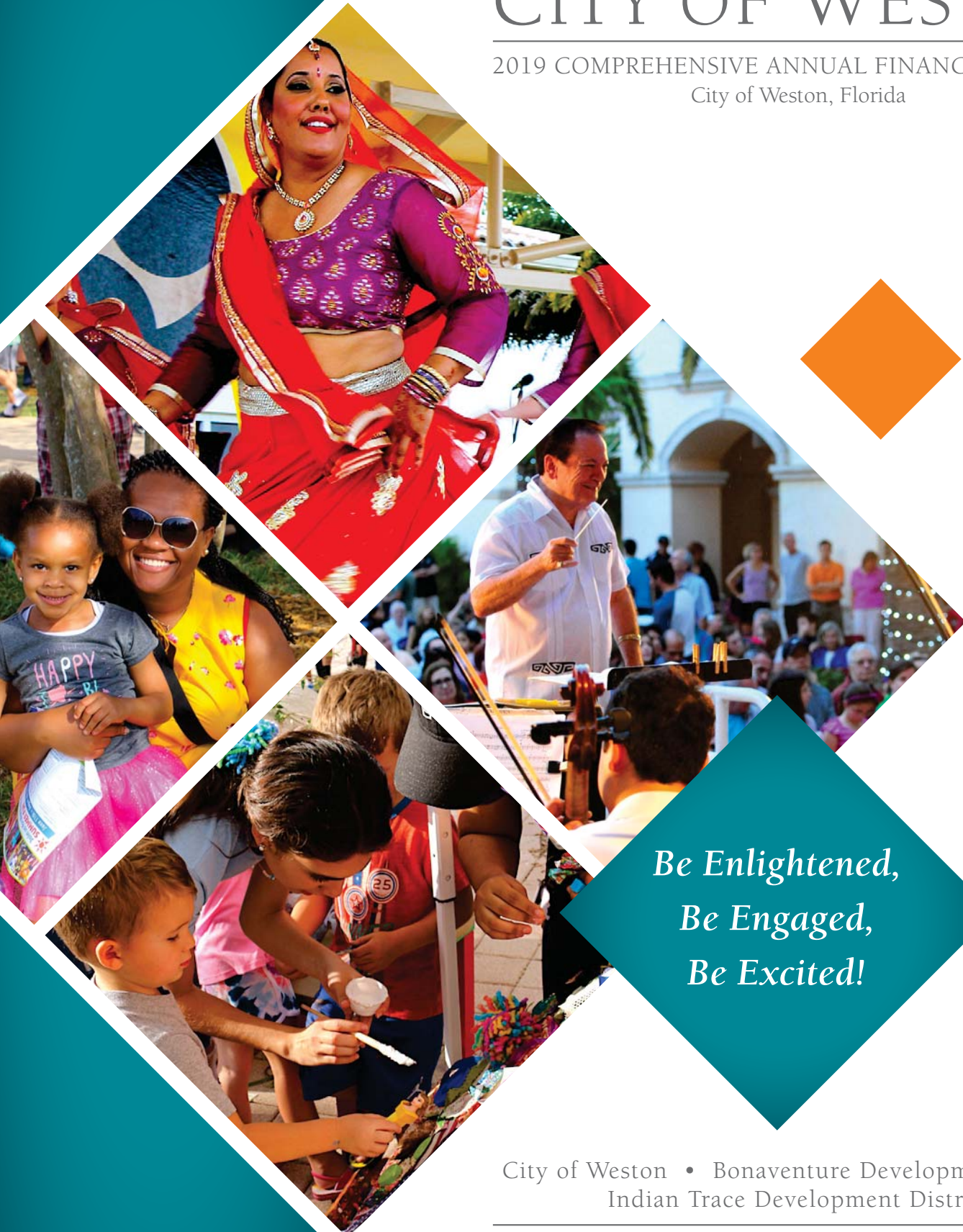


# THE CITY OF WESTON

2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
City of Weston, Florida



*Be Enlightened,  
Be Engaged,  
Be Excited!*

City of Weston • Bonaventure Development District  
Indian Trace Development District

For Fiscal Year Ending September 30, 2019



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

**PREPARED BY  
THE FINANCE DEPARTMENT**

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**THE CITY OF WESTON**

**Daniel J. Stermer**

Mayor

**Thomas M. Kallman**

Commissioner

**Margaret Brown**

Commissioner

**Byron Jaffe**

Commissioner

**Mary Molina-Macfie**

Commissioner

---

**Donald P. Decker**

City Manager/CEO

**Weiss Serota Helfman Cole & Bierman**

City Attorney

---

**Darrel L. Thomas**

Assistant City Manager/CFO

**Karl C. Thompson, P.E.**

Assistant City Manager/COO

**Patricia A. Bates, MMC**

City Clerk

**Cindy M. Tao**

Accounting Manager

**CITY OF WESTON, FLORIDA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FISCAL YEAR ENDED SEPTEMBER 30, 2019**

**TABLE OF CONTENTS**

	Page
<b><u>INTRODUCTORY SECTION</u></b>	
Letter of Transmittal	i-vi
Organizational Chart	vii
GFOA Certificate of Achievement for Excellence in Financial Reporting	viii
<b><u>FINANCIAL SECTION</u></b>	
<b>INDEPENDENT AUDITOR’S REPORT</b>	1-3
<b>MANAGEMENT’S DISCUSSION AND ANALYSIS</b>	4-19
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-wide Financial Statements:	
Statement of Net Position	20
Statement of Activities	21-22
Fund Financial Statements:	
Balance Sheet – Governmental Fund	23-24
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	25
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Fund	26-27
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds to the Statement of Activities	28
Statement of Net Position – Proprietary Fund	29
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund	30
Statement of Cash Flows – Proprietary Fund	31-32
Notes to the Financial Statements	33-68
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	69-71
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Special Revenue Fund – Indian Trace Development District	72-73
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Special Revenue Fund – Bonaventure Development District	74-75
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Special Revenue Fund – Fire Services District	76-77
Notes to Budgetary Comparison Schedules	78
Schedule of Proportionate Share of Net Pension Liability – Florida Retirement System	79
Schedule of Contributions – Florida Retirement System	80

## TABLE OF CONTENTS (Continued)

### **COMBINING NONMAJOR FUND FINANCIAL STATEMENTS AND SCHEDULES**

Combining Balance Sheet – Nonmajor Governmental Funds	81-82
Combining Statement of Revenues, Expenses, and Changes in Fund Balance Nonmajor Governmental Funds	83-84
Schedule of Revenues, Expenses and Changes in Fund Balance – Budget to Actual – Nonmajor Governmental Funds – Street Maintenance Fund	85
Schedule of Revenues, Expenses and Changes in Fund Balance – Budget to Actual – Nonmajor Governmental Funds - Transportation Fund	86
Schedule of Revenues, Expenses and Changes in Fund Balance – Budget to Actual – Nonmajor Governmental Funds – Building Fee Fund	87
Schedule of Revenues, Expenses and Changes in Fund Balance – Budget to Actual – Nonmajor Governmental Funds – Law Enforcement Trust Fund	88
Schedule of Revenues, Expenses and Changes in Fund Balance – Budget to Actual – Nonmajor Governmental Funds – Tree Fund	89
Schedule of Revenues, Expenses and Changes in Fund Balance – Budget to Actual – Governmental Funds – Indian Trace Development District Debt Service Fund	90
Schedule of Revenues, Expenses and Changes in Fund Balance – Budget to Actual – Governmental Funds – Bonaventure Development District Debt Service Fund	91
Schedule of Revenues, Expenses and Changes in Fund Balance – Budget to Actual – Governmental Funds – Capital Projects Fund	92

### **STATISTICAL SECTION**

#### Government-Wide Information:

Schedule 1: Net Position by Component	93-94
Schedule 2: Changes in Net Position	95-98

#### Fund Information:

Schedule 3: Fund Balances of Governmental Funds	99-100
Schedule 4: Changes in Fund Balances of Governmental Funds	101-102
Schedule 5: Assessed Value and Estimated Actual Value of Taxable Property	103-104
Schedule 6: Property Tax Rates – Direct and Overlapping Governments	105
Schedule 7: Principal Property Taxpayers	106
Schedule 8: Property Tax Levies and Collections	107
Schedule 9: Ratios of Outstanding Debt by Type	108
Schedule 10: Ratio of General Bonded Debt Outstanding	109
Schedule 11: Direct and Overlapping Governmental Activity Debt	110
Schedule 12: Legal Debt Margin Information	111
Schedule 13: Pledged Revenue Coverage	112
Schedule 14: Demographic and Economic Statistics	113
Schedule 15: Principal Employers	114
Schedule 16: Full-Time Equivalent Government Positions by Function	115
Schedule 17: Operating Indicators by Function	116-117
Schedule 18: Capital Assets by Function	118-119

**TABLE OF CONTENTS (Continued)**

**COMPLIANCE SECTION**

Independent Auditor’s Report on Internal Control over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	120-121
Independent Auditor’s Report on Compliance With The Requirements of Section 218.415, Florida Statutes, Required by Rule 10.566(10) of the Auditor General of the State of Florida	122
Management Letter Required by Chapter 10.550 of The Rules of the Auditor General of The State of Florida	123-126





Daniel J. Stermer  
Mayor

Thomas M. Kallman  
Commissioner

Margaret Brown  
Commissioner

Byron L. Jaffe  
Commissioner

Mary Molina-Macfie  
Commissioner

Donald P. Decker  
City Manager/CEO



27 April 2020

To the Honorable Mayor and Commissioners, and the residents of the City of Weston, Florida:

The Comprehensive Annual Financial Report (the "Report") of the City of Weston, Florida (the "City") for the fiscal year ended September 30, 2019, is hereby submitted as mandated by Florida Statutes. These statutes require that the City annually issue a report on its financial position and activity within nine months of the close of each fiscal year, and that this report be audited by an independent firm of certified public accountants. Financial statements in this Report are presented in conformity with the generally accepted accounting principles ("GAAP") and Governmental Accounting Standards Board ("GASB") Statement Number 34 and audited in accordance with the generally accepted auditing standards.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government'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. Since 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 assurances that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this Report is complete and reliable in all material respects and that it is reported in a manner that presents fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's activities have been included.

The City's financial statements have been audited by Grau & Associates, a licensed certified public accountant firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Weston for the fiscal year ended September 30, 2019, are free of material misstatements. 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, 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 auditor's report is presented as the first component section of this report.



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"). The letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City MD&A can be found immediately following the report of the independent auditors.

### **City Profile and Governmental Structure**

The City of Weston is located in the southeastern part of the state of Florida and is considered to be one of the largest master planned communities in the United States. The City has a land area of approximately 27 square miles, a population estimated at 67,314 and is empowered to levy a property tax on real property located within its boundaries.

The City has operated under the Commission-Manager form of government since incorporation in 1996. Policymaking and legislative authority are vested in the City Commission, which consists of a Mayor and four Commissioners and is the legislative branch of the City's government. The City Commission is responsible for, among other things, enacting ordinances, adopting the budget, appointing boards, and hiring the City Manager and the City Attorney. The Commission is elected on a non-partisan basis. The four Commissioners are elected to four-year staggered terms and must reside within their respective residential seat area; they are, however, elected at large. The Mayor is elected to a four-year term and is elected at large. The City Manager is the Chief Executive Officer of the City and leads the executive branch of the City's government. The City Manager is responsible for carrying out the policies and ordinances of the City Commission, preparing the City budget, overseeing the day-to-day operations of the City, and appointing the heads of the City's departments.

The City provides a full range of services to its residents and businesses through contracts with the public and private sectors. Contracted services include but are not limited to police services through the Broward Sheriff's Office Department of Law Enforcement; emergency medical, fire protection, and fire prevention services through the Broward Sheriff's Office Department of Fire Rescue and Emergency Services; legal services through Weiss Serota Helfman Cole & Bierman, P.L.; building code services through C.A.P. Government, Inc.; solid waste and recycling collection through All Service Refuse; planning, zoning, engineering, parks and recreation, public works and utilities services through Calvin, Giordano and Associates, Inc.; and information technology, finance and administration services through Municipal Technologies, LLC.

The City is financially accountable for component units consisting of two legally separate development districts, the Indian Trace Development District and the Bonaventure Development District, both of which are reported separately within the City's financial statements. Additional information on these two development districts can be found in Note 2 of the notes to the financial statements.



The annual budget serves as the foundation of the City's financial planning and control. All departments responsible for City and component unit operations are required to submit their requests for appropriations to the Assistant City Manager/CFO for inclusion in the draft budget by the end of April. The City Manager, assisted by the Assistant City Manager/CFO and the Budget Director, uses these requests as the starting point for developing a proposed budget. The City Manager then presents the tentative budget to the City Commission and the public at two public hearings. The City's annual budget is adopted through the passage of a resolution at the second public hearing which occurs not later than September 30<sup>th</sup> of each year. The level of budgetary control at which expenditures may not exceed the budget is the fund level. The General Fund is the lone exception because its budgetary controls are set at the department level. Any transfers within the funds of the City and the funds of its component units are permissible if the total level of expenditures does not exceed the total budgeted amount. Budget-to-actual comparisons are provided in this report for each individual government fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented on pages 69 through 70 as part of the required supplementary information.

#### **Factors Affecting Financial Condition**

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

**Employment.** According to the Florida Department of Economic Opportunity, Florida's February 2020 seasonally adjusted unemployment rate was 2.8%, a decrease of 0.6% from a year ago. The state of Florida added 169,800 jobs over the previous twelve months, an increase of 1.9%. The education and health services industry gained the most jobs, with 35,600 jobs. Other industries that added jobs included leisure and hospitality; professional and business services; construction; government; financial activities; manufacturing; and other services. The only industry losing jobs was information, a decrease of 2,000 jobs.

Florida's not seasonally adjusted unemployment rate dropped 0.1% faster than Broward County. In addition, the State had a lower unemployment rate than Broward County. In February 2020, Florida's not seasonally adjusted unemployment rate was 2.8%, a decrease of 0.5% compared to February 2019. Broward County's not seasonally adjusted unemployment rate in February 2020 was 2.9%, a decrease of 0.4% from the prior February. According to Bureau of Labor Statistics, Weston's preliminary not seasonally adjusted unemployment rate in January 2020 was 2.6%, a decrease of 0.7% from January 2019. This shows the strength of the labor market in Weston.

**Housing.** While Broward County recent home sales prices may be lagging in growth relative to the State, Broward County's February 2020 year-over-year median sales price was higher than Florida's. According to the Broward Council of the Miami Association of Realtors, the statewide median sales price for single-family existing homes in February 2020 was \$270,000, an increase of 8.0% from the previous February. Broward County's median sales price for single-family



existing homes in February 2020 was \$385,000, an increase of 10.0% from February 2019. According to the Broward County Property Appraiser, Weston's median sales for single-family existing homes in 2019 was \$502,180, an increase of 2.5% from the previous year. This data highlights Weston's housing market was not as strong as the County and State, but the home values in Weston continue to grow.

Furthermore, sales in Broward County increased in February 2020 due to lower interest rates. According to the Broward Council of the Miami Association of Realtors, Broward single-family home sales increased from 938 in February 2019 to 1,004 in February 2020, an increase of 7.0%. Statewide sales of existing single-family homes totaled 20,693 in February 2020 according to Florida Realtors, an increase of 9.1% compared to last February. According to the Broward County Property Appraiser, Weston's single-family existing homes sales in February 2020 totaled 43, relatively unchanged from the prior February. Despite very minimal new construction, the growth in the volume of closed sales outperformed the County and the State. Weston continues to be a highly desirable place to live.

**Legislative.** In Fiscal Year 2019, the State Legislature passed two bills of financial significance to the City. The first was Senate Bill 426, which entitles firefighters who receive a diagnosis of 21 specific cancers to a package of mandated benefits. These benefits include cancer treatment covered within a group health or self-insurance policy and a lump sum cash payout of \$25,000. The law specifies these benefits may be sought by a firefighter as an alternative to seeking benefits under workers' compensation. This new law will certainly increase benefit costs for firefighter/paramedics which will be passed along to the City of Weston through the City's contract with the Broward Sheriff's Office for fire rescue services. The financial impact of this bill to the City is unknown.

The second bill was House Bill 7123, a tax reduction package providing for a wide range of tax reductions and modifications benefiting households and businesses. The Florida League of Cities and the City of Weston did not support or oppose this bill; however, the total estimated tax reductions associated with the bill are a loss of \$9.0 million in recurring revenue to local governments and a loss of \$16.8 million in nonrecurring revenue. The financial impact of the bill solely to the City of Weston is unknown.

There were several other bills which were introduced during the legislative session that would have restructured, capped, limited the use of, or eliminated local government revenues. Fortunately for local governments these bills failed or were vetoed by the Governor for a variety of reasons.

**Long-term Financial Planning.** In Fiscal Year 2018, the City completed its Fiscal Year 2028 Strategic Value and Business Plan to provide a long-term strategic policy document, an operating and financial guide and a financial modeling mechanism for the City of Weston. The plan included updated financial revenue, expense and fund balance projections for all the City's funds, affirmed existing financial policies and added new financial policies to support the City in the future. The major result from this document was the City established an ad valorem tax rate of 3.3464 that was intended to sustain the City for Fiscal Years 2019 through 2021. During this



three-year period, the City continues monitoring the economy, the real estate market and the state legislative sessions for possible impacts.

During Fiscal Year 2020, the City will begin work on its next 10-year Strategic Value and Business Plan to update the previous Plan with recent historical activity and expected short-term events of significant impact. The updated Plan is expected to be completed by Fiscal Year 2021.

**Significant Financial Policies.** The 2028 Strategic Value and Business Plan affirmed the existing financial policies and some new financial policies were added. Of these financial policies, several were of note in the City's financial operations during the fiscal year.

Strategic Policy #3 maintains a Disaster Management Reserve adjusted annually for the change in CPI and a Credit Reserve to maintain a AAA and Aaa credit rating with Standard and Poor's and Moody's respectively. This policy helps the City segregate which funds would be available for response to a disaster, which funds would be available to preserve the City's credit ratings by creating a shock absorber against unforeseen financial events, and which funds would be available for stabilization of the ad valorem tax rate.

Strategic Policy #8 develops an Infrastructure Reserve for annual contributions to be set aside each year for ongoing capital maintenance and equipment. This policy helps the City accrue small pro rata amounts to fund future maintenance and equipment expenses instead of funding the entire amount in that fiscal year. By spreading the financial responsibility equally across multiple fiscal years, no one fiscal year or set of taxpayers will be overburdened.

Strategic Policy #9 establishes guidelines and specific rules necessary in carrying out the City's use of debt. Whenever practical and possible the City will attempt to match the length of financing with the useful life of the asset being financed. The City also will utilize borrowing to finance capital improvements or projects instead of City's Excess Revenue Capture Balances and whenever possible, use special assessment debt instead of general obligation debt.

Strategic Policy #10 provides framework for the investment activities of the City of Weston and establishes an operational guideline for its investment staff to follow. This applies to the City's short-term and long-term funds but does not include bond proceeds which may be subject to restrictive covenants.

In Fiscal Year 2019 the City focused on executing its "be enlightened, be engaged, be excited" theme. The theme encouraged the residents to learn about our government, to participate in our government and its programs, and to take advantage of our unique lifestyle and our exceptional quality of life. The theme was utilized in the City's budgets and in the City's continuous communications outreach. Furthermore, the City strove to meet the expectations of our residents, businesses and stakeholders that our elected officials and staff would maintain the foundations upon which the City was built: the maintenance of infrastructure; funding adequate public safety levels; maintaining quality parks and recreation programs; and exercising fiscal responsibility.



### **Awards and Acknowledgement**

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 Weston, Florida for its Comprehensive Annual Financial Report ("CAFR") for the fiscal year ended September 30, 2018. This was the twenty-first consecutive year that the City of Weston received this award. To be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized CAFR, which satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid only for a period of one year. We believe that our current 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.

In addition, the City of Weston has also received the GFOA's Distinguished Budget Presentation Award for the Fiscal Year 2019. This was the seventeenth consecutive year the City received this award. To qualify for the Distinguished Budget Presentation Award, the government's budget document is judged to be proficient in four categories, as: a policy document; a financial plan; an operations guide; and a communications device.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the many professionals contracted with to provide services to the City. We would like to express our appreciation to Accounting Manager Cindy Tao, and all those who assisted and contributed to the preparation of this report. Appreciation is given to the Mayor and the Commissioners for their interest and support in planning and conducting the operations of the City in a responsible, progressive and business-like manner.

Respectfully submitted,

*Don Decker*

Don P. Decker  
City Manager/CEO

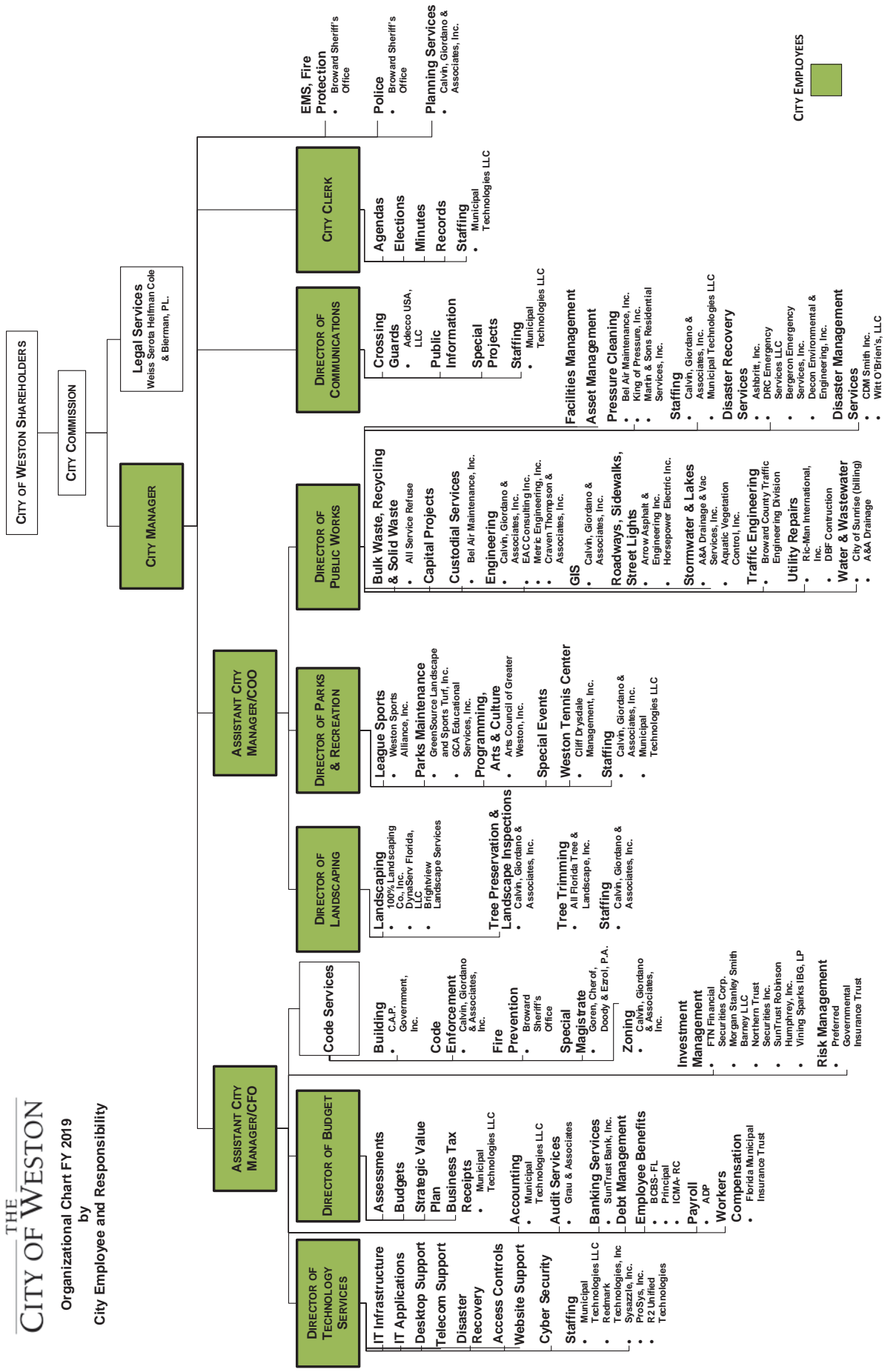
*Darrel L. Thomas*

Darrel L. Thomas  
Assistant City Manager/  
Chief Financial Officer

#73787 v1

THE CITY OF WESTON

Organizational Chart FY 2019  
by  
City Employee and Responsibility





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**The City of Weston  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2018**

*Christopher P. Morill*

Executive Director/CEO





**Grau & Associates**  
CERTIFIED PUBLIC ACCOUNTANTS

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Boca Raton, Florida 33431  
(561) 994-9299 • (800) 299-4728  
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**Independent Auditor's Report**

To the Honorable Mayor, Members of the  
City Commission and City Manager  
City of Weston, 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 Weston, Florida (the "City") as of and for the fiscal year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, 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 for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the City's proportionate share of the net pension liability, and schedule of contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining non-major fund financial statements, non-major budgetary comparison schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining non-major fund financial statements and the additional budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 27, 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, 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.

*B. & Associates*

April 27, 2020

## CITY OF WESTON, FLORIDA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

As management of the City of Weston, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the Fiscal Year ended September 30, 2019. We encourage the readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-vi of this report.

This report consists of government-wide statements, fund financial statements, notes to the financial statements, combining schedules of nonmajor funds and supplementary information. The first several statements are highly condensed and present a government-wide view of the City's finances. Within this view, all City operations are categorized and reported as either governmental or business-type activities. Governmental activities include basic services such as management and administration, legal, police, fire and emergency medical services, community development, recreation and public works. Business-type activities for the City are comprised of the water and sewer operations. These government-wide statements are designed to be more corporate-like in that all activities are consolidated into a total for the City.

#### **Fiscal Year 2019 Financial Highlights**

- The City of Weston's net position at the close of the Fiscal Year is \$349.36 million. Of this amount, \$144.76 million is unrestricted net position to be used to meet the government's ongoing obligations to citizens and creditors.
- During the Fiscal Year, revenues exceeded expenses by \$10.14 million which is the amount of increase in the City's net position.
- As of the close of the Fiscal Year, the City of Weston's governmental funds reported a combined ending fund balance of \$147.50 million. Approximately 15.4% of that amount, or \$22.73 million, is unassigned and available for spending at the City's discretion.
- At the end of the Fiscal Year, the fund balance in the General Fund was \$82.32 million or 178.8% of total General Fund expenditures. This amount includes \$44.79 million committed to Disaster Response.
- The City of Weston's total outstanding debt decreased by \$7.31 million or 13.2% from prior year due to scheduled principal redemptions.

#### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City of Weston's basic financial statements. The financial section is one component of the Comprehensive Annual Financial Report. This report also includes the introductory section containing the letter of transmittal, GFOA certificate of achievement, City organizational chart, listing of City elected and appointed officials; and the statistical section which includes financial and non-financial information useful in assessing the City.

## CITY OF WESTON, FLORIDA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

The financial section consists of: management's discussion and analysis, basic financial statements, required supplementary information and an additional section that presents combining statements for non-major governmental funds and budgetary comparison schedules. The basic financial statements include components that present different views on the City:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City government by reporting the City's operations in more detail.
  - The *governmental funds* statements illustrate how general governmental functions and services are financed in the short-term and what remains for future spending.
  - The *proprietary funds* statements offer short-term and long-term financial information about activities that the government operates like a business, such as the water and sewer system.
- In addition to the government-wide and fund financial statements, basic financial statements also include notes to the financial statements that explain the numerical information in more detail.

The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Lastly, this report also provides a section of other financial information including combining statements that detail the City's non-major governmental funds.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to that of a private business. The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that may result in cash flows during future fiscal periods (e.g., uncollected taxes, capital projects).

Both of the government-wide financial statements distinguish functions of the City of Weston that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that merely provide cost recovery through usage fees and charges (business-type activities). The governmental activities of the City of Weston include general government, public safety, public works, parks and recreation and community development. The business-type activities of the City of Weston include the water and sewer operations.

## CITY OF WESTON, FLORIDA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

The government-wide financial statements include not only the City of Weston itself, known as the primary government, but also two legally separate development districts for which the City of Weston is financially responsible. These units function as sub units of the City of Weston, and therefore have been included as an integral part of the primary government.

The government-wide financial statements are reported on pages 20 and 21-22 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities. The City of Weston, like other state and local governments, uses fund accounting to provide compliance with the laws of the State of Florida. All of the funds of the City of Weston can be divided into two categories: governmental or proprietary.

**Governmental funds.** Governmental funds are used to account for functions similar to those reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of expendable resources and on the balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

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

The City of Weston maintains seven major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the following major funds: General Fund, Indian Trace Development District Special Revenue Fund, Bonaventure Development District Special Revenue Fund, Fire District Special Revenue Fund, Indian Trace Development District Debt Service Fund, Bonaventure Development District Debt Service Fund, and Community Facilities Construction Capital Projects Fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Weston adopts an annual appropriated budget for all governmental and proprietary funds. A budgetary comparison schedule has been provided for the General Fund, Indian Trace Development District Special Revenue Fund, Bonaventure Development District Special Revenue Fund, Fire District Special Revenue Fund, Indian Trace Development District Debt Service Fund, and Bonaventure Development District Debt Service Fund to demonstrate compliance with the budget in addition to the non-major special revenue and capital project funds presented in the combining section.

The basic governmental funds financial statements can be found on pages 23 through 28 of this report.

## CITY OF WESTON, FLORIDA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

**Proprietary fund.** The City of Weston maintains one proprietary fund, the Water and Sewer Enterprise Fund. Enterprise funds are used to report business-type activities in the government-wide financial statements. The City uses its enterprise fund to account for water and sewer activities and services. The City has no internal service funds, which are funds used to accumulate and internally allocate costs between various government departments.

Proprietary funds provide the same type of information as the government-wide financial statements, but in more detail. The City of Weston's Water and Sewer Enterprise Fund is considered a major fund and the basic financial statements for the fund are provided on pages 29 through 32 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33 through 68 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City of Weston's adopted, amended and actual budgetary data for the General Fund and major special revenue funds. Required supplementary information can be found starting on page 69 of this report.

The combining statements referred to earlier in connection with the non-major governmental funds are presented immediately following the required supplementary information and budgetary comparisons. Combining and individual fund statements and schedules can be found starting on page 81 of this report.

#### Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. There are six basic transactions that affect the comparability of the Statement of Net Position summary presentation as reflected below:

1. **Net results of activities** will increase or decrease current assets and total net position.
2. **Borrowing for capital** will increase current assets and long-term debt.
3. **Spending borrowed proceeds on new capital** will reduce current assets and increase capital assets. Concurrently, an increase in investment in capital assets and an increase in net related debt will not change the net investment in capital assets of the City.
4. **Spending of non-borrowed current assets on new capital** will reduce current assets and increase capital assets. This will also reduce unrestricted net position and increase net investment in capital assets.
5. **Principal payment on debt** will reduce current assets and reduce long-term debt and also reduce unrestricted net position and increase net investment in capital assets.

**CITY OF WESTON, FLORIDA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

6. **Reduction of capital assets through depreciation** will reduce capital assets and net investment in capital assets.

*TABLE 1  
CITY OF WESTON NET POSITION  
(in thousands of dollars)*

	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
<b>Assets:</b>						
Current and other assets	\$ 178,722	\$ 192,841	\$ 19,452	\$ 17,676	\$ 198,174	\$ 210,517
Capital assets	153,780	155,028	55,401	53,107	209,181	208,135
<b>Total assets</b>	<b>332,502</b>	<b>347,869</b>	<b>74,853</b>	<b>70,783</b>	<b>407,355</b>	<b>418,652</b>
<b>Deferred outflows of resources:</b>						
FRS Pension	133	119	-	-	133	119
<b>Total deferred outflows of resources</b>	<b>133</b>	<b>119</b>	<b>-</b>	<b>-</b>	<b>133</b>	<b>119</b>
<b>Liabilities:</b>						
Other liabilities	8,380	7,381	3,233	2,487	11,613	9,868
Long-term liabilities outstanding	56,620	59,519	-	-	56,620	59,519
<b>Total liabilities</b>	<b>65,000</b>	<b>66,900</b>	<b>3,233</b>	<b>2,487</b>	<b>68,233</b>	<b>69,387</b>
<b>Deferred inflows of resources:</b>						
FRS Pension	33	27	-	-	33	27
<b>Total deferred inflows of resources</b>	<b>33</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>33</b>	<b>27</b>
<b>Net position:</b>						
Net investment in capital assets	98,380	96,940	55,401	53,107	153,781	150,047
Restricted	52,493	54,550	-	-	52,493	54,550
Unrestricted	116,729	129,571	16,219	15,189	132,948	144,760
<b>Total net position</b>	<b>\$ 267,602</b>	<b>\$ 281,061</b>	<b>\$ 71,620</b>	<b>\$ 68,296</b>	<b>\$ 339,222</b>	<b>\$ 349,357</b>

As illustrated in Table 1, at the close of the Fiscal Year, assets and deferred outflows of resources of the City of Weston exceeded its liabilities and deferred inflows of resources by \$349.36 million. The largest portion of the City of Weston's net position, \$150.05 million or 42.9%, is invested in capital assets (land, buildings, etc.); less any related debt used to acquire those assets that is still outstanding. Although the City of Weston'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 repay the liabilities.

The unrestricted net position in an amount of \$144.76 million or 41.4% of total net position represents the resources that are available to provide services and/or additional capital assets for the City and also to meet the City's obligations to its creditors. The City also has approximately \$54.55 million or 15.6% of total net position in restricted net position; resources that have externally enforced limitations on use.

At the end of the Fiscal Year, the City of Weston is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental activities. Business-type activities have positive balances in net investment in capital assets and unrestricted net position, with zero balance in restricted net position.

The government's net position increased by approximately \$10.14 million during the Fiscal Year.



**CITY OF WESTON, FLORIDA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

Generally, the following impacts can significantly affect annual revenues and by extension change net position:

1. **Economic conditions** can reflect a growing, stable or declining overall economic environment and those conditions can have a significant impact on the underlying drivers of ad valorem taxes, non-ad valorem assessments, sales and use taxes, fees and other revenues derived from the community, as well as those received from other governments.
2. **Changes in tax, assessment and fee rates by the elected officials** directly affect the most fundamental revenue streams and have the most immediate impact of all changes.
3. **Changing patterns in grant and state revenue sharing calculations** may cause significant deviations to City intergovernmental revenues and put added pressure on City-generated revenues.
4. **Market impact on investment income** might cause investment revenues to fluctuate widely from year to year.

Some other basic impacts are responsible for potential changes in annual expenses:

1. **Introduction of new programs** can have substantial impact on department/program expenses by requiring new personnel, capital and operating funds.
2. **Changes in service levels** impacts expenses by changing the levels of already appropriated expenses.
3. **Salary/contract pricing increases** can contribute to increased expenses. Most contracts entered into by the City of Weston have provisions for increases, either automatic or negotiated each year.
4. While **inflation** generally appears to be moderate, it still always impacts the prices the City pays for commodities, supplies, fuels, parts and miscellaneous services it requires through the year.

**Governmental activities.** As illustrated by Table 2, the City's revenues from governmental activities during Fiscal Year 2019 were \$101.46 million and exceeded expenses by \$13.46 million. Expenses from governmental activities represent approximately 31.3% of net position from governmental activities and 86.7% of total revenues from governmental activities.

CITY OF WESTON, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

TABLE 2  
CHANGES IN NET POSITION  
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
Revenues:						
Program revenues:						
Charges for services	\$ 42,752	\$ 42,363	\$ 33,753	\$ 34,938	\$ 76,505	\$ 77,301
Operating grants and contributions	1,851	3,004	-	-	1,851	3,004
Capital grants and contributions	-	-	150	4	150	4
General revenues:						
Property taxes	19,173	27,623	-	-	19,173	27,623
Other taxes	13,345	13,545	-	-	13,345	13,545
State shared revenues	6,165	6,249	-	-	6,165	6,249
Investment income (loss)	23	7,402	(1)	703	22	8,105
Other revenue	1,289	1,270	-	-	1,289	1,270
<b>Total revenues</b>	<b>84,598</b>	<b>101,456</b>	<b>33,902</b>	<b>35,645</b>	<b>118,500</b>	<b>137,101</b>
Expenses:						
General government	7,939	8,643	-	-	7,939	8,643
Public safety	42,119	42,060	-	-	42,119	42,060
Public works	18,245	19,521	-	-	18,245	19,521
Parks and recreation	8,924	9,897	-	-	8,924	9,897
Community development	3,765	5,339	-	-	3,765	5,339
Interest on long-term debt	2,576	2,537	-	-	2,576	2,537
Water and sewer operation	-	-	36,781	38,969	36,781	38,969
<b>Total expenses</b>	<b>83,568</b>	<b>87,997</b>	<b>36,781</b>	<b>38,969</b>	<b>120,349</b>	<b>126,966</b>
<b>Increase (decrease) in net position</b>	<b>1,030</b>	<b>13,459</b>	<b>(2,879)</b>	<b>(3,324)</b>	<b>(1,849)</b>	<b>10,135</b>
Net position at beginning of fiscal year	266,572	267,602	74,499	71,620	341,071	339,222
<b>Net position at end of fiscal year</b>	<b>\$ 267,602</b>	<b>\$ 281,061</b>	<b>\$ 71,620</b>	<b>\$ 68,296</b>	<b>\$ 339,222</b>	<b>\$ 349,357</b>

Revenues from governmental activities were comprised primarily of charges for services at \$42.36 million or approximately 41.8% of total revenues from governmental activities, taxes at \$41.17 million or 40.6% of total revenues from governmental activities, investment income at \$7.40 million or 7.3% of total revenues from governmental activities, state shared revenues at \$6.25 million or 6.2% of total revenues from governmental activities and several other sources.

Expenses from governmental activities totaled \$88.00 million and were comprised of public safety at \$42.06 million or 47.8% of total expenses from governmental activities, public works at \$19.52 million or 22.2% of total expenses from governmental activities, parks and recreation at \$9.90 million or 11.2% of total expenses from governmental activities, general government at \$8.64 million or 9.8% of total expenses from governmental activities, and several other sources.

CITY OF WESTON, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

FIGURE A  
REVENUES BY SOURCE – GOVERNMENTAL ACTIVITIES

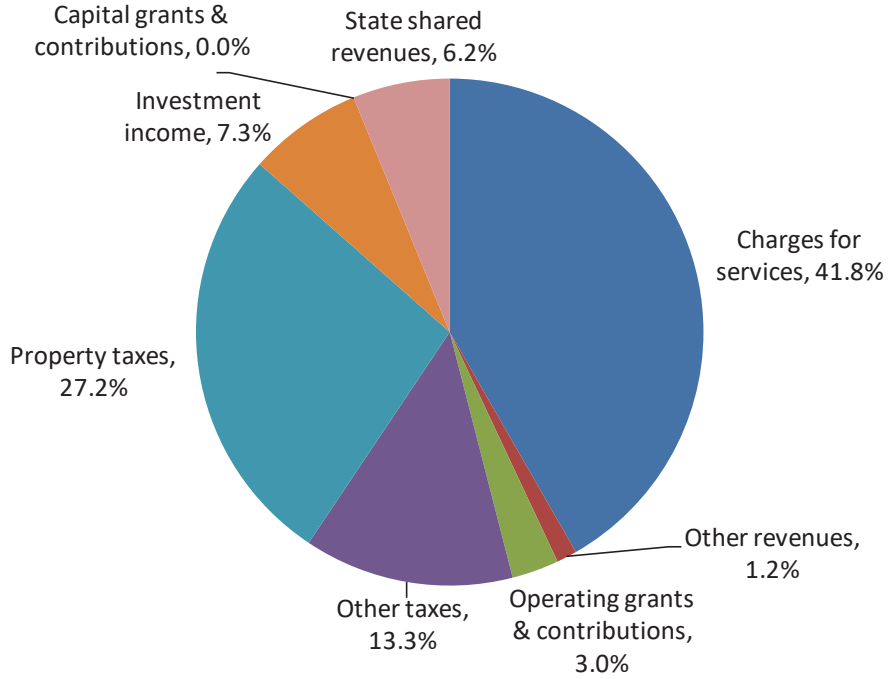
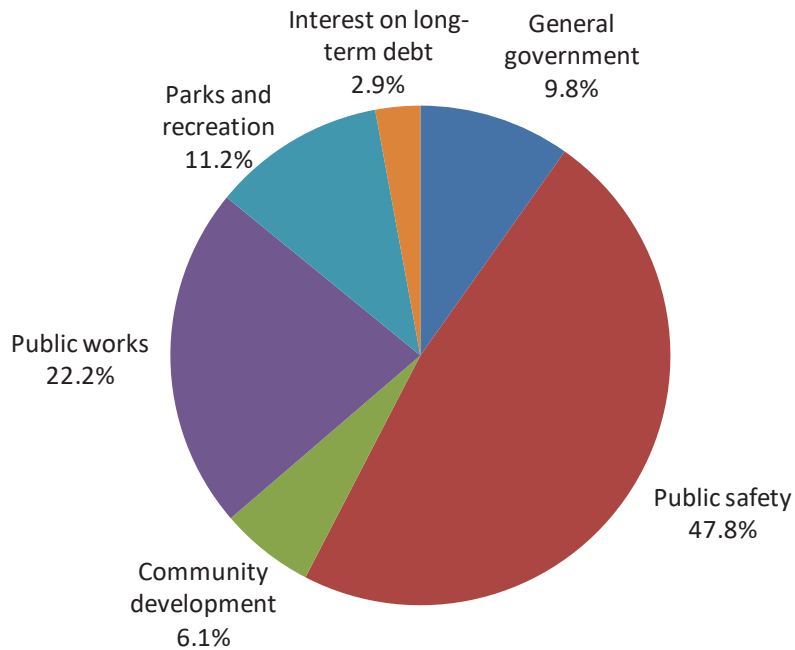


FIGURE B  
EXPENSES BY FUNCTION – GOVERNMENTAL ACTIVITIES



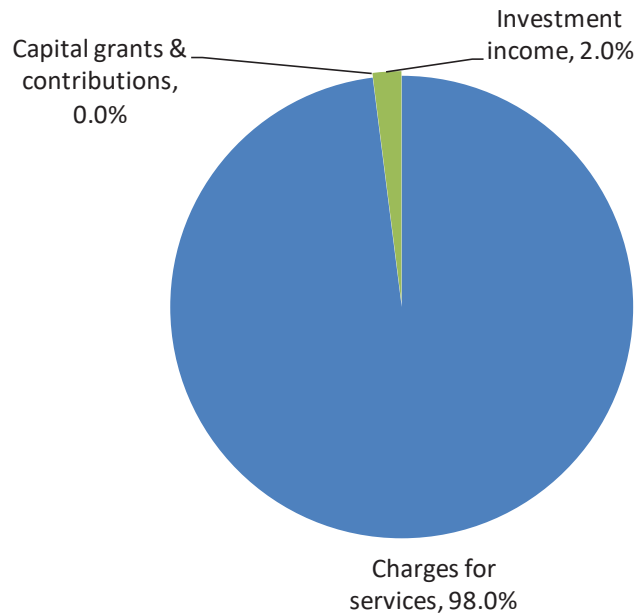
CITY OF WESTON, FLORIDA

MANAGEMENT’S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

**Business-type activities.** Business-type activities decreased the City’s net position by \$3.32 million from the prior period. At the end of Fiscal Year 2019, net position from business-type activities composed 19.5% of total government-wide net position. For the Fiscal Year, revenues totaled \$35.65 million and included operating revenues and non-operating revenues in the form of water and sewer fees, meter use fees, connection fees, investment income, and miscellaneous revenue. The City operates the water and sewer utility system in a “charge-for-services” manner which should generate minimal annual surpluses or deficits; however, the Proprietary Fund shows an operating loss of \$4.03 million. The business-type capital assets created a depreciation expense of \$2.52 million in the current fiscal year, therefore the water and sewer utility system had an operating loss of approximately \$1.51 million if depreciation is excluded. When the total operating and nonoperating activities are adjusted for the depreciation expense a total loss of \$807,239 was realized.

FIGURE C  
REVENUES BY SOURCE – BUSINESS-TYPE ACTIVITIES



**Financial Analysis of the Government’s Funds**

**Governmental funds.** The focus of the City of Weston’s governmental funds statements is to provide information on near-term inflows, outflows and balances of expendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of a fiscal year.

As of the end of the Fiscal Year, the City of Weston’s governmental funds reported a combined ending fund balance of \$147.50 million, an increase of \$19.03 million over the prior fiscal year. Approximately \$510,124, or 0.3% of the total ending fund balance, is nonspendable fund balance for prepaid expenses. The restricted fund balance totaled \$64.89 million or 44.0% of total governmental fund balances to indicate that it has externally enforceable limitations restricted to: 1) pay for District

## CITY OF WESTON, FLORIDA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

operations and maintenance (\$38.82 million); 2) pay for street maintenance (\$7.84 million); 3) provide for roadway projects (\$327,777); 4) provide for law enforcement non-recurring activities (\$3,411); 5) pay for tree preservation (\$122,465); 6) pay for building code enforcement and building code services contract (\$3.17 million); 7) provide for telecommunications maintenance (\$25,000); 8) pay for capital projects (\$9.39 million) and 9) pay for debt service (\$5.19 million). The committed fund balance totaled \$57.19 million or 38.8% of total governmental fund balances to indicate that it has self-imposed limitations set in place prior to the end of the period committed to: 1) pay for disaster response (\$44.79 million); 2) pay for credit reserve (\$9.51 million); and 3) provide for infrastructure (\$2.89 million). The assigned fund balance amounted to \$2.17 million to indicate that it has limitation resulting from intended use assigned to: 1) pay for compensated absences (\$1.13 million); 2) pay for solid waste services (\$847,808); and 3) provide for subsequent year's expenditures (\$200,000). The remainder of the fund balance of \$22.73 million is unassigned and available for new spending.

The General Fund is the chief operating fund of the City of Weston. At the end of Fiscal Year 2019, total fund balance was \$82.32 million, with \$183,098 of that nonspendable, \$25,000 restricted for telecommunications maintenance, \$57.19 million committed for specific purposes such as disaster response, and \$2.17 million assigned for other purposes.

The fund balance of the City of Weston's General Fund increased by \$9.80 million during the Fiscal Year with total revenues increasing by \$13.94 million from prior year to \$59.32 million and total expenditures increasing by \$2.12 million from prior year to \$46.05 million. Table 3 shows the comparison of actual revenues and expenditures for the General Fund for Fiscal Years 2018 and 2019.

The major changes in the General Fund revenue and expenditure levels between Fiscal Years 2018 and 2019 were:

#### Revenues:

- Investment income revenues have increased by \$4.22 million or 30142.9% from prior year as a result of an decrease in interest rates.
- Taxes and assessments have increased by \$8.72 million or 25.0% from prior year to \$43.63 million as a result of the increase in the adopted ad valorem millage rate and increased revenues in electric utility tax, electric franchise fee, solid waste franchise fee, and solid waste assessments.
- Fines and forfeitures have decreased by \$65,933 or 21.8% from prior year to \$241,375 due to decreased revenue in court fines and forfeitures, code compliance fines and commercial vehicle fines.
- Permits and fees have increased by \$226,165 or 13.5% from prior year to \$1.90 million due to increase in permits during the last year.

#### Expenditures:

- Public works expenditures increased by \$909,954 or 38.6% from prior year to \$3.27 million due to increased expenditures in solid waste services and household waste and bulk waste services.

**CITY OF WESTON, FLORIDA**

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

- Capital Outlay expenditures increased by \$192,163 or 20.0% from prior year to \$1.16 million due to the City’s renovations on the Police Services Center renovations, Fire Station #55 renovations, Fire Station #67 renovations, and sport fields fencing and backstops.
- Community development expenditures increased by \$286,447 or 19.6% from prior year to \$1.74 million as a result of a federal block grant program and increased spending on services such as civil and environment engineering, code enforcement services, landscape architecture, basic services for planning, and administrative services for zoning.

**TABLE 3**  
**COMPARISON OF GENERAL FUND REVENUES & EXPENDITURES**  
*(in thousands of dollars)*

	<b>2018</b>	<b>2019</b>	<b>Increase (Decrease) Dollars</b>	<b>Increase (Decrease) Percentage</b>
<b>Revenues:</b>				
Taxes and assessments	\$ 34,907	\$ 43,625	8,718	25.0%
Permits and fees	1,670	1,896	226	13.5%
Intergovernmental	6,165	6,249	84	1.4%
Charges for services	1,770	1,739	(31)	-1.8%
Fines and forfeitures	308	241	(67)	-21.8%
Investment income (loss)	14	4,234	4,220	30142.9%
Grant Revenue	-	758	758	0.0%
Other	538	574	36	6.7%
<b>Total revenues</b>	<b>45,372</b>	<b>59,316</b>	<b>13,944</b>	<b>30.7%</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	5,937	6,414	477	8.0%
Public safety	25,683	25,050	(633)	-2.5%
Community development	1,458	1,744	286	19.6%
Public works	2,360	3,270	910	38.6%
Parks and recreation	7,524	8,410	886	11.8%
Capital outlay	966	1,159	193	20.0%
<b>Total expenditures</b>	<b>43,928</b>	<b>46,047</b>	<b>2,119</b>	<b>4.8%</b>
Excess (deficit) of revenues over expenditures	1,444	13,269		
<b>Other financing sources (uses):</b>				
Transfers out	(4,519)	(3,469)		
<b>Total other financing sources (uses)</b>	<b>(4,519)</b>	<b>(3,469)</b>		
<b>Net change in fund balance</b>	<b>\$ (3,075)</b>	<b>\$ 9,800</b>		

The Indian Trace Development District Special Revenue Fund increased its fund balance by \$2.32 million or approximately 9.1% of fund balance at beginning of the year, to a total of \$27.89 million with all of the fund balance restricted. The fund accounts for restricted resources used to provide stormwater management and right-of-way services other than roads to the District.

The Bonaventure Development District Special Revenue Fund increased its fund balance by \$212,072, or approximately 3.7% of fund balance at beginning of the year, to a total of \$5.92 million with all of the fund balance restricted. The fund accounts for restricted resources used to provide stormwater management and right-of-way services other than roads to the District.

## CITY OF WESTON, FLORIDA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

The Fire District Special Revenue Fund decreased its fund balance by \$455,887, or approximately 8.2% of fund balance at beginning of the year, to a total of \$5.09 million with all of the fund balance restricted. The fund accounts for restricted resources used to provide fire protection and prevention services.

The Bonaventure Development District Debt Service Funds increased their fund balances by \$33,567, or 1.6% of fund balances at beginning of the year, to a total of \$2.14 million with the cumulative fund balances restricted. The funds account for financial resources that are restricted for principal and interest.

The Indian Trace Development District Debt Service Funds increased their fund balances by \$51,822, or 1.7% of fund balances at beginning of the year, to a total of \$3.06 million with the cumulative fund balances restricted. The funds account for financial resources that are restricted for principal and interest.

The Community Facilities Construction Capital Projects Fund accounts for City-wide capital needs, such as public safety and parks and recreation. The Fund experienced an increase in fund balance of \$7.15 million, or 290.5% of fund balance at beginning of the year, to a total of \$9.61 million. The increase in fund balance is a result of a bank loan origination.

The City also maintains several non-major funds which are special revenue funds that are used to account for street and right-of-way maintenance, transportation, building permitting, law enforcement, and tree preservation. The non-major funds of the City decreased their cumulative fund balances during Fiscal Year 2019 by \$74,683 or approximately 0.6% of the cumulative fund balances at beginning of the year, due to increased spending on capital outlay such as Police Service Center renovations and bus shelter bollards as well as pay down of the Series 2011 promissory note.

**Proprietary funds.** The City of Weston maintains only a single proprietary fund that is used to account for the operations of the water and sewer system. The statements of proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the Water and Sewer Enterprise Fund decreased by \$3.32 million, or 4.6%, to a total of \$68.30 million. Other factors concerning the finances of this fund have already been addressed in the discussion of the City's business-type activities.

#### **General Fund Budgetary Highlights**

As required by City Charter, City Commission approved all contracts and major expenses.

The Comprehensive Annual Financial Report reports funds committed for disaster response in the General Fund; however, the adopted, amended and final budgets report funds committed for disaster response in a separate fund. Therefore, when comparing the General Fund results to the budget, it is best to use the combined budget comparison schedule located on pages 69 through 71 in this annual report.

The original and final adopted General Fund budget anticipated a current resources surplus of \$2.49 million and \$815,364 respectively. The actual operating results of the City's General Fund resulted in a current resources surplus of \$8.41 million.

**CITY OF WESTON, FLORIDA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

Actual revenues exceeded final budget revenues by \$4.25 million and the main differences can be summarized as follows:

- Net investment income exceeded the original and final budget by \$1.61 million as a result of the decrease in interest rates.
- Franchise fees and utility taxes revenues exceeded the original and final budget by \$802,321 as a result of higher actual revenues from electric utility tax, electric franchise fee, and solid waste franchise fee.
- Grant revenue exceeded the original and final budget by \$543,956 as a result of reimbursements from FEMA for cleanup efforts due to Hurricane Irma.
- Permit and fees revenues exceeded the original and final budget by \$421,903 due to an increase in permits during the last year.

Actual expenditures were lower than the final budget projections by \$3.35 million. The budget-to-actual variations were due to several factors.

- Capital outlay expenditures were lower than the final budget by \$1.27 million as a result of projects that were delayed.
- Public safety expenditures were lower than the final budget by \$1.18 million due to vacancy credits for police and fire.
- General government expenditures were lower than the final budget by \$781,887 as a result of lower expenditures in repairs and maintenance on City Hall building, legal expenditures and administrative expenditures.
- Community development expenditures were lower than the final budget by \$424,548 due to reduced expenditures in most development services expenditures.

**Capital Asset and Debt Administration**

**Capital assets.** The City of Weston's capital assets for its governmental and business-type activities totals \$208.14 million or 59.6% of total net position. This investment in capital assets includes land, buildings, land improvements, machinery and equipment, infrastructure and construction in progress. Table 4 presents the governmental and business-type capital assets, net of accumulated depreciation, by category for Fiscal Years 2018 and 2019.

During Fiscal Year 2019, the City constructed or acquired several capital assets. Major capital asset events during the Fiscal Year 2019 included the following:

- Completion of street light pole upgrades, Blatt Boulevard stormwater retrofit, and pump and gear replacement phase one.



**CITY OF WESTON, FLORIDA**

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

*TABLE 4  
CAPITAL ASSETS  
(in thousands of dollars)*

	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
Land	\$ 73,588	\$ 73,588	\$ -	\$ -	\$ 73,588	\$ 73,588
Buildings	28,347	30,645	299	268	28,646	30,913
Machinery and equipment	4,802	3,564	315	208	5,117	3,772
Infrastructure	36,193	33,765	54,787	52,408	90,980	86,173
Land improvements	8,111	7,496	-	-	8,111	7,496
Construction in progress	2,739	5,970	-	223	2,739	6,193
<b>Total capital assets</b>	<b>\$ 153,780</b>	<b>\$ 155,028</b>	<b>\$ 55,401</b>	<b>\$ 53,107</b>	<b>\$ 209,181</b>	<b>\$ 208,135</b>

Additional information on the City’s capital assets can be found in Note 6 on pages 48 to 50 of this report.

**Long-term debt.** At the end of the Fiscal Year, the City of Weston’s total outstanding debt was \$58.09 million in bonds payable, notes payable, and loan payable secured by certain revenues of the City, including local option fuel taxes, local business tax revenues, electric franchise revenues, fire assessments, electric utility service taxes, non-ad valorem revenues, and communication tax revenues. The City acts as an agent in the collection of assessments and remittance of debt service payments for no-obligation special assessment bonds held by the Indian Trace Development District and Bonaventure Development District. As of the fiscal year end, the two districts held a total of \$38.91 million in special assessment debt. The City has no general obligation debt or debt that is backed by the full faith and credit of the City of Weston. The City of Weston’s total long-term debt increased by \$8.05, or 28.2%, from the prior fiscal year.

*TABLE 5  
NOTES PAYABLE & REVENUE BONDS  
(in thousands of dollars)*

	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
Bond payable	\$ 42,895	\$ 38,910	\$ -	\$ -	\$ 42,895	\$ 38,910
Notes payable	12,505	9,978	-	-	12,505	9,978
Loan payable	-	9,201	-	-	-	9,201
<b>Total debt</b>	<b>\$ 55,400</b>	<b>\$ 58,089</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 55,400</b>	<b>\$ 58,089</b>

More detailed information about the City’s long-term liabilities is presented in Note 7 on pages 50 to 53 of this report.

**Impact of economic factors on this year’s and next year’s budgets**

After the close of Fiscal year 2019, the World was stricken by a novel coronavirus named “COVID-19”. On January 31, 2020, the Secretary of the U.S. Department of Health and Human Service declared a

## CITY OF WESTON, FLORIDA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

Determination of Public Health Emergency. Subsequently on March 13, 2020, the President of the U.S. declared a National Health Emergency. Since that time, all levels of government have issued "stay at home" orders. Non-essential segments of the economy have been shut down. A broad number of businesses have closed, terminated employees, or furloughed employees. Several phases of economic stimulus have been approved through by the U.S. Congress. The U.S. Treasury, the Federal Reserve Bank, the Federal Emergency Management Agency, the Department of Justice, the Department of Housing and Urban Development, the Center for Disease Control, and the Department of Health and Human Services, just to name a few agencies, have all provided funding, supplies, equipment, guidance, and recommendations to assist in dealing with the COVID-19 event.

At the time of this publication, the Florida Department of Health reports approximately 21,600 confirmed positive cases in Florida with 3,050 persons hospitalized and 571 COVID-19 related deaths. On a positive note, 89.6% of all reported tested persons in Florida have tested negative for the COVID-19 virus. Worldwide, there are over 2 million reported cases at this time. Nationally, there are approximately 610,000 reported positive cases with about 1/3 of those cases in the State of New York, approximately 3% of cases in the State of Florida, and just over 3,000 confirmed positive cases in Broward County – the second highest countywide figure in Florida behind Miami-Dade County at about positive 7,800 cases.

All segments of the national, state and local economies have been impacted by the COVID-19 event, specifically airline travel and therefore hotels and tourism. With the State of Florida and Broward County being highly dependent on tourism for its' revenues, the impact to the State and local economies will likely be severe. The current number of new unemployment claims in the U.S. over the three weeks preceding this publication have totaled over 16 million claims with an approximately 20 million total persons currently unemployed nationally – these figures do not include those who have been furloughed or placed on administrative leave. With the State of Florida and Broward County highly dependent on property taxes and documentation stamps from property transfers, a severe loss of income and closures of businesses will depress property values and property transfers causing reductions in property tax revenues and transfer fee revenues. The total revenue impacts cannot be estimated at this time.

As for the City of Weston specifically and its performance during Fiscal Year 2019, the City is a "contract city" such that most of its services are provided via contracts with private service providers. Those contracts include cost escalators based on the Consumer Price Index for the Miami-Fort Lauderdale-West Palm Beach Metropolitan Statistical Area (MSA) which was up 1.4% for the 12-months ending February 2020. While inflation has remained relatively at or below the 2%-3% target of the Federal Reserve for some time, inflation is anticipated to remain low during the coming months due to reduced economic activity during the COVID-19 event. The City has enjoyed relatively modest increases in its contracts over the past few years and hopefully this will continue into the near future.

Job growth in the Fort Lauderdale-Pompano Beach-Deerfield Beach Metro Division was up across all sectors except for leisure and hospitality, information, and education and health services. According to Greater Fort Lauderdale Alliance, trade, transportation, and utilities in Fort Lauderdale-Pompano Beach-Deerfield Beach Metro Division had the highest annual job growth of all the metro areas statewide. The strong job sectors in Fort Lauderdale-Pompano Beach-Deerfield Beach Metro Division were professional and business services; trade, transportation and utilities; financial activities; and other services. With the tourism industry currently non-existent and no indication when the U.S. population

**CITY OF WESTON, FLORIDA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

will begin moving around, the tourism industry is likely to be in for a long and hard recovery. Florida will remain one of the top U.S. and international travel destinations, so when the recovery begins, Florida is likely to be one of the first U.S. markets to benefit. This was the case following the Great Recession of 2008-2009.

In Fiscal Year 2019, the City's Adopted Budget theme was "be enlightened, be engaged, be excited" which placed emphasis on the residents to learn about our government, to participate in our government and its programs, and to take advantage of our unique lifestyle and our exceptional quality of life. The budget also continues the commitment to sustaining a stable and sound financial environment that will enable the City to maintain and enhance the physical and operating infrastructures.

The City's Fiscal Year 2020 budget theme is "Prepared for the Next Generation". This theme is meant to prepare for the next generation in government. The Fiscal Year 2020 budget maintains services at their current levels or increases services, provides for continuing improvements in the City's infrastructures, and maintains the City's Aaa credit rating from Moody's and AAA rating from Standard and Poor's that are valuable in obtaining the most favorable borrowing rates and terms for proposed borrowings.

The Fiscal Year 2020 budget maintained the ad valorem millage rate at 3.3464 mils. The City's gross taxable value increased by 2.61% above the Fiscal Year 2019 gross taxable value to \$8,875,379,992 inclusive of any new construction and improvements to existing properties appearing on the tax roll for the first time. This growth was lower than the projected increase of 4.5% in the City's long-range financial forecasts.

The Fiscal Year 2020 budget revenues are \$138,190,500 and budget expenditures are \$135,189,900 with a projected net increase in fund balance at \$3,000,600. The General Fund budget revenues are \$55,576,000 and budget expenditures are \$49,078,600 with a projected excess revenue of \$1,691,126 and an additional \$4,806,274 transferred out to pay down debt. Fiscal year 2020 revenues and expenditures will most certainly be impacted by the COVID-19 event and the impact to excess revenue and existing fund balances remains to be seen. The COVID-19 event will also have a significant impact on planning and analysis for the Fiscal Year 2021 budget as the City evaluates the impacts to revenues, services and costs.

**Requests for Information**

This financial report is designed to provide a general overview of the City of Weston's finances for all those with an interest in this government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Weston, 17200 Royal Palm Boulevard, Weston, Florida 33326.

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CITY OF WESTON, FLORIDA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash, cash equivalents, and equity in pooled cash	\$ 27,101,061	\$ 3,352,820	\$ 30,453,881
Investments	105,969,001	8,352,386	114,321,387
Restricted assets:			
Restricted cash equivalents	14,582,102	-	14,582,102
Restricted investments	-	2,105,743	2,105,743
Assessments receivable, current	4,150,000	-	4,150,000
Accounts receivable, net	3,073,260	3,763,440	6,836,700
Interest receivable	591,310	68,406	659,716
Prepaid costs	510,124	32,878	543,002
<b>Total current assets</b>	<u>155,976,858</u>	<u>17,675,673</u>	<u>173,652,531</u>
Noncurrent assets:			
Assessments receivable, restricted	34,760,000	-	34,760,000
Advance to other governments	2,104,391	-	2,104,391
Nondepreciable capital assets	79,557,450	223,491	79,780,941
Depreciable capital assets, net	75,470,704	52,883,539	128,354,243
<b>Total noncurrent assets</b>	<u>191,892,545</u>	<u>53,107,030</u>	<u>244,999,575</u>
<b>Total assets</b>	<u>347,869,403</u>	<u>70,782,703</u>	<u>418,652,106</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
FRS Pension	118,703	-	118,703
<b>Total deferred outflows of resources</b>	<u>118,703</u>	<u>-</u>	<u>118,703</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>			
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	4,293,499	330,725	4,624,224
Unearned revenues	967,199	-	967,199
Contracts and retainage payable	245,027	50,410	295,437
Deposits	925,430	-	925,430
Customer deposits, payable from restricted assets	-	2,105,743	2,105,743
Accrued interest payable, payable from restricted assets	950,191	-	950,191
Noncurrent liabilities due within one year	8,051,573	-	8,051,573
<b>Total current liabilities</b>	<u>15,432,919</u>	<u>2,486,878</u>	<u>17,919,797</u>
Noncurrent liabilities:			
Net pension liability	305,193	-	305,193
Due in more than one year	51,162,197	-	51,162,197
<b>Total noncurrent liabilities</b>	<u>51,467,390</u>	<u>-</u>	<u>51,467,390</u>
<b>Total liabilities</b>	<u>66,900,309</u>	<u>2,486,878</u>	<u>69,387,187</u>
Deferred inflows of resources:			
FRS Pension	26,637	-	26,637
<b>Total deferred inflows of resources</b>	<u>26,637</u>	<u>-</u>	<u>26,637</u>
Net position:			
Net investment in capital assets	96,939,503	53,107,030	150,046,533
Restricted for:			
Operations and maintenance	33,860,065	-	33,860,065
Fire protection services	5,079,610	-	5,079,610
Public transportation and road improvements	8,172,462	-	8,172,462
Law enforcement	3,411	-	3,411
Building code enforcement and contract	3,166,892	-	3,166,892
Telecommunications maintenance	25,000	-	25,000
Debt service	4,242,908	-	4,242,908
Unrestricted	129,571,309	15,188,795	144,760,104
<b>Total net position</b>	<u>\$ 281,061,160</u>	<u>\$ 68,295,825</u>	<u>\$ 349,356,985</u>

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

CITY OF WESTON, FLORIDA

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grant and Contributions
Primary government:				
Governmental activities:				
General government	\$ 8,642,645	\$ 3,748,117	\$ -	\$ -
Public safety	42,059,911	13,569,309	528,578	-
Public works	19,521,053	17,394,360	1,717,579	-
Parks and recreation	9,896,874	689,089	757,563	-
Community development	5,338,763	4,737,294	-	-
Interest on long-term debt	2,537,323	2,225,225	-	-
Total government activities	<u>87,996,569</u>	<u>42,363,394</u>	<u>3,003,720</u>	<u>-</u>
Business-type activities:				
Water and sewer	38,968,621	34,937,953	-	3,998
Total business-type activities	<u>38,968,621</u>	<u>34,937,953</u>	<u>-</u>	<u>3,998</u>
Total primary government	<u>126,965,190</u>	<u>77,301,347</u>	<u>3,003,720</u>	<u>3,998</u>
General revenues:				
Property taxes				
Franchise taxes and utility taxes				
Intergovernmental				
Investment income				
Other revenues				
Total general revenues				
Change in net position				
Net position - beginning				
Net position - ending				

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

**Net Revenue and (Expense)**

**Changes in Net Position**

<b>Primary Government</b>		
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (4,894,528)	\$ -	\$ (4,894,528)
(27,962,024)	-	(27,962,024)
(409,114)	-	(409,114)
(8,450,222)	-	(8,450,222)
(601,469)	-	(601,469)
(312,098)	-	(312,098)
<u>(42,629,455)</u>	<u>-</u>	<u>(42,629,455)</u>
-	(4,026,670)	(4,026,670)
-	(4,026,670)	(4,026,670)
<u>(42,629,455)</u>	<u>(4,026,670)</u>	<u>(46,656,125)</u>
27,623,042	-	27,623,042
13,545,121	-	13,545,121
6,248,570	-	6,248,570
7,402,029	702,372	8,104,401
1,270,029	-	1,270,029
<u>56,088,791</u>	<u>702,372</u>	<u>56,791,163</u>
<u>13,459,336</u>	<u>(3,324,298)</u>	<u>10,135,038</u>
<u>267,601,824</u>	<u>71,620,123</u>	<u>339,221,947</u>
<u>\$ 281,061,160</u>	<u>\$ 68,295,825</u>	<u>\$ 349,356,985</u>

CITY OF WESTON, FLORIDA

BALANCE SHEET - GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	Major Funds			
	General Fund	Special Revenue Funds		
		Indian Trace Development District	Bonaventure Development District	Fire Services District
<b>ASSETS</b>				
Cash, cash equivalents, and equity in pooled cash Investments	\$ 17,869,758	\$ 4,024,464	\$ 1,345,487	\$ 888,270
Restricted cash and cash equivalents	62,425,256	24,285,122	4,806,919	5,360,155
Cash and cash equivalents	-	-	-	-
Receivables:				
Assessments receivable	-	-	-	-
Accounts receivable, net	2,512,761	32,435	12,095	120
Interest receivable	348,919	124,461	26,979	38,606
Advance to other governments	-	-	-	-
Prepaid costs	183,098	60,163	11,452	7,867
Due from other funds	2,464,094	951,821	-	-
Total assets	<u>\$ 85,803,886</u>	<u>\$ 29,478,466</u>	<u>\$ 6,202,932</u>	<u>\$ 6,295,018</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 1,510,058	\$ 1,589,330	\$ 279,770	\$ 157,623
Unearned revenues	967,199	-	-	-
Contracts and retainage payable	85,968	-	-	23,854
Due to other funds	-	297	2,786	1,026,064
Deposits	925,430	-	-	-
Total liabilities	<u>3,488,655</u>	<u>1,589,627</u>	<u>282,556</u>	<u>1,207,541</u>
Deferred Inflows of Resources:				
Unavailable revenue	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Non-spendable for prepaid costs	183,098	60,163	11,452	7,867
Restricted for:				
District operations and maintenance	-	27,828,676	5,908,924	5,079,610
Street maintenance	-	-	-	-
Roadway projects	-	-	-	-
Law enforcement	-	-	-	-
Tree preservation	-	-	-	-
Building code enforcement	-	-	-	-
Building code services contract	-	-	-	-
Telecommunications maintenance	25,000	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Committed to:				
Disaster assistance	44,791,676	-	-	-
Credit reserve	9,510,800	-	-	-
Infrastructure	2,889,881	-	-	-
Assigned to:				
Compensated absences	1,125,119	-	-	-
Solid waste services	847,808	-	-	-
Subsequent year's expenditures and contracts	200,000	-	-	-
Unassigned	22,741,849	-	-	-
Total fund balances	<u>82,315,231</u>	<u>27,888,839</u>	<u>5,920,376</u>	<u>5,087,477</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 85,803,886</u>	<u>\$ 29,478,466</u>	<u>\$ 6,202,932</u>	<u>\$ 6,295,018</u>

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



<b>Bonaventure Development District Debt Service</b>	<b>Indian Trace Development District Debt Service</b>	<b>Capital Projects Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 2,132,938	\$ 3,057,078	311,320	\$ 2,661,762	\$ 32,291,077
-	-	1,878,622	7,212,927	105,969,001
-	-	9,392,086	-	9,392,086
3,130,000	35,780,000	-	-	38,910,000
-	-	-	515,849	3,073,260
-	-	13,203	39,142	591,310
-	-	-	2,104,391	2,104,391
-	-	224,853	22,691	510,124
2,786	297	-	-	3,418,998
<u>\$ 5,265,724</u>	<u>\$ 38,837,375</u>	<u>\$ 11,820,084</u>	<u>\$ 12,556,762</u>	<u>\$ 196,260,247</u>
\$ -	\$ -	\$ 296,774	\$ 459,944	\$ 4,293,499
-	-	-	-	967,199
-	-	135,205	-	245,027
-	-	1,780,954	608,897	3,418,998
-	-	-	-	925,430
<u>-</u>	<u>-</u>	<u>2,212,933</u>	<u>1,068,841</u>	<u>9,850,153</u>
3,130,000	35,780,000	-	-	38,910,000
<u>3,130,000</u>	<u>35,780,000</u>	<u>-</u>	<u>-</u>	<u>38,910,000</u>
-	-	224,853	22,691	510,124
-	-	-	-	38,817,210
-	-	-	7,844,685	7,844,685
-	-	-	327,777	327,777
-	-	-	3,411	3,411
-	-	-	122,465	122,465
-	-	-	383,294	383,294
-	-	-	2,783,598	2,783,598
-	-	-	-	25,000
-	-	9,392,086	-	9,392,086
2,135,724	3,057,375	-	-	5,193,099
-	-	-	-	44,791,676
-	-	-	-	9,510,800
-	-	-	-	2,889,881
-	-	-	-	1,125,119
-	-	-	-	847,808
-	-	-	-	200,000
-	-	(9,788)	-	22,732,061
<u>2,135,724</u>	<u>3,057,375</u>	<u>9,607,151</u>	<u>11,487,921</u>	<u>147,500,094</u>
<u>\$ 5,265,724</u>	<u>\$ 38,837,375</u>	<u>\$ 11,820,084</u>	<u>\$ 12,556,762</u>	<u>\$ 196,260,247</u>

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**CITY OF WESTON, FLORIDA**

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

**SEPTEMBER 30, 2019**

Fund balance - governmental funds, page 24 \$ 147,500,094

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

Capital assets used in governmental activities are not financial governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	267,956,145	
Accumulated depreciation	<u>(112,927,991)</u>	155,028,154

Assets that are not available to pay for current-period expenditures are unavailable in the governmental fund financial statements.		38,910,000
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The net pension liability is not reported as a liability in the fund financial statements, but is reported as a liability in the government-wide financial statements.		(305,193)
--	--	-----------

Deferred outflows of resources related to the pension are recorded in the statement of net position.		118,703
--	--	---------

Deferred inflows of resources related to the pension are recorded in the statement of net position.		(26,637)
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Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Bonds payable		(38,910,000)
Notes payable		(19,178,651)
Accrued interest payable		(950,191)
Compensated absences		(1,125,119)

Net position of governmental activities, page 20		<u>\$ 281,061,160</u>
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The accompanying notes to basic financial statements are an integral part of these statements

CITY OF WESTON, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Major Funds			
	General Fund	Special Revenue Funds		
		Indian Trace Development District	Bonaventure Development District	Fire Services District
REVENUES:				
Property taxes	\$ 27,623,042	\$ -	\$ -	\$ -
Franchise fees and utility taxes	13,545,121	-	-	-
Permits and fees	1,896,503	-	-	-
Intergovernmental	6,248,570	-	-	-
Charges for services	1,739,316	-	-	-
Fines and forfeitures	241,375	-	-	-
Net investment income (loss)	4,234,022	1,670,111	338,483	440,696
Grant revenue	757,563	-	-	-
Special assessments	2,456,515	14,874,655	2,519,705	13,569,309
Other revenues	574,200	213,499	8,564	-
Total revenues	<u>59,316,227</u>	<u>16,758,265</u>	<u>2,866,752</u>	<u>14,010,005</u>
EXPENDITURES:				
Current:				
General government	6,413,686	-	-	-
Public safety	25,050,393	2,371,635	699,042	12,952,962
Public works	3,269,784	11,109,938	1,701,161	-
Parks and recreation	8,410,204	-	-	-
Community development	1,744,492	-	-	-
Capital outlay	1,158,842	957,063	254,477	1,078,174
Debt service:				
Principal	-	-	-	409,636
Interest	-	-	-	25,120
Other debt service costs	-	-	-	-
Total expenditures	<u>46,047,401</u>	<u>14,438,636</u>	<u>2,654,680</u>	<u>14,465,892</u>
Excess (deficiency) of revenues over expenditures	<u>13,268,826</u>	<u>2,319,629</u>	<u>212,072</u>	<u>(455,887)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(3,468,800)	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>(3,468,800)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	9,800,026	2,319,629	212,072	(455,887)
FUND BALANCES - BEGINNING	<u>72,515,205</u>	<u>25,569,210</u>	<u>5,708,304</u>	<u>5,543,364</u>
FUND BALANCES - ENDING	<u>\$ 82,315,231</u>	<u>\$ 27,888,839</u>	<u>\$ 5,920,376</u>	<u>\$ 5,087,477</u>

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

<b>Bonaventure Development District Debt Service</b>	<b>Indian Trace Development District Debt Service</b>	<b>Capital Projects Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ 27,623,042
-	-	-	-	13,545,121
-	-	-	2,840,791	4,737,294
-	-	-	1,717,579	7,966,149
-	-	-	-	1,739,316
-	-	-	528,578	769,953
6,577	15,303	211,263	485,574	7,402,029
-	-	-	-	757,563
920,981	5,289,244	-	-	39,630,409
-	-	-	473,766	1,270,029
<u>927,558</u>	<u>5,304,547</u>	<u>211,263</u>	<u>6,046,288</u>	<u>105,440,905</u>
-	-	445,378	-	6,859,064
-	-	-	19,197	41,093,229
-	-	-	548,233	16,629,116
-	-	-	-	8,410,204
-	-	-	3,594,271	5,338,763
-	-	3,487,722	1,215,837	8,152,115
715,000	3,270,000	2,210,546	706,279	7,311,461
178,991	1,982,725	382,725	37,154	2,606,715
-	-	6,500	-	6,500
<u>893,991</u>	<u>5,252,725</u>	<u>6,532,871</u>	<u>6,120,971</u>	<u>96,407,167</u>
<u>33,567</u>	<u>51,822</u>	<u>(6,321,608)</u>	<u>(74,683)</u>	<u>9,033,738</u>
-	-	3,468,800	-	3,468,800
-	-	-	-	(3,468,800)
-	-	10,000,000	-	10,000,000
-	-	13,468,800	-	10,000,000
33,567	51,822	7,147,192	(74,683)	19,033,738
<u>2,102,157</u>	<u>3,005,553</u>	<u>2,459,959</u>	<u>11,562,604</u>	<u>128,466,356</u>
<u>\$ 2,135,724</u>	<u>\$ 3,057,375</u>	<u>\$ 9,607,151</u>	<u>\$ 11,487,921</u>	<u>\$ 147,500,094</u>

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CITY OF WESTON, FLORIDA

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

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

Net change in fund balances - total governmental funds, page 27	\$ 19,033,738
Amounts reported for governmental activities in the statement of activities are different because:	
Capital assets are reported in the governmental fund as expenditures. However, in the statement of activities, the cost of certain of these assets are eliminated and capitalized as capital assets.	7,909,557
Governmental funds report the face amount of debt issued as financial resources when debt is first issued, whereas these amounts are eliminated in the statement of activities and recognized as long-term liabilities in the statement of net position.	(10,000,000)
Revenues previously recorded in the statement of activities that were unavailable in the prior fiscal year became available in the current fiscal year and were recorded as revenues in the fund financial statements.	(3,985,000)
Repayment of long-term liabilities are reported as expenditures in the governmental funds, but such repayments reduce liabilities in the statement of net position and are eliminated from the statement of activities.	7,311,461
The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities but not in the governmental fund financial statements.	69,392
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the fund financial statements. The details of the differences are as follows:	
Depreciation of capital assets	(6,661,323)
Change in compensated absences	(158,537)
FRS Pension Expense	(59,952)
Change in net position of governmental activities, page 22	<u>\$ 13,459,336</u>

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

CITY OF WESTON, FLORIDA

STATEMENT OF NET POSITION –  
PROPRIETARY FUND

SEPTEMBER 30, 2019

	<b>Business-Type Activities</b>
	<b>Water and Sewer Fund</b>
	<hr/>
<b>ASSETS</b>	
Current Assets	
Cash, cash equivalents, and equity in pooled cash	\$ 3,352,820
Investments	8,352,386
Restricted investments	2,105,743
Receivables:	
Intergovernmental receivables	124,324
Accounts receivable, net	3,639,116
Interest receivable	68,406
Prepaid costs	32,878
<b>Total current assets</b>	<hr/> <b>17,675,673</b> <hr/>
Capital Assets	
Construction in progress	223,491
Buildings and plant Infrastructure	114,817,663
Property and equipment	773,607
<b>Total capital assets</b>	<hr/> <b>115,814,761</b> <hr/>
Less accumulated depreciation	62,707,731
<b>Net capital assets</b>	<hr/> <b>53,107,030</b> <hr/>
<b>Total noncurrent assets</b>	<hr/> <b>53,107,030</b> <hr/>
<b>Total assets</b>	<hr/> <b>70,782,703</b> <hr/>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts payable and accrued liabilities	330,725
Contracts payable	50,410
Customer deposits payable from restricted assets	2,105,743
<b>Total current liabilities</b>	<hr/> <b>2,486,878</b> <hr/>
<b>Total liabilities</b>	<hr/> <b>2,486,878</b> <hr/>
<b>NET POSITION</b>	
Net investment in capital assets	53,107,030
Unrestricted	15,188,795
<b>Total net position</b>	<hr/> <b>\$ 68,295,825</b> <hr/>

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



CITY OF WESTON, FLORIDA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION –  
 PROPRIETARY FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	<u>Business-Type Activities</u>
	<u>Water and Sewer Fund</u>
OPERATING REVENUES:	
Water and sewer fees	\$ 34,461,397
Miscellaneous revenue	468,577
Other operating revenues	7,979
Total operating revenues	<u>34,937,953</u>
OPERATING EXPENSES:	
Personnel	223,824
Other operating expenses	33,212,579
General and administrative	3,015,159
Depreciation	2,517,059
Total operating expenses	<u>38,968,621</u>
Operating income (loss)	<u>(4,030,668)</u>
NONOPERATING REVENUES (EXPENSES):	
Net investment income (loss)	<u>702,372</u>
Total nonoperating revenues (expenses)	<u>702,372</u>
Income before capital contributions	<u>(3,328,296)</u>
Capital contributions	3,998
Change in net position	(3,324,298)
NET POSITION - BEGINNING	<u>71,620,123</u>
NET POSITION - ENDING	<u>\$ 68,295,825</u>

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

CITY OF WESTON, FLORIDA

STATEMENT OF CASH FLOWS –  
PROPRIETARY FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	<b>Business-Type Activities</b>
	<b>Water and Sewer Fund</b>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers and users	\$ 35,075,604
Payments to suppliers	(36,682,267)
Payments to employees	(223,824)
<b>Net cash provided by (used in) operating activities</b>	<u>(1,830,487)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Amounts paid to other funds	(380,868)
<b>Net cash provided by (used in)     noncapital financing</b>	<u>(380,868)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Developer contributions received	3,998
Purchase of capital assets	(183,438)
<b>Net cash provided by (used in) capital     and related financing activities</b>	<u>(179,440)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Sale of investments	705,586
Interest received	694,629
<b>Net cash provided by (used in)     investing activities</b>	<u>1,400,215</u>
Net increase (decrease) in cash and cash equivalents	(990,580)
CASH AND CASH EQUIVALENTS, BEGINNING	<u>4,343,400</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 3,352,820</u>

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

CITY OF WESTON, FLORIDA

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND  
 (Continued)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	<u>Business-Type Activities</u> <u>Water and Sewer Fund</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	
Operating income (loss)	\$ (4,030,668)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation and amortization	2,517,059
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	109,805
(Increase) decrease in intergovernmental	6,831
(Increase) decrease in prepaid costs	(28,202)
Increase (decrease) in accounts payable	(426,327)
Increase (decrease) in payables from restricted assets	21,015
Total adjustments	<u>2,200,181</u>
Net cash provided by (used in) operating activities	<u>\$ (1,830,487)</u>
NONCASH TRANSACTION:	
Change in fair value of investments	\$ 407,119
Total noncash transactions	<u>\$ 407,119</u>

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

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

**NOTE 1 – ORGANIZATION AND OPERATIONS**

The City of Weston, Florida (the “City”) is a municipal corporation governed by an elected Mayor and a four member commission providing the following services: general government; public safety; community development; public works; and parks and recreation. Additional services provided by the City are subcontracted (Note 9) such as: water and sewer services; emergency medical services; fire protection and prevention services; police services; engineering services; building code services; code enforcement; and plan review and inspection services. The City was incorporated pursuant to the constitution and laws of the State of Florida in September 1996 when the qualified electors voted in favor of incorporation of the City and approved the Charter.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The financial statements of the City and its blended component units, entities for which the City is considered to be financially accountable, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The City is financially accountable if the City Commission appoints a voting majority of an organization’s governing body and it is able to impose its will on that organization, or there is a potential for the organization to provide specific financial burdens on the City. Blended component units, although legally separate entities, are in substance part of the City’s operations, and so, data from these units is combined with data of the primary government.

**Blended Component Units**

Indian Trace Development District (“ITDD”) is a blended component unit. ITDD was formed in 1975 by a Broward County Ordinance and in 1981 was reestablished pursuant to Chapter 190 of the Florida Statutes as an independent, special taxing district in Broward County, Florida, to provide facilities for water and sewer, stormwater management and control, roads and other public improvements. ITDD’s boundaries exclude the community of Bonaventure. ITDD is governed by a board comprised of the City Commission and therefore the City has the ability to impose its will on ITDD. In addition, the City has operational responsibility for the District. ITDD has its own budget and taxing power. The operations and assets of ITDD are reflected in Indian Trace Development District Special Revenue and Debt Service Funds. The component unit has a September 30 year end. There were no separately issued financial statements for this component unit.

Bonaventure Development District (“BDD”) is a blended component unit. BDD was created on December 21, 1998, however, it was inactive until June 30, 2001 when the Florida Legislature dissolved West Lauderdale Water Control District and transferred all of the assets of the former to BDD. BDD provides stormwater management and control, roads and other public improvements. BDD is governed by a board comprised of the City Commission and therefore the City has the ability to impose its will on BDD. In addition, the City has operational responsibility for the District. BDD has its own budget and taxing power. The operations and assets of BDD are reflected in the Bonaventure Development District Special Revenue and Debt Service Funds. The component unit has a September 30 year end. There were no separately issued financial statements for this component unit.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. 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 fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function 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, 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment, and 3) grants and contributions that are restricted to meeting capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining non-major governmental funds are aggregated and reported as non-major funds.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The City reports the following major governmental funds:

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

The Special Revenue Funds (Indian Trace Development District, Bonaventure Development District, and Fire Services District) account for special assessments that are legally restricted to expenditure for District operations and maintenance. Indian Trace Development District and Bonaventure Development District account for the maintenance of the stormwater management infrastructure and the non-roadway portions of the public right of way within the boundaries of the Districts. The Fire District accounts for revenues generated by special assessments legally restricted to fund fire protection and prevention services in the City.

The Debt Service Funds (Indian Trace Development District and Bonaventure Development District) account for special assessments that are legally restricted to pay principal and interest expenditures.

The Capital Projects Fund (Community Facilities Construction) accounts for the acquisition of equipment and construction/rehabilitation of major capital projects not being financed by proprietary funds and to pay the debt service on previously financed capital projects.

The City reports the following major proprietary fund:

The Enterprise Fund is used to account for the water and sewer operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing services are generally recovered through user charges.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

As a general rule the effect of interfund activity has been eliminated from the government wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between the government's water and sewer function and various other functions of the government, if applicable. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Interfund services provided and used are not eliminated in the process of consolidation.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in total net position. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary fund are charges to customers for sales and services. Operating expenses for proprietary funds include the costs of sales and services, administrative expenses, and provision for depreciation on capital assets. All revenues and expenses that do not meet this definition are reported as non-operating revenues or expenses.

D. New Accounting Standards Adopted

During fiscal year 2019, the City adopted two new accounting standards as follows:

**GASB Statement No. 83 - Certain Asset Retirement Obligations**

This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

**GASB Statement No. 88 - Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements**

The objective of this Statement is to improve consistency in the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements, and to provide financial statement users with additional essential information about debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. This Statement applies to notes to financial statements of all periods presented. If application for prior periods presented is not practicable, the reason for not applying this Statement to prior periods presented should be disclosed.

CITY OF WESTON, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, and Net Position or Equity

1. Deposits and Investments

Cash and equity in pooled cash are defined as demand deposits, money market accounts, and short term investments with original maturities of three months or less from the date of acquisition.

Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles. Unrealized gains and losses in fair value are recognized.

2. Receivables

Receivables include amounts due from other governments and others for services provided by the City. In addition, amounts owed from residents for the payment of District Bonds are reported as receivables. Receivables are recorded and revenues are recognized as earned or as specific program expenditures/expenses are incurred based on the accounting basis required for that fund. Allowances for uncollectible receivables are based upon historical trends and the periodic aging of receivables.

Property taxes are levied and are recognized as receivables on October 1 of each year. Ad valorem property taxes are based on property value. Non ad valorem property taxes are based on per acre or per unit type. The tax bill may be paid at declining discounts from November through February. All unpaid taxes become delinquent on April 1 of the year following the year in which taxes were levied and are subject to the issuance of tax sale certificates as of June 1. Broward County bills and collects all property taxes for the City.

3. Interfund Receivables and Payables

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

4. Prepaid Costs

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs in the government-wide and governmental fund financial statements. The City utilizes the consumption method to account for these costs.



CITY OF WESTON, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Restricted Assets

Certain proceeds of the City’s bond, as well as certain resources set aside for their repayment, are classified as restricted assets because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. In addition, assessments receivable related to future payment of special benefit assessment bond principal are considered restricted. Customer deposits are classified as restricted assets because they are held on behalf of the customer.

6. Capital Assets

Capital assets which include land, construction in progress, infrastructure, buildings, land improvements and machinery and equipment are reported in the applicable governmental or business type activities columns in the government wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$ 5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

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

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

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

<u>Asset</u>	<u>Years</u>
Buildings and improvements	10-50
Infrastructure	10-50
Land improvements	15-30
Machinery and equipment	5-15

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Compensated Absences

It is the City's policy to permit its employees to accumulate amounts of earned but unused vacation and sick pay benefits. Accumulated compensated absences are recorded as an expense in the government-wide financial statements when earned. Expenditures for compensated absences are recorded in the governmental funds only for employees who had terminated their employment as of the end of the fiscal year. As of September 30, 2019, the City reports accrued compensated absences amounting to \$1,125,119 in the statement of net position, which is expected to be paid from reserves set aside for this purpose. Additionally, the City has not recorded compensated absences in the governmental funds because amounts outstanding have not matured as of fiscal year end. The General Fund has typically been used in prior years to liquidate compensated absences.

8. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

9. Long Term Obligations

In the government-wide financial statements and proprietary fund statements in the fund financial statements, long term debt and other long term obligations are reported as liabilities in the applicable governmental activities, business type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized ratably over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issue costs are expensed as incurred.

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

10. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

CITY OF WESTON, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Net Position

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position of the government-wide and proprietary funds are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets is that portion of net position that relates to the City's capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct or improve those assets, excluding unexpended proceeds.

Restricted net position is that portion of net position that has been restricted for general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation. Net position restricted for operations and maintenance and fire protection services represent limitations placed on net position use by enabling legislation. Net position restricted for public transportation and road improvements represent limitations placed on net position use by state enabling legislation from proceeds distributed to the City from state revenue sharing and local option gas tax collections. Net position restricted for law enforcement is to be used only for certain law enforcement related expenses. Unrestricted net position consists of all net position that does not meet the definition of either of the other two components.

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

12. Fund Balance

The City follows GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions which requires that governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

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

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

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by resolution of the City Commission. These amounts cannot be used for any other purpose unless the Commission removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

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

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

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

13. Use of Estimates

The presentation of financial statements in conformity with generally accepted accounting principles 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 expenses during the reporting period. Actual results could differ from those estimates.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

**NOTE 3 – DEPOSITS AND INVESTMENTS**

**A. Deposits**

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

The City's cash balances, except for the balances in the debt service funds were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits are insured or collateralized with securities held by the entity or its agent in the entity's name.

**B. Investments**

Chapter 33 of the City's Code of Ordinances governs the City's suitable and authorized investment of public funds. The City is highly risk averse in its investment strategy and as such will not purchase any individual security rated lower than the third highest tier (e.g., A-rated) by at least one nationally recognized rating agency in the United States (e.g., Moody's, S&P, Fitch's). U.S Treasury obligations which carry the full faith and credit of the United States Government, U.S. Government agency obligations, U.S. Government instrumentality obligations, or any other debt instrument which carries the full faith and credit of the United States Government or the Federal Deposit Insurance Corporation are exempt from the previously stated rating requirement. In addition, the City will only purchase securities with book yields exceeding the maturity-equivalent Municipal AAA yield, adjusted on a tax equivalent basis.

CITY OF WESTON, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Section 33.01(B) of the City's Code of Ordinances permits investment of the City's funds in: 33.01(B)(1), U.S. Treasury obligations which carry the full faith and credit of the United States Government and are considered to be the most secure instruments available; 33.01(B)(2), U.S. Government agency and instrumentality obligations that have a liquid market with a readily determinable market value; 33.01(B)(3), Obligations of state and local governments, including their agencies and authorities, either directly or indirectly; 33.01(B)(4), Commercial paper, rated in the highest tier (e.g., A-1, P-1, F-1, or D-1) by a nationally recognized rating agency; 33.01(B)(5), Repurchase agreements collateralized by U.S. Treasury or Government agency and instrumentality securities; 33.01(B)(6), Money market mutual funds regulated by the Securities and Exchange Commission rated in the highest tier by a nationally recognized rating agency and whose portfolios consist of only dollar denominated securities; 33.01(B)(7), Demand deposit accounts, interest bearing time deposits, money market accounts or savings accounts in qualified public depositories, including negotiable certificates of deposit, as defined in F.S. § 280.02; 33.01(B)(8), Obligations of any corporate institution (excluding life and casualty insurance companies); 33.01(B)(9), Mortgage-backed Securities (MBS), Collateralized Mortgage Obligations (CMO's) or Asset-backed Securities (ABS) containing fixed or adjustable-rate mortgages or assets issued by any U.S. Government agency or instrumentality or any corporate institution (excluding life and casualty insurance companies); 33.01(B)(10), Obligations of any sovereign government issued via the U.S. Agency for International Development and guaranteed by the full faith and credit of the U.S. Government.

Section 33.01(C) of the City's Code of Ordinances prohibits investment of the City's funds in derivative contracts as defined by the Governmental Accounting Standards Board (GASB), which defers to the Federal Accounting Standards Board (FASB) on its definition of a derivative security. The FASB definition of a derivative security, as provided in Statement 133, Paragraph 6-7, is provided in the Appendix preceding the Investment Policy glossary. This section also does not provide authorization for the purchase of private placement or 144A securities as defined by the Securities and Exchange Commission (SEC).

Investments as of September 30, 2019 were as follows:

	Fair Value	Level
U.S. Treasury securities	\$ 4,990,625	2
U.S. Agency securities	63,206,516	2
Municipal bonds	22,163,612	2
Corporate bonds	23,392,220	2
Sovereign Securities	2,674,157	2
	<u>\$ 116,427,130</u>	

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

1. Credit Risk

The City’s investment policy was established to limit credit risk, the risk of loss due to default by the issuer, securities broker/dealer or financial institution, by:

- Limiting investments to investment grade securities as rated by any nationally recognized agency in the United States.
- Pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the City will do business.
- Diversifying the investment portfolio to reduce the impact of potential losses from any one type of security, or any individual issuer or backer.

The City’s investments have been rated by Standard and Poor’s or Moody’s as follows:

	RATINGS		
	AAA	AA	A
Government and government sponsored bonds	\$ 52,381,583	\$ 4,990,625	\$ -
Government mortgage backed securities	-	13,499,090	-
Corporate bonds	1,570,456	11,654,050	10,167,714
Municipal bonds	2,775,380	19,388,232	-

2. Interest Rate Risk

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

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities to the open market prior to maturity.
- Investing operating funds primarily in short term securities, money market mutual funds, or similar investment pools and limiting the weighted average maturity of the portfolio.
- Limiting the price sensitivity (modified or effective duration) of the investments in the portfolio.

CITY OF WESTON, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

The City has an investment policy that, unless matched to a specific cash flow, limits the purchase of securities to maturities of no more than ten years from the date of purchase and additionally limits the purchase of any securities not rated in the highest tier to maturities of less than five years from the date of purchase.

At fiscal year end, the weighted average life of the maturities is as follows:

	<u>Average Maturity (years)</u>
Government and government sponsored bonds	3.32
Government mortgage backed securities	1.92
Corporate bonds	1.89
Municipal bonds	3.72

The investments at September 30, 2019 met the City’s investment policy restrictions.

3. Concentration Credit Risk

The City’s investment policy limits its investments to no more than 5% of total assets valued at cost in any one security issue and no more than 60% of its total assets valued at cost in any one security type, with certain exceptions. Federal government and agency debt obligations are exempt from both restrictions and cash equivalent investments are exempt from the issuer restriction. GASB Statement 40 requires disclosure when the percentage is 5% or more in any one issuer. At September 30, 2019, the City is in compliance with its policy.

4. Fair Value Measurement

When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. 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.



**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

**NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)**

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.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. Securities reported at fair value that utilize third party pricing services based on a combination of one or more of the following; matrix pricing, observable trades in similar securities or yield curve analysis, are reported as level 2.

**NOTE 4 – RECEIVABLES**

Receivable balances as of September 30, 2019 were as follows:

Receivables	General Fund	Indian Trace Development District	Bonaventure Development District	Fire Services Fund	Capital Projects Fund	Nonmajor Governmental Funds	Water and Sewer
Accounts	\$ 126,691	\$ 32,435	\$ 12,095	\$ 120	\$ -	\$ 12,114	\$ 3,696,142
Interest	348,919	124,461	26,979	38,606	13,203	39,142	68,406
Franchise fees and utility taxes	2,030,210	-	-	-	-	-	-
Intergovernmental	355,860	-	-	-	-	503,735	124,324
Gross receivables	2,861,680	156,896	39,074	38,726	13,203	554,991	3,888,872
Less allowance for uncollectibles	-	-	-	-	-	-	(57,026)
Net total receivables	\$ 2,861,680	\$ 156,896	\$ 39,074	\$ 38,726	\$ 13,203	\$ 554,991	\$ 3,831,846

In addition, the Indian Trace and Bonaventure Development Districts Debt Service Funds report special assessments receivables for amounts owed from property owners for making debt service payments on the outstanding Bonds.

Furthermore, in September 2017, the City entered into a locally funded agreement with the Florida Department of Transportation (“FDOT”) to advance the funding necessary to expedite the design of certain improvements to the Royal Palm Boulevard and I-75 Exchange. The initial advance under the agreement was \$919,000. During the prior year, the advance funding was amended to increase to \$2,104,390. Under the agreement, the City agrees to advance additional amounts as necessary for the project. FDOT will begin reimbursement to the City of the advanced funds in the State of Florida fiscal year 2020-2021, subject to appropriation of funds by the Legislature. The City has agreed not to invoice any portion of the advance to FDOT prior to July 1, 2020. In relation to the agreement at September 30, 2019, the City reported a receivable in nonmajor governmental funds for the advance of \$2,104,390.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

**NOTE 5 – INTERFUND TRANSACTIONS**

Interfund receivables and payables at September 30, 2019 were as follows:

	<b>Due to</b>	<b>Due from</b>
Indian Trace Development District	\$ 297	\$ -
Indian Trace Development District Debt Service Fund	-	297
Bonaventure Development District	2,786	-
Bonaventure Development District Debt Service Fund	-	2,786
	<u>\$ 3,083</u>	<u>\$ 3,083</u>

The outstanding balances between funds result primarily from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made. In the case of the City, the balances between the special revenue funds and the debt service funds relate to assessments collected that have not yet been transferred to the debt service funds.

Receivable and payable balances related to pooled cash amounts are as follows:

	<b>Due to</b>	<b>Due from</b>
General Fund	\$ -	\$ 2,464,094
Indian Trace Development District	-	951,821
Fire Service	1,026,064	-
Capital projects	1,780,954	-
Law Enforcement Trust Fund	608,897	-
	<u>\$ 3,415,915</u>	<u>\$ 3,415,915</u>

Interfund transfers for the year ended September 30, 2019 are as follows:

	<b>Transfers In</b>	<b>Transfers Out</b>
General Fund	\$ -	\$ 3,468,800
Capital Projects Fund	3,468,800	-
	<u>\$ 3,468,800</u>	<u>\$ 3,468,800</u>

Transfers are used to move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them. Transfers from the general fund to the capital projects fund are for moving resources to fund capital projects and to make debt service payments related to previously funded capital projects and to fund a portion of capital expenditures in the current fiscal year.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

**NOTE 6 – CAPITAL ASSETS**

A summary of changes in the governmental activities capital assets for the fiscal year ended September 30, 2019 is presented as follows:

	Beginning Balance	Additions	Deletions/ Transfers	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 73,587,610	\$ -	\$ -	\$ 73,587,610
Construction in progress	2,739,278	6,617,815	(3,387,253)	5,969,840
Total capital assets, not being depreciated	<u>76,326,888</u>	<u>6,617,815</u>	<u>(3,387,253)</u>	<u>79,557,450</u>
Capital assets, being depreciated:				
Infrastructure	114,227,779	964,939	-	115,192,718
Buildings	39,060,216	3,434,962	-	42,495,178
Land Improvements	13,065,723	44,260	-	13,109,983
Machinery and equipment	17,422,100	234,834	(56,118)	17,600,816
Total capital assets, being depreciated	<u>183,775,818</u>	<u>4,678,995</u>	<u>(56,118)</u>	<u>188,398,695</u>
Less accumulated depreciation:				
Infrastructure	(78,034,846)	(3,392,299)	-	(81,427,145)
Buildings	(10,712,813)	(1,137,761)	-	(11,850,574)
Land Improvements	(4,955,406)	(658,477)	-	(5,613,883)
Machinery and equipment	(12,619,721)	(1,472,786)	56,118	(14,036,389)
Total accumulated depreciation	<u>(106,322,786)</u>	<u>(6,661,323)</u>	<u>56,118</u>	<u>(112,927,991)</u>
Total capital assets, being depreciated, net	<u>77,453,032</u>	<u>(1,982,328)</u>	<u>-</u>	<u>75,470,704</u>
Governmental activities capital assets, net	<u>\$ 153,779,920</u>	<u>\$ 4,635,487</u>	<u>\$ (3,387,253)</u>	<u>\$ 155,028,154</u>

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

NOTE 6 – CAPITAL ASSETS (Continued)

A summary of changes in the business-type activities capital assets for the fiscal year ended September 30, 2019 is presented as follows:

	Beginning Balance	Additions	Deletions/ Transfers	Ending Balance
Capital assets, not being depreciated:				
Construction in progress	\$ -	\$ 223,491	\$ -	\$ 223,491
Total capital assets, not being depreciated	<u>-</u>	<u>223,491</u>	<u>-</u>	<u>223,491</u>
Capital assets, being depreciated:				
Infrastructure	114,515,699	-	-	114,515,699
Buildings and improvements	301,964	-	-	301,964
Machinery and equipment	773,607	-	-	773,607
Total capital assets, being depreciated	<u>115,591,270</u>	<u>-</u>	<u>-</u>	<u>115,591,270</u>
Less accumulated depreciation:				
Infrastructure	(59,728,531)	(2,379,876)	-	(62,108,407)
Buildings and improvements	(3,048)	(30,453)	-	(33,501)
Machinery and equipment	(459,093)	(106,730)	-	(565,823)
Total accumulated depreciation	<u>(60,190,672)</u>	<u>(2,517,059)</u>	<u>-</u>	<u>(62,707,731)</u>
Total capital assets, being depreciated, net	<u>55,400,598</u>	<u>(2,517,059)</u>	<u>-</u>	<u>52,883,539</u>
Business-type activities capital assets, net	<u>\$ 55,400,598</u>	<u>\$ (2,293,568)</u>	<u>\$ -</u>	<u>\$ 53,107,030</u>

Depreciation expense was charged to the following function/programs as follows:

Governmental activities:	
General government	\$ 1,316,034
Public safety	966,682
Public works	2,891,937
Parks and recreation	1,486,670
Total depreciation expense, governmental activities	<u>\$ 6,661,323</u>
Business-type activities:	
Water and sewer	<u>\$ 2,517,059</u>

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

NOTE 6 – CAPITAL ASSETS (Continued)

Construction Commitments

The City has several active construction projects as of September 30, 2019. The remaining amounts committed for these projects are as follows:

Project	Spent-To-Date	Remaining Commitment
Fire Station #21 Architectural Services	\$ 363,368	\$ 155,101
Architectural Services for Weston Community Center	409,937	376,564
Indian Trace Park Renovation	2,231,720	68,280
Bonaventure Park Construction	236,190	1,238,380
Street Light Poles Upgrades	261,141	33,399
Total	<u>\$ 3,502,356</u>	<u>\$ 1,871,724</u>

NOTE 7 – LONG-TERM DEBT

Bonds Payable

At September 30, 2019, Bond issues were as follows:

Bond issue	Issue Date	Original Principal Amount	Interest Rate	Maturity Date
Series 1997 ITDD	July 1997	\$ 41,635,000	4%-5%	May 1, 2027
Series 2002 BDD	January 2002	12,790,000	1.75%-5.125%	November 1, 2022
Series 2003 Isles at Weston	June 2003	9,330,000	5.50%	May 1, 2033
Series 2005 ITDD	February 2005	46,380,000	2.5%-5%	May 1, 2027

The Series 1997, 2002, 2003, and 2005 Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the Indian Trace Development District and Bonaventure Development District. The 2005 Bonds were issued by Indian Trace Development District for the purpose of currently refunding Series 1995A-1 Bonds and advance refunding and defeasing a portion of Series 1997 Bonds.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

**NOTE 7 – LONG-TERM DEBT (Continued)**

Interest is to be paid semiannually for each Bond series on each May 1 and November 1. Principal is to be paid serially for the 1997 Bonds each May 1, starting May 1, 2022. Principal is to be paid serially for the 2003 and 2005 Bonds each May 1. Principal is to be paid serially for the 2002 Bonds each November 1.

The Series 1997, 2002, 2003, and 2005 Bonds are subject to redemption prior to maturity. The Series 1997, 2002 and 2003 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

The 1997, 2002 and 2003 and 2005 Bond Indentures established debt service reserve requirements. The 1997 and 2005 Bond Indenture provides for a surety bond to be obtained in place of funding for the debt service reserve fund (the "Reserve Fund"). The debt service reserve fund surety bond constitutes a debt service reserve fund insurance policy under the Bond Indenture. The City is in compliance with the reserve requirements for Series 1997, 2002, 2003 and 2005 Bonds.

The Bond Indentures established certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed on assessments to property owners. The City agrees to levy special assessments in annual amounts adequate to provide payment of debt service. The City was in compliance with the requirements at September 30, 2019.

Notes Payable

At September 30, 2019, the City had Community Facilities Notes as follows:

\$3,000,000 Series 2011 promissory note with principal and interest due semiannually with a 2.53% fixed interest rate maturing on November 1, 2019. Funds have been primarily used for the roadway resurfacings within the City. The note is collateralized by local option fuel taxes which totaled \$713,208 in the current fiscal year. In the case of an event of default, the note, at the sole discretion of the holder, may be declared immediately due and payable. The Note was paid off in the current year.

\$7,450,000 Series 2013 promissory note with principal and interest due every three months with fixed interest rates ranging from 1.24% to 2.05% maturing on November 1, 2023. Funds have been primarily used for the construction of the emergency operations center within the City, City park renovations and the purchase of emergency rescue vehicles. The note is collateralized by the local business tax revenues and the electric franchise revenues, which totaled \$1,278,749 and \$3,927,150, respectively for the current fiscal year. In the case of an event of default, the note, at the sole discretion of the holder, may be declared immediately due and payable.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

NOTE 7 – LONG-TERM DEBT (Continued)

\$6,385,000 Series 2014 promissory note with principal and interest due semiannually with fixed interest rates ranging from 1.07% to 2.23% maturing on November 1, 2024. Funds have been primarily used for the construction of the emergency operations center within the City, certain information technology projects and the purchase of emergency rescue vehicles. The note is collateralized by a pledge of the electric franchise revenues and fire assessments of the City. Assessments totaled \$13,569,309. In the case of an event of default, the note, at the sole discretion of the holder, may be declared immediately due and payable.

\$6,225,000 Series 2016 promissory note with principal and interest due semiannually with a fixed interest rate of 2.66% maturing on May 1, 2026. The funds are to be used for financing capital improvements to various parks within the City. The notes are collateralized by pledged revenues from electric utility service taxes which totaled \$5,406,700 for the current fiscal year. In the case of an event of default, the note, at the sole discretion of the holder, may be declared immediately due and payable.

Loans Payable

At September 30, 2019, the City had Community Facilities Loans payable as follows:

\$1,444,000 Series 2018A Loan with principal and interest due quarterly with a fixed interest rate of 3.23% maturing on November 1, 2028. The funds are to be used for financing capital improvements to the intersection of Royal Palm Boulevard/Weston Road. The notes are collateralized by pledged revenues from intergovernmental revenues of Street Maintenance Fund which totaled \$1,635,797 for the current fiscal year

\$7,056,000 Series 2018B Loan with principal and interest due semiannually with a fixed interest rate of 3.23% maturing on November 1, 2028. The funds are to be used for financing capital improvements to Bonaventure Park, Fire Station 21 and Phase 1 of the Community Center. The notes are collateralized by pledged revenues from communication tax revenues which totaled \$2,292,031 for the current fiscal year

\$1,500,000 Series 2018C Loan with principal and interest due semiannually with a fixed interest rate of 2.98% maturing on November 1, 2023. The funds are to be used for financing the purchase of emergency medical services vehicles. The notes are collateralized by pledged revenues from communication tax revenues which totaled \$2,292,031 for the current fiscal year

Loans of each series are subject to optional prepayment on or after February 1, 2021. In the case of an event of default, the loan, at the sole discretion of the holder, may be declared immediately due and payable.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

**NOTE 7 – LONG-TERM DEBT (Continued)**

**Long-term Debt Activity**

Changes in long-term liability activity for the fiscal year ended September 30, 2019 were as follows:

	Beginning Balances	Additions	Reductions	Total	Amount Due Within One Year
<b>Bonds payable:</b>					
Series 1997 ITDD	\$ 12,885,000	\$ -	\$ -	\$ 12,885,000	\$ -
Series 2002 BDD	3,845,000	-	(715,000)	3,130,000	735,000
Series 2003 Isles at Weston	6,155,000	-	(305,000)	5,850,000	300,000
Series 2005 ITDD	20,010,000	-	(2,965,000)	17,045,000	3,115,000
<b>Notes payable:</b>					
2011	607,328	-	(607,328)	-	-
2013	3,311,540	-	(630,769)	2,680,771	630,769
2014	3,486,100	-	(701,619)	2,784,481	715,738
2016	5,100,144	-	(587,545)	4,512,599	601,192
<b>Loans payable:</b>					
2018A	-	1,444,000	(98,951)	1,345,049	126,889
2018B	-	7,056,000	(483,515)	6,572,485	620,034
2018C	-	1,500,000	(216,734)	1,283,266	287,653
Compensated Absences	966,582	331,558	(173,021)	1,125,119	919,298
	<u>\$ 56,366,694</u>	<u>\$ 10,331,558</u>	<u>\$ (7,484,482)</u>	<u>\$ 59,213,770</u>	<u>\$ 8,051,573</u>

At September 30, 2019, the scheduled debt service requirements on the long-term debt were as follows:

Year Ending September 30,	Principal	Interest	Total
2020	\$ 7,132,275	\$ 2,444,736	\$ 9,577,011
2021	7,413,888	2,159,694	9,573,582
2022	7,479,537	1,861,837	9,341,374
2023	7,515,886	1,558,440	9,074,326
2024	6,261,735	1,270,195	7,531,930
2025-2029	20,350,330	2,540,973	22,891,303
2030-2033	1,935,000	245,850	2,180,850
	<u>\$ 58,088,651</u>	<u>\$ 12,081,725</u>	<u>\$ 70,170,376</u>

**NOTE 8 – RISK MANAGEMENT**

The City is exposed to risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; illness of and injuries to employees; and natural disasters.

The City purchased an insurance policy that provided coverage of up to \$1,000,000 maximum for each general liability occurrence for the fiscal year ended September 30, 2019. Other insurance policies carried by City during the fiscal year included: automobile, crime, environmental liability, inland marine, property (building and contents), public officials liability/employment practices liability, crime coverage, cyber liability, and workers' compensation. Deductible amounts ranged from \$0 to 5% of total



**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

**NOTE 8 – RISK MANAGEMENT (Continued)**

insured value. Settlement amounts have not exceeded insurance coverage during the last three fiscal years.

**NOTE 9 – COMMITMENTS AND CONTINGENCIES**

City of Sunrise Water and Sewer Services Agreement

An agreement between the City of Sunrise and ITDD was executed on June 30, 1993, for a term of 30 years with an option to renew for an additional 30 years. The City of Sunrise agrees to supply water and sewer service to ITDD and provide the related billing and collection services to ITDD's customers based on the City of Sunrise's rate structure. The customers remain with ITDD, but ITDD is performing only certain services under the agreement.

Grants

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

Broward Sheriff's Office Emergency Medical, Fire Protection and Prevention Services Agreement

On September 30, 2015, the City Commission approved an agreement with the Broward Sheriff's Office ("BSO") for emergency medical, fire protection and fire prevention services. The agreement term is October 1, 2015 through September 30, 2019 and is renewable for one five-year term upon the City and BSO agreeing to a renewal and the terms and conditions related thereto. The agreement may be terminated by either party by giving no fewer than 90 days written notice to the other party in accordance with certain provisions contained within the contract. Under the agreement, the City provides certain facilities and vehicles for use by BSO. The City is responsible for the repairs and maintenance to the facilities while BSO is responsible for repairs and maintenance to the vehicles. Under the terms of the agreement, the City will pay \$1,743,195 per month for October 1, 2015 through September 30, 2019. The consideration for all services shall be subject to an annual increase based on BSO's budgeted costs for the following year. For costs other than health insurance premiums, workers' compensation premiums and pension contributions, the maximum increase calculated based on the consideration paid in the previous year, shall be 5.00%. BSO's budgeted costs for health insurance premiums will be based on projected costs. The maximum increase for these costs shall be 9.00% of the budgeted costs in the preceding year. There is no limitation for the increase in the amount attributable to workers' compensation premiums and pension contributions. BSO's budgeted costs for these costs will be based on projected costs supported with third party documentation. The City is entitled to a credit for any vacancies that occur during the fiscal year subject to certain limitations as provided for in the agreement.

For the fiscal year ended September 30, 2019, the City had the following costs: \$10,044,516 (which includes a vacancy credit of \$43,822) for emergency medical services; \$12,080,523 for fire protection services (which includes a vacancy credit of \$52,705); and \$695,679 for fire prevention services (which includes a vacancy credit of \$3,035).

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

NOTE 9 – COMMITMENTS AND CONTINGENCIES (Continued)

Broward Sheriff's Office Police Services Agreement

On September 29, 2014, the City Commission approved an agreement with the Broward Sheriff's Office ("BSO") for police services. The agreement term is October 1, 2014 through September 30, 2019 and is renewable for one five-year term upon the City and BSO agreeing to a renewal and the terms and conditions related thereto. The agreement may be terminated by either party by giving no fewer than 90 days written notice to the other party in accordance with certain provisions contained within the contract. Under this agreement, BSO provides all necessary labor, supervision, equipment, vehicles, communication facilities and supplies necessary for the purpose of performing the services. Per the agreement, the City provides a police district's office, for which the City is responsible for major improvements and repairs. BSO pays for all utility costs including, but not limited to, telephone, electric, and water services. Under the terms of the agreement, the City will pay \$1,133,492 per month for October 1, 2014 through September 30, 2019. The consideration for all services shall be subject to an annual increase based on BSO's budgeted costs for the following year. For costs other than health insurance premiums, workers' compensation premiums and pension contributions, the maximum increase calculated based on the consideration paid in the previous year, shall be 5.00%. BSO's budgeted costs for health insurance premiums will be based on projected costs. The maximum increase for these costs shall be 9.00% of the budgeted costs in the preceding year. There is no limitation for the increase in the amount attributable to workers' compensation premiums and pension contributions. BSO's budgeted costs for these costs will be based on projected costs supported with third party documentation. The City is entitled to a credit for any vacancies that occur during the fiscal year subject to certain limitations as provided for in the agreement.

On October 17, 2016, the City Commission approved the first amendment to the agreement to provide for two additional SRO's and to adjust the consideration for the 2016/2017 fiscal year to \$1,283,827 per month.

On November 6, 2017, the City Commission approved the second amendment to the agreement to provide for five additional deputies and four additional Sergeants and to adjust the consideration for the 2017/2018 fiscal year to \$11,361,321 per month.

On March 9, 2018, the City Commission approved the third amendment to the agreement to provide for three additional SRO's and to adjust the consideration for the 2017/2018 fiscal year to \$1,384,088 per month.

On July 3, 2018, the City Commission approved the fourth amendment to the agreement to provide for one additional SRO and to adjust the consideration for the 2017/2018 fiscal year to \$1,386,360 per month (total of \$16,636,319).

On August 20, 2018, the City Commission approved the fifth amendment to the agreement to provide for conversion to a new P25 radio system. The City will pay for the purchase of thirty six P25 radios prorated over thirty six months beginning in fiscal year 2020.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

NOTE 9 – COMMITMENTS AND CONTINGENCIES (Continued)

Expenditures totaled approximately \$17,198,868 (which includes a vacancy credit of \$522,795 and School Resource Officer (SRO) credit of \$536,207) related to the agreement for the fiscal year ended September 30, 2019.

Calvin Giordano and Associates Professional Services Agreement

On October 15, 2001, the City Commission approved an agreement with a contractor to provide for planning, zoning and engineering services. This agreement had no expiration date; however, it could be terminated without cause by the City within 120 days upon written notice prior to termination, and, with cause by either party within five days upon written notice prior to termination. The contractor was compensated under this contract based on a monthly standard fee and an hourly fee schedule structure, based on several service categories, for which both were subject to a maximum 3% annual increase. The costs for fixed monthly services ranged from \$8,333 per month to \$20,000 per month and hourly rates ranged from \$45 per hour to \$200 per hour.

On August 20, 2007, the City Commission approved an amendment to the agreement in order for the consulting firm to include provisions for supplemental services, transition and leased employees and to revise the provisions for indemnification, cost and attorney's fees, notice and governing law and consent to jurisdiction. Designated employees for certain supplemental services, such as: parks and recreation, rights of way and public works were included. The fee to be paid by the City for the supplemental services was 145% (120% for overtime compensation) of the actual salary paid to the employees of the consultant performing the services.

On April 7, 2008, the City Commission approved an amendment to the agreement to update the scope of services to add services and further clarify the scope of services and to adjust the fee schedule accordingly. The contractor was compensated under this contract based on a monthly standard fee and an hourly fee schedule structure, based on several service categories, for which both were subject to a maximum 5% annual increase. The costs for fixed monthly services ranged from \$208 per month to \$24,817 per month and hourly rates ranged from \$70 per hour to \$350 per hour.

On September 21, 2009, the City Commission approved an amendment to the agreement to include the provision the code enforcement services at a fixed monthly cost of \$13,917.

On August 17, 2015, the City Commission approved an amendment to the agreement to update the scope of services, fees and to include provisions relating to the lease of City vehicles. The contractor was compensated under this contract based on a monthly standard fee and an hourly fee schedule structure, based on several service categories, for which both were subject to a maximum annual increase based on the twelve-month change in the consumer price index. The costs for fixed monthly services ranged from \$300 per month to \$41,128 per month and hourly rates ranged from \$90 per hour to \$419 per hour.

On August 15, 2016, the City Commission approved an amendment to the agreement to remove sections dealing with engineering, survey and wetlands management services as the City procured those services from other engineering firms via a request for qualifications.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

**NOTE 9 – COMMITMENTS AND CONTINGENCIES (Continued)**

On March 20, 2017, the City Commission approved an amendment to the agreement to remove section dealing with fixed fees and modify other sections of the agreement including and establishing a new and annually adjusted multiplier for designated employees performing supplemental services. The fee to be paid by the City for the supplemental services is 152.77% and 182.21% of the actual salary paid to the employees of the contractor performing the services for Tier One and Tier Two designated employees, respectively. The total base compensation will increase by 3% each year, subject to adjustment based on employee turnover. In addition, multipliers will increase each year for the remainder of the agreement.

CAP Government Building Code Services Agreement

The City entered into an agreement with a contractor on June 2, 2015 to provide for plan review and inspection services. The agreement is effective through March 31, 2020 and may be terminated by either party within sixty (60) days after written notice. The consideration for all services is based on a standard schedule of fees and is subject to an annual increase by an amount equal to the Consumer Price Index increase, with a maximum annual increase not to exceed 5%. Payments to the contractor are made based on the following schedule: (1) for residential permits; 30% of the costs of service upon the issuance of a permit and 70% of the total costs of service upon issuance of a building permit, issuance of a certificate of occupancy or completion of final inspection; (2) for all other permits; 50% of the costs of service upon the issuance of a permit and 50% of the total costs of service upon issuance of a building permit, issuance of a certificate of occupancy or completion of final inspection. The City processes payments to the contractor on a monthly basis, paying all amounts that become due for the prior month in arrears.

For the year ended September 30, 2019, costs related to the services provided by the contractor amounted to approximately \$2,804,551.

Florida Department of Transportation (FDOT) Agreement

In September 2017, the City entered into a locally funded agreement with the FDOT to advance funding for the design of construction plans for improvements to the Royal Palm Boulevard and Weston Road intersection. Under the agreement, the City is responsible for all costs relating to the project. The agreement provided for an initial advance of \$210,000. During the fiscal year, FDOT requested an additional advance of \$88,915, for a total of \$298,915. If project costs exceed the advanced deposit, the City will provide additional amounts to FDOT. Under the agreement, if the final project cost is less than advanced amounts, the balance will be retained by FDOT towards future phases of the project.

Municipal Technologies Administrative and Technology Services Agreement

The City previously entered into an agreement with a contractor to provide for technology services as follows: desktop, server, application, telecom, infrastructure, document and records management, business process, procurement and additional City projects. This agreement had no expiration date; however, the City could terminate this contract with or without cause immediately upon written notice while the contractor could terminate this contract within 180 days upon written notice prior to termination.

CITY OF WESTON, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE 9 – COMMITMENTS AND CONTINGENCIES (Continued)

On August 20, 2007, the City Commission approved an amendment to the agreement to provide for administrative and financial services. The monthly base compensation to be paid by the City was approximately \$53,077 and \$75,491 for technology and administrative and financial services, respectively, for which both are subject to a maximum 5% annual increase. The fee for technology services was established as a fixed fee. The fee for administrative and financial services was established at 145% (120% for overtime compensation) of the actual salaries paid to certain designated employees of the consultant performing the services.

On March 6, 2017, the City Commission approved an amendment to the agreement to convert technology service from a fixed fee to an hourly fee, to adjust the multiple on the actual salaries paid, to include an overhead cost component and to add a termination date. The technology service fee converts to an hourly fee similar to the fee structure for administrative and financial services. The total fee paid by the City for technology and administrative and financial services is established at 140.06% of the actual salary paid to the employees of the contractor performing the services. The total base compensation will increase by 3% each year, subject to adjustment based on employee turnover. In addition, multipliers will increase each year for the remainder of the agreement. The monthly base compensation to be paid by the City is approximately \$240,665 for technology and administrative and financial services. In addition, an overhead cost of \$160,000 is established and is annually adjusted by the consumer price index not to exceed a 5% annual increase. Lastly, a termination provision is included with a date of September 30, 2022. The previous termination provisions remain in effect.

For the fiscal year ended September 30, 2019, costs related to the services provided by the consultant amounted to approximately \$2,608,103.

Legal

There are various claims and legal actions against the City for which no provision has been made in the financial statements. Although the outcome of these claims is not presently determinable, it is the opinion of the City's management that resolution of these matters will not have a material adverse effect on the financial condition of the City.

Encumbrances

At September 30, 2019, encumbrances outstanding are as follows:

General Fund	\$	479,705
Street Maintenance Fund		1,500
Bonaventure Development District		22,279
Indian Trace Development District		451,505
Fire Services Fund		66,337
Community Facilities Construction Fund		1,660,544
Water and Sewer Fund		42,037
	\$	<u>2,723,907</u>

CITY OF WESTON, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE 10 – EMPLOYEE RETIREMENT PLANS

Florida Retirement System (FRS)

General Information about the FRS

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

Essentially all regular employees of the City are eligible to enroll as members of the FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' website ([www.dms.myflorida.com](http://www.dms.myflorida.com)).

The City's pension expense totaled \$86,618 for the fiscal year ended September 30, 2019.

FRS Pension Plan

Plan Description – The FRS Pension Plan (Plan) is a cost-sharing, multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The classes of membership within the City are as follows:

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

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

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

**NOTE 10 – EMPLOYEE RETIREMENT PLANS (Continued)**

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

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

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

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

Per Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions – The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2018 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Salary</u>		<u>Percent of Gross Salary</u>	
	<u>October 1, 2018 to June 30, 2019</u>		<u>July 1, 2019 to September 30, 2019</u>	
	<u>Employee</u>	<u>Employer (1)</u>	<u>Employee</u>	<u>Employer (1)</u>
FRS, Elected Local Officers	3.00	48.7	3.00	48.82

(1) Employer rates include a postemployment HIS contribution rate of 1.66%. Also, employer rates include .06% for administrative costs of the Investment plan.

The City’s contributions to the Plan totaled \$21,529 for the fiscal year ended September 30, 2019. This excludes the HIS defined benefit pension plan contributions.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

NOTE 10 – EMPLOYEE RETIREMENT PLANS (Continued)

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

At September 30, 2019, the City reported a liability of \$286,173 for its proportionate share of the Plan’s net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The City’s proportionate share of the net pension liability was based on the City’s contributions for the year ended June 30, 2019 relative to the contributions made during the year ended June 30, 2018 of all participating members. At June 30, 2019, the City’s proportionate share was .000831% percent, which was an increase of .000046% from its proportionate share measured as of June 30, 2018.

For the fiscal year ended September 30, 2019 the City recognized pension expense of \$85,390 related to the Pension Plan. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 16,974	\$ (178)
Change of assumptions	73,502	-
Net difference between projected and actual earnings on FRS pension plan investments	-	(15,833)
Changes in proportion and differences between City FRS contributions and proportionate share of FRS contributions	18,806	(8,054)
City FRS contributions subsequent to the measurement date	5,973	-
Total	<u>\$ 115,255</u>	<u>\$ (24,065)</u>

The deferred outflows of resources related to pensions, totaling \$5,973, resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending September 30:</u>	<u>Amount</u>
2020	\$ 34,097
2021	8,747
2022	19,408
2023	15,979
2024	5,454
Thereafter	1,532
<b>Total</b>	<u>\$ 85,217</u>



CITY OF WESTON, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE 10 – EMPLOYEE RETIREMENT PLANS (Continued)

Actuarial Assumptions – The total pension liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

<u>Assumption</u>	<u>Rate</u>
Inflation	2.60%
Salary increases	3.25%, average, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>(Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	3.1%	3.3%	1.2%
Fixed income	18.0%	4.1%	4.1%	3.5%
Global equity	54.0%	8.0%	6.8%	16.5%
Real estate	10.0%	6.7%	6.1%	11.7%
Private equity	11.0%	11.2%	8.4%	25.8%
Strategic investments	6.0%	5.9%	5.7%	6.7%
<b>Total</b>	<u>100.0%</u>			
Assumed inflation - mean			2.6%	1.7%

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

Discount Rate – The discount rate used to measure the total pension liability was 6.9 percent. The Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

NOTE 10 – EMPLOYEE RETIREMENT PLANS (Continued)

Sensitivity of the City’s Proportionate Share of the Net Position Liability to Changes in the Discount Rate – The following presents the City’s proportionate share of the net pension liability calculated using the discount rate of 6.9%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.9%) or 1-percentage-point higher (7.9%) than the current rate:

	1% Decrease	Current Discount Rate Assumption	1% Increase
	5.90%	6.90%	7.90%
Net Pension Liability	\$ 494,698	\$ 286,173	\$ 112,019

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

Payables to the Pension Plan – At September 30, 2019, the City did not report a payable to the Plan for the fiscal year ended September 30, 2019.

HIS Pension Plan

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

Benefits Provided – For the fiscal year ended September 30, 2019, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2019, the contribution rate was 1.66% of payroll from October 1, 2016 through September 30, 2019 pursuant to section 112.363, Florida Statutes. The City contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

NOTE 10 – EMPLOYEE RETIREMENT PLANS (Continued)

The City’s contributions to the HIS Plan totaled \$759 for the fiscal year ended September 30, 2019.

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

At September 30, 2019, the City reported a net pension liability of \$19,020 for its proportionate share of the HIS Plan’s net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The City’s proportionate share of the net pension liability was based on the year ended June 30, 2019 contributions relative to the year ended June 30, 2018 contributions of all participating members. At June 30, 2019, the City’s proportionate share was .00017%, which was an increase of .0000078% from its proportionate share measured as of June 30, 2018.

For the fiscal year ended September 30, 2019, the City recognized pension expense of \$1,228 related to the HIS Plan. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 231	\$ (23)
Change of assumptions	2,202	(1,555)
Net difference between projected and actual earnings on FRS pension plan investments	12	-
Changes in proportion and differences between City FRS contributions and proportionate share of FRS contributions	783	(994)
City FRS contributions subsequent to the measurement date	220	-
Total	<u>\$ 3,448</u>	<u>\$ (2,572)</u>

The deferred outflows of resources related to pensions, totaling \$220, resulting from City contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2020.

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

CITY OF WESTON, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE 10 – EMPLOYEE RETIREMENT PLANS (Continued)

<u>Year Ending September 30:</u>	<u>Amount</u>
2020	\$ 139
2021	168
2022	96
2023	(142)
2024	121
Thereafter	274
<b>Total</b>	<u><u>\$ 656</u></u>

Actuarial Assumptions – The total pension liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

<u>Assumption</u>	<u>Rate</u>
Inflation	2.60%
Salary increases	3.25%, average, including inflation
Investment rate of return	3.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projected Scale BB. The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Discount Rate – The discount rate used to measure the total pension liability was 3.5%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City’s proportionate share of the net pension liability calculated using the discount rate of 3.5%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.5%) or 1-percentage-point higher (4.5%) than the current rate:

	1% Decrease	Current Discount Rate Assumption	1% Increase
	2.50%	3.50%	4.50%
Net Pension Liability	\$ 21,712	\$ 19,020	\$ 16,777

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

CITY OF WESTON, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE 10 – EMPLOYEE RETIREMENT PLANS (Continued)

Payables to the Pension Plan – At September 30, 2019, the City did not report a payable to the HIS Plan for the fiscal year ended September 30, 2019.

Deferred Compensation Plans

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participants' benefits that may be reallocated to such participant's account.

Pursuant to resolution number 97-20, the City adopted a pension plan and trust for the sole benefit of the employees of the City. The City contributes to a Money Purchase Plan ("MPP"), which is a defined contribution pension plan. The City's contributions and related earnings are 100% vested immediately after acceptance of employment. MPP participants are not required to contribute as a condition of participation in MPP.

During the fiscal year ended September 30, 2019, the City was required to contribute 16% of each eligible employee's gross earnings. Under an existing employment contract agreement, the City is also required to contribute the maximum allowed by pension regulations to the City Manager's account under MPP.

The contribution requirement and actual contributions made for the fiscal year ended September 30, 2019, was \$325,586. Under MPP, all assets and income of MPP are held in trust for the exclusive benefit of participants. Accordingly, the assets and liabilities of MPP are not included in the City's financial statements.

In addition, and pursuant to resolution 97-21, the City offers its employees an optional deferred compensation plan. The City has adopted the provisions of IRS Code Section 457(g) and GASB Statement No. 32, "Accounting and Financial Reporting for IRS Code Section 457 Deferred Compensation Plans." Under these provisions, all assets and income of the plan are held in trust for the exclusive benefit of participants. Accordingly, the assets and liabilities of the plan are not included in the City's financial statements.

Both deferred compensation plans are administered by the ICMA Retirement Corporation.

The City does not provide any post-retirement benefits to employees. In addition, the City assigns both eligible active employees and eligible retirees equal, age adjusted premiums and makes available to both groups the same plan options. Since both groups are assigned the same age adjusted premiums, there is no implicit City subsidy, and there is no remaining City liability to recognize under GASB Statement No. 75, "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions."

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

**NOTE 11 – SUBSEQUENT EVENTS**

Subsequent to fiscal year end, a novel strain of coronavirus named COVID-19 spread around the world. On January 20, 2020, the World Health Organization declared the coronavirus a Public Health Emergency of International Concern. The duration and full effects of the COVID-19 outbreak are yet to be determined. As a result of the COVID-19 outbreak, economic uncertainties have arisen which may negatively impact the City's government operations and local business activity. Financial impacts, including impacts to investment results, are unknown at this time.

**NOTE 12 – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED**

**GASB Statement No. 84 - Fiduciary Activities**

The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

**GASB Statement No. 87 – Leases**

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

**GASB 89 - Accounting for Interest Cost Incurred before the End of a Construction Period**

The objectives of this Statement are (a) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for certain interest costs. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. Changes adopted to conform to the provisions of this Statement should be applied prospectively. For construction-in-progress, interest cost incurred after the beginning of the first reporting period to which this Statement is applied should not be capitalized.

**CITY OF WESTON, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2019**

**NOTE 12 – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED (Continued)**

**GASB 90 - Majority Equity Interests an amendment of GASB Statements No. 14 and No. 61**

The primary objectives of this Statement are to improve consistency in the measurement and comparability of the financial statement presentation of majority equity interests in legally separate organizations and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. Except as discussed in paragraph 11, in the period this Statement is first applied, changes adopted to conform to the provisions of this Statement should be applied retroactively by restating financial statements, if practicable, for all periods presented. If restatement for prior periods is not practicable, the cumulative effect, if any, of applying this Statement should be reported as a restatement of beginning net position (or fund balance or fund net position, as applicable) for the earliest period restated. Also, the reason for not restating prior periods presented should be disclosed. In the first period that this Statement is applied, the notes to financial statements should disclose the nature of the restatement and its effect.

**GASB 91 - Conduit Debt Obligations**

The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged.

The City's management has not yet determined the effect these Statements will have on the City's financial statements.

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**CITY OF WESTON, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 27,264,200	\$ 27,264,200	\$ 27,623,042	\$ 358,842
Franchise fees and utility taxes	12,742,800	12,742,800	13,545,121	802,321
Permits and fees	1,474,600	1,474,600	1,896,503	421,903
Intergovernmental	5,846,000	5,846,000	6,248,570	402,570
Charges for services	1,680,200	1,680,200	1,739,316	59,116
Fines and forfeitures	324,900	324,900	241,375	(83,525)
Net investment income	445,500	445,500	2,053,884	1,608,384
Grant revenue	-	-	543,956	543,956
Special assessments	2,424,800	2,424,800	2,456,515	31,715
Other revenues	473,600	473,600	574,200	100,600
<b>Total revenues</b>	<b>52,676,600</b>	<b>52,676,600</b>	<b>56,922,482</b>	<b>4,245,882</b>
<b>EXPENDITURES:</b>				
General Government:				
City Commission	251,700	251,700	253,946	(2,246)
City Manager	1,477,100	1,477,100	1,239,603	237,497
Administrative	4,442,900	4,642,900	4,357,591	285,309
Legal	831,500	831,500	570,173	261,327
<b>Total general government</b>	<b>7,003,200</b>	<b>7,203,200</b>	<b>6,421,313</b>	<b>781,887</b>
Public Safety:				
Police	15,362,500	15,362,500	14,231,226	1,131,274
Emergency medical services	10,156,900	10,156,900	10,122,876	34,024
Crossing guard	623,800	623,800	609,729	14,071
<b>Total public safety</b>	<b>26,143,200</b>	<b>26,143,200</b>	<b>24,963,831</b>	<b>1,179,369</b>

See accompanying notes to required supplementary information

CITY OF WESTON, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

(Continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Public Works				
Operating expenditures	2,415,900	3,279,800	3,269,784	10,016
Total public works	2,415,900	3,279,800	3,269,784	10,016
Parks and Recreation:				
Personal services	371,100	371,100	388,168	(17,068)
Operating expenditures	7,190,100	7,690,100	7,988,241	(298,141)
Total culture and recreation	7,561,200	8,061,200	8,376,409	(315,209)
Community Development:				
Operating expenditures	2,165,800	2,165,800	1,741,252	424,548
Total community development	2,165,800	2,165,800	1,741,252	424,548
Capital outlay	1,428,000	1,539,236	271,921	1,267,315
Total capital outlay	1,428,000	1,539,236	271,921	1,267,315
Total expenditures	46,717,300	48,392,436	45,044,510	3,347,926
Excess (deficiency) of revenues over expenditures	5,959,300	4,284,164	11,877,972	7,593,808
OTHER FINANCING SOURCES (USES):				
Transfers out	(3,468,800)	(3,468,800)	(3,468,800)	-
Total other financing sources (uses)	(3,468,800)	(3,468,800)	(3,468,800)	-
Net change in fund balance	\$ 2,490,500	\$ 815,364	\$ 8,409,172	\$ 7,593,808

See accompanying notes to required supplementary information

CITY OF WESTON, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND  
(Continued)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

EXPLANATION OF DIFFERENCES BETWEEN CHANGE IN FUND BALANCE  
BUDGET TO ACTUAL AND STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - GENERAL FUND

Net change in fund balance, Page 70 \$ 8,409,172

Amounts reported for budget to actual are different because:

The net change in fund balance in the City's Disaster Management Fund is reported in the Disaster management Fund for the budgetary purposes but in the General Fund for the purpose of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds:

Net change in fund balance - Disaster Management Fund 2,289,271

Net change in encumbrances - General Fund (898,417)

General Fund net change in fund balance per the Statement of Revenues,  
Expenditures, and Changes in Fund Balances - Governmental Funds, Page 26 \$ 9,800,026

See accompanying notes to required supplementary Information

**CITY OF WESTON, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – SPECIAL REVENUE FUND  
INDIAN TRACE DEVELOPMENT DISTRICT**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Net investment income (loss)	\$ 207,400	\$ 207,400	\$ 1,670,111	\$ 1,462,711
Special assessments	14,720,700	14,720,700	14,874,655	153,955
Other revenues	449,000	449,000	213,499	(235,501)
Total revenues	<u>15,377,100</u>	<u>15,377,100</u>	<u>16,758,265</u>	<u>1,381,165</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	2,463,500	2,463,500	2,371,635	91,865
Public works	12,146,400	12,296,400	11,096,118	1,200,282
Capital outlay	180,000	945,000	1,408,568	(463,568)
Total expenditures	<u>14,789,900</u>	<u>15,704,900</u>	<u>14,876,321</u>	<u>828,579</u>
Excess (deficiency) of revenues over expenditures	<u>587,200</u>	<u>(327,800)</u>	<u>1,881,944</u>	<u>2,209,744</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Use of fund balance	422,000	1,337,000	-	(1,337,000)
Total other financing sources (uses)	<u>422,000</u>	<u>1,337,000</u>	<u>-</u>	<u>(1,337,000)</u>
Net change in fund balances	<u>\$ 1,009,200</u>	<u>\$ 1,009,200</u>	<u>\$ 1,881,944</u>	<u>\$ 872,744</u>

See accompanying notes to required supplementary Information

CITY OF WESTON, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – SPECIAL REVENUE FUND  
INDIAN TRACE DEVELOPMENT DISTRICT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019  
(CONTINUED)

EXPLANATION OF DIFFERENCES BETWEEN CHANGE IN FUND BALANCE  
BUDGET TO ACTUAL AND STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - ITDD

Net change in fund balance, Page 72 \$ 1,881,944

Amounts reported for budget to actual are different because:

Net change in encumbrances - ITDD 437,685

ITDD net change in fund balance per the Statement of Revenues,  
Expenditures, and Changes in Fund Balances - Governmental Funds, Page 26 \$ 2,319,629

See accompanying notes to required supplementary Information

CITY OF WESTON, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – SPECIAL REVENUE FUND  
BONAVENTURE DEVELOPMENT DISTRICT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-
	Original	Final		Positive (Negative)
<b>REVENUES:</b>				
Net investment income	\$ 56,100	\$ 56,100	\$ 338,483	\$ 282,383
Special assessments	2,538,400	2,538,400	2,519,705	(18,695)
Other revenues	-	-	8,564	8,564
Total revenues	<u>2,594,500</u>	<u>2,594,500</u>	<u>2,866,752</u>	<u>272,252</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	725,100	725,100	699,042	26,058
Public works	1,802,700	1,912,700	1,686,597	226,103
Capital outlay	-	200,000	276,756	(76,756)
Total expenditures	<u>2,527,800</u>	<u>2,837,800</u>	<u>2,662,395</u>	<u>175,405</u>
Excess (deficiency) of revenues over expenditures	<u>66,700</u>	<u>(243,300)</u>	<u>204,357</u>	<u>447,657</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Use of fund balance	-	243,300	-	(243,300)
Total other financing sources (uses)	<u>-</u>	<u>243,300</u>	<u>-</u>	<u>(243,300)</u>
Net change in fund balances	<u>\$ 66,700</u>	<u>\$ -</u>	<u>\$ 204,357</u>	<u>\$ 204,357</u>

See accompanying notes to required supplementary Information

CITY OF WESTON, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – SPECIAL REVENUE FUND  
BONAVENTURE DEVELOPMENT DISTRICT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

(CONTINUED)

EXPLANATION OF DIFFERENCES BETWEEN CHANGE IN FUND BALANCE  
BUDGET TO ACTUAL AND STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - ITDD

Net change in fund balance, Page 74 \$ 204,357

Amounts reported for budget to actual are different because:

Net change in encumbrances - BDD 7,715

BDD net change in fund balance per the Statement of Revenues,  
Expenditures, and Changes in Fund Balances - Governmental Funds, Page 26 \$ 212,072

See accompanying notes to required supplementary Information

CITY OF WESTON, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – SPECIAL REVENUE FUND  
FIRE SERVICES DISTRICT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts Original &amp; Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget- Positive (Negative)</u>
REVENUES:			
Net investment income (loss)	\$ 66,400	\$ 440,696	\$ 374,296
Special assessments	13,408,300	13,569,309	161,009
Total revenues	<u>13,474,700</u>	<u>14,010,005</u>	<u>535,305</u>
EXPENDITURES:			
Current:			
Public safety	13,039,800	12,952,962	86,838
Capital outlay	3,478,000	282,097	3,195,903
Debt service:			
Principal	409,700	409,636	64
Interest	25,200	25,120	80
Total expenditures	<u>16,952,700</u>	<u>13,669,815</u>	<u>3,282,885</u>
Excess (deficiency) of revenues over expenditures	<u>(3,478,000)</u>	<u>340,190</u>	<u>3,818,190</u>
OTHER FINANCING SOURCES (USES):			
Use of fund balance	<u>3,478,000</u>	<u>-</u>	<u>(3,478,000)</u>
Total other financing sources (uses)	<u>3,478,000</u>	<u>-</u>	<u>(3,478,000)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 340,190</u>	<u>\$ 340,190</u>

See accompanying notes to required supplementary Information



CITY OF WESTON, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – SPECIAL REVENUE FUND  
FIRE SERVICES DISTRICT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

(CONTINUED)

EXPLANATION OF DIFFERENCES BETWEEN CHANGE IN FUND BALANCE  
BUDGET TO ACTUAL AND STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - FIRE SERVICES

Net change in fund balance, Page 76 \$ 340,190

Amounts reported for budget to actual are different because:

Net change in encumbrances - Fire Services (796,077)

Fire Services net change in fund balance per the Statement of Revenues,  
Expenditures, and Changes in Fund Balances - Governmental Funds, Page 26 \$ (455,887)

See accompanying notes to required supplementary Information

**CITY OF WESTON, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION**

**NOTES TO BUDGETARY COMPARISON SCHEDULES**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

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

Florida Statutes require that all City governments prepare, approve, adopt and execute an annual budget for such funds as may be required by law or by sound financial practices and generally accepted accounting principles. Accordingly, the City has established budgeting procedures.

Prior to August 15, management submits to the City Commission proposed operating budgets for the fiscal year commencing the following October 1. The operating budgets include proposed expenditures and the means of financing them. During September, public hearings are conducted to obtain citizen comments on the tentative budgets and proposed millage. The final budgets are prepared and legally adopted through passage of a resolution prior to September 30.

The City adopts the operating budgets on a basis of accounting other than GAAP for all governmental and proprietary funds. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds. See Note 9 for encumbrances outstanding at September 30, 2019.

Transfers of appropriations within a fund or a department can be performed by management. Only supplemental appropriations require the approval of the City Commission. The legal level of control is the fund level, except for the General Fund whose legal level of control is the department level.

For the General Fund, actual expenditures on a budgetary basis for the Parks Department exceeded appropriations by \$315,209. The over expenditure was funded by available fund balances.

For the Bonaventure Development District Special Revenue Fund, actual expenditures on a budgetary basis exceeded appropriations by \$549,695. The over expenditure was funded by available fund balances.

**CITY OF WESTON, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION**

**PENSION PLAN LIABILITY**

**Schedule of the City's Proportionate Share of the Net Pension Liability -  
Florida Retirement System Pension Plan  
Last 10 Years (1) (2)**

	2019	2018	2017	2016	2015	2014
City's proportion of the FRS net pension liability	0.000831%	0.000785%	0.000769%	0.000848%	0.000878%	0.000707%
City's proportionate share of the FRS net pension liability	286,173	236,461	227,456	214,036	113,341	43,115
City's covered payroll	46,342	43,000	46,333	53,000	53,000	53,000
City's proportionate share of the FRS net pension liability as a percentage of its covered payroll	618%	550%	491%	404%	214%	81%
FRS plan fiduciary net position as a percentage of the total pension liability	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

**Schedule of the City's Proportionate Share of the Net Pension Liability -  
Health Insurance Subsidy Pension Plan  
Last 10 Years (1) (2)**

	2019	2018	2017	2016	2015	2014
City's proportion of the HIS net pension liability	0.000170%	0.000162%	0.000161%	0.000172%	0.000175%	0.000178%
City's proportionate share of the HIS net pension liability	19,020	17,171	17,216	20,004	17,816	16,679
City's covered payroll	46,342	43,000	46,333	53,000	53,000	53,000
City's proportionate share of the HIS net pension liability as a percentage of its covered payroll	41.04%	39.93%	37.16%	37.74%	33.62%	31.47%
HIS plan fiduciary net position as a percentage of the total pension liability	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

(1) The amounts presented for each year were determined as of the measurement date, June 30.

(2) Information is not available for years prior to 2014. As information is available it will be presented.

**CITY OF WESTON, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CONTRIBUTIONS**

**Schedule of the City Contributions -  
Florida Retirement System Pension Plan  
Last 10 Fiscal Years (1)**

	2019	2018	2017	2016	2015
Contractually required FRS contribution	\$ 21,529	\$ 19,080	\$ 18,880	\$ 23,154	\$ 22,822
FRS contributions in relation to the contractually required contribution	(21,529)	(19,080)	(18,880)	(23,154)	(22,822)
FRS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 45,742	\$ 43,000	\$ 46,333	\$ 53,000	\$ 53,000
FRS contributions as a percentage of covered payroll	47.07%	44.37%	40.75%	43.69%	43.06%

**Schedule of the City Contributions -  
Health Insurance Subsidy Pension Plan  
Last 10 Fiscal Years (1)**

	2019	2018	2017	2016	2015
Contractually required HIS contribution	\$ 759	\$ 714	\$ 769	\$ 880	\$ 774
HIS contributions in relation to the contractually required contribution	(759)	(714)	(769)	(880)	(774)
HIS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 45,742	\$ 43,000	\$ 46,333	\$ 53,000	\$ 53,000
HIS contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.66%	1.46%

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

**CITY OF WESTON, FLORIDA**

**OTHER SUPPLEMENTARY INFORMATION**

NON MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Street Maintenance Fund - This fund accounts for resources (state revenue sharing and certain local option gas taxes) whose expenditures are limited by law to transportation related operating, maintenance or capital costs.

Transportation Fund - This fund is used to account for resources (certain local option gas taxes), whose expenditures are limited by law to public transportation.

Building Fee Fund - This fund accounts for revenues generated from fees charged for the review of building plans, issuance of permits and inspections, and expenditures associated with those services to administer the City's zoning code and the Florida Building Code.

Law Enforcement Trust Fund - This fund accounts for revenues generated from assets seized in the course of criminal activities occurring in the City. Expenditures from this fund are restricted to non-recurring law enforcement related goods or services.

Tree Fund - This fund accounts for revenues generated from fines from violations of the City's Tree Preservation Code.

CITY OF WESTON, FLORIDA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	Special Revenue Funds				
	Street Maintenance Fund	Transportation Fund	Building Fee Fund	Law Enforcement Trust Fund	Tree Fund
<b>ASSETS</b>					
Cash, cash equivalents, and equity in pooled cash	\$ 1,810,029	\$ 98,342	\$ 690,485	\$ 30,889	\$ 32,017
Investments	3,983,583	225,397	2,727,406	186,397	90,144
Receivables:					
Accounts receivable, net	99,906	7,128	12,114	396,701	-
Interest receivable	26,585	983	9,377	1,893	304
Advance to other governments	2,104,391	-	-	-	-
Prepaid costs	-	-	22,691	-	-
Total assets	<u>\$ 8,024,494</u>	<u>\$ 331,850</u>	<u>\$3,462,073</u>	<u>\$ 615,880</u>	<u>\$ 122,465</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable and accrued liabilities	\$ 179,809	\$ 4,073	\$ 272,490	\$ 3,572	\$ -
Contracts and retainage payable	-	-	-	-	-
Due to other funds	-	-	-	608,897	-
Total liabilities	<u>179,809</u>	<u>4,073</u>	<u>272,490</u>	<u>612,469</u>	<u>-</u>
Fund balances:					
Non-spendable for prepaid costs	-	-	22,691	-	-
Restricted for:					
Street maintenance	7,844,685	-	-	-	-
Roadway projects	-	327,777	-	-	-
Law enforcement	-	-	-	3,411	-
Tree preservation	-	-	-	-	122,465
Building code enforcement	-	-	383,294	-	-
Building code services contract	-	-	2,783,598	-	-
Total fund balances	<u>7,844,685</u>	<u>327,777</u>	<u>3,189,583</u>	<u>3,411</u>	<u>122,465</u>
Total liabilities and fund balances	<u>\$ 8,024,494</u>	<u>\$ 331,850</u>	<u>\$3,462,073</u>	<u>\$ 615,880</u>	<u>\$ 122,465</u>

**Total  
Governmental  
Funds**

\$ 2,661,762  
7,212,927

515,849  
39,142  
2,104,391  
22,691

\$ 12,556,762

\$ 459,944  
-  
608,897  
1,068,841

22,691

7,844,685  
327,777  
3,411  
122,465  
383,294  
2,783,598

11,487,921

\$ 12,556,762

**CITY OF WESTON, FLORIDA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
NONMAJOR GOVERNMENTAL FUNDS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

	<u>Special Revenue Funds</u>				
	<u>Street Maintenance Fund</u>	<u>Transportation Fund</u>	<u>Building Fee Fund</u>	<u>Law Enforcement Trust Fund</u>	<u>Tree Fund</u>
REVENUES:					
Permits and fees	\$ -	\$ -	\$ 2,840,791	\$ -	\$ -
Intergovernmental	1,635,797	81,782	-	-	-
Fines and forfeitures	-	-	-	528,578	-
Interest income	260,595	14,764	185,873	18,638	5,704
Other revenues	119,000	-	342,316	-	12,450
Total revenues	<u>2,015,392</u>	<u>96,546</u>	<u>3,368,980</u>	<u>547,216</u>	<u>18,154</u>
EXPENDITURES:					
Current:					
Public safety	-	-	-	19,197	-
Public works	496,482	51,751	-	-	-
Community development	-	-	3,594,271	-	-
Capital outlay	104,536	30,662	-	1,080,639	-
Debt service:					
Principal	706,279	-	-	-	-
Interest	37,154	-	-	-	-
Total expenditures	<u>1,344,451</u>	<u>82,413</u>	<u>3,594,271</u>	<u>1,099,836</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	670,941	14,133	(225,291)	(552,620)	18,154
FUND BALANCES - BEGINNING	<u>7,173,744</u>	<u>313,644</u>	<u>3,414,874</u>	<u>556,031</u>	<u>104,311</u>
FUND BALANCES - ENDING	<u>\$ 7,844,685</u>	<u>\$ 327,777</u>	<u>\$ 3,189,583</u>	<u>\$ 3,411</u>	<u>\$ 122,465</u>



**Total  
Governmental  
Funds**

\$ 2,840,791  
1,717,579  
528,578  
485,574  
473,766  
6,046,288

19,197  
548,233  
3,594,271  
1,215,837

706,279  
37,154  
6,120,971

(74,683)

11,562,604

\$ 11,487,921

**CITY OF WESTON, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL- NONMAJOR SPECIAL REVENUE FUNDS –  
STREET MAINTENANCE FUND (BUDGETARY BASIS)**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-
	Original	Final		Positive (Negative)
<b>REVENUES:</b>				
Intergovernmental	\$ 1,514,800	\$ 1,514,800	\$ 1,635,797	\$ 120,997
Net investment income	25,000	25,000	260,595	235,595
Other revenues	-	-	119,000	119,000
Total revenues	<u>1,539,800</u>	<u>1,539,800</u>	<u>2,015,392</u>	<u>475,592</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	801,700	931,415	497,982	433,433
Debt service:				
Principal	496,463	496,463	706,279	(209,816)
Interest	302,137	302,137	37,154	264,983
Capital outlay	16,045,800	16,045,800	89,470	15,956,330
Total expenditures	<u>17,646,100</u>	<u>17,775,815</u>	<u>1,330,885</u>	<u>16,444,930</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (16,106,300)</u>	<u>\$ (16,236,015)</u>	<u>\$ 684,507</u>	<u>\$ 16,920,522</u>
Other financing sources (uses):				
Use of fund balance	3,368,700	3,498,415	-	(3,498,415)
Issuance of debt	12,737,600	12,737,600	-	(12,737,600)
Total other financing sources (uses)	<u>16,106,300</u>	<u>16,236,015</u>	<u>-</u>	<u>(16,236,015)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 684,507</u>	<u>\$ 684,507</u>

**CITY OF WESTON, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – NONMAJOR SPECIAL REVENUE FUNDS –  
TRANSPORTATION FUND**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ 83,600	\$ 83,600	\$ 81,782	\$ (1,818)
Net investment income	-	-	14,764	14,764
Other revenues	-	25,000	-	(25,000)
Total revenues	<u>83,600</u>	<u>108,600</u>	<u>96,546</u>	<u>(12,054)</u>
EXPENDITURES:				
Current:				
Public works	29,500	94,500	51,751	42,749
Capital outlay	-	-	30,662	(30,662)
Total expenditures	<u>29,500</u>	<u>94,500</u>	<u>82,413</u>	<u>12,087</u>
Excess (deficiency) of revenues over expenditures	54,100	\$ 14,100	\$ 14,133	\$ 33
Net change in fund balances	<u>\$ 54,100</u>	<u>\$ 14,100</u>	<u>\$ 14,133</u>	<u>\$ 33</u>

**CITY OF WESTON, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – NONMAJOR SPECIAL REVENUE FUNDS –  
BUILDING FEE FUND**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Permits and fees	\$ 2,949,800	\$ 3,949,800	\$ 2,840,791	\$ (1,109,009)
Net investment income	9,700	9,700	185,873	176,173
Other revenues	-	-	342,316	342,316
Total revenues	<u>2,959,500</u>	<u>3,959,500</u>	<u>3,368,980</u>	<u>(590,520)</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	<u>2,956,700</u>	<u>3,956,700</u>	<u>3,594,271</u>	<u>362,429</u>
Total expenditures	<u>2,956,700</u>	<u>3,956,700</u>	<u>3,594,271</u>	<u>362,429</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 2,800</u>	<u>\$ 2,800</u>	<u>\$ (225,291)</u>	<u>\$ (228,091)</u>
Net change in fund balances	<u>\$ 2,800</u>	<u>\$ 2,800</u>	<u>\$ (225,291)</u>	<u>\$ (228,091)</u>

CITY OF WESTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS –  
 LAW ENFORCEMENT TRUST FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final		Final Budget- Positive (Negative)
REVENUES:				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 528,578	\$ 518,578
Net investment income	100	100	18,638	18,538
Total revenues	<u>10,100</u>	<u>10,100</u>	<u>547,216</u>	<u>537,116</u>
EXPENDITURES:				
Current:				
Public safety	30,100	30,100	19,197	10,903
Capital outlay	-	1,062,600	603,119	459,481
Total expenditures	<u>30,100</u>	<u>1,092,700</u>	<u>622,316</u>	<u>470,384</u>
Excess (deficiency) of revenues over expenditures	<u>(20,000)</u>	<u>(1,082,600)</u>	<u>(75,100)</u>	<u>1,007,500</u>
OTHER FINANCING SOURCES (USES):				
Use of fund balance	<u>20,000</u>	<u>1,082,600</u>	<u>-</u>	<u>(1,082,600)</u>
Total other financing sources (uses)	<u>20,000</u>	<u>1,082,600</u>	<u>-</u>	<u>(1,082,600)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (75,100)</u>	<u>\$ (75,100)</u>

CITY OF WESTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS –  
 TREE FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts Original and Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget- Positive (Negative)</u>
REVENUES:			
Net investment income	\$ 100	\$ 5,704	\$ 5,604
Other revenues	<u>10,000</u>	<u>12,450</u>	<u>2,450</u>
Total revenues	<u>10,100</u>	<u>18,154</u>	<u>8,054</u>
EXPENDITURES:			
Current:			
Public works	<u>10,100</u>	<u>-</u>	<u>10,100</u>
Total expenditures	<u>10,100</u>	<u>-</u>	<u>10,100</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ 18,154</u>	<u>\$ 18,154</u>

CITY OF WESTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL – MAJOR GOVERNMENTAL FUNDS –  
 INDIAN TRACE DEVELOPMENT DISTRICT DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts Original &amp; Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget- Positive (Negative)</u>
REVENUES:			
Net investment income	\$ -	\$ 15,303	\$ 15,303
Special assessments	5,234,500	5,289,244	54,744
Total revenues	<u>5,234,500</u>	<u>5,304,547</u>	<u>70,047</u>
EXPENDITURES:			
Debt service:			
Principal	3,275,000	3,270,000	5,000
Interest	1,984,500	1,982,725	1,775
Total expenditures	<u>5,259,500</u>	<u>5,252,725</u>	<u>6,775</u>
Excess (deficiency) of revenues over expenditures	<u>(25,000)</u>	<u>51,822</u>	<u>76,822</u>
OTHER FINANCING SOURCES (USES):			
Use of fund balance	25,000	-	(25,000)
Total other financing sources (uses)	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 51,822</u>	<u>\$ 51,822</u>

CITY OF WESTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL – MAJOR GOVERNMENTAL FUNDS –  
 BONAVENTURE DEVELOPMENT DISTRICT DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts <u>Original &amp; Final</u>	Actual Amounts <u>                    </u>	Variance With Final Budget- Positive (Negative) <u>                    </u>
REVENUES:			
Net investment income	\$ -	\$ 6,577	\$ 6,577
Special assessments	<u>954,700</u>	<u>920,981</u>	<u>(33,719)</u>
Total revenues	<u>954,700</u>	<u>927,558</u>	<u>(27,142)</u>
EXPENDITURES:			
Debt service:			
Principal	810,000	715,000	95,000
Interest	<u>144,700</u>	<u>178,991</u>	<u>(34,291)</u>
Total expenditures	<u>954,700</u>	<u>893,991</u>	<u>60,709</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>33,567</u>	<u>33,567</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 33,567</u>	<u>\$ 33,567</u>



**CITY OF WESTON, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – MAJOR GOVERNMENTAL FUNDS –  
CAPITAL PROJECTS FUND (BUDGETARY BASIS)**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance With Final Budget- Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Net investment income	\$ 53,500	\$ 53,500	\$ 211,263	\$ 157,763
Total revenues	53,500	53,500	211,263	157,763
<b>EXPENDITURES:</b>				
Current:				
Capital outlay	16,190,000	19,174,815	2,671	19,172,144
Debt service:				
Principal	2,029,600	2,209,925	2,210,546	(621)
Interest	349,200	381,181	382,725	(1,544)
Other debt service costs	-	-	6,500	(6,500)
Total expenditures	18,568,800	21,765,921	2,602,442	19,163,479
Excess (deficiency) of revenues over expenditures	(18,515,300)	(21,712,421)	(2,391,179)	19,321,242
<b>OTHER FINANCING SOURCES (USES):</b>				
Use of fund balance	-	3,143,621	-	(3,143,621)
Transfers in	3,468,800	3,468,800	3,468,800	-
Issuance of debt	15,100,000	15,100,000	10,000,000	(5,100,000)
Total other financing sources (uses)	18,568,800	21,712,421	13,468,800	(8,243,621)
Net change in fund balances	\$ 53,500	\$ -	\$ 11,077,621	\$ 11,077,621

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**CITY OF WESTON, FLORIDA**

**STATISTICAL SECTION**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

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 government's overall financial health.

	<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b>		
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.		93-102
<b>Revenue Capacity</b>		
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.		103-107
<b>Debt Capacity</b>		
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.		108-112
<b>Demographic and Economic Information</b>		
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.		113-115
<b>Operating and Other Information</b>		
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.		116-119

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

**CITY OF WESTON, FLORIDA**

**TABLE 1  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>GOVERNMENTAL ACTIVITIES:</b>				
Net investment in capital assets	\$ 145,362,221	\$ 144,551,678	\$ 141,207,361	\$ 138,689,946
Restricted	22,651,755	24,409,220	27,262,791	29,959,840
Unrestricted	<u>62,068,556</u>	<u>64,408,184</u>	<u>69,260,974</u>	<u>72,751,236</u>
Total governmental activities, net position	<u>\$ 230,082,532</u>	<u>\$ 233,369,082</u>	<u>\$ 237,731,126</u>	<u>\$ 241,401,022</u>
<b>BUSINESS-TYPE ACTIVITIES:</b>				
Net investment in capital assets	\$ 67,759,066	\$ 66,388,195	\$ 64,379,020	\$ 63,333,387
Restricted	-	-	-	-
Unrestricted	<u>22,693,543</u>	<u>21,527,549</u>	<u>21,034,674</u>	<u>19,097,332</u>
Total business-type activities, net position	<u>\$ 90,452,609</u>	<u>\$ 87,915,744</u>	<u>\$ 85,413,694</u>	<u>\$ 82,430,719</u>
<b>PRIMARY GOVERNMENT:</b>				
Net investment in capital assets	\$ 213,121,287	\$ 210,939,873	\$ 205,586,381	\$ 202,023,333
Restricted	22,651,755	24,409,220	27,262,791	29,959,840
Unrestricted	<u>84,762,099</u>	<u>85,935,733</u>	<u>90,295,648</u>	<u>91,848,568</u>
Total primary government, net position	<u>\$ 320,535,141</u>	<u>\$ 321,284,826</u>	<u>\$ 323,144,820</u>	<u>\$ 323,831,741</u>

Note: Net position was restated in 2014 and 2015 to account for prior period adjustments.

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$	149,179,975	\$ 93,465,505	\$ 88,508,796	\$ 93,013,715	\$ 98,379,808	\$ 96,939,503
	39,440,053	41,627,220	46,625,978	49,224,659	52,493,341	54,550,348
	<u>64,959,030</u>	<u>126,340,256</u>	<u>130,074,839</u>	<u>124,333,660</u>	<u>116,728,675</u>	<u>129,571,309</u>
\$	<u>253,579,058</u>	<u>261,432,981</u>	<u>265,209,613</u>	<u>266,572,034</u>	<u>267,601,824</u>	<u>281,061,160</u>
\$	64,427,618	\$ 61,474,906	\$ 59,411,246	\$ 57,521,522	\$ 55,400,598	\$ 53,107,030
	-	-	-	-	-	-
	<u>19,012,722</u>	<u>17,920,122</u>	<u>17,793,805</u>	<u>16,977,088</u>	<u>16,219,525</u>	<u>15,188,795</u>
\$	<u>83,440,340</u>	<u>79,395,028</u>	<u>77,205,051</u>	<u>74,498,610</u>	<u>71,620,123</u>	<u>68,295,825</u>
\$	211,607,593	\$ 154,940,411	\$ 147,920,042	\$ 150,535,237	\$ 153,780,406	\$ 150,046,533
	39,440,053	41,627,220	46,625,978	49,224,659	52,493,341	54,550,348
	<u>83,971,752</u>	<u>144,260,378</u>	<u>147,868,644</u>	<u>141,310,748</u>	<u>132,948,200</u>	<u>144,760,104</u>
\$	<u>335,019,398</u>	<u>340,828,009</u>	<u>342,414,664</u>	<u>341,070,644</u>	<u>339,221,947</u>	<u>349,356,985</u>



	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$	15,453,764	\$ 8,705,627	\$ 6,515,412	\$ 7,797,748	\$ 7,939,070	\$ 8,642,645
	32,331,049	32,387,901	34,050,728	36,439,774	42,119,082	42,059,911
	4,439,038	4,589,251	3,867,527	3,826,619	3,764,668	5,338,763
	18,405,486	19,667,919	21,477,701	20,850,757	18,248,879	19,521,053
	6,842,681	7,122,360	8,742,871	8,505,171	8,920,720	9,896,874
	<u>1,386,322</u>	<u>2,831,842</u>	<u>2,947,039</u>	<u>3,013,679</u>	<u>2,576,140</u>	<u>2,537,323</u>
	<u>78,858,340</u>	<u>75,304,900</u>	<u>77,601,278</u>	<u>80,433,748</u>	<u>83,568,559</u>	<u>87,996,569</u>
	<u>31,999,842</u>	<u>33,092,855</u>	<u>34,001,728</u>	<u>36,303,192</u>	<u>36,781,178</u>	<u>38,968,621</u>
	<u>31,999,842</u>	<u>33,092,855</u>	<u>34,001,728</u>	<u>36,303,192</u>	<u>36,781,178</u>	<u>38,968,621</u>
\$	<u>110,858,182</u>	<u>108,397,755</u>	<u>111,603,006</u>	<u>116,736,940</u>	<u>120,349,737</u>	<u>126,965,190</u>
\$	15,229,073	\$ 11,859,925	\$ 12,459,463	\$ 13,154,487	\$ 13,254,961	\$ 13,569,309
	12,703,086	4,390,510	3,723,104	3,715,763	3,759,075	3,748,117
	15,790,123	17,374,843	16,208,344	16,174,154	17,508,127	17,394,360
	610,857	676,958	695,733	701,900	706,305	689,089
	4,166,866	4,156,502	3,952,197	4,527,971	5,121,258	4,737,294
	-	2,884,277	2,742,481	2,607,009	2,402,296	2,225,225
	-	-	-	-	-	-
	-	1,406,727	192,893	209,044	144,579	528,578
	1,555,743	1,615,458	1,588,965	1,692,930	1,705,912	1,717,579
	-	284,520	-	-	-	-
	283,686	-	-	-	-	-
	140,399	-	-	-	-	757,563
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>50,479,833</u>	<u>44,649,720</u>	<u>41,563,180</u>	<u>42,783,258</u>	<u>44,602,513</u>	<u>45,367,114</u>
	28,054,542	30,622,285	31,460,835	33,299,747	33,753,182	34,937,953
	<u>11,771</u>	<u>136,574</u>	<u>129,247</u>	<u>245,401</u>	<u>150,546</u>	<u>3,998</u>
	<u>28,066,313</u>	<u>30,758,859</u>	<u>31,590,082</u>	<u>33,545,148</u>	<u>33,903,728</u>	<u>34,941,951</u>
\$	<u>78,546,146</u>	<u>75,408,579</u>	<u>73,153,262</u>	<u>76,328,406</u>	<u>78,506,241</u>	<u>80,309,065</u>

**CITY OF WESTON, FLORIDA**

**TABLE 2  
(CONTINUED)  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
NET (EXPENSE)/REVENUE:					
Governmental activities:	\$ (30,952,200)	\$ (29,547,989)	\$ (29,165,178)	\$ (27,854,088)	\$ (28,378,507)
Business-type activities	<u>(3,198,737)</u>	<u>(3,450,033)</u>	<u>(3,491,816)</u>	<u>(3,371,715)</u>	<u>(3,933,529)</u>
Total primary government net expense	<u>\$ (34,150,937)</u>	<u>\$ (32,998,022)</u>	<u>\$ (32,656,994)</u>	<u>\$ (31,225,803)</u>	<u>\$ (32,312,036)</u>
GENERAL REVENUE AND OTHER CHANGES IN NET POSITION:					
Governmental activities:					
Property taxes	\$ 11,951,934	\$ 12,012,358	\$ 12,182,114	\$ 12,576,540	\$ 12,899,908
Franchise taxes and utility taxes	14,254,110	13,698,139	13,387,685	13,437,441	13,555,217
Intergovernmental	3,884,759	4,095,602	4,475,639	4,883,143	5,233,462
Investment income (loss)	3,236,029	2,043,278	2,860,056	(1,579,817)	2,660,971
Contributions not restricted to specific programs	-	-	-	-	-
Miscellaneous	417,932	985,162	621,728	2,206,677	654,299
Gain on disposal of fixed assets	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Special Item	-	-	-	-	-
Total governmental activities	<u>33,744,764</u>	<u>32,834,539</u>	<u>33,527,222</u>	<u>31,523,984</u>	<u>35,003,857</u>
Business-type activities:					
Investment Income (loss)	799,922	481,575	592,027	(258,334)	423,116
Miscellaneous	177,361	431,593	397,739	647,074	777,719
Transfers out	-	-	-	-	-
Total business-type activities	<u>977,283</u>	<u>913,168</u>	<u>989,766</u>	<u>388,740</u>	<u>1,200,835</u>
Total primary government	<u>34,722,047</u>	<u>33,747,707</u>	<u>34,516,988</u>	<u>31,912,724</u>	<u>36,204,692</u>
CHANGES IN NET POSITION:					
Governmental activities	2,792,564	3,286,550	4,362,044	3,669,896	6,625,350
Business-type activities	<u>(2,221,454)</u>	<u>(2,536,865)</u>	<u>(2,502,050)</u>	<u>(2,982,975)</u>	<u>(2,732,694)</u>
Total primary government	<u>\$ 571,110</u>	<u>\$ 749,685</u>	<u>\$ 1,859,994</u>	<u>\$ 686,921</u>	<u>\$ 3,892,656</u>

<sup>1</sup> Amounts included in Contributions not restricted to specific programs for 2015-2018



	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$	(30,655,180)	\$ (36,038,098)	\$ (37,650,490)	\$ (38,966,046)	\$ (42,629,455)
	<u>(2,333,996)</u>	<u>(2,411,646)</u>	<u>(2,758,044)</u>	<u>(2,877,450)</u>	<u>(4,026,670)</u>
\$	<u>(32,989,176)</u>	<u>(38,449,744)</u>	<u>(40,408,534)</u>	<u>(41,843,496)</u>	<u>(46,656,125)</u>
\$	16,194,863	\$ 17,149,747	\$ 18,145,610	\$ 19,173,312	\$ 27,623,042
	13,476,279	13,060,677	13,146,677	13,345,297	13,545,121
	-	-	-	-	6,248,570
	1,900,100	1,760,997	775,425	22,758	7,402,029
	5,600,328	5,775,780	5,901,373	6,165,139	-
	1,396,769	2,067,529	1,043,826	1,289,330	1,270,029
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	<u>38,568,339</u>	<u>39,814,730</u>	<u>39,012,911</u>	<u>39,995,836</u>	<u>56,088,791</u>
	288,684	221,669	51,603	(1,037)	702,372
	-	-	-	-	-
	-	-	-	-	-
	<u>288,684</u>	<u>221,669</u>	<u>51,603</u>	<u>(1,037)</u>	<u>702,372</u>
	<u>38,857,023</u>	<u>40,036,399</u>	<u>39,064,514</u>	<u>39,994,799</u>	<u>56,791,163</u>
	7,913,159	3,776,632	1,362,421	1,029,790	13,459,336
	<u>(2,045,312)</u>	<u>(2,189,977)</u>	<u>(2,706,441)</u>	<u>(2,878,487)</u>	<u>(3,324,298)</u>
\$	<u>5,867,847</u>	<u>1,586,655</u>	<u>(1,344,020)</u>	<u>(1,848,697)</u>	<u>10,135,038</u>

**CITY OF WESTON, FLORIDA**

**TABLE 3  
FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Fund:				
Reserved	\$ 414,245	\$ -	\$ -	\$ -
Unreserved	56,788,740	-	-	-
Nonspendable	-	119,742	430,842	24,788
Restricted	-	-	-	-
Committed	-	49,694,689	51,367,202	51,151,093
Assigned	-	1,198,410	1,730,813	10,482,765
Unassigned	-	9,818,155	11,987,132	7,389,259
Total General Fund	<u>\$ 57,202,985</u>	<u>\$ 60,830,996</u>	<u>\$ 65,515,989</u>	<u>\$ 69,047,905</u>
All other governmental funds:				
Reserved	\$ 2,398,627	\$ -	\$ -	\$ -
Unreserved, reported in				
Special Revenue Funds	21,285,644	-	-	-
Capital Project Funds	4,613,454	-	-	-
Debt Service Funds	-	-	-	-
Nonspendable	-	74,079	356,543	13,396
Restricted	-	24,350,991	29,764,862	30,621,067
Committed	-	4,673,918	4,854,924	4,655,729
Assigned	-	-	-	-
Unassigned (deficit)	-	(226,690)	(278,442)	(154,925)
Total all other governmental funds	<u>\$ 28,297,725</u>	<u>\$ 28,872,298</u>	<u>\$ 34,697,887</u>	<u>\$ 35,135,267</u>

Note: Information for fiscal years 2008 to 2010 have not been restated for Governmental Accounting Standards Board (GASB) Statement No. 54 classifications. In addition, 2014 has been restated for prior period adjustments.

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
185,855	50,649	76,320	35,769	37,488	183,098
-	-	-	-	25,000	25,000
52,030,265	53,823,857	55,131,058	56,663,983	56,657,198	57,192,357
1,509,192	3,097,472	6,582,582	8,642,936	3,183,321	2,172,927
<u>10,989,092</u>	<u>15,157,834</u>	<u>13,326,272</u>	<u>10,247,471</u>	<u>12,612,198</u>	<u>22,741,849</u>
<u>\$ 64,714,404</u>	<u>\$ 72,129,812</u>	<u>\$ 75,116,232</u>	<u>\$ 75,590,159</u>	<u>\$ 72,515,205</u>	<u>\$ 82,315,231</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
86,732	18,990	82,918	11,116	2,122,543	327,026
40,574,144	42,029,648	46,615,297	48,393,737	51,368,649	64,867,625
6,612,443	1,233,025	5,454,666	2,976,209	2,459,959	-
-	609,400	1,012,500	2,000,000	-	-
-	-	-	-	-	(9,788)
<u>\$ 47,273,319</u>	<u>\$ 43,891,063</u>	<u>\$ 53,165,381</u>	<u>\$ 53,381,062</u>	<u>\$ 55,951,151</u>	<u>\$ 65,184,863</u>

**CITY OF WESTON, FLORIDA**

**TABLE 4  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>REVENUES:</b>				
Taxes	\$ 53,627,280	\$ 54,956,105	\$ 54,578,503	\$ 55,891,712
Special Assessments	-	-	-	-
Licenses and permits	2,822,226	3,213,133	2,374,029	2,704,681
Intergovernmental	5,328,365	6,283,356	6,124,337	7,104,593
Charges for services	10,560,509	11,124,164	12,095,130	13,139,980
Fines and forfeitures	421,253	407,820	555,227	495,050
Investment Income (loss)	3,236,029	2,043,278	2,860,056	(1,579,817)
Developer contributions	57,000	-	-	-
Grant revenue	-	-	-	-
Miscellaneous	417,932	985,162	945,788	2,524,377
<b>Total revenues</b>	<u>76,470,594</u>	<u>79,013,018</u>	<u>79,533,070</u>	<u>80,280,576</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government	13,883,095	13,692,445	13,881,110	14,494,868
Public safety	29,242,713	30,764,415	29,500,203	29,751,058
Community development	3,553,248	3,551,789	4,059,861	3,975,269
Public works	14,120,717	15,333,068	15,052,335	15,467,250
Parks and recreation	5,930,723	5,306,959	5,314,952	5,672,729
Capital outlay	4,320,526	3,414,027	1,848,256	4,700,945
<b>Debt service:</b>				
Principal	2,170,522	2,241,545	1,895,912	1,791,261
Interest	579,124	506,186	469,859	457,900
Other debt service costs	-	-	-	-
<b>Total expenditures</b>	<u>73,800,668</u>	<u>74,810,434</u>	<u>72,022,488</u>	<u>76,311,280</u>
<b>Excess of revenues over expenditures</b>	<u>2,669,926</u>	<u>4,202,584</u>	<u>7,510,582</u>	<u>3,969,296</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Bonds/notes issued	-	-	3,000,000	-
Transfers in	149,527	-	-	-
Transfers out	(149,527)	-	-	-
Repayment of Federal Funds	-	-	-	-
Issuance of debt	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>3,000,000</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ 2,669,926</u>	<u>\$ 4,202,584</u>	<u>\$ 10,510,582</u>	<u>\$ 3,969,296</u>
<b>Debt service as a percentage of noncapital expenditures</b>	3.96%	3.85%	3.37%	3.14%

Note: It was recommended that we separate the Special Assessments Revenue from the Taxes Revenue in 2015 and going forward.

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
\$	57,403,734	\$ 29,671,142	\$ 30,210,424	\$ 31,292,287	\$ 32,518,609	\$ 41,168,163
	-	36,713,032	37,256,127	37,934,726	39,383,684	39,630,409
	4,043,669	4,156,502	3,952,197	4,527,971	5,121,258	4,737,294
	7,238,930	7,215,786	7,364,745	7,594,303	7,871,051	7,966,149
	12,642,730	1,949,189	1,627,277	1,754,820	1,769,712	1,739,316
	554,314	998,364	653,614	527,811	451,947	769,953
	2,660,972	1,900,100	1,760,997	775,425	22,758	7,402,029
	-	-	-	-	-	-
	-	1,477,424	-	-	-	757,563
	939,341	2,526,520	2,067,529	1,043,826	1,289,330	1,270,029
	<u>85,483,690</u>	<u>86,608,059</u>	<u>84,892,910</u>	<u>85,451,169</u>	<u>88,428,349</u>	<u>105,440,905</u>
	15,458,074	7,016,259	5,603,091	5,496,951	5,936,759	6,859,064
	31,821,657	31,343,493	32,954,393	34,880,602	40,935,612	41,093,229
	4,435,038	4,585,918	3,864,028	3,826,619	3,764,668	5,338,763
	13,459,368	15,840,604	17,460,093	17,786,604	15,243,083	16,629,116
	5,694,169	5,851,839	7,409,180	7,179,855	7,523,888	8,410,204
	9,341,368	15,837,252	2,988,959	5,826,381	6,405,579	8,152,115
	9,923,832	5,438,382	5,630,626	6,435,687	6,457,790	7,311,461
	329,969	3,046,161	2,946,802	2,917,500	2,665,835	2,606,715
	-	-	-	-	-	6,500
	<u>90,463,475</u>	<u>88,959,908</u>	<u>78,857,172</u>	<u>84,350,199</u>	<u>88,933,214</u>	<u>96,407,167</u>
	(4,979,785)	(2,351,849)	6,035,738	1,100,970	(504,865)	9,033,738
	7,450,000	6,385,000	6,225,000	-	-	-
	9,356,330	1,573,000	2,422,600	4,175,600	4,518,800	3,468,800
	(9,356,330)	(1,573,000)	(2,422,600)	(4,175,600)	(4,518,800)	(3,468,800)
	-	-	-	(411,362)	-	-
	-	-	-	-	-	10,000,000
	<u>7,450,000</u>	<u>6,385,000</u>	<u>6,225,000</u>	<u>(411,362)</u>	<u>-</u>	<u>10,000,000</u>
\$	<u>2,470,215</u>	<u>4,033,151</u>	<u>12,260,738</u>	<u>689,608</u>	<u>(504,865)</u>	<u>19,033,738</u>
	12.47%	11.53%	11.31%	11.75%	10.98%	11.21%

**CITY OF WESTON, FLORIDA**

**TABLE 5  
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Residential</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Other<sup>1</sup></b>	<b>Exemptions</b>	<b>Total Taxable Assessed Value</b>
2010	6,631,906,250	769,372,880	299,028,020	535,850,260	1,329,626,330	6,906,531,080
2011	5,957,509,640	701,624,650	266,723,910	528,046,740	1,309,811,320	6,144,093,620
2012	6,072,523,670	640,260,760	253,136,080	537,256,420	1,299,798,940	6,203,377,990
2013	6,232,539,600	621,642,020	254,413,020	541,165,180	1,288,779,930	6,360,979,890
2014	6,396,736,340	605,269,150	258,913,240	561,875,970	1,266,330,560	6,556,464,140
2015	6,734,658,950	621,904,640	277,767,330	561,136,830	1,275,172,520	6,920,295,230
2016	7,103,673,960	638,841,010	273,698,460	591,829,790	1,307,967,130	7,300,076,090
2017	7,430,833,730	719,663,720	285,644,040	602,071,020	1,319,287,010	7,718,925,500
2018	7,783,619,000	814,029,810	303,529,380	608,991,070	1,334,327,260	8,175,842,000
2019	7,993,690,590	842,274,460	313,106,120	609,240,910	1,353,235,400	8,405,076,680

Source: Broward County Property Appraiser.

Note: Other includes agricultural, institutional, government, miscellaneous and non-agricultural acreage

<u>City Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Total Assessed Value as a % of Actual Taxable Value</u>
1.7670	6,976,317,207	99.00%
2.0000	6,212,789,585	98.89%
2.0000	6,289,202,350	98.64%
2.0000	6,463,574,357	98.41%
2.0000	6,661,485,397	98.42%
2.3900	7,026,703,993	98.49%
2.3900	7,437,993,866	98.15%
2.3900	7,860,167,040	98.20%
2.3900	8,309,228,070	98.39%
3.3464	8,551,106,087	98.29%

**CITY OF WESTON, FLORIDA**

**TABLE 6  
PROPERTY TAX RATES (PER \$1,000)  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS**

Fiscal Year	City Operating Millage	City Debt Service Millage	Total City Millage	Overlapping County District Rates						
				Broward County	Broward School District	South Florida	Florida	Children's Services Council	Hospital District (either or)	
						Water Management District	Florida Inland Navigation District		North Broward Hospital District	South Broward Hospital District
2010	1.7670	-	1.7670	5.3889	7.4310	0.6240	0.0345	0.4243	1.7059	1.2732
2011	2.0000	-	2.0000	5.5530	7.6310	0.6240	0.0345	0.4696	1.8750	1.2732
2012	2.0000	-	2.0000	5.5530	7.4180	0.4363	0.0345	0.4789	1.8750	0.7500
2013	2.0000	-	2.0000	5.5530	7.4560	0.4289	0.0345	0.4902	1.8564	0.6000
2014	2.0000	-	2.0000	5.7230	7.4800	0.4110	0.0345	0.4882	1.7554	0.4000
2015	2.3900	-	2.3900	5.7230	7.4380	0.3842	0.0345	0.4882	1.5939	0.1863
2016	2.3900	-	2.3900	5.7230	7.2740	0.3551	0.0320	0.4882	1.4425	0.1737
2017	2.3900	-	2.3900	5.6690	6.9063	0.3307	0.0320	0.4882	1.3462	0.1615
2018	2.3900	-	2.3900	5.6690	6.5394	0.3100	0.0320	0.4882	1.2483	0.1496
2019	3.3464	-	3.3464	5.6690	6.4029	0.2936	0.0320	0.4882	1.0855	0.1414

Source: Broward County Property Appraiser

Note 1: All rates are per \$1,000 of assessed taxable value.



CITY OF WESTON, FLORIDA

TABLE 7  
 PRINCIPAL PROPERTY TAXPAYERS  
 CURRENT AND TEN YEARS AGO  
 SEPTEMBER 30, 2019

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
Madison-OFC Weston Pointe FL, LLC	\$ 98,733,540	1	1.15%	\$		
Weston Apartments Corp.	59,964,310	2	0.70%	39,473,600	6	0.57%
Teachers Insurance and Annuity	58,029,830	3	0.68%			
Meridian Business Campus	53,507,260	4	0.62%	51,638,580	3	0.75%
Fairlake at Weston, LP	46,548,330	5	0.54%	29,924,730	10	0.43%
TREA Weston, LLC	44,084,600	6	0.51%	46,329,250	5	0.67%
GK Weston Corporate Center	42,769,820	7	0.50%			
Vacation Village at Bonaventure	41,037,630	8	0.48%			
Cocowalk Development Inc.	39,728,640	9	0.46%	81,667,700	1	1.18%
Liberty Property LP	39,428,940	10	0.46%			
Bonaventure Hotel Association, Ltd.	-	-	-	53,853,880	2	0.78%
San Michelle, LLC	-	-	-	47,362,810	4	0.69%
Weston Town Center, LLC	-	-	-	39,366,390	7	0.57%
Estate of Swan Lake Corp.	-	-	-	38,588,970	8	0.56%
Westview Resorts Corp.	-	-	-	36,101,320	9	0.52%
<b>Total</b>	<b>\$ 523,832,900</b>		<b>6.10%</b>	<b>\$ 464,307,230</b>		<b>6.72%</b>

Source: Broward County Property Appraiser

**CITY OF WESTON, FLORIDA**

**TABLE 8  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year	Taxes Levied	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	49,943,620	48,353,004	96.82%	-	48,353,004	96.82%
2011	50,547,590	47,450,130	93.87%	-	47,450,130	93.87%
2012	40,129,000	40,077,789	99.87%	-	40,077,789	99.87%
2013	50,128,740	46,870,951	93.50%	-	46,870,951	93.50%
2014	51,530,436	49,367,106	95.80%	-	49,367,106	95.80%
2015	53,014,999	52,864,584	99.72%	-	52,864,584	99.72%
2016	57,388,512	54,364,816	94.73%	-	54,364,816	94.73%
2017	58,941,657	56,043,593	95.08%	-	56,043,593	95.08%
2018	61,756,974	59,285,311	96.00%	-	59,285,311	96.00%
2019	68,035,917	67,225,544	98.81%	-	67,225,544	98.81%

Source: City of Weston budget documents and CAFRs.

Note: Taxes levied column is exclusive of discounts. Amount column is inclusive of discounts.

**CITY OF WESTON, FLORIDA**

**TABLE 9  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	Community Facilities Construction Notes	Series 1997 ITDD, Series 2003 Isles at Weston, & Series 2005 ITDD <sup>1</sup>	Series 2002 BDD <sup>1</sup>				
2010	\$ 14,870,147	\$ -	\$ -	\$ -	\$ 14,870,147	0.61%	\$ 240
2011	12,628,602	-	-	-	12,628,602	0.48%	194
2012	13,732,690	-	-	-	13,732,690	0.50%	210
2013	11,941,429	-	-	-	11,941,429	0.45%	182
2014	9,467,597	50,670,000.00	6,615,000.00	-	66,752,597	2.50%	1,016
2015	13,804,215	47,945,000.00	5,950,000.00	-	67,699,215	2.55%	1,030
2016	17,913,589	45,115,000.00	5,265,000.00	-	68,293,589	2.54%	1,027
2017	15,132,902	42,155,000.00	4,570,000.00	-	61,857,902	2.33%	929
2018	12,505,112	39,050,000.00	3,845,000.00	-	55,400,112	1.96%	827
2019	19,178,651	35,780,000.00	3,130,000.00	-	58,088,651	2.01%	863

Source: Details regarding the City's outstanding debt can be found in the notes to the financial statements and on Table 14.

Note: The City began to report bond payable information on the financials in 2015

**CITY OF WESTON, FLORIDA**

**TABLE 10  
RATIO OF GENERAL BONDED DEBT OUTSTANDING**

The City currently has no general obligation debt.

**CITY OF WESTON, FLORIDA**

**TABLE 11  
DIRECT AND OVERLAPPING  
GOVERNMENTAL ACTIVITY DEBT  
SEPTEMBER 30, 2019**

Government Unit	Net Debt Outstanding	Percentage Applicable to Weston <sup>(1)</sup>	Amount Applicable to Weston
Broward County	\$ 181,970,000	4.55%	\$ 8,286,220
Broward County School Board	151,991,000	4.21%	<u>6,399,886</u>
Subtotal, overlapping debt			14,686,106
The City of Weston, direct debt			<u>58,088,651</u>
Total direct and overlapping debt <sup>(2)</sup>			<u>\$ 72,774,757</u>

Source: Broward County 2018 CAFR, Broward County School Board 2018 CAFR, and Broward County Property Appraiser

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of Broward County's taxable assessed value that is within the City of Weston's boundaries and dividing it by Broward County's total taxable assessed value.

(2) Includes all governmental activities debt.

**CITY OF WESTON, FLORIDA**

**TABLE 12  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

The City Charter does not set a debt margin.

**CITY OF WESTON, FLORIDA**

**TABLE 13  
PLEGGED-REVENUE COVERAGE  
LAST TEN FISCAL YEARS**

Fiscal Year	Water and Sewer Revenue Bonds					
	Utility Service Charges	Less: Operating Expenditures	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2010	23,990,085	27,030,052	(3,039,967)	-	-	-
2011	24,754,897	27,774,974	(3,020,077)	-	-	-
2012	25,125,363	28,239,315	(3,113,952)	-	-	-
2013	27,499,521	30,235,566	(2,736,045)	-	-	-
2014	28,832,261	31,999,842	(3,167,581)	-	-	-
2015	30,622,285	33,092,855	(2,470,570)	-	-	-
2016	31,460,835	34,001,728	(2,540,893)	-	-	-
2017	33,299,747	36,303,192	(3,003,445)	-	-	-
2018	33,753,182	36,781,178	(3,027,996)	-	-	-
2019	34,937,953	38,968,621	(4,030,668)	-	-	-

Fiscal Year	Community Facilities Construction Notes								Debt Service		
	Franchise Fees - Electricity	Simplified Communication Tax	Fire Assessments	6¢ Local Option Gas Taxes	Business Tax Revenue	Utility Tax Fee - Electric	Street Maintenance - Intergovernmental	Principal	Interest	Coverage	
	2010	\$ -	\$ 1,350,903	\$ 10,217,512	\$ -	\$ -	\$ -				\$ -
2011	-	1,350,900	10,697,026	-	-	-	-	931,130	419,585	8.92	
2012	-	1,350,900	10,407,320	-	-	-	-	965,463	385,252	8.71	
2013	-	1,351,000	10,623,940	647,930	-	-	-	997,696	353,018	9.35	
2014	4,006,946	-	11,476,161	658,377	992,395	-	-	9,107,186	248,168	1.83	
2015	4,006,341	-	11,859,925	681,984	1,008,525	-	-	2,048,382	232,004	7.70	
2016	3,838,753	2,668,130	12,459,463	647,589	1,111,450	5,040,267	-	2,115,626	267,210	10.81	
2017	3,888,555	2,559,040	13,154,487	709,077	1,089,712	5,131,272	-	2,780,687	377,580	8.40	
2018	3,845,196	2,535,774	13,254,961	710,781	1,268,736	5,273,918	-	2,627,790	310,803	9.15	
2019	3,927,150	2,292,031	13,569,309	713,208	1,279,749	5,406,700	1,635,797	3,326,461	444,999	7.64	

Fiscal Year	Bond Payable								
	Series 2002 BDD Debt Service				Series 1997, Series 2003 Isles at Weston, Series 2005 ITDD Debt Service				
	Special Assessments	Principal	Interest	Coverage	Special Assessments	Principal	Interest	Coverage	
2014	\$ 1,158,357	\$ 580,000	\$ 342,364	1.26	\$ 5,352,629	\$ 2,610,000	\$ 2,596,250	1.03	
2015	996,772	665,000	314,381	1.02	5,277,505	2,725,000	2,499,775	1.01	
2016	983,707	685,000	283,191	1.02	5,273,774	2,830,000	2,396,401	1.01	
2017	974,957	695,000	251,120	1.03	5,287,052	2,960,000	2,288,800	1.01	
2018	923,343	725,000	215,469	0.98	5,308,953	3,105,000	2,139,563	1.01	
2019	920,981	715,000	178,991	1.03	5,289,244	3,270,000	1,982,725	1.01	

Note: The City began to report bond payable information on the financials in 2015

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**CITY OF WESTON, FLORIDA**

**TABLE 14  
STATISTICS  
DEMOGRAPHICS AND ECONOMICS  
SEPTEMBER 30, 2019**

Calendar Year	Estimated Population	Estimated Personal Income (Thousands of Dollars)	Per Capita Personal Income	Median Household Income	Median Age	High School or Higher	Bachelor's Degree or Higher	Median Home Value	Unemployment Rate
2010	61,840	\$ 2,448,369	\$ 39,592	\$ 95,454	35.9	95.8	58.2	\$ 494,100	7.9%
2011	65,237	2,637,662	40,432	93,553	35.3	95.9	58.5	451,600	6.9%
2012	65,448	2,744,955	41,941	94,084	37.5	96.1	58.1	421,300	5.9%
2013	65,677	2,671,412	40,675	93,886	38.0	96.3	57.8	390,700	4.9%
2014	65,672	2,669,829	40,654	93,074	37.9	96.6	58.5	375,100	4.2%
2015	65,734	2,659,072	40,452	91,613	38.8	97.0	57.9	382,900	4.0%
2016	66,526	2,686,919	40,389	93,814	38.8	97.2	59.1	399,000	3.8%
2017	66,603	2,653,730	39,844	93,883	39.3	96.7	58.7	414,000	2.9%
2018	66,972	2,821,396	42,128	96,173	40.2	96.7	60.0	442,600	2.7%
2019	67,314	2,891,271	42,952	100,110	40.2	96.8	61.7	469,000	2.5%

**Source:**

City population data from University of Florida, Bureau of Economic and Business Research; Per Capita Income data from the U.S. Department of Commerce, Bureau of Economic Analysis for Broward County; Unemployment data from U.S. Department of Labor, Bureau of Labor Statistics

**CITY OF WESTON, FLORIDA**

**TABLE 15  
PRINCIPAL EMPLOYERS  
CURRENT AND TEN YEARS AGO  
SEPTEMBER 30, 2019**

The information was not available from the City's Chamber of Commerce and the City does not have a Department of Economic Development. Information on the largest employers is available in the City's Annual Performance Report.

**CITY OF WESTON, FLORIDA**

**TABLE 16  
FULL TIME EQUIVALENT GOVERNMENT POSITIONS BY FUNCTION  
LAST TEN FISCAL YEARS**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
City Commission	5	5	5	5	5	5	5	5	5	5
City Management	9	9	9	9	9	9	10	10	10	10
Contracted employees:										
General government:										
Administrative services	5.5	5.5	6	10	10	10	11	11	11	13
Finance services	3	3	3	4	4	4	4	4	4	4
Community services*	29	29	25.5	23	23	23	27	27	30	27
Information technology services	5	5	7	7	7	7	7	7	7	7
Fire rescue and inspection	65	65	66	67	67	67	67	67	67	67
Emergency medical services	54	54	54	54	54	54	54	54	54	54
Police protection	103	103	101	101	101	101	101	103	112	114
Total	278.5	278.5	276.5	280	280	280	286	288	300	301

Source: City of Weston Finance Department and Communications Department.

\*Community services includes public works and parks and recreation.

**CITY OF WESTON, FLORIDA**

**TABLE 17  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General government:					
Building permits issued	2,697	2,631	2,451	2,662	2,378
Building inspections conducted	7,571	11,249	10,576	11,810	11,943
Business tax receipts	3,368	4,547	3,826	3,249	3,153
Fire:					
Emergency responses	4,278	4,276	4,149	4,000	4,300
Inspections	3,070	3,525	3,784	3,115	3,182
Police:					
Physical arrests <sup>1</sup>	560	492	562	411	479
Parking violations	717	560	436	410	331
Traffic violations <sup>1</sup>	6,888	4,383	7,204	8,778	6,963
Refuse collection:					
Refuse collected (tons per year)	23,519	27,998	31,870	32,147	36,451
Recyclables collected (tons per year)	3,605	3,582	3,795	3,324	4,335
Parks and recreation:					
Athletic programs	11	12	11	11	12
Sports alliance registrants	6,600	6,596	6,165	6,463	6,428
Community center admissions (program participants)	1,056	1,021	1,163	1,452	1,063
Water:					
New connections	4	3	1	-	8
Water main breaks	-	1	-	-	-
Average daily consumption (thousands of gallons)	7,671	7,908	7,311	7,499	7,436
Peak monthly consumption (thousands of gallons) <sup>2</sup>	261,627	271,531	272,832	273,177	248,579
Wastewater:					
Average daily sewage treatment (thousands of gallons) <sup>3</sup>	6,398	6,490	6,145	6,310	6,277

Source: City of Weston Public Works, Recreational Department, Information Technologies Department, and the City of Sunrise

Note:

- 1 The format of collecting data has changed from 2008 to 2009.
- 2 Based on billed consumption generated through the City's utility billing system.
- 3 Based on metered water service along with the residential consumption caps that are in place.

2015	2016	2017	2018	2019
2,506	2,509	3,138	5,076	4,929
13,495	12,139	12,897	14,957	16,309
3,264	3,124	3,262	3,209	3,210
4,343	3,882	4,292	4,247	4,081
2,247	2,246	3,011	2,122	6,832
410	380	501	604	618
432	487	493	475	155
6,148	7,994	10,570	13,071	14,006
35,427	19,976	20,449	20,143	19,644
4,641	4,470	4,545	4,560	4,155
11	14	15	17	22
6,869	7,961	8,817	8,224	8,100
1,152	1,032	892	785	726
6	3	5	3	8
-	-	-	2	2
7,091	7,412	7,579	7,151	7,593
271,705	257,112	284,167	252,274	281,731
6,476	6,220	6,308	6,044	6,290

**CITY OF WESTON, FLORIDA**

**TABLE 18  
CAPITAL ASSETS BY FUNCTION  
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Fire:</b>					
Stations	3	3	3	3	3
Rescue units	4	4	4	4	4
Rescue/Suppression units	4	4	4	4	4
Fire rescue personnel (full time equivalent)	119	119	120	121	121
<b>Police:</b>					
Stations	1	1	1	1	1
Patrol units	64	85	74	74	74
Sworn personnel	*	73	74	74	78
<b>Refuse collection:</b>					
Collection trucks	7	7	7	7	7
<b>Other public works:</b>					
Streets (miles) <sup>1</sup>	49	49	49	49	53
Bike lanes (miles) <sup>1</sup>	45	45	45	45	45
Highways (miles) <sup>1</sup>	34	34	34	34	34
Streetlights <sup>2,3,5</sup>	1,283	1,283	1,344	1,406	1,390
Traffic signals	156	156	156	156	156
<b>Parks and recreation:</b>					
Acreage	245	245	245	245	245
Playgrounds	11	11	11	11	11
Basball/softball diamonds	21	21	21	21	21
Soccer/football fields	18	18	18	18	18
Basketball courts	9	9	9	9	9
Roller Hockey rinks	8	8	8	8	8
Turf Soccer rinks	-	-	-	-	-
Tennis courts	18	18	18	18	18
Skate parks	1	1	1	1	1
Amphitheater	1	1	1	1	1
Outdoor concert stage	1	1	1	1	1
Community centers	1	1	1	1	1
<b>Water:</b>					
Water mains (miles) <sup>1,4</sup>	210	210	210	212	212
Fire hydrants <sup>1,4</sup>	1,936	1,936	1,789	1,789	1,789
Storage capacity (mgd)	23.8	23.8	23.8	23.8	23.8
Lakes and canals (acres) <sup>1</sup>	2,140	2,140	2,140	2,140	2,140
<b>Wastewater:</b>					
Sanitary sewers (miles) <sup>1</sup>	182	182	182	182	196
Storm sewers (miles)	30	30	30	30	30
Treatment capacity (million gallons per day)	30.45	30.45	30.45	30.45	30.45

Source: City of Weston Public Works, Recreational Department, Information Technologies Department, and the City of Sunrise

**Note:**

\* Data not available.

- 1 GIS updated to reflect current numbers in 2010.
- 2 GIS updated to reflect current numbers in 2009.
- 3 The City added 31 street lights along Manatee Isles Drive in 2010.
- 4 Fire hydrants and water mains only account for ITDD infrastructure
- 5 Owned and maintained by City of Weston

2015	2016	2017	2018	2019
3	3	3	3	3
4	4	4	4	4
4	4	4	4	4
121	121	121	121	121
1	1	1	1	1
74	76	76	85	85
78	80	81	93	93
7	10	10	15	10
53	51	51	51	51
45	46	46	46	46
34	32	32	32	32
1,390	1,379	1,384	1,389	1,395
156	156	156	156	169
245	245	245	245	245
11	11	11	11	12
21	21	21	20	21
18	18	18	19	18
9	9	9	9	10
4	4	4	4	4
4	4	4	4	4
18	18	18	18	18
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
212	214	214	214	214
1,789	1,791	1,791	1,791	1,722
23.8	23.8	23.8	23.8	23.8
2,140	2,152	2,152	2,177	2,181
196	198	198	198	198
30	31	31	31	31
30.99	30.99	30.99	30.99	30.99

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**CITY OF WESTON, FLORIDA**

**COMPLIANCE SECTION**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor, Members of the  
City Commission and City Manager  
City of Weston, 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 Weston, Florida (the "City") as of and for the fiscal year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 27, 2020.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 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*.

We noted certain matters that we reported to management of the City in a separate letter dated April 27, 2020.

The City's responses to the findings identified in our audit are described in the accompanying Management Letter. We did not audit the City's responses and, accordingly, we express no opinion on them.

### **Purpose of this Report**

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

B. Kim & Associates

April 27, 2020



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE  
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY  
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Honorable Mayor, Members of the  
City Commission and City Manager  
City of Weston, Florida

We have examined the City of Weston, Florida's ("City") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2019. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2019.

This report 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, management, and the Honorable Mayor and Members of the City Commission of the City of Weston, Florida and is not intended to be and should not be used by anyone other than these specified parties.

*Grau & Associates*

April 27, 2020



**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550 OF THE  
RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Honorable Mayor, Members of the  
City Commission and City Manager  
City of Weston, Florida

**Report on the Financial Statements**

We have audited the accompanying basic financial statements of the City of Weston, Florida (the "City") as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated April 27, 2020.

**Auditor's Responsibility**

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

**Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an audit of the financial statements performed in accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated April 27, 2020, should be considered in conjunction with this management letter.

**Purpose of this Letter**

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the City, as described in the first paragraph, we report the following:

- I. **Current year findings and recommendations.**
- II. **Prior year findings and recommendations.**
- III. **Compliance with the Provisions of the Auditor General of the State of Florida.**

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, as applicable, management, and the members of the City Commission of the City of Weston, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank City of Weston, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements and the courtesies extended to us.

*B* *Law & Associates*

April 27, 2020

## REPORT TO MANAGEMENT

### I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

#### **2019- 01 Permit, Development Fees and Related Revenues and Deposits Procedures**

Observation: During the performance of audit procedures, we noted certain areas relating to permits, development fees, and related deposits that needs improvement. The following conditions were identified:

- Reconciliation procedures and documentary evidence for various deposits collected for permits and other cost recovery items needs to be improved. The site plan deposit schedule was not reconciled to recorded amounts. In addition, the bond deposits schedule provided include significant aged deposits for which adequate documentation relating to the customer and status of amounts could not be readily ascertained. The City is in the process of reconciling balances, closing out certain projects, and refunding remaining deposits to customer where applicable.
- For one of the permits selected, fees charged were missing a fee component. In addition, for two permits tested it was not clear based on the rate schedule whether a fee component related to site plan review was missed.

Reference Number for Prior Year Finding: 2018-01, 2017-02

Recommendation: The City should implement additional procedures to improve reconciliation of various revenues and deposit amounts. Furthermore, amounts held on deposits should be reviewed regularly and adequate documentation maintained to ensure that amounts that may be refundable to customers are returned in a timely manner. In addition, the system should be corrected to add the missing fee component and the rate schedule should be modified to clear the ambiguity regarding site plan review fees.

Management Response: The City continues to improve its regular cost recovery and bond deposit reconciliation process to ensure that current deposits are adequately documented and reconciled. In Fiscal Year 2018 as a result of Management Comment 2017-01, the City began an aged deposit research project. Over the past 18 months, the City has diligently researched deposits older than ten years. During the 12 months, over 50 deposit accounts older than ten years were researched and closed. However, the last 25 deposit accounts have been considerably more challenging than the first 50 accounts. As of the end of Fiscal Year 2019, the City has 17 deposit accounts remaining which are older than 10 years. The City staff is committed to continuing its efforts to research the final 17 aged deposits during Fiscal Year 2020.

The permit selected for testing was missing a fee due to an incorrect fee setup in the City's permitting software application. The fee setup has been corrected to apply the correct fees to the relevant permit type. The City will not seek to recover additional permit fees from the incorrect permit applicants. In addition, it was unclear to the auditor as to when an additional site plan review fee should be charged to a permit. While the fees applied to the permit were correct, the City will add language to it's schedule of fees to more clearly state when the additional fee is required.

## REPORT TO MANAGEMENT (Continued)

### II. PRIOR YEAR FINDINGS AND CURRENT YEAR STATUS AND RECOMMENDATIONS

#### 2018-01, 2017- 02 Permit, Development Fees and Related Revenues and Deposits Procedures

Current Status: See finding 2019-01 above.

#### 2018- 02 Capital Outlay and Capital Assets Reconciliation Procedures

Current Status: Recommendation has been implemented.

### III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2018, except as noted above.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2019, except as noted above.

3. 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.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2019.

4. The name or official title and legal authority of the City are disclosed in the notes to the financial statements.
5. The City has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2019. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.







## THE CITY OF WESTON

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Weston, FL 33326  
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