

**City of
Wilton Manors, Florida**

Comprehensive Annual Financial Report

Fiscal Year Ended September 30, 2018

Prepared by the Finance Department



The newly-renovated Colohatchee Park

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Fiscal Year Ended September 30, 2018

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City of Wilton Manors, Florida

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INTRODUCTORY SECTION

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Life's Just Better Here

City of Wilton Manors

2020 Wilton Drive
Wilton Manors, FL 33305
www.wiltonmanors.com

Finance Department

Phone (954) 390-2141

May 21, 2019

Mayor Justin Flippen
Vice Mayor Tom Green
Commissioner Julie Carson
Commissioner Gary Resnick
Commissioner Paul Rolli

Dear Mayor and Commissioners:

It is our pleasure to submit the Comprehensive Annual Financial Report of the City of Wilton Manors, Florida for the fiscal year ended September 30, 2018, pursuant to Section 218.39 of the State of Florida Statutes and the Rules of the Florida Auditor General, Chapter 10.550. This report was prepared by the City's Finance Department. Although the financial statements were audited by independent certified public accountants, the responsibility for the accuracy and completeness of the data, the fairness of presentation, as well as the disclosures made in this report rests with the City. We believe the data as presented is accurate in all material respects, that it is presented in a manner designed to fairly communicate the financial activity of its various funds, and that all disclosures necessary to enable the reader to obtain a general understanding of the City's financial activity have been included. The financial statements have been audited by Keefe McCullough, Certified Public Accountants. The independent auditor has issued an unmodified opinion that this report fairly presents the financial position of the City and complies with all reporting standards noted above. Additionally, the City has received the Certificate of Achievement for Excellence in Financial Reporting from the Governmental Finance Officers Association of the United States and Canada for the fiscal year ended September 30, 2017.

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

The City

The City of Wilton Manors was incorporated as a village in September 1947, and under its legislative authority, became a city in June 1953. The City's development is one of community pride and effort on the part of its residents. The first town meetings were held in a small store building on Wilton Drive. Later, the Wilton Manors Civic Association was organized, and a meeting hall was built by volunteer labor from materials given by many of its residents on land donated by the City's first mayor which now houses the Wilton Manors Public Library.

After considering several locations, the city's first City Hall opened for business in 1957 at 524 NE 21st Court and was Broward County's oldest city hall when it was demolished in 2010. Construction of the new City Hall and Police Station on Wilton Drive was completed in January 2010. The beautiful and spacious Commission Chambers provide a fitting venue for meetings of the City Commission, various City advisory boards and community organizations.

The City of Wilton Manors has a City Manager-Commission type of government. The five-member non-partisan City Commission consists of four Commissioners elected at large for staggered four-year terms and a mayor elected for a two-year term. The mayor is the head of state for the City and presides at City Commission meetings. The City Commission hires legal counsel, approves Ordinances and Resolutions and sets overall policy for the City. The Commission hires a City Manager who is responsible for the day-to-day operations of the City government.

To efficiently provide services, the City's management administers the following departments: City Manager, City Clerk, Police, Community Development Services, Emergency Management and Utilities, Finance, Human Resources, and Leisure Services. Several Advisory Boards have been established to provide additional input from citizens.

In May 1997 the City created the Island City Foundation (the "Foundation"), a non-profit organization to principally promote and support public purposes benefitting the residents of Wilton Manors. The Foundation is legally a separate entity and is governed by a Board of Directors, which is currently composed of the five members of the City Commission. The Foundation is considered a component unit of the City, but has not been included in the financial statements of the City since the financial activities of the Foundation for the fiscal year ended September 30, 2018 are not considered material to the financial statements of the City.

In addition, in December 2014 the City created the Wilton Drive Improvement District (the "District"), a dependent special district consisting of 56 commercial properties bordering Wilton Drive. The District is a legally separate entity and is governed by a Board of Supervisors which consists of seven members appointed by the City Commission. The Board held its first organizational meetings in 2016 and levied its first assessment for FY17. The District is considered a component unit of the City and its financial statements are included in the City's financial statements for the fiscal year ended September 30, 2018.

The City, with an estimated population of 12,773, is physically located in Broward County, on the extreme southeastern coast of Florida between Palm Beach County to the north, and Miami-Dade County to the south. The downtown area of the City of Fort Lauderdale lies 2.5 miles to the south. Since Wilton Manors is surrounded by the waters of the north and south forks of the Middle River, the City is affectionately known by residents as the "Island City."

Broward County has the second largest county population in the State of Florida with an estimated 1.89 million residents. The County's total land area is 1,197 square miles of which 787 lie in a conservation area and cannot be developed. The remaining 410 developable square miles have 31 municipalities and 23 miles of beaches.

Although Wilton Manors is continually experiencing redevelopment as is typical in a built-out city like ours, Wilton Manors has maintained its small hometown atmosphere.

Local Economy

The County enjoys a diverse economy reflecting its active tourism, construction, marine and service industries; sea, air, and land transportation facilities; and other industrial sectors. Per capita personal income is higher than the state average. This fiscal year saw the local economy continuing its steady recovery from the Great Recession. As of September 30, 2018, unemployment was 2.8% locally in Broward County, under the 3.6% rate for the State of Florida, and the national rate of 3.7%.

The foundation of the local Wilton Manors economy is its core of residential developments along with small retail and service businesses. Wilton Manors continues to experience commercial and multifamily residential development primarily centered on Wilton Drive in the heart of the City's Arts and Entertainment District. The local real estate market for single-family homes was strong throughout the fiscal year, with sales prices continuing their upward trend. Wilton Manors continues to lead the regional recovery of the housing market, with city-wide taxable property values, as determined by the Broward County Property Appraiser as of January 1, 2018, increased by 6.4% over the values as of January 1, 2017.

Strategic Plan

On May 19, 2015, the City Commission adopted a 5-year “2020 Strategic Plan.” This Plan guides future policy development, budgeting, and management decisions toward the accomplishment of defined goals and objectives.

An important part of the process of developing the Plan was ensuring community participation. Focus group meetings with the City Commission, members of boards and advisory committees, and members of the business community were held. Participants were asked to assess and discuss the strengths, weaknesses, opportunities, and challenges of the City. A city-wide resident survey was also conducted. Feedback from these and other sources was used by City department leaders to develop vision and mission statements, goals, objectives, and strategies for each of the Plan’s four priority areas:

- Proactive Public Safety
- Sound Governance
- Strategic Growth and Redevelopment
- Innovating and Adapting for the Future

The final component of the Plan was the development of a set of performance measures that will allow for tracking progress toward the accomplishment of the goals.

Ultimately, the Strategic Plan provides the necessary foundation for proactive planning and policy making, guiding our City in a unified direction. The City’s FY17-18 budget was the third to be developed based on the Strategic Plan. Future budgets will continue to align with and reflect the plan.

Long-Term Financial Planning

The City Commission annually adopts a five-year Capital Improvement Program (CIP) as a part of the formal budgeting process. The CIP is a roadmap for the City’s future spending on both large and small capital projects. An important adjunct to the CIP is the City’s Capital Replacement Plan (CRP) which was set up to provide funding for future capital expenditures of a recurring nature. Through the CRP the City provides for the replacement of vehicles and equipment that have come to the end of their useful lives.

Another very visible recent example of this policy is the reserve that the City set aside to help fund the City Hall and Police Station building. Construction on this \$ 7.1 million project began in the fall of 2008 and was completed on time and on budget in January 2010. The project was funded by a combination of \$ 6 million in General Obligation Bonds and over \$ 1 million in reserves that were set aside by the City over the several previous years.

The City is a candidate for a future transit rail station along the Florida East Coast Railroad (FEC). In FY15-16 the City began budgeting annual installments toward developing a fund to attract the rail station. This is shown in the financial statements as assigned fund balance in the General Fund.

Financial Policies and Budgetary Guidelines

The City of Wilton Manors’ financial policies set forth the basic framework for the overall fiscal management of the City. These policies operate independently of changing circumstances and conditions with the exception of when changes in financial policy are necessary to maintain the integrity of the City and its operations, in conformance with Generally Accepted Accounting Principles (GAAP) and in accordance with the Governmental Accounting Standards Board (GASB). These policies assist the decision making process of the City Commission and the City Administration and provide guidelines for evaluating both current activities and proposals for future programs.

General Financial Policies include: continuous monitoring and comparison of all revenues and expenditures to budget; the aggressive pursuit of grant revenues; cost sharing of health and life insurance between the City and its employees; limitations to budgeted overtime; scheduled maintenance of infrastructure, vehicles and other assets; and the establishment and regular review of user fees and charges.

Debt Policies include prohibitions on issuance of debt for operating activities; the prohibition of the use of general obligation debt for enterprise activities; the maintenance of sufficient restricted cash, reserves and restricted net position to cover debt service; and the publication and distribution of official statements for revenue bond issues.

Accounting, Auditing and Financial Reporting Policies include requiring an annual audit by an independent Certified Public Accounting firm; the timely production and issuance of annual financial reports in accordance with GAAP, and the maintenance of financial records.

Additional Budgetary Guidelines include the pursuit of revenue sources that are alternatives to ad valorem taxes, and the periodic review of government structure and consolidation of departments when feasible.

One of the most important of the City's Budgetary Guidelines is to strive to maintain the General Fund's unassigned fund balance at 15% to 20% of the General Fund budget. If the unassigned fund balance falls below the minimum desired level, it is the practice of the City to budget additional contingency funds sufficient to bring the unassigned fund balance back up to the minimum level. This guideline was formally incorporated by the City Commission into the City's Fund Balance Policy which is in compliance with GASB 54, Fund Balance Reporting and Governmental Fund Type Definitions.

Internal Controls

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

In order to create and maintain a climate supportive of a strong system of internal controls, the City's management has instilled and nurtured a culture of integrity among City staff, clearly communicating their high expectations for staff to perform at the highest level of ethical conduct. Toward this end, management has also provided both the budgetary support and the moral support to enable staff to perform at this high level of professionalism.

Major Initiatives

The City progressed with its plan to achieve the goals and objectives of the 2020 Strategic Plan.

Major capital initiatives were undertaken for the renovation of Colohatchee Park and adding security cameras and Wi-Fi to Island City Park Preserve. A major renovation of the City's fire station was completed. The Water & Sewer Utilities Fund progressed with its ongoing infrastructure replacement plan whose major projects during the fiscal year included water main replacement and lift station replacement. The Parking Fund completed construction of a new parking lot that provides additional parking to serve the north end of Wilton Drive.

Non-capital initiatives targeted investment in the City's economy to spur future property value growth and private investment in the commercial districts. This included launching marketing campaigns branding the City as a tourism destination, working toward land use changes on the Andrews Avenue and Oakland Park Boulevard corridors that will allow mixed use development and additional housing units, and accomplishing objectives of the City's Economic Development Strategic Plan.

Another goal was to identify strategies addressing climate change and sea level rise. Wilton Manors partnered with neighbor city, Oakland Park, to develop a joint climate action plan that aims to reduce both cities' greenhouse gas emissions and increase the resiliency of both communities.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wilton Manors for its CAFR for the year ended September 30, 2017. This was the seventeenth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR, meeting strict reporting guidelines.

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

The City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for Fiscal Year 2017-18. To qualify for this award, the City's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communication device.

Acknowledgements

The CAFR is the result of the combined efforts of many people without which this report would not have been possible. Appreciation is extended to the members of the City Departments for their assistance in the preparation of the report, and the City's external auditors for their very significant role in the production of the report. Special thanks are due to Carol Conol, the City's Assistant Finance Director, who was primarily responsible for the completion of this CAFR.

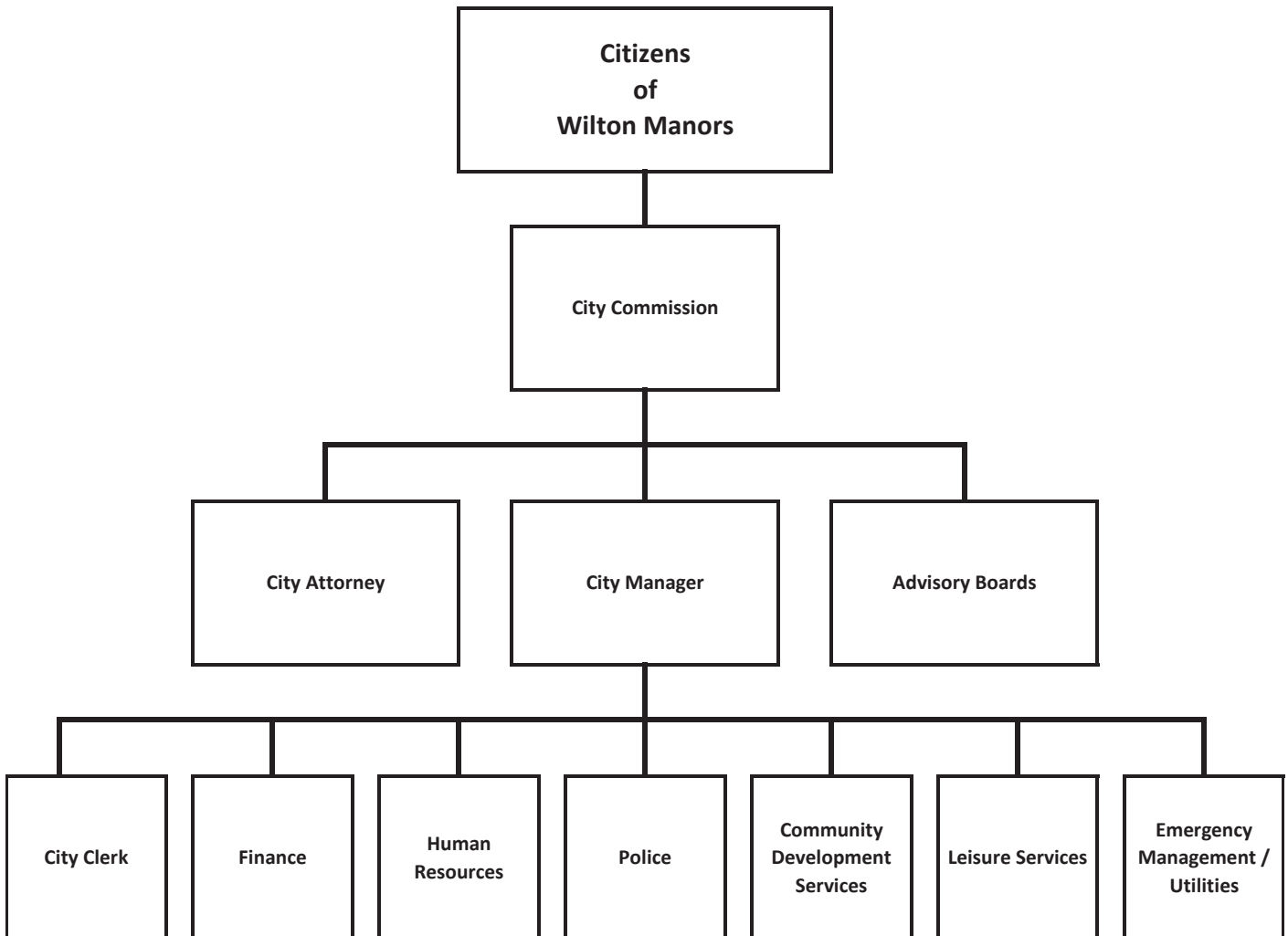
Respectfully,

A handwritten signature in blue ink that reads "Bob Mays" with a stylized flourish at the end.

Bob Mays
Finance Director

City of Wilton Manors

Organization Chart



City of Wilton Manors, Florida

COMMISSION - MANAGER FORM OF GOVERNMENT

LIST OF PRINCIPAL OFFICIALS

As of September 30, 2018

CITY COMMISSION

GARY RESNICK

Mayor

JUSTIN FLIPPEN

Vice Mayor

TOM GREEN

Commissioner

JULIE CARSON

Commissioner

SCOTT NEWTON

Commissioner

CITY MANAGER

Leigh Ann Henderson

CITY ATTORNEY

Kerry Ezrol

CITY CLERK

Faith Lombardo

FINANCE DIRECTOR

Bob Mays

HUMAN RESOURCES DIRECTOR

Dio Sanchez

LEISURE SERVICES DIRECTOR

Patrick Cann

POLICE CHIEF

Paul O'Connell

**COMMUNITY DEVELOPMENT
SERVICES DIRECTOR**

Roberta Moore

**EMERGENCY MANAGEMENT /
UTILITIES DIRECTOR**

David Archacki



Government Finance Officers Association

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

Presented to

**City of Wilton Manors
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor, City Commissioners and City Manager
City of Wilton Manors, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wilton Manors, Florida (the "City") as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Pension Trust Funds, which represents 100% of the assets, additions, and deductions of the fiduciary funds. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pension Trust Funds is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2018, 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.

Emphasis of Matter

As described in Notes 10 and 16 to the financial statements, in 2018 the City adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective October 1, 2017, which resulted in the City restating beginning net position for recognition of the City's Postemployment Benefits Other Than Pensions related to activity prior to October 1, 2017. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules related to pensions and other post-employment benefits on pages 4 through 17 and pages 75 through 81, respectively, 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 and the other auditors 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 City's basic financial statements. The introductory section, budgetary comparison information, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and budgetary comparison information are the responsibility of management and were derived from and relate 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, by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of other auditors, the combining and individual nonmajor fund financial statements and budgetary comparison information are fairly stated in all material respects in relation to the basic financial statements as a whole.

City of Wilton Manors, Florida

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 our report dated May 21, 2019, on our consideration of the City's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



KEEFE MCCULLOUGH

Fort Lauderdale, Florida
May 21, 2019

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MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

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This section is intended to provide the reader of this report with a general overview of the financial activities of the City for the fiscal year ended September 30, 2018. The information in this section should be considered in conjunction with the Letter of Transmittal at the beginning of the report, as well as the financial statements and notes to the financial statements which follow.

Financial Highlights

Net Position

Net position is the difference between assets + deferred outflows of resources, on the one hand, and liabilities + deferred inflows of resources, on the other hand. The City's net position was materially affected by the adoption, in FY14-15, of the Governmental Accounting Standards Board (GASB) Statements No. 68 and 71 which deal with accounting and financial reporting for pensions. These statements required a new approach to recording an employer's pension liability and pension expense in the government-wide financial statements, which resulted in a material increase in the City's liabilities and a resulting material decrease in the City's net position.

Additionally, GASB 68 requires that most changes in the net pension liability be immediately included in pension expense during the period of the change. This results in potentially large fluctuations in pension expense from year to year due to volatility in investment markets, changes in pension plan assumptions, and other factors. A further complicating factor is that the measurement date for pension liabilities is not the same as the reporting date of this Comprehensive Annual Financial Report (CAFR). Due to the necessity to base net pension liability (NPL) on actuarially determined data, the measurement date for the City's NPL from its participation in the Florida Retirement System (FRS) is June 30, 2018, three months prior to the date of this CAFR. The measurement date for the City's two closed defined benefit pension plans is September 30, 2017, a full year prior to the date of this CAFR.

The City's adoption in the current fiscal year of the Governmental Accounting Standards Board (GASB) Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" (OPEB) has also resulted in increasing the City's liabilities and correspondingly decreasing the City's net position. See Notes Number 10 and Number 16 to the Financial Statements for more information.

- At the end of the current fiscal year, September 30, 2018, the assets and deferred outflows of the City exceeded its liabilities and deferred inflows by \$ 35,105,497 (net position). This is an increase of \$ 2,685,252 from the prior year. The increase is a result of a combination of the effects of City operations during the year, along with the effects of changes in NPL and OPEB liability.
- The \$ 2,685,252 increase in the City's net position consisted of \$ 2,546,146 contributed from the business-type activities and \$ 139,106 contributed from the governmental activities.

- The unrestricted portion of net position may be used to meet the City's ongoing obligations to citizens and creditors. The City's unrestricted net position stayed relatively stable from the prior year, decreasing by only \$ 29,195 (0.3%) to a deficit of (\$ 9,952,694). Reviewing the changes over time in the City's net position (including Unrestricted Net Position), in combination with a review of other factors, can help to assess the financial health of the City. It will be a goal of the City to restore Unrestricted Net Position to a positive number over time.

Other Highlights

- Governmental activities expenses were \$ 20,083,579, \$ 565,302 (+2.9%) higher than in FY16-17. This increase is largely due to the recognition of pension expenses, as explained above.
- Business-type expenses were \$ 9,219,309, \$ 281,428 (-3.0%) lower than the previous year. The decrease is attributable to decreased operating expenses in the Utility Fund which were offset by modest increases in expenses in the City's other business-type funds (Drainage Fund, Parking Fund, and Recycling Fund).
- The total expenses of all City programs were \$ 29,302,888, up \$ 283,874 (+1.0%) from last year.
- Governmental activities revenues, excluding transfers, totaled \$ 18,510,746, up \$ 1,234,759 (7.1%) from FY16-17.
- Business-type operating revenues, which consist of water & wastewater, drainage, garbage & recycling, and parking charges for services; impact fee revenues; and miscellaneous revenues, were \$ 13,355,752, a decrease of (\$ 606,330) (-4.3%). This was largely due to operating revenues in the Utility Fund decreasing by \$ 586,007 (-6.5%) due to a reduction in water and sewer rates. There was also a modest decrease in operating revenues in the Recycling Fund (-\$ 74,637, -2.1%). These decreases were partially offset by increases in the operating revenues of the Drainage Fund (\$ 20,943, +4.5%) and the Parking Fund (\$ 33,371, +3.4%). The increase in revenues in the Drainage Fund is due to a rate increase, and the increase in Parking Fund revenues is due to increased demand for parking.
- At the end of the current fiscal year, fund balance of the General Fund was \$ 4,463,000. Of this balance, \$ 443,090 is restricted by specific legal requirements, \$ 443,330 has been assigned for next year's budget, \$ 369,729 has been assigned or committed for other purposes, \$ 221,050 is classified as nonspendable, and \$ 2,985,801 is classified as unassigned.
- The City's total outstanding long-term debt decreased by \$ 712,999 (11.0%) during the current fiscal year due to regular debt service payments on the City's obligations. No new debt was added during the fiscal year.

- Analysis of the Budgetary Comparison Schedule shows that the General Fund, which accounts for the vast majority of the operations of the government, expended 92.0% of the final budgeted appropriations.

City Highlights

The local economy has substantially recovered from the Great Recession, and the trend of redevelopment is continuing in the Wilton Drive Arts & Entertainment district and elsewhere within the City. Building permit activity during the year was strong. Impact fees are in place, with the revenues being accumulated to expand City infrastructure where needed to properly serve growth.

The City has designated the neighborhoods that are adjacent to the Florida East Coast Railroad (FEC) as a Transit-Oriented Corridor (TOC). There are long-term plans for the FEC to begin passenger rail service, and Wilton Manors is well positioned to become a site for a passenger rail station. In FY17-18 the City assigned \$ 99,000 of the General Fund's fund balance toward a fund to secure the rail station. The TOC land use designation and related re-zoning will encourage higher density mixed-use development along the rail corridor.

The City has also undertaken efforts to change land use and zoning along the Andrews Avenue/Oakland Park Boulevard corridor in an effort to encourage economic development. The new land use and zoning designations will allow for mixed-use, higher-density development along two of the City's main commercial corridors.

This fiscal year saw the beginnings of implementation of the City's Economic Development Strategic Plan which was adopted by the City Commission during the prior fiscal year. The City's economic development consultant has been coordinating the multiple initiatives related to the implementation of the plan. The goals of the plan call for the City to attract diverse businesses, improve branding and signage, and to secure the transit rail station. The City is investing in designing and installing wayfinding signage and community identification markers that will be located at the entry points.

The City has adopted the Complete Streets philosophy for roadway planning which ensures that streets are planned, designed, and operated for all modes of transportation and all users. In early FY18-19, construction began on the City's largest Complete Street project that will transform the downtown Wilton Drive from a five-lane thoroughfare to a three-lane main street with wide sidewalks and bicycle paths.

For nineteen consecutive years, Wilton Drive has been the location of one of the largest community events in Broward County, the Stonewall Parade and Street Festival. This event, along with the annual Halloween "Wicked Manors" street festival, bring in tens of thousands of tourists to the City and contribute millions of dollars to the local economy along with its contribution to the strong sense of community enjoyed by the City.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City of Wilton Manors' basic financial statements consist of three parts: 1) Management's Discussion and Analysis (this section); 2) the Basic Financial Statements comprised of three components: a) Government-wide financial statements, b) Fund financial statements, and c) Notes to the financial statements; and 3) Required Supplementary Information.

Government-wide statements - The government-wide financial statements consist of the following two (2) statements and are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business.

1. The Statement of Net Position presents information on all the City's assets + deferred outflows, and liabilities + deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.
2. The Statement of Activities presents information showing how the City's net position changed during the 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 only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, economic development, physical environment, transportation, and culture and recreation.

The government-wide financial statements can be found on pages 18 through 20 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 City categorizes funds into three basic fund types: 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 year. Such information may be useful in evaluating the City'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 City's near-term financing decisions. Both the governmental funds' balance sheet and the governmental funds' statement of revenues, expenditures, and changes in fund balances provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The City maintains nine 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 City's two major governmental funds, the General Fund and the Fire Assessment Fund. Data from the seven other nonmajor governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the Combining Fund Statements section on pages 82 through 85 of this report. For those comparing this year's results to those of previous years, it should be noted that last year the City converted the Recycling Fund from a governmental (special revenue) fund to a proprietary (enterprise) fund.

The City adopts an annual appropriated budget for its General Fund and special revenue funds. A budgetary comparison statement has been provided for the General Fund and the Fire Fund to demonstrate compliance with this budget, and is presented as required supplemental information. Budgetary comparison for nonmajor special revenue funds is presented in the Combining Fund Statements section of this report.

The basic governmental fund financial statements can be found on pages 21 through 24 of this report.

Proprietary funds - Proprietary funds are comprised of the enterprise funds which are the equivalent of business-type activities in the government-wide statements. These include the Utility Fund, the Drainage Fund, the Parking Fund and the Recycling Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. A statement of cash flows is presented at the fund financial statement level for Proprietary funds, but no equivalent statements are presented in the government-wide financial statements for either governmental activities or business-type activities.

The basic proprietary fund financial statements can be found on pages 25 through 29.

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City maintains one fiduciary fund. The pension trust fund is used to report resources held in trust for retirees and beneficiaries covered by two pension plans - the Pension Plan for General Employees and Police and the Volunteer Firefighters Retirement System.

The City is responsible for ensuring that the assets reported in these funds are used only for their intended purposes, and the City cannot use the assets in the pension plans to finance its operations.

The basic fiduciary fund financial statements can be found on pages 30 and 31.

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 through 71 of this report.

Other financial information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's adopted budget-to-actual results and required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 72 through 81 of this report.

Government-Wide Overall Financial Analysis

Statement of Net Position:

As stated previously, net position may serve over time as a useful indicator of a government's financial position. The City's combined net position totaled \$ 35,105,497 as of September 30, 2018, \$ 11,099,854 for governmental activities and \$ 24,005,643 for business-type activities. The following table presents a condensed statement of net position:

Table 1 - Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 6,746,122	\$ 6,554,195	\$ 9,314,550	\$ 8,766,182	\$ 16,060,672	\$ 15,320,377
Capital assets (net)	29,268,395	29,485,990	19,794,469	17,932,506	49,062,864	47,418,496
Total assets	36,014,517	36,040,185	29,109,019	26,698,688	65,123,536	62,738,873
Deferred outflows of resources	8,260,100	9,003,670	408,602	447,273	8,668,702	9,450,943
Current liabilities	1,327,855	1,791,970	2,481,791	2,507,516	3,809,646	4,299,486
Long-term debt and other noncurrent liabilities	29,797,504	31,166,054	2,920,022	3,110,768	32,717,526	34,276,822
Total liabilities	31,125,359	32,958,024	5,401,813	5,618,284	36,527,172	38,576,308
Deferred inflows of resources	2,049,404	1,125,083	110,165	68,180	2,159,569	1,193,263
Net position:						
Net investment in capital assets	24,941,279	24,594,127	18,372,508	16,362,293	43,313,787	40,956,420
Restricted	1,445,958	1,105,478	298,446	281,846	1,744,404	1,387,324
Unrestricted	(15,287,383)	(14,738,857)	5,334,689	4,815,358	(9,952,694)	(9,923,499)
Total net position	\$ 11,099,854	\$ 10,960,748	\$ 24,005,643	\$ 21,459,497	\$ 35,105,497	\$ 32,420,245

The City's overall net position increased by \$ 2,685,252 (+8.3%) from the prior fiscal year. The components of this increase are net position increases for business-type activities of \$ 2,546,146 (+11.9%) and for governmental activities of \$ 139,106 (+1.3%).

The largest portion of the City's net position (\$ 43,313,787) reflects its investment in capital assets, less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (\$ 1,744,404) represents resources that are subject to external restrictions on how they may be used.

The remaining portion of total net position (Unrestricted Net Position) represents that portion of net position that can be used to finance the City's daily operations and ongoing obligations to its citizens and creditors without constraints established by debt covenants, enabling legislation, or other legal requirements. The City's Unrestricted Net Position has a deficit balance of (\$ 9,952,694) at year end. The business-type activities have a positive Unrestricted Net Position of \$ 5,334,689 at year end. This is offset by a deficit of (\$ 15,287,383) in governmental activities, due to the inclusion of the governmental activities' net pension liability of (\$ 24,045,695).

**City of Wilton Manors, Florida
Management's Discussion and Analysis
September 30, 2018**

It is essential to put this deficit in context, since the deficit results from the implementation of the GASB statements on pension accounting that were mandated starting three years ago (FYE 9/30/15) and the implementation of the GASB statement on OPEB accounting that was adopted this fiscal year. A full picture of the City's overall financial condition can only be seen by analyzing the financial statements as a whole. Information that is particularly helpful in the analysis of the City's net position is found in Table 1 of the statistical section of this report. Table 1 provides a ten-year view of the changes in the City's net position. This allows the observer to determine how the City's ongoing operations have affected its net position.

Table 2 - Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$ 4,790,463	\$ 3,936,610	\$ 13,335,752	\$ 13,942,082	\$ 18,126,215	\$ 17,878,692
Operating grants and contributions	117,852	298,361	-	-	117,852	298,361
Capital grants and contributions	347,045	364,201	-	-	347,045	364,201
General revenues:						
Property taxes	8,243,228	7,480,408	-	-	8,243,228	7,480,408
Intergovernmental	1,655,660	1,745,682	-	-	1,655,660	1,745,682
Other taxes and fees	3,017,704	3,093,179	-	-	3,017,704	3,093,179
Other general revenues	338,794	357,546	141,642	45,797	480,436	403,343
Total revenues	18,510,746	17,275,987	13,477,394	13,987,879	31,988,140	31,263,866
Expenses:						
General government	4,314,647	3,925,704	-	-	4,314,647	3,925,704
Economic development	43,023	78,270	-	-	43,023	78,270
Public safety	10,756,793	10,499,782	-	-	10,756,793	10,499,782
Culture and recreation	4,255,566	4,239,093	-	-	4,255,566	4,239,093
Physical environment	19,262	26,610	8,630,998	8,920,019	8,650,260	8,946,629
Transportation	529,458	569,064	547,531	539,624	1,076,989	1,108,688
Interest on long-term debt	164,830	179,754	40,780	41,094	205,610	220,848
Total expenses	20,083,579	19,518,277	9,219,309	9,500,737	29,302,888	29,019,014
Excess (deficiency) in net position before transfers	(1,572,833)	(2,242,290)	4,258,085	4,487,142	2,685,252	2,244,852
Transfers	1,711,939	1,647,552	(1,711,939)	(1,647,552)	-	-
Reassignment of assets and deferred outflows of resources to business-type activities	-	(755,599)	-	755,599	-	-
Assumption of liabilities and deferred inflows of resources by business-type activities	-	591,569	-	(591,569)	-	-
Changes in net position	\$ 139,106	\$ (758,768)	\$ 2,546,146	\$ 3,003,620	\$ 2,685,252	\$ 2,244,852

General discussion on revenues:

This condensed Statement of Activities shows how the year's revenues, expenses, and transfers have affected the City's net position.

The City's net position increased by (\$ 139,106) as a result of governmental activities. The effect of the City's adoption of GASB 68 and 71 on this amount is mentioned above. Additionally, several areas can be identified which directly impact this current reporting period and the next fiscal year's revenues. The millage rates established by the City Commission during the budget process determine how much property tax revenue will be generated in the General Fund in the ensuing fiscal year. Property tax revenue is the major revenue source in the General Fund, accounting for 54.1% of General Fund revenues and 44.5% of total governmental fund revenues in FY17-18. The millage rate is a rate charged per thousand dollars of assessed property value net of exemptions.

The operating tax millage rate was 5.9837 mills which when combined with the general obligation debt millage of 0.5017 mills produced an effective total millage rate of 6.4854. This is a decrease from the 2016-2017 combined millage rate of 6.5547. The operating millage rate decreased by 0.0063 mills and the debt service millage rate decreased by 0.0630. Changes in millages from year to year are in part limited by a state constitutional amendment and state legislation that both place restrictions on local government's ability to increase millage rates from one year to the next. One mill of tax equals one dollar for each one thousand dollars of taxable assessed property value as determined by the Broward County Property Appraiser.

The City's financial condition is affected by economic conditions. During prosperous economic periods, property values generally increase and property tax revenues increase correspondingly. During the period from 2001 to 2007, the City of Wilton Manors experienced record growth in property values with double-digit increases each year. In fact, the City led most of Broward County in increased property values as a percentage over the previous years, despite the fact that it has been built-out since the early 1970s. Total taxable assessed value for Fiscal Year 2017-18 increased by 11.4% from the previous fiscal year. This was the sixth consecutive year of increases after a cumulative decline of over 25% in the five previous fiscal years (from FY07-08 through FY11-12). Although the recent increases in taxable values have been significant, it is worth noting that it has taken eleven years for the City's total taxable values (\$ 1,318,634,401 as of January 1, 2018) to recover from the Great Recession and surpass their previous historic high of \$ 1,266,296,064 on January 1, 2007, just before the beginning of the housing and financial crises.

Program revenues from Charges for Services for governmental activities increased by \$ 853,853 (+21.7%) from the prior year due largely to increases in revenues from building permits, fines, assessments, and facility rentals.

During the past fiscal year, the City received twelve operating and capital grants from various federal, state, county, and other programs. Capital grants for the year totaled \$ 347,045 for parks projects. The City has vigorously pursued additional grant funding in order to increase grant revenues to become a significant source of revenues for funding projects. To this end, a Capital Projects and Grants Manager was hired and has already shown significant results. Operating grants totaling \$ 117,852 were also received; these grants supplemented City funding for public safety and for library operations.

The business-type activities increased the City's net position by \$ 2,546,146 due primarily to a \$ 2,106,215 increase from the current operations of the Utility Fund. The Parking Fund increased its fund net position by \$ 463,058 due to the increase in parking fees revenue. The Drainage Fund's net position increased by \$ 163,129 due to both increased revenue from a rate increase and to reduced expenses. The Recycling Fund's net position declined by \$ 186,256 due to both decreased revenues and increased expenses.

General discussion on expenses:

Expenses recorded on the government-wide financial statements were \$ 20,083,579 for governmental activities and \$ 9,219,309 for the business-type activities. The City is predominantly a service provider and therefore its major expenses are salaries and benefits. The salaries are specifically affected by cost of living and merit adjustments, while benefit costs are closely linked to health insurance premium rates, actuarially-determined pension contribution rates, and GASB-mandated reporting of pension liabilities and related expenses.

Employee salaries have transitioned over the last several years as the City faced the challenges of the Great Recession and the ensuing recovery period. For a period of seven years during the recession, employee raises were either zero or very low. During the recovery period, compensation has been reinstated to include adjustments both for changes in the consumer price index and for employee merit. Thirty-seven Police Department employees are represented by the Police Benevolent Association (PBA). This fiscal year the City was in the second year of a three-year contract that will run through FY19-20.

The number of City personnel (Full Time Equivalents) decreased by 0.20 due to eliminating two part time positions in the Parking Fund. Total budgeted Full Time Equivalents for the fiscal year were 132.775. The City continues to look to outsourcing, technological innovation, and increased efficiencies to keep the number of personnel employed to an efficient and moderate level. As a part of its annual budget process, the City also reviews the programs and services it offers, evaluates whether to continue these programs and services (either in-house or outsourced), and determines the level of resources (including staffing) to be devoted to those programs and services that are maintained.

Analysis of the Governmental Funds

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds:

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. 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 City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City Commission. The City has adopted Statement No. 54 of the Governmental Accounting Standards Board (GASB), which requires that fund balance be reported in several categories. These categories are: Nonspendable, Restricted, Committed, Assigned, and Unassigned. Unassigned fund balance is available for spending at the City's discretion, and as such unassigned fund balance serves as a particularly useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the fiscal year, the City of Wilton Manors' governmental funds reported a combined ending fund balance of \$ 5,448,147, an increase of \$ 651,998 (13.6%) from the prior fiscal year. Fund balance increases of \$ 457,549 in the General Fund, \$ 54,699 in the Wilton Drive Improvement District Fund, and a combined net increase in other funds of \$ 139,750 were offset by decreases in fund balance of (\$ 30,511) in the Jenada Assessment Fund.

General Fund - The General Fund is the chief operating fund of the City of Wilton Manors. The unassigned fund balance of the General Fund at year-end was \$ 2,985,801, 54.8% of the total fund balance for all governmental funds, and 66.9% of the General Fund's total fund balance of \$ 4,463,000.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance at year end represents approximately 18.0% of the current fiscal year's total expenditures and about 18.7% of the year's operating expenditures in the General Fund (excluding capital expenditures). Total fund balance of the General fund is about 26.8% of the fund's total expenditures, and 30.0% of the fund's operating expenditures. Unassigned fund balance at year end represents approximately 18.1% of the budgeted operating expenditures for the subsequent fiscal year (FY18-19, \$ 16,486,571). The amount of unassigned fund balance is within the target in the City's adopted fund balance policy of maintaining a minimum unassigned fund balance in the General Fund of from 15% to 20% of the subsequent fiscal year's budgeted operating expenditures.

The remaining fund balance categories of the General Fund are not available for new spending because they are already categorized for other purposes. Nonspendable fund balance (\$ 221,050) represents the amounts of inventories and prepayments. The General Fund's restricted fund balance (\$ 443,090) is the amount of unspent impact fees and capital replacement reserves available only for restricted purposes. An additional \$ 369,729 is committed or assigned for future projects. The remaining amount of total fund balance, \$ 443,330, has been assigned to fund expenditures in the FY18-19 budget, if needed.

One of the reasons it is so important for the City to have a healthy Unassigned Fund Balance in the General Fund is to provide a source of funds to deal with both manmade and natural disasters. Just before the beginning of this fiscal year, on September 10, 2017, Hurricane Irma passed through the City. Due to the very large size of this storm, tropical storm-force and hurricane-force winds battered the City throughout a 48-hour period. Luckily there was minimal damage to buildings, but there was extensive damage to trees and other vegetation, leaving tens of thousands of cubic yards of debris littering the City.

The City mobilized its workforce to perform emergency protective measures both before and after the hurricane's landfall. Removal of debris took several weeks, and was handled by contractors the City had already procured prior to the storm. Total City costs for the response to Irma were about \$ 810,000. About 54% of these expenditures were recorded in Fiscal Year 2016-17, and the remainder was recorded in the current fiscal year. Most of this amount is eligible for reimbursement by FEMA and the State of Florida. At the date of this audit, however, approximately \$ 633,000 of expected reimbursements were not yet under contract and therefore did not qualify to be accrued as revenue to match the expenditures included in the accompanying financial statements. As a result, the City's Unassigned Fund Balance is about \$ 633,000 lower than it would have been if the FEMA reimbursements had been under contract at the date of this audit. The City expects to receive the remaining reimbursements in full during Fiscal Year 2018-19.

Fire Assessment Fund - The Fire Assessment Fund is a special revenue fund which accounts for the revenues and expenditures associated with fire prevention and fire protection activities in the City. The Fire Assessment Fund employs a full-time Fire Marshal and Fire Inspector, and shares administrative staff with the General Fund's Community Development Services Department. The City contracts with the neighboring City of Fort Lauderdale to provide first responder services for both fire and emergency medical services. Emergency medical services are funded through the General Fund, but fire services are funded through the Fire Assessment Fund, whose primary revenue source is a Fire Assessment Fee levied as a non-ad valorem assessment and billed to property owners on their property tax bills.

Of the Fire Assessment Fund's total revenues of \$ 2,516,250 for the fiscal year, \$ 2,284,337 (90.8%) came from the Fire Assessment Fee. The fund's fund balance increased by \$ 45,051 (24.9%) during the fiscal year, ending the year at \$ 225,854. All of the Fire Assessment Fund's fund balance is either restricted or committed to be used for fire operations.

Nonmajor Governmental Funds - Information for the City's nonmajor governmental funds are reported in the Combining Statements on pages 82 through 85. The combined fund balance for these funds increased by \$ 149,398 (+24.5%) during the year, ending the year at \$ 759,293. This increase resulted from normal operations.

Proprietary Funds:

The City of Wilton Manors' proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail. The net position of the Utility Fund increased by \$ 2,106,215 (+11.7%), ending the year at \$ 20,042,176. The net position of the City's Drainage Fund amounted to \$ 1,997,628 at year end, an increase of \$ 163,129 (+8.9%). The Parking Fund ended the year with a total net position of \$ 1,915,834, an increase of \$ 463,058 (+31.9%) over the prior year. The Recycling Fund ended the year with a net position of \$ 50,005, down \$ 186,256 (-78.8%) from the prior year. Last fiscal year was the first year that the Recycling Fund was accounted for as an enterprise fund. It is expected that this fund will experience some losses at least through FY18-19 due to the set pricing in place on the primary contract controlling expenses for this fund. The contract will be updated late in FY18-19, and it is expected that revenues from garbage fees will increase during FY19-20.

General Fund Budgetary Highlights

Original budget compared to Final budget:

During the year there was a need to increase the original budgeted appropriations in several departments by \$ 1,239,057, both in response to the unexpected expenditures due to Hurricane Irma, and to complete capital purchases or ongoing projects. The main components of the increase were:

- a. \$ 318,516 for Emergency Disaster Relief in response to Hurricane Irma.
- b. \$ 456,646 in the Community Development Services Department to cover additional costs for contracted professional planning services and for additional contracted plan review and building inspection services that resulted from higher than anticipated building permit activity.
- c. \$ 55,078 in the Police Department to cover additional costs for sworn overtime resulting from expanded security responsibilities for public buildings and special events.
- d. \$ 359,347 for Capital Outlay related primarily to Parks, Information Technology, and Police projects.

- e. The remaining \$ 49,470 was spread among several departments to fund training, economic development, and professional services.

Final budget compared to actual results:

General Fund revenues, excluding transfers-in, were over the final budgeted amount by \$ 378,409, while expenditures, excluding transfer-out, were \$ 1,436,865 below the final budget. Some of the major variances between budgeted and actual amounts in the General Fund are as follows:

- a. Revenues from Fines and Forfeitures came in \$ 307,815 (+117.8%) over budget largely due to an increase in the collection of code enforcement fines during the year.
- b. Intergovernmental Revenues were over budget by \$ 124,680 (+9.26%) due to a grant received for the construction of a trail in Mickel Park.
- c. Budgeted expenditure savings during the year were found in all General Fund departments with the exception being the \$ 2,391 budget overrun due to Interest Expense. The major contributors to the savings from other departments: Community Development, \$ 466,997; Parks and Recreation, \$ 137,698; City Attorney, \$ 40,762, City Clerk, \$ 51,809; City Manager, \$ 52,493; and Capital Outlay, \$ 495,616.

Capital Assets and Debt Administration

Capital Assets:

The City had \$ 49,062,864 invested in capital assets, net of accumulated depreciation, at September 30, 2018. The following schedule summarizes capital assets held by the City:

Table 3 - Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	\$ 8,000,521	\$ 7,994,757	\$ 2,432,452	\$ 2,432,452	\$ 10,432,973	\$ 10,427,209
Construction in progress	99,586	247,122	37,634	229,267	137,220	476,389
Intangibles	42,070	42,070	-	-	42,070	42,070
Infrastructure, buildings and improvements	18,785,123	18,868,780	16,069,881	13,984,747	34,855,004	32,853,527
Machinery and equipment	2,341,095	2,333,261	1,254,502	1,286,040	3,595,597	3,619,301
Total	\$ 29,268,395	\$ 29,485,990	\$ 19,794,469	\$ 17,932,506	\$ 49,062,864	\$ 47,418,496

This year’s major additions included:

Governmental Activities:	
Information Technology Equipment	\$ 73,504
Police Vehicles and Equipment	217,810
Parks Improvements	549,841
Fire Station Renovations and Equipment	198,693
Road Improvements	116,257
Business-Type Activities:	
Parking System Improvements	288,618
Sewer System Improvements	1,316,221
Water System Improvements	1,174,793
Drainage System Improvements	166,518
	<u>\$ 4,102,255</u>

Additional information on the City’s capital assets can be found in Note 6 on pages 48 and 49.

Debt Administration:

The City had debt totaling approximately \$ 5.75 million at September 30, 2018. Total debt outstanding at the end of the prior fiscal year was \$ 6.46 million. The net decrease of \$ 712,999 (+11.0%) is due to regular debt service payments on the City’s debt made during the year.

Table 4 - Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Notes payable	\$ 4,327,116	\$ 4,891,863	\$ 1,421,961	\$ 1,570,213	\$ 5,749,077	\$ 6,462,076
Total	<u>\$ 4,327,116</u>	<u>\$ 4,891,863</u>	<u>\$ 1,421,961</u>	<u>\$ 1,570,213</u>	<u>\$ 5,749,077</u>	<u>\$ 6,462,076</u>

During fiscal year 2017-18, the amount of the City’s general obligation debt decreased by \$ 496,747 due to scheduled debt service payments on the existing debt. No additional general obligation debt is anticipated in fiscal year 2018-2019.

Two bank notes with year-end indebtedness of \$ 1.42 million and \$ 547,000, respectively, were the other major component of the City’s debt during the fiscal year. The proceeds of the first note, the Utility and Parking Note, were used to finance construction of the replacement of the City’s main sewer lift station, and for the construction of surface parking lots in the Arts & Entertainment District. The smaller bank note financed the repurposing of the City’s Mickel Park.

Additional information on the City’s long-term debt can be found in Note 8 on pages 49 through 51 of this report.

Economic Factors and Next Year’s Budget and Rates

The City’s primary sources of revenue are property and utility taxes, franchises and regulatory fees, and utility charges for services. State shared revenues, which include telecommunications taxes, are another large source of revenue. All of these revenue sources are affected to a greater or lesser extent by general economic factors. The fiscal year was a period of improving economic conditions in the region, state, and country. Recovery from the Great Recession which began in 2007 has proceeded steadily. Local unemployment rates have also dropped steadily in the last year.

The local economy improved upon the recovery that began in the three prior fiscal years. The local recovery is due primarily to increased sales of residential real estate, increased tourism, and increased retail activity. The City's property values as of January 1, 2017 increased 12.8%, and January 1, 2018 property values increased another 11.4% over the prior year, the sixth year in a row of increases after a five-year cycle of declining property values related to the national recession.

For Fiscal Year 2018-2019, the City Commission retained the operating millage rate from FY17-18 of 5.9837. Despite the retained millage rate, due to the increase in property values, the budgeted property tax revenue increased by \$ 494,725 from the prior year.

The fire assessment fees for FY2018-2019 increased from \$ 214.72 to \$ 219.24 for single family homeowners. Water and sewer rates decreased slightly for most customers due to the decreased debt service from retirement of the 2007 Water & Sewer bonds. Monthly base rates decreased, but consumption rates increased to cover increasing costs passed through from the City of Fort Lauderdale. The average residential customer saw an overall decrease of about 6% for water and sewer charges. The stormwater fee also increased 5%. The City's garbage and recycling fees remained unchanged. The procurement process began in FY2017-2018 to select a consultant for a Water, Sewer and Stormwater Master Plan. This plan will identify the future funding needed for the City's utilities, thus giving staff the information necessary to determine how best to set future utility rates.

Since the end of the City's fiscal year on September 30, 2018, the general local economy has shown continued signs of improvement as the county unemployment rate has continued to edge downward.

Requests for Information

The Finance Department of the City of Wilton Manors, Florida takes full responsibility for the preparation of this report. Every effort has been made to make this report understandable to the reader. Any questions or comments about this report are welcome and may be directed to the City's Assistant Finance Director by phone at (954) 390-2144, by email to ap@wiltonmanors.com, or by mail to the City of Wilton Manors, Assistant Finance Director, 2020 Wilton Drive, Wilton Manors, FL 33305.

The City publishes this report and much more financial information on its website: www.wiltonmanors.com > Departments > Finance.

BASIC
FINANCIAL STATEMENTS

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City of Wilton Manors, Florida
Statement of Net Position
September 30, 2018

	Primary Government		
	Governmental Activities	Business- type Activities	Total
Assets:			
Cash, cash equivalents and investments	\$ 5,487,667	\$ 7,746,335	\$ 13,234,002
Accounts receivables, net	244,405	999,762	1,244,167
Due from other governments	497,402	-	497,402
Inventories	30,005	39,067	69,072
Prepayments and other assets	205,616	56,787	262,403
Restricted cash, cash equivalents and investments	281,027	472,599	753,626
Capital assets, non-depreciable	8,142,177	2,470,086	10,612,263
Capital assets, depreciable (net)	21,126,218	17,324,383	38,450,601
Total assets	36,014,517	29,109,019	65,123,536
Deferred Outflows of Resources:			
Deferred outflows related to pensions	8,260,100	408,602	8,668,702
Total assets and deferred outflows of resources	\$ 44,274,617	\$ 29,517,621	\$ 73,792,238
Liabilities:			
Accounts payable and accrued liabilities	\$ 1,156,796	\$ 1,997,248	\$ 3,154,044
Customer deposits	-	472,599	472,599
Unearned revenues	141,179	-	141,179
Accrued interest payable	29,880	11,944	41,824
Noncurrent liabilities:			
Due within one year:			
Compensated absences	588,184	41,393	629,577
Notes payable	581,966	152,011	733,977
Due in more than one year:			
Compensated absences	218,586	19,012	237,598
Notes payable	3,745,150	1,269,950	5,015,100
Net pension liability	24,045,695	1,412,579	25,458,274
OPEB liability	617,923	25,077	643,000
Total liabilities	31,125,359	5,401,813	36,527,172
Deferred Inflows of Resources:			
Deferred inflows related to pension	2,049,404	110,165	2,159,569

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

City of Wilton Manors, Florida
Statement of Net Position
(continued)
September 30, 2018

	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total</u>
Net Position:			
Net investment in capital assets	24,941,279	18,372,508	43,313,787
Restricted for:			
Sewer impact fees	-	298,446	298,446
Public safety impact fees	9,722	-	9,722
Public safety	442,730	-	442,730
Fire operations	217,532	-	217,532
EMS rescue unit	98,426	-	98,426
Transportation	267,648	-	267,648
Culture and recreation impact fees	28,717	-	28,717
Affordable housing impact fees	306,225	-	306,225
Jenada Isle neighborhood improvements	4,030	-	4,030
Wilton Drive improvements	70,928	-	70,928
Unrestricted (deficit)	<u>(15,287,383)</u>	<u>5,334,689</u>	<u>(9,952,694)</u>
Total net position	<u>11,099,854</u>	<u>24,005,643</u>	<u>35,105,497</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 44,274,617</u>	<u>\$ 29,517,621</u>	<u>\$ 73,792,238</u>

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

**City of Wilton Manors, Florida
Statement of Activities
For the Year Ended September 30, 2018**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	
Primary Government:							
Governmental activities:							
General government	\$ 4,314,647	\$ 297,256	\$ -	\$ -	\$ (4,017,391)	\$ -	\$ (4,017,391)
Economic development	43,023	96,041	-	-	53,018	-	53,018
Public safety	10,756,793	3,804,387	97,178	-	(6,855,228)	-	(6,855,228)
Culture and recreation	4,255,566	551,463	20,674	347,045	(3,336,384)	-	(3,336,384)
Physical environment	19,262	7,793	-	-	(11,469)	-	(11,469)
Transportation	529,458	33,523	-	-	(495,935)	-	(495,935)
Interest expense	164,830	-	-	-	(164,830)	-	(164,830)
Total governmental activities	20,083,579	4,790,463	117,852	347,045	(14,828,219)	-	(14,828,219)
Business-type activities:							
Utility	5,099,709	8,406,967	-	-	-	3,307,258	3,307,258
Parking	571,632	1,016,807	-	-	-	445,175	445,175
Recycling	3,187,561	3,429,113	-	-	-	241,552	241,552
Drainage	360,407	482,865	-	-	-	122,458	122,458
Total business-type activities	9,219,309	13,335,752	-	-	-	4,116,443	4,116,443
Total Primary Government	29,302,888	18,126,215	117,852	347,045	(14,828,219)	4,116,443	(10,711,776)
General revenues:							
Taxes:							
Property					8,243,228	-	8,243,228
Franchise					833,404	-	833,404
Utility					2,090,420	-	2,090,420
Other					93,880	-	93,880
Intergovernmental revenue, not restricted to specific functions					1,655,660	-	1,655,660
Interest income					166,103	121,282	287,385
Miscellaneous					136,709	-	136,709
Gain on sale of capital assets					35,982	20,360	56,342
Transfers in (out)					1,711,939	(1,711,939)	-
Total general revenues and transfers					14,967,325	(1,570,297)	13,397,028
Change in net position					139,106	2,546,146	2,685,252
Net position, beginning (as restated, Note 16)					10,960,748	21,459,497	32,420,245
Net position, ending					\$ 11,099,854	\$ 24,005,643	\$ 35,105,497

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

City of Wilton Manors, Florida
Balance Sheet
Governmental Funds
September 30, 2018

	<u>General Fund</u>	<u>Fire Assessment Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Assets:				
Cash, cash equivalents and investments	\$ 4,266,194	\$ 401,289	\$ 820,184	\$ 5,487,667
Receivables, net:				
Accounts receivable	244,405	-	-	244,405
Due from other governments	415,112	-	82,290	497,402
Due from other funds	106,784	-	-	106,784
Inventories	23,806	-	6,199	30,005
Prepayments	197,244	4,822	3,550	205,616
Restricted cash, cash equivalents and investments	<u>98,426</u>	<u>182,476</u>	<u>125</u>	<u>281,027</u>
Total assets	<u>\$ 5,351,971</u>	<u>\$ 588,587</u>	<u>\$ 912,348</u>	<u>\$ 6,852,906</u>
Liabilities:				
Accounts payable	\$ 580,284	\$ 283,556	\$ 41,409	\$ 905,249
Accrued liabilities	238,077	12,383	1,087	251,547
Due to other funds	-	-	106,784	106,784
Unearned revenues	<u>70,610</u>	<u>66,794</u>	<u>3,775</u>	<u>141,179</u>
Total liabilities	<u>888,971</u>	<u>362,733</u>	<u>153,055</u>	<u>1,404,759</u>
Fund Balances:				
Nonspendable:				
Inventories and prepayments	221,050	4,822	9,749	235,621
Restricted for:				
Public safety impact fees	9,722	-	-	9,722
Public safety	-	-	442,730	442,730
Fire operations	-	217,532	-	217,532
EMS rescue unit	98,426	-	-	98,426
Transportation	-	-	267,648	267,648
Culture and recreation impact fees	28,717	-	-	28,717
Affordable housing impact fees	306,225	-	-	306,225
Jenada Isle neighborhood improvements	-	-	4,030	4,030
Wilton Drive improvements	-	-	70,928	70,928
Committed to:				
Capital assets replacement	238,729	3,500	16,500	258,729
Assigned to:				
Future train station	99,000	-	-	99,000
Future funding for clay court	32,000	-	-	32,000
Subsequent year's budget	443,330	-	-	443,330
Unassigned	<u>2,985,801</u>	<u>-</u>	<u>(52,292)</u>	<u>2,933,509</u>
Total fund balances	<u>4,463,000</u>	<u>225,854</u>	<u>759,293</u>	<u>5,448,147</u>
Total liabilities and fund balances	<u>\$ 5,351,971</u>	<u>\$ 588,587</u>	<u>\$ 912,348</u>	<u>\$ 6,852,906</u>

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

City of Wilton Manors, Florida
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
September 30, 2018

Fund Balances - Total Governmental Funds \$ 5,448,147

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

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

Governmental capital assets	\$ 65,088,759	
Less: accumulated depreciation	<u>(35,820,364)</u>	29,268,395

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

Note and loans payable	(4,327,116)	
Net pension liability	(24,045,695)	
Other post employment benefits (OPEB)	(617,923)	
Compensated absences	<u>(806,770)</u>	(29,797,504)

Accrued interest payable is not reported in the governmental funds.		(29,880)
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Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:

Deferred outflows of resources	8,260,100	
Deferred inflows of resources	<u>(2,049,404)</u>	<u>6,210,696</u>

Net Position of Governmental Activities \$ 11,099,854

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

City of Wilton Manors, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
For the Year Ended September 30, 2018

	<u>General Fund</u>	<u>Fire Assessment Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Revenues:				
Taxes:				
Property	\$ 8,243,228	\$ -	\$ -	\$ 8,243,228
Franchise	833,404	-	-	833,404
Utility	2,090,420	-	-	2,090,420
Insurance premium	-	93,880	-	93,880
Intergovernmental	1,470,341	1,920	540,893	2,013,154
Special assessments	-	2,284,337	103,834	2,388,171
Charges for services	524,475	101,963	33,523	659,961
Licenses and permits	992,554	-	-	992,554
Fines and forfeitures	569,090	-	57,036	626,126
Interest income	130,727	20,798	14,578	166,103
Miscellaneous	389,615	13,352	778	403,745
Total revenues	<u>15,243,854</u>	<u>2,516,250</u>	<u>750,642</u>	<u>18,510,746</u>
Expenditures:				
Current:				
General government	3,769,098	-	-	3,769,098
Economic development	-	-	43,023	43,023
Public safety	7,808,654	2,112,865	50,223	9,971,742
Culture and recreation	3,457,074	-	35,401	3,492,475
Physical environment	-	-	10,036	10,036
Transportation	181,352	-	62,660	244,012
Debt service:				
Principal	564,747	-	-	564,747
Interest	168,874	-	-	168,874
Capital outlay	683,086	198,693	424,901	1,306,680
Total expenditures	<u>16,632,885</u>	<u>2,311,558</u>	<u>626,244</u>	<u>19,570,687</u>
Excess (deficiency) of revenues over expenditures	<u>(1,389,031)</u>	<u>204,692</u>	<u>124,398</u>	<u>(1,059,941)</u>
Other Financing Sources (Uses):				
Transfers in	1,871,580	-	25,000	1,896,580
Transfers out	(25,000)	(159,641)	-	(184,641)
Total other financing sources (uses)	<u>1,846,580</u>	<u>(159,641)</u>	<u>25,000</u>	<u>1,711,939</u>
Net change in fund balances	457,549	45,051	149,398	651,998
Fund Balances, beginning	<u>4,005,451</u>	<u>180,803</u>	<u>609,895</u>	<u>4,796,149</u>
Fund Balances, ending	<u>\$ 4,463,000</u>	<u>\$ 225,854</u>	<u>\$ 759,293</u>	<u>\$ 5,448,147</u>

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

City of Wilton Manors, Florida
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2018

Net Change in Fund Balances - Total Governmental Funds		\$	651,998
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>			
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are depreciated over their estimated useful lives and reported as depreciation expense:</p>			
Expenditures for capital assets	\$	1,306,680	
Less: Current year provision for depreciation		<u>(1,524,275)</u>	(217,595)
Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.			564,747
<p>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 the governmental funds:</p>			
Change in accrued compensated absences		23,243	
Change in other post employment benefits (OPEB)		(28,830)	
Change in net pension liability		809,390	
Change in the accrued interest payable on governmental debts		<u>4,044</u>	807,847
<p>Certain changes related to pension and other post employment benefits (OPEB) assets and liabilities are not reported in the net change in the governmental funds:</p>			
Change in deferred outflows relating to pensions		(743,570)	
Change in deferred inflows relating to pensions		<u>(924,321)</u>	<u>(1,667,891)</u>
Change in Net Position of Governmental Activities		\$	<u><u>139,106</u></u>

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

City of Wilton Manors, Florida
Statement of Net Position
Proprietary Funds
September 30, 2018

	<u>Utility Fund</u>	<u>Parking Fund</u>	<u>Recycling Fund</u>	<u>Nonmajor Drainage Fund</u>	<u>Total</u>
Assets:					
Current assets:					
Cash, cash equivalents and investments	\$ 4,973,680	\$ 1,088,327	\$ 501,376	\$ 1,182,952	\$ 7,746,335
Accounts receivable, net	837,230	-	114,501	48,031	999,762
Inventories	39,067	-	-	-	39,067
Prepayments	19,657	246	2,164	3,546	25,613
Deposits	-	31,174	-	-	31,174
Restricted cash, cash equivalents and investments	472,599	-	-	-	472,599
Total current assets	<u>6,342,233</u>	<u>1,119,747</u>	<u>618,041</u>	<u>1,234,529</u>	<u>9,314,550</u>
Non-current assets:					
Capital assets, non-depreciable	1,540,557	929,529	-	-	2,470,086
Capital assets, depreciable (net)	<u>15,405,976</u>	<u>864,161</u>	<u>143,546</u>	<u>910,700</u>	<u>17,324,383</u>
Total non-current assets	<u>16,946,533</u>	<u>1,793,690</u>	<u>143,546</u>	<u>910,700</u>	<u>19,794,469</u>
Total assets	<u>23,288,766</u>	<u>2,913,437</u>	<u>761,587</u>	<u>2,145,229</u>	<u>29,109,019</u>
Deferred Outflows of Resources:					
Deferred outflows related to pensions	295,900	11,392	40,956	60,354	408,602
Total assets and deferred outflows of resources	<u>\$ 23,584,666</u>	<u>\$ 2,924,829</u>	<u>\$ 802,543</u>	<u>\$ 2,205,583</u>	<u>\$ 29,517,621</u>
Liabilities:					
Current liabilities (payable from unrestricted assets):					
Accounts payable	\$ 1,281,101	\$ 88,704	\$ 601,009	\$ 2,952	\$ 1,973,766
Accrued liabilities	19,230	144	1,944	2,164	23,482
Accrued interest payable	4,885	7,059	-	-	11,944
Compensated absences payable	29,143	205	8,911	3,134	41,393
Note payable	62,173	89,838	-	-	152,011
Current liabilities (payable from restricted assets):					
Customer deposits	472,599	-	-	-	472,599
Total current liabilities	<u>1,869,131</u>	<u>185,950</u>	<u>611,864</u>	<u>8,250</u>	<u>2,675,195</u>
Noncurrent liabilities:					
Compensated absences	16,661	1,281	-	1,070	19,012
Note payable	515,327	754,623	-	-	1,269,950
OPEB liability	18,068	772	2,636	3,601	25,077
Net pension liability	<u>1,042,137</u>	<u>59,853</u>	<u>127,987</u>	<u>182,602</u>	<u>1,412,579</u>
Total noncurrent liabilities	<u>1,592,193</u>	<u>816,529</u>	<u>130,623</u>	<u>187,273</u>	<u>2,726,618</u>
Total liabilities	<u>3,461,324</u>	<u>1,002,479</u>	<u>742,487</u>	<u>195,523</u>	<u>5,401,813</u>

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

City of Wilton Manors, Florida
Statement of Net Position
Proprietary Funds
(continued)
September 30, 2018

	<u>Utility Fund</u>	<u>Parking Fund</u>	<u>Recycling Fund</u>	<u>Nonmajor Drainage Fund</u>	<u>Total</u>
Deferred Inflows of Resources:					
Deferred inflows related to pensions	81,166	6,516	10,051	12,432	110,165
Net Position:					
Net investment in capital assets	16,369,033	949,229	143,546	910,700	18,372,508
Restricted for sewer impact fees	298,446	-	-	-	298,446
Unrestricted	3,374,697	966,605	(93,541)	1,086,928	5,334,689
Total net position	<u>20,042,176</u>	<u>1,915,834</u>	<u>50,005</u>	<u>1,997,628</u>	<u>24,005,643</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 23,584,666</u>	<u>\$ 2,924,829</u>	<u>\$ 802,543</u>	<u>\$ 2,205,583</u>	<u>\$ 29,517,621</u>

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

City of Wilton Manors, Florida
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2018

	<u>Utility Fund</u>	<u>Parking Fund</u>	<u>Recycling Fund</u>	<u>Nonmajor Drainage Fund</u>	<u>Total</u>
Operating Revenues:					
Charges for services	\$ 8,290,247	\$ 1,014,136	\$ 3,377,450	\$ 482,520	\$ 13,164,353
Impact fees	16,600	-	-	-	16,600
Licenses and permits	5,927	-	-	-	5,927
Other services	94,193	2,671	51,663	345	148,872
Total operating revenues	<u>8,406,967</u>	<u>1,016,807</u>	<u>3,429,113</u>	<u>482,865</u>	<u>13,335,752</u>
Operating Expenses:					
Water/sewer system operations	2,770,219	-	-	-	2,770,219
Recycling operations	-	-	2,885,944	-	2,885,944
Personnel services	723,215	20,341	136,395	134,921	1,014,872
General and administrative expenses	715,428	480,021	142,524	73,723	1,411,696
Maintenance and repair	111,302	6,052	5,204	33,472	156,030
Depreciation	762,866	41,117	17,494	118,291	939,768
Total operating expenses	<u>5,083,030</u>	<u>547,531</u>	<u>3,187,561</u>	<u>360,407</u>	<u>9,178,529</u>
Operating income	<u>3,323,937</u>	<u>469,276</u>	<u>241,552</u>	<u>122,458</u>	<u>4,157,223</u>
Nonoperating Revenues (Expenses):					
Interest income	78,038	17,883	5,050	20,311	121,282
Interest expense	(16,679)	(24,101)	-	-	(40,780)
Gain on disposal of capital assets	-	-	-	20,360	20,360
Total nonoperating revenues (expenses)	<u>61,359</u>	<u>(6,218)</u>	<u>5,050</u>	<u>40,671</u>	<u>100,862</u>
Income before transfers	<u>3,385,296</u>	<u>463,058</u>	<u>246,602</u>	<u>163,129</u>	<u>4,258,085</u>
Transfers:					
Transfers out	(1,279,081)	-	(432,858)	-	(1,711,939)
Total transfers	<u>(1,279,081)</u>	<u>-</u>	<u>(432,858)</u>	<u>-</u>	<u>(1,711,939)</u>
Change in net position	2,106,215	463,058	(186,256)	163,129	2,546,146
Net Position, beginning (as restated, Note 16)	<u>17,935,961</u>	<u>1,452,776</u>	<u>236,261</u>	<u>1,834,499</u>	<u>21,459,497</u>
Net Position, ending	<u>\$ 20,042,176</u>	<u>\$ 1,915,834</u>	<u>\$ 50,005</u>	<u>\$ 1,997,628</u>	<u>\$ 24,005,643</u>

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

City of Wilton Manors, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2018

	<u>Utility Fund</u>	<u>Parking Fund</u>	<u>Recycling Fund</u>	<u>Nonmajor Drainage Fund</u>	<u>Total</u>
Cash Flows from Operating Activities:					
Receipts from customers, users and other	\$ 8,330,044	\$ 1,017,677	\$ 3,494,904	\$ 477,987	\$ 13,320,612
Payments to suppliers for goods and services	(3,583,015)	(509,521)	(3,035,161)	(116,298)	(7,243,995)
Payments to employees	(702,632)	(17,927)	(134,485)	(130,119)	(985,163)
Net cash provided by (used in) operating activities	<u>4,044,397</u>	<u>490,229</u>	<u>325,258</u>	<u>231,570</u>	<u>5,091,454</u>
Cash Flows from Noncapital Financing Activities:					
Transfer out to other funds	(1,279,081)	-	(432,858)	-	(1,711,939)
Net cash provided by (used in) noncapital financing activities	<u>(1,279,081)</u>	<u>-</u>	<u>(432,858)</u>	<u>-</u>	<u>(1,711,939)</u>
Cash Flows from Capital and Related Financing Activities:					
Acquisition and construction of capital assets	(2,346,597)	(288,618)	-	(166,516)	(2,801,731)
Proceeds from sale of capital assets	-	-	-	20,360	20,360
Principal paid on capital debt	(60,635)	(87,617)	-	-	(148,252)
Interest paid on capital debt	(17,189)	(24,837)	-	-	(42,026)
Net cash provided by (used in) capital and related financing activities	<u>(2,424,421)</u>	<u>(401,072)</u>	<u>-</u>	<u>(146,156)</u>	<u>(2,971,649)</u>
Cash Flows from Investing Activities:					
Interest received	78,038	17,883	5,050	20,311	121,282
Net cash provided by (used in) investing activities	<u>78,038</u>	<u>17,883</u>	<u>5,050</u>	<u>20,311</u>	<u>121,282</u>
Net increase (decrease) in cash, cash equivalents and investments	418,933	107,040	(102,550)	105,725	529,148
Cash, Cash Equivalents and Investments, beginning	<u>5,027,346</u>	<u>981,287</u>	<u>603,926</u>	<u>1,077,227</u>	<u>7,689,786</u>
Cash, Cash Equivalents and Investments, ending	<u>\$ 5,446,279</u>	<u>\$ 1,088,327</u>	<u>\$ 501,376</u>	<u>\$ 1,182,952</u>	<u>\$ 8,218,934</u>
Reconciliation to Statement of Net Position:					
Unrestricted	\$ 4,973,680	\$ 1,088,327	\$ 501,376	\$ 1,182,952	\$ 7,746,335
Restricted	472,599	-	-	-	472,599
Cash, Cash Equivalents and Investments	<u>\$ 5,446,279</u>	<u>\$ 1,088,327</u>	<u>\$ 501,376</u>	<u>\$ 1,182,952</u>	<u>\$ 8,218,934</u>

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

City of Wilton Manors, Florida
Statement of Cash Flows
Proprietary Funds
(continued)
For the Year Ended September 30, 2018

	<u>Utility Fund</u>	<u>Parking Fund</u>	<u>Recycling Fund</u>	<u>Nonmajor Drainage Fund</u>	<u>Total</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:					
Operating income	\$ 3,323,937	\$ 469,276	\$ 241,552	\$ 122,458	\$ 4,157,223
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	762,866	41,117	17,494	118,291	939,768
Decrease (increase) in assets and deferred outflows of resources:					
Accounts receivable	(76,923)	-	65,791	(4,878)	(16,010)
Due from other governments	-	870	-	-	870
Inventories	6,696	-	-	-	6,696
Prepayments and other assets	(8,329)	(46)	(1,562)	(839)	(10,776)
Deferred outflows relating to pensions	29,270	754	3,901	4,746	38,671
Increase (decrease) in liabilities and deferred inflows of resources:					
Accounts payable	109,401	(23,402)	93	(8,166)	77,926
Accrued liabilities	(107,289)	(13)	(2,573)	(2,105)	(111,980)
Compensated absences	(16,702)	893	(1,377)	(904)	(18,090)
Net pension liability	(20,061)	(281)	(2,498)	(2,734)	(25,574)
OPEB liability	843	36	123	168	1,170
Customer deposits	9,575	-	-	-	9,575
Deferred inflows relating to pensions	31,113	1,025	4,314	5,533	41,985
Total adjustments	<u>720,460</u>	<u>20,953</u>	<u>83,706</u>	<u>109,112</u>	<u>934,231</u>
Net cash provided by operating activities	<u>\$ 4,044,397</u>	<u>\$ 490,229</u>	<u>\$ 325,258</u>	<u>\$ 231,570</u>	<u>\$ 5,091,454</u>

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

City of Wilton Manors, Florida
Statement of Net Position
Fiduciary Funds
September 30, 2018

Assets:

Cash and cash equivalents	\$ <u>770,220</u>
Receivables:	
State contributions receivable	87,830
Employee contributions receivable	1,959
Accrued investment income	<u>43,021</u>
Total receivables	<u>132,810</u>
Investments, at fair value:	
Equity securities	18,355,218
Government securities	5,755,023
Corporate bonds	2,620,136
Fixed income mutual funds	<u>1,020,933</u>
Total investments	<u>27,751,310</u>
Total assets	<u>28,654,340</u>

Liabilities:

Accounts payable	15,572
Deferred revenue	<u>18,195</u>
Total liabilities	<u>33,767</u>

Net Position:

Net position restricted for DROP benefits	26,607
Net position restricted for defined benefits	27,958,874
Net positions restricted for share benefits	43,915
Net position restricted for funding standard account	<u>591,177</u>
Total net position	<u>\$ 28,620,573</u>

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

City of Wilton Manors, Florida
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended September 30, 2018

Additions:

Contributions:

State	\$ 87,830
Employer	1,667,049
Employee	<u>55,551</u>

Total contributions	<u>1,810,430</u>
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Investment income:

Net appreciation in fair value of investments	2,792,187
Interest and dividends	<u>200,137</u>

Total investment income	<u>2,992,324</u>
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Less: investment expenses	<u>44,522</u>
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Net investment income	<u>2,947,802</u>
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Total additions	<u>4,758,232</u>
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Deductions:

Benefit payments	2,618,647
Administrative expenses	133,246
DROP distributions	<u>203,782</u>

Total deductions	<u>2,955,675</u>
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Changes in net position	1,802,557
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Net position, beginning	<u>26,818,016</u>
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Net position, ending	<u>\$ <u>28,620,573</u></u>
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The accompanying notes to the financial statements are an integral part of these statements.

NOTES TO BASIC
FINANCIAL STATEMENTS

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Note 1 - Summary of Significant Accounting Policies

A. Reporting Entity

The City of Wilton Manors, in Broward County, was incorporated in 1947, and was created as a municipality under Chapter 165, Florida Statutes and named the Village of Wilton Manors. The Laws of Florida, 1953, Chapter 29609 established the present municipality, designated it the City of Wilton Manors and enacted its Charter. The City operates under the Commission/City Manager form of government and provides the following services as authorized by its Charter; general government, economic development, public safety, transportation, culture and recreation, and physical environment. The City also provides water distribution, sewer collection, parking, recycling and drainage services.

The Island City Foundation (the "Foundation") - The City passed Resolution No. 1979 on May 27, 1997 creating a non-profit organization to principally promote and support public purposes benefitting the residents of Wilton Manors, Florida, including but not limited to activities in the arts; various social services, construction, development, restoration or improvement of public facilities, improvement and expansion of programs in law enforcement, education, economic development, establish endowment fund for the purpose of generating a permanent dedicated revenue to complement other sources available to the City, and so forth. The Foundation is a legally separate entity and is governed by a Board of Directors, which is composed of five members appointed by the Commission of the City of Wilton Manors, Florida. Currently, the Foundation's Board is made up of Wilton Manors City Commission. The Foundation is considered a component unit but has not been included in the financial statements of the City since the financial activities of the Foundation as of and for the fiscal year ended September 30, 2018, are not considered material to the financial statements of the City.

The Wilton Drive Improvement District (the "District") - The City passed Ordinance No. 2014-0011 on December 9, 2014 creating a dependent special district for the purpose of creating a cleaner, safer, and more attractive district; ensuring the stable and predictable resource base to fund supplemental services and programs; to respond quickly to market changes and community needs; assisting in improving the sales and occupancy rates; funding physical improvements; providing for pedestrian safety; marketing the district; increasing parking opportunities for visitors and shoppers; fielding special events and street celebrations; and including paying the costs necessary and incidental thereto through non-ad valorem assessments. The District has been included in the financial statements of the City as a blended component unit and is designated as a Special Revenue Fund.

The General Employees and Police Pension Plan and the Volunteer Firefighters Retirement System are separate (closed) pension plans for general employees and police personnel, and volunteer firefighters, respectively. Each plan is administered by its own board of trustees. The pension plans are reported as fiduciary funds in the basic financial statements of this report, but are not included in the government-wide statements. Each of these pension plans issues a publicly available financial report which can be found on the City's website, www.wiltonmanors.com.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. All interfund activities, except interfund services provided and used, have been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities of the reporting entity, which rely to a significant extent on fees and charges for support.

Note 1 - Summary of Significant Accounting Policies (continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those expenses that are clearly identifiable with a specific function or segment. Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and, therefore, cannot be used to support the government's own programs. Fiduciary funds include the two single-employer pension trust funds mentioned in Section A.

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

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 financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and 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. For this purpose, the government considers revenues to be available if they are collected within one (1) year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, utilities service taxes, franchise taxes, intergovernmental revenues and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items such as fines and forfeitures and licenses and permits are considered to be measurable and available only when cash is received by the government.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements with the exception of administrative expenses between the Proprietary Funds and the General Fund. Elimination of these charges would distort the direct costs and program revenues for the various functions concerned.

Note 1 - Summary of Significant Accounting Policies (continued)

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

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 a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. The City recognizes as operating revenue the portion of impact fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the costs of sales and services, administration expenses, and provision for depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major governmental funds:

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

The *Fire Assessment Fund* accounts for the revenues and expenditures associated with fire prevention, suppression, and emergency medical services.

The City reports the following major proprietary funds:

The *Utility Fund* accounts for maintaining the financial operation of the City's water and wastewater transmission lines.

The *Parking Fund* accounts for parking fees collected for maintenance and capital improvement of the City's parking system.

The *Recycling Fund* accounts for solid waste fees, franchise and recycling revenue, as well as related contractual costs associated with waste disposal and recycling.

Additionally, the City reports the following fund types:

The *Special Revenue Funds* account for the proceeds of specific revenue sources that are restricted legally to expenditures for specified purposes other than debt service or capital projects.

The *Drainage Fund* is used to account for fees collected to maintain the City's drainage system.

The *Pension Trust Funds* include the Pension Plan for General Employees and Police and Volunteer Firefighters Retirement System which accounts for the accumulation of resources to be used for pension benefit payments to qualifying City employees, police officers and volunteer firefighters, and consequently, are not reflected in the government-wide statements because the resources are not available to support the City's own programs.

Note 1 - Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Fund Balance/Net Position

1. Cash, Cash Equivalents, and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is included in the financial statements. Cash, cash equivalents, and investments are defined to include cash on hand, demand deposits and short-term investments with a state agency with original maturities of three months or less. Interest earned on pooled cash and investments is allocated monthly to the respective funds based on average monthly balances.

2. Receivables

Receivables include amounts due from other governments and for other services provided by the City. Receivables are recorded and revenues are recognized as earned or as specific program expenditures/expenses are incurred based on the accounting basis required for that fund.

All trade receivables are shown net of an allowance for uncollectible accounts. An allowance for uncollectible accounts is provided for all trade receivables aging more than 60 days.

3. Interfund Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" or "advances to/from other funds." Any residual balances outstanding between the governmental activities and business activities are reported in the government-wide financial statements as "internal balances".

4. Inventories and Prepayments

Inventories are composed of materials and supplies for roads and utility system maintenance and are based on year-end physical counts. Inventories are valued at cost, using the weighted average cost method. Fuel is recognized as expenditure when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepayments both in government-wide and fund financial statements. The cost of prepayments is recorded as expenditures/expenses when consumed rather than when purchased.

5. Capital Assets

Capital assets, which include land, intangibles, construction in progress, infrastructure, buildings and improvements, and machinery and equipment, are reported in the governmental or business-type activities columns in the government-wide financial statements. The government defines capital assets as assets with an initial, individual cost of more than \$ 500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Contributed capital assets are recorded at acquisition value at date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Note 1 - Summary of Significant Accounting Policies (continued)

Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds.

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

Infrastructure	40 years
Buildings and improvements	10-40 years
Machinery and equipment	6-15 years

6. Long-Term Debt

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

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

7. Unearned Revenue

Unearned revenue arises when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures.

8. Compensated Absences

It is the City's policy to permit eligible employees to accumulate earned but unused vacation and sick pay benefits. Upon separation from service, employees receive payment for a portion of unused vacation time and sick leave subject to length of service and contract classification. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Liability for accrued compensated absences of the governmental activities is not reported in the balance sheet of the governmental funds and, accordingly, represents a reconciling item between the fund and government-wide presentations.

Note 1 - Summary of Significant Accounting Policies (continued)

9. Fund Balance/Net Position

In the fund financial statements, governmental funds report fund balance in categories as nonspendable, restricted, committed, assigned and unassigned. These categories are based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the fund balances can be spent.

The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as long-term amount of loans and notes receivable, as well as property acquired for resale.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed: This classification includes amounts that can be used only for specific purposes determined by a formal action of the government's highest level of decision-making authority. The City Commission is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Assigned: This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Commission or through resolution by the Commission authorizing this responsibility to the City Manager. The City Commission may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's budget. Unlike commitments, assignments generally can only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned: This classification includes the residual fund balance for the General Fund. This classification represents fund balance that has not been assigned to other purposes within the General Fund. Unassigned Fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

Note 1 - Summary of Significant Accounting Policies (continued)

When an expenditure is incurred for the purpose for which both restricted and unrestricted fund balance is available, the City considers restricted fund balance to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Commission or City Manager has provided otherwise in its commitment or assigned actions.

Net position of the government-wide and proprietary funds are categorized as net investment in capital assets, restricted and unrestricted. The first category represents net position related to property, plant, equipment and infrastructure reduced by the depreciation and outstanding debt used to construct or purchase capital assets, and deferred inflow/outflow or resources that are attributed to the acquisition of those assets or related debt are included in this component of net position. The restricted category represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by enabling legislation in excess of the related liabilities payable from restricted assets. All remaining amounts are considered to be unrestricted.

It is the City's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

10. Minimum Fund Balance Policy

The City's policy is to maintain a minimum unassigned fund balance in the General Fund, at each fiscal year end, ranging from 15% to 20% of the following year's projected budgeted expenditures and outgoing transfers. In any fiscal year where the City is unable to maintain a 15% minimum level of fund balance, the Fund Balance Policy calls for the City Manager to prepare and submit in conjunction with the proposed budget a plan for expenditure reductions and/or revenue increases necessary to restore the minimum requirements.

11. Pensions

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

12. Deferred Outflows/Deferred Inflows of Resources

In addition to assets, the statement of financial position will periodically report a separate section for deferred outflows of resources. This separate financial statement section represents a consumption of net position that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. The item is the deferred outflows related to pensions and is discussed further in Note 9.

Note 1 - Summary of Significant Accounting Policies (continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item that qualifies for reporting in this category. The item is deferred inflows related to pensions and is discussed further in Note 9.

13. Use of Estimates

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

Note 2 - Property Taxes

Property taxes are assessed as of January 1 each year and are first billed (levied) and due the following November 1. Under Florida law, the assessment of all properties and the collection of all county, municipal, school board and special district property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws for the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$ 10 per \$ 1,000 of assessed taxable valuation). The operating millage rate assessed by the City for the year ended September 30, 2018 was 5.9837 mills.

The tax levy of the City is established by the Commission prior to October 1 of each year, and the County Property Appraiser incorporates the millage into the local tax levy, which includes Broward County, Broward County School Board and special taxing districts.

All property is reassessed according to its fair market value as of January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State Statutes.

All real and tangible personal property taxes are due and payable on November 1 each year. Broward County mails to each property owner on the assessment roll a notice of the taxes due and Broward County also collects the taxes for the City.

Taxes may be paid upon receipt of such notice from Broward County, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent and liens are placed on April 1 of the year following the year in which taxes were assessed. Procedures for the collection of delinquent taxes by Broward County are provided for in the Laws of Florida. There were no material delinquent property taxes at September 30, 2018, therefore, an allowance for uncollectible taxes has not been recorded.

Note 3 - Deposits and Investments

A. Primary Government

The City’s deposits and investments, as reported in the accompanying government-wide statement of net position, balance sheet of the governmental funds and statement of net position of the proprietary funds, were as follows:

Cash, cash equivalents and investments	\$ 13,234,002
Restricted cash, cash equivalents and investments	<u>753,626</u>
	<u>\$ 13,987,628</u>

The City’s deposits and investments consisted of the following at September 30, 2018:

Deposit with financial institution	\$ 827,139
Cash held by third party	281,027
State Board of Administration (Florida PRIME)	<u>12,879,462</u>
	<u>\$ 13,987,628</u>

Deposits

GASB Statement No. 40, *Deposit and Investment Risk Disclosures* requires governments to disclose deposits and investments exposed to custodial credit risk. For deposits, this is the risk that, in the event of the failure of a depository financial institution, a government may not be able to recover deposits nor be able to recover collateral securities that are in the possession of an outside party.

The City’s deposits must be placed with banks and savings and loans which are qualified as public depositories under Chapter 280, Florida Statutes. Monies deposited in amounts greater than the insurance coverage are covered by the participation of the bank in the Florida Security for Public Deposits Act. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits are insured or collateralized with securities held by the entity or its agent in the entity’s name.

At September 30, 2018, the carrying amount of the City’s deposits was approximately \$ 827,000 with a bank balance of approximately \$ 999,000. Included in the carrying amount of deposits was approximately \$ 200 of cash on hand.

Investments

The City’s investment policy authorizes City officials to invest pooled funds in local government surplus funds or other intergovernmental investment pools, U.S. Government securities, time deposits and savings accounts, U.S. Agency obligations, U.S. instrumentalities, investment companies or trusts, bankers acceptances, prime commercial paper, state and local government debt, and money market mutual funds.

Note 3 - Deposits and Investments (continued)

Investments are reported at fair value except for the position in the Florida State Board of Administration’s Local Government Surplus Funds Trust Fund (“Florida PRIME”). Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code and Chapter 215 and 218 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of Florida PRIME. Florida PRIME is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operating procedures consistent with the requirements for a 2a-7 fund, which permits money market funds to use amortized cost to maintain a constant net asset value (NAV) of \$ 1 per share. The value of the City’s position is the same as the value of the pool shares and is recorded at amortized cost.

As of September 30, 2018, the City had the following investments and credit ratings:

	<u>Amortized Cost</u>	<u>S&P Credit Rating</u>
Florida PRIME	\$ 12,879,462	AAAm

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

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City invests its surplus funds in high quality highly liquid institutional money market funds where its share value remains constant.

The City’s investment policy is designed to minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.
- Structuring the investment portfolio so that securities do not have to be sold prior to maturity to meet cash flow requirements.

The dollar weighted average days to maturity (WAM) of Florida PRIME at September 30, 2018, is 33 days.

Credit risk: Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The City’s investment policy specifically sets parameters to minimize the City’s credit risk by:

- Limiting investments to the safest types of securities.
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business.
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

Note 3 - Deposits and Investments (continued)

B. Fiduciary Funds - Pension Funds

1. General Employees and Police Pension Plan (the "Plan")

Investment Policy: The Plan's investment policy in regard to the allocation of invested assets is established and may be amended by the Board of Trustees. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the Plan.

The investment policy statement was last amended in June 2008. The following was the Board's adopted asset allocation policy as of September 30, 2018:

<u>Authorized Investments</u>	<u>Minimum</u>	<u>Maximum</u>
Domestic equities	25%	75%
Fixed income	25%	50%
Cash and cash equivalents	0%	20%

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The Plan's investment policy does not use limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Plan's investment maturities are as follows:

<u>Investment Type</u>	<u>Investment Maturities (in Years)</u>				
	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
Fixed income mutual funds	\$ 959,841	\$ 382,689	\$ 466,483	\$ 20,252	\$ 90,417
U.S. treasuries	3,639,240	-	367,140	3,272,100	-
U.S. agencies	1,771,404	1,062,355	-	274,217	434,832
Corporate bonds	<u>2,463,348</u>	<u>244,852</u>	<u>1,993,148</u>	<u>225,348</u>	<u>-</u>
Totals	<u>\$ 8,833,833</u>	<u>\$ 1,689,896</u>	<u>\$ 2,826,771</u>	<u>\$ 3,791,917</u>	<u>\$ 525,249</u>

Credit risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization (NRSRO).

Note 3 - Deposits and Investments (continued)

At September 30, 2018, the Plan’s investments were rated by Moody’s Investors Services as follows:

Rating	Fair Value
Aaa	\$ 5,102,617
Aa1	319,432
A1	1,042,640
A2	943,324
A3	436,571
Baa1	184,577
Ba1	5,663
Unrated	799,009
Total	\$ <u>8,833,833</u>

Concentration of Credit Risk: Concentration of credit risk is the risk inherent in concentrating too high a portion of the portfolio in the securities of any one issuer or type of investment. The Plan limits investment in the securities of any one issuer, other than the U.S. Government and its agencies, to no more than 5% of net fiduciary position. The Plan had three investments that exceeded 5% as of September 30, 2018 which included: the Vanguard Russell 1000 Index Fund, the Eaton Vance Atlanta Capital Fund, and the Vanguard Mid-Cap Value Admiral Fund.

2. Volunteer Firefighters Retirement System (the “System”)

Investment Policy: The System’s investment policy in regard to the allocation of invested assets is established and may be amended by the Board of Trustees. System assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the System. The investment policy statement was last amended in June 2008. The following was the Board’s adopted asset allocation policy as of September 30, 2018:

Authorized Investments	Minimum	Maximum
Domestic equities	25%	75%
Fixed income	25%	50%
Cash and cash equivalents	0%	20%

Note 3 - Deposits and Investments (continued)

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The System’s investment policy does not use limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The System’s investments had maturities as follows:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 to 5	6 to 10	More than 10
Fixed income mutual funds	\$ 61,092	\$ 24,357	\$ 29,691	\$ 1,289	\$ 5,755
U.S. treasuries	231,632	-	23,368	208,264	-
U.S. agencies	112,747	67,617	-	17,454	27,676
Corporate bonds	156,788	15,585	126,860	14,343	-
	<u>\$ 562,259</u>	<u>\$ 107,559</u>	<u>\$ 179,919</u>	<u>\$ 241,350</u>	<u>\$ 33,431</u>

Credit risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization (NRSRO).

At September 30, 2018, the System’s investments were rated by Moody’s Investors Services as follows:

Rating	Fair Value
Aaa	\$ 324,774
Aa1	20,331
A1	66,362
A2	60,041
A3	27,787
Baa1	11,748
Ba1	360
Unrated	50,856
Total	<u>\$ 562,259</u>

Concentration of Credit Risk: Concentration of credit risk is the risk inherent in concentrating too high a portion of the portfolio in the securities of any one issuer or type of investment. The System limits investment in the securities of any one issuer, other than the U.S. Government and its agencies, to no more than 5% of net fiduciary position. The System had three investments that exceeded 5% as of September 30, 2018 which included: the Vanguard Russell 1000 Index Fund, the Eaton Vance Atlanta Capital Fund, and the Vanguard Mid-Cap Value Admiral Fund.

Note 3 - Deposits and Investments (continued)

C. Fair Value Measurement

The pension funds categorize their 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 the fair value of the asset. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market as follows:

- Level 1 - Inputs to the valuation methodology are based upon quoted prices for identical assets in active markets.
- Level 2 - Inputs to the valuation methodology are based upon observable inputs for the assets either directly or indirectly, other than those considered Level 1 inputs, which may include quoted prices for identical assets in markets that are not considered to be active, and quoted prices of similar assets in active or inactive markets.
- Level 3 - Inputs to the valuation methodology are based upon unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

Government securities: Valued using pricing models maximizing the use of observable inputs for similar securities.

Mutual funds: Valued at the daily closing price as reported by the plans. Mutual funds held by the plans are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the plans are deemed to be actively traded.

Corporate bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yield of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote, if available.

City of Wilton Manors, Florida
Notes to Basic Financial Statements
September 30, 2018

Note 3 - Deposits and Investments (continued)

The pension funds had the following recurring fair value measurements as of September 30, 2018:

General Employees and Police Pension Plan:

Investment Type	September 30, 2018	Fair Value Measurement Unit		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity mutual funds	\$ 17,256,847	\$ 17,256,847	\$ -	\$ -
Fixed income mutual funds	959,841	959,841	-	-
U.S. treasury securities	3,639,240	3,639,240	-	-
U.S. agency securities	1,771,404	-	1,771,404	-
Corporate bonds	2,463,348	-	2,463,348	-
Total	\$ 26,090,680	\$ 21,855,928	\$ 4,234,752	\$ -

Volunteer Firefighters Retirement System:

Investment Type	September 30, 2018	Fair Value Measurement Unit		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity mutual funds	\$ 1,098,371	\$ 1,098,371	\$ -	\$ -
Fixed income mutual funds	61,092	61,092	-	-
U.S. treasury securities	231,632	231,632	-	-
U.S. agency securities	112,747	-	112,747	-
Corporate bonds	156,788	-	156,788	-
Total	\$ 1,660,630	\$ 1,391,095	\$ 269,535	\$ -

Note 4 - Receivables

Receivables at September 30, 2018, including the allowances for uncollectible receivables are as follows:

Receivable Type:	General	Special Revenue	Enterprise	Fiduciary	Total
Accounts	\$ 250,022	\$ -	\$ 1,160,842	\$ -	\$ 1,410,864
Interest and dividends	-	-	-	43,021	43,021
State contributions	-	-	-	87,830	87,830
Employer contributions	-	-	-	1,959	1,959
Intergovernmental	415,112	82,290	-	-	497,402
Gross receivables	665,134	82,290	1,160,842	132,810	2,041,076
Less allowance for uncollectibles	5,617	-	161,080	-	166,697
Net receivables	\$ 659,517	\$ 82,290	\$ 999,762	\$ 132,810	\$ 1,874,379

Note 4 - Receivables (continued)

Hurricane Irma Receivables: In addition to these receivables, the City expects to receive approximately \$ 633,200 in reimbursable funds from FEMA in relation to expenses incurred during Hurricane Irma. These amounts are expected to be approved for reimbursement and received during the upcoming year.

Note 5 - Interfund Balances and Transfers

The interfund balance between the General Fund and Miscellaneous Grants Fund represents a short-term loan to cover the cash flows related to grant expenditures pending reimbursements from grantors.

<u>Receivable Fund</u>	<u>Payable Fund</u> <u>Nonmajor</u> <u>Governmental</u> <u>Fund</u>
General Fund	\$ 106,784

Interfund transfers allow for appropriate allocation of resources when one fund is providing resources for another or a project calls for multiple sources of funds. Interfund transfers are used to move unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers for the fiscal year ended September 30, 2018 were as follows:

<u>Transfers Out</u>	<u>Transfers In</u>		
	<u>General</u> <u>Fund</u>	<u>Nonmajor</u> <u>Governmental</u> <u>Fund</u>	<u>Total</u>
General Fund	\$ -	\$ 25,000	\$ 25,000
Fire Assessment Fund	159,641	-	159,641
Recycling Fund	432,858	-	432,858
Utility Fund	1,279,081	-	1,279,081
Total	<u>\$ 1,871,580</u>	<u>\$ 25,000</u>	<u>\$ 1,896,580</u>

City of Wilton Manors, Florida
Notes to Basic Financial Statements
September 30, 2018

Note 6 - Capital Assets

Capital asset activity for the year ended September 30, 2018 was as follows:

	Balance October 1, 2017	Increases	Decreases	Transfers	Balance September 30, 2018
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 7,994,757	\$ 5,764	\$ -	\$ -	\$ 8,000,521
Intangible assets	42,070	-	-	-	42,070
Construction in progress	247,122	78,476	-	(226,012)	99,586
Total assets not being depreciated	<u>8,283,949</u>	<u>84,240</u>	<u>-</u>	<u>(226,012)</u>	<u>8,142,177</u>
Capital assets being depreciated:					
Infrastructure, buildings and improvements	46,890,739	602,466	-	226,012	47,719,217
Machinery and equipment	8,823,601	619,974	(216,210)	-	9,227,365
Total capital assets being depreciated	<u>55,714,340</u>	<u>1,222,440</u>	<u>(216,210)</u>	<u>226,012</u>	<u>56,946,582</u>
Less accumulated depreciation for:					
Infrastructure, buildings and improvements	(28,021,959)	(912,135)	-	-	(28,934,094)
Machinery and equipment	(6,490,340)	(612,140)	216,210	-	(6,886,270)
Total accumulated depreciation	<u>(34,512,299)</u>	<u>(1,524,275)</u>	<u>216,210</u>	<u>-</u>	<u>(35,820,364)</u>
Total capital assets being depreciated, net	<u>21,202,041</u>	<u>(301,835)</u>	<u>-</u>	<u>226,012</u>	<u>21,126,218</u>
Governmental activities capital assets, net	<u>\$ 29,485,990</u>	<u>\$ (217,595)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,268,395</u>
Business-type Activities:					
Capital assets not being depreciated:					
Land	\$ 2,432,452	\$ -	\$ -	\$ -	\$ 2,432,452
Construction in progress	229,267	29,954	-	(221,587)	37,634
Total assets not being depreciated	<u>2,661,719</u>	<u>29,954</u>	<u>-</u>	<u>(221,587)</u>	<u>2,470,086</u>
Capital assets being depreciated:					
Infrastructure, buildings and improvements	31,586,390	2,539,941	-	221,587	34,347,918
Machinery and equipment	3,371,037	231,836	(78,980)	-	3,523,893
Total capital assets being depreciated	<u>34,957,427</u>	<u>2,771,777</u>	<u>(78,980)</u>	<u>221,587</u>	<u>37,871,811</u>
Less accumulated depreciation for:					
Infrastructure, buildings and improvements	(17,601,643)	(676,394)	-	-	(18,278,037)
Machinery & equipment	(2,084,997)	(263,374)	78,980	-	(2,269,391)
Total accumulated depreciation	<u>(19,686,640)</u>	<u>(939,768)</u>	<u>78,980</u>	<u>-</u>	<u>(20,547,428)</u>
Total capital assets being depreciated, net	<u>15,270,787</u>	<u>1,832,009</u>	<u>-</u>	<u>221,587</u>	<u>17,324,383</u>
Business-type activities capital assets, net	<u>\$ 17,932,506</u>	<u>\$ 1,861,963</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,794,469</u>

Note 6 - Capital Assets (continued)

Depreciation expense was charged to functions of the City as follows:

Governmental activities:	
General government	\$ 276,386
Public safety	392,366
Culture and recreation	567,864
Physical environment	9,226
Transportation	<u>278,433</u>
Total depreciation expense - governmental activities	<u>\$ 1,524,275</u>
Business-type activities:	
Utility	\$ 762,866
Parking	41,117
Recycling	17,494
Drainage	<u>118,291</u>
Total depreciation expense - business-type activities	<u>\$ 939,768</u>

Note 7 - Restricted Assets

General Fund: The restricted assets in the General Fund of \$ 98,426 represent amounts held by a third party for fire rescue unit replacement per agreement dated October 1, 2015.

Fire Fund: Restricted assets consist of \$ 182,476 for fire truck replacement held by a third party per agreement dated October 1, 2015.

Utility Fund: Restricted assets of the Utility Fund consist of customer deposits amounting to \$ 472,599.

Note 8 - Long-Term Liabilities

Governmental Activities:

2008 City Hall General Obligation Note: On March 14, 2008, the City entered into a General Obligation Note in the amount of \$ 6,000,000. This debt was authorized by a vote of the citizens on March 14, 2006 for the purpose of the construction of the new City Hall and Police Station building. This note has an interest rate of 3.72% payable semi-annually for a term of 20 years. Principal is payable annually in varying amounts through 2028.

2011 Parks General Obligation Note: On December 1, 2011, the City entered into a General Obligation Note in the amount of \$ 1,477,298 to refinance all of the City's outstanding General Obligation Bonds, Series 1999. The note bears interest at a rate of 2.59% per annum and is payable on the 1st of June and December of each year through 2019.

Note 8 - Long-Term Liabilities (continued)

2015 Mickel Park Improvement Project Note: On March 12, 2015, the City entered into a bank note in the amount of \$ 744,200, in order to finance the design and construction of the renovations to Mickel Park. The note bears an interest rate of 4.1% per annum and is payable the 1st of June and December of each year through 2025. The note is secured by proceeds from the tax on communications services. The amount of pledged revenues collected by the City in each fiscal year should be equal to at least 120% of the debt service in each fiscal year on all indebtedness of the City that is secured by the pledged revenues. Total principal and interest payments and communication service tax (pledged revenue) for the fiscal year ended September 30, 2018 amounted to approximately \$ 89,000 and \$ 485,000, respectively. For the current year, the pledged revenue requirement was met.

The following are the requirements to amortize debt at September 30, 2018:

Fiscal Year Ending	2008 City Hall General Obligation Note		2011 Parks General Obligation Note		2015 Mickel Park Improvement Project Note		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2019	\$ 301,170	\$ 127,177	\$ 210,796	\$ 3,373	\$ 70,000	\$ 18,162	\$ 730,678
2020	312,380	115,765	-	-	73,000	15,744	516,889
2021	324,000	103,928	-	-	75,000	13,223	516,151
2022	336,050	91,651	-	-	78,000	10,616	516,317
2023	348,550	78,918	-	-	81,000	7,923	516,391
2024-2028	1,947,170	186,375	-	-	170,000	7,375	2,310,920
	<u>\$ 3,569,320</u>	<u>\$ 703,814</u>	<u>\$ 210,796</u>	<u>\$ 3,373</u>	<u>\$ 547,000</u>	<u>\$ 73,043</u>	<u>\$ 5,107,346</u>

Business-Type Activities:

2011 Utility and Parking System Revenue Note: On December 1, 2011, the City entered into a \$ 2,230,500 Utility and Parking System Revenue Note, Series 2011 Agreement with a bank to finance the design and construction of a sewer lift station and to develop surface parking facilities. The note bears an interest rate of 3.06% per annum and is payable on the 1st of June and December of each year through 2026 with semi-annual payment of principal and interest of approximately \$ 93,400. The loan is secured by proceeds from the tax on communication services. The amount of pledged revenues collected by the City in any fiscal year should equal to at least 120% of the debt service in each fiscal year on all indebtedness of the City that are secured by the pledged revenues. Total principal and interest payments and communication service tax (pledged revenue) during fiscal year 2018 amounted to approximately \$ 187,000 and \$ 485,000, respectively. For the current year, the pledged revenue requirement was met.

City of Wilton Manors, Florida
Notes to Basic Financial Statements
September 30, 2018

Note 8 - Long-Term Liabilities (continued)

The following are the requirements to amortize debt at September 30, 2018:

Fiscal Year Ending	2011 Utility and Parking System Revenue Note		Total
	Principal	Interest	
2019	\$ 152,011	\$ 34,882	\$ 186,893
2020	155,866	31,027	186,893
2021	159,819	27,074	186,893
2022	163,872	23,022	186,894
2023	168,028	18,866	186,894
2024-2028	622,365	31,760	654,125
	<u>\$ 1,421,961</u>	<u>\$ 166,631</u>	<u>\$ 1,588,592</u>

Long-term liabilities activity for the year ended September 30, 2018 was as follows:

	Beginning Balance	Additions	Amortizations/ Retirements	Ending Balance	Due Within One Year
Governmental Activities:					
2008 City Hall General Obligation Note	\$ 3,859,690	\$ -	\$ 290,370	\$ 3,569,320	\$ 301,170
2011 Parks General Obligation Note	417,173	-	206,377	210,796	210,796
2015 Mickel Park Improvement Project Note	615,000	-	68,000	547,000	70,000
Compensated absences	830,013	399,158	422,401	806,770	588,184
Net pension liability	24,855,085	-	809,390	24,045,695	-
OPEB liability	589,093	28,830	-	617,923	-
Total governmental activities	<u>\$ 31,166,054</u>	<u>\$ 427,988</u>	<u>\$ 1,796,538</u>	<u>\$ 29,797,504</u>	<u>\$ 1,170,150</u>
Business-Type Activities:					
2011 Utility and Parking System Revenue Note	1,570,213	-	148,252	1,421,961	152,011
Compensated absences	78,495	15,855	33,945	60,405	41,393
Net pension liability	1,438,153	-	25,574	1,412,579	-
OPEB liability	23,907	1,170	-	25,077	-
Total business-type activities	<u>\$ 3,110,768</u>	<u>\$ 17,025</u>	<u>\$ 207,771</u>	<u>\$ 2,920,022</u>	<u>\$ 193,404</u>
Total primary government	<u>\$ 34,276,822</u>	<u>\$ 445,013</u>	<u>\$ 2,004,309</u>	<u>\$ 32,717,526</u>	<u>\$ 1,363,554</u>

The City's compensated absences, OPEB liability and net pension liability that relate to governmental activities are generally liquidated by the general fund.

The City's compensated absences, OPEB liability and net pension liability that relate to business-type activities are liquidated by their respective enterprise fund.

Note 9 - Employee Pension Plans

General Information

Current and former employees of the City of Wilton Manors are covered by three pension plans. Since 2007, all new City employees have been covered under the Florida Retirement System (FRS). Before that time, City employees were covered by the City of Wilton Manors Pension Plan for General Employees and Police (the "Plan"). In addition, a small number of volunteer firefighters previously serving the City were covered by the City of Wilton Manors Volunteer Firefighters Retirement System (the "System"). The Plan and the System were closed to new members in 2007 when the City transitioned to FRS coverage.

Summary of significant accounting policies - The financial statements of the plans are prepared using the accrual basis of accounting. The plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plans are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Single Employer Plans:

Pension Plan for General Employees and Police

Description of the Plan - The City of Wilton Manors' Pension Plan for General Employees and Police (the "Plan") is a single-employer defined benefit plan established by the City pursuant to the provisions and requirements of Section 13 of the City Code of Ordinances. Effective August 1, 2007, the Plan elected to participate in the Florida Retirement System (FRS) and closed the Plan to new members hired on or after August 1, 2007.

Benefits - The date upon which the participant completes twenty (20) years of credited service regardless of age or the date upon which the participant attains age sixty with five years of credited services, a participant may retire on a normal retirement benefit. Participants will receive a monthly Plan benefit equal to 3.0% of the average monthly compensation times the years of credited service. Early retirement, disability, death, and other benefits are also provided.

Deferred Retirement Option Plan (the "DROP") - Participants who continue employment with the City past normal retirement date may freeze their accrued benefit and enter the DROP. Maximum participation in the DROP shall be six years (five years prior to August 1, 2007). For participants electing participation in the DROP, an individual DROP account shall be created. Payment shall be made by the Plan into the participant's DROP account in an amount equal to the regular monthly retirement benefit which the participant would have received had the participant separated from service and commenced receipt of Plan benefits, plus interest. Interest shall be based on the actual earnings of the Plan for the preceding year. Upon termination of employment, a participant may receive distribution from the DROP account as a lump sum or defer payment in accordance with the Internal Revenue Code. A DROP participant shall not be entitled to receive a disability retirement package for benefit purposes. If a participant shall die during participation in the DROP, the participant shall be treated as any other vested participant of the Plan that dies prior to retirement. The value of the total DROP balance at September 30, 2018 was \$ 26,607.

Note 9 - Employee Pension Plans (continued)

Cost-of Living Adjustment - Effective October 1, 2004, an Ordinance providing for a temporary cost-of-living adjustment (COLA) was created for participants of the police bargaining unit and non-sworn participants participating in the Plan. The COLA will apply to police personnel who are in the DROP plan prior to October 1, 2002. The annual COLA adjustment will be 3%. The provisions of this Ordinance shall expire after September 30, 2005. Police officers with ten or more years of service as of October 1, 2006 will receive an annual 3% COLA, to begin six years after retirement.

Contributions - Participant contributions are equal to 10% of basic compensation for police officers and 11% of basic compensation for general employees. Any participant terminating participation in the Plan with less than one year of credited service shall receive a return of contributions with no interest. A participant who has completed more than one, but less than five years of credited service, shall receive a return of contributions plus 3% of the gross amount. After completion of five years of credited service, the terminated participant will be entitled to a deferred vested benefit commencing on the participant’s normal retirement age, if living at such time.

Volunteer Firefighters Retirement System

Description of the Plan - The City of Wilton Manors Volunteer Firefighters Retirement System (the “System”) is a single-employer defined benefit plan established by the City pursuant to the provisions and requirements of Chapter 21 of the City’s Code of Ordinances.

Benefits - The normal retirement date for a participant shall be the first day of the month coinciding with or following the attainment of the earlier of the participant’s 55th birthday, or the participant’s 50th birthday and completion of 20 years of continuous service as an active participant of the Wilton Manors Volunteer Fire Department. A participant will be 100% vested at the attainment of the participants normal retirement date regardless of any other provisions of the System. Participants will receive a monthly pension benefit equal to \$ 56 (\$ 50 prior to November 14, 2006) multiplied by the years of credited service.

Deferred Retirement Option Plan (the “DROP”) - DROP benefits are not available with this plan.

Cost-of Living Adjustment - Currently, there are no cost of living adjustments.

Contributions - Participants are not required to contribute to the System and benefits are not compensated related. Pursuant to Florida Statutes, Chapter 175, contributions from the State of Florida Department of Insurance consist of an excise tax imposed by the State upon certain casualty insurance companies on the gross amount of receipts of premiums from policy holders on all premiums collected on casualty insurance policies covering property within the City. This amount totaled \$ 87,830 for the year ended September 30, 2018. This amount was recognized as revenue and expenditure in the General Fund, as appropriate.

Plan membership data at October 1, 2016 was as follows:

	General Employees and Police	Volunteer Firefighters
Inactive employees or beneficiaries currently receiving benefits	73	9
Inactive employees entitled to but not yet receiving benefits	-	-
Active employees	9	1
Total	<u>82</u>	<u>10</u>

Note 9 - Employee Pension Plans (continued)

Net Pension Liability (Asset) - The components of the net pension liability of the City as of September 30, 2017 were as follows:

	General Employees and Police	Volunteer Firefighters
Total pension liability	\$ 38,259,387	1,647,977
Plan fiduciary net position	25,162,888	1,655,128
Total net pension liability (asset)	\$ 13,096,499	(7,151)
Plan fiduciary net position as a percentage of the total pension liability (asset)	65.77%	100.43%

Actuarial Assumptions - The total pension liability (asset) at September 30, 2017 was determined by using actuarial valuations as of October 1, 2016, with update procedures used to roll forward the total pension liability to September 30, 2017. The actuarial valuation used the following actuarial assumptions:

	General Employees and Police	Volunteer Firefighters
Inflation	3.0%	N/A
Salary increases	5.5%	N/A
Investment rate of return	7.0%	6.0%

For the System, the mortality rates that were used were based on the Florida Retirement System (“FRS”) for Special Risk Class members in the July 1, 2016 actuarial valuation.

For the Plan, the mortality rates that were used were based on the FRS for Regular Class members and Special Risk Class members.

Long-term Expected Rate of Return - The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following tables:

Asset Class	General Employees and Police Target Allocation	Volunteer Firefighters Target Allocation
Domestic equities	25%-75%	25%-75%
Fixed income	25%-50%	25%-50%
Cash and cash equivalents	0%-20%	0%-20%

Note 9 - Employee Pension Plans (continued)

Asset Class	General Employees and Police	Volunteer Firefighters
	Long-Term Expected Real Rate of Return	Long-Term Expected Real Rate of Return
U.S. large cap equity	7.00%	7.00%
U.S. small/mid cap equity	7.50%	7.50%
International equity	8.00%	8.00%
U.S. aggregate bond	4.50%	4.50%
U.S. direct equity	7.25%	7.25%
Absolute return	6.00%	6.00%
Global infrastructure	6.75%	6.75%

Rate of Return - For the year ended September 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 14.55% for the plans. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate - The discount rate used to measure the total pension liability was 7.0% for the Plan and 6.0% for the System. The projection of cash flows used to determine the discount rate assumed that the plan participant contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contributions rates and the participant rate. Based on those assumptions, the fiduciary net position of the plans was projected to be available to make all projected future benefit payments of current plan participants. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability:

General Employees and Police:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances, as of September 30, 2016, measurement date	\$ 37,555,452	\$ 23,683,755	\$ 13,871,697
Changes for the year:			
Service cost	141,672	-	141,672
Interest	2,547,674	-	2,547,674
Differences between expected and actual experience	68,713	-	68,713
Assumption changes	549,447	-	549,447
Contributions - employer	-	1,685,242	(1,685,242)
Contributions - employee	-	64,490	(64,490)
Net investment income	-	2,437,040	(2,437,040)
Benefit payments	(2,603,571)	(2,603,571)	-
Administrative expenses	-	(104,068)	104,068
Net changes	703,935	1,479,133	(775,198)
Balances, as of September 30, 2017, measurement date	\$ 38,259,387	\$ 25,162,888	\$ 13,096,499

Note 9 - Employee Pension Plans (continued)

Volunteer Firefighters:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances, as of September 30, 2016, measurement date	\$ 1,992,404	\$ 1,528,157	\$ 464,247
Changes for the year:			
Service cost	2,785	-	2,785
Interest	136,401	-	136,401
Differences between expected and actual experience	(547,430)	-	(547,430)
Assumption changes	157,023	-	157,023
Contributions - State	-	93,880	(93,880)
Net investment income	-	163,275	(163,275)
Benefit payments	(93,206)	(93,206)	-
Administrative expenses	-	(36,978)	36,978
Net changes	<u>(344,427)</u>	<u>126,971</u>	<u>(471,398)</u>
Balances, as of September 30, 2017, measurement date	<u>\$ 1,647,977</u>	<u>\$ 1,655,128</u>	<u>\$ (7,151)</u>

Sensitivity of the Net Liability (Asset) to the changes in the discount rate - The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.00% for the Plan and 6.00% for the System, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate:

	1% Decrease (6.0%)	Current Rate (7.0%)	1% Increase (8.0%)
General Employees and Police:			
Net Pension Liability	<u>\$ 17,457,770</u>	<u>\$ 13,096,499</u>	<u>\$ 9,483,191</u>
Volunteer Firefighters:			
Net Pension Liability (Asset)	<u>\$ 189,617</u>	<u>\$ (7,151)</u>	<u>\$ (169,895)</u>

Note 9 - Employee Pension Plans (continued)

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions: For the year ended September 30, 2018, the City recognized pension expense in the Plan and the System of \$ 301,111 and \$ (385,299), respectively. At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

General Employees and Police:	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual earnings on pension plan investments	\$ 1,298,573	\$ 947,993
Employer contributions made subsequent to the measurement date	<u>1,667,049</u>	<u>-</u>
Total	\$ <u><u>2,965,622</u></u>	\$ <u><u>947,993</u></u>
 Volunteer Firefighters:		
Differences between expected and actual earnings on pension plan investments	\$ 72,434	\$ 78,701
Employer contributions made subsequent to the measurement date	<u>87,830</u>	<u>-</u>
Total	\$ <u><u>160,264</u></u>	\$ <u><u>78,701</u></u>

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer’s fiscal year end will be recognized as a reduction of the net pension liability in the subsequent reporting period. The amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended September 30,</u>	<u>General Employees and Police</u>	<u>Volunteer Firefighters</u>
2019	\$ 245,411	\$ 7,377
2020	458,498	18,554
2021	(190,789)	(17,663)
2022	(162,540)	(14,535)
2023	<u>-</u>	<u>-</u>
Total	\$ <u><u>350,580</u></u>	\$ <u><u>(6,267)</u></u>

Note 9 - Employee Pension Plans (continued)

The City has issued stand-alone financial statements for the Plan and the System which may be obtained from the City of Wilton Manors, Finance Department at 2020 Wilton Drive, Wilton Manors, Florida, 33035. There is a significant amount of information about the City's pension plan and system on the City's website, www.wiltonmanors.com > Department > Finance > Pension Plans.

Multiple Employer Plans:

Florida Retirement System

General Information - On August 1, 2007, the City joined the Florida Retirement System ("FRS") to provide retirement and survivor benefits to all new hired employees. On that date, employees that were in the City of Wilton Manors General Employees and Police Officers Pension Plan had the option of making a one-time election of remaining in the plan or transferring to the 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 FRS Pension Plan ("Pension Plan"), the Retiree Health Insurance Subsidy Program ("HIS Plan") and a defined contribution pension 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. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or by calling (877) 377-1737 or by visiting the website: http://www.dms.myflorida.com/workforce_operations/retirement/publications.

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.

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of creditable service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% times years of service times final average compensation based on the five highest years of salary. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of creditable service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% times years of service times final average compensation based on the five highest years of salary.

Note 9 - Employee Pension Plans (continued)

Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of creditable service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% times the years of service times their final average compensation based on the five highest years of salary for each year of creditable service. Senior Management Service class members who retire at or after age 62 with at least six years of creditable service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% times the years of service times their final average compensation based on the five highest years of salary for each year of creditable service. Elected Officers' class members who retire at or after age 62 with at least six years of creditable service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% times the years of service (3.33% for judges and justices) times their final average compensation based on the five highest years of salary for each year of creditable service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of creditable service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before August 1, 2011, the annual cost of living adjustment ("COLA") is three percent per year. The COLA formula for retirees with an effective retirement date or DROP begin date on or after August 1, 2011, will be the sum of the pre-July 2011 service credit divided by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

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

Contributions - Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide 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 October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018, respectively, were as follows: Regular - 7.92% and 8.26%; Special Risk Administrative Support - 34.63% and 34.98%; Special Risk - 23.27% and 24.50%; Senior Management Service - 22.71% and 24.06%; Elected Officers' - 45.50% and 48.70%; and DROP participants - 13.26% and 14.03%. These employer contribution rates include 1.66% HIS Plan subsidy for the period October 1, 2017 through September 30, 2018.

HIS Plan

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

Note 9 - Employee Pension Plans (continued)

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 credited 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 was 1.66%. The City 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.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2018, the City reported liabilities of \$ 9,978,394 for its proportionate share of the Pension Plan’s net pension liability and \$ 2,390,532 for the HIS Plan’s net pension liability for a total pension liability of \$ 12,368,926. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. At June 30, 2018, the City’s proportionate share was .033128232 percent for the Pension Plan and .022586037 percent for the HIS Plan, which was an increase of .00047589 percent and .001085388 percent respectively, from the proportionate share measured as of June 30, 2017.

For the year ended September 30, 2018, the City recognized pension expense of \$ 1,842,058 for the Pension Plan and \$ 224,124 for the HIS Plan for a total pension expense of \$ 2,066,182. At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		
	Pension Plan	HIS Plan	Total
Contributions subsequent to measurement date	\$ 264,925	\$ 32,926	\$ 297,851
Changes of assumptions	3,260,455	265,857	3,526,312
Net difference between projected and actual earnings on pension plan investments	-	1,443	1,443
Differences between expected and actual experience	845,320	36,598	881,918
Changes in proportion and differences between contributions and proportionate share of contributions	559,571	275,721	835,292
Total	\$ 4,930,271	\$ 612,545	\$ 5,542,816

Note 9 - Employee Pension Plans (continued)

	Deferred Inflows of Resources		
	Pension Plan	HIS Plan	Total
Net difference between projected and actual earnings on pension plan investments	\$ 770,953	\$ -	\$ 770,953
Changes of assumptions	-	252,747	252,747
Differences between expected and actual experience	30,681	4,061	34,742
Changes in proportion and differences between contributions and proportionate share of contributions	46,161	28,272	74,433
Total	\$ 847,795	\$ 285,080	\$ 1,132,875

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer’s fiscal year end will be recognized as a reduction of the net pension liability in the subsequent reporting period. The amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30,	Employer Share of Deferred Outflows/Inflows		
	Pension Plan	HIS Plan	Total
2019	\$ 1,410,925	\$ 79,138	\$ 1,490,063
2020	1,029,276	79,016	1,108,292
2021	258,289	79,486	337,775
2022	647,915	54,745	702,660
2023	408,069	(3,273)	404,796
Thereafter	63,077	5,427	68,504
Total	\$ 3,817,551	\$ 294,539	\$ 4,112,090

Actuarial Assumptions - The Florida Retirement System Actuarial Assumption Conference is responsible for setting the assumptions used in the funding valuations of both pension plans pursuant to section 216.136 (10), Florida Statutes. The Pension Plan’s valuation is performed annually. The HIS Plan has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the Pension Plan was completed in 2014 for the period July 1, 2008, through June 30, 2013. Because the HIS Plan is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the Pension Plan. The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Note 9 - Employee Pension Plans (continued)

	Pension Plan	HIS Plan
Inflation	2.60%	2.60%
Salary increases	3.25%, average including inflation	3.25%, average including inflation
Investment return	7.00%, net of pension plan investment expense, including inflation	N/A
Actuarial cost method	Individual entry age	Individual entry age
Mortality table	Generational RP-2000 with Projection Scale BB tables	Generational RP-2000 with Projection Scale BB tables

Long-term Expected Rate of Return - 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 (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
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	11.0%	6.6%	6.0%	11.3%
Private equity	10.0%	10.7%	7.8%	26.5%
Strategic investments	6.0%	6.0%	5.7%	8.6%
Total	100.00%			
Assumed inflation - Mean			2.6%	1.9%

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

Discount Rate - The discount rate used to measure the total pension liability was 7.00% for the Pension Plan. 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 discount rate used to measure the total pension liability was 3.87% for the HIS Plan. In general, the discount rate for calculating the HIS Plan’s 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 Plan benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the municipal bond rate of 3.87% was used to determine the total pension liability. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Note 9 - Employee Pension Plans (continued)

Sensitivity of the City’s Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following table presents the sensitivity of the City’s proportionate share of the net pension liability to changes in the discount rate. The sensitivity analysis, below, shows the impact to the City’s proportionate share of the net pension liability if the discount rate was 1.00% lower or 1.00% higher than the current discount rate at June 30, 2018.

	<u>1% Decrease (6.00%)</u>	<u>Current Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
City's proportionate share of the net pension liability for Pension Plan	\$ <u>18,210,990</u>	\$ <u>9,978,394</u>	\$ <u>3,140,739</u>
	<u>1% Decrease (2.87%)</u>	<u>Current Rate (3.87%)</u>	<u>1% Increase (4.87%)</u>
City's proportionate share of the net pension liability for HIS Plan	\$ <u>2,722,675</u>	\$ <u>2,390,532</u>	\$ <u>2,113,670</u>

Investment Plan

The SBA (State Board of Administration) administered 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 FRS Defined Benefit Plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual members’ accounts, are defined by law, but the ultimate benefit depends, in part, on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class, 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 members’ accounts during the 2017-2018 fiscal year, as established by Section 121.72, Florida Statutes, are based on percentage of gross compensation, by class, as follows: Regular employees 6.30%, Special Risk class 14.00%, Senior Management 7.67% and Elected Officers class 11.34%.

Note 9 - Employee Pension Plans (continued)

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 vesting 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 these 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 his or her 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, 2018, 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 City.

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 lumpsum 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 City’s pension expense for the Investment Plan totaled \$ 177,257 for the fiscal year ended September 30, 2018.

Aggregate amounts for all plans:

	General Employees and Police	Volunteer Firefighters Retirement System	Florida Retirement System	Investment Plan	Total
Net pension liability (asset)	\$ 13,096,499	\$ (7,151)	\$ 12,368,926	\$ N/A	\$ 25,458,274
Deferred outflows of resources	\$ 2,965,622	\$ 160,264	\$ 5,542,816	\$ N/A	\$ 8,668,702
Deferred inflows of resources	\$ 947,993	\$ 78,701	\$ 1,132,875	\$ N/A	\$ 2,159,569
Pension expense	\$ 301,111	\$ (385,299)	\$ 2,066,182	\$ 177,257	\$ 2,159,251

Note 10 - Other Post-Employment Health Care Benefits

During fiscal year 2018, the City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. GASB Statement No. 75 specifies that governments must recognize their total OPEB liability and related deferred outflows of resources, deferred inflows of resources, and OPEB expense in the financial statements based on the actuarial present value of projected benefit payments, rather than the smaller net OPEB obligation based on contribution requirements, under GASB Statement No. 45. See Note 16 for information on the effect of implementation on beginning net position in the government wide and enterprise fund statements.

Note 10 - Other Post-Employment Health Care Benefits (continued)

Plan Description

The City of Wilton Manors, Florida provides Post-Employment Benefits Other than Pensions (OPEB) to employees as mandated by Florida Statutes 112.0801. The City has no formal plan that administers the City’s post-employment healthcare and dental coverage to eligible individuals which includes all regular employees of the City who retire from active service and are eligible for retirement or disability benefits. The retirees and their spouses and dependents pay 100% of the blended premium rates to obtain their elected health, dental and other insurance benefits. The blended rates provide an implicit subsidy to them because, on an actuarial basis, their current and future claims are expected to result in higher costs to the employer.

The following table provides a summary of the number of participants in the plan as of the measurement date:

Inactive plan members or beneficiaries currently receiving benefits	7
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>143</u>
Total plan members	<u><u>150</u></u>

Funding Policy

Currently, the City's OPEB benefits are unfunded. This plan is not accounted for in a trust fund. To date, the City has followed a pay as you go funding policy, therefore, only those amounts necessary to provide for the City's reporting of current year benefit costs and expenses have been contributed from the General Fund. Contribution rates are determined by the City. The Plan does not issue a stand-alone financial report and it is not included in the report of a public employee retirement system or a report of another entity.

Actuarial Methods and Assumptions

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

Note 10 - Other Post-Employment Health Care Benefits (continued)

The actuarial valuation described below used the entry age normal cost method to determine the Plan’s liabilities and costs. Under this cost method, the actuarial present value of projected benefits of every active participant as if the Plan’s provisions on the valuation date had always been in effect, is determined as a level percentage of expected annual earnings for each future year of expected service. A normal cost for each year from the assumed entry date is determined by applying this level percentage of pay to the assumed earnings for that year (or if benefits are not pay related, the level amount for each year). Under this method, inactive participants have no normal cost, and their actuarial liability is the present value of the plan benefits to which they and their beneficiaries are entitled. The Plan’s total annual normal cost and actuarial liability are the sum of the individual participant amounts. An experience gain or loss is a decrease or increase in the unfunded actuarial liability attributable to actual experience that differed from that expected by the actuarial assumptions. Such gains or losses are explicitly recognized under this method.

The total OPEB liability at September 30, 2018 was based on an actuarial valuation date of October 1, 2016 with a measurement date of October 1, 2017, using the following assumptions:

Actuarial Cost Method:	Entry Age Normal
Amortized Method:	Level percentage of payroll, open
Mortality:	RP-2014 Total Dataset Mortality with Base Year 2006, projected using two-dimensional mortality improvement scale MP-2017
Healthcare Cost Trend Rate:	7.00% for fiscal year end 2018, decreasing 0.50% per year to an ultimate rate of 5.00%
Expected Return on Assets:	Not applicable
Salary Scale:	3.00%
Discount Rate:	3.50%

Discount Rate: The discount rate used to measure the total OPEB liability at October 1, 2017 was 3.50%. Because the City’s OPEB costs are funded on a pay-as-you-go funding structure, a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA or higher credit rating as of the measurement date was used to determine the total OPEB liability.

Total OPEB Liability of the City: The components of the City’s net OPEB liability at September 30, 2018, are as follows:

Total OPEB liability	\$	643,000
OPEB Plan fiduciary net position		-
City's net OPEB liability	\$	643,000
OPEB Plan fiduciary net position as a percentage of total OPEB liability		0.00%

Note 10 - Other Post-Employment Health Care Benefits (continued)

Changes in Total OPEB Liability

Total OPEB liability:	
Service cost	\$ 44,000
Interest on total OPEB liability	22,000
Benefit payments	<u>(36,000)</u>
Net change in total OPEB liability	30,000
Total OPEB liability, beginning	<u>613,000</u>
Total OPEB liability, ending	<u>\$ 643,000</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following table presents the total OPEB liability, calculated using the discount rate of 3.50%, as well as what the City’s 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 current discount rate:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB liability	\$ <u>766,000</u>	\$ <u>643,000</u>	\$ <u>550,000</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following table presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage-point lower or one percentage-point higher than the current trend rate:

	1% Trend Decrease 6.00% Decreasing to 4.00%	Trend Rate Assumption 7.00% Decreasing to 5.00%	1% Trend Increase 8.00% Decreasing to 6.00%
Total OPEB liability	\$ <u>535,000</u>	\$ <u>643,000</u>	\$ <u>791,000</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the year ended September 30, 2018, the City recognized OPEB expense of \$ 66,000. At September 30, 2018, the City does not have any deferred outflows of resources or deferred inflows of resources related to OPEB.

Note 11 - Deferred Compensation Plan

The City adopted the provisions of IRS Section 457 deferred compensation plan. Employees have the option to join the plan and have the personal contributions to their individual accounts withheld from their paychecks. The City's involvement is limited to making the plan available to employees and remitting employee contributions directly to the third-party plan administrators who hold the funds in trust. The City does not make any matching contributions to the employees' accounts. The City makes no investment decisions and has no fiduciary responsibilities regarding the plan, therefore, the assets and liabilities of the plan are not included in the City's financial statements at September 30, 2018.

Note 12 - Risk Management

The City is exposed to various risks of loss related to tort; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. In order to limit its exposure to these risks, the City is a participant in the Florida League of Cities (a not-for-profit corporation) self-insurance program for workers' compensation, general and auto liability, and property insurance. This self-insurance program purchases excess and specific coverage from third party insurance carriers. Participants in the program are billed annually for their portion of the cost of the program adjusted for actual experience during the period of coverage. Participants are not assessed for unanticipated losses incurred by the program. Premiums paid by the City during the year totaled approximately \$ 423,000. There has been no reduction in insurance coverage from the previous year and the amount of settlement did not exceed insurance coverage in each of the past three years.

Note 13 - Commitments and Contingencies

Grants

Revenues recognized from grants may be subject to audit by the grantor agencies. In the opinion of City management, as a result of such audits, disallowances of grant revenues, if any, would not have a material adverse effect on the City's condition.

Interlocal Agreement - EMS and Fire Protection Services

Effective October 1, 2015, the City renewed its Interlocal agreement with the City of Fort Lauderdale to provide Emergency Medical and Fire Protection Services. The agreement is effective through September 30, 2020. The agreement calls for a maximum base annual service fee of \$ 2,707,704 to be adjusted each fiscal year by the amount equal to the percentage change in the Consumer Price Index for All Urban Consumers for the South Urban Regions. The annual service fee is offset by about \$ 400,000 annually from revenues received by Fort Lauderdale for reimbursements for EMS services provided in Wilton Manors. The service fee also includes contributions towards vehicle replacements, as described below. Service fees paid by the City to the City of Fort Lauderdale for the year ended September 30, 2018 totaled \$ 2,230,676.

Note 13 - Commitments and Contingencies (continued)

The Interlocal agreement also provides that the City will contribute \$ 55,000 annually to the Fort Lauderdale Vehicle Replacement Account for the replacement of one fire engine and \$ 31,485 annually towards replacement of one rescue unit. The accumulated amounts contributed to the replacement account earns interest at the monthly rate of 1/12 of the annual rate for U.S. Government Securities, Treasury Constant Maturities, 5-year Maturity, as published monthly in the U.S. Federal Reserve Statistical Release H.15 or its successor. The accumulated funds collected and earned under this agreement will be reviewed on an annual basis and will be adjusted accordingly to ensure sufficiency of funds towards meeting the goal of replacing one fire engine. In the event of termination of the agreement, the City of Fort Lauderdale will return all the monies held, including interest earned, to the City of Wilton Manors. As of September 30, 2018, the City has approximately \$ 281,000 in funds held by City of Fort Lauderdale under the provisions of this agreement.

Interlocal Agreement - Water and Wastewater Services

The City has entered into an agreement with the City of Fort Lauderdale to provide the City with water and wastewater services. The expenditure by the City for the year ended September 30, 2018 relating to this agreement totaled approximately \$ 1,940,000 and \$ 821,000 for water and wastewater, respectively.

The Broward County Wastewater Plan requires the City to use the City of Fort Lauderdale wastewater facilities through the year 2030.

Parking Management Services

In 2010, the City entered into an agreement with Lanier Parking System of Florida (the "Company") to provide parking management and enforcement services for the City-owned on-street and off-street parking spaces. The agreement is for a period of five (5) years beginning April 1, 2010 and may be extended for two additional two-year terms in City's absolute discretion. The City reimburses the Company for its operating costs based on a budget approved by the City. The Company also receives a management fee in exchange for the services provided in an amount varying from 3.30% to 4.95% of all gross revenue, depending on the type of revenue. Total parking revenues generated and parking management services and operating fees paid during the fiscal year ended 2018 amounted to approximately \$ 1,014,000 and \$ 330,000, respectively. Subsequent to year end, the City entered into an agreement extending the period of the service agreement through March 31, 2022 under substantially the same terms.

Note 13 - Commitments and Contingencies (continued)

Construction Commitments

The following table presents the approximate significant construction commitments outstanding at September 30, 2018:

	<u>Estimated Remaining Construction Commitments</u>
Governmental activities:	
1) Colohatchee Park Improvements	\$ <u>375,000</u>
	\$ <u><u>375,000</u></u>
Business-type activities:	
1) Lining 48 Sewer Laterals	\$ 32,000
2) Parking Lot at NE 23rd Drive	<u>16,000</u>
	\$ <u><u>48,000</u></u>

Contingencies

The City is involved in several ongoing litigation matters. The ultimate outcome of these matters, in the opinion of the City Attorney, will not have a material effect on the financial condition of the City.

Note 14 - Deficits in Fund Balances

At September 30, 2018, the Miscellaneous Grants Fund had a deficit fund balance of \$ 51,092. The City expects to seek and obtain additional grant funding to reduce certain expenditures and any remaining deficiencies will be funded by the General Fund.

Note 15 - Subsequent Event

Management Review

The City's management has evaluated subsequent events through May 21, 2019, which is the date the financial statements were available to be issued.

Note 16 - Restatements

The net positions of the Governmental Activities, Business-Type Activities and all Enterprise Funds have been adjusted due to the adoption of GASB Statements No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, in fiscal year 2018.

City of Wilton Manors, Florida
Notes to Basic Financial Statements
September 30, 2018

Note 16 - Restatements (continued)

	Government-Wide Statements		Enterprise Funds			
	Governmental Activities	Business-Type Activities	Utility Fund	Parking Fund	Recycling Fund	Drainage Fund
Net Position, September 30, 2017, as previously reported	\$ 11,460,641	\$ 21,483,404	\$ 17,953,186	\$ 1,453,512	\$ 238,774	\$ 1,837,932
Cumulative Effect of Application of GASB 75, OPEB Liability	<u>(499,893)</u>	<u>(23,907)</u>	<u>(17,225)</u>	<u>(736)</u>	<u>(2,513)</u>	<u>(3,433)</u>
Net Position, September 30, 2017, as restated	<u>\$ 10,960,748</u>	<u>\$ 21,459,497</u>	<u>\$ 17,935,961</u>	<u>\$ 1,452,776</u>	<u>\$ 236,261</u>	<u>\$ 1,834,499</u>

REQUIRED
SUPPLEMENTARY INFORMATION

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City of Wilton Manors, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - General Fund
For the Year Ended September 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes:				
Property	\$ 8,423,489	\$ 8,423,489	\$ 8,243,228	\$ (180,261)
Franchise	820,200	820,200	833,404	13,204
Utility	2,120,643	2,120,643	2,090,420	(30,223)
Intergovernmental	1,345,661	1,345,661	1,470,341	124,680
Charges for services	511,725	511,725	524,475	12,750
Licenses and permits	611,400	911,400	992,554	81,154
Fines and forfeitures	261,275	261,275	569,090	307,815
Interest income	121,500	121,500	130,727	9,227
Miscellaneous	345,150	349,552	389,615	40,063
Total revenues	14,561,043	14,865,445	15,243,854	378,409
Expenditures:				
Current:				
General government:				
City commission	172,749	175,249	162,151	13,098
City management	701,598	727,598	675,105	52,493
City clerk	288,530	288,530	236,721	51,809
Finance	666,603	679,103	660,216	18,887
Human resources	506,037	506,037	497,219	8,818
City attorney	345,000	345,000	304,238	40,762
Community development	1,223,179	1,679,825	1,212,828	466,997
Non-departmental	20,847	22,067	20,620	1,447
Total general government	3,924,543	4,423,409	3,769,098	654,311
Public safety:				
Police department	6,857,027	6,912,105	6,837,190	74,915
Emergency management	699,546	1,018,062	971,464	46,598
Total public safety	7,556,573	7,930,167	7,808,654	121,513
Culture and recreation:				
Library	724,844	724,844	702,897	21,947
Parks and recreation	2,884,625	2,891,875	2,754,177	137,698
Total culture and recreation	3,609,469	3,616,719	3,457,074	159,645
Transportation - public services	189,523	189,523	181,352	8,171
Debt service:				
Principal	564,747	564,747	564,747	-
Interest	166,483	166,483	168,874	(2,391)
Total debt service	731,230	731,230	733,621	(2,391)
Capital outlay	819,355	1,178,702	683,086	495,616
Total expenditures	16,830,693	18,069,750	16,632,885	1,436,865
Excess (deficiency) of revenues over expenditures	(2,269,650)	(3,204,305)	(1,389,031)	1,815,274
Other Financing Sources (Uses):				
Transfers in	1,871,580	1,871,580	1,871,580	-
Transfers out	(25,000)	(25,000)	(25,000)	-
Use of fund balance	423,070	1,357,725	-	(1,357,725)
Total other financing sources (uses)	2,269,650	3,204,305	1,846,580	(1,357,725)
Net change in fund balance	\$ -	\$ -	457,549	\$ 457,549
Fund Balance, beginning			4,005,451	
Fund Balance, ending			\$ 4,463,000	

See notes to budgetary comparison schedules

City of Wilton Manors, Florida
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual - Fire Assessment Fund
 For the Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Insurance premium tax	\$ 143,468	\$ 143,468	\$ 93,880	\$ (49,588)
Intergovernmental	-	-	1,920	1,920
Special assessments	2,177,674	2,177,674	2,284,337	106,663
Charges for services	105,000	105,000	101,963	(3,037)
Interest income	13,000	13,000	20,798	7,798
Miscellaneous	-	-	13,352	13,352
Total revenues	<u>2,439,142</u>	<u>2,439,142</u>	<u>2,516,250</u>	<u>77,108</u>
Expenditures:				
Public safety	2,266,566	2,266,566	2,112,865	153,701
Capital outlay	162,500	369,304	198,693	170,611
Total expenditures	<u>2,429,066</u>	<u>2,635,870</u>	<u>2,311,558</u>	<u>324,312</u>
Excess (deficiency) of revenues over expenditures	<u>10,076</u>	<u>(196,728)</u>	<u>204,692</u>	<u>401,420</u>
Other Financing Sources (Uses):				
Transfers out	(159,641)	(159,641)	(159,641)	-
Use of fund balance	149,565	356,369	-	(356,369)
Total other financing sources (uses)	<u>(10,076)</u>	<u>196,728</u>	<u>(159,641)</u>	<u>(356,369)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	45,051	<u>\$ 45,051</u>
Fund Balance, beginning			<u>180,803</u>	
Fund Balance, ending			<u>\$ 225,854</u>	

See notes to budgetary comparison schedules

Note 1 - Budgetary Information

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

Annual appropriated budgets are adopted for all governmental funds. Budgets are prepared on a basis consistent with accounting principles generally accepted in the United States of America (GAAP), except for encumbrances, which are reported as expenditures for budgetary purposes. There were no encumbrances for these funds during the year.

During the month of June each year, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing October 1. This budget includes proposed expenditures as well as the expected means of financing them. The Commission holds public hearings and a final budget must be prepared and adopted no later than October 1.

The appropriated budget is prepared by fund, function and department. The City Manager is authorized to transfer budgeted line items within a department classification; however, any revisions that alter the department totals must be approved by the City Commission. Therefore, the department level is the legal level of budgetary control. Budgeted amounts are as originally adopted or as amended. Encumbrance accounting is employed in governmental funds. All unencumbered appropriations lapse at year end and are re-budgeted in the next fiscal year.

City of Wilton Manors, Florida
Required Supplementary Information
(Unaudited)
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Fiscal Year *

Fiscal Year:	9/30/2018
Measurement Date:	<u>10/1/2017</u>
Total OPEB liability	
Service cost	\$ 44,000
Interest	22,000
Benefits payments	<u>(36,000)</u>
Net change in total OPEB liability	30,000
Total OPEB liability - beginning	613,000
Total OPEB liability - ending	<u>\$ 643,000</u>
Covered payroll	\$ 7,475,000
Total OPEB liability as a percentage of covered payroll	8.6%

Notes to Schedule:

* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

Plan Assets. No assets are accumulated in a trust that meets all of the criteria of GASB No. 75, paragraph 4, to pay benefits.

City of Wilton Manors, Florida
Required Supplementary Information
(Unaudited)
Schedule of Changes in Net Pension Liability and Related Ratios
Pension Plan for General Employees and Police

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability					
Service cost	\$ 131,863	\$ 141,672	\$ 141,736	\$ 129,615	\$ 112,087
Interest	2,591,888	2,547,674	2,545,418	2,571,868	2,578,844
Differences between expected and actual experience	(344,394)	68,713	(360,289)	60,844	54,908
Assumption changes	-	549,447	-	2,522,504	-
Benefit payments	<u>(2,728,566)</u>	<u>(2,603,571)</u>	<u>(2,706,165)</u>	<u>(2,756,178)</u>	<u>(3,224,482)</u>
Net change in total pension liability	(349,209)	703,935	(379,300)	2,528,653	(478,643)
Total pension liability - beginning	<u>38,259,387</u>	<u>37,555,452</u>	<u>37,934,752</u>	<u>35,406,099</u>	<u>35,884,742</u>
Total pension liability - ending (a)	<u>\$ 37,910,178</u>	<u>\$ 38,259,387</u>	<u>\$ 37,555,452</u>	<u>\$ 37,934,752</u>	<u>\$ 35,406,099</u>
Plan fiduciary net position					
Contributions - Employer	\$ 1,667,049	\$ 1,685,242	\$ 1,638,492	\$ 1,676,869	\$ 1,645,738
Contributions - Members	55,551	64,490	63,650	64,249	59,289
Net investment earnings	2,759,884	2,437,040	1,717,354	(1,489,322)	2,836,305
Benefit payments	(2,728,566)	(2,603,571)	(2,706,165)	(2,756,178)	(3,224,482)
Administrative expenses	(93,091)	(104,068)	(95,119)	(88,375)	(81,815)
Other	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>9,974</u>	<u>2,154</u>
Net change in plan fiduciary net position	<u>1,660,827</u>	<u>1,479,133</u>	<u>618,211</u>	<u>(2,582,783)</u>	<u>1,237,189</u>
Plan fiduciary net position - beginning	<u>25,162,888</u>	<u>23,683,755</u>	<u>23,065,544</u>	<u>25,648,327</u>	<u>24,411,138</u>
Plan fiduciary net position - ending (b)	<u>\$ 26,823,715</u>	<u>\$ 25,162,888</u>	<u>\$ 23,683,755</u>	<u>\$ 23,065,544</u>	<u>\$ 25,648,327</u>
City net pension liability - ending (a) - (b)	<u>\$ 11,086,463</u>	<u>\$ 13,096,499</u>	<u>\$ 13,871,697</u>	<u>\$ 14,869,208</u>	<u>\$ 9,757,772</u>
Plan fiduciary net position as a percentage of the total pension liability	70.76%	65.77%	63.06%	60.80%	72.44%
Covered payroll	\$ 523,862	\$ 604,422	\$ 595,805	\$ 600,852	\$ 937,125
City net pension liability as percentage of covered payroll	2116.29%	2166.78%	2328.23%	2474.69%	1041.25%

Note: Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

City of Wilton Manors, Florida
Required Supplementary Information
(Unaudited)
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
Volunteer Firefighters Retirement System

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability					
Service cost	\$ 3,548	\$ 2,785	\$ 2,784	\$ 2,781	\$ 3,420
Interest	96,276	136,401	132,943	127,765	124,087
Differences between expected and actual experience	(5,234)	(547,430)	(7,955)	28,813	50,183
Assumption changes	-	157,023	-	172,401	-
Other - increase in Share Plan reserve	43,915	-	-	-	-
Benefit payments	<u>(93,863)</u>	<u>(93,206)</u>	<u>(79,458)</u>	<u>(76,201)</u>	<u>(73,671)</u>
Net change in total pension liability	44,642	(344,427)	48,314	255,559	104,019
Total pension liability - beginning	<u>1,647,977</u>	<u>1,992,404</u>	<u>1,944,090</u>	<u>1,688,531</u>	<u>1,584,512</u>
Total pension liability - ending (a)	<u>\$ 1,692,619</u>	<u>\$ 1,647,977</u>	<u>\$ 1,992,404</u>	<u>\$ 1,944,090</u>	<u>\$ 1,688,531</u>
Plan fiduciary net position					
Contributions - State	\$ 87,830	\$ 93,880	\$ 113,066	\$ 143,468	\$ 162,399
Net investment earnings	187,918	163,275	114,245	(78,303)	157,260
Benefit payments	(93,863)	(93,206)	(79,458)	(76,201)	(73,671)
Administrative expenses	<u>(40,155)</u>	<u>(36,978)</u>	<u>(23,065)</u>	<u>(40,557)</u>	<u>(27,489)</u>
Net change in plan fiduciary net position	141,730	126,971	124,788	(51,593)	218,499
Plan fiduciary net position - beginning	<u>1,655,128</u>	<u>1,528,157</u>	<u>1,403,369</u>	<u>1,454,962</u>	<u>1,236,463</u>
Plan fiduciary net position - ending (b)	<u>\$ 1,796,858</u>	<u>\$ 1,655,128</u>	<u>\$ 1,528,157</u>	<u>\$ 1,403,369</u>	<u>\$ 1,454,962</u>
Net pension liability (asset) - ending (a) - (b)	<u>\$ (104,239)</u>	<u>\$ (7,151)</u>	<u>\$ 464,247</u>	<u>\$ 540,721</u>	<u>\$ 233,569</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	106.16%	100.43%	76.70%	72.19%	86.17%
Covered payroll	N/A	N/A	N/A	N/A	N/A
City net pension liability (asset) as percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

Note: Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

City of Wilton Manors, Florida
Required Supplementary Information
(Unaudited)
Schedule of Proportionate Share of Net Pension Liability
Florida Retirement System

Schedule of Proportionate Share of the Net Pension Liability -
Florida Retirement System Pension Plan

	2018	2017	2016	2015	2014
Proportion of the net pension liability	0.033128232%	0.032652342%	0.032051110%	0.027694466%	0.025975554%
Proportionate share of the net pension liability	\$ 9,978,394	\$ 9,661,659	\$ 8,092,908	\$ 3,577,112	\$ 1,584,891
Covered payroll	\$ 7,385,148	\$ 6,853,289	\$ 6,479,124	\$ 5,794,868	\$ 5,478,496
Proportionate share of the net pension liability as a percentage of its covered payroll	135.11%	140.98%	124.91%	61.73%	28.93%
Plan fiduciary net position as a percentage of the total pension liability	84.26%	83.89%	84.88%	92.00%	96.09%

Schedule of Proportionate Share of the Net Pension Liability -
Retiree Health Insurance Subsidy Program

	2018	2017	2016	2015	2014
Proportion of the net pension liability	0.022586037%	0.001144711%	0.020854254%	0.019083075%	0.018133219%
Proportionate share of the net pension liability	\$ 2,390,532	\$ 2,298,949	\$ 2,430,477	\$ 1,946,173	\$ 1,695,500
Covered payroll	\$ 7,385,148	\$ 6,853,289	\$ 6,479,124	\$ 5,794,868	\$ 5,478,496
Proportionate share of the net pension liability as a percentage of its covered payroll	32.37%	33.55%	37.51%	33.58%	30.95%
Plan fiduciary net position as a percentage of the total pension liability	2.15%	1.64%	0.97%	0.50%	0.99%

Note: The amounts presented for each fiscal year were determined as of June 30.

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

City of Wilton Manors, Florida
Required Supplementary Information
(Unaudited)
Schedule of Contributions
Pension Plan for General Employees and Police

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2018	\$ 1,667,049	\$ 1,667,049	\$ -	\$ 523,862	318.22%
2017	1,685,242	1,685,242	-	604,422	278.82%
2016	1,638,492	1,638,492	-	595,805	275.00%
2015	1,674,023	1,676,869	(2,846)	600,852	279.08%
2014	1,645,738	1,645,738	-	554,092	297.02%
2013	1,606,783	1,606,783	-	565,000	284.39%
2012	1,518,314	1,518,314	-	622,000	244.10%
2011	1,550,528	1,550,528	-	849,000	182.63%
2010	1,338,012	1,338,012	-	919,000	145.59%
2009	1,211,419	1,211,419	-	1,121,000	108.07%

Notes to Schedule:

Valuation date: October 1, 2017

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	13 years
Asset valuation method	Five year smoothed market
Salary increases	5.50%
Investment rate of return	7.00%
Cost of living adjustment	3.00%
Mortality	RP-2000 mortality tables with blue collar adjustments and generational projections using scale BB.

City of Wilton Manors, Florida
Required Supplementary Information
(Unaudited)
Schedule of Contributions
Volunteer Firefighters Retirement System

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2018	\$ 92,659	\$ 87,830	\$ 4,829	\$ N/A	N/A
2017	91,007	93,880	(2,873)	N/A	N/A
2016	78,859	85,547	(6,688)	N/A	N/A
2015	80,349	85,547	(5,198)	N/A	N/A
2014	79,117	85,547	(6,430)	N/A	N/A
2013	83,951	83,951	-	N/A	N/A
2012	81,024	81,024	-	N/A	N/A
2011	77,607	77,607	-	N/A	N/A
2010	68,752	68,752	-	N/A	N/A
2009	76,864	76,864	-	N/A	N/A

Notes to Schedule:

Valuation date: October 1, 2017

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	15 years
Asset valuation method	Five year smoothed market
Salary increases	N/A
Investment rate of return	6.00%
Mortality	RP-2000 mortality tables with blue collar adjustments and generational projections using scale BB.

**City of Wilton Manors, Florida
 Required Supplementary Information
 (Unaudited)
 Schedule of Contributions
 Florida Retirement System**

**Schedule of Contributions -
 Florida Retirement System Pension Plan**

	2018	2017	2016	2015	2014
Contractually required contributions	\$ 944,128	\$ 850,021	\$ 781,617	\$ 675,215	\$ 568,975
Contributions in relation to the contractually required contribution	944,128	850,021	781,617	675,215	568,975
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 7,371,373	\$ 7,097,933	\$ 6,473,081	\$ 5,789,464	\$ 5,473,387
Contribution as a percentage of covered payroll	12.81%	11.98%	12.07%	11.66%	10.40%

**Schedule of Contributions -
 Retiree Health Insurance Subsidy Program**

	2018	2017	2016	2015	2014
Contractually required contributions	\$ 122,485	\$ 113,788	\$ 106,891	\$ 72,947	\$ 62,118
Contributions in relation to the contractually required contribution	122,485	113,788	106,891	72,947	62,118
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 7,371,373	\$ 7,097,933	\$ 6,473,081	\$ 5,789,464	\$ 5,473,387
Contribution as a percentage of covered payroll	1.66%	1.60%	1.65%	1.26%	1.13%

Notes to Schedule:

- (1) The amounts presented are as of fiscal year end.
- (2) Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

COMBINING STATEMENTS

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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Miscellaneous Grants Fund - accounts for the City's grant revenues from federal and state agencies, other governmental units or private foundations. This fund also accounts for the expenditures made with these grant funds.

Federal Police Forfeiture Fund - accounts for monies received for financial transactions involving confiscations through forfeitures. Monies spent out of this fund must first be legally appropriated by the City Commission.

Police Training and Education Fund - accounts for monies received for training and professional development.

Road Improvement Fund - accounts for the financial resources to be used to pave streets, perform right-of-way grounds maintenance, and purchase and repair of equipment.

State Police Forfeiture Fund - account for financial transactions involving confiscations through forfeitures. Monies spent out of this fund must first be legally appropriated by the City Commission.

Jenada Assessment Fund - account for special assessment collections and expenditures related to the operation of the Jenada Isle neighborhood gatehouse. This assessment is limited to residents located in the Jenada Isles neighborhood.

Wilton Drive Improvement District Fund - accounts for special assessment for the purpose of creating a cleaner, safer, and more attractive Wilton Drive.

City of Wilton Manors, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2018

	Special Revenue Funds			
	Miscellaneous Grants Fund	Federal Police Forfeiture Fund	Police Training and Education Fund	Road Improvement Fund
Assets:				
Cash, cash equivalents and investments	\$ -	\$ 169,581	\$ 9,346	\$ 293,334
Due from other governments	61,826	-	-	20,336
Inventories	-	-	-	6,199
Prepayments	1,200	-	-	-
Restricted cash, cash equivalents and investments	-	-	-	-
Total assets	<u>\$ 63,026</u>	<u>\$ 169,581</u>	<u>\$ 9,346</u>	<u>\$ 319,869</u>
Liabilities:				
Accounts payable	\$ 6,247	\$ -	\$ -	\$ 29,522
Accrued liabilities	1,087	-	-	-
Due to other funds	106,784	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	<u>114,118</u>	<u>-</u>	<u>-</u>	<u>29,522</u>
Fund balances:				
Nonspendable:				
Inventories and prepayments	1,200	-	-	6,199
Restricted for:				
Public safety	-	169,581	9,346	-
Transportation	-	-	-	267,648
Jenada Isle neighborhood improvements	-	-	-	-
Wilton Drive improvements	-	-	-	-
Committed to:				
Capital assets replacement	-	-	-	16,500
Unassigned (deficit):	(52,292)	-	-	-
Total fund balances	<u>(51,092)</u>	<u>169,581</u>	<u>9,346</u>	<u>290,347</u>
Total liabilities and fund balances	<u>\$ 63,026</u>	<u>\$ 169,581</u>	<u>\$ 9,346</u>	<u>\$ 319,869</u>

Special Revenue Funds

State Police Forfeiture Fund	Jenada Assessment Fund	Wilton Drive Improvement District	Total
\$ 267,578	\$ 4,571	\$ 75,774	\$ 820,184
-	124	4	82,290
-	-	-	6,199
-	-	2,350	3,550
-	125	-	125
<u>\$ 267,578</u>	<u>\$ 4,820</u>	<u>\$ 78,128</u>	<u>\$ 912,348</u>
\$ -	\$ 790	\$ 4,850	\$ 41,409
-	-	-	1,087
-	-	-	106,784
3,775	-	-	3,775
<u>3,775</u>	<u>790</u>	<u>4,850</u>	<u>153,055</u>
-	-	2,350	9,749
263,803	-	-	442,730
-	-	-	267,648
-	4,030	-	4,030
-	-	70,928	70,928
-	-	-	16,500
-	-	-	(52,292)
<u>263,803</u>	<u>4,030</u>	<u>73,278</u>	<u>759,293</u>
<u>\$ 267,578</u>	<u>\$ 4,820</u>	<u>\$ 78,128</u>	<u>\$ 912,348</u>

City of Wilton Manors, Florida
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended September 30, 2018

	Special Revenue Funds			
	Miscellaneous Grants Fund	Federal Police Forfeiture Fund	Police Training and Education Fund	Road Improvement Fund
Revenues:				
Intergovernmental	\$ 313,434	\$ -	\$ -	\$ 227,459
Special assessments	-	-	-	-
Charges for services	-	-	-	33,523
Fines and forfeitures	-	23,061	6,969	-
Interest income	-	2,895	146	4,711
Miscellaneous	135	70	25	412
Total revenues	313,569	26,026	7,140	266,105
Expenditures:				
Current:				
Economic development	-	-	-	-
Public safety	26,719	1,216	7,500	-
Culture and recreation	-	-	-	35,401
Physical environment	-	-	-	-
Transportation	-	-	-	62,660
Capital outlay	279,742	-	-	116,257
Total expenditures	306,461	1,216	7,500	214,318
Excess (deficiency) of revenues over expenditures	7,108	24,810	(360)	51,787
Other Financing Sources (Uses):				
Transfers in	25,000	-	-	-
Total other financing sources (uses)	25,000	-	-	-
Net change in fund balances	32,108	24,810	(360)	51,787
Fund Balances (deficit) - beginning	(83,200)	144,771	9,706	238,560
Fund Balances (deficit) - ending	\$ (51,092)	\$ 169,581	\$ 9,346	\$ 290,347

Special Revenue Funds

State Police Forfeiture Fund	Jenada Assessment Fund	Wilton Drive Improvement District	Total
\$ -	\$ -	\$ -	\$ 540,893
-	7,793	96,041	103,834
-	-	-	33,523
27,006	-	-	57,036
4,644	622	1,560	14,578
3	12	121	778
<u>31,653</u>	<u>8,427</u>	<u>97,722</u>	<u>750,642</u>
-	-	43,023	43,023
14,788	-	-	50,223
-	-	-	35,401
-	10,036	-	10,036
-	-	-	62,660
-	28,902	-	424,901
<u>14,788</u>	<u>38,938</u>	<u>43,023</u>	<u>626,244</u>
<u>16,865</u>	<u>(30,511)</u>	<u>54,699</u>	<u>124,398</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
16,865	(30,511)	54,699	149,398
<u>246,938</u>	<u>34,541</u>	<u>18,579</u>	<u>609,895</u>
<u>\$ 263,803</u>	<u>\$ 4,030</u>	<u>\$ 73,278</u>	<u>\$ 759,293</u>

City of Wilton Manors, Florida
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual - Miscellaneous Grants Fund
 For the Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues:				
Intergovernmental	\$ 134,418	\$ 306,017	\$ 313,434	\$ 7,417
Miscellaneous	-	-	135	135
Total revenues	<u>134,418</u>	<u>306,017</u>	<u>313,569</u>	<u>7,552</u>
Expenditures:				
General government	25,000	25,000	-	25,000
Public safety	49,467	49,467	26,719	22,748
Culture and recreation	65,058	165,058	-	165,058
Capital Outlay	19,893	281,562	279,742	1,820
Total expenditures	<u>159,418</u>	<u>521,087</u>	<u>306,461</u>	<u>214,626</u>
Excess (deficiency) of revenues over expenditures	<u>(25,000)</u>	<u>(215,070)</u>	<u>7,108</u>	<u>222,178</u>
Other Financing Sources (Uses):				
Transfers in	25,000	25,000	25,000	-
Use of fund balance	-	190,070	-	(190,070)
Total other financing sources (uses)	<u>25,000</u>	<u>215,070</u>	<u>25,000</u>	<u>(190,070)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	32,108	<u>\$ 32,108</u>
Fund Balance (deficit), beginning			<u>(83,200)</u>	
Fund Balance (deficit), ending			<u>\$ (51,092)</u>	

City of Wilton Manors, Florida
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual - Federal Police Forfeiture Fund
 For the Year Ended September 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 23,061	\$ 23,061
Interest income	2,000	2,000	2,895	895
Miscellaneous	-	-	70	70
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>26,026</u>	<u>24,026</u>
Expenditures:				
Public safety	10,000	10,000	1,216	8,784
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>1,216</u>	<u>8,784</u>
Excess (deficiency) of revenues over expenditures	<u>(8,000)</u>	<u>(8,000)</u>	<u>24,810</u>	<u>32,810</u>
Other Financing Sources (Uses):				
Use of fund balance	8,000	8,000	-	(8,000)
Total other financing sources (uses)	<u>8,000</u>	<u>8,000</u>	<u>-</u>	<u>(8,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	24,810	<u>\$ 24,810</u>
Fund Balance, beginning			<u>144,771</u>	
Fund Balance, ending			<u>\$ 169,581</u>	

City of Wilton Manors, Florida
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual - Police Training and Education Fund
 For the Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	Variance With Final Final Budget Positive (Negative)
Revenues:				
Fines and forfeitures	\$ 6,500	\$ 6,500	\$ 6,969	\$ 469
Interest income	140	140	146	6
Miscellaneous	-	-	25	25
Total revenues	<u>6,640</u>	<u>6,640</u>	<u>7,140</u>	<u>500</u>
Expenditures:				
Public safety	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>-</u>
Total expenditures	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(860)</u>	<u>(860)</u>	<u>(360)</u>	<u>500</u>
Other Financing Sources (Uses):				
Use of fund balance	<u>860</u>	<u>860</u>	<u>-</u>	<u>(860)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(360)</u>	<u>\$ (360)</u>
Fund Balance, beginning			<u>9,706</u>	
Fund Balance, ending			<u>\$ 9,346</u>	

City of Wilton Manors, Florida
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual - Road Improvement Fund
 For the Year Ended September 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 223,938	\$ 223,938	\$ 227,459	\$ 3,521
Charges for services	28,740	28,740	33,523	4,783
Interest income	4,000	4,000	4,711	711
Miscellaneous	-	-	412	412
Total revenues	<u>256,678</u>	<u>256,678</u>	<u>266,105</u>	<u>9,427</u>
Expenditures:				
Culture and recreation	43,731	43,731	35,401	8,330
Transportation	134,679	138,469	62,660	75,809
Capital outlay	120,000	416,286	116,257	300,029
Total expenditures	<u>298,410</u>	<u>598,486</u>	<u>214,318</u>	<u>384,168</u>
Excess (deficiency) of revenues over expenditures	<u>(41,732)</u>	<u>(341,808)</u>	<u>51,787</u>	<u>393,595</u>
Other Financing Sources (Uses):				
Use of fund balance	41,732	341,808	-	(341,808)
Total other financing sources (uses)	<u>41,732</u>	<u>341,808</u>	<u>-</u>	<u>(341,808)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	51,787	<u>\$ 51,787</u>
Fund Balance, beginning			<u>238,560</u>	
Fund Balance, ending			<u>\$ 290,347</u>	

City of Wilton Manors, Florida
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual - State Police Forfeiture Fund
 For the Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 27,006	\$ 27,006
Interest income	3,000	3,000	4,644	1,644
Miscellaneous	-	-	3	3
Total revenues	<u>3,000</u>	<u>3,000</u>	<u>31,653</u>	<u>28,653</u>
Expenditures:				
Public safety	15,000	15,000	14,788	212
Capital outlay	19,000	19,000	-	19,000
Total expenditures	<u>34,000</u>	<u>34,000</u>	<u>14,788</u>	<u>19,212</u>
Excess (deficiency) of revenues over expenditures	<u>(31,000)</u>	<u>(31,000)</u>	<u>16,865</u>	<u>47,865</u>
Other Financing Sources (Uses):				
Use of fund balance	31,000	31,000	-	(31,000)
Total other financing sources (uses)	<u>31,000</u>	<u>31,000</u>	<u>-</u>	<u>(31,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>16,865</u>	<u>\$ 16,865</u>
Fund Balance, beginning			<u>246,938</u>	
Fund Balance, ending			<u>\$ 263,803</u>	

City of Wilton Manors, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Jenada Assessment Fund
For the Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues:				
Special assessments	\$ 8,100	\$ 8,100	\$ 7,793	\$ (307)
Interest income	250	250	622	372
Miscellaneous	-	-	12	12
Total revenues	<u>8,350</u>	<u>8,350</u>	<u>8,427</u>	<u>77</u>
Expenditures:				
Physical environment	8,100	13,350	10,036	3,314
Capital outlay	8,000	27,150	28,902	(1,752)
Total expenditures	<u>16,100</u>	<u>40,500</u>	<u>38,938</u>	<u>1,562</u>
Excess (deficiency) of revenues over expenditures	<u>(7,750)</u>	<u>(32,150)</u>	<u>(30,511)</u>	<u>1,639</u>
Other Financing Sources (Uses):				
Use of fund balance	7,750	32,150	-	(32,150)
Total other financing sources (uses)	<u>7,750</u>	<u>32,150</u>	<u>-</u>	<u>(32,150)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(30,511)	<u>\$ (30,511)</u>
Fund Balance, beginning			<u>34,541</u>	
Fund Balance, ending			<u>\$ 4,030</u>	

City of Wilton Manors, Florida
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual - Wilton Drive Improvement District
 For the Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues:				
Special assessments	\$ 96,000	\$ 96,000	\$ 96,041	\$ 41
Interest income	-	-	1,560	1,560
Miscellaneous	-	-	121	121
Total revenues	<u>96,000</u>	<u>96,000</u>	<u>97,722</u>	<u>1,722</u>
Expenditures:				
Economic development	<u>96,000</u>	<u>96,000</u>	<u>43,023</u>	<u>52,977</u>
Total expenditures	<u>96,000</u>	<u>96,000</u>	<u>43,023</u>	<u>52,977</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>54,699</u>	<u>54,699</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	54,699	<u>\$ 54,699</u>
Fund Balance, beginning			<u>18,579</u>	
Fund Balance, ending			<u>\$ 73,278</u>	

FIDUCIARY FUND TYPE FUNDS

Pension Trust Funds

Pension Plan for General Employees and Police - to account for the accumulation of resources to be used for retirement benefits of the City's General Employees and Police Officers. Resources are contributed by employees at rates fixed by plan provisions and by the City at amounts determined by annual actuarial valuations.

Volunteer Firefighters Retirement System - to account for the accumulation of resources to be used for retirement benefits of all active members of the City's Volunteer Fire Department. Contributions made by the State pursuant to Florida Statutes, Chapter 175, are restricted to providing additional benefits only.

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City of Wilton Manors, Florida
Combining Statement of Net Position
Fiduciary Funds
September 30, 2018

	Pension Plan for General Employees and Police	Volunteer Firefighters Retirement System	Total
Assets:			
Cash and cash equivalents	\$ 724,130	\$ 46,090	\$ 770,220
Receivables:			
State contributions receivable	-	87,830	87,830
Employee contributions receivable	1,959	-	1,959
Accrued investment income	40,447	2,574	43,021
Total receivables	42,406	90,404	132,810
Investments, at fair value:			
Equity securities	17,256,847	1,098,371	18,355,218
Government securities	5,410,644	344,379	5,755,023
Corporate bonds	2,463,348	156,788	2,620,136
Fixed income mutual funds	959,841	61,092	1,020,933
Total investments	26,090,680	1,660,630	27,751,310
Total assets	26,857,216	1,797,124	28,654,340
Liabilities:			
Accounts payable	15,306	266	15,572
Deferred revenue	18,195	-	18,195
Total liabilities	33,501	266	33,767
Net Position:			
Net position restricted for DROP benefits	26,607	-	26,607
Net position restricted for defined benefits	26,797,108	1,161,766	27,958,874
Net positions restricted for share benefits	-	43,915	43,915
Net position restricted for funding standard account	-	591,177	591,177
Total net position	\$ 26,823,715	\$ 1,796,858	\$ 28,620,573

City of Wilton Manors, Florida
Combining Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended September 30, 2018

	Pension Plan for General Employees and Police	Volunteer Firefighters Retirement System	Total
Additions:			
Contributions			
State	\$ -	\$ 87,830	\$ 87,830
Employer	1,667,049	-	1,667,049
Employee	55,551	-	55,551
Total contributions	1,722,600	87,830	1,810,430
Investment income:			
Net appreciation in fair value of investments	2,616,838	175,349	2,792,187
Interest and dividends	187,568	12,569	200,137
Total investment income	2,804,406	187,918	2,992,324
Less: Investment expenses	44,522	-	44,522
Net investment income	2,759,884	187,918	2,947,802
Total additions	4,482,484	275,748	4,758,232
Deductions:			
Benefit payments	2,524,784	93,863	2,618,647
Administrative expenses	93,091	40,155	133,246
DROP distributions	203,782	-	203,782
Total deductions	2,821,657	134,018	2,955,675
Changes in net position	1,660,827	141,730	1,802,557
Net position, beginning	25,162,888	1,655,128	26,818,016
Net position, ending	\$ 26,823,715	\$ 1,796,858	\$ 28,620,573

STATISTICAL SECTION

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STATISTICAL SECTION

This part of the **City of Wilton Manors, Florida's** comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>CONTENTS</u>	<u>PAGE</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	95-100
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	101-104
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	105-109
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	110-111
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	112-115

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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City of Wilton Manors, Florida
Table 1
Net Position by Component
Last Ten Fiscal Years
Accrual Basis

	Fiscal Year									
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Governmental activities:										
Net investment in capital assets	\$ 23,749,894	\$ 24,737,103	\$ 23,737,572	\$ 23,166,508	\$ 22,487,584	\$ 22,612,953	\$ 22,977,296	\$ 24,627,757	\$ 24,594,127	\$ 24,941,279
Restricted	-	341,974	665,651	1,875,075	1,239,952	1,341,629	2,125,600	1,008,904	1,105,478	1,445,958
Unrestricted	4,470,047	3,140,990	3,240,732	2,681,067	4,385,843	3,890,093	(10,190,225)	(13,417,252)	(14,738,857)	(15,287,383)
Total governmental activities net position	\$ 28,219,941	\$ 28,220,067	\$ 27,643,955	\$ 27,722,650	\$ 28,113,379	\$ 27,844,675	\$ 14,912,671	\$ 12,219,409	\$ 10,960,748	\$ 11,099,854
Business-type activities:										
Net investment in capital assets	\$ 9,214,788	\$ 8,405,247	\$ 8,939,594	\$ 9,667,371	\$ 10,947,091	\$ 11,643,985	\$ 13,057,723	\$ 15,324,713	\$ 16,362,293	\$ 18,372,508
Restricted	1,103,696	885,741	926,868	1,630,062	1,570,317	1,444,317	1,759,416	1,762,736	281,846	298,446
Unrestricted	(1,363,483)	221,258	945,146	1,266,815	2,086,121	2,720,126	1,899,031	1,392,335	4,815,358	5,334,689
Total business-type activities net position	\$ 8,955,001	\$ 9,512,246	\$ 10,811,608	\$ 12,564,248	\$ 14,603,529	\$ 15,808,428	\$ 16,716,170	\$ 18,479,784	\$ 21,459,497	\$ 24,005,643
Primary government:										
Net investment in capital assets	\$ 32,964,682	\$ 33,142,350	\$ 32,677,166	\$ 32,833,879	\$ 33,434,675	\$ 34,256,938	\$ 36,035,019	\$ 39,952,470	\$ 40,956,420	\$ 43,313,787
Restricted	1,103,696	1,227,715	1,592,519	3,505,137	2,810,269	2,785,946	3,885,016	2,771,640	1,387,324	1,744,404
Unrestricted (1)	3,106,564	3,362,248	4,185,878	3,947,882	6,471,964	6,610,219	(8,291,194)	(12,024,917)	(9,952,694)	(9,952,694)
Total primary government net position	\$ 37,174,942	\$ 37,732,313	\$ 38,455,563	\$ 40,286,898	\$ 42,716,908	\$ 43,653,103	\$ 31,628,841	\$ 30,699,193	\$ 32,391,050	\$ 35,105,497

(1) In Fiscal Year 2014-2015, the City implemented GASB Statement No. 68 and 71 which had a cumulative effect of reducing beginning net position by \$15,802,370.

City of Wilton Manors, Florida
Table 2

Changes in Net Position
Last Ten Fiscal Years
Accrual Basis

	Fiscal Year									
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Expenses:										
Governmental activities:										
General government (1)	\$ 2,205,488	\$ 2,054,770	\$ 1,970,679	\$ 1,986,280	\$ 2,233,108	\$ 3,915,658	\$ 3,903,520	\$ 4,977,272	\$ 3,925,704	\$ 4,314,647
Economic development	-	-	-	-	-	-	-	-	78,270	43,023
Public safety	8,443,552	8,869,912	8,299,498	8,133,602	8,786,550	8,200,140	7,812,678	11,323,816	10,499,782	10,756,793
Culture and recreation	3,713,402	3,731,279	3,559,499	3,460,822	3,155,275	3,463,104	3,545,350	4,228,975	4,239,093	4,255,566
Physical environment	1,090,237	1,433,612	1,065,381	567,036	353,822	327,906	347,625	388,033	26,610	19,262
Transportation	-	-	421,435	818,896	926,883	322,893	302,460	347,336	569,064	529,458
Interest on long-term debt	471,098	468,124	355,356	233,405	190,362	233,537	203,274	210,668	179,754	164,830
Total governmental activities	15,923,777	16,557,697	15,671,848	15,200,041	15,646,000	16,463,238	16,114,907	21,476,100	19,518,277	20,083,579
Business-type activities:										
Utility	4,635,430	4,824,835	4,822,600	4,740,281	4,853,802	5,204,989	5,562,904	5,644,074	5,429,082	5,099,709
Parking (2)	-	-	-	-	485,397	490,689	519,558	528,339	563,910	571,632
Recycling (3)	-	-	-	-	-	-	-	-	3,155,606	3,187,561
Drainage	427,806	351,897	323,867	323,817	287,328	254,113	281,171	396,419	352,139	360,407
Total business-type activities	5,063,236	5,176,732	5,146,467	5,064,098	5,626,527	5,949,791	6,363,633	6,568,832	9,500,737	9,219,309
Total expenses	\$ 20,987,013	\$ 21,734,429	\$ 20,818,315	\$ 20,264,139	\$ 21,272,527	\$ 22,413,029	\$ 22,478,540	\$ 28,044,932	\$ 29,019,014	\$ 29,302,888
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	\$ -	\$ 274,852	\$ 36,166	\$ 46,297	\$ 48,885	\$ 567,966	\$ 963,752	\$ 654,058	\$ 427,026	\$ 297,256
Economic development	-	-	-	-	-	-	-	-	96,144	96,041
Public safety	1,465,932	1,629,667	2,618,414	2,338,079	3,075,931	1,962,598	2,364,035	2,506,229	2,867,208	3,804,387
Culture and recreation	269,017	269,886	289,984	323,177	302,767	417,043	512,947	522,319	538,183	551,463
Physical environment	264,175	596,099	54,179	61,964	66,770	8,596	7,867	19,102	8,049	7,793
Transportation	-	-	309,521	479,499	490	-	-	-	-	33,523
Operating grants and contributions	1,510,700	69,875	107,958	343,135	121,534	161,330	114,401	117,446	298,361	117,852
Capital grants and contributions	-	1,136,272	318,981	354,340	366,744	231,025	63,870	864,425	364,201	347,045
Total governmental activities	3,509,824	3,976,651	3,735,203	3,946,491	3,983,121	3,348,558	4,026,872	4,683,579	4,599,172	5,255,360

City of Wilton Manors, Florida
Table 2
Changes in Net Position
(Continued)
Last Ten Fiscal Years
Accrual Basis

	Fiscal Year									
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Business-type activities:										
Charges for services:										
Utility	5,024,936	6,263,494	6,794,707	7,135,703	7,507,695	7,446,700	8,209,883	8,520,740	8,992,974	8,406,967
Parking (2)	-	-	-	-	606,800	645,009	701,150	831,325	983,436	1,016,807
Recycling (3)	-	-	-	-	-	-	-	-	3,503,750	3,429,113
Drainage	319,559	320,851	334,388	334,785	358,129	388,822	413,123	433,291	461,922	482,865
Total business-type activities	5,344,495	6,584,345	7,129,095	7,470,488	8,472,624	8,480,531	9,324,156	9,785,356	13,942,082	13,335,752
Total program revenues	8,854,319	10,560,996	10,864,298	11,416,979	12,455,745	11,829,089	13,351,028	14,468,935	18,541,254	18,591,112
Net (expense)/revenue	\$(12,413,953)	\$(12,581,046)	\$(11,936,645)	\$(11,253,550)	\$(11,662,879)	\$(13,114,680)	\$(12,088,035)	\$(16,792,521)	\$(14,919,105)	\$(14,828,219)
Governmental activities	281,259	1,407,613	1,982,628	2,406,390	2,846,097	2,530,740	2,960,523	3,216,524	4,441,345	4,116,443
Total net expense	\$(12,132,694)	\$(11,173,433)	\$(9,954,017)	\$(8,847,160)	\$(8,816,782)	\$(10,583,940)	\$(9,127,512)	\$(13,575,997)	\$(10,477,760)	\$(10,711,776)
General Revenues:										
Governmental activities:										
Taxes:										
Property taxes	6,986,812	6,479,427	5,804,736	5,734,204	5,854,126	6,214,184	6,504,190	6,994,529	7,480,408	8,243,228
Other taxes	3,152,734	3,229,077	3,455,869	3,333,873	3,429,338	3,536,255	3,696,224	3,686,020	3,093,179	3,017,704
Investment earnings	30,547	163,920	65,047	89,069	58,042	14,136	65,504	56,504	91,835	166,103
Intergovernmental,										
not restricted	1,536,474	1,406,945	1,136,362	1,278,119	1,327,199	1,423,396	1,480,817	1,570,712	1,745,682	1,655,660
Other	535,849	407,009	213,584	234,859	536,314	313,572	880,509	316,494	265,711	172,691
Transfers	752,550	852,724	684,933	662,122	848,589	1,344,433	1,482,000	1,475,000	1,647,552	1,711,939
Reassignment of assets and deferred outflows of resources to business-type activities	-	-	-	-	-	-	-	-	(755,599)	-
Assumption of liabilities and deferred inflows of resources by business-type activities	-	-	-	-	-	-	-	-	591,569	-
Total governmental activities	12,994,966	12,539,102	11,360,531	11,332,246	12,053,608	12,845,976	14,109,244	14,099,259	14,160,337	14,967,325

City of Wilton Manors, Florida
Table 2
Changes in Net Position
(continued)
Last Ten Fiscal Years
Accrual Basis

	Fiscal Year									
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Business-type activities:										
Investment earnings	9,135	2,356	1,667	8,372	8,485	5,393	7,143	14,764	45,797	121,282
Other	202,762	-	-	-	33,288	13,199	271,233	7,326	-	20,360
Transfers	(752,550)	(852,724)	(684,933)	(662,122)	(848,589)	(1,344,433)	(1,482,000)	(1,475,000)	(1,647,552)	(1,711,939)
Reassignment of assets and deferred outflows of resources to business-type activities	-	-	-	-	-	-	-	-	755,599	-
Assumption of liabilities and deferred inflows of resources by business-type activities	-	-	-	-	-	-	-	-	(591,569)	-
Total business-type activities	(540,653)	(850,368)	(683,266)	(653,750)	(806,816)	(1,325,841)	(1,203,624)	(1,452,910)	(1,437,725)	(1,570,297)
Total primary government	\$ 12,454,313	\$ 11,688,734	\$ 10,677,265	\$ 10,678,496	\$ 11,246,792	\$ 11,520,135	\$ 12,905,620	\$ 12,646,349	\$ 12,722,612	\$ 13,397,028
Change in net position:										
Governmental activities	\$ 581,013	\$ (41,944)	\$ (576,114)	\$ 78,696	\$ 390,729	\$ (268,704)	\$ 2,021,209	\$ (2,693,262)	\$ (758,768)	\$ 139,106
Business-type activities	(259,394)	557,245	1,299,362	1,752,640	2,039,281	1,204,899	1,756,899	1,763,614	3,003,620	2,546,146
Total change in net position	\$ 321,619	\$ 515,301	\$ 723,248	\$ 1,831,336	\$ 2,430,010	\$ 936,195	\$ 3,778,108	\$ (929,648)	\$ 2,244,852	\$ 2,685,252

(1) Starting in Fiscal Year 2013-2014, the Community Development Services Department was presented as part of general government function. This department was reported under the Public Safety function in prior years.

(2) In Fiscal Year 2012-13, the City started accounting for its parking program's transactions as a separate fund.

(3) Starting in Fiscal Year 2016-2017, the Recycling Fund was presented as part of business-type activities. This fund was reported under the governmental activities in prior years.

City of Wilton Manors, Florida
Table 3
Fund Balances of Governmental Funds
Last Ten Fiscal Years
Modified Accrual Basis

	Fiscal Year									
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
General Fund:										
Reserved	\$ 4,277,450	\$ 1,921,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	1,874,398	2,226,475	-	-	-	-	-	-	-	-
Nonspendable	-	-	130,156	171,348	55,986	148,853	165,564	138,623	115,174	221,050
Restricted	-	-	270,338	426,334	334,587	356,472	334,692	307,223	322,402	443,090
Committed	-	-	654,692	621,358	369,431	47,499	-	-	85,014	238,729
Assigned	-	-	-	-	1,407,233	1,367,463	1,391,918	1,257,548	510,070	574,330
Unassigned	-	-	2,878,929	3,201,898	2,949,403	2,893,169	2,862,742	2,521,160	2,972,791	2,985,801
Total general fund	\$ 6,151,848	\$ 4,148,352	\$ 3,934,115	\$ 4,420,938	\$ 5,116,640	\$ 4,813,456	\$ 4,754,916	\$ 4,224,554	\$ 4,005,451	\$ 4,463,000
All other governmental funds:										
Reserved	\$ 1,523,763	\$ 492,495	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:	(422,918)	(408,782)	-	-	-	-	-	-	-	-
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	15,715	15,207	12,323	15,700	6,297	8,727	11,100	14,571
Restricted	-	-	395,313	1,448,741	1,250,991	509,566	1,763,990	701,681	783,076	1,002,868
Committed	-	-	100,994	9,143	-	-	-	-	81,787	20,000
Assigned	-	-	557,897	102,855	-	-	-	-	-	-
Unassigned	-	-	(264,034)	(154,465)	(157,568)	(175,599)	(134,623)	(552,294)	(85,265)	(52,292)
Total all other governmental funds	\$ 1,100,845	\$ 83,713	\$ 805,885	\$ 1,421,481	\$ 1,105,746	\$ 349,667	\$ 1,635,664	\$ 158,114	\$ 790,698	\$ 985,147

Note: Fund balances starting for fiscal year 2011 have been reclassified per the GASB 54 fund balance reporting standards. Prior year amounts have not been restated.

City of Wilton Manors, Florida
Table 4
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
Modified Accrual Basis

	Fiscal Year									
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Revenues:										
Property taxes	\$ 6,986,812	\$ 6,479,427	\$ 5,804,736	\$ 5,734,204	\$ 5,854,126	\$ 6,214,184	\$ 6,504,190	\$ 6,994,529	\$ 7,480,408	\$ 8,243,228
Franchise taxes	1,276,489	1,235,472	1,229,866	1,257,503	1,258,631	1,303,798	1,325,740	1,302,705	842,709	833,404
Utility service taxes	1,876,245	1,993,605	1,978,897	1,975,494	2,077,615	2,110,460	2,115,067	2,088,447	2,115,441	2,090,420
Intergovernmental	3,047,174	2,576,703	1,788,527	1,928,346	1,815,476	1,783,353	1,765,846	1,890,114	2,768,895	2,013,154
Special assessments	1,137,419	1,227,306	1,420,365	1,281,432	1,406,168	1,509,399	1,677,225	1,926,996	2,324,540	2,388,171
Charges for services	587,823	795,517	822,895	889,859	515,908	541,298	630,940	649,399	698,169	659,961
Licenses and permits	480,363	481,867	574,219	663,898	663,433	613,477	1,258,397	539,356	710,844	992,554
Fines and forfeitures (1)	273,882	265,813	512,666	586,660	1,026,213	363,676	593,871	483,639	432,975	626,126
Other	86,032	607,318	278,631	299,219	571,347	410,456	782,840	822,475	512,481	663,728
Total revenues	15,752,239	15,663,028	14,410,802	14,616,615	15,188,917	14,850,101	16,654,116	16,697,660	17,886,462	18,510,746
Expenditures:										
General government	2,010,513	2,001,787	1,603,626	1,656,255	1,933,165	2,990,784	3,164,475	3,531,503	3,370,493	3,769,098
Economic development	-	-	-	7,921,223	8,519,198	7,848,658	8,391,065	9,060,223	78,270	43,023
Public safety	7,849,531	7,961,871	8,005,903	2,549,042	2,520,254	2,791,604	3,116,285	3,273,590	9,810,544	9,971,742
Culture and recreation	3,067,543	2,940,422	2,610,015	331,363	306,282	308,600	320,254	343,661	3,431,939	3,492,475
Physical environment	453,766	743,740	616,455	748,556	365,425	255,378	247,772	234,327	5,928	10,036
Transportation	-	-	412,467	-	-	-	-	-	284,650	244,012
Debt service:										
Principal retirement	408,033	483,184	524,843	551,347	540,426	554,183	559,472	630,934	548,010	564,747
Interest	393,037	329,522	314,980	323,337	238,143	219,220	228,763	210,963	183,700	168,874
Capital outlay	6,081,455	5,299,689	499,511	1,240,945	862,253	1,503,402	2,406,741	2,895,371	1,291,766	1,306,680
Total expenditures	20,263,878	19,760,215	14,587,800	15,322,068	15,285,146	16,471,829	18,434,827	20,180,572	19,005,300	19,570,687
Excess (deficiency) of revenues over expenditures	(4,511,639)	(4,097,187)	(176,998)	(705,453)	(96,229)	(1,621,728)	(1,780,711)	(3,482,912)	(1,118,838)	(1,059,941)
Other Financing Sources (Uses):										
Debt issuance	-	223,835	-	1,115,250	-	-	744,200	-	-	-
Refunding debt issued	-	-	-	1,477,298	-	-	-	-	-	-
Payment to refunded debt escrow agent	-	-	-	(1,446,798)	-	-	-	-	-	-
Transfers in	1,220,580	3,495,723	1,169,406	1,166,450	1,922,909	1,760,213	2,355,390	1,915,780	1,912,014	1,896,580
Transfers out	(468,030)	(2,642,999)	(484,473)	(504,328)	(1,446,713)	(415,780)	(873,390)	(440,780)	(264,462)	(184,641)
Reassignment of total assets to business-type activities	-	-	-	-	-	-	-	-	(568,036)	-
Assumption of total liabilities by business-type activities	-	-	-	-	-	-	-	-	452,803	-
Total other financing sources (uses)	752,550	1,076,559	684,933	1,807,872	476,196	1,344,433	2,226,200	1,475,000	1,532,319	1,711,939
Net change in fund balances	\$ (3,759,089)	\$ (3,020,628)	\$ 507,935	\$ 1,102,419	\$ 379,967	\$ (277,295)	\$ 445,489	\$ (2,007,912)	\$ 413,481	\$ 651,998
Debt service as a percentage of noncapital expenditures	5.65%	5.62%	5.96%	6.21%	5.40%	5.17%	4.79%	4.87%	4.13%	4.02%

(1) In FY2012-13, the City settled and collected fines on long outstanding code enforcement fines.

City of Wilton Manors, Florida
Table 5
Net Assessed and Estimated Value of Taxable Property
Last Ten Fiscal Years

Tax Roll Year	City's Fiscal Year	Residential				Commercial	Industrial	Other		Personal Property	Less: Tax Exemptions	Total Taxable Assessed Value	% Change in Total Taxable Assessed Value	City Direct Tax Rate	Estimated Actual Market Value	Total Taxable Assessed Value as a Percentage of Market Value	Number of Parcels of Real Property
		Residential	Commercial	Industrial	Other Real Property												
2008	2008-09	\$ 1,533,847,906	\$ 163,043,710	\$ 20,766,010	\$ 102,965,090	\$ 34,066,245	\$ 617,341,732	\$ 1,237,347,229	-2.3%	5.8652	\$ 1,854,688,961	66.7%	5,529				
2009	2009-10	\$ 1,177,603,980	\$ 183,947,830	\$ 20,806,600	\$ 106,832,571	\$ 30,070,546	\$ 479,840,011	\$ 1,039,421,516	-16.0%	6.4527	\$ 1,519,261,527	68.4%	5,504				
2010	2010-11	\$ 919,795,599	\$ 172,623,160	\$ 13,832,980	\$ 114,187,900	\$ 25,488,738	\$ 357,807,819	\$ 888,120,558	-14.6%	6.8483	\$ 1,245,928,377	71.3%	5,497				
2011	2011-12	\$ 910,487,440	\$ 158,535,020	\$ 14,687,580	\$ 108,185,404	\$ 33,977,791	\$ 372,428,788	\$ 853,444,447	-3.9%	6.9994	\$ 1,225,873,235	69.6%	5,495				
2012	2012-13	\$ 943,837,310	\$ 163,394,570	\$ 12,841,870	\$ 105,385,600	\$ 27,497,377	\$ 375,779,102	\$ 877,177,625	2.8%	6.9605	\$ 1,252,956,727	70.0%	5,502				
2013	2013-14	\$ 1,074,634,550	\$ 161,950,250	\$ 12,526,660	\$ 107,501,341	\$ 30,930,117	\$ 455,581,400	\$ 931,961,518	6.2%	6.9319	\$ 1,387,542,918	67.2%	5,502				
2014	2014-15	\$ 1,248,445,240	\$ 168,458,690	\$ 12,470,750	\$ 111,172,493	\$ 40,890,778	\$ 561,707,153	\$ 1,019,730,798	9.4%	6.7225	\$ 1,581,437,951	64.5%	5,520				
2015	2015-16	\$ 1,346,478,460	\$ 174,215,430	\$ 13,337,700	\$ 109,902,987	\$ 37,420,912	\$ 587,331,481	\$ 1,094,024,008	7.3%	6.6764	\$ 1,681,355,489	65.1%	5,551				
2016	2016-17	\$ 1,471,435,350	\$ 196,934,710	\$ 14,196,790	\$ 110,748,195	\$ 36,752,009	\$ 646,032,180	\$ 1,184,034,874	8.2%	6.5547	\$ 1,830,067,054	64.7%	5,544				
2017	2017-18	\$ 1,652,741,890	\$ 212,665,570	\$ 15,622,820	\$ 111,555,467	\$ 38,074,066	\$ 712,025,412	\$ 1,318,634,401	11.4%	6.4854	\$ 2,030,659,813	64.9%	5,553				

Source: Broward County Property Appraiser and Florida Department of Revenue: Property Valuation and Tax Data Book.

City of Wilton Manors, Florida
Table 6
Property Tax Millage Rates*
Direct and Overlapping Governments
Last Ten Fiscal Years

Tax Roll Year	City of Wilton Manors				Overlapping Rates**							Total Millage Rate
	Fiscal Year	Operating	Debt Service	Total City	Broward County	Broward County Schools	Florida Water Management District	Florida Inland Navigation District	Broward Children's Services Council	North Broward Hospital District		
2008	2008-09	5.3122	0.5530	5.8652	5.3145	7.4170	0.6240	0.0345	0.3754	1.7059	21.3365	
2009	2009-10	5.8000	0.6527	6.4527	5.3889	7.4310	0.6240	0.0345	0.4243	1.7059	22.0613	
2010	2010-11	6.0855	0.7628	6.8483	5.5530	7.6310	0.6240	0.0345	0.4696	1.8750	23.0354	
2011	2011-12	6.2068	0.7926	6.9994	5.5530	7.4180	0.4363	0.0345	0.4789	1.8750	22.7951	
2012	2012-13	6.2068	0.7537	6.9605	5.5530	7.4560	0.4289	0.0345	0.4902	1.8564	22.7795	
2013	2013-14	6.2166	0.7153	6.9319	5.7230	7.4800	0.4110	0.0345	0.4882	1.7554	22.8240	
2014	2014-15	6.0683	0.6542	6.7225	5.7230	7.4380	0.3842	0.0345	0.4882	1.5939	22.3843	
2015	2015-16	6.0683	0.6081	6.6764	5.7230	7.2740	0.3551	0.0320	0.4882	1.4425	21.9912	
2016	2016-17	5.9900	0.5647	6.5547	5.6690	6.9063	0.3307	0.0320	0.4882	1.3462	21.3271	
2017	2017-18	5.9837	0.5017	6.4854	5.6690	6.5394	0.3100	0.0320	0.4882	1.2483	20.7723	

Millage rates are used to calculate property taxes on each \$ 1,000 of taxable property. For example, tax on property with a taxable value of \$ 100,000 taxed at 2.0000 mills would be \$ 200.

* State law required all counties to assess at 100% valuation and limits millage for operating purposes to ten mills.

** Overlapping rates are those of local and county governments that apply to property owners within the City.

Source: Broward County Property Appraiser.

**City of Wilton Manors, Florida
Table 7
Principal Property Taxpayers
Current Year and Nine Years Ago**

Name of Taxpayer	Fiscal Year 2017-18				Fiscal Year 2008-09			
	Taxable Assessed Value	Rank	Percent of Total Taxable Assessed Valuation		Taxable Assessed Value	Rank	Percent of Total Taxable Assessed Valuation	
Ascend Wilton Twenty Fourth	\$ 44,228,800	1	3.4%		\$ -	-	-	-
LG Wilton Park LLC	27,112,550	2	2.1%		8,960,790	6	0.7%	0.7%
RKOF Wilton Tower LLC	16,412,460	3	1.2%		-	-	-	-
Marrinson Group	16,267,180	4	1.2%		21,366,270	1	1.7%	1.7%
2701 North Andrews								
Property Owner LLC	13,320,350	5	1.0%		-	-	-	-
High Acres TIC LLC								
Manors HA LLC	12,518,000	6	0.9%		14,027,000	4	1.1%	1.1%
Florida Power & Light	10,654,820	7	0.8%		-	-	-	-
Real Sub LLC	9,886,800	8	0.7%		-	-	-	-
Carol Williams Trust	7,258,160	9	0.6%		7,830,000	8	0.6%	0.6%
Moss Office Building LLC	6,111,020	10	0.5%		-	-	-	-
Wilton Station LLC	-	-	-		19,494,170	2	1.6%	1.6%
BA Properties, LLC	-	-	-		17,514,210	3	1.4%	1.4%
2727 Palm Gardens LLC	-	-	-		9,041,500	5	0.7%	0.7%
CAR Five Corners Plaza	-	-	-		8,024,170	7	0.6%	0.6%
Island City Lofts LLC	-	-	-		6,132,330	9	0.5%	0.5%
WM Townhomes LLC	-	-	-		5,662,630	10	0.5%	0.5%
	\$ 163,770,140		12.4%		\$ 118,053,070		9.4%	
Total City taxable assessed value	\$ 1,318,634,401				\$ 1,237,347,229			

Source: Property Appraiser, Broward County, Florida.

City of Wilton Manors, Florida
Table 8
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Property Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2008-09	\$ 6,573,036	\$ 5,789,424	88.1%	\$ 74,748	\$ 5,864,172	89.2%
2009-10	\$ 6,028,645	\$ 5,755,892	95.5%	\$ 18,050	\$ 5,773,942	95.8%
2010-11	\$ 5,404,658	\$ 4,974,342	92.0%	\$ 4,287	\$ 4,978,629	92.1%
2011-12	\$ 5,297,159	\$ 5,091,549	96.1%	\$ (31,098)	\$ 5,060,451	95.5%
2012-13	\$ 5,438,412	\$ 5,084,776	93.5%	\$ 119,991	\$ 5,204,767	95.7%
2013-14	\$ 5,793,632	\$ 5,443,308	94.0%	\$ 111,276	\$ 5,554,584	95.9%
2014-15	\$ 6,188,032	\$ 5,786,223	93.5%	\$ 139,193	\$ 5,925,416	95.8%
2015-16	\$ 6,638,866	\$ 6,238,480	94.0%	\$ 117,956	\$ 6,356,436	95.7%
2016-17	\$ 7,113,394	\$ 6,727,380	94.6%	\$ 112,082	\$ 6,839,462	96.1%
2017-18	\$ 7,982,891	\$ 7,451,863	93.3%	\$ 152,218	\$ 7,604,081	95.3%

Sources: Broward County Property Appraiser and Broward County Tax Collector

Note: Since Florida Statutes allow for up to a 4% early payment discount on as valorem taxes, the City of Wilton Manors has a policy of budgeting only 96% of the Property Tax Levy as revenue in the General Fund.

City of Wilton Manors, Florida
Table 9
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities						Business-Type Activities						Total Primary Government	Percentage of Personal Income (1)	Per Capita (2)
	2008 City Hall General		2011 Parks General		2015 Mickel Park Improvement		2007 Water and Sewer Revenue Refunding		2011 Utility and Parking System		Capital Lease				
	Obligation Note	Obligation Bonds	Obligation Note	Obligation Note	Project Note	Note Payable	Capital Lease	Revenue	Bonds	Revenue Note					
2008-09	\$ 5,837,500	\$ 1,835,750	\$ -	\$ -	\$ -	\$ 700,000	\$ -	\$ 8,469,406	\$ -	\$ -	\$ -	\$ 16,842,656	0.024%	\$ 1,303	
2009-10	\$ 5,620,700	\$ 1,685,203	\$ -	\$ -	\$ -	\$ 600,000	\$ 53,823	\$ 7,528,019	\$ -	\$ -	\$ 154,163	\$ 15,641,908	0.022%	\$ 1,213	
2010-11	\$ 5,395,840	\$ 1,527,993	\$ -	\$ -	\$ -	\$ 500,000	\$ 52,789	\$ 6,550,648	\$ -	\$ -	\$ 121,742	\$ 14,149,012	0.019%	\$ 1,216	
2011-12	\$ 5,162,610	\$ -	\$ 1,385,946	\$ -	\$ -	\$ 400,000	\$ 40,634	\$ 5,535,919	\$ 2,230,500	\$ -	\$ 88,298	\$ 14,843,907	0.020%	\$ 1,264	
2012-13	\$ 4,920,710	\$ -	\$ 1,200,313	\$ -	\$ -	\$ 300,000	\$ 27,742	\$ 4,482,514	\$ 2,127,451	\$ -	\$ 53,799	\$ 13,112,529	0.017%	\$ 1,104	
2013-14	\$ 4,669,810	\$ -	\$ 1,010,705	\$ -	\$ -	\$ 200,000	\$ 14,066	\$ 3,424,100	\$ 1,993,330	\$ -	\$ 18,212	\$ 11,330,223	0.014%	\$ 939	
2014-15	\$ 4,409,570	\$ -	\$ 817,037	\$ -	\$ 744,200	\$ 100,000	\$ -	\$ 2,325,230	\$ 1,855,807	\$ -	\$ -	\$ 10,251,844	0.012%	\$ 843	
2015-16	\$ 4,139,650	\$ -	\$ 619,223	\$ -	\$ 681,000	\$ -	\$ -	\$ 1,184,357	\$ 1,714,798	\$ -	\$ -	\$ 8,339,028	0.009%	\$ 669	
2016-17	\$ 3,859,690	\$ -	\$ 417,173	\$ -	\$ 615,000	\$ -	\$ -	\$ -	\$ 1,570,213	\$ -	\$ -	\$ 6,462,076	0.007%	\$ 510	
2017-18	\$ 3,569,320	\$ -	\$ 210,796	\$ -	\$ 547,000	\$ -	\$ -	\$ -	\$ 1,421,961	\$ -	\$ -	\$ 5,749,077	0.006%	\$ 450	

(1) Personal Income Data is not available for Wilton Manors. The data used is for Broward County. Source: US Bureau of Economic Analysis.

(2) See Table 14 for personal income and population data.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

City of Wilton Manors, Florida
Table 10
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	Estimated Actual Taxable Value	General Obligation Debt	Percentage of Actual Taxable Value of Property	Population	Per Capita
2008-09	\$ 1,237,347,229	\$ 7,673,250	0.62%	12,929	593
2009-10	\$ 1,039,421,516	\$ 8,205,903	0.79%	12,895	636
2010-11	\$ 888,120,558	\$ 6,923,833	0.78%	11,632	595
2011-12	\$ 853,444,447	\$ 6,548,556	0.77%	11,743	558
2012-13	\$ 877,177,625	\$ 6,121,023	0.70%	11,878	515
2013-14	\$ 931,961,518	\$ 5,680,515	0.61%	12,071	471
2014-15	\$ 1,019,730,798	\$ 5,226,607	0.51%	12,160	430
2015-16	\$ 1,094,024,008	\$ 4,758,873	0.43%	12,466	382
2016-17	\$ 1,184,034,874	\$ 4,276,863	0.36%	12,662	338
2017-18	\$ 1,318,634,401	\$ 3,780,116	0.29%	12,773	296

City of Wilton Manors, Florida
Table 11
Direct and Overlapping Governmental Activities Debt

Direct Debt	Outstanding Debt (1)	Estimated Percent Applicable (2)	Estimated Share of Direct and Overlapping Debt
Direct Debt	\$ <u>4,327,116</u>	100%	\$ <u>4,327,116</u>
Overlapping Debt:			
Broward County	478,985,000		
School Board of Broward County	<u>1,619,510,000</u>		
Total Overlapping Debt	\$ <u>2,098,495,000</u>	0.68%	\$ <u>14,269,766</u>
Total Direct and Overlapping Debt (2)	\$ <u><u>2,102,275,116</u></u>		\$ <u><u>18,049,882</u></u>

Sources: Broward County Property Appraiser, Broward County Accounting Division, and School Board of Broward County.

(1) Includes all governmental activities debt.

(2) The percentage of overlapping debt applicable is estimated using total population. Applicable percentages were estimated by determining the portion of Broward County's population that is within the City of Wilton Manors' boundaries and dividing it by Broward County's total population.

City of Wilton Manors, Florida
Table 12
Legal Debt Margin Information

There is no legal debt margin established either by City /charter or by Florida Statutes. Details regarding the City's outstanding debt can be found in Note 8 to the financial statements.

City of Wilton Manors, Florida
Table 13
Pledged Revenue* Coverage
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Utility Service Charges</u>	<u>Less: Operating Expenses**</u>	<u>Net Available Revenue</u>	<u>Principal (1)</u>	<u>Interest (1)</u>	<u>Coverage (1)</u>
2008-09	\$ 5,024,936	\$ 3,707,670	\$ 1,317,266	\$ 807,932	\$ 346,766	\$ 1.32
2009-10	\$ 6,081,733	\$ 3,869,683	\$ 2,212,050	\$ 941,387	\$ 287,748	\$ 1.80
2010-11	\$ 6,671,550	\$ 3,864,803	\$ 2,806,747	\$ 977,371	\$ 261,370	\$ 2.27
2011-12	\$ 7,087,433	\$ 3,837,977	\$ 3,249,456	\$ 1,014,729	\$ 231,629	\$ 2.61
2012-13	\$ 7,368,825	\$ 3,946,201	\$ 3,422,624	\$ 1,053,406	\$ 191,526	\$ 2.75
2013-14	\$ 7,382,000	\$ 4,338,565	\$ 3,043,435	\$ 1,058,413	\$ 151,165	\$ 2.52
2014-15	\$ 8,169,570	\$ 4,704,523	\$ 3,465,047	\$ 1,098,870	\$ 111,534	\$ 2.86
2015-16	\$ 8,438,856	\$ 4,821,873	\$ 3,616,983	\$ 1,140,873	\$ 63,711	\$ 3.00
2016-17	\$ 8,861,678	\$ 4,610,294	\$ 4,251,384	\$ 1,184,357	\$ 22,697	\$ 3.52
2017-18	\$ 8,290,247	\$ 4,320,164	\$ 3,970,083	\$ -	\$ -	\$ -

* Pledged revenues consist of essentially all revenues of the Utility Fund.

** Total Operating Expenses less depreciation, amortization and interest expenses.

(1) The bonds associated with this pledged revenue were fully paid during the 2016-17 year.

City of Wilton Manors, Florida
Table 14
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Wilton Manors Population (1)	Broward County Population (1)	Broward County Total Personal Income (2) (in Thousands)	County Per Capita Personal Income	County Unemployment Rate (3)
2008-09	12,929	1,733,310	\$ 69,442,515	\$ 40,064	9.8%
2009-10	12,895	1,752,122	\$ 72,731,461	\$ 41,511	9.8%
2010-11	11,632	1,780,172	\$ 74,604,276	\$ 41,908	9.0%
2011-12	11,743	1,771,099	\$ 75,805,807	\$ 42,802	7.3%
2012-13	11,878	1,784,715	\$ 75,421,141	\$ 42,259	5.9%
2013-14	12,071	1,803,903	\$ 80,462,283	\$ 44,605	5.2%
2014-15	12,160	1,827,367	\$ 87,014,524	\$ 47,617	4.9%
2015-16	12,466	1,854,513	\$ 89,572,271	\$ 48,300	4.4%
2016-17	12,662	1,873,970	\$ 94,239,376	\$ 48,680	3.3%
2017-18	12,773	1,890,416	\$ 94,239,376	\$ 48,680	2.8%

Sources: (1) Bureau of Economic and Business Research, University of Florida.
(2) Bureau of Economic Analysis, U. S. Department of Commerce.
(3) Bureau of Labor Statistics, U.S. Department of Labor.

Note: Personal income data is not yet available for fiscal year 2017-18. For the purpose of assisting year-to-year comparison, the previous year's personal income data was repeated for 2017-18.

City of Wilton Manors, Florida

Table 15

Principal Employers

Last Ten Fiscal Years

Reliable information is not available on City of Wilton Manors employers. However, the following employers are believed to be the City's principal employers. (Listed in alphabetical order).

City of Wilton Manors

CSL Plasma

Kids in Distress

Marrinson Group

Moss Construction

Pace Center for Girls

Publix Supermarkets

School Board of Broward County

Somerset Charter School

Wilton Manors Rehabilitation Center/Palm Court

City of Wilton Manors, Florida

Table 16

Miscellaneous Statistics

Date of Incorporation: September, 1947

Date of Adoption of City Charter: June 4, 1953

Form of City Government: City Commission/ Manager

City Commission: Consists of Mayor and Four Commissioners Elected At-Large

Area:

Square Miles	2.7
Miles of streets	47
Miles of waterways	13.7
Miles of sidewalks	9.4

Police Department:

Stations	1
Sworn officers	35
Non-Sworn officers	14

Water & Sewer Utilities:

Active accounts - Water	4,196
Active accounts - Sewer	4,033

Recreation & open space (approximately 66 acres):

- Andrews Avenue Extension Pocket Park
- Apachee Pass Park
- Colohatchee Park and Boat Ramp
- Coral Gardens Park
- Donn Eisele Park
- Hagen Park
- Island City Park Preserve
- Jaycee Park
- M. E. DePalma Park
- Mickel Field
- NE 15th Avenue Extension Pocket Park
- Rachel Richardson Park
- Richardson Historical Park
- Snook Creek Park and Boat Ramp
- Veteran's Park
- Waterways
- Wilton Manors Elementary School
- Woman's Club

Source: Various City Departments.

City of Wilton Manors, Florida
 Table 17
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Fiscal Years

Function/Program	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
General Government:										
Mayor and Commission	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Finance and Administrative	14.13	14.13	14.13	14.13	15.63	15.63	15.63	15.78	16.13	16.13
Community Services	8.25	6.75	6.42	6.70	5.85	5.85	5.85	6.75	6.30	6.30
Public Safety:										
Police and Fire	43.95	43.95	43.95	45.45	46.20	50.28	50.93	52.78	53.50	53.50
Physical Environment:										
Public Works/Utilities	13.00	12.00	12.00	12.00	11.80	11.80	11.70	11.55	11.50	11.50
Culture and Recreation:										
Leisure services	41.13	39.93	36.42	36.23	37.17	37.17	39.87	40.87	42.35	42.85
Total	<u>122.96</u>	<u>119.26</u>	<u>115.42</u>	<u>117.01</u>	<u>119.15</u>	<u>123.23</u>	<u>126.48</u>	<u>130.23</u>	<u>132.28</u>	<u>132.78</u>

Sources: Human Resources Department.

City of Wilton Manors, Florida
Table 18
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
General Government:										
Local business tax licenses issued (occupational licenses)	534	915	898	877	924	1,044	1,083	1,143	1,041	910
Building permits issued	1,090	978	1,213	1,232	1,425	1,645	1,505	2,364	2,701	2,640
Public Safety:										
Physical arrests	575	571	371	555	726	695	731	587	626	760
Traffic violations	5,491	6,266	5,155	4,730	3,875	4,033	5,816	6,066	6,406	7,100
Parking violations	1,004	2,696	10,504	9,184	8,033	6,960	6,199	4,872	6,468	7,646
Fire/EMS emergency responses	2,454	2,264	2,352	2,333	2,322	2,322	2,777	3,074	2,874	2,752
Fire inspections	2,506	2,059	1,832	2,124	1,638	1,517	1,528	1,725	1,541	1,612
Physical Environment:										
New water connections	25	10	3	5	5	6	2	3	16	17
Water main breaks	11	8	9	5	4	8	3	19	24	36
Average daily water consumption*	1,496	1,447	1,361	1,371	1,358	1,392	1,433	1,432	1,391	1,132
Average daily sewage treatment*	1,845	1,675	1,509	1,447	1,680	1,957	1,674	1,437	1,080	1,172
Culture and Recreation:										
Athletic programs	5	5	4	-	-	-	-	-	-	-
Volumes in library collection	35,435	37,741	38,648	40,041	39,739	41,167	41,015	36,927	44,669	43,178
Total volumes borrowed	48,469	48,018	51,230	54,591	56,622	53,939	49,375	43,429	40,148	36,384

* Thousands of Gallons.

Sources: Various City Departments.

City of Wilton Manors, Florida
Table 19
Capital Assets Statistic by Function/Program
Last Ten Fiscal Years

Function/Program	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Public Safety:										
Police stations	1	1	1	1	1	1	1	1	1	1
Police patrol units	25	25	25	25	27	27	27	34	34	34
Fire stations	1	1	1	1	1	1	1	1	1	1
Fire hydrants	266	268	268	268	268	268	268	268	268	268
Physical Environment:										
Miles of sanitary sewers	35.7	35.7	35.7	35.7	35.7	35.7	35.7	35.7	35.7	35.7
Miles of storm sewers	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8
Wastewater lift stations	12	12	12	12	12	12	12	12	12	12
Acres of lakes and canals	14	14	14	29.7	29.7	29.7	29.7	29.7	29.7	29.7
Culture and Recreation:										
Parks acreage	66	66	66.26	66.01	66.01	66.01	66.01	66.01	66.01	66.51
Parks/schools	14	14	16	15	15	15	15	15	15	15
Playgrounds	5	5	5	4	4	4	4	4	4	4
Baseball/softball diamonds	3	3	3	3	2	2	2	2	2	2
Soccer/football fields	4	4	4	0	0	0	0	0	0	0
Basketball courts	2	2	2	3	3	3	3	3	3	3
Volleyball courts	2	2	2	2	2	2	2	2	2	2
Multi-use fields	3	3	3	2	2	2	2	2	2	2
Tennis courts	6	6	6	6	6	6	6	6	6	6
Boat ramps	2	2	2	2	2	2	2	2	2	2
Canoe launch sites	3	3	3	3	3	3	3	3	3	3
Shelters/pavilions	10	10	10	12	12	12	12	18	18	18
Fitness center	1	1	1	1	1	1	1	1	1	1
Community multipurpose centers	3	3	4	4	4	4	4	5	5	5
Libraries	1	1	1	1	1	1	1	1	1	1

Sources: Various City Departments.

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COMPLIANCE SECTION

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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 Honorable Mayor, City Commissioners and City Manager
City of Wilton Manors, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wilton Manors, Florida (the "City"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 21, 2019. Our report includes a reference to other auditors who audited the financial statements of the Pension Trust Funds, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) 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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.



KEEFE McCULLOUGH

Fort Lauderdale, Florida
May 21, 2019

INDEPENDENT AUDITOR'S REPORT TO CITY MANAGEMENT

To the Honorable Mayor, City Commissioners and City Manager
City of Wilton Manors, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Wilton Manors, Florida (the "City"), as of and for the year ended September 30, 2018, and have issued our report thereon dated May 21, 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 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 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 May 21, 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 findings and recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City was established as authorized by Chapter 29609, Laws of Florida, 1953. The City operates under a Commission/City Manager form of government. The City is financially independent as evidenced by the authority to make and approve its own budget, the power to tax, the authority to buy and sell property, and the authority to incur debt. The City included the following blended component unit: The Wilton Drive Improvement District, which was established by Ordinance No. 2014-0011 in December 2014. The City has one potential component unit that was not included in the financial statements due to the insignificance to the primary government.

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the 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, the City Commissioners and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



KEEFE McCULLOUGH

Fort Lauderdale, Florida
May 21, 2019

INDEPENDENT ACCOUNTANT'S EXAMINATION REPORT ON
COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Honorable Mayor, City Commissioners and City Manager
City of Wilton Manors, Florida

We have examined the City of Wilton Manors, Florida's (the "City") compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2018. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied with the aforementioned requirements for the year ended September 30, 2018, in all material respects. An examination involves performing procedures to obtain evidence about whether the City complied with those requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018, except that neither the Finance Director nor the Assistant Finance Director obtained the full required eight (8) hours of Investment Seminar Continuing Professional Education during the year ended September 30, 2018. As described in the 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, we do not consider this matter to be a significant deficiency or a material weakness.

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

Keefe McCullough

KEEFE McCULLOUGH

Fort Lauderdale, Florida
May 21, 2019

CPA's + Trusted Advisors



One of the City's major capital projects during the fiscal year was the renovation of Colohatchee Park, including the addition of a walking trail, an expanded dog park, and a shaded outdoor fitness zone.

