

**CITY OF
MIRAMAR, FL**




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**RIGHT
HERE**
in MIRAMAR...

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2019

2300 CIVIC CENTER PLACE | MIRAMAR, FLORIDA 33025

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
CITY OF MIRAMAR, FLORIDA
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2019**

Prepared by the Department of Financial Services

ABOUT THE COVER

THE IMPLEMENTATION OF C.A.R.E at the City of Miramar, Florida The Comprehensive Assessment of Revenues and Expenses (C.A.R.E.)

program was launched in the City of Miramar on November 15, 2018. The program is spearheaded by the City Manager, Mr. Vernon E. Hargray. The City Manager is very proud of the C.A.R.E program as it allows every employee the opportunity to engage in decisions that are made to improve City services.

The C.A.R.E. program is an internationally proven program that includes strategic planning, goalsetting, and implementation of viable ideas while empowering all employees, residents, and the business community to participate in the innovative advancement of the City.

*The C.A.R.E. program was born out of the desire to add value to the City by improving the employees' work environment, expand on best practices, implement measures that manage the City's human and financial capital and provide additional benefits to the community. C.A.R.E. thrives to ensure the City meets its **mission** and **vision** goals. The program's mission is accomplished through strong working committees consisting of a chair and a co-chair in the areas of Workplace Efficiency, Expenditures, Revenue, Public-Private Partnership, Grants Program, Reserves, Volunteer Program, Energy Policy, Conservation Policy, and Capital Improvement Plan. Employee decision-making levels are raised through committee activities. C.A.R.E has also created additional teamworking opportunities for employees within the City and external partners. In fact, all ten committees have goals, mission statements, and a vision that supports the City's **mission** and **vision** to establish sound financial management and responsible cost-effective utilization for use of public funds.*



Cover design collaboration: Lesley-Ann Wright and Mark James, Department of Financial Services.

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INTRODUCTORY SECTION



CITY OF MIRAMAR

An Equal Opportunity Employer

Mayor

Wayne M. Messam

Vice Mayor

Maxwell B. Chambers

City Commission

Winston F. Barnes

Yvette Colbourne

Alexandra P. Davis

City Manager

Vernon E. Hargray

**"We're at the
Center of Everything"**

**Financial Services
2300 Civic Center Place
Miramar, FL 33025**

Phone (954) 602-3049
FAX (954) 602-3696

April 15, 2020

Honorable Mayor,
Vice Mayor, Commissioners,
and Citizens of the City of Miramar
2300 Civic Center Place
Miramar, FL 33025

Mayor, Vice Mayor, Commissioners and Citizens of Miramar:

We are pleased to present the City of Miramar, Florida (the "City") Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2019 ("FY 2019"). The CAFR has been prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and activities of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The CAFR is used to assist in making economic, social and political decisions, and to assist citizens in assessing accountability and transparency by:

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

The City's financial statements have been audited by Caballero Fierman Llerena + Garcia, LLP, a firm of licensed certified public accountants. The pension trust funds were audited by other auditors, S. Davis & Associates, P.A. and Kabat Schertzer De La Torre Taraboulos & Company. The goal of the independent audits was to provide reasonable assurance that the financial statements of the City for the FY 2019, are free of material misstatement. The audits involve examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors have issued an unmodified opinion on the City's financial statements for the fiscal year ending FY 2019. The independent auditors' report is located at the front of the financial section of this report.

The management's discussion and analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE CITY

The Legislature of the State of Florida created the City in 1955. Miramar resides within Broward County, the second most populated county in the State, occupying approximately 31 square miles in the southwestern portion of the County. The population in Miramar has grown to over 138,000 residents, which is an increase of 13.76% from the 2010 census count of 122,000, making Miramar the 4th largest city in Broward County after Fort Lauderdale, Pembroke Pines and Hollywood, and 13th largest in the state of Florida.

The City operates under a Commission/ Manager form of government. Policymaking and legislative authority are vested in the governing commission, which consists of a Mayor, Vice-Mayor and three Commissioners (the "City Commission"). The City Commission is vested with policy-setting authority, adopting the annual budget, appointing committees and hiring the City Manager and the City Attorney. The City Manager is responsible for recommending and carrying out the policies and ordinances of the City Commission, appointing the directors of the City's departments with the concurrence of the City Commission, submitting the proposed annual budget, advising the Commission as to the financial condition of the City, and overseeing the day-to-day operations of the City.

Miramar provides a full range of services including public safety; general government; the construction and maintenance of streets and other infrastructure; recreational activities; community services and cultural events. Water services are provided by two water treatment plants located in the east and west portions of the City. Wastewater services are provided by our state of the art Waste Water Reclamation Facility, which treats sewage and then recycles the used water for irrigation purposes. A franchise contractor provides the City's sanitation services.

ECONOMIC CONDITION AND OUTLOOK

The continuous growth over the past few years, in both residential and commercial development, is continuing in the City though at a much slower pace. The City is currently the 13th largest city in Florida, having moved from the 25th largest city in 2000 and the 41st largest in 1990. With a 13.76% increase in population from 2010, the City continues to be one of the country's fastest growing municipalities with taxable assessed value for tax year 2019 increasing by 6.18% from 2018. This is the seventh consecutive year that the assessed valuations have shown steady growth.

The City is centrally located equidistance from the Miami and Fort Lauderdale metropolitan areas and is strategically positioned to benefit from the robust economic activity attracted to these major business centers. Miramar is connected to these metropolitan areas with access to major regional transportation routes, particularly Interstate 75 and the Florida Turnpike.

The City has long been a preferred locale for major corporations and Fortune 500 companies to call home. The City also achieved the status of being among the most desirable corporate and business centers in South Florida, in part due to its prime location and because of the highly skilled and professional workforce that resides here. Close to a third of the City's residents have a bachelor's degree or higher, and their average household income ranks among the highest locally and statewide. Companies that are a prominent part of the City include Royal Caribbean Cruises,

Memorial Hospital, Southern Glazer's Wine and Spirits, Carnival Cruise Line, Spirit Airlines, Comcast, JL Audio, NBC6/Telemundo, Humana, and Fanatics. Miramar businesses employ over 33,000 employees.

MAJOR INITIATIVES

The City continues to take a fiscally conservative approach to the management of the City's growth and resources. During FY 2019, with direction from the City Commission to find efficiencies and ways of doing more with less, the City Manager's office tasked staff with embarking on a Strategic Planning process in order to better guide the use of the available scarce resources where they may have the biggest impact. With the adherence to the Business Plan, creation of a Financial Stabilization Account and from the City's prudent and measured response to the recently projected budget shortfalls, the City has been able to continue to provide vital services to our residents and business community while keeping the growth of the budget in check. The Annual Budget and Capital Improvement Plan (CIP) include funding sources for the initiatives and projects presented in the Business Plan. Data is analyzed to make sure that all identified gaps are being closed and targets are being met in a timely manner. This year's Capital Improvement Program included both new facilities and the renovation of existing facilities, park expansion, and equipment replacement. The Business Plan and the Capital Improvement Plan (CIP) are integral parts of the City's long-term financial planning.

CIP Accomplishments and Initiatives for FY 2019 are outlined below indicating both the challenges and opportunities related to the growth and development currently taking place within the City.

- **Historic Miramar Infrastructure Phase III Project** – Following the tremendous success of the first two phases of the Historic Miramar Infrastructure project, the City undertook the challenge of constructing the third and final phase of the Historic Miramar Infrastructure Phase III project. The objective of the project was to construct a gravity sewer collection system and lift station to eliminate septic tanks within the area bounded by Pembroke Road to the north, SW 25 Street to the south, SW 64 Avenue to the east, and SW 68 Way/Sunshine Blvd. to the west. Construction of the project began in the summer of 2017. Upon completion, business and residential property owners in the area will be served by a gravity collection system that reduces the potential of health and environmental risks associated with antiquated septic tank systems, as well as repositioning the Historic Miramar business area for future development opportunities. The project will also improve the area's stormwater management system and will replace the existing water distribution system. The project is programmed to be completed in March 2020.
- **East Water Treatment Plant Renovation Project** – The scope of this project includes the renovation of the existing 6 million gallons per day lime softening facility which was originally built in the 1950s with expansion modifications made during the 1960s. The renovations include the addition of a membrane softening treatment system, which will improve finished water quality and overall treatment reliability, maximize treatment capacity of the existing site and allow ultimate decommissioning of the facility's aging lime softening infrastructure. The project also includes 5 new raw water production wells, a new deep injection well, new water storage tank and required piping. The project began construction in the summer of 2017. The project is programmed to be completed in July 2020 with the inclusion of the East Water Treatment Plant Renovation Phase 2A.
- **Historic Miramar Public Safety Complex** – This new 24,000 sq. ft. building complex includes a variety of key public safety functions at a central city location. The proposed site will accommodate the Historic District Police Substation, Crime Lab/Evidence Storage, Logistics, Utility Storage and other related functions. The overall building area will also include administrative offices, a community room for use by residents and civic groups, and a surface lot for various public safety vehicles. Project completion is anticipated in early 2020.

- **Historic Downtown Revitalization** – This project includes construction of Streetscape improvements such as bicycle lanes, lighting, crosswalks, landscaping, pavers and drainage along Miramar Parkway between SW 69 Way and SW 68 Avenue. In addition, this project involves drainage improvements as well as roadway re-surfacing along SW 69 way, in front of Shirley Branca Park. The project was completed in August of 2019.
- **Miramar Parkway Streetscape from SW 64 Avenue to SW 68 Avenue** – The proposed Improvements would utilize complete streets concepts such as adding bike lanes on both sides of street, landscaping, lighting, median improvements, and re-construction of the entire curved section of existing roadway at SW 67 Terrace. The construction is 95% completed and is expected to be closed out by April 2020.
- **Historic Miramar Complete Streets Phase 2** – Complete street improvements within eight streets located between SW 62 Avenue and SR 7 and between Pembroke Road and County Line Road within Historic Miramar, including sidewalks, ADA ramps, landscaping and pedestrian lighting improvements. The project was completed in June 2019.
- **Pembroke Road widening from Dykes Road to Silver Shores Blvd** – Widening of Pembroke Road from a two-lane roadway to a four-lane roadway with landscaped median and lighting improvements between Silver Shores Blvd and Dykes Road. The project also includes the construction of a ten-foot-high noise wall along the south side of Pembroke Road from Silver Shores Blvd to Silver Shores Park. This project achieved substantial completion in October of 2019.
- **Landscaping & Beautification along Miramar Boulevard and Miramar Parkway** – Landscape improvements along Miramar Blvd from University Drive to Palm Avenue and along Miramar Parkway from SW 69th Way to Palm Avenue. Design and permitting was completed in Fiscal Year 2017. Construction of landscaping, irrigation and hardscape improvements along Miramar Parkway between University Drive and SW 69 Way was complete in December 2019.
- **ADA Evaluation & Corrective Action** – Title II of the Americans with Disabilities Act (ADA) requires the development of an ADA Transition Plan. The City of Miramar recently completed an ADA Transition Plan during Phase 1 of the project. Phase 2 was completed in October of 2019, which evaluated 30 miles of public sidewalks and all 101 transit stops for ADA compliance.
- **Historic Miramar Canal Improvements** – This project provides for repair of the eroded canal/lake banks east of University Drive deemed in “Poor” condition derived from the Engineering Feasibility and Needs Assessment Study completed in 2012. The repairs are completed utilizing sediment-filled geotextile tubes commonly called Geotubes. Construction activities commenced in June 2016 with a total of 142 properties restored to date. Construction activities for Phase IV of the project commenced in March 2019 and are expected to be completed by March 2020.
- **Landscaping & Beautification Project on University Drive** – This project involves the replacement and installation of trees and shrubs within the medians on University Drive, from Pembroke Road to Florida Turnpike. Construction activities for the project commenced in January 2019 and were complete in May 2019.
- **Repair/Replacement of Sidewalks** – Repair and or replacement of existing sidewalks to increase pedestrian mobility, reduce tripping hazards, and enhance the City’s efforts at satisfying the ADA requirements. Phase I was completed in January 2018 with approximately 2 linear miles of sidewalks replaced. Replacements were prioritized by areas

adjacent to and within the proximity of schools, parks and other public facilities, with some repairs along local neighborhood streets. Phase II of the project was completed in September 2018 with an additional 2 linear miles of sidewalks replaced. Phase III of the project commenced in March 2019 and was completed in September 2019, with approximately 1.9 linear miles of sidewalks replaced.

- **Area Wide Drainage Improvements - Phases IV, V and VI** – The Historic Miramar Drainage Infrastructure Improvements Project area is located in the general area east of University Drive, south of Pembroke Road, west of State Road 7/US441, and north of County Line Road. This project is aimed at upgrading and improving the existing drainage infrastructure to alleviate flooding and support the City's goal of enhancing the level of service for residents within this service area. The project is programmed in phases with Phase I and Phase II completed, and Phase III currently under construction. Phases IV, V and VI are programmed for implementation over the next 10 years and were initiated with preparation of the required project planning documents, which were completed in December 2017. Design services for Phase IV of the project commenced in February 2019 and are expected to be completed by June 2020.
- **Street Construction & Resurfacing – Various Locations** – This project is aimed at extending the life of the existing roadways, ensuring that the City's streets are safe and comfortable for motorists and are free of hazards such as potholes, depressions and other roadway deformities. Milling and resurfacing of approximately 7 centerline miles of roadways was completed in January 2019.

Economic Development

Corporate Community

The City has 16 million square feet of non-residential space consisting of office, warehouse, industrial-flex, and community-level retail. Industry sectors represented include finance, insurance, manufacturing & distribution, medical, aviation, travel/tourism and media. In 2019 approvals for new development projects totaled 90,292 square feet of non-residential space (retail, medical, hotel) and 1,210 residences (apartments, townhomes, single-family, senior housing). Staff visited 19 companies through its Business First corporate outreach program.

Redevelopment

Building Construction and Renovation - This area of economic development included completion of the renovation and expansion of County Line Plaza and the start of construction on the commercial rehabilitation of the B&M Caribbean Market building, the new public safety complex and affordable housing in partnership with Habitat for Humanity, all located in the historic area.

Residential Utility Connection – This program is provided in conjunction with the infrastructure improvements in Historic Miramar to assist residents with the cost of connecting to the public sanitary sewer system using Community Development Block Grant (CDBG) funds. Assistance will be provided when the next phase of the infrastructure project is implemented.

FOR THE FUTURE

The City of Miramar's 5-year outlook addresses challenges that include rising healthcare and pension costs, a large debt service as compared to neighboring cities, rising labor costs, increased operating expenses on capital projects coming online, and increased maintenance on aging buildings. Although the ad valorem revenue has risen for the past six years in a row because of a growing tax base, there may be a flattening of this revenue stream starting in Fiscal Year 2020 with the slowing of real estate market valuations. Despite these challenges, the City will continue to maintain the high level of service through the offering of numerous programs that the residents have come to expect.

In September 2013, the City issued \$59 million in Special Obligation Refunding and Improvement Revenue Bonds to fund numerous capital improvement projects. As of the end of September 2019 the completed projects include the new Fire Station Facility, Police Headquarters Facility, Adult Day Care Center, Amphitheater, several park improvement projects at various parks, and renovation and improvements to City Hall. Projects yet to be completed relate to Parks, Infrastructure, Public Safety and Facilities Improvements.

In February 2017, the City issued a \$10 million Special Obligation Revenue Note. This Note will fund the acquisition, construction, equipping, renovating, improving and upgrading of certain buildings, facilities, parks, public safety vehicles, equipment, streets, streetscapes and sidewalks, all as described in the City's adopted Capital Improvement Program for Fiscal Years 2018-2022, 2019-2023 and 2020-2024.

In November 2017, the City issued \$32 million in Utility System Refunding Revenue Bonds, Series 2017 to refund the City's outstanding Utility System Revenue Bonds, Series 2007 and to pay certain costs and expenses relating to the issuance of the Series 2017 Bonds. The refunding resulted in (Net Present Value) savings of \$6,565,590 in future debt service cost.

Starting FY 2019, the City of Miramar commission adopted two policies as part of the budget, a Pension Trust Fund and an Other Post-Employment Benefits (OPEB) Trust Fund. The Pension Trust Fund is a reserve of funds set aside to be used exclusively to fund future payments against the City Pensions' Unfunded Accrued Liability (UAAL). The funds in the irrevocable trust fund can only be used to fund the City's pension obligations and only by Commission action. Much like the Pension Trust Fund, the OPEB Trust Fund is to be used to fund future retiree benefit payments in order to lower the City's current unfunded liability in this area.

In 2019, the City entered into a Purchase and Sale Agreement ("PSA") with Related Development, LLC ("Related") for the sale of the Miramar Town Center Block 2 property for \$3.2 million. Related plans to develop up to 400 rental apartments and 30,000 square feet of retail on the property in an eight-story building. The building will include shops and restaurants on the ground floor, a lobby, lounge and state-of-the-art amenities for the residential tenants. Planned public amenities will feature a plaza with park benches and elegant landscaping. An art sculpture will enhance the exterior's grounds. Parking for these uses in Block 2 would be accommodated through a new internal +/-650-space parking garage and frontage surface parking. The \$110 million project will generate 650 jobs over the two-year construction period and a total of 323 jobs on a recurring basis. Additionally, \$1.9 million would be generated annually in ad valorem taxes and \$1 million in sales taxes. Construction is scheduled to commence in the Spring of 2020. As the last remaining vacant block at Town Center, Block 2 will culminate the Town Center vision and will serve as the final piece that will help connect and activate all the uses.

BUSINESS PLAN

The City's Business Plan, initiated in Fiscal Year 2003, includes revenue and expenditure projections as well as intended outcomes and the initiatives engaged to meet those outcomes in order to accomplish long-term financial stability for Miramar. The Plan serves as a guide to the financial and growth management strategies that will lead Miramar to maturity. Starting in FY 2019, the City implemented the Comprehensive Assessment of Revenues and Expenses (C.A.R.E.) program in order to involve every employee in the formulation of ideas to improve City operations. The C.A.R.E. Program is a ten-point City Manager budget initiative launched to maximize the City's human, capital and natural resources. It is comprised of different committees, each with a Chair and a Vice- Chair to implement strategies to support the City's vision. C.A.R.E. establishes sound financial management and responsible cost-effective utilization for use of public funds. Implementation of the C.A.R.E.

Program involves support of each committee within the ten-point plan to address City-wide focus areas.

The Business Plan is continuously reviewed for improvement, including updated financial projections and examination of the Plan's intended outcomes and initiatives. Current intended outcomes include:

- Encourage annual commercial, industrial and office development.
- Encourage residential and commercial redevelopment and revitalization in East Miramar.
- Maintain control of labor and other operating costs.
- Maintain control of pension costs – limit benefits/limit City contributions.

Each of these intended outcomes is in progress. As an economic development strategy, the attraction of additional commercial, industrial and office space will further the balance of Miramar's anticipated 140,000 total residents with a vibrant business community, providing educational opportunities, jobs and services to those residents and to the local, statewide and national markets as well. Complementing the Business Plan, in November 2012, the City adopted its first Economic Development Strategic Plan (EDSP) that establishes its economic development strategic priorities and sets goals, objectives and strategies that the City intends to pursue during Fiscal Years 2013 through 2020.

Miramar's "6 Pillars" cover a range of inter-related activities intended to enhance the community and to be supportive of our businesses:

1. Quality of Life
2. Business Climate
3. Sports & Entertainment (Revenue Enhancement)
4. Infrastructure
5. Redevelopment/ Infill Development
6. Marketing

FINANCIAL MANAGEMENT

Accounting and Internal Control

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of the financial statements in conformity with GAAP. In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance regarding: (1) safeguarding of assets against loss from unauthorized use or disposition and (2) reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes: (1) the cost of control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

Single Audit

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

The City is required to undergo an annual single audit performed under the provisions of the Single Audit Act and U.S. Office of Management and Budget Uniform Guidance, *Audits of States, Local*

Governments, and Non-Profit Organizations and Chapter 10.550, *Rules of the Auditor General of the State of Florida*. As a part of the City's Single Audit, tests were conducted to determine the adequacy of the City's internal controls and its compliance with applicable laws and regulations, including those related to federal and state assistance programs. Reported within the Compliance section of the CAFR are the schedule of expenditures of federal awards and state financial assistance, schedule of findings and questioned costs, auditor's reports on the schedule, internal control and compliance with applicable laws and regulations.

Budgetary Controls

The foundation of the City's financial planning and control is the Annual Operating and Capital Improvement Budget. In early July of each year, the City Manager presents the proposed budget to the City Commission. The Commission is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund, department (e.g. Human Resources, Police, Fire Rescue, etc.) and program. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Budgetary controls are maintained by the City to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Commission. Activities of the General Fund, Special Revenue Funds, the Debt Service Fund, and Capital Project Funds are included in the annual appropriated budget. A non-appropriated operating budget is adopted for the Enterprise Fund. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered appropriations lapse at year-end. However, encumbrances relating to Capital Projects and Grants are generally re-appropriated as part of the following year's budget. Budget-to-actual comparisons demonstrate how the actual expenditures compare to both the original and final revised budgets.

Administrative budget transfers may occur upon approval of the City Manager if the final fund budget is not increased. Budget amendments are submitted, on an as needed basis, to the Commission for consideration.

FINANCIAL POLICIES

Fund Balance Policy

Government Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definition*, establishes various classifications of fund balance based on a hierarchy which details constraints placed on the use of resources by creditors, grantors, contributors, laws or regulations of other governments. Fund balances classified as committed can only be used for specific purposes determined by formal action of the City Commission through an ordinance or a resolution. Commitments may be changed or lifted only by the City Commission through formal action. Assigned fund balances are amounts that the City intends to use for a specific purpose but are neither restricted nor committed. The intent to utilize these funds shall be expressed by the City Commission or may be delegated to the City Manager. Unassigned fund balance can be viewed as the net resources available at the end of the fiscal year.

On February 5, 2014, the City Commission adopted Resolution No. 14-74 creating a committed fund balance designated as a Financial Stabilization Account equal to 12% of the General Fund's final amended budgeted expenditures.

The following reservations are established for the General Fund:

- Committed Fund Balance:
 - Financial Stabilization Account – a reserve equal to 12% of the City's General Fund final amended budgeted expenditures was established in order to ensure that the City has sufficient cash flow and available financial resources to meet future economic demands and unanticipated situations.
- Assigned Fund Balance:
 - Emergency Preparedness – to provide the resources necessary to ensure continued operations and maintenance of services to the public during an emergency.
 - Subsequent years budget – to appropriate current year budgeted savings to cover next year budget.
 - Pension Trust Fund – to pay for the unfunded pension liabilities the City has accrued over the years.
 - OPEB Trust Fund – to fund the unfunded portion of the City's liabilities for other post-employment benefits.

REPORTING ACHIEVEMENT

The City continues to receive many awards and accolades; some of these are listed below:

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City, for its CAFR for the FY 2018. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting. The attainment of this award represents a significant accomplishment by a government and its financial management team. This was the thirty-first year that the City has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both GAAP and applicable legal requirements. The certificate is valid for one year only. 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.

In addition, the City also received the GFOA Award for Distinguished Budget Presentation for its annual budget for the twenty-ninth consecutive year. In order to qualify for this award, the City's budget document was judged to be proficient in several categories including meeting program criteria as a policy document, as a financial plan, as an operational guide, and as a communications device. We expect to receive confirmation that our budget continues to conform and that we will receive the certificate for the current budget year.

ACKNOWLEDGMENTS

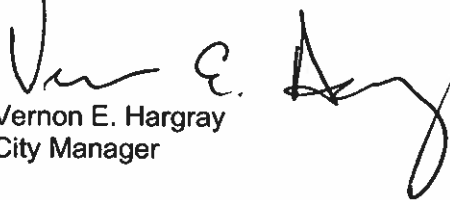
The preparation of the report was made possible through the skill, effort and dedication of the entire staff of the Finance Department. The year-end closing, audits, compilation and publishing the CAFR was accomplished through hard work, commitment and personal sacrifice. Sincere appreciation goes to the staff for their dedication in the development and preparation of this document.

We wish to thank all the City departments for their assistance in providing the data necessary to prepare this report. The guidance and cooperation of the Mayor and City Commission in planning and conducting the financial affairs of the City is greatly appreciated.

Respectfully submitted,



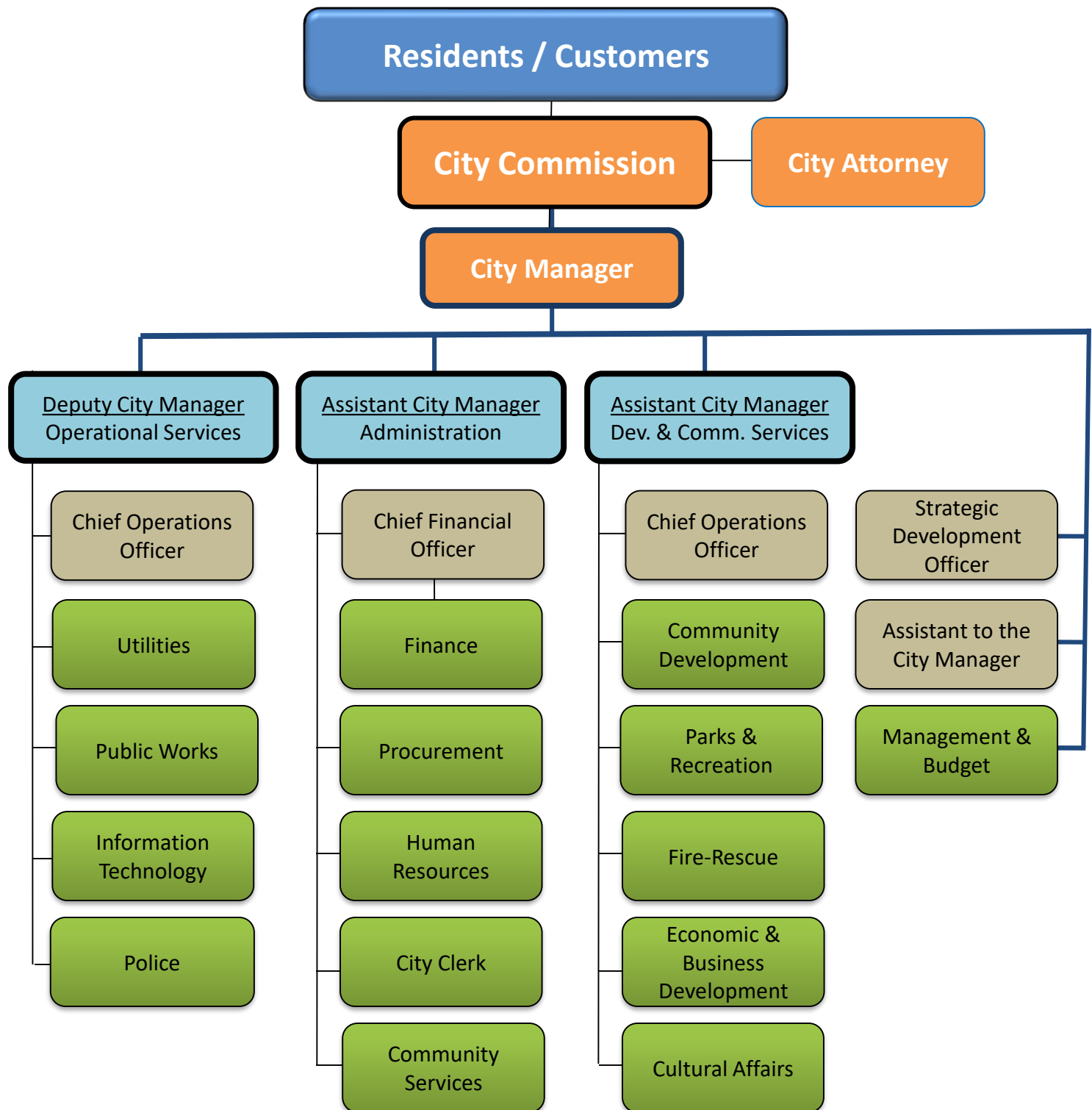
Susan A. Gooding-Liburd, MBA, CPA, CGFO
Chief Financial Officer



Vernon E. Hargray
City Manager



City of Miramar Organizational Structure



City of Miramar

List of Elected and Appointed Officials

September 30, 2019

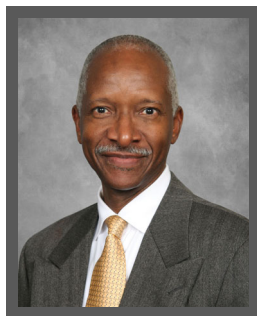
Elected City Commission



Mayor
Wayne M. Messam



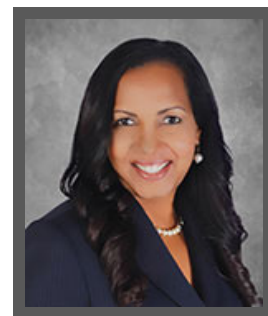
Vice Mayor
Alexandra P. Davis



Commissioner
Winston F. Barnes



Commissioner
Maxwell B. Chambers



Commissioner
Yvette Colbourne

Appointed City Officials

Vernon E. Hargray, City Manager
Whittingham Gordon, Deputy City Manager
Kelvin L. Baker, Assistant City Manager
Shaun Gayle, Assistant City Manager
Susan A. Gooding-Liburd, Chief Financial Officer
Kevin E. Adderley, Director of Financial Services
Alicia Ayum, Director of Procurement
Camasha Cevieux, Director of Cultural Affairs
Anthony Collins, Director of Public Works
Randy Cross, Director of Human Resources
Katrina Davenport, Director of Community Services
Denise A. Gibbs, City Clerk
Clayton D. Jenkins, Director of Information Technology
Norman Mason, Director of Management & Budget
Robert Palmer, Fire-Rescue Chief
Eric B. Silva, Director of Community Development
Anita Fain Taylor, Director of Economic & Business Development
Elizabeth Valera, Director of Parks & Recreation
Roy Virgin, Director of Utilities
Dexter Williams, Police Chief



Government Finance Officers Association

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

Presented to

**City of Miramar
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Morill

Executive Director/CEO

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Commission
City of Miramar, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Miramar, Florida (the "City") as of and for the fiscal year ended September 30, 2019, 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.

Auditors' 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 for the General Employees', Police Officers', Firefighters' and Management Retirement Plans (the "Pension Trust Funds"), which represents 52%, 61% and 33%, respectively, of the total assets/deferred outflow of resources, net position/fund balance, and revenues/additions of the aggregate remaining fund information. 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, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and 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 auditors' 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 City'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 City'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 the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2019, and the respective changes in financial position, and where applicable, cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of revenues expenditures and changes in fund balance – budget to actual – General Fund, and Pension and Other Post-Employment Benefits schedules as listed in the table of contents on pages 4 to 21 and 111 to 122, 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 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, combining and individual nonmajor fund financial statements, budgetary comparison schedules, statistical section, schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and Chapter 10.550 Rules of the Auditor General of the State of Florida 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, budgetary comparison schedules and the schedule of expenditures of federal awards and state financial assistance 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. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules and the schedule of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miramar, Florida
April 15, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Required Supplementary Information)

City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

The purpose of financial reporting, in general, is to provide the readers of the financial statements with information that will help them make decisions or draw conclusions about an entity. As management of the City of Miramar, Florida (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2019. We encourage readers to consider the information presented herein in conjunction with the additional information that we have furnished in our letter of transmittal, as well as the financial statements and notes to financial statements that follow. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

1. The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at September 30, 2019, by \$306.24 million (net position).
2. During fiscal year 2019, the City's net position increased by approximately \$18.16 million resulting from current year operations.
3. The City's governmental-type activities reported net position of \$14.57 million, which is a \$9.96 million increase, in comparison to the prior year net position, of \$4.6 million.
4. The City's business-type activities reported total net position of \$291.67 million, which is a \$8.19 million increase, or 2.89%, in comparison to the prior year net position, of \$283.47 million. Approximately 16.2% of the total or \$47.3 million is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
5. At the end of the fiscal year, the General Fund reported a fund balance of \$40.25 million, or 26.59% of the General Fund expenditures. Of this balance, \$8.59 million is unassigned.
6. The City's total debt outstanding for governmental activities decreased \$7.21 million during the current fiscal year. In 2019, \$.774 million in capital lease obligations were incurred for the acquisition of new Firefighter self-contained breathing apparatus. This was offset by debt service payments throughout the year.
7. The total debt outstanding for business-type activities increased by approximately \$10.95 million. In 2019, the City incurred \$13.64 million in state revolving loans to fund upgrades to the City's East Water Treatment Facility and to finance wastewater and stormwater upgrades.

In fiscal year 2019, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 88, *Certain Disclosures Related to Debt, Including Debt Borrowings and Direct Placements*. This new accounting standard requires governments to disclose additional essential information related to debt in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. There is no financial impact to the City as a result of the implementation. Additional information regarding the disclosure impact of GASB 88 can be found in Note 9 in the notes to the basic financial statements.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which have the following components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

Government-wide Financial Statements

The *government-wide* financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to that of a private-sector business. The City's government-wide financial statements include the statement of net position and statement of activities.

The *Statement of Net Position* presents information on all of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the City, with the difference between the two 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.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. 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. Accordingly, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (for example, uncollected taxes and earned, but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes, charges for services, 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, physical environment, transportation, social services, economic environment, parks and recreation, and cultural arts. The business-type activities include water and wastewater, and stormwater, where the fee for service typically covers all or most of the cost of operations and depreciation.

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the City rather than the City as a whole. Except for the General Fund, separate funds are established to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, 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. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains twenty 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 balance for the General Fund, which is considered to be a major fund. The City presents data from all other governmental funds in a single column (non-major funds). Individual fund data for each of these non-major governmental funds are included in the combining statements of the comprehensive annual financial report (CAFR).

City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

Governmental Funds (Continued)

The City adopts an annual appropriated budget for its governmental funds. Budgetary comparison schedules have been provided for all the governmental funds to demonstrate compliance with the funds' budgets.

Proprietary Funds

Proprietary fund financial statements consist of a statement of net position, a statement of revenues, expenses, and changes in fund net position and a statement of cash flows. These statements are prepared on an accounting basis that is similar to the basis used to prepare the government-wide financial statements. For financial reporting purposes, proprietary funds are grouped into Enterprise Funds and Internal Service Funds.

The City uses Enterprise Funds to account for business-type activities that charge fees to customers for the use of specific goods or services. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal Service funds are used to account for services provided and billed on an internal basis. The City uses Internal Service Funds to account for its fleet of vehicles, self-insurance/benefit programs, and management information systems. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City has two Enterprise Funds; the Utility Fund, and Stormwater Fund. The Internal Service Funds are aggregated and presented in a single column. A statement of cash flows is presented at the fund financial statement level for proprietary funds.

Fiduciary Funds

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

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.

City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information (RSI)* concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees. This section also includes a comparison between the adopted and final budget and actual financial results for the City's General Fund. A Budgetary comparison schedules has been provided for the General Fund to demonstrate compliance with the budget. The City also adopts an annual appropriated budget for each of its other governmental funds which are presented as supplementary information.

Combining statements referred to earlier in connection with non-major governmental funds are presented immediately following RSI.

Government-Wide Financial Analysis

The following schedule is a summary of the fiscal year 2019 Statement of Net Position with comparative information for fiscal year 2018.

Net Position (in thousands)
Fiscal Years 2019 and 2018

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 113,543	\$ 111,974	\$ 80,460	\$ 73,462	\$ 194,003	\$ 185,436
Capital Assets	271,347	272,469	323,997	310,710	595,344	583,179
Total Assets	384,890	384,443	404,457	384,172	789,347	768,615
Deferred outflows of resources	45,541	49,036	3,854	4,864	49,395	53,900
Long-term liabilities outstanding	363,418	378,723	106,439	98,061	469,857	476,784
Other Liabilities	21,107	20,808	6,391	5,226	27,498	26,034
Total Liabilities	384,525	399,531	112,830	103,287	497,355	502,818
Deferred inflows of resources	31,340	29,344	3,810	2,272	35,150	31,616
Net Position						
Net Investment in capital assets	134,848	132,717	236,949	234,964	371,797	367,681
Restricted	8,155	12,927	7,448	5,427	15,603	18,354
Unrestricted	(128,437)	(141,040)	47,274	43,086	(81,163)	(97,954)
Total net position	\$ 14,566	\$ 4,604	\$ 291,671	\$ 283,477	\$ 306,237	\$ 288,081

The overall net position of the City increased in fiscal year 2019, from the prior fiscal year net position, by approximately \$18.16 million or 6.3% from \$288.08 million in 2018 to \$306.24 million in 2019. Changes in net position over time can be one of the best and most useful indicators of financial health. When comparing the change between years there is an increase of \$6.83 million as compared to the prior year increase of \$6.68 million. This change in net position is the result of increased revenues of \$18.36 million less increased expenditures of \$11.53 million.

City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

Government-Wide Financial Analysis (Continued)

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, for its business-type activities. However, for the governmental activities, all of the net position is either restricted as to the purposes it can be used for or is invested in capital assets (land, buildings, equipment, etc.). As a result, unrestricted net position for the governmental activities reflects a (\$128.44) million deficit at the end of the current fiscal year. The deficit in unrestricted net position for governmental activities is due to the impact of GASB Statements No. 68 and No. 75 which requires employers to report (not fund) the entire net pension and other postemployment benefit (OPEB) liabilities on their financial statements.

By far, the largest portion of the City's net position, \$371.8 million reflects its investment in capital assets. Net investment in capital assets is that portion of net position that relates to the City's capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets, excluding unexpended debt proceeds. Although the capital assets are shown net of debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate and pay for these liabilities.

An additional portion of the City's net position, 5.1% represents resources that are subject to external restrictions on how they may be used. The balance in restricted net position had a net decrease of \$2.75 million from approximately \$18.35 million in 2018 to \$15.6 million in 2019. This is due to increased spending on capital projects throughout the year.

Unrestricted net position of (\$81.16) million, decreased by \$16.8 million or 17.15% from the prior year unrestricted amount. This is due to the results of current year operations.

The following schedule is a summary of the fiscal year 2019 Statement of Activities with comparative information to fiscal year 2018:

Changes in Net Position (in thousands)						
	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues						
Charges for Services	\$ 52,488	\$ 51,152	\$ 51,669	\$ 46,673	\$ 104,157	\$ 97,825
Operating Grants & Contributions	12,673	9,886	-	-	12,673	9,886
Capital Grants & Contributions	-	982	1,498	666	1,498	1,648
General Revenues						
Property Taxes	67,062	59,978		-	67,062	59,978
Other Taxes	26,451	26,245		-	26,451	26,245
Other	19,087	17,474	1,498	1,008	20,585	18,482
Total Revenues	177,761	165,717	54,665	48,347	232,426	214,064
Expenses:						
General Government	24,546	23,326	-	-	24,546	23,326
Public Safety	92,686	87,302	-	-	92,686	87,302
Physical Environment	6,952	8,240	-	-	6,952	8,240
Transportation	6,540	4,168	-	-	6,540	4,168
Social Services	6,990	6,807	-	-	6,990	6,807
Economic Development	3,446	2,867	-	-	3,446	2,867
Parks & Recreation	16,923	16,477	-	-	16,923	16,477
Cultural Arts	4,213	3,933	-	-	4,213	3,933
Interest	5,502	5,759	-	-	5,502	5,759
Utility	-	-	43,442	41,131	43,442	41,131
Stormwater	-	-	3,029	2,732	3,029	2,732
Total Expenses	167,798	158,879	46,471	43,863	214,269	202,742
Change in net position	9,963	6,838	8,194	4,484	18,157	11,322
Net position, beginning of year	4,604	(2,234)	283,477	278,993	288,081	276,759
Net position, ending of year	\$ 14,567	\$ 4,604	\$ 291,671	\$ 283,477	\$ 306,238	\$ 288,081

City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

Government-Wide Financial Analysis (Continued)

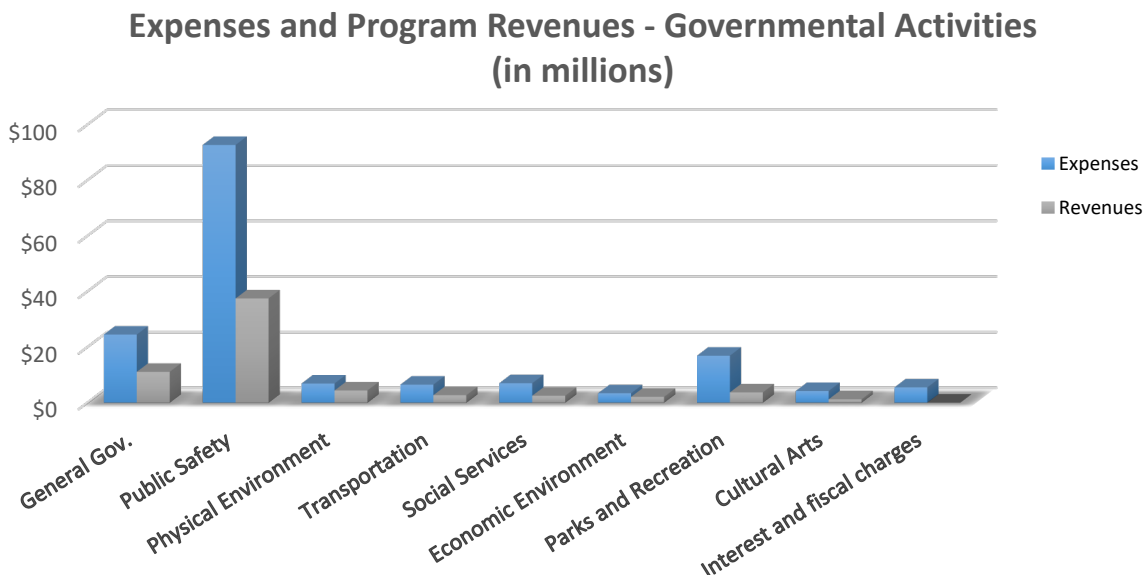
Governmental Activities

Governmental activities' net position increased \$9.96 million. This is a \$3.12 million increase over the \$6.84 million increase in net position in 2018.

The \$9.96 million increase in net position from the prior year is due to the following:

- Revenues increased \$12.04 million primarily as a result of increased property tax revenues of \$7.08 million, charges for services of \$1.34 million, operating and capital grant revenues of \$1.81 million and other revenue of \$1.61 million. Charges for services increased as a result of increased revenues for building permit fees of \$.392 million, fire protection assessments of \$.405 million, lien research of \$.421 million and payment in lieu of taxes of \$.128 million. The increase in building permit fee revenue was due to increased construction activity during the year. Operating and capital grant revenues increased \$1.81 million due to grant funding for the Broward Waterlines project, and the Pembroke Road Widening project. Other revenues increased \$1.61 million as a result of increased investment income of \$.881 million, billboard revenue \$.374 million, rental revenue \$.228 million and revenues of \$.230 million from the disposal of capital assets.
- Total expenses increased \$8.92 million principally due to higher expenses in the general government, public safety and transportation functions. The increased expenses in these functions were salaries, benefits, and operating costs. The increase in transportation expenses of \$2.37 million is due to increased spending on construction projects throughout the City.

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



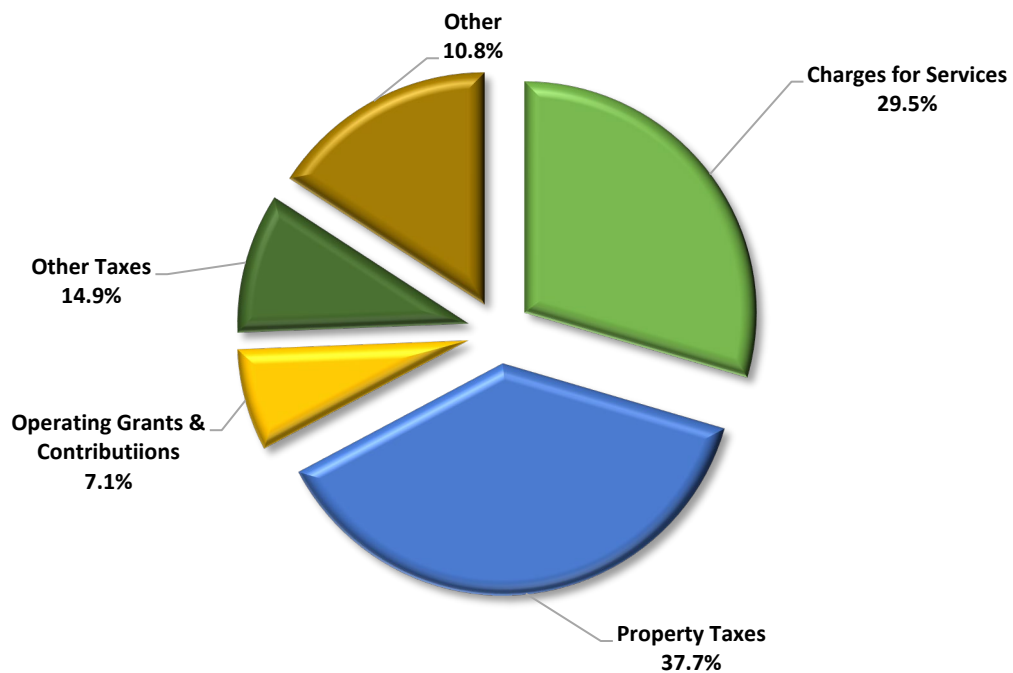
**City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019**

Government-Wide Financial Analysis (Continued)

Governmental Activities (Continued)

The following is a chart of revenues by source of governmental activities by percent of total revenues for fiscal year 2019:

Revenues by Source - Governmental Activities

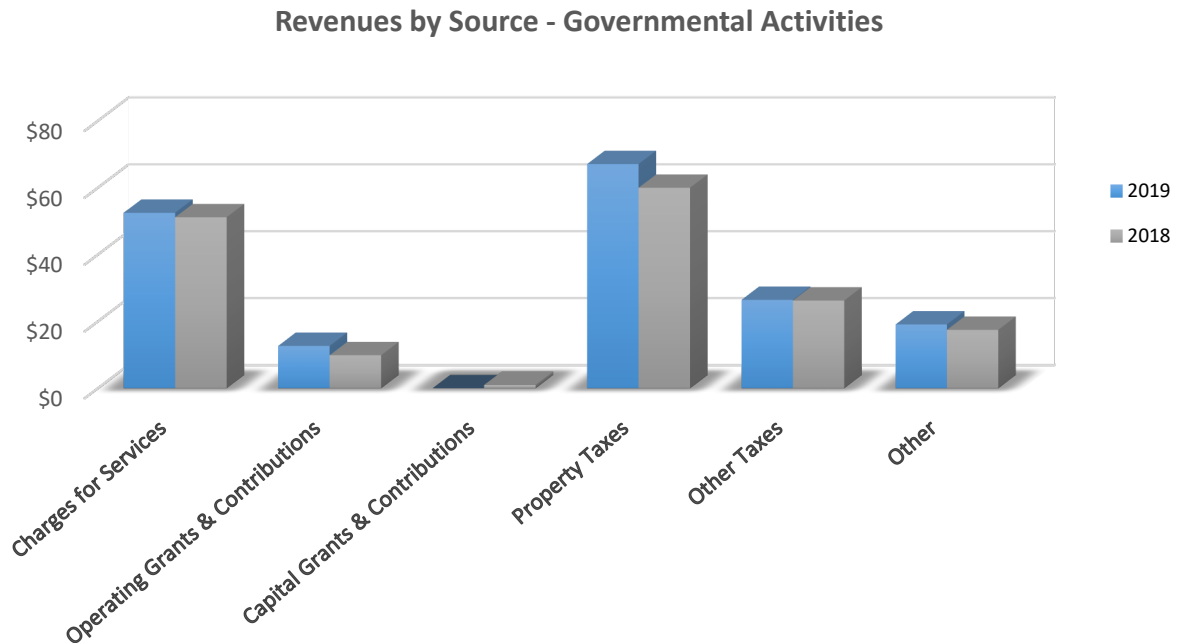


City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

Government-Wide Financial Analysis (Continued)

Governmental activities (Continued)

The following is a comparative chart of revenues by source for governmental activities for fiscal year 2019 and 2018:



Business-type Activities

The Business-type Activities are comprised of the Utility Fund and Stormwater Fund.

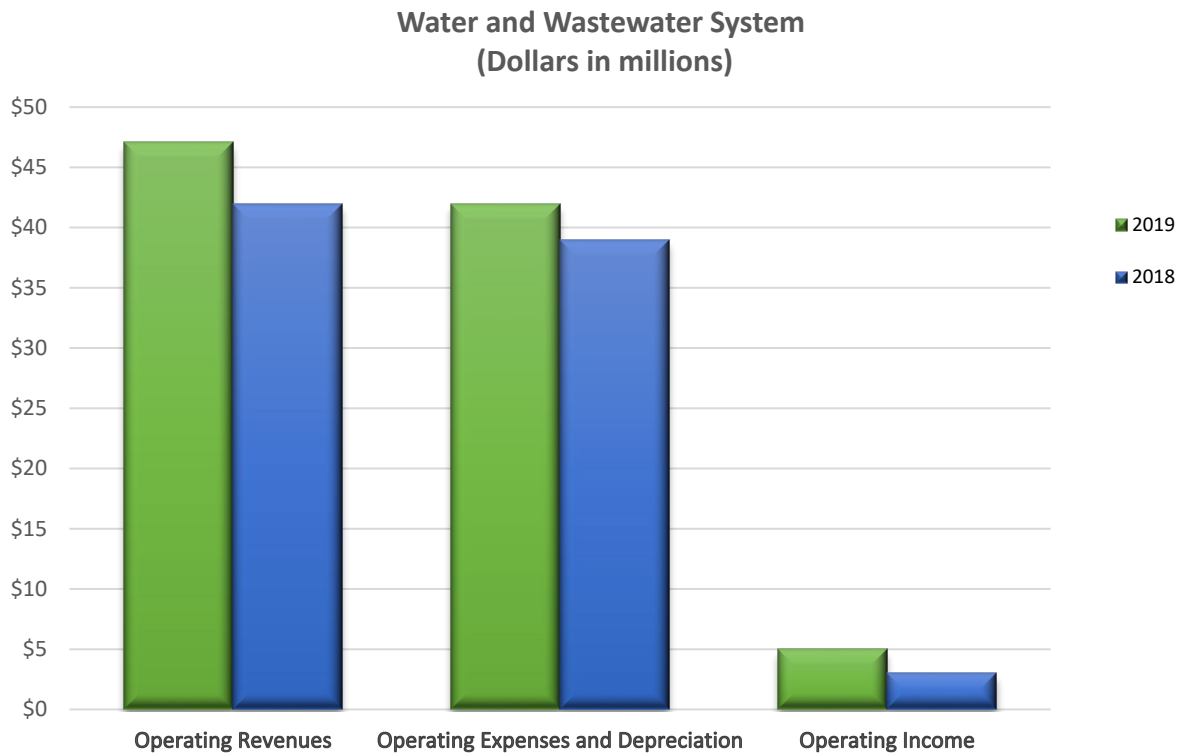
- The operating income for the Utility Fund increased \$1.58 million from the prior year. The increase was primarily the result of increased charges for water, and wastewater service in combination with an increase in revenues from new construction.
- The Stormwater Fund had operating income of \$1.68 million which is a \$.3 million decrease from the prior year. The decrease is attributable to increased costs for salaries and benefits and an increase in internal service and administrative charges to this fund.

**City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019**

Government-Wide Financial Analysis (Continued)

Business-type Activities (Continued)

The following chart compares various operating results for 2019 and 2018, for the Utility Fund.



Financial Analysis of the City of Miramar's Funds

As noted earlier, 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 net position may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The City's governmental funds reported combined net fund balance of approximately \$61.39 million at September 30, 2019, which consisted of \$1.7 million in nonspendable, \$22.1 million in restricted, \$20.38 million in committed, \$9.57 million in assigned and \$7.64 million in unassigned fund balance. The current fund balance is a net decrease of \$4.56 million from the reported fund balance of \$65.95 million in the prior year.

City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

Governmental Funds (Continued)

Major Fund Information

General Fund:

Fiscal Year 2019	
Revenues	\$ 159,694
Expenditures	(151,388)
Other financing sources	<u>(3,406)</u>
Increase (decrease) in fund balance	<u>\$ 4,900</u>

General Fund:

Fiscal Year 2018	
Revenues	\$ 151,140
Expenditures	(148,331)
Other financing sources	<u>(3,529)</u>
Increase (decrease) in fund balance	<u>\$ (720)</u>

The General Fund is the chief operating fund of the City. For the fiscal year 2019, the General Fund is the only governmental fund reported as a major fund. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$8.59 million, or 21.3% of the total fund balance of \$40.25 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the total General Fund expenditures. In 2019, unassigned fund balance represents approximately 5.7% and the total fund balance represents approximately 26.6% of the total General Fund expenditures. In comparison, in 2018, the unassigned fund balance was 5.4% and the total fund balance was 23.8% of the total General Fund expenditures.

The fund balance of the General Fund increased by \$4.9 million during the current fiscal year. This represents an overall increase of \$5.62 million as compared with the prior year's decrease to fund balance. Revenues increased approximately \$8.6 million from the prior year. This increase is primarily due to an increase in tax revenues of \$7.24 million, special assessments of \$.4 million and interest of \$.78 million. Ad-valorem taxes represent \$7.08 million of the \$7.24 million increase in tax revenues. Ad-valorem tax revenues increased primarily due to the increased assessed value of real and personal property for fiscal year 2019 and an increase in the millage rate to 7.1172 mills.

General Fund expenditures increased \$3.06 million due to an overall increase in salaries and benefits primarily in the area of public safety.

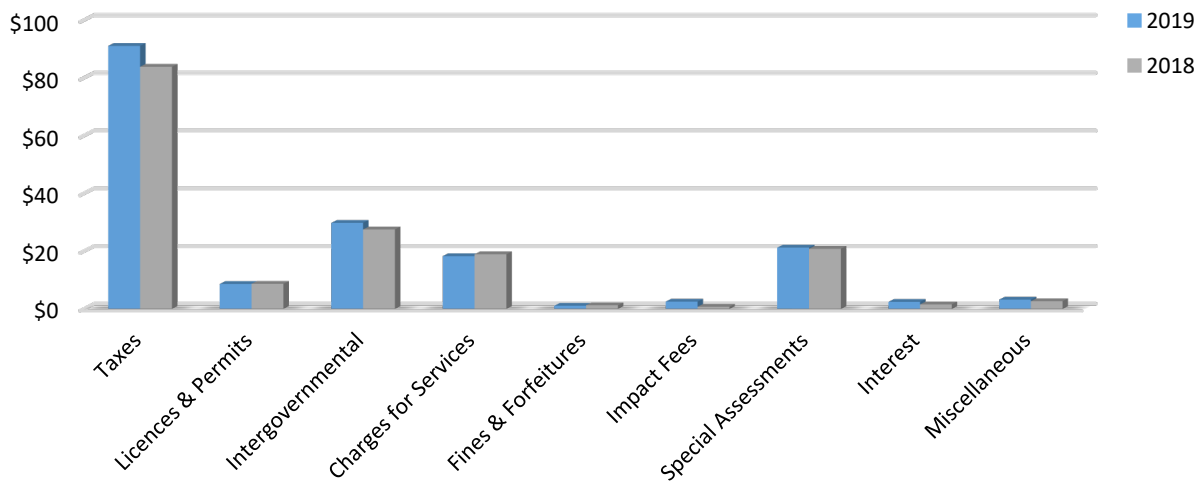
City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

Governmental Funds (Continued)

The net transfers out of the General Fund to the other various funds increased \$.65 million as compared to the prior year. This increase is the net result of increased transfers into the Capital Projects Funds to provide the financial resources needed for capital improvement projects.

The nonmajor governmental funds reported a combined fund balance of \$21.14 million at September 30, 2019. The combined fund balance of the City's nonmajor governmental funds decreased by \$9.46 million during the current fiscal year as a result of approximately \$30.49 million in revenues and other financing sources which was offset by \$39.95 million in expenditures and other financing uses. Expenditures include \$11.02 million in capital outlay and \$12.87 million in debt service costs. The net transfers in of \$4.18 million were to cover the cost of debt service and capital improvements.

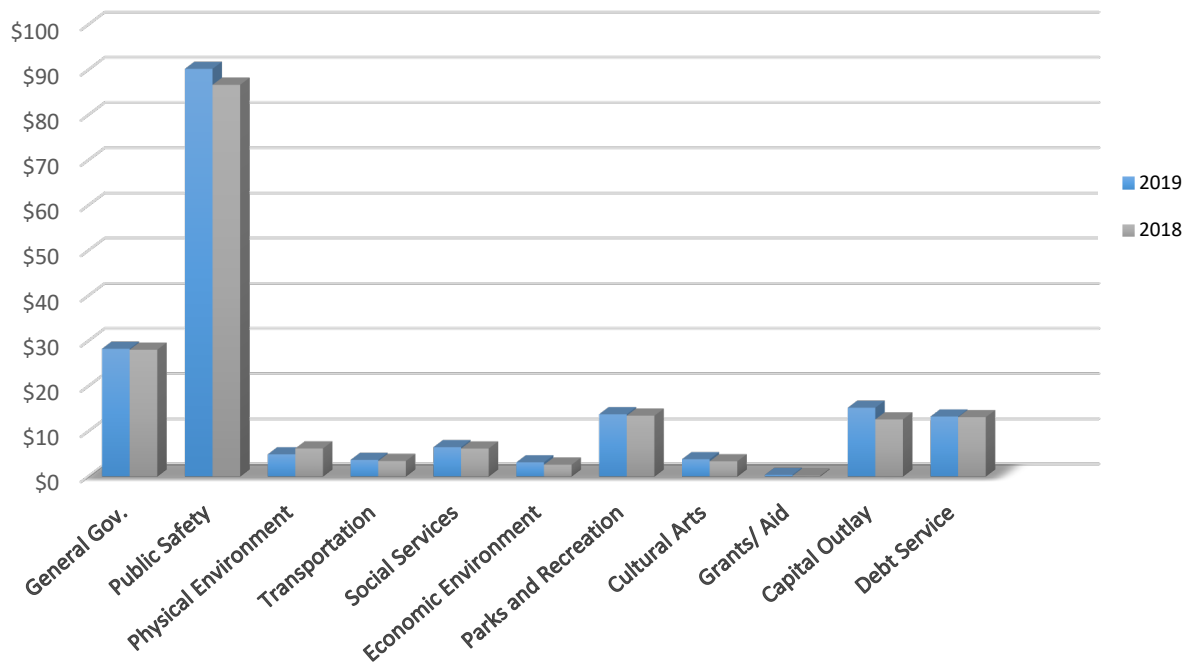
Comparison of Governmental Funds Revenues
(Dollars in Millions)



City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

Governmental Funds (Continued)

The following table compares governmental expenditures by program for fiscal years 2019 and 2018.



Proprietary Funds

Enterprise funds' net position consisted of \$236.95 million in net investment in capital assets, \$7.45 million in restricted and \$47.27 million in unrestricted net position. Internal Service funds' net position consisted of \$4.35 million in invested in capital assets, and \$15.98 million in unrestricted net position.

The Utility Fund had operating income of \$5.1 million, after depreciation, in 2019. This is an increase of \$1.58 million from the \$3.52 million operating income experienced in 2018. This increase is primarily the result of increased rates for water and wastewater service in addition to increased revenues from new construction.

The Stormwater Fund had operating income of \$1.68 million. This is a \$.3 million decrease from the prior year operating income.

The Internal Service Funds had operating income of \$3.63 million, after depreciation, in 2019. This is a decrease of \$1.87 million from the \$5.5 million operating income experienced in 2018. The decrease is primarily the result of increased costs for salaries and benefits.

City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

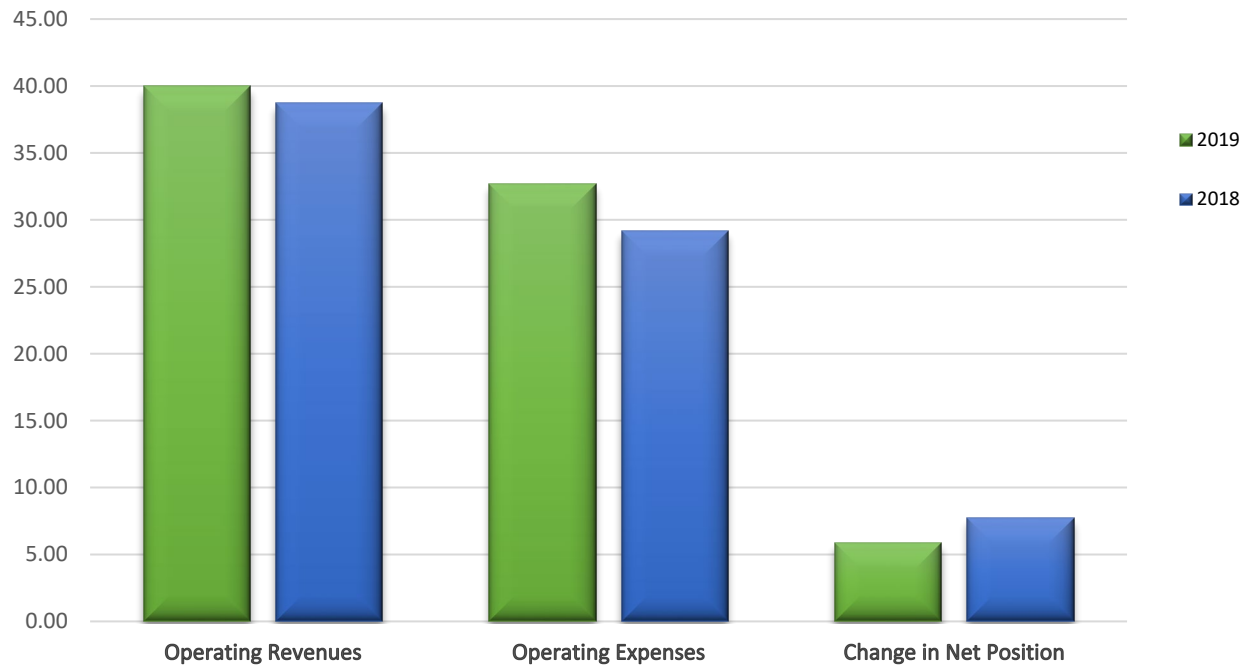
Proprietary Funds (Continued)

PROPRIETARY FUNDS
(in thousands)

	Operating Income (Loss)		Change in Net Position	
	2019	2018	2019	2018
Utility	\$ 5,097	\$ 3,516	\$ 6,472	\$ 2,529
Stormwater	1,680	1,983	1,722	1,954
Insurance Fund	1,974	3,271	2,418	3,520
Fleet Maintenance	1,239	2,024	1,333	2,085
Management Information Systems	412	201	415	195
Total	\$ 10,402	\$ 10,995	\$ 12,360	\$ 10,283

The following is a chart of the Proprietary Funds, excluding the Utility Fund operations, for fiscal years 2019 and 2018.

Proprietary Funds Excluding Utility Fund Operations
(Dollars in millions)



City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

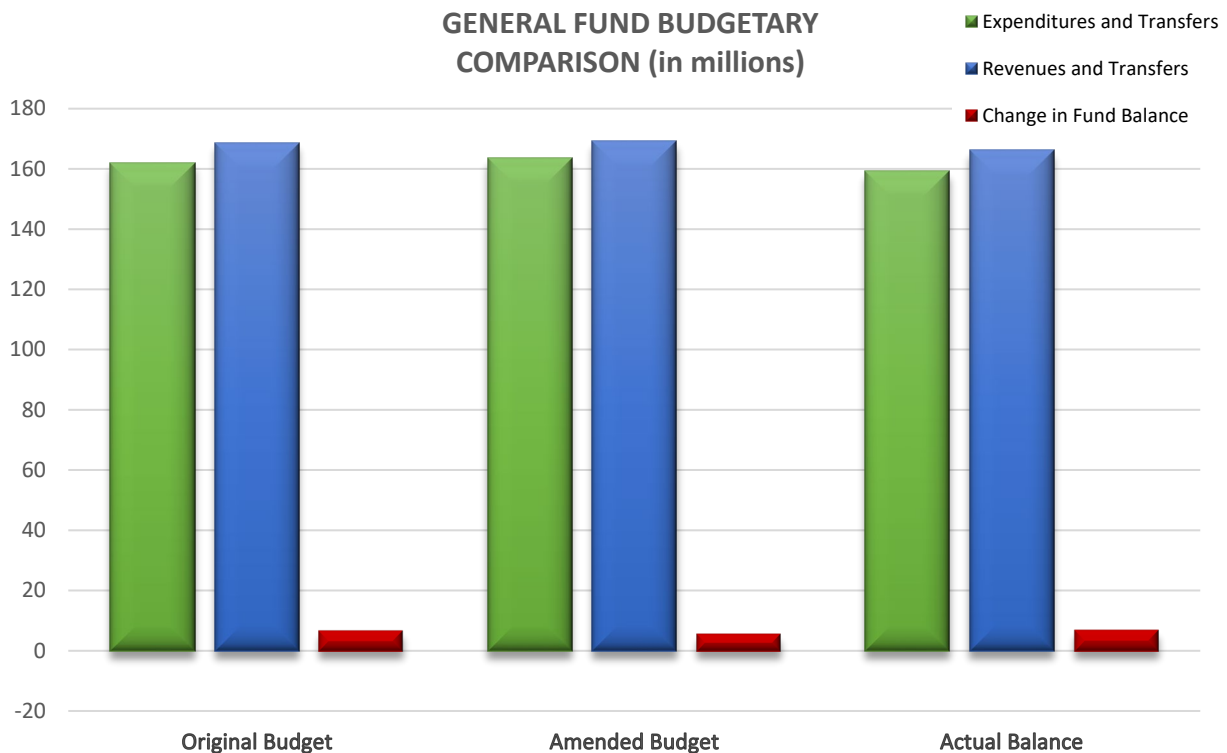
General Fund Budgetary Highlights

The difference between the original and final amended budget for 2019 was approximately \$.997 million which represents an increase in appropriations in excess of additional revenues. Both the original and the final budget anticipated reserving \$6.65 million and \$5.65 million, respectfully, to available unassigned fund balance. During the year, however, actual revenues were less than final budgeted revenues by approximately \$3.15 million and expenditures were less than final budgeted expenditures by approximately \$4.16 million resulting in a positive budget variance of approximately \$1.2 million.

Revenues for taxes fell short of budgeted projections by \$2.6 million. Additionally, decreased intergovernmental revenues, special assessments, charges for services and other miscellaneous revenues contributed to the negative variance.

Actual expenditures during the year were less than final budgeted expenditures by approximately \$4.16 million. Approximately \$3.3 million of this positive variance is attributable to non-departmental expenditures for land acquisition and economic incentives. The City did not incur all anticipated costs related to the increase in appropriations before the end of the fiscal year which resulted in the positive variance. Additionally, cost savings were achieved primarily in the areas of general government, parks and recreation, and social services.

The following chart depicts the 2019 original and amended budgets, as well as actual results for the fiscal year.



City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

Capital Assets

As of the 2019 fiscal year-end, the City had \$595.34 million invested in capital assets as reflected in the following schedule. In 2019 there was a net increase (additions less retirements and depreciation) of \$12.17 million.

Capital Assets (in thousands, net of depreciation)						
	Governmental		Business-Type		Total	
	Activities		Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 45,506	\$ 45,529	\$ 5,754	\$ 5,754	\$ 51,260	\$ 51,283
Buildings	153,578	157,523	69,823	71,784	223,401	229,307
Improvements other than Buildings	17,800	16,249	1,042	1,123	18,842	17,372
Equipment	10,696	11,641	874	851	11,570	12,492
Fleet	6,741	7,442	1,678	1,077	8,419	8,519
Intangibles	1,829	1,882	462	524	2,291	2,406
Infrastructure	26,639	24,752	189,980	187,870	216,619	212,622
Construction in Progress	8,558	7,451	54,384	41,727	62,942	49,178
Total	\$ 271,347	\$ 272,469	\$ 323,997	\$ 310,710	\$ 595,344	\$ 583,179

Total capital assets in the governmental activities had a net decrease of approximately \$1.12 million. Total capital assets in the business-type activities had a net increase of approximately \$13.29 million.

This overall net increase of \$12.17 million is the result of \$32.94 million in capital improvement projects and outlays for vehicles and equipment less depreciation expense of \$20.77 million.

Additional information can be found in Note 7 Capital Assets.

Debt Administration

As of year-end, the City had \$228.04 million in debt (bonds, notes, etc.) outstanding compared to \$224.29 million in the prior year, a 1.67% increase. The increase in debt was the net result of State Revolving Loan proceeds of \$13.64 million, a capital lease of \$.774 million and approximately \$10.66 million in debt service payments on the outstanding issues.

The debt outstanding as of the end of fiscal year 2019 was secured by various revenue sources as disclosed in Note 9.

The debt position of the City is summarized below and is more fully explained in Note 9 Long-Term Obligations.

City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

Debt Administration (Continued)

Bonded Debt, Notes, Loans and Lease Payable (in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenue Bonds	\$126,060	\$130,950	\$40,795	\$42,225	\$166,855	\$173,175
Notes Payable	9,566	11,235	-	-	9,566	11,235
State Revolving Loans	-	-	35,387	22,693	35,387	22,693
Capital Lease Payable	4,367	4,665	-	-	4,367	4,665
Deferred Amounts - Premium (discounts)	5,780	6,131	6,080	6,393	11,860	12,524
Total	\$145,773	\$152,981	\$82,262	\$71,311	\$228,035	\$224,292

During fiscal year 2019, the City had the following debt activity:

- \$0.774 million in capital lease obligations were incurred for the acquisition of new Firefighter Self Contained Breathing Apparatus (SCBA) Equipment.
- \$13.64 million in additional state revolving loan proceeds were received to finance the cost of wastewater facility, drinking water, and storm water drainage improvements in the City.
- Total principal payments were approximately \$7.63 million for governmental activities.
- Total principal payments were approximately \$2.38 million for the debt of the business-type activities.

Economic Factors and Next Year's Budgets and Rates

The City Commission and City staff are dedicated to providing safety and security for Miramar's citizens and businesses. The City's mission has been to continuously improve the quality of life and economic prosperity of the residents and businesses by assuring all of our citizens a clean, safe, economically viable and progressive city that is responsive to changing needs. Each year the City's business plan is updated to ensure that the budget strategically links the goals, objectives, core businesses, and existing obligations of the City.

- Property values in the City increased this year again. The tax base for fiscal 2020 of approximately \$10.25 billion increased by \$415.69 million, or 4.2%, from the fiscal year 2019 tax base of \$9.83 billion. This increase was the result of a strengthening economy and new construction activity in the City during fiscal year 2019. In December 2019, the emergence of the COVID-19 pandemic caused business and social disruption to the global economy. The financial impact of this pandemic on the global economy is not readily determinable as of the date of issuance of this CAFR. The extent to which the COVID-19 may financially impact the City will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the COVID-19 and the actions required to contain it or treat its impact.

City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

- In fiscal year 2020, the millage rate remained consistent at 7.1172 which is 4.91% greater than the rolled-back rate. The amount of Ad Valorem taxes proposed to be collected in 2020 is approximately \$3.55 million more than in fiscal year 2019.
- As of 2019, the unemployment rate was 2.8% and continues to be better than the national average.

Economic Factors and Next Year's Budgets and Rates (Continued)

- The City was incorporated on May 26, 1955, with a population of less than 200. The latest population estimates from the University of Florida, Bureau of Economic and Business Research, indicates that the number of residents in Miramar has increased to approximately 139,000. Residents over the years have enjoyed a high level of service and expect this to continue. The City has increased the number of facilities and programs offered to its residents and increased services to accommodate the growth in population, all of which have resulted in increased operating costs. As the population continues to grow and new businesses invest in the local economy, the City of Miramar continues to explore new strategies to meet the City's needs.

New Initiatives

- The City's goal is to develop initiatives that will assist in achieving strategic objectives and Key Intended Outcomes. Included in the 2020 budget initiatives are:
 - The Economic and Business Development Department is a new department for FY 2020 that will be responsible for the economic development and redevelopment activities in Historic Miramar. The new department will be responsible for the recruitment, retention and expansion of target industry jobs and for increasing foreign direct investment in the City.
 - A new program will be implemented for the training and development pillar in the Human Resource (HR) Department that will allow the City to identify and enable efficient tracking of costs directly associated with training and development. Additionally, the HR department will receive a new Compensation & Classification Facilitator/ Special Projects position that will work to conduct a comprehensive review of all job classifications, descriptions and compensations. Lastly, a new benefits administration system that seamlessly integrates with the City's Enterprise Resource Planning (ERP) System will be implemented.
 - In order to decrease healthcare costs, the City is working towards transitioning the City's Group Medical Plan into a self-funded model from a fully insured model. This will provide immediate savings by removing administrative fees and risk load passed from the carrier.
 - Funding is included to purchase a software to produce the Comprehensive Annual Financial Report (CAFR). This application allows for enhanced reporting and helps staff to perform more detailed analysis and reports. Additionally, a new Accounting System Analyst position is included to assist with payroll operations.
 - Funding is included in this year's budget to submit bids to host major national track and field events. This will allow the City to leverage its considerable assets to host events that leave a positive economic impact on the local economy and give Miramar national exposure.
 - Additional funding and 4.5 FTEs are included in the budget to fund Utility operations in FY 2020: one Electrician II to support repair and maintenance of plants and lift stations; one Quality Control Officer to comply with National Environmental Lab Commission guidelines; one Administrative Secretary I to provide administrative support to the department, one part-time apprentice position

City of Miramar, Florida
Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended September 30, 2019

New Initiatives (Continued)

to expose youth to various facets of careers in the engineering/data development professions, and one Utility Billing Specialist II to assist customers with utility billing and processing. Funds are also included for routine repair and maintenance of equipment and facilities, new equipment, contractual services, overtime, and a rate study/forecast.

The City continues to provide additional facilities and programs for its residents as well as address infrastructure needs related to the unparalleled growth and development currently taking place within the City. The following CIP initiatives are underway:

- The Historic Miramar Innovation & Technology Village Project is comprised of workforce housing, transit hub, educational facilities, enhanced public recreational amenities, mixed use development and a technology village for new business start ups and smart city innovation.
- The Historic Miramar Drainage Improvements, Phase IV Project will provide for drainage related system improvements in part of the Historic Miramar area bounded by Miramar Parkway to the north, Florida Turnpike to the west, SW 64 Avenue to the east, and County Line Road to the south.
- The Pembroke Road-SW 184 Avenue to US 27/Miramar Parkway Extension Project includes right-of-way acquisition and offsetting the impact on approximately 8 acres of wetland area by purchasing mitigation credits in a designated professionally managed mitigation bank. It consists of widening Pembroke Road from two lanes to four lanes from SW 184 Avenue to SW 196 Avenue.
- The Landscaping & Beautification of Miramar Parkway, Miramar Boulevard, Red Road Gateway & University Drive Project is to improve the landscaping and irrigation within the right-of-way of Miramar Parkway from SW 69 Way to Palm Avenue and beautification along Red Road, Miramar Boulevard and University Drive.
- The Ansin Sports Complex - Phase IV Project will consist of various improvements, including the construction of a new roadway connection with drainage and lighting along the north side of the park; and a new 400-meter practice track with lighting and other associated improvements. New bleachers with shade will also be installed.
- The Sustainable Renewable Energy & Conservation Initiatives Project aims to investigate the economics of a range of proposed solar photovoltaic scenarios in order to reduce the City's carbon footprint, lower energy costs, and potentially enhance energy security. In addition, perform energy audits and master planning of the City's three treatment plants, etc.
- The Cultural Arts Facility Expansion Project includes a 4,500 sq. ft. 2-story addition of classroom, multi-purpose room, restrooms, miscellaneous storage room, and elevator at the Cultural Arts Facility.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about this report or need additional information, contact the Office of the Finance Director at the address listed below. A copy of this report will also be available on the City's website, www.miramarfl.gov.

City of Miramar Finance Department
2300 Civic Center Place
City Hall, 2nd Floor
Miramar, Florida 33025

BASIC FINANCIAL STATEMENTS

CITY OF MIRAMAR, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 5,991,362	\$ 924,892	\$ 6,916,254
Investments	89,324,684	58,208,678	147,533,362
Receivables, net	4,959,925	6,793,170	11,753,095
Due from other governments	8,202,400	-	8,202,400
Inventories	338,387	-	338,387
Prepaid items	2,757,401	14,963	2,772,364
Assets held for resale	1,968,937	-	1,968,937
Advance to other funds	-	2,000,000	2,000,000
Restricted assets:			
Cash and cash equivalents	-	11,124,020	11,124,020
Investments	-	1,393,746	1,393,746
Capital assets, not being depreciated	54,064,292	60,138,150	114,202,442
Capital assets, being depreciated, net	217,282,818	263,859,189	481,142,007
TOTAL ASSETS	384,890,206	404,456,808	789,347,014
DEFERRED OUTFLOW OF RESOURCES			
Deferred loss on debt refunding	56,566	108,713	165,279
Pensions (Note 10)	44,275,860	3,530,366	47,806,226
OPEB (Note 11)	1,208,635	214,594	1,423,229
TOTAL DEFERRED OUTFLOW OF RESOURCES	45,541,061	3,853,673	49,394,734
LIABILITIES			
Accounts and retainage payable	8,396,729	5,945,519	14,342,248
Accrued liabilities	8,237,199	441,656	8,678,855
Due to other governments	74,269	3,894	78,163
Unearned revenue	1,651,805	-	1,651,805
Other liabilities	2,747,037	-	2,747,037
Noncurrent liabilities:			
Amounts due or payable within one year:			
Bonds, notes, and leases	7,995,647	2,511,499	10,507,146
Self-insurance claims	1,562,740	-	1,562,740
Compensated absences	2,855,265	406,818	3,262,083
Other liabilities	-	1,353,400	1,353,400
Amount due or payable in more than one year			
Bonds, notes, and leases	137,777,016	79,750,386	217,527,402
Self-insurance claims	6,943,000	-	6,943,000
Compensated absences	11,425,031	1,230,362	12,655,393
Other post-employment benefits	34,273,820	6,018,855	40,292,675
Total pension liability-excess benefit	1,050,544	-	1,050,544
Net pension liability	157,534,808	7,870,847	165,405,655
Advance from other funds	2,000,000	-	2,000,000
Unearned revenue	-	3,500,000	3,500,000
Other liabilities	-	3,796,685	3,796,685
TOTAL LIABILITIES	384,524,910	112,829,921	497,354,831
DEFERRED INFLOW OF RESOURCES			
Deferred gain on debt refunding	508,599	-	508,599
Revenues received in advance	2,799,543	-	2,799,543
Pensions (Note 10)	22,066,336	2,592,153	24,658,489
OPEB (Note 11)	5,965,360	1,217,567	7,182,927
TOTAL DEFERRED INFLOWS OF RESOURCES	31,339,838	3,809,720	35,149,558
NET POSITION			
Net investment in capital assets	134,848,208	236,949,335	371,797,543
Restricted for:			
Public safety	1,832,819	-	1,832,819
Debt service	-	4,467,417	4,467,417
Capital projects	6,302,079	-	6,302,079
Renewal and replacement	-	2,980,000	2,980,000
Other purposes	19,947	-	19,947
Unrestricted	(128,436,534)	47,274,088	(81,162,446)
TOTAL NET POSITION	\$ 14,566,519	\$ 291,670,840	\$ 306,237,359

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
General government	\$ 24,545,945	\$ 10,968,713	\$ 144,374	\$ -	\$ (13,432,858)	\$ -	\$ (13,432,858)
Public safety	92,685,930	34,900,339	2,573,391	-	(55,212,200)	-	(55,212,200)
Physical environment	6,952,151	216,277	4,140,255	-	(2,595,619)	-	(2,595,619)
Transportation	6,540,621	-	2,736,225	-	(3,804,396)	-	(3,804,396)
Social services	6,989,819	1,542,708	979,074	-	(4,468,037)	-	(4,468,037)
Economic environment	3,445,943	-	2,058,855	-	(1,387,088)	-	(1,387,088)
Parks and recreation	16,922,803	3,720,625	19,004	-	(13,183,174)	-	(13,183,174)
Cultural arts	4,213,382	1,139,347	21,887	-	(3,052,148)	-	(3,052,148)
Interest on long-term debt	5,502,258	-	-	-	(5,502,258)	-	(5,502,258)
Total governmental activities	167,798,852	52,488,009	12,673,065	-	(102,637,778)	-	(102,637,778)
Business-Type Activities:							
Utility	43,441,618	47,077,842	-	1,497,695	-	5,133,919	5,133,919
Stormwater	3,028,883	4,591,642	-	-	-	1,562,759	1,562,759
Total Business-Type Activities	46,470,501	51,669,484	-	1,497,695	-	6,696,678	6,696,678
Total Primary Government	\$ 214,269,353	\$ 104,157,493	\$ 12,673,065	\$ 1,497,695	\$ (102,637,778)	\$ 6,696,678	\$ (95,941,100)
General revenues:							
Property taxes					67,062,005	-	67,062,005
Utility taxes					10,979,733	-	10,979,733
Local option gas tax					2,492,182	-	2,492,182
Communication service tax					3,872,190	-	3,872,190
Franchise fees based on gross receipts					9,107,279	-	9,107,279
Unrestricted intergovernmental revenues					14,295,612	-	14,295,612
Unrestricted investment earnings					2,380,078	1,497,353	3,877,431
Miscellaneous					2,410,760	-	2,410,760
Total general revenues					112,599,839	1,497,353	114,097,192
Change in net position					9,962,061	8,194,031	18,156,092
Net position – beginning of year					4,604,458	283,476,809	288,081,267
Net position – end of year					\$ 14,566,519	\$ 291,670,840	\$ 306,237,359

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	Major Fund	Nonmajor	Total
	General Fund	Governmental Funds	Governmental Funds
ASSETS			
Pooled cash and cash equivalents	\$ 3,290,805	\$ 1,979,050	\$ 5,269,855
Pooled investments	40,093,537	21,634,424	61,727,961
Receivables, net	4,589,840	317,428	4,907,268
Due from other funds	2,823,682	-	2,823,682
Due from other governments	4,393,778	3,808,622	8,202,400
Inventory	10,734	-	10,734
Asset held for resale	1,517,834	451,103	1,968,937
Prepays	184,453	999,492	1,183,945
TOTAL ASSETS	56,904,663	29,190,119	86,094,782
LIABILITIES			
Accounts payable	2,448,224	2,924,095	5,372,319
Retainage payable	23,401	741,945	765,346
Accrued liabilities	6,422,769	46,608	6,469,377
Advance from other funds	2,000,000	-	2,000,000
Due to other funds	-	2,823,682	2,823,682
Due to other governments	74,269	-	74,269
Unearned revenue	140,790	1,511,015	1,651,805
Other liabilities and deposits	2,747,037	-	2,747,037
TOTAL LIABILITIES	13,856,490	8,047,345	21,903,835
DEFERRED INFLOWS OF RESOURCES			
Revenue received in advance	2,799,543	-	2,799,543
TOTAL DEFERRED INFLOWS OF RESOURCES	2,799,543	-	2,799,543
FUND BALANCES			
Non-spendable:			
Inventory	10,734	-	10,734
Asset held for resale	1,517,834	-	1,517,834
Prepays	184,453	-	184,453
Restricted for:			
Housing	-	471,150	471,150
Law enforcement	-	1,832,819	1,832,819
Pembroke road improvements	-	999,392	999,392
Street construction and maintenance	-	454,686	454,686
Park development	-	2,247,659	2,247,659
Capital improvement	-	13,816,743	13,816,743
Debt service	-	2,268,043	2,268,043
Committed to:			
Stabilization fund	20,383,343	-	20,383,343
Assigned to:			
Emergency preparedness	6,533,123	-	6,533,123
Pension Trust Fund	1,589,151	-	1,589,151
OPEB Trust Fund	500,000	-	500,000
Subsequent Years Budget	405,400	-	405,400
Construction commitments	309,369	-	309,369
Donations and scholarships	229,968	-	229,968
Unassigned:			
General fund	8,585,255	-	8,585,255
Special revenue fund	-	(947,718)	(947,718)
TOTAL FUND BALANCES	40,248,630	21,142,774	61,391,404
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
	\$ 56,904,663	\$ 29,190,119	\$ 86,094,782

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

Fund balances – total governmental funds (page 24) \$ 61,391,404

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	393,117,101	
Less accumulated depreciation	<u>(127,182,613)</u>	265,934,488

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

Revenue bonds payable	(126,060,000)	
Notes payable	(9,566,300)	
Capital leases	(3,305,914)	
Accrued interest on long-term debt	(2,849,077)	
Compensated absences	(12,629,763)	
Other post-employment benefit (OPEB)	(32,850,630)	
Net pension liability	(155,908,021)	
Total pension liability-excess benefit plan	<u>(1,050,544)</u>	(344,220,249)

Certain items are recognized when debt is issued in the governmental funds.
These items, however, must be capitalized and amortized in the government-wide
statements.

Premium on debt		(5,780,025)
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Deferred inflows/outflows of resources reported in the statement of net position:

Net deferred gain (loss) on refundings	(452,033)	
Net deferred outflows (inflows) on pensions	21,878,156	
Net deferred outflows (inflows) on OPEB	<u>(4,519,288)</u>	16,906,835

Internal service funds are used by management to charge the costs of certain
activities to individual funds.

20,334,066

Net position of governmental activities (page 22)

\$ 14,566,519

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Major Fund	Nonmajor	Total
	General Fund	Governmental Funds	Governmental Funds
REVENUES			
Taxes	\$ 91,021,207	\$ -	\$ 91,021,207
Special assessments	21,168,750	-	21,168,750
Licenses and permits	8,589,493	-	8,589,493
Intergovernmental	16,782,277	12,956,766	29,739,043
Charges for services	16,517,438	1,685,676	18,203,114
Fines and forfeitures	659,216	373,373	1,032,589
Impact fees	-	2,462,187	2,462,187
Investment income	1,791,547	588,530	2,380,077
Miscellaneous	3,164,453	-	3,164,453
TOTAL REVENUES	159,694,381	18,066,532	177,760,913
EXPENDITURES			
Current:			
General government	28,259,600	9,004	28,268,604
Public safety	87,995,615	2,217,591	90,213,206
Physical environment	1,273,153	3,626,248	4,899,401
Transportation	3,670,609	-	3,670,609
Social Services	6,390,350	99,364	6,489,714
Economic environment	1,320,343	1,805,605	3,125,948
Parks and recreation	13,775,050	-	13,775,050
Cultural arts	3,820,607	-	3,820,607
Grants/aid	297,532	58,420	355,952
Capital outlay	4,193,841	11,017,727	15,211,568
Debt service:			
Principal	346,234	6,875,557	7,221,791
Interest	45,536	5,997,339	6,042,875
Fiscal charges	-	2,973	2,973
TOTAL EXPENDITURES	151,388,470	31,709,828	183,098,298
Excess (deficiency) of revenues over (under) expenditures	8,305,911	(13,643,296)	(5,337,385)
OTHER FINANCING SOURCES (USES)			
Transfers in	3,901,033	12,424,569	16,325,602
Transfers out	(8,080,469)	(8,245,133)	(16,325,602)
Issuance of debt	773,653	-	773,653
TOTAL OTHER FINANCING SOURCES (USES)	(3,405,783)	4,179,436	773,653
Net changes in fund balances	4,900,128	(9,463,860)	(4,563,732)
Fund balances, beginning	35,348,502	30,606,634	65,955,136
Fund balances, ending	\$ 40,248,630	\$ 21,142,774	\$ 61,391,404

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Change in fund balance – total governmental funds (page 26)	\$	(4,563,732)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital outlay	9,012,291	
Less current year depreciation	<u>(9,577,330)</u>	(565,039)

The net effect of various miscellaneous transactions involving capital assets decreased net position:

Loss on disposal of capital assets		(23,000)
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Issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal is an expenditure in the governmental funds. The issuance increases long-term liabilities in the Statement of Net Position, while the repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums and discounts and similar items when debt is first issued whereas those amounts are deferred and amortized in the Statement of Activities.

Issuance of debt	(773,653)	
Bonds and notes principal payments	6,559,400	
Capital lease principal payments	662,391	
Deferred amount on refunding	73,437	
Amortization of debt premium	<u>350,885</u>	6,872,460

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.

Accrued interest payable	119,268	
Compensated absences	(525,718)	
Other post-employment benefit (OPEB)	(1,397,216)	
Pension expense	<u>5,878,819</u>	4,075,153

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities.

		<u>4,166,219</u>
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Change in net position of governmental activities (page 23)	\$	<u><u>9,962,061</u></u>
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See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2019

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Funds			
	Utility Fund	Stormwater Fund	Total	Internal Service Funds
ASSETS				
Current assets:				
Pooled cash and cash equivalents	\$ 845,182	\$ 79,710	\$ 924,892	\$ 721,507
Pooled investments	51,964,006	6,244,672	58,208,678	27,596,723
Receivables, net	6,735,107	58,063	6,793,170	52,657
Inventories	-	-	-	327,653
Prepaid items	14,963	-	14,963	1,573,456
Restricted assets:				
Pooled cash and cash equivalents	7,065,646	261,689	7,327,335	-
Pooled investments	1,393,746	-	1,393,746	-
Total current assets	68,018,650	6,644,134	74,662,784	30,271,996
Non-current assets:				
Restricted pooled cash and cash equivalents	3,796,685	-	3,796,685	-
Advances to other funds	2,000,000	-	2,000,000	-
Capital assets, not being depreciated	51,847,006	8,291,144	60,138,150	-
Capital assets, being depreciated, net	256,104,646	7,754,543	263,859,189	5,412,622
Total non-current assets	313,748,337	16,045,687	329,794,024	5,412,622
TOTAL ASSETS	381,766,987	22,689,821	404,456,808	35,684,618
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on debt refunding	108,713	-	108,713	-
Pensions (Note 10)	3,272,967	257,399	3,530,366	813,405
OPEB (Note 11)	194,214	20,380	214,594	50,745
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,575,894	277,779	3,853,673	864,150
LIABILITIES				
Current liabilities:				
Accounts payable	3,215,950	792,927	4,008,877	2,259,064
Retainage payable	1,604,571	332,071	1,936,642	-
Accrued liabilities	382,183	59,473	441,656	118,745
Due to other governments	3,894	-	3,894	-
Current portion of long-term obligations	2,359,727	558,590	2,918,317	2,102,555
Liabilities payable from restricted assets	1,353,400	-	1,353,400	-
Total current liabilities	8,919,725	1,743,061	10,662,786	4,480,364
Non-current liabilities:				
Bonds payable, net of discount	44,874,868	455,025	45,329,893	-
State revolving loans	24,843,457	9,577,036	34,420,493	-
Capital leases	-	-	-	700,006
Compensated absences	1,180,005	50,357	1,230,362	271,136
Other post-employment benefits (OPEB)	5,444,065	574,790	6,018,855	1,423,190
Net pension liability	7,240,411	630,436	7,870,847	1,626,787
Estimate for self-insured losses	-	-	-	6,943,000
Unearned revenue	3,500,000	-	3,500,000	-
Liabilities payable from restricted assets	3,796,685	-	3,796,685	-
Total non-current liabilities	90,879,491	11,287,644	102,167,135	10,964,119
TOTAL LIABILITIES	99,799,216	13,030,705	112,829,921	15,444,483
DEFERRED INFLOWS OF RESOURCES				
Pensions (Note 10)	2,399,730	192,423	2,592,153	482,037
OPEB (Note 11)	1,109,499	108,068	1,217,567	288,182
TOTAL DEFERRED INFLOWS OF RESOURCES	3,509,229	300,491	3,809,720	770,219
NET POSITION				
Net investment in capital assets	232,310,657	4,638,678	236,949,335	4,352,198
Restricted for debt service	4,205,728	261,689	4,467,417	-
Restricted for renewal and replacement	2,980,000	-	2,980,000	-
Unrestricted	42,538,051	4,736,037	47,274,088	15,981,868
TOTAL NET POSITION	\$ 282,034,436	\$ 9,636,404	\$ 291,670,840	\$ 20,334,066

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Funds			Internal Service Funds
	Utility Fund	Stormwater Fund	Total	
OPERATING REVENUES				
Water sales	\$ 18,770,819	\$ -	\$ 18,770,819	\$ -
Wastewater service	23,215,013	-	23,215,013	-
Stormwater fees	-	4,591,642	4,591,642	-
Service charges	2,088,122	-	2,088,122	-
Impact fees	1,720,965	-	1,720,965	-
Permit fees	1,219,697	-	1,219,697	-
Charges for services	-	-	-	34,980,500
Other	63,226	-	63,226	414,737
TOTAL OPERATING REVENUES	47,077,842	4,591,642	51,669,484	35,395,237
OPERATING EXPENSES				
General and administrative	5,651,165	-	5,651,165	30,185,345
Water operations	7,927,648	-	7,927,648	-
Wastewater operations	7,215,583	-	7,215,583	-
Field operations	2,390,981	-	2,390,981	-
Flood control/stormwater management	-	2,533,742	2,533,742	-
Construction and facilities management	2,115,664	-	2,115,664	-
Non-departmental	7,450,276	-	7,450,276	-
TOTAL OPERATING EXPENSES	32,751,317	2,533,742	35,285,059	30,185,345
Operating income before depreciation	14,326,525	2,057,900	16,384,425	5,209,892
Depreciation and amortization	9,230,024	377,950	9,607,974	1,585,202
Operating income	5,096,501	1,679,950	6,776,451	3,624,690
NONOPERATING REVENUES (EXPENSES)				
Investment income	1,338,416	158,937	1,497,353	585,212
Interest expense	(1,460,277)	(117,191)	(1,577,468)	(10,539)
Loss on Disposal	-	-	-	(33,144)
TOTAL NONOPERATING REVENUES (EXPENSES)	(121,861)	41,746	(80,115)	541,529
Income before capital contributions	4,974,640	1,721,696	6,696,336	4,166,219
Capital contributions	1,497,695	-	1,497,695	-
TOTAL CAPITAL CONTRIBUTIONS	1,497,695	-	1,497,695	-
Change in net position	6,472,335	1,721,696	8,194,031	4,166,219
Net position, beginning	275,562,101	7,914,708	283,476,809	16,167,847
Net position, ending	\$ 282,034,436	\$ 9,636,404	\$ 291,670,840	\$ 20,334,066

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Funds			
	Utility Fund	Stormwater Fund	Total	Internal Service Funds
Cash flows from operating activities:				
Cash received from customers	\$ 44,773,341	\$ 4,569,119	\$ 49,342,460	\$ 35,345,539
Cash paid to suppliers	(15,705,386)	(953,220)	(16,658,606)	(25,095,955)
Cash paid to employees	(16,333,597)	(1,258,242)	(17,591,839)	(4,515,466)
Net cash provided by operating activities	12,734,358	2,357,657	15,092,015	5,734,118
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(15,802,746)	(5,594,916)	(21,397,662)	(1,084,821)
Issuance of debt	9,094,912	4,684,977	13,779,889	-
Principal paid on long-term debt	(1,868,004)	(508,548)	(2,376,552)	(409,690)
Interest paid on long-term debt	(1,904,048)	(107,670)	(2,011,718)	(10,539)
Net cash used in capital and related financing activities	(10,479,886)	(1,526,157)	(12,006,043)	(1,505,050)
Cash flows from investing activities:				
Purchases of investments	(47,051,495)	(5,924,058)	(52,975,553)	(14,657,237)
Sales of investments	41,710,741	4,082,201	45,792,942	8,108,947
Investment income	24,236	7,694	31,930	21,513
Net cash used in investing activities	(5,316,518)	(1,834,163)	(7,150,681)	(6,526,777)
Net increase (decrease) in pooled cash and cash equivalents	(3,062,046)	(1,002,663)	(4,064,709)	(2,297,709)
Pooled cash and cash equivalents, beginning	14,769,559	1,344,062	16,113,621	3,019,216
Pooled cash and cash equivalents, ending	\$ 11,707,513	\$ 341,399	\$ 12,048,912	\$ 721,507
Pooled cash and cash equivalents per statement of net position:				
Unrestricted	\$ 845,182	\$ 79,710	\$ 924,892	\$ 721,507
Restricted (current and noncurrent)	10,862,331	261,689	11,124,020	-
Net pooled cash and cash equivalents per statement of net position	\$ 11,707,513	\$ 341,399	\$ 12,048,912	\$ 721,507

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Funds			Internal Service Funds
	Utility Fund	Stormwater Fund	Total	
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 5,096,501	\$ 1,679,950	\$ 6,776,451	\$ 3,624,690
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation and amortization	9,230,024	377,950	9,607,974	1,585,202
Changes in operating assets and liabilities:				
(Increase) decrease in accounts receivable	(399,399)	(22,523)	(421,922)	(49,698)
(Increase) decrease in inventories	-	-	-	(13,124)
(Increase) decrease in prepaid items	(10,518)	-	(10,518)	(51,890)
(Increase) decrease in advance to other funds	(2,000,000)	-	(2,000,000)	-
(Increase) decrease in deferred charges	13,615	-	13,615	-
(Increase) decrease in deferred outflows of resources	923,169	73,045	996,214	264,659
Increase (decrease) in accounts payable	718,335	319,456	1,037,791	1,504,591
Increase (decrease) in accrued liabilities	123,737	2,589	126,326	48,649
Increase (decrease) in due to other governments	702	-	702	-
Increase (decrease) in liabilities payable from restricted assets	81,283	-	81,283	-
Increase (decrease) in self-insured losses	-	-	-	(1,000,000)
Increase (decrease) in compensated absences	309,358	28,481	337,839	93,723
Increase (decrease) in other post-employment benefits (OPEB)	(849,044)	(82,700)	(931,744)	(220,531)
Increase (decrease) in net pension liability	(1,910,115)	(150,037)	(2,060,152)	(411,640)
Increase (decrease) in deferred inflows of resources	1,406,710	131,446	1,538,156	359,487
Net cash provided by operating activities	<u>\$ 12,734,358</u>	<u>\$ 2,357,657</u>	<u>\$ 15,092,015</u>	<u>\$ 5,734,118</u>
Noncash investing, capital and financing activities:				
Administrative service fee SRF loan(reversal)	\$ (310,800)	\$ -	\$ -	\$ -
Contributions of capital assets from developers	1,497,990	-	1,497,990	-
Increase in fair value of investments	1,295,791	151,243	1,447,034	563,699
Amortization premium	(313,128)	-	(313,128)	-
Interest on SRF loan	162,063	9,521	171,584	-

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

	Pension Trust Funds	Sanitation Agency Fund
ASSETS		
Cash and cash equivalents	\$ 6,755,030	\$ 1,996,985
Investments:		
Certificates of deposit	2,984,914	-
Money market funds	6,639,996	-
U.S. Government securities	25,079,379	-
Corporate bonds	28,835,526	-
Bond fund	13,861,947	-
Equity securities	295,830,957	-
Collateralized mortgage obligations	11,090,589	-
International equity	23,487,782	-
Asset backed securities	2,762,323	-
Mutual funds	5,081,582	-
Real estate funds	51,203,233	-
Fixed income international funds	765,011	-
Commingled funds	5,174,217	-
Alternative investments	33,824,014	-
Receivables:		
Due from broker	313,028	-
State contributions receivable	2,280,530	-
Accounts receivable	-	1,074,421
Prepaid items	1,124,344	-
Accrued interest and dividend receivable	544,165	-
TOTAL ASSETS	517,638,567	3,071,406
LIABILITIES		
Accounts payable	435,549	3,071,406
Due to broker	757,712	-
TOTAL LIABILITIES	1,193,261	3,071,406
NET POSITION		
Net position restricted for pension benefits	\$ 516,445,306	\$ -

See notes to basic financial statements.

CITY OF MIRAMAR, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FISCAL YEAR ENDED SEPTEMBER 30, 2019

ADDITIONS

Contributions:

City	\$ 22,771,503
Employees	8,018,881
State	2,280,530
Permissive service credit	40,211
Total contributions	<u>33,111,125</u>

Interest and dividends	12,560,624
Net appreciation in fair value of investments	8,640,790
Less investment expenses	<u>(2,114,600)</u>
Net investment income	19,086,814
Other income	<u>19,848</u>
Total additions	<u>52,217,787</u>

DEDUCTIONS

Pension benefits	18,442,705
Refund of employee contributions	995,514
Administrative expenses	<u>631,951</u>
Total deductions	<u>20,070,170</u>

Change in net position	32,147,617
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Net position restricted for pension benefits:

Beginning of year	<u>484,297,689</u>
End of year	<u><u>\$ 516,445,306</u></u>

See notes to basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Miramar (the "City") was incorporated in 1955. It is located in the southwestern portion of Broward County, Florida, comprises approximately 31 square miles of land, and has a population of approximately 139,000 residents. The City operates under a Commission-Manager form of government and provides the following services as authorized by its Charter: general government, public safety, physical environment, transportation, social services, economic environment, parks and recreation, and cultural arts. The City also operates water, wastewater, and stormwater enterprise funds.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The City's significant accounting policies are described below.

A. Financial Reporting Entity

The accounting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP). The financial statements were prepared in accordance with government accounting standards, which establish standards for defining and reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the City, organizations for which the City is financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The City is financially accountable for a component unit if it appoints a voting majority of the organization's governing board and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City. Based upon the application of these criteria, there were no organizations that met the criteria described above.

The non-profit Miramar Cultural Trust does not meet the established criteria for inclusion as a component unit and, therefore, is excluded from this report.

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 City. Governmental activities, which normally are supported by charges for services, taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges 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.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

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 non-major governmental funds or enterprise funds are aggregated and reported as other governmental or other proprietary funds.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements 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 City considers all revenues except grant revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grant revenues are considered available if collected within six months 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, pension costs, other post-employment benefits, and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. 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 are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

General Fund

The City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The City reports the following major proprietary funds:

Utility Fund

This fund is used to account for operations that are financed and operated in a manner similar to a commercial enterprise, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of the revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City accounts for the operations of providing water and wastewater services in its enterprise fund.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

Stormwater Fund

This fund is used to account for the operations of providing stormwater services to City residents and businesses.

Additionally, the City reports the following fund types:

Internal Service Funds

These funds are used to account for the financing of self-insurance activities, fleet maintenance services, and management information system services provided to other funds of the City on a cost reimbursement basis.

Pension Trust Funds

These funds account for the activities of the retirement plans for General, Police Officers, Firefighters, and Management employees, which accumulate resources for pension benefits to those qualified employees.

Agency Fund

This fund is custodial in nature and does not present results of operations or have a measurement focus. This fund is used to account for assets the City holds for its sanitation service provider.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's utilities function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes, whose purpose has not been restricted to a specific program.

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 and internal service funds are charges to customers for sales and services.

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

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources include committed, assigned and unassigned amounts which are available and can be used for the intended purpose. When unrestricted resources are available for use, it is the City's policy to use committed resources first, then assigned, and then unassigned as they are needed.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance

1. Deposits and Investments - The City maintains a pooled cash and investment system that is available for use by all funds to facilitate the investment process. Each fund's portion of pooled cash and investments are included on the statement of net position and balance sheets as "Pooled cash and cash equivalents" and "Pooled Investments," respectively. Interest earnings are allocated to each fund based upon their average proportionate equity. In addition, investments are separately held by the pension trust funds. The City's cash and cash equivalents include cash on hand, pooled cash, demand deposits, a money market mutual fund, and short-term investments with original maturities of three months or less from the date of acquisition. The Pension Plans' have established a framework to consistently measure the Plan's assets and liabilities in accordance with applicable accounting, legal, and regulatory guidance.

Investments are recorded at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Certain investments are recorded at net asset value (NAV) per share. This method of determining fair value uses member units to which a proportionate share of net assets is attributed. The City's investments in the Florida Prime and Wells Fargo Government Money Market Fund are recorded at amortized cost.

Alternative investments: The Pension Plans have investments in various real estate funds. The funds are valued using their respective net asset value (NAV) as of September 30, 2019. The most significant input into the NAV of such funds is the fair value of the investment holdings. These holdings are valued by the general partners on a quarterly or semi-annual basis, in conjunction with management and investment advisors.

Investments are categorized according to the fair value hierarchy established by GASB Statement No. 72, *Fair Value Measurement and Application*, which requires the City to use valuation techniques which are appropriate under the circumstances and are either a market approach, a cost approach, or income approach. The Statement establishes a hierarchy of inputs used to measure fair value consisting of three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs, and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The Statement also contains note disclosure requirements regarding the hierarchy of valuation inputs and valuation techniques that was used for the fair value measurements.

Unrealized gains and losses are presented as net appreciation (depreciation) in fair value of investments on the statement along with the gains and losses realized on the sales of investments. Purchases and sales of investments are recorded on a trade-date basis.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

2. Interfund Receivables, Payables, and Transfers - 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" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

3. Receivables - Special assessments are levied against benefited properties for the cost or a portion of the cost of special assessment improvement projects in accordance with State Statutes. These assessments are collectible by the City over a term of years usually consistent with the term of the related bond issue. Broward County handles the collection of annual installments (including interest) in the same manner as property taxes. Property owners are allowed to (and often do) prepay future installments without interest or prepayment penalties. Once a special assessment roll is adopted, the amount attributed to each parcel is a lien upon that property until full payment is made.

All trade and other receivables are shown net of an allowance for uncollectables. Long-term receivables are analyzed for their collectability based on the terms and conditions of the agreements. In addition to those receivables specifically identified as uncollectable based on management's assessment of individual creditors' ability to pay, a general allowance is calculated based on the City's historic bad debt experience to ensure all receivables are recorded at their net realizable value.

Water and wastewater charges to customers are based on actual water consumption. The City recognizes revenue and a related receivable for the estimated unbilled consumption as of September 30th of each year.

4. Inventories - Inventories consisting of fuel and oil are recorded at cost, using the first-in, first-out method. The initial cost is recorded as an asset at the time the individual inventory items are purchased and are charged against operations in the period when used (i.e., the consumption method).
5. Prepaid Items - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditure/expense when consumed (i.e. the consumption method), rather than when purchased in both the governmental and proprietary funds.
6. Capital Assets - Capital assets, which include property, plant, equipment, intangibles and certain infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 for all capital assets other than intangibles, which are \$15,000 for software and \$25,000 for easements, and an estimated useful life in excess of one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition cost at the date of donation.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

6. Capital Assets (Continued) - 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. Major outlays for capital assets and improvements are capitalized as they are completed. Interest costs incurred before the end of the construction period for capital projects of business-type activities are being expensed in the period in which the cost is incurred. This is in accordance with GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The City implemented this new accounting standard in the prior fiscal year.

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

<u>Asset</u>	<u>Estimated Useful Lives (Years)</u>
Buildings	50
Improvements other than buildings	20
Machinery & equipment	3 – 20
Fleet	8
Intangibles	15 – 25
Infrastructure	16 – 70

7. Deferred outflows/inflows of resources - In addition to assets, the Statement of Net Position will sometimes include a separate section for deferred outflows of resources. This represents the usage of net position applicable to future periods and will be recognized as expenditures in the future period to which it applies. The City currently reports a deferred loss on refunding of debt and deferred outflows related to pensions and other postemployment benefits (OPEB) in this category.

Deferred outflows on pensions arise from differences between projected and actual earnings on pension plan investments and are amortized to pension expense using a systematic and rational method over a closed five-year period. Deferred outflows on pensions and other postemployment benefits (OPEB) also include the difference between expected and actual experience with regard to economic, or demographic factors; changes of assumptions about future economic, demographic, or other factors or changes in the City's proportionate share of the net pension and OPEB liability. Employer contributions made subsequent to the measurement date are also deferred and reduce the net pension and OPEB liabilities in the subsequent year.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This represents the acquisition of net position applicable to future periods and will be recognized as revenue in the future period to which it applies. The City currently reports deferred inflows of resources related to revenues received in advance, deferred gain on refunding of debt, and deferred inflows related to pensions and OPEB in this category.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

7. Deferred outflows/inflows of resources (Continued) - Deferred inflows on pensions are recorded when investment return on pension plan assets exceeds actuarial assumptions and are amortized using a systematic and rational method over a closed five-year period. Deferred inflows on pensions and other postemployment benefits (OPEB) also include the difference between expected and actual experience with regard to economic, or demographic factors; changes of assumptions about future economic, demographic, or other factors or changes in the City's proportionate share of net pension and OPEB liabilities.

Deferred inflows related to revenues received in advance consists primarily of local business taxes and fire inspection and permit fees.

The deferred charge on refunding is the difference between the net carrying value of refunded debt and its reacquisition price. This amount is recorded as a deferred inflow or outflow and amortized over the shorter of the life of the refunded or the refunding debt.

8. Unearned Revenues - Unearned revenue represents grants and similar items received in advance for which the City has not met all eligibility requirements imposed by the provider to allow for revenue recognition.
9. Compensated Absences - The City's policy is to permit employees to accumulate earned but unused sick and vacation pay benefits, limited to certain maximums, based on length of service. For certain employees, the City also grants compensatory time. All vacation, sick and compensatory 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. For the governmental funds, compensated absences are liquidated by the General Fund.
10. Long-Term Obligations - In the government-wide financial statements, and the 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. Bonds payable are reported net of the applicable premium or discounts. Bond premiums, discounts, as well as deferred refunding amounts are amortized over the life of the bonds using the straight-line method, which does not result in a material difference from the effective interest method. Issuance costs are expensed in the year of issuance except prepaid insurance costs which are deferred and amortized over the life of the debt.

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

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

11. Capital Contributions - Contributions from private developers representing “water and wastewater impact fees” for the future acquisition or expansion of capital improvements of City operated water and wastewater systems are recorded as capital contributions in the enterprise funds. Also recorded as capital contributions are special assessments for the construction of utility facilities and capital assets transferred from governmental funds/activities to an enterprise fund.
12. Net Position - Net position (deficit) is the result of assets and deferred outflows of resources, less liabilities and deferred inflows of resources. Net position of the government-wide activities and proprietary funds are categorized as net investment in capital assets, restricted and unrestricted. Net investment in capital assets is that portion of net position that relates to the City’s capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct or improve those assets, excluding related unexpended debt proceeds. Deferred inflow/outflow of resources attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position. Restricted net position is that portion of net position that has been restricted for general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of all net position that does not meet the definition of either of the other two components.
13. Nature and Purpose of Fund Balance - In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Amounts that are restricted to specific purposes either by: a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Commission through an ordinance or resolution, equally binding, are classified as committed fund balances. An ordinance or resolution approved by a majority vote of the City Commission is required to remove the constraint. Amounts that are constrained by the City’s intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. Assignments are made by the City Manager based on Commission direction. Nonspendable fund balances include amounts that cannot be spent because they are either: (a) not spendable in form or (b) legally or contractually required to be maintained intact. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

13. Nature and Purpose of Fund Balance (Continued) - The City Commission adopted Resolution No. 14-74 creating a committed fund balance designated as a Financial Stabilization Account equal to 12% of the General Fund's final amended budgeted expenditures. The City's policy is to maintain an adequate General Fund balance to provide a "rainy day" fund for use in unforeseen, unbudgeted emergency situations such as sustained declines in real estate values of more than 10% and/or property tax collections that decline by more than 5%; 1.5% decline in revenues or 1.5% increase in spending requirements imposed by the state or federal government or vital to maintaining day to day operations of the City (e.g. fuel, electricity); unreimbursable natural disaster expenditures or emergency infrastructure failures costing greater than \$1,500,000; or unforeseen litigation and related legal fees in excess of \$1,000,000. Stabilization funds may be used when the City Commission or City Manager recognizes a need to utilize the funds. If established by the City Manager, the specific need must be reported to the City Commission at their next meeting. A budget amendment must be approved by the City Commission authorizing use of the stabilization funds. When such a need is recognized as part of the budget process, the need and amount will be documented as part of that process and adopted as part of the budget. Should the balance drop below the targeted level of 12% of General Fund final budgeted expenditures, the City will develop a plan to replenish the account to the minimum level from net revenue surpluses in subsequent fiscal years until the balance is restored to the minimum level.
14. Use of Estimates - The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States of America. Management is required to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources, the disclosure of contingent assets/deferred outflows and liabilities/deferred inflows at the date of the financial statements and revenue and expenditures/expenses during the period reported. These estimates include assessing the collectability of accounts receivable, the use and recoverability of inventory, self-insurance liability, pension liabilities and other post-employment benefit obligations, and useful lives and impairment of tangible assets, among others. Actual results could differ from these estimates.
15. New Accounting Pronouncements -In Fiscal Year 2019, the City implemented GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. There is no financial impact to the City as a result of the implementation.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

16. Employee Benefit Plans, Pensions - The City provides separate defined benefit pension plans for general employees, police department personnel, fire department personnel and management personnel. The City provides retirement benefits to elected officials through the Florida Retirement System (FRS and HIS).

The City also offers an optional deferred compensation plan created in accordance with Internal Revenue Code Section 457. In 2001, the City established the Excess Benefit Plan, a qualified governmental excess benefit arrangement as defined in Section 415 (m) (3) of the Internal Revenue Code.

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's General Employees' Retirement Plan, Management Retirement Plan, Police Officers' Retirement Plan and the Firefighters' Retirement Plan (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans.

Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

For purposes of measuring the City's proportionate share of the net pension liability, deferred outflows of resources related to pensions, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan (FRS) and the Health Insurance Subsidy (HIS) Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Florida Retirement System (FRS) and HIS plans.

17. Post-Employment Benefits Other than Pensions (OPEB) – Pursuant to Section 112.08, Florida Statutes, the City is required to permit eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retirees that is no greater than the cost at which coverage is available for active employees. The City has a single employer OPEB plan with benefits based on age and date of employment. In 2018, the City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement addresses accounting and financial reporting for OPEB provided to employees of state and local government employers; establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses, and requires governments to report a liability, deferred outflows of resources, deferred inflows of resources, and expenses on the face of the financial statements for the OPEB that they provide. Additional information regarding the City's OPEB liability can be found in Note 11.
18. Risk Management - The City is exposed to various risks of loss from civil liability to other parties (automobile liability); statutory workers' compensation benefits for injured employees; and the theft or accidental damage to City property (buildings and business contents). The City's Insurance Fund is used to account for its risk financing activities. The Insurance Fund charges the operating funds insurance premiums. The accrued liability for estimated insurance claims represents an estimate of the ultimate cost of settling claims arising prior to year-end, including claims incurred but not yet reported. The Insurance Fund pays for all claims and judgments made against the City for accidental losses for which the City is self-insured and the premium costs for insurance policies to protect the City's property.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess of Expenditures Over Appropriations

In the General Fund, Fire Department expenditures exceeded appropriations by \$102,237, as a result of a revised actuarial calculation for the Fire Pension annual required contribution. Public Works expenditures exceeded appropriations by \$7,280 primarily due to overages in overtime costs. Police Department expenditures exceeded appropriations by \$3,688 due to additional fuel costs being allocated based on the fiscal year-end inventory.

NOTE 3. PROPERTY TAXES

Property taxes are assessed as of January 1st each year and are first billed (levied) and due the following November 1st. 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 Broward 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 millage rate assessed by the City for the year ended September 30, 2019 was 7.1172 mills.

The tax levy of the City is established by the Commission prior to October 1st of each year, and the Broward 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 1st 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 1st 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 1st 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. Due to the immaterial amount of any additional property taxes received after the 60-day period, no additional accrual is made in the government-wide financial statements, or in the fund financial statements.

NOTE 4. DEPOSITS AND INVESTMENTS

Deposits

In addition to insurance provided by the Federal Depository Insurance Corporation, deposits are held in qualified public depositories pursuant to Florida Statutes, Chapter 280, Florida Security for Public Deposits Act. Under the Act, all qualified public depositories are required to pledge eligible collateral with the treasurer or another banking institution. 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 deposits are considered insured or collateralized with securities held by the entity or its agent in the entity's name.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

The nature of investments is governed by the provisions of Florida Statutes Section 218. Under this statute, authorized investments are limited, unless otherwise authorized by law or ordinance, to the State Board of Administration (SBA) Investment Pool, money market funds, direct or unconditionally guaranteed obligations of the United States Government, obligations of certain governmental agencies, interest bearing time deposits or savings accounts.

The SBA administers the Florida PRIME Fund which is governed by Chapter 19-7 of the Florida Administrative Code and Chapter 218 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME. The 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 NAV of \$1 per share. The fair value of the position in the Florida PRIME is equal to the value of the pool shares. The investments in the Florida PRIME are not insured by the FDIC or any other governmental agency.

The Wells Fargo Government Money Market Fund invests exclusively in high-quality short-term, U.S. dollar money market instruments that consist of U.S. Government obligations and repurchase agreements collateralized by U.S. Government obligations. These investments may have fixed floating or variable rates of interest. The fund seeks current income, while preserving capital and liquidity. Investments are measured at amortized cost.

City of Miramar

As of September 30, 2019, the City of Miramar had the following investments:

<u>Investments</u>	<u>Fair Value</u>	<u>Ratings</u>	<u>Maturity</u>	<u>Percentage of Distribution</u>
SBA Florida PRIME	\$108,335,095	AAAm	37 days	100.00%
Wells Fargo GMMF	40,592,013	AAAm	35 days	100.00%

GASB Statement No. 72, *Fair Value Measurement and Application*, requires that investments be categorized according to the fair value hierarchy established by this Statement. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Domestic equity securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the fiscal year. Securities traded in the over-the counter market and listed securities for which no sale was reported on that date are valued at the last reported bid price. International equities are valued based on quoted foreign market prices and translated into U.S. dollars at the exchange rate in effect at September 30, 2019. Securities which are not traded on a national securities exchange are valued by the respective fund manager or other third parties based on yields currently available on comparable securities of issuers with similar credit ratings. (Level 1). This includes common stock, domestic equities, international equities, mutual fund equities and REITS. Debt securities are valued using pricing inputs that reflect the assumptions market participants would use to price an asset or liability and are developed based on market data obtained from sources independent of the reporting entity (Level 2). This includes U.S. Treasury bonds and notes, U.S. federal agencies, mortgage backed and collateralized securities, money market funds, mutual bond funds, corporate obligations, and international bond funds. These securities can typically be valued using the close or last traded price on a specific date (quoted prices in active markets). When quoted prices are not available, fair value is determined based on valuation models that use inputs that

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

City of Miramar (Continued)

include market observable inputs. These inputs include recent trades, yields, price quotes, cash flows, maturity, credit ratings, and other assumptions based on the specifics of the investment type.

The Pension Plans have investments in alternative asset classes including various real estate funds. These investments are valued at their respective net asset value (NAV) as of September 30, 2019. The fair value of the investment in the fund is valued at the net asset value of outstanding units held at the end of the period based on the fair value of the underlying investments. These holdings are valued by the general partners on a quarterly or semi-annual basis, in conjunction with management and investment advisors.

The City of Miramar investments in the SBA Florida Prime and the Wells Fargo Government Money Market Fund are recorded at amortized cost.

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. As a means of limiting its exposure to interest rate risk, the City diversifies its investments by security type and institution. In addition, the City's investment policy limits the maturities to five years from the date of purchase, unless matched to a specific cash flow requirement.

Credit Risk - Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization (NRSRO). The City's investment policy limits investments to the highest ratings issued by an NRSRO. The ratings of the investments are shown in the previous table.

Concentration of Credit Risk - In addition to describing the credit risk of investments in the portfolio, governmental entities need to disclose the concentration of any single investment type or holding per single issuer. The policy of the City is to diversify its investment portfolio. Assets held are usually diversified to reduce the risk from over concentration. The diversification risk strategies may be reviewed periodically. The percentages of the City's investments in the portfolio are shown in the previous table.

GASB Statement No. 40 requires disclosure when the investment percentage concentration is 5% or more for any one issuer. Given the quality and the guarantee and assurance by the U.S. Treasury on U.S. Government sponsored Agency obligations, any temporary over concentration is not viewed as a risk.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the City and are held either by the counterparty or the counterparty's trust department or agent but not in the City's name. All securities are required to be deposited as an asset of the City, in the City's name and held by a third party custodial institution chartered by the U.S. Government or the State of Florida (and restrict withdrawals only to the persons on the resolution). This reduces the risk due to the failure of the counterparty to deliver the securities purchased by or pledged by the City.

All investment transactions are conducted through delivery versus payment (DVP) basis at the third party custodian to ensure that there is independence of the entities (seller and custodian).

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

General Employees' Retirement Plan

1. Investment Authorization - The Plan's investment policy is determined by the Board of Trustees. The policy has been identified by the Board as having the greatest expected investment return, and the resulting positive impact on asset values, funded status, and benefits, without exceeding a prudent level of risk. The Trustees are authorized to acquire and retain every kind of investment specifically including, but not by way of limitation, bonds, debentures, and other corporate obligations, and stocks, preferred or common, which persons of prudence, discretion and intelligence acquire or retain for their own account.

Investment in all equity securities shall be limited to those listed on a major U.S. stock exchange and limited to no more than 65% (at market) of the Plan's total asset value with no more than 5% at cost of an investment manager's equity portfolio invested in the shares of a single corporate issuer. Investments in stocks of foreign companies shall be limited to 25% of the value of the portfolio at the time of purchase.

2. Types of Investments - Florida statutes and the Plan investment policy authorize the Trustees to invest funds in various investments. The current target allocation of these investments at market follows:

<u>Authorized Investments</u>	<u>Target % of Portfolio</u>
Domestic equities	60%
Fixed income	27%
Real estate	13%
Cash and cash equivalents	No restrictions

3. 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. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

Information about the sensitivity of the fair values of the Plan's investments to market interest rate fluctuations is provided by the following table, which shows the distribution of the Plan's investments in government securities and corporate bonds by maturity, at September 30, 2019:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>		
		<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
U.S. treasuries	\$ 3,882,408	\$ 502,950	\$ 2,157,078	\$ 1,222,380
U.S. agencies	242,889	242,889	-	-
U.S. mortgage backed securities	9,964,472	248,201	1,670,580	8,045,691
Corporate bonds	9,382,333	2,831,191	4,861,670	1,689,472
Asset backed securities	1,410,709	1,289,294	121,415	-
Total	<u>\$ 24,882,811</u>	<u>\$ 5,114,525</u>	<u>\$ 8,810,743</u>	<u>\$ 10,957,543</u>

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

General Employees' Retirement Plan (Continued)

4. Credit Risk - Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy utilizes portfolio diversification in order to control this risk.

The following table discloses credit ratings by investment type at September 30, 2019:

	<u>Fair Value</u>	<u>% of Portfolio</u>
U.S. Government guaranteed securities*	\$ 11,950,496	48.03%
Quality rating of credit risk debt securities:		
AAA	779,783	3.13%
AA+	4,190,085	16.84%
AA	278,756	1.12%
AA-	1,568,253	6.30%
A+	1,132,433	4.55%
A	826,056	3.32%
A-	2,299,890	9.24%
BBB+	679,950	2.73%
BBB	912,312	3.67%
Not-rated	264,797	1.06%
Total credit risk debt securities	<u>12,932,315</u>	<u>51.97%</u>
Total fixed income securities	<u>\$24,882,811</u>	<u>100.00%</u>

*Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not have purchase limitations.

5. Concentration of Credit Risk - 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 Plan Net Position. The Plan had no investments other than government securities that exceeded 5% of Plan Net Position at September 30, 2019.
6. Custodial Credit Risk - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the Plan's investment policy, the investments are held by Plan's custodial bank and registered in the Plan's name.

All of the Plan's deposits are insured and/or collateralized by a financial institution separate from the Plan's depository financial institution.

7. Plan Investments - GASB Statement No. 72, *Fair Value Measurement and Application*, requires that investments be categorized according to the fair value hierarchy established by this Statement. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

General Employees' Retirement Plan (Continued)

7. Plan Investments (Continued) - The General Employees' Retirement Plans investments are categorized according to the GASB 72 fair value hierarchy as of September 30, 2019:

		Fair Value Measurements Using	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
<u>Investments</u>	<u>Fair Value</u>		
Fixed income:			
U.S. treasuries	\$ 3,882,408	\$ -	\$ 3,882,408
U.S. agencies	242,889	-	242,889
U.S. mortgage backed securities	9,964,472	-	9,964,472
Corporate bonds	9,382,333	-	9,382,333
Asset backed securities	1,410,709	-	1,410,709
Domestic equities:			
Equity securities	21,241,428	21,241,428	-
Total Investments by fair value level	46,124,239	\$ 21,241,428	\$ 24,882,811
<u>Investments measured at the Net Asset Value (NAV)</u>			
Commingled SMidCap equity investment trust	48,289,566		
Private equity-real estate	12,041,741		
DROP mutual funds-vantage mutual funds	3,126,099		
Total investments measured at Net Asset Value (NAV)	63,457,406		
Total Investments	\$ 109,581,645		

Investments Measured at the NAV

		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Commingled SMidCap equity investment trust	\$ 48,289,566	\$ -	Daily	Same Day
DROP mutual funds - vantage mutual funds	2,516,523	-	Daily	Same Day
DROP pension plan fixed return fund	609,576	-	Daily	Same Day
Private equity real estate	12,041,741	-	Daily	Same Day
Total investments measured at the NAV	\$ 63,457,406	\$ -		

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Police Officer's Retirement Plan

1. Investment Authorization - The Plan's investment policy is determined by the Board of Trustees. The policy has been identified by the Board as preserving the purchasing power of the Plan's assets and earns an above average real rate of return (after inflation) over the long-term while minimizing, to a reasonable extent, the short-term volatility of results. The Trustees are authorized to acquire and retain every kind of property, real, personal or mixed, and every kind of investment specifically included, but not by way of limitation, bonds, debentures, and other corporate obligations, and stocks, preferred or common, which persons of prudence, discretion and intelligence acquire or retain for their own account.

Investment in all equity securities shall be limited to those listed on a major U.S. stock exchange and limited to no more than 75% (at market) of the Plan's total asset value with no more than 5% at cost value of an investment manager's equity portfolio invested in the shares of a single corporate issuer. Investments in stocks of foreign companies shall be limited to 10% of the value of the portfolio at the time of purchase. No more than 25% of the equity securities are to be invested in small or mid-cap stocks and shares of stock in those corporations whose stock has been publicly traded for less than one year are limited to 15% of the equity portfolio.

The average credit quality of the bond portfolio shall be "A" or higher and the duration of the fixed income portfolio should be less than 135% of the duration of the market index defined as the Barclays Capital U.S. Intermediate Aggregate Bond Index benchmark. The fixed income portfolio rated below "BBB" shall not exceed 15% of the entire fixed income portfolio. Real estate and absolute return investments shall not exceed 10% and 20% of the market value of the portfolio, respectively.

2. Types of Investments - Florida statutes and the Plan investment policy authorize the Trustees to invest funds in various investments. The current target allocation of these investments at market is as follows:

<u>Authorized Investments</u>	<u>Target % of Portfolio</u>
Domestic equities	45%
Fixed income	15%
International equities	15%
Real estate	15%
Alternative investments	10%

3. Alternative investments - The Plan has investments as a limited partner in various infrastructure funds. The funds are valued using their respective net asset value (NAV) as of September 30, 2019. The most significant input into the NAV of such funds is the fair value of the investment holdings. These holdings are valued by the general partners on a quarterly or semi-annual basis, in conjunction with management and investment advisors.
4. 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. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Police Officer's Retirement Plan (Continued)

4. Interest Rate Risk - Information about the sensitivity of the fair values of the Plan's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Plan's investments by maturity at September 30, 2019:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>	
		<u>1 to 5</u>	<u>More than 10</u>
U.S. treasuries	\$ 2,251,755	\$ -	\$ 2,251,755
U.S. agencies	3,219,895	-	3,219,895
Corporate bonds	8,317,138	-	8,317,138
Bond funds	13,861,947	13,861,947	-
Total	<u>\$ 27,650,735</u>	<u>\$ 13,861,947</u>	<u>\$ 13,788,788</u>

5. Credit Risk - Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy utilizes portfolio diversification in order to control this risk.

The following table discloses credit ratings by investment type at September 30, 2019:

	<u>Fair Value</u>	<u>% of Portfolio</u>
U.S. Government guaranteed securities*	<u>\$ 5,471,650</u>	<u>19.79%</u>
Quality rating of credit risk debt securities:		
BBB+	13,861,947	50.13%
Not rated	<u>8,317,138</u>	<u>30.08%</u>
Total credit risk debt securities	<u>22,179,085</u>	<u>80.21%</u>
Total fixed income securities	<u>\$27,650,735</u>	<u>100.00%</u>

*Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not have purchase limitations.

6. Concentration of Credit Risk - The investment policy of the Plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. There were no individual investments that represent 5% or more of Plan net position at September 30, 2019, except for investments in U.S. government securities.
7. Foreign Currency Risk - Foreign currency risk is the risk that fluctuations in the currency exchange rate may affect transactions conducted in currencies other than U.S. Dollars and the carrying value of foreign investments. The Plan's exposure to foreign currency risk derives from its investments in international equity mutual funds.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Police Officer's Retirement Plan (Continued)

8. Custodial Credit Risk - Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Plan and are held either by the counterparty or the counterparty's trust department or agent but not in the Plan's name.

Consistent with the Plan's investment policy, the investments are held by the Plan's custodial bank and registered in the Plan's name. All of the Plan's deposits are insured or collateralized by a financial institution separate from the Plan's depository financial institution.

9. Plan Investments - The Police Officers' Retirement Plan investments are categorized as follows according to the GASB 72 fair value hierarchy as of September 30, 2019:

<u>Investments</u>	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>	
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>
Fixed income:			
U.S. treasuries	\$ 5,471,650	\$ -	\$ 5,471,650
Corporate bonds	8,317,139	-	8,317,139
Equity securities:			
Equity securities	40,245,224	40,245,224	-
Total Investments by fair value level	54,034,013	\$ 40,245,224	\$ 13,788,789

Investments measured at the Net Asset Value (NAV)

Fixed income funds	13,861,947
Absolute return funds	21,782,273
Domestic equity funds	40,971,435
International equity funds	23,487,782
Real estate equity	30,056,460
Total investments measured at Net Asset Value (NAV)	130,159,897
Total Investments	\$ 184,193,910

Investments Measured at the NAV

		<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Fixed income funds	\$ 13,861,947	\$ -	Daily	Same Day
Absolute return funds	21,782,273	-	Quarterly	30 Day
Domestic equities	40,971,435	-	Daily	Same Day
International equity fund	23,487,782	-	Daily	Same Day
Real estate equity	30,056,460	-	Daily	10 Days
Total investments measured at the NAV	\$ 130,159,897	\$ -		

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Firefighters' Retirement Plan

1. Investment Authorization - The Plan's investment policy is determined by the Board of Trustees. The policy has been identified by the Board as preserving the purchasing power of the Plan's assets and earns an above average real rate of return (after inflation) over the long term while minimizing, to a reasonable extent, the short-term volatility of results. The Trustees are authorized to acquire and retain every kind of property, real, personal or mixed, and every kind of investment specifically included, but not by way of limitation, bonds, debentures, and other corporate obligations, and stocks, preferred or common, which persons of prudence, discretion and intelligence acquire or retain for their own account. International investments shall not exceed 25% of the Plan's investment balance.
2. Types of Investments - Florida Statutes and the Plan investment policy authorize the Trustees to invest funds in various investments. The current target allocation of these investments at market is as follows:

<u>Authorized Investments</u>	<u>Target % of Portfolio</u>
Domestic equities	35% to 65%
International equities	5% to 25%
Fixed income	15% to 30%
Real assets	5% to 25%
Cash and cash equivalents	0% to 10%

3. 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. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

Information about the sensitivity of the fair values of the Plan's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Plan's investments by maturity at September 30, 2019:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>		
		<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
Collateralized mortgage obligations	\$ 1,126,117	\$ 2,740	\$ 1,597	\$1,121,780
Certificates of Deposit	2,984,914	2,984,914	-	-
U.S. treasuries	4,178,492	-	2,880,639	1,297,853
U.S. agencies	5,969,702	89,002	1,712,871	4,167,829
Foreign bonds	765,011	459,523	97,235	208,253
Corporate bonds	7,241,993	2,562,839	2,466,448	2,212,706
Asset backed securities	1,351,614	1,145,557	206,057	-
Total	<u>\$ 23,617,843</u>	<u>\$ 7,244,575</u>	<u>\$7,364,847</u>	<u>\$9,008,421</u>

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Firefighters' Retirement Plan (Continued)

4. Credit Risk - Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy utilizes portfolio diversification in order to control this risk.

The following table discloses credit ratings by investment type at September 30, 2019:

	<u>Fair Value</u>	<u>% of Portfolio</u>
U.S. Government guaranteed securities*	\$10,148,194	42.97%
Quality rating of credit risk debt securities:		
A1	1,304,275	5.52%
A2	1,717,167	7.27%
A3	1,263,270	5.35%
Aa1	252,766	1.07%
Aa2	521,118	2.21%
Aa3	596,523	2.53%
Aaa	1,356,761	5.74%
Ba1	332,425	1.41%
Baa1	991,937	4.20%
Baa2	456,173	1.93%
Baa3	227,534	0.96%
Not rated	4,449,700	18.84%
Total credit risk debt securities	13,469,649	100.00%
Total fixed income securities	\$23,617,843	100.00%

*Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not have purchase limitations.

5. Concentration of Credit Risk - 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 Plan net position. The Plan had no investments in any one issuer in excess of 5% of Plan net position, except for investments in the U.S. government and its agencies.
6. Foreign Currency Risk - Foreign currency risk is the risk that fluctuations in the currency exchange rate may affect transactions conducted in currencies other than U.S. Dollars and the carrying value of foreign investments. The investment policy limits foreign investments to no more than 25% of the Plan's investment balance. The Plan's exposure to foreign currency risk derives mainly from its investments in international equity funds.
7. Custodial Credit Risk: Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Plan and are held either by the counterparty or the counterparty's trust department or agent but not in the Plan's name. Consistent with the Plan's investment policy, the investments are held by the Plan's custodial bank and are registered in the Plan's name. All of the Plan's deposits are insured or collateralized by a financial institution separate from the Plan's depository financial institution.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Firefighters' Retirement Plan (Continued)

8. Plan Investments - The Firefighters' Retirement Plan investments are categorized as follows according to the GASB 72 fair value hierarchy as of September 30, 2019:

Fair Value Measurements Using			
<u>Investments</u>	<u>Fair Value</u>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Fixed income:			
U.S. treasuries	\$ 4,178,492	\$ 3,266,595	\$ 911,897
U.S. agencies	5,969,702	-	5,969,702
Asset backed securities	1,351,614	-	1,351,614
International bonds	765,011	-	765,011
Collateralized mortgage obligations	1,126,117	-	1,126,117
Corporate bonds	7,241,993	-	7,241,993
Equity securities:			
Common stocks	42,589,591	42,589,591	-
Real-estate investment trust	671,227	671,227	-
International funds	22,668,018	3,182,632	19,485,386
Mutual funds	48,530,727	-	48,530,727
Total Investments by fair value level	135,092,492	\$ 49,710,045	\$ 85,382,447
<u>Investments measured at the net asset value (NAV)</u>			
Real estate funds	16,125,067		
Timber funds	5,174,217		
Total investments measured at Net Asset Value (NAV)	21,299,284		
Money market funds (exempt)	6,639,996		
Certificates of deposit (exempt)	2,984,914		
Total Investments	\$ 166,016,686		

Investments Measured at the NAV

		Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Real Estate fund	\$ 8,231,798	\$ -	Quarterly	45 Days
Real Estate fund	7,893,269	-	Quarterly	10 Days
Timber fund	2,034,173	-	N/A	N/A
Timber fund	1,800,963	-	N/A	N/A
Timber fund	1,339,081	-	N/A	N/A
Total investments measured at the NAV	\$ 21,299,284	\$ -		

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Management Retirement Plan

1. Investment Authorization - The Plan's investment policy is determined by the Board of Trustees. The policy has been identified by the Board as having the greatest expected investment return, and the resulting positive impact on asset values, funded status, and benefits, without exceeding a prudent level of risk. The Trustees are authorized to acquire and retain every kind of investment specifically including, but not by way of limitation, bonds, debentures, and other corporate obligations, and stocks, preferred or common, which persons of prudence, discretion and intelligence acquire or retain for their own account.

Investments in all equity securities shall be limited to those listed on a major U.S. stock exchange and limited to no more than 65% (at market) of the Plan's total asset value with no more than 5% investment in the common stock of any one issuing company. Investments in stocks of foreign companies are limited to 25% of the value of the portfolio at time of purchase.

Master limited partnerships traded on a recognized exchange are not to exceed 5% of the portfolio.

2. Types of investments - Florida Statutes and the Plan investment policy authorize the Trustees to invest funds in various investments. The current target allocation of these investments at market follows:

<u>Authorized Investments</u>	<u>Target % of Portfolio</u>
Domestic equities	60%
Fixed income	27%
Real estate	13%
Cash and cash equivalents	No restrictions

3. 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. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

Information about the sensitivity of the fair values of the Plan's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Plan's investments in government securities and corporate bonds by maturity at September 30, 2019:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>		
		<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
U.S. treasuries	\$ 1,102,725	\$ -	\$ 539,892	\$ 562,833
Corporate bonds	3,342,943	700,321	1,958,325	684,297
U.S. Mortgage backed securities	4,231,513	159,437	485,857	3,586,219
Asset backed securities	551,119	551,119	-	-
Total	<u>\$ 9,228,300</u>	<u>\$ 1,410,877</u>	<u>\$ 2,984,074</u>	<u>\$ 4,833,349</u>

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Management Retirement Plan (Continued)

4. Credit Risk - Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy utilizes portfolio diversification in order to control this risk.

The following table discloses credit ratings by investment type at September 30, 2019:

	<u>Fair Value</u>	<u>% of Portfolio</u>
U.S. Government guaranteed securities *	<u>\$5,334,238</u>	<u>57.80%</u>
Quality rating of credit risk debt securities:		
AAA	674,181	7.31%
AA+	103,974	1.13%
AA	90,060	0.98%
AA-	502,512	5.45%
A+	283,325	3.07%
A	391,521	4.24%
A-	852,572	9.24%
BBB+	300,597	3.26%
BBB	403,331	4.37%
Unrated	<u>291,989</u>	<u>3.16%</u>
Total credit risk debt securities	<u>3,894,062</u>	<u>42.20%</u>
Total fixed income securities	<u><u>\$9,228,300</u></u>	<u><u>100.00%</u></u>

*Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not have purchase limitations.

5. Concentration of Credit Risk - The Plan limits investments in the securities of any one issuer, other than the U.S. Government and its agencies, to no more than 5% of Plan net position. The Plan had no investments other than U.S. government securities that exceeded 5% of Plan net position at September 30, 2019.
6. Custodial Credit Risk - Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Plan and are held either by the counterparty or the counterparty's trust department or agent but not in the Plan's name. Consistent with the Plan's investment policy the investments are held by the Plan's custodial bank and registered in the Plan's name. All of the Plan's deposits are insured or collateralized by a financial institution separate from the Plan's depository financial institution.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Management Retirement Plan (Continued)

7. Plan Investments - The Management Retirement Plan investments are categorized as follows according to the GASB 72 fair value hierarchy as of September 30, 2019.

		Fair Value Measurements Using	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
<u>Investments</u>	<u>Fair Value</u>		
Fixed income:			
U.S. treasuries	\$ 1,102,725	\$ -	\$ 1,102,725
U.S. mortgage backed securities	4,231,513	-	4,231,513
Corporate bonds	3,342,943	134,946	3,207,997
Asset backed securities	551,119	-	551,119
Domestic equities:			
Equity securities	<u>13,728,617</u>	<u>13,728,617</u>	<u>-</u>
Total Investments by fair value level	<u>22,956,917</u>	<u>\$ 13,863,563</u>	<u>\$ 9,093,354</u>
<u>Investments measured at the net asset value (NAV)</u>			
Commingled SMidCap equity investment trust	16,895,123		
Real estate funds	5,021,706		
DROP mutual funds-vantage mutual funds	<u>1,955,483</u>		
Total investments measured at Net Asset Value (NAV)	<u>23,872,312</u>		
Total Investments	<u>\$ 46,829,229</u>		

Invesments Measured at the NAV

		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Commingled SMidCap equity investment trust	\$ 16,895,123	\$ -	Daily	Same Day
DROP mutual funds - vantage mutual funds	1,955,483	-	Daily	Same Day
Real estate	<u>5,021,706</u>	<u>-</u>	Daily	Same Day
Total investments measured at the NAV	<u>\$ 23,872,312</u>	<u>\$ -</u>		

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 5. RECEIVABLES AND UNEARNED REVENUES

Receivables at September 30, 2019, were as follows:

	General Fund	Nonmajor Governmental Funds	Internal Service Funds	Total
Governmental Activities				
Taxes	\$ 860,986	\$ -	\$ -	\$ 860,986
Franchise fees	1,520,041	-	-	1,520,041
Accounts	1,580,900	306,567	-	1,887,467
Cost recovery	312,159	-	-	312,159
Other	1,129,586	13,361	52,657	1,195,604
Allowance for uncollectible	(813,832)	(2,500)	-	(816,332)
Total Governmental Activities	<u>\$ 4,589,840</u>	<u>\$ 317,428</u>	<u>\$ 52,657</u>	<u>\$ 4,959,925</u>

	Utility Fund	Stormwater Fund	Total
Business-Type Activities			
Accounts	\$ 8,340,876	\$ 149,000	\$ 8,489,876
Assessment fees	3,386,521	-	3,386,521
Other	67,362	3,891	71,253
Allowance for uncollectible	(5,059,652)	(94,828)	(5,154,480)
Total Business-Type Activities	<u>\$ 6,735,107</u>	<u>\$ 58,063</u>	<u>\$ 6,793,170</u>

Unearned revenue is recorded for resources that have been received in advance but for which the City has not met the criteria for revenue recognition. The following are recorded as unearned revenue in the government-wide and fund statements as follows:

Type	Unearned Revenues
Revenues not yet earned (General Fund)	\$ 140,790
Revenues not yet earned (non-major governmental funds)	1,511,015
Revenues not yet earned (Utility Fund)	3,500,000
Total unearned revenue	<u>\$ 5,151,805</u>

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 6. RESTRICTED ASSETS

Restricted assets and liabilities payable from restricted assets of the Utility Fund at September 30, 2019, represent debt proceeds designated for construction, and other monies required to be restricted for debt service, and maintenance and improvements, under the terms of the 2015 Utility System Refunding and Improvement Revenue Bonds, the 2017 Utility System Refunding Revenue Bonds, and customer deposits. Assets of the Sinking Fund and Reserve Fund are restricted for the current and future payment of debt service and for renewal and replacement.

Restricted assets of the Stormwater Fund at September 30, 2019 represent monies required to be restricted for rate stabilization by the 2015 Utility System Refunding Revenue Bond debt covenant.

All of the restricted assets in connection with the bond issues were funded through bond proceeds. The summary of restricted assets and related liabilities at September 30, 2019, is shown below:

<u>Purpose</u>	<u>Restricted Assets</u>	<u>Liabilities Payable from Restricted Assets</u>
<u>Utility Fund:</u>		
2015 Utility System Refunding Revenue Bonds:		
Sinking Fund	\$ 500,000	\$ -
Reserve Fund	180,000	-
2017 Utility System Refunding Revenue Bonds :		
Reserve Fund	3,863,841	851,809
State Revolving Loan: Reserve Fund	1,961,897	-
Contributions in aid of construction	1,531,800	79,737
Customer deposits	4,218,539	4,218,539
Total for Utility Fund	<u>\$ 12,256,077</u>	<u>\$ 5,150,085</u>
<u>Stormwater Fund:</u>		
Reserved for Debt Service related to the		
2015 Utility System Refunding Revenue Bonds	\$ 261,689	\$ -
Total for Stormwater Fund	<u>\$ 261,689</u>	<u>\$ -</u>

Liabilities payable from restricted assets are as follows:

<u>Liabilities</u>	<u>Current</u>	<u>Long-Term</u>	<u>Total</u>
Accrued interest payable	\$ 851,809	\$ -	\$ 851,809
Deposits payable	421,854	3,796,685	4,218,539
Retainage payable	79,737	-	79,737
Total	<u>\$1,353,400</u>	<u>\$3,796,685</u>	<u>\$5,150,085</u>

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 7. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2019, follows:

	Beginning Balance	Additions/ Transfers	Deletions/ Transfers	Ending Balance
<u>Governmental activities:</u>				
Capital assets not being depreciated:				
Land	\$ 45,529,151	\$ -	\$ 23,000	\$ 45,506,151
Construction in progress	7,451,095	7,326,847	6,219,801	8,558,141
Total capital assets not being depreciated	<u>52,980,246</u>	<u>7,326,847</u>	<u>6,242,801</u>	<u>54,064,292</u>
Capital assets being depreciated/amortized:				
Buildings	193,999,898	-	-	193,999,898
Improvements other than buildings	25,555,698	2,832,670	-	28,388,368
Machinery and equipment	27,540,411	934,830	886,900	27,588,341
Fleet	21,216,649	1,385,997	732,376	21,870,270
Intangible	4,581,331	192,806	-	4,774,137
Infrastructure	69,952,882	3,643,760	-	73,596,642
Total capital assets being depreciated/amortized	<u>342,846,869</u>	<u>8,990,063</u>	<u>1,619,276</u>	<u>350,217,656</u>
Less accumulated depreciation/amortization for:				
Buildings	36,476,780	3,945,082	-	40,421,862
Improvements other than buildings	9,306,576	1,281,532	-	10,588,108
Machinery and equipment	15,899,757	1,879,776	886,900	16,892,633
Fleet	13,775,042	2,053,347	699,232	15,129,157
Intangible	2,698,924	246,616	-	2,945,540
Infrastructure	45,201,359	1,756,179	-	46,957,538
Total accumulated depreciation/amortization	<u>123,358,438</u>	<u>11,162,532</u>	<u>1,586,132</u>	<u>132,934,838</u>
Capital assets being depreciated/amortized, net	<u>219,488,431</u>	<u>(2,172,469)</u>	<u>33,144</u>	<u>217,282,818</u>
Governmental activities capital assets, net	<u>\$272,468,677</u>	<u>\$ 5,154,378</u>	<u>\$ 6,275,945</u>	<u>\$ 271,347,110</u>

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 7. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Additions/ Transfers	Deletions/ Transfers	Ending Balance
<u>Business-type activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 5,753,859	\$ -	\$ -	\$ 5,753,859
Construction in progress	<u>41,726,922</u>	<u>20,165,462</u>	<u>7,508,093</u>	<u>54,384,291</u>
Total capital assets not being depreciated	<u>47,480,781</u>	<u>20,165,462</u>	<u>7,508,093</u>	<u>60,138,150</u>
Capital assets being depreciated/amortized:				
Buildings	105,644,198	-	-	105,644,198
Improvements other than buildings	2,140,212	-	-	2,140,212
Machinery and equipment	1,860,118	224,004	-	2,084,122
Fleet	4,091,304	1,008,196	58,401	5,041,099
Intangible	1,975,231	-	-	1,975,231
Infrastructure	<u>304,890,418</u>	<u>9,006,084</u>	<u>-</u>	<u>313,896,502</u>
Total capital assets being depreciated/amortized	<u>420,601,481</u>	<u>10,238,284</u>	<u>58,401</u>	<u>430,781,364</u>
Less accumulated depreciation/amortization for:				
Buildings	33,860,027	1,961,592	-	35,821,619
Improvements other than buildings	1,017,320	80,897	-	1,098,217
Machinery and equipment	1,009,709	200,428	-	1,210,137
Fleet	3,013,912	407,516	58,401	3,363,027
Intangible	1,450,825	62,122	-	1,512,947
Infrastructure	<u>117,020,809</u>	<u>6,895,419</u>	<u>-</u>	<u>123,916,228</u>
Total accumulated depreciation/amortization	<u>157,372,602</u>	<u>9,607,974</u>	<u>58,401</u>	<u>166,922,175</u>
Capital assets being depreciated/amortized, net	<u>263,228,879</u>	<u>630,310</u>	<u>-</u>	<u>263,859,189</u>
Business-type activities capital assets, net	<u>\$310,709,660</u>	<u>\$ 20,795,772</u>	<u>\$ 7,508,093</u>	<u>\$323,997,339</u>

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

Governmental activities:	
General government	\$ 1,622,680
Public safety	3,338,940
Physical environment	1,928,767
Transportation	230,932
Social services	511,558
Economic environment	275,276
Parks and recreation	2,784,485
Cultural arts	<u>469,894</u>
Total depreciation/amortization expense – governmental activities	<u>\$ 11,162,532</u>
Business-type activities:	
Utility	\$ 9,230,024
Stormwater	<u>377,950</u>
Total depreciation/amortization expense – business-type activities	<u>\$ 9,607,974</u>

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 8. INTERFUND BALANCES AND TRANSFERS

Interfund balances at September 30, 2019, consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Non-Major Governmental	\$ 2,823,682

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

Advances for the year ended September 30, 2019 consisted of the following:

<u>Advance to Other Fund</u>	<u>Advance from Other Fund</u>	<u>Amount</u>
Utility Fund	General Fund	\$ 2,000,000

In 2019, the Utility Fund advanced \$2,000,000 to the General Fund for land acquisition. The \$2,000,000 advance is based on a Promissory Note from the Utility Fund to the General Fund and will be repaid over 7 years at an interest rate of 1.5%. The funding source for repayment is billboard revenues to be budgeted annually based on the amortization schedule.

Interfund transfers at September 30, 2019, consisted of the following:

<u>Transfers Out:</u>	<u>Transfers In:</u>			
	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Fund Total</u>
General	\$ -	\$ 6,646,200	\$ 1,434,269	\$ 8,080,469
Nonmajor Governmental:				
Special Revenue	1,302,056	-	-	1,302,056
Capital Projects	2,598,977	4,344,100	-	6,943,077
	<u>\$3,901,033</u>	<u>\$ 10,990,300</u>	<u>\$1,434,269</u>	<u>\$16,325,602</u>

Transfers are used to: (1) transfer revenues from the fund that the budget requires to collect them to the fund the budget requires to expend them, (2) transfer receipts restricted for debt service from funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to cover costs in other funds in accordance with budgetary authorizations. The above transfers are explained below:

1. Transfers into the General Fund consist of transfers from the various grant funds for covered expenditures; and from the Street Construction and Maintenance Fund to cover the cost of street capital improvements and maintenance costs incurred in the General Fund.
2. Transfers into the Debt Service Fund are to cover debt service payments in the current year.
3. Transfers into the Capital Projects Fund from the General Fund are to provide financial resources needed for Capital Improvement projects.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 9. LONG-TERM OBLIGATIONS

Business-Type Activities - Direct Borrowing

The City has outstanding Revenue Bonds, Notes, and Credit Lines or Borrowing Facilities from direct borrowings related to its Business-type Activities totaling \$76,181,994. The outstanding Revenue Bonds and Notes, Credit Lines or Borrowing Facilities are secured by the respective revenues from the operation of the related business-type activities.

A. Enterprise Fund Revenue Bonds

In November 2017, the City issued Utility System Refunding Revenue Bonds, Series 2017 in the principal amount of \$32,315,000. The Series 2017 Bonds were issued to current refund the City's outstanding Utility System Revenue Bonds, Series 2007 and to pay certain costs and expenses relating to the issuance of the 2017 Bonds. Principal and interest are due semi-annually on April 1 and October 1, through October 1, 2037, with a fixed interest rate of 5.00%. Repayment of the bonds is secured by a pledge of the Net Revenues and Connection Fees derived from the operation of the System.

In March 2015, the City issued \$11,485,000 of the Utility System Refunding Revenue Bonds, Series 2015 to refund the then outstanding \$11,520,000 Utility System Refunding and Improvement Revenue Bonds, Series 2004. The bonds are secured by the net revenues of the system and water connection fees. Principal and interest are due quarterly through October 1, 2034.

B. Enterprise Fund Loan Payable-Direct Borrowing

In 2005, the City began to participate in the Revolving Loan Fund Program administered by the State of Florida. This program allows local governments to enter into loan agreements with the Department of Environmental Protection under the State Revolving Loan Fund Program ("SRFLP"), for the construction of stormwater and wastewater management facilities. These loans have repayment terms of 10 and 20 years with fixed interest rates of 3.16% and 2.09%, respectively. Principal and interest payments are due semi-annually on January 15 and July 15 related to the City's outstanding 2005 series loans. All SRFLP agreements specify in the event of a default, the lender may increase the applicable interest rate margin to eighteen percent at the thirtieth day after default, and/or increase the applicable interest rate to 1.667 times the interest rate of the loan. The City has an outstanding loan payable of \$7,525,971 at September 30, 2019.

In 2014, the City entered into a loan agreement with the State of Florida Department of Environmental Protection's ("FDEP") Clean Water SRFLP to borrow up to \$546,664 to finance the planning and design of wastewater pollution control facility improvements. In 2017, the agreement was amended, and the principal amount of the loan was reduced to \$382,665. As of September 30, 2019, the City has an outstanding loan payable of \$362,484. The financing rate on the unpaid principal of the loan amount is 2.56% per annum. The loan is payable in semiannual payments upon completion of the project and is calculated based on the actual amount of principal drawn under the agreement, as well as associated capitalized interest and a loan service fee.

In 2015, the City entered into a loan agreement with the State of Florida Department of Environmental Protection's Clean Water SRFLP to borrow up to \$374,000 to finance the planning, design, and construction of stormwater drainage improvements. As of September 30, 2019, the City has an outstanding loan payable of \$266,049. The financing rate on the unpaid principal of the loan amount is 1.96% per annum. The loan is payable in semiannual payments upon completion of the project and is calculated based on the actual amount of principal drawn under the agreement, as well as associated capitalized interest and a loan service fee.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 9. LONG-TERM OBLIGATIONS

B. Enterprise Fund Loan Payable-Direct Borrowing (Continued)

In 2017, the City entered into a loan agreement with the FDEP's Clean Water SRFLP to borrow up to \$1.2 million for the planning and design of the City's wastewater collection and stormwater best management practices (BMPs) project. The financing rate on the unpaid principal of the loan amount is 2.15% per annum. The loan is payable in semiannual payments upon completion of the project. As of September 30, 2019, the City has an outstanding principal balance of \$368,722 and has a remaining undrawn balance of \$834,657.

In 2017, the City entered into a loan agreement with the FDEP's SRFLP to borrow up to \$15,540,000 for upgrades to the City's East Water Treatment Facility. In 2018, the agreement was amended to include an additional \$15,000,000 in financing for this project. As of September 30, 2019, the amount disbursed is \$18,469,275. The principal amount outstanding on this loan is \$18,647,430 and the loan has a remaining undrawn balance of \$12,070,725. The financing rate on the unpaid principal of the loan amount is 1.08% per annum. The loan is payable in semiannual payments upon completion of the project.

In 2017, the City entered into a loan agreement with the FDEP's SRFLP to borrow up to \$16,662,000 to finance wastewater and stormwater management upgrades. As of September 30, 2019, the amount disbursed is \$8,201,524. The loan has an outstanding principal balance of \$8,216,338 and has a remaining undrawn balance of \$8,460,476 as of September 30, 2019. The financing rate on the unpaid principal of the loan is 0.97% per annum. The loan is payable in semiannual payments upon completion of the project and is calculated on the amount of principal drawn under the agreement, as well as associated capitalized interest and a loan service fee. In the event of a default, the lender may accelerate payment immediately of the entire principal amount and other amounts due. Additionally, the lender may increase the applicable interest rate margin to eighteen percent at the thirtieth day after default, and/or increase the applicable interest rate to 1.667 times the interest rate of the loan.

Governmental Activities

The City has outstanding Revenue Bonds and Notes from direct borrowings related to its governmental activities totaling \$135,626,300. The outstanding Revenue Bonds and Notes, Credit Lines or borrowing facilities are secured by the respective revenues and/or pledged revenues subject to budget and appropriation. The City's governmental activity bonds and notes that are secured by a pledge to budget and appropriate legally available non-ad valorem revenues require that the City ensure that before any additional borrowing or debt is incurred, (a) the 2 year average of non-ad valorem revenues exceed the total annual debt service for governmental activities by a minimum of 1.2 times and (b) the total annual debt service for all governmental type debt should not exceed 20% of the 2 year average for General Fund total revenues.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

C. Governmental Activities Revenue Bonds-Direct Borrowing

In September 2013, the City issued \$59,815,000 of the Special Obligation Refunding and Improvement Revenue Bonds, Series 2013, which was used to pay off the then outstanding \$10,000,000 Capital Improvement Revenue Note, Series 2008, and to fund various future capital projects. Principal and interest are paid semi-annually on April 1 and October 1, through October 2038. The City's obligation to repay the Bonds is secured by impact fees and the City's covenant to budget and appropriate legally available non-ad valorem revenues.

In March 2015, the City issued \$79,595,000 of the Capital Improvement Refunding Revenue Bonds, Series 2015, which was used to pay off the then outstanding \$3,635,000 Public Service Tax Revenue Bonds, Series 2003 and the outstanding \$83,935,000 Capital Improvement Revenue Bonds, Series 2005.

The City's obligation to repay the bonds is secured by pledges of City revenue from the sales tax and communication service tax. Principal and interest are paid semi-annually on April 1 and October 1, through October 1, 2035.

D. Revenue Notes Payable-Direct Borrowing

On January 12, 2012, the City issued a \$7,084,000 Transportation Improvement Revenue Note, Series 2012. The proceeds of the note were used for various transportation improvement projects. The note bears interest at 2.21% per annum. Principal and Interest is due quarterly on January 1, April 1, July 1, and October 1. The note matures on October 1, 2021. The City's obligation to repay the note is secured by the local option gas tax.

On February 1, 2017, the City issued a Special Obligation Revenue Note, Series 2017, in the principal amount of \$10,000,000 to finance the cost of various capital improvements within the City. The Note provides for quarterly principal and interest payments beginning on April 15, 2017 through January 15, 2027, with a fixed rate of 2.9125%. Repayment of the loan is secured by a covenant to budget and appropriate legally available non-ad valorem revenues of the City. In the event of a default, the lender may increase the applicable interest rate margin to eighteen percent at the thirtieth day after default, and/or increase the applicable interest rate to 1.667 times the interest rate of the loan. The lender also may increase the interest rate margin if an event of taxability occurs, whereby the interest payable on a tax-exempt draw is includable in the gross income of the lender for federal income tax purposes, or if a change occurs in the maximum federal corporate tax rate.

E. Compensated Absences

For the governmental activities, compensated absences are generally liquidated by the General Fund. Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for the internal service funds are included in the totals for governmental activities.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

F. Summary of Bonds, Loans and Notes Outstanding

Governmental activities bonds and notes outstanding at September 30, 2019, consist of the following:

<u>Governmental Activities</u>	<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rate</u>	Maximum <u>Annual Debt Service</u>
<u>Revenue bonds:</u>					
Series 2013 Special Obligation Refunding and Improvement Revenue Bonds	Refunding 2008 Note and various capital projects	\$ 59,815,000	\$ 55,950,000	3.25-5.00%	\$ 4,661,875
Series 2015 Capital Improvement Refunding Revenue Bonds	Refunding Series 2003 Public Service Tax Revenue Bond and Series 2005 Capital Improvement Revenue Bond	<u>79,595,000</u>	<u>70,110,000</u>	3.00-5.00%	5,980,325
Total revenue bonds		<u>139,410,000</u>	<u>126,060,000</u>		
<u>Revenue notes:</u>					
Series 2012 Transportation Improvement Note	Transportation projects	7,084,000	1,771,300	2.21%	809,242
Series 2017 Special Obligation Revenue Note	Various capital projects	<u>10,000,000</u>	<u>7,795,000</u>	2.913%	1,165,917
Total revenue notes		<u>17,084,000</u>	<u>9,566,300</u>		
Total for governmental activities		<u>\$156,494,000</u>	<u>\$ 135,626,300</u>		

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

F. Summary of Bonds, Loans and Notes Outstanding (Continued)

Business-type activities bonds and loans outstanding at September 30, 2019, consist of the following:

<u>Business-Type Activities</u>	<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rate</u>	<u>Maximum Annual Debt Service</u>
<u>Revenue bonds:</u>					
2015 Utility System Refunding Revenue Bond	Refunding 2004 Utility System Revenue Bond	\$ 11,485,000	\$ 9,430,000	2.64%	\$ 760,043
2017 Utility System Refunding Revenue Bond	Refunding 2007 Utility System Rev. Bond	<u>32,315,000</u>	<u>31,365,000</u>	5.00%	2,572,500
Total Revenue Bonds		<u>43,800,000</u>	<u>40,795,000</u>		
<u>State revolving loans:</u>					
2005 Eastern Miramar infrastructure	Rehabilitation of infrastructure	18,024,237	7,525,971	2.09%	1,089,386
2014 Historic Miramar Improvement III	Wastewater Pollution Control Facilities	382,665	362,484	2.56%	25,829
2015 Historic Miramar Drainage Improvement	Drainage improvement	297,883	266,049	1.96%	18,033
2017 Drinking Water Upgrade	Drinking Water Upgrade	18,647,430	18,647,430	1.08%	
2017 Wastewater and Stormwater Mgmt.	Wastewater and Stormwater Upgrades	8,216,338	8,216,338	0.97%	
2018 Stormwater Management	Stormwater Improvements	<u>368,722</u>	<u>368,722</u>	2.15%	
Total state revolving loans		<u>45,568,553</u>	<u>35,386,994</u>		
Total for business-type activities		\$ <u>89,368,553</u>	\$ <u>76,181,994</u>		

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

G. Changes in Long-Term Obligations (Continued)

Long-term liability activity for the year ended September 30, 2019, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<u>Governmental activities:</u>					
Bonds, notes, and leases payable:					
Revenue bonds	\$ 130,950,000	\$ -	\$ 4,890,000	\$ 126,060,000	\$ 5,165,000
Revenue notes	11,235,700	-	1,669,400	9,566,300	1,721,300
Capital leases	4,664,766	773,653	1,072,081	4,366,338	1,109,347
Deferred costs – premium	6,130,910	-	350,885	5,780,025	-
Total bonds, notes payable and leases	<u>152,981,376</u>	<u>773,653</u>	<u>7,982,366</u>	<u>145,772,663</u>	<u>7,995,647</u>
Other liabilities:					
Self-insurance claims	9,505,740	1,647,104	2,647,104	8,505,740	1,562,740
Compensated absences	13,460,856	2,860,736	2,041,296	14,280,296	2,855,265
Other post-employment benefit (OPEB)	38,838,812	-	4,564,992	34,273,820	-
Total pension liability-excess benefit	1,283,418	42,405	275,279	1,050,544	-
Net pension liability	161,820,652	1,211,452	6,451,517	156,580,587	-
Net pension liability-FRS and HIS	830,903	123,318	-	954,221	-
Total other liabilities	<u>225,740,381</u>	<u>5,885,015</u>	<u>15,980,188</u>	<u>215,645,208</u>	<u>4,418,005</u>
Total governmental activities long-term liabilities	<u>\$ 378,721,757</u>	<u>\$ 6,658,668</u>	<u>\$ 23,962,554</u>	<u>\$ 361,417,871</u>	<u>\$ 12,413,652</u>

For governmental activities, compensated absences, pension liabilities and the other post-employment benefit (OPEB) liability are generally liquidated by the General Fund. Internal Service Funds predominately serve the governmental funds. Accordingly, their long-term liabilities for compensated absences, pension liabilities, and the other post-employment benefit (OPEB) liability are included as part of the totals for governmental activities.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<u>Business-type activities:</u>					
Bonds and loans payable:					
Revenue bonds	\$ 42,225,000	\$ -	\$ 1,430,000	\$ 40,795,000	\$ 1,545,000
State revolving loans	22,692,872	13,640,674	946,552	35,386,994	966,499
Deferred costs – premium	6,393,021	-	313,130	6,079,891	-
Total bonds and loans payable	<u>71,310,893</u>	<u>13,640,674</u>	<u>2,689,682</u>	<u>82,261,885</u>	<u>2,511,499</u>
Other liabilities:					
Compensated absences	1,299,340	344,103	6,263	1,637,180	406,818
Other post-employment benefit (OPEB)	6,950,599	-	931,744	6,018,855	-
Net pension liability	9,930,999	-	2,060,152	7,870,847	-
Total other liabilities	<u>18,180,938</u>	<u>344,103</u>	<u>2,998,159</u>	<u>15,526,882</u>	<u>406,818</u>
Total business-type activities long-term liabilities	<u>\$ 89,491,831</u>	<u>\$ 13,984,777</u>	<u>\$ 5,687,841</u>	<u>\$ 97,788,767</u>	<u>\$ 2,918,317</u>

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

H. Summary of Annual Debt Service Requirements

<u>Fiscal Year Ended</u>	<u>Governmental Activities</u>			
	<u>Revenue Bonds</u>		<u>Revenue Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 5,165,000	\$ 5,451,350	\$ 1,721,300	\$ 256,616
2021	5,220,000	5,217,913	1,768,800	207,743
2022	5,330,000	4,974,238	1,196,200	161,650
2023	5,540,000	4,722,538	1,035,000	130,917
2024	5,800,000	4,459,763	1,055,000	100,518
2025-2029	31,490,000	18,151,309	2,790,000	112,932
2030-2034	38,120,000	11,070,997	-	-
2035-2039	29,395,000	2,930,600	-	-
	<u>\$126,060,000</u>	<u>\$56,978,706</u>	<u>\$ 9,566,300</u>	<u>\$ 970,376</u>

<u>Fiscal Year Ended</u>	<u>Business-Type Activities</u>			
	<u>Revenue Bonds</u>		<u>Loans Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal *</u>	<u>Interest</u>
2020	\$ 1,545,000	\$ 1,786,205	\$ 966,499	\$ 166,748
2021	1,605,000	1,719,918	986,867	146,380
2022	1,655,000	1,650,900	1,007,664	125,583
2023	1,735,000	1,578,835	1,028,900	104,347
2024	1,820,000	1,503,242	1,050,584	82,663
2025-2029	10,305,000	6,255,134	2,813,547	129,224
2030-2034	12,735,000	3,774,340	194,493	24,813
2035-2039	9,395,000	950,471	105,950	3,703
	<u>\$ 40,795,000</u>	<u>\$ 19,219,045</u>	<u>\$ 8,154,504</u>	<u>\$ 783,462</u>

*Balance does not include \$18,647,430 and \$8,585,060 in outstanding loans for the East Water Treatment Facility and wastewater and stormwater upgrades, respectively, since the scheduled repayment terms have not as yet been determined.

I. Capital Leases

The City finances the acquisition of certain equipment and vehicles through capital leases. The principal balances on the governmental activities capital lease liabilities at September 30, 2019 follows:

Seven (7) year capital lease, payable in quarterly installments of \$67,670, interest at 1.842% per annum. The lease is collateralized by the mobile and portable radio equipment. In the event of a default, the lender may provide a written notice to declare all amounts then due under the lease, and all remaining lease payments due during the fiscal year in effect when the default occurs to be immediately due and payable, or request by written notice that the City promptly deliver the equipment to the lessor.

\$ 1,290,102

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

I. Capital Leases (Continued)

Seven (7) year capital lease, payable in quarterly installments of \$84,416, interest at 1.599% per annum. The lease is collateralized by the firefighter equipment purchased. In the event of a default, the lender by written notice to the City, may declare all lease payments and other amounts payable by the City thereunder to the end of the then-current budget year of the City to be due, and such amounts shall thereafter bear interest at the rate of 12% per annum or the maximum rate permitted by applicable law, whichever is less. The lender may also terminate the property schedule.

1,147,139

Four (4) year capital lease, payable in annual installments of \$293,758, interest at 0% per annum. The lease is collateralized by the telephone system purchased. In the event of a default, the lender, by written notice to the City, may declare all lease payments and other amounts payable by the City thereunder to the end of the then-current budget year of the City to be due, and such amounts shall thereafter bear interest at the rate of 12% per annum or the maximum rate permitted by applicable law, whichever is less. The lender may also terminate the property schedule.

881,273

Seven (7) year capital lease, payable in annual installments of \$37,905, interest at 4.16% per annum. The lease is collateralized by the radio equipment purchased. In the event of a default, the lender may provide a written notice to declare all amounts then due under the lease and all remaining lease payments due during the fiscal year in effect when the default occurs to be immediately due and payable, or request by written notice that the City promptly deliver the equipment to the lessor.

167,615

Five (5) year capital lease, payable in quarterly installments of \$10,905, interest at 4.35% per annum. The lease is collateralized by the Wi-Fi equipment purchased. In the event of a default, the lessor may require the City to return any or all products, without further notice, take possession of any or all products, or terminate the agreement.

150,190

Three (3) year capital lease, payable in quarterly installments of \$9,872, interest at 4.50% per annum. The lease is collateralized by the computer equipment purchased. In the event of a default, the lessor may require the City to return any or all products, without further notice, take possession of any or all products, or terminate the agreement.

28,961

Five (5) year capital lease, payable in quarterly installments of \$41,592, interest at 2.803% per annum. The lease is collateralized by the FF Self-contained Breathing Apparatus. In the event of a default, the lessor may terminate the property schedule, and may require the City, at the City's expense to promptly return any or all of the property to the possession of the lessor.

701,058

\$ 4,366,338

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

I. Capital Leases (Continued)

Annual minimum lease payments and the present value of minimum lease payments follows:

<u>Fiscal Year Ended</u>	<u>Governmental Activities</u>
2020	\$1,179,615
2021	1,150,000
2022	1,150,000
2023	676,503
2024	<u>391,770</u>
Total minimum lease payments	4,547,888
Less amount representing interest	<u>(181,550)</u>
Present value of minimum lease payments	<u><u>\$4,366,338</u></u>

The net book value of assets acquired through capital leases as of September 30, 2019, follows:

Assets:	
Equipment	\$6,389,546
Less accumulated depreciation	<u>(1,694,503)</u>
Total net book value	<u><u>\$4,695,043</u></u>

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

J. Pledged Revenues

The City issued bonds, notes and loans that are secured by a pledge of specific revenues. Total pledged revenues to repay the principal and interest of those liabilities as of September 30, 2019, are as follows:

Description of debt	Governmental Activities-Direct Borrowing	
	<u>Revenue Bonds</u>	<u>Revenue Notes</u>
	Special Obligation and Refunding Revenue Bonds, Series 2013	Transportation Improvement Revenue Note, Series 2012
Current revenue pledged	\$4,599,238	\$1,035,574
Current debt service	\$4,599,238	\$819,850
Total future revenue pledged	\$86,462,094	\$1,831,301
Pledged revenues	Impact Fees-Recreation Impact Fees-Parks, Legally available Non-Ad-Valorem Revenues	Local Option Gas Tax-second
Purpose of debt	Various Capital Projects and Refunding 2008 Bank Note	Various Transportation Improvement Projects
Terms of commitment	2013 - 2038	2012 - 2022
Percentage of debt to pledged revenues (current year)	100.00%	79.17%
Description of debt	<u>Capital Improvement Refunding Revenue Bonds, Series 2015</u>	<u>Special Obligation Revenue Note, Series 2017</u>
Current revenue pledged	\$22,102,127	\$1,153,667
Current debt service	\$5,962,475	\$1,153,667
Total future revenue pledged	\$96,576,613	\$8,705,375
Pledged revenues	Communication services tax Local government 1/2 cent sales tax Utility Tax-Electricity	Legally available non-Ad Valorem revenues
Purpose of debt	Refunding Public Service Tax Revenue Bonds Series 2003 and Capital Improvement Revenue Bonds, Series 2005	Various Capital Projects
Terms of commitment	2015 - 2036	2017 - 2027
Percentage of debt to pledged revenues (current year)	26.98%	100.00%

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

J. Pledged Revenues (Continued)

Description of debt	Business-type Activities
	Utility System Revenue Bonds Series 2015 and 2017 and Water and Sewer State Revolving Loans, issued 2005 - 2017
Current revenue pledged	\$43,594,199
Current debt service	4,407,369
Total future revenue pledged	68,952,011
Purpose of debt	Various Infrastructure, Wastewater and Stormwater Management projects
Pledged revenues	Utility and stormwater system revenues
Terms of commitment	2005 – 2038
Percentage of debt to pledged revenues (current year)	10.11%

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

A. DEFINED BENEFIT PLANS

The City maintains four separate defined benefit single-employer pension plans (General Employees' Retirement Plan, Police Officers' Retirement Plan, Firefighters' Retirement Plan, and Management Retirement Plan) which cover substantially all of its full-time employees. The City accounts for these plans as pension trust funds.

Summary of Significant Accounting Policies

Basis of Accounting - The pension plans are accounted for on the accrual basis of accounting. For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's General Employees' Retirement Plan, Police Officers' Retirement Plan, Firefighters' Retirement Plan and Management Retirement Plan (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

General Employees' Retirement Plan

1. **Plan Description** - The General Employees' Retirement Plan (the Plan) is a single-employer defined benefit pension plan that covers all City employees, except for police, firefighters, full-time senior management or management positions, and certain appointed employees and elected officials. The Plan was established pursuant to City Ordinance No. 81-12 (as amended). The Plan is also governed by certain provisions of Chapter 112, Florida Statutes. The Board of Trustees for the Plan administers the Plan. Plan provisions may be amended by City ordinance, as governed by guidelines of the State of Florida.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

General Employees' Retirement Plan (Continued)

2. Benefits Provided - The Plan provides retirement and death benefits to Plan members and beneficiaries. Normal retirement is at the earlier of attainment of age 65 and 7 years of credited service, or 20 years of credited service regardless of age. Normal retirement benefits are 2.75% for participants with less than 21 years of credited service plus .05% for every year of additional service to a maximum of 3% of average monthly earnings times credited service. Average monthly earnings are the average earnings during the three highest years of credited service.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. The report may be obtained by writing to the Plan administrator.

City of Miramar Pension Trust for General Employees'
3810 Inverrary Boulevard, Suite 303
Lauderhill, Florida 33319

3. Employees Covered by Benefit Terms - As of the October 1, 2018 actuarial valuation, membership in the General Employees' Retirement Plan consisted of the following:

	<u>General Employees'</u>
Retirees and beneficiaries currently receiving benefits	175
Inactive employees entitled to but not yet receiving benefits	31
Active Employees (including transfers)	<u>409</u>
	<u>615</u>

4. Contributions - Plan members are required to contribute 7.36% of their annual covered salary. The City is required to contribute at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. Employer contributions for the year ended September 30, 2019, determined using the actuarial valuation dated October 1, 2017, were \$4,563,783 or 22.98% of covered payroll.
5. Deferred Retirement Option Plan - The deferred retirement option plan (DROP) is available to all General Plan participants who have attained their normal retirement age. Upon electing to participate in the DROP, members are considered to have retired for pension purposes of the pension plan but continue to remain in active employment with the City. The benefits accumulate in a DROP account and continue to accrue interest until they retire from the City at which time DROP benefits will be paid. Maximum duration of participation is five years and the election is irrevocable. The balance held by the General Employees' Plan at September 30, 2019 pursuant to the DROP is \$3,126,099.
6. Net Pension Liability - The General Employees' Retirement Plan's net pension liability was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

General Employees' Retirement Plan (Continued)

7. Actuarial assumptions - The total pension liability was determined by an actuarial valuation as of September 30, 2018, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Actuarial Assumptions:

Assumed rate on investments	7.00%	(including inflation)
Annual salary increases	5.00%-7.50%	(including inflation)
Inflation rate	2.50%	

Mortality rates were based on the RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates used for Regular Class members of the Florida Retirement System (FRS) in their July 1, 2017 actuarial valuation.

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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity	7.50%
International equity	8.50%
Fixed Income	2.50%
Real estate	4.50%

8. Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member 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 contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

General Employees' Retirement Plan (Continued)

9. Changes in the Net Pension Liability

	General Employees' Retirement Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) – (b)
Balance at October 1, 2018	\$110,733,150	\$ 93,856,037	\$16,877,113
Changes for the year:			
Service cost	3,769,297	-	3,769,297
Interest	7,845,693	-	7,845,693
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(1,136,863)	-	(1,136,863)
Changes of assumptions	-	-	-
Contributions – employee	-	1,749,136	(1,749,136)
Contributions – employer	-	4,379,929	(4,379,929)
Net investment income	-	10,247,911	(10,247,911)
Benefit payments, including refunds of employee contributions	(4,842,247)	(4,842,247)	-
Administrative expense	-	(151,103)	151,103
Net changes	5,635,880	11,383,626	(5,747,746)
Balances at September 30, 2019	\$116,369,030	\$105,239,663	\$11,129,367

10. Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following table illustrates the impact of interest rate sensitivity on the net pension liability as of September 30, 2019:

	General Employees' Retirement Plan		
	1% Decrease	Current Rate	1% Increase
	6.00%	7.00%	8.00%
Net Pension Liability	\$ 24,961,201	\$ 11,129,367	\$ (482,074)

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

General Employees' Retirement Plan (Continued)

11. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended September 30, 2019, the City recognized pension expense of \$2,038,747. At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>General Employees' Retirement Plan</u>	
	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 2,065,870	\$ 1,931,947
Assumption changes	817,312	-
Net difference between projected and actual earnings on pension plan investments	-	5,120,224
Employer contributions made subsequent to the measurement date	4,563,783	-
Total	<u>\$ 7,446,965</u>	<u>\$ 7,052,171</u>

The deferred outflows of resources related to the General Employees Retirement Plan, totaling \$4,563,783, resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2020. Other amounts reported as deferred outflows of resources and as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended September 30:</u>	
2020	\$ (824,088)
2021	(1,443,104)
2022	(905,132)
2023	(839,857)
2024	(156,808)
Thereafter	-

12. Investment Rate of Return - For the year ended September 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.61%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Police Officers' Retirement Plan

1. Plan Description - The Police Officers' Retirement Plan and Trust (the Plan) is a single-employer defined benefit pension plan that covers substantially all of the City's certified police officers. The Plan was established pursuant to City Ordinance No. 80-21 (as amended). The Plan is also governed by certain provisions of Chapter 185, Florida Statutes. The Board of Trustees for the Plan administers the Plan. Plan provisions may be amended by City ordinance, as governed by guidelines of the State of Florida.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Police Officers' Retirement Plan (Continued)

2. Benefits Provided - The Plan provides retirement, disability, and death benefits to Plan members and beneficiaries.

In June 2008, pursuant to Ordinance No. 08-20, the City Commission approved a second tier for the Plan. Tier One members include all officers hired prior to June 20, 2008, and Tier Two members are those hired after such date. Tier One members may retire the earlier of the date on which they obtain 20 years of credited service or age 55 and completion of 10 years of credited service. Normal retirement benefits are 3.25% of average monthly earnings times credited service up to a maximum benefit of 80% for participants retiring on or after October 1, 1994. Tier Two members may retire the earlier of the date on which they obtain 25 years of credited service or age 55 and completion of 10 years of credited service. Normal retirement benefits are 3.00% of average monthly earnings times credited service subject to a maximum of 75% of average monthly earnings.

Effective October 1, 2001, an annual 2% COLA was created for all retirees and DROP participants who were active employees on or after October 1, 2001, including DROP participants who had entered the DROP prior to October 1, 2001. COLA payments shall commence five (5) years after retirement or entry into the DROP. Tier Two members are not eligible for COLA.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. The report may be obtained by writing to the Plan administrator.

City of Miramar Police Officers' Retirement Plan and Trust
6861 SW 196th Avenue, Suite 402
Fort Lauderdale, Florida 33332

3. Employees Covered by Benefit Terms - As of the October 1, 2018 actuarial valuation, membership in the Police Officers' Retirement Plan consisted of the following:

	<u>Police Officers</u>
Retirees and beneficiaries currently receiving benefits	89
Inactive employees entitled to but not yet receiving benefits	49
Active Employees	<u>166</u>
	<u>304</u>

4. Contributions - Both Tier One and Tier Two Plan members are required to contribute 13.40% of their basic annual compensation on a pick-up basis. Pursuant to Florida Statutes Chapter 185, premium taxes on casualty insurance contracts are collected by the State and are remitted to the Plan. This amount totaled \$1,209,810 for the year ended September 30, 2019. This amount was recognized as an expenditure and revenue in the General Fund. The City is expected to contribute after offset by the allowable State contribution, such additional amounts as are necessary on an actuarial basis to fund the Plan's current service costs and to provide for benefits under the Plan not met by member contributions. Employer contributions for the year ended September 30, 2019, determined using the actuarial valuation dated October 1, 2017, were \$8,813,360 or 64.3% of covered payroll.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Police Officers' Retirement Plan (Continued)

5. Deferred Retirement Option Plan - The deferred retirement option plan (DROP) is available to all Police officers' who have attained their normal retirement age. Upon electing to participate in the DROP, members are considered to have retired for pension purposes of the pension plan but continue to remain in active employment with the City. The benefits accumulate in a DROP account and continue to accrue interest until they retire from the City at which time DROP benefits will be paid. Maximum duration of participation is eight years and the election is irrevocable. The balance held by the Police Officers' Retirement Plan at September 30, 2019, pursuant to the DROP is \$44,202,217.
6. Net Pension Liability - The Police Officers' Retirement Plan's net pension liability was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.
7. Actuarial assumptions - The total pension liability was determined by an actuarial valuation as of September 30, 2018, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Actuarial Assumptions:

Assumed rate of return on investments	7.00%	(including inflation)
Annual salary increases	5.50%	(including inflation)
Inflation rate	2.50%	

Mortality rates were based on the mortality table used by FRS (Florida Retirement System) as of the July 1, 2017 actuarial valuation.

- Pre-Retirement:
 - Female Non-Disabled: RP2000 Generational, 100% Combined Healthy with White Collar Adjustment Scale BB
 - Male Non-Disabled: RP2000 Generational, 10% Combined Healthy with White Collar Adjustment/90% Combined Healthy with Blue Collar Adjustment, Scale BB
- Post-Retirement:
 - Female Non-Disabled: RP2000 Generational, 100% Annuitant White Collar Scale BB
 - Male Non-Disabled: RP2000 Generational, 50% Annuitant White Collar /50% Annuitant Blue Collar Scale BB
- Disability Retirement:
 - Female Disabled: 60% RP2000 Disabled Female set forward two years/40% Annuitant White Collar with no setback, no projection scale.
 - Male Disabled: 60% RP2000 Disabled Male setback four years/40% Annuitant White Collar with no setback, no projection scale.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Police Officers' Retirement Plan (Continued)

7. Actuarial assumptions (Continued) - 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. The 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.

Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2019, are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
U.S. Large Cap Equity	4.00%
U.S. Small/Mid Cap Equity	4.50%
International Equity	5.00%
U.S. Direct Real Estate	4.25%
Absolute Return/Alternatives	3.00%
Global Return	3.75%
U.S. Aggregate Bond	1.50%

8. Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member 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 contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Police Officers' Retirement Plan (Continued)

9. Changes in the Net Pension Liability

	Police Officers' Retirement Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) – (b)
Balance at October 1, 2018	\$237,208,862	\$160,010,746	\$77,198,116
Changes for the year:			
Service cost	4,712,293	-	4,712,293
Interest	17,007,515	11,403,109	5,604,406
Differences between expected and actual experience	4,426,169	-	4,426,169
Changes of assumptions	-	-	-
Contributions – employee	-	2,808,627	(2,808,627)
Contributions – employer	-	9,943,770	(9,943,770)
Net investment income (loss)	-	984,159	(984,159)
Benefit payments, including refunds of employee contributions	(6,765,640)	(6,765,640)	-
Administrative expense	-	(205,140)	205,140
Net changes	19,380,337	18,168,885	1,211,452
Balances at September 30, 2019	\$256,589,199	\$178,179,631	\$78,409,568

10. Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following table illustrates the impact of interest rate sensitivity on the net pension liability as of September 30, 2019:

	Police Officers' Retirement Plan		
	1% Decrease	Current Rate	1% Increase
	6.00%	7.00%	8.00%
Net Pension Liability	\$ 111,768,074	\$ 78,409,568	\$ 51,925,278

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Police Officers' Retirement Plan (Continued)

11. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended September 30, 2019, the City recognized a pension expense of \$8,215,026. At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Police Officers' Retirement Plan</u>	
	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 9,729,718	\$ 2,117,863
Assumption changes	689,041	-
Net difference between projected and actual earnings on pension plan investments	-	4,839,351
Employer contributions made subsequent to the measurement date	8,813,360	-
Total	<u>\$ 19,232,119</u>	<u>\$ 6,957,214</u>

The deferred outflows of resources related to the Police Officers' Retirement Plan, totaling \$8,813,360, resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2020. Other amounts reported as deferred outflows of resources and as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended September 30:</u>	
2020	\$ 777,369
2021	(1,415,103)
2022	(748,131)
2023	1,300,159
2024	1,496,990
Thereafter	2,050,261

12. Investment Rate of Return - For the year ended September 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 3.0%. The money-weighted rate of return expresses investments performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Retirement Plan

1. Plan Description - The Firefighters' Retirement Plan (the Plan) is a single-employer defined benefit pension plan that covers substantially all of the City's certified firefighters. The Plan was established pursuant to City Ordinance No. 81-32 (as amended) which became effective July 7, 1981. The Plan is also governed by certain provisions of Chapter 175, Florida Statutes. The Plan is administered by the Board of Trustees for the Plan. Plan provisions may be amended by City ordinance, as governed by guidelines of the State of Florida.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Firefighters' Retirement Plan (Continued)

2. Benefits Provided - The Plan provides retirement, disability, and death benefits to Plan members and beneficiaries. Participants who have completed 25 years of service or attained age 55 with 10 years of credited service are eligible for normal retirement benefits. The normal retirement benefit multiplier is 3% of the final monthly compensation. Immediate payments are calculated in the same manner as the normal retirement benefit reduced by 3% for each year by which their age at retirement precedes their normal retirement age. Deferred payments are payable at age 55 and calculated in the same manner as the normal retirement benefit.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. The report may be obtained by writing to the Plan administrator.

City of Miramar Firefighters' Retirement Plan
4360 Northlake Boulevard, Suite 206
Palm Beach Gardens, Florida 33410

3. Employees Covered by Benefit Terms - As of the October 1, 2018 actuarial valuation, membership in the Firefighters' Retirement Plan consisted of the following:

	<u>Firefighters</u>
Retirees and beneficiaries currently receiving benefits	46
Inactive employees entitled to but not yet receiving benefits	27
Active Employees	<u>123</u>
	<u>196</u>

4. Contributions - Plan members are required to contribute 8.47% of their base salaries or wages on a monthly basis. If a member terminates their employment before accumulating aggregate time of 10 years toward retirement, the accumulated contributions will be returned to the members with 5.5 % interest. Pursuant to Florida Statutes Chapter 175, contributions from the State of Florida Department of Insurance consist of 1.85% excise tax imposed upon certain property insurance companies on the gross amount of premiums from policy holders on all premiums collected on property insurance policies covering property within the City. This amount totaled \$1,070,720 for the year ended September 30, 2019. This amount was recognized as an expenditure and revenue in the General Fund. The City is required to make annual contributions in the amount of the difference between allowable State contributions and the total cost for the plan year as shown by an actuarial valuation report. The total cost is equal to the normal cost plus the amount required to amortize unfunded actuarial liabilities over 15 years as a level percentage of payroll. Employer contributions for the year ended September 30, 2019, determined using the actuarial valuation dated October 1, 2017, were \$6,289,566 or 53.9% of covered payroll.
5. Deferred Retirement Option Plan - The deferred retirement option plan (DROP) is available to all Firefighters' who have attained their normal retirement age. Upon electing to participate in the DROP, members are considered to have retired for pension purposes of the pension plan but continue to remain in active employment with the City. The benefits accumulate in a DROP account and continue to accrue interest until they retire from the City at which time DROP benefits will be paid. Maximum duration of participation is five years and the election is irrevocable. The balance held by the Firefighters' Retirement Plan at September 30, 2019, pursuant to the DROP is \$22,150,243.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Firefighters' Retirement Plan (Continued)

6. Net Pension Liability - The Firefighters' Retirement Plan's net pension liability was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.
7. Actuarial assumptions - The total pension liability was determined by an actuarial valuation as of September 30, 2018, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Actuarial Assumptions:

Assumed rate of return on investments	*7.00%	
Annual salary increases	*9.18%	first (6) years of service
	*4.03%	thereafter
Inflation rate	2.50%	

*Amounts include inflation of 2.5%

Mortality rates were based on the mortality table used by FRS (Florida Retirement System) as of the July 1, 2017 actuarial valuation.

Pre-Retirement:

- Female Non-Disabled: RP2000 Generational, 100% Combined Healthy with White Collar Adjustment Scale BB
- Male Non-Disabled: RP2000 Generational, 10% Combined Healthy with White Collar Adjustment/ 90% Combined Healthy with Blue Collar Adjustment, Scale BB
- **Post-Retirement:**
 - Female Non-Disabled: RP2000 Generational, 100% Annuitant White Collar Scale BB
 - Male Non-Disabled: RP2000 Generational, 50% Annuitant White Collar /50% Annuitant Blue Collar Scale BB
- **Disability Retirement:**
 - Female Disabled: 60% RP2000 Disabled Female set forward two years/40% Annuitant White Collar with no setback, no projection scale.
 - Male Disabled: 60% RP2000 Disabled Male setback four years/40% Annuitant White Collar with no setback, no projection scale.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Firefighters' Retirement Plan (Continued)

7. Actuarial assumptions - 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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2019, are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
Large Cap Equity	5.40%
Mid Cap Equity	8.90%
Small Cap Equity	7.00%
International developed markets	3.00%
Emerging markets	8.20%
Real Estate	5.80%
Fixed Income	2.90%

8. Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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.

9. Changes in the Net Pension Liability

	<u>Firefighters' Retirement Plan</u>		
	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a) - (b)</u>
Balance at October 1, 2018	<u>\$196,056,137</u>	<u>\$137,646,256</u>	<u>\$58,409,881</u>
Changes for the year:			
Service cost	3,955,543	-	3,955,543
Interest	14,174,095	9,831,060	4,343,035
Differences between expected and actual experience	4,918,614	-	4,918,614
Changes of assumptions	-	-	-
Contributions - employee	-	2,777,837	(2,777,837)
Contributions - employer	-	7,877,780	(7,877,780)
Net investment income	-	4,002,410	(4,002,410)
Benefit payments, including refunds of employee contributions	(4,886,434)	(4,886,434)	-
Administrative expense	-	(174,259)	174,259
Net changes	<u>18,161,818</u>	<u>19,428,394</u>	<u>(1,266,576)</u>
Balances at September 30, 2019	<u><u>\$214,217,955</u></u>	<u><u>\$157,074,650</u></u>	<u><u>\$57,143,305</u></u>

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Firefighters' Retirement Plan (Continued)

10. Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following table illustrates the impact of interest rate sensitivity on the net pension liability as of September 30, 2019:

	Firefighters' Retirement Plan		
	1% Decrease	Current Rate	1% Increase
	6.00%	7.00%	8.00%
Net Pension Liability	\$ 86,436,229	\$ 57,143,305	\$ 33,806,030

11. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended September 30, 2019, the City recognized a pension expense of \$4,668,819. At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Firefighters' Retirement Plan	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 6,141,168	\$ 8,135,398
Assumption changes	846,487	-
Net difference between projected and actual earnings on pension plan investments	867,591	-
Employer contributions made subsequent to the measurement date	6,289,566	-
Total	<u>\$ 14,144,812</u>	<u>\$ 8,135,398</u>

The deferred outflows of resources related to the Firefighters' Retirement Plan, totaling \$6,289,566, resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2020. Other amounts reported as deferred outflows and as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2020	\$ (221,166)
2021	(1,603,163)
2022	(1,193,977)
2023	168,834
2024	1,049,923
Thereafter	1,519,397

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Firefighters' Retirement Plan (Continued)

12. Investment Rate of Return - For the year ended September 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 3.80%. The money-weighted rate of return expresses investments performance, net of investment expense, adjusted for the changing amounts actually invested.

Management Retirement Plan

1. Plan Description - The Management Retirement Plan and Trust Fund (the Plan) is a single-employer defined benefit pension plan that covers all regular full time senior management or management positions designated by the City Manager, and effective July 6, 2005, includes all FLSA exempt and Civil Service exempt positions. The Plan was established pursuant to City Ordinance No. 02-18 effective October 1, 2002. The Plan is also governed by certain provisions of Chapter 112, Florida Statutes. The Board of Trustees for the Plan administers the Plan. Plan provisions may be amended by City ordinance, as governed by guidelines of the State of Florida.
2. Benefits Provided - The Plan provides retirement, disability and death benefits to Plan members and beneficiaries. A member may retire on the first day of the month following the earlier of: the date upon which a member completes 20 years of credited service, regardless of age; or the date upon which the member attains age 55 with ten years of credited service or the date upon which the member attains age 62 with five years of credited service. Normal retirement benefits are 3% of final monthly compensation for each year of credited service plus an increase of 0.2% for every year of additional service above 5 years to a maximum of 4% of final compensation times credited service.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. The report may be obtained by writing to the Plan administrator.

City of Miramar Management Retirement Plan
FHA-TPA Benefit Administration
P.O. Box 327810
Fort Lauderdale, Florida 33332

3. Employees Covered by Benefit Terms - As of the October 1, 2018 actuarial valuation, membership in the Management Retirement Plan consisted of the following:

	<u>Management</u>
Retirees and beneficiaries currently receiving benefits	62
Inactive employees entitled to but not yet receiving benefits	11
Active Employees	<u>137</u>
	<u>210</u>

4. Contributions - The Plan provides that each member shall contribute, beginning with the date of covered employment, 13.52% of the member's compensation on a pick-up basis. For members also contributing to the City of Miramar Pension Trust for General Employees', the contribution to the Plan shall be reduced by the amount contributed to the General Employees' Plan. The City contributes an amount which when combined with member contributions and investment return, are expected to be sufficient to maintain the Plan on a sound actuarial basis. Employer contributions for the year ended September 30, 2019, determined using the actuarial valuation dated October 1, 2017, were \$3,096,794 or 27.07% of covered payroll.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Management Retirement Plan (Continued)

4. Contributions (Continued) - On February 15, 2012, the City made changes to the Plan under Ordinance 12-09. Members who have covered service prior to active membership in this plan may purchase some or all of that covered service. For the time being purchased, the full actuarial cost of this buyback must be paid by the member. The cost of the service buyback may be made in one lump sum or may be made by payroll deductions over a period which shall not exceed the time period for the years of the prior service being purchased. For example, if an eligible member is purchasing five years of prior covered service, that member must complete all required payments within five years. Members electing not to purchase prior covered service will be deemed to have commenced credited service on the date of active membership in the plan.
5. Deferred Retirement Option Plan - The deferred retirement option plan (DROP) is available to all Management Plan members who have attained their normal retirement age. Upon electing to participate in the DROP, members are considered to have retired for pension purposes of the pension plan but continue to remain in active employment with the City. The benefits accumulate in a DROP account and continue to accrue interest until they retire from the City at which time DROP benefits will be paid. Maximum duration of participation is five years and the election is irrevocable. The balance held by the Management Plan at September 30, 2019, pursuant to the DROP is \$1,955,483.
6. Net Pension Liability - The Management Retirement Plan's net pension liability was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.
7. Actuarial assumptions - The total pension liability was determined by an actuarial valuation as of September 30, 2018, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Actuarial Assumptions:

Assumed rate of return on investments	7.00%	(including inflation)
Annual salary increases	4.00%	(including inflation)
Inflation rate	2.50%	

Mortality rates were based on the RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates used for Regular Class members of the Florida Retirement System (FRS) in their July 1, 2017 actuarial valuation.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Management Retirement Plan (Continued)

8. Actuarial assumptions - 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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2019, are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity	7.50%
International equity	8.50%
Fixed Income	2.50%
Real estate	4.50%

9. Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member 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 contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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.

10. Changes in the Net Pension Liability

	<u>Management Retirement Plan</u>		
	<u>Increase (Decrease)</u>		
	Total Pension Liability <u>(a)</u>	Plan Fiduciary Net Position <u>(b)</u>	Net Pension Liability <u>(a) - (b)</u>
Balance at October 1, 2018	\$ 56,563,540	\$ 37,296,999	\$ 19,266,541
Changes for the year:			
Service cost	2,991,499	-	2,991,499
Interest	4,081,975	-	4,081,975
Changes in benefit terms	-	-	-
Differences between expected and actual experience	418,154	-	418,154
Changes of assumptions	-	-	-
Contributions – employee	-	1,762,120	(1,762,120)
Contributions – employer	-	3,111,065	(3,111,065)
Net investment income	-	4,214,420	(4,214,420)
Benefit payments, including refunds of employee contributions	(2,482,229)	(2,482,229)	-
Administrative expense	-	(98,630)	98,630
Net changes	5,009,399	6,506,746	(1,497,347)
Balances at September 30, 2019	<u>\$ 61,572,939</u>	<u>\$ 43,803,745</u>	<u>\$ 17,769,194</u>

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

Management Retirement Plan (Continued)

11. Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following table illustrates the impact of interest rate sensitivity on the net pension liability as of September 30, 2019:

	Management Retirement Plan		
	1% Decrease	Current Rate	1% Increase
	6.00%	7.00%	8.00%
Net Pension Liability	\$ 25,580,300	\$ 17,769,194	\$ 11,325,093

12. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended September 30, 2019 the City recognized a pension expense of \$3,293,889. At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Management Retirement Plan	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 2,627,618	\$ -
Assumption changes	533,752	-
Net difference between projected and actual earnings on pension plan investments	-	2,158,870
Employer contributions made subsequent to the measurement date	3,096,794	-
Total	\$ 6,258,164	\$ 2,158,870

The deferred outflows of resources related to the Management Retirement Plan, totaling \$3,096,794, resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2020. Other amount reported as deferred outflows of resources and as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2020	\$ 641,929
2021	198,541
2022	213,921
2023	(89,905)
2024	38,014
Thereafter	-

13. Investment Rate of Return - For the year ended September 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.52%. The money-weighted rate of return expresses investments performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (Continued)

City of Miramar Excess Benefit Plan

1. Plan Description - The City established, under Ordinance No. 01-43, effective date September 5, 2001, the Excess Benefit Plan as a separate plan to be a separate, unfunded, nonqualified excess benefit plan, containing the terms and provisions set forth in the subpart (Sec. 15-341) and intended to be a qualified governmental excess benefit arrangement as defined in Section 415 (m) (3) of the Internal Revenue Code.
2. Basis of Accounting – In 2018, the City implemented GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68 and Amendments to Certain Provisions of GASB 67 and 68*, as it relates to the Excess Benefit Plan. The objective of this statement is to improve financial reporting by establishing a single framework for the presentation of information about pensions which will enhance the comparability of pension-related information reported by state and local government pension plans. The following disclosures related to the Excess Benefit Plan are in accordance with the requirements of GASB Statement No. 73.
3. Excess Benefit Participants - Any member whose retirement benefit, as determined on the basis of all qualified plans maintained by the City without regard to the limitations set forth in the Code and comparable provisions of other qualified plans of the City, exceeds the maximum benefit under Section 415 of the Code. As of the September 30, 2018 measurement date, there were six members in pay status participating in the Excess Benefit Plan.
4. Benefits Provided - An employee benefit participant shall be eligible to receive benefits from the excess benefit plan after termination of employment, as an unrestricted benefit on a monthly basis as would be received under the terms of all qualified plans of the City, that otherwise would have been paid in the absence of IRS Code Section 415 limits.
5. Funding Policy - The City's Excess Benefit Plan is not funded in a GASB-qualifying trust. The City cannot advance fund assets, or any benefit currently payable under the Plan, and any assets held by the plan during any period can only pay benefits coming due or the expenses of the plan during the period. Contributions by the City are not allowed to accumulate from year to year for purposes of advance funding of any of the Excess Plan liabilities. The City has recorded a liability in the amount of \$1,050,544 in the government-wide financial statements that represents the Total Pension Liability of the Plan as of the September 30, 2018 measurement date. The City cannot restrict any assets, including cash for the purpose of providing funding for these benefits. However, the City has in the past and will continue to stand by its obligation to pay these benefits from its annual budgeted funds, as the liability becomes payable under this plan.
6. Plan Membership Information - As of the October 1, 2018 actuarial valuation, membership in the Excess Benefit Plan consisted of the following:

	<u>Excess Benefit</u>
Retirees and beneficiaries currently receiving benefits	6
Inactive nonretired members	0
Active Employees (including transfers)	<u>0</u>
	<u>6</u>

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (CONTINUED)

City of Miramar Excess Benefit Plan (Continued)

7. Total Pension Liability - The Excess Benefit Plan's total pension liability was measured as of September 30, 2018 and determined by an actuarial valuation as of that date.
8. Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of September 30, 2018 using the following actuarial assumptions, applied to all prior periods included in the measurement. The valuation of the Excess Benefit Plan liability is based upon calculations of the split between the members' qualified and non-qualified distributions and assumes a 2.5% increase for annual increases in the IRC Section 415(b)-dollar limit to anticipate future changes in the split.

Actuarial Assumptions:

Actuarial cost method	Entry Age Normal
Inflation rate	2.5% (also used for assumed future annual increases in the IRC Section 415 (b) dollar limit)
Annual salary increases	N/A
Discount rate	3.83%
Retirement age	N/A
Mortality	RP-2000 Mortality Table for Annuitants, with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates used for Regular Class Members of the Florida Retirement System (FRS) in their July 1, 2017 Actuarial Valuation as mandated by Chapter 112.63, Florida Statutes, for municipal pension plans.

Projected benefit payments are discounted to their actuarial present values using a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Bond Buyer) as of the measurement date. The discount rate used to measure the total pension liability was 3.83%

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (CONTINUED)

City of Miramar Excess Benefit Plan (Continued)

9. Changes in the Total Pension Liability

	<u>Excess Benefit Plan</u> <u>Increase (Decrease)</u> <u>Total Pension</u> <u>Liability</u>
Balance at October 1, 2018	\$ 1,283,418
Changes for the year:	
Service cost	-
Interest	42,405
Changes in benefit terms	-
Differences between expected and actual experience	(111,014)
Changes of assumptions	(20,574)
Benefit payments, including refunds of employee contributions	(143,691)
Other	-
Net changes	<u>(232,874)</u>
Balance at September 30, 2019	<u>\$ 1,050,544</u>
 Covered Payroll	 N/A
 Total Pension Liability as a Percentage of Covered Payroll	 N/A

10. Sensitivity of the Total Pension Liability to Changes in the Discount Rate - The following table illustrates the sensitivity of the total pension liability to changes in the discount rate as of September 30, 2019:

	<u>Excess Benefit Plan</u>		
	1% Decrease	Current Rate	1% Increase
	2.83%	3.83%	4.83%
Total Pension Liability	<u>\$ 1,115,191</u>	<u>\$ 1,050,544</u>	<u>\$ 992,375</u>

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

A. DEFINED BENEFIT PLANS (CONTINUED)

City of Miramar Excess Benefit Plan (Continued)

11. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended September 30, 2019, the City recognized pension expense of \$(89,183). At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to the excess benefit plan from the following sources.

	Excess Benefit Plan	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Employer contributions made subsequent to the measurement date	141,954	-
Total	<u>\$ 141,954</u>	<u>\$ -</u>

The deferred outflow of resources related to the Excess Benefit Plan, totaling \$141,954 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the total pension liability for the fiscal year ended September 30, 2020.

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS)

The City provides retirement benefits to elected officials through the Florida Retirement System (FRS and HIS).

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state administered retirement system in paying the costs of health insurance.

The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

The City's pension expense for FRS and HIS totaled \$254,031 for the fiscal year ended September 30, 2019.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS) (CONTINUED)

Florida Retirement System (FRS)

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

Elected Local Officers Class – Members who hold specified elective offices in local government.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of service. Members of the Plan may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

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

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

Class, Initial Enrollment and Retirement Age/Years of Service	% Value
Elected Local Officers	3.00

Per Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS) (CONTINUED)

Florida Retirement System (FRS) (Continued)

credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

3. Contributions - The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2019 fiscal year were as follows:

	Percent of Gross Salary		Percent of Gross Salary	
	October 1, 2018 to June 30, 2019		July 1, 2019 to September 30, 2019	
	Employee	Employer (1)	Employee	Employer(1)
FRS, Elected Local Officers	3.00	48.70	3.00	48.82
FRS, Elected Local Officers				
Retired Reemployed on or after July 1, 2010	0.00	40.14	0.00	40.03

- (1) Employer rates include a postemployment HIS contribution rate of 1.66% through June 30, 2019 and 1.66% from July 1 to September 30, 2019. Also, employer rates include .06% for administrative costs of the Investment plan through June 30, 2019 and .06% from July 1 to September 30, 2019.

The City's contributions to the Plan totals \$80,757 for the fiscal year ended September 30, 2019. This excludes the HIS defined benefit pension plan contributions.

4. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2019, the City reported a liability of \$892,650 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The City's proportionate share of the net pension liability was based on the City's contributions for the year ended June 30, 2019 relative to the contributions made during the year ended June 30, 2019 of all participating members. At June 30, 2019, the City's proportionate share was .002592003% percent, which was an increase of .000027193% from its proportionate share measured as of June 30, 2018.

For the fiscal year ended September 30, 2019 the City recognized pension expense of \$250,183 related to the Pension Plan. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS) (CONTINUED)

Florida Retirement System (FRS) (Continued)

	FRS Plan	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 52,946	\$ 554
Assumption changes	229,271	-
Net difference between projected and actual earnings on FRS pension plan investments	-	49,386
Changes in proportion and differences between City FRS contributions and proportionate share of FRS contributions	234,324	258,838
Employer contributions made subsequent to the measurement date	19,720	-
Total	<u>\$ 536,261</u>	<u>\$ 308,778</u>

The deferred outflows of resources related to pensions, totaling \$19,720 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2020	\$ 98,473
2021	26,318
2022	67,440
2023	20,166
2024	(7,947)
Thereafter	3,313

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS) (CONTINUED)

Florida Retirement System (FRS) (Continued)

5. Actuarial Assumptions

The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.60%
Annual salary increases	3.25%, average, including inflation
Investment rate of return	6.90%, net of pension plan expense, including inflation
Mortality	PUB-2010 base table, projected generationally with Scale MP-2018

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)	Arithmetic Return	Geometric Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.2%
Fixed Income	18.0%	4.1%	4.1%	3.5%
Global Equity	54.0%	8.0%	6.8%	16.5%
Real Estate	10.0%	6.7%	6.1%	11.7%
Private equity	11.0%	11.2%	8.4%	25.8%
Strategic Investments	6.0%	5.9%	5.7%	6.7%
	<u>100.00%</u>			
Assumed Inflation -Mean		2.6%		1.7%

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

6. Discount Rate - The discount rate used to measure the total pension liability was 6.90% percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS) (CONTINUED)

Florida Retirement System (FRS) (Continued)

7. Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	FRS Plan		
	1% Decrease 5.90%	Current Rate 6.90%	1% Increase 7.90%
Net Pension Liability	\$ 1,543,094	\$ 892,650	\$ 349,419

8. Pension Plan Fiduciary Net Position - Detailed information about the Plan's fiduciary net position is available in the FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.
9. Payables to the Pension Plan - At September 30, 2019, the City reported a payable to the Plan of \$5,536.

HIS Pension Plan

1. Plan Description - The HIS Pension Plan (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 Division of Retirement within the Florida Department of Management Services.
2. Benefits Provided - For the fiscal year ended September 30, 2019, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.
3. 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, 2019, the contribution rate was 1.66% of payroll from October 1, 2018 through June 30, 2019 and 1.66% of payroll for July 1, 2019 through September 30, 2019 pursuant to section 112.363, Florida Statutes. The City contributed 100 percent 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 the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The City's contributions to the HIS Plan totaled \$3,008 for the fiscal year ended September 30, 2019.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS) (CONTINUED)

HIS Pension Plan (Continued)

4. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2019, the City reported a net pension liability of \$61,571 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 with update procedures used to determine the liability as of June 30, 2019. The City's proportionate share of the net pension liability was based on the year ended June 30, 2019 contributions relative to the year ended June 30, 2019 contributions of all participating members. At June 30, 2019, the City's proportionate share was .000550284%, which was a decrease of .000001196% from its proportionate share measured as of June 30, 2018.

For the fiscal year ended September 30, 2019, the City recognized pension expense of \$3,848 related to the HIS Plan. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	HIS PLAN	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 748	\$ 75
Assumption changes	7,129	5,032
Net difference between projected and actual earnings on HIS pension plan investments	40	-
Changes in proportion and differences between City HIS contributions and proportionate share of HIS contributions	37,286	40,951
Employer contributions made subsequent to the measurement date	748	-
Total	<u>\$ 45,951</u>	<u>\$ 46,058</u>

The deferred outflows of resources related to pensions, totaling \$748, resulting from City contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2020.

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

Year ended September 30:	
2020	\$ 323
2021	1,228
2022	1,386
2023	1,720
2024	(4,641)
Thereafter	(871)

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. FLORIDA RETIREMENT SYSTEM (FRS and HIS) (CONTINUED)

HIS Pension Plan (Continued)

5. Actuarial Assumptions - The total pension liability was determined by an actuarial valuation performed as of July 1, 2018 (using update procedures to roll forward to the measurement date) using the following actuarial assumptions, applied to all periods included in the measurement:

- 6.
- | | |
|---------------------------|---|
| Inflation rate | 2.60% |
| Annual salary increases | 3.25%, average, including inflation |
| Investment rate of return | 3.50%, net of pension plan expense, including inflation |
| Mortality | Generational RP-2000 with Projection Scale BB tables |

The actuarial assumptions used in the July 1, 2018 valuation were based on certain results of the most recent experience study for the FRS Pension Plan.

7. Discount Rate - The discount rate used to measure the total pension liability was 3.50%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.
8. Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 3.50%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current rate:

		HIS Plan		
		1% Decrease	Current Rate	1% Increase
		2.50%	3.50%	4.50%
Net Pension Liability	\$	70,287	\$ 61,571	\$ 54,312

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

Payables to the Pension Plan – At September 30, 2019, the City reported a payable to the HIS Plan of \$93.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Net Pension Liability, Total Pension Liability, Deferred Inflow of Resources, Deferred Outflow of Resources, and Pension Expense –

The following table summarizes the net pension liability, total pension liability, deferred inflow of resources, deferred outflow of resources, and pension expense as previously disclosed in Note 10 for each Plan:

Plan	Net Pension Liability	Total Pension Liability	Deferred Inflow of Resources	Deferred Outflow of Resources	Pension Expense
Police Officers'	\$ 78,409,568	\$ -	\$ 6,957,214	\$ 19,232,119	\$ 8,215,026
Firefighters'	57,143,305	-	8,135,398	14,144,812	4,668,819
General Employees	11,129,367	-	7,052,171	7,446,965	2,038,747
Management	17,769,194	-	2,158,870	6,258,164	3,293,889
Florida Retirement System (FRS and HIS)	954,221	-	354,836	582,212	254,031
Excess benefit	-	1,050,544	-	141,954	(89,183)
Total	\$ 165,405,655	\$ 1,050,544	\$ 24,658,489	\$ 47,806,226	\$ 18,381,329

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

C. DEFINED CONTRIBUTION PLAN

Money Purchase Plan (ICMA)

1. Plan Description - The City provides pension benefits for certain appointed employees through a money purchase plan (a defined contribution plan). The Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until the time of withdrawal. The Plan is administered by International City Managers Association (ICMA). The ICMA contribution plan was established pursuant to Resolution No. 88-104 adopted May 16, 1988, by the City Commission.
2. Benefit Provisions and Contribution Rates - Plan benefits depend solely on amounts contributed to the Plan, plus investment earnings, less administrative expenses. The City's contribution for these employees is 11% of covered payroll and vesting in the Plan is immediate. There are no unfunded liabilities of this Plan at the end of the year, as all contributions are remitted biweekly to ICMA. During 2019, the City contributed \$212,123 to the Plan.

The City's contributions were calculated using a covered base payroll of \$1,928,391 for the fiscal year. At September 30, 2019, there were 23 participants in the Plan.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description- The City of Miramar is a single-employer provider with multiple defined benefit healthcare plans. The Plans have no assets and do not issue separate financial statements. The City provides medical and dental insurance benefits for retirees and their spouses. The City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for certain post-employment healthcare benefits provided by the City for the fiscal year ended September 30, 2018. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided - The benefits provided vary according to the category of employees as follows:

1. General Employees - For this group of employees, retirees are eligible for a monthly stipend in the amount of \$10 for each year of credited service to a maximum of \$250 per month. The stipend is paid to retirees covered under the City's medical plan and ceases at age 62 at which time the City begins paying the full premiums for the retiree (not dependents) coverage until attaining age 65. During this period, each retiree has the option, at their (own) expense, to carry dependent group coverage at the City's group rates. After attaining age 65 the retirees and their dependents are permitted to remain covered under the City's respective medical plans as long as they pay a full premium applicable to the coverage elected at the same group rates charged to the City's active employees. This conforms to the minimum required of Florida government employers per Ch. 112.0801, *Florida Statutes*. Other than the coverage provisions mandated by the State, the provisions of this plan may be amended through negotiations between the City and the general employees' bargaining unit.
2. Unrepresented Employees - Retirees are eligible for a monthly stipend in the amount of \$10 for each year of credited service to a maximum of \$250 per month. Stipend will cease at the 65th birthday of the retiree.

Unrepresented employees who are considered executive staff: For each 1.75 years of service with the City, rendered through June 6, 2008, such retirees would receive a year of health insurance at no cost for retiree's coverage and with 50% discount for dependent coverage.

To be eligible for this benefit, retirees needs to have accrued at least three years of service with the City as of June 6, 2008 and be covered under the City plan at the time of retirement. Cash equivalent payments in lieu of the free/discounted coverage are also available with proof of other coverage. After expiration of this benefit, but not beyond the participant's 65th birthday, a retiree will be eligible for a stipend as described above for Unrepresented Employees.

3. Police - Retirees are eligible for a monthly stipend in the amount of \$20 for each year of credited service to a maximum of \$400 per month. The provisions of this plan may be amended through negotiations between the City and the employee bargaining unit.
4. Firefighters - Retirees are eligible for a monthly health insurance stipend which is paid by the Firefighters Pension Fund. The provisions of this plan may be amended through negotiations between the City and the employee bargaining unit.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Employees Covered by Benefit Terms- As of the September 30, 2018 actuarial valuation, the following employees were covered by the benefit terms:

Retirees and beneficiaries	136
Inactive, nonretired members	3
Active members	<u>805</u>
Total	<u><u>944</u></u>

Total OPEB Liability

The City's total OPEB liability of \$40,292,675 was based on the measurement date of September 30, 2018.

Actuarial Methods and Assumptions -The total OPEB liability was determined using the following actuarial methods and assumptions applied to all periods included in the measurement, unless otherwise specified:

Valuation date	September 30, 2018
Actuarial cost method	Entry age normal
Inflation	2.50%
Discount rate	3.83%
Salary increases	Salary increase rates used in the respective October 1, 2018 actuarial valuations of the City's four retirement plans
Retirement age	Retirement rates used in the respective October 1, 2018 actuarial valuations of the City's four retirement plans
Mortality	Mortality tables are taken from RP-2000 with white/blue collar adjustments and generational projections using Scale BB as used in the July 1, 2018 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2008-2013
Healthcare cost trend rates	Based on the Getzen Model, with trend starting at 0% on 1/1/2019 followed by 6.5% on 1/1/2020 and then gradually decreasing to an ultimate rate of 4.24% plus 0.61% increase for excise tax.
Aging factors	Based on the 2013 SOA Study "Health Care Costs-From Birth to Death"
Expenses	Administrative expenses are included in the per capita health costs

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Changes in the Total OPEB Liability

The following schedule presents changes in the Total OPEB Liability and related ratios as of the September 30, 2018 measurement date.

	<u>Total OPEB Liability</u>
<u>Assumptions:</u>	
Service cost	\$ 2,437,784
Interest on total OPEB liability	1,661,617
Changes of benefit terms	213,958
Difference between expected and actual experience of the total OPEB liability	(2,624,313)
Changes of assumptions	(5,680,947)
Benefit payments	<u>(1,504,835)</u>
Net change in total OPEB liability	(5,496,736)
Total OPEB liability-beginning	<u>45,789,411</u>
Total OPEB liability-ending	<u><u>\$ 40,292,675</u></u>
 Covered Payroll	 \$ 53,471,584
 Total OPEB liability as a percentage of covered payroll	 75.35%

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate- The following 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 discount rate that is 1-percentage-point lower (2.83%) or 1-percentage-point higher (4.83%):

	<u>Sensitivity of Total OPEB Liability to the Discount Rate Assumption</u>		
	1% Decrease 2.83%	Current Discount Rate Assumption 3.83%	1% Increase 4.83%
Total OPEB Liability	\$ 45,566,612	\$ 40,292,675	\$ 35,929,540

Sensitivity of the Total OPEB Liability to the Healthcare Cost Trend Rate Assumption- The following 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 healthcare cost trend rates that are 1-percentage- point lower or 1-percentage-point higher.

	<u>Sensitivity of Total OPEB Liability to the Healthcare Cost Trend Rate Assumption</u>		
	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Total OPEB Liability	\$ 36,855,390	\$ 40,292,675	\$ 44,494,344

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

For the fiscal year ended September 30, 2019, the City recognized OPEB expense of \$3,191,026. At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ -	\$ 2,269,676
Changes in assumptions	-	4,913,251
Employer contributions made subsequent to the measurement date	1,423,229	-
Total	<u>\$ 1,423,229</u>	<u>\$ 7,182,927</u>

The deferred outflow of resources related to OPEB totaling \$1,423,229 resulting from City contributions subsequent to the measurement date will be included as a reduction of the total OPEB liability for the fiscal year ended September 30, 2020.

Deferred inflow of resources to be recognized in future OPEB expenses are as follows:

Year ended September 30:	
2020	\$ (1,122,333)
2021	(1,122,333)
2022	(1,122,333)
2023	(1,122,333)
2024	(1,122,333)
Thereafter	(1,571,262)

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 12. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. Liability claims in the State of Florida are limited to some extent by Chapter 768.28 of the Florida Statutes under the Doctrine of Sovereign Immunity. The City has a comprehensive risk management program to account for and finance its uninsured risk of loss. Under the program, the self-insurance internal service fund provides coverage for up to a maximum of \$500,000 for each workers' compensation claim, \$100,000 for each general liability claim, \$75,000 for each property claim.

The City purchases commercial insurance for claims in excess of coverage provided by the fund and for all other risk of loss. There were no significant changes in insurance coverage from coverage in prior years. Settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

Changes in the claims liability balance for fiscal years 2019 and 2018, for the City's two programs are as follows:

	Balance, Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance, End of Year
General:				
Year 2019	\$ 9,430,000	\$ 1,125,708	\$ 2,125,708	\$ 8,430,000
Year 2018	9,468,372	2,585,011	2,623,383	9,430,000
Dental Health:				
Year 2019	\$ 75,740	\$ 521,396	\$ 521,396	\$ 75,740
Year 2018	75,740	540,265	540,265	75,740

NOTE 13. COMMITMENTS AND CONTINGENCIES

Commitments

In 1974, the City entered into a "Large User Wastewater Agreement" with the City of Hollywood, Florida (Hollywood). The agreement provides for the connection of the City's collection system to Hollywood's treatment and disposal facility for a period of 40 years, at which time it will be extended to the maturity date of any bond issues or other indebtedness incurred by Hollywood subsequent to the date of this agreement if the proceeds from such bonds or other indebtedness incurred are used to improve existing service or provide new service to the City. The City is being charged based on average daily wastewater flow. The charges to operations of the Utility Fund under this agreement were \$134,959 during the year ended September 30, 2019, and are included in wastewater plant operations expense on the Statement of Revenues, Expenses and Changes in Fund Net Position.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Construction and Other Significant Commitments

The City has active construction projects as of September 30, 2019. The projects include park facilities improvements, infrastructure redevelopment and improvement, various water, wastewater and drainage projects, as well as the construction of new City facilities, including a new Historic Miramar Public Safety Complex and East Water Treatment Plant Renovation. At year end, the City's outstanding commitments related to these projects follows:

Project	Spent to Date	Remaining Commitment
Ansini Sports Complex-Phase II/III	\$ 1,124,165	\$ 653,280
Amphitheater at Miramar Regional Park	7,403,098	66,688
Amphitheater at Miramar Regional Park - Concessions & Walkways	396,428	358,619
Forcina Park Renovations	5,897	62,481
Public Informational Signs	239,448	20,675
East (Historic) Miramar Fire Hydrant & Lines Improvement	7,286,445	102,967
Meter Repair & Replacement	2,071,652	18,435
Historic Miramar Canal Improvements	1,358,773	83,636
Pembroke Road Widening-Dykes Road to Silver Shores Blvd	3,252,928	-
Drainage Improvements - Phase III	7,093,424	1,866,154
West Water Treatment Plant Laboratory & Office Space Modification	74,738	58,708
Historic Miramar Infrastructure Improvements – Phase 3	4,791,731	2,309,185
East Water Plant Process Enhancement	29,166,818	4,857,361
Reclaimed Water System Expansion/Piping-I-75 Crossings	4,577,121	346,325
Reclaimed Water System Expansion/WWRF	1,380,708	5,287,816
Miramar Parkway Streetscape-SW 64 Ave to SW 68 Ave	1,006,164	930,002
West Water Plant Process Improvements	130,271	54,029
Historic Miramar Drainage Improvements - Phase IV	339,144	485,686
Country Club Ranches Water Main Improvements - Phase I	21,554	278,446
SCADA Cybersecurity Improvement	30,514	39,486
Facilities Capital Improvement	856,503	145,098
Historic Miramar Public Safety Complex	1,928,900	7,149,496
WWRF Equipment Replacements	448,627	342,256
Standby Generators for Lift Stations	-	200,000
	<u>\$ 74,985,050</u>	<u>\$ 25,716,827</u>

The projects listed above are being financed through the issuance of revenue bonds, revenue notes, state revolving fund loans, and from existing City resources.

Contingencies

Various claims and lawsuits incidental to the City's operations are pending against the City. Although the outcome of these claims and lawsuits are not presently determinable, in the opinion of the City's management, any claims or lawsuits not covered by insurance would not have a material adverse effect on the financial condition of the City.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to not be material.

CITY OF MIRAMAR, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 14. SUBSEQUENT EVENT

Loan Agreements

On October 24, 2019, the City entered into a tax-exempt Loan Agreement (City of Miramar, Florida Special Obligation Revenue Note, Series 2019A) with STI Institutional & Government, Inc. in the principal amount of \$5,000,000 to finance the cost of various capital improvements within the City and to pay issuance costs relating to the issuance of the Series 2019A Note. Principal and interest on the Series 2019A Note is payable quarterly, on January 1, April 1, July 1, and October 1 of each year, commencing January 1, 2020 with a fixed interest rate of 1.92%. The Series 2019A Note is secured by a covenant to budget and appropriate Non-Ad Valorem Revenues sufficient to pay principal and interest on the Series 2019A Note when due. The final maturity date of the Note is October 1, 2039.

On October 24, 2019, the City entered into a taxable Loan Agreement (City of Miramar, Florida Taxable Special Obligation Revenue Note, Series 2019B) with SunTrust Bank in the principal amount of \$5,000,000 to finance the cost of various capital improvements within the City and to pay issuance costs relating to the issuance of the Series 2019B Note. Principal and interest on the Series 2019B Note is payable quarterly, on January 1, April 1, July 1, and October 1 of each year, commencing on January 1, 2020 through October 1, 2039 with a fixed interest rate of 2.36%. The Series 2019B Note is secured by a covenant to budget and appropriate Non-Ad Valorem Revenues sufficient to pay principal and interest on the Series 2019B Note when due.

COVID-19

In December 2019, COVID-19 emerged in Wuhan, Hubei Province, China, and has spread around the world, with resulting business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020 and subsequently a Pandemic on March 9, 2020. In addition, on March 13, 2020 the President of the United States proclaimed the COVID-19 outbreak to be a National Emergency.

The operations and business results of the City could be significantly adversely affected. The extent to which the coronavirus may impact the business activity of the City will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the results of the actions required to contain the coronavirus or treat its impact, among others. The specific financial impact to the City is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (UNAUDITED)
GENERAL FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
Revenues:				
Taxes	\$ 93,569,490	\$ 93,576,952	\$ 91,021,207	\$ (2,555,745)
Special assessments	22,250,000	22,250,000	21,168,750	(1,081,250)
Licenses and permits	7,255,400	7,260,152	8,589,493	1,329,341
Intergovernmental	16,809,100	16,809,100	16,782,277	(26,823)
Charges for services	17,917,491	17,917,491	16,517,438	(1,400,053)
Fines and forfeitures	1,054,000	1,054,000	659,216	(394,784)
Investment income	807,500	807,500	1,791,547	984,047
Miscellaneous	2,864,888	2,989,888	2,981,466	(8,422)
Total revenues	162,527,869	162,665,083	159,511,394	(3,153,689)
Expenditures:				
Current:				
General government:				
City commission	1,411,100	1,483,600	1,475,825	7,775
City manager	3,303,267	3,398,267	3,383,749	14,518
Human resources	2,025,800	2,075,800	2,064,825	10,975
Legal	1,454,600	1,454,600	1,056,901	397,699
City clerk	892,200	967,200	951,539	15,661
Financial services	4,483,100	4,483,100	4,445,880	37,220
Management & budget	1,944,536	1,654,935	1,586,626	68,309
Procurement	1,301,100	1,230,100	1,190,206	39,894
Total general government	16,815,703	16,747,602	16,155,551	592,051
Public safety:				
Police	50,396,263	51,006,063	51,009,751	(3,688)
Fire rescue	35,698,740	36,710,540	36,812,777	(102,237)
Total public safety	86,095,003	87,716,603	87,822,528	(105,925)
Physical environment:				
Public works	10,420,250	10,311,950	10,319,230	(7,280)
Construction and facilities management	40,000	40,000	-	40,000
Total physical environment	10,460,250	10,351,950	10,319,230	32,720
Economic environment:				
Community and economic development	6,345,400	6,405,400	6,405,167	233
Total economic development	6,345,400	6,405,400	6,405,167	233
Community services:				
Parks and recreation	15,553,163	15,310,578	15,223,066	87,512
Total community services	15,553,163	15,310,578	15,223,066	87,512
Cultural arts	3,734,133	3,844,133	3,821,840	22,293
Social services	6,950,500	6,546,400	6,441,879	104,521
Non-departmental	7,787,120	8,085,820	4,656,320	3,429,500
Debt service:				
Principal	273,700	346,300	346,234	66
Interest	35,000	45,600	45,536	64
Total expenditures	154,049,972	155,400,386	151,237,351	4,163,035
Excess of revenues over expenditures	8,477,897	7,264,697	8,274,043	1,009,346
Other financing sources (uses)				
Transfers in	5,509,482	5,819,867	5,901,033	81,166
Transfers out	(8,080,469)	(8,175,183)	(8,080,469)	94,714
Issuance of debt	746,258	746,258	773,653	27,395
Total other financing sources (uses)	(1,824,729)	(1,609,058)	(1,405,783)	203,275
Net change in fund balance	\$ 6,653,168	\$ 5,655,639	6,868,260	\$ 1,212,621
Fund balance, beginning			35,348,502	
Fund balance, ending			\$ 42,216,762	

CITY OF MIRAMAR, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2019

NOTE 1. BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are adopted for the General, Special Revenue, Capital Projects and Debt Service Funds on a basis consistent with accounting principles generally accepted in the United States of America.

1. Prior to July 10, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1st. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings as required by State statute are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an Ordinance.
4. All budget amendments require approval by the City Commission when operating expenditures exceed budgeted appropriations at the department level, which is the legal level of control. In addition, a budget amendment approved by the City Commission is required when capital outlay expenditures exceed budgeted appropriations at the department level.
5. Appropriations lapse at year-end, except for grants, capital improvements and shared revenues from other governmental units which do not lapse at year-end and are only reported to the extent of revenues recognized, and expenditures incurred for the current year.
6. Budgets are prepared on the same basis of accounting as required for governmental fund types and are presented in the financial statements inclusive of all amendments to the original appropriation as approved by the City Commission during the fiscal year.

NOTE 2. RECONCILIATION OF BUDGETED AND ACTUAL RESULTS

1. The net change in fund balance presented on a budgetary basis differs from the net change in fund balance as presented on the Statement of Revenues, Expenditures, and Changes in Fund Balance- governmental funds due to the exclusion of a multi-year governmental fund type that does not have a legally adopted budget. An appropriation is established in the operating budget during the fiscal year as funds are received.
2. An interfund loan from the Utility Fund to the General Fund was reported as a current year transfer in of resources on the budgetary basis ,however, is not revenue for financial reporting purposes

	<u>General Fund</u>
Net change in fund balance -budgetary basis	\$ 6,868,260
Transfer in of resources-interfund loan	(2,000,000)
Multi-year fund without legally adopted budget	<u>31,868</u>
Net change in fund balance-GAAP basis	<u><u>\$ 4,900,128</u></u>

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION
LIABILITY AND RELATED RATIOS
LAST FIVE FISCAL YEARS

	General Employees' Retirement Plan 2019	General Employees' Retirement Plan 2018	General Employees' Retirement Plan 2017	General Employees' Retirement Plan 2016	General Employees' Retirement Plan 2015
Total pension liability					
Service cost	\$ 3,769,297	\$ 3,570,879	\$ 3,032,270	\$ 3,077,703	\$ 2,802,948
Interest on the total pension liability	7,845,693	7,337,963	6,599,459	6,427,977	6,096,343
Changes of benefit terms	-	-	-	(656,561)	-
Difference between expected and actual experience	(1,136,863)	682,375	3,361,773	(2,048,722)	(1,256,259)
Changes of assumptions	-	-	1,693,006	-	-
Benefit payments, including refunds of employee contributions	(4,842,247)	(4,230,461)	(5,119,659)	(3,490,795)	(2,869,503)
Net change in total pension liability	5,635,880	7,360,756	9,566,849	3,309,602	4,773,529
Total pension liability-beginning	110,733,150	103,372,394	93,805,545	90,495,943	85,722,414
Total pension liability-ending (a)	<u>\$ 116,369,030</u>	<u>\$ 110,733,150</u>	<u>\$ 103,372,394</u>	<u>\$ 93,805,545</u>	<u>\$ 90,495,943</u>
Plan fiduciary net position					
Contributions-employer	\$ 4,379,929	\$ 3,792,128	\$ 3,767,869	\$ 3,745,727	\$ 3,594,261
Contributions-employee	1,749,136	1,812,841	1,966,498	1,213,840	1,192,804
Net investment income	10,247,911	9,374,839	7,507,462	1,233,954	7,245,995
Benefit payments, including refund of member contributions	(4,842,247)	(4,230,461)	(5,119,659)	(3,490,795)	(2,869,503)
Administrative expense	(151,103)	(144,690)	(181,082)	(159,433)	(125,266)
Net change in plan fiduciary net position	11,383,626	10,604,657	7,941,088	2,543,293	9,038,291
Plan fiduciary net position-beginning	93,856,037	83,251,380	75,310,292	72,766,999	63,728,708
Plan fiduciary net position-ending (b)	<u>\$ 105,239,663</u>	<u>\$ 93,856,037</u>	<u>\$ 83,251,380</u>	<u>\$ 75,310,292</u>	<u>\$ 72,766,999</u>
City's net pension liability-ending (a)-(b)	<u>\$ 11,129,367</u>	<u>\$ 16,877,113</u>	<u>\$ 20,121,014</u>	<u>\$ 18,495,253</u>	<u>\$ 17,728,944</u>
Plan Fiduciary Net position as a percentage of the total pension liability	90.44%	84.76%	80.54%	80.28%	80.41%
Covered payroll	\$ 19,188,218	\$ 18,367,256	\$ 15,909,213	\$ 15,938,891	\$ 14,844,382
Net pension liability as a percentage of covered payroll	58.00%	91.89%	126.47%	116.04%	119.43%

Notes to Schedule:

1. Currently only data for fiscal years ending September 30, 2019 through September 30, 2015 are available.

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION
LIABILITY AND RELATED RATIOS
LAST FIVE FISCAL YEARS

	Police Officers' Retirement Plan 2019	Police Officers' Retirement Plan 2018	Police Officers' Retirement Plan 2017	Police Officers' Retirement Plan 2016	Police Officers' Retirement Plan 2015
Total pension liability					
Service cost	\$ 4,712,293	\$ 4,638,937	\$ 4,289,372	\$ 4,802,698	\$ 4,796,591
Interest on the total pension liability	17,007,515	15,723,277	14,283,076	13,608,605	12,670,142
Difference between expected and actual experience	4,426,169	7,549,752	(4,524,095)	(52,170)	583,516
Changes of assumptions	-	-	1,484,086	-	-
Benefit payments, including refunds of employee contributions	(6,765,640)	(6,265,313)	(5,529,606)	(4,915,739)	(4,279,408)
Net change in total pension liability	19,380,337	21,646,653	10,002,833	13,443,394	13,770,841
Total pension liability-beginning	237,208,862	215,562,209	205,559,376	192,115,982	178,345,141
Total pension liability-ending (a)	\$ 256,589,199	\$ 237,208,862	\$ 215,562,209	\$ 205,559,376	\$ 192,115,982
Plan fiduciary net position					
Contributions-employer	\$ 9,943,770	\$ 8,671,513	\$ 8,154,753	\$ 8,126,541	\$ 8,245,372
Contributions-employee	2,808,627	2,817,974	2,475,797	2,466,122	2,137,015
Net investment income (loss)	12,387,268	18,534,179	11,010,659	(2,535,420)	8,789,423
Benefit payments, including refund of member contributions	(6,765,640)	(6,265,313)	(5,529,606)	(4,915,739)	(4,279,408)
Administrative expense	(205,140)	(179,210)	(273,577)	(188,604)	(161,863)
Net change in plan fiduciary net position	18,168,885	23,579,143	15,838,026	2,952,900	14,730,539
Plan fiduciary net position-beginning	160,010,746	136,431,603	120,593,577	117,640,677	102,910,138
Plan fiduciary net position-ending (b)	\$ 178,179,631	\$ 160,010,746	\$ 136,431,603	\$ 120,593,577	\$ 117,640,677
City's net pension liability-ending (a)-(b)	\$ 78,409,568	\$ 77,198,116	\$ 79,130,606	\$ 84,965,799	\$ 74,475,305
Plan Fiduciary Net position as a percentage of the total pension liability	69.44%	67.46%	63.29%	58.67%	61.23%
Covered payroll	\$ 14,289,472	\$ 12,476,703	\$ 13,104,019	\$ 19,489,816	\$ 12,703,946
Net pension liability as a percentage of covered payroll	548.72%	618.74%	603.87%	435.95%	586.24%

Notes to Schedule:

- Currently only data for fiscal years ending September 30, 2019 through September 30, 2015 are available.

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION
LIABILITY AND RELATED RATIOS
LAST FIVE FISCAL YEARS

	Firefighters' Retirement Plan 2019	Firefighters' Retirement Plan 2018	Firefighters' Retirement Plan 2017	Firefighters' Retirement Plan 2016	Firefighters' Retirement Plan 2015
Total pension liability					
Service cost	\$ 3,955,543	\$ 3,771,029	\$ 3,646,542	\$ 3,798,658	\$ 3,725,711
Interest on the total pension liability	14,174,095	13,003,307	12,041,077	11,144,885	10,418,341
Difference between expected and actual experience	4,918,614	2,323,495	(63,099)	(933,871)	233,686
Changes of assumptions	-	-	1,354,378	-	-
Benefit payments, including refunds of employee contributions	(4,886,434)	(5,417,407)	(3,361,511)	(3,198,410)	(3,076,805)
Net change in total pension liability	18,161,818	13,680,424	13,617,387	10,811,262	11,300,933
Total pension liability-beginning	196,056,137	182,375,713	168,758,326	157,947,064	146,646,131
Total pension liability-ending (a)	\$ 214,217,955	\$ 196,056,137	\$ 182,375,713	\$ 168,758,326	\$ 157,947,064
Plan fiduciary net position					
Contributions-employer	\$ 7,877,780	\$ 6,838,126	\$ 5,935,050	\$ 5,891,097	\$ 5,761,839
Contributions-employee	2,777,837	3,724,060	1,268,018	1,158,659	1,068,264
Net investment income	13,833,470	15,252,940	9,476,199	246,290	10,211,465
Benefit payments, including refund of member contributions	(4,886,434)	(5,417,407)	(3,361,511)	(3,198,410)	(3,076,805)
Administrative expense	(174,259)	(199,195)	(191,933)	(165,198)	(151,048)
Net change in plan fiduciary net position	19,428,394	20,198,524	13,125,823	3,932,438	13,813,715
Plan fiduciary net position-beginning	137,646,256	117,447,732	104,321,909	100,389,471	86,575,756
Plan fiduciary net position-ending (b)	\$ 157,074,650	\$ 137,646,256	\$ 117,447,732	\$ 104,321,909	\$ 100,389,471
City's net pension liability-ending (a)-(b)	\$ 57,143,305	\$ 58,409,881	\$ 64,927,981	\$ 64,436,417	\$ 57,557,593
Plan Fiduciary Net position as a percentage of the total pension liability	73.32%	70.21%	64.40%	61.82%	63.56%
Covered payroll	\$ 11,034,456	\$ 11,648,795	\$ 11,443,779	\$ 14,719,328	\$ 10,934,413
Net pension liability as a percentage of covered payroll	517.86%	501.42%	567.36%	437.77%	526.39%

Notes to Schedule:

1. Currently only data for fiscal years ending September 30, 2019 through September 30, 2015 are available.

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION
LIABILITY AND RELATED RATIOS
LAST FIVE FISCAL YEARS

	Management Retirement Plan 2019	Management Retirement Plan 2018	Management Retirement Plan 2017	Management Retirement Plan 2016	Management Retirement Plan 2015
Total pension liability					
Service cost	\$ 2,991,499	\$ 2,934,694	\$ 2,518,825	\$ 1,872,399	\$ 1,413,607
Interest on the total pension liability	4,081,975	3,749,864	3,203,741	2,837,276	2,590,498
Changes of benefit terms	-	85,811	-	908,618	-
Difference between expected and actual experience	418,154	475,693	2,986,775	1,319,621	1,027,993
Changes of assumptions	-	-	1,050,286	-	-
Benefit payments, including refunds of employee contributions	(2,482,229)	(2,634,637)	(2,112,824)	(2,585,438)	(1,286,644)
Other (change in buyback payables)	-	-	-	-	68,898
Net change in total pension liability	5,009,399	4,611,425	7,646,803	4,352,476	3,814,352
Total pension liability-beginning	56,563,540	51,952,115	44,305,312	39,952,836	36,138,484
Total pension liability-ending (a)	\$ 61,572,939	\$ 56,563,540	\$ 51,952,115	\$ 44,305,312	\$ 39,952,836
Plan fiduciary net position					
Contributions-employer	\$ 3,111,065	\$ 2,496,156	\$ 2,099,470	\$ 1,640,338	\$ 1,414,321
Contributions-employee	1,762,120	2,498,920	2,376,288	1,851,604	1,255,885
Net investment income	4,214,420	3,767,761	2,706,817	424,212	2,451,132
Benefit payments, including refund of member contributions	(2,482,229)	(2,634,637)	(2,112,824)	(2,585,438)	(1,286,644)
Administrative expense	(98,630)	(114,287)	(152,658)	(140,686)	(77,174)
Net change in plan fiduciary net position	6,506,746	6,013,913	4,917,093	1,190,030	3,757,520
Plan fiduciary net position-beginning	37,296,999	31,283,086	26,365,993	25,175,963	21,418,443
Plan fiduciary net position-ending (b)	\$ 43,803,745	\$ 37,296,999	\$ 31,283,086	\$ 26,365,993	\$ 25,175,963
City's net pension liability-ending (a)-(b)	\$ 17,769,194	\$ 19,266,541	\$ 20,669,029	\$ 17,939,319	\$ 14,776,873
Plan Fiduciary Net position as a percentage of the total pension liability	71.14%	65.94%	60.22%	59.51%	63.01%
Covered payroll	\$ 11,053,089	\$ 10,962,290	\$ 9,585,631	\$ 8,344,193	\$ 5,976,124
Net pension liability as a percentage of covered payroll	160.76%	175.75%	215.63%	214.99%	247.27%

Notes to Schedule:

1. Currently only data for fiscal years ending September 30, 2019 through September 30, 2015 are available.

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL PENSION
LIABILITY AND RELATED RATIOS (AS REQUIRED BY GASB 73)
THREE LAST FISCAL YEARS

	Excess Benefit Plan <u>2019</u>	Excess Benefit Plan <u>2018</u>	Excess Benefit Plan <u>2017</u>
Total pension liability			
Service cost	\$ -	\$ -	\$ -
Interest on the total pension liability	42,405	30,915	38,186
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(111,014)	342,859	-
Changes of assumptions	(20,574)	(36,698)	47,096
Benefit payments, including refunds of employee contributions	(143,691)	(127,924)	(80,569)
Other	-	-	-
Net change in total pension liability	<u>(232,874)</u>	<u>209,152</u>	<u>4,713</u>
Total pension liability-beginning	1,283,418	1,074,266	1,069,553
Total pension liability-ending	<u>\$ 1,050,544</u>	<u>\$ 1,283,418</u>	<u>\$ 1,074,266</u>
Covered Payroll	N/A	N/A	N/A
Total pension liability as a percentage of covered payroll	N/A	N/A	N/A

Notes to Schedule:

- This schedule is presented to illustrate the requirement of GASB 73.
- The City's Excess Benefit Plan is not funded in a GASB-qualifying trust.
- Currently only data for the fiscal year ending September 30, 2019 through September 30, 2017 is available.

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS

	Police Officers' Retirement Plan									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 8,813,360	\$ 9,786,304	\$ 8,521,420	\$ 8,056,136	\$ 8,042,692	\$ 8,120,568	\$ 7,760,056	\$ 6,757,964	\$ 6,679,088	\$ 5,792,364
Contribution made in relation to the actuarially determined contribution	8,813,360	9,786,304	8,521,420	8,056,136	8,042,692	8,120,568	7,760,056	6,757,964	6,679,088	5,792,364
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll (2)	\$ 13,706,625	\$ 13,104,019	\$ 12,476,703	\$ 13,104,019	\$ 19,489,816	\$ 19,072,327	\$ 12,703,946	\$ 12,735,212	\$ 12,969,651	\$ 13,032,447
Contributions as a percentage of covered payroll	64.3%	74.7%	68.3%	61.5%	41.3%	42.6%	61.1%	53.1%	51.5%	44.4%
	Firefighters' Retirement Plan									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 6,289,566	\$ 6,719,507	\$ 6,040,012	\$ 5,150,913	\$ 5,107,415	\$ 4,843,956	\$ 4,228,032	\$ 3,871,266	\$ 3,617,946	\$ 3,263,701
Contribution made in relation to the actuarially determined contribution	6,289,566	6,719,507	6,040,012	5,150,913	5,115,693	4,843,956	4,228,032	3,871,266	3,617,946	3,263,701
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ (8,278)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll (2)	\$ 11,648,795	\$ 11,844,311	\$ 11,648,795	\$ 11,443,779	\$ 14,719,328	\$ 12,671,151	\$ 10,356,537	\$ 10,149,386	\$ 9,840,908	\$ 9,516,242
Contributions as a percentage of covered payroll	54.0%	56.7%	51.9%	45.0%	34.8%	38.2%	40.8%	38.1%	36.8%	34.3%
	General Employees' Retirement Plan									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 4,563,783	\$ 4,379,929	\$ 3,792,128	\$ 3,761,259	\$ 3,745,727	\$ 3,594,261	\$ 3,632,157	\$ 3,804,517	\$ 4,170,161	\$ 3,918,143
Contribution made in relation to the actuarially determined contribution	4,563,783	4,379,929	3,792,128	3,767,869	3,745,727	3,594,261	3,632,157	3,804,517	4,170,166	3,918,143
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ (6,610)	\$ -	\$ -	\$ -	\$ -	\$ (5)	\$ -
Covered payroll (1)	\$ 19,859,804	\$ 19,188,218	\$ 18,367,256	\$ 15,909,213	\$ 15,938,891	\$ 14,844,382	\$ 15,013,902	\$ 14,859,096	\$ 15,857,109	\$ 16,445,474
Contributions as a percentage of covered payroll	23.0%	22.8%	20.6%	23.7%	23.5%	24.2%	24.2%	25.6%	26.3%	23.8%
	Management Retirement Plan									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 3,096,794	\$ 3,111,065	\$ 2,496,156	\$ 2,099,470	\$ 1,640,338	\$ 1,414,321	\$ 1,301,681	\$ 1,195,531	\$ 1,286,546	\$ 1,067,649
Contribution made in relation to the actuarially determined contribution	3,096,794	3,111,065	2,496,156	2,099,470	1,640,338	1,414,321	1,301,681	1,195,531	1,286,546	1,140,550
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (72,901)
Covered payroll (1)	\$ 11,439,948	\$ 11,053,089	\$ 10,962,290	\$ 9,585,631	\$ 8,344,193	\$ 5,976,124	\$ 5,674,807	\$ 5,446,548	\$ 5,004,568	\$ 5,913,306
Contributions as a percentage of covered payroll	27.1%	28.1%	22.7%	21.9%	19.7%	23.7%	22.9%	22.0%	25.7%	19.3%

(1) Reflects total pensionable payroll starting with fiscal year ending 2015.

(2) Fiscal Year 2014 and 2015 reflect total payroll. All prior years reflect pensionable earnings.

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2019

Notes to Schedule:

Valuation Date: October 1, 2017

Notes: Actuarially determined contributions are calculated as of October 1, which is two years prior to the end of the fiscal year in which contributions are reported.

The following actuarial methods and assumptions were used to determine contribution rates reported in the contribution schedule for 2019.

	General Employees' Retirement Plan 2019	Police Officers' Retirement Plan 2019	Firefighters' Retirement Plan 2019	Management Retirement Plan 2019
Actuarial Method:				
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level Percent, closed	Level dollar, closed	Level percent of payroll, closed	Level percent, closed
Remaining amortization period	20 years	30 years	15 years	20 years
Asset valuation method	5 year smoothed market	5 year smoothed market	5 year smoothed market	Market value
Actuarial assumptions:				
Investment rate of return	7.00%	7.25%	7.50%	7.00%
Assumed annual salary increases *	5.00%-7.50%	5.25%	6.00% per year for the first six (6) years of service and 1.00% per year thereafter - additional increases equal to inflation assumptions	4.00%
Inflation	2.50%	3.00%	3.00%	2.50%
Retirement age	Experience-based table of rates	Experience-based table of rates	Experience-based table of rates	Experience-based table of rates
Mortality rates	RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for Annuitants (post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates used for Regular Class members of the Florida Retirement System (FRS) in their July 1, 2016 Actuarial Valuation, as mandated by Florida House Bill 1309.	<u>Pre-Retirement: Female Non-Disabled:</u> RP-2000 Generational 100% Combined Healthy with White Collar Adjustment, Scale BB <u>Pre-Retirement: Male Non-Disabled:</u> RP- 2000 Generational, 10% Combined Healthy with White Collar Adjustment/90% Combined Healthy with Blue Collar Adjustment, Scale BB <u>Post-Retirement: Female Non-Disabled:</u> RP-2000 Generational, 100% Annuitant White Collar, Scale BB <u>Post-Retirement: Male Non-Disabled:</u> RP- 2000 Generational, 50% Annuitant White Collar/50% Annuitant Blue Collar Scale BB <u>Pre-Retirement and Post-Retirement:</u> <u>Female Disabled:</u> 60% RP-2000 Disabled Female set forward two years/40% Annuitant White Collar with no setback, no projection scale <u>Male Disabled:</u> 60% RP-2000 Disabled Male set back 4 years/40% Annuitant White Collar with no setback, no projection scale	<u>Pre-Retirement: Female Non-Disabled:</u> RP-2000 Generational 100% Combined Healthy with White Collar Adjustment, Scale BB <u>Pre-Retirement: Male Non-Disabled:</u> RP-2000 Generational, 10% Combined Healthy with White Collar Adjustment/90% Combined Healthy with Blue Collar Adjustment, Scale BB <u>Post-Retirement: Female Non-Disabled:</u> RP-2000 Generational, 100% Annuitant White Collar, Scale BB <u>Post-Retirement: Male Non-Disabled:</u> RP-2000 Generational, 50% Annuitant White Collar/50% Annuitant Blue Collar Scale BB <u>Pre-Retirement and Post-Retirement:</u> <u>Female Disabled:</u> 60% RP-2000 Disabled Female set forward two years/40% Annuitant White Collar with no setback, no projection scale <u>Male Disabled:</u> 60% RP-2000 Disabled Male set back 4 years/40% Annuitant White Collar with no setback, no projection scale	RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for Annuitants (post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates used for Regular Class members of the Florida Retirement System (FRS) in their July 1, 2016 Actuarial Valuation, as mandated by Florida House Bill 1309.

* includes inflation

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET
PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM PENSION PLAN (FRS) AND (HIS)
LAST FIVE FISCAL YEARS (1) (2)

	Florida Retirement System Plan (FRS)				
	2019	2018	2017	2016	2015
City's proportion of the FRS net pension liability	0.0025920%	0.0025648%	0.0044265%	0.0018596%	0.0024391%
City's proportionate share of the FRS net pension liability	\$ 892,650	\$ 772,534	\$ 1,309,339	\$ 469,540	\$ 315,044
City's covered payroll	181,179	180,111	180,111	180,111	174,368
City's proportionate share of the FRS net pension liability as a percentage of covered payroll	493%	429%	727%	261%	181%
FRS plan fiduciary net position as a percentage of the total pension liability	82.61%	84.26%	83.89%	84.88%	92.00%

	Health Insurance Subsidy Pension Plan (HIS)				
	2019	2018	2017	2016	2015
City's proportion of the HIS net pension liability	0.0005503%	0.0005515%	0.0010112%	0.0003620%	0.0004735%
City's proportionate share of the HIS net pension liability	\$ 61,571	\$ 58,369	\$ 108,123	\$ 42,195	\$ 48,292
City's covered payroll	181,179	180,111	180,111	180,111	174,368
City's proportionate share of the HIS net pension liability as a percentage of covered payroll	34%	32%	60%	23%	28%
HIS plan fiduciary net position as a percentage of the total pension liability	2.63%	2.15%	1.64%	0.97%	0.50%

- (1) - The amounts presented for each year were determined as of the measurement date, June 30
(2) - Information is not available for years prior to 2015. As information is available it will be presented.

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM PENSION PLAN (FRS AND HIS)
LAST FIVE FISCAL YEARS (1)

Florida Retirement System Plan (FRS)					
	2019	2018	2017	2016	2015
Contractually required FRS contribution	\$ 80,757	\$ 81,411	\$ 72,466	\$ 70,748	\$ 71,095
FRS contributions in relation to the contractually required contribution	(80,757)	(82,101)	(70,885)	(98,583)	(53,332)
Contribution deficiency (excess)	\$ -	\$ (690)	\$ 1,581	\$ (27,835)	\$ 17,763
City's covered payroll	\$ 181,179	\$ 180,111	\$ 180,111	\$ 180,111	\$ 174,368
FRS contributions as a percentage of covered payroll	44.57%	45.20%	40.23%	39.28%	40.77%

Health Insurance Subsidy Plan (HIS)					
	2019	2018	2017	2016	2015
Contractually required HIS contribution	\$ 3,008	\$ 2,989	\$ 2,989	\$ 2,989	\$ 2,894
HIS contributions in relation to the contractually required contribution	(3,008)	(2,989)	(2,989)	(2,989)	(2,894)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 181,179	\$ 180,111	\$ 180,111	\$ 180,111	\$ 174,368
HIS contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.66%	1.66%

(1) - Information is not available for years prior to 2015. As information is available it will be presented.

CITY OF MIRAMAR, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

	2019	2018
Total OPEB liability		
Service cost	\$ 2,437,784	\$ 2,328,296
Interest on the total OPEB liability	1,661,617	1,569,089
Changes of benefit terms	213,958	-
Difference between expected and actual experience of the total OPEB liability	(2,624,313)	-
Changes of assumptions	(5,680,947)	-
Benefit payments	(1,504,835)	(1,221,556)
Net change in total OPEB liability	(5,496,736)	2,675,829
Total OPEB liability-beginning	45,789,411	43,113,582
Total OPEB liability-ending	<u>\$ 40,292,675</u>	<u>\$ 45,789,411</u>
Covered Payroll	\$ 53,471,584	\$ 56,863,726
Total OPEB liability as a percentage of covered payroll	75.35%	80.52%

COMBINING FINANCIAL STATEMENTS

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are restricted or committed to expenditures for particular purposes other than debt service or capital projects.

Police Education Fund – This fund was established to pay certain training costs of law enforcement officers.

Federal Grant Fund – This fund was established to account for revenues and expenditures associated with funding from Federal granting agencies which is not recorded in a separate special revenue fund.

State Grant Fund – This fund was established to account for revenues and expenditures associated with funding from State granting agencies which is not recorded in a separate special revenue fund.

Neighborhood Stabilization Program Fund – This fund was established to account for revenues and expenditures associated with the Neighborhood Stabilization Program in order to develop viable urban communities by providing decent housing and a suitable living environment.

Public Safety Outside Service Fund – This fund was established to account for revenues and expenditures associated with services provided by off-duty police officers in private customer details to the various businesses and homeowner associations.

Law Enforcement Trust Fund – This fund was established to account for revenues generated by police department confiscations.

Community Development Block Grant (CDBG) Fund – This fund was established to award money to eligible applicants for minor home repair/weatherization, commercial rehabilitation, and to provide for the cost of equipment and renovations for community parks.

State Housing Initiatives Partnership (S.H.I.P.) Program – This fund was established to award money for deferred loan grants to eligible applicants for minor home repair/weatherization and for purchase assistance programs.

DEBT SERVICE FUNDS

Debt Service Fund – This fund was established to account for the accumulation of transfers from other funds and payment of principal and interest and fiscal charges on the City's debt which are payable from non- ad valorem taxes.

CAPITAL PROJECTS FUNDS

Street Construction and Maintenance Fund – In accordance with State Statute 336.59, this fund was established to account for the City's proportional share of state revenue sharing and local option gas tax funds. Funds are limited to be used for the purchase of transportation facilities and the improvement and maintenance of roads and streets within the City.

Police Capital Improvement Fund – This fund was established to collect police impact fees to be used for the acquisition and development of police facilities.

Fire and EMS Capital Improvement Fund – This fund was established to collect fire impact fees to be used for the acquisition and development of fire facilities.

Park Development Fund – This fund was established to account for the collections of park and recreation impact fees to be used for the acquisition and development of park and recreational facilities and sites.

Capital Projects Fund – This fund was established to account for financial resources used for the acquisition and/or construction of major capital assets within the City, except for those financed by proprietary funds.

CIP Revenue Bonds 2013 Fund- This fund was established to account for the proceeds of the Special Obligation Refunding and Improvement Revenue Bonds, Series 2013. Funds are limited in use on construction of various projects within the City.

CIP Loan 2017 Fund- This fund was established to account for the proceeds of the Special Obligation Revenue Note, Series 2017, to finance the cost of various capital improvements within the City.

CIP Grants Fund-This fund was established to account for capital improvements funded through grant proceeds

CITY OF MIRAMAR, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
ASSETS				
Pooled cash and cash equivalents	\$ 860,333	\$ 146,657	\$ 972,060	\$ 1,979,050
Pooled Investments	1,912,808	2,530,186	17,191,430	21,634,424
Receivables, net	305,524	3,898	8,006	317,428
Due from other governments	2,933,975	-	874,647	3,808,622
Asset held for resale	451,103	-	-	451,103
Prepaid items	496,615	-	502,877	999,492
TOTAL ASSETS	\$ 6,960,358	\$ 2,680,741	\$ 19,549,020	\$ 29,190,119
LIABILITIES				
Accounts payable	1,780,070	-	1,144,025	2,924,095
Retainage payable	324,001	-	417,944	741,945
Accrued liabilities	46,608	-	-	46,608
Due to other funds	1,445,898	412,698	965,086	2,823,682
Unearned revenue	1,511,015	-	-	1,511,015
TOTAL LIABILITIES	5,107,592	412,698	2,527,055	8,047,345
FUND BALANCES				
Restricted for:				
Housing	471,150	-	-	471,150
Law enforcement	1,832,819	-	-	1,832,819
Pembroke road improvements	496,515	-	502,877	999,392
Street construction and maintenance	-	-	454,686	454,686
Park development	-	-	2,247,659	2,247,659
Capital improvement	-	-	13,816,743	13,816,743
Debt Service	-	2,268,043	-	2,268,043
Unassigned:				
Special revenue funds	(947,718)	-	-	(947,718)
TOTAL FUND BALANCES	1,852,766	2,268,043	17,021,965	21,142,774
TOTAL LIABILITIES AND FUND BALANCES	\$ 6,960,358	\$ 2,680,741	\$ 19,549,020	\$ 29,190,119

CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
REVENUES				
Intergovernmental	\$ 8,621,158	\$ -	\$ 4,335,608	\$ 12,956,766
Charges for services	1,685,676	-	-	1,685,676
Fines and forfeitures	373,373	-	-	373,373
Impact fees	-	-	2,462,187	2,462,187
Investment income	59,405	38,392	490,733	588,530
TOTAL REVENUES	10,739,612	38,392	7,288,528	18,066,532
EXPENDITURES				
Current:				
General government	5,000	-	4,004	9,004
Public safety	2,217,591	-	-	2,217,591
Physical environment	3,626,248	-	-	3,626,248
Social Services	99,364	-	-	99,364
Economic environment	1,805,605	-	-	1,805,605
Grants/aid	58,420	-	-	58,420
Capital outlay	1,988,913	-	9,028,814	11,017,727
Debt Service:				
Principal	-	6,875,557	-	6,875,557
Interest	-	5,997,339	-	5,997,339
Fiscal charges	-	2,973	-	2,973
TOTAL EXPENDITURES	9,801,141	12,875,869	9,032,818	31,709,828
Excess (deficiency) of revenues over (under) expenditures	938,471	(12,837,477)	(1,744,290)	(13,643,296)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	10,990,300	1,434,269	12,424,569
Transfers out	(1,302,056)	-	(6,943,077)	(8,245,133)
TOTAL OTHER FINANCING SOURCES (USES)	(1,302,056)	10,990,300	(5,508,808)	4,179,436
Net changes in fund balances	(363,585)	(1,847,177)	(7,253,098)	(9,463,860)
Fund balances, beginning	2,216,351	4,115,220	24,275,063	30,606,634
Fund balances, ending	<u>\$ 1,852,766</u>	<u>\$ 2,268,043</u>	<u>\$ 17,021,965</u>	<u>\$ 21,142,774</u>

CITY OF MIRAMAR, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2019

	Police Education Fund	Federal Grant Fund	State Grant Fund	Neighborhood Stabilization Program Fund	Public Safety Outside Service Fund	Law Enforcement Trust Fund	CDBG Fund	SHIP Program Fund	Total Non- Major Special Revenue Funds
ASSETS									
Pooled cash and cash equivalents	\$ 90,285	\$ -	\$ -	\$ 72,676	\$ 144,424	\$ 442,867	\$ -	\$ 110,081	\$ 860,333
Pooled Investments	-	-	-	-	-	1,494,497	-	418,311	1,912,808
Receivables, net	-	-	-	-	304,067	812	-	645	305,524
Due from other governments	-	441,461	2,322,888	20,461	-	979	148,186	-	2,933,975
Asset held for resale	-	-	-	451,103	-	-	-	-	451,103
Prepaid items	-	-	496,515	100	-	-	-	-	496,615
TOTAL ASSETS	\$ 90,285	\$ 441,461	\$ 2,819,403	\$ 544,340	\$ 448,491	\$ 1,939,155	\$ 148,186	\$ 529,037	\$ 6,960,358
LIABILITIES									
Accounts payable	-	65,956	1,097,249	93,237	6,227	384,412	31,883	101,106	1,780,070
Retainage payable	-	-	324,001	-	-	-	-	-	324,001
Accrued liabilities	-	-	-	-	46,608	-	-	-	46,608
Due to other funds	-	375,505	794,206	-	207,865	-	68,322	-	1,445,898
Unearned revenue	-	-	603,947	451,103	-	-	47,981	407,984	1,511,015
TOTAL LIABILITIES	-	441,461	2,819,403	544,340	260,700	384,412	148,186	509,090	5,107,592
FUND BALANCES									
Restricted for:									
Housing	-	-	-	451,203	-	-	-	19,947	471,150
Law enforcement	90,285	-	-	-	187,791	1,554,743	-	-	1,832,819
Pembroke road improvements	-	-	496,515	-	-	-	-	-	496,515
Unassigned:									
Special revenue funds	-	-	(496,515)	(451,203)	-	-	-	-	(947,718)
TOTAL FUND BALANCES	90,285	-	-	-	187,791	1,554,743	-	19,947	1,852,766
TOTAL LIABILITIES AND FUND BALANCES	\$ 90,285	\$ 441,461	\$ 2,819,403	\$ 544,340	\$ 448,491	\$ 1,939,155	\$ 148,186	\$ 529,037	\$ 6,960,358

CITY OF MIRAMAR FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Police Education Fund	Federal Grant Fund	State Grant Fund	Neighborhood Stabilization Program Fund	Public Safety Outside Service Fund	Law Enforcement Trust Fund	CDBG Fund	SHIP Program Fund	Total Non- Major Special Revenue Funds
REVENUES									
Intergovernmental	\$ -	\$ 1,006,008	\$ 5,863,635	\$ 100,166	\$ -	\$ -	\$ 845,148	\$ 806,201	\$ 8,621,158
Charges for services	-	-	-	-	1,685,676	-	-	-	1,685,676
Fines and forfeitures	10,818	-	-	-	-	362,555	-	-	373,373
Investment income	193	-	-	-	-	42,466	-	16,746	59,405
TOTAL REVENUES	11,011	1,006,008	5,863,635	100,166	1,685,676	405,021	845,148	822,947	10,739,612
EXPENDITURES									
Current:									
General government	-	-	5,000	-	-	-	-	-	5,000
Public safety	206	96,604	10,126	-	1,510,802	599,853	-	-	2,217,591
Physical environment	-	-	3,626,248	-	-	-	-	-	3,626,248
Social Services	-	14,532	-	-	-	-	84,832	-	99,364
Economic environment	-	133,773	-	100,166	-	-	760,316	811,350	1,805,605
Grants/aid	-	-	5,000	-	-	53,420	-	-	58,420
Capital outlay	-	30,942	1,845,362	-	-	112,609	-	-	1,988,913
TOTAL EXPENDITURES	206	275,851	5,491,736	100,166	1,510,802	765,882	845,148	811,350	9,801,141
Excess (deficiency) of revenues over (under) expenditures	10,805	730,157	371,899	-	174,874	(360,861)	-	11,597	938,471
OTHER FINANCING USES									
Transfers out	-	(730,157)	(371,899)	-	(200,000)	-	-	-	(1,302,056)
TOTAL OTHER FINANCING USES	-	(730,157)	(371,899)	-	(200,000)	-	-	-	(1,302,056)
Net changes in fund balances	10,805	-	-	-	(25,126)	(360,861)	-	11,597	(363,585)
Fund balances, beginning	79,480	-	-	-	212,917	1,915,604	-	8,350	2,216,351
Fund balances, ending	\$ 90,285	\$ -	\$ -	\$ -	\$ 187,791	\$ 1,554,743	\$ -	\$ 19,947	\$ 1,852,766

CITY OF MIRAMAR, FLORIDA
BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUND
DEBT SERVICE FUND
SEPTEMBER 30, 2019

	Debt Service Fund
ASSETS	
Pooled cash and cash equivalents	\$ 146,657
Pooled investments	2,530,186
Receivable	3,898
TOTAL ASSETS	<u>\$ 2,680,741</u>
LIABILITIES	
Accounts payable	-
Due to other funds	412,698
TOTAL LIABILITIES	<u>412,698</u>
FUND BALANCES	
Restricted for:	
Debt service	2,268,043
TOTAL FUND BALANCES	<u>2,268,043</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 2,680,741</u>

CITY OF MIRAMAR, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NON-MAJOR GOVERNMENTAL FUND
DEBT SERVICE FUND
FISCAL YEAR ENDED SEPTEMBER 30,2019

	Debt Service Fund
REVENUES	
Investment income	\$ 38,392
TOTAL REVENUES	<u>38,392</u>
EXPENDITURES	
Principal	6,875,557
Interest	5,997,339
Fiscal charges	2,973
TOTAL EXPENDITURES	<u>12,875,869</u>
Deficiency of revenues over expenditures	<u>(12,837,477)</u>
OTHER FINANCING SOURCES (USES)	
Transfers in	10,990,300
TOTAL OTHER FINANCING SOURCES	<u>10,990,300</u>
Net change in fund balance	(1,847,177)
Fund balance, beginning	4,115,220
Fund balance, ending	<u><u>\$ 2,268,043</u></u>

CITY OF MIRAMAR, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECT FUNDS
SEPTEMBER 30, 2019

	Street Construction and Maintenance Fund	Police Capital Improvement Fund	Fire and EMS Capital Improvement Fund	Park Development Fund	Capital Projects Fund	CIP Revenue Bond 2013	CIP Loan 2017	CIP Grants Fund	Total Non-Major Capital Projects Funds
ASSETS									
Pooled cash and cash equivalents	\$ 260,711	\$ 297,949	\$ 189,353	\$ 119,774	\$ 48,587	\$ 680	\$ 55,006	\$ -	\$ 972,060
Pooled Investments	938	395	10,924	2,229,628	3,294,667	5,587,752	6,067,126	-	17,191,430
Receivables	-	-	-	1,906	2,686	2,000	1,414	-	8,006
Due from other governments	405,736	-	-	-	94,808	-	-	374,103	874,647
Prepaid Items	502,877	-	-	-	-	-	-	-	502,877
TOTAL ASSETS	\$ 1,170,262	\$ 298,344	\$ 200,277	\$ 2,351,308	\$ 3,440,748	\$ 5,590,432	\$6,123,546	\$ 374,103	\$ 19,549,020
LIABILITIES									
Accounts payable	12,699	-	-	76,645	317,661	496,262	211,607	29,151	1,144,025
Retainage payable	-	12,846	-	27,004	27,005	272,203	14,020	64,866	417,944
Due to other funds	200,000	285,000	200,000	-	-	-	-	280,086	965,086
TOTAL LIABILITIES	212,699	297,846	200,000	103,649	344,666	768,465	225,627	374,103	2,527,055
FUND BALANCES									
Restricted for:									-
Street construction and maintenance	454,686	-	-	-	-	-	-	-	454,686
Pembroke road improvements	502,877	-	-	-	-	-	-	-	502,877
Park development	-	-	-	2,247,659	-	-	-	-	2,247,659
Capital improvement	-	498	277	-	3,096,082	4,821,967	5,897,919	-	13,816,743
TOTAL FUND BALANCES	957,563	498	277	2,247,659	3,096,082	4,821,967	5,897,919	-	17,021,965
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,170,262	\$ 298,344	\$ 200,277	\$ 2,351,308	\$ 3,440,748	\$ 5,590,432	\$6,123,546	\$ 374,103	\$ 19,549,020

CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Street Construction and Maintenance Fund	Police Capital Improvement Fund	Fire and EMS Capital Improvement Fund	Park Development Fund	Capital Projects Fund	CIP Revenue Bond 2013	CIP Loan 2017	CIP Grants Fund	Total Non-Major Capital Projects Funds
REVENUES									
Intergovernmental	\$ 3,632,651	\$ -	\$ -	\$ -	\$ 126,836	\$ -	\$ -	\$ 576,121	\$ 4,335,608
Impact fees	-	242,296	242,060	1,977,831	-	-	-	-	2,462,187
Investment income	16,081	1,829	2,095	67,465	70,233	170,142	162,888	-	490,733
TOTAL REVENUES	3,648,732	244,125	244,155	2,045,296	197,069	170,142	162,888	576,121	7,288,528
EXPENDITURES									
Current:									
General government	392	40	10	1,608	586	672	696	-	4,004
Capital outlay	2,641,485	182,796	-	375,485	1,415,336	2,418,540	1,419,051	576,121	9,028,814
TOTAL EXPENDITURES	2,641,877	182,836	10	377,093	1,415,922	2,419,212	1,419,747	576,121	9,032,818
Excess (deficiency) of revenues over (under) expenditures	1,006,855	61,289	244,145	1,668,203	(1,218,853)	(2,249,070)	(1,256,859)	-	(1,744,290)
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	-	1,434,269	-	-	-	1,434,269
Transfers out	(3,851,677)	(330,400)	(484,000)	(2,275,100)	(1,900)	-	-	-	(6,943,077)
TOTAL OTHER FINANCING SOURCES (USES)	(3,851,677)	(330,400)	(484,000)	(2,275,100)	1,432,369	-	-	-	(5,508,808)
Net changes in fund balance	(2,844,822)	(269,111)	(239,855)	(606,897)	213,516	(2,249,070)	(1,256,859)	-	(7,253,098)
Fund balances, beginning	3,802,385	269,609	240,132	2,854,556	2,882,566	7,071,037	7,154,778	-	24,275,063
Fund balances, ending	\$ 957,563	\$ 498	\$ 277	\$ 2,247,659	\$ 3,096,082	\$ 4,821,967	\$ 5,897,919	\$ -	\$ 17,021,965

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
POLICE EDUCATION FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Fines and forfeitures	\$ 12,000	\$ 12,000	\$ 10,818	\$ (1,182)
Investment income	900	900	193	(707)
TOTAL REVENUES	<u>12,900</u>	<u>12,900</u>	<u>11,011</u>	<u>(1,889)</u>
EXPENDITURES				
Public Safety	12,900	12,900	206	12,694
TOTAL EXPENDITURES	<u>12,900</u>	<u>12,900</u>	<u>206</u>	<u>12,694</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	10,805	<u>\$ 10,805</u>
Fund balance, beginning			79,480	
Fund balance, ending			<u>\$ 90,285</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FEDERAL GRANT FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Intergovernmental	\$ 657,654	\$ 1,494,743	\$ 1,006,008	\$ (488,735)
TOTAL REVENUES	657,654	1,494,743	1,006,008	(488,735)
EXPENDITURES				
Current:				
Physical environment	-	20,000	-	20,000
Public safety	-	134,116	96,604	37,512
Social Services	-	18,455	14,532	3,923
Economic environment	26,999	377,952	133,773	244,179
Capital outlay	-	144,425	30,942	113,483
TOTAL EXPENDITURES	26,999	694,948	275,851	419,097
Excess (deficiency) of revenues over expenditures	630,655	799,795	730,157	(69,638)
OTHER FINANCING SOURCES (USES)				
Transfers out	(630,655)	(799,795)	(730,157)	69,638
TOTAL OTHER FINANCING USES	(630,655)	(799,795)	(730,157)	69,638
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance, beginning			-	
Fund balance, ending			\$ -	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STATE GRANT FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Intergovernmental	\$ 6,938,304	\$ 7,040,532	\$ 5,863,635	\$ (1,176,897)
TOTAL REVENUES	<u>6,938,304</u>	<u>7,040,532</u>	<u>5,863,635</u>	<u>(1,176,897)</u>
EXPENDITURES				
General government	-	5,000	5,000	-
Public safety	-	18,879	10,126	8,753
Physical environment	3,896,382	3,891,601	3,626,248	265,353
Grants/aid		5,000	5,000	-
Capital outlay	2,698,594	2,698,594	1,845,362	853,232
TOTAL EXPENDITURES	<u>6,594,976</u>	<u>6,619,074</u>	<u>5,491,736</u>	<u>1,127,338</u>
Excess (deficiency) of revenues over expenditures	<u>343,328</u>	<u>421,458</u>	<u>371,899</u>	<u>(49,559)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(343,328)	(421,458)	(371,899)	49,559
TOTAL OTHER FINANCING USES	<u>(343,328)</u>	<u>(421,458)</u>	<u>(371,899)</u>	<u>49,559</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance, beginning			-	
Fund balance, ending			<u>\$ -</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NEIGHBORHOOD STABILIZATION PROGRAM FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Intergovernmental	\$ 866,414	\$ 866,414	\$ 100,166	\$ (766,248)
TOTAL REVENUES	866,414	866,414	100,166	(766,248)
EXPENDITURES				
Economic environment	813,300	813,300	100,166	713,134
TOTAL EXPENDITURES	813,300	813,300	100,166	713,134
Excess (deficiency) of revenues over expenditures	53,114	53,114	-	(53,114)
OTHER FINANCING SOURCES (USES)				
Transfers out	(53,114)	(53,114)	-	53,114
TOTAL OTHER FINANCING USES	(53,114)	(53,114)	-	53,114
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance, beginning			-	
Fund balance, ending			\$ -	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PUBLIC SAFETY OUTSIDE SERVICE FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Charges for services	\$ 1,609,300	\$ 1,685,500	\$ 1,685,676	\$ 176
TOTAL REVENUES	1,609,300	1,685,500	1,685,676	176
EXPENDITURES				
Public safety	1,409,300	1,513,300	1,510,802	2,498
TOTAL EXPENDITURES	1,409,300	1,513,300	1,510,802	2,498
Excess (deficiency) of revenues over expenditures	200,000	172,200	174,874	2,674
OTHER FINANCING SOURCES (USES)				
Transfers out	(200,000)	(200,000)	(200,000)	-
TOTAL OTHER FINANCING USES	(200,000)	(200,000)	(200,000)	-
Net change in fund balance	\$ -	\$ (27,800)	(25,126)	\$ 2,674
Fund balance, beginning			212,917	
Fund balance, ending			\$ 187,791	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LAW ENFORCEMENT TRUST FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Fines and forfeitures	\$ -	\$ 362,555	\$ 362,555	\$ -
Investment income	13,700	42,466	42,466	-
TOTAL REVENUES	13,700	405,021	405,021	-
EXPENDITURES				
Public safety	26,023	1,021,236	599,853	421,383
Grants/aid	12,920	53,420	53,420	-
Capital outlay	36,000	244,094	112,609	131,485
TOTAL EXPENDITURES	74,943	1,318,750	765,882	552,868
Excess (deficiency) of revenues over expenditures	<u>\$ (61,243)</u>	<u>\$ (913,729)</u>	(360,861)	<u>\$ 552,868</u>
Fund balance, beginning			1,915,604	
Fund balance, ending			<u>\$ 1,554,743</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CDBG FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Intergovernmental	\$ 1,486,574	\$ 1,636,109	\$ 845,148	\$ (790,961)
TOTAL REVENUES	1,486,574	1,636,109	845,148	(790,961)
EXPENDITURES				
Social Services	107,700	121,484	84,832	36,652
Economic environment	1,326,374	1,462,125	760,316	701,809
Grants/aid	52,500	52,500	-	52,500
TOTAL EXPENDITURES	1,486,574	1,636,109	845,148	790,961
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance, beginning			-	
Fund balance, ending			<u>\$ -</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
S.H.I.P PROGRAM FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Intergovernmental	\$ 1,116,903	\$ 1,219,335	\$ 806,201	\$ (413,134)
Investment income	-	-	16,746	16,746
TOTAL REVENUES	<u>1,116,903</u>	<u>1,219,335</u>	<u>822,947</u>	<u>(396,388)</u>
EXPENDITURES				
Economic environment	1,117,403	1,219,835	811,350	408,485
TOTAL EXPENDITURES	<u>1,117,403</u>	<u>1,219,835</u>	<u>811,350</u>	<u>408,485</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (500)</u>	<u>\$ (500)</u>	11,597	<u>\$ 12,097</u>
Fund balance, beginning			8,350	
Fund balance, ending			<u>\$ 19,947</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Investment income	\$ 9,600	\$ 9,600	\$ 38,392	\$ 28,792
TOTAL REVENUES	9,600	9,600	38,392	28,792
EXPENDITURES				
Principal	6,875,600	6,875,600	6,875,557	43
Interest	5,997,500	5,997,500	5,997,339	161
Fiscal charges	8,800	8,800	2,973	5,827
TOTAL EXPENDITURES	12,881,900	12,881,900	12,875,869	6,031
Excess (deficiency) of revenues over expenditures	(12,872,300)	(12,872,300)	(12,837,477)	34,823
OTHER FINANCING SOURCES (USES)				
Transfers in	11,472,300	11,472,300	10,990,300	(482,000)
TOTAL OTHER FINANCING SOURCES	11,472,300	11,472,300	10,990,300	(482,000)
Net change in fund balance	\$ (1,400,000)	\$ (1,400,000)	(1,847,177)	\$ (447,177)
Fund balance, beginning			4,115,220	
Fund balance, ending			\$ 2,268,043	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STREET CONSTRUCTION AND MAINTENANCE FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Intergovernmental	\$ 3,612,259	\$ 3,612,259	\$ 3,632,651	\$ 20,392
Investment income	8,400	8,400	16,081	7,681
TOTAL REVENUES	3,620,659	3,620,659	3,648,732	28,073
EXPENDITURES				
General government	1,500	1,500	392	1,108
Capital outlay	3,272,661	3,272,661	2,641,485	631,176
TOTAL EXPENDITURES	3,274,161	3,274,161	2,641,877	632,284
Excess (deficiency) of revenues over expenditures	346,498	346,498	1,006,855	660,357
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,600,100)	(3,600,100)	(3,851,677)	(251,577)
TOTAL OTHER FINANCING USES	(3,600,100)	(3,600,100)	(3,851,677)	(251,577)
Net change in fund balance	<u>\$ (3,253,602)</u>	<u>\$ (3,253,602)</u>	(2,844,822)	<u>\$ 408,780</u>
Fund balance, beginning			3,802,385	
Fund balance, ending			<u>\$ 957,563</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
POLICE CAPITAL IMPROVEMENT FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Impact fees	\$ 624,400	\$ 624,400	\$ 242,296	\$ (382,104)
Investment income	1,500	1,500	1,829	329
TOTAL REVENUES	625,900	625,900	244,125	(381,775)
EXPENDITURES				
General government	500	500	40	460
Capital outlay	269,609	269,609	182,796	86,813
TOTAL EXPENDITURES	270,109	270,109	182,836	87,273
Excess (deficiency) of revenues over expenditures	355,791	355,791	61,289	(294,502)
OTHER FINANCING SOURCES (USES)				
Transfers out	(625,400)	(625,400)	(330,400)	295,000
TOTAL OTHER FINANCING USES	(625,400)	(625,400)	(330,400)	295,000
Net change in fund balance	\$ (269,609)	\$ (269,609)	(269,111)	\$ 498
Fund balance, beginning			269,609	
Fund balance, ending			<u>\$ 498</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FIRE AND EMS CAPITAL IMPROVEMENT FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Impact fees	\$ 570,700	\$ 570,700	\$ 242,060	\$ (328,640)
Investment income	800	800	2,095	1,295
TOTAL REVENUES	571,500	571,500	244,155	(327,345)
EXPENDITURES				
General government	500	500	10	490
TOTAL EXPENDITURES	500	500	10	490
Excess (deficiency) of revenues over expenditures	571,000	571,000	244,145	(326,855)
OTHER FINANCING SOURCES (USES)				
Transfers out	(671,000)	(671,000)	(484,000)	187,000
TOTAL OTHER FINANCING USES	(671,000)	(671,000)	(484,000)	187,000
Net change in fund balance	<u>\$ (100,000)</u>	<u>\$ (100,000)</u>	(239,855)	<u>\$ (139,855)</u>
Fund balance, beginning			240,132	
Fund balance, ending			<u>\$ 277</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PARK DEVELOPMENT FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Impact fees	\$ 4,753,400	\$ 4,753,400	\$ 1,977,831	\$ (2,775,569)
Investment income	21,000	21,000	67,465	46,465
TOTAL REVENUES	4,774,400	4,774,400	2,045,296	(2,729,104)
EXPENDITURES				
General government	1,500	1,500	1,608	(108)
Capital outlay	2,435,003	2,435,003	375,485	2,059,518
TOTAL EXPENDITURES	2,436,503	2,436,503	377,093	2,059,410
Excess (deficiency) of revenues over expenditures	2,337,897	2,337,897	1,668,203	(669,694)
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,275,100)	(2,275,100)	(2,275,100)	-
TOTAL OTHER FINANCING USES	(2,275,100)	(2,275,100)	(2,275,100)	-
Net change in fund balance	<u>\$ 62,797</u>	<u>\$ 62,797</u>	(606,897)	<u>\$ (669,694)</u>
Fund balance, beginning			2,854,556	
Fund balance, ending			<u>\$ 2,247,659</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Intergovernmental	\$ 389,369	\$ 389,369	\$ 126,836	\$ (262,533)
Investment income	2,000	2,000	70,233	68,233
TOTAL REVENUES	391,369	391,369	197,069	(194,300)
EXPENDITURES				
General government	3,000	3,000	586	2,414
Capital outlay	4,641,686	4,641,686	1,415,336	3,226,350
TOTAL EXPENDITURES	4,644,686	4,644,686	1,415,922	3,228,764
Excess (deficiency) of revenues over expenditures	(4,253,317)	(4,253,317)	(1,218,853)	3,034,464
OTHER FINANCING SOURCES (USES)				
Transfers in	1,434,269	1,434,269	1,434,269	-
Transfers out	-	-	(1,900)	(1,900)
TOTAL OTHER FINANCING SOURCES	1,434,269	1,434,269	1,432,369	(1,900)
Net change in fund balance	<u>\$ (2,819,048)</u>	<u>\$ (2,819,048)</u>	213,516	<u>\$ 3,032,564</u>
Fund balance, beginning			2,882,566	
Fund balance, ending			<u>\$ 3,096,082</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CIP BONDS 2013 FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Investment income	\$ 37,500	\$ 37,500	\$ 170,142	\$ 132,642
TOTAL REVENUES	37,500	37,500	170,142	132,642
EXPENDITURES				
General Government	500	500	672	(172)
Capital Outlay	6,291,641	6,291,641	2,418,540	3,873,101
TOTAL EXPENDITURES	6,292,141	6,292,141	2,419,212	3,872,929
Excess (deficiency) of revenues over expenditures	(6,254,641)	(6,254,641)	(2,249,070)	4,005,571
Net change in fund balance	<u>\$ (6,254,641)</u>	<u>\$ (6,254,641)</u>	(2,249,070)	<u>\$ 4,005,571</u>
Fund balance, beginning			7,071,037	
Fund balance, ending			<u>\$ 4,821,967</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CIP 2017 LOAN FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Investment income	\$ 20,000	\$ 20,000	\$ 162,888	\$ 142,888
TOTAL REVENUES	20,000	20,000	162,888	142,888
EXPENDITURES				
General government	1,000	1,000	696	304
Capital outlay	6,977,710	6,977,710	1,419,051	5,558,659
TOTAL EXPENDITURES	6,978,710	6,978,710	1,419,747	5,558,963
Excess (deficiency) of revenues over expenditures	(6,958,710)	(6,958,710)	(1,256,859)	5,701,851
Net change in fund balance	<u>\$ (6,958,710)</u>	<u>\$ (6,958,710)</u>	(1,256,859)	<u>\$ 5,701,851</u>
Fund balance, beginning			7,154,778	
Fund balance, ending			<u>\$ 5,897,919</u>	

CITY OF MIRAMAR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CIP GRANTS FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
Intergovernmental	\$ -	\$ 1,076,650	\$ 576,121	\$ (500,529)
TOTAL REVENUES	-	1,076,650	576,121	(500,529)
EXPENDITURES				
Capital outlay	-	1,076,650	576,121	500,529
TOTAL EXPENDITURES	-	1,076,650	576,121	500,529
Excess (deficiency) of revenues over expenditures	-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance, beginning			-	
Fund balance, ending			\$ -	

INTERNAL SERVICE FUNDS

Insurance Fund – To account for the City's health and dental plans and self-funded insurance program for automobile liability, general liability, worker's compensation and property coverages.

Fleet Maintenance Fund – To account for the revenues and expenses of the City's maintenance garage facility used to maintain the City's various vehicle fleets.

Management Information Systems Fund – To account for the City's information resources and related information technology services.

CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2019

	Insurance Fund	Fleet Maintenance Fund	Management Information Systems	Total
ASSETS				
Current assets:				
Pooled cash and cash equivalents	\$ 319,685	\$ 341,245	\$ 60,577	\$ 721,507
Pooled investments	19,632,656	6,321,146	1,642,921	27,596,723
Receivables, net	45,775	4,964	1,918	52,657
Inventories	-	327,653	-	327,653
Prepaid items	1,231,220	-	342,236	1,573,456
Total current assets	21,229,336	6,995,008	2,047,652	30,271,996
Non-current assets:				
Capital assets being depreciated, net	-	3,844,505	1,568,117	5,412,622
TOTAL ASSETS	21,229,336	10,839,513	3,615,769	35,684,618
DEFERRED OUTFLOWS OF RESOURCES				
Pensions (Note 10)	246,459	235,178	331,768	813,405
OPEB (Note 11)	7,308	18,918	24,519	50,745
TOTAL DEFERRED OUTFLOWS OF RESOURCES	253,767	254,096	356,287	864,150
LIABILITIES				
Current liabilities:				
Accounts payable	1,476,981	237,058	545,025	2,259,064
Accrued liabilities	15,325	47,698	55,722	118,745
Current portion of long-term obligations	1,587,224	49,116	466,215	2,102,555
Total current liabilities	3,079,530	333,872	1,066,962	4,480,364
Non-current liabilities:				
Capital leases	-	-	700,006	700,006
Compensated absences	5,997	85,842	179,297	271,136
Other post-employment benefits (OPEB)	207,251	533,340	682,599	1,423,190
Net pension liability	798,817	197,647	630,323	1,626,787
Estimate for self-insured losses	6,943,000	-	-	6,943,000
Total non-current liabilities	7,955,065	816,829	2,192,225	10,964,119
TOTAL LIABILITIES	11,034,595	1,150,701	3,259,187	15,444,483
DEFERRED INFLOWS OF RESOURCES				
Pensions (Note 10)	115,989	200,444	165,604	482,037
OPEB (Note 11)	36,023	100,864	151,295	288,182
TOTAL DEFERRED INFLOWS OF RESOURCES	152,012	301,308	316,899	770,219
NET POSITION				
Net investment in capital assets	-	3,844,505	507,693	4,352,198
Unrestricted	10,296,496	5,797,095	(111,723)	15,981,868
TOTAL NET POSITION	\$ 10,296,496	\$ 9,641,600	\$ 395,970	\$ 20,334,066

CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Insurance Fund	Fleet Maintenance Fund	Management Information Systems	Total
OPERATING REVENUES				
Charges for services	\$ 23,497,540	\$ 5,416,860	\$ 6,066,100	\$ 34,980,500
Other	414,737	-	-	414,737
TOTAL OPERATING REVENUES	23,912,277	5,416,860	6,066,100	35,395,237
OPERATING EXPENSES				
General and administrative	21,938,229	2,863,002	5,384,114	30,185,345
Depreciation and amortization	-	1,314,988	270,214	1,585,202
TOTAL OPERATING EXPENSES	21,938,229	4,177,990	5,654,328	31,770,547
OPERATING INCOME	1,974,048	1,238,870	411,772	3,624,690
NONOPERATING REVENUES(EXPENSES)				
Investment income	444,151	127,068	13,993	585,212
Loss on disposal	-	(33,144)	-	(33,144)
Interest expense	-	-	(10,539)	(10,539)
TOTAL NONOPERATING REVENUES (EXPENSES)	444,151	93,924	3,454	541,529
Changes in net position	2,418,199	1,332,794	415,226	4,166,219
Net position, beginning of year	7,878,297	8,308,806	(19,256)	16,167,847
Net position ending	\$ 10,296,496	\$ 9,641,600	\$ 395,970	\$ 20,334,066

CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Insurance Fund	Fleet Maintenance Fund	Management Information Systems	Total
Cash flows from operating activities:				
Cash received from customers	\$ 23,867,693	\$ 5,413,049	\$ 6,064,797	\$ 35,345,539
Cash paid to suppliers	(20,932,787)	(1,686,615)	(2,476,553)	(25,095,955)
Cash paid to employees	(735,893)	(1,432,396)	(2,347,177)	(4,515,466)
Net cash provided by (used in) operating activities	2,199,013	2,294,038	1,241,067	5,734,118
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	-	(1,084,821)	-	(1,084,821)
Issuance of debt	-	-	-	-
Principal paid on long-term debt	-	-	(409,690)	(409,690)
Interest paid on long-term debt	-	-	(10,539)	(10,539)
Net cash used in capital and related financing activities	-	(1,084,821)	(420,229)	(1,505,050)
Cash flows from investing activities:				
Purchases of investments	(10,783,042)	(2,596,349)	(1,277,846)	(14,657,237)
Sales of investments	6,554,891	1,300,000	254,056	8,108,947
Investment income	14,957	4,729	1,827	21,513
Net cash provided by (used in) investing activities	(4,213,194)	(1,291,620)	(1,021,963)	(6,526,777)
Net increase (decrease) in pooled cash and cash equivalents	(2,014,181)	(82,403)	(201,125)	(2,297,709)
Pooled cash and cash equivalents, beginning	2,333,866	423,648	261,702	3,019,216
Pooled cash and cash equivalents, ending	\$ 319,685	\$ 341,245	\$ 60,577	\$ 721,507
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income	\$ 1,974,048	\$ 1,238,870	\$ 411,772	\$ 3,624,690
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation and amortization	-	1,314,988	270,214	1,585,202
Changes in operating assets and liabilities:				
(Increase) decrease in inventory	-	(13,124)	-	(13,124)
(Increase) decrease in accounts receivable	(44,584)	(3,811)	(1,303)	(49,698)
(Increase) decrease in prepaid items	(62,890)	-	11,000	(51,890)
(Increase) decrease in deferred outflows of resources	56,995	84,118	123,546	264,659
Increase (decrease) in accounts payable	1,324,462	(252,601)	432,730	1,504,591
Increase (decrease) in accrued liabilities	6,874	24,111	17,664	48,649
Increase (decrease) in compensated absences	2,280	39,652	51,791	93,723
Increase (decrease) in other post-employment benefit (OPEB)	(27,566)	(77,186)	(115,779)	(220,531)
Increase (decrease) in net pension liability	(81,261)	(190,624)	(139,755)	(411,640)
Increase (decrease) in self-insured losses/liability	(1,000,000)	-	-	(1,000,000)
Increase (decrease) in deferred inflows of resources	50,655	129,645	179,187	359,487
Net cash provided by (used in) operating activities	\$ 2,199,013	\$ 2,294,038	\$ 1,241,067	\$ 5,734,118
Noncash investing, capital and financing activities:				
Increase in fair value of investments	\$ 429,194	\$ 122,339	\$ 12,166	\$ 563,699
Loss on disposal of capital asset	-	(33,144)	-	(33,144)

PENSION TRUST FUNDS / AGENCY FUND

PENSION TRUST FUNDS

General Employees' Retirement Plan – This fund was established to collect City and employee pension contributions to be used for retirement benefit payments.

Police Officers' Retirement Plan – This fund was established to collect City, employee, and State of Florida pension contributions to be used for retirement benefit payments.

Firefighters' Retirement Plan – This fund was established to collect City, employee, and State of Florida pension contributions to be used for retirement benefit payments.

Management Retirement Plan – This fund was established to collect City and employee pension contributions to be used for retirement benefit payments.

AGENCY FUND

Sanitation Fund – This fund was established to account for the billing, collection and remittance of funds for sanitation services (residential and commercial) provided by an independent contractor. The billing and collection for commercial sanitation services is provided by Waste Pro.

CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
SEPTEMBER 30, 2019

	General Employees' Retirement Plan	Police Officers' Retirement Plan	Firefighters' Retirement Plan	Management Retirement Plan	Total
ASSETS					
Cash and cash equivalents	\$ 2,075,077	\$ 3,065,158	\$ 764,947	\$ 849,848	\$ 6,755,030
Investments:					
Certificates of deposit	-	-	2,984,914	-	2,984,914
Money market funds	-	-	6,639,996	-	6,639,996
U.S. Government securities	4,125,297	5,471,650	10,148,194	5,334,238	25,079,379
Corporate bonds	9,382,333	8,317,138	7,241,993	3,894,062	28,835,526
Bond fund	-	13,861,947	-	-	13,861,947
Equity securities	69,530,994	81,216,660	114,459,563	30,623,740	295,830,957
Collateralized mortgage obligations	9,964,472	-	1,126,117	-	11,090,589
International equity	-	23,487,782	-	-	23,487,782
Asset backed securities	1,410,709	-	1,351,614	-	2,762,323
Mutual funds	3,126,099	-	-	1,955,483	5,081,582
Real estate funds	-	30,056,460	16,125,067	5,021,706	51,203,233
Fixed income international funds	-	-	765,011	-	765,011
Commingled funds	-	-	5,174,217	-	5,174,217
Alternative investment	12,041,741	21,782,273	-	-	33,824,014
Receivables:					
Due from broker	-	198,304	114,724	-	313,028
State contributions receivable	-	1,209,810	1,070,720	-	2,280,530
Prepaid items	361,701	524,639	6,810	231,194	1,124,344
Accrued investment income	151,390	199,179	151,332	42,264	544,165
TOTAL ASSETS	112,169,813	189,391,000	168,125,219	47,952,535	517,638,567
LIABILITIES					
Accounts payable	97,341	221,429	116,779	-	435,549
Due to broker	-	25,672	732,040	-	757,712
TOTAL LIABILITIES	97,341	247,101	848,819	-	1,193,261
NET POSITION					
Net position restricted for pension benefits	\$ 112,072,472	\$ 189,143,899	\$ 167,276,400	\$ 47,952,535	\$ 516,445,306

CITY OF MIRAMAR, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	General Employees' Retirement Plan	Police Officers' Retirement Plan	Firefighters' Retirement Plan	Management Retirement Plan	Total
ADDITIONS					
Contributions:					
City	\$ 4,563,783	\$ 8,821,360	\$ 6,289,566	\$ 3,096,794	\$ 22,771,503
Employees	2,176,302	2,531,825	1,296,385	2,014,369	8,018,881
State of Florida	-	1,209,810	1,070,720	-	2,280,530
Permissive service credit	-	-	40,211	-	40,211
Total contributions	6,740,085	12,562,995	8,696,882	5,111,163	33,111,125
Interest and dividends	2,380,209	6,127,519	3,171,505	881,391	12,560,624
Net appreciation in fair value of investments	2,996,954	745,631	3,566,554	1,331,651	8,640,790
Less investment expenses	(431,290)	(964,860)	(611,167)	(107,283)	(2,114,600)
Net investment income	4,945,873	5,908,290	6,126,892	2,105,759	19,086,814
Other income	8,557	8,592	2,699	-	19,848
Total additions	11,694,515	18,479,877	14,826,473	7,216,922	52,217,787
DEDUCTIONS					
Pension benefits	4,629,174	7,162,664	3,945,276	2,705,591	18,442,705
Refund of employee contributions	78,311	165,413	498,517	253,273	995,514
Administrative expenses	154,221	187,532	180,930	109,268	631,951
Total deductions	4,861,706	7,515,609	4,624,723	3,068,132	20,070,170
Net increase	6,832,809	10,964,268	10,201,750	4,148,790	32,147,617
Net position restricted for pension benefits:					
Beginning of year	105,239,663	178,179,631	157,074,650	43,803,745	484,297,689
End of year	\$ 112,072,472	\$ 189,143,899	\$ 167,276,400	\$ 47,952,535	\$ 516,445,306

CITY OF MIRAMAR, FLORIDA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
SANITATION AGENCY FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Balance September 30, 2018	Additions	Reductions	Balance September 30, 2019
ASSETS				
Pooled cash and cash equivalents	\$ 547,798	\$ 7,229,184	\$ 5,779,997	\$ 1,996,985
Accounts receivable	1,217,273	7,373,426	7,516,278	1,074,421
Total assets	<u>\$ 1,765,071</u>	<u>\$ 14,602,610</u>	<u>\$ 13,296,275</u>	<u>\$ 3,071,406</u>
LIABILITIES				
Accounts payable	\$ 1,765,071	\$ 13,056,590	\$ 11,750,255	\$ 3,071,406
Total liabilities	<u>\$ 1,765,071</u>	<u>\$ 13,056,590</u>	<u>\$ 11,750,255</u>	<u>\$ 3,071,406</u>

STATISTICAL SECTION

This part of the City of Miramar'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>Pages</u>
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	154-158
Revenue Capacity	
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, their property taxes.</i>	159-162
Debt Capacity	
<i>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.</i>	163-165
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	166-167
Operating Information	
<i>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.</i>	168-175
<i>Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report for the relevant year.</i>	

FINANCIAL TRENDS

The information presented in this section is intended to assist users in understanding and assessing how a government's financial position has changed over time.

CITY OF MIRAMAR, FLORIDA
SCHEDULE 1 - NET POSITION BY COMPONENT (UNAUDITED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities:										
Net investment in capital assets	\$122,562	\$ 117,464	\$ 116,691	\$ 113,707	\$ 112,125	\$ 108,146	\$ 127,446	\$ 132,029	\$ 132,717	\$ 134,848
Restricted	16,426	19,513	20,375	30,101	25,768	23,797	21,088	16,145	12,927	8,155
Unrestricted (deficit)	40,519	38,111	28,827	14,365	10,837	(128,207)	(126,334)	(130,798)	(141,040)	(128,436)
Total governmental activities net position	179,507	175,088	165,893	158,173	148,730	3,736	22,200	17,376	4,604	14,567
Business-type activities:										
Net investment in capital assets	265,090	262,381	262,081	260,595	256,194	252,570	229,158	231,706	234,964	236,949
Restricted	13,896	9,580	6,219	6,011	6,228	3,726	4,469	4,804	5,427	7,447
Unrestricted (deficit)	8,577	15,513	20,059	26,978	31,640	31,794	38,952	45,529	43,086	47,274
Total business-type activities	287,563	287,474	288,359	293,584	294,062	288,090	272,579	282,039	283,477	291,670
Primary government:										
Net investment in capital assets	387,652	379,845	378,772	374,302	368,319	360,716	356,604	363,735	367,681	371,797
Restricted	30,322	29,093	26,594	36,112	31,996	27,523	25,557	20,949	18,354	15,602
Unrestricted (deficit)	49,096	53,624	48,886	41,343	42,477	(96,413)	(87,382)	(85,269)	(97,954)	(81,162)
Total primary government net position	\$ 467,070	\$ 462,562	\$ 454,252	\$ 451,757	\$ 442,792	\$ 291,826	\$ 294,779	\$ 299,415	\$ 288,081	\$ 306,237

(1) In fiscal year 2015, the City implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

(2) In fiscal year 2018, the City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

CITY OF MIRAMAR, FLORIDA
SCHEDULE 2-CHANGES IN NET POSITION (UNAUDITED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses:										
Governmental activities:										
General government	\$ 17,250	\$ 21,269	\$ 21,725	\$ 23,101	\$ 20,588	\$ 21,190	\$ 21,421	\$ 24,841	\$ 23,326	\$ 24,546
Public safety (1)	68,207	70,868	71,449	81,686	74,403	76,121	81,507	90,343	87,302	92,686
Physical environment (2)	10,898	9,951	10,272	4,075	3,068	3,061	3,407	5,679	8,240	6,952
Transportation (2)	-	-	-	6,898	4,526	3,769	4,022	4,425	4,168	6,541
Cultural arts (4)	-	-	-	-	-	-	3,651	3,723	3,933	4,213
Community services (1)	13,874	12,381	12,965	-	-	-	-	-	-	-
Social services (4)	2,932	1,575	1,813	1,992	2,613	2,869	5,844	6,390	6,807	6,990
Economic environment (1)	-	-	-	3,741	3,189	3,114	3,584	2,363	2,867	3,446
Parks and recreation (1)	-	-	-	10,092	10,934	12,559	13,429	16,158	16,477	16,923
Interest on long-term debt	4,971	4,895	4,803	4,547	7,085	7,506	5,726	5,883	5,759	5,502
Total governmental activities expenses	\$ 118,132	\$ 120,939	\$ 123,027	\$ 136,132	\$ 126,406	\$ 130,189	\$ 142,591	\$ 159,805	\$ 158,879	\$ 167,799
Business-type activities:										
Utility	\$ 36,228	\$ 34,405	\$ 35,081	\$ 33,349	\$ 37,630	\$ 37,627	\$ 38,830	\$ 38,513	\$ 41,131	\$ 43,441
Cultural Arts (4)	2,349	2,098	3,044	3,475	4,084	4,200	-	-	-	-
Early Childhood (4)	2,164	1,924	1,665	1,885	1,979	2,201	-	-	-	-
Stormwater (3)	-	-	-	1,741	1,917	2,186	2,191	2,367	2,732	3,029
Total business-type activities	40,741	38,427	39,790	40,450	45,610	46,214	41,021	40,880	43,863	46,470
Total primary government expenses	\$ 158,873	\$ 159,366	\$ 162,817	\$ 176,582	\$ 172,016	\$ 176,403	\$ 183,612	\$ 200,685	\$ 202,742	\$ 214,269
Program revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 6,436	\$ 7,042	\$ 7,167	\$ 12,377	\$ 7,824	\$ 8,059	\$ 8,521	\$ 10,129	\$ 10,609	\$ 10,969
Public safety (1)	13,401	13,725	12,991	19,765	22,873	24,776	28,755	31,621	34,299	34,900
Physical environment (2)	2,308	2,286	2,496	33	278	392	399	1,003	1,041	216
Transportation (2)	-	-	-	-	-	-	-	-	-	-
Cultural arts (4)	-	-	-	-	-	-	1,093	1,224	1,549	1,139
Community services (1)	1,475	935	998	-	-	-	-	-	-	-
Social services (4)	-	143	2	-	-	179	1,925	1,788	1,757	1,543
Economic environment (1)	-	-	-	-	-	-	-	-	-	-
Parks and recreation (1)	-	-	-	2,816	2,842	1,689	1,858	3,039	1,898	3,721
Operating grants and contributions	18,032	18,217	15,549	14,912	5,829	5,380	6,732	7,523	9,886	12,673
Capital grants and contributions	1,390	414	1,433	-	-	-	-	35	982	-
Total governmental activities program revenues	\$ 43,042	\$ 42,762	\$ 40,636	\$ 49,903	\$ 39,646	\$ 40,475	\$ 49,283	\$ 56,362	\$ 62,021	\$ 65,161
Business-type activities:										
Charges for services:										
Utility	\$ 31,933	\$ 34,039	\$ 34,905	\$ 35,725	\$ 35,947	\$ 39,835	\$ 40,428	\$ 43,300	\$ 42,080	\$ 47,078
Cultural Arts (4)	242	331	498	587	1,048	1,143	-	-	-	-
Early Childhood (4)	1,791	1,687	1,667	1,557	1,522	1,692	-	-	-	-
Stormwater (3)	-	-	-	2,861	2,871	3,181	3,206	4,525	4,593	4,592
Operating grants and contributions	-	-	-	-	-	100	190	-	-	-
Capital grants and contributions	3,192	266	1,222	1,562	1,351	1,738	388	1,972	666	1,497
Total business-type activities program revenues	37,158	36,323	38,292	42,292	42,739	47,689	44,212	49,797	47,339	53,167
Total primary government program revenues	\$ 80,200	\$ 79,085	\$ 78,928	\$ 92,195	\$ 82,385	\$ 88,164	\$ 93,495	\$ 106,159	\$ 109,360	\$ 118,328
Net (expense)/revenue										
Governmental activities	\$ (75,090)	\$ (78,177)	\$ (82,391)	\$ (86,229)	\$ (86,760)	\$ (89,714)	\$ (93,308)	\$ (103,443)	\$ (96,858)	\$ (102,638)
Business-type activities	(3,583)	(2,104)	(1,498)	1,842	(2,871)	1,475	3,191	8,917	3,476	6,697
Total primary government net expenses	\$ (78,673)	\$ (80,281)	\$ (83,889)	\$ (84,387)	\$ (89,631)	\$ (88,239)	\$ (90,117)	\$ (94,526)	\$ (93,382)	\$ (95,941)

(1) Beginning in fiscal year 2013, revenues and expenses previously classified under community services were reclassified to parks and recreation, economic environment, and public safety.

(2) Beginning in fiscal year 2013, revenues and expenses previously classified under physical environment were reclassified to transportation.

(3) Prior to fiscal year 2013, stormwater was included with utility.

(4) Beginning in fiscal year 2016, Cultural Arts and Early Childhood operations were transferred to the General Fund and are included under the functional classifications of cultural arts and social services, respectively, in governmental activities.

CITY OF MIRAMAR, FLORIDA
SCHEDULE 2 - CHANGES IN NET POSITION (UNAUDITED) - (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General revenues and other changes in net position										
Governmental activities:										
Taxes:										
Property taxes	\$ 49,849	\$ 42,566	\$ 41,592	\$ 41,180	\$ 43,293	\$ 47,874	\$ 51,747	\$ 56,236	\$ 59,978	\$ 67,062
Utility and local option gas tax	7,690	7,768	8,084	10,721	11,704	12,161	12,411	12,845	13,237	13,472
Communication service tax	5,380	5,202	5,179	5,346	4,986	5,005	4,535	4,381	4,353	3,872
Franchise fees based on gross receipts	8,486	8,519	7,851	7,793	8,487	8,708	8,580	8,910	8,654	9,107
Unrestricted intergovernmental revenues	9,944	10,173	11,203	13,206	11,060	12,128	12,571	13,213	14,046	14,296
Unrestricted investment earnings	1,826	1,028	459	198	389	674	535	940	1,500	2,380
Miscellaneous	715	255	1,059	3,359	2,765	4,999	2,436	2,003	1,928	2,411
Transfers	(2,133)	(1,753)	(2,229)	(3,294)	(3,698)	(3,396)	1,894	-	-	-
Gain on sale of capital assets	-	-	-	-	-	-	-	91	-	-
Special Item (Note 14)	-	-	-	-	-	-	17,063	-	-	-
Total governmental activities	<u>\$ 81,757</u>	<u>\$ 73,758</u>	<u>\$ 73,198</u>	<u>\$ 78,509</u>	<u>\$ 78,986</u>	<u>\$ 88,153</u>	<u>\$ 111,772</u>	<u>\$ 98,619</u>	<u>\$ 103,696</u>	<u>\$ 112,600</u>
Business-type activities:										
Unrestricted investment earnings	\$ 384	\$ 223	\$ 146	\$ 82	\$ 112	\$ 301	\$ 255	\$ 543	\$ 1,008	\$ 1,497
Miscellaneous	9	40	8	7	-	-	-	-	-	-
Transfers	2,133	1,753	2,229	3,294	3,698	3,396	(1,894)	-	-	-
Special Item (Note 14)	-	-	-	-	-	-	(17,063)	-	-	-
Total business-type activities	<u>2,526</u>	<u>2,016</u>	<u>2,383</u>	<u>3,383</u>	<u>3,810</u>	<u>3,697</u>	<u>(18,702)</u>	<u>543</u>	<u>1,008</u>	<u>1,497</u>
Total primary government	<u>\$ 84,283</u>	<u>\$ 75,774</u>	<u>\$ 75,581</u>	<u>\$ 81,892</u>	<u>\$ 82,796</u>	<u>\$ 91,850</u>	<u>\$ 93,070</u>	<u>\$ 99,162</u>	<u>\$ 104,704</u>	<u>\$ 114,097</u>
Changes in net position										
Governmental activities	\$ 6,667	\$ (4,419)	\$ (9,193)	\$ (7,720)	\$ (7,774)	\$ (1,561)	\$ 18,464	\$ (4,824)	\$ 6,838	\$ 9,962
Business-type activities	(1,057)	(88)	885	5,225	939	5,172	(15,511)	9,460	4,484	8,194
Total primary government	<u>\$ 5,610</u>	<u>\$ (4,507)</u>	<u>\$ (8,308)</u>	<u>\$ (2,495)</u>	<u>\$ (6,835)</u>	<u>\$ 3,611</u>	<u>\$ 2,953</u>	<u>\$ 4,636</u>	<u>\$ 11,322</u>	<u>\$ 18,156</u>

Beginning in fiscal year 2016, Cultural Arts and Early Childhood operations, previously accounted for as business-type activities, were transferred to governmental activities.

CITY OF MIRAMAR, FLORIDA
SCHEDULE 3 - FUND BALANCES, GOVERNMENTAL FUNDS (UNAUDITED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESS IN THOUSANDS)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Non-spendable	\$ 2,982	\$ 1,149	\$ 970	\$ 109	\$ 99	\$ 210	\$ 153	\$ 123	\$ 1,824	\$ 1,713
Committed	-	-	-	-	14,620	15,115	16,309	18,340	19,070	20,383
Assigned	29,961	34,991	20,045	18,275	5,092	4,993	9,527	6,922	6,479	9,567
Unassigned	18,012	7,090	5,937	9,437	5,075	8,923	12,026	10,684	7,976	8,585
Total General Fund	50,955	43,230	26,952	27,821	24,886	29,241	38,015	36,069	35,349	40,248
All other governmental funds										
Non-spendable	2,607	1,541	39	207	4	1	-	3,895	3,312	-
Restricted	21,438	25,877	31,318	86,523	79,999	65,819	44,214	38,009	28,967	22,091
Assigned	-	-	9,986	-	-	-	-	-	-	-
Unassigned, reported in:										
Special revenue funds	(358)	(26)	(2)	(9)	(4)	(1)	-	(1,853)	(1,673)	(948)
Capital projects funds	(1,843)	(375)	-	-	-	-	-	-	-	-
Total all other governmental funds	21,844	27,017	41,341	86,721	79,999	65,819	44,214	40,051	30,606	21,143
Total governmental funds	\$ 72,799	\$ 70,247	\$ 68,293	\$ 114,542	\$ 104,885	\$ 95,060	\$ 82,229	\$ 76,120	\$ 65,955	\$ 61,391

CITY OF MIRAMAR, FLORIDA
SCHEDULE 4 - CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (UNAUDITED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Taxes	\$ 71,586	\$ 63,465	\$ 62,889	\$ 62,920	\$ 66,325	\$ 71,479	\$ 74,942	\$ 79,924	\$ 83,779	\$ 91,021
Special assessments	10,317	10,585	10,604	15,955	15,714	16,321	19,150	20,577	20,764	21,169
Licenses and permits	3,907	4,118	3,994	6,261	4,161	5,090	5,062	6,934	8,623	8,589
Intergovernmental revenues	27,279	25,598	24,422	29,935	19,711	20,545	22,174	23,468	27,460	29,739
Charges for services	8,714	8,856	8,489	9,773	10,328	10,877	15,497	17,120	18,866	18,203
Fines and forfeitures	736	930	973	1,301	952	1,017	1,058	1,080	1,199	1,033
Impact fees	249	1,753	1,390	1,959	1,769	910	737	2,210	689	2,462
Investment income	1,700	908	341	198	388	674	535	939	1,500	2,380
Developer contributions	-	-	-	-	-	-	-	35	232	-
Miscellaneous revenues	2,508	2,455	3,052	3,472	2,937	5,112	2,943	2,628	2,605	3,165
Total revenues	126,996	118,668	116,154	131,774	122,285	132,025	142,098	154,915	165,717	177,761
Expenditures										
General government	10,112	11,361	11,103	19,107	20,063	20,218	21,641	26,555	28,042	28,268
Public safety (1)	59,097	63,395	65,389	68,500	71,272	71,211	73,336	81,083	86,677	90,213
Physical environment (2)	7,566	7,653	7,982	2,111	1,198	1,321	1,391	3,581	6,206	4,899
Transportation (2)	-	-	-	3,355	4,159	3,285	3,205	3,568	3,426	3,671
Economic environment (1)	-	-	-	1,944	2,673	2,914	3,267	2,043	2,594	3,126
Community services (1)	11,305	12,308	12,698	-	-	-	-	-	-	-
Social services (4)	1,343	1,520	1,757	1,540	2,057	2,414	5,196	5,794	6,187	6,490
Cultural arts (4)	-	-	-	-	-	-	3,133	3,173	3,356	3,821
Parks and recreation (1)	-	-	-	8,022	8,516	10,326	11,086	13,126	13,461	13,775
Non-departmental	5,369	2,496	2,757	-	-	-	-	-	-	-
Grants and aid	11,909	9,852	8,490	11,129	123	230	105	119	169	356
Capital outlay	5,628	4,479	8,845	7,992	8,716	14,733	28,207	22,910	12,635	15,211
Debt service:										
Principal (3)	1,775	1,435	3,843	13,156	3,634	91,130	2,139	4,266	6,852	7,222
Interest	4,977	4,911	4,893	5,066	5,648	6,996	6,346	6,237	6,275	6,043
Issuance Costs	-	-	-	-	-	474	-	44	-	-
Fiscal charges	1	1	1	1,196	167	5	3	2	2	3
Total expenditures	119,082	119,411	127,758	143,118	128,226	225,257	159,055	172,501	175,882	183,098
Excess (deficiency) of revenues over expenditures	7,914	(743)	(11,604)	(11,344)	(5,941)	(93,232)	(16,957)	(17,586)	(10,165)	(5,337)
Other financing sources (uses):										
Transfers in	8,156	14,010	26,247	27,987	12,686	11,276	15,511	13,006	14,625	16,326
Transfers out	(10,290)	(15,820)	(24,476)	(30,398)	(16,402)	(14,673)	(13,617)	(13,713)	(14,625)	(16,326)
Issuance of debt (3)	-	-	7,879	59,815	-	79,595	2,232	11,999	-	773
Premium on issuance of debt (3)	-	-	-	190	-	7,209	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	185	-	-
Total other financing sources (uses)	(2,134)	(1,810)	9,650	57,594	(3,716)	83,407	4,126	11,477	-	773
Net change in fund balances	\$ 5,780	\$ (2,553)	\$ (1,954)	\$ 46,250	\$ (9,657)	\$ (9,825)	\$ (12,831)	\$ (6,109)	\$ (10,165)	\$ (4,564)
Debt service as a percentage of non-capital expenditures	5.95%	5.52%	7.35%	13.19%	7.72%	45.8%	6.32%	6.82%	7.85%	7.62%

- (1) Beginning in fiscal year 2013, revenues and expenditures previously classified under community services were reclassified to parks and recreation, economic environment, and public safety.
- (2) Beginning in fiscal year 2013, revenues and expenditures previously classified under physical environment were reclassified to transportation.
- (3) In FY15, \$79.6 million in Capital Improvement Refunding Revenue Bonds, Series 2015 were issued to current refund \$3.6 million and \$83.9 million in then outstanding Public Service Tax Revenue Bonds, Series 2003, and Capital Impr. Revenue Bonds, Series 2005, respectively.
- (4) Beginning in fiscal year 2016, Cultural Arts and Early Childhood operations were transferred to the General Fund and are included under the functional classifications of cultural arts and social services, respectively.

REVENUE CAPACITY

This section is intended to assist users in understanding and assessing the factors affecting a government's ability to generate its own-source revenues.

CITY OF MIRAMAR, FLORIDA
SCHEDULE 5 - ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (UNAUDITED)
LAST TEN FISCAL YEARS

Fiscal Year	Tax Year	Real Property	Personal Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Rate	Estimated Actual Taxable Value (1)	Taxable Assessed Value as a Percentage of Estimated Actual Taxable Value (1)
2010	2009	\$ 10,742,827,900	\$ 351,867,691	\$ 3,066,761,857	\$ 8,027,933,734	5.4797	\$ 9,444,627,922	85%
2011	2010	8,821,363,400	379,214,200	2,465,010,021	6,735,567,579	6.4654	7,924,197,152	85%
2012	2011	8,749,193,160	369,847,633	2,539,992,246	6,579,048,547	6.4654	7,487,594,265	88%
2013	2012	8,749,870,800	385,489,368	2,483,662,029	6,651,698,139	6.4654	7,361,313,792	90%
2014	2013	8,619,600,040	427,650,646	2,093,194,689	6,954,055,997	6.4654	7,707,457,008	90%
2015	2014	9,098,857,180	439,650,107	2,111,708,413	7,426,798,874	6.7654	8,251,998,749	90%
2016	2015	9,772,152,930	470,714,004	2,283,275,830	7,959,591,104	6.7654	8,843,990,116	90%
2017	2016	10,469,255,890	491,033,890	2,318,042,464	8,642,247,316	6.7654	9,602,497,018	90%
2018	2017	11,144,032,560	480,944,321	2,363,066,082	9,261,910,799	6.7654	10,291,011,999	90%
2019	2018	11,777,020,790	467,502,653	2,409,992,529	9,834,530,914	7.1172	10,927,256,571	90%

(1) Property in Broward County is reassessed once every year, on average. The County assesses property at approximately 85-100% of actual value for commercial and industrial property and 85-100% for residential property, as required by Florida law. Estimated actual taxable value is calculated by dividing taxable value by those percentages. Tax rates are per \$1,000 of assessed value.

Source: Broward County Property Appraiser

CITY OF MIRAMAR, FLORIDA
SCHEDULE 6 - DIRECT AND OVERLAPPING PROPERTY TAX RATES (UNAUDITED)
LAST TEN FISCAL YEARS

Fiscal Year	Tax Year	City of Miramar (1)	Overlapping Rates					Total Direct & Overlapping Rates
			Broward County Operating	Broward County Debt	Broward County School District	South Broward Hospital District	Other	
2010	2009	6.47%	4.89%	0.50%	7.43%	1.27%	1.08%	21.64%
2011	2010	6.47%	5.10%	0.45%	7.63%	1.27%	1.12%	22.04%
2012	2011	6.47%	5.19%	0.37%	7.42%	0.75%	0.95%	21.14%
2013	2012	6.47%	5.26%	0.30%	7.46%	0.60%	0.95%	21.03%
2014	2013	6.47%	5.44%	0.28%	7.48%	0.40%	0.93%	21.00%
2015	2014	6.76%	5.46%	0.26%	7.44%	0.19%	0.91%	21.02%
2016	2015	6.76%	5.47%	0.25%	7.27%	0.18%	0.88%	20.81%
2017	2016	6.76%	5.45%	0.22%	6.91%	0.16%	0.85%	20.35%
2018	2017	6.76%	5.46%	0.21%	6.54%	0.15%	0.83%	19.95%
2019	2018	7.12%	5.48%	0.19%	6.40%	0.14%	0.81%	20.14%

(1) The City of Miramar's direct tax rate is only comprised of an operating millage.

Note: Property tax rates are based on each \$1,000 of net assessed value.

Source: Broward County, Florida Property Appraiser

CITY OF MIRAMAR, FLORIDA

[illegible]

Source: Broward County, Florida, Department of Revenue

CITY OF MIRAMAR, FLORIDA
SCHEDULE 8 - PROPERTY TAX LEVIES AND COLLECTION (UNAUDITED)
LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 51,655,608	\$ 49,599,612	96.02%	\$ 308,746	\$ 49,908,358	96.62%
2011	44,209,533	41,453,670	93.77%	131,958	41,585,628	94.06%
2012	42,775,713	40,888,853	95.59%	55,210	40,944,063	95.72%
2013	43,025,597	41,216,497	95.80%	35,857	41,252,354	95.88%
2014	44,985,950	43,231,304	96.10%	1,332,059	44,563,363	99.06%
2015	50,266,100	48,049,334	95.59%	25,703	48,075,037	95.64%
2016	53,868,885	51,631,178	95.85%	23,175	51,654,353	95.89%
2017	58,501,360	56,146,772	95.98%	34,735	56,181,507	96.03%
2018	62,689,618	59,967,326	95.66%	30,395	59,997,721	95.71%
2019	70,019,480	67,034,330	95.74%	-	67,034,330	95.74%

DEBT CAPACITY

The information presented in this section is intended to assist users in understanding and assessing a government's debt burden and its ability to issue additional debt.

CITY OF MIRAMAR, FLORIDA
SCHEDULE 9 - SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS (UNAUDITED)
LAST TEN FISCAL YEARS

Fiscal Year	Assessments Due	Assessments Collected		Ratio of Collections to Amounts Due (1)	Total Outstanding Assessments
2010	\$ 19,423	\$ 19,423	(2)	100.0%	\$ 4,050,342
2011	-	-		-	4,050,342
2012	1,888	1,888		100.0%	4,048,454
2013	148,943	148,943	(3)	100.0%	3,899,511
2014	8,328	8,328	(4)	100.0%	3,891,183
2015	230,114	230,114	(5)	100.0%	3,661,070
2016	2,832	2,832	(6)	100.0%	3,658,238
2017	202,905	202,905	(7)	100.0%	3,455,333
2018	(60,690)	(60,690)	(8)	100.0%	3,516,023
2019	129,502	129,502	(9)	100.0%	3,386,521

(1) Ratio is shown net of prepayments

(2) An allowance has been set up in the amount of \$3,643,365.

(3) An allowance has been set up in the amount of \$3,492,535.

(4) An allowance has been set up in the amount of \$3,484,207.

(5) An allowance has been set up in the amount of \$3,254,093.

(6) An allowance has been set up in the amount of \$3,251,261.

(7) An allowance has been set up in the amount of \$3,048,356.

(8) \$60,690 refunded in fiscal year 2018

An allowance has been set up in the amount of \$3,109,046

(9) An allowance has been set up in the amount of \$2,979,544.

Source: City of Miramar, Florida Finance Department

CITY OF MIRAMAR, FLORIDA
SCHEDULE 10 - RATIOS OF OUTSTANDING DEBT BY TYPE (UNAUDITED)
LAST TEN FISCAL YEARS (1)
(AMOUNTS EXPRESSED IN THOUSANDS, EXCEPT PER CAPITA AMOUNT)

Fiscal Year	Governmental Activities				Business-type Activities					Percentage of		
	Revenue Bonds	Special Assessments	Notes Payable	Capital Leases	Revenue Bonds	Special Assessments	Notes Payable	Revolving Loan	Capital Leases	Total Primary Government	Personal Income	Per capita
2010	\$ 98,130	\$ 351	\$ 10,376	\$ 1,527	\$ 58,940	\$ -	\$ 94	\$ 15,680	\$ 92	\$ 185,190	6.31%	\$ 1,517
2011	97,875	239	10,000	777	58,615	-	-	14,826	121	182,453	6.22%	1,484
2012	95,420	122	16,195	1,180	57,345	-	-	13,954	78	184,294	5.93%	1,493
2013	153,935	-	6,087	784	55,876	-	-	13,062	34	229,778	7.64%	1,817
2014	151,265	-	5,407	445	54,507	-	-	12,151	-	223,775	7.00%	1,742
2015	146,594	-	4,711	286	53,377	-	-	11,329	-	216,297	7.04%	1,637
2016	145,128	-	4,000	2,204	51,799	-	-	10,660	-	213,791	5.97%	1,595
2017	135,595	-	12,864	5,437	50,235	-	-	10,028	-	214,159	6.44%	1,572
2018	137,081	-	11,235	4,665	48,618	-	-	22,693	-	224,292	5.71%	1,636
2019	126,060	-	9,566	4,366	40,795	-	-	35,387	-	216,174	5.71%	1,557

(1) See Schedule 12, Demographic and Economic Statistics, for personal income and population data.

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

Source: City of Miramar, Florida, Finance Department

CITY OF MIRAMAR, FLORIDA
SCHEDULE 11 - DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (UNAUDITED)
SEPTEMBER 30, 2019

Governmental Unit	Net Debt Outstanding September 30, 2019		Percentage Applicable to City of Miramar	Amount Applicable to City of Miramar
Debt repaid with property taxes:				
Broward County	\$ 155,245,000	(1)	5.20%	\$ 8,071,812
Broward County School Board	346,821	(2)	4.80%	16,639
Other debt:				
Broward County Special Obligation Bonds	215,580,000		5.20%	11,208,871
Broward County Capital Leases	-		5.20%	-
Broward County Loans Payable and Other Obligations	108,535,000		5.20%	5,643,171
Broward County School Board Capital Outlay Bonds	10,533		4.80%	505
Broward County School Board Certificates of Participation	1,398,298		4.80%	67,084
Broward County School Board Capital Leases	68,850		4.80%	3,303
Subtotal, overlapping debt				<u>25,011,385</u>
City direct debt:				
City of Miramar	\$ 145,772,663		100.00%	<u>145,772,663</u>
Total direct and overlapping debt				<u><u>\$ 170,784,048</u></u>

(1) Source: Broward County, Florida

(2) Source: School Board of Broward County, Florida

Note: The percentage of overlapping debt is estimated using taxable assessed property values. Value that is within the City boundaries is divided by the County's and School Board's total taxable assessed value.

DEMOGRAPHIC/ECONOMIC

This section is intended (1) to assist users in understanding the socioeconomic environment within which a government operates and (2) to provide information that facilitates comparisons of financial statement information over time and among governments.

CITY OF MIRAMAR, FLORIDA
SCHEDULE 12 - DEMOGRAPHIC AND ECONOMIC STATISTICS (UNAUDITED)
LAST TEN FISCAL YEARS

Fiscal Year	(1) Population	Median Household Income (4)	Per Capita Personal Income (4)	Median Age (4)	School Enrollment (2)	Unemployment Rate (3)
2010	122,041	\$ 64,547	\$ 24,062	32	23,839	10.10%
2011	122,982	45,324	23,836	34	23,937	9.10%
2012	123,478	60,851	25,179	36	23,857	15.30%
2013	126,619	64,907	23,770	35	23,857	9.30%
2014	128,432	62,649	24,901	35	23,718	6.30%
2015	132,096	67,291	23,269	35	23,589	4.70%
2016	134,037	70,133	26,723	37	23,093	4.60%
2017	136,246	61,767	24,408	39	22,675	3.80%
2018	137,107	70,381	28,656	36	22,781	2.70%
2019	138,837	68,293	27,275	36	21,574	2.80%

(1) Source: U.S. Bureau of Census in 2010. From 2011 to current, University of Florida, Bureau of Economics and Business Research

(2) Source: School Board of Broward County

(3) Source: State of Florida LAUS

(4) Source: American Fact Finder ACS, U.S. Bureau of Census

CITY OF MIRAMAR, FLORIDA
SCHEDULE 13 - PRINCIPAL EMPLOYERS (UNAUDITED)
CURRENT YEAR AND NINE YEARS AGO

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment (1)
Royal Caribbean Cruises Ltd.	1,325	1	3.96%	479	5	1.16%
Memorial Hospital Miramar	1,100	2	3.29%	-		
City of Miramar	979	3	2.92%	920	1	2.24%
Comcast of South Florida	950	4	2.84%	570	3	1.39%
Southern Glazer's Wine and Spirits, LLC	750	5	2.24%	420	9	1.02%
Carnival Corporation	750	6	2.24%	463	7	1.13%
Spirit Airlines, Inc.	619	7	1.85%	-		
JL Audio	512	8	1.53%	-		
Quest Diagnostic Inc.	500	9	1.49%	469	6	1.14%
Premier Beverage Co, LLC	420	10	1.25%	583	2	1.42%
Humana Medical Plan, Inc.	-		-	538	4	1.31%
Caremark Miramar Pharmacy, LLC	-		-	450	8	1.09%
Interactive Response Technologies Inc.	-		-	375	10	0.91%
Totals	<u>7,905</u>		<u>23.61%</u>	<u>5,267</u>		<u>12.81%</u>

Source: City of Miramar business tax division

OPERATING INFORMATION

This section is intended to provide contextual information about a government's operations and resources to assist readers in using financial statement information to understand and assess a government's economic condition

CITY OF MIRAMAR, FLORIDA
SCHEDULE 14 - FULL TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM (UNAUDITED)
LAST TEN FISCAL YEARS

Function/Program	2010	2011	2012	2013	2014
City Commission	6.0	6.0	6.0	7.5	7.5
Mayor's Office	-	-	-	-	-
City Manager's Office	2.0	2.0	2.0	1.0	9.0
Administration	2.0	2.0	2.0	2.0	-
Marketing and Public Relations	-	-	-	-	-
City Clerk's Office	5.0	5.0	4.0	4.0	-
Administration	-	-	-	-	2.2
Passport Services	-	-	-	-	1.4
Municipal Election	-	-	-	-	0.4
Finance					
Administration	9.0	8.0	5.0	7.0	7.0
Accounting	30.0	30.0	30.0	31.0	31.0
Reporting and Training	-	-	-	-	-
Grants Administration	-	-	-	-	-
Utility Billing	9.0	8.5	8.5	8.5	9.5
Procurement	-	-	-	-	-
Budget	3.0	3.0	5.0	5.0	6.0
Budget & Capital Project	-	-	-	-	-
Strategic Planning & Performance Mgmt	-	-	-	-	-
Fiscal & Structural Innovation	-	-	-	-	-
Procurement	7.0	8.5	9.0	-	-
Procurement Operations	-	-	-	7.5	8.0
Mailroom Operations	-	-	-	2.0	2.0
Human Resources	10.0	11.5	13.5	-	-
Administration	-	-	-	7.5	5.5
HR Operations	-	-	-	3.5	6.5
Retirement Administration	-	-	-	1.0	2.0
Risk Management	4.0	1.0	1.0	3.0	3.0
Benefits Administration	-	-	-	-	-
Liability-Risk Management	-	2.5	2.5	-	-
Cultural Affairs	7.0	7.0	9.0	-	-
Administration	-	-	-	2.0	6.5
Client Management Services	-	-	-	5.65	8.35
Marketing & Sales Services	-	-	-	1.5	2.0
Education & Gallery Services	-	-	-	2.0	3.5
Food & Beverage Services	-	-	-	6.85	4.65
Theater Production	-	-	-	-	-
Theater Facilities	-	-	-	-	-
Community Development	-	-	-	-	36.5
Administration	7.0	7.0	7.0	7.8	-
Planning and Zoning	9.0	9.0	7.0	3.15	-
Sustainable Planning	-	-	-	0.6	-
Environmental Planning	-	-	-	-	-
Geographic Information Systems	-	-	-	0.8	-
Building Permits & Inspections	21.0	20.0	18.5	22.65	-
Sister Cities Initiative	-	-	-	-	-
Economic Development & Revitalization	-	-	-	-	12.5
Office of Marketing Communication	6.0	6.0	7.5	5.75	-
Housing & Community Development	3.0	2.0	1.5	3.0	-
Business Development	2.0	2.0	2.0	2.25	-
Engineering	-	-	-	-	-
Development Management	10.0	8.0	7.0	4.5	-
Construction Management	5.0	5.0	3.0	6.5	-

CITY OF MIRAMAR, FLORIDA
SCHEDULE 14 - FULL TIME EQUIVALENT GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM (UNAUDITED)
LAST TEN FISCAL YEARS

Function/Program	2010	2011	2012	2013	2014
MIS	13.0	13.0	13.5	-	-
Administration	-	-	-	-	-
Data Services	-	-	-	6.7	7.25
Network Services	-	-	-	3.75	3.75
Helpdesk	-	-	-	4.55	4.95
Audio Visual Event Management	-	-	-	0.50	0.55
Cyber Security	-	-	-	-	-
Parks and Recreation					
Administration	9.0	10.0	10.0	19.0	19.0
Park Maintenance	-	-	-	4.0	4.0
Recreation	78.0	82.0	96.0	-	-
Special Events	3.0	2.5	2.0	2.5	2.5
Miramar Youth Enrichment Center	-	-	-	11.5	11.5
Athletics	-	-	-	-	2.00
Fairway Park	-	-	-	11.0	-
Sunset Lakes	-	-	-	13.0	12.50
Miramar Regional Park	-	-	-	14.0	18.00
Aquatics	-	-	-	24.0	24.00
Ansin Sports Complex	-	-	-	7.0	9.00
Vizcaya Park	-	-	-	6.0	6.00
Early Childhood	-	-	35.0	37.0	35.00
Social Services					
Administration	2.0	2.0	2.0	1.65	2.00
Senior Transportation	6.0	6.0	6.0	8.0	11.50
Senior Services	12.0	11.5	11.5	12.35	14.50
Fairway Childcare	-	-	-	-	10.00
Community Outreach	2.0	2.0	2.0	2.0	2.00
Adult Daycare Center	-	-	-	-	-
Early Childhood	38.0	37.5	-	-	-
Childcare Services	-	-	-	-	-
Public Works					
Administration	6.0	6.0	7.0	7.5	6.00
Building Maintenance	12.0	12.5	13.5	15.5	15.00
Field Operations	12.0	20.5	11.0	12.0	16.50
Street Repair & Maintenance	18.0	-	15.0	15.5	18.50
Landscape Maintenance	-	-	-	-	-
Transit Operations	10.0	10.0	10.0	8.0	8.00
Solid Waste Management	21.0	1.0	1.0	2.0	6.00
Fleet	25.0	13.0	13.0	9.0	10.00
Utilities					
Administration	-	20.5	28.5	28.0	13.00
Office of Operational Services	-	-	-	-	11.50
Stormwater Maintenance	28.0	21.5	13.5	11.5	13.50
Water Treatment/Quality Control	4.0	28.0	29.0	35.0	-
Electrical Instrumentation & Control	34.0	4.0	4.0	6.0	6.00
Wastewater Treatment/Collection Maint	8.0	34.0	35.0	35.0	22.00
Plant Maintenance	11.0	8.0	7.0	7.0	8.00
Water & Wastewater Quality Control	-	-	-	-	7.00

CITY OF MIRAMAR, FLORIDA
SCHEDULE 14 - FULL TIME EQUIVALENT GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM (UNAUDITED)
LAST TEN FISCAL YEARS

Function/Program	2010	2011	2012	2013	2014
Water Treatment & Supply	-	-	-	-	23.0
Wastewater Treatment & Disposal	-	-	-	-	14.0
Water Accountability	-	-	-	-	7.0
Transmission and Distribution	7.0	11.0	10.0	10.0	10.0
Meters	-	7.0	7.0	-	-
Facilities & Property Management	-	-	-	-	4.0
Construction & Facilities Management	-	-	-	-	-
Administration	-	-	-	-	-
Development Engineering	-	-	-	-	6.0
Construction & Facilities Management	-	-	-	-	12.0
Police Law Enforcement Trust	-	-	-	-	1.0
Police					
Police officers	199.0	200.5	199.5	-	-
Civilians	56.0	57.0	54.0	-	-
Community Standards/Code Compliance	-	13.0	15.0	15.0	15.0
Office of the Chief	13.0	-	-	14.0	13.0
Community Oriented Policing	-	-	-	119.5	123.5
Specialized Support	-	-	-	36.0	37.0
Criminal Investigations	-	-	-	32.0	30.0
Property & Evidence	-	-	-	7.0	7.0
Strategic Investigations	-	-	-	17.0	18.0
Support Services	-	-	-	28.0	27.0
Fire Rescue SAFER Grant	-	-	-	-	12.0
Fire					
Firefighters	128.0	126.0	125.0	-	-
Civilians	31.0	29.0	25.0	-	-
Administration	-	-	-	8.5	7.25
Logistics	-	-	-	6.0	6.0
Life Safety	-	-	-	6.0	5.75
Fire Protection	-	-	-	70.0	60.0
Fire-Rescue Training	-	-	-	4.0	4.0
Emergency Management	-	-	-	6.0	3.0
Emergency Medical Services	-	-	-	53.0	55.0
Total	943	943	952	978	1036.5

Source: Budget Division

CITY OF MIRAMAR, FLORIDA
SCHEDULE 14- FULL TIME EQUIVALENT CITY GOVERNMENT
LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018	2019
City Commission	10.0	10.0	10.0	10.0	10.0
Mayor's Office	-	-	-	-	-
City Manager's Office	10.0	10.0	10.0	10.0	11.0
Business Inclusion Diversity	-	-	-	-	5.0
Executive Administration	-	-	-	-	-
Marketing and Public Relations	8.0	8.0	10.0	9.0	-
City Clerk's Office					
Administration	3.15	3.15	2.2	2.2	2.75
Passport Services	1.35	1.35	1.3	1.3	0.75
Municipal Election	0.5	0.5	0.5	0.5	0.5
Finance					
Administration	3.0	3.0	3.0	3.0	3.0
Accounting & Revenue Enhancement	29.0	29.0	29.0	28.5	28.0
Reporting and Training	2.0	2.0	1.0	1.0	1.0
Grants Administration	3.0	3.0	3.0	2.5	2.5
Utility Billing	8.5	8.5	8.5	8.5	9.0
Budget	-	-	-	-	-
Budget & Capital Project Mgmt.	4.65	4.65	5.65	5.65	5.65
Strategic Planning & Performance Mgmt.	1.8	1.8	1.8	1.6	1.55
Fiscal & Structural Innovation	1.55	1.55	1.55	1.80	2.80
Procurement					
Procurement Operations	7.0	7.0	8.0	8.0	8.0
Mailroom Operations	2.0	2.0	2.0	2.0	2.0
Human Resources					
Administration	3.5	3.5	6.5	2.5	3.0
HR Operations	8.5	8.5	7.5	11.5	11.0
Retirement Administration	-	-	-	-	-
Risk Management	-	3.0	2.0	2.0	2.5
Benefits Administration	-	3.0	3.0	3.0	2.5
Liability-Risk Management	-	-	-	-	-
Cultural Affairs					
Administration	4.5	4.5	2.25	2.25	3.5
Client Management Services	4.45	4.45	-	-	-
Marketing & Sales	1.0	1.0	1.0	1.3	-
Education & Gallery	3.0	3.0	3.25	3.50	5.5
Food & Beverage	1.55	1.55	2.75	2.50	2.0
Theatre Production	-	-	5.0	4.8	4.5
Theatre Facilities	-	-	0.75	0.75	-
Community Development	-	-	-	-	-
Administration	5.0	5.0	5.0	6.0	7.0
Planning & Redevelopment	4.75	4.75	13.0	12.3	13.0
Sustainable Planning	2.25	2.25	-	-	-
Geographic Information Systems	1.0	1.0	-	-	-
Building Permits & Inspections	24.5	24.5	25.5	25.0	31.5
Sister Cities Initiative	-	-	-	0.3	-
Economic Development & Revitalization	-	-	-	-	-
Office of Marketing Communication	-	-	-	-	-
Housing and Community Development	2.0	2.0	-	-	-
Business Development	2.5	2.5	-	-	-
Engineering					
Development Management	-	-	-	-	-
Construction Management	-	-	-	-	-

CITY OF MIRAMAR, FLORIDA
SCHEDULE 14 - FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM (UNAUDITED)
LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018	2019
MIS					
Administration	3.00	3.00	3.00	3.00	3.00
Data Services	4.00	4.00	5.00	4.00	4.00
Network Services	3.00	3.00	3.00	3.00	3.00
Helpdesk	4.00	4.00	4.00	4.00	4.00
Audio Visual Event Management	-	-	-	-	-
Cyber Security	3.00	3.00	3.00	3.00	3.00
Public Safety IT	-	-	-	-	4.00
Parks & Recreation					
Administration	15.00	15.00	7.00	7.00	8.00
Park Maintenance	19.00	19.00	19.00	19.00	20.00
Recreation					
Special Events	2.50	2.50	10.50	10.50	10.50
Miramar Youth Enrichment Center	11.50	11.50	12.00	11.50	12.00
Athletics	2.00	2.00	2.00	2.00	-
Fairway Park	-	-	-	-	-
Sunset Lakes	11.00	11.00	11.50	10.50	11.00
Miramar Regional Park	18.00	18.00	17.50	17.50	16.50
Aquatics	27.50	27.50	27.50	28.50	27.50
Ansin Sports Complex	7.00	7.00	6.00	8.00	9.00
Vizcaya Park	7.00	7.00	8.00	6.50	5.50
Early Childhood	-	-	-	-	-
Social Services					
Administration	4.00	4.00	5.00	5.00	7.00
Senior Transportation	-	-	-	-	-
Senior Services	17.00	17.00	17.50	19.00	17.00
Fairway Childcare	-	-	-	-	-
Community Outreach (CDBG)	-	2.00	2.00	2.00	2.00
Adult Daycare Center	6.50	6.50	6.50	5.50	6.50
Childcare Services	43.00	43.00	39.00	39.00	39.00
Public Works					
Administration	4.20	4.20	4.20	3.45	1.95
Building Maintenance	18.00	18.00	19.50	18.50	18.50
Field Operations	-	-	-	-	-
Streets Repair & Maintenance	12.00	12.00	9.25	9.25	9.25
Landscape Maintenance	11.00	11.00	12.25	11.25	10.25
Transit Operations	17.00	17.00	16.40	16.40	16.40
Solid Waste Management	6.00	6.00	5.00	6.25	5.15
Fleet Maintenance	-	14.40	13.50	13.50	14.60
Utilities					
Administration	13.00	14.00	14.00	15.00	15.00
Office of Operational Services	12.50	12.50	12.00	13.00	13.00
Stormwater Maintenance	-	13.40	13.40	13.90	14.90
Water Treatment/Quality Control	-	-	-	-	-
Electrical Instrumentation & Control	5.00	5.00	5.00	5.00	5.00
Wastewater Collection Maint	26.00	25.00	25.00	25.00	25.00
Plant Maintenance	7.00	7.00	7.00	7.00	7.00
Water & Wastewater Quality Control	7.00	7.00	7.00	7.00	7.00

CITY OF MIRAMAR, FLORIDA
SCHEDULE 14 -FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY PROGRAM/FUNCTION (UNAUDITED)
LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018	2019
Water Treatment & Supply	23.0	23.0	23.0	23.0	25.0
Wastewater Treatment & Disposal	14.0	14.0	14.0	14.0	16.0
Water Accountability	9.0	9.0	8.0	8.0	8.0
Water Transmission and Distribution	10.0	10.0	11.0	10.0	10.0
Support Services	-	-	-	-	7.5
Engineering Services	-	-	-	-	8.5
Facilities & Property Management	-	-	-	-	-
Construction & Facilities Management	-	-	-	-	-
Administration	5.5	5.5	6.5	5.5	-
Development Engineering	7.0	7.0	7.0	7.0	-
Construction & Facilities Management	8.0	8.0	5.0	5.0	-
Police Law Enforcement Trust	-	-	-	-	-
Police					
Police officers	-	-	-	-	-
Civilians	-	-	-	-	-
Community Standards/Code Compliance	15.0	15.0	15.0	15.0	15.0
Office of the Chief	10.0	10.0	11.0	16.0	17.5
Community Oriented Policing	138.5	138.5	146.0	148.0	151.0
Specialized Support	31.0	31.0	30.0	34.0	39.0
Criminal Investigations	31.0	31.0	32.0	30.0	30.0
Property & Evidence	8.0	8.0	8.0	8.0	8.0
Strategic Investigations	21.0	21.0	23.0	18.0	18.0
Support Services	29.0	29.0	30.5	28.5	26.0
Fire Rescue SAFER Grant	-	-	-	-	-
Fire					
Firefighters	-	-	-	-	-
Civilians	-	-	-	-	-
Administration	9.0	9.0	10.0	10.0	9.0
Logistics	6.0	6.0	6.0	6.0	6.0
Life Safety	7.0	7.0	7.0	7.0	7.0
Fire Protection	64.0	64.0	70.5	70.5	70.5
Fire-Rescue Training	3.5	3.5	3.0	3.0	3.0
Emergency Management	2.5	2.5	4.0	4.0	4.0
Emergency Medical Services	59.0	59.0	65.5	65.5	65.5
Total	1021.7	1057.5	1083.5	1082.0	1099.5

Source: Budget Division

CITY OF MIRAMAR, FLORIDA
SCHEDULE 15 - OPERATING INDICATORS BY FUNCTION/PROGRAM (UNAUDITED)
LAST TEN FISCAL YEARS

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Occupational licenses issued	2,559	2,452	2,334	2,479	2,375	2,405	2,763	2,824	3,039	3,211
New accounts occupational licenses	369	287	293	236	267	267	545	468	468	431
Number of passports processed	1,419	1,440	1,885	1,696	1,585	2,176	3,082	2,514	2,747	1,727
Public safety										
Police:										
Calls for service	76,055	76,140	76,056	78,295	72,305	74,606	77,517	88,233	85,930	82,362
Physical arrests	2,947	2,838	2,680	2,408	2,087	2,288	2,352	2,054	1,895	1,854
Parking violations	1,733	1,759	1,347	718	756	679	620	873	723	466
Traffic violations	22,147	21,665	17,869	18,883	20,370	11,967	11,944	12,292	12,271	11,757
Fire:										
Calls for service	10,602	10,308	10,465	10,916	11,475	11,298	13,977	12,145	12,645	12,444
Unit Responses (2)	-	16,710	17,328	16,492	19,623	20,442	22,338	20,956	20,268	19,449
Inspections	2,688	3,086	2,640	3,040	4,306	4,690	10,434	6,735	5,654	4,682
Number of fire alarms	775	684	896	432	1,327	3,098	940	756	1,353	1,309
Community development										
Residential permits issued	3,654	3,631	3,769	5,189	5,764	4,329	4,182	4,413	5,248	5,235
Commercial permits issued	1,411	1,285	1,222	1,271	1,547	1,448	1,226	1,565	1,489	1,782
Miscellaneous permits issued	436	437	933	586	145	444	333	275	1,077	852
Culture and recreation										
Athletic programs	8	23	40	36	33	35	35	35	37	39
Athletic program participants	4,930	8,200	13,400	21,000	15,500	15,550	19,248	20,210	20,313	20,940
Facility rentals	80	650	163	700	652	687	1,064	1,229	1,612	1,502
Recreation program	40	34	26	36	24	26	26	26	26	42
Recreation program participants (1)	-	-	1,160	2,955	3,200	3,250	3,330	3,255	5,290	5,860
Summer camp participants	270	270	210	190	200	200	200	226	445	1,422
Water										
Meters installed	68	157	51	204	243	164	89	66	27	36
Total City meters	32,832	33,009	33,045	33,364	33,618	33,790	33,908	34,025	34,058	34,097
Water main breaks	44	15	16	11	5	3	10	27	20	24
Average daily consumption (millions of gallons)	11	11	12	13	14	13	13	12	16	13

(1) Information for fiscal years ended September 30, 2010 through 2011 is unavailable.

(2) Information for fiscal year ended September 30, 2010 is unavailable.

Source: City Departments

CITY OF MIRAMAR, FLORIDA
SCHEDULE 16 - CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM (UNAUDITED)
LAST TEN FISCAL YEARS (1)

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government										
High schools	2	2	2	2	2	2	2	2	2	2
Middle schools	3	3	3	3	3	3	3	3	3	3
Elementary schools	11	11	11	11	11	11	11	11	11	11
Special education programs	1	1	1	1	1	1	1	1	1	1
Public safety										
Police:										
Police officers	199	199	199	202	205	205	211	216	217	226
Stations	2	2	2	2	2	2	2	2	2	2
Patrol units and motorcycle units	117	117	117	177	180	180	133	148	148	154
Fire:										
Firefighters	126	125	125	138	140	138	138	151	151	151
Fire civilians	29	22	22	12	13	13	13	15	15	14
Stations	4	4	4	5	5	5	5	5	5	5
Trucks	7	7	7	8	8	8	8	8	10	10
ALS Rescue Units	8	8	8	8	8	8	8	8	9	9
Streets										
Streets (miles)	394	394	396	401	402	402	410	408	408	408
Streetlights	3,704	3,728	3,728	3,736	3,736	3,736	4,332	4,332	4,332	4,390
Culture and recreation										
Baseball/softball diamonds	16	16	16	9	11	11	11	11	11	11
Basketball courts	20	20	21	14	22	22	22	22	21	21
Community centers	6	6	8	4	4	4	4	4	4	4
Libraries	1	1	1	1	1	1	1	1	1	1
Parks	40	40	40	41	40	40	45	45	42	42
Parks acreage	577	577	385	405	405	405	405	405	458	458
Pavilions	17	17	19	21	21	21	23	24	24	25
Playgrounds	21	21	22	23	23	23	23	24	25	26
Soccer/football fields	16	16	17	18	18	18	18	19	21	21
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	34	34	30	24	29	29	29	29	29	29
Water										
Water plants	2	2	2	2	2	2	2	2	2	2
Water mains (miles)	410	420	423	428	442	455	457	457	457	442
Water well sites	15	15	15	15	15	15	15	15	15	15
Water storage tanks	4	4	4	4	4	4	4	4	4	4
Fire hydrants	4,246	4,292	4,297	4,396	4,432	4,522	4,538	4,541	4,522	4,432
Storage capacity (thousands of gallons)	10	10	10	10	10	10	10	10	10	10
Wastewater										
Wastewater treatment plant	1	1	1	1	1	1	1	1	1	1
Sanitary sewers (miles)	251	253	254	261	261	262	263	263	263	261
Forcemain sewers (miles)	81	81	81	81	80	80	81	82	81	80
Sewer manholes	6,316	6,342	6,369	6,536	6,534	6,570	6,736	6,739	6,604	6,534
Booster stations	1	1	1	1	1	1	1	1	1	1
City lakes and canals (acres)	73	73	73	102	102	102	102	102	102	102
Treatment capacity (thousands of gallons)	10	10	10	13	13	13	13	10	10	13

Source: City Departments

COMPLIANCE SECTION

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor and Members of the City Commission
City of Miramar, 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 Miramar, Florida (the "City"), as of and for the fiscal year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 15, 2020. Our report includes reference to other auditors who audited the financial statements of the Pension Trust Funds for the General Employees', Police Officers', Firefighters', and Management Retirement Plans, as described in our report on the City's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those other 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 City's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses 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 City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miramar, Florida
April 15, 2020

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT, AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

Honorable Mayor and Members of the City Commission
City of Miramar, Florida

Report on Compliance for Each Major Federal Program and State Financial Assistance Project

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

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs and state projects.

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program and State Project

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

Report on Internal Control over Compliance

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

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

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

Purpose of this Report

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

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miramar, Florida
April 15, 2020

CITY OF MIRAMAR, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Federal Agency/Pass-Through Entity/Program Title	CFDA Number	Grant / Contract Number	Expenditures
Aging Cluster - Cluster			
U.S. Department of Health and Human Services			
Pass-Through State of Florida Department of Health and Rehabilitation Services			
Pass-Through Area-wide Council on Aging of Broward County, Inc.			
Special Program for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers			
Special Program for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	JA118-05-2018	147,544
Special Program for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	JA119-05-2019	386,133
Total Special Program for the Aging, Title III, Part B, Part D & Part E			533,677
Total U.S. Department of Health and Human Services			533,677
Total Aging Cluster - Cluster			533,677
CDBG - Entitlement Grants - Cluster			
U.S. Department of Housing and Urban Development			
Community Development Block Grants/Entitlement Grants			
Community Development Block Grants/Entitlement Grants	14.218	B15MC120047	89
Community Development Block Grants/Entitlement Grants	14.218	B16MC120047	148,320
Community Development Block Grants/Entitlement Grants	14.218	B17MC120047	319,608
Community Development Block Grants/Entitlement Grants	14.218	B18MC120047	377,132
Community Development Block Grants/Entitlement Grants	14.218	B08MN120018	353,260
Total Community Development Block Grants/Entitlement Grants			1,198,409
Total U.S. Department of Health and Human Services			1,198,409
Total CDBG - Entitlement Grants Cluster			1,198,409
Clean Water State Revolving Fund Cluster - Cluster			
U.S. Environmental Protection Agency			
Pass-Through State of Florida Department of Environmental Protection			
Capitalization Grants for Clean Water State Revolving Funds			
Capitalization Grants for Clean Water State Revolving Funds	66.458	WW060801	2,195,565
Capitalization Grants for Clean Water State Revolving Funds	66.458	WW060801	4,350,777
Total Capitalization Grants for Clean Water State Revolving Funds			6,546,342
Total U.S. Environmental Protection Agency			6,546,342
Total Clean Water State Revolving Fund Cluster - Cluster			6,546,342
Drinking Water State Revolving Fund Cluster - Cluster			
U.S. Environmental Protection Agency			
Pass-Through State of Florida Department of Environmental Protection			
Capitalization Grants for Drinking Water State Revolving Funds			
Capitalization Grants for Drinking Water State Revolving Funds	66.468	DW060820	6,589,668
Total Capitalization Grants for Drinking Water State Revolving Funds			6,589,668
Total U.S. Environmental Protection Agency			6,589,668
Total Drinking Water State Revolving Fund Cluster - Cluster			6,589,668
Highway Planning and Construction Cluster-Cluster			
Department of Transportation			
Highway Planning and Construction			
Highway Planning and Construction	97.036	GOZ94	576,121
Total Highway Planning and Construction			576,121
Total Department of Transportation			576,121
Total Highway Planning and Construction Cluster-Cluster			576,121
Other Programs			
U.S. Department of Homeland Security			
Pass-Through Florida Division of Emergency Management			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	ZO797	567,714
Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)			567,714
Pass-through Volunteer Florida			
Emergency Management Performance Grants			
Emergency Management Performance Grants	97.042	03-551-4293	4,716
Total Emergency Management Performance Grants			4,716
Pass-through City of Miami, Florida			
Homeland Security Grant Program			
Homeland Security Grant Program	97.067	17-DS-V9-11-23-02-346	113,242
Total Homeland Security Grant Program			113,242
Total U.S. Department of Homeland Security			685,672

See notes to schedule of expenditures of federal awards and state financial assistance

CITY OF MIRAMAR, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Federal Agency/Pass-Through Entity/Program Title	CFDA Number	Grant / Contract Number	Expenditures
U.S. Department of Justice			
Pass-Through Office of the Attorney General			
Crime Victim Assistance			
Crime Victim Assistance	16.575	VOCA-2018-City of Miramar-00095	48,579
Total Crime Victim Assistance			48,579
Bulletproof Vest Partnership Program			
Bulletproof Vest Partnership Program	16.607	BVP-2018 BVP	16,884
Total Bulletproof Vest Partnership Program			16,884
Equitable Sharing Program			
Equitable Sharing Program	16.738	2015-DJ-BX-1021	579,633
Total Equitable Sharing Program			579,633
<i>Total U.S. Department of Justice</i>			645,096
U.S. Department of Health and Human Services			
Pass-Through State of Florida Department of Health and Rehabilitation Services			
Pass-Through Area-wide Council on Aging of Broward County, Inc.			
Special Program for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services			
Special Program for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	JA118-05-2018	10,595
Special Program for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	JA119-05-2019	38,958
Total Special Program for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services			49,553
National Family Caregiver Support, Title III, Part E			
National Family Caregiver Support, Title III, Part E	93.052	JA118-05-2018	6,764
National Family Caregiver Support, Title III, Part E	93.052	JA119-05-2019	30,070
Total National Family Caregiver Support, Title III, Part E			36,834
Low-Income Home Energy Assistance			
Low-Income Home Energy Assistance	93.568	JA119-05-2019	19,623
Total Low-Income Home Energy Assistance			19,623
<i>Total U.S. Department of Health and Human Services</i>			106,010
U.S. Department of Housing and Urban Development			
Pass-Through Broward County			
Home Investment Partnerships Program			
Home Investment Partnerships Program	14.239	ILA 2017-2018	106,774
Home Investment Partnerships Program	14.239	16-HFCD-174-HOME	26,999
Total Home Investment Partnerships Program			133,773
<i>Total U.S. Department of Housing and Urban Development</i>			133,773
Department of the Treasury			
Equitable Sharing			
Equitable Sharing	21.016	FL0062200	84,248
Total Equitable Sharing			84,248
<i>Total Department of the Treasury</i>			84,248
United States Department of Agriculture			
Emergency Watershed Protection Program			
Emergency Watershed Protection Program	10.923	NR184209XXXXC040	32,028
Total Emergency Watershed Protection Program			32,028
<i>Total United States Department of Agriculture</i>			32,028
Total Other Programs			1,686,827
Total Expenditures of Federal Awards			\$ 17,131,044

See notes to schedule of expenditures of federal awards and state financial assistance

CITY OF MIRAMAR, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2019

State Agency/Pass-Through Entity/State Project	CSFA Number	Grant/Contract Number	Expenditures
Florida Housing Finance Corporation			
State Housing Initiatives Partnership Program 2016-2017	40.901	NA	\$ 375,302
State Housing Initiatives Partnership Program 2017-2018	40.901	NA	399,639
State Housing Initiatives Partnership Program 2018-2019	40.901	NA	36,410
Total Florida Housing Finance Corporation			<u>811,351</u>
State of Florida Department of Elder Affairs			
Pass-Through Areawide Council on Aging of Broward County, Inc.			
Local Services Program 2018-2019	65.009	JL118-05-2019	102,645
Local Services Program 2019-2020	65.009	JL119-05-2020	39,713
Total State of Florida Department of Elder Affairs			<u>142,358</u>
State of Florida Department of Environmental Protection			
Wastewater Collection & Stormwater	37.077	SW060840	339,144
Total State of Florida Department of Environmental Protection			<u>339,144</u>
State of Florida Department of State			
General Program Support	45.061	19.c.o.s.180.667	9,512
Total State of Florida Department of State			<u>9,512</u>
State of Florida Department of Health			
Emergency Medical Services (EMS) Matching Grant	64.003	M7027	6,246
Total State of Florida Department of Health			<u>6,246</u>
State of Florida Department of Transportation			
Florida Highway Beautification Council Grant	55.003	GOW00	94,809
Subtotal direct programs			<u>94,809</u>
Pass-Through Broward County			
County Incentive Grant Program(CIGP) - Pembroke Road Widening	55.008	N/A	978,488
Total State of Florida Department of Transportation			<u>978,488</u>
Total State Financial Assistance			<u><u>\$ 2,381,908</u></u>

Notes:

N/A - not available or not applicable.

See notes to schedule of expenditures of federal awards and state financial assistance

CITY OF MIRAMAR, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the federal and state grant activity of the City of Miramar for the fiscal year ended September 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General. Because the Schedule presents only a selected portion of the operations of the City of Miramar, it's not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the City of Miramar.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for grants which are accounted for in the governmental fund types and on the accrual basis of accounting for grants which are accounted for in the proprietary fund types. Such expenditures are recognized following the cost principles contained in the Rules of the Department of Financial Services of the State of Florida and Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 - CONTINGENCY

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by grantor agency as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

NOTE 4 - INDIRECT COST RECOVERY

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

CITY OF MIRAMAR, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:	<i>Unmodified Opinion</i>
Internal control over financial reporting:	
Material weakness(es) identified?	_____ yes <u> X </u> no
Significant deficiencies identified not considered to be Material weakness?	_____ yes <u> X </u> None reported
Non-compliance material to financial statements noted?	_____ yes <u> X </u> no

Federal Awards Programs and State Financial Assistance

Internal control over major federal awards programs and state financial assistance:	
Material weakness(es) identified?	_____ yes <u> X </u> no
Significant deficiencies identified not considered to be Material weakness?	_____ yes <u> X </u> None reported
Type of auditors' report issued on compliance for major federal awards programs and state financial assistance:	<i>Unmodified Opinion</i>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or Chapter 10.557, Rules of the Auditor General?	_____ yes <u> X </u> no

Identification of major programs:

Federal CFDA No.

Federal Awards Program

66.458	Capitalization Grants for Clean Water State Revolving Funds
14.218	Community Development Block Grants

State CFSA No.

State Financial Assistance

40.901	State Housing Initiatives Partnership Program
55.008	County Incentive Grant Program
37.077	Wastewater Collection & Stormwater

Dollar threshold used to distinguish between Type A and Type B programs:		Federal \$750,000
		State \$300,000

Auditee qualified as low risk auditee for audit of federal awards programs?	yes <u> X </u> no
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CITY OF MIRAMAR, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

SECTION II - FINANCIAL STATEMENT FINDINGS

None.

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

SECTION IV – STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

None.



CABALLERO FIERMAN
LLERENA + GARCIA LLP
accountants | advisors

MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Honorable Mayor and Members of the City Commission
City of Miramar, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Miramar (the "City"), as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated April 15, 2020. Our report includes a reference to other auditors. Other auditors audited the financial statements of the General Employees' Retirement Plan, the Police Officers' Retirement Plan, the Firefighters' Retirement Plan and the Management Retirement Plan of the City of Miramar, Florida.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requests

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Financial Assistance Project, and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; Summary Schedule of Prior Audit Findings; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedules, which are dated April 15, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding 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. This information is disclosed in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to we 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. This assessment was done as of the fiscal year end.

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

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 State awarding agencies, the Mayor, Members of the City Commission and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miramar, Florida
April 15, 2020

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION
218.415 FLORIDA STATUTES**

Honorable Mayor and Members of the City Commission
City of Miramar, Florida

We have examined City of Miramar, Florida, (the "City") compliance with the requirements of Section 218.415 Florida Statutes during the period of October 1, 2018 to September 30, 2019. Management of the City is responsible for the City's compliance with those specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the City's compliance with specified requirements. In our opinion, the City complied, in all material respects, with the requirements of Section 218.415 Florida Statutes during the period of October 1, 2018 to September 30, 2019.

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

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miramar, Florida
April 15, 2020