for the Clerk totaled \$1.8 million.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2019, the Clerk reported a liability of \$20.4 million for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The Clerk's proportionate share of the net pension liability was based on its share of the Clerk's 2018-2019 fiscal year contributions relative to the 2018-2019 fiscal year contributions of all participating members.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 8 - Pension Costs (cont'd)

A. Pension Plan - Florida Retirement System (FRS) (cont'd)

For the fiscal year ended September 30, 2019, the Clerk recognized pension expense of \$5 million. In addition, the Clerk reported deferred outflows of resources and deferred inflows of resources related to the Pension Plan from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,213	\$ (13)
Change of Assumptions	5,251	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(1,131)
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	31	(1,486)
Pension Plan Contributions Subsequent to the Measurement Date	444	-
Total	\$ 6,939	\$ (2,630)

The deferred outflows of resources related to the Pension Plan totaling \$444 thousand for the Clerk resulting from 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, 2020. 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 (in thousands):

<u>Years Ending September 30</u>	<u>Deferred Outflows/ (Inflows) Net</u>
2020	\$ 1,457
2021	389
2022	1,213
2023	868
2024	81
Thereafter	(143)
Total	\$ 3,865

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 8 - Pension Costs (cont'd)

A. Pension Plan - Florida Retirement System (FRS) (cont'd)

Actuarial Assumptions - The total pension liability in the July 1, 2019, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.60%
Salary Increases	3.25% average, including inflation
Investment Rate of Return	6.90%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions that determined the total pension liability as of June 30, 2019 were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018. The assumptions used in the July 1, 2019 valuation were unchanged from those used in the prior valuation as of July 1, 2018 except for the investment rate of return assumption which was decreased from 7.00% to 6.90%.

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:

<i>Asset Class</i>	<i>Target Allocation*</i>	<i>Annual Arithmetic Return</i>	<i>Compound Annual (Geometric) Return</i>	<i>Standard Deviation</i>
Cash	1.0%	3.3%	3.3%	1.2%
Fixed Income	18.0%	4.1%	4.1%	3.5%
Global Equity	54.0%	8.0%	6.8%	16.5%
Real Estate (Property)	10.0%	6.7%	6.1%	11.7%
Private Equity	11.0%	11.2%	8.4%	25.8%
Strategic Investments	6.0%	5.9%	5.7%	6.7%
Total	100.0%			
Assumed Inflation - Mean			2.6%	1.7%

**As outlined in the Pension Plan's investment policy.*

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 8 - Pension Costs (cont'd)

A. Pension Plan - Florida Retirement System (FRS) (cont'd)

Discount Rate - The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions will be made at the statutorily required rates. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation of the total pension liability is equal to the long-term expected rate of return. The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the valuations of the defined benefit pension plans pursuant to Section 216.136(10), Florida Statutes. The 6.90% rate of return assumption used in the June 30, 2019 calculations was determined by the Plan's consulting actuary to be reasonable and appropriate per Actuarial Standard of Practice No. 27 (ASOP 27) for accounting purposes which differs from the rate used for funding purposes which is used to establish the contribution rates for the Pension Plan. The discount rate used in the July 1, 2018 valuation was 7.00%.

Sensitivity of the Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the Clerk's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.90%) or one percentage point higher (7.90%) than the current rate (in thousands):

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Proportional Share of the Net Pension Liability	\$35,344	\$20,446	\$8,003

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

Payables to the Pension Plan - The Clerk reported payables in the amount of \$139 thousand for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2019.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 8 - Pension Costs (cont'd)

B. Retiree Health Insurance Subsidy Program (HIS) Plan

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

Benefits Provided - For the fiscal year ended September 30, 2019, 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 these benefits, a retiree under a State administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2018, the HIS contribution rate was 1.66%. The Clerk contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

For the fiscal year ending September 30, 2019, contributions to the HIS Plan for the Clerk totaled \$524 thousand.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2019, the Clerk reported a liability of \$8.6 million for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. Liabilities originally calculated as of the actuarial valuation date have been recalculated as of June 30, 2019 using a standard actuarial roll-forward technique. The Clerk's proportionate share of the net pension liability was based its share of the county's 2018-2019 fiscal year contributions relative to the 2018-2019 fiscal year contributions of all participating members.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 8 - Pension Costs (cont'd)

B. Retiree Health Insurance Subsidy Program (HIS) Plan (cont'd)

For the fiscal year ended September 30, 2019, the Clerk recognized pension expense of \$303 thousand. In addition, the Clerk reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 104	\$ (11)
Change of Assumptions	993	(701)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	6	-
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	-	(1,408)
Pension Plan Contributions Subsequent to the Measurement Date	99	-
Total	\$ 1,202	\$ (2,120)

The deferred outflows of resources related to the HIS Plan, totaling \$99 thousand for the Clerk, resulting from 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, 2020. 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 (in thousands):

<u>Years Ending September 30</u>	<u>Deferred Outflows/ (Inflows) Net</u>
2020	\$ (281)
2021	(48)
2022	(109)
2023	(235)
2024	(172)
Thereafter	(172)
Total	\$ (1,017)

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 8 - Pension Costs (cont'd)

B. Retiree Health Insurance Subsidy Program (HIS) Plan (cont'd)

Actuarial Assumptions - Actuarial valuations for the HIS plan are conducted biennially. The July 1, 2018 HIS valuation is the most recent actuarial valuation and was used to develop the liabilities for June 30, 2019. Liabilities originally calculated as of the actuarial valuation date have been recalculated as of June 30, 2019 using a standard actuarial roll-forward technique. The total pension liability as of June 30, 2019 was determined using the following actuarial assumptions:

Inflation	2.60%
Salary Increases	3.25% average, including inflation
Municipal bond index	3.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions that determined the total pension liability as of June 30, 2019 were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018.

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2019 was 3.50%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to 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 FRS Actuarial Assumption Conference. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate used in the June 30, 2018 liability measurement was 3.87%. The change between the two measurement dates is due to the changes in the applicable municipal bond index between the dates.

Sensitivity of the Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the Clerk's proportionate share of the net pension liability calculated using the discount rate of 3.50%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.50%) or one percentage point higher (4.50%) than the current rate (in thousands):

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
Proportional Share of the Net Pension Liability	\$9,791	\$8,577	\$7,566

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 8 - Pension Costs (cont'd)

B. Retiree Health Insurance Subsidy Program (HIS) Plan (cont'd)

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

At September 30, 2019, the Clerk had no outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2019.

C. Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the defined benefit pension plan. Clerk employees participating in 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 State Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class, as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members.

Allocations to the investment member's accounts during the 2018-2019 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows:

Membership Class	Percentage of Gross Compensation
FRS Regular	6.30
FRS Senior Manager Service	7.67
Elected Officers' Class	11.34

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 8 - Pension Costs (cont'd)

C. Investment Plan (cont'd)

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 Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested 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 the account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Clerk.

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 elect any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or the member may remain in the Investment Plan and rely upon that account balance for retirement income.

The Investment Plan pension expense for the Clerk totaled \$753 thousand for the fiscal year ended September 30, 2019.

The Clerk reported payables in the amount of \$57 thousand for outstanding contributions to the Investment Plan required for the fiscal year ended September 30, 2019.

Note 9 - Other Post-Employment Benefits (OPEB)

The Clerk is included in Broward County's engagement of an actuarial firm to determine the estimated obligation associated with post-employment health insurance benefits. The Clerk provides its own single-employer, defined-benefit healthcare plan, however. The plan allows its employees and their beneficiaries to continue obtaining health, dental and other insurance benefits upon retirement. The benefits of the plan conform to Florida statutes, which are the legal authority for the plan. The plan has no assets and does not issue separate financial reports.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 9 - Other Post-Employment Benefits (OPEB) (cont'd)

Plan Description: The Clerk offers a single-employer defined benefit plan (OPEB plan) that subsidizes the cost of health care for its retirees and eligible dependents. The Clerk allows retirees and certain other former employees to buy healthcare coverage at the same “group insurance rates” that current employees are charged. Although retirees pay for healthcare at group rates, they are receiving a valuable benefit because they can buy insurance at costs that are lower than the costs associated with the experience rating for their age bracket. The availability of this lower cost health insurance represents an “implicit subsidy” for retirees.

Benefits Provided

The Clerk provides retirees health insurance coverage at current health insurance rates plus an additional 2% for administrative costs.

Funding Policy

The Plan is funded on a pay as you go basis based upon the costs of the health plans offered. No assets are accumulated in an OPEB qualified trust to offset future actuarial liabilities for implicit subsidies.

Plan Membership

At October 1, 2018, the date of the latest actuarial valuation, plan participation consisted of the following:

Active participants	642
Retired participants	10
	652

Total OPEB Liability

The Clerks’ total OPEB liability of \$3,613,702 was measured as of September 30, 2019, and was determined by an actuarial valuation as of that date.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 9 - Other Post-Employment Benefits (OPEB) (cont'd)

Actuarial Assumptions and Other Inputs

Valuation Date:	October 1, 2018
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Measurement Date:	September 30, 2019
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Methods and Assumptions Used to Determine Total OPEB Liability:

Actuarial Cost Method	Entry Age Normal
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Inflation	2.6%
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Discount Rate	4.15% as of October 1, 2018 and 3.58% as of September 30, 2019.
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Payroll Growth	Payroll growth rates including general wage inflation of 3.25% (2.60% general inflation and 0.65% real wage growth) plus merit/productivity increases are based on the Florida Retirement System actuarial valuation as of July 1, 2018.
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Retirement Age	Retirement rate assumptions are based on the Florida Retirement System actuarial valuation as of July 1, 2018.
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Mortality	Assumptions are based on the Florida Retirement System actuarial valuation as of July 1, 2018.
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Healthy retirees – Male: RP-2000 generational scale BB with 100% white collar for females and 50/50 white collar/blue collar for males.

Disabled retirees - Male: RP-2000, 100% disabled male setback four years, no projection scale. Female: RP-2000, 100% disabled female set forward two years, no projection scale.

Retirees Share of Benefit - Related Costs	Retirees are responsible for full premium rates.
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**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 9 - Other Post-Employment Benefits (OPEB) (cont'd)

Actuarial Assumptions and Other Inputs (cont'd)

Healthcare cost trend rates	FYE	Medical/RX	FYE	Medical/RX
	2020	8.0%	2024	6.0%
	2021	7.5%	2025	5.5%
	2022	7.0%	2026	5.0%
	2023	6.5%	2027+	4.5%

The initial trend rate was based on a combination of employer history, national trend surveys, and professional judgment.
The ultimate trend rate was selected based on historical medical CPI information

The plan is unfunded; hence no projection of fiduciary Net Position is required.

The discount rate as of the Measurement Date was based on a yield for 20 year tax-exempt general obligation municipal bonds.

The demographic actuarial assumptions for OPEB Liability used in the September 30, 2019, valuation was based on data at June 30, 2018. Average age and service were calculated as of September 30, 2019.

Changes in the Total OPEB Liability

Total OPEB liability beginning of year	\$ 3,343,351
<i>Changes for the year</i>	
Service cost	145,547
Interest	123,317
Changes in assumptions	228,822
Differences between expected and actual experience	(83,531)
Total change in OPEB liability for 9/30/19	414,155
Estimated employer contributions/ benefits payments	(143,804)
Total OPEB Liability - September 30, 2019	\$ 3,613,702

Changes of assumption and other inputs reflect a change in the discount rate from 4.15% at October 1, 2018 to 3.58% at September 30, 2019.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 9 - Other Post-Employment Benefits (OPEB) (cont'd)

Changes in the Total OPEB Liability (cont'd)

The following table illustrates the impact of interest rate sensitivity on the Net OPEB Liability for fiscal year ending September 30, 2019:

	1% Decrease	Current	1% Increase
	2.58%	3.58%	4.58%
Total OPEB liability	\$ 3,639,364	\$ 3,613,702	\$ 2,782,396

The following table illustrates the impact of healthcare cost trend sensitivity on the Net OPEB Liability for fiscal year ending September 30, 2019:

	1% Decrease	Current	1% Increase
	7.00%	8.00%	9.00%
Total OPEB liability	\$ 2,670,095	\$ 3,613,702	\$ 3,814,035

OPEB Expense and Deferred Outflows of Resources and Deferred Inflow of Resources Related to OPEB

For the fiscal year ended September 30, 2019, the Clerk reported liabilities of \$145 (in thousands). At September 30, 2019, the Clerk reported deferred outflow of resources and deferred inflow of resources related to OPEB from the following sources (in thousands).

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 247,829	\$ -
Change in assumptions	-	(94,415)
Total	\$ 247,829	\$ (94,415)

CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES BUDGET AND ACTUAL - GENERAL FUND
(NON-COURT OPERATIONS)
FOR YEAR ENDED SEPTEMBER 30, 2019

	(In Thousands)			
	<u>Budgeted Amounts</u>			Variance with Final Budget Positive Negative
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	<u>(Negative)</u>
REVENUES				
Service charges	\$ 1,993	\$ 1,993	\$ 1,872	\$ (121)
Total Revenues	<u>1,993</u>	<u>1,993</u>	<u>1,872</u>	<u>(121)</u>
EXPENDITURES				
Personnel services	1,077	1,077	1,163	(86)
Operating expenditures	<u>104</u>	<u>104</u>	<u>70</u>	<u>34</u>
Total Expenditures	<u>1,181</u>	<u>1,181</u>	<u>1,233</u>	<u>(52)</u>
Net change in fund balance	812	812	639	(173)
Transfers	-	-	-	-
Fund balance, October 1	<u>3,568</u>	<u>3,568</u>	<u>3,568</u>	<u>-</u>
Fund balance, September 30	\$ 4,380	\$ 4,380	\$ 4,207	\$ (173)

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 9 - Other Post-Employment Benefits (OPEB) (cont'd)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflow of Resources Related to OPEB (cont'd)

The balance of September 30, 2019, of deferred outflow/(inflows) of resources will be recognized in OPEB expenses in the future fiscal years as noted below.

Fiscal Year Ending September 30,	Deferred Outflow/(Inflows), Net
2020	\$ 18,142
2021	18,142
2022	18,142
2023	18,142
2024	18,142
Thereafter	62,704

Note 10 - Long-term Liabilities

Long-term liability activity for the year ended September 30, 2019, is as follows:

(In Thousands)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences	\$ 2,747	\$ 9,166	\$ (9,134)	\$ 2,779	\$ 763
Net pension liability	26,807	3,908	(1,692)	29,023	-
Net OPEB liability	3,343	271	-	3,614	-
Total	\$ 32,897	\$ 13,345	\$ (10,826)	\$ 35,416	\$ 763

Employees of the Clerk may accumulate both unused vacation and sick leave up to a specified limit. Sick leave payouts are payable up to 50% on a maximum of 960 hours at the rate of pay on that date to employees who voluntarily resign in good standing. Vacation leave payouts are 100% payable up to a maximum of 280 hours.

Note 11 - Elimination of Internal Activity

In the government-wide Statement of Activities, inter-fund activity, such as transfers in and out as well as transfers within the Governmental Activities category, are eliminated. Inter-fund services provided and used between functions are not eliminated because removing inter-fund services would distort the functional expenditures presented in the Statement of Activities.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

Note 12 - Commitments and Contingent Liabilities

Grant Awards

Costs reflected in the accompanying financial statements relating to the Florida Department of Revenue funded Child Support Enforcement program are subject to audit by the grantor agency. The possible disallowance by the grantor agency of any item charged to the program, if any, cannot be determined at this time. No provision for any liability that may result has been made in the financial statements. A significant reduction in the level of this funding, if this were to occur, would have an effect on the Clerk's ability to carry out the activities of the Child Support Enforcement Program.

Florida Department of Law Enforcement (FDLE) received 2010 federal fiscal year National Instant Criminal Background Check System (NICS) Act Record Improvement Program (NARIP) grant funding for projects and/or activities that would assist in the identification of barriers to disposition reporting and criminal history information in the repository, as well as improve the completeness, automation and transmittal of warrant and disposition information. Recently, FDLE received additional federal funding to continue various projects associated with the improvement of records available to NICS. This project is part of a strategic plan to improve data available for the NICS program and is built on the results of the projects conducted under the NARIP initiative in the previous year and targets a specific area identified for improvement. Project efforts are structured to continue increasing data measures by distributing funds to the courts and local law enforcement, with the understanding that these partners are critical to increasing disposition and civil mental health data.

Litigation

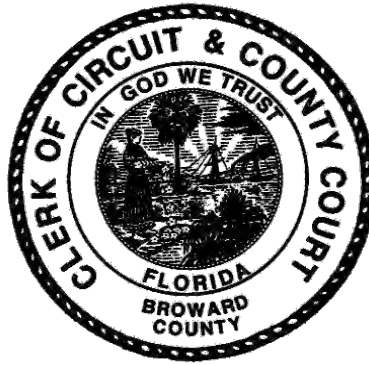
The Clerk is a party to various legal proceedings covering a wide range of matters which normally occur in governmental operations. It is the opinion of the Clerk and the Clerk's legal counsel that any liability that may ultimately result from the resolutions of these matters will not exceed its insurance coverage and will not have a material adverse effect on the Clerk's financial statements.

Note 13 - Net Pension Liability

The Florida Retirement System (FRS) Actuarial Assumption Conference is responsible for setting the assumptions used in the valuations of the defined benefit pension plans pursuant to section 216.136(10), Florida Statutes.

Note 14 - Subsequent Events

The Clerk has evaluated events and transactions for subsequent events that would impact the financial statements for the year ended September 30, 2019 through March 10, 2020, the date the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the financial statements.



**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA**

REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2019

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES BUDGET AND ACTUAL - GENERAL FUND
(NON-COURT OPERATIONS)
FOR YEAR ENDED SEPTEMBER 30, 2019**

	(In Thousands)			
	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	Final Budget Positive <u>(Negative)</u>
REVENUES				
Service charges	\$ 1,993	\$ 1,993	\$ 1,872	\$ (121)
Total Revenues	<u>1,993</u>	<u>1,993</u>	<u>1,872</u>	<u>(121)</u>
EXPENDITURES				
Personnel services	1,077	1,077	1,163	(86)
Operating expenditures	<u>104</u>	<u>104</u>	<u>70</u>	<u>34</u>
Total Expenditures	<u>1,181</u>	<u>1,181</u>	<u>1,233</u>	<u>(52)</u>
Net change in fund balance	812	812	639	(173)
Transfers	-	-	-	-
Fund balance, October 1	<u>3,568</u>	<u>3,568</u>	<u>3,568</u>	<u>-</u>
Fund balance, September 30	<u>\$ 4,380</u>	<u>\$ 4,380</u>	<u>\$ 4,207</u>	<u>\$ (173)</u>

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES BUDGET AND ACTUAL - SPECIAL REVENUE FUND
(COURT OPERATIONS)
FOR YEAR ENDED SEPTEMBER 30, 2019**

	(In Thousands)			
	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
APPROPRIATIONS				
State revenue sharing - JAC	\$ 774	\$ 870	\$ 711	\$ (159)
DOR Clerk's Trust Fund	<u>1,499</u>	<u>1,499</u>	<u>2,087</u>	<u>588</u>
Total Appropriations	<u>2,273</u>	<u>2,369</u>	<u>2,798</u>	<u>429</u>
REVENUES				
Child support federal reimbursement	430	430	1,082	652
Filing fees	21,240	21,240	20,919	(321)
Service charges	6,824	6,824	6,178	(646)
Court costs	4,633	4,633	4,721	88
Judgments and fines	2,226	2,226	2,110	(116)
Other fines and forfeitures	<u>284</u>	<u>284</u>	<u>721</u>	<u>437</u>
Total Revenues	<u>35,637</u>	<u>35,637</u>	<u>35,731</u>	<u>94</u>
Interest income	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Combined Revenues	<u>37,910</u>	<u>38,006</u>	<u>38,530</u>	<u>524</u>
EXPENDITURES				
Personnel services	34,328	34,328	34,199	129
Operating expenditures	3,582	3,678	4,259	(581)
Capital outlay	<u>-</u>	<u>-</u>	<u>72</u>	<u>(72)</u>
Total Expenditures	<u>37,910</u>	<u>38,006</u>	<u>38,530</u>	<u>(524)</u>
Net change in fund balance	-	-	-	-
Transfers	-	-	-	-
Fund balance, October 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, September 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES AND ACTUAL – TECHNOLOGY TRUST FUND
FOR YEAR ENDED SEPTEMBER 30, 2019**

(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operating Revenues:				
Federal grant	\$ 45	\$ 45	\$ 38	\$ (7)
Recording fees from public records filings under Florida Statutes 28.24(12)(e)	2,800	2,800	2,871	71
Service charges	<u>1,000</u>	<u>1,000</u>	<u>948</u>	<u>(52)</u>
Total Revenues	<u>3,845</u>	<u>3,845</u>	<u>3,857</u>	<u>12</u>
Expenditures:				
Personnel services	3,136	3,136	2,885	251
Operating expenses	2,134	2,205	1,518	687
Capital outlay	<u>67</u>	<u>68</u>	<u>144</u>	<u>(76)</u>
Total Expenditures	<u>5,337</u>	<u>5,409</u>	<u>4,547</u>	<u>862</u>
Net change in fund balance	(1,492)	(1,564)	(690)	874
Fund balance, October 1	<u>1,737</u>	<u>1,737</u>	<u>1,737</u>	<u>-</u>
Fund balance, September 30	<u>\$ 245</u>	<u>\$ 173</u>	<u>\$ 1,047</u>	<u>\$ 874</u>

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
SCHEDULE OF THE CLERK'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY –
FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS***

	(In Thousands)					
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Clerk's proportion of the FRS net pension liability	0.07743%	0.07684%	0.06676%	0.06552%	0.06101%	0.05937%
Clerk's proportionate share of the FRS net pension liability	\$ 4,725	\$ 9,925	\$ 16,857	\$ 19,381	\$ 18,378	\$ 20,446
Clerk's covered-employee payroll	\$ 30,131	\$ 29,625	\$ 27,610	\$ 26,706	\$ 25,890	\$ 26,141
Clerk's proportionate share of the FRS net pension liability as a percentage of its covered-employee payroll	16%	34%	61%	73%	71%	78%
FRS Plan fiduciary net position as a percentage of the total pension liability	96.09%	92.00%	84.88%	83.89%	84.26%	82.61%

*Note: The information in this schedule is not required to be presented retroactively. Therefore, years will be added to this schedule in future fiscal years until ten years of information are available.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
SCHEDULE OF THE CLERK'S CONTRIBUTIONS –
FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS***

(In Thousands)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Contractually required FRS contribution	\$ 2,188	\$ 2,322	\$ 2,135	\$ 2,108	\$ 2,163	\$ 2,284
FRS contributions in relation to the contractually required contribution	\$ 2,188	\$ 2,322	\$ 2,135	\$ 2,108	\$ 2,163	\$ 2,284
FRS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clerk's covered-employee payroll	\$ 30,131	\$ 29,625	\$ 27,610	\$ 26,706	\$ 25,890	\$ 26,141
FRS contributions as a percentage of covered-employee payroll	7%	8%	8%	8%	8%	9%

*Note: The information in this schedule is not required to be presented retroactively. Therefore, years will be added to this schedule in future fiscal years until ten years of information are available.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
SCHEDULE OF THE CLERK'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY –
HEALTH INSURANCE SUBSIDY PENSION PLAN
LAST TEN FISCAL YEARS***

	(In Thousands)					
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Clerk's proportion of the HIS net pension liability	0.09946%	0.09817%	0.08914%	0.08784%	0.07964%	0.07665%
Clerk's proportionate share of the HIS net pension liability	\$ 9,300	\$ 10,012	\$ 10,389	\$ 9,392	\$ 8,429	\$ 8,577
Clerk's covered-employee payroll	\$ 30,131	\$ 29,625	\$ 27,610	\$ 26,706	\$ 25,890	\$ 26,141
Clerk's proportionate share of the HIS net pension liability as a percentage of its covered-employee payroll	31%	34%	38%	35%	33%	33%
HIS Plan fiduciary net position as a percentage of the total pension liability	0.99%	0.50%	0.97%	1.64%	2.15%	2.63%

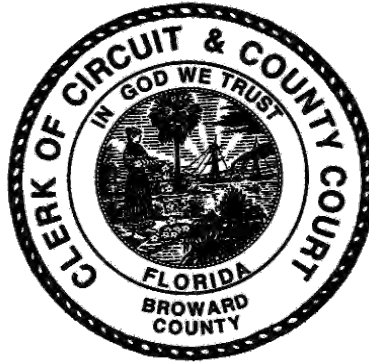
*Note: The information in this schedule is not required to be presented retroactively. Therefore, years will be added to this schedule in future fiscal years until ten years of information are available.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
SCHEDULE OF THE CLERK'S CONTRIBUTIONS –
HEALTH INSURANCE SUBSIDY PENSION PLAN
LAST TEN FISCAL YEARS***

(In Thousands)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Contractually required HIS contribution	\$ 439	\$ 501	\$ 580	\$ 565	\$ 529	\$ 524
HIS contributions in relation to the contractually required HIS contribution	\$ 439	\$ 501	\$ 580	\$ 565	\$ 529	\$ 524
HIS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clerk's covered-employee payroll	\$ 30,131	\$ 29,625	\$ 27,610	\$ 26,706	\$ 25,890	\$ 26,141
HIS contributions as a percentage of covered-employee payroll	1%	2%	2%	2%	2%	2%

*Note: The information in this schedule is not required to be presented retroactively. Therefore, years will be added to this schedule in future fiscal years until ten years of information are available.



**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA**

OTHER SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2019

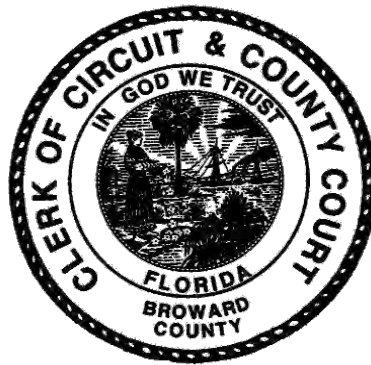
CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES BUDGET AND ACTUAL -
PUBLIC RECORDS MODERNIZATION TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amount</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Recording fees from public records				
filings under Florida Statutes 28.37	\$ 230	\$ 230	\$ 246	\$ 16
Total Revenues	230	230	246	16
Expenditures:				
Operating expenditures	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Net change in fund balance	230	230	246	16
Fund balance, October 1	57	57	57	-
Fund balance, September 30	\$ 287	\$ 287	\$ 303	\$ 16

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION – AGENCY FUNDS
SEPTEMBER 30, 2019**

	(In Thousands)			
	Balance October <u>1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, 2019
ASSETS				
Cash and cash equivalents	\$ 67,301	\$ 514,171	\$ 520,408	\$ 61,064
Total Assets	<u>\$ 67,301</u>	<u>\$ 514,171</u>	<u>\$ 520,408</u>	<u>\$ 61,064</u>
LIABILITIES				
Due to primary government	\$ 2,538	\$ 316,692	\$ 319,195	\$ 35
Due to general fund	6,280	42,787	43,720	5,347
Due to technology fund	217	1,070	1,172	115
Un-remitted cash bond collections	2,227	871	1,205	1,893
Un-remitted court registry collections	54,404	299,891	307,066	47,229
Un-remitted fines, forfeitures and costs	438	193,988	188,541	5,885
Un-remitted filing, other fees and interest income	633	25,828	26,457	4
Un-remitted jury and witness advances	<u>564</u>	<u>16,036</u>	<u>16,044</u>	<u>556</u>
Total Liabilities	<u>\$ 67,301</u>	<u>\$ 897,163</u>	<u>\$ 903,400</u>	<u>\$ 61,064</u>



**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA**

COMPLIANCE SECTION

SEPTEMBER 30, 2019

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
COMPLIANCE SECTION
SEPTEMBER 30, 2019**

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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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

To Honorable Brenda Forman, Clerk of the Circuit
and County Courts of Broward County, Florida
Seventeenth Judicial Circuit of Florida

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clerk of the Circuit and County Courts of the Broward County, Florida, Seventeenth Judicial Circuit of Florida (the Clerk), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements and have issued our report thereon dated March 10, 2020.

Internal Control Over Financial Reporting

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

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



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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clerk's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Fort Lauderdale, Florida
March 10, 2020



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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

To Honorable Brenda Forman, Clerk of the Circuit
and County Courts of Broward County, Florida
Seventeenth Judicial Circuit of Florida

Report on Compliance for Each Major Federal Program

We have audited the Clerk of the Circuit and County Courts of the Broward County, Florida, Seventeenth Judicial Circuit of Florida's (the "Clerk"), compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Clerk's major federal programs for the year ended September 30, 2019. The Clerk's major federal programs are identified in the summary of audit results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Clerk's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Clerk's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Clerk's compliance.



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Opinion on Each Major Federal Program

In our opinion, the Clerk complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2019.

Report on Internal Control over Compliance

Management of the Clerk is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Clerk's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Clerk's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



Fort Lauderdale, Florida
March 10, 2020

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Section I - Summary of Auditors' Results

Financial Statements

Type of Auditors' Report Issued

Unmodified Opinion

Internal control over financial reporting:

- Material weaknesses identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ☒ Yes ☐ None Reported
- Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major program:

- Material weaknesses identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ☐ Yes ☒ None Reported

Type of Auditors' Report Issued on Compliance for Major Program: Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR Part 200? ☐ Yes ☒ No

Identification of Major Program:

CFDA Number

Name of Federal Program or Cluster

93.563

Child Support Enforcement Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Section II - Current Year Findings - Financial Statements

None.

Section III - Prior Year Findings - Financial Statements

Significant Deficiency

2017-01 Policies and Procedures Manual and Reconciliation General Ledger Accounts to Supporting Documents

Criteria

Prudent financial reporting requires accurate and timely reconciliation of general ledger accounts. The existence of a formal policy and procedures manual could assist with the timeliness of reconciling account balances.

Condition

During the audit, we noted that significant general ledger accounts were not properly reconciled. A formal accounting policies and procedures manual would facilitate continuity with the necessary procedures.

Recommendation

We recommend that the Clerk develop a formal policies and procedures manual which includes the reconciliation of general ledger accounts on a monthly basis among other key processes and procedures. A benefit of monthly reconciliations is that errors do not accumulate but can be identified and attributed to a specific period, which makes it easier to perform future reconciliations. Also, formal documentation can be used to reinforce established policies and procedures and serve as a source of information during periods of staff turnover.

Current Year Status

Some general ledger accounts were not reconciled timely , and the Policies and Procedures Manual is not yet finalized.

View of responsible officials and planned corrective actions

Several procedural templates were developed during the year but were not finalized because of staffing shortages and additional tasks placed on the Finance Division related to project implementations. The Finance Division has prioritized this item and has assigned staff to complete the procedural templates during the next fiscal year.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Section III - Prior Year Findings - Financial Statement (cont'd)

Other Matters

2016-01 Performance Measurement of Collection Rates

Criteria

Pursuant to F.S. 28.35 (2) (d) the Florida Clerk of Court Operations Corporation (CCOC) has established performance measures and standards. Included in these standards is the measure of the Broward County Clerk of Courts' (Clerk) quarterly performance reports relating to collections, timeliness of filing and docketing cases, and timeliness of paying jurors.

Condition

During our analysis of the Clerk's collection performance we noted that Clerk's performance rates were below the CCOC standard rates for a certain court types.

Current Year Status

This condition was observed in current year for the following court types: Circuit Criminal, Drug Trafficking, Juvenile Delinquency, and Civil Traffic. In addition, the Clerk's performance on timeliness of filing and docketing cases was below the CCOC standards for Circuit Civil (filing new cases), as well as Probate (filing new cases and docketing), and Family (docketing).

View of responsible officials and planned corrective actions

The Finance Division concurs with the auditor's findings. Under Section 28.246, Florida Statutes, the Clerk employs both an internal and external process for collecting unpaid assessed amounts on cases. The collection rate for performance standards, however, is set by the CCOC which has the sole discretion in modifying those standards in accordance with Section 28.35, Florida Statutes. The Finance Division will work with the operating departments to improve collection performance.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Section IV - Current Year Findings - Major Federal Program

None

Section V - Prior Year - Findings - Major Federal Program

None

Section VI - Financial Assistance - Management Letter

No Management Letter was issued.

Section VII - Other Issues

- (a) No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings related to Federal programs; and
- (b) No Corrective Action Plan is required because there were no findings required to be reported under the Federal Single Audit Act.

CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
SCHEDULE OF SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

<u>Federal Grantor/Pass-Through Grantor/Program Title/Grant</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
U. S. Department of Health and Human Services:		
Passed-through the Florida Department of Revenue:		
Child Support Enforcement Program	93.563	\$ <u>798,658</u>
Total U. S. Department of Health and Human Services		<u>798,658</u>
U. S. Department of Justice:		
Passed-through the Florida Department of Law Enforcement:		
NICS Act Record Improvement Program	16.813	<u>37,646</u>
Total U. S. Department of Justice		<u>37,646</u>
Total Expenditures of Federal Awards		<u>\$ 836,304</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

**CLERK OF THE CIRCUIT AND COUNTY COURT
BROWARD COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Note 1 - Basis of Presentation and Significant Accounting Policies

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Clerk of the Circuit and County Courts of the Broward County, Florida, Seventeenth Judicial Circuit of Florida (the "Clerk") and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

Note 2 - Contingency

Amounts received and receivable from grantor agencies are subject to audit and adjustment by those agencies. Any disallowed claims, including amounts already received, might constitute a liability of the Clerk for the return of those funds. In the opinion of management, all grant expenditures were in compliance with the terms of the grant agreements and applicable federal laws and obligations.

Note 3 - Indirect Cost Rates

The Clerk has elected to not use the 10% de minimus indirect cost rate for its federal programs for the year ended September 30, 2019. The indirect cost rates used by the Clerk's federal programs are determined by the relevant federal agency.



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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

To the Honorable Brenda Forman, Clerk of the Circuit
and County Courts of Broward County, Florida
Seventeenth Judicial Circuit of Florida

Report on the Financial Statements

We have audited the financial statements of the Clerk of the Circuit and County Courts of the Broward County, Florida, Seventeenth Judicial Circuit of Florida (the Clerk) as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated March 10, 2020.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 10, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1, Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Findings or recommendations made in the preceding audit report were addressed in the Schedule of Findings and Question costs.

Official Title and Legal Authority

Section 10.554(1)(i)4, Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This disclosure has been made in Note 1 to the Clerk's financial statements.



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Financial Management

Section 10.554(1)(i)2, Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, recommendations accompany this report in the Schedule of Findings and Questioned Costs.

Additional Matters

Section 10.554(1)(i)3, Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance.

Matters to be disclosed pursuant to the Rules of the Auditor General Section 10.554(1)(i)3 are reported in the accompanying Schedule of Findings and Questioned Costs.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting the Honorable Brenda Forman, Clerk of the Circuit and County Courts of Broward County, Florida Seventeenth Judicial Circuit of Florida, and management of the Clerk, and is not intended to be and should not be used by anyone other than these specified parties.



Fort Lauderdale, Florida
March 10, 2020



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTIONS 28.35 AND 28.36, FLORIDA STATUTES

To Honorable Brenda Forman, Clerk of the Circuit
and County Courts of Broward County, Florida
Seventeenth Judicial Circuit of Florida

We have examined the Clerk of the Circuit and County Courts of the Broward County, Florida, Seventeenth Judicial Circuit of Florida (the Clerk) compliance with the requirements of Sections 28.35 and 28.36, Florida Statutes during the period ended September 30, 2019. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

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

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

In our opinion, with the exception of the finding reported in the Schedule of Findings and Questioned Costs, the Clerk complied, in all material respects, with Section 28.35 and 28.36 Florida Statutes compliance requirements; during the period of October 1, 2018 to September 30, 2019. This report is intended solely for the information and use of Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Honorable Brenda Forman, Clerk of the Circuit and County Courts of Broward County, Florida Seventeenth Judicial Circuit of Florida, and management of the Clerk, and is not intended to be and should not be used by anyone other than these specified parties.

Fort Lauderdale, Florida
March 10, 2020



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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 61.181, FLORIDA STATUTES

To Honorable Brenda Forman, Clerk of the Circuit
and County Courts of Broward County, Florida
Seventeenth Judicial Circuit of Florida

We have examined the Clerk of the Circuit and County Courts of the Broward County, Florida, Seventeenth Judicial Circuit of Florida (the Clerk) compliance with the requirements of Section 61.181, Florida Statutes during the period ended September 30, 2019. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

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

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

In our opinion, the Clerk complied, in all material respects, with Section 61.181 Florida Statutes compliance requirements; during the period of October 1, 2018 to September 30, 2019.

This report is intended solely for the information and use of Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Honorable Brenda Forman, Clerk of the Circuit and County Courts of Broward County, Florida Seventeenth Judicial Circuit of Florida, and management of the Clerk, and is not intended to be and should not be used by anyone other than these specified parties.

Fort Lauderdale, Florida
March 10, 2020



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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To Honorable Brenda Forman, Clerk of the Circuit
and County Courts of Broward County, Florida
Seventeenth Judicial Circuit of Florida

We have examined the Clerk of the Circuit and County Courts of the Broward County, Florida, Seventeenth Judicial Circuit of Florida (the Clerk) compliance with Section 218.415, *Florida Statutes, Local Government Investment Policies* for the year ended September 30, 2019. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Clerk complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Clerk complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Clerk's compliance with specified requirements.

In our opinion, the Clerk complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

This report is intended solely for the information and use of Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Honorable Brenda Forman, Clerk of the Circuit and County Courts of Broward County, Florida Seventeenth Judicial Circuit of Florida, and management of the Clerk, and is not intended to be and should not be used by anyone other than these specified parties.

Fort Lauderdale, Florida
March 10, 2020



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PART VI

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY

**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)**

ANNUAL FINANCIAL STATEMENTS

SEPTEMBER 30, 2019

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
ANNUAL FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Housing Finance Authority
Broward County, Florida

We have audited the accompanying financial statements of the governmental activities and the major fund of the Housing Finance Authority of Broward County, Florida (the "Authority"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority'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 an opinion on these financial statements based on our audit. 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 from 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.

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



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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the major fund of the Authority as of September 30, 2019, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

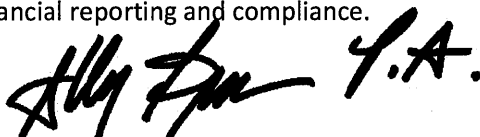
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of proportionate net pension liability and schedules of retirement contributions on pages 3-8 and 40-45 be presented to supplement 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the accompanying financial statements present the financial position and the changes in financial position of the Authority. These financial statements do not purport to, and do not, present fairly the financial position of Broward County, Florida, as of September 30, 2019, and changes in its financial position and its cash flows, where applicable for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2020 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.


February 28, 2020



HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019

The Housing Finance Authority of Broward County, Florida (the "Authority") was established in 1979 by Ordinance of Broward County, Florida (County) Board of County Commissioners, to provide funding for affordable housing to very low, low and moderate income households in the County. The Housing Finance and Community Redevelopment Division (the "HFCRD") administers all programs of the Authority as well as various affordable housing programs for Broward County. The Authority is a quasi-governmental agency governed by a nine (9) member board appointed by the Broward County Board of County Commissioners in accordance with Florida State Statute. To date, the Authority has provided single family homes, town homes, condominiums and rental units to Broward County residents through the organization of single family and multi-family tax-exempt bond issues and a consortium of local lenders.

OVERVIEW

A number of activities are administered by the Authority to accomplish its goals:

Single Family Bond Program

The Single Family Bond Program features low, fixed-rate mortgages and down payment assistance to qualified buyers. All options feature a 30-year, fixed rate first mortgage with no origination fees and with any discounts being charged to the loans. Several modified mortgages may reflect terms longer than 30 years. The first mortgage and note are exempt from documentary stamps and intangible tax.

Multi-Family Bond Program

Multi-family housing revenue bonds are issued by the Authority to finance the construction or acquisition of developments which are intended for occupancy in part by persons of low, moderate, or middle income. Developers who are approved after submission of an application and applicable fees utilize the proceeds of the bonds to acquire, renovate and/or construct multi-family housing facilities. The bond issues are fixed or variable rates with various terms.

Mortgage Credit Certificates

The Mortgage Credit Certificate Program ("MCC") offers a federal income tax credit, not a loan, that may be used in conjunction with the first mortgage (except a mortgage revenue bond loan) to help qualify the buyer and provide additional income for the life of the loan. An MCC helps qualify homebuyers by potentially increasing take home pay. This credit may be available to prospective homebuyers who meet income and sales price limits.

New Infill Affordable Single Family Construction Program

The Authority partnered with Broward County Housing Finance and Community Redevelopment Division, to select a developer to build eighteen single-family homes in the Franklin Park Estates for income eligible First Time Homebuyers.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019

Management's Discussion and Analysis is being presented to provide additional information regarding the activities of the Authority and to meet the disclosure requirements of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. This analysis should be read in conjunction with the Independent Auditor's Report, financial statements and accompanying notes.

DISCUSSION OF FINANCIAL STATEMENTS

The financial section consists of three parts:

- Independent auditor's report
- Management's discussion and analysis (this section)
- Basic financial statements, including notes to the financial statements

The Basic Financial Statements consist of:

Authority-wide Financial Statements

- *Statement of Net Position*
- *Statement of Activities*

Fund Financial Statements
Governmental Fund

- *Balance Sheet*
- *Statement of Revenues, Expenditures and Changes in Fund Balances*

The Statement of Net Position answers the question: "What is our financial position at the end of year?" The statement includes all assets and liabilities, both financial and capital, and short-term and long-term, using the accrual basis of accounting and is similar to the accounting presentation used by most private-sector companies. All of the Authority's current year's revenues and expenses are accounted for in the Authority-wide Statement of Activities. This statement measures the results of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all of its costs through mortgages and loans, externally funded programs and other revenue sources.

The General Fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances presents the same information in a more traditional current resources measurement focus governmental presentation, using the modified accrual basis of accounting. Governmental funds' statements focus on (1) how cash and other financial assets can readily be converted to cash flow in and out, and (2) the balances left at year end that are available for spending. Consequently, the governmental funds' statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Authority's programs.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019

DISCUSSION OF FINANCIAL STATEMENTS (CONT'D)

The financial statements include Notes to Financial Statements which provide more detailed explanations of certain information contained in the financial statements.

The following supplementary information is also provided:

- Budgetary Comparison Schedule

The Budgetary Comparison Schedule measures the Authority's ability to plan its revenues and expenditures and generate sufficient cash to continue its programs. The overall positive variance of actual results compared to budget was attributable to the combined effect of an excess of actual revenues over budgeted revenues and an excess of actual expenditures over budgeted expenditures.

The Authority is a self-supporting entity, with no taxing authority, and does not receive grants from any government entity. It is considered a component unit of Broward County and is discretely presented in the County's financial statements.

FISCAL YEAR HIGHLIGHTS

Issued Mortgage Credit Certificates in the amount of \$3.628 million to provide qualifying households an annual tax credit in an amount up to 50% of the first mortgage interest. The households are entitled to the tax credit annually for the term of the mortgage, so long as the homebuyers continue to reside in the home. (Note annual tax credits for Mortgage Credit Certificates issued with a tax credit percentage greater than 20% are capped at \$2,000 annually.) The MCC program assisted approximately 72 households in Broward County.

Six thousand eight hundred sixty six (6,866) affordable rental housing units are currently available and have maintained 95% occupancy for all Authority rental properties during the fiscal year.

Assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$15.5 million, of which approximately \$1.0 million is invested in capital assets and \$14.5 million is unrestricted.

Total program revenue was \$982,266, a decrease of \$1,682,859 as compared to prior year, which is primarily attributable to 1) Bank of New York/Mellon residual balances from retired single family bond issues released to the Authority and 2) increased fees associated with financing or refinancing of multifamily bond transactions.

Total expenses as compared to prior year increased by approximately 15%.

Investment income increased \$551,594 as compared to the prior year primarily as a result of the increase in investment securities resulting from the transfer of mortgage backed securities to the Authority from retired single family bond issue residual balances.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019

FISCAL YEAR HIGHLIGHTS (CONT'D)

Capital Assets and Long-Term Debt

As of September 30, 2019, the Authority had \$1,010,203 invested in a variety of capital assets, net of accumulated depreciation. This represents a net decrease (additions, deductions, and depreciation) of \$28,009 or 2.7% from the end of last year. There is no debt outstanding related to capital assets.

As of September 30, 2019, the Authority had \$644,105 in outstanding long-term liabilities. This represents an increase of \$95,863, driven by an increase in net pension liability.

FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator a government's financial position. Net position is \$15.5 million and equals the total assets plus deferred outflows of resources less the total liabilities and deferred inflows of resources.

Table A
Statement of Net Position
Condensed Comparative Data

	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2018</u>
Current and other assets	\$ 15,832,055	\$ 15,061,896
Capital assets	<u>1,010,203</u>	<u>1,038,212</u>
Total assets	<u>16,842,258</u>	<u>16,100,108</u>
Deferred outflows of resources	<u>240,114</u>	<u>251,761</u>
Long-term liabilities	644,105	548,242
Other liabilities	<u>883,911</u>	<u>741,626</u>
Total liabilities	<u>1,528,016</u>	<u>1,289,868</u>
Deferred inflows of resources	<u>52,763</u>	<u>64,637</u>
Net position		
Net investment in capital assets	1,010,203	1,038,212
Net position – unrestricted	<u>14,491,390</u>	<u>13,959,152</u>
Net position	<u>\$ 15,501,593</u>	<u>\$ 14,997,364</u>

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019

FINANCIAL ANALYSIS (CONT'D)

Activities during the year increased net position by \$504,229. Key elements were attributable to a decrease in program revenues of \$1,682,859, an increase in interest and investment income of \$551,594, and an increase in expenses of \$154,042.

Table B
Statement of Activities
Condensed Comparative Data

	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2018</u>
Revenues:		
Program revenues	\$ 982,266	\$ 2,665,125
Interest and investment income	<u>683,101</u>	<u>131,507</u>
Total revenues	<u>1,665,367</u>	<u>2,796,632</u>
Expenses:		
Personnel services	699,668	556,293
Professional fees	183,802	150,605
General and other expenses	<u>277,668</u>	<u>300,198</u>
Total expenses	<u>1,161,138</u>	<u>1,007,096</u>
Change in net position	<u>504,229</u>	<u>1,789,536</u>
Net position - beginning	<u>14,997,364</u>	<u>13,207,828</u>
Net position - ending	<u>\$ 15,501,593</u>	<u>\$ 14,997,364</u>

ECONOMIC FACTORS AND FINANCIAL OUTLOOK

The Housing Finance Authority is affected by various economic conditions especially a low interest rate environment which may result in the following impacts:

- Interest income on investment securities is affected; and
- Normal operating cost increases become more difficult to absorb as revenues decline.

In addition to the normal impediments faced by Housing Finance Authorities, the housing sector has been particularly challenging due to a number of factors:

- Increase in the cost of homeownership;
- High building costs and property taxes;
- Restrictions on rental rates; and
- The Authority's ability to issue tax-exempt debt is limited by federal tax law. Annually prescribed amounts of private activity bond authority are allocated to each state.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019

ECONOMIC FACTORS AND FINANCIAL OUTLOOK (CONT'D)

The Authority is employing a number of initiatives and strategies to increase fees, reduce costs and to maximize its investment income while maintaining the safety of those investment dollars. The Authority will remain opportunistic with these and other strategies.

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the Authority's finances and to demonstrate the Authority's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Housing Finance Authority of Broward County, Florida, Assistant to the Executive Director, 110 Northeast 3rd Street, Suite 300, Fort Lauderdale, FL 33301.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

	<u>Operating Fund</u>
ASSETS	
Cash	\$ 1,580,275
Interest receivable	38,565
Restricted cash	475,313
Investments	12,103,401
Notes receivable	995,210
Notes receivable - DPA	319,825
Whole loan mortgage receivable	420,902
Allowance for doubtful whole loan mortgages	(103,361)
Utility deposit	1,925
Capital assets, net	<u>1,010,203</u>
Total Assets	<u>16,842,258</u>
DEFERRED OUTFLOWS	
Deferred outflows related to pension	<u>240,114</u>
Total Deferred Outflows	<u>240,114</u>
LIABILITIES	
Current liabilities:	
Accrued liabilities	187,594
Accounts payable	29,283
Good faith deposits	75,000
Interest payable	163,964
Advance from primary government	<u>428,070</u>
Total current liabilities	<u>883,911</u>
Non-current liabilities:	
Net pension liability	545,105
Due in one year	45,000
Due in more than one year	<u>54,000</u>
Total non-current liabilities	<u>644,105</u>
Total Liabilities	<u>1,528,016</u>
DEFERRED INFLOWS	
Deferred inflows related to pension	<u>52,763</u>
Total Deferred Inflows	<u>52,763</u>
NET POSITION	
Net investment in capital assets	1,010,203
Net position – unrestricted	<u>14,491,390</u>
Total Net Position	<u>\$ 15,501,593</u>

The accompanying notes are an integral part of these financial statements.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Governmental Funds</u>
Program Expenses	
Personnel services	\$ 699,668
Professional fees	183,802
General expenses	249,659
Depreciation	<u>28,009</u>
Total program expenses	<u>1,161,138</u>
 Program Revenues	
Charges for services	811,236
Bond issuance and residual income	43,986
Rentals	<u>127,044</u>
Total program revenues	<u>982,266</u>
 Net program expense	 (178,872)
 General Revenue	
Interest and investment income	<u>683,101</u>
 Change in net position	 504,229
Net position - beginning	<u>14,997,364</u>
Net position - ending balance	<u><u>\$ 15,501,593</u></u>

The accompanying notes are an integral part of these financial statements.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
BALANCE SHEET - GOVERNMENTAL FUND
SEPTEMBER 30, 2019

	<u>Operating Fund</u>
ASSETS	
Cash	\$ 1,580,275
Restricted cash	475,313
Investments	12,103,401
Interest receivable	38,565
Notes receivable	995,210
Notes receivable - DPA	319,825
Whole loan mortgage receivable	420,902
Allowance for doubtful whole loan mortgages	(103,361)
Utility deposit	1,925
Total Assets	<u>\$ 15,832,055</u>
LIABILITIES	
Accrued liabilities	\$ 187,594
Accounts payable	29,283
Good faith deposits	75,000
Interest payable	163,964
Advance from primary government	428,070
Total Liabilities	<u>883,911</u>
FUND BALANCES	
Committed to primary government	592,034
Assigned	477,238
Unassigned	13,878,872
Total Fund Balances	<u>14,948,144</u>
Amounts reported for governmental activities in the statement of net position are different because:	
<i>Capital assets used in governmental activities are not financial resources and therefore, are not reported in the fund:</i>	
Capital assets	\$ 1,875,445
Less accumulated depreciation	<u>(865,242)</u>
	1,010,203
Some of the liabilities are not due and payable in the current period and therefore, are not reported as a fund liability:	
Compensated absences	(99,000)
Net deferred outflows (inflows) of resources	187,351
Net pension liability	(545,105)
Net position of governmental activities	<u>\$ 15,501,593</u>

The accompanying notes are an integral part of these financial statements.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Operating Fund</u>
Revenues	
Charges for services	\$ 811,236
Bond issuance and residual income	43,986
Rentals	127,044
Interest and investment income	<u>683,101</u>
Total revenues	<u>1,665,367</u>
Expenditures	
Current:	
Personnel services	\$ 604,032
Professional fees	183,802
General expenditures	244,004
Capital outlay	<u>5,655</u>
Total expenditures	<u>1,037,493</u>
Change in fund balances	627,874
Total fund balances - beginning	<u>14,320,270</u>
Total fund balances - ending	<u>\$ 14,948,144</u>
Changes in fund balances - governmental fund	\$ 627,874
Amounts reported for governmental activities in the statement of activities are different because:	
<i>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the net amount of depreciation expense and disposals.</i>	(28,009)
Some expenses reported in the statement of activities do not require the use of financial resources and therefore are not reported as expenditures in governmental funds.	
Pension	(89,636)
Compensated absences	<u>(6,000)</u>
Changes in net position of governmental activities	<u>\$ 504,229</u>

The accompanying notes are an integral part of these financial statements.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 1 - Reporting Entity

The Authority was established in 1979 by Broward County, Florida (the "County") for the purpose of encouraging the investment of private capital and stimulating the construction of residential housing for low and moderate income families through the use of public financing. The Authority's governing board is appointed by the County (the "Authority Board"). Although the County does not have the authority to approve the Authority's budget, the Authority's contracts and negotiated bond issues must be approved by the County.

For financial statement reporting purposes, the Authority is considered a component unit of the reporting entity of the Broward County Board of County Commissioners (the BOCC Board) due to the oversight responsibility exercised by the BOCC Board and because the public service provided by the Authority is for the benefit of County residents. The Authority is an integral part of the reporting entity and, thus, is included in the Comprehensive Annual Financial Report of the County.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation and Basis of Accounting

These financial statements have been prepared in conformity with reporting guidelines established by the Governmental Accounting Standards Board (GASB) and accounting practices prescribed by the Auditor General, State of Florida. As such the required financial statements used are described below.

Authority-wide financial statements — The statement of net position and the statement of activities display information about the activities of the Authority using the accrual basis of accounting which is similar to the accounting presentation used by most private-sector companies.

Fund financial statements — The balance sheet and the statement of revenues, expenditures and changes in fund balances show the degree to which expenditures are offset by program revenues. The Authority reports in a single fund, the Operating Fund. Program revenues include 1) charges to applicants or bond issues for services provided and 2) rental income. These statements are presented in the traditional governmental presentation which includes capital outlays as expenditures and excludes depreciation and other non-current assets and liabilities, on a modified accrual basis.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 2 - Summary of Significant Accounting Policies (cont'd)

Measurement Focus

Authority-wide financial statements — The Authority follows the accrual basis of accounting for its Authority-wide financial statements, and accordingly, recognizes revenues when earned and expenses at the time liabilities are incurred, regardless of when the related cash flows take place. The Authority also distinguishes program revenue and general revenue. Program revenue generally results from providing services in connection with the principal ongoing operations. The principal revenues of the Authority are charges to customers for services and fees for issuance of bonds.

Fund financial statements — Governmental Fund. The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Authority considers all revenues reported in the Operating Fund to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred.

Assets, Liabilities and Equity

Deposits and Investments — The cash balances of substantially all funds are pooled and invested for the purpose of increasing earnings through investment activities. The pooled investments are reported at fair value at September 30, 2019 based on market prices.

Capital Assets — Capital assets, which include property, plant and equipment, are reported at cost. Tangible personal property used in the operations of the Authority is recorded in the property records of the County and the Authority. Donated capital assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

<u>Assets</u>	<u>Years</u>
Buildings, structures and improvements	20-40
Furniture, fixtures and equipment	3-15

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 2 - Summary of Significant Accounting Policies (cont'd)

Accrued Vacation and Sick Pay

Employees accumulate vacation and sick pay based on the number of years of continuous service. Upon termination of employment, employees can receive payment for accumulated leave in accordance with Florida Statutes, if they meet certain criteria. The cost of vested vacation and sick pay benefits is recognized when payments are made to employees. A liability for earned but unused sick leave is accrued only to the extent that the leave will result in cash payments at termination. A non-current liability for these accrued vacation and sick pay benefits at September 30, 2019 has been recorded.

Pensions

In the governmental activities, Statement of Net Position, pension liabilities are recognized for the Authority's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources related to pensions, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan (Pension Plan) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan, and additions to and deductions from the Pension Plan's and the HIS's fiduciary net position, have been determined on the same basis as they are reported by the Pension Plan and HIS plans. Changes in the net pension liability during the period are recorded as pension expense, deferred outflows of resources, or deferred inflows of resources depending on the nature of the change. Those changes in the net pension liability that are recorded as deferred outflows of resources or deferred inflows of resources that arise from changes in actuarial assumptions or other inputs, changes in the proportionate share of the net pension liability, and differences between expected or actual experience, are amortized over the average expected remaining service lives of all employees that are provided with pensions through the pension plans, and recorded as a component of pension expense beginning with the period in which they arose. Differences between projected and actual investment earnings are reported as deferred outflows of resources or deferred inflows of resources, and are amortized as a component of pension expense using a systematic and rational method over a five year period.

Net Position and Fund Balances

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of the cost of capital assets, net of accumulated depreciation. Net position is reported as restricted when there are limitations imposed on its use through legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 2 - Summary of Significant Accounting Policies (cont'd)

Net Position and Fund Balances (cont'd)

The Authority applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Net position - unrestricted is net position that does not meet the definitions of the classifications previously described.

Fund balances of governmental funds are classified as non-spendable, restricted, committed, assigned, or unassigned:

1. *Non-spendable* – not in spendable form, e.g., inventories, prepaid amounts.
2. *Restricted* – constraints imposed by external sources (debt covenants, grantors, contributors, laws or regulations of other governments) or imposed by law through constitutional provision or enabling legislation.
3. *Committed* – limited to specific purposes by formal action imposed by the Housing Finance Authority Board of Directors or the Board of County Commissioners or its delegated body.
4. *Assigned* – use limited by the government's intent to be used for specific purposes. Intent should be expressed by the Housing Finance Authority Board of Directors or the Board of County Commissioners or its delegated body.
5. *Unassigned* – fund positive balances not otherwise classified.

In order to calculate amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Bond Issuance Authority Fees

In connection with the issuance of each housing revenue bond series, the Authority receives from the Bond Trustee an initial issuance fee at the time of issuance and an annual administrative fee each year thereafter in which any portion of the issue remains outstanding. These fees are based on either a percentage of bonds, mortgage loans or GNMA certificates outstanding or a certain dollar amount, as provided for in the bond issue documents and recognized as income in the year for which they are assessed.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 2 - Summary of Significant Accounting Policies (cont'd)

Interest Income

Interest on loans and investments is recognized as income when earned.

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 reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

Note 3 - Implementation of Governmental Accounting Standards Board (GASB) Statements

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates in the future that may impact future financial presentations.

- ***GASB Statement No. 84 – Fiduciary Activities***

The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The provisions of this Statement are effective for the financial reporting periods beginning after December 15, 2018. Management has not currently determined what effect implementation of this statement may have on the Authority's financial statements.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 3 - Implementation of Governmental Accounting Standards Board (GASB) Statements (cont'd)

- ***GASB Statement No. 87 – Leases***

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The provisions of this Statement are effective for the financial reporting periods beginning after December 15, 2019. Management has determined that this Statement will have no effect on the Authority's financial statements.

- ***GASB Statement No. 88 – Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements***

This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established.

The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not consistently provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms associated with debt will be disclosed. The provisions of this Statement are effective for the financial reporting periods beginning after June 15, 2018. Management has determined that this Statement will have no effect on the Authority's financial statements.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 3 - Implementation of Governmental Accounting Standards Board (GASB) Statements (cont'd)

- ***GASB Statement No. 89 – Accounting for Interest Cost Incurred Before the End of a Construction Period***

The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The provisions of this Statement are effective for the financial reporting periods beginning after December 15, 2019. Management has not currently determined what effect implementation of this Statement may have on the Authority's financial statements.

- ***GASB Statement No. 90 – Majority Equity Interest – an amendment of GASB Statements No.14 and No. 61***

The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition. The provisions of this Statement are effective for the financial reporting periods beginning after December 15, 2018. Management has determined this Statement has no effect on the Authority's financial statements.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 3 - Implementation of Governmental Accounting Standards Board (GASB) Statements (cont'd)

- ***GASB issued Statement No. 91 - Conduit Debt Obligations***

Issued in May 2019, the primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged.

The Authority adopted this Statement in the fiscal year ended September 30, 2019. The adoption of the Statement did not have an impact on the Authority's financial statements because its prior reporting practice was consistent with the Statement.

Note 4 - Cash, Cash Equivalents and Investments

Cash and Cash Equivalents

Along with federal depository insurance, bank deposits are secured as provided by Chapter 280, *Florida Statutes*. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2019, the Authority's cash and cash equivalents are described as follows:

<u>Depository</u>	<u>Description</u>	<u>Book Balance</u>
Wells Fargo	Public deposits	\$ 483,581
Bank of New York Mellon - Custody	First American Government Obligation	<u>1,096,694</u>
		1,580,275
Bank of New York Mellon - Restricted Cash	Fidelity Investment Money Market Treasury	<u>475,313</u>
		<u>\$ 2,055,588</u>

The deposits held at The Bank of New York Mellon in the Escrow Indemnification Fund can be used by the Authority without Authority Board approval for its operations when funds in the account are in excess of \$500,000, and with Authority Board approval when funds in the account are less than \$500,000.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 4 - Cash, Cash Equivalents and Investments (cont'd)

Investments

The Authority participates in the County's pooled cash program. Under the program, the County invests the cash of participating entities in, repurchase agreements, certificates of deposit, U.S. Treasury Bills and other U.S. government obligations. Pooled investments are carried at cost plus accrued interest, which approximates market value. Interest earned on investments is allocated to the various participants based upon their equity balance in pooled cash and investments during the allocation period. Investments owned in the pooled cash program are in the name of the County.

The Authority's investment practices are governed by 218.415 of the Florida Statutes and Authority Resolution 2017-003. The Authority has a formal investment policy that, in the opinion of management, is designed to ensure conformity with State Statutes and seeks to limit exposure to investment risks. The investment policy specifies the types, issuer, maturity, and performance measurement of investment securities that are permissible. Qualified institutions utilized for investment transactions are also addressed within the policy, as well as diversification requirements for the investment portfolio. Under State Statutes, County Ordinances and the Authority's resolution, the Authority is authorized to invest in obligations of the U.S. Government, its agencies and instrumentalities, the Florida Local Government Investment Trust, repurchase agreements with primary dealers, commercial paper, bonds, notes or obligations of the State of Florida or any municipality, political subdivision or agency or authority of the State, certificates of deposit, securities in certain open-end or closed-end investment companies or trusts, World Bank notes, bonds and discount notes, obligations of the Tennessee Valley Authority, and certain money market funds. The Authority may also invest in collateralized mortgage obligations and reverse repurchase agreements. Authority policy requires that securities underlying repurchase agreements must have a market value of at least 102% of the cost of the repurchase agreements.

The Authority's investments are managed by its investment committee. Prior to the investment committee's formation, investments were managed by Karpus Investment Management and the assets were held at U.S. Bank at September 30, 2019. Investments are in accordance with Broward County's investment policies. These investment policies address Interest Rate Risk, Credit Risk and Concentration of Credit Risk. The Authority also invests funds principally in FNMA and GNMA mortgage-backed securities.

Interest Rate Risk - The Authority manages its exposure to interest rate volatility by limiting the weighted average maturity of its investment portfolio.

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Note 4 - Cash, Cash Equivalents and Investments (cont'd)

Investments (cont'd)

As of September 30, 2019, the weighted average maturity was 1,859 days.

<u>Investment Type</u>	<u>WAM (Days)</u>	<u>Fair Value</u>
U.S. Treasury	263	\$ 3,038,362
U.S. Agency Mortgage-Backed Securities	1,394	<u>9,065,039</u>
Total Fair Value		<u>\$ 12,103,401</u>
Portfolio Weighted Average Maturity (WAM)	1,859	

Credit Risk - The investment policy contains specific rating criteria for certain investments. The policy states that commercial paper, bonds, notes, or obligations of the State of Florida, any municipality or political subdivision or any agency or authority of the state, if such obligations are rated, must be rated in one of the two highest rating categories by at least two nationally recognized rating agencies. Commercial paper not rated must be backed by a letter of credit or line of credit rated in one of the two highest rating categories. Any investments in World Bank Notes, Bonds and Discount Notes must be rated AAA or equivalent by Moody's Investor Service and/or Standard and Poor's Corporation.

The Authority's investments in U.S. Treasuries and U.S. Agencies are rated AA+ by Standard & Poor's, AAA by Fitch Ratings, and Aaa by Moody's Investor Services. The Authority's investments in the Money Market Mutual Fund is rated AAAM by Standard & Poor's.

Concentration of Credit Risk - The Authority places no limit on the amount that may be invested in securities of the U.S. Government and Agency thereof, or government-sponsored corporation securities. The Authority requires that all other investments be diversified with no more than 5% of the value of the portfolio invested in the securities of any single issuer at time of purchase. GASB Statement No. 40 requires disclosure when the percent is 5% or more in any one issuer. The investment in the United States Treasury instruments is 25.10%, Federal National Mortgage Association is 15.96%, Federal Home Loan Bank is 32.10%, Government National Mortgage Association is 5.70%, and Federal Home Loan Mortgage Corporation is 21.14%.

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Note 5 - Fair Value Measurements

The Authority's financial instruments measured and reported at fair value are classified according to the following hierarchy:

Level 1 — Unadjusted quoted prices for identical assets or liabilities in active markets that the Authority has the ability to access at the measurement date.

Level 2 — Inputs are based on significant observable inputs, including unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.

Level 3 — Inputs that are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability.

The categorization of financial instruments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk. The investments classified as Level 1 of the fair value hierarchy are valued using prices quoted in active markets for identical securities and Level 2 are valued using prices quoted in active markets for similar securities.

<u>Investment Type</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
U.S. Treasury	\$ 3,038,362	\$ -	\$ 3,038,362
U.S. Agency Mortgage-Backed Securities	-	9,065,039	9,065,039
	<u>\$ 3,038,362</u>	<u>\$ 9,065,039</u>	<u>\$ 12,103,401</u>

Note 6 - Receivables

Notes Receivable

At September 30, 2019, notes receivable consists of the following:

Mount Olive Development Corporation	\$ 201,156
Authority Mortgage receivable	8,826
Broward County Community Development Corporation, Inc.	193,194
Notes Receivable - Artspace	592,034
Notes Receivable - Down Payment Assistance Program	<u>319,825</u>
Total	<u>\$ 1,315,035</u>

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Note 6 – Receivables (cont'd)

Notes Receivable (cont'd)

In March 2009, the Authority entered into a Pledge and Assignment of Interest in Developer's Fee agreement with Artspace Projects Inc. ("Artspace"), through its wholly owned subsidiary, Historic West Side School, LLC. Under the terms of the agreement, Artspace would lease facilities to Broward County for approximately 39 years. The facilities would house the Historical Commission and Artspace was required to renovate and restore the facilities. The Authority loaned Artspace \$428,070 at the Prime rate and Broward County loaned the Authority \$428,070, which is to be repaid as the Authority is repaid by Artspace and is described as "Advance from Primary Government" in these financial statements. Artspace is to make payments to the Authority no later than May 15th of any year for any collateral received during the year.

In December 2004, the Authority modified the terms of two first mortgages on which Mount Olive Development Corporation ("MODCO") was the mortgagor. Under the terms of the modification, the remaining balance of a \$75,000 Mortgage signed on August 21, 1997 was added to the remaining balance of a \$400,000 Mortgage signed on July 21, 2000. The \$75,000 Mortgage was paid in full and under the modified terms of the new note, \$5,000 quarterly payments were to be made with the balance due on December 31, 2011. On October 14, 2009, the Authority Board approved a modification which would provide an additional \$88,000 to MODCO for renovations to the property. Under terms of the modification, the balloon was eliminated, and MODCO will continue paying \$5,000 quarterly until the note is paid in full.

Since the real properties, which collateralize certain of the Authority's loans receivable, are concentrated with one geographic location (Broward County, Florida), there is a significant concentration of credit risk. In an effort to minimize this risk, it is the Authority's policy to have application review performed and to record mortgage liens on the real property during the period the loans are outstanding.

Forty-four (44) second mortgage loans in the total amount of \$437,125 were made under a down payment assistance program. The program provided for a loan to be made to a qualifying borrower using Authority funds, which were reimbursed to the Authority by Florida Housing Finance Corporation (FHFC) to the extent FHFC criteria are met and the funds were available from FHFC. In addition, the Authority is entitled to the repayment of the note receivable resulting from the second mortgage placed on the property financed for the qualifying borrower. Twelve (12) mortgages have been paid off as of September 30, 2019 totaling \$117,300 leaving a remaining balance of \$319,825.

Certain of the Authority's loan programs defer payments, for either or both principal and interest, until maturity. Under some programs, loans may be forgivable if the borrower meets certain criteria or complies with certain criteria during a predetermined period.

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Note 7 - Capital Assets

The following is a summary of changes in capital assets for the year ended September 30, 2019:

	<u>Beginning Balance 10/1/2018</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance 9/30/2019</u>
Capital assets, not being depreciated:				
Land	\$ 621,704	\$ -	\$ -	\$ 621,704
Total capital assets, not being depreciated	<u>621,704</u>	<u>-</u>	<u>-</u>	<u>621,704</u>
Capital assets, being depreciated:				
Building	1,036,000	-	-	1,036,000
Equipment	<u>217,741</u>	<u>-</u>	<u>-</u>	<u>217,741</u>
Total capital assets, being depreciated	<u>1,253,741</u>	<u>-</u>	<u>-</u>	<u>1,253,741</u>
Less accumulated depreciated for:				
Building	(621,609)	(28,009)	-	(649,618)
Equipment	<u>(215,624)</u>	<u>-</u>	<u>-</u>	<u>(215,624)</u>
Total accumulated depreciated	<u>(837,233)</u>	<u>(28,009)</u>	<u>-</u>	<u>(865,242)</u>
Total capital assets, being depreciated, net	<u>416,508</u>	<u>(28,009)</u>	<u>-</u>	<u>388,499</u>
Total capital assets, net	<u>\$ 1,038,212</u>	<u>\$ (28,009)</u>	<u>\$ -</u>	<u>\$ 1,010,203</u>

Note 8 - Related Party Transactions

Charges from the County for services provided to the Authority totaled approximately \$738,262 during the year ended September 30, 2019. These services included office staff, attorney, auditing and printing services. The Authority utilizes the self-insurance program of the County for workers' compensation, group health, general and auto liability insurance. The amount owed to the County by the Authority as of September 30, 2019 is \$187,594.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
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Note 9 - Short-Term Debt

Line of Credit

In order to preserve single-family bond issuance capacity in October 2002, the Authority obtained a line of credit with Federal Home Loan bank at a cost of 7-1/2 basis points.

There is currently no balance on the Line of Credit. Proceeds from a borrowing are used to redeem bonds from the Authority's prior single family issues which would otherwise have been redeemed with principal payments, mortgage sale proceeds or other sources of funds. The credit facility allows the Authority to issue refunding bonds to provide new below-market mortgage loans. The proceeds of such refunding bonds are the source of repayment of the line of credit. This credit facility protects the Authority from negative arbitrage (the difference between interest received and interest paid) which would be incurred in periods of declining interest rates. The line of credit is renewed annually for a one-year term.

Note 10 - Long-Term Obligations

The changes in long term debt obligations for the year ended September 30, 2019, are summarized as follows:

	Beginning Balances <u>10/1/2018</u>	<u>Increases</u>	<u>Decreases</u>	Ending Balances <u>9/30/2019</u>	Due Within <u>One Year</u>
Compensated absences	\$ 93,000	\$ 6,000	\$ -	\$ 99,000	\$ 45,000
Net pension liability	<u>455,242</u>	<u>89,863</u>	<u>-</u>	<u>545,105</u>	<u>-</u>
Total	<u>\$ 548,242</u>	<u>\$ 95,863</u>	<u>\$ -</u>	<u>\$ 644,105</u>	<u>\$ 45,000</u>

Note 11 - Conduit Debt Obligations

From time to time, the Authority has issued revenue bonds to finance the construction or acquisition of single family or multi-family housing developments which are intended for occupancy in part by persons of low, moderate, or middle income. Neither the Authority, nor the County, or the State, or any political subdivision thereof is obligated in any manner for repayment of the bonds.

As of September 30, 2019, there were twenty-two (22) bond series outstanding with an aggregate principal amount payable of \$286,297,007.

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Note 12 - Retirement Plans

All of the Authority's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the Pension Plan and the Retiree Health Insurance Subsidy (HIS Plan). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (Investment Plan) alternative to the Pension Plan, which is administered by the State Board of Administration (SBA). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Florida Legislature establishes and may amend the contribution requirements and benefit terms of all FRS plans.

The plan administrator for FRS prepares and publishes its own stand-alone comprehensive annual financial report, including financial statements and required supplementary information. Copies of this report can be obtained from the Department of Management Services, Division of Retirement, Bureau of Research and Member Communications, P.O. Box 9000, Tallahassee, Florida 32315-9000; or at the Division's website (www.frs.myflorida.com).

Pension Plan

Plan Description - The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership for the Authority are as follows:

- Regular Class - Members of the FRS who do not qualify for membership in the other classes.
- Senior Management Service Class (SMSC) - Members in senior management level positions.
- Special Risk Class - Members who are employed as law enforcement officers and firefighters and other specified positions which qualify for this class.
- Elected Officers' Class (EOC) - Members who hold specified elected offices of local government.

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Note 12 - Retirement Plans (cont'd)

Pension Plan (cont'd)

Employees enrolled in the Pension Plan prior to July 1, 2011, vest after six years of creditable service, and employees enrolled in the Pension Plan on or after July 1, 2011, vest after eight years of creditable service. Regular Class, SMSC, and EOC members initially enrolled in the Pension Plan before July 1, 2011, once vested, are eligible for normal retirement benefits at age 62 or at any age after 30 years of creditable service. Members in these classes initially enrolled in the Pension Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Special Risk members initially enrolled in the Pension Plan before July 1, 2011, once vested, are eligible for normal retirement benefits at age 55 or at any age after 25 years of creditable service. Members in this class initially enrolled in the Pension Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 60 or any age after 30 years of creditable service. Early retirement may be taken any time after vesting within 20 years of normal retirement age; however, there is a 5.0% benefit reduction for each year prior to the normal retirement age.

DROP is available under the Pension Plan when the member first reaches eligibility for normal retirement. The DROP allows a member to retire while continuing employment for up to 60 months. While in the DROP, the member's retirement benefits accumulate in the FRS Trust Fund increased by a cost-of-living adjustment each July, and earn monthly interest equivalent to an annual rate of 1.30% on the preceding months DROP accumulation until DROP participation ends. DROP participants with an effective DROP commencement date before July 1, 2011, earn monthly interest equivalent to an annual rate of 6.50%.

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

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Note 12 - Retirement Plans (cont'd)

Pension Plan (cont'd)

The following chart shows the percentage value for each year of service credit earned.

<u>Class, Initial Enrollment, and Retirement Age/Years of Services</u>	<u>% Value (Per Year of Service)</u>
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60%
Retirement at age 63 or with 31 years of service	1.63%
Retirement at age 64 or with 32 years of service	1.65%
Retirement at age 65 or with 33 or more years of service	1.68%
Regular Class members initially enrolled after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60%
Retirement at age 66 or with 34 years of service	1.63%
Retirement at age 67 or with 35 years of service	1.65%
Retirement at age 68 or with 36 or more years of service	1.68%
Senior Management Service Class	2.00%
Special Risk Class	
Service from December 1, 1970 through September 30, 1974	2.00%
Service on or after October 1, 1974	3.00%
Elected Officers' Class	
Service as elected county officer	3.00%

The benefits received by retirees and beneficiaries are increased by a cost-of-living adjustment (COLA) each July. If the member was initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before that time, the annual COLA is 3.0% per year. The annual COLA for retirees with an effective retirement date or DROP date beginning on or after August 1, 2011, who were initially enrolled before July 1, 2011, is a proportion of 3.0% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3.0%. Pension Plan members initially enrolled on or after July 1, 2011, will not have a COLA after retirement.

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Note 12 - Retirement Plans (cont'd)

Pension Plan (cont'd)

Contributions - Effective July 1, 2011, all enrolled members of the Pension Plan, other than DROP participants, are required to contribute 3.0% of their salary to the Pension Plan. In addition to member contributions, governmental employers are required to make contributions to the Pension Plan based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from July 1, 2018 through June 30, 2019 and from July 1, 2019 through September 30, 2019, respectively, were as follows: Regular – 8.26% and 9.45%; Senior Management Service – 24.06% and 32.85%; Special Risk – 24.50% and 24.36%; Elected Officers – 40.77% and 63.16%; and DROP participants – 14.03% and 15.32%. These employer contribution rates do not include the HIS Plan contribution rate and the administrative cost assessment. For the fiscal year ending September 30, 2019, contributions, including employee contributions of \$14,062, to the Pension Plan for the Authority, totaled \$57,256.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2019, the Authority reported a liability of \$386,668 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The Authority's proportionate share of the net pension liability was based on their share of the County's 2018-2019 fiscal year contributions relative to the 2018-2019 fiscal year contributions of all participating members. At June 30, 2019, the Authority's proportionate share was 0.001520%. The proportionate share for the Authority at June 30, 2019 as compared to June 30, 2018 was an increase of 0.00004%.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
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Note 12 - Retirement Plans (cont'd)

Pension Plan (cont'd)

For the fiscal year ended September 30, 2019, the Authority recognized pension expense of \$81,348. In addition, the Authority reported deferred outflows of resources and deferred inflows of resources related to the Pension Plan 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	\$ 31,147	\$ (326)
Change of assumptions	134,874	-
Net difference between projected and actual earnings on Pension Plan investments	-	(29,053)
Changes in proportion and differences between Pension Plan contributions and proportionate share of contributions	13,738	(3,817)
Pension Plan contributions subsequent to the measurement date	<u>13,452</u>	<u>-</u>
Total	<u>\$ 193,211</u>	<u>\$ (33,196)</u>

The deferred outflows of resources related to the Pension Plan, totaling \$13,452 for the Authority, resulting from 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, 2020. 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:

<u>Fiscal Year Ending September 30,</u>	
2020	\$ 49,555
2021	14,949
2022	36,118
2023	27,246
2024	7,027
Thereafter	<u>11,668</u>
Total	<u>\$ 146,563</u>

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Note 12 - Retirement Plans (cont'd)

Pension Plan (cont'd)

Actuarial Assumptions - The total pension liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.60%
Salary increases	3.25% average, including inflation
Investment of return	7.20%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013. The assumptions used in the July 1, 2019 valuation were unchanged from those used in the prior valuation as of July 1, 2018 except for the investment return assumption which increased from 7.00% to 7.20%.

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*</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	2.9%	2.9%	1.8%
Fixed Income	18.0%	4.4%	4.3%	4.0%
Global Equity	54.0%	7.6%	6.3%	17.0%
Real Estate (Property)	11.0%	6.6%	6.0%	11.3%
Private Equity	10.0%	10.7%	7.8%	26.5%
Strategic Investments	<u>6.0%</u>	6.0%	5.7%	8.6%
	<u>100%</u>			
Assumed Inflation - Mean		2.6%		1.9%

*As outlined in the Pension Plan's investment policy.

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Note 12 - Retirement Plans (cont'd)

Pension Plan (cont'd)

Discount Rate - The discount rate used to measure the total pension liability was 7.90%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions will be made at the statutorily required rates. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the valuations of the defined benefit pension plans pursuant to Section 216.136(10), Florida Statutes. The 7.90% rate of return assumption used in the June 30, 2019 calculations was determined by the Plan's consulting actuary to be reasonable and appropriate per Actuarial Standard of Practice No. 27 (ASOP 27) for accounting purposes which differs from the rate used for funding purposes which is used to establish the contribution rates for the Pension Plan. The discount rate used in the July 1, 2018 valuation was 7.00%.

Sensitivity of the Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.90%, as well as what the proportionate shares of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.90%) or one percentage point higher (8.90%) than the current rate:

	1% Decrease (6.90%)	Current Discount Rate (7.90%)	1% Increase (8.90%)
Authority's proportionate share of the net pension liability	<u>\$ 907,763</u>	<u>\$ 386,668</u>	<u>\$ 205,554</u>

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

Payables to the Pension Plan - At September 30, 2019, the Authority reported payables in the amount of \$3,466 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2019.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 12 - Retirement Plans (cont'd)

HIS Plan

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

Benefits Provided - For the fiscal year ended September 30, 2019, 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 these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. The employer contributions are a percentage of gross compensation for all active FRS members. The employer contribution rates for the period from July 1, 2018 through June 30, 2019 and from July 1, 2019 through September 30, 2019 were 1.66%, respectively. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

For the fiscal year ending September 30, 2019, contributions to the HIS Plan for the Authority, totaled \$9,116.

HIS Plan's Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2019, the Authority reported a liability of \$158,437 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. Liabilities originally calculated as of the actuarial valuation date have been recalculated as of June 30, 2019 using a standard actuarial roll-forward technique. The Authority's proportionate share of the net pension liability was based on their share of the County's 2018-2019 fiscal year contributions relative to the 2018-2019 fiscal year contributions of all participating members. At June 30, 2019, the Authority's proportionate share was 0.000205000%, an increase of 0.00007449% compared to June 30, 2018.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
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NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 12 - Retirement Plans (cont'd)

HIS Plan (cont'd)

For the fiscal year ended September 30, 2019, the Authority recognized HIS Plan expense of \$8,288. In addition, the Authority reported deferred outflows of resources and deferred inflows of resources related to the HIS Plan 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	\$ 2,790	\$ (281)
Change of assumptions	26,599	(18,775)
Net difference between projected and actual earnings on Pension Plan investments	148	-
Changes in proportion and differences between Pension Plan contributions and proportionate share of contributions	14,216	(511)
Pension Plan contributions subsequent to the measurement date	<u>3,150</u>	<u>-</u>
Total	<u>\$ 46,903</u>	<u>\$ (19,567)</u>

The deferred outflows of resources related to the HIS Plan, totaling \$3,150 for the Authority, resulting from 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, 2020. 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:

Fiscal Year Ending September 30,	
2020	\$ 4,467
2021	3,575
2022	1,957
2023	(1,421)
2024	258
Thereafter	<u>15,350</u>
Total	<u>\$ 24,186</u>

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 12 - Retirement Plans (cont'd)

HIS Plan (cont'd)

Actuarial Assumptions - Actuarial valuations for the HIS plan are conducted biennially. The July 1, 2018 HIS valuation is the most recent actuarial valuation and was used to develop the liabilities as of June 30, 2019. Liabilities originally calculated as of the actuarial valuation date have been recalculated as of June 30, 2019 using a standard actuarial roll-forward technique. The total pension liability as of June 30, 2019 was determined using the following actuarial assumptions:

Inflation	2.60%
Salary increases	3.25% average, including inflation
Investment rate of return	3.50% net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions that determined the total pension liability as of June 30, 2019 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 at June 30, 2019 was 3.50%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to 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 FRS Actuarial Assumption Conference. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate used in the June 30, 2018 liability measurement was 3.58%. The change between the two measurement dates is due to the changes in the applicable municipal bond index between the dates.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 12 - Retirement Plans (cont'd)

HIS Plan (cont'd)

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

- The following represents the Authority's proportionate shares of the net pension liability calculated using the discount rate of 3.50%, as well as what the proportionate shares of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.50%) or one percentage point higher (4.50%) than the current rate:

	<u>1% Decrease</u> <u>(2.50%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(3.50%)</u>	<u>1% Increase</u> <u>(4.50%)</u>
Authority's proportionate share of the net pension liability	\$ <u>262,236</u>	\$ <u>158,437</u>	\$ <u>202,636</u>

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

Payables to the HIS Plan - At September 30, 2019, the Authority reported payables in the amount of \$718 for outstanding contributions to the HIS plan required for the fiscal year ended September 30, 2019.

Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the defined benefit pension plan. Authority employees participating in 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 State Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 12 - Retirement Plans (cont'd)

Investment Plan (cont'd)

Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04% of payroll and by forfeited benefits of plan members. Effective July 1, 2012, allocations to the investment member's accounts, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 6.30%, Senior Management Service class 7.67%, Special Risk class 14.0%, and Elected Officers' class 11.34%.

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 Pension Plan is transferred to the Investment Plan, the member must have the years of service required for 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. For the fiscal year ended September 30, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Authority.

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 Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The Investment Plan pension expense for the Authority was \$0 for the fiscal year ended September 30, 2019.

At September 30, 2019, the Authority reported payables in the amount of \$0 for outstanding contributions to the Investment Plan required for the fiscal year ended September 30, 2019.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

Note 13 - Risk Management

The Authority is exposed to various risks loss related to torts; theft of assets, errors and omissions; personal injuries; and natural disasters. As a dependent special district, the Authority is insured under Broward County's insurance plan. The coverage is provided at no cost to the Authority. In the past 3 years, there have been no claims settled exceeding the insurance coverage. As of September 30, 2019, there were no outstanding claims.

Note 14 - Subsequent Events

Management has evaluated events and transactions for subsequent events that would impact the financial statements for the year ended September 30, 2019 through February 28, 2020, the date the financial statements were available to be issued. Following this evaluation, management has determined that there were no subsequent events that require recognition or disclosure in the financial statements.

**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)**

REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2019

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
BUDGET COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Charges for services	\$ 466,998	\$ 466,998	\$ 811,236	\$ 344,238
Bond issuance and residual income	190,282	190,282	43,986	(146,296)
Interest and investment income	300,000	300,000	683,101	383,101
Rental income	<u>121,050</u>	<u>121,050</u>	<u>127,044</u>	<u>5,994</u>
Total revenues	<u>1,078,330</u>	<u>1,078,330</u>	<u>1,665,367</u>	<u>587,037</u>
Other Sources of Funds:				
Liquidation of investments	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Total revenue and other sources of funds	<u>1,128,330</u>	<u>1,128,330</u>	<u>1,665,367</u>	<u>537,037</u>
EXPENDITURES:				
Current:				
Personnel services	596,230	596,230	604,032	(7,802)
Professional fees	239,700	239,700	183,802	55,898
General expenditures	272,400	272,400	244,004	28,396
Capital outlay	<u>20,000</u>	<u>20,000</u>	<u>5,655</u>	<u>14,345</u>
Total Expenditures	<u>1,128,330</u>	<u>1,128,330</u>	<u>1,037,493</u>	<u>90,837</u>
Change in fund balance	-	-	627,874	627,874
Fund balance, beginning of the year	<u>14,320,270</u>	<u>14,320,270</u>	<u>14,320,270</u>	<u>14,320,270</u>
Fund balance, end of the year	<u>\$ 14,320,270</u>	<u>\$ 14,320,270</u>	<u>\$ 14,948,144</u>	<u>\$ 14,948,144</u>

See accompanying notes to the Budget Comparison Schedule.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
NOTES TO THE BUDGET COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Note 1 - Budgetary Requirements

The Housing Finance Authority of Broward County prepares an annual operating budget for the Operating Fund which is included in these financial statements.

Budgets are prepared on the same basis of accounting as required for Governmental Fund Types. Expenditures may exceed the approved budget amounts for individual categories as long as the total does not exceed the approved budget.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM PENSION PLAN ⁽¹⁾

LAST TEN FISCAL YEARS*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Authority's proportion of the net pension liability (asset)	0.001520000%	0.001480000%	0.000977909%	0.000905613%	0.001006732%	0.001014542%
Authority's proportionate share of the net pension liability (asset)	\$ 386,668	\$ 314,443	\$ 289,259	\$ 228,668	\$ 130,033	\$ 61,902
Authority's covered-employee payroll	\$ 549,144	\$ 516,080	\$ 392,857	\$ 430,147	\$ 429,110	\$ 416,178
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	70.41%	60.93%	73.63%	53.16%	30.30%	14.87%
Plan fiduciary net position as a percentage of the total pension liability	82.61%	84.26%	83.89%	84.88%	92.00%	96.00%

*Note: The information in this schedule is not required to be presented retroactively. Therefore, years will be added to this schedule in future fiscal years until ten years of information are available.

(1) The amounts presented for each fiscal year were determined as of June 30.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
SCHEDULE OF CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM PENSION PLAN ⁽¹⁾
LAST TEN FISCAL YEARS*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 43,194	\$ 38,956	\$ 36,596	\$ 16,862	\$ 19,941	\$ 18,256
Contributions in relation to the contractually required contribution	<u>(43,194)</u>	<u>(38,956)</u>	<u>(36,596)</u>	<u>(16,862)</u>	<u>(19,941)</u>	<u>(18,256)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered-employee payroll	\$ 549,144	\$ 519,672	\$ 373,481	\$ 440,147	\$ 419,526	\$ 428,820
Contributions as a percentage of covered-employee payroll	7.87%	7.50%	9.80%	3.83%	4.75%	4.30%

*Note: The information in this schedule is not required to be presented retroactively. Therefore, years will be added to this schedule in future fiscal years until ten years of information are available.

(1) The amounts presented for each fiscal year were determined as of September 30.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM HEALTH INSURANCE SUBSIDY⁽¹⁾
LAST TEN FISCAL YEARS*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Authority's proportion of the net pension liability (asset)	0.002050000%	0.001975509%	0.001255679%	0.001252451%	0.001254086%	0.001259315%
Authority's proportionate share of the net pension liability (asset)	\$ 158,437	\$ 140,799	\$ 134,263	\$ 145,968	\$ 127,897	\$ 117,749
Authority's covered-employee payroll	\$ 549,144	\$ 516,080	\$ 392,857	\$ 430,147	\$ 429,110	\$ 416,178
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	28.85%	27.28%	34.18%	33.93%	29.81%	28.29%
Plan fiduciary net position as a percentage of the total pension liability	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

*Note: The information in this schedule is not required to be presented retroactively. Therefore, years will be added to this schedule in future fiscal years until ten years of information are available.

(1) The amounts presented for each fiscal year were determined as of June 30.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)
SCHEDULE OF CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM HEALTH INSURANCE SUBSIDY⁽¹⁾
LAST TEN FISCAL YEARS*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 9,116	\$ 8,627	\$ 6,200	\$ 7,306	\$ 5,286	\$ 5,098
Contributions in relation to the contractually required contribution	<u>(9,116)</u>	<u>(8,627)</u>	<u>(6,200)</u>	<u>(7,306)</u>	<u>(5,286)</u>	<u>(5,098)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered-employee payroll	\$ 549,144	\$ 519,671	\$ 373,481	\$ 440,147	\$ 419,526	\$ 428,820
Contributions as a percentage of covered-employee payroll	1.66%	1.66%	1.66%	1.66%	1.26%	1.20%

*Note: The information in this schedule is not required to be presented retroactively. Therefore, years will be added to this schedule in future fiscal years until ten years of information are available.

(1) The amounts presented for each fiscal year were determined as of September 30.

**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
(A Component Unit of Broward County, Florida)**

COMPLIANCE SECTION

SEPTEMBER 30, 2019



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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

To the Board of Directors
Housing Finance Authority
Broward County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major fund of the Housing Finance Authority of Broward County, Florida (the "Authority"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated February 28, 2020.

Internal Control over Financial Reporting

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

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

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

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ally Zue Y.A.

February 28, 2020



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH FLORIDA STATUTES

To the Board of Directors
Housing Finance Authority
Broward County, Florida

We have examined the Housing Finance Authority of Broward County, Florida (the "Authority"), compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2019. Management is responsible for the Authority's compliance with those requirements. Our responsibility is to express an opinion on the Authority's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Authority's compliance with specified requirements.

In our opinion, the Authority complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2019.

February 28, 2020

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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

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

To the Board of Directors
Housing Finance Authority
Broward County, Florida

We have audited the financial statements of the Housing Finance Authority of Broward County, Florida (the Authority), as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated February 28, 2020.

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 and Chapter 10.550, Rules of the Florida Auditor General. We have issued our Independent Auditors' Reports on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in those reports, which are dated February 28, 2020, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which are not included in the aforementioned auditor's reports:

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report not otherwise addressed in the auditor's report pursuant to Section 10.557(3)(b)2., Rules of the Auditor General. There were no prior year findings or recommendations made in the preceding annual financial audit report.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our current year audit, we determined that the Authority complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our current year audit, there were no findings or recommendations made in the current year.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, fraud, illegal acts, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but



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which warrants the attention of those charged with governance. In connection with our current year audit, we did not have any such findings.

- Section 10.554(1)(i)5., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Such disclosures are made in note 1 to the Authority's financial statements.
- Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our current year audit, we determined that the Authority did not meet any of the conditions described in Section 218.503(1), Florida Statutes.
- Section 10.554(1)(i)6.b., Rules of the Auditor General, requires that we determine whether the annual financial reports for the Authority for the fiscal year ended September 30, 2019, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2019. The Authority does not file a separate report with the State of Florida Department of Financial Services. The financial operations of the Authority are included in the basic financial statements of the Broward County, Florida for the year ended September 30, 2019.
- Sections 10.554(1)(i)6.c. and 10.556(7), Rules of the Auditor General, require that we apply financial condition assessment procedures. In connection with our current year audit, we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

This management letter is intended solely for the information and use of the board of directors, management of the Authority, and the State of Florida Office of the Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

 Y.A.

February 28, 2020

PART VII

BROWARD COUNTY HEALTH FACILITIES AUTHORITY

**BROWARD COUNTY
HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
AUDITED FINANCIAL STATEMENTS
For the Year Ended September 30, 2019**

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)**

September 30, 2019

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Independent Auditor's Report

To the Board of Directors
Broward County Health Facilities Authority
Broward County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and major fund of the Broward County Health Facilities Authority (the Authority), a component unit of Broward County, Florida as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority'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 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 from 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.

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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Authority as of September 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2020, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

RSM US LLP

Fort Lauderdale, Florida
February 24, 2020

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
SEPTEMBER 30, 2019**

This section of the Broward County Health Facilities Authority's (the "Authority") annual financial report presents a narrative overview and analysis of the financial activities of the Authority for the fiscal year ended September 30, 2019. Please read it in conjunction with the Authority's financial statements, which follow this section.

Financial Highlights

- The assets of the Authority totaled \$79,755, and are equal to the net position at September 30, 2019. This total net position is unrestricted and may be used to meet the Authority's ongoing obligations.
- During the 2019 fiscal year, the Authority's total net position increased by \$17,903. This increase is primarily due to a decrease in grants awarded to non-profit healthcare organizations.
- At the end of the fiscal year, the General Fund reported a total fund balance of \$79,755. The total amount is reported as assigned for the subsequent year's budget.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

The *Statement of Net Position* presents information on all of the Authority's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *Statement of Activities* presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses may be reported in this statement for some items that will result in cash flows in future fiscal periods, however, none have been reported in the current fiscal year.

The Authority's government-wide financial statements can be found on pages 7-8 of this report.

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
SEPTEMBER 30, 2019**

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 Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority only utilizes one governmental fund, the General Fund.

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

The Authority's governmental fund financial statements can be found on pages 9-10 of this report.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 11-15 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information containing budget to actual comparisons for the General Fund. The required supplementary information can be found on pages 16-17 of this report.

Governmental Activities

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority, assets equaled net position of \$79,755 at the close of the most recent fiscal year. The total net position of \$79,755 was reported as unrestricted, and may be used to meet the Authority's ongoing obligations.

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
SEPTEMBER 30, 2019**

**Broward County Health Facilities Authority
Governmental Activities Net Position
As of September 30, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
Current Assets	\$ 79,755	\$ 61,852
Net Position – Unrestricted	\$ 79,755	\$ 61,852

The Authority's net position increased by \$17,903 during the current fiscal year as a result of a decrease in grants awarded to non-profit healthcare organizations.

**Broward County Health Facilities Authority Changes in Net Position
Fiscal Years Ended September 30, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
Program Revenues:		
Charges for Services	\$ <u>24,308</u>	\$ <u>30,993</u>
Total Revenues	24,308	30,993
Program Expenses:		
Human Services	6,405	6,072
Payments to Broward County		
General Fund for Grants	<u>-</u>	<u>90,000</u>
Total Expenditures	6,405	96,072
Increase/(Decrease) in Net Position	17,903	(65,079)
Net Position, Beginning of Year	<u>61,852</u>	<u>126,931</u>
Net Position, End of Year	<u>\$ 79,755</u>	<u>\$ 61,852</u>

Program revenues – The Authority's charges for services decreased by \$6,685 from the prior year due to a decrease in annual recurring fees. There were no application and issuer's fees received related to financing and refinancing activities for fiscal year 2019.

Program expenses – The Authority's expenses decreased by \$89,667 from the prior year due to a decrease in payments to Broward County General Fund for grants of \$90,000, which was offset by an increase in legal fees of \$158 and an increase in other miscellaneous expenses of \$175 for the State of Florida Special District Accountability Program Fee.

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
SEPTEMBER 30, 2019**

The financial analysis presented above for the Authority's governmental activities is the same as for the governmental funds since there were no transactions requiring reconciliation between the governmental funds and the governmental activities.

General Fund Budgetary Highlights

For the year ended September 30, 2019, the total appropriations in the original budget and the final amended budget remained the same. The Authority generated a positive variance of \$1,268 between the final adopted budget and actual results. Actual revenues were \$24,308 or 105.3% of the final budgeted amount of \$23,093. Total expenditures of \$6,405 were below the final adopted budget of \$6,458 by \$53, as some of the amounts that were budgeted for professional services were not spent in FY 2019.

Request for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the Authority's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Broward County Health Facilities Authority, 115 South Andrews Avenue, Room 513, Fort Lauderdale, FL 33301, Attention: Finance and Administrative Services Department.

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019**

ASSETS

Cash and Cash Equivalents	<u>\$ 79,755</u>
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NET POSITION

Unrestricted	<u>\$ 79,755</u>
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See the accompanying notes to financial statements

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

PROGRAM EXPENSES

Human Services:

Professional Services	\$ 6,405
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PROGRAM REVENUES

Charge for Services - Authority Fee Income	<u>24,308</u>
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Change in Net Position	17,903
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Net Position, Beginning of Year	<u>61,852</u>
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Net Position, End of Year	<u>\$ 79,755</u>
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See the accompanying notes to financial statements

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
GOVERNMENTAL FUND BALANCE SHEET
SEPTEMBER 30, 2019**

	<u>General Fund</u>
ASSETS	
Cash and Cash Equivalents	<u>\$</u> <u>79,755</u>
FUND BALANCE	
Assigned - Subsequent Year's Budget	<u>\$</u> <u>79,755</u>

See the accompanying notes to financial statements

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

	<u>General Fund</u>
REVENUES	
Charge for Services - Authority Fee Income	<u>\$ 24,308</u>
Total Revenues	<u>24,308</u>
EXPENDITURES	
Human Services:	
Professional Services	<u>6,405</u>
Total Expenditures	<u>6,405</u>
Excess of Revenues over Expenditures	17,903
Fund Balance, Beginning of Year	<u>61,852</u>
Fund Balance, End of Year	<u>\$ 79,755</u>

See the accompanying notes to financial statements

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Broward County Health Facilities Authority (the “Authority”) was established in 1977, by Florida Statute Section 154.207 and by the Broward County Board of County Commissioners (BOCC) County Ordinance No. 77-35, for the purpose of assisting health facilities in the acquisition, construction, financing, and refinancing of projects in any incorporated or unincorporated area of Broward County, Florida (the “County”). The Authority is governed by a five-member Board who shall be Broward County residents appointed by the BOCC. Bonds issued by the Authority are not deemed to constitute a debt of the Authority, the County, or any political sub-division thereof. The Authority is authorized to issue bonds to fulfill its corporate purpose in a principal amount for all projects not to exceed \$329,100,000. As of September 30, 2019, the Authority has issued \$288,620,000 in revenue bonds of which \$1,710,000 are outstanding.

These financial statements have been prepared in conformity with generally accepted accounting principles (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 policies.

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*, (“GASB 91”). GASB 91 provides state and local governments with a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice. The requirements of GASB 91 are effective for fiscal years beginning after December 15, 2020, but the Authority adopted it in the current fiscal year. The adoption of GASB 91 did not have an impact on the Authority’s financial statements because its existing reporting practice was consistent with GASB 91.

A. Reporting Entity

The Authority is considered a component unit of the reporting entity of the County because the BOCC appoints its governing body and is financially accountable for the Authority. The Authority is included in the County’s Comprehensive Annual Financial Report as a discretely presented component unit.

B. Basis of Presentation

Government-wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the activities of the Authority. Governmental activities for the Authority generally are financed through revenues generated by fees.

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Fund Financial Statements

The fund financial statements provide information about the Authority. The General Fund, the Authority's major governmental fund, is used to account for all of the Authority's financial resources and transactions.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resource being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred.

D. Assets, Liabilities and Net Position or Equity

1. Deposits

The Authority participates in the cash pool maintained by the County. As of September 30, 2019, the Authority's share of the cash pool consisted of cash deposits. Please refer to the County's Comprehensive Annual Financial Report for all risk related disclosures.

2. Net Position and Net Position Flow Assumption

Net position represents the residual interest in the Authority's assets after liabilities are deducted and may consist of three components: net investment in capital assets, restricted and unrestricted net position. Net investment in capital assets includes capital assets, net of accumulated depreciation, reduced by outstanding debt incurred to acquire, construct, or improve those capital assets, excluding unexpended proceeds. The restricted category represents the balance of assets restricted for general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

through constitutional provisions or enabling legislation. Unrestricted net position consists of the net position not meeting the definition of either of the other two components. The Authority's total net position is unrestricted at September 30, 2019.

Sometimes the Authority will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to be reported as restricted and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted position to have been depleted before unrestricted net position is applied.

3. Fund Balance and Fund Balance Flow Assumption

In the fund financial statements, governmental funds report fund balance in classifications based on the extent to which the Authority is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Fund balances in the General Fund may be classified as follows:

1. *Non-spendable* – amounts cannot be spent because they are not in spendable form (e.g., inventories, prepaid items and long-term receivables) or are legally or contractually required to be maintained intact.
2. *Restricted* – amounts are restricted to specific purposes due to the constraints imposed externally by creditors, grantors, contributors, laws or regulations of other governments, or by law through constitutional provisions or enabling legislation.
3. *Committed* – amounts can be used for specific purposes pursuant to the constraints imposed by formal actions of the Authority's Board of Directors, the Authority's highest level of decision making authority. Amounts specifically committed for use in satisfying contractual obligations are also included in this classification.
4. *Assigned* – amounts are constrained by the Authority's intent to be used for specific purposes. Intent is expressed by the Authority's Board of Directors.
5. *Unassigned* – residual amount reported in the General Fund.

Sometimes the Authority will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted fund balance to have been

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

E. Revenues

Amounts reported as program revenues include charges to customers or applicants for goods, services, or privileges provided.

F. Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditure/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - RELATED PARTY TRANSACTIONS

The County is reimbursed for the costs incurred for certain financial and administrative services rendered to the Authority in accordance with the terms of the professional services agreement between the County and the Authority. This agreement provides that reimbursable costs for services rendered by the County are due and payable at such time as the Authority has sufficient funds to pay such costs. Charges to the Authority from the County for such services totaled \$6,405 during the year ended September 30, 2019.

The County also administers grants to non-profit healthcare organizations located in Broward County on behalf of the Authority. The Authority did not award any grants to the County during the year ended September 30, 2019.

NOTE 3 - INTERLOCAL AGREEMENT AND CONDUIT DEBT OBLIGATIONS

On November 24, 1998, the Authority entered into an Interlocal Agreement (the "1998 Agreement") with Collier County Health Facilities Authority (the "Issuer") to authorize the Issuer to issue tax-exempt revenue bonds (the "Bonds") on behalf of and with the agreement of the Authority to loan a portion of the Bond proceeds to Cleveland Clinic Florida (the "Borrower") for the purpose of providing funds to the Borrower to acquire, construct, renovate, rehabilitate and equip certain healthcare facilities located in Broward County. The Borrower agreed to pay the Authority an up-front fee of 5 basis points of the borrowing attributable to the construction in Broward County. In addition, the Borrower agreed to pay the Authority an annual fee of 5 basis points of the Bonds outstanding on each anniversary of the Bond

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 3 - INTERLOCAL AGREEMENT AND CONDUIT DEBT OBLIGATIONS - Continued

issuance date. The Bonds outstanding are not considered a debt or conduit debt of the Authority since they were issued by the Collier County Health Facilities Authority. The final maturity of the Bonds is January 1, 2035 at which time the fees paid by the Borrower to the Authority will cease.

Pursuant to an Interlocal Agreement, dated May 25, 2000, (the “2000 Agreement”) the BOCC of Broward County authorized the Authority to issue Series 2000 Bonds in connection with the refunding of the Catholic Health Services, Inc. Series 1991 Bonds and the financing of improvements to the St. Anne’s Facility. On December 2, 2010, the Broward County Health Facilities Authority Board approved the refinancing of the Series 2000 Bonds. Under the agreement Catholic Health Services, Inc. is the “Conduit Borrower”. The Series 2000 Bonds were refunded on December 22, 2010 through the issuance of \$14,200,000 of Series 2010 Bonds. The Conduit Borrower, through the debt trustee, makes the debt service payments to the bondholder directly until the bonds are paid off. The Conduit Borrower has agreed to pay the Authority 10 basis points of the Series 2010 Bonds outstanding as of September 30th of each year, payable to the Authority on October 1st of each fiscal year. At September 30, 2019, the principal outstanding was \$1,710,000. The final maturity of the Series 2010 Bonds is August 15, 2020. These bonds are considered to be conduit debt of the Authority.

None of the currently outstanding bonds constitute a debt, liability, or obligation of the Authority, the County, the State, or any political subdivision thereof, except for pledged revenues collected. Neither the Authority, the County, the State, nor any political subdivision thereof shall be liable for any other indebtedness or liability which may arise in connection with the issuance of the bonds or the making of the loan. No collateral, security, or commitment is provided by the Authority to support the debt service payment of the bonds.

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
September 30, 2019**

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
BUDGETARY COMPARISON SCHEDULE (UNAUDITED)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Charge for Services - Authority Fee Income	\$ 24,308	\$ 24,308	\$ 24,308	\$ -
Less 5% of Anticipated Revenue	<u>(1,215)</u>	<u>(1,215)</u>	<u>-</u>	<u>1,215</u>
Total Revenues	<u>23,093</u>	<u>23,093</u>	<u>24,308</u>	<u>1,215</u>
EXPENDITURES				
Human Services:				
Professional Services	<u>6,458</u>	<u>6,458</u>	<u>6,405</u>	<u>53</u>
Total Expenditures	<u>6,458</u>	<u>6,458</u>	<u>6,405</u>	<u>53</u>
Excess of Revenues over Expenditures	<u>\$ 16,635</u>	<u>\$ 16,635</u>	<u>\$ 17,903</u>	<u>\$ 1,268</u>

See the accompanying notes to budgetary comparison schedule

**BROWARD COUNTY HEALTH FACILITIES AUTHORITY
BROWARD COUNTY, FLORIDA
(A COMPONENT UNIT OF BROWARD COUNTY, FLORIDA)
NOTE TO BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

NOTE 1 – BUDGETARY INFORMATION

The Authority prepares an annual operating budget for the general fund which is reflected in these financial statements. The Authority's budgeting process is based on estimates of revenues and expenditures and requires that all budgets be approved by the Authority's Board (the "Board") after a public hearing is held. Subsequent amendments to the budget, if any, are approved by the Board. General Fund appropriations lapse after year end.

Budgets are prepared on the same basis of accounting as required for the governmental fund types and conforms with GAAP.

**Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit
of Financial Statements Performed in Accordance
with *Government Auditing Standards***

Independent Auditor's Report

To the Board of Directors
Broward County Health Facilities Authority Broward County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major fund of the Broward County Health Facilities Authority (the Authority), a component unit of Broward County, Florida as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated February 24, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RSM VS LLP

Fort Lauderdale, Florida
February 24, 2020

Independent Accountant's Report

To the Board of Directors
Broward County Health Facilities Authority
Broward County, Florida

We have examined the Broward County Health Facilities Authority's (the Authority) compliance with the local government investment policy requirements of *Section 218.415, Florida Statutes, Local Government Investment Policies* during the year ended September 30, 2019. The Authority's management is responsible for the Authority's compliance with the specified requirements. Our responsibility is to express an opinion on the Authority's compliance with the specified requirements based on our examination.

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

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

In our opinion, the Authority complied, in all material respects, with the local government investment policy requirements of *Section 218.415, Florida Statutes, Local Government Investment Policies* during the year ended September 30, 2019.

This report is intended solely for the information and use of the Florida Auditor General, Broward County Board of County Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

RSM US LLP

Fort Lauderdale, Florida
February 24, 2020

**Management Letter
in Accordance with the Rules of the
Auditor General of the State of Florida**

To the Board of Directors
Broward County Health Facilities Authority
Broward County, Florida

We have audited the financial statements of the Broward County Health Facilities Authority (the Authority), a component unit of Broward County, Florida as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated February 24, 2020.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, *Rules of the Florida Auditor General*.

Other Report and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards, AT-C Section 315*, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 24, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority is disclosed in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Authority has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Authority did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the Authority. It is management's responsibility to monitor the Authority's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

Purpose of This Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Board of Directors and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

RSM US LLP

Fort Lauderdale, Florida
February 24, 2020