



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**
Fiscal Year Ended September 30, 2019



**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT
of the
CITY OF SUNRISE,
FLORIDA**

**Fiscal Year Ended
September 30, 2019**



**prepared by the
Finance and Administrative Services Department**

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

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Section I
City of Sunrise, Florida
Introductory Section



March 12, 2020

To the Honorable Mayor and Members of the City Commission:

We are pleased to present the City of Sunrise's (the City) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2019. State law requires that all general-purpose local governments publish a complete set of financial statements within nine months of the close of each fiscal year. The financial statements included in this report conform to generally accepted accounting principles (GAAP) and are audited by a firm of licensed certified public accountants 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.

This report consists of management's representations concerning the finances of the City. Responsibility for both the reliability of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to protect the City's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Marcum LLP, a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2019, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit and the reports of other auditors, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2019, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader federal mandated "Single Audit" designed to meet the special needs of the federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report on the fair presentation of the financial statements and on the audited government's internal controls over financial reporting and on compliance and other matters.

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

City Profile

The City of Sunrise, incorporated in 1961, is located in southeastern Florida in Broward County. The City encompasses an area of approximately 18 square miles with an estimated population of over 95,000, making Sunrise the 24th largest city in Florida. The City is convenient to three international airports and three deep-water ports, and hosts an estimated 30 million visitors each year.

The City has operated under a City Commission/City Manager form of government since 1989. The City Commission is comprised of the Mayor, Deputy Mayor, Assistant Deputy Mayor, and two Commissioners, who enact laws, determine policies and adopt the annual budget. The City Commission appoints the charter officers, which include the City Manager, City Clerk, City Attorney and Chief of Police. The City Manager is responsible for carrying out the policies of the City Commission and for overseeing the daily management of the City. The City Manager appoints the heads of the various departments.

The City provides a full range of services including police and fire protection, emergency medical service, water, wastewater and gas services, sanitation and recycling services, stormwater services, recreational and cultural activities/events, construction and maintenance of streets and other infrastructure and general administrative services. Internal services of the City, accounted for on a cost reimbursement basis, include workers' compensation insurance, fleet management, information technology and communications services, and self-funded health insurance. The City is financially accountable for one special improvement district and one special tax district, both of which are included as an integral part of the City's CAFR. Additional information on legally separate entities can be found in the notes to the financial statements (See Note I.A.).

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the City Manager. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents the proposed budget to the City Commission on or before August 1st of each year. The City Commission is required to hold public hearings on the proposed budget and to adopt a final budget by September 30th of each year. The appropriated budget is prepared by fund, function (e.g. Public Safety), and department (e.g. Police). The City Manager is authorized to transfer appropriations within a department, office or agency; however, any other revisions require approval of the City Commission. Program based budgeting has been implemented to help the reader understand the true cost of various programs.

Budget-to-actual comparisons are provided in this report for each governmental fund for which an appropriated annual budget has been adopted.

Economic Outlook and Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the environment within which the City operates.

Local Economy

The City of Sunrise, situated in the heart of the tri-county region (Miami-Dade, Broward and Palm Beach), is well diversified and continues to be a prime location for corporate headquarters and major office operations. The City continues to be a leader in the region for the attraction of new corporate investment, job growth and business expansion. The City offers developers and business owners superior access to a lucrative customer base. As the region's population base continues to shift north and west, the Sawgrass area of Sunrise has become the population center of the tri-county area. As such, the City is uniquely situated to offer a large pool of prospective employees and customers to many multi-national corporations, regional corporate offices and headquarters for leading domestic and international corporations.

Sunrise is a business, commerce and employment dynamo for the State of Florida. The City is home to industry heavyweights and renowned international companies like American Express, HBO, Emerson, Chubb, NY Life and many others, Sunrise also boasts Broward County's largest corporate office park, the 650-acre Sawgrass International Corporate Park, which is ideally situated at the convergence of I-595, I-75 and the Sawgrass Expressway. Companies located in the Corporate Park provide over 20,000 jobs to South Floridians.

The City of Sunrise is home to a diversified group of businesses, including corporate offices, financial services, research and development companies, the most successful mall in the continental United States - Sawgrass Mills and the 20,000 seat BB&T Center, one of the finest arenas in the country and home to the National Hockey League's Florida Panthers. A strong endorsement of the City's business appeal is that corporations, hotels, restaurants, office parks and attractions already located in our community continue to expand and invest in the area. The area of the City anchored by these three major assets (Sawgrass Mills mall, Sawgrass International Corporate Park and the BB&T Center) is known as the *Sunrise Business and Entertainment District*. This four square mile district has over \$5 billion worth of property value and continues to attract tourism, investment, and jobs to Sunrise.

Strong interest from the hotel development sector continues as demand for corporate lodging and tourism in Sunrise has been on the rise. Construction on a new 8-story, 170 room AC Hotel by Marriott began in 2019 and is anticipated to open in late 2020. The City is home to Broward County's highest rate of hotel occupancy for the seventh year in a row. As demand for quality office, industrial, manufacturing and hospitality projects in South Florida increases, Sunrise is poised to become even more desirable to investors, residents and visitors in 2020 and beyond.

Last year, the culmination of businesses relocating and expanding in Sunrise resulted in the use of nearly 145,000 square feet of existing work space and over 1,000 new job opportunities in our community. Some of the largest real-estate transactions, relocations and expansions in Sunrise in 2019 were: corporate headquarters for technology company *E-Builder* – 30,000 square feet of office space and 175 jobs; *Ultimate Software* – 178,000 square feet of office space and up to 375 jobs; and corporate headquarters for *AlphaStaff* with 15,000 square feet of office space and 80 jobs. Medical staffing company *Parallon* expanded its workforce by 125 new jobs and insurer *Sunshine Health* added 265 new jobs. In 2019, a total of 483 new business licenses were issued in Sunrise, with over 3,800 business license renewals.

Development continues at a brisk pace in Sunrise, with the City processing nearly 8,500 building permits in 2019. The construction value of these permits totals over \$250 million. The City's office market vacancy rate now sits at 5%, the lowest in our history, while commercial industrial space was near full occupancy in 2019. These low vacancy rates and high demand pushed office lease rates above \$30 per square foot, which are extremely strong numbers for a suburban market like Sunrise.

The strength of the Sunrise office market has driven developers to submit new plans for additional office projects in 2019. The Edge at Sawgrass is a Class (A) office building that will feature 108,000 square feet of corporate office space and a parking garage that will begin construction in 2020. *Westerra*, a prime 32-acre tract of vacant land on Sunrise Boulevard in the heart of the City's Business and Entertainment District, sold in 2019 to GL Homes for \$34 million. *Westerra* is poised to meet the needs of expanding businesses and corporate officer users for years to come.

Fiscal year 2019 saw continued progress of *Metropica*. The 58 acre mixed-use project located adjacent to the Sawgrass Mills mall is putting the final touches on its first condominium tower. The 28-story, \$72 million, 263 unit building is scheduled to have its first occupants by year end. Residential tower two is currently in design and is expected to launch sales to the public in 2020. The \$1.5 billion dollar project will have three major components that feature over 2,000 residential units, 350,000 square feet of retail/commercial space and 500,000 square feet of corporate office facilities. The project also calls for 250 hotel rooms and structured parking for 5,300 vehicles. Site development and infrastructure improvements on the retail portion of the project began early in 2019 and the office building designs also recently made their public debut to the business community. The City and the developer continue to collaborate on transportation enhancements to the area as *Metropica* moves forward with additional development.

In 2019, the City launched a massive new redevelopment initiative, coined *Celebrate Sunrise*. Celebrate Sunrise is the road map developed from the East Sunrise Improvements Master Plan, which was adopted in March 2019, to improve the quality of life, appearance, and values of both residential and commercial properties within our original eastern Sunrise neighborhoods. The goal is to stimulate investment and redevelopment of commercial areas and to revitalize our original neighborhoods, primarily from University Drive eastward to the City limits. The City has already committed over \$25 million dollars in infrastructure and other improvements in the east Sunrise area.

The Sunrise economy continues to prosper and is expected to remain a favorite destination to conduct business and for international visitors to spend time and money. As job opportunities continue to expand in Sunrise and new residential options develop, the City's appeal as a location to purchase or rent a home increases. All indicators portray a City poised to capture both residential and commercial investors in 2020 and beyond.

Long-term Financial Planning

The City maintains a general fund revenue stabilization account with a funding level of five percent (5%) of last known audited actual operating expenditures to mitigate any potential future general fund revenue shortfalls. Additionally, a contingency reserve account with a funding level of three times that of the revenue stabilization account was created to provide funding for disasters, emergencies, or other exigent circumstances. These measures are intended to buffer unforeseen economic changes.

Major Initiatives

Park projects include:

- The construction of Veterans Park at Nob Hill Road and NW 55th Street will have parking, restroom facilities, walking trails, playgrounds and an amphitheater.
- The Welleby Park expansion will include the renovation of existing site amenities including an 800 square foot enlargement to the existing meeting room as well as development of an additional 4-acre parcel of land as a dog park.

- The Sunrise Sportsplex features land totaling approximately 16.4 acres that will be developed into a new park and include one convertible full size multi-purpose field, four youth baseball/softball fields, two playgrounds, and one concession building with restroom facilities.
- The Sunrise Athletic Complex (SAC) Park expansion and renovation will expand the existing park to the east and renovate site amenities along with the construction of a 15,000 square foot multi-purpose building including five new basketball courts.
- The City Park improvements include a complete renovation including a multi-purpose field, stage, three new covered basketball courts, playground, splash pad and restrooms. Tennis courts will be refurbished and parking lot will be expanded.
- The Oscar Wind Park anticipated expansion is expected to include construction of a 15,000 square foot multi-purpose building with a gymnasium on land purchased from the School Board and the construction of a new playground, restroom building, and boardwalk with fishing pier.

Building projects include:

- The Civic Center expansion provides space for additional programming and work will include a new gymnasium with basketball courts and second floor walking track, new multi-level fitness area, new racquetball courts, and new multi-purpose room.
- The Senior Center expansion will provide space for enhanced and additional programming. Work includes a new exercise room, a new craft room, an upgraded kitchen that can accommodate cooking classes, and a new media room.
- The Municipal Campus expansion allows for the construction of a new City Hall building with a multi-modal parking garage and amenities to replace the existing City Hall.

Utility projects include:

- The Springtree Industrial Injection Wells Flow Delivery System Project includes construction of a new injection well, pump, and motor for disposal of treated wastewater from the City's new Reverse Osmosis Water Treatment Plant.
- Southwest Water Treatment Plant Improvements and installation of an ion exchange process to eliminate volatile organic chemicals (VOCs).
- Improvements to the Springtree Wastewater Treatment Plant headworks consisting of grit removal, order control and screening facilities.
- Various lift station rehabilitations will continue as part of the City's ongoing maintenance of its infrastructure to improve system-wide reliability to our customers.
- The Pine Island Road Forcemain Replacement project will replace approximately three miles of existing wastewater forcemain piping on Pine Island Road, NW 44th Street, NW 84th Avenue, NW 94th Avenue and Oakland Park Boulevard.
- Improvements to Sunrise Golf Village Infrastructure to increase water quality, service reliability and fire service protection.
- The Springtree Ion Exchange project provides a process to substantially remove the organic water in the lime softening process, reducing disinfection by-products formation potential and reducing required amount of ammonia.
- Water Main Replacements at Escape and Valencia, along NW 44th Street and Pine Island Road, and in east Sunrise will improve the existing infrastructure and provide additional capacity.
- The Reuse Distribution System proposes installations within portions of the Sawgrass International Corporate Park north to Artesia and through Sawgrass Mills.
- Stormwater Pump Station #5 provides stormwater protection for the residential neighborhood and commercial properties and will be replaced.

The City hosts a wide range of family-friendly seasonal events, including Woofstock (a dog-friendly event), an Earth Day Festival, a Royal Egg Hunt, a Back to School Round-Up, a Fall Harvest Festival, and a holiday-themed Arts and Crafts Festival. The City's annual Fourth of July Celebration features a parade and an outdoor concert and fireworks spectacular at the BB&T Center, which attracts an estimated 20,000 revelers from across the region. Cultural events include year-round Theatre and Art Gallery programming, a Martin Luther King Jr. Arts Weekend, Fort Lauderdale International Film Festival screenings, open mic nights and writing workshops for teens, and our Tunes 'N Trucks outdoor concert series. The City's robust scholastic and community-based chess programs have also earned Sunrise local, national, and international acclaim. Together, these offerings enhance the quality of life for Sunrise residents and attract visitors and tourism.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Sunrise, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report was made possible by the efficient and dedicated service of the Finance and Administrative Services Department staff. Sincere appreciation is expressed for the contributions made by all individuals in the preparation of this report. Credit also must be given to the City Commission for their commitment to prudent fiscal management practices that emphasize long-term financial stability.

Respectfully submitted,



Wendy Dunbar, CPA
Director of Finance and Administrative Services



Government Finance Officers Association

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

Presented to

**City of Sunrise
Florida**

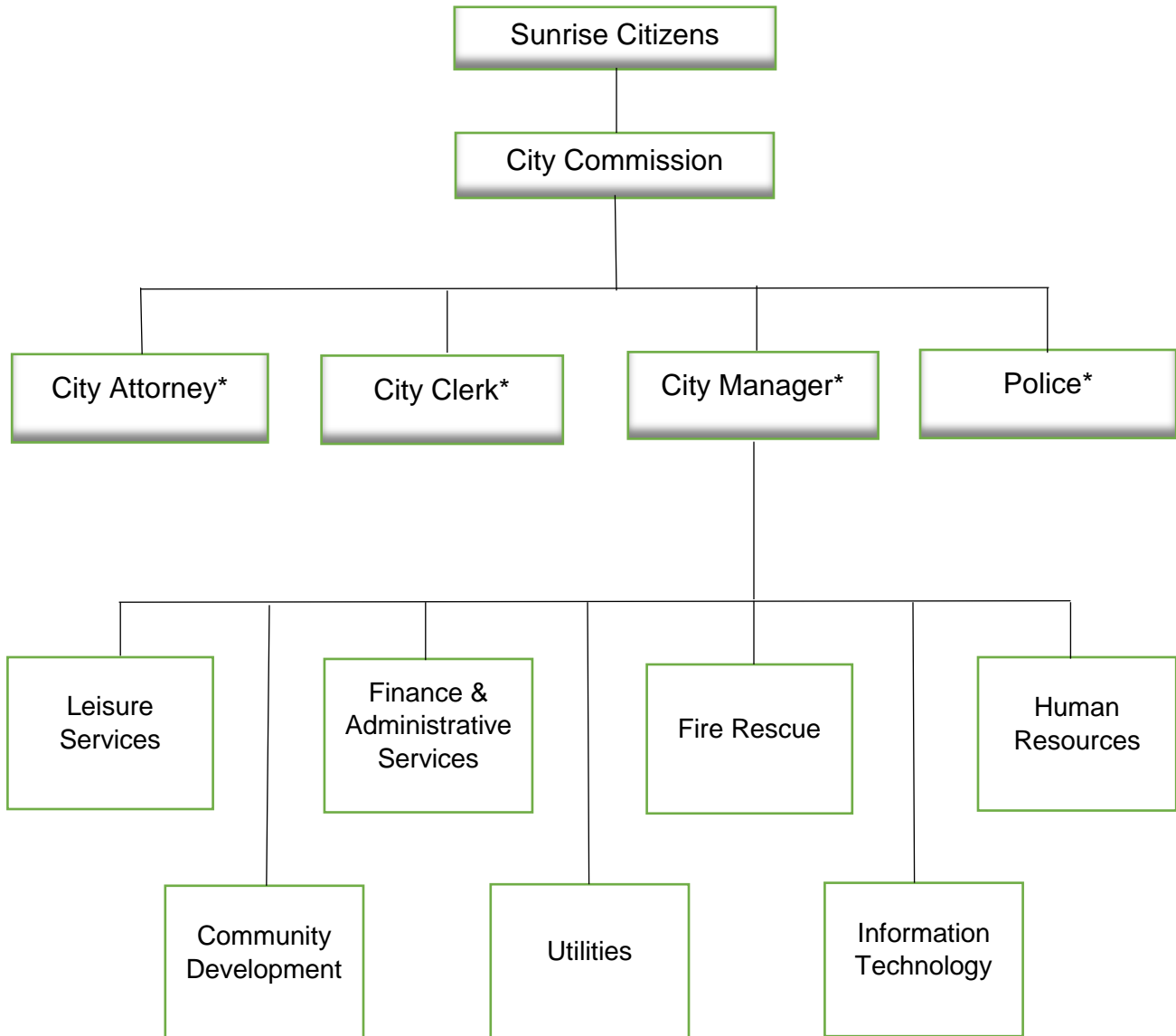
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Morrill

Executive Director/CEO

City of Sunrise
Departmental Organizational Chart
Fiscal Year 2018/2019



*Charter Officer

**City of Sunrise, Florida
List of City Officials
September 30, 2019**

Elected Officials

**Mayor
Deputy Mayor
Assistant Deputy Mayor
Commissioner
Commissioner**

**Michael J. Ryan
Mark A. Douglas
Joseph A. Scutto
Neil C. Kerch
Lawrence A. Sofield**

Principal Officials

**City Manager
City Attorney
City Clerk
Assistant City Manager
Assistant City Manager
Director of Finance & Administrative Services
Director of Leisure Services
Director of Information Technology
Director of Human Resources
Director of Community Development
Director of Utilities
Fire Chief
Police Chief**

**Richard Salamon
Kimberly A. Kisslan
Felicia Bravo
Mark Lubelski
Emilie Smith
Wendy Dunbar
Rosemarie Marco
Laurie Gagner
Stella Mesa
Shannon Ley
Tim Welch
John McNamara
Anthony Rosa**

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Section II
City of Sunrise, Florida
Financial Section

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, City Commission and City Manager
City of Sunrise, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Sunrise, Florida (the City), as of and for the 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, which represent 78%, 80% and 50%, respectively, of the assets, net position/fund balance and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pension Trust Funds is based solely on the 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 reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, 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 thereof and the respective budgetary comparison statement for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15 through 25, the schedules of changes in the net pension liability and related ratios, the schedules of employer contributions, and the schedule of changes in total OPEB liability and related ratios on pages 87 through 92 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.

Supplementary and 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 combining and individual fund statements and schedules and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulation Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining and individual fund statements and schedules and the schedule of expenditures of federal awards 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 it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Marcum LLP

Fort Lauderdale, FL
March 12, 2020

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MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)

The following discussion and analysis of the City of Sunrise's financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2019. Please read it in conjunction with the letter of transmittal which can be found on pages 1-6 of this report and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Government-wide

- The City's total net position, on a government-wide basis, totaled \$667,392,014 at September 30, 2019, an increase of 7.2% from September 30, 2018.

Governmental Activities

- On a government-wide basis for governmental activities, the City's general revenues of \$85,977,087 were \$2,637,485 more than the \$83,339,602 of expenses net of program revenue. Additionally, general revenues were \$4,328,873 more than the prior year representing an increase of 5.3%.
- As of September 30, 2019, the City's governmental activities reported a total ending net position of \$187,719,286. Unrestricted net position has a negative amount of \$63,459,412 due to the deferred outflows, deferred inflows and the pension and other postemployment benefits liabilities now being included as required by GASB reporting requirements.

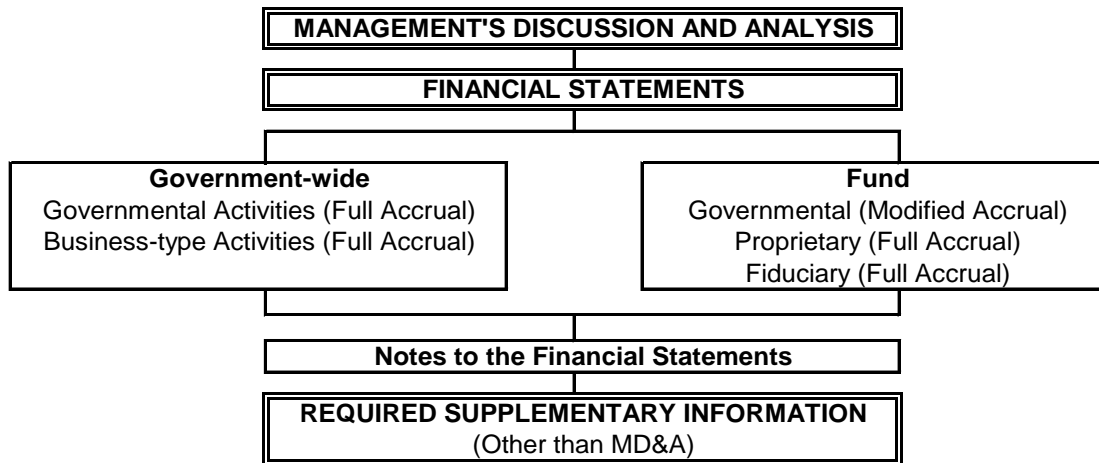
General Fund

- At the end of the current fiscal year, fund balance for the general fund was \$83,790,760. Of this balance, \$18,622,981 for inventories, prepaid items and advances was nonspendable; \$28,648,107 was committed for revenue stabilization, contingency, economic development, and reforestation replacement; \$357,330 was assigned for subsequent year's expenditures and \$1,283,453 was assigned for encumbrances. The balance of \$34,878,889 is unassigned and available for new spending.
- At the end of the fiscal year, the unassigned fund balance was \$34,878,889 or 26.4% of general fund revenues and 27.9% of general fund expenditures.
- General fund revenues and other financing sources increased by \$6,102,277, an increase of 4.7% from fiscal year 2018 primarily due to increased assessed property values and increased receipts for cost recovery surcharges, interest earnings and permit fees.
- General fund expenditures and other financing uses decreased by \$2,903,201, or 2.2% less than last fiscal year primarily due to decreases in transfers out.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

The City's basic financial statements are presented within the financial section of this Comprehensive Annual Financial Report (CAFR). As illustrated in the following chart, the financial section has three components: management's discussion and analysis (this section), the basic financial statements and required supplementary information.

COMPONENTS OF THE FINANCIAL SECTION



GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements, the Statement of Net Position and the Statement of Activities, report information about the City as a whole using accounting methods similar to those used by private-sector companies; they provide both long-term and short-term information about the City's overall financial status. The Statement of Net Position presents financial and capital resources of the City. It includes all of the City's assets, liabilities and deferred inflows/outflows of resources reported using the full accrual basis of accounting. The Statement of Activities accounts for all of the current year's revenues and expenses, regardless of when cash is received or paid.

The government-wide financial statements report the City's net position and the changes in net position. The City's net position - the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources - are one way to measure the financial health, or financial position, of the City. Over time, increases or decreases in net position is an indicator of whether the financial position of the City is improving or deteriorating. However, in order to assess the overall health of the City, other non-financial factors such as changes in the City's property tax base and condition of the infrastructure must be considered.

The City's government-wide financial statements are divided into two categories:

Governmental activities – Most of the City's basic services are reported here, such as police, fire and other public safety services, culture and recreation, transportation and general administration. Property, utility service and sales taxes, charges for services, franchise fees, and state and federal grants finance most of these activities. Two other legal entities for which the City is financially accountable - Special Tax District No. 1 and Metropica Improvement District - are blended component units of the City. Metropica Improvement District does not have any financial activity to date.

Business-type activities – The City's water, wastewater and gas, sanitation, recycling, stormwater and golf course operations are reported here. Fees are charged to customers to recover all or a significant portion of the costs of providing these services.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more information about the City's most significant funds on an individual basis. The fund financial statements focus on reporting the City's operations in

more detail than the government-wide statements. The City has three types of funds – Governmental, Proprietary and Fiduciary.

Governmental Funds

General, special revenue, debt service and capital projects funds are governmental funds, funds which focus on 1) near-term inflows and outflows of spendable resources and 2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information follows the governmental funds statements that explain the differences between them.

In fiscal year 2019, the City maintained sixteen individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and Capital Improvements capital projects fund (major funds). Data from the other fourteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund and other governmental funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget as one of the basic financial statements.

Proprietary Funds

Services for which the City charges customers a fee are generally reported in proprietary funds. These funds, like the government-wide statements, provide both long-term and short-term financial information. The City's enterprise funds (one type of proprietary fund) are the same as its business-type activities, but the fund financial statements provide more detail and additional information, such as cash flows. The City uses enterprise funds to account for its water, wastewater and gas, sanitation, recycling, stormwater, and golf course operations. The City uses internal service funds (the other type of proprietary fund) to report activities that provide services for the City's other programs and activities. The Workers' Compensation, Fleet Management, Information Technology and Communications, and Self-Insured Health funds are the City's four internal service funds. Because these services benefit both governmental activities and business-type activities, they have been allocated accordingly in the government-wide financial statements.

The proprietary fund financial statements provide separate information for the water, wastewater and gas utility system and the sanitation funds, both of which are considered to be major funds of the City. Data from the other three proprietary funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds

The City is the trustee, or fiduciary, for its employees' pension plans and for the special assessment agency fund. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position for the pension plans and agency fund, a separate Statement of Changes in Fiduciary Net Position for the pension plans, and a Statement of

Changes in Assets and Liabilities for the Agency Fund. The City excludes these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations. The accounting used for fiduciary funds is similar to accounting used for proprietary funds. Data from the three pension trust funds is combined into a single aggregated presentation. Individual fund data is provided in the form of combining statements elsewhere in this report.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Summary of Net Position

The following table presents the condensed comparative Summary of Net Position for fiscal year 2019 and 2018:

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$206,044	\$217,652	\$330,475	\$303,872	\$ 536,519	\$ 521,524
Capital assets	221,543	210,676	429,470	423,919	651,013	634,595
Total assets	427,587	428,328	759,945	727,791	1,187,532	1,156,119
Deferred outflows of resources	48,769	58,117	16,686	21,094	65,455	79,211
Current and other liabilities	14,559	19,646	27,092	31,426	41,651	51,072
Long-term liabilities	257,899	265,170	263,386	270,993	521,285	536,163
Total liabilities	272,458	284,816	290,478	302,419	562,936	587,235
Deferred inflows of resources	16,179	19,633	6,480	5,743	22,659	25,376
Net position:						
Net investment in capital assets	176,946	162,751	235,859	219,579	412,805	382,330
Restricted	74,232	91,307	101,961	117,891	176,193	209,198
Unrestricted	(63,459)	(72,062)	141,853	103,253	78,394	31,191
Total net position	\$187,719	\$181,996	\$479,673	\$440,723	\$ 667,392	\$ 622,719

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of September 30, 2019, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$667,392 thousand.

The majority of the City's net position (61.9%) reflects its investment in capital assets, less any outstanding related debt and deferred outflows/inflows used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related 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 these liabilities.

An additional portion of the City's net position (26.4%) represents resources that are subject to external restrictions on how they may be used, such as debt or capital projects. The remaining balance of unrestricted net position (11.7%) may be used to meet the City's ongoing obligations to its citizenry.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position for the business-type activities and positive balances in two of the three categories of net position (net investment in capital assets and restricted) for the governmental activities.

There was an overall increase in net position of \$44,673 thousand for the current fiscal year. The increase of \$38,950 thousand for business-type activities is primarily due to an increase in water/wastewater and stormwater revenues. The increase of \$5,723 thousand for governmental activities is primarily due to increased revenues for property taxes, interest earnings, and cost recovery surcharges as well as a reduction in operating expenses as compared to September 30, 2018.

Summary of Activities

The following table provides a condensed comparative summary of the City's operations for the fiscal years ended September 30, 2019 and 2018:

**Changes in Net Position
For the Fiscal Years Ended September 30, 2019 and 2018
(in thousands)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Revenues						
Program revenues:						
Charges for services	\$ 56,581	\$ 53,421	\$149,460	\$145,996	\$206,041	\$199,417
Operating grants and contributions	8,137	7,482	-	5	8,137	7,487
Capital grants and contributions	2,616	2,603	1,367	4,398	3,983	7,001
General revenues:						
Property taxes	47,472	44,375	-	-	47,472	44,375
Utility service tax	10,273	10,117	-	-	10,273	10,117
Communications services tax	3,051	3,013	-	-	3,051	3,013
Local business tax	2,208	2,258	-	-	2,208	2,258
Franchise fees	9,732	9,619	-	-	9,732	9,619
Contributions not restricted to specific programs	9,048	8,948	-	-	9,048	8,948
Unrestricted investment earnings	3,761	2,425	6,195	3,944	9,956	6,369
Miscellaneous	387	893	2,956	1,306	3,343	2,199
Gain on sale of capital assets	44	-	-	-	44	-
Total revenues	<u>153,310</u>	<u>145,154</u>	<u>159,978</u>	<u>155,649</u>	<u>313,288</u>	<u>300,803</u>
Expenses						
General government	31,927	35,327	-	-	31,927	35,327
Public safety	91,538	91,329	-	-	91,538	91,329
Physical environment	4	97	-	-	4	97
Economic development	447	882	-	-	447	882
Transportation	9,001	10,357	-	-	9,001	10,357
Culture and recreation	16,048	16,134	-	-	16,048	16,134
Interest on long-term debt	1,708	1,847	-	-	1,708	1,847
Water and wastewater	-	-	90,310	90,489	90,310	90,489
Gas	-	-	7,533	7,613	7,533	7,613
Sanitation	-	-	12,295	12,668	12,295	12,668
Recycling	-	-	930	899	930	899
Stormwater	-	-	5,028	5,038	5,028	5,038
Golf course	-	-	1,846	1,833	1,846	1,833
Total expenses	<u>150,673</u>	<u>155,973</u>	<u>117,942</u>	<u>118,540</u>	<u>268,615</u>	<u>274,513</u>
Increase (decrease) in net position before transfers	2,637	(10,819)	42,036	37,109	44,673	26,290
Transfers	3,086	3,524	(3,086)	(3,524)	-	-
Change in net position	5,723	(7,295)	38,950	33,585	44,673	26,290
Net position – beginning	<u>181,996</u>	<u>189,291</u>	<u>440,723</u>	<u>407,138</u>	<u>622,719</u>	<u>596,429</u>
Net position – ending	<u>\$187,719</u>	<u>\$181,996</u>	<u>\$479,673</u>	<u>\$440,723</u>	<u>\$667,392</u>	<u>\$622,719</u>

Revenues

For the fiscal year ended September 30, 2019, revenues from governmental activities totaled \$153,310 thousand.

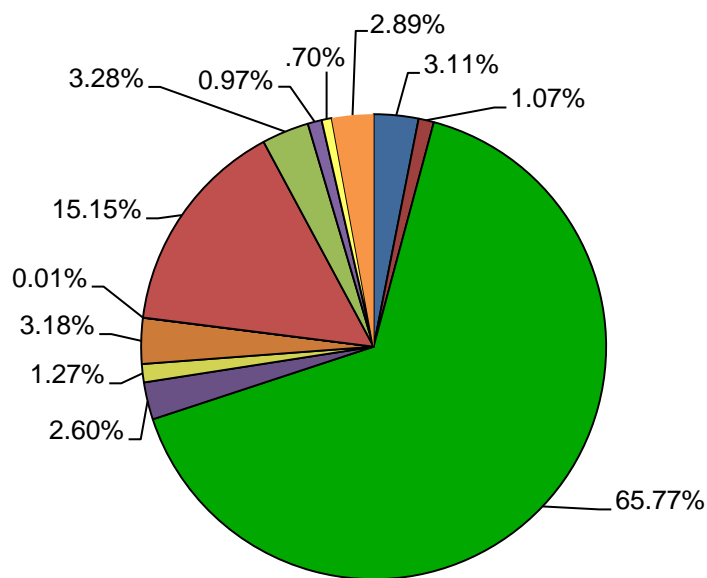
General property taxes were \$47,472 thousand, an increase of \$3,097 thousand as compared to fiscal year 2018. Assessed property values increased slightly compared to 2018 while the City maintained its previous year's millage rate.

Charges for services increased by \$6,624 thousand mainly due to an increase in the CPI of 3.34%, for water, wastewater and stormwater revenues on October 1, 2018.

Operating grants and contributions increased by \$650 thousand primarily due to the receipt of public safety federal and state grant funds. Capital grants and contributions decreased by \$3,018 thousand primarily due to a decrease in developer contributions.

Unrestricted investment earnings increased by \$3,587 thousand due to an increase in the average interest rate from 1.6% in fiscal year 2018 to 2.4% in fiscal year 2019.

Sources of Revenue: Government-wide for FY 2019



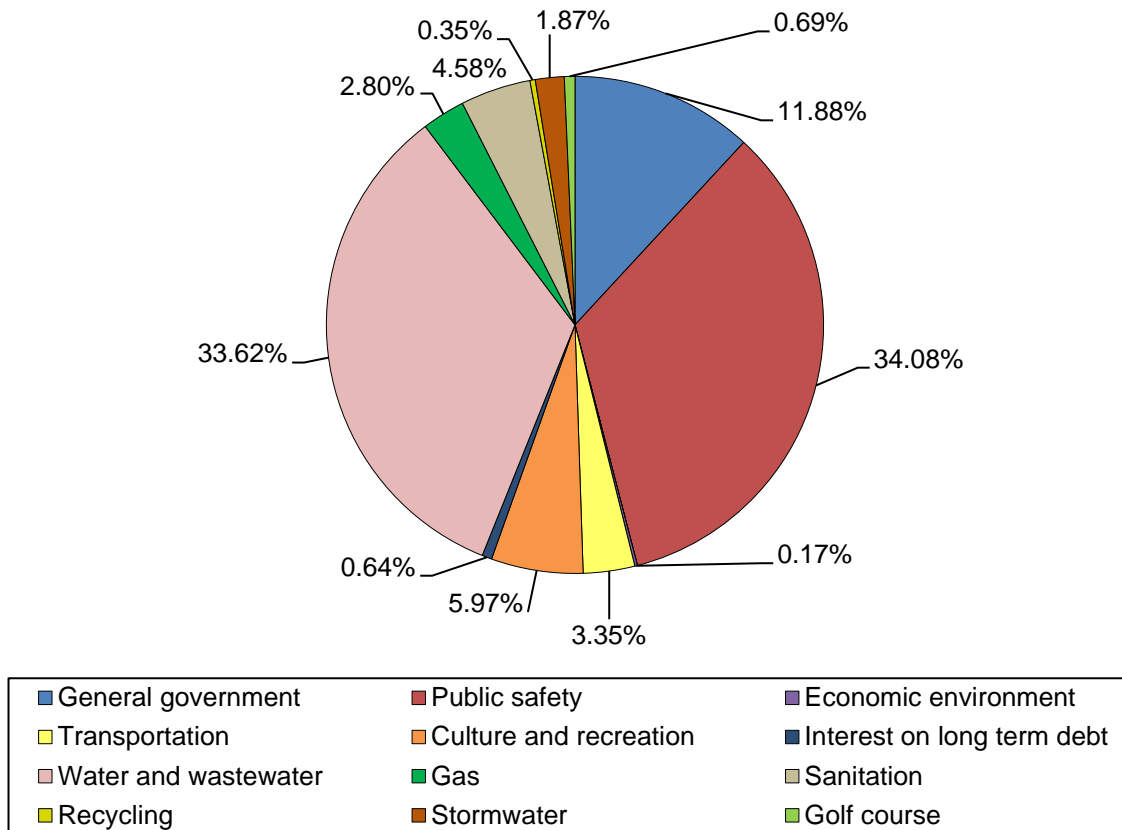
■ Franchise fees	■ Miscellaneous
■ Charges for services	■ Operating grants and contributions
■ Capital grants and contributions	■ Unrestricted investment earnings and other
■ Gain on assets	■ Property taxes
■ Utility service taxes	■ Communications services tax
■ Local business tax	■ Unrestricted grants/ contributions

Expenses

For the fiscal year ended September 30, 2019, expenses for governmental activities totaled \$150,673 thousand, a decrease of \$5,300 thousand. This is primarily due to a one-time transfer (disposal) of the Sunrise Lakes Phase I Special Recreation District assets to an outside agency in fiscal year 2018, a decrease in internal service chargebacks, the ongoing effects of recent GASB pronouncements, and a general reduction in depreciation expense.

Expenses for the City's business-type activities, which provide water, wastewater and gas, sanitation, recycling, stormwater services and golf course operations, totaled \$117,942 thousand, a decrease of \$598 thousand from fiscal year 2018. This decrease is due to a reduction in sanitation removal costs for commercial roll offs/construction and demolition debris.

Functional Expenses: Government-wide for FY2019



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

For the fiscal year ended September 30, 2019, the governmental funds reflect a combined fund balance of \$162,624,174, a decrease of \$7,136,907 in comparison with the prior year. Approximately 88.5% of this total amount (\$143,951,857) constitutes spendable fund balance. The remainder of fund balance is non-spendable and not available for new spending because it has already been committed for advances (\$18,620,000), prepaid items (\$1,220) and inventories (\$51,097). This year's overall decrease in fund balance is due to a number of reasons. The other governmental funds fund balance increased by \$546,295 primarily due to an increase in forfeiture confiscation revenues. The Capital Improvements Capital Projects Fund had a decrease in fund balance of \$16,600,479 due to the construction of various city-wide projects. The General Fund's revenues and other financing sources were \$8,917,277 in excess of its expenditures and other financing uses primarily due less than anticipated operating expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the original budget and the final amended budget amounted to a \$1,131,770 increase in appropriations. Of this increase, \$302,709 was funded through various grants, \$188,043 was funded through insurance premium taxes, \$91,018 was funded through public safety revenue sources, and \$550,000 was funded from the General Fund unassigned fund balance. Highlights of the supplemental appropriation follow:

- \$346,651 in increases for general government activities. The increase was comprised of a supplemental appropriation of \$550,000 to be used for the purchase of land and budget reductions for appropriations to the Public Works Division and Police Department in the amounts of \$88,670 and \$114,679, respectively.
- \$696,449 in increases allocated to public safety. Included in this amount was supplemental appropriations to fund \$393,740 for personnel and operating expenses and \$302,709 for public safety related grants.
- \$88,670 in increases for transportation activities. This supplemental appropriation was to fund operating expenses and capital equipment.

General Fund
 Summary of Revenues, Expenditures and Changes in Fund
 Balance – Budget to Actual
FY 2019
(in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
Revenues			
Taxes	\$ 59,476	\$ 59,664	\$ 60,014
Permits and fees	2,700	2,700	2,260
Franchise fees	9,570	9,570	9,826
Intergovernmental	8,871	9,174	10,550
Charges for services	24,565	24,656	25,409
Other	<u>22,602</u>	<u>22,601</u>	<u>23,814</u>
Total	<u>127,784</u>	<u>128,365</u>	<u>131,873</u>
Expenditures	<u>132,073</u>	<u>133,204</u>	<u>125,123</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,289)</u>	<u>(4,839)</u>	<u>6,750</u>
Other financing sources (uses)			
Transfers in	5,406	5,406	5,242
Transfers out	(3,177)	(3,177)	(3,177)
Sale of capital assets	<u>20</u>	<u>20</u>	<u>102</u>
Total	<u>2,249</u>	<u>2,249</u>	<u>2,167</u>
Net change in fund balance	<u>\$ (2,040)</u>	<u>\$ (2,590)</u>	<u>\$ 8,917</u>

Actual general fund revenues exceeded original budgeted revenues by \$4,089 thousand. This increase is primarily due to receipt of \$940 thousand for cost recovery surcharges, \$1,348 thousand in additional grant awards, \$492 thousand in utility service taxes, \$1,028 thousand in interest earnings and \$188 thousand in insurance premium taxes. The original budget was amended to account for \$302 thousand in additional grant awards, \$91 thousand in public safety service charges and \$188 thousand in insurance premium taxes. Actual general fund expenditures were less than the original budget by \$6,950 thousand primarily due to position vacancies resulting in salary and related payroll cost savings, less than anticipated expenditures for capital equipment and a concerted effort to curtail operating expenditures.

Actual revenue collections exceeded the final budget by \$3,508 thousand. The increase between actual revenues and the final budget are due to an increase in cost recovery charges, interest earnings and additional grant awards. In addition, total expenditures were approximately \$8,081 thousand less than final budget due to less than anticipated spending for operational and capital items as well as position vacancies.

CAPITAL ASSETS

At the end of fiscal year 2019, the City's governmental activities had invested \$221,542,786 in a variety of capital assets and infrastructure, which represents a net increase of \$10,866,377 from the prior year. The City's investment in capital assets for its business-type activities amounted to \$429,470,017, which represents a net increase of \$5,550,599 from the prior year. The following table reflects the components of capital assets and their changes:

	Government-wide Change in Capital Assets (in thousands)					
	Governmental Activities			Business-type Activities		
	Balance 10/1/18	Net Additions/ Deletions	Balance 9/30/19	Balance 10/1/18	Net Additions/ Deletions	Balance 9/30/19
Non-depreciable assets:						
Land	\$ 26,442	\$ 262	\$ 26,704	\$ 12,412	\$ -	\$ 12,412
Construction in progress	36,683	11,009	47,692	72,014	(18)	71,996
Depreciable capital assets:						
Intangibles	1,566	-	1,566	353	-	353
Buildings and system improvements other than buildings	150,295	174	150,469	610,006	27,623	637,629
Machinery and equipment	55,305	8,280	63,585	18,589	99	18,688
Vehicles	21,882	631	22,513	9,005	93	9,098
Infrastructure	27,114	769	27,883	11,293	882	12,175
Accumulated depreciation on capital assets	335,291	2,041	337,332	-	-	-
Totals	<u>(443,902)</u>	<u>(12,299)</u>	<u>(456,201)</u>	<u>(309,753)</u>	<u>(23,128)</u>	<u>(332,881)</u>
	<u>\$210,676</u>	<u>\$ 10,867</u>	<u>\$ 221,543</u>	<u>\$ 423,919</u>	<u>\$ 5,551</u>	<u>\$ 429,470</u>

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

- The City made public safety purchases including an ambulance for \$311,836 and police department vehicles totaling \$1,276,146.
- Thirteen portable generators were purchased by the Water/Wastewater Utility System for \$870,050.
- Various major projects were completed in the Water/Wastewater Utility System including Springtree Water Treatment Plant Phase 2, Springtree Wastewater Treatment Plant biosolids stabilization, Sawgrass Water Treatment Plant membranes replacement and major watermain pipeline replacements.

Planning, design or construction is in progress on the following projects:

- Parks improvements/expansions are in the design phase at City Park, Oscar Wind Park and the Sunrise Athletic Complex Park.
- Construction is wrapping up at the Sunrise Sportsplex, Veterans Park and Nob Hill Soccer Club as well as the expansion of the Senior Center, Civic Center and Welleby Park.
- Various system additions and improvements are under construction in the Water/Wastewater Utility System.

Additional information on the City's capital assets can be found in note IV.C to the financial statements.

LONG-TERM DEBT

At the end of the current fiscal year, the City had total debt principal outstanding of \$233,735,000. Of this amount, \$191,970,000 represents bonds and a direct borrowing secured solely by specified revenue sources, \$7,025,000 is special tax district ad valorem tax bonds and \$34,740,000 is general obligation bonds. More detailed information about the City's long-term liabilities is presented in Note IV. H to the financial statements.

The City's special tax district ad valorem tax bonds have an insured rating of "A2" by Moody's Investors Service and an insured rating of "AA" by Standard and Poor's. The general obligation bonds have a rating of "Aa2" by Moody's and "AA" by Fitch.

The Series 2010 utility bonds have a rating of "AA" by Standard and Poor's and "AA+" by Fitch.

The special assessment bonds (Series 2015) were issued to fund design and construction of two public parking garage structures and improvements to public infrastructure, intersections, traffic signalization and rights-of-way and a portion of existing parking lots on land owned by benefitted owners located at Sawgrass Mills mall. The bonds have a rating of "BBB" by Fitch. The City is not obligated in any manner for the payment of principal and interest for these bonds. Funds are collected through special assessments on the affected property owners. The City acts as the fiduciary agent for these funds.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The millage rate of \$6.0543 was adopted for fiscal year 2020, which was the same millage rate as fiscal year 2019. The millage rate has remained the same since fiscal year 2010.

There are no rate increases for the Water and Wastewater Fund and the Consumer Price Index (CPI) adjustment has been waived on a one-time basis for fiscal year 2020. Stormwater and gas fees have increased by the CPI of 3.27% and 1.8%, respectively. On the expenditure side, health insurance premiums remain the same while increases are expected for pension and other employee benefit costs.

According to the U.S. Department of Labor, Bureau of Labor Statistics, the City's total resident employment as of September 2019 was 52,307 compared to 51,342 as of September 2018. The City's resident unemployment rate decreased from 3% in September 2018 to 2.9% in September 2019. The State of Florida's unemployment rate in September 2019 was 3%.

As of September 2018 (the latest data available from the U. S. Census Bureau), the City's median household income was \$50,284, while the State's median household income was \$55,462.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance and Administrative Services Director, 10770 West Oakland Park Blvd., Sunrise, Florida 33351.

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BASIC FINANCIAL STATEMENTS

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

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 184,096,088	\$ 156,878,351	\$ 340,974,439
Investments	19,672,327	19,843,690	39,516,017
Receivables, net of allowance for uncollectibles	7,698,598	21,735,469	29,434,067
Internal balances	(5,854,432)	5,854,432	-
Inventories	414,207	2,271,245	2,685,452
Prepaid items	17,351	63,304	80,655
Restricted assets:			
Cash and cash equivalents	-	110,557,966	110,557,966
Investments	-	13,207,696	13,207,696
Interest receivable on investments	-	63,103	63,103
Capital assets not being depreciated:			
Land	26,704,399	12,412,438	39,116,837
Construction in progress	47,691,517	71,995,814	119,687,331
Capital assets (net of accumulated depreciation):			
Intangibles	55,718	14,403	70,121
Buildings and system	98,693,148	328,176,260	426,869,408
Improvements other than buildings	20,445,390	9,251,496	29,696,886
Machinery and equipment	6,439,933	2,766,568	9,206,501
Vehicles	11,571,694	4,853,038	16,424,732
Infrastructure	9,940,987	-	9,940,987
Total assets	<u>427,586,925</u>	<u>759,945,273</u>	<u>1,187,532,198</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	-	1,061,047	1,061,047
Other postemployment benefits	500,796	209,797	710,593
Pensions	48,268,361	15,415,198	63,683,559
Total deferred outflows of resources	<u>48,769,157</u>	<u>16,686,042</u>	<u>65,455,199</u>
LIABILITIES			
Accounts payable and other current liabilities	5,045,901	7,030,913	12,076,814
Retainage payable	1,557,264	1,611,889	3,169,153
Intergovernmental payable	237,342	2,263,951	2,501,293
Interest payable	503,807	-	503,807
Accrued liabilities	2,198,206	540,120	2,738,326
Unearned revenue	2,355,093	90,973	2,446,066
Other liabilities	2,661,591	-	2,661,591
Liabilities payable from restricted assets	-	15,554,525	15,554,525
Non-current liabilities:			
Due within one year	4,409,361	6,303,658	10,713,019
Due in more than one year			
Net pension liability	158,973,828	42,778,988	201,752,816
Total pension liability - retiree subsidy	19,564,252	15,987,750	35,552,002
Total pension liability - excess plan	1,758,019	-	1,758,019
Total other postemployment benefits	20,386,520	8,599,110	28,985,630
Debt and other	52,806,412	189,716,410	242,522,822
Total liabilities	<u>272,457,596</u>	<u>290,478,287</u>	<u>562,935,883</u>
DEFERRED INFLOWS OF RESOURCES			
Other postemployment benefits	2,019,390	843,062	2,862,452
Pensions	14,159,810	5,637,238	19,797,048
Total deferred inflows of resources	<u>16,179,200</u>	<u>6,480,300</u>	<u>22,659,500</u>
NET POSITION			
Net investment in capital assets	176,946,348	235,858,900	412,805,248
Restricted:			
Debt service	4,846,319	-	4,846,319
Renewal and replacement	-	33,755,686	33,755,686
Operations and maintenance	-	5,185,744	5,185,744
System reserve	-	63,019,137	63,019,137
Capital projects	54,431,487	-	54,431,487
Transportation	4,677,545	-	4,677,545
Building fees	9,624,614	-	9,624,614
Impact fees	652,385	-	652,385
Unrestricted	(63,459,412)	141,853,261	78,393,849
Total net position	<u>\$ 187,719,286</u>	<u>\$ 479,672,728</u>	<u>\$ 667,392,014</u>

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

CITY OF SUNRISE, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 31,927,104	\$ 10,376,703	\$ -	\$ -	\$ (21,550,401)	\$ -	\$ (21,550,401)
Public safety	91,538,016	27,527,437	5,534,203	139,130	(58,337,246)	-	(58,337,246)
Physical environment	4,316	16,886,268	-	-	16,881,952	-	16,881,952
Economic development	446,567	-	392,167	-	(54,400)	-	(54,400)
Transportation	9,001,119	46,575	2,132,880	1,868,698	(4,952,966)	-	(4,952,966)
Culture and recreation	16,048,127	1,743,697	77,770	608,082	(13,618,578)	-	(13,618,578)
Interest on long-term debt	1,707,963	-	-	-	(1,707,963)	-	(1,707,963)
Total governmental activities	<u>150,673,212</u>	<u>56,580,680</u>	<u>8,137,020</u>	<u>2,615,910</u>	<u>(83,339,602)</u>	<u>-</u>	<u>(83,339,602)</u>
Business-type activities:							
Water and wastewater	90,309,770	118,985,353	-	1,366,529	-	30,042,112	30,042,112
Gas	7,533,228	8,134,385	-	-	-	601,157	601,157
Sanitation	12,295,078	12,256,133	-	-	-	(38,945)	(38,945)
Recycling	930,628	1,164,656	-	-	-	234,028	234,028
Stormwater	5,027,770	7,785,773	-	-	-	2,758,003	2,758,003
Golf course	1,845,786	1,133,982	-	-	-	(711,804)	(711,804)
Total business-type activities	<u>117,942,260</u>	<u>149,460,282</u>	<u>-</u>	<u>1,366,529</u>	<u>-</u>	<u>32,884,551</u>	<u>32,884,551</u>
Total	<u>\$ 268,615,472</u>	<u>\$ 206,040,962</u>	<u>\$ 8,137,020</u>	<u>\$ 3,982,439</u>	<u>(83,339,602)</u>	<u>32,884,551</u>	<u>(50,455,051)</u>
General revenues:							
Property taxes					47,472,021	-	47,472,021
Utility service tax					10,272,645	-	10,272,645
Communications services tax					3,050,927	-	3,050,927
Local business tax					2,208,339	-	2,208,339
Franchise fees based on gross receipts					9,732,136	-	9,732,136
Contributions not restricted to specific programs					9,047,925	-	9,047,925
Unrestricted investment earnings					3,761,615	6,195,306	9,956,921
Miscellaneous					387,609	2,955,623	3,343,232
Gain on sale of capital assets					43,870	-	43,870
Transfers					3,085,834	(3,085,834)	-
Total general revenues and transfers					<u>89,062,921</u>	<u>6,065,095</u>	<u>95,128,016</u>
Change in net position					<u>5,723,319</u>	<u>38,949,646</u>	<u>44,672,965</u>
Net position - beginning					<u>181,995,967</u>	<u>440,723,082</u>	<u>622,719,049</u>
Net position - ending					<u>\$ 187,719,286</u>	<u>\$ 479,672,728</u>	<u>\$ 667,392,014</u>

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

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

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
		<u>Capital Improvements</u>		
ASSETS				
Cash and cash equivalents	\$ 58,615,218	\$ 33,642,848	\$ 62,667,644	\$ 154,925,710
Investments	8,143,888	5,465,284	1,930,292	15,539,464
Receivables, net of allowance for uncollectibles:				
Interest	22,997	13,286	17,205	53,488
Taxes	681,165	-	-	681,165
Franchise fees	1,098,890	-	-	1,098,890
Accounts receivable	1,119,538	-	-	1,119,538
Other	230,227	-	6,573	236,800
Due from other funds	571,681	836	4,531	577,048
Interfund	111,131	-	-	111,131
Intergovernmental	3,018,590	628,049	567,789	4,214,428
Prepaid items	1,220	-	-	1,220
Inventories	1,761	-	49,336	51,097
Advances to other funds	18,620,000	-	-	18,620,000
Total assets	<u>\$ 92,236,306</u>	<u>\$ 39,750,303</u>	<u>\$ 65,243,370</u>	<u>\$ 197,229,979</u>
LIABILITIES				
Accounts payable	1,792,193	2,182,856	347,346	4,322,395
Accrued liabilities	2,036,648	-	110,710	2,147,358
Retainage payable	-	1,557,264	-	1,557,264
Intergovernmental payable	234,974	-	2,368	237,342
Due to other funds	141,440	-	49,996	191,436
Interfund payable	-	-	111,131	111,131
Matured bonds payable	-	-	2,230,000	2,230,000
Matured interest payable	-	-	172,195	172,195
Unearned revenue	2,256,991	-	98,102	2,355,093
Other	1,983,300	-	678,291	2,661,591
Advances from other funds	-	18,400,000	220,000	18,620,000
Total liabilities	<u>8,445,546</u>	<u>22,140,120</u>	<u>4,020,139</u>	<u>34,605,805</u>
FUND BALANCES				
Nonspendable:				
Inventories	1,761	-	49,336	51,097
Prepaid items	1,220	-	-	1,220
Advances	18,620,000	-	-	18,620,000
Restricted for:				
Building department	-	-	9,624,614	9,624,614
Capital projects	-	-	35,406,070	35,406,070
Recreation	-	-	3,532	3,532
Public safety	-	-	5,268,049	5,268,049
Fire equipment	-	-	230,108	230,108
Median strips	-	-	400,992	400,992
Housing	-	-	1,249,156	1,249,156
Transportation	-	-	3,863,881	3,863,881
Developer agreements	-	623,333	-	623,333
Committed:				
Revenue stabilization	6,087,933	-	-	6,087,933
Contingency	15,013,798	-	-	15,013,798
Economic development	7,413,409	-	-	7,413,409
Reforestation replacement	132,967	-	-	132,967
Assigned to:				
Subsequent year's expenditures	357,330	-	-	357,330
Other purposes	1,283,453	-	-	1,283,453
Construction contracts	-	19,323,634	-	19,323,634
Transportation	-	-	764,328	764,328
Debt service funds	-	-	2,947,931	2,947,931
Capital projects funds	-	-	1,415,234	1,415,234
Unassigned				
General fund	34,878,889	-	-	34,878,889
Capital projects funds	-	(2,336,784)	-	(2,336,784)
Total fund balances	<u>83,790,760</u>	<u>17,610,183</u>	<u>61,223,231</u>	<u>162,624,174</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 92,236,306</u>	<u>\$ 39,750,303</u>	<u>\$ 65,243,370</u>	<u>\$ 197,229,979</u>

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

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

Fund balances - total governmental funds	\$	162,624,174
 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 funds.		207,243,524
Debt interest payable that will not be liquidated with current financial resources is not reported in the funds.		(331,612)
Deferred inflows of resources related to pension earnings and other post employment benefits are not recognized in the governmental funds; however, they are reported in the statement of net position under full accrual accounting.		(15,662,392)
Deferred outflows of resources related to pension contributions and other post employment benefits are not recognized in the governmental funds; however, they are reported in the statement of net position under full accrual accounting.		47,381,675
The internal service funds are used by management to charge the costs of workers' compensation, fleet management, information technology and communications, and self-insured health to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		32,653,595
Other post employment benefits are not due and payable in the current period and, therefore, are not reported in the funds.		(19,780,839)
Pension liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		(175,311,301)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.		<u>(51,097,538)</u>
Net position of governmental activities	\$	<u>187,719,286</u>

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

CITY OF SUNRISE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
		<u>Capital Improvements</u>		
REVENUES				
Taxes:				
Property	\$ 42,801,580	\$ -	\$ 4,670,441	\$ 47,472,021
Local option fuel	-	-	1,680,518	1,680,518
Insurance premium	1,679,933	-	-	1,679,933
Utility service	10,272,645	-	-	10,272,645
Communications services	3,050,927	-	-	3,050,927
Local business	2,208,339	-	-	2,208,339
Permits and fees	2,260,410	-	6,627,216	8,887,626
Franchise fees	9,825,469	-	-	9,825,469
Intergovernmental	10,550,339	805,093	1,588,613	12,944,045
Charges for services	25,409,345	-	46,575	25,455,920
Administrative charges	7,644,340	-	-	7,644,340
Judgments, fines and forfeitures	2,204,505	-	2,284,910	4,489,415
Special assessments	10,753,750	-	-	10,753,750
Impact fees	-	-	10,338	10,338
Investment earnings	1,553,184	1,075,495	1,456,591	4,085,270
Contributions and donations	57,090	-	-	57,090
Miscellaneous	1,601,353	4,502	100,764	1,706,619
Total revenues	<u>131,873,209</u>	<u>1,885,090</u>	<u>18,465,966</u>	<u>152,224,265</u>
EXPENDITURES				
Current:				
General government	29,900,865	-	-	29,900,865
Public safety	79,836,780	-	7,919,585	87,756,365
Economic development	-	-	446,567	446,567
Transportation	975,422	-	3,144,907	4,120,329
Culture and recreation	12,099,691	-	-	12,099,691
Debt service:				
Principal	-	-	3,005,000	3,005,000
Interest	-	-	1,709,586	1,709,586
Other	-	-	47,541	47,541
Capital outlay	2,310,676	18,485,569	2,702,253	23,498,498
Total expenditures	<u>125,123,434</u>	<u>18,485,569</u>	<u>18,975,439</u>	<u>162,584,442</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,749,775</u>	<u>(16,600,479)</u>	<u>(509,473)</u>	<u>(10,360,177)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,242,464	-	1,019,870	6,262,334
Transfers out	(3,176,500)	-	-	(3,176,500)
Proceeds on sale of capital assets	101,538	-	35,898	137,436
Total other financing sources (uses)	<u>2,167,502</u>	<u>-</u>	<u>1,055,768</u>	<u>3,223,270</u>
Net change in fund balances	<u>8,917,277</u>	<u>(16,600,479)</u>	<u>546,295</u>	<u>(7,136,907)</u>
Fund balances - beginning	<u>74,873,483</u>	<u>34,210,662</u>	<u>60,676,936</u>	<u>169,761,081</u>
Fund balances - ending	<u>\$ 83,790,760</u>	<u>\$ 17,610,183</u>	<u>\$ 61,223,231</u>	<u>\$ 162,624,174</u>

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

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

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

Net change in fund balances -- total governmental funds	\$	(7,136,907)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>		
		9,820,233
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, write-offs and donations) is to increase/(decrease) net position.</p>		
		(43,348)
<p>The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
		3,246,551
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
		(989,972)
<p>Cash pension contributions reported in the funds were greater than the calculated pension expense on the statement of activities and therefore reduced net pension liability.</p>		
		(1,504,541)
<p>Internal service funds are used by management to charge the costs of workers' compensation, fleet management, information technology and communications, and self-insured health to individual funds. The net revenue of certain activities of the internal service funds are reported with governmental activities.</p>		
		<u>2,331,303</u>
Change in net position of governmental activities	\$	<u>5,723,319</u>

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

CITY OF SUNRISE, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 42,803,900	\$ 42,803,900	\$ 42,801,580	\$ (2,320)
Insurance premium	1,491,890	1,679,933	1,679,933	-
Utility service	9,780,000	9,780,000	10,272,645	492,645
Communications services	3,100,000	3,100,000	3,050,927	(49,073)
Local business	2,300,000	2,300,000	2,208,339	(91,661)
Permits and fees	2,699,920	2,699,920	2,260,410	(439,510)
Franchise fees	9,570,000	9,570,000	9,825,469	255,469
Intergovernmental	8,871,250	9,173,959	10,550,339	1,376,380
Charges for services	24,564,890	24,655,908	25,409,345	753,437
Administrative charges	7,644,340	7,644,340	7,644,340	-
Judgments, fines and forfeitures	1,931,000	1,931,000	2,204,505	273,505
Special assessments	10,723,590	10,723,590	10,753,750	30,160
Investment earnings	525,000	525,000	1,553,184	1,028,184
Contributions and donations	56,850	56,850	57,090	240
Miscellaneous	1,720,830	1,720,830	1,601,353	(119,477)
Total revenues	127,783,460	128,365,230	131,873,209	3,507,979
EXPENDITURES				
Current:				
General government:				
City Commission	841,230	841,230	809,198	32,032
City Manager	2,636,166	2,636,166	2,379,508	256,658
City Clerk	719,930	719,930	640,585	79,345
City Attorney	1,458,860	1,457,360	1,186,294	271,066
Finance and Administrative Services	5,434,695	5,433,195	5,185,785	247,410
Human Resources	1,497,456	1,497,456	1,312,969	184,487
Facilities	4,169,803	4,074,043	3,204,991	869,052
Planning and Development	4,735,123	4,735,123	3,732,449	1,002,674
Non-departmental	13,064,265	12,889,586	11,449,086	1,440,500
Total general government	34,557,528	34,284,089	29,900,865	4,383,224
Public safety:				
Police	47,432,705	47,984,909	47,944,529	40,380
Fire	30,700,440	30,850,795	30,380,120	470,675
Code Enforcement	2,100,531	2,104,011	1,512,131	591,880
Total public safety	80,233,676	80,939,715	79,836,780	1,102,935
Transportation:				
Public Works	1,545,157	1,575,327	975,422	599,905
Culture and recreation:				
Leisure Services	13,569,049	13,389,642	12,099,691	1,289,951

(continued)

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

CITY OF SUNRISE, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL, continued
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Capital outlay:				
General government:				
City Attorney	1,800	3,300	3,130	170
Finance and Administrative Services	-	1,500	-	1,500
Facilities	434,314	501,404	318,075	183,329
Planning and Development	30,300	30,300	30,042	258
Non-departmental	-	550,000	261,642	288,358
Public safety:				
Police	540,730	571,743	562,102	9,641
Fire	760,141	723,018	722,140	878
Code Enforcement	97,400	93,920	58,285	35,635
Transportation:				
Public Works	-	58,500	57,694	806
Culture and recreation:				
Leisure Services	302,779	482,186	297,566	184,620
Total capital outlay	<u>2,167,464</u>	<u>3,015,871</u>	<u>2,310,676</u>	<u>705,195</u>
Total expenditures	<u>132,072,874</u>	<u>133,204,644</u>	<u>125,123,434</u>	<u>8,081,210</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,289,414)</u>	<u>(4,839,414)</u>	<u>6,749,775</u>	<u>11,589,189</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,405,840	5,405,840	5,242,464	(163,376)
Transfers out	(3,176,500)	(3,176,500)	(3,176,500)	-
Proceeds on sale of capital assets	20,000	20,000	101,538	81,538
Total other financing sources (uses)	<u>2,249,340</u>	<u>2,249,340</u>	<u>2,167,502</u>	<u>(81,838)</u>
Net change in fund balances	(2,040,074)	(2,590,074)	8,917,277	11,507,351
Fund balances - beginning	74,873,483	74,873,483	74,873,483	-
Fund balances - ending	<u>\$ 72,833,409</u>	<u>\$ 72,283,409</u>	<u>\$ 83,790,760</u>	<u>\$ 11,507,351</u>

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

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

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water, Wastewater and Gas Utility System	Sanitation	Other Enterprise Funds	Total	
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 137,945,067	\$ 1,090,116	\$ 17,843,168	\$ 156,878,351	\$ 29,170,378
Investments	17,456,359	193,848	2,193,483	19,843,690	4,132,863
Interest receivable	46,604	1,188	7,091	54,883	11,290
Accounts receivable, net of allowance for uncollectibles	17,531,770	2,466,197	880,563	20,878,530	62,746
Other receivables	72,323	234	35	72,592	217,582
Due from other funds	20,074	-	-	20,074	-
Intergovernmental receivable	265,740	-	463,724	729,464	2,671
Inventories	2,264,312	-	6,933	2,271,245	363,110
Prepaid items	59,574	-	3,730	63,304	-
Restricted assets:					
Cash and cash equivalents	9,960,921	-	-	9,960,921	-
Total current assets	185,622,744	3,751,583	21,398,727	210,773,054	33,960,640
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	99,790,767	806,278	-	100,597,045	-
Investments	13,207,696	-	-	13,207,696	-
Interest receivable on investments	63,103	-	-	63,103	-
Capital assets:					
Land	11,123,293	-	1,289,145	12,412,438	-
Intangibles	349,303	-	3,283	352,586	238,188
Buildings and system	636,943,224	-	685,480	637,628,704	-
Improvements other than buildings	8,357,870	-	10,330,296	18,688,166	-
Machinery and equipment	6,292,867	1,504	2,803,462	9,097,833	1,466,161
Vehicles	10,785,716	-	1,389,980	12,175,696	17,729,886
Construction in progress	70,478,498	-	1,517,316	71,995,814	3,849,864
Less accumulated depreciation	(328,037,801)	(752)	(4,842,667)	(332,881,220)	(8,984,837)
Total capital assets, net of accumulated depreciation	416,292,970	752	13,176,295	429,470,017	14,299,262
Total noncurrent assets	529,354,536	807,030	13,176,295	543,337,861	14,299,262
Total assets	714,977,280	4,558,613	34,575,022	754,110,915	48,259,902
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	1,061,047	-	-	1,061,047	-
Other postemployment benefits	192,252	1,403	16,142	209,797	14,722
Pension	14,132,402	22,368	1,260,428	15,415,198	1,372,760
Total deferred outflows of resources	15,385,701	23,771	1,276,570	16,686,042	1,387,482

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water, Wastewater and Gas Utility System	Sanitation	Other Enterprise Funds	Total	
LIABILITIES					
Current liabilities:					
Accounts payable	5,175,424	1,272,594	553,173	7,001,191	574,731
Accrued liabilities	501,333	3,952	34,835	540,120	50,848
Due to other funds	401,545	166,461	11,452	579,458	4,725
Compensated absences	302,366	3,404	7,888	313,658	41,711
Retainage payable	1,550,005	-	61,884	1,611,889	-
Intergovernmental payable	2,261,240	-	2,711	2,263,951	-
Current liabilities payable from restricted assets:					
Accounts payable	1,168,292	-	-	1,168,292	-
Revenue bonds payable	5,990,000	-	-	5,990,000	-
Accrued interest payable	3,970,921	-	-	3,970,921	-
Total current liabilities	21,321,126	1,446,411	671,943	23,439,480	672,015
Noncurrent liabilities:					
Revenue bonds and notes payable (net of unamortized discounts/premiums)	186,033,958	-	-	186,033,958	-
Compensated absences	3,348,696	25,299	308,457	3,682,452	278,799
Net pension liability	39,107,131	23,522	3,648,335	42,778,988	3,861,605
Total pension liability - retiree subsidy	14,441,900	6,274	1,539,576	15,987,750	1,123,193
Total other postemployment benefits	7,877,499	57,954	663,657	8,599,110	605,681
Claims and judgments	-	-	-	-	3,551,594
Unearned revenue	44,220	44,758	1,995	90,973	-
Noncurrent liabilities payable from restricted assets:					
Retainage payable	402,115	-	-	402,115	-
Customer deposits payable	9,206,919	806,278	-	10,013,197	-
Total noncurrent liabilities	260,462,438	964,085	6,162,020	267,588,543	9,420,872
Total liabilities	281,783,564	2,410,496	6,833,963	291,028,023	10,092,887
DEFERRED INFLOWS OF RESOURCES					
Other postemployment benefits	772,675	5,614	64,773	843,062	59,047
Pension	5,154,488	37,285	445,465	5,637,238	457,761
Total deferred inflows of resources	5,927,163	42,899	510,238	6,480,300	516,808
NET POSITION					
Net investment in capital assets	222,869,361	752	12,988,787	235,858,900	14,074,274
Restricted for:					
Renewal and replacement	33,755,686	-	-	33,755,686	-
Operations and maintenance	5,185,744	-	-	5,185,744	-
System reserve	63,019,137	-	-	63,019,137	-
Unrestricted	117,822,326	2,128,237	15,518,604	135,469,167	24,963,415
Total net position	\$ 442,652,254	\$ 2,128,989	\$ 28,507,391	473,288,634	\$ 39,037,689
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				6,384,094	
Net position of business-type activities				\$ 479,672,728	

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

CITY OF SUNRISE, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

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	<u>Business-type Activities - Enterprise Funds</u>				Governmental Activities - Internal Service Funds
	Water, Wastewater and Gas Utility System	Sanitation	Other Enterprise Funds	Total	
Operating revenues:					
Charges for sales and services:					
Water sales	\$ 54,585,112	\$ -	\$ -	\$ 54,585,112	\$ -
Wastewater service	59,504,061	-	-	59,504,061	-
Gas sales	8,081,361	-	-	8,081,361	-
Fees	-	12,256,133	10,084,411	22,340,544	-
Service charges	2,151,374	-	-	2,151,374	27,514,233
Guaranteed revenues	1,438,530	-	-	1,438,530	-
Administrative charges	663,780	-	-	663,780	-
Total operating revenues	<u>126,424,218</u>	<u>12,256,133</u>	<u>10,084,411</u>	<u>148,764,762</u>	<u>27,514,233</u>
Operating expenses:					
Costs of sales and services:					
Power, water and wastewater purchases	3,673,020	-	153,170	3,826,190	33,685
Natural gas purchases	2,288,955	-	-	2,288,955	-
Chemical purchases	2,714,837	-	148,407	2,863,244	-
Solid waste/sludge removal	1,091,155	11,198,683	-	12,289,838	-
Recycling charges	-	-	800,087	800,087	-
Materials and supplies	1,314,354	-	133,760	1,448,114	1,207,651
Repairs and maintenance	6,109,562	12,160	137,383	6,259,105	2,188,187
Salaries, wages and employee benefits	30,771,729	266,650	2,291,720	33,330,099	3,368,348
Insurance and other expenses	12,756,359	33,116	2,573,521	15,362,996	4,356,836
Claims expense	-	-	-	-	14,181,331
Administrative fees	5,554,480	773,870	885,170	7,213,520	-
Depreciation and amortization	23,545,040	301	749,491	24,294,832	1,852,627
Total operating expenses	<u>89,819,491</u>	<u>12,284,780</u>	<u>7,872,709</u>	<u>109,976,980</u>	<u>27,188,665</u>
Operating income (loss)	<u>36,604,727</u>	<u>(28,647)</u>	<u>2,211,702</u>	<u>38,787,782</u>	<u>325,568</u>

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water, Wastewater and Gas Utility System	Sanitation	Other Enterprise Funds	Total	
Non-operating revenues (expenses):					
Investment earnings	5,746,432	42,526	406,348	6,195,306	788,314
Interest and amortization expense	(8,081,685)	(15,478)	-	(8,097,163)	-
Gain (loss) on sale of capital assets	44,038	-	33,582	77,620	(27,036)
Other	2,700,962	23,858	230,803	2,955,623	1,994,240
Total non-operating revenues (expenses)	409,747	50,906	670,733	1,131,386	2,755,518
Income before contributions and transfers	37,014,474	22,259	2,882,435	39,919,168	3,081,086
Capital contributions	1,366,529	-	-	1,366,529	-
Transfers in	-	699,510	1,457,120	2,156,630	-
Transfers out	(5,242,464)	-	-	(5,242,464)	-
Change in net position	33,138,539	721,769	4,339,555	38,199,863	3,081,086
Total net position - beginning	409,513,715	1,407,220	24,167,836		35,956,603
Total net position - ending	\$ 442,652,254	\$ 2,128,989	\$ 28,507,391		\$ 39,037,689
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				749,783	
Change in net position of business-type activities				\$ 38,949,646	

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

CITY OF SUNRISE, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water, Wastewater and Gas Utility System	Sanitation	Other Enterprise Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 128,451,853	\$ 12,178,808	\$ 9,966,528	\$ 150,597,189	\$ 27,506,068
Receipts from interfund services provided	663,780	-	-	663,780	-
Payments to suppliers	(35,421,119)	(11,279,453)	(3,624,063)	(50,324,635)	(21,241,706)
Payments to and for employees	(28,700,410)	(248,592)	(2,115,438)	(31,064,440)	(3,155,317)
Payments for interfund services used	(5,554,480)	(773,870)	(885,170)	(7,213,520)	-
Net cash provided by (used for) operating activities	<u>59,439,624</u>	<u>(123,107)</u>	<u>3,341,857</u>	<u>62,658,374</u>	<u>3,109,045</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfer from other funds	-	699,510	1,457,120	2,156,630	-
Transfer to other funds	(5,242,464)	-	-	(5,242,464)	-
Net cash provided by (used for) noncapital financing activities	<u>(5,242,464)</u>	<u>699,510</u>	<u>1,457,120</u>	<u>(3,085,834)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital contributions	767,019	-	-	767,019	-
Acquisition and construction of capital assets	(28,073,323)	-	(1,157,003)	(29,230,326)	(2,972,256)
Principal paid on capital debt	(4,715,000)	-	-	(4,715,000)	-
Interest paid on capital debt	(7,502,475)	-	-	(7,502,475)	-
Proceeds from sales of capital assets	51,018	-	11,008	62,026	3,100
Net cash (used for) capital and related financing activities	<u>(39,472,761)</u>	<u>-</u>	<u>(1,145,995)</u>	<u>(40,618,756)</u>	<u>(2,969,156)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sales and maturities of investments	27,964,791	129,796	1,695,031	29,789,618	3,783,397
Purchase of investments	(26,208,385)	(173,046)	(1,879,441)	(28,260,872)	(3,506,747)
Interest and dividends received	5,754,634	43,213	410,042	6,207,889	788,031
Net cash provided by (used for) investing activities	<u>7,511,040</u>	<u>(37)</u>	<u>225,632</u>	<u>7,736,635</u>	<u>1,064,681</u>
Net increase in cash and cash equivalents	22,235,439	576,366	3,878,614	26,690,419	1,204,570
Cash and cash equivalents, September 30, 2018 (including \$124,912,627 and \$769,381 for the utility system and sanitation funds, respectively, reported in restricted accounts)	<u>225,461,316</u>	<u>1,320,028</u>	<u>13,964,554</u>	<u>240,745,898</u>	<u>27,965,808</u>
Cash and cash equivalents, September 30, 2019 (including \$109,751,688 and \$806,278 for the utility system and sanitation funds, respectively, reported in restricted accounts)	<u>\$ 247,696,755</u>	<u>\$ 1,896,394</u>	<u>\$ 17,843,168</u>	<u>\$ 267,436,317</u>	<u>\$ 29,170,378</u>

Business-type Activities - Enterprise Funds

	Water, Wastewater and Gas Utility System	Sanitation	Other Enterprise Funds	Total	Governmental Activities - Internal Service Funds
Reconciliation of operating income to net cash provided by (used for) operating activities:					
Operating income (loss)	\$ 36,604,727	\$ (28,647)	\$ 2,211,702	\$ 38,787,782	\$ 325,568
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Miscellaneous non-operating income	2,700,962	8,380	230,803	2,940,145	1,994,240
Depreciation and amortization expense	23,545,040	301	749,491	24,294,832	1,852,627
(Increase) in accounts receivable	(128,590)	(91,493)	(104,140)	(324,223)	(8,165)
(Increase) in other receivables	(7,456)	(6)	-	(7,462)	(56,543)
Decrease in due from other funds	36,821	-	-	36,821	-
(Increase) decrease in intergovernmental receivables	302,670	-	(223,632)	79,038	1,574
(Increase) decrease in inventories	(260,909)	-	12,694	(248,215)	(12,443)
(Increase) decrease in prepaid items	(2,000)	-	(880)	(2,880)	3,325
Decrease in deferred outflows	3,790,490	27,327	318,823	4,136,640	286,572
Increase in customer deposits	155,324	36,897	-	192,221	-
Increase (decrease) in accounts payable	(5,061,510)	(43,868)	229,109	(4,876,269)	(280,177)
Increase in accrued liabilities	104,820	1,207	3,970	109,997	14,845
Increase (decrease) in due to other funds	(206,814)	(24,879)	(1,614)	(233,307)	1,358
Increase (decrease) in intergovernmental payables	140,532	-	(271)	140,261	-
Increase in unearned revenue	36,620	2,208	411	39,239	-
Increase (decrease) in retainage payable	(445,672)	-	61,884	(383,788)	-
Increase (decrease) in compensated absences payable	(215,011)	1,415	(12,212)	(225,808)	36,424
Increase in total other postemployment benefits payable	44,274	315	3,682	48,271	3,348
(Decrease) in total pension liability - retiree subsidy	(154,804)	(1,101)	(16,235)	(172,140)	(11,707)
(Decrease) in net pension liability	(2,210,207)	(15,940)	(184,138)	(2,410,285)	(167,098)
Increase in deferred inflows	670,317	4,777	62,410	737,504	50,703
(Decrease) in claims and judgments	-	-	-	-	(925,406)
Total adjustments	22,834,897	(94,460)	1,130,155	23,870,592	2,783,477
Net cash provided by (used for) operating activities	\$ 59,439,624	\$ (123,107)	\$ 3,341,857	\$ 62,658,374	\$ 3,109,045
Noncash investing, capital and financing activities:					
Contributions of capital assets	\$ 599,510	\$ -	\$ -	\$ 599,510	\$ -
Net increase (decrease) in fair value of investments	109,463	(256)	3,059	112,266	16,517

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

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

	<u>Pension Trust Funds</u>	<u>Special Assessment Agency Fund</u>
ASSETS		
Cash and cash equivalents	\$ 4,026,336	\$ 6,748,852
Receivable from sale of securities	305,671	-
Interest and dividends receivable	540,024	-
Due from other funds	178,497	-
Other receivables	61	-
Investments:		
Money market funds	3,674,298	-
U.S. government and agency securities	28,933,134	-
Corporate bonds	33,101,996	-
Mutual funds	178,115,906	-
Common stocks	156,614,548	-
International equity funds	55,650,701	-
Commingled real estate funds	67,947,367	-
Total investments	<u>524,037,950</u>	<u>-</u>
Prepaid items	642,146	-
Total assets	<u>529,730,685</u>	<u>6,748,852</u>
LIABILITIES		
Deposits held for others	-	6,748,852
Accounts payable	503,064	-
Payable for securities purchased	264,805	-
Total liabilities	<u>767,869</u>	<u>6,748,852</u>
NET POSITION		
Restricted for pensions	<u>\$ 528,962,816</u>	

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

**CITY OF SUNRISE, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Pension Trust Funds</u>
ADDITIONS	
Contributions:	
Employer	\$ 30,017,209
Plan members	6,333,949
Other sources	1,679,933
Total contributions	<u>38,031,091</u>
Investment earnings:	
Interest	3,084,729
Dividends	7,318,826
Net appreciation in fair value of investments	9,802,495
Other	20,119
Total investment earnings	<u>20,226,169</u>
Less investment expense	<u>2,031,627</u>
Net investment earnings	<u>18,194,542</u>
Total additions	<u>56,225,633</u>
DEDUCTIONS	
Benefits	42,420,912
Refunds of contributions	194,025
Administrative expenses	682,867
Total deductions	<u>43,297,804</u>
Change in net position	12,927,829
Net position - beginning	<u>516,034,987</u>
Net position - ending	<u><u>\$ 528,962,816</u></u>

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

**CITY OF SUNRISE, FLORIDA
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SEPTEMBER 30, 2019**

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CITY OF SUNRISE, FLORIDA

I. Summary of Significant Accounting Policies

A. Reporting entity

The City of Sunrise, Florida (the City) was incorporated June 22, 1961 and has a population of approximately 95,000 living within an area of approximately 18 square miles. The City was established under Charter 61-2902, which was adopted in 1961 with a mayor/commission form of government. By referendum, the city commission/city manager form of government replaced the mayor/commission form of government in 1989. Five elected city commission members comprised of the Mayor, Deputy Mayor, Assistant Deputy Mayor and two Commissioners govern the City.

In evaluating the City as a reporting entity, management has addressed all potential component units for which the City may or may not be financially accountable and, as such, be includable within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City and/or has operational responsibility. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. If the component unit's governing body is substantively the same as the City's, the component unit is blended (reported as if it was part of the City's operations).

Blended component units

Special Tax District No. 1 (the District) was created by Ordinance 373. The District provides, or assists in the provision of, public works lying within its territorial limits. All elected and appointed officials and employees of the City are, ex officio, the officials and employees of the District. Management of the City has operational responsibility for the component unit.

Metropica Improvement District was created by Ordinance 909-X. The Metropica District provides, or assists in the provision of, land and public improvements within its territorial boundaries or outside its boundaries which benefit property lying within its territorial limits. All elected and appointed officials and employees of the City are, ex officio, the officials and employees of the Metropica District. Management of the City has operational responsibility for the component unit. The Metropica District does not have any financial activity to date.

The City Commission establishes ad valorem taxes for Special Tax District No. 1. If necessary, the City Commission would establish the ad valorem tax rate for the Metropica Improvement District.

Separate financial statements are not required or prepared for the special districts. The City reports fund balances and financial activity in the debt service funds, and the capital projects fund for Special Tax District No. 1.

B. Government-wide and fund financial statements

The financial statements of the City have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units in accordance with Governmental Standards Board Pronouncements (GASB). In November 2016, the GASB

CITY OF SUNRISE, FLORIDA

issued *Certain Asset Retirement Obligations* (Statement No. 83). This statement had no impact to the City's financial statements. Statement No. 88, issued in April 2018, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* was early implemented last fiscal year.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been eliminated from these statements. Exceptions to this are administrative charges where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's water and wastewater function and various other functions of the City. The net residual amounts due between governmental and business-type activities are presented as internal balances in the statement of net position. Amounts reported in the funds as receivable from or payable to fiduciary funds are included in the statement of net position as receivable from and payable to external parties, rather than as internal balances.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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 included among program revenues are reported instead as general revenues. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support.

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.

C. Measurement focus, basis of accounting and financial statement presentation

Measurement focus is commonly used to describe the types of transactions and events that are reported in a fund's operating statement. Basis of accounting refers to the point at which revenues and expenditures/expenses are recognized in the accounts and reported in the financial statements and relates to the timing of transactions, regardless of the measurement focus applied.

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. The economic resources measurement focus is on the determination of net income and capital maintenance. All fund assets, deferred outflows/inflows of resources, and liabilities, current and non-current, are accounted for in the fund. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. Certain indirect costs are included in the program expense reported for business-type activities.

Amounts reported as program revenues include 1) charges to customers for goods, services or privileges provided, 2) operating grants and contributions and 3) capital grants and

CITY OF SUNRISE, FLORIDA

contributions, including special assessments. Internally dedicated resources are reported as general revenues, rather than as program revenues. Taxes and other items not classified as program revenues are reported as general revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The current financial resources measurement focus is on the determination of and changes in financial position. This concept emphasizes the acquisition, use and balance of governmental fund expendable available financial resources and related current liabilities. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred. The exception to this general rule is that principal and interest on general long-term debt and compensated absences are recognized when due.

Property taxes, gas taxes, utility service taxes, franchise fees, fuel tax refunds, administrative charges 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. In applying the susceptible to accrual concept to intergovernmental revenues, revenues are recognized when all eligibility requirements are met. All other revenue items are considered to be measurable and available only when cash is received by the City.

Governmental funds are used to account for the City's general government activities. The City reports the following major governmental funds:

- The General Fund is the operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- The Capital Improvements capital projects fund accounts for general capital projects and the acquisition and construction in the Neighborhood Renaissance Program.

The other governmental funds are a summarization of all the non-major governmental funds.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. 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 enterprise funds include the cost of sales and services, administrative fees, general expenses and depreciation/ amortization on capital assets. Operating expenses for the internal service funds include claims, insurance premiums, general expenses and depreciation/amortization on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The City reports the following major proprietary funds:

- The Water, Wastewater, and Gas Utility System enterprise fund accounts for the provision of water, wastewater and natural gas services to customers inside and outside the City limits.
- The Sanitation enterprise fund accounts for the provision of solid waste disposal services to City residents.

CITY OF SUNRISE, FLORIDA

The other proprietary funds are a summarization of all the non-major proprietary funds.

Additionally, the City reports the following fund types:

The internal service funds are used to account for goods or services provided by one department to other departments of the City on a cost-reimbursement basis. The City operates four internal service funds for the purpose of workers' compensation services, fleet management, information technology and communications, and self-insured health.

Fiduciary funds include pension trust funds and an agency fund. The pension trust funds account for the activities of the City's general employees', police officers' and firefighters' pension plans, which accumulate resources for pension benefit payments to qualified employees. The agency fund is used to account for transactions related to \$70,120,000 Taxable Special Assessment Bonds, Series 2015 which includes the establishment of a debt service reserve and the debt service transactions associated with the bonds. The bonds were issued by the City and secured by assessments on real property within a specified area that stands to benefit from the improvements provided by the bonds, known as the Parking Garages Assessment Area. The City has no liability for repayment of the bonds and is merely acting as the property owners' agent in handling the debt service transactions by collecting the assessments (which are reported as deposits held for others until paid) and forwarding for payment to the bondholders each May 1 and November 1. For fiscal year ended September 30, 2019, the agency fund reports total assets of \$6,748,852, which consists of the debt service reserve of \$4,786,575 and \$1,962,277 received from the property owners for the 2020 debt service of the bonds.

D. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. Cash and cash equivalents

The City has defined cash and cash equivalents to include cash on hand, demand deposits, short-term investments (including restricted assets) with original maturities at the time of purchase of three months or less, external investment pools, money market mutual funds, and equity in the City's pooled cash.

Pooled cash is an investment tool employed by the City that maximizes earning potential by investing large amounts of idle cash for short periods of time. It is available for use by all funds except those whose cash and investments must be segregated due to bond covenants or other legal restrictions. The City maintains pooled cash accounts in all of its funds except for the pension trust funds, debt service funds, capital projects funds that are funded by special assessments or debt, and the Police Confiscation fund. Interest income is distributed monthly based on average daily balances.

The City invests surplus funds in a variety of investment vehicles. One such vehicle is the Florida PRIME, an external investment pool. The City owns shares of the pool, not the underlying securities. This fund is administered by the SBA, who provides regulatory oversight, and has been managed by Federated Investors since February 2008. Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 215 and 218 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for administration of the investment pool. Florida PRIME is not a registrant with the Securities and Exchange Commission (SEC); however, the SBA has adopted operating procedures consistent with the requirements for a 2a-7 fund and

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measures all of its investments at amortized cost. The investments in Florida PRIME are not insured by FDIC or any other governmental agency. With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawals, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made. As of September 30, 2019, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of the account value.

Pooled cash and cash equivalents are also invested in various certificates of deposit and five money market mutual funds including Fidelity Investments Money Market Government Portfolio Institutional Class, Fidelity Investments Money Market Treasury Portfolio – Class III, Goldman Sachs Financial Square Government Fund – Institutional Shares, First American Funds Treasury Obligations Fund, and Federated Government Obligations Fund – Institutional Shares.

2. Investments

The City's authorized investments include the Florida PRIME or any authorized intergovernmental investment pool, U.S. Government and Agency securities, certificates of deposit, corporate bonds, mortgage-backed securities, repurchase agreements, commercial paper, certain money market mutual funds, obligations of U.S. government sponsored enterprises implicitly or explicitly guaranteed by the U.S. government, obligations of state and local governments, and banker's acceptances. Investments purchased with maturities of three months or less are classified as cash equivalents.

Investments are stated at fair value (quoted market price or the best available estimate thereof). However, the Florida Prime investment pool, money market investments, including short-term, highly liquid investments with a remaining maturity at time of purchase of one year or less, and certificates of deposit are reported at amortized cost.

Bond ordinances authorize trust account investments in deposit accounts of any banks that are fully insured by federal depository insurance or fully collateralized by federal securities, repurchase agreements and general obligation or full faith credit bonds, notes or obligations of any state or subdivision provided such obligations meet certain rating requirements. The bond ordinances also provide that monies on deposit in the reserve account may be invested only in federal securities.

The City's pension funds' investment policies are determined by the respective Boards of Trustees. Their portfolios may consist of obligations guaranteed by the U.S. government, time or savings accounts, corporate bonds, common or preferred stocks, international equity funds (up to 25% of portfolios), limited real estate investments (up to 15% of portfolios), and mutual funds. Fair values of investments are determined as follows: securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the fiscal year at current exchange rates; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean between the past reported bid and ask prices; and investments that do not have an established market are reported at estimated fair value as determined by the Board of Trustees. Time deposits and short-term investment pools are valued at amortized cost.

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3. Receivables and payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “interfund receivables/payables” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Advances to other funds (an asset), as reported in the governmental fund financial statements, are classified as nonspendable fund balance to indicate they are not available for appropriation. Customer receivables are shown net of an allowance for uncollectibles. All assessments are reported, including delinquencies.

4. Inventories and prepaid items

All City inventories are maintained on a consumption basis of accounting where items are purchased for inventory and charged as an expenditure/expense as the items are consumed. The reported governmental fund type inventories are offset by a fund balance classified as nonspendable that indicates unavailability of spendable resources. Inventories held by the General Fund consist of postage stamps while inventories included in the special revenue funds consist of irrigation parts and road materials. Inventories included in the enterprise funds consist of chemicals, meters, and parts and supplies. Inventories in the internal service funds consist of fuel. Governmental fund inventories are stated at cost, using the first-in/first-out (FIFO) method. The chemicals and fuel inventories in the enterprise and internal service funds are stated at cost using the FIFO method; the meters and parts and supplies inventories are stated at cost, using the weighted average method.

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 when consumed rather than when purchased. The governmental fund financial statements consider prepaid items to be nonspendable fund balance.

5. Restricted assets

Certain proceeds of the City’s enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. The “revenue bond operations and maintenance” account is used to report resources set aside to pay operating and maintenance expenses. The “revenue bond debt service” account is used to segregate resources accumulated for debt service payments over the next twelve months. The “revenue bond reserve” account is used to report resources set aside to make up potential future deficiencies in the revenue bond debt service account. The “revenue bond renewal and replacement” account is used to report resources set aside to cure deficiencies in the debt service account or the reserve account, or to fund asset renewals and replacements.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first and then unrestricted resources as they are needed. In the governmental funds, when both restricted resources and other resources (committed, assigned, and unassigned) can be used, the spending priority is committed, assigned, then

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unassigned, except in the General Fund where the spending priority is assigned, unassigned, then committed.

6. Capital assets

Capital assets, which include property, plant, equipment, vehicles, intangibles and infrastructure assets (e.g., roads, bridges, etc.), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Generally, the City, with the exception of the firefighters' pension fund, defines capital assets as assets with an initial, individual cost of \$1,000 or greater and an estimated useful life in excess of one year. The firefighters' pension fund has established a capital threshold of \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Contributed assets are recorded at acquisition value as of the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated and amortized using the straight-line method over the following estimated useful lives.

Intangibles	5 years
Buildings	25 – 50 years
Improvements other than buildings	5 – 20 years
Water and wastewater plant	30 – 50 years
Gas plant	25 – 50 years
Deep well injection system	50 years
Machinery & equipment	3 – 10 years
Vehicles	5 – 10 years
Public domain infrastructure	30 – 50 years

Contributions of funds from federal, state or local sources for the purpose of purchasing property, plant and equipment and connection fees intended to recover the cost of connecting new customers to the system are recorded as capital contributions on the proprietary statement of revenues, expenses, and changes in net position.

7. Pensions

Net pension liability, deferred outflows and inflows of resources, pension expense and information about the fiduciary net position, and additions and deductions to fiduciary net position have been determined and reported 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.

8. Deferred outflows/inflows of resources

The Statement of Net Position includes a separate section for deferred outflows of resources. This represents a consumption of net position applicable to future periods and will not be recognized as an expense/expenditure until the future period to which it applies. Items in this category include a deferred charge on refunding, a deferred pension expense (see note V.C.) and a deferred OPEB expense (see note V.D.). A deferred charge on refunding is the difference between the carrying value of refunded debt and its reacquisition

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price. This amount is deferred and amortized over the shorter of the life of the refunded or the refunding debt.

The Statement of Net Position also includes a separate section, listed below total liabilities, for deferred inflows of resources that represents the acquisition of net position applicable to future periods and is not recognized as revenue until the period to which it applies. Items in this category include unavailable revenue, deferred pension income (see note V.C.) and deferred OPEB income (see note V.D.). Governmental funds report unavailable revenue using the modified accrual basis of accounting from special assessments. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

9. Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, which will be paid to employees upon separation from City service if certain criteria are met. The accumulated compensated absences and associated employee-related costs are accrued when incurred in the government-wide and proprietary fund financial statements. The current portion is the amount estimated to be used in the following fiscal year. The compensated absences balance in the governmental funds represents a reconciling item between the fund and the government-wide presentations.

10. Long-term obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums/discounts are amortized using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

11. Net position or fund equity

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net investment in capital assets represent the City's capital assets net of accumulated depreciation plus the capital-related deferred outflows of resources less any capital-related borrowings and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed to meet the various covenants as may be specified and defined in the revenue bond indenture or other legal document.

The governmental funds' financial statements report five categories of fund balance: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balances include amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. 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 (which are both equal and the highest level of decision making authority) are classified as committed fund balances. These constraints remain binding unless removed or changed in the same manner employed to commit those resources. Amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed are classified

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as assigned fund balances. Funds can only be assigned by City Commission. With the exception of the general fund, this is the residual fund balance classification for all governmental funds with positive balances. Unassigned fund balance is the residual classification that has not been restricted, committed or assigned. Any residual (unassigned) balance must be positive in the General Fund but may be negative in any other governmental funds as a result of overspending for specific purposes for which amounts have been restricted, committed or assigned.

12. Revenue stabilization

A general fund revenue stabilization account was approved by City Commission through resolution to mitigate the impacts of future revenue shortfalls. The minimum funding level is five percent (5%) of audited actual operating expenditures based on the most recent year in which audited operating expenditures are available. Disbursements from the revenue stabilization account may be made by the City Commission by enactment of an ordinance requiring a majority plus one vote if the following criteria is met: the revenue shortfall in a fiscal year results from revenue collections short of the amount budgeted by five percent (5%) or more or the revenue shortfall results from projected budgeted revenues for any ensuing year that are less than the previous year's adopted revenue budget and the revenue shortfall is expected to persist through the end of the fiscal year.

13. Use of estimates

The preparation of the financial statements in conformity with GAAP in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

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II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes the reconciliation between *fund balances – total governmental funds* and *net position of governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds”. The details of this \$51,097,538 are as follows:

Bonds payable	\$ 39,535,000
Plus: Issuance premiums	1,065,317
Less: Bond insurance costs	(16,131)
Compensated absences	<u>10,513,352</u>
Net adjustment to reduce <i>fund balances - total governmental funds</i> to arrive at <i>net position of governmental activities</i>	<u>\$ 51,097,538</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes the reconciliation between *net change in fund balances – total governmental funds* and *change in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense”. The details of this \$9,820,233 difference are as follows:

Capital outlay	\$ 23,498,498
Depreciation expense	(13,314,649)
Capitalized operating expenditures	8,247
Non-capitalized capital outlay expenditures	<u>(371,863)</u>
Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position of governmental activities</i>	<u>\$ 9,820,233</u>

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Another element of that reconciliation states that “the net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, write-offs and donations) is to increase/ (decrease) net position”. The details of this \$(43,348) difference are as follows:

Donations of capital assets increase net position in the statement of activities but do not appear in the governmental funds because they are not financial resources.	\$ 8,000
Trade-ins of existing capital assets to acquire new capital assets increase net position. Governmental funds do not report gains or losses on trade-ins.	15,400
The statement of activities reports losses arising from the write-off of capital assets. Governmental funds do not report any loss resulting from a capital asset write-off.	<u>(66,748)</u>
<i>Net adjustment to decrease net change in fund balances - total governmental funds to arrive at change in net position of governmental activities</i>	<u>\$ (43,348)</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position”. The details of this \$3,246,551 difference are as follows:

Amortization of bond premium	\$ 239,928
Interest accrual for General Obligation bonds	9,687
Amortization of bond insurance costs	(8,064)
Bond principal repayments	<u>3,005,000</u>
<i>Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities</i>	<u>\$ 3,246,551</u>

Another element of that reconciliation states that "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". The details of the \$989,972 difference are as follows:

Other post employment benefits	\$ 752,669
Compensated absences	<u>237,303</u>
<i>Net adjustment to decrease net change in fund balances - total governmental funds to arrive at change in net position of governmental activities</i>	<u>\$ 989,972</u>

III. Stewardship, Compliance and Accountability

A. Budgetary information

Budgets are legally adopted for all governmental and proprietary fund types. Annual budgets are adopted on a basis consistent with generally accepted accounting principles. Project-length budgets are adopted in the capital projects funds. All unencumbered, annual

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appropriations lapse at fiscal year-end. Significant appropriations outstanding at year-end are re-appropriated in the following year.

The appropriated budget is prepared by fund, function, and department. The city manager may make transfers of appropriations among programs within a department, office or agency. Transfers of appropriations between departments require the approval of the city commission.

Expenditures/expenses may not legally exceed appropriations at the individual fund level; exception is the general fund expenditures, which may not exceed appropriations at the department level. Supplemental appropriations for operating and capital expenditures of \$1,131,770 for the general fund, \$364,582 for the special revenue funds, and \$6,125,000 for the capital projects funds were approved during the year and are included in the final budget.

The City follows these procedures in establishing the legally adopted budgetary data:

1. Prior to August 1st, the City Manager submits to the City Commission a proposed annual budget, budget message and capital program for the fiscal year commencing October 1st. The operating budget includes proposed expenditures/expenses and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1st, the budget is legally enacted through the passage of an ordinance as required by the City Charter.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders) outstanding at year-end are reported as assigned fund balance and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

IV. Detailed Notes on all Funds

A. Deposits and investments

As of September 30, 2019, the carrying value of the City's deposits and investments, exclusive of the Pension trust and agency funds, was \$10,488,103 in U.S. Treasuries, \$361,549 in certificates of deposit, \$145,310,866 in the SBA Florida PRIME, \$41,874,061 in the Florida Fixed Income Trust, \$42,849,548 in the FL Class Local Government Investment Pool, and \$85,579,303 in five money market mutual funds (Fidelity Investments Money Market Government Portfolio Institutional Class with Wells Fargo Bank, Fidelity Investments Money Market Treasury Portfolio – Class III with Bank of New York Mellon, Goldman Sachs Financial Square Government Fund – Institutional Shares with Regions Bank, First American Funds Treasury Obligations Fund with US Bank, and Federated Government Obligations Fund – Institutional Shares with Wells Fargo Bank and Hancock Bank). The investments in Florida PRIME and the five money market mutual funds are classified as cash and cash equivalents. Additionally, cash and cash equivalents are comprised of \$70,280 on hand and \$177,722,408 with qualified public depositories. Total restricted and unrestricted cash and cash equivalents at September 30, 2019 are \$451,532,405. Total investments, including restricted and unrestricted, amount to \$52,723,713.

Interest rate risk. The City's investment policy, exclusive of the Pension trust funds, addresses exposure to declines in fair value by limiting the weighted average duration of its investment portfolio to less than three years. The single U.S. Treasury investment that is in the City's investment portfolio at September 30, 2019 matures in 167 days. The weighted

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average days to maturity of the SBA Florida PRIME is 37 days. The weighted average days to maturity of the FL Class is 52 days. The weighted average maturity for the Florida Fixed Income Trust is 1,022 days. The weighted average maturity for the Fidelity Investments Money Market Government Portfolio Institutional Class is 23 days. The weighted average maturity for Fidelity Investments Money Market Treasury Portfolio – Class III is 36 days. The weighted average maturity for Goldman Sachs Financial Square Government Fund is 43 days. The weighted average maturity for First American Funds Treasury Obligations Fund is 26 days. The weighted average maturity for Federated Government Obligations Fund is 33 days. The City may withdraw its funds from any of the above mentioned investment vehicles, other than the U.S. Treasury investment, upon one day’s notice. To limit exposure to interest rate risk, the City and its three Pension Plans: General Employees, Firefighters and Police Officers diversify investments by security type and institution, and limit holdings in any one type of investment with any one issuer with various durations of maturity. In addition, the Police Officers’ Pension Plan manages its exposure to declines in fair values by limiting the effective duration of its investment portfolio through the adoption of the Barclays Capital Government/Credit Intermediate Index.

As of September 30, 2019, the General Employees’ Pension trust fund had the following fixed income investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>			
		<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More than 10</u>
Bond mutual funds	\$50,382,034	\$(5,542,024)	\$40,607,919	\$11,134,430	\$4,181,709

The City’s Police Officers’ Pension trust fund contained the following fixed income investments as of September 30, 2019:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Effective Duration (Years)</u>	<u>Lehman Aggregate Bond Rating</u>
U.S. treasuries	\$ 13,789,350	4.80	AA
U.S. agencies	5,512,799	6.90	AA
Corporate bonds	29,218,063	7.20	A-AAA
Total fair value	<u>\$ 48,520,212</u>		
Portfolio weighted average duration		6.48	

At September 30, 2019, the City’s Firefighters’ Pension trust fund had the following fixed income investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>			
		<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More than 10</u>
U.S. treasuries	\$ 9,342,644	\$ -	\$ -	\$ 4,747,584	\$ 4,595,060
U.S. agencies	288,341	-	-	288,341	-
Corporate bonds	3,883,933	-	608,422	3,016,390	259,121
	<u>\$ 13,514,918</u>	<u>\$ -</u>	<u>\$ 608,422</u>	<u>\$ 8,052,315</u>	<u>\$ 4,854,181</u>

Credit risk. The City’s investment policy limits the quality and quantity of investments in order to mitigate the effects of credit risk. Funds that are invested in U.S. government obligations are considered to have no credit risk. Consistent with State law, the General Employees’ Pension Plan and the Police Officers’ Pension Plans’ investment guidelines limit corporate bonds to the top three ratings issued by one of the nationally recognized statistical rating organizations. The SBA Florida PRIME investment guidelines limit securities to the

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highest short-term rating category by one or more nationally recognized rating organizations (“NRSROs”), or be deemed to be of comparable quality by the Investment Manager, subject to section 215.47(1)(j), Florida Statutes. Florida PRIME and FL Class are rated AAAM by Standard and Poor’s. The Florida Fixed Income Trust is rated AAAs/S1 by Standard and Poor’s. The City’s money market funds are all rated AAAM by Standard and Poor’s and Aaa-mf by Moody’s. Of the General Employees’ Pension Plan’s investments at September 30, 2019, \$28,616,995 were rated AAA, \$2,216,809 were rated AA, \$7,053,485 were rated A, \$7,406,159 were rated BAA, \$2,418,338 were rated BB, and \$2,670,248 were rated B or lower. The credit ratings of investments in the corporate bonds of the Firefighters’ Pension Plan at September 30, 2019 range from AAA to BBB+ and total \$3,883,933. U.S. Government agencies are rated AA+ and total \$288,341 while U.S. Government obligations of \$9,342,644 are considered to have no credit risk.

Concentration of credit risk. The City’s revised investment policy limits the investment in any single issuer from 5% to no more than 40% of the value of the portfolio depending on the investment sector. The 40% maximum is restricted to U.S. Government and Agency instruments and Government Sponsored Enterprise (GSE) securities. Depository accounts (other than operating) secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes are limited to 25% of the portfolio per issuer. The City had a total of \$71,775,005 or 14.2% of the total portfolio invested with BankUnited and an additional \$70,021,063 or 13.9% of the portfolio with Synovus Bank. Investments in intergovernmental investment pools authorized pursuant to the Florida Interlocal Cooperation Act as provided in Florida Statute 163.01, is limited to no more than 60% of the value of the portfolio. The policy further limits investments in intergovernmental investment pools to a maximum of 35% in any one issuer. The Florida PRIME fund investment pool’s exposure to a single non-governmental issuer is limited to 5% and exposure to any single money market mutual fund will not exceed 10% of the Florida PRIME assets. At September 30, 2019, the Florida PRIME Fund Investment Pool held \$145,310,866 or 28.8% of the City’s portfolio. The Florida Fixed Income Trust held \$41,874,061 or 8.3% of the total portfolio and the FL Class Investment Pool held \$42,849,548 or 8.5% of the total portfolio. The policy restricts investments in registered investment companies (money market mutual funds) to 50% of the portfolio and 20% per issuer. At September 30, 2019, the City had \$35,526,244 or 7.0% invested in Federated Government Obligations Fund and \$34,739,757 or 6.9% in Fidelity Investments Money Market Government Portfolio Institutional Class. The General Employees’, Police Officers’ and Firefighters’ Pension Plans’ investment policies do not allow for an investment in any one issuer that is five percent or more of the Plans’ net position available for benefits.

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. All cash deposits are held in qualified public depositories pursuant to State of Florida Statutes Chapter 280, “Florida Security for Public Deposits Act”. Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository’s collateral pledging level. The pledging level may range from 25% to 150% depending upon the depository’s financial condition and establishment period. All collateral must be deposited with the Chief Financial Officer. Any losses to a public depositor, not covered by deposit insurance and the proceeds from the sale of collateral pledged by the defaulting depository, will be assessed against other qualified public depositories. Accordingly, all deposits are deemed insured or collateralized.

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Custodial credit risk – investments. This 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. No custodial credit risk exposure exists for the City or the pension plans as all investments are held by each entity’s custodial bank and registered in each entity’s name.

Foreign currency risk. This is the risk that changes in the exchange rates will adversely affect the fair value of an investment. The City’s investment policy requires all securities be denominated in U.S. dollars. Therefore, there is no foreign currency risk exposure. The foreign pension investments that are held by the General Employees’, Police Officers’ and Firefighters’ pension funds are not subject to foreign currency risk as they are denominated in U.S. currency.

Fair Value Measurement – When applicable, the City measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. GASB defines fair value as 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. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- Level 1: Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the City has the ability to access;
- Level 2: Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- Level 3: Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

The following table summarizes the City’s investments, excluding the pension funds, within the fair value hierarchy at September 30, 2019:

	Fair Value	Level 1	Level 2
U.S. treasuries	\$ 10,488,103	\$ -	\$ 10,488,103
Total investments at fair value	10,488,103	\$ -	\$ 10,488,103
Investments measured at net asset value (NAV)			
Fixed Income Trust (FIT)	41,874,061		
Investments reported at amortized cost			
Certificates of deposit	361,549		
Total investments	\$ 52,723,713		

Debt securities: Debt securities consist primarily of negotiable obligations of the U.S. government and U.S. government-sponsored agencies, preferred securities, and 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 include market observable inputs. These inputs included recent trades, yields, price quotes, cash flows,

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maturity, credit ratings, and other assumptions based upon the specifics of the investment's type.

Investments Measured at Net Asset Value (NAV)				
		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Collective funds (FIT)	\$ 41,874,061	-	Daily	Next Day
Total investments measured at NAV	<u>\$ 41,874,061</u>			

The FL FIT is a commingled Pool designed to provide a high level of current income consistent with low volatility of net asset value and provide positive holding period returns for time horizons of 1-3 years or greater. The management team utilizes multiple short term investment strategies based upon the interest rate outlook for the 1 to 5 year part of the treasury curve. The management team takes advantage of these short term strategies by utilizing a diversified portfolio of fixed income securities such as U.S. Treasury and Agencies Securities, government securities and agency mortgage back securities, corporate securities, commercial paper and other money market investments.

The following table summarizes the General Pension Plan's investments within the fair value hierarchy at September 30, 2019:

	Fair Value	Level 1	Level 2
Common stocks	\$ 23,709,846	\$ 23,709,846	\$ -
Fixed income mutual funds	50,382,034	-	50,382,034
Equity mutual funds	52,473,923	-	52,473,923
International equity trust funds	32,260,664	-	32,260,664
Collective investment trust	29,678,683	-	29,678,683
Real estate funds	33,689,598	-	33,689,598
Total investments at fair value	<u>\$ 222,194,748</u>	<u>\$ 23,709,846</u>	<u>\$ 198,484,902</u>

Common stocks – Investments traded on U.S. or foreign securities exchanges are generally valued at the regular trading session closing price on the exchange or market in which such securities are principally traded.

Fixed income and equity mutual funds – Some of the underlying securities have observable level 1 quoted pricing inputs. However, while the underlying asset values may be based on quoted market prices, the net asset value of the portfolios is not publicly quoted. Additionally, some of the underlying securities employ matrix pricing. Accordingly, these investments have been reported as level 2.

International equity trust funds – The Plan invests in two international equity trusts (“IETs”). The IETs’ underlying investments consist mostly of common stocks which are considered Level 1 securities under the fair value hierarchy. One of the IETs also includes forward exchange currency contracts which are considered Level 2 liabilities under the fair value hierarchy. The other IET holds short term investments which consist of cash held by its custodian who sweeps it into money market funds, and are considered Level 2 investments.

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Collective investment trust – The Plan invests in a collective investment trust (“CIT”). The CIT’s underlying investments consist mostly of common stocks which are considered Level 1 securities under the fair value hierarchy. It also invests in investment-grade corporate fixed income securities with maturities of 365 days or less that are valued at the applicable unit net asset value which is determinative of fair value; overall, this collective trust is considered Level 2 investments.

Real estate funds – Investments are not quoted in active markets, but inputs to pricing are observable. Accordingly, these investments have been reported as Level 2 investments.

The following table summarizes the Police Pension Plan’s investments (excluding money market funds) within the fair value hierarchy at September 30, 2019:

	Fair Value	Level 1	Level 2
U.S. Government obligations	\$ 13,789,350	\$ -	\$ 13,789,350
U.S. Government agency obligations	5,512,799	-	5,512,799
Corporate bonds	29,218,063	-	29,218,063
Domestic stocks	60,253,422	60,253,422	-
Domestic equity investment funds	20,364,444	20,364,444	-
International equity investment funds	13,867,277	13,867,277	-
Total investments at fair value	<u>143,005,355</u>	<u>\$ 94,485,143</u>	<u>\$ 48,520,212</u>

Investments measured at net asset value (NAV)

Commingled real estate funds	12,749,281
Total investments	<u>\$ 155,754,636</u>

Debt securities - Debt securities classified in Level 2 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used by Interactive Data Pricing and Reference Data, LLC to value securities based on the securities' relationship to benchmark quoted prices.

Equity funds - Valued at market prices for similar assets in active markets for inclusion in Level 1.

Common stock - Valued at quoted market prices for identical assets in active markets.

Investments Measured at Net Asset Value (NAV)

	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Commingled real estate	\$ 12,749,281	-	Quarterly
Total investments measured at NAV	<u>\$ 12,749,281</u>		60 days

The real estate investment funds are open end, commingled private equity real estate portfolios. These REIT-based funds are structured as limited partnerships. Their primary focus is to invest in well-based income producing properties within major U.S. markets. The fair values of the investments in these funds have been determined using the NAV per unit of the trusts ownership interest in partners’ capital. The investments of the fund are valued quarterly. Withdrawal requests must be made 60 days in advance and may be in one or more installments.

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The following table summarizes the Firefighters' Pension Plan's investments (excluding money market funds) within the fair value hierarchy at September 30, 2019:

	Fair Value	Level 1	Level 2
U.S. treasuries	\$ 3,962,155	\$ -	\$ 3,962,155
U.S. agencies	288,341	-	288,341
Mortgage backed securities	5,380,489	-	5,380,489
Corporate bonds	3,883,933	-	3,883,933
Common stock	52,286,836	52,286,836	-
International equity investment fund	9,522,760	9,522,760	-
Total investments at fair value	<u>75,324,514</u>	<u>\$ 61,809,596</u>	<u>\$ 13,514,918</u>
Investments measured at net asset value (NAV)			
Collective fund	45,581,266		
Commingled real estate funds	21,508,488		
Total investments	<u>\$ 142,414,268</u>		

Equity securities: These include common stock, domestic and international equity funds. Domestic 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 upon 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 security 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.

Debt securities: Debt securities consist primarily of negotiable obligations of the U.S. government and U.S. government-sponsored agencies, preferred securities, and 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 include market observable inputs. These inputs included recent trades, yields, price quotes, cash flows, maturity, credit ratings, and other assumptions based upon the specifics of the investment's type.

Investments Measured at Net Asset Value (NAV)				
		Unfunded	Redemption	Redemption
		Commitments	Frequency	Notice Period
Collective funds	\$ 45,581,266	-	Daily	Same Day
Commingled real estate	21,508,488	-	Daily	Same Day
Total investments measured at NAV	<u>\$ 67,089,754</u>			

Collective funds consist of collective investment vehicles which invests primarily in publicly traded equity securities. The funds are valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.

The fair values of the investments in the commingled real estate funds have been determined using the NAV. Net asset values of the commingled real estate are determined by the fund managers using fair values of the underlying investments of the fund. There are

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no restrictions or terms and conditions. Real estate values are based upon independent appraisals performed for assets held by the open-end fund annually, with restricted-scope appraisals conducted on a quarterly basis for those assets not receiving a full appraisal. The fair value of real estate is determined as the price that the plan would expect to receive if the asset was sold to a market participant assuming the highest and best use of each asset at the date of the statement of fiduciary net position.

B. Receivables and unearned revenue

Receivables at September 30, 2019, are as follows:

	<u>Interest</u>	<u>Taxes/ Franchise Fees</u>	<u>Accounts</u>	<u>Other</u>	<u>Inter- governmental</u>	<u>Total Receivables</u>
Governmental activities:						
General	\$ 22,997	\$1,780,055	\$ 1,119,538	\$230,227	\$ 3,018,590	\$ 6,171,407
Capital Improvements	13,286	-	-	-	628,049	641,335
Internal Service	11,290	-	62,746	217,582	2,671	294,289
Other governmental	<u>17,205</u>	<u>-</u>	<u>-</u>	<u>6,573</u>	<u>567,789</u>	<u>591,567</u>
Total – governmental activities	<u>\$ 64,778</u>	<u>\$1,780,055</u>	<u>\$ 1,182,284</u>	<u>\$454,382</u>	<u>\$ 4,217,099</u>	<u>\$ 7,698,598</u>
Business-type activities:						
Water, Wastewater & Gas Utility System:						
Unrestricted	\$ 46,604	\$ -	\$17,681,770	\$ 72,323	\$ 265,740	\$ 18,066,437
Restricted	63,103	-	-	-	-	63,103
Sanitation	1,188	-	2,466,197	234	-	2,467,619
Other proprietary	<u>7,091</u>	<u>-</u>	<u>880,563</u>	<u>35</u>	<u>463,724</u>	<u>1,351,413</u>
Gross receivables	117,986	-	21,028,530	72,592	729,464	21,948,572
Less: Uncollectibles	<u>-</u>	<u>-</u>	<u>(150,000)</u>	<u>-</u>	<u>-</u>	<u>(150,000)</u>
Total – business-type activities	<u>\$117,986</u>	<u>\$ -</u>	<u>\$20,878,530</u>	<u>\$ 72,592</u>	<u>\$ 729,464</u>	<u>\$ 21,798,572</u>

Revenues of the Water, Wastewater & Gas Utility System enterprise fund are reported net of uncollectible amounts. Actual uncollectible amounts related to revenues of the current period are as follows:

Uncollectibles related to water and wastewater sales	\$ 139,722
Uncollectibles related to gas sales	19,348
Uncollectibles related to sanitation	8,069
Uncollectibles related to recycling services	389
Uncollectibles related to stormwater services	<u>12,252</u>
Total uncollectibles for the current fiscal year	<u>\$ 179,780</u>

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

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Unearned revenue

At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

Prepaid local business license tax (General fund)	\$ 1,537,890
Prepaid inspection/plans review fees (General fund)	685,857
Prepaid inspection/plans review fees (Building fund)	89,539
Prepaid sidewalk replacement fees (Fuel and Roadway special revenue fund)	8,563
Grant proceeds prior to meeting all eligibility requirements (General fund)	<u>33,244</u>
Total unearned revenue for governmental funds	<u>\$ 2,355,093</u>

C. Capital assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated or amortized:				
Land	\$ 26,442,757	\$ 261,642	\$ -	\$ 26,704,399
Construction in progress	36,683,094	21,178,844	(10,170,421)	47,691,517
Total capital assets, not being depreciated or amortized	<u>63,125,851</u>	<u>21,440,486</u>	<u>(10,170,421)</u>	<u>74,395,916</u>
Capital assets, being depreciated or amortized:				
Intangibles	1,565,770	-	-	1,565,770
Buildings and system	150,295,402	174,028	-	150,469,430
Improvements other than buildings	55,304,691	8,304,907	(24,966)	63,584,632
Machinery and equipment	21,882,006	1,762,206	(1,131,058)	22,513,154
Vehicles	27,113,823	2,575,891	(1,806,787)	27,882,927
Infrastructure	<u>335,291,099</u>	<u>2,041,361</u>	<u>-</u>	<u>337,332,460</u>
Total capital assets, being depreciated or amortized	591,452,791	14,858,393	(2,962,811)	603,348,373
Less accumulated depreciation/ amortization for:				
Intangibles	(1,399,721)	(110,331)	-	(1,510,052)
Buildings and system	(47,042,474)	(4,733,808)	-	(51,776,282)
Improvements other than buildings	(40,759,271)	(2,404,937)	24,966	(43,139,242)
Machinery and equipment	(15,294,686)	(1,863,547)	1,085,012	(16,073,221)
Vehicles	(16,133,267)	(1,935,994)	1,758,028	(16,311,233)
Infrastructure	<u>(323,272,814)</u>	<u>(4,118,659)</u>	<u>-</u>	<u>(327,391,473)</u>
Total accumulated depreciation/ amortization	<u>(443,902,233)</u>	<u>(15,167,276)</u>	<u>2,868,006</u>	<u>(456,201,503)</u>
Total capital assets, being depreciated or amortized, net	<u>147,550,558</u>	<u>(308,883)</u>	<u>(94,805)</u>	<u>147,146,870</u>
Governmental activities capital assets, net	<u>\$210,676,409</u>	<u>\$ 21,131,603</u>	<u>\$(10,265,226)</u>	<u>\$221,542,786</u>

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	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated or amortized:				
Land	\$ 12,412,438	\$ -	\$ -	\$ 12,412,438
Construction in progress	72,014,613	26,315,543	(26,334,342)	71,995,814
Total capital assets, not being depreciated or amortized	<u>84,427,051</u>	<u>26,315,543</u>	<u>(26,334,342)</u>	<u>84,408,252</u>
Capital assets, being depreciated or amortized:				
Intangibles	352,586	-	-	352,586
Buildings and system	610,005,864	27,732,548	(109,708)	637,628,704
Improvements other than buildings	18,588,684	113,308	(13,826)	18,688,166
Machinery and equipment	9,005,196	678,430	(585,793)	9,097,833
Vehicles	11,293,292	1,350,848	(468,444)	12,175,696
Total capital assets, being depreciated or amortized	649,245,622	29,875,134	(1,177,771)	677,942,985
Less accumulated depreciation/ amortization for:				
Intangibles	(332,703)	(5,480)	-	(338,183)
Buildings and system	(287,449,690)	(22,111,925)	109,171	(309,452,444)
Improvements other than buildings	(8,498,009)	(952,487)	13,826	(9,436,670)
Machinery and equipment	(6,466,831)	(439,860)	575,426	(6,331,265)
Vehicles	(7,006,022)	(785,080)	468,444	(7,322,658)
Total accumulated depreciation/ amortization	<u>(309,753,255)</u>	<u>(24,294,832)</u>	<u>1,166,867</u>	<u>(332,881,220)</u>
Total capital assets, being depreciated or amortized, net	<u>339,492,367</u>	<u>5,580,302</u>	<u>(10,904)</u>	<u>345,061,765</u>
Business-type activities capital assets, net	<u>\$ 423,919,418</u>	<u>\$ 31,895,845</u>	<u>\$ (26,345,246)</u>	<u>\$ 429,470,017</u>

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

Governmental activities:	
General government	\$ 3,731,344
Public safety	3,549,945
Transportation, including depreciation of general infrastructure assets	4,540,983
Culture and recreation	3,345,004
Total depreciation expense - governmental activities	<u>\$ 15,167,276</u>
Business-type activities:	
Water, wastewater, and gas	\$ 23,545,040
Sanitation	301
Stormwater	643,185
Golf course	106,306
Total depreciation expense - business-type activities	<u>\$ 24,294,832</u>

D. Construction commitments

At September 30, 2019, the City had in process various uncompleted construction projects with remaining balances totaling \$51,665,575. Funding of these projects is to be made primarily through the proceeds of the related bond issues or restricted funds.

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E. Encumbrances

Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. Encumbrances as of September 30, 2019 are as follows:

Major funds:	
General Fund	\$ 1,283,453
Capital Improvements Capital Projects Fund	19,323,634
Other governmental funds	<u>673,519</u>
Total Encumbrances	<u><u>\$21,280,606</u></u>

F. Interfund receivables, payables and transfers

The General Fund advanced \$100,000 to the CDBG Grant special revenue fund. This advance was made to enable expenditures in this fund prior to grant reimbursement. The General Fund recognizes the advance as an asset with a corresponding nonspendable fund balance.

The General Fund advanced \$120,000 to the Police Confiscation special revenue fund. This advance was made to fund certain police operations. The General Fund recognizes the advance as an asset with a corresponding nonspendable fund balance.

The General Fund advanced \$18,400,000 to the Capital Improvements capital projects fund. This advance was made to fund certain park, recreation and leisure services projects. The General Fund recognizes the advance as an asset with a corresponding nonspendable fund balance.

The General Fund advanced \$82,393 to the Urban Area Security Initiative Grant special revenue fund revenue fund as a short-term loan to fund operations.

The General Fund advanced \$28,738 to the CDBG Grant special revenue fund revenue fund as a short-term loan to fund operations.

The composition of interfund balances as of September 30, 2019, is as follows.

<u>Fund</u>	<u>Interfund receivables</u>	<u>Interfund payables</u>
General fund	\$ 111,131	\$ -
Non-major governmental funds:		
Special revenue funds:		
Urban Area Security Initiative Grant	-	82,393
Community Development Block Grant	-	28,738
Total interfund receivables/payables	<u>\$ 111,131</u>	<u>\$ 111,131</u>
<u>Fund</u>	<u>Advance from</u>	<u>Advance to</u>
General fund	\$ 18,620,000	\$ -
Non-major governmental funds:		
Special revenue funds:		
Community Development Block Grant	-	100,000
Police Confiscation	-	120,000
Capital projects funds:		
Capital Improvements	-	18,400,000
Total advances	<u>\$ 18,620,000</u>	<u>\$ 18,620,000</u>

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<u>Fund</u>	<u>Due from other funds</u>	<u>Due to other funds</u>	<u>Purpose</u>
General fund	\$ 571,681	\$ 141,440	1,2,3,4
Capital Improvements capital projects	<u>836</u>	<u>-</u>	1
Special revenue funds:			
Building Fees	-	4,878	2
Community Development Block Grant	-	153	2
Fuel and Roadway	-	2,110	2
Police Confiscation	1,414	21,945	1,2
Debt service funds:			
Special Tax District No. 1	53	-	4
General Obligation Bond Series 2015	47	-	1,4
Capital project funds:			
General Obligation Bond Series 2015	<u>3,017</u>	<u>20,910</u>	1,4
Total non-major governmental funds	<u>4,531</u>	<u>49,996</u>	
Enterprise funds:			
Water, Wastewater, and Gas Utility System	<u>20,074</u>	<u>401,545</u>	1,2
Sanitation	<u>-</u>	<u>166,461</u>	2,3
Non-major enterprise funds:			
Recycling	-	9,939	2
Stormwater	<u>-</u>	<u>1,513</u>	2
Total non-major enterprise funds	<u>-</u>	<u>11,452</u>	
Internal service funds:			
Fleet Management	-	1,766	2
Information Technology & Communications	<u>-</u>	<u>2,959</u>	2
Total internal service funds	<u>-</u>	<u>4,725</u>	
Pension trust/agency funds:			
General Employees' Pension	71,369	-	2
Police Officers' Pension	59,045	-	2
Firefighters' Pension	<u>48,083</u>	<u>-</u>	2
Total pension trust/agency funds	<u>178,497</u>	<u>-</u>	
Total due to/due from	<u>\$ 775,619</u>	<u>\$ 775,619</u>	

The reasons for the due to/due from other funds are:

- 1) Salary, fringe benefit, operating expense reimbursements
- 2) Pension plan funding
- 3) Franchise fee receivable/payable
- 4) Interest

Interfund transfers:

	<u>Transfers out:</u>		
	<u>General fund</u>	<u>Water, Wastewater, and Gas Utility System enterprise fund</u>	<u>Total</u>
Transfers in:			
General fund	\$ -	\$ 5,242,464 a	\$ 5,242,464
Non-major governmental funds	1,019,870 a/b	-	1,019,870
Sanitation fund	699,510 c	-	699,510
Non-major enterprise funds	<u>1,457,120 c</u>	<u>-</u>	<u>1,457,120</u>
	<u>\$ 3,176,500</u>	<u>\$ 5,242,464</u>	<u>\$ 8,418,964</u>

The reasons for these transfers are set forth below:

- a) Move unrestricted revenues collected in funds to finance various programs accounted for in other funds in accordance with budgetary authorizations
- b) Provide funds for capital outlay
- c) Subsidize operations

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G. Leases

The City leases office equipment and other items. There are no outstanding capital leases and no material operating leases with non-cancellable terms in excess of one year.

H. Long-term debt

The schedule below details the changes in long-term liabilities for the year ended September 30, 2019:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable	\$ 44,670,000	\$ -	\$ (2,905,000)	\$ 41,765,000	\$ 2,230,000
Less deferred amounts:					
For issuance premiums	1,305,245	-	(239,928)	1,065,317	-
Total bonds payable	45,975,245	-	(3,144,928)	42,830,317	2,230,000
Compensated absences	10,560,135	5,633,558	(5,359,831)	10,833,862	979,361
Claims	4,477,000	120,753	(1,046,159)	3,551,594	1,200,000
Governmental activities long-term liabilities	<u>\$ 61,012,380</u>	<u>\$ 5,754,311</u>	<u>\$ (9,550,918)</u>	<u>\$ 57,215,773</u>	<u>\$ 4,409,361</u>
Business-type activities:					
Bonds payable:					
Revenue bonds	\$ 107,060,000	\$ -	\$ (4,715,000)	\$ 102,345,000	\$ 4,925,000
Less deferred amounts:					
For issuance premiums	185,901	-	(131,943)	53,958	-
Total bonds payable	107,245,901	-	(4,846,943)	102,398,958	4,925,000
Direct borrowing	89,625,000	-	-	89,625,000	1,065,000
Compensated absences	4,221,918	1,980,619	(2,206,427)	3,996,110	313,658
Business-type activities long-term liabilities	<u>\$ 201,092,819</u>	<u>\$ 1,980,619</u>	<u>\$ (7,053,370)</u>	<u>\$ 196,020,068</u>	<u>\$ 6,303,658</u>

For governmental activities, pension liabilities, compensated absences and other post-employment benefits are generally liquidated by the general fund. Pension contributions are paid by the General Fund, Building Fees Fund, Fuel and Roadway Fund, Community Development Block Grant Fund and Police Confiscation Fund. Claims and judgments are liquidated by the Workers' Compensation internal service fund.

Revenue bonds and other long-term liabilities directly related to and intended to be paid from proprietary funds are included in the accounts of such funds. Utility system revenue bonds and direct borrowings are collateralized by a lien on the revenues earned by the utility system.

On July 3, 2018, the City issued Utility System Revenue Refunding bonds, Series 2018, as a direct borrowing totaling \$89,625,000. This was done to refund the Utility System Revenue Refunding Bonds, Series 1998. The true interest cost is 2.33% and matures in 2026.

General Long-Term Debt Bonds are collateralized by multiple sources. The Special Tax District No. 1 ad valorem tax bonds and ad valorem tax refunding bonds are collateralized by voted debt service ad valorem taxes to be levied upon all taxable property within the District. The bonds issued by the special districts are not general or limited obligation debt or bonded indebtedness of the City and the City is not obligated to pay the bonds or bond service charges.

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The General Obligation Bonds, Series 2015 were issued in the amount of \$37,630,000 and are collateralized by voted debt service ad valorem taxes to be levied upon all taxable property within the City. These bonds were issued to finance the design, acquisition, construction, equipment, and installation of certain parks, recreation, and leisure projects within the City. The issuance of the Series 2015 bonds was approved by a majority vote of the qualified electors of the City in a bond referendum held in November 2014.

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending September 30:	Business-type Activities			
	Bonds		Direct Borrowing	
	Principal	Interest*	Principal	Interest
2020	\$ 4,925,000	\$ 5,656,579	\$ 1,065,000	\$ 2,063,448
2021	3,505,000	5,516,379	2,740,000	1,999,606
2022	-	5,516,379	13,500,000	1,685,056
2023	-	5,516,379	13,810,000	1,361,283
2024	-	5,516,379	14,125,000	1,034,171
2025-2029	16,750,000	26,130,098	44,385,000	1,049,898
2030-2034	53,055,000	13,621,911	-	-
2035-2036	24,110,000	725,821	-	-
Sub-total	102,345,000	68,199,925	89,625,000	9,193,462
Bond premium	53,958	-	-	-
Total	<u>\$ 102,398,958</u>	<u>\$ 68,199,925</u>	<u>\$ 89,625,000</u>	<u>\$ 9,193,462</u>

*Does not take into account 35% Build America Bonds interest subsidy.

Governmental Activities

Annual debt service requirements for public improvement and ad valorem tax bonds are as follows:

<u>Year Ending September 30:</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 2,230,000	\$ 1,561,686
2021	3,155,000	1,406,386
2022	3,310,000	1,242,946
2023	900,000	1,197,946
2024	945,000	1,150,696
2025-2029	5,470,000	4,983,830
2030-2034	6,585,000	3,816,749
2035-2039	7,775,000	2,644,120
2040-2044	9,325,000	1,037,213
2045	<u>2,070,000</u>	<u>-</u>
	41,765,000	19,041,572
Plus: Bond premium	1,065,317	-
Total	<u>\$ 42,830,317</u>	<u>\$ 19,041,572</u>

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Description of Individual Bond Issues Outstanding – Summarized below are the bonds outstanding for the City’s governmental activities:

	Purpose of <u>Issue</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>	<u>Interest Rate</u>
Governmental activities				
Special Tax District No. 1				
Ad Valorem Tax Refunding Bonds, Series 2001 Serial bonds	Refunding	\$ 26,660,000	\$ 5,550,000	2.70%-5.00%
Ad Valorem Tax Bonds, Series 2003 Serial bonds	Fund certain District capital improvements	6,770,000	1,475,000	1.25%-4.60%
General Obligation Bonds, Series 2015	Park, Recreation & Leisure Projects			
Serial bonds		18,460,000	15,570,000	3.0%-5.0%
Term bonds		<u>19,170,000</u>	<u>19,170,000</u>	3.375%-4.0%
Total governmental activities bonds		<u>\$ 74,695,000</u>	<u>\$ 41,765,000</u>	

Description of Individual Bond Issues Outstanding – Summarized below are the bonds outstanding for the City’s business-type activities:

	Purpose of <u>Issue</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>	<u>Interest Rate</u>
Business-type activities				
Utility revenue bonds:				
Series 2010A Serial bonds	Fund utility system improvements	19,960,000	7,740,000	4.00%
Series 2010B Term bonds	Fund utility system improvements	93,915,000	93,915,000	5.813-5.913%
Series 2010C Term bonds	Refunding	<u>4,740,000</u>	<u>690,000</u>	3.00%-4.00%
Total business-type activities bonds		<u>\$ 276,200,000</u>	<u>\$ 102,345,000</u>	

The City has outstanding utility revenue bonds and a direct borrowing totaling \$102,345,000 and \$89,625,000, respectively. The City has pledged future net water, wastewater, and gas revenues to repay this debt. Proceeds from the Series 2010A bonds and Series 2010B bonds were issued to fund construction, acquisition or equipping of certain capital improvements to the City’s water/wastewater utility facilities; and proceeds from the Series 2010C bonds were issued to refund a portion of the City’s Utility System Revenue Refunding Bonds, Series 1993 and Utility System Revenue Refunding Bonds, Series 1996. The Series 2010A bonds are payable through 2021; the Series 2010B bonds are payable through 2036; and the Series 2010C bonds are payable through 2020. Funds from the direct borrowing, which are payable through 2026, were used to refund the Series 1998 bonds. Total principal and interest remaining to be paid on the utility bonds and direct borrowing is \$269,363,387. Principal and interest paid for the current year and total customer net revenue were \$12,656,841 and \$60,149,767, respectively. The pledged revenues are expected to continue through maturity of the debt.

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Defeased and refunded debt

The City has a number of bond issues that have been refunded. An advanced refunding provides for an irrevocable deposit with an escrow agent (a third party banking institution) of sufficient funds to pay the principal and interest, when due, on the refunded bonds to the earliest call date. On the earliest call date, all bonds outstanding are redeemed and interest subsequent to the refunding date will cease. Bonds are typically refunded for either economic gain to the governmental unit or to eliminate restrictive and antiquated covenants often associated therewith. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the City's books.

Summarized below are the refunded bonds of the City's governmental and business-type activities held with escrow agents:

<u>Type</u>	<u>Series</u>	<u>Year Refunded</u>	<u>Outstanding as of 9/30/19</u>
Governmental activities:			
Public Facilities revenue bonds	1992B	2013	\$ 17,360,000
Business-type activities:			
Utility System revenue bonds	1983A	1985	680,000
	1983C	1985	980,000
	1998	2010	<u>20,640,000</u>
Total outstanding defeased, refunded debt			<u>\$ 39,660,000</u>

I. Property taxes

The State of Florida permits the City to levy taxes up to 10 mills of assessed property valuation for the general fund except for special benefits and debt service obligations which may be issued with the approval of those taxpayers subject to ad valorem taxes. The operating millage rate levied by the City and budgeted for the 2018-2019 fiscal year is 6.0543 mills. On January 29, 2008, the Florida electorate approved an amendment to the Florida Constitution relative to property taxation. This amendment (referred to as Amendment 1) was placed on the ballot by the Florida Legislature at a special session held during 2007 and became effective October 1, 2008. Amendment 1 increased the current \$25,000 homestead exemption by an additional \$25,000 (for property values between \$50,000 and \$75,000), except for school district taxes. Amendment 1 also provided "portability", allowing property owners to transfer up to \$500,000 of their "Save Our Homes" benefits to their next homestead when they move. "Save Our Homes" became effective in 1995 and limits (caps) the annual increase in assessed value for homesteaded property to three percent (3%) or the percentage change in the Consumer Price Index, whichever is less. Amendment 1 also provided a \$25,000 exemption for tangible personal property. Current tax collections for the year ended September 30, 2019 were approximately 99% of the total tax levy, net of discounts allowed.

Property taxes based on assessed values at January 1 are levied on November 1 of each year. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percentage point each month thereafter. Taxes become delinquent on April 1 of each year and tax certificates for the full amount of any unpaid taxes and assessments are auctioned beginning June 1 of each year.

The City Commission establishes the tax levy of the City. The adoption of the final millage rate occurred September 26, 2018. Property tax collections are governed by Chapter 197, Florida Statutes. The Broward County Tax Collector (Tax Collector) bills and collects all

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property taxes levied within the County. The Tax Collector remits current taxes collected through four distributions to the City in the first quarter of the tax year and at least one distribution each month thereafter. The City recognizes property tax revenue in the period in which they are levied.

The property tax calendar for revenues billed and received for the fiscal year ended September 30, 2019 is shown as follows:

Lien date	January 1, 2018
Levy date, tax bills mailed	November 1, 2018
Last date for 4% discount on taxes paid	November 30, 2018
Last date for 3% discount on taxes paid	December 31, 2018
Last date for 2% discount on taxes paid	January 31, 2019
Last date for 1% discount on taxes paid	February 28, 2019
Final due date of payment of taxes	March 31, 2019
Date for auctioning tax certificates on delinquent accounts	On or before June 1, 2019

V. Other Information

A. Risk management

The City is exposed to various risks of loss related to torts, theft of, damage to or destruction of assets, errors and omissions, injuries to employees and natural disasters. During the 1994-1995 fiscal year, the City established a Workers' Compensation fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the Workers' Compensation fund self-insures losses up to \$250,000 per occurrence. The City purchases excess insurance through the Florida Municipal Insurance Trust, an intergovernmental pool, for claims in excess of coverage provided by the fund. The City also participates in intergovernmental pooling or carries commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

All departments of the City participate in the program and make payments to the fund based on actuarial estimates of the amounts needed to pay prior and current year claims (including allocated loss adjustment expenses and incurred but not reported claims). The claims liability of \$3,551,594, which is discounted at 2%, is reported in the fund at September 30, 2019 and is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the claim can be reasonably estimated.

The following schedule presents the changes in aggregate claims liability (in thousands) for the past two years:

	Year ended <u>9/30/19</u>	Year ended <u>9/30/18</u>
Unpaid claims, beginning of fiscal year	\$ 4,477	\$ 4,791
Incurred claims (and estimate changes)	121	611
Claim payments	<u>(1,046)</u>	<u>(925)</u>
Unpaid claims, end of fiscal year	<u>\$ 3,552</u>	<u>\$ 4,477</u>

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B. Contingent liabilities

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

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel, the resolution of these matters will not have a significant adverse effect on the financial condition of the City.

C. Employee retirement systems and pension plans

Plan descriptions: The City of Sunrise contributes to three single-employer defined benefit pension plans: General Employees' Pension Plan, Police Officers' Pension Plan and Firefighters' Pension Plan and one defined contribution plan: Governmental Money Purchase Plan and Trust. Additionally, the City maintains a supplemental retiree subsidy for police officers hired on or after September 30, 2015 and general employees and a preservation of benefits plan.

In addition to normal retirement benefits, all three of the defined benefit pension plans provide for long-term disability and survivor benefits, as well as deferred pensions for former employees, dependent upon length of service or years of contributions and age upon death or disability. Florida Statutes Chapter 112 and City ordinance provide the authority to establish and amend benefit provisions for all three defined benefit pension plans.

A deferred retirement option program (DROP) was implemented in the Police Officers' Pension Plan (the Plan). Upon participation in the DROP, the participant becomes a retiree for all Plan purposes and any further benefits under the pension plan cease to accrue. Normal retirement payments that would have been payable to the participant as a result of retirement are accumulated and invested in the DROP to be distributed to the participant upon termination of employment. Effective July 10, 2007, an eligible member who elects to participate in the DROP within five years following the member's earliest normal retirement date may participate in the DROP for a maximum of six years. Effective August 9, 2011, an eligible member who elects to participate in the DROP within five years following the member's earliest normal retirement date may participate in the DROP for a maximum of seven years. An eligible member hired on or after September 30, 2015 who elects to participate in the DROP within six months following the member's earliest normal retirement date may participate in the DROP for a maximum of four years. There were twenty members in the DROP as of September 30, 2019. Members of the Plan who terminate employment and begin receiving normal retirement benefits subsequent to December 31, 2005 will receive a 2% cost of living adjustment. Members who begin receiving normal retirement benefits or enter the DROP on or after October 1, 2008 will receive a 2.5% cost of living adjustment. Members hired on or after September 30, 2015 who begin receiving normal retirement benefits or enter the DROP will receive no cost of living adjustment. The Plan provides for supplemental pension distributions based on the cumulative net actuarial gain as identified in the most recent actuarial report for eligible participants who have retired prior to December 13, 2004. Any participant immediately eligible for early or normal retirement benefits or entered the DROP between August 14, 2001 and December 12, 2004 is eligible for a 13th check, the amount of which cannot exceed 100% of a participant's monthly retirement benefit. In the event that the cumulative net actuarial gain exceeds the amount distributed by the 13th check and the City's required contributions to the Plan, a 14th check

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will be distributed to eligible participants – those eligible for a 13th check, except for DROP participants. Members hired on or after September 30, 2015 who begin receiving normal retirement benefits are eligible for a 13th check for years of investment gains if the plan is 100% funded.

City Ordinance 124-X-02-B, approved March 12, 2002, established a retirement incentive program for firefighters. During a “window period” of thirty calendar days, beginning February 27, 2002, eligible firefighters could have made an irrevocable election to participate in this program. The eligible firefighters must have retired and separated from City employment no later than April 15, 2002. Eligible firefighters who elected the program could have also elected to participate in a DROP for up to thirty-six months or, alternatively, elect a BAC-DROP option for up to eighteen months. Beginning four years after retirement or entry into the DROP, a 2% annual increase in retirement benefits is applicable for all members. As of June 10, 2008, eligible firefighters can participate in the DROP for a maximum period of 72 months. Effective September 25, 2012, eligible firefighters who elect to participate in the DROP program can participate for up to 84 months; eligible firefighters may elect a “BAC – DROP” option of up to 24 months, which will reduce the maximum 84-month DROP period by the same amount of time. Effective October 1, 2013, the annual COLA is increased to 2.5% for firefighter members who terminate employment and begin receiving normal retirement benefits or enter the DROP on or after October 1, 2010. As of September 30, 2019, thirty-nine firefighters were participating in this program.

Effective September 13, 1999, the General Employees’ Pension Plan distinguished between general employees, management and senior management. DROP was implemented for management and senior management effective June 12, 2001 and for general employees effective January 1, 2004. If hired prior to October 1, 2018, participation in the DROP is limited to a maximum 72 months prior to termination of employment while employees hired on or after October 1, 2018, participation in the DROP is limited to a maximum of four years. As of September 30, 2019, there were eighty-three participants in the DROP. Beginning one year after retirement or entry into the DROP, an annual increase in retirement benefits of 2% for management members and 2.5% for senior management who reach early or normal retirement age and begin receiving benefits after June 12, 2001, is applicable. For eligible general employees, a supplemental pension distribution in the form of an optional 13th check, based on the cumulative net actuarial gain is available; effective January 1, 2004, a minimum of one-half of the 13th check is guaranteed payable, notwithstanding actuarial gains; effective October 1, 2007, a minimum of 75% of the 13th check is guaranteed payable, notwithstanding actuarial gains. Effective for all general employees, including management and senior management, hired on or after October 1, 2009, a minimum of 75% of the 13th check is guaranteed payable, notwithstanding actuarial gains. Effective for all general employees, including management and senior management, hired on or after October 1, 2018, who begin receiving retirement benefits are eligible for a 13th check for years of investment gains if the funded status of the plan is equal to 100% or greater.

The Governmental Money Purchase Plan and Trust (Purchase Plan) was established for senior managers who are members of the General Employees’ Pension Plan. The Purchase Plan was subsequently amended on March 12, 2003 by Ordinance 715-X-03-A, to additionally include all management employees with more than 10 years of City service and city commissioners. The City contributes 3% of earnings each plan year (calendar year) on behalf of each eligible management employee, 6% of earnings each plan year on behalf of each senior management employee and each city commissioner, and the calendar year maximum for the City Manager; the eligible employees are not required to make contributions. The ICMA Retirement Corporation serves as administrator for this Purchase Plan. The City recognized expenditures/expenses of \$331,542 for the fiscal year ended

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September 30, 2019 for the sixty-five employees covered under the plan. City ordinance provides the authority to establish and amend benefit provisions and contribution requirements for the Governmental Money Purchase Plan and Trust. The Purchase Plan was amended with Ordinance No. 715-X-09-A, effective May 1, 2009, which eliminated the benefit for general employees newly hired, rehired, or promoted from a general employee position into a management position.

The City, under Ordinance No. 715-X-99-A and amended by Ordinance No. 715-X-00-C and Ordinance No. 715-X-03-A, established a retiree subsidy benefit plan of \$200 per month for all general executive management and supervisory/professional employees who retired on or after September 28, 1999, except that senior managers who retired directly from the City after January 1, 2001, receive an amount equivalent to 80% of the total cost of family coverage under the City's health insurance program. Effective October 1, 1999, the City agreed to establish a subsidy of \$200 per month for all general employees, per the Collective Bargaining Agreement between the City and the Federation of Public Employees. The subsidy commenced at the same time the General Employees' Pension Plan member began to receive normal or early retirement benefits and continues until the plan member reaches age 65. Upon attaining age 65, bargaining unit employees will receive 75% of the \$200 per month subsidy, except that senior managers will receive 75% of the benefit received immediately prior to attaining age 65. If a general executive management or supervisory/professional employee dies before age 65, the health insurance subsidy continues to be paid to that member's spouse until the date that member would have reached age 65. Effective October 1, 2006, eligible general employees who retire and separate employment will be paid a monthly subsidy of \$250, which shall continue for the life of the retiree. Eligible general employees who retire and separate employment after February 26, 2008 will be paid a monthly subsidy of \$350, which shall continue for the life of the retiree. Effective under Ordinance No. 715-X-09-A, all management and supervisory/professional employees who separate and retire from the City after May 1, 2009, whose health benefit at retirement is less than the benefit provided to general employees under the applicable collective bargaining agreement in effect at the time of separation, will receive a retiree subsidy equal to the general employee's benefit. Effective October 1, 2015, eligible police employees who retire and separate employment will be paid a monthly subsidy of \$500 until age 65, which shall be thereafter be reduced to \$350 and shall continue for the life of the retiree. There were 363 participants during the fiscal year ended September 30, 2019. There are no assets accumulated in the retiree subsidy plan to pay related benefits.

Additionally, the City maintains a preservation of benefits plan. Effective September 28, 1999, under Ordinance No. 715-X-99-A, the City established a preservation of benefits plan as a deferred compensation plan for managers and senior managers who are members of the General Employees' Pension Plan. Effective September 12, 2017, under Ordinance No. 622, an excess benefit plan was established for eligible members of the Police Officers' Retirement Plan and Firefighters' Retirement Plan who entered the DROP between March 1, 2010 and October 17, 2017. These are administered by the City and established as a qualified governmental excess benefits arrangement pursuant to section 415(m) of the U. S. Internal Revenue Code. For each eligible payee, the City will provide a supplemental retirement benefit equal to the reduction of retirement benefits due to the application of section 401(a) (17) or section 415(b) of the U.S. Internal Revenue Code. There were eight eligible participants covered during the fiscal year ended September 30, 2019.

All three defined benefit pension plans are included as part of the City's reporting entity as pension trust funds. Copies of separately issued financial reports that include financial statements and required supplementary information for each plan is available at the following locations:

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General Employees' Pension Plan	The Resource Centers, LLC 4360 Northlake Boulevard Suite 206 Palm Beach Gardens, FL 33410 Attn: Margie Adcock	Telephone No. (561) 624-3277
Police Officers' Pension Plan	David M. Williams, Plan Administrator Sunrise Police Officers' Retirement Plan 13790 N. W. Fourth Street Suite 105 Sunrise, FL 33325	Telephone No. (954) 845-0298
Firefighters' Pension Plan	The Resource Centers, LLC 4360 Northlake Boulevard Suite 206 Palm Beach Gardens, FL 33410 Attn: Scott Baur	Telephone No. (561) 624-3277

Contributions for pension plans: The contribution requirements of plan members and the City for the City's three single-employer defined benefit pension plans are established and may be amended by City Ordinance. Plan member contributions are recognized in the period in which the contributions are due. The City contributes an actuarially determined amount to fully fund benefits for active members. Any unfunded actuarial liability is amortized as a level percent of projected member payroll over a period of twenty-five years for the Firefighters' Pension Plan and twenty years for the Police Officers' and General Employees' Pension Plans. City contributions to the plans, as calculated by the plans' actuaries, are recognized as revenue when due and the City has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans. If the City's calculated contribution, excluding the cost of post September 13, 1999 management and senior management benefits, exceeds 14% for the General Employees' Pension Plan, member contributions, as well as the City contribution, are increased by half of the excess percentage of payroll except that the total maximum contribution for general employees is capped at 9.51% until a new bargaining unit contract is negotiated and the maximum contribution for management and senior management hired prior to October 1, 2009 is 11.75%. Effective October 1, 2009, general employees, including management and senior management, hired on or after October 1, 2009 contribute 8%. Effective September 30, 2015, police officers hired on or after September 30, 2015 contribute 8%.

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	<u>General Employees' Pension Plan</u>	<u>Police Officers' Pension Plan</u>	<u>Firefighters' Pension Plan</u>
Contributions:			
Contribution rates:			
City	37.54%	58.00%	49.04%
Plan members		9.84%	10.63%
General employees	9.51%		
Management, senior management	11.75%		
Employees hired after 10/1/09	8.00%		
Police Officers hired after 9/30/15		8.00%	
Actuarially determined contribution	\$ 13,530,354	\$ 11,065,301	\$ 7,101,487
Contributions made:			
City	\$ 13,530,354	\$ 10,207,194	\$ 6,279,661
Plan members	3,306,287	1,686,187	1,341,475
Other	-	858,107 ¹	821,826 ¹

The following schedule summarizes the contribution rates for the City and its plan members: ¹The Police Officers' and Firefighters' Pension Plans are partially funded by contributions from the State of Florida under Chapters 185 and 175, respectively, of the Florida Statutes. This contribution consists of excise taxes collected by the State on property and casualty insurance premiums on policies written within the City and totaled \$1,679,933 for the year ended September 30, 2019: \$821,826 for property insurance contracts for firefighters and \$858,107 for casualty insurance contracts for police officers. These amounts are recognized as insurance premium tax revenues and public safety expenditures in the General Fund.

Actuarial methods and assumptions: The City's net pension liability for all plans 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 (rolled forward from October 1, 2017 actuarial valuation). Mortality rates were based on the RP-2000 Combined Table for males and females with mortality improvement projected to all future years using Scale BB for all plans. The actuarial methods and assumptions for each plan are as follows:

	<u>General Employees' Pension Plan</u>	<u>Police Officers' Pension Plan</u>	<u>Firefighters' Pension Plan</u>
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level percent, closed	Level percent, closed	Level percent, closed
Remaining amortization period	20 years	21 years	25 years
Actuarial assumptions:			
Investment rate of return	7.35%	7.70%	7.80%
Inflation rate	2.4%	2.5%	2.5%
Projected salary increases [*]	3.5%-6.5%	4.2%-7.5%	5%-12%
Cost of living adjustments	2% management & commissioners; 2.5% senior management based on eligibility	2.5% for eligible employees	2%-2.5% for eligible employees
Asset valuation:			
Reporting	Fair value	Fair value	Fair value
Actuarial valuation	5 year smoothed market	5 year smoothed market	5 year smoothed market
Non-government investment in excess of 5%	None	None	None
[*] Projected salary increases include inflation.			
Membership as of Actuarial Valuation Date			
Retirees and beneficiaries	568	144	119
Inactive, non-retired members	66	-	2
Active members	540	155	114

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The actuarial valuation of the total pension liability was performed as of September 30, 2017 for the retiree subsidy plan and September 30, 2018 for the excess benefits plan. Both plans have a measurement date of September 30, 2018 based on the assumptions presented below.

	<u>Retiree Subsidy</u>	<u>Excess Plan</u>
Actuarial valuation date	September 30, 2017	September 30, 2018
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Inflation rate	2.50%	2.50%
Discount rate	3.83%	3.83%
Salary increases	Police-based on age of employee General-based on years of credited service	N/A

Membership as of Actuarial Valuation Date

Retirees and beneficiaries	314	6
Active members	627	-

Discount rate: The discount rate used to measure the total pension liability was 7.35% for the General Employees' Retirement Plan, 7.70% for the Police Officers' Plan and 7.80% for the Firefighters' Pension Plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the pension plans' 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.

Discount rate: The discount rate used to measure the total pension liability for the retiree subsidy plan and excess benefits plan was based on a municipal bond rate of 3.83% based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

Sensitivity of the net pension liability to changes in the discount rate: The following presents the City's net pension liability calculated using the current discount rates and the liability using discount rates that are one percentage point lower and one percentage point higher than the current rates:

<u>Pension Plan</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
General Employees (7.35%)	\$ 129,519,619	\$ 93,642,868	\$ 63,775,239
Police Officers (7.70%)	87,986,135	59,921,557	36,649,005
Firefighters (7.80%)	73,371,424	48,188,391	27,797,274

Sensitivity of the total pension liability to changes in the discount rate: The following presents the City's total pension liability for the retiree subsidy plan and excess benefits plan calculated using a municipal bond discount rate and the total liability using municipal bond rates that are one percentage point lower and one percentage point higher than the current rate:

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	1% Decrease	Current Discount Rate	1% Increase
Retiree Subsidy Pension Plan (3.83%)	\$ 40,289,124	\$ 35,552,002	\$ 31,644,823
Excess Benefits Plan (3.83%)	1,878,425	1,758,019	1,651,568

Long-term expected rate of return: The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses 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 class included in the pension plans' target asset allocations as of September 30, 2018 are summarized in the following table:

	Target Allocation	Asset Class	Long-Term Expected Real Rate of Return
<u>General Employees Retirement Plan</u>	55.0%	Domestic equity	6.16%
	15.0%	International equity	2.92%
	30.0%	Fixed income	4.25%
<u>Police Officers' Retirement Plan</u>	51.0%	Domestic equity	6.20%
	8.0%	Real estate	4.50%
	9.0%	International equity	8.50%
	32.0%	Fixed income	3.00%
<u>Firefighters' Retirement Plan</u>	37.0%	Large Cap	5.30%
	8.0%	Mid Cap	8.50%
	10.0%	Small Cap	5.90%
	30.0%	Fixed income	2.00%
	10.0%	International equity	3.30%
	5.0%	Emerging Markets	7.90%

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Changes in the Net Pension Liability:

	Pension Plans			Total
	General Employees	Police Officers	Firefighters'	
Total pension liability - beginning	\$ 297,474,737	\$ 195,780,249	\$ 185,882,096	\$ 679,137,082
Changes for the year:				
Service cost	6,700,193	4,857,819	3,649,483	15,207,495
Interest	22,116,944	15,162,272	14,426,543	51,705,759
Difference between expected and actual experience	(2,725,152)	4,093,499	231,072	1,599,419
Change of assumptions	3,234,052	1,265,641	1,196,786	5,696,479
Benefit payments	(14,471,951)	(9,924,857)	(10,960,320)	(35,357,128)
Refunds	(134,450)	(66,853)	-	(201,303)
Net change in total pension liability	<u>14,719,636</u>	<u>15,387,521</u>	<u>8,543,564</u>	<u>38,650,721</u>
Total pension liability - ending (a)	<u>\$ 312,194,373</u>	<u>\$ 211,167,770</u>	<u>\$ 194,425,660</u>	<u>\$ 717,787,803</u>
Plan fiduciary net position - beginning	\$ 198,335,210	\$ 138,217,216	\$ 135,548,638	\$ 472,101,064
Employer contributions	13,239,759	9,431,736	6,027,609	28,699,104
Employee contributions	3,198,740	1,698,916	1,244,670	6,142,326
Other contributions	-	785,047	763,749	1,548,796
Net investment income	18,581,100	11,384,925	13,810,392	43,776,417
Benefit payments	(14,471,951)	(9,924,857)	(10,960,320)	(35,357,128)
Refunds	(134,450)	(66,853)	-	(201,303)
Administrative expenses	(196,903)	(279,917)	(197,469)	(674,289)
Net change in fiduciary net position	<u>20,216,295</u>	<u>13,028,997</u>	<u>10,688,631</u>	<u>43,933,923</u>
Plan fiduciary net position - ending (b)	<u>\$ 218,551,505</u>	<u>\$ 151,246,213</u>	<u>\$ 146,237,269</u>	<u>\$ 516,034,987</u>
Net pension liability (a-b)	<u>\$ 93,642,868</u>	<u>\$ 59,921,557</u>	<u>\$ 48,188,391</u>	<u>\$ 201,752,816</u>

The Schedules of Changes in the City's Net Pension Liability and Related Ratios and Schedule of Contributions, presented as required supplementary information following the notes to the financial statements, present multiyear trend information.

Changes in the Total Pension Liability:

	Other Pension Plans		Total
	Retiree Subsidy	Excess Benefits	
Total pension liability - beginning	\$ 35,959,918	\$ 2,241,127	\$ 38,201,045
Changes for the year:			
Service cost	1,336,943	-	1,336,943
Interest	1,278,867	74,648	1,353,515
Difference between expected and actual experience	-	(303,048)	(303,048)
Change of assumptions	(1,508,136)	(38,066)	(1,546,202)
Benefit payments	(1,515,590)	(216,642)	(1,732,232)
Net change in total pension liability	<u>(407,916)</u>	<u>(483,108)</u>	<u>(891,024)</u>
Total pension liability - ending	<u>\$ 35,552,002</u>	<u>\$ 1,758,019</u>	<u>\$ 37,310,021</u>
Covered payroll	\$ 42,509,034	N/A	
Total pension liability as a percentage of covered payroll	83.63%	N/A	

CITY OF SUNRISE, FLORIDA

The Schedules of Changes in the City's Total Pension Liability and Related Ratios for the retiree subsidy and excess benefits plans are presented as required supplementary information following the notes to the financial statements, present multiyear trend information.

Pension Expense, Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2019, the City recognized pension income of \$8,183,152 and pension expense of \$11,595,885 as the result of GASB No. 68. Deferred outflows and inflows of resources related to the City's three defined benefit pension plans are as follows:

	Pension Plans			Total
	General Employees'	Police Officers'	Firefighters'	
<u>Deferred outflow s</u>				
Difference between expected and actual experience	\$ 3,870,574	\$ 4,282,033	\$ 885,545	\$ 9,038,152
Contributions subsequent to the measurement date	13,530,354	11,065,301	7,101,487	31,697,142
Changes in assumptions	12,795,154	2,110,109	4,515,015	19,420,278
Total deferred outflow s	<u>\$ 30,196,082</u>	<u>\$ 17,457,443</u>	<u>\$ 12,502,047</u>	<u>\$ 60,155,572</u>
<u>Deferred inflow s</u>				
Difference between expected and actual experience	\$ 2,171,966	\$ -	\$ 337,479	\$ 2,509,445
Difference between expected and actual earnings on investments	7,062,757	1,510,647	4,552,806	13,126,210
Changes in assumptions	-	713,522	-	713,522
Total deferred inflow s	<u>\$ 9,234,723</u>	<u>\$ 2,224,169</u>	<u>\$ 4,890,285</u>	<u>\$ 16,349,177</u>

As a result of GASB No. 73, for the year ended September 30, 2019, the City recognized pension income of \$57,360 for the retiree subsidy and \$515,979 for the excess benefits plans. Additionally, the City recognized pension expense of \$826,740 for the retiree subsidy benefit plan. Deferred outflows and inflows of resources related to the City's other pension plans are as follows:

	Other Pension Plans		Total
	Retiree Subsidy	Excess Benefits	
<u>Deferred outflows</u>			
Contributions subsequent to the measurement date	\$ 1,572,950	\$ 249,513	\$ 1,822,463
Changes in assumptions	1,705,524	-	1,705,524
Total deferred outflows	<u>\$ 3,278,474</u>	<u>\$ 249,513</u>	<u>\$ 3,527,987</u>
<u>Deferred inflows</u>			
Difference between expected and actual experience	\$ 721,409	\$ -	\$ 721,409
Changes in assumptions	2,726,462	-	2,726,462
Total deferred inflows	<u>\$ 3,447,871</u>	<u>\$ -</u>	<u>\$ 3,447,871</u>

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling \$33,519,605 will be recognized as a reduction in net pension liability in the year ending September 30, 2020 for each respective pension plan.

CITY OF SUNRISE, FLORIDA

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

Fiscal Year	Defined Benefit Pension Plans			
	General Employees'	Police Officers'	Firefighters'	Retiree Subsidy
2020	\$ 5,669,379	\$ 3,330,287	\$ 1,272,369	\$ (273,480)
2021	2,531,434	338,253	(443,249)	(273,480)
2022	(56,931)	417,500	(88,424)	(273,480)
2023	(712,877)	81,933	(230,421)	(273,480)
2024	-	-	-	(511,321)
Thereafter	-	-	-	(137,106)
	\$ 7,431,005	\$ 4,167,973	\$ 510,275	\$ (1,742,347)

D. Postemployment benefits

The cost of post-employment healthcare, life insurance, and long-term care benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 75, the City recognizes the total OPEB liability and the OPEB expense cost of these post-employment benefits in the year when the employee services are received.

Plan descriptions: The City has previously established and maintains a self-funded employee group medical insurance plan, a fully-insured employee group life insurance plan, and a fully-insured employee group long-term care insurance plan that it makes available to eligible retirees in accordance with State of Florida law and City ordinance. The self-funded medical and fully-insured life insurance plans are single-employer, experience-rated insurance plans that provide benefits to eligible retirees and their eligible dependents. The fully-insured long-term care insurance plan is a single-employer, statewide filed and rated insurance plan available to eligible retirees and their eligible dependents. These plans are not accounted for in a trust fund, as an irrevocable trust has not been established.

Funding policy: To date, the City has followed a pay-as-you-go funding policy, contributing only those amounts necessary to provide for its portion of current year benefit costs and expenses. The contribution requirements, if any, of plan members are established by the City. The City pays any remaining required amounts after contributions of plan members are taken into account. Currently, eligible retirees do not pay for life insurance or long-term care insurance plans provided by the City, but do pay the premiums associated with the medical plan elected - no direct City subsidy is currently applicable. However, there are implicit costs of medical and direct costs of life and long-term care insurance plan benefits. Retiree's spouses and other eligible dependents are also eligible under the City's medical and life insurance plans and the retiree is responsible for the payment of the applicable medical and life insurance premiums.

State of Florida law prohibits the City from separately rating retirees and active employees for medical plan benefits. The City therefore assigns to both groups equal, blended-rate premiums and makes available to both groups the same plan options. Although both groups are assigned the same blended-rate premiums, GAAP requires the actuarial liabilities to be calculated using age-adjusted premiums approximating claim costs for eligible retirees separate from active eligible members. The use of age-adjusted premiums results in the entire expected retiree obligation recognized in this disclosure.

CITY OF SUNRISE, FLORIDA

Actuarial methods and assumptions: Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Projections of other post-employment benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the type of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial calculations reflect a long-term perspective. The annual health care cost projected trend rates are based on the Getzen Model with a trend rate of 7% effective October 1, 2018, 6.75% effective October 1, 2019, and gradually decreasing to an ultimate trend rate of 4.24% plus .58% increase for excise tax. Benefits are assumed to be unfunded. The actuarial valuation of the total OPEB liability was performed as of September 30, 2017 and with a measurement date of September 30, 2018 based on the assumptions presented below.

Actuarial valuation date	September 30, 2017
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Discount rate	3.83%
Inflation rate	2.50%
Projected salary increases	Police-based on age of employee General-based on years of credited service Fire-based on years of credited service
Asset valuation method	n/a
Membership as of Actuarial Valuation Date	
Retirees and beneficiaries	367
Active members	940

Changes in the Total OPEB Liability:

Total OPEB obligation – beginning	\$28,819,812
Changes for the year:	
Service cost	1,303,902
Interest on total OPEB liability	1,045,133
Changes of assumptions	(1,657,674)
Benefit payments	<u>(525,543)</u>
Net change in total OPEB liability	<u>165,818</u>
Total OPEB obligation – ending	<u>\$28,985,630</u>
Covered payroll	\$63,617,031
Total OPEB liability as a percentage of covered payroll	45.56%

CITY OF SUNRISE, FLORIDA

The Schedules of Changes in the City's Total OPEB Liability and Related Ratios, presented as required supplementary information following the notes to the financial statements, present multiyear trend information.

Discount rate: The discount rate used to measure the total OPEB liability was based on a tax-exempt municipal bond rate of 3.83% based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

Mortality rate: The mortality rate used to measure the total OPEB liability was based on July 1, 2016 mortality tables of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2008 through 2013.

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the City's total OPEB liability calculated using a discount rate of 3.83%, as well as the total OPEB liability using a discount rate that is one percentage point lower and one percentage point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
OPEB liability (3.83%)	\$ 34,317,718	\$ 28,985,630	\$ 24,823,053

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate: The following presents the City's total OPEB liability calculated using the assumed trend rates, as well as the total OPEB liability using a trend rate that is one percentage point lower and one percentage point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
OPEB liability (7.00%)	\$ 26,619,755	\$ 28,985,630	\$ 31,972,584

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

For the year ended September 30, 2019, the City recognized OPEB income of \$185,050 and OPEB expense of \$1,277,934 as the result of GASB No. 75. Deferred outflows and inflows of resources related to OPEB are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$ 710,593	\$ -
Changes in assumptions	-	2,862,452
	\$ 710,593	\$ 2,862,452

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

Year Ending September 30	Deferred Inflows of Resources
2020	\$ (545,558)
2021	(545,558)
2022	(545,558)
2023	(545,558)
2024	(485,201)
Thereafter	(195,019)
	\$ (2,862,452)

CITY OF SUNRISE, FLORIDA

E. Subsequent event

On November 4, 2014, voters approved the issuance of general obligation bonds in a principal amount not to exceed \$65,000,000 in one or more series. The first series was issued April 8, 2015 for \$39,995,865.45 and the second series was issued November 21, 2019 for \$24,997,095.25. The bonds are secured by a pledge of the full faith and credit of the City and shall be payable from ad valorem taxes levied on all taxable property within the City. The bond proceeds are being used to finance park, recreation and leisure projects.

**CITY OF SUNRISE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Measurement date September 30,	General Employees' Pension Plan				
	2018	2017	2016	2015	2014
Total pension liability - beginning	\$ 297,474,737	\$ 263,928,563	\$ 246,978,656	\$ 230,997,644	\$ 225,236,553
Changes for the year:					
Service cost	6,700,193	6,719,925	6,249,017	5,709,473	5,592,989
Interest	22,116,944	19,803,514	18,468,241	17,739,018	16,695,690
Difference between expected and actual experience	(2,725,152)	2,638,592	6,201,568	4,223,251	(86,907)
Change of assumptions	3,234,052	17,587,407	-	2,870,501	-
Benefit payments	(14,471,951)	(13,058,734)	(13,886,080)	(14,424,957)	(16,155,069)
Refunds	(134,450)	(144,530)	(82,839)	(136,274)	(285,612)
Net change in total pension liability	14,719,636	33,546,174	16,949,907	15,981,012	5,761,091
Total pension liability - ending (a)	<u>\$ 312,194,373</u>	<u>\$ 297,474,737</u>	<u>\$ 263,928,563</u>	<u>\$ 246,978,656</u>	<u>\$ 230,997,644</u>
Plan fiduciary net position - beginning	\$ 198,335,210	\$ 176,026,669	\$ 160,767,773	\$ 163,396,851	\$ 155,619,994
Employer contributions	13,239,759	11,255,914	10,310,136	9,797,263	9,606,777
Employee contributions	3,198,740	3,173,557	3,103,175	2,951,954	2,676,412
Net investment income (loss)	18,581,100	21,271,925	16,019,240	(618,632)	12,106,642
Benefit payments	(14,471,951)	(13,058,734)	(13,886,080)	(14,424,957)	(16,155,069)
Refunds	(134,450)	(144,530)	(82,839)	(136,274)	(285,612)
Administrative expenses	(196,903)	(189,591)	(204,736)	(198,432)	(172,293)
Net change in plan fiduciary net position	20,216,295	22,308,541	15,258,896	(2,629,078)	7,776,857
Plan fiduciary net position - ending (b)	<u>\$ 218,551,505</u>	<u>\$ 198,335,210</u>	<u>\$ 176,026,669</u>	<u>\$ 160,767,773</u>	<u>\$ 163,396,851</u>
Net pension liability (a-b)	<u>\$ 93,642,868</u>	<u>\$ 99,139,527</u>	<u>\$ 87,901,894</u>	<u>\$ 86,210,883</u>	<u>\$ 67,600,793</u>
Plan fiduciary net position as a percentage of the total pension liability	70.00%	66.67%	66.69%	65.09%	70.74%
Covered payroll	\$ 35,240,205	\$ 35,656,748	\$ 31,775,096	\$ 28,384,840	\$ 26,603,455
Net pension liability as a percentage of covered payroll	265.73%	278.04%	276.64%	303.72%	254.11%

Note: This schedule is intended to have ten years of data. Additional data to be compiled as information becomes available.

**CITY OF SUNRISE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Measurement date September 30,	Police Officers' Pension Plan				
	2018	2017	2016	2015	2014
Total pension liability - beginning	\$ 195,780,249	\$ 186,044,406	\$ 175,806,062	\$ 157,911,262	\$ 151,315,619
Changes for the year:					
Service cost	4,857,819	4,599,186	4,415,243	4,068,061	3,784,863
Interest	15,162,272	14,481,168	13,727,142	12,725,631	12,056,017
Difference between expected and actual experience	4,093,499	2,023,747	560,558	-	(444,699)
Change of assumptions	1,265,641	(1,393,066)	-	6,918,969	-
Benefit payments	(9,924,857)	(9,946,162)	(8,399,112)	(5,761,251)	(8,760,460)
Refunds	(66,853)	(29,030)	(65,487)	(56,610)	(40,078)
Net change in total pension liability	15,387,521	9,735,843	10,238,344	17,894,800	6,595,643
Total pension liability - ending (a)	<u>\$ 211,167,770</u>	<u>\$ 195,780,249</u>	<u>\$ 186,044,406</u>	<u>\$ 175,806,062</u>	<u>\$ 157,911,262</u>
Plan fiduciary net position - beginning	\$ 138,217,216	\$ 122,661,859	\$ 110,239,064	\$ 105,563,905	\$ 96,495,201
Employer contributions	9,431,736	9,199,456	8,834,348	8,194,759	7,472,477
Employee contributions	1,698,916	1,664,869	1,510,667	1,524,051	1,293,252
Other contributions	785,047	724,891	693,248	639,176	620,714
Net investment income	11,384,925	14,258,027	10,187,217	366,132	8,705,647
Benefit payments	(9,924,857)	(9,946,162)	(8,399,112)	(5,761,251)	(8,760,460)
Refunds	(66,853)	(29,030)	(65,487)	(56,610)	(40,078)
Administrative expenses	(279,917)	(316,694)	(338,086)	(231,098)	(222,848)
Net change in plan fiduciary net position	13,028,997	15,555,357	12,422,795	4,675,159	9,068,704
Plan fiduciary net position - ending (b)	<u>\$ 151,246,213</u>	<u>\$ 138,217,216</u>	<u>\$ 122,661,859</u>	<u>\$ 110,239,064</u>	<u>\$ 105,563,905</u>
Net pension liability (a-b)	<u>\$ 59,921,557</u>	<u>\$ 57,563,033</u>	<u>\$ 63,382,547</u>	<u>\$ 65,566,998</u>	<u>\$ 52,347,357</u>
Plan fiduciary net position as a percentage of the total pension liability	71.62%	70.60%	65.93%	62.70%	66.85%
Covered payroll	\$ 17,508,583	\$ 16,985,178	\$ 15,886,876	\$ 15,488,323	\$ 13,142,805
Net pension liability as a percentage of covered payroll	342.24%	338.90%	398.96%	423.33%	398.30%

Note: This schedule is intended to have ten years of data. Additional data to be compiled as information becomes available.

**CITY OF SUNRISE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Measurement date September 30,	Firefighters' Pension Plan				
	2018	2017	2016	2015	2014
Total pension liability - beginning	\$ 185,882,096	\$ 168,972,837	\$ 158,772,928	\$ 151,751,626	\$ 145,582,653
Changes for the year:					
Service cost	3,649,483	3,389,400	3,217,784	3,090,913	3,007,593
Interest	14,426,543	13,694,521	12,568,229	12,023,905	11,602,371
Change of benefit terms	-	432,669	-	-	-
Difference between expected and actual experience	231,072	1,152,743	(728,503)	-	(1,492,632)
Change of assumptions	1,196,786	4,703,070	1,643,838	-	172,854
Benefit payments	(10,960,320)	(6,456,401)	(6,437,587)	(8,093,516)	(7,121,213)
Refunds	-	(6,743)	(63,852)	-	-
Net change in total pension liability	8,543,564	16,909,259	10,199,909	7,021,302	6,168,973
Total pension liability - ending (a)	<u>\$ 194,425,660</u>	<u>\$ 185,882,096</u>	<u>\$ 168,972,837</u>	<u>\$ 158,772,928</u>	<u>\$ 151,751,626</u>
Plan fiduciary net position - beginning	\$ 135,548,638	\$ 120,391,017	\$ 108,526,799	\$ 109,371,318	\$ 99,036,104
Employer contributions	6,027,609	5,483,453	5,185,357	5,225,550	4,972,033
Employee contributions	1,244,670	1,288,279	1,338,474	1,156,746	1,125,192
Other contributions	763,749	766,995	803,419	853,244	879,470
Net investment income (loss)	13,810,392	14,302,330	11,249,228	176,272	10,639,774
Benefit payments	(10,960,320)	(6,456,401)	(6,437,587)	(8,093,516)	(7,121,213)
Refunds	-	(6,743)	(63,852)	-	-
Administrative expenses	(197,469)	(220,292)	(210,821)	(162,815)	(160,042)
Net change in plan fiduciary net position	10,688,631	15,157,621	11,864,218	(844,519)	10,335,214
Plan fiduciary net position - ending (b)	<u>\$ 146,237,269</u>	<u>\$ 135,548,638</u>	<u>\$ 120,391,017</u>	<u>\$ 108,526,799</u>	<u>\$ 109,371,318</u>
Net pension liability (a-b)	<u>\$ 48,188,391</u>	<u>\$ 50,333,458</u>	<u>\$ 48,581,820</u>	<u>\$ 50,246,129</u>	<u>\$ 42,380,308</u>
Plan fiduciary net position as a percentage of the total pension liability	75.22%	72.92%	71.25%	68.35%	72.07%
Covered payroll	\$ 11,728,068	\$ 12,036,803	\$ 11,680,780	\$ 10,816,447	\$ 10,555,759
Net pension liability as a percentage of covered payroll	410.88%	418.16%	415.91%	464.53%	401.49%

Note: This schedule is intended to have ten years of data. Additional data to be compiled as information becomes available.

**CITY OF SUNRISE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY AND RELATED RATIOS

Measurement date September 30,	Retiree Subsidy Pension Plan		
	2018	2017	2016
Total pension liability - beginning	\$ 35,959,918	\$ 37,762,253	\$ 33,561,459
Changes for the year:			
Service cost	1,336,943	1,562,667	1,311,427
Interest	1,278,867	1,181,380	1,268,486
Difference between expected and actual experience	-	(1,035,065)	-
Change of assumptions	(1,508,136)	(2,075,887)	2,984,667
Benefit payments	(1,515,590)	(1,435,430)	(1,363,786)
Net change in total pension liability	(407,916)	(1,802,335)	4,200,794
Total pension liability - ending	<u>\$ 35,552,002</u>	<u>\$ 35,959,918</u>	<u>\$ 37,762,253</u>
 Covered payroll	 \$ 42,509,034	 \$ 41,071,530	 \$ 33,616,746
 Total pension liability as a percentage of covered payroll	 83.63%	 87.55%	 112.33%

Measurement date September 30,	Excess Benefits Pension Plan		
	2018	2017	2016
Total pension liability - beginning	\$ 2,241,127	\$ 2,464,102	\$ -
Changes for the year:			
Interest	74,648	71,856	-
Difference between expected and actual experience	(303,048)	-	-
Change of assumptions	(38,066)	(63,098)	-
Benefit payments	(216,642)	(231,733)	-
Net change in total pension liability	(483,108)	(222,975)	-
Total pension liability - ending	<u>\$ 1,758,019</u>	<u>\$ 2,241,127</u>	<u>\$ -</u>
 Covered payroll	 N/A	 N/A	 N/A
 Total pension liability as a percentage of covered payroll	 N/A	 N/A	 N/A

Note: This schedule is intended to have ten years of data. Additional data to be compiled as information becomes available.

**CITY OF SUNRISE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Measurement date September 30,	Other Postemployment Benefits	
	2018	2017
Total OPEB liability - beginning	\$ 28,819,812	\$ 29,470,176
Changes for the year:		
Service cost	1,303,902	1,337,581
Interest	1,045,133	941,443
Change of assumptions	(1,657,674)	(2,052,118)
Benefit payments	(525,543)	(877,270)
Refunds	-	-
Net change in total OPEB liability	165,818	(650,364)
Total OPEB liability - ending	\$ 28,985,630	\$ 28,819,812
Covered payroll	\$ 63,617,031	\$ 69,668,608
Total OPEB liability as a percentage of covered payroll	45.56%	41.37%

Note: This schedule is intended to have ten years of data. Additional data to be compiled as information becomes available.

CITY OF SUNRISE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last Six Fiscal Years

Fiscal Year Ended	Employer Contributions	Actuarially Determined Contribution	Contribution Deficiency	Covered Payroll	Percent of payroll contributed		
General Employees Pension Plan							
9/30/2014	\$ 9,606,777	\$ 9,606,777	-	\$ 26,603,455	36.11%	Actuarial Cost Method	Entry age normal
9/30/2015	9,797,263	9,797,263	-	28,384,840	34.52%	Amortization method	Level percent of pay, closed
9/30/2016	10,310,136	10,310,136	-	31,775,096	32.45%	Remaining amortization period	20 years
9/30/2017	11,255,914	11,255,914	-	35,656,748	31.57%	Asset valuation method	5-year smoothed market
9/30/2018	13,239,759	13,239,759	-	35,240,205	37.57%	Inflation	2.40%
9/30/2019	13,530,354	13,530,354	-	36,132,250	37.45%	Salary Increases	3.5% to 6.5% depending on service
						Investment Rate of Return	7.35%
						Retirement Age	Experience based table of rates
						Mortality	RP-2000 Combined Healthy Participant Table
Police Officers' Pension Plan							
9/30/2014	\$ 8,093,191	\$ 8,093,191	-	\$ 13,142,805	61.58%	Actuarial Cost Method	Entry age normal
9/30/2015	8,833,935	8,833,935	-	15,488,323	57.04%	Amortization method	Level percent of pay, closed
9/30/2016	9,527,596	9,527,596	-	15,886,876	59.97%	Remaining amortization period	21 years
9/30/2017	9,924,347	9,924,347	-	16,985,178	58.43%	Asset valuation method	5-year smoothed market
9/30/2018	10,216,783	10,216,783	-	17,508,583	58.35%	Inflation	2.50%
9/30/2019	11,065,301	11,065,301	-	17,956,093	61.62%	Salary Increases	4.2% to 7.5% depending on service
						Investment Rate of Return	7.70%
						Retirement Age	Experience based table of rates
						Mortality	RP-2000 Combined Healthy Participant Table
Firefighters' Pension Plan							
9/30/2014	\$ 5,851,503	\$ 5,851,503	-	\$ 10,555,759	55.43%	Actuarial Cost Method	Entry age
9/30/2015	6,078,794	6,078,794	-	10,816,447	56.20%	Amortization method	Level percent of pay, closed
9/30/2016	5,988,776	5,988,776	-	11,680,780	51.27%	Remaining amortization period	25 years
9/30/2017	6,250,448	6,250,448	-	12,036,803	51.93%	Asset valuation method	5-year smoothed market
9/30/2018	6,791,358	6,791,358	-	11,728,068	57.91%	Inflation	2.50%
9/30/2019	7,101,487	7,101,487	-	12,564,427	56.52%	Salary Increases	5% to 12% including inflation
						Investment Rate of Return	7.8%, net of investment expenses
						Retirement Age	Experience based table of rates
						Mortality	RP-2000 Combined Healthy Participant Table

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Notes: Valuation dates of actuarially determined contributions for all plans are calculated based on the valuation as of the beginning of the year prior to the fiscal year in which contributions are due.

This schedule is intended to have ten years of data. Implementation of GASB No. 68 occurred in fiscal year 2015. Additional data to be compiled as information becomes available.

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

<i>Building Fees Fund</i>	<i>Accounts for the receipts and disbursements associated with building and permit fees.</i>
<i>Impact Fees Fund</i>	<i>Accounts for the receipts and disbursements of impact fees received from developers.</i>
<i>Urban Area Security Initiative Grant Fund</i>	<i>Accounts for the receipts and disbursements of the Urban Area Security Initiative Grant funds.</i>
<i>Broward County Home Consortium Grant Fund</i>	<i>Accounts for the receipts and disbursements of the Broward County Home Consortium Grant funds.</i>
<i>Neighborhood Stabilization Program Grant Fund</i>	<i>Accounts for the receipts and disbursements of the Neighborhood Stabilization Grant funds.</i>
<i>Community Development Block Grant Fund</i>	<i>Accounts for the receipts and disbursements of the Community Development Block Grant funds.</i>
<i>State Housing Initiative Partnership Grant Fund</i>	<i>Accounts for the receipts and disbursements of the State Housing Initiative Partnership Grant funds.</i>
<i>Fuel & Roadway Fund</i>	<i>Accounts for the government's share of motor fuel tax revenues that are legally restricted to the maintenance of, and improvements to, the streets, roadways, median strips, and street lights within the City.</i>
<i>Police Confiscation Fund</i>	<i>Accounts for the receipts and disbursements of police confiscation funds.</i>

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of general long-term debt principal and interest.

Special Tax District No. 1 Fund *Accumulates voted debt service ad valorem tax monies for Special Tax District No. 1 of the City of Sunrise, Florida Ad Valorem Tax Bonds, maturing on October 1, 2021.*

**General Obligation Bonds,
Series 2015 Fund** *Accumulates ad valorem taxes collected for payment of debt service on the General Obligation, Series 2015 maturing on July 1, 2044.*

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

**Special Tax District No. 1
Capital Projects** *Accounts for the construction of a parking garage and additional public works improvements for Special Tax District No. 1.*

**Special Assessment Bonds
Series 2015 Capital Projects** *Accounts for the development, construction, equipment and installation of two parking garages at Sawgrass Mills.*

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CITY OF SUNRISE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 20,595,078	\$ 5,342,392	\$ 36,730,174	\$ 62,667,644
Investments	1,777,922	-	152,370	1,930,292
Interest receivable	7,304	7,634	2,267	17,205
Other receivables	6,573	-	-	6,573
Due from other funds	1,414	100	3,017	4,531
Intergovernmental receivable	567,789	-	-	567,789
Inventories	49,336	-	-	49,336
Total assets	\$ 23,005,416	\$ 5,350,126	\$ 36,887,828	\$ 65,243,370
LIABILITIES				
Accounts payable	301,732	-	45,614	347,346
Accrued liabilities	110,710	-	-	110,710
Intergovernmental payable	2,368	-	-	2,368
Due to other funds	29,086	-	20,910	49,996
Interfund payable	111,131	-	-	111,131
Matured bonds payable	-	2,230,000	-	2,230,000
Matured interest payable	-	172,195	-	172,195
Unearned revenue	98,102	-	-	98,102
Other	678,291	-	-	678,291
Advances from other funds	220,000	-	-	220,000
Total liabilities	1,551,420	2,402,195	66,524	4,020,139
FUND BALANCES				
Nonspendable:				
Inventories	49,336	-	-	49,336
Restricted for:				
Building	9,624,614	-	-	9,624,614
Capital projects	-	-	35,406,070	35,406,070
Recreation	3,532	-	-	3,532
Public safety	5,268,049	-	-	5,268,049
Fire equipment	230,108	-	-	230,108
Median strips	400,992	-	-	400,992
Housing	1,249,156	-	-	1,249,156
Transportation	3,863,881	-	-	3,863,881
Assigned to:				
Transportation	764,328	-	-	764,328
Debt service	-	2,947,931	-	2,947,931
Capital projects	-	-	1,415,234	1,415,234
Total fund balances	21,453,996	2,947,931	36,821,304	61,223,231
Total liabilities and fund balances	\$ 23,005,416	\$ 5,350,126	\$ 36,887,828	\$ 65,243,370

CITY OF SUNRISE, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
REVENUES				
Taxes:				
Property	\$ -	\$ 4,670,441	\$ -	\$ 4,670,441
Local option fuel	1,680,518	-	-	1,680,518
Permits and fees	6,627,216	-	-	6,627,216
Intergovernmental	1,530,613	-	58,000	1,588,613
Charges for services	46,575	-	-	46,575
Judgments, fines and forfeitures	2,284,910	-	-	2,284,910
Impact fees	10,338	-	-	10,338
Investment earnings	435,525	111,422	909,644	1,456,591
Miscellaneous	100,764	-	-	100,764
Total revenues	<u>12,716,459</u>	<u>4,781,863</u>	<u>967,644</u>	<u>18,465,966</u>
EXPENDITURES				
Current:				
Public safety	7,919,585	-	-	7,919,585
Economic development	446,567	-	-	446,567
Transportation	3,142,294	-	2,613	3,144,907
Debt service:				
Principal	-	3,005,000	-	3,005,000
Interest	-	1,709,586	-	1,709,586
Other	-	47,541	-	47,541
Capital outlay	654,566	-	2,047,687	2,702,253
Total expenditures	<u>12,163,012</u>	<u>4,762,127</u>	<u>2,050,300</u>	<u>18,975,439</u>
Excess (deficiency) of revenues over (under) expenditures	<u>553,447</u>	<u>19,736</u>	<u>(1,082,656)</u>	<u>(509,473)</u>
OTHER FINANCING SOURCES				
Transfers in:				
General fund	1,019,870	-	-	1,019,870
Proceeds on sale of capital assets	35,898	-	-	35,898
Total other financing sources	<u>1,055,768</u>	<u>-</u>	<u>-</u>	<u>1,055,768</u>
Net change in fund balances	1,609,215	19,736	(1,082,656)	546,295
Fund balances - beginning	<u>19,844,781</u>	<u>2,928,195</u>	<u>37,903,960</u>	<u>60,676,936</u>
Fund balances - ending	<u>\$ 21,453,996</u>	<u>\$ 2,947,931</u>	<u>\$ 36,821,304</u>	<u>\$ 61,223,231</u>

CITY OF SUNRISE, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 SEPTEMBER 30, 2019

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	Building Fees	Impact Fees	Urban Area Security Initiative Grant	Broward County Home Consortium Grant	Neighborhood Stabilization Program Grant	Community Development Block Grant	State Housing Initiatives Partnership Grant	Fuel and Roadway	Police Confiscation	Total Nonmajor Special Revenue Funds
ASSETS										
Cash and cash equivalents	\$ 8,729,973	\$ 714,652	\$ -	\$ 474,806	\$ 220,581	\$ -	\$ 472,555	\$ 3,993,306	\$ 5,989,205	\$ 20,595,078
Investments	1,098,092	97,715	-	-	-	-	75,375	506,740	-	1,777,922
Interest receivable	3,309	276	-	-	-	-	187	1,523	2,009	7,304
Other receivables	599	-	-	-	-	-	-	4,332	1,642	6,573
Due from other funds	-	-	-	-	-	-	-	-	1,414	1,414
Intergovernmental receivable	-	-	118,407	-	-	143,094	-	306,288	-	567,789
Inventories	-	-	-	-	-	-	-	49,336	-	49,336
Total assets	\$ 9,831,973	\$ 812,643	\$ 118,407	\$ 474,806	\$ 220,581	\$ 143,094	\$ 548,117	\$ 4,861,525	\$ 5,994,270	\$ 23,005,416
LIABILITIES										
Accounts payable	34,128	-	-	-	-	85	1,921	145,588	120,010	301,732
Accrued liabilities	78,814	-	-	-	-	4,177	-	27,719	-	110,710
Intergovernmental payable	-	-	-	-	-	2,368	-	-	-	2,368
Due to other funds	4,878	-	-	-	-	153	-	2,110	21,945	29,086
Interfund payable	-	-	82,393	-	-	28,738	-	-	-	111,131
Unearned revenue	89,539	-	-	-	-	-	-	8,563	-	98,102
Other	-	160,258	-	-	-	-	-	-	518,033	678,291
Advances from other funds	-	-	-	-	-	100,000	-	-	120,000	220,000
Total liabilities	207,359	160,258	82,393	-	-	135,521	1,921	183,980	779,988	1,551,420
FUND BALANCES										
Nonspendable:										
Inventories	-	-	-	-	-	-	-	49,336	-	49,336
Restricted:										
Building	9,624,614	-	-	-	-	-	-	-	-	9,624,614
Recreation	-	3,532	-	-	-	-	-	-	-	3,532
Public safety	-	17,753	36,014	-	-	-	-	-	5,214,282	5,268,049
Fire equipment	-	230,108	-	-	-	-	-	-	-	230,108
Median strips	-	400,992	-	-	-	-	-	-	-	400,992
Housing	-	-	-	474,806	220,581	7,573	546,196	-	-	1,249,156
Transportation	-	-	-	-	-	-	-	3,863,881	-	3,863,881
Assigned to:										
Transportation	-	-	-	-	-	-	-	764,328	-	764,328
Total fund balances	9,624,614	652,385	36,014	474,806	220,581	7,573	546,196	4,677,545	5,214,282	21,453,996
Total liabilities and fund balances	\$ 9,831,973	\$ 812,643	\$ 118,407	\$ 474,806	\$ 220,581	\$ 143,094	\$ 548,117	\$ 4,861,525	\$ 5,994,270	\$ 23,005,416

CITY OF SUNRISE, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Building Fees	Impact Fees	Urban Area Security Initiative Grant	Broward County Home Consortium Grant	Neighborhood Stabilization Program	Community Development Block Grant	State Housing Initiatives Partnership Grant	Fuel and Roadway	Police Confiscation	Total Nonmajor Special Revenue Funds
REVENUES										
Local option fuel tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,680,518	\$ -	\$ 1,680,518
Permits and fees	6,627,216	-	-	-	-	-	-	-	-	6,627,216
Intergovernmental	-	-	118,407	-	-	374,533	120,438	917,235	-	1,530,613
Charges for services	-	-	-	-	-	-	-	46,575	-	46,575
Judgments, fines and forfeitures	-	-	-	-	-	-	-	-	2,284,910	2,284,910
Impact fees	-	10,338	-	-	-	-	-	-	-	10,338
Investment earnings	205,132	18,487	-	-	-	-	14,838	93,861	103,207	435,525
Miscellaneous	-	-	-	-	40,000	4,550	2,169	52,118	1,927	100,764
Total revenues	6,832,348	28,825	118,407	-	40,000	379,083	137,445	2,790,307	2,390,044	12,716,459
EXPENDITURES										
Current:										
Public safety	6,912,092	-	-	-	-	86,000	-	-	921,493	7,919,585
Economic development	-	-	-	75,435	-	210,095	161,037	-	-	446,567
Transportation	-	-	-	-	-	78,361	-	3,063,933	-	3,142,294
Capital outlay	33,024	-	118,407	-	-	-	-	183,287	319,848	654,566
Total expenditures	6,945,116	-	118,407	75,435	-	374,456	161,037	3,247,220	1,241,341	12,163,012
Excess (deficiency) of revenues over (under) expenditures	(112,768)	28,825	-	(75,435)	40,000	4,627	(23,592)	(456,913)	1,148,703	553,447
OTHER FINANCING SOURCES										
Transfers in:										
General fund	-	-	-	-	-	-	-	1,019,870	-	1,019,870
Proceeds on sale of capital assets	-	-	-	-	-	-	-	-	35,898	35,898
Total other financing sources	-	-	-	-	-	-	-	1,019,870	35,898	1,055,768
Net change in fund balances	(112,768)	28,825	-	(75,435)	40,000	4,627	(23,592)	562,957	1,184,601	1,609,215
Fund balances - beginning	9,737,382	623,560	36,014	550,241	180,581	2,946	569,788	4,114,588	4,029,681	19,844,781
Fund balances - ending	\$ 9,624,614	\$ 652,385	\$ 36,014	\$ 474,806	\$ 220,581	\$ 7,573	\$ 546,196	\$ 4,677,545	\$ 5,214,282	\$ 21,453,996

**CITY OF SUNRISE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
SEPTEMBER 30, 2019**

	Special Tax District No. 1	General Obligation Bonds, Series 2015	Total Nonmajor Debt Service Funds
ASSETS			
Cash and cash equivalents	\$ 5,202,145	\$ 140,247	\$ 5,342,392
Interest receivable	7,405	229	7,634
Due from other funds	53	47	100
Total assets	<u><u>\$ 5,209,603</u></u>	<u><u>\$ 140,523</u></u>	<u><u>\$ 5,350,126</u></u>
LIABILITIES			
Matured bonds payable	2,230,000	-	2,230,000
Matured interest payable	172,195	-	172,195
Total liabilities	<u><u>2,402,195</u></u>	<u><u>-</u></u>	<u><u>2,402,195</u></u>
FUND BALANCES			
Assigned to:			
Debt service	2,807,408	140,523	2,947,931
Total fund balances	<u><u>2,807,408</u></u>	<u><u>140,523</u></u>	<u><u>2,947,931</u></u>
Total liabilities and fund balances	<u><u>\$ 5,209,603</u></u>	<u><u>\$ 140,523</u></u>	<u><u>\$ 5,350,126</u></u>

**CITY OF SUNRISE, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Special Tax District No. 1	General Obligation Bonds, Series 2015	Total Nonmajor Debt Service Funds
REVENUES			
Property taxes	\$ 2,545,968	\$ 2,124,473	\$ 4,670,441
Investment earnings	91,377	20,045	111,422
Total revenues	2,637,345	2,144,518	4,781,863
EXPENDITURES			
Debt service:			
Principal	2,230,000	775,000	3,005,000
Interest	344,390	1,365,196	1,709,586
Other	47,241	300	47,541
Total expenditures	2,621,631	2,140,496	4,762,127
Excess of revenues over expenditures	15,714	4,022	19,736
Fund balances - beginning	2,791,694	136,501	2,928,195
Fund balances - ending	\$ 2,807,408	\$ 140,523	\$ 2,947,931

CITY OF SUNRISE, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 SEPTEMBER 30, 2019

	Special Tax District No. 1 Capital Projects	Special Assessment Bonds Series 2015	General Obligation Bonds, Series 2015 Capital Projects	Total Nonmajor Capital Projects Funds
ASSETS				
Cash and cash equivalents	\$ 1,276,395	\$ 34,303,042	\$ 1,150,737	\$ 36,730,174
Investments	152,370	-	-	152,370
Interest receivable	587	519	1,161	2,267
Due from other funds	-	-	3,017	3,017
Total assets	<u>\$ 1,429,352</u>	<u>\$ 34,303,561</u>	<u>\$ 1,154,915</u>	<u>\$ 36,887,828</u>
LIABILITIES				
Accounts payable	14,118	123	31,373	45,614
Due to other funds	-	-	20,910	20,910
Total liabilities	<u>14,118</u>	<u>123</u>	<u>52,283</u>	<u>66,524</u>
FUND BALANCE				
Restricted:				
Capital projects	-	34,303,438	1,102,632	35,406,070
Assigned:				
Capital projects	1,415,234	-	-	1,415,234
Total fund balances	<u>1,415,234</u>	<u>34,303,438</u>	<u>1,102,632</u>	<u>36,821,304</u>
Total liabilities and fund balances	<u>\$ 1,429,352</u>	<u>\$ 34,303,561</u>	<u>\$ 1,154,915</u>	<u>\$ 36,887,828</u>

CITY OF SUNRISE, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Special Tax District No. 1 Capital Projects	Special Assessment Bonds Series 2015	General Obligation Bonds, Series 2015 Capital Projects	Total Nonmajor Capital Projects Funds
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 58,000	\$ 58,000
Investment earnings	31,396	848,313	29,935	909,644
Total revenues	<u>31,396</u>	<u>848,313</u>	<u>87,935</u>	<u>967,644</u>
EXPENDITURES				
Current:				
Transportation	1,136	1,477	-	2,613
Capital outlay	25,464	-	2,022,223	2,047,687
Total expenditures	<u>26,600</u>	<u>1,477</u>	<u>2,022,223</u>	<u>2,050,300</u>
Excess (deficiency) of revenues over (under) expenditures	4,796	846,836	(1,934,288)	(1,082,656)
Fund balances - beginning	<u>1,410,438</u>	<u>33,456,602</u>	<u>3,036,920</u>	<u>37,903,960</u>
Fund balances - ending	<u>\$ 1,415,234</u>	<u>\$ 34,303,438</u>	<u>\$ 1,102,632</u>	<u>\$ 36,821,304</u>

CITY OF SUNRISE, FLORIDA
 BUILDING FEES SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Permits and fees	\$ 5,920,850	\$ 6,627,216	\$ 706,366
Investment earnings	60,000	205,132	145,132
Total revenues	5,980,850	6,832,348	851,498
EXPENDITURES			
Current:			
Public safety	8,058,140	6,912,092	1,146,048
Capital outlay	37,100	33,024	4,076
Total expenditures	8,095,240	6,945,116	1,150,124
Excess (deficiency) of revenues over (under) expenditures	(2,114,390)	(112,768)	2,001,622
Fund balance - beginning	9,737,382	9,737,382	-
Fund balance - ending	\$ 7,622,992	\$ 9,624,614	\$ 2,001,622

CITY OF SUNRISE, FLORIDA
IMPACT FEES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Impact fees	\$ 56,500	\$ 10,338	\$ (46,162)
Investment earnings	4,500	18,487	13,987
Total revenues	<u>61,000</u>	<u>28,825</u>	<u>(32,175)</u>
 Excess of revenues over expenditures	 61,000	 28,825	 (32,175)
 Fund balance - beginning	 <u>623,560</u>	 <u>623,560</u>	 <u>-</u>
 Fund balance - ending	 <u>\$ 684,560</u>	 <u>\$ 652,385</u>	 <u>\$ (32,175)</u>

CITY OF SUNRISE, FLORIDA
 URBAN AREA SECURITY INITIATIVE GRANT SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 252,602	\$ 118,407	\$ (134,195)
EXPENDITURES			
Current:			
Public safety	31,039	-	31,039
Capital outlay	221,563	118,407	103,156
Total expenditures	252,602	118,407	134,195
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Fund balance - beginning	36,014	36,014	-
Fund balance - ending	\$ 36,014	\$ 36,014	\$ -

**CITY OF SUNRISE, FLORIDA
 BROWARD COUNTY HOME CONSORTIUM GRANT SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Intergovernmental	\$ 159,950	\$ -	\$ (159,950)
EXPENDITURES			
Current:			
Economic development	381,980	75,435	306,545
Excess (deficiency) of revenues over (under) expenditures	(222,030)	(75,435)	146,595
Fund balance - beginning	550,241	550,241	-
Fund balance - ending	<u>\$ 328,211</u>	<u>\$ 474,806</u>	<u>\$ 146,595</u>

**CITY OF SUNRISE, FLORIDA
 NEIGHBORHOOD STABILIZATION PROGRAM GRANT SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Miscellaneous	\$ -	\$ 40,000	\$ 40,000
EXPENDITURES			
Current:			
Economic development	180,580	-	180,580
Excess (deficiency) of revenues over (under) expenditures	(180,580)	40,000	220,580
Fund balance - beginning	180,581	180,581	-
Fund balance - ending	<u>\$ 1</u>	<u>\$ 220,581</u>	<u>\$ 220,580</u>

CITY OF SUNRISE, FLORIDA
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 1,059,810	\$ 374,533	\$ (685,277)
Miscellaneous	-	4,550	4,550
Total revenues	<u>1,059,810</u>	<u>379,083</u>	<u>(680,727)</u>
EXPENDITURES			
Current:			
Public safety	86,000	86,000	-
Economic development	892,810	210,095	682,715
Transportation	81,000	78,361	2,639
Total expenditures	<u>1,059,810</u>	<u>374,456</u>	<u>685,354</u>
Excess of revenues over expenditures	-	4,627	4,627
Fund balance - beginning	<u>2,946</u>	<u>2,946</u>	-
Fund balance - ending	<u>\$ 2,946</u>	<u>\$ 7,573</u>	<u>\$ 4,627</u>

CITY OF SUNRISE, FLORIDA
STATE HOUSING INITIATIVES PARTNERSHIP GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 120,440	\$ 120,438	\$ (2)
Investment earnings	-	14,838	14,838
Miscellaneous	-	2,169	2,169
Total revenues	<u>120,440</u>	<u>137,445</u>	<u>17,005</u>
EXPENDITURES			
Current:			
Economic development	<u>628,900</u>	<u>161,037</u>	<u>467,863</u>
Excess (deficiency) of revenues over (under) expenditures	(508,460)	(23,592)	484,868
Fund balance - beginning	<u>569,788</u>	<u>569,788</u>	-
Fund balance - ending	<u>\$ 61,328</u>	<u>\$ 546,196</u>	<u>\$ 484,868</u>

CITY OF SUNRISE, FLORIDA
 FUEL AND ROADWAY SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Local option fuel tax	\$ 1,708,020	\$ 1,680,518	\$ (27,502)
Intergovernmental	878,230	917,235	39,005
Charges for services	38,000	46,575	8,575
Investment earnings	34,000	93,861	59,861
Miscellaneous	45,200	52,118	6,918
Total revenues	2,703,450	2,790,307	86,857
EXPENDITURES			
Current:			
Transportation	3,440,689	3,063,933	376,756
Capital outlay	375,170	183,287	191,883
Total expenditures	3,815,859	3,247,220	568,639
Excess (deficiency) of revenues over (under) expenditures	(1,112,409)	(456,913)	655,496
OTHER FINANCING SOURCES			
Transfers in	1,019,870	1,019,870	-
Net change in fund balance	(92,539)	562,957	655,496
Fund balance - beginning	4,114,588	4,114,588	-
Fund balance - ending	\$ 4,022,049	\$ 4,677,545	\$ 655,496

CITY OF SUNRISE, FLORIDA
POLICE CONFISCATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Judgments, fines and forfeitures	\$ -	\$ 2,284,910	\$ 2,284,910
Investment earnings	-	103,207	103,207
Miscellaneous	-	1,927	1,927
Total revenues	<u>-</u>	<u>2,390,044</u>	<u>2,390,044</u>
EXPENDITURES			
Current:			
Public safety	1,634,440	921,493	712,947
Capital outlay	377,996	319,848	58,148
Total expenditures	<u>2,012,436</u>	<u>1,241,341</u>	<u>771,095</u>
Excess (deficiency) of revenues over (under) expenditures	(2,012,436)	1,148,703	3,161,139
OTHER FINANCING SOURCES			
Proceeds on sale of capital assets	-	35,898	35,898
Net change in fund balance	(2,012,436)	1,184,601	3,197,037
Fund balance - beginning	<u>4,029,681</u>	<u>4,029,681</u>	<u>-</u>
Fund balance - ending	<u>\$ 2,017,245</u>	<u>\$ 5,214,282</u>	<u>\$ 3,197,037</u>

CITY OF SUNRISE, FLORIDA
SPECIAL TAX DISTRICT NO. 1 DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Property taxes	\$ 2,598,960	\$ 2,545,968	\$ (52,992)
Investment earnings	20,000	91,377	71,377
Total revenues	<u>2,618,960</u>	<u>2,637,345</u>	<u>18,385</u>
EXPENDITURES			
Debt service:			
Principal	2,230,000	2,230,000	-
Interest	344,390	344,390	-
Other	44,570	47,241	(2,671)
Total expenditures	<u>2,618,960</u>	<u>2,621,631</u>	<u>(2,671)</u>
Excess of revenues over expenditures	-	15,714	15,714
Fund balance - beginning	<u>2,791,694</u>	<u>2,791,694</u>	-
Fund balance - ending	<u>\$ 2,791,694</u>	<u>\$ 2,807,408</u>	<u>\$ 15,714</u>

CITY OF SUNRISE, FLORIDA
GENERAL OBLIGATION BONDS, SERIES 2015 DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Property taxes	\$ 2,133,000	\$ 2,124,473	\$ (8,527)
Investment earnings	7,500	20,045	12,545
Total revenues	<u>2,140,500</u>	<u>2,144,518</u>	<u>4,018</u>
EXPENDITURES			
Debt service:			
Principal	775,000	775,000	-
Interest	1,365,200	1,365,196	4
Other	300	300	-
Total expenditures	<u>2,140,500</u>	<u>2,140,496</u>	<u>4</u>
Excess of revenues over expenditures	-	4,022	4,022
Fund balance - beginning	<u>136,501</u>	<u>136,501</u>	-
Fund balance - ending	<u>\$ 136,501</u>	<u>\$ 140,523</u>	<u>\$ 4,022</u>

CITY OF SUNRISE, FLORIDA
SPECIAL TAX DISTRICT NO. 1 CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Investment earnings	\$ -	\$ 31,396	\$ 31,396
EXPENDITURES			
Current:			
Transportation	-	1,136	(1,136)
Capital outlay	1,370,603	25,464	1,345,139
Total expenditures	<u>1,370,603</u>	<u>26,600</u>	<u>1,344,003</u>
Excess (deficiency) of revenues over (under) expenditures	(1,370,603)	4,796	1,375,399
Fund balance - beginning	<u>1,410,438</u>	<u>1,410,438</u>	-
Fund balance - ending	<u>\$ 39,835</u>	<u>\$ 1,415,234</u>	<u>\$ 1,375,399</u>

CITY OF SUNRISE, FLORIDA
SPECIAL ASSESSMENT BONDS, SERIES 2015 CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Investment earnings	\$ 150,000	\$ 848,313	\$ 698,313
EXPENDITURES			
Current:			
Transportation	-	1,477	(1,477)
Capital outlay	32,524,099	-	32,524,099
Total expenditures	32,524,099	1,477	32,522,622
Excess (deficiency) of revenues over (under) expenditures	(32,374,099)	851,338	33,225,437
Fund balance - beginning	33,456,602	33,456,602	-
Fund balance - ending	\$ 1,082,503	\$ 34,307,940	\$ 33,225,437

CITY OF SUNRISE, FLORIDA
GENERAL OBLIGATION BONDS, SERIES 2015 CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ -	\$ 58,000	\$ 58,000
Investment earnings	261,900	29,935	(231,965)
Total revenues	<u>261,900</u>	<u>87,935</u>	<u>(173,965)</u>
EXPENDITURES			
Capital outlay	2,701,207	2,022,223	678,984
Total expenditures	<u>2,701,207</u>	<u>2,022,223</u>	<u>678,984</u>
Excess (deficiency) of revenues over (under) expenditures	(2,439,307)	(1,934,288)	505,019
Fund balance - beginning	<u>3,036,920</u>	<u>3,036,920</u>	-
Fund balance - ending	<u>\$ 597,613</u>	<u>\$ 1,102,632</u>	<u>\$ 505,019</u>

CITY OF SUNRISE, FLORIDA
 CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 1,050,550	\$ 805,093	\$ (245,457)
Investment earnings	277,810	1,075,495	797,685
Miscellaneous	-	4,502	4,502
Total revenues	<u>1,328,360</u>	<u>1,885,090</u>	<u>556,730</u>
EXPENDITURES			
Capital outlay	<u>51,852,213</u>	<u>18,485,569</u>	<u>33,366,644</u>
Excess (deficiency) of revenues over (under) expenditures	(50,523,853)	(16,600,479)	33,923,374
Fund balance - beginning	<u>34,210,662</u>	<u>34,210,662</u>	<u>-</u>
Fund balance - ending	<u>\$ (16,313,191)</u>	<u>\$ 17,610,183</u>	<u>\$ 33,923,374</u>

Nonmajor Proprietary Funds

Enterprise Funds

Enterprise funds may be used to report any activity for which a fee is charged to external users for goods or services. When debt is backed solely by fees and charges or there is a legal requirement or policy decision to recover costs, an enterprise fund must be used.

Recycling Fund

Accounts for the provision of recycling services to City residents.

Stormwater Fund

Accounts for the operations of a City stormwater utility.

Golf Course Fund

Accounts for the operations of a City owned golf course.

CITY OF SUNRISE, FLORIDA
 COMBINING STATEMENT OF NET POSITION
 NONMAJOR ENTERPRISE FUNDS
 SEPTEMBER 30, 2019

	Recycling	Stormwater	Golf Course	Total Nonmajor Enterprise Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 795,009	\$ 16,276,733	\$ 771,426	\$ 17,843,168
Investments	86,864	2,017,514	89,105	2,193,483
Interest receivable	345	6,457	289	7,091
Accounts receivable, net of allowance for uncollectibles	174,116	706,447	-	880,563
Other receivables	35	-	-	35
Intergovernmental receivable	-	463,724	-	463,724
Inventories	-	6,933	-	6,933
Prepaid items	-	-	3,730	3,730
Total current assets	1,056,369	19,477,808	864,550	21,398,727
Noncurrent assets:				
Capital assets:				
Land	-	65,845	1,223,300	1,289,145
Intangibles	-	3,283	-	3,283
Buildings and system improvements other than buildings	-	685,480	-	685,480
Machinery and equipment	3,635	1,892,647	907,180	2,803,462
Vehicles	-	1,389,980	-	1,389,980
Construction in progress	-	1,517,316	-	1,517,316
Less accumulated depreciation	(3,635)	(4,236,598)	(602,434)	(4,842,667)
Total capital assets, net of accumulated depreciation	-	11,390,461	1,785,834	13,176,295
Total assets	1,056,369	30,868,269	2,650,384	34,575,022
DEFERRED OUTFLOWS OF RESOURCES				
Other postemployment benefits	-	16,142	-	16,142
Pension	-	1,230,487	29,941	1,260,428
Total deferred outflows of resources	-	1,246,629	29,941	1,276,570
LIABILITIES				
Current liabilities:				
Accounts payable	80,217	401,603	71,353	553,173
Accrued liabilities	-	34,835	-	34,835
Due to other funds	9,939	1,513	-	11,452
Compensated absences	-	7,888	-	7,888
Retainage payable	-	61,884	-	61,884
Intergovernmental payable	-	-	2,711	2,711
Total current liabilities	90,156	507,723	74,064	671,943
Noncurrent liabilities:				
Compensated absences	-	308,457	-	308,457
Net pension liability	-	3,648,335	-	3,648,335
Total pension liability - retiree subsidy	-	1,218,561	321,015	1,539,576
Total other postemployment benefits	-	663,657	-	663,657
Unearned revenue	-	-	1,995	1,995
Total noncurrent liabilities	-	5,839,010	323,010	6,162,020
Total liabilities	90,156	6,346,733	397,074	6,833,963
DEFERRED INFLOWS OF RESOURCES				
Other postemployment benefits	-	64,773	-	64,773
Pension	-	416,136	29,329	445,465
Total deferred inflows of resources	-	480,909	29,329	510,238
NET POSITION				
Investment in capital assets	-	11,224,755	1,764,032	12,988,787
Unrestricted	966,213	14,062,501	489,890	15,518,604
Total net position	\$ 966,213	\$ 25,287,256	\$ 2,253,922	\$ 28,507,391

CITY OF SUNRISE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Recycling</u>	<u>Stormwater</u>	<u>Golf Course</u>	<u>Total Nonmajor Enterprise Funds</u>
Operating revenues:				
Charges for sales and services:				
Fees	\$ 1,164,656	\$ 7,785,773	\$ 1,133,982	\$ 10,084,411
Operating expenses:				
Costs of sales and services:				
Power, water and wastewater purchases	-	40,791	112,379	153,170
Chemical purchases	-	63,697	84,710	148,407
Recycling charges	800,087	-	-	800,087
Materials and supplies	64,188	68,429	1,143	133,760
Repairs and maintenance	1,050	98,396	37,937	137,383
Salaries, wages and employee benefits	-	2,261,685	30,035	2,291,720
Insurance and other expenses	479	1,239,484	1,333,558	2,573,521
Administrative fees	65,000	650,350	169,820	885,170
Depreciation and amortization	-	643,185	106,306	749,491
Total operating expenses	930,804	5,066,017	1,875,888	7,872,709
Operating income (loss)	233,852	2,719,756	(741,906)	2,211,702
Non-operating revenues (expenses):				
Investment earnings	16,237	374,660	15,451	406,348
Gain (loss) on sale of capital assets	-	3,164	30,418	33,582
Other	4,000	224,617	2,186	230,803
Total non-operating revenues (expenses)	20,237	602,441	48,055	670,733
Income (loss) before transfers	254,089	3,322,197	(693,851)	2,882,435
Transfers in	-	-	1,457,120	1,457,120
Change in net position	254,089	3,322,197	763,269	4,339,555
Total net position - beginning	712,124	21,965,059	1,490,653	24,167,836
Total net position - ending	\$ 966,213	\$ 25,287,256	\$ 2,253,922	\$ 28,507,391

CITY OF SUNRISE, FLORIDA
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Recycling	Stormwater	Golf Course	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 1,169,572	\$ 7,662,479	\$ 1,134,477	\$ 9,966,528
Payments to suppliers	(924,049)	(1,155,420)	(1,544,594)	(3,624,063)
Payments to and for employees	-	(2,091,712)	(23,726)	(2,115,438)
Payments for interfund services used	(65,000)	(650,350)	(169,820)	(885,170)
Net cash provided by (used for) operating activities	<u>180,523</u>	<u>3,764,997</u>	<u>(603,663)</u>	<u>3,341,857</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	-	-	1,457,120	1,457,120
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>1,457,120</u>	<u>1,457,120</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	-	(786,356)	(370,647)	(1,157,003)
Proceeds from sales of capital assets	-	4,320	6,688	11,008
Net cash (used for) capital and related financing activities	<u>-</u>	<u>(782,036)</u>	<u>(363,959)</u>	<u>(1,145,995)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales and maturities of investments	56,538	1,582,413	56,080	1,695,031
Purchase of investments	(72,279)	(1,716,736)	(90,426)	(1,879,441)
Interest and dividends received	16,413	377,666	15,963	410,042
Net cash provided by (used for) investing activities	<u>672</u>	<u>243,343</u>	<u>(18,383)</u>	<u>225,632</u>
Net increase in cash and cash equivalents	181,195	3,226,304	471,115	3,878,614
Cash and cash equivalents, September 30, 2018	<u>613,814</u>	<u>13,050,429</u>	<u>300,311</u>	<u>13,964,554</u>
Cash and cash equivalents, September 30, 2019	<u>\$ 795,009</u>	<u>\$ 16,276,733</u>	<u>\$ 771,426</u>	<u>\$ 17,843,168</u>

	<u>Recycling</u>	<u>Stormwater</u>	<u>Golf Course</u>	<u>Total Nonmajor Enterprise Funds</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 233,852	\$ 2,719,756	\$ (741,906)	\$ 2,211,702
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Miscellaneous non-operating income	4,000	224,617	2,186	230,803
Depreciation and amortization expense	-	643,185	106,306	749,491
(Increase) decrease in accounts receivable	6,901	(111,041)	-	(104,140)
(Increase) in intergovernmental receivables	-	(223,632)	-	(223,632)
Decrease in inventories	-	12,694	-	12,694
(Increase) in prepaid items	-	-	(880)	(880)
Decrease in deferred outflows	-	315,797	3,026	318,823
Increase (decrease) in accounts payable	(62,634)	267,561	24,182	229,109
Increase in accrued liabilities	-	3,970	-	3,970
(Decrease) in due to other funds	(1,596)	(18)	-	(1,614)
(Decrease) in intergovernmental payables	-	-	(271)	(271)
Increase in unearned revenue	-	-	411	411
(Decrease) in compensated absences payable	-	(12,212)	-	(12,212)
Increase in total other postemployment benefits payable	-	3,682	-	3,682
(Decrease) in total pension liability - retiree subsidy	-	(12,890)	(3,345)	(16,235)
(Decrease) in net pension liability	-	(184,138)	-	(184,138)
Increase in deferred inflows	-	55,782	6,628	62,410
Total adjustments	<u>(53,329)</u>	<u>1,045,241</u>	<u>138,243</u>	<u>1,130,155</u>
Net cash provided by (used for) operating activities	<u>\$ 180,523</u>	<u>\$ 3,764,997</u>	<u>\$ (603,663)</u>	<u>\$ 3,341,857</u>
Noncash investing activities:				
Net increase (decrease) in fair value of investments	\$ 98	\$ 3,462	\$ (501)	\$ 3,059

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Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and other government units, on a cost reimbursement basis.

Workers' Compensation Fund ***Accounts for the provision of workers' compensation services to departments.***

Fleet Management Fund ***Accounts for funding for vehicle maintenance and replacement.***

Information Technology & Communications Fund ***Accounts for funding for computer and/or communications equipment replacement.***

Self-Insured Health ***Accounts for funding of the City's self-insured health plan.***

CITY OF SUNRISE, FLORIDA
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 SEPTEMBER 30, 2019

	Workers' Compensation	Fleet Management	Information Technology & Communications	Self- Insured Health	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 10,576,591	\$ 4,125,442	\$ 5,365,924	\$ 9,102,421	\$ 29,170,378
Investments	1,480,712	699,750	757,114	1,195,287	4,132,863
Interest receivable	4,057	1,627	2,106	3,500	11,290
Accounts receivable, net of allowance for uncollectibles	-	-	-	62,746	62,746
Other receivables	-	1,171	-	216,411	217,582
Intergovernmental receivable	2,671	-	-	-	2,671
Inventories	-	363,110	-	-	363,110
Total current assets	12,064,031	5,191,100	6,125,144	10,580,365	33,960,640
Noncurrent assets:					
Capital assets:					
Intangibles	-	2,580	235,608	-	238,188
Machinery and equipment	-	227,647	1,238,514	-	1,466,161
Vehicles	-	17,705,117	24,769	-	17,729,886
Construction in progress	-	-	3,849,864	-	3,849,864
Less accumulated depreciation	-	(7,857,524)	(1,127,313)	-	(8,984,837)
Total capital assets, net of accumulated depreciation	-	10,077,820	4,221,442	-	14,299,262
Total assets	12,064,031	15,268,920	10,346,586	10,580,365	48,259,902
DEFERRED OUTFLOWS OF RESOURCES					
Other postemployment benefits	-	1,404	13,318	-	14,722
Pension	-	106,583	1,266,177	-	1,372,760
Total deferred outflows of resources	-	107,987	1,279,495	-	1,387,482
LIABILITIES					
Current liabilities:					
Accounts payable	8,061	189,193	375,212	2,265	574,731
Accrued liabilities	-	3,770	47,078	-	50,848
Due to other funds	-	1,766	2,959	-	4,725
Compensated absences	-	2,305	39,406	-	41,711
Total current liabilities	8,061	197,034	464,655	2,265	672,015
Noncurrent liabilities:					
Compensated absences	-	25,003	253,796	-	278,799
Net pension liability	-	298,483	3,563,122	-	3,861,605
Total pension liability - retiree subsidy	-	106,958	1,016,235	-	1,123,193
Total other postemployment benefits	-	57,953	547,728	-	605,681
Claims and judgments	3,551,594	-	-	-	3,551,594
Total noncurrent liabilities	3,551,594	488,397	5,380,881	-	9,420,872
Total liabilities	3,559,655	685,431	5,845,536	2,265	10,092,887
DEFERRED INFLOWS OF RESOURCES					
Other postemployment benefits	-	5,614	53,433	-	59,047
Pension	-	39,747	418,014	-	457,761
Total deferred inflows of resources	-	45,361	471,447	-	516,808
NET POSITION					
Investment in capital assets	-	10,067,576	4,006,698	-	14,074,274
Unrestricted	8,504,376	4,578,539	1,302,400	10,578,100	24,963,415
Total net position	\$ 8,504,376	\$ 14,646,115	\$ 5,309,098	\$ 10,578,100	\$ 39,037,689

CITY OF SUNRISE, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Workers' Compensation	Fleet Management	Information Technology & Communications	Self- Insured Health	Total
Operating revenues:					
Charges for sales and services:					
Service charges	\$ 671,500	\$ 4,303,400	\$ 6,913,090	\$ 15,626,243	\$ 27,514,233
Operating expenses:					
Costs of sales and services:					
Power, water and wastewater purchases	-	33,685	-	-	33,685
Materials and supplies	-	1,155,575	52,076	-	1,207,651
Repairs and maintenance	-	2,064,841	123,346	-	2,188,187
Salaries, wages and employee benefits	-	256,805	3,111,543	-	3,368,348
Insurance and other expenses	491,087	53,942	2,191,894	1,619,913	4,356,836
Claims expense	120,753	-	-	14,060,578	14,181,331
Depreciation and amortization	-	1,577,514	275,113	-	1,852,627
Total operating expenses	<u>611,840</u>	<u>5,142,362</u>	<u>5,753,972</u>	<u>15,680,491</u>	<u>27,188,665</u>
Operating income (loss)	<u>59,660</u>	<u>(838,962)</u>	<u>1,159,118</u>	<u>(54,248)</u>	<u>325,568</u>
Non-operating revenues:					
Investment earnings	283,195	140,313	142,878	221,928	788,314
Gain (loss) on sale of capital assets	-	(25,375)	(1,661)	-	(27,036)
Other	236,829	69,092	210	1,688,109	1,994,240
Total non-operating revenues	<u>520,024</u>	<u>184,030</u>	<u>141,427</u>	<u>1,910,037</u>	<u>2,755,518</u>
Change in net position	579,684	(654,932)	1,300,545	1,855,789	3,081,086
Total net position - beginning	<u>7,924,692</u>	<u>15,301,047</u>	<u>4,008,553</u>	<u>8,722,311</u>	<u>35,956,603</u>
Total net position - ending	<u>\$ 8,504,376</u>	<u>\$ 14,646,115</u>	<u>\$ 5,309,098</u>	<u>\$ 10,578,100</u>	<u>\$ 39,037,689</u>

**CITY OF SUNRISE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Workers' Compensation	Fleet Management	Information Technology & Communications	Self-Insured Health	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 671,500	\$ 4,303,400	\$ 6,913,090	\$ 15,618,078	\$ 27,506,068
Payments to suppliers	(1,301,574)	(3,558,280)	(2,315,418)	(14,066,434)	(21,241,706)
Payments to and for employees	-	(239,901)	(2,915,416)	-	(3,155,317)
Net cash provided by (used for) operating activities	<u>(630,074)</u>	<u>505,219</u>	<u>1,682,256</u>	<u>1,551,644</u>	<u>3,109,045</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfer from other funds	-	-	-	-	-
Transfer to other funds	-	-	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	-	(2,085,818)	(886,438)	-	(2,972,256)
Proceeds from sales of capital assets	-	3,100	-	-	3,100
Net cash (used for) capital and related financing activities	<u>-</u>	<u>(2,082,718)</u>	<u>(886,438)</u>	<u>-</u>	<u>(2,969,156)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sales and maturities of investments	1,372,004	869,040	662,815	879,538	3,783,397
Purchase of investments	(1,216,160)	(595,426)	(663,749)	(1,031,412)	(3,506,747)
Interest and dividends received	282,400	138,523	143,639	223,469	788,031
Net cash provided by investing activities	<u>438,244</u>	<u>412,137</u>	<u>142,705</u>	<u>71,595</u>	<u>1,064,681</u>
Net increase (decrease) in cash and cash equivalents	(191,830)	(1,165,362)	938,523	1,623,239	1,204,570
Cash and cash equivalents, September 30, 2018	<u>10,768,421</u>	<u>5,290,804</u>	<u>4,427,401</u>	<u>7,479,182</u>	<u>27,965,808</u>
Cash and cash equivalents, September 30, 2019	<u>\$ 10,576,591</u>	<u>\$ 4,125,442</u>	<u>\$ 5,365,924</u>	<u>\$ 9,102,421</u>	<u>\$ 29,170,378</u>

	<u>Workers'</u> <u>Compensation</u>	<u>Fleet</u> <u>Management</u>	<u>Information</u> <u>Technology &</u> <u>Communications</u>	<u>Self-Insured</u> <u>Health</u>	<u>Total</u> <u>Internal</u> <u>Service</u> <u>Funds</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:					
Operating income (loss)	\$ 59,660	\$ (838,962)	\$ 1,159,118	\$ (54,248)	\$ 325,568
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Miscellaneous non-operating income	236,829	69,092	210	1,688,109	1,994,240
Depreciation and amortization expense	-	1,577,514	275,113	-	1,852,627
(Increase) in accounts receivable	-	-	-	(8,165)	(8,165)
(Increase) decrease in other receivables	-	5,707	-	(62,250)	(56,543)
Decrease in intergovernmental receivables	-	1,574	-	-	1,574
(Increase) in inventories	-	(12,443)	-	-	(12,443)
Decrease in prepaid items	1,750	-	1,575	-	3,325
Decrease in deferred outflows	-	27,326	259,246	-	286,572
Increase (decrease) in accounts payable	(2,907)	(315,581)	50,113	(11,802)	(280,177)
Increase in accrued liabilities	-	588	14,257	-	14,845
Increase (decrease) in due to other funds	-	1,467	(109)	-	1,358
Increase in compensated absences payable	-	887	35,537	-	36,424
Increase in total other postemployment benefits payable	-	314	3,034	-	3,348
(Decrease) in total pension liability - retiree subsidy	-	(1,101)	(10,606)	-	(11,707)
(Decrease) in net pension liability	-	(15,940)	(151,158)	-	(167,098)
Increase in deferred inflows	-	4,777	45,926	-	50,703
(Decrease) in claims and judgments	(925,406)	-	-	-	(925,406)
Total adjustments	<u>(689,734)</u>	<u>1,344,181</u>	<u>523,138</u>	<u>1,605,892</u>	<u>2,783,477</u>
Net cash provided by (used for) operating activities	\$ (630,074)	\$ 505,219	\$ 1,682,256	\$ 1,551,644	\$ 3,109,045
Noncash investing activities:					
Net increase in fair value of investments	\$ 7,220	\$ 5,501	\$ 1,576	\$ 2,220	\$ 16,517

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Fiduciary Funds

Pension Trusts and Agency Funds

Pension trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans. Agency funds are used to account for short-term custodial collections on resources on behalf of another individual, entity, or government.

***General Employees',
Police Officers' and
Firefighters' Pension
Trust Funds***

Accounts for the accumulation of resources to be used for retirement benefit payments to City employees.

***Special Assessment
Agency Fund***

Accounts for the accumulation of resources from special assessments to be used for principal and interest payments for the Special Assessment bonds, Series 2015.

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

	<u>Employee Retirement Funds</u>				
	General Employees' Pension	Police Officers' Pension	Firefighters' Pension	Total Pension Trust Funds	Special Assessment Agency Fund
ASSETS					
Cash and cash equivalents	\$ 2,005,372	\$ 2,020,964	\$ -	\$ 4,026,336	\$ 6,748,852
Receivable from sale of securities	-	25,584	280,087	305,671	-
Interest and dividends receivable	24,708	312,427	202,889	540,024	-
Due from other funds	71,369	59,045	48,083	178,497	-
Other receivables	61	-	-	61	-
Investments:					
Money market funds	-	-	3,674,298	3,674,298	-
U.S. government and agency securities	-	19,302,149	9,630,985	28,933,134	-
Corporate bonds	-	29,218,063	3,883,933	33,101,996	-
Mutual funds	132,534,640	-	45,581,266	178,115,906	-
Common stocks	23,709,846	80,617,866	52,286,836	156,614,548	-
International equity funds	32,260,664	13,867,277	9,522,760	55,650,701	-
Commingled real estate funds	33,689,598	12,749,281	21,508,488	67,947,367	-
Total investments	<u>222,194,748</u>	<u>155,754,636</u>	<u>146,088,566</u>	<u>524,037,950</u>	<u>-</u>
Prepaid items	-	642,146	-	642,146	-
Total assets	<u>224,296,258</u>	<u>158,814,802</u>	<u>146,619,625</u>	<u>529,730,685</u>	<u>6,748,852</u>
LIABILITIES					
Deposits held for others	-	-	-	-	6,748,852
Accounts payable	219,197	177,388	106,479	503,064	-
Payable for purchase of securities	-	1,999	262,806	264,805	-
Total liabilities	<u>219,197</u>	<u>179,387</u>	<u>369,285</u>	<u>767,869</u>	<u>6,748,852</u>
NET POSITION					
Restricted for pensions	<u>\$ 224,077,061</u>	<u>\$ 158,635,415</u>	<u>\$ 146,250,340</u>	<u>\$ 528,962,816</u>	

CITY OF SUNRISE, FLORIDA
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Employee Retirement Funds</u>			
	<u>General Employees' Pension</u>	<u>Police Officers' Pension</u>	<u>Firefighters' Pension</u>	<u>Total Pension Trust Funds</u>
ADDITIONS				
Contributions:				
Employer	\$ 13,530,354	\$ 10,207,194	\$ 6,279,661	\$ 30,017,209
Plan members	3,306,287	1,686,187	1,341,475	6,333,949
Other sources	-	858,107	821,826	1,679,933
Total contributions	<u>16,836,641</u>	<u>12,751,488</u>	<u>8,442,962</u>	<u>38,031,091</u>
Investment earnings:				
Interest	14,627	2,225,178	844,924	3,084,729
Dividends	3,795,829	1,531,954	1,991,043	7,318,826
Net appreciation in fair value of investments	4,024,123	1,980,974	3,797,398	9,802,495
Other	2,833	6,128	11,158	20,119
Total investment earnings	<u>7,837,412</u>	<u>5,744,234</u>	<u>6,644,523</u>	<u>20,226,169</u>
Less investment expense	798,060	528,897	704,670	2,031,627
Net investment earnings	<u>7,039,352</u>	<u>5,215,337</u>	<u>5,939,853</u>	<u>18,194,542</u>
Total additions	<u>23,875,993</u>	<u>17,966,825</u>	<u>14,382,815</u>	<u>56,225,633</u>
DEDUCTIONS				
Benefits	17,985,794	10,271,348	14,163,770	42,420,912
Refunds of contributions	174,405	13,426	6,194	194,025
Administrative expenses	190,238	292,849	199,780	682,867
Total deductions	<u>18,350,437</u>	<u>10,577,623</u>	<u>14,369,744</u>	<u>43,297,804</u>
Change in net position	5,525,556	7,389,202	13,071	12,927,829
Net position - beginning	<u>218,551,505</u>	<u>151,246,213</u>	<u>146,237,269</u>	<u>516,034,987</u>
Net position - ending	<u>\$ 224,077,061</u>	<u>\$ 158,635,415</u>	<u>\$ 146,250,340</u>	<u>\$ 528,962,816</u>

CITY OF SUNRISE, FLORIDA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Balance</u> <u>September 30, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30, 2019</u>
ASSETS				
Cash and cash equivalents	\$ 6,676,021	\$ 4,855,309	\$ 4,782,478	\$ 6,748,852
Total assets	<u>\$ 6,676,021</u>	<u>\$ 4,855,309</u>	<u>\$ 4,782,478</u>	<u>\$ 6,748,852</u>
LIABILITIES				
Deposits held for others	\$ 6,676,021	\$ 4,855,709	\$ 4,782,878	\$ 6,748,852
Total liabilities	<u>\$ 6,676,021</u>	<u>\$ 4,855,709</u>	<u>\$ 4,782,878</u>	<u>\$ 6,748,852</u>

Section III
City of Sunrise, Florida
Statistical Section
(unaudited)

Statistical Section

This part of the City'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.

CONTENTS

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Financial Trends	136
<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>	
Revenue Capacity	141
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	
Debt Capacity	146
<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>	
Demographic and Economic Information	150
<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>	
Operating Information	153
<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>	

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

SCHEDULE 1
CITY OF SUNRISE, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities:										
Net investment in capital assets	\$ 176,946,348	\$ 162,750,766	\$ 140,789,661	\$ 216,939,533	\$ 168,525,248	\$ 161,496,469	\$ 172,578,594	\$ 149,534,658	\$ 155,481,156	\$ 142,039,078
Restricted	74,232,350	91,307,048	115,510,156	46,042,385	93,706,809	8,471,002	8,570,447	12,970,864	14,338,760	14,748,436
Unrestricted (2) (3) (4)	(63,459,412)	(72,061,847)	(60,686,131)	(54,188,498)	(59,704,740)	(30,731,825)	72,083,680	94,285,475	102,909,539	131,178,114
Total governmental activities net position	\$ 187,719,286	\$ 181,995,967	\$ 195,613,686	\$ 208,793,420	\$ 202,527,317	\$ 139,235,646	\$ 253,232,721	\$ 256,790,997	\$ 272,729,455	\$ 287,965,628
Business-type activities:										
Net investment in capital assets	\$ 235,858,900	\$ 219,579,021	\$ 201,581,451	\$ 198,835,364	\$ 187,354,916	\$ 194,208,810	\$ 195,615,586	\$ 205,103,917	\$ 215,951,117	\$ 225,849,507
Restricted	101,960,567	117,890,941	108,974,616	135,887,097	139,944,842	142,517,366	59,799,505	46,285,671	34,052,302	31,477,214
Unrestricted (2) (3) (4)	141,853,261	103,253,120	98,900,197	52,142,150	31,966,077	(5,367,597)	80,932,037	72,518,710	60,828,007	34,252,389
Total business-type activities net position	\$ 479,672,728	\$ 440,723,082	\$ 409,456,264	\$ 386,864,611	\$ 359,265,835	\$ 331,358,579	\$ 336,347,128	\$ 323,908,298	\$ 310,831,426	\$ 291,579,110
Total:										
Net investment in capital assets (1)	\$ 412,805,248	\$ 382,329,787	\$ 342,371,112	\$ 415,774,897	\$ 355,880,164	\$ 355,705,279	\$ 368,194,180	\$ 354,638,575	\$ 371,432,273	\$ 367,888,585
Restricted	176,192,917	209,197,989	224,484,772	181,929,482	233,651,651	150,988,368	68,369,952	59,256,535	48,391,062	46,225,650
Unrestricted (2) (3) (4)	78,393,849	31,191,273	38,214,066	(2,046,348)	(27,738,663)	(36,099,422)	153,015,717	166,804,185	163,737,546	165,430,503
Total net position	\$ 667,392,014	\$ 622,719,049	\$ 605,069,950	\$ 595,658,031	\$ 561,793,152	\$ 470,594,225	\$ 589,579,849	\$ 580,699,295	\$ 583,560,881	\$ 579,544,738

- (1) Fiscal year 2012 net investment in capital assets has been restated due to the implementation of GASB 63 and 65.
(2) Fiscal year 2014 unrestricted net position has been restated due to the implementation of GASB 68.
(3) Fiscal year 2016 unrestricted net position has been restated due to the implementation of GASB 73.
(4) Fiscal year 2017 unrestricted net position has been restated due to the implementation of GASB 75.

SCHEDULE 2
CITY OF SUNRISE, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
EXPENSES										
Governmental activities:										
General government	\$ 31,927,104	\$ 35,327,180	\$ 30,422,154	26,389,946	\$ 26,785,702	\$ 22,117,132	\$ 21,971,961	\$ 22,165,444	\$ 19,697,928	\$ 20,082,293
Public safety	91,538,016	91,328,642	86,838,184	82,501,264	76,420,597	75,725,531	73,437,952	73,391,974	69,634,438	64,437,920
Physical environment	4,316	96,856	15,655	17,439	19,213	-	26	-	58,450	-
Economic development	446,567	881,688	823,732	986,907	783,130	1,450,739	2,163,364	3,509,823	3,394,166	4,809,338
Human services	-	-	-	-	-	-	5,891	38,434	5,709	30,911
Transportation	9,001,119	10,357,065	10,446,155	8,629,081	11,208,805	11,112,617	13,415,518	15,108,537	16,038,739	16,280,932
Culture and recreation	16,048,127	16,134,161	14,782,395	14,240,291	15,114,540	15,069,953	13,903,513	14,325,266	13,672,035	13,564,626
Interest on long-term debt	1,707,963	1,847,100	1,981,013	2,138,958	3,520,704	860,394	2,986,064	3,308,802	3,766,241	4,173,836
Total governmental activities expenses	150,673,212	155,972,692	145,309,288	134,903,886	133,852,691	126,336,366	127,884,289	131,848,280	126,267,706	123,379,856
Business-type activities:										
Water and wastewater	90,309,770	90,488,937	87,002,721	82,886,168	80,097,871	74,498,032	76,928,227	75,555,668	70,525,696	66,756,884
Gas	7,533,228	7,613,124	7,168,302	6,464,051	6,483,831	7,028,195	6,501,671	6,074,455	6,591,254	6,871,911
Sanitation	12,295,078	12,667,652	11,700,774	10,809,059	10,475,071	10,072,501	11,875,547	12,253,967	14,048,290	14,508,602
Recycling	930,628	899,350	885,638	853,151	815,541	853,629	571,219	518,729	545,524	559,919
Stormwater	5,027,770	5,038,372	4,367,175	4,637,636	4,239,043	4,100,658	2,060,696	2,372,426	2,169,113	2,181,131
Golf course	1,845,786	1,832,889	1,848,015	1,862,669	1,910,545	1,957,715	1,933,471	1,893,322	1,848,000	832,053
Total business-type activities expenses	117,942,260	118,540,324	112,972,625	107,512,734	104,021,902	98,510,730	99,870,831	98,668,567	95,727,877	91,710,500
Total expenses	\$ 268,615,472	\$ 274,513,016	\$ 258,281,913	\$ 242,416,620	\$ 237,874,593	\$ 224,847,096	\$ 227,755,120	\$ 230,516,847	\$ 221,995,583	\$ 215,090,356
PROGRAM REVENUES										
Governmental activities:										
Charges for services:										
General government	\$ 10,376,703	\$ 9,145,264	\$ 11,364,179	\$ 9,944,340	\$ 10,742,083	\$ 7,798,806	\$ 6,664,836	\$ 6,714,210	\$ 6,461,395	\$ 5,752,065
Public safety	27,527,437	26,207,627	25,119,770	28,021,610	23,424,381	25,267,766	23,379,743	20,243,787	17,010,389	15,803,017
Physical environment	16,886,268	16,411,600	15,736,071	14,918,466	14,756,282	13,853,068	13,400,272	12,470,134	11,966,332	11,953,369
Transportation	46,575	46,056	28,996	79,167	67,284	88,959	52,509	80,922	56,145	25,005
Culture and recreation	1,743,697	1,610,220	1,623,907	1,680,726	1,714,226	1,477,256	1,391,195	1,249,751	1,158,463	1,115,163
Operating grants and contributions	8,137,020	7,481,798	6,165,221	6,352,861	6,170,818	9,379,731	7,810,672	8,465,070	10,163,701	5,717,742
Capital grants and contributions	2,615,910	2,602,807	3,026,237	2,373,611	65,245,338	2,181,943	2,179,024	1,487,777	2,055,863	1,731,426
Total governmental activities program revenues	67,333,610	63,505,372	63,064,381	63,370,781	122,120,412	60,047,529	54,878,251	50,711,651	48,872,288	42,097,787
Business-type activities:										
Charges for services:										
Water and wastewater	118,985,353	115,575,194	112,866,419	107,956,039	102,977,721	97,709,023	93,518,987	86,481,462	82,899,507	81,881,749
Gas	8,134,385	8,049,019	7,645,822	6,917,521	7,511,570	7,785,045	7,318,596	7,041,104	7,524,819	7,808,387
Sanitation	12,256,133	12,700,783	11,234,023	9,905,560	9,596,577	9,202,805	11,545,708	11,446,027	13,272,614	13,729,802
Recycling	1,164,656	1,149,864	1,128,378	1,163,315	1,141,180	1,109,183	1,068,927	178,435	175,689	175,078
Stormwater	7,785,773	7,526,854	7,225,952	6,855,996	6,440,263	6,214,993	4,303,188	4,237,157	4,054,391	4,072,545
Golf course	1,133,982	994,406	959,209	1,072,826	1,134,232	1,149,913	1,106,185	987,789	893,641	36,176
Operating grants and contributions	-	5,503	33,301	264,976	-	-	-	-	-	-
Capital grants and contributions	1,366,529	4,398,270	3,295,284	4,843,538	3,553,989	2,359,667	1,018,658	337,687	1,952,079	998,783
Total business-type activities program revenues	150,826,811	150,399,893	144,388,388	138,979,771	132,355,532	125,530,629	119,880,249	110,709,661	110,772,740	108,702,520
Total program revenues	\$ 218,160,421	\$ 213,905,265	\$ 207,452,769	\$ 202,350,552	\$ 254,475,944	\$ 185,578,158	\$ 174,758,500	\$ 161,421,312	\$ 159,645,028	\$ 150,800,307
NET (EXPENSE)/REVENUE										
Governmental activities	\$ (83,339,602)	\$ (92,467,320)	\$ (82,244,907)	\$ (71,533,105)	\$ (11,732,279)	\$ (66,288,837)	\$ (73,006,038)	\$ (81,136,629)	\$ (77,395,418)	\$ (81,282,069)
Business-type activities	32,884,551	31,859,569	31,415,763	31,467,037	28,333,630	27,019,899	20,009,418	12,041,094	15,044,863	16,992,020
Total (expense)/revenue	\$ (50,455,051)	\$ (60,607,751)	\$ (50,829,144)	\$ (40,066,068)	\$ 16,601,351	\$ (39,268,938)	\$ (52,996,620)	\$ (69,095,535)	\$ (62,350,555)	\$ (64,290,049)

SCHEDULE 2
CITY OF SUNRISE, FLORIDA
CHANGES IN NET POSITION, continued
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities:										
Taxes:										
Property taxes	\$ 47,472,021	\$ 44,375,078	\$ 40,933,847	\$ 38,118,401	\$ 33,486,368	\$ 31,708,055	\$ 30,726,477	\$ 30,485,081	\$ 31,323,739	\$ 36,137,516
Insurance premium taxes	-	-	-	-	-	-	-	-	1,277,851	1,372,490
Utility service tax	10,272,645	10,117,314	9,773,155	9,469,694	9,242,584	9,047,000	8,392,172	7,928,732	7,656,725	7,688,446
Communications services tax	3,050,927	3,013,094	3,280,405	3,083,443	3,557,460	3,017,207	4,251,293	4,237,582	4,365,158	4,880,665
Local business tax	2,208,339	2,257,857	2,334,836	2,313,203	2,217,511	2,426,731	2,352,391	2,138,637	2,196,298	2,158,770
Franchise fees	9,732,136	9,619,183	9,505,423	9,275,964	9,373,129	9,199,078	8,790,155	8,829,581	9,007,930	9,765,447
Grants and contributions not restricted to specific programs	9,047,925	8,948,305	8,402,313	8,223,538	7,900,405	8,078,628	7,556,493	7,176,366	7,177,354	7,248,078
Unrestricted investment earnings	3,761,615	2,424,959	1,376,415	1,090,804	854,372	181,000	775,628	1,414,724	1,197,371	2,647,362
Miscellaneous	387,609	892,424	300,558	372,106	4,284,588	756,909	2,279,063	1,148,317	1,018,796	1,105,735
Gain on sale of capital assets	43,870	-	136	269,206	-	19,849	29,373	-	38,873	30,341
Extraordinary loss on defeasance of debt	-	-	-	-	-	-	(6,879,604)	-	-	-
Transfers	3,085,834	3,524,053	3,635,132	5,582,849	4,107,533	7,960,905	11,174,321	1,924,193	(312,864)	(1,668,044)
Total governmental activities	89,062,921	85,172,267	79,542,220	77,799,208	75,023,950	72,395,362	69,447,762	65,283,213	64,947,231	71,366,806
Business-type activities:										
Unrestricted investment earnings	6,195,306	3,944,069	1,770,111	1,248,323	830,950	438,071	846,136	1,299,817	949,692	1,812,363
Miscellaneous	2,955,623	1,305,786	495,230	466,265	2,850,209	2,842,841	2,757,597	3,540,344	2,944,897	1,176,194
Extraordinary loss on early extinguishment of debt	-	-	-	-	-	-	-	-	-	(18,701,562)
Transfers	(3,085,834)	(3,524,053)	(3,635,132)	(5,582,849)	(4,107,533)	(7,960,905)	(11,174,321)	(1,924,193)	312,864	1,668,044
Total business-type activities	6,065,095	1,725,802	(1,369,791)	(3,868,261)	(426,374)	(4,679,993)	(7,570,588)	2,915,968	4,207,453	(14,044,961)
Total	\$ 95,128,016	\$ 86,898,069	\$ 78,172,429	\$ 73,930,947	\$ 74,597,576	\$ 67,715,369	\$ 61,877,174	\$ 68,199,181	\$ 69,154,684	\$ 57,321,845
CHANGE IN NET POSITION										
Governmental activities	\$ 5,723,319	\$ (7,295,053)	\$ (2,702,687)	\$ 6,266,103	\$ 63,291,671	\$ 6,106,525	\$ (3,558,276)	\$ (15,853,416)	\$ (12,448,187)	\$ (9,915,263)
Business-type activities	38,949,646	33,585,371	30,045,972	27,598,776	27,907,256	22,339,906	12,438,830	14,957,062	19,252,316	2,947,059
Total	\$ 44,672,965	\$ 26,290,318	\$ 27,343,285	\$ 33,864,879	\$ 91,198,927	\$ 28,446,431	\$ 8,880,554	\$ (896,354)	\$ 6,804,129	\$ (6,968,204)

SCHEDULE 3
CITY OF SUNRISE, FLORIDA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

		Pre-GASB 54								
		2010								
General fund										
Reserved	\$	781,078								
Unreserved		<u>76,930,022</u>								
Total general fund	\$	<u>77,711,100</u>								
All other governmental funds										
Reserved	\$	1,395,685								
Unreserved, reported in:										
Special revenue funds		4,569,356								
Debt service funds		14,338,516								
Capital projects funds		<u>46,907,792</u>								
Total all other governmental funds	\$	<u>67,211,349</u>								
		Post-GASB 54								
		2019	2018	2017	2016	2015	2014	2013	2012	2011
General fund										
Nonspendable	\$	18,622,981	13,224,004	13,226,366	261,915	215,061	789,630	632,503	631,062	15,345,639
Spendable:										
Restricted		-	-	-	-	-	9,292,889	6,766,019	4,408,916	1,199,657
Committed		28,648,107	27,086,609	28,885,129	28,949,645	29,072,446	29,623,636	29,382,905	28,628,942	28,615,342
Assigned		1,640,783	2,040,074	670,109	705,861	426,655	6,896,977	813,745	4,784,445	10,067,923
Unassigned		34,878,889	32,522,796	32,180,080	37,435,972	33,500,451	23,444,531	17,062,334	31,546,789	12,329,568
Total general fund	\$	<u>83,790,760</u>	<u>74,873,483</u>	<u>74,961,684</u>	<u>67,353,393</u>	<u>63,214,613</u>	<u>70,047,663</u>	<u>54,657,506</u>	<u>70,000,154</u>	<u>67,558,129</u>
All other governmental funds										
Nonspendable	\$	49,336	79,331	64,706	78,767	79,889	54,449	41,563	53,101	46,009
Spendable:										
Restricted		56,669,735	54,772,733	73,093,859	93,597,538	108,440,054	11,829,801	8,976,005	7,980,303	10,938,716
Assigned		24,451,127	40,035,534	47,200,270	38,072,842	32,205,135	32,760,916	32,993,753	35,506,939	42,790,651
Unassigned		(2,336,784)	-	-	(95,593)	(41,504)	(49,786)	(40,313)	(203,644)	(251,900)
Total all other governmental funds	\$	<u>78,833,414</u>	<u>94,887,598</u>	<u>120,358,835</u>	<u>131,653,554</u>	<u>140,683,574</u>	<u>44,595,380</u>	<u>41,971,008</u>	<u>43,336,699</u>	<u>53,523,476</u>

SCHEDULE 4
CITY OF SUNRISE, FLORIDA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
REVENUES										
Taxes	\$ 66,364,383	\$ 62,970,151	\$ 59,453,204	\$ 56,080,133	\$ 51,545,650	\$ 49,197,197	\$ 48,609,630	47,591,108	\$ 48,563,152	\$ 54,123,339
Permits and fees	8,887,626	7,095,253	9,337,197	10,629,884	8,843,619	8,587,577	7,017,560	6,460,836	4,506,666	3,195,176
Franchise fees	9,825,469	9,735,850	9,538,510	9,339,543	9,453,202	9,281,065	8,870,063	8,905,875	9,091,636	9,856,813
Intergovernmental	12,944,045	13,387,970	12,258,151	11,262,558	9,751,783	11,350,180	10,795,365	11,289,965	13,729,502	12,484,748
Charges for services	25,455,920	24,638,143	23,788,342	23,665,741	23,101,315	21,567,977	20,242,171	19,185,483	18,045,527	17,544,176
Administrative charges	7,644,340	7,421,660	7,224,500	7,077,430	6,980,000	6,231,856	5,653,003	5,581,732	5,280,317	5,103,573
Judgments, fines and forfeitures	4,489,415	2,879,247	3,246,164	3,385,855	3,409,077	6,119,436	3,737,369	2,977,201	4,420,158	1,341,017
Special assessments	10,753,750	10,701,365	10,848,533	10,371,591	8,857,695	8,750,541	9,374,859	7,553,494	7,542,173	7,558,901
Impact fees	10,338	24,978	250,739	3,534	453,942	84,198	46,473	79,550	134,266	11,126
Investment earnings	4,085,270	2,925,735	1,593,369	1,084,163	750,001	180,510	734,970	1,342,780	1,148,747	2,544,657
Contributions and donations	57,090	63,190	52,835	185,586	116,720	282,715	33,368	8,560	18,053	17,822
Miscellaneous	1,706,619	2,579,270	1,494,186	1,681,972	4,184,984	4,212,749	4,047,084	3,472,958	2,522,855	2,045,547
Total revenues	152,224,265	144,422,812	139,085,730	134,767,990	127,447,988	125,846,001	119,161,915	114,449,542	115,003,052	115,826,895
EXPENDITURES										
General government	29,900,865	29,797,500	27,743,724	25,459,742	24,501,052	20,463,001	19,860,339	19,210,450	18,028,188	18,160,966
Public safety	87,756,365	86,822,884	83,124,919	78,703,391	75,204,035	73,207,700	71,002,021	69,311,638	66,635,145	62,852,805
Physical environment	-	-	-	-	-	-	-	-	58,450	-
Economic development	446,567	881,688	823,732	986,907	783,130	1,450,739	2,163,364	3,509,823	3,394,166	4,723,402
Human services	-	-	-	-	-	-	5,891	38,434	5,709	30,911
Transportation	4,120,329	3,880,941	3,527,499	2,634,245	2,761,671	1,934,897	3,763,154	3,784,499	3,763,258	3,673,074
Culture and recreation	12,099,691	12,375,100	11,288,557	10,338,707	10,189,068	10,974,675	9,651,561	9,937,616	9,780,996	9,439,482
Debt service:										
Principal	3,005,000	2,870,000	3,340,000	2,840,000	2,085,000	1,995,000	2,175,000	6,430,000	7,180,000	7,070,000
Payment to refunded bond escrow agent	-	-	-	-	-	-	39,529,163	-	-	-
Interest	1,709,586	1,848,286	1,981,762	2,139,269	1,102,407	852,330	947,226	1,036,509	1,362,316	1,646,525
Principal repayment due to refunding	-	-	-	-	-	-	-	-	8,175,000	-
Bond issuance costs	-	-	-	-	677,441	-	-	-	-	-
Other	47,541	43,983	44,068	44,011	51,488	39,884	132,796	55,375	51,997	55,023
Capital outlay	23,498,498	35,044,444	14,627,576	21,345,863	24,287,277	4,919,682	3,322,084	11,926,264	20,173,184	34,358,816
Total expenditures	162,584,442	173,564,826	146,501,837	144,492,135	141,642,569	115,837,908	152,552,599	125,240,608	138,608,409	142,011,004
Excess (deficiency) of revenues over (under) expenditures	(10,360,177)	(29,142,014)	(7,416,107)	(9,724,145)	(14,194,581)	10,008,093	(33,390,684)	(10,791,066)	(23,605,357)	(26,184,109)
OTHER FINANCING SOURCES (USES)										
Contributions from property owners	-	-	-	-	64,035,638	-	-	-	-	-
Ad valorem tax bonds issued	-	-	-	-	37,630,000	-	-	-	-	-
Premium on ad valorem tax bonds	-	-	-	-	2,365,865	-	-	-	-	-
Sale of capital assets	137,436	58,523	94,547	1,749,315	22,229	45,531	34,024	113,195	77,377	53,873
Transfers in	6,262,334	10,987,013	6,017,707	12,322,444	20,225,450	13,972,983	26,657,418	15,941,233	32,429,194	31,881,105
Transfers out	(3,176,500)	(7,462,960)	(2,382,575)	(9,238,854)	(20,829,457)	(6,012,078)	(10,009,097)	(13,008,114)	(32,742,058)	(33,549,149)
Total other financing sources (uses)	3,223,270	3,582,576	3,729,679	4,832,905	103,449,725	8,006,436	16,682,345	3,046,314	(235,487)	(1,614,171)
Net change in fund balances	\$ (7,136,907)	\$ (25,559,438)	\$ (3,686,428)	\$ (4,891,240)	\$ 89,255,144	\$ 18,014,529	\$ (16,708,339)	\$ (7,744,752)	\$ (23,840,844)	\$ (27,798,280)
Debt service as a percentage of noncapital expenditures	3.4%	3.4%	4.0%	4.0%	2.7%	2.6%	28.5%	6.5%	13.9%	8.1%

SCHEDULE 5
CITY OF SUNRISE, FLORIDA
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

FISCAL YEAR	PROPERTY TAX	LOCAL BUSINESS TAX	INSURANCE PREMIUM TAX	COMMUNICATIONS SERVICES TAX	LOCAL OPTION FUEL TAX	UTILITY SERVICE TAX	TOTAL
2019	\$ 47,472,021	\$ 2,208,339	\$ 1,679,933	\$ 3,050,927	\$ 1,680,518	\$ 10,272,645	\$ 66,364,383
2018	44,375,078	2,257,857	1,548,796	3,013,094	1,658,012	10,117,314	62,970,151
2017	40,933,847	2,334,836	1,491,886	3,280,405	1,639,075	9,773,155	59,453,204
2016	38,118,401	2,313,203	1,496,667	3,083,443	1,598,725	9,469,694	56,080,133
2015	33,486,368	2,217,511	1,492,420	3,557,460	1,549,307	9,242,584	51,545,650
2014	31,708,055	2,426,731	1,500,184	3,017,207	1,498,020	9,047,000	49,197,197
2013	30,726,477	2,352,391	1,433,000	4,251,293	1,454,297	8,392,172	48,609,630
2012	30,485,081	2,138,637	1,299,161	4,285,645	1,453,852	7,928,732	47,591,108
2011	31,323,739	2,196,298	1,277,851	4,557,410	1,551,129	7,656,725	48,563,152
2010	36,137,516	2,158,770	1,372,490	5,072,917	1,693,200	7,688,446	54,123,339
Change 2010-2019	31.4%	2.3%	22.4%	-39.9%	-0.7%	33.6%	22.6%

SCHEDULE 6
 CITY OF SUNRISE, FLORIDA
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (in thousands of dollars)

FISCAL YEAR	REAL PROPERTY				LESS EXEMPTIONS:		TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE	ESTIMATED ACTUAL TAXABLE VALUE	ASSESSED VALUE AS A PERCENTAGE OF ESTIMATED ACTUAL VALUE
	RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	INDUSTRIAL PROPERTY	PERSONAL PROPERTY	REAL PROPERTY	PERSONAL PROPERTY				
2019	\$ 6,585,536	\$ 3,547,246	\$ 602,588	\$ 483,697	\$ 3,799,086	\$ 46,516	\$ 7,373,465	\$ 6.3550	\$ 11,219,067	65.72%
2018	5,962,687	3,484,742	561,027	453,972	3,550,037	45,725	6,866,666	6.3838	10,462,428	65.63%
2017	5,422,562	3,219,314	499,898	441,752	3,314,284	46,548	6,222,694	6.4293	9,583,526	64.93%
2016	4,996,766	3,008,815	463,100	420,924	3,080,448	43,059	5,766,098	6.4426	8,889,605	64.86%
2015	4,386,598	2,957,548	451,960	424,275	2,735,328	42,292	5,442,761	6.0543	8,220,381	66.21%
2014	3,656,176	2,903,640	425,186	436,072	2,306,308	39,188	5,075,578	6.0543	7,421,074	68.39%
2013	3,394,080	2,899,101	414,860	416,962	2,205,005	40,448	4,879,550	6.0543	7,125,003	68.48%
2012	3,450,008	2,850,819	410,149	408,908	2,224,362	40,031	4,855,491	6.0543	7,119,884	68.20%
2011	3,431,438	3,018,307	426,934	411,900	2,180,507	40,821	5,067,251	6.0543	7,288,579	69.52%
2010	4,495,068	3,135,996	500,958	431,049	2,676,154	40,800	5,846,117	6.0543	8,563,071	68.27%

Source: Broward County Property Appraiser

Note: Property in the City is reassessed each year. Tax rates are per \$1,000 of assessed value.

SCHEDULE 7
CITY OF SUNRISE, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(rate per \$1,000 of assessed value)

FISCAL YEAR	TAX ROLL YEAR	CITY OF SUNRISE OPERATING	CITY OF SUNRISE DEBT	SPECIAL TAX DISTRICT NO. 1**	OVERLAPPING RATES					
					BROWARD COUNTY	BROWARD COUNTY SCHOOLS	CHILDREN'S SERVICES COUNCIL	SO. FLORIDA WATER MGMT. DISTRICT	FL. INLAND NAVIGATION DISTRICT	NORTH HOSPITAL DISTRICT
2019	2018	\$ 6.0543	\$ 0.3007	\$ 3.3934	\$ 5.6690	\$ 6.4029	\$ 0.4882	\$ 0.2936	\$ 0.0320	\$ 1.0855
2018	2017	6.0543	0.3295	3.3609	5.6690	6.5394	0.4882	0.3100	0.0320	1.2483
2017	2016	6.0543	0.3750	3.4887	5.6690	6.9063	0.4882	0.3307	0.0320	1.3462
2016	2015	6.0543	0.3883	3.6526	5.7230	7.2740	0.4882	0.3551	0.0320	1.4425
2015	2014	6.0543	-	3.7495	5.7230	7.4380	0.4882	0.3842	0.0345	1.5939
2014	2013	6.0543	-	4.0801	5.7230	7.4800	0.4882	0.4110	0.0345	1.7554
2013	2012	6.0543	-	4.2098	5.5530	7.4560	0.4902	0.4289	0.0345	1.8564
2012	2011	6.0543	-	4.2222	5.5530	7.4180	0.4789	0.4363	0.0345	1.8750
2011	2010	6.0543	-	4.1217	5.5530	7.6310	0.4696	0.6240	0.0345	1.8750
2010	2009	6.0543	-	4.7426	5.3889	7.4310	0.4243	0.6240	0.0345	1.7059

Source: Broward County Property Appraiser

*State law requires all counties to assess at 100% just valuation and limits millage for operating purposes to ten (10) mills.

**Special Tax District No. 1 is a taxing entity that levies voted debt service taxes on limited areas within the City.

SCHEDULE 8
CITY OF SUNRISE, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

TAXPAYER	2019			2010		
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL CITY TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL CITY TAXABLE ASSESSED VALUE
Sunrise Mills LTD Partner	\$ 443,775,080	1	6.40%	\$ 306,585,160	1	5.62%
American Express Travel Related Svcs Co	172,558,250	2	2.49%	-	-	-
Sunrise Village Development LLC	111,294,855	3	1.60%	-	-	-
Sawgrass Mills Phase III LP	94,499,770	4	1.36%	83,923,770	2	1.54%
Florida Power & Light Co.	84,015,749	5	1.21%	51,390,140	5	0.94%
PPF Amlı 127th Avenue LLC	77,711,220	6	1.12%			
MGI Flamingo Palms LTD Partner	66,203,443	7	0.95%	41,175,413	8	0.75%
Sawgrass Office FI Joint Venture LLC	64,352,960	8	0.93%	-	-	-
HBO Latin America Production Service LC	52,212,269	9	0.75%	-	-	-
WPT Land 2 LP	52,185,340	10	0.75%	-	-	-
N/S Sawgrass Office Associates LLC	-	-	-	66,831,650	3	1.22%
W/K Sawgrass LLP	-	-	-	65,045,590	4	1.19%
Liberty Property LTD Partnership	-	-	-	46,136,850	6	0.85%
TMW Weltfonds 1500 Concord Terrace LP	-	-	-	41,351,910	7	0.76%
Sawgrass Lakes Center LLC	-	-	-	38,402,430	9	0.70%
IKEA Property Inc.	-	-	-	30,420,460	10	0.56%
Totals	\$ 1,218,808,936		17.56%	\$ 771,263,373		14.13%

Source: Broward County Revenue Collection Division

SCHEDULE 9
CITY OF SUNRISE, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

FISCAL YEAR	TAX ROLL YEAR	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
			AMOUNT*	PERCENTAGE OF LEVY		AMOUNT*	PERCENTAGE OF LEVY
2019	2018	\$ 44,681,926	\$ 44,388,609	99.3%	\$ -	\$ 44,388,609	99.3%
2018	2017	41,600,840	41,199,825	99.0%	11,081	41,210,906	99.1%
2017	2016	37,691,193	37,547,182	99.6%	21,530	37,568,712	99.7%
2016	2015	34,924,498	34,755,966	99.5%	17,566	34,773,532	99.6%
2015	2014	32,971,380	32,281,140	97.9%	36,468	32,317,608	98.0%
2014	2013	30,750,681	30,213,556	98.3%	(159,842)	30,053,714	97.7%
2013	2012	29,567,455	29,240,476	98.9%	(248,806)	28,991,670	98.1%
2012	2011	29,421,567	28,908,232	98.3%	(197,531)	28,710,701	97.6%
2011	2010	30,712,669	30,041,047	97.8%	(207,571)	29,833,476	97.1%
2010	2009	35,498,126	34,434,744	97.0%	(131,178)	34,303,566	96.6%

*Amounts are for general fund operations only and are exclusive of discounts, interest and penalties

Source: Broward County Revenue Collection Division

**SCHEDULE 10
CITY OF SUNRISE, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR	GOVERNMENTAL ACTIVITIES				BUSINESS-TYPE ACTIVITIES		TOTAL	PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE OF REAL PROPERTY ^a	PER CAPITA ^b
	GENERAL OBLIGATION BONDS	PUBLIC FACILITIES REVENUE BONDS	PUBLIC IMPROVEMENT BONDS	AD VALOREM TAX BONDS	DIRECT BORROWING	UTILITY SYSTEM REVENUE BONDS			
2019	\$ 35,805,317	\$ -	\$ -	\$ 7,025,000	\$ 89,625,000	\$ 102,398,958	\$ 234,854,275	2.19%	2,515
2018	36,820,245	-	-	9,155,000	89,625,000	107,245,901	242,846,146	2.43%	2,621
2017	37,829,331	-	-	11,190,000	-	200,392,924	249,412,255	2.73%	2,715
2016	38,833,496	-	830,000	13,130,000	-	205,095,556	257,889,052	3.05%	2,843
2015	39,833,533	-	1,055,000	14,990,000	-	211,470,883	267,349,416	3.43%	3,016
2014	-	-	1,270,000	16,770,000	-	217,617,532	235,657,532	3.37%	2,660
2013	-	-	1,270,000	16,770,000	-	216,133,701	234,173,701	3.49%	2,701
2012	-	30,618,786	1,740,000	18,475,000	-	222,055,039	272,888,825	4.07%	3,167
2011	-	32,706,196	2,195,000	20,110,000	-	227,624,479	282,635,675	4.11%	3,350
2010	-	43,671,974	2,630,000	21,680,000	-	234,328,963	302,310,937	3.72%	3,580

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

^aSee Schedule 6 for estimated actual taxable value of real property.

^bSee Schedule 14 for population data.

**SCHEDULE 11
CITY OF SUNRISE, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST FIVE FISCAL YEARS**

FISCAL YEAR	GENERAL OBLIGATION BONDS¹	LESS: AMOUNTS AVAILABLE IN DEBT SERVICE FUND²	NET BONDS OUTSTANDING	PERCENTAGE OF ESTIMATED ACTUAL TAXABLE PROPERTY VALUES³	PER CAPITA⁴
2019	\$ 35,805,317	\$ 140,523	\$ 35,664,794	0.32%	381.99
2018	36,820,245	136,501	36,683,744	0.35%	395.88
2017	37,829,331	106,299	37,723,032	0.39%	410.64
2016	38,833,496	4,664	38,828,832	0.44%	428.04
2015	39,833,533	48	39,833,485	0.48%	449.44

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

¹This is general bonded debt issued during 2015 net of original premium

²This is the amount restricted for debt service payments

³See Schedule 6 for estimated actual taxable property value

⁴See Schedule 14 for population data

**SCHEDULE 12
CITY OF SUNRISE, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2019**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE*	ESTIMATED SHARE OF OVERLAPPING DEBT
Debt repaid with property taxes			
Broward County School Board	\$ 1,745,118,000	3.60%	\$ 62,824,248
Broward County	155,245,000	3.90%	<u>6,054,555</u>
Subtotal, overlapping debt			68,878,803
City direct debt			<u>42,830,317</u>
Total direct and overlapping debt			<u><u>\$ 111,709,120</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by Broward County. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

*For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using gross taxable property values after Value Adjustment Board changes. Applicable percentages were estimated by dividing the City's gross taxable property values after Value Adjustment Board changes by the County's and School Board's gross taxable property values after Value Adjustment Board changes.

**SCHEDULE 13
CITY OF SUNRISE, FLORIDA
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS**

UTILITY SYSTEM REVENUE BONDS

FISCAL YEAR	OPERATING REVENUES	LESS: OPERATING EXPENSES	NET AVAILABLE REVENUE	DEBT SERVICE		COVERAGE	R & R TRANSFER	COVERAGE AFTER R & R TRANSFER
				PRINCIPAL	INTEREST			
2019	\$ 126,424,218	\$66,274,451	\$60,149,767	\$ 4,715,000	\$ 7,941,841	4.75	\$ 6,401,540	3.16
2018	122,948,953	64,209,276	58,739,677	4,550,000	11,021,703	3.77	6,186,080	2.75
2017	119,850,231	61,780,396	58,069,835	4,425,000	10,693,239	3.84	5,927,460	2.76
2016	114,224,530	58,029,427	56,195,103	6,070,000	10,145,529	3.47	5,791,460	2.55
2015	109,840,261	56,815,404	53,024,857	5,860,000	11,126,264	3.12	5,469,430	2.36
2014	104,857,766	53,446,264	51,411,502	5,850,000	9,085,839	3.44	5,320,666	2.54
2013	100,240,820	55,338,483	44,902,337	5,850,000	10,256,964	2.79	5,028,457	2.12
2012	92,940,085	47,658,170	45,281,915	7,185,000	10,949,689	2.50	4,954,591	1.96
2011	89,855,154	48,252,823	41,602,331	7,726,190	11,496,899	2.16	4,808,699	1.73
2010	89,140,021	47,213,431	41,926,590	7,490,000	8,719,183	2.59	4,747,986	2.00

PUBLIC FACILITIES REVENUE BONDS^a

UTILITY SERVICE TAXES

2019	\$ -	\$ -	\$ -	-	-	-
2018	-	-	-	-	-	-
2017	-	-	-	-	-	-
2016	-	-	-	-	-	-
2015	-	-	-	-	-	-
2014	-	-	-	-	-	-
2013		11,751,709	-	-	-	-
2012		11,355,293	4,340,000	-	-	2.62
2011		11,397,306	5,175,000	242,250	-	2.10
2010		11,960,608	5,140,000	448,885	-	2.14

PUBLIC IMPROVEMENT BONDS

SPECIAL ASSESSMENT COLLECTIONS

2019	\$ -	\$ -	\$ -	-	-
2018	-	-	-	-	-
2017		602,140	600,000	2,721	1.00
2016		267,000	230,000	36,628	1.00
2015		271,440	225,000	46,557	1.00
2014		270,600	215,000	56,045	1.00
2013		547,500	470,000	76,529	1.00
2012		550,500	455,000	96,356	1.00
2011		551,869	435,000	115,313	1.00
2010		553,671	420,000	133,617	1.00

AD VALOREM TAX BONDS^b

SPECIAL TAX DISTRICT NO. 1 PROPERTY TAX COLLECTIONS

2019	\$ 2,545,968	\$ 2,230,000	\$ 344,390	0.99
2018	2,507,079	2,130,000	446,090	0.97
2017	2,496,778	2,035,000	541,595	0.97
2016	2,465,540	1,940,000	631,695	0.96
2015	2,381,501	1,860,000	716,715	0.92
2014	2,450,529	1,780,000	796,285	0.95
2013	2,444,946	1,705,000	870,697	0.95
2012	2,444,934	1,635,000	940,153	0.95
2011	2,440,121	1,570,000	1,004,753	0.95
2010	2,433,946	1,510,000	1,064,023	0.95

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements. Gross revenues of the Utility System exclude certain investment income that is not pledged. Operating expenses do not include depreciation or amortization.

^aPublic Facilities revenue bonds were collateralized by a lien on and pledge of a tax upon purchases within the City of electricity, metered and bottled gas, water service and telegraph and telecommunications service. The last component of these bonds, Series 1992B, were defeased in September 2013.

^bAd valorem tax bonds are collateralized by voted debt ad valorem taxes levied upon all taxable property within the Special Tax District No. 1.

**SCHEDULE 14
CITY OF SUNRISE, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	POPULATION	TOTAL POPULATION INCOME (AMOUNTS IN THOUSANDS)	PER CAPITA INCOME	UNEMPLOYMENT RATE
2019	93,365	Not available	Not available	2.9%
2018	92,663	2,441,021	26,343	3.0%
2017	91,865	2,283,121	24,853	3.8%
2016	90,714	2,212,696	24,392	4.5%
2015	88,630	2,084,134	23,515	5.2%
2014	88,033	2,105,309	23,915	5.3%
2013	86,685	2,039,178	23,524	6.4%
2012	86,154	2,066,834	23,990	7.6%
2011	84,375	1,994,034	23,633	9.3%
2010	84,439	2,006,946	23,768	10.2%

Sources: Population information provided by the University of Florida, Bureau of Economic & Business Research. Per capita income provided by U.S. Census Bureau. Unemployment rate information provided by U.S. Department of Labor, Bureau of Labor Statistics

**SCHEDULE 15
CITY OF SUNRISE, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

EMPLOYER	2019			2010		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT
American Express	3,500	1	6.69%	-	-	-
Broward County School Board	1,201	2	2.30%	1,674	1	3.89%
City of Sunrise	1,082	3	2.07%	981	2	2.28%
Coventry Healthcare of Florida	900	4	1.72%	900	3	2.09%
United Healthcare	750	5	1.43%	750	4	1.74%
Mednax National Medical Group	700	6	1.34%	500	6	1.16%
Centene Healthcare	450	7	0.86%	-	-	-
Healthtrust Workforce Solutions	450	8	0.86%	-	-	-
Publix	400	9	0.76%	300	10	0.70%
Team Health	350	10	0.67%	-	-	-
AT & T	-	-	-	700	5	1.63%
Research in Motion	-	-	-	500	7	1.16%
Comcast	-	-	-	350	8	0.81%
General Dynamics	-	-	-	330	9	0.77%
Total	9,783		18.70%	6,985		16.23%

Source: City Economic Development Office and Broward County Schools.

**SCHEDULE 16
CITY OF SUNRISE, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

FUNCTION	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General government										
Information Technology	20	20	19	15	14	13	17	13	14	15
Finance and Administrative Services	39	38	36	37	32	33	21	20	20	20
Central Services	-	-	-	-	-	-	21	21	22	22
Community Development-Planning	28	28	29	26	27	28	29	31	27	29
Other ^a	36	31	30	27	26	27	42	38	40	39
Public safety										
Police										
Officers	179	184	178	184	176	176	176	177	176	171
Civilians	82	70	71	59	66	65	82	82	86	86
Fire										
Firefighters and officers	152	147	148	153	150	149	145	149	145	139
Civilians	9	10	11	9	10	9	9	8	8	6
Building	37	38	37	35	34	29	24	25	26	28
Code Enforcement	15	16	13	15	14	13	13	15	15	15
Transportation										
Public Works	-	-	-	-	-	-	29	34	34	34
Culture and recreation	154	119	112	103	101	100	93	87	94	94
Water	127	122	125	125	119	119	102	102	100	102
Wastewater	132	126	130	131	124	124	106	107	105	94
Gas	22	25	23	21	21	21	20	19	20	21
Stormwater	19	20	20	22	22	20	7	7	6	7

^aOther includes City Commission, City Manager, City Clerk, City Attorney, Human Resources, Facility Management

*Not available

Source: City Finance and Administrative Services Department

SCHEDULE 17
CITY OF SUNRISE, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

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FUNCTION	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Public safety										
Police										
Physical arrests	1,243	1,463	452	1,405	1,498	1,940	2,629	2,115	2,855	2,661
Parking violations	203	111	128	169	265	338	761	367	466	532
Traffic violations	10,044	12,422	12,609	9,430	11,914	14,153	12,714	19,471	12,874	10,845
Fire										
Number of calls answered	14,637	15,218	15,796	15,536	14,127	14,187	13,131	12,015	11,647	11,970
Inspections	9,114	9,525	9,522	10,710	9,860	10,529	10,577	10,578	10,101	9,662
Transportation										
Street resurfacing (miles)	-	-	-	8	-	8	8	12	10	15
Potholes repaired	240	227	336	301	253	290	317	295	186	398
Culture and recreation										
Participants-youth athletic programs	2,852	1,988	2,041	2,452	2,560	3,169	2,880	2,816	2,923	2,702
Theatre performance attendance	13,779	14,026	17,832	11,052	11,232	10,773	12,901	5,287	3,674	3,682
Senior center memberships	1,181	1,163	1,049	1,075	1,185	1,104	1,228	1,676	1,479	1,391
Athletic club memberships	630	461	709	915	758	525	461	296	291	193
Water										
New connections	87	165	12	100	102	69	149	62	157	142
Water main breaks	34	36	42	41	44	84	67	56	46	56
Average daily consumption (thousands of gallons)	19,800	19,070	20,087	19,563	20,562	19,833	19,797	19,746	20,672	20,400
Wastewater										
Average daily sewage treatment (thousands of gallons)	19,505	19,959	20,871	20,691	20,880	20,864	21,423	24,445	21,664	25,851
Gas										
Average daily usage (CCF's)	15,020	14,870	14,450	13,890	13,008	12,413	10,802	10,995	12,180	12,544
Golf course										
Memberships	169	180	170	165	170	161	165	192	217	321
Rounds of golf played	38,407	33,862	33,679	36,745	38,259	38,996	39,649	37,399	36,992	1,054
Stormwater										
Commercial equivalent residential units (ERU's)	38,072	38,023	37,771	37,772	37,553	37,304	37,231	37,062	37,327	37,070
Residential equivalent residential units (ERU's)	39,837	39,569	39,442	39,025	39,024	38,695	38,695	38,386	38,158	37,900

**SCHEDULE 18
CITY OF SUNRISE, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

FUNCTION	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Sub-stations	1	1	1	1	1	1	1	1	1	3
Patrol units	227	236	228	244	243	246	246	252	258	249
Fire stations	5	5	5	5	5	5	5	5	5	5
Transportation										
Streets (miles)	186	186	186	186	186	186	186	186	186	186
Street lights (FPL and City owned)	3,925	3,925	3,925	3,925	3,925	3,925	3,917	3,868	3,863	3,797
Culture and recreation										
Parks	15	15	15	15	15	13	13	13	13	13
Park acreage	265	265	198	198	198	181	177	177	177	177
Swimming pools	5	5	5	5	5	5	5	5	5	5
Tennis courts	21	21	21	21	21	21	21	21	21	21
Community centers	11	11	9	9	9	9	9	9	8	8
Water										
Water mains (miles)	637	637	637	637	637	637	637	637	637	636
Maximum daily capacity (thousands of gallons)	51,500	51,500	51,500	51,500	50,000	50,000	50,000	44,000	44,000	44,000
Wastewater										
Sanitary sewers (miles)	536	536	536	536	536	536	536	536	536	536
Maximum daily treatment capacity (thousands of gallons)	30,990	30,990	30,990	30,990	30,450	30,450	30,450	30,450	30,450	30,450
Gas mains (miles)	194	194	190	188	188	188	185	184	181	181
Golf Course	1	1	1	1	1	1	1	1	1	1
Stormwater										
Pump stations	8	8	8	8	8	8	8	8	8	7
Storm sewers (miles)	392	392	392	392	392	392	392	392	392	392

Sources: Various city departments.

Note: No capital asset indicators are available for the general government function.

Section IV
City of Sunrise, Florida
Reporting 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***

To the Honorable Mayor, City Commission and City Manager
City of Sunrise, 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 Sunrise, Florida (the City), as of and for the 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 March 12, 2020. Our report includes a reference to other auditors who audited the financial statements of the Pension Trust Funds, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing on internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Police Officers' Retirement Plan were not audited in accordance with *Government Auditing Standards*.

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 result 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.

Marcum LLP

Fort Lauderdale, FL
March 12, 2020

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Mayor, City Commission and City Manager
City of Sunrise, Florida

Report on Compliance for Each Major Federal Program

We have audited the City of Sunrise, Florida's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2019. The City's major federal programs 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 program.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the 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 of the major federal programs. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Major Federal Program

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 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 of its major federal programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal programs and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Marcum LLP

Fort Lauderdale, FL
March 12, 2020

CITY OF SUNRISE, FLORIDA
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2019

Federal Agency, Pass-through Entity Federal Program Project	CFDA No.	Contract/ Grant No.	Provided to Subrecipients	Expenditures
FEDERAL				
<u>United States Department of Homeland Security</u>				
Indirect Programs:				
Passed through State of Florida, Division of Emergency Management - Disaster Relief Funding, Hurricane Irma	97.036	Z1193		\$ 1,039,186
Passed through State of Florida, Division of Emergency Management - Hazard Mitigation Grant Program	97.039	H0060		7,842
Passed through City of Miami - Homeland Security Grant Program (2017 UASI)	97.067	18-DS-X3-11-23-02-376		118,407
Passed through City of Miami - Complex Coordinated Terror Attacks	97.133	EMW-2016-GR-00097		18,000
Total United States Department of Homeland Security			-	1,183,435
<u>United States Department of Housing and Urban Development</u>				
Direct Programs:				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	B-14-MC-12-0035		5,430
Community Development Block Grants/Entitlement Grants	14.218	B-15-MC-12-0035		905
Community Development Block Grants/Entitlement Grants	14.218	B-16-MC-12-0035		450
Community Development Block Grants/Entitlement Grants	14.218	B-17-MC-12-0035		41
Community Development Block Grants/Entitlement Grants	14.218	B-18-MC-12-0035		367,630
			-	374,456
Indirect Program:				
Passed through Broward County - Home Investment Partnerships Program	14.239	16-HFCD-177-HOME	75,435	75,435
			75,435	75,435
Total United States Department of Housing and Urban Development			75,435	449,891
<u>United States Department of Justice</u>				
Direct Programs:				
Federal Equitable Sharing	16.922		-	789,562
Bulletproof Vest Partnership Program	16.607	2018		14,301
Body Worn Camera Implementation Program	16.835	2016-BC-BX-K057		181,250
			-	985,113
Indirect Program:				
Passed through Broward Sheriff's Office - Edward Byrne Memorial Justice Assistance Grant (JAG2017)	16.738	2017-DJ-BX-0823		17,411
			-	17,411
Total United States Department of Justice			-	1,002,524
<u>United States Department of Transportation</u>				
Indirect Programs:				
Highway Planning and Construction Cluster:				
Passed through University of North Florida - High Visibility Enforcement	20.205	G0Y79		13,987
Passed through Florida Department of Transportation - NW 64th Avenue from Sunset Strip to Oakland Park Boulevard	20.205	436997-1-58/68-01 (G0M18)		276,680
Passed through Florida Department of Transportation - Sunset Strip from NW 109 Ave. to Nob Hill Road	20.205	438123-1-58-01 (G1550)		22,339
Total United States Department of Transportation			-	313,006
<u>United States Department of Treasury</u>				
Direct Program:				
Federal Equitable Sharing	21.016		-	57,849
Total United States Department of Treasury			-	57,849
Total Expenditures of Federal Awards			\$ 75,435	\$ 3,006,705

See notes to schedule of expenditures of federal awards

CITY OF SUNRISE, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the City of Sunrise, Florida (the City) under programs of the federal government for the 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). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

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

CITY OF SUNRISE, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued on whether the financial statements audited were prepared in accordance with GAAP: *Unmodified Opinion*

Internal control over financial reporting:

Material weakness(es) identified? Yes No

Significant deficiency(ies) identified not considered to be material weakness? Yes None reported

Non-compliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? Yes No

Significant deficiency(ies) identified not considered to be material weakness? Yes None reported

Type of auditors’ report issued on compliance for major programs:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) Yes No

Identification of the major federal programs:

<u>Federal Program or Cluster</u>	<u>CFDA No.</u>
United States Department of Homeland Security - Passed through State of Florida, Division of Emergency Management - Disaster Relief Funding, Hurricane Irma	97.036
United States Department of Homeland Security – Federal Equitable Sharing	16.922

Dollar threshold used to distinguish between Type A and Type B programs – Federal

\$750,000

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?

Yes No

CITY OF SUNRISE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

CITY OF SUNRISE, FLORIDA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None.

II. PRIOR YEAR FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

**MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE
AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Honorable Mayor, City Commission and City Manager
City of Sunrise, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Sunrise, Florida (the City), as of and for the year ended September 30, 2019, and have issued our report thereon dated March 12, 2020. We did not audit the financial statements of the Pension Trust Funds, which represent 78%, 80% and 50%, respectively, of the assets, net position/fund balance and revenues/additions of the aggregate remaining fund information.

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 of Federal Awards* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance, Schedule of Findings and Questioned Costs; 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 schedule, which are dated March 12, 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 annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. As disclosed in Note I, the City was established under Chapter 61-2902 Laws of Florida in 1961. The City included the following blended component units: the Special Tax District No.1 and the Metropica Improvement District.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of 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 review of financial information provided by same. Our assessment was performed 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.

Special District Component Units

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

Additional Matters

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

Purpose of this Letter

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

Marcum LLP

Fort Lauderdale, FL
March 12, 2020

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE PURSUANT TO
SECTION 218.415 FLORIDA STATUTES**

To the Honorable Mayor, City Commission and City Manager
City of Sunrise, Florida

We have examined the City of Sunrise, Florida (the City) compliance with Section 218.415 Florida Statutes, Local Government Investment Policies for the year ended September 30, 2019. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, 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 Section 218.415 Florida Statutes for the year ended September 30, 2019.

This report is intended to describe our testing of compliance with Section 218.415 Florida Statutes and it is not suitable for any other purpose.

Marcum LLP

Fort Lauderdale, FL
March 12, 2020