

Comprehensive Annual Financial Report



America's Gateway to the Gulfstream

CITY OF BOYNTON BEACH, FLORIDA
FOR FISCAL YEAR ENDED
SEPTEMBER 30, 2020



CITY OF BOYNTON BEACH, FLORIDA COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2020**

Vision Statement

**Our vision is to be a WELCOMING and PROGRESSIVE
COASTAL COMMUNITY
that CELEBRATES CULTURE, INNOVATION
and BUSINESS DEVELOPMENT.**

Mission Statement

**The City of Boynton Beach is a VIBRANT and SUSTAINABLE COMMUNITY
that PROVIDES EXCEPTIONAL SERVICES.**

Core Beliefs

**We, the management team of the Boynton Beach
City Government, commit to:
PERSONAL INTEGRITY AND HONESTY,
PRODUCTIVITY,
TEAMWORK,
RESPECT,
and SERVING OTHERS.**

The Commission Initiatives

**Redevelop Downtown
Building Wealth in the Community
Boynton Beach Branding
Transportation and Mobility**

Prepared by Department of Financial Services

**Mara Frederiksen
Director of Financial Services**



THE CITY OF BOYNTON BEACH

Table of Contents

I – INTRODUCTORY SECTION

Transmittal Letter	I-1
Elected and Appointed Officials.....	I-11
Organizational Chart	I-12
Map of the City of Boynton Beach	I-13
Certificate of Achievement for Excellence in Financial Reporting	I-14

II – FINANCIAL SECTION

Independent Auditor’s Report	II-1
Management’s Discussion and Analysis	II-4

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements

Statement of Net Position	II-14
Statement of Activities	II-15

Fund Financial Statements

Governmental Funds:

Balance Sheet.....	II-17
Reconciliation of the Fund Balance of Governmental Funds to the Statement of Net Position of Governmental Activities	II-18
Statement of Revenues, Expenditures, and Changes in Fund Balance	II-19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities of Governmental Activities	II-20
General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	II-21
Boynton Beach CRA Special Revenue Fund Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	II-23

Proprietary Funds:

Statement of Net Position.....	II-24
Statement of Revenues, Expenses, and Changes in Net Position	II-26
Reconciliation of the Total Enterprise Funds to the Government-wide Statements of Business-Type Activities.....	II-27
Statement of Cash Flows.....	II-28

Fiduciary Funds (Pension Trust Funds):

Statement of Fiduciary Net Position	II-30
Statement of Changes in Fiduciary Net Position	II-31

Notes to the Financial Statements	II-32
--	--------------

Required Supplementary Information

Pension Information:

Schedules of Changes in the Net Pension Liability and Related Ratios.....	II-80
Schedules of City Contributions	II-86
Notes to Schedules of City Contributions	II-88
Schedules of Investment Returns.....	II-89

Other Postemployment Benefits Information:

Schedule of Changes in the Total OPEB Liability and Related Ratios	II-90
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THE CITY OF BOYNTON BEACH

Table of Contents (Continued)

II – FINANCIAL SECTION (Continued)

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

Major Governmental Funds

Descriptions	II-91
Balance Sheets	II-92
Statements of Revenues, Expenditures, and Changes in Fund Balance	II-93
<u>General Fund</u>	
Balance Sheet	II-94
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-95
<u>Boynton Beach CRA Special Revenue Fund</u>	
Balance Sheet	II-96
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-97

Major Enterprise Funds

Descriptions	II-98
Statements of Net Position.....	II-99
Statements of Revenues, Expenses, and Changes in Net Position	II-100
Statements of Cash Flows.....	II-101
<u>Water & Sewer Fund</u>	
Statement of Net Position	II-102
Statement of Revenues, Expenses, and Changes in Net Position.....	II-103
Statement of Cash Flows	II-104
<u>Sanitation Fund</u>	
Statement of Net Position	II-105
Statement of Revenues, Expenses, and Changes in Net Position.....	II-106
Statement of Cash Flows	II-107

Non-Major Governmental Funds

Descriptions	II-108
Combining Balance Sheet	II-109
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	II-113
<u>Grants Fund</u>	
Balance Sheet	II-117
Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit).....	II-118
<u>FEMA Hurricane Fund</u>	
Balance Sheet	II-119
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-120
<u>SHIP Grant Fund</u>	
Balance Sheet	II-121
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-122
<u>CDBG Grant Fund</u>	
Balance Sheet	II-123
Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit).....	II-124
<u>Traffic Safety Fund</u>	
Balance Sheet	II-125
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-126
<u>Local Option Gas Tax Fund</u>	
Balance Sheet	II-127
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-128
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	II-129



THE CITY OF BOYNTON BEACH

Table of Contents (Continued)

II – FINANCIAL SECTION (Continued)

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS (Continued)

Non-Major Governmental Funds (Continued)

Community Improvements Fund

Balance Sheet	II-130
Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit)	II-131
Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) – Budget and Actual	II-132

Green Building Fund

Balance Sheet	II-133
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-134

Public Art Fund

Balance Sheet	II-135
Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit)	II-136
Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) – Budget and Actual	II-137

Recreation Program Fund

Balance Sheet	II-138
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-139
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	II-140

Boynton Beach Memorial Park Fund

Balance Sheet	II-141
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-142
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	II-143

Community Services Fund

Balance Sheet	II-144
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-145

Public Service Tax Debt Service Fund

Balance Sheet	II-146
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-147
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	II-148

Boynton Beach CRA Debt Service Fund

Balance Sheet	II-149
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-150

General Capital Improvements Fund

Balance Sheet	II-151
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-152
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	II-153

Parks & Recreational Facilities Fund

Balance Sheet	II-154
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-155

Boynton Beach CRA Bond Projects Fund

Balance Sheet	II-156
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-157

Local Government Surtax Improvement Fund

Balance Sheet	II-158
Statement of Revenues, Expenditures, and Changes in Fund Balance.....	II-159



THE CITY OF BOYNTON BEACH

Table of Contents (Continued)

II – FINANCIAL SECTION (Continued)

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS (Continued)

Non-Major Enterprise Fund

Description.....	II-160
<u>Golf Course Fund</u>	
Statement of Net Position	II-161
Statement of Revenues, Expenses, and Changes in Net Position.....	II-162
Statement of Cash Flows	II-163

Internal Service Funds

Descriptions	II-164
Combining Statement of Net Position	II-165
Combining Statement of Revenues, Expenses, and Changes in Net Position	II-166
Combining Statement of Cash Flows	II-167
<u>Vehicle Service Fund</u>	
Statement of Net Position	II-168
Statement of Revenues, Expenses, and Changes in Net Position.....	II-169
Statement of Cash Flows	II-170
<u>Warehouse Fund</u>	
Statement of Net Position	II-171
Statement of Revenues, Expenses, and Changes in Net Position.....	II-172
Statement of Cash Flows	II-173
<u>Self Insurance Fund</u>	
Statement of Net Position	II-174
Statement of Revenues, Expenses, and Changes in Net Position.....	II-175
Statement of Cash Flows	II-176

Pension Trust Funds

Descriptions	II-177
Combining Statement of Fiduciary Net Position.....	II-178
Combining Statement of Changes in Fiduciary Net Position	II-179
<u>General Employees' Pension Fund</u>	
Statement of Fiduciary Net Position.....	II-180
Statement of Changes in Fiduciary Net Position	II-181
<u>Police Officers' Pension Fund</u>	
Statement of Fiduciary Net Position.....	II-182
Statement of Changes in Fiduciary Net Position	II-183
<u>Firefighters' Pension Fund</u>	
Statement of Fiduciary Net Position.....	II-184
Statement of Changes in Fiduciary Net Position	II-185

III – STATISTICAL SECTION

Table of Contents and Descriptions.....	III-1
---	-------

Financial Trends

Government-wide Net Position by Component.....	III-2
Government-wide Changes in Net Position	III-4
Governmental Activities Tax Revenues by Source	III-8
Fund Balance of Governmental Funds	III-9
Changes in Fund Balance of Governmental Funds.....	III-11



THE CITY OF BOYNTON BEACH

Table of Contents (Continued)

III – STATISTICAL SECTION (Continued)

Revenue Capacity

Assessed Value and Estimated Actual Value of Taxable Property	III-13
Property Tax Rates – Direct and Overlapping Governments.....	III-15
Ten Principal Property Taxpayers.....	III-16
Property Tax Levies and Collections.....	III-17

Debt Capacity

Ratios of Outstanding Debt by Type.....	III-18
Ratios of General Bonded Debt Outstanding	III-19
Direct and Overlapping Governmental Activities Debt	III-20
Legal Debt Margin Information	III-21
Pledged Revenue Coverage – Water & Sewer Bonds.....	III-22
Pledged Revenue Coverage – Public Service Tax Bonds.....	III-23

Demographics and Economic Information

Demographic and Economic Statistics	III-24
Principal Employers	III-25

Operating Information

Full-Time Equivalent City Government Employees by Function	III-26
Operating Indicators by Function/Program	III-27
Capital Asset Statistics by Function/Program.....	III-29

IV – 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 <i>Government Auditing Standards</i>	IV-1
Schedule of Expenditures of Federal Awards	IV-3
Notes to Schedule of Expenditures of Federal Awards.....	IV-4
Independent Auditor’s Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance.....	IV-5
Schedule of Findings and Questioned Costs – Federal Award Programs.....	IV-7
Summary Schedule of Prior Audit Findings.....	IV-9
Management Letter Required by the Rules of the Auditor General for the State of Florida.....	IV-11
Independent Accountant’s Report on Investment Compliance Required by the Rules of the Auditor General for the State of Florida	IV-14





INTRODUCTORY SECTION





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March 26, 2021

To the Honorable Mayor,
Members of the City Commission,
Citizens of Boynton Beach, Florida

The Financial Services Department is pleased to submit the Comprehensive Annual Financial Report of the City of Boynton Beach, Florida for the Fiscal Year ended September 30, 2020. The report fulfills the requirements set forth in Chapter 166.241 of the Florida Statutes and the Rules of the Auditor General, Chapter 10.550. In addition to meeting the legal requirements, the report continues to present the City's tradition of full financial disclosure as demonstrated by the informative financial analysis provided and the exhibits and statistical tables included herein.

Management assumes full responsibility for both the completeness and the reliability of the information contained in this report, based on a framework of internal controls established for this purpose. Because the cost of internal control should not exceed the anticipated benefit, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the data is accurate in all material respects.

The City's independent auditor, Caler, Donten, Levine, Cohen, Porter & Veil, P.A., Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Boynton Beach's financial statements for the year ended September 30, 2020. The auditor's report is located at the front of the Financial Section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative, overview and analyses of the basic financial statements. MD&A complements this transmittal letter and we suggest reading it to obtain an introduction to the financial statements.

The role of this Comprehensive Annual Financial Report is to assist the City in making service, financial and budgetary decisions to assist in assessing accountability to the City Commission, citizens, bondholders and management by:

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



PROFILE OF THE CITY OF BOYNTON BEACH



Boynton Beach, Florida's Gateway to the Gulfstream, is a coastal city located in southern Palm Beach County. Major Nathan S. Boynton, a native of Port Huron, Michigan founded the City. In 1895, Major Boynton enlisted several workers from his native Michigan to move their families to Boynton Beach. With other settlers, the early years of our City were spent building a town, raising vegetables to supply their needs as well as the guests of the new Boynton Beach Hotel. Due to its location and year-round tropical climate, Boynton Beach today possesses many natural assets that set the stage for numerous leisure, recreation and active lifestyle pursuits. The City of Boynton Beach invests a great deal of resources to ensure that residents and visitors have access to its 253 acres of municipal parks, beach and natural conservation lands.

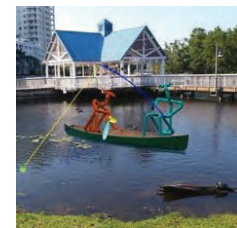
The City, incorporated in 1920, derives its governmental authority from a charter granted by the Legislature of the State of Florida. The City operates under a Commission/Manager form of government. Four Commissioners are elected by district for a three-year term. A Mayor is elected at large on a non-partisan basis for a three-year term. The City Commission appoints the City Manager who is the Chief Administrative Officer of the City and directs the business of the City and its various departments. The City Commission determines policy, adopts legislation, approves the City's budget, sets taxes and fees and appoints the City Attorney and members of the various boards.



The City operates 8 recreation centers, 29 parks, a swimming pool, a municipal beach, and many youth, teen, adult and senior programs. Various facilities offer over 200 recreational programs, classes and events for all ages – from toddlers to seniors. Supplementing its recreational indoor facilities are tennis and basketball courts, playgrounds, fitness centers and a pool. Additionally, one of the four Boynton Beach ocean inlet parks provides public boat ramps, paddle boating and kayak rentals. In addition, the City operates a municipal golf course, which features both an 18-hole Championship Course and 9-hole Family Course (pictured to the left). It also operates a state-of-the-art library.

Boynton Beach has one of two working full-service marinas in Palm Beach County. Owned and operated by the Community Redevelopment Agency (CRA), the Boynton Harbor Marina offers fishing and scuba diving charters, Jet Ski and boat rentals and an eclectic collection of waterfront restaurants.

Art and culture are embraced by the City, which houses more than 48 works of art in public places. Boynton Beach produces the world-famous International Kinetic Art Exhibit and Symposium (art sample pictured to the right) on a biennial basis and supports the Boynton Beach Art District's (BBAD) many events, including monthly art walks. In addition, the City is home to popular annual and ongoing events, including Pirate Fest, Movies in the Park, Music on the Rocks, St. Patrick's Day Celebration, Earth Day, Holiday Parade, Boat Parade and 4th of July Fireworks over the Intracoastal Waterway.



There are four public elementary schools in Boynton Beach, including a gifted center; a S.T.E.M. curriculum-based school that has been awarded Best Elementary School in the nation for the past two years; and an International Baccalaureate (IB) school. Its middle school is a Math, Science and Technology Magnet with an aerospace science, dance, theatre, vocal, culinary arts, early childhood and I.T.S. academies, as well as an aviation maintenance technician school. Supplementing the public schools are five private schools, five charter schools and several pre-schools. There are 12 post-secondary institutions within 67 miles of Boynton Beach, including Florida Atlantic University, Florida



International University, Palm Beach Atlantic University, Palm Beach State College and the University of Miami.

The City of Boynton Beach is undergoing a renaissance and regeneration. Development is on the rise. Places like 500 Ocean and Town Square make potential residents and businesses take notice and look to Boynton Beach as their next investment. While these are excellent indicators of growth, the City recognizes that it remains in a competitive market to retain and attract not only residents, business investors, and visitors, but also the talented human capital needed to implement our City's mission.

The City of Boynton Beach is a place where everyone belongs! We continue to elevate the importance of place and placemaking by strengthening our community connections and searching for opportunities for collaboration. Further, we continue to foster a high quality of life through sustainable and environmentally responsible development.

This presentation of the City's goals, budget, performance measures, and accomplishments achieves our goal of increasing transparency and making information accessible to our residents, businesses, and other community stakeholders. It also drives economic development initiatives and facilitates planning, collaboration, and coordination among the various City departments and partners. In the Adopted Budget, available resources are invested and aligned to ensure the City's long-term viability and resilience, while advancing the City's goals and objectives.

Our organization has identified three aspirational goals – who we want to be as a City:

- **Vibrant and Resilient Living:** Provide, sustain, and enhance a smart and resourceful high quality of life while keeping citizens safe and intelligently responding to adverse conditions.
- **Connected and Engaged Community:** Encourage and share thriving community relationships among and between residents, businesses, and visitors.
- **Robust Local Economy:** Attract and retain a mix of new and existing businesses and jobs while fostering economic growth and development.

The top 6 Priorities for the City are:

- **Culturally Distinct Downtown:** Create a city center as a cultural district for business and entertainment to serve as the foundation that connects businesses, residents, and visitors.
- **Building Wealth in the Community:** Foster long-term economic security for all demographics by strengthening locally rooted and held businesses.
- **Transportation and Mobility:** Improve mobility for modes of transportation for all residents, commerce, workforce, and visitors.
- **High Performing Organization:** Maintain effective and efficient service delivery and continued excellence through organizational governance and internal support and external services.
- **Public Health and Safety:** Keep citizens safe while maintaining a high quality of life.



- **Environmental Sustainability:** Beautify and maintain green space and natural areas; enhance industrial, commercial and residential land.

Strategic Projects for Fiscal Year 2019-20

- **Social and Racial Equity Initiative** – Cultivate consciousness and develop a framework to address racial and social equity in the delivery of City services for the benefit of all communities within the City.
- **Neighborhood Services Resource Directory** – Strengthen resource access to the City’s underserved populations by maintaining a database of links that connect residents with resources, supporting relationships, and partnerships.
- **Economic Development Plan** – Build an equitable economy that will grow family-wage careers, advance opportunities for prosperity, collaborate with partners for an equitable city, and create vibrant neighborhoods and communities.
- **Performance Management Initiative** – Create responsive, accountable, and cost-effective government programs and services that lead to Performance Excellence.

The City of Boynton Beach’s short and long-term successes and competitive environment are key strategic issues addressed in the Adopted Budget. Each City department is aligned to one or more of the six priorities with goals and specific objectives to be achieved. Department Directors are accountable for meeting these stated goals and objectives while still operating within their approved Operating and Capital Budgets.

Highlights of FY 2019-20

Employee Based Priorities

For Fiscal Year 2019-20, the Commission approved funding for employee raises of 4%. Over the past four fiscal years, the City Commission and the City Manager have consistently offered adjustments to salary pay ranges or hourly salary increases to its employees. These salary adjustments range from 2% to 5% and are consistent with annual inflation rates.

The City continues to fund its employees’ Health Savings Accounts (HSA), except those affiliated with the Police Benevolent Association. The City will contribute \$750 to the HSA of each full-time employee, at an annual average cost of \$793,500. Additionally, the City provided employees with an “Insurance Stipend” to offset family premium rates. These health savings benefits coincide with the Boynton Beach Employee Wellness Program that the City is aggressively promoting to mitigate insurance costs.

The City of Boynton Beach has established a tuition reimbursement program for employees who are full time, non-probationary, unrepresented (General) employees and full-time, non-probationary employees covered under the SEIU Blue Collar or White-Collar Collective Bargaining Agreement. For FY 2019-20, the City established a budget of \$25,000 along with partnering with Palm Beach State College for an on-site Organizational Leadership Bachelor’s Program.



Short Term City Based Priorities

The Enterprise Resource Planning (ERP) system integrates finance, HR, services, procurement, and other processes into a single system providing intelligence, is under review for an upgrade or replacement. The Development and Planning division within the City will deploy a new electronic personnel tracking software (approximate cost of \$700,000) to provide a better customer experience and improve internal processes.

The City continues to enhance its tools for business attraction, expansion, and retention. This year, we are developing an outreach brochure for businesses to know who to contact in the City for services and a workshop on How to Do Business with the City. These businesses will have access to infrastructure information and communication technologies, and access to business services, finance, mentoring, and coaching. In turn, they will enable job and small enterprise creation, as well as the commercialization of innovation. The City has budgeted \$50,000 annually to provide funding for Boynton Beach technological, entrepreneurial, and small business incubators/accelerators to undertake startup activities.

The City provided \$50,000 in grants to Entrepreneurs and Business Incubators to focus on the empowerment of women, youth technology and enterprise development. The Incubators will grow into a downtown district and possibly begin using the business incubator space available in City Hall.

We will continue our Neighborhood Sustainability program that provides for a comprehensive interdepartmental response to community blight and continue to make the City's beautification a priority while considering the diversity of its residents. Enhancements will be incorporated into a Community Standards Code rewrite.

The City recognizes the role parks serve in creating sustainable communities. To provide sustainability, the City is considering innovative ways to fund tomorrow's potential. This consideration includes strategies such as collaboration between parks departments and other public agencies, civic investment from individuals and private foundations through public-private partnerships, concessions, marketing sponsorships, and entrepreneurial activities.

The City is updating its sign ordinance to include new and innovative sign standards that reflect evolving technologies and approaches as well as a general update of sign regulations. During the planning process, the City will work with stakeholders to better understand how residents and business owners think the current sign ordinance is working and areas for improvement.

Traffic calming has helped to increase the quality of life in urban, suburban, and rural areas by reducing automobile speeds and traffic volumes on neighborhood streets. The implementation of traffic calming on residential streets is illustrative of the tools that traffic engineers and planners can use to meet broader societal needs to facilitate the safe and efficient movement of all street users. The City is developing traffic calming strategies as an integral part of complete streets and other bicyclist/pedestrian-related projects that focus on increased transportation options and improved mobility for our communities. The City has consistently established an annual street maintenance capital improvement budget ranging from \$750,000 to \$3,500,000.

The City is ensuring an inclusive and cultural identity and has implemented a Citywide Comprehensive Branding through our Marketing/Communication department.



Long Term Priorities/Financial Plans

Culturally Distinct Downtown is one (1) of six (6) Strategic Plan Priorities that our City Commission has identified. The focal point of this priority is our new Town Square in the heart of downtown Boynton Beach. The Town Square Project comprises of three phases (Public, Residential, and Hotel), of a Public-Private Partnership to redevelop a 16.5-acre parcel. The project's public portion is completed and features a new City Hall and Library, a downtown Fire Station, amphitheater and open green space, a Central Energy Plant, and a Cultural Center that was preserved from an old historic high school. The project also includes a new police station off-site that is adjacent to our main fire station/Emergency Operations Center to create a public safety compound. The anticipated project cost is \$120,000,000; it will not impact current taxes on residents and businesses in Boynton Beach and will lower operating costs for the City. The Town Square project - Phase 2 and 3 are currently in various stages of development and construction is anticipated to commence in 2021.

Palm Beach County is experiencing economic and population growth, with the City of Boynton Beach experiencing an overall faster rate of population growth than the County. With this rapid increase in economic and population growth comes rapidly increasing housing costs. As part of the City's Strategic Plan, the City Commission prioritized reviewing and revising our Attainable Housing Strategies. The City formed a Housing Work Group to analyze the City's current housing ordinances, which began with a comprehensive review of our Workforce Housing Ordinance. The first step was amending our current City ordinance to make the program applicable citywide, expanding eligibility to additional future land use classifications, and offering a density bonus to citywide developments implementing affordable housing programs with 100% affordable units. These revisions will stimulate the private sector in developing affordable housing units and incentivize construction of those units in the City. These housing developments have the potential to increase our future tax base. The goal is to increase housing that is affordable, attainable, and appropriate to maintain a sustainable community.

Transportation and Mobility is a priority that our City Commission identified in our Strategic Plan. The City has begun the process of developing and implementing a comprehensive citywide mobility plan. The mobility plan's long-term goal is to move people around the City as safe and as green as possible. The objective of the mobility plan is to encourage pedestrian walkability and bicycling to create a healthier and more sustainable community. This aligns with the City Commission's Vision Zero policy to eliminate traffic fatalities and severe injuries among all road users, and to ensure safe, healthy, equitable mobility for all. The plan will also address traffic congestion, improve local multimodal circulation, adopt new transportation technologies, and implement a new fee structure for development projects. The mobility plan will offer greater flexibility on how the fees can be spent.

Environmental Sustainability is one of the City's six strategic plan priorities. Sustainability, climate change, and energy policy are the defining challenges for the 21st century. The pursuit of sustainability has governed the direction of the City since 2008 when the City involved employees and citizens in creating policies and programs to promote sustainability. Through the creation and work of the Green Task Force, Green Business Recognition Program, Green Community Alliance, and Sustainability Team, the City continues to make great strides toward envisioning the steps necessary to achieve a sustainable future. The City's Climate Action Plan (CAP) represents the implementation plan to achieve sustainability in the future.



Over the last fiscal year, the City has experienced a renaissance in development throughout the City. Projects such as Riverwalk, Alta at Cortina, The District, Cortina #3, Town Square, Martin Luther King Corridor, and Ocean Breeze East have all contributed to economic growth in the form of new residential, including affordable, and commercial development. The total construction value for these projects during the last fiscal year was over \$434,000,000. The City collected over \$10,000,000 in permit and administrative fees because of these projects over three years. This increase in development has had a tremendous effect on the City's local economy, land value, and has increased the tax base. These projects align with the City's Strategic Plan, to support citywide development projects, and City Priorities: Culturally Distinct Downtown, Building Wealth in the Community, Transportation and Mobility, High Performing Organization, Public Health and Safety, and Environmental Sustainability.

The City identified Pension Reform as a project to promote long-term financial sustainability under our strategic pillar of a High Performing Organization. The project started with engaging a consultant to analyze the current state of our three employee group pension plans: Firefighters, Police, and General Employees. The consultant helped guide the City on specific aspects of the respective plans that could be modified to decrease the City's unfunded liability, balanced with maintaining a valuable benefit for retired employees. The City's Executive Team then prepared scenarios, which were presented to the employee groups during negotiations of their collective bargaining agreements. The agreed upon scenarios were submitted to an actuary, who projected that the implemented plan changes would result in over \$5,500,000 in direct savings to the City and achieve fully funded pension plans within the next thirty (30) years.

FY 2019-20 Achievements

The COVID-19 Pandemic hit the City's small business community extremely hard. As a city of small businesses, the City knew we had to help in any way we could. The Department of Economic Development and Strategy repurposed funds dedicated to build-out and rent reimbursement grants and created a new forgivable loan program to assist small businesses in critical need. The loan funds had to be used for either payroll, utilities, or commercial rent/mortgage expenses. If businesses were able to demonstrate compliance with the program and that the loan was used towards payroll, utilities, or rent/mortgage expenses within four (4) months of the loan date, the loan will be forgiven, and the business will not be required to repay the loan. The City was able to provide 14 small businesses with a \$3,000 forgivable loan for a total cost of \$42,000. These funds went directly toward keeping workers employed and helping small businesses stay open during the pandemic.

One of the key objectives of the City's Strategic Plan Priority, Building Wealth in the Community, is small business assistance. The City's Department of Economic Development and Strategy awarded \$30,000 in grants to entrepreneurs and business incubators that focus on the empowerment of women, minority, and youth enterprise development. Business incubation is a tool for the creation of a competitive small business sector by providing start-up and early-stage businesses with access to expertise in business development, data and information technology, and services such as financial management, mentoring and coaching during their critical start-up period. They have enabled job and small enterprise creation, as well as the commercialization of innovation that creates social value. The core objective of this grant program was to strengthen the business incubator's capacity to serve client businesses and to support the financial viability and growth of early-stage businesses.

The Palm Beach County Coastal Resilience Partnership (CRP) engaged in the next phase of resilience planning by contracting a consultant to conduct a micro-regional climate change vulnerability assessment



(CCVA). The CRP requested a 2019 Resilience Planning Grant (RPG) of \$75,000 to cover the first two steps of the CCVA and associated public engagement activities. The City of Boynton Beach is serving as grantee, grant manager, and fiscal agent for the 2019 RPG on behalf of the conglomerate of CRP members that are working together on this project. The CRP municipalities will also contribute funding for the joint aspects of the work, and for specific analytical portions related to their respective geographies. The RPG monies will help reduce the cost of the study for all participants, which is critical to enable the smaller jurisdictions to participate in the project. The CCVA will address climate impacts on taxable assets, infrastructure, and government services; and will produce, among other outcomes, maps showing at least two sea level rise scenarios in conjunction with current high-tide flooding events and storm surge. The results will contribute to Adaptation Action Area (AAA) designations for all participants and “Peril of Flood” statute compliance for those not yet compliant. Final deliverables of this Phase II project will include a summary of selected climate threats and at least two scenarios of projected changes for each, and a dataset of assets and attributes to be included in the CCVA.

As part of the City’s Flood Mitigation Plan, the Utilities, Development and Public Works Engineering Departments annually prioritize drainage improvement needs and requests for projects to be included in the City’s CIP Program funding. The City was awarded \$83,250 for Hazard Mitigation from the Florida Division of Emergency Management, to reduce flooding in Lakeside Gardens neighborhoods. This project is part of the City’s continued efforts to comply with the National Flood Insurance Program (NFIP) and the Community Rating System (CRS). Seeking CRS classification improvements within the capabilities of City programs, adopting and administering Federal Emergency Management Agency (FEMA) approved ordinances and Flood Insurance Rate Maps (FIRMs) enhances the City’s flood mitigation efforts while securing insurance premium rewards for its residents and businesses. These efforts have a direct financial benefit to residents and businesses within the City.

To the right is a simple tax calculation example for a single residential property with a Homestead Exemption. The property had an assessed valuation of \$100,000 in 2019 with a \$50,000 homestead exemption resulting in a taxable value of \$50,000. The tax rate in FY 2019 was 7.9000 (millage rate) per \$1,000 of taxable value yielding an annual 2019 property tax of \$395. In 2020, under the Save Our Homes Law, the assessed value of this property increased by the CPI of 2.3%. This results in a taxable value of \$52,300 after the homestead exemption. With the Adopted 2020 millage rate of 7.9000, the annual property tax is \$413 in 2020, yielding a 4.6% annual property tax increase.

Rollback Tax Illustration for a Homestead Residential Property				
Assessed Value Increase of 7% (Save Our Home 3% or CPI Change 2.3%, the lesser)				
	2019-20 Adopted	2020-21 Roll-back	2020-21 Adopted	FY % Change
	<u>Tax Calculation</u>	<u>Tax Calculation</u>	<u>Tax Calculation</u>	
Assessed Value	\$ 100,000	\$ 102,300	\$ 102,300	2.3%
Homestead Exemption	\$ (50,000)	\$ (50,000)	\$ (50,000)	
Taxable Value	\$ 50,000	\$ 52,300	\$ 52,300	4.6%
Tax Rate	7.9000	7.4911	7.9000	0.0%
Annual Property Tax	<u>\$ 395</u>	<u>\$ 392</u>	<u>\$ 413</u>	4.6%

Public Safety remains a top priority for the City. Together, the Police and Fire Departments’ adopted budgets aggregate \$63.4M or approximately 64% of the \$99.2M total General Fund budget. The other major General Fund department with increases included Public Works at \$8.4M or 8.4% of the total General Fund budget, responsible for park maintenance, managing the various City facilities, and maintaining the City streets. The City Hall budget of \$3.4M was decreased by the prior year contractual obligations with Fire & Rescue employees. Lastly, the Police department budget was approved for various increases related to contractual obligations and personnel (one Police Video & Technology Security Administrator, one Crime Scene Technician I, and reclassifying a part-time Evidence Technician to full-time).



THE CITY OF BOYNTON BEACH

The table below provides information on the City's taxable values and millage rates over a six-year period, currently \$6.6 billion and 7.9000, respectively.

	FY 2015-2016 Adopted	FY 2016-2017 Adopted	FY 2017-2018 Adopted	FY 2018-2019 Adopted	FY 2019-2020 Adopted	FY 2020-2021 Adopted
Taxable Values	\$ 4,635,365,868	\$ 5,026,864,382	\$ 5,418,555,565	\$ 5,771,231,892	\$ 6,623,563,815	\$ 6,624,058,213
% Change	9.73%	8.45%	7.79%	6.51%	7.69%	0.01%
Operating Millage Rate	7.9000	7.9000	7.9000	7.9000	7.9000	7.9000
Taxes Levied	\$ 36,619,390	\$ 39,712,237	\$ 42,806,589	\$ 45,592,732	\$ 48,910,310	\$ 52,330,060
Less Discounts	\$ (1,281,679)	\$ (1,489,928)	\$ (1,498,231)	\$ (1,595,746)	\$ (1,775,363)	\$ (1,831,552)
Add Delinquent Taxes	\$ -	\$ 100,000	\$ 150,000	\$ 150,000	\$ 47,539	\$ 60,000
Total Taxes Received	\$ 35,337,711	\$ 38,322,309	\$ 41,458,358	\$ 44,146,986	\$ 47,182,486	\$ 50,558,508
Less Taxes to CRA	\$ (5,985,241)	\$ (6,682,137)	\$ (7,360,831)	\$ (7,816,311)	\$ (8,693,724)	\$ (9,345,700)
Net City Taxes	\$ 29,352,470	\$ 31,640,172	\$ 34,097,527	\$ 36,330,675	\$ 38,488,762	\$ 41,212,808
Change From Prior Year	\$ 2,335,116	\$ 2,287,702	\$ 2,457,355	\$ 2,233,148	\$ 2,158,087	\$ 2,724,046
% Change	8.64%	7.79%	7.77%	6.55%	5.94%	7.08%

The City's long-range financial outlook is one of stability over the next 2 to 3 years. Our estimates for revenues and expenditures are projected between 3% to 5% annual growth rate in certain areas. This is manageable due to the City's five years of taxable growth averaging 7.4%.

A financial snapshot with a three-year comparison of expenditures for all Funds is presented in the table below.

CLASSIFICATION	2018-19	2019-20	2020-21
	ACTUAL REVENUE	BUDGETED REVENUE	BUDGETED REVENUE
GENERAL FUND	\$ 89,746,893	\$ 96,437,589	\$ 99,218,382
WATER & SEWER FUND	53,447,090	50,939,770	52,225,066
UTILITY (CIP)	20,940,402	45,551,614	17,926,613
SANITATION FUND	11,194,139	11,389,923	11,624,210
GENERAL GOVT (CIP)	15,377,692	15,164,222	12,301,447
PUBLIC SERVICE TAX DS	10,182,460	10,200,000	10,277,820
VEHICLE SERVICE FUND	14,266,024	9,666,417	9,661,545
GOLF COURSE FUND	1,769,763	2,199,465	1,894,180
SELF INSURANCE FUND	6,232,017	6,119,866	6,272,757
LOCAL OPTION GAS TAX FUND	1,301,150	1,301,150	1,301,150
OTHER FUNDS	3,319,027	4,526,826	3,603,041
TOTAL--ALL FUNDS	\$ 227,776,657	\$ 253,496,842	\$ 226,306,211



ACKNOWLEDGEMENTS

The preparation and issuance of this report represents countless hours of work. I thank the many individuals of the Financial Services Department who are responsible for maintaining the financial records upon which we base this report.

I also take this opportunity to thank you, the Executive Team and the Commission of Boynton Beach for the vital role you play in enabling the City to achieve and maintain this high degree of fiscal responsibility.

Respectfully submitted,

Mara Frederiksen

Mara Frederiksen
Director of Financial Services



America's Gateway to the Gulfstream

Elected and Appointed Officials

September 30, 2020

Elected Officials



Mayor
Steven B. Grant



District 1
Commissioner
Justin Katz



District 2
Commissioner
Woodrow Hay



District 3
Commissioner
Christina Romelus



District 4
Vice Mayor
Ty Penserga

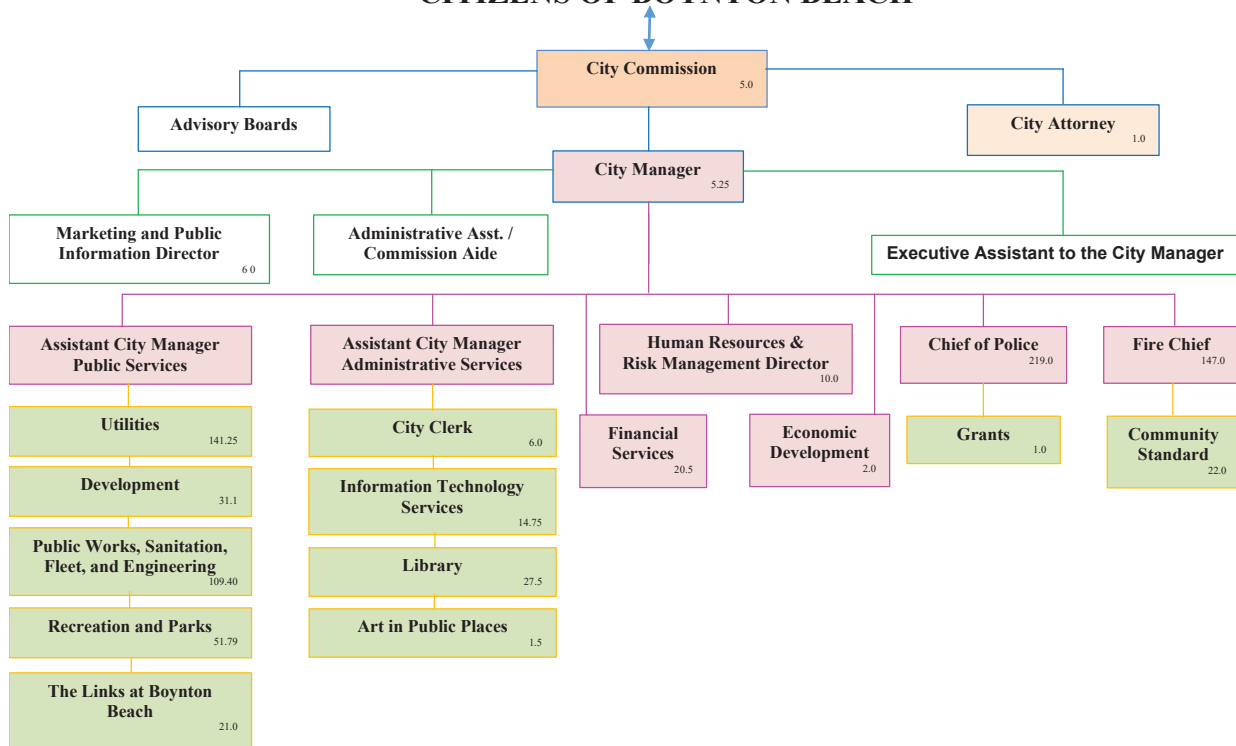
Appointed Officials

Lori LaVerriere
James Cherof
Kathryn Matos
Colin Groff
Crystal Gibson
Ray Carter
Michael Gregory
Michael Rumpf
Andrew Mack
Joe Paterniti
Julie Oldbury
Mara Frederiksen

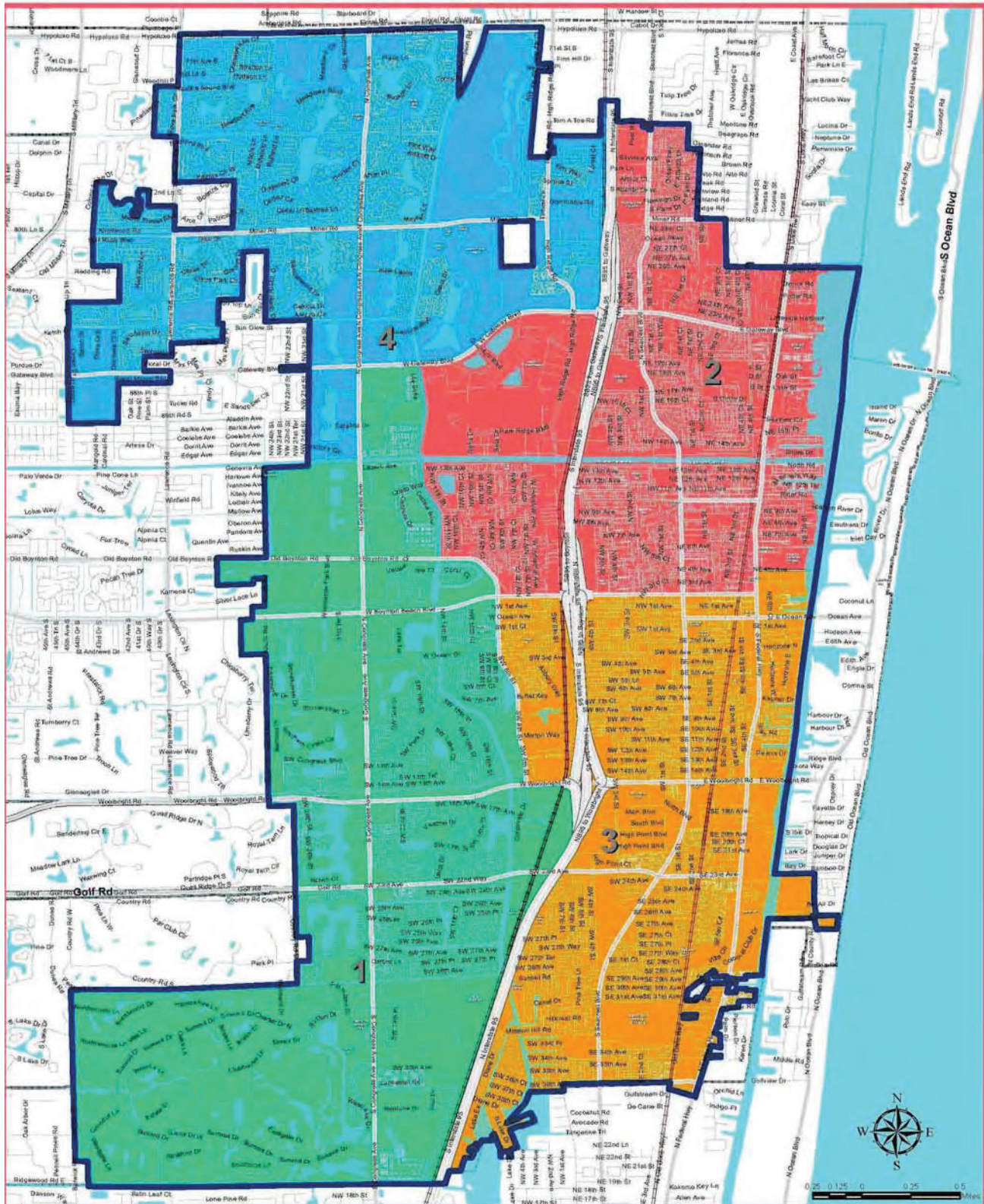
City Manager
City Attorney
Assistant City Manager-Administrative Svcs
Assistant City Manager-Public Services
City Clerk
Interim Fire Chief
Police Chief
Director of Development
Director of Public Works
Director of Utilities
Director of Human Resources
Director of Financial Services

THE CITY OF BOYNTON BEACH

CITIZENS OF BOYNTON BEACH



City of Boynton Beach Commission Districts





Government Finance Officers Association

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for Excellence
in Financial
Reporting

Presented to

**City of Boynton Beach
Florida**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morrill

Executive Director/CEO



FINANCIAL SECTION





CALER, DONTEN, LEVINE, COHEN, PORTER & VEIL, P.A.

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CERTIFIED PUBLIC ACCOUNTANTS

FLORIDA INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Honorable Mayor and
City Commission
City of Boynton Beach, 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 Boynton Beach, Florida, as of and for the year ended September 30, 2020, 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 U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Boynton Beach Community Redevelopment Agency ("CRA"), which includes the Boynton Beach CRA Special Revenue Fund, a major governmental fund, which represents 12%, 45%, and 13%, respectively, of the assets and deferred outflows of resources, net position, and revenues of the governmental activities of the City. We also did not audit the financial statements of the City of Boynton Beach General Employees' Pension Fund, the City of Boynton Beach Police Officers' Pension Fund, and the City of Boynton Beach Firefighters' Pension Fund, fiduciary funds of the City, which combined with the non-major governmental funds of the CRA, collectively represent 95%, 95%, and 69%, respectively, of the assets and deferred outflows of resources, fund balance/net position, and revenues/additions of the aggregate remaining fund information of the City. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the CRA, General Employees' Pension Fund, Police Officers' Pension Fund, and Firefighters' Pension Fund, are based solely on the reports of the other auditors. We conducted our audit in accordance with U.S. generally accepted auditing standards 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. The financial statements of the Police Officers' Pension Fund and Firefighters' Pension Fund, which were audited by other auditors, were not audited in accordance with *Government Auditing Standards*.



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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Boynton Beach, Florida, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles and the respective budgetary comparison for the General Fund and the Boynton Beach CRA Special Revenue Fund.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that *management's discussion and analysis* on pages II-4 through II-13 and the pension information and other postemployment benefits information on pages II-80 through II-90, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, 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 of Boynton Beach, Florida's, basic financial statements. The introductory section, combining and individual fund financial statements, and the statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements and the schedule of expenditures of federal awards 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 U.S. generally accepted auditing standards by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining and individual fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section 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.

We also have previously audited, in accordance with U.S. generally accepted auditing standards, the basic financial statements of the City of Boynton Beach, Florida, for the year ended September 30, 2019, which are not presented with the accompanying financial statements. In our report dated March 12, 2020, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Boynton Beach, Florida's basic financial statements as a whole. The 2019 individual major and nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the 2020 basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 basic financial statements. The 2019 financial statements of the Boynton Beach Community Redevelopment Agency, General Employees' Pension Fund, Police Officers' Pension Fund, and Firefighters' Pension Fund, were audited by other auditors and that information is based solely on the reports of the other auditors. The 2019 information has been subjected to the auditing procedures applied in the audit of the 2019 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 U.S. generally accepted auditing standards by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the 2019 individual major and nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2021, on our consideration of the internal control over financial reporting of the City of Boynton Beach, Florida, and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Boynton Beach, Florida's internal control over financial reporting and compliance.

West Palm Beach, Florida
March 12, 2021

*Calvin Dauter, Levine,
Cohen, Porter & Veil, P.A.*





MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis provides a narrative overview and introduction to the City's financial position and results of operations as of and for the fiscal year ended September 30, 2020 organized under the following topics:

- Financial highlights (Page II-4),
- Discussion of the basic financial statements (Pages II-4 to II-7),
- Government-wide overall financial analysis (Pages II-7 to II-10),
- Discussion of major funds (Pages II-11 to II-12),
- Summary of General Fund budgetary results, (Pages II-12),
- Review of capital assets and debt administration (Pages II-12 to II-13), and
- Future budgetary outlook (Page II-13).

FINANCIAL HIGHLIGHTS

- The City's net position at September 30, 2020 totals \$209,140,602 representing a \$9,902,473 increase from the net position at September 30, 2019. For 2020, approximately 76% of the net position is attributable to business-type activities (primarily our Water and Sewer System). For 2019, approximately 80% of the net position was attributable to our business-type activities. The City's 2020 net position is summarized as follows:
 - \$226,563,638 is the net investment in capital assets,
 - \$10,717,942 is restricted for public safety, grant programs, debt service, capital projects and other purposes,
 - \$28,140,978 is an unrestricted net deficit.
- The City's total fund balances (available financial resources) of all governmental funds at September 30, 2020 were \$52,971,193 in comparison with \$56,851,806 in the prior year. The 2020 fund balances of individual governmental fund types are:
 - \$17,445,539 - General Fund
 - \$12,876,082 - Special Revenue Funds (restricted, committed, assigned or unassigned for specific purposes)
 - \$ 5,820,684 - Debt Service Funds (accumulated to repay principal and interest on outstanding debt)
 - \$16,828,888 - Capital Project Funds (committed or assigned for capital improvements)
- The General Fund includes \$8,324,107 committed for emergencies pursuant to a City Ordinance requiring 10% of the subsequent year's General Fund expenditures be set aside for emergencies. Other than \$69,144 representing nonspendable prepaid items and \$923,613 assigned to the 2020/2021 budget, the remaining \$8,128,675 of unassigned fund balance of the General Fund is available (a) to mitigate future revenue shortfalls and unanticipated expenditures, (b) to stabilize tax rates, and (c) to provide for working capital to minimize short-term borrowing for operations.
- General Fund unassigned fund balance represents approximately 4.7% of total General Fund 2020 expenditures.

DISCUSSION OF THE BASIC FINANCIAL STATEMENTS

The City's basic financial statements comprise three components:

1. Government-Wide Financial Statements,
2. Fund Financial Statements, and
3. Notes to the Financial Statements.

Government-Wide Financial Statements - The government-wide financial statements provide readers with a broad overview of the City's finances for both its governmental activities and business-type activities. They include two financial statements:

- Statement of Net Position
- Statement of Activities



MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

These statements consolidate all the City's governmental and proprietary funds similar to those of a private-sector business, but exclude pension funds held in trust for others since these funds cannot be used for the City's programs. The pension funds are included in the fund financial statements since the City is accountable for those resources.

The *Statement of Net Position* presents information on all of the City's assets owned and liabilities owed, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or weakening.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. The City reports all changes in net position as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, some revenues and expenses reported in this statement will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish between functions of the City that are either:

- *Governmental Activities* – principally supported by taxes and intergovernmental (grant) revenues or,
- *Business-Type Activities* – intended to recover all or a major part of their costs through user fees and charges.

The governmental activities of the City include general government activities, public safety, physical environment, economic environment, and culture and recreational programs. The business-type activities of the City primarily include water and sewer, sanitation, and recreational (golf course) facilities.

Both government-wide financial statements include not only the City itself, but also a legally separate entity, the Boynton Beach Community Redevelopment Agency (the "CRA"), that is a *component unit* for which the City is financially accountable. The City reports the financial information for the CRA within the governmental funds and activities of the City. See Note 1 of the Notes to the Financial Statements for additional information on the CRA.

The government-wide financial statements can be found on pages II-14 through II-16 of this report.

Fund Financial Statements - A *fund* is a grouping of related accounts established to maintain control over resources segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The City groups its funds into three categories:

- Governmental Funds
- Proprietary Funds, and
- Fiduciary (Pension) Funds.

Governmental Funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on:

- Near-term inflows and outflows of spendable financial resources.
- Balances of spendable financial resources available at the end of the fiscal year.

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



MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The City maintains a number of individual governmental funds. Financial information is presented separately for each "major fund" of the City in a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balance. The City's major governmental funds are:

- General Fund
- Boynton Beach Community Redevelopment Agency (CRA) Special Revenue Fund

Financial information for the remaining "non-major" funds is combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of *combining statements* in the Combining and Individual Fund Financial Statements section of this report.

The City adopts an annual appropriated budget for certain governmental funds. A budgetary comparison statement has been provided for the General Fund, Boynton Beach CRA Special Revenue Fund and other budgeted funds to demonstrate compliance with the adopted budget.

The basic governmental fund financial statements can be found on pages II-17 through II-23 of this report.

Proprietary Funds include enterprise funds and internal service funds providing the same type of information as the government-wide financial statements, only in more detail.

Enterprise funds account for *business-type activities* that charge fees to customers for the use of specific goods or services. The basis of accounting of the financial statements is similar to the basis used to prepare the government-wide financial statements. The City uses enterprise funds to account for its water, wastewater and stormwater utility system, sanitation operations, and municipal golf course.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions that serve only City departments. The City uses internal service funds to account for its fleet of vehicles, its self-insurance activities, and its warehouse operations. Because these services predominantly benefit governmental rather than business-type functions, they have been included within the *governmental activities* in the government-wide financial statements.

The proprietary fund financial statements provide separate information for the water, wastewater and stormwater utility system and for the sanitation operations, both of which are considered to be major funds of the City, and the one non-major enterprise fund. Conversely, the three internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of *combining statements* in the Combining and Individual Fund Financial Statements section of this report.

The City's proprietary fund financial statements can be found on pages II-24 through II-29 of this report.

Fiduciary Funds account for resources held for the benefit of parties outside the City that represent separate pension plans for general employees, police officers and firefighters. The City does not include fiduciary funds in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Instead they are held for the benefit of employees upon retirement. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City's fiduciary fund financial statements can be found on pages II-30 and II-31.

Notes to the Financial Statements - The notes provide additional information and disclosure that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages II-32 through II-79 of this report.



MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* (RSI) concerning the City’s progress in funding its obligation to provide pension benefits and other postemployment benefits to its employees. Required supplementary information related to these benefits can be found on pages II-80 to II-90 of this report.

This report also contains other supplementary information immediately following the RSI, which includes the combining and individual fund financial statements beginning on page II-91.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

Net Position - As noted previously, net position may serve over time as a useful indicator of a government’s financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$209,140,602 at the close of the most recent fiscal year.

Net Position
(Amounts in Thousands)

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current and other assets	\$ 97,161	\$ 96,025	\$ 68,161	\$ 73,045	\$ 165,322	\$ 169,070
Capital assets	<u>181,028</u>	<u>98,712</u>	<u>191,203</u>	<u>191,418</u>	<u>372,231</u>	<u>290,130</u>
Total assets	278,189	194,737	259,364	264,463	537,553	459,200
Deferred outflows of resources	<u>15,714</u>	<u>13,185</u>	<u>3,258</u>	<u>2,670</u>	<u>18,972</u>	<u>15,855</u>
Long-term liabilities outstanding	227,324	155,235	96,333	100,764	323,657	255,999
Other liabilities	<u>9,252</u>	<u>8,158</u>	<u>7,486</u>	<u>7,855</u>	<u>16,738</u>	<u>16,013</u>
Total liabilities	236,576	163,393	103,819	108,619	340,395	272,012
Deferred inflows of resources	6,724	3,603	265	202	6,989	3,805
Net position:						
Net investment in capital assets	73,221	61,899	153,343	142,048	226,564	203,947
Restricted	7,612	12,041	3,106	2,502	10,718	14,543
Unrestricted (deficit)	<u>(30,230)</u>	<u>(33,014)</u>	<u>2,089</u>	<u>13,762</u>	<u>(28,141)</u>	<u>(19,252)</u>
Total net position	<u>\$ 50,603</u>	<u>\$ 40,926</u>	<u>\$ 158,538</u>	<u>\$ 158,312</u>	<u>\$ 209,141</u>	<u>\$ 199,238</u>

A significant portion of the City’s net position (\$226,564) reflects its investment in capital assets (e.g., land, buildings, and equipment), less any debt related to those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City’s net position (\$10,718 or 5.1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance is an unrestricted net deficit of \$28,141 or 13.5%.

At the end of the current fiscal year, the City reported positive balances in total net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The majority of the deficit in unrestricted net position of the governmental activities resulted from the adoption of GASB Statement No. 68 to record the net pension liabilities.



THE CITY OF BOYNTON BEACH

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Change in Net Position. Total net position increased in fiscal year 2020 by \$9,902,473 with governmental activities increasing the City's net position by \$9,676,196 and business-type activities increasing the City's net position by \$226,277. Key elements of these changes are summarized as follows:

Change in Net Position (Amounts in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 24,982	\$ 28,871	\$ 63,634	\$ 62,665	\$ 88,616	\$ 91,536
Operating grants and contributions	2,736	1,169	-	-	2,736	1,169
Capital grants and contributions	911	87	477	1,733	1,388	1,820
General revenues:						
Property taxes	38,489	36,274	-	-	38,489	36,274
Property tax increment	13,933	12,549	-	-	13,933	12,549
Franchise taxes	4,504	4,582	-	-	4,504	4,582
Communications & public service taxes	10,566	10,426	-	-	10,566	10,426
Sales taxes	11,092	12,059	-	-	11,092	12,059
Gas taxes	1,302	1,415	-	-	1,302	1,415
State revenue sharing	2,820	3,049	-	-	2,820	3,049
Investment income	967	1,188	794	1,435	1,761	2,623
Other revenues	5,986	3,672	73	130	6,059	3,802
Total revenues	<u>118,288</u>	<u>115,341</u>	<u>64,978</u>	<u>65,963</u>	<u>183,266</u>	<u>181,304</u>
Expenses:						
General government	23,776	23,485	-	-	23,776	23,485
Public safety	66,607	63,272	-	-	66,607	63,272
Physical environment	2,119	2,126	-	-	2,119	2,126
Economic environment	11,334	10,205	-	-	11,334	10,205
Culture and recreation	11,422	11,432	-	-	11,422	11,432
Interest on long-term debt	4,080	1,362	-	-	4,080	1,362
Water and sewer	-	-	41,037	40,145	41,037	40,145
Sanitation	-	-	11,233	10,678	11,233	10,678
Golf course	-	-	1,755	1,732	1,755	1,732
Total expenses	<u>119,338</u>	<u>111,882</u>	<u>54,025</u>	<u>52,555</u>	<u>173,363</u>	<u>164,437</u>
Change in net position before transfers	(1,050)	3,459	10,953	13,408	9,903	16,867
Transfers	<u>10,727</u>	<u>10,108</u>	<u>(10,727)</u>	<u>(10,108)</u>	-	-
Change in net position	9,677	13,567	226	3,300	9,903	16,867
Net position - beginning of year	<u>40,926</u>	<u>27,359</u>	<u>158,312</u>	<u>155,012</u>	<u>199,238</u>	<u>182,371</u>
Net position - end of year	<u>\$ 50,603</u>	<u>\$ 40,926</u>	<u>\$ 158,538</u>	<u>\$ 158,312</u>	<u>\$ 209,141</u>	<u>\$ 199,238</u>

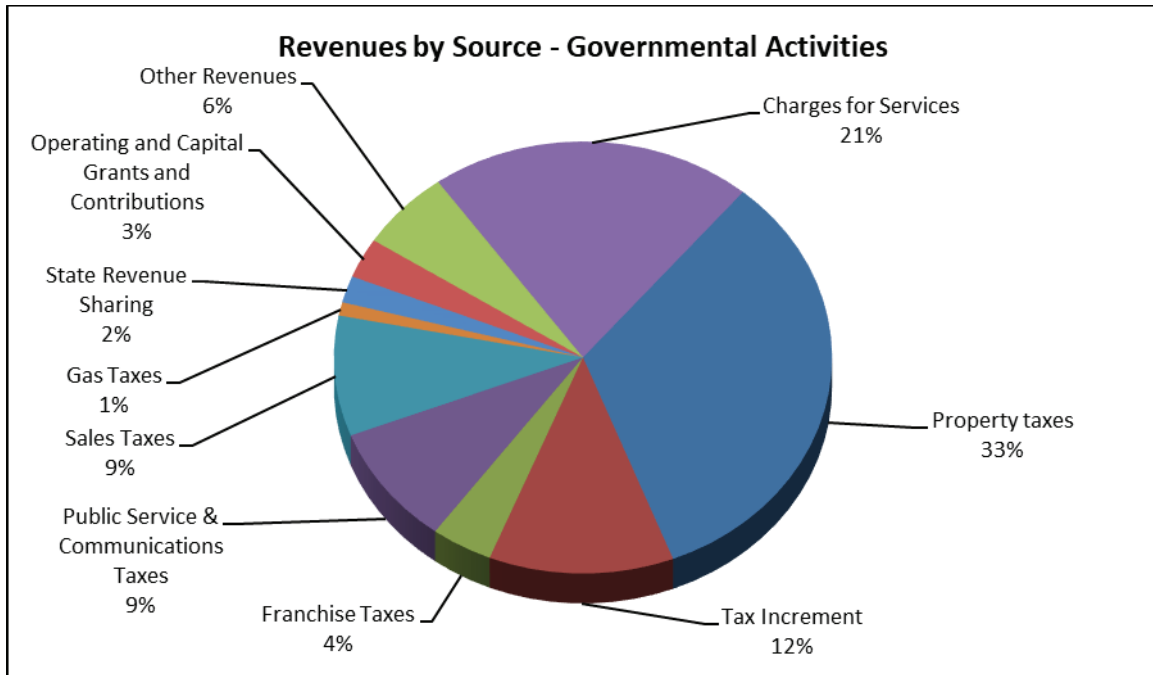
- Tax increment revenues received from both the City and the County have been included as a result of the Community Redevelopment Agency being a blended component unit of the City; all of its financial information is reported within governmental activities.
- Increases in water and sewer charges for services account for a major portion of the increase in net position before transfers to governmental activities.



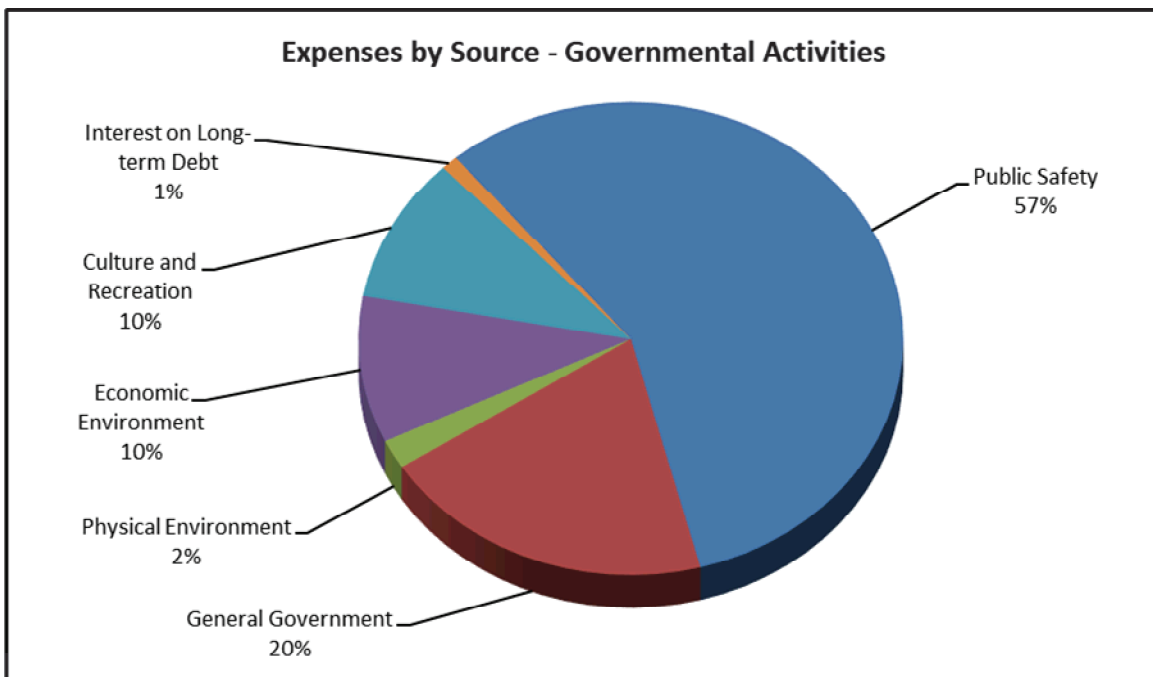
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

Governmental Activities

Taxes (property taxes, tax increment, franchise taxes, public service and communications taxes, sales taxes and gas taxes) continue as the major revenue source for the City’s governmental activities representing 68% of revenues in FY 2019-2020, compared to 68% in FY 2018-2019.



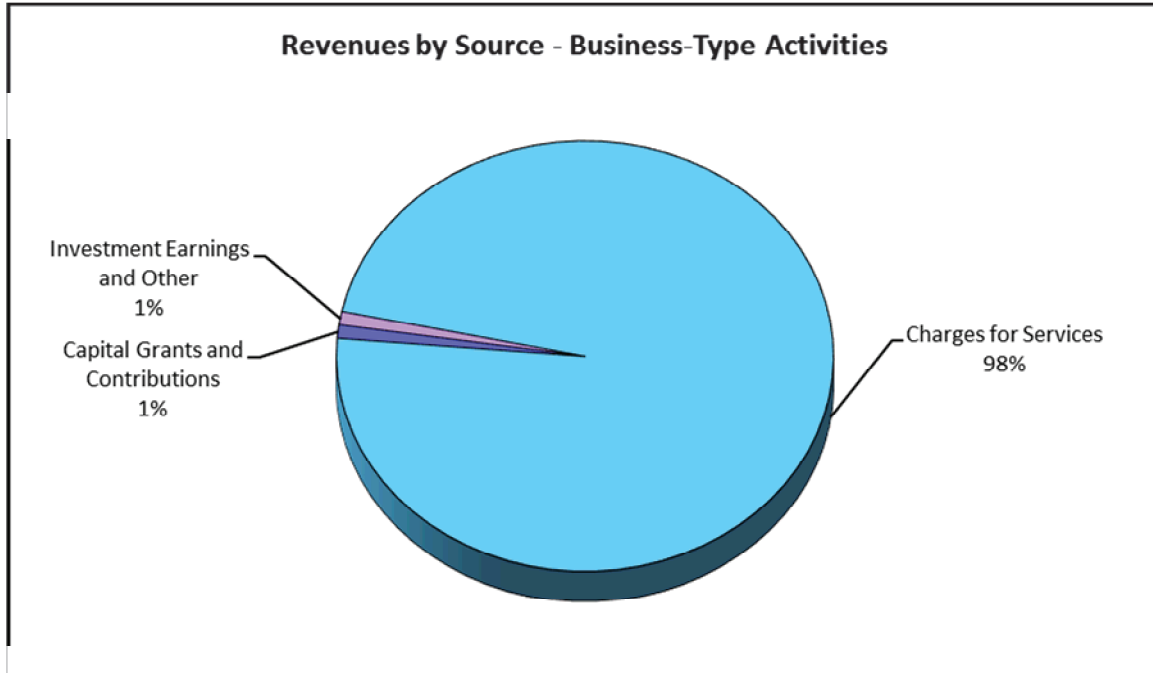
Public safety (Police, Fire, and 911 Communications) expenses aggregate 57% of total expenses of governmental activities in FY 2019-2020 compared to 57% in FY 2018-2019.



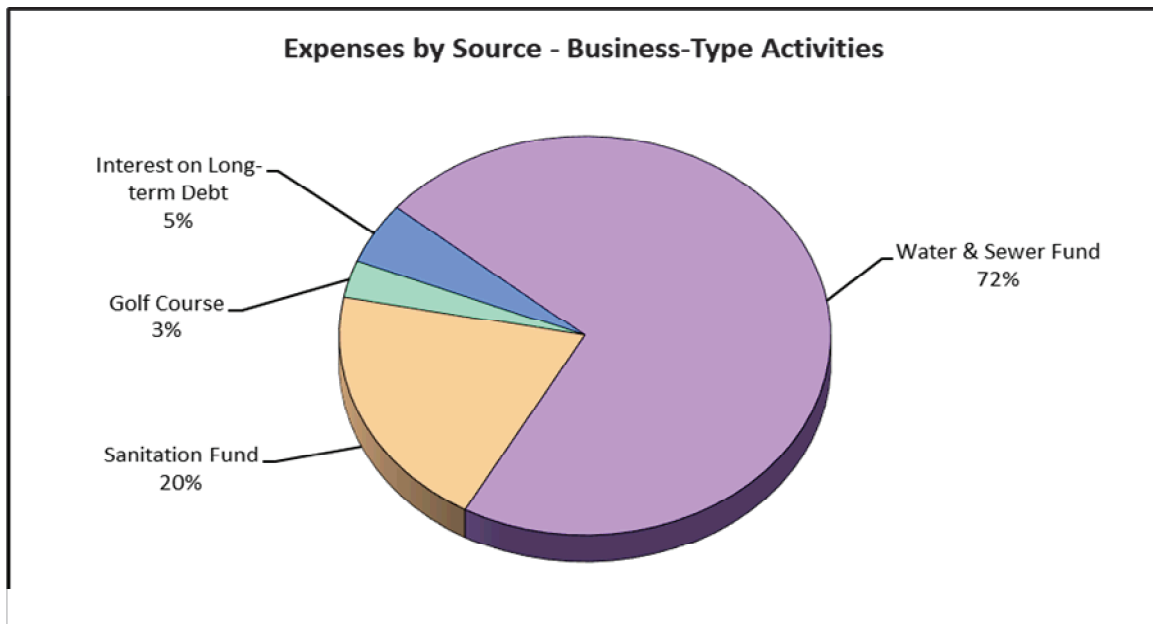
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

Business-Type Activities

Charges for services represent 98% of all revenues in FY 2019-2020 compared to 95% in FY 2018-2019. The charges include those for water, wastewater, stormwater, sanitation and golf course revenues.



The Water and Sewer Fund expenses (excluding interest on long-term debt) accounted for 72% of the expenses of the City’s business-type activities in FY 2019-2020 compared to 73% in FY 2018-2019. The Sanitation Fund accounted for 20% of the expenses in FY 2019-2020 compared to 18% in FY 2018-2019. The Golf Course Fund remained unchanged at 3% and interest on long-term debt decreased to 5% in FY 2019-2020 from 6% in FY 2018-2019.



MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

DISCUSSION OF MAJOR FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. According to U.S. generally accepted accounting principles (GAAP), the City identifies and separately reports certain major governmental funds and major proprietary funds. The following paragraphs discuss the financial highlights of these selected major funds.

Governmental Funds - The City's major governmental funds discussed are:

- General Fund
- Boynton Beach Community Redevelopment Agency (CRA) Special Revenue Fund

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

- The **General Fund** is the primary operating fund accounting for all unrestricted operating expenditures of the City. Revenues plus transfers from other funds and issuance of capital lease agreements aggregated \$176.71 million while expenditures plus net transfers to other funds totaled \$176.74 million resulting in a \$30,000 decrease in fund balance for the year. The decrease in fund balance for 2020 was primarily attributable to increased property taxes due to higher property valuations and decreases in taxes such as sales, franchise and gas taxes attributable to decreased economic activity and tourism resulting from the coronavirus pandemic. The ending fund balance of \$17.4 million includes \$8.3 million committed by City Ordinance for emergencies, \$924,000 assigned for the FY 2020-2021 budget and \$69,144 for prepaid items that is nonspendable. The remaining \$8.1 million, representing approximately 8.6% of annual General Fund expenditures (excluding the capital lease expenditure), is unassigned and available (a) to mitigate future revenue shortfalls and unanticipated expenditures, (b) to stabilize tax rates, and (c) to provide for working capital to minimize short-term borrowing for operations.

General Fund comparative financial statements for 2020 and 2019 are on pages II-94 to II-95.

- The **Boynton Beach CRA Special Revenue Fund** accounts for all of the CRA's general operations. Major revenues for the year included property tax increment revenue of \$13.9 million and charges for services of \$1.2 million. Expenditures included \$3.4 million for general government operations, and transfers to other governmental funds of \$11.7 million for redevelopment projects. Fund balance increased by approximately \$277,000 due to an increase in tax increment revenue attributable to higher property valuations in 2020. At the end of 2020, \$3.0 million of fund balance was committed and assigned for future economic development, primarily redevelopment projects, and \$204,000 was nonspendable.

The CRA Special Revenue Fund comparative financial statements for 2020 and 2019 are on pages II-96 to II-97.

Proprietary Funds - The City's major proprietary funds are:

- Water and Sewer Fund
- Sanitation Fund

The City's major proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position (deficit) of the City's major proprietary funds at September 30, 2020 is summarized as follows:

\$36,498,508 – Water and Sewer Fund
\$(1,131,238) – Sanitation Fund



MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

The above total unrestricted net position (deficit) compares to \$46,604,850 for the Water and Sewer Fund and \$(2,068,974) deficit for the Sanitation Fund at the end of 2019. Other factors concerning the finances of these funds have already been addressed in the discussion of the City’s business-type activities.

Water and Sewer Fund comparative financial statements for 2020 and 2019 are on pages II-102 to II-104 and Sanitation Fund comparative financial statements for 2020 and 2019 are on pages II-105 to II-107.

SUMMARY OF GENERAL FUND BUDGETARY RESULTS

The original General Fund budget appropriation for expenditures and transfers to other funds approved for FY 2019-2020 was \$96,358,776. There was a mid-year budget amendment to expenditures and transfers resulting in a final appropriation for FY 2019-2020 of \$96,437,589. Total expenditures alone of \$92,500,914 for the year were \$1,338,075 less than the final appropriation for expenditures. Departmental budget details are reflected on pages II-21 to II-22.

The original General Fund budgeted revenues of \$79,716,776 were increased by \$78,813 to \$79,795,589 for FY 2019-2020, Actual revenues were less than the final budget by \$1,368,160 for FY 2019-2020 due to the effects of the coronavirus pandemic on the economy and tourism related revenue streams.

REVIEW OF CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The City’s investment in capital assets (including intangible assets) for its governmental and business-type activities as of September 30, 2020, totals \$372,231,204 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, park facilities, streets, utility lines and wells and intangible assets. The total net increase in the City’s investment in capital assets for the current fiscal year was approximately \$82.1 million or 28.3% (an 83.4% increase for governmental activities and a 0.1% decrease for business-type activities). Capital assets are summarized as follows:

Capital Assets - Net of Accumulated Depreciation
(Amounts in Thousands)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land	\$ 30,666	\$ 32,326	\$ 5,132	\$ 5,132	\$ 35,798	\$ 37,458
Construction in progress	14,407	8,605	36,638	31,539	51,045	40,144
Intangible assets	-	-	2,910	2,910	2,910	2,910
Building and improvements	113,335	36,137	57,589	56,642	170,924	92,779
Equipment and vehicles	20,340	18,907	5,145	4,116	25,485	23,023
Utility lines and wells	-	-	83,789	91,079	83,789	91,079
Infrastructure	<u>2,280</u>	<u>2,737</u>	<u>-</u>	<u>-</u>	<u>2,280</u>	<u>2,737</u>
Total	<u>\$ 181,028</u>	<u>\$ 98,712</u>	<u>\$ 191,203</u>	<u>\$ 191,418</u>	<u>\$ 372,231</u>	<u>\$ 290,130</u>

Additional information on the City’s capital assets can be found in Note 3. F. beginning on page II-55.

Long-Term Liabilities - At the end of the current fiscal year, the City had total outstanding long-term debt (revenue bonds, notes payable, capital lease agreements and installment agreements) of \$191,773,686, excluding net unamortized bond premium, as summarized below:



MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

Long-Term Liabilities
(Amounts in Thousands)

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenue bonds	\$ 27,801	\$ 31,658	\$ 29,565	\$ 84,105	\$ 57,366	\$ 115,763
Notes payable	1,850	4,350	52,970	-	54,820	4,350
Capital leases (Town Square)	78,250	-	-	-	78,250	-
Installment agreements	<u>1,338</u>	<u>2,355</u>	<u>-</u>	<u>-</u>	<u>1,338</u>	<u>2,355</u>
Total	<u>\$ 109,239</u>	<u>\$ 38,363</u>	<u>\$ 82,535</u>	<u>\$ 84,105</u>	<u>\$ 191,774</u>	<u>\$ 122,468</u>

The revenue bonds, notes payable and capital leases are secured solely by specified revenue sources and the installment agreements are secured by equipment. The City’s long-term debt increased by approximately \$69.3 million, or 57% during the current year, primarily due to the capital leases for the new Town Square facilities that were occupied by the City during the current year.

Additional information on the City’s long-term liabilities can be found in Note 3.I. beginning on page II-57.

FUTURE BUDGETARY OUTLOOK

The City considered the following economic factors in developing the 2020/2021 fiscal year budget.

- Housing prices are continuing to increase in the City and surrounding areas and the increase in property values is expected to continue for the coming fiscal year.
- The City is continuing to see an increase in permit issuance related to new construction and remodeling.
- Taxable values are expected to increase for fiscal year 2020/2021 and then start to level off thereafter.
- Interest rates are expected to remain favorable, enabling the issuance of additional long-term debt to finance new capital projects.
- Adoption of a General Fund budget for the 2020/2021 fiscal year of \$99.2 million, which was an increase of \$2.8 million or 2.9% from the final 2019/2020 budget.
- Adoption of a property tax millage rate of 7.9000 mills which is the same rate as the 2019/2020 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City’s finances for all those with an interest in the government’s finances. Questions or requests for additional information should be addressed to: Director of Financial Services, 3301 Quantum Boulevard, Suite 101, Boynton Beach, FL 33435, (561) 742-6310.

Mara Frederiksen
Mara Frederiksen
Director of Financial Services



Basic Financial Statements



THE CITY OF BOYNTON BEACH

Statement of Net Position September 30, 2020

	Governmental Activities	Business-type Activities	Total
ASSETS			
Pooled cash and investments	\$ 58,037,504	\$ 18,364,783	\$ 76,402,287
Receivables, net	3,252,773	6,492,529	9,745,302
Due from other governments	1,862,571	-	1,862,571
Internal balances	32,643,054	(32,643,054)	-
Prepaid expenses	307,111	57,371	364,482
Inventories	1,057,837	24,799	1,082,636
Investment in joint venture	-	17,301,080	17,301,080
Restricted assets - pooled cash and investments	-	58,524,763	58,524,763
Restricted assets - accounts receivable	-	38,500	38,500
Intangible assets	-	2,910,000	2,910,000
Capital assets not being depreciated	45,073,027	41,770,359	86,843,386
Capital assets net of accumulated depreciation	135,954,701	146,523,117	282,477,818
Total assets	<u>278,188,578</u>	<u>259,364,247</u>	<u>537,552,825</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges on debt refundings	1,432,032	881,004	2,313,036
Deferred amount related to other postemployment benefits	545,301	359,763	905,064
Deferred amounts related to pensions	13,737,022	2,017,362	15,754,384
	<u>15,714,355</u>	<u>3,258,129</u>	<u>18,972,484</u>
LIABILITIES			
Accounts payable and accrued liabilities	6,893,908	3,369,917	10,263,825
Accrued interest payable	128,578	921,857	1,050,435
Unearned revenue	1,437,452	49,317	1,486,769
Refundable deposits	545,220	162,420	707,640
Customer deposits	-	1,606,966	1,606,966
Due to other governments	44,654	72,367	117,021
Other payables	202,476	1,302,861	1,505,337
Noncurrent liabilities:			
Due within one year:			
Bonds and notes payable	5,787,000	4,640,000	10,427,000
Capital leases and installment agreements	2,141,796	-	2,141,796
Compensated absences	1,017,147	220,166	1,237,313
Provision for insurance losses	2,066,205	-	2,066,205
Due in more than one year:			
Bonds and notes payable	23,864,000	78,177,392	102,041,392
Capital leases and installment agreements	77,445,890	-	77,445,890
Compensated absences	6,807,064	1,473,417	8,280,481
Provision for insurance losses	3,986,062	-	3,986,062
Other postemployment benefits	6,808,269	4,491,763	11,300,032
Net pension liability	97,400,837	7,330,493	104,731,330
Total liabilities	<u>236,576,558</u>	<u>103,818,936</u>	<u>340,395,494</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred amount related to other postemployment benefits	324,156	213,863	538,019
Deferred amounts related to pensions	6,399,747	51,447	6,451,194
	<u>6,723,903</u>	<u>265,310</u>	<u>6,989,213</u>
NET POSITION			
Net investment in capital assets	73,221,074	153,342,564	226,563,638
Restricted for:			
Public safety	699,614	-	699,614
Grant programs	3,144,526	-	3,144,526
Debt service	116,097	3,106,103	3,222,200
Capital projects	3,300,787	-	3,300,787
Other purposes	350,815	-	350,815
Unrestricted (deficit)	(30,230,441)	2,089,463	(28,140,978)
Total net position	<u>\$ 50,602,472</u>	<u>\$ 158,538,130</u>	<u>\$ 209,140,602</u>

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



THE CITY OF BOYNTON BEACH

Statement of Activities For the Year Ended September 30, 2020

Functions/Programs	Expenses	Program Revenues		
		Charges for Services, Fees, Fines and Forfeitures	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 23,776,458	\$ 8,282,797	\$ 230,893	\$ 254,793
Public safety	66,606,767	15,713,173	1,836,803	465,860
Physical environment	2,119,313	243,090	-	-
Economic environment	11,333,855	-	484,073	-
Culture and recreation	11,422,219	743,273	184,568	190,466
Interest on long-term debt	4,079,820	-	-	-
Total governmental activities	<u>119,338,432</u>	<u>24,982,333</u>	<u>2,736,337</u>	<u>911,119</u>
Business-type activities:				
Water and sewer	41,036,731	48,589,183	-	476,654
Sanitation	11,232,760	13,026,268	-	-
Golf course	1,754,716	2,018,371	-	-
Total business-type activities	<u>54,024,207</u>	<u>63,633,822</u>	<u>-</u>	<u>476,654</u>
Total primary government	<u>\$ 173,362,639</u>	<u>\$ 88,616,155</u>	<u>\$ 2,736,337</u>	<u>\$ 1,387,773</u>

General Revenues:

- Property taxes
- Tax increment
- Franchise taxes
- Public service taxes
- Communications services tax
- Sales taxes
- Gas taxes
- State revenue sharing not restricted to specific programs
- Investment earnings
- Gain on disposal of capital assets
- Other

Transfers

- Total general revenues and transfers

Change in net position

Net position - beginning of year

Net position - end of year



THE CITY OF BOYNTON BEACH

Net (Expense) Revenue and Change in Net Position

Governmental Activities	Business-type Activities	Total
\$ (15,007,975)	\$ -	\$ (15,007,975)
(48,590,931)	-	(48,590,931)
(1,876,223)	-	(1,876,223)
(10,849,782)	-	(10,849,782)
(10,303,912)	-	(10,303,912)
(4,079,820)	-	(4,079,820)
<u>(90,708,643)</u>	<u>-</u>	<u>(90,708,643)</u>
-	8,029,106	8,029,106
-	1,793,508	1,793,508
-	263,655	263,655
<u>-</u>	<u>10,086,269</u>	<u>10,086,269</u>
(90,708,643)	10,086,269	(80,622,374)
38,488,762	-	38,488,762
13,932,896	-	13,932,896
4,503,615	-	4,503,615
7,817,800	-	7,817,800
2,747,866	-	2,747,866
11,091,619	-	11,091,619
1,301,895	-	1,301,895
2,820,257	-	2,820,257
967,078	793,731	1,760,809
283,745	-	283,745
5,702,751	72,832	5,775,583
10,726,555	(10,726,555)	-
<u>100,384,839</u>	<u>(9,859,992)</u>	<u>90,524,847</u>
9,676,196	226,277	9,902,473
<u>40,926,276</u>	<u>158,311,853</u>	<u>199,238,129</u>
<u>\$ 50,602,472</u>	<u>\$ 158,538,130</u>	<u>\$ 209,140,602</u>

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



THE CITY OF BOYNTON BEACH

Governmental Funds Balance Sheet September 30, 2020

	General Fund	Boynton Beach CRA Special Revenue Fund	Other Non-Major Governmental Funds	Total Governmental Funds
ASSETS				
Pooled cash and investments	\$ 17,762,049	\$ 3,070,013	\$ 32,756,304	\$ 53,588,366
Receivables, net	2,462,467	6,089	784,217	3,252,773
Due from other governments	485,879	-	1,376,692	1,862,571
Due from other funds	2,004,369	-	-	2,004,369
Prepaid items	69,144	203,995	33,972	307,111
Total assets	<u>\$ 22,783,908</u>	<u>\$ 3,280,097</u>	<u>\$ 34,951,185</u>	<u>\$ 61,015,190</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$ 1,246,896	\$ 80,070	\$ 1,091,106	\$ 2,418,072
Accrued liabilities	2,505,908	-	31,198	2,537,106
Due to other funds	-	-	859,017	859,017
Due to other governments	-	-	44,654	44,654
Refundable deposits	460,384	17,099	67,737	545,220
Other payables	-	-	202,476	202,476
Total liabilities	<u>4,213,188</u>	<u>97,169</u>	<u>2,296,188</u>	<u>6,606,545</u>
Deferred inflows of resources:				
Unavailable revenue	1,125,181	-	312,271	1,437,452
Fund balance:				
Nonspendable				
Prepaid items	69,144	203,995	33,972	307,111
Restricted for:				
Public safety	-	-	699,614	699,614
Grant programs	-	-	3,144,526	3,144,526
Debt service	-	-	116,097	116,097
Capital projects	-	-	3,300,787	3,300,787
Other purposes	-	-	350,815	350,815
Committed for:				
Emergency purposes	8,324,107	-	-	8,324,107
Economic development	-	1,425,909	-	1,425,909
Capital projects	-	-	5,777,612	5,777,612
Assigned to:				
Subsequent year's budget	923,613	-	-	923,613
Economic development	-	1,553,024	-	1,553,024
Debt service	-	-	5,704,587	5,704,587
Public safety	-	-	2,003,275	2,003,275
Culture and recreation	-	-	534,249	534,249
Cemetery maintenance	-	-	3,132,484	3,132,484
Capital projects	-	-	8,421,017	8,421,017
Unassigned (deficit)	8,128,675	-	(876,309)	7,252,366
Total fund balance	<u>17,445,539</u>	<u>3,182,928</u>	<u>32,342,726</u>	<u>52,971,193</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 22,783,908</u>	<u>\$ 3,280,097</u>	<u>\$ 34,951,185</u>	<u>\$ 61,015,190</u>

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



THE CITY OF BOYNTON BEACH

Reconciliation of the Fund Balance of Governmental Funds to the Statement of Net Position of Governmental Activities September 30, 2020

Fund balance reported in the Balance Sheet of total governmental funds.	\$ 52,971,193
<p>Amounts reported as fund balance in the governmental funds Balance Sheet (above) are different from the total net position for governmental activities in the Statement of Net Assets (below) because of a different measurement focus and basis of accounting between the two statements resulting in the following increases and decreases.</p>	
<u>Increases:</u>	
Capital assets are not financial resources. Therefore, they are not reported in the Balance Sheet of governmental funds. However, they are reported in the Statement of Net Position of governmental activities.	169,387,649
The City uses internal service funds to charge the costs of fleet management, risk management, and warehouse services to individual governmental and enterprise funds. The majority of these costs are charged to governmental funds. Therefore, the total net position of internal service funds are included with governmental activities in the Statement of Net Position.	7,370,819
The internal service funds have operations with cumulative positive income results over the years; primarily for excess service charges to governmental funds to pre-fund fleet replacement. Those excess charges have reduced the fund balances reported in the Balance Sheet of total governmental funds above. Since internal service funds should operate at a break-even basis, the cumulative excess charges are added back to the above fund balances.	32,015,030
Deferred outflows of resources for deferred charges on debt refundings are reported in the Statement of Net Position but are recognized in the governmental funds as proceeds and repayment of debt.	1,432,032
Deferred outflows and inflows of resources related to defined benefit pension plans and other postemployment benefits are reported in the statement of net position. Because the net pension liability and other postemployment benefits liability do not represent available, spendable resources, they are not reported in governmental funds.	
Deferred outflows related to other postemployment benefits	504,664
Deferred outflows related to pensions	13,506,070
Deferred inflows related to other postemployment benefits	(300,000)
Deferred inflows related to pensions	(6,393,857)
<u>Decreases:</u>	
Governmental funds recognize the proceeds and the repayment of noncurrent bonds and notes payable, capital leases and installment agreements as a change in fund balance included above. However, governmental activities report noncurrent bonds and notes payable, capital leases and installment agreements payable as liabilities in the Statement of Net Position thus decreasing the fund balance of governmental funds.	(109,238,686)
The net pension liability of defined benefit pension plans are reported in the Statement of Net Position but not in the governmental funds.	(96,561,624)
Governmental funds do not recognize interest on the above noncurrent debt as an expense and an accrued liability until it is due and payable. However, accrued interest is reported as an expense and liability in the government-wide financial statements.	(128,578)
Governmental funds do not recognize other postemployment benefits (OPEB) as an expense and an accrued liability. However, the net OPEB obligation is reported as a liability in the government-wide financial statements.	(6,300,898)
Compensated absences that are not due and payable in the current period are not reported in the governmental funds. However, they are reported as a liability in the Statement of Net Position for governmental activities thus reducing net position.	(7,661,342)
Net position reported in the Statement of Net Position of governmental activities.	\$ 50,602,472

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



THE CITY OF BOYNTON BEACH

Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020

	General Fund	Boynton Beach CRA Special Revenue Fund	Other Non-Major Governmental Funds	Total Governmental Funds
REVENUES				
Taxes, net of tax increment revenue	\$ 40,351,983	\$ -	\$ 11,795,263	\$ 52,147,246
Tax increment revenue	-	13,932,896	-	13,932,896
Licenses and permits	7,899,485	-	-	7,899,485
Intergovernmental	10,907,151	-	8,475,656	19,382,807
Charges for services	7,598,573	1,168,931	733,035	9,500,539
Special assessments	6,883,199	-	-	6,883,199
Fines and forfeitures	468,382	-	2,123,218	2,591,600
Rents and royalties	261,296	-	-	261,296
Investment earnings	246,953	225,982	478,627	951,562
Donations	-	-	244,764	244,764
Miscellaneous	5,600,127	-	303,695	5,903,822
Total revenues	<u>80,217,149</u>	<u>15,327,809</u>	<u>24,154,258</u>	<u>119,699,216</u>
EXPENDITURES				
Current:				
General government	14,268,144	3,357,826	599,466	18,225,436
Public safety	63,159,268	-	992,708	64,151,976
Physical environment	1,231,185	-	66,223	1,297,408
Economic environment	556,495	-	10,751,677	11,308,172
Culture and recreation	8,898,870	-	766,285	9,665,155
Capital outlay	80,725,900	-	10,683,018	91,408,918
Debt service:				
Principal retirement	2,286,056	-	6,691,578	8,977,634
Interest charges	3,017,881	-	960,784	3,978,665
Total expenditures	<u>174,143,799</u>	<u>3,357,826</u>	<u>31,511,739</u>	<u>209,013,364</u>
Revenues over (under) expenditures	<u>(93,926,650)</u>	<u>11,969,983</u>	<u>(7,357,481)</u>	<u>(89,314,148)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	16,642,000	-	19,170,024	35,812,024
Transfers out	(2,598,073)	(11,693,401)	(15,940,180)	(30,231,654)
Issuance of capital lease agreements	79,853,165	-	-	79,853,165
Total other financing sources and uses	<u>93,897,092</u>	<u>(11,693,401)</u>	<u>3,229,844</u>	<u>85,433,535</u>
Net change in fund balance	(29,558)	276,582	(4,127,637)	(3,880,613)
Fund balance - beginning of year	17,475,097	2,906,346	36,470,363	56,851,806
Fund balance - end of year	<u>\$ 17,445,539</u>	<u>\$ 3,182,928</u>	<u>\$ 32,342,726</u>	<u>\$ 52,971,193</u>

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



THE CITY OF BOYNTON BEACH

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities of Governmental Activities For the Year Ended September 30, 2020

Net change in fund balance reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance of total governmental funds \$ (3,880,613)

Amounts reported as changes in fund balance in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances (above) are different from the change in net position of governmental activities in the Statement of Activities (below) since a different measurement focus and basis of accounting between the two statements results in the following increases and decreases.

Increases:

Capital outlay, reported as expenditures in governmental funds, is reported as capital assets in the Statement of Net Position rather than expenses. 91,408,918

The City uses internal service funds to charge the costs of fleet management, risk management, and warehouse services to individual governmental and enterprise funds. The net revenue of certain activities of internal service funds are included with governmental activities in the Statement of Activities.

Transfers	\$	5,146,185	
Nonoperating revenue		378,577	
Consolidation of operating loss related to governmental funds		(2,397,115)	3,127,647

Governmental funds recognize the repayment of noncurrent bonds, notes, capital leases and installment agreements payable as a change in fund balance included above, however, the repayment has no effect on the change in net position of governmental activities below.

Issuance of capital lease agreements		(79,853,165)	
Repayment of noncurrent bonds, notes, installment agreements and capital leases		8,977,634	(70,875,531)

Decreases:

Depreciation expense on governmental capital assets included in the Governmental Activities in the Statement of Activities below, but not included in the net change in fund balance reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance of total governmental funds above. (6,022,325)

Depreciation expense

Governmental funds report certain debt related items as revenues and expenditures when those items are first incurred because they provide or require the use of current financial resources. As a result, the impact of those items has been included in the above net change in fund balance. However, these items must be amortized over the life of the related debt when reported in the Statement of Activities.

Amortization of deferred charges on debt refundings (118,176)

Some expenses reported in the statement of activities are not reported in the funds because they have no effect on current financial resources.

Accrued interest on noncurrent debt	\$	17,021	
Compensated absences expenses		(942,729)	
Other postemployment benefits		(454,351)	
Pension expense		267,005	(1,113,054)

The net effect of transactions involving capital asset dispositions (i.e., sales and trade-ins). (2,850,670)

Change in net position of Governmental Activities \$ 9,676,196

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



THE CITY OF BOYNTON BEACH

General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual Budgetary Basis For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes, net of tax increment revenue	\$ 40,508,879	\$ 40,508,879	\$ 40,351,983	\$ (156,896)
Licenses and permits	7,917,500	7,917,500	7,899,485	(18,015)
Intergovernmental	9,805,382	9,805,382	9,117,431	(687,951)
Charges for services	8,107,560	8,107,560	7,598,573	(508,987)
Special assessments	6,689,000	6,689,000	6,883,199	194,199
Fines and forfeitures	420,000	420,000	468,382	48,382
Rents and royalties	370,800	370,800	261,296	(109,504)
Investment earnings	163,000	163,000	246,953	83,953
Miscellaneous	4,448,000	4,448,000	5,600,127	1,152,127
Appropriated fund balance	1,286,655	1,365,468	-	(1,365,468)
Total revenues	<u>79,716,776</u>	<u>79,795,589</u>	<u>78,427,429</u>	<u>(1,368,160)</u>
EXPENDITURES				
General government:				
Mayor and commission	290,194	290,194	277,174	13,020
City manager	781,210	809,608	764,237	45,371
Public affairs	448,554	457,071	377,336	79,735
City clerk	663,724	693,383	623,120	70,263
Financial services	1,401,630	1,455,894	1,378,249	77,645
Information technology	2,612,736	2,670,829	2,516,753	154,076
Human resources	891,708	936,901	825,110	111,791
City attorney	592,931	614,894	617,595	(2,701)
Planning and zoning	789,364	810,117	774,306	35,811
Facilities management	2,133,382	2,165,632	2,034,094	131,538
City hall general administrative	5,747,439	2,621,579	2,605,003	16,576
Town Square	5,720,370	6,445,370	6,441,142	4,228
Total general government	<u>22,073,242</u>	<u>19,971,472</u>	<u>19,234,119</u>	<u>737,353</u>
Public safety:				
Police	30,600,206	32,189,865	32,200,507	(10,642)
Fire	25,887,194	26,027,601	26,381,750	(354,149)
Protective inspections	3,435,023	3,834,172	3,689,092	145,080
Total public safety	<u>59,922,423</u>	<u>62,051,638</u>	<u>62,272,349</u>	<u>(220,711)</u>
Physical environment:				
Public works	161,249	167,878	161,414	6,464
Streets maintenance	1,216,701	1,227,253	1,143,020	84,233
Total physical environment	<u>1,377,950</u>	<u>1,395,131</u>	<u>1,304,434</u>	<u>90,697</u>
Economic environment:				
Other economic environment	867,099	647,324	570,805	76,519
Total economic environment	<u>867,099</u>	<u>647,324</u>	<u>570,805</u>	<u>76,519</u>
Culture and recreation:				
Library	2,511,862	2,602,532	2,343,357	259,175
Recreation	3,378,983	3,538,050	3,321,208	216,842
Schoolhouse museum	386,428	386,428	366,402	20,026
Forestry and grounds	3,189,787	3,246,414	3,088,240	158,174
Total culture and recreation	<u>9,467,060</u>	<u>9,773,424</u>	<u>9,119,207</u>	<u>654,217</u>
Total expenditures	<u>93,707,774</u>	<u>93,838,989</u>	<u>92,500,914</u>	<u>1,338,075</u>
Revenues over (under) expenditures	<u>(13,990,998)</u>	<u>(14,043,400)</u>	<u>(14,073,485)</u>	<u>(30,085)</u>

(Continued)



THE CITY OF BOYNTON BEACH

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 16,642,000	\$ 16,642,000	\$ 16,642,000	\$ -
Transfers out	(2,651,002)	(2,598,600)	(2,598,073)	527
Total other financing sources and uses	<u>13,990,998</u>	<u>14,043,400</u>	<u>14,043,927</u>	<u>527</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (29,558)</u>	<u>\$ (29,558)</u>

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





THE CITY OF BOYNTON BEACH

Boynton Beach CRA Special Revenue Fund Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Tax increment revenue	\$ 13,816,071	\$ 13,816,071	\$ 13,932,896	\$ 116,825
Charges for services	1,100,000	1,100,000	1,168,931	68,931
Investment earnings	50,000	935,936	225,982	(709,954)
Total revenues	<u>14,966,071</u>	<u>15,852,007</u>	<u>15,327,809</u>	<u>(524,198)</u>
EXPENDITURES				
Current				
General government	4,157,606	4,157,606	3,357,826	799,780
Total expenditures	<u>4,157,606</u>	<u>4,157,606</u>	<u>3,357,826</u>	<u>799,780</u>
Revenues over expenditures	<u>10,808,465</u>	<u>11,694,401</u>	<u>11,969,983</u>	<u>275,582</u>
OTHER FINANCING USES				
Transfers out	(10,808,465)	(11,694,401)	(11,693,401)	1,000
Total other financing uses	<u>(10,808,465)</u>	<u>(11,694,401)</u>	<u>(11,693,401)</u>	<u>1,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	276,582	<u>\$ 276,582</u>
Fund balance - beginning of year			2,906,346	
Fund balance - end of year			<u>\$ 3,182,928</u>	

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



THE CITY OF BOYNTON BEACH

Statement of Net Position Proprietary Funds September 30, 2020

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Non-Major Fund	Total	
			Golf Course Fund		
ASSETS					
Current assets:					
Pooled cash and investments	\$ 17,555,406	\$ 809,377	\$ -	\$ 18,364,783	\$ 4,449,138
Accounts receivable, net	5,097,921	1,390,968	3,640	6,492,529	-
Prepaid expenses	50,868	-	6,503	57,371	-
Inventories	-	-	24,799	24,799	1,057,837
	<u>22,704,195</u>	<u>2,200,345</u>	<u>34,942</u>	<u>24,939,482</u>	<u>5,506,975</u>
Restricted assets:					
Restricted pooled cash and investments:					
Customer deposits	1,568,466	-	-	1,568,466	-
Revenue bond covenants	8,667,960	-	-	8,667,960	-
Capital improvements	48,288,337	-	-	48,288,337	-
	<u>58,524,763</u>	<u>-</u>	<u>-</u>	<u>58,524,763</u>	<u>-</u>
Restricted accounts receivable	38,500	-	-	38,500	-
	<u>58,563,263</u>	<u>-</u>	<u>-</u>	<u>58,563,263</u>	<u>-</u>
Total current assets	<u>81,267,458</u>	<u>2,200,345</u>	<u>34,942</u>	<u>83,502,745</u>	<u>5,506,975</u>
Noncurrent assets:					
Investment in joint venture	17,301,080	-	-	17,301,080	-
Intangible assets	2,910,000	-	-	2,910,000	-
Capital assets not being depreciated	40,413,892	-	1,356,467	41,770,359	33,166
Capital assets, net of accumulated depreciation	<u>145,977,992</u>	<u>2,011</u>	<u>543,114</u>	<u>146,523,117</u>	<u>11,606,913</u>
Total noncurrent assets	<u>206,602,964</u>	<u>2,011</u>	<u>1,899,581</u>	<u>208,504,556</u>	<u>11,640,079</u>
Total assets	<u>287,870,422</u>	<u>2,202,356</u>	<u>1,934,523</u>	<u>292,007,301</u>	<u>17,147,054</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charges on debt refundings	881,004	-	-	881,004	-
Deferred amounts related to other postemployment benefits	254,142	88,063	17,558	359,763	40,637
Deferred amounts related to pensions	1,444,353	500,483	72,526	2,017,362	230,952
Total deferred outflows of resources	<u>2,579,499</u>	<u>588,546</u>	<u>90,084</u>	<u>3,258,129</u>	<u>271,589</u>

(Continued)



THE CITY OF BOYNTON BEACH

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Non-Major Fund	Total	
			Golf Course Fund		
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 2,408,181	\$ 313,422	\$ 35,389	\$ 2,756,992	\$ 1,863,508
Accrued expenses	411,559	155,232	46,134	612,925	75,222
Unearned revenues	-	-	49,317	49,317	-
Provision for insurance losses, current portion	-	-	-	-	2,066,205
Refundable deposits	162,420	-	-	162,420	-
Compensated absences payable, current portion	141,886	60,874	17,406	220,166	21,173
Due to other governments	72,367	-	-	72,367	-
Due to other funds	-	-	628,024	628,024	517,328
	<u>3,196,413</u>	<u>529,528</u>	<u>776,270</u>	<u>4,502,211</u>	<u>4,543,436</u>
Current liabilities payable from restricted assets:					
Customer deposits	1,606,966	-	-	1,606,966	-
Revenue bonds, current maturities	4,640,000	-	-	4,640,000	-
Accrued revenue bond interest	921,857	-	-	921,857	-
Contracts payable	1,302,861	-	-	1,302,861	-
	<u>8,471,684</u>	<u>-</u>	<u>-</u>	<u>8,471,684</u>	<u>-</u>
Total current liabilities	<u>11,668,097</u>	<u>529,528</u>	<u>776,270</u>	<u>12,973,895</u>	<u>4,543,436</u>
Noncurrent liabilities:					
Revenue bonds payable, less current maturities, plus unamortized premium	78,177,392	-	-	78,177,392	-
Provision for insurance losses, less current portion	-	-	-	-	3,986,062
Compensated absences payable, less current portion	949,541	407,391	116,485	1,473,417	141,696
Other postemployment benefits	3,173,049	1,099,493	219,221	4,491,763	507,371
Net pension liability	5,248,349	1,818,605	263,539	7,330,493	839,213
Total noncurrent liabilities	<u>87,548,331</u>	<u>3,325,489</u>	<u>599,245</u>	<u>91,473,065</u>	<u>5,474,342</u>
Total liabilities	<u>99,216,428</u>	<u>3,855,017</u>	<u>1,375,515</u>	<u>104,446,960</u>	<u>10,017,778</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred amount related to other postemployment benefits	151,076	52,349	10,438	213,863	24,156
Deferred amounts related to pensions	36,834	12,763	1,850	51,447	5,890
Total deferred inflows of resources	<u>187,910</u>	<u>65,112</u>	<u>12,288</u>	<u>265,310</u>	<u>30,046</u>
NET POSITION (DEFICIT)					
Net investment in capital assets	151,440,972	2,011	1,899,581	153,342,564	11,640,079
Restricted for:					
Revenue bond covenants	3,106,103	-	-	3,106,103	-
Unrestricted (deficit)	<u>36,498,508</u>	<u>(1,131,238)</u>	<u>(1,262,777)</u>	<u>34,104,493</u>	<u>(4,269,260)</u>
Total net position (deficit)	<u>\$ 191,045,583</u>	<u>\$ (1,129,227)</u>	<u>\$ 636,804</u>	<u>\$ 190,553,160</u>	<u>\$ 7,370,819</u>

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



THE CITY OF BOYNTON BEACH

Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds For the Year Ended September 30, 2020

	Business-Type Activities - Enterprise Funds			Total	Governmental Activities - Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Non-Major Fund Golf Course Fund		
OPERATING REVENUES					
Charges for services:					
Water sales	\$ 24,049,139	\$ -	\$ -	\$ 24,049,139	\$ -
Sewer service	19,501,315	-	-	19,501,315	-
Stormwater utility fees	5,038,729	-	-	5,038,729	-
Garbage fees	-	13,022,899	-	13,022,899	-
Recycling fees	-	3,369	-	3,369	-
Cart and green fees	-	-	1,640,199	1,640,199	-
Dues	-	-	69,621	69,621	-
Other services	-	-	308,551	308,551	9,844,129
Total operating revenues	<u>48,589,183</u>	<u>13,026,268</u>	<u>2,018,371</u>	<u>63,633,822</u>	<u>9,844,129</u>
OPERATING EXPENSES					
Personal services and benefits	10,186,810	3,877,161	1,001,559	15,065,530	2,061,073
Supplies, services and claims	14,486,006	5,699,666	606,334	20,792,006	8,580,062
Depreciation and amortization	11,558,779	2,233	123,033	11,684,045	4,272,531
Total operating expenses	<u>36,231,595</u>	<u>9,579,060</u>	<u>1,730,926</u>	<u>47,541,581</u>	<u>14,913,666</u>
Operating income (loss)	<u>12,357,588</u>	<u>3,447,208</u>	<u>287,445</u>	<u>16,092,241</u>	<u>(5,069,537)</u>
NONOPERATING REVENUES (EXPENSES)					
Investment earnings	791,160	2,571	-	793,731	15,516
Interest expense	(2,992,127)	-	-	(2,992,127)	-
Equity in loss of Regional Wastewater Joint Venture	(818,077)	-	-	(818,077)	-
Gain on disposal of capital assets	-	-	-	-	283,745
Miscellaneous income	69,844	2,988	-	72,832	79,316
Total nonoperating revenues (expenses)	<u>(2,949,200)</u>	<u>5,559</u>	<u>-</u>	<u>(2,943,641)</u>	<u>378,577</u>
Income (loss) before contributions and transfers	9,408,388	3,452,767	287,445	13,148,600	(4,690,960)
Capital contributions	476,654	-	-	476,654	-
Transfers:					
Transfers in	-	10,000	-	10,000	5,152,633
Transfers out	(8,166,662)	(2,526,313)	(43,580)	(10,736,555)	(6,448)
Total transfers	<u>(8,166,662)</u>	<u>(2,516,313)</u>	<u>(43,580)</u>	<u>(10,726,555)</u>	<u>5,146,185</u>
Change in net position	1,718,380	936,454	243,865	2,898,699	455,225
Net position (deficit) - beginning of year	189,327,203	(2,065,681)	392,939	187,654,461	6,915,594
Net position (deficit) - end of year	<u>\$ 191,045,583</u>	<u>\$ (1,129,227)</u>	<u>\$ 636,804</u>	<u>\$ 190,553,160</u>	<u>\$ 7,370,819</u>

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



THE CITY OF BOYNTON BEACH

Reconciliation of the Total Enterprise Funds to the Government-wide Statements of Business-Type Activities For the Year Ended September 30, 2020

	Statement of Net Position	Statement of Changes in Net Position
Amounts reported for total Enterprise Funds	\$ 190,553,160	\$ 2,898,699
<p>The City uses internal service funds to charge the costs of fleet management, risk management, and warehouse services to individual governmental and enterprise funds. The operating income (loss) of certain activities of internal service funds related to enterprise funds are included with business-type activities in the Statement of Activities.</p> <p>The following reflect the consolidation of internal service fund activities related to enterprise funds.</p>		
Current year adjustment	(2,672,422)	(2,672,422)
Cumulative prior year adjustments	(29,342,608)	-
Net position/Change in net position of Business-type Activities	\$ 158,538,130	\$ 226,277

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



THE CITY OF BOYNTON BEACH

Statement of Cash Flows Proprietary Funds For the Year Ended September 30, 2020

	Business-Type Activities - Enterprise Funds			Total	Governmental Activities - Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Non-Major Fund Golf Course Fund		
Cash Flows From Operating Activities					
Receipts from customers and users	\$ 48,581,867	\$ 12,895,413	\$ 2,013,937	\$ 63,491,217	\$ -
Receipts from interfund services provided	-	-	-	-	9,845,453
Receipts from others	69,844	2,988	-	72,832	79,316
Payments to suppliers	(13,384,442)	(3,568,925)	(467,239)	(17,420,606)	(6,474,469)
Payments to employees	(10,863,369)	(3,732,517)	(1,132,407)	(15,728,293)	(1,989,666)
Payments for interfund services used	(804,830)	(2,272,889)	(141,152)	(3,218,871)	(182,065)
Net cash provided by operating activities	<u>23,599,070</u>	<u>3,324,070</u>	<u>273,139</u>	<u>27,196,279</u>	<u>1,278,569</u>
Cash Flows From Non-Capital Financing Activities					
Loans to other funds	-	-	(30,554)	(30,554)	(1,160,301)
Transfers in	-	10,000	-	10,000	5,152,633
Transfers out	(8,166,662)	(2,526,313)	(43,580)	(10,736,555)	(6,448)
Net cash provided by (used in) non-capital financing activities	<u>(8,166,662)</u>	<u>(2,516,313)</u>	<u>(74,134)</u>	<u>(10,757,109)</u>	<u>3,985,884</u>
Cash Flows From Capital and Related Financing Activities					
Acquisition of capital assets	(11,527,925)	(951)	(199,005)	(11,727,881)	(4,051,963)
Proceeds from sale of capital assets	-	-	-	-	283,745
Capital contributions	476,654	-	-	476,654	-
Proceeds from issuance of revenue refunding bonds	52,970,000	-	-	52,970,000	-
Bond issuance costs paid	(212,930)	-	-	(212,930)	-
Payment to escrow agent for advance refunding of revenue bonds	(52,972,928)	-	-	(52,972,928)	-
Principal payments on revenue bonds	(4,215,000)	-	-	(4,215,000)	-
Interest payments on revenue bonds	(3,192,714)	-	-	(3,192,714)	-
Net cash used in capital and related financing activities	<u>(18,674,843)</u>	<u>(951)</u>	<u>(199,005)</u>	<u>(18,874,799)</u>	<u>(3,768,218)</u>
Cash Flows From Investing Activity					
Interest on pooled cash and investments	791,160	2,571	-	793,731	15,516
Net cash provided by investing activity	<u>791,160</u>	<u>2,571</u>	<u>-</u>	<u>793,731</u>	<u>15,516</u>
Increase (decrease) in pooled cash and investments	(2,451,275)	809,377	-	(1,641,898)	1,511,751
Pooled cash and investments - beginning of year	78,531,444	-	-	78,531,444	2,937,387
Pooled cash and investments - end of year	<u>\$ 76,080,169</u>	<u>\$ 809,377</u>	<u>\$ -</u>	<u>\$ 76,889,546</u>	<u>\$ 4,449,138</u>
Reconciliation of pooled cash and investments to Statement of Net Assets					
Pooled cash and investments	\$ 17,555,406	\$ 809,377	\$ -	\$ 18,364,783	\$ 4,449,138
Restricted pooled cash and investments	58,524,763	-	-	58,524,763	-
Pooled cash and investments - end of year	<u>\$ 76,080,169</u>	<u>\$ 809,377</u>	<u>\$ -</u>	<u>\$ 76,889,546</u>	<u>\$ 4,449,138</u>

(Continued)



THE CITY OF BOYNTON BEACH

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds	
	Water and Sewer Fund	Sanitation Fund	Non-Major Fund			Total
			Golf Course Fund			
Reconciliation of Operating Income (Loss) to Net Cash Provided By Operating Activities:						
Operating income	\$ 12,357,588	\$ 3,447,208	\$ 287,445	\$ 16,092,241	\$ (5,069,537)	
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation and amortization	11,558,779	2,233	123,033	11,684,045	4,272,531	
Provision for doubtful accounts	97,346	-	-	97,346	-	
Miscellaneous income	69,844	2,988	-	72,832	79,316	
Changes in operating assets and liabilities:						
Accounts receivable	(129,435)	(130,855)	(40)	(260,330)	1,028	
Prepaid expenses	1,013	-	-	1,013	-	
Inventories	-	-	(24,799)	(24,799)	97,208	
Deferred amounts related to other postemployment benefits	149,287	37,648	9,013	195,948	14,171	
Deferred amounts related to pensions	(325,678)	(107,738)	(5,775)	(439,191)	(74,802)	
Accounts payable	283,016	(111,230)	22,742	194,528	1,338,909	
Accrued expenses	82,896	35,160	3,471	121,527	20,417	
Due to other funds	-	(30,918)	-	(30,918)	(19,668)	
Unearned revenues	-	-	(4,394)	(4,394)	-	
Refundable deposits	17,514	-	-	17,514	-	
Due to other governments	12,705	-	-	12,705	-	
Provision for insurance losses	-	-	-	-	507,079	
Customer deposits	7,259	-	-	7,259	-	
Compensated absences payable	132,837	84,102	(37,444)	179,495	30,638	
Other postemployment benefits	(66,598)	157,685	12,110	103,197	113,860	
Net pension liability	(649,303)	(62,213)	(112,223)	(823,739)	(32,877)	
Total adjustments	<u>11,241,482</u>	<u>(123,138)</u>	<u>(14,306)</u>	<u>11,104,038</u>	<u>6,348,106</u>	
Net cash provided by operating activities	<u>\$ 23,599,070</u>	<u>\$ 3,324,070</u>	<u>\$ 273,139</u>	<u>\$ 27,196,279</u>	<u>\$ 1,278,569</u>	
Noncash Investing, Capital and Related Financing Activities:						
Equity in loss of Regional Wastewater Joint Venture	\$ (818,077)	\$ -	\$ -	\$ (818,077)	\$ -	
Gain on disposal of capital assets	-	-	-	-	283,745	
Amortization of bond premiums	62,746	-	-	62,746	-	
Amortization of charges on refundings	(108,873)	-	-	(108,873)	-	

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



THE CITY OF BOYNTON BEACH

Statement of Fiduciary Net Position Pension Trust Funds September 30, 2020

	<u>Total Pension Trust Funds</u>
ASSETS	
Cash	\$ 1,258,478
Investments:	
Money market mutual funds	3,882,443
U.S. Government and Agency obligations	28,851,671
Municipal obligations	70,958
Mortgage-backed securities	2,639,921
Corporate obligations	22,966,040
Equity securities	75,847,790
Equity mutual funds	72,497,680
Equity investment funds	120,410,769
International equity investment funds	22,618,202
Fixed income investment funds	45,424,678
Real estate investment funds	<u>47,047,482</u>
Total investments	442,257,634
Interest and dividends receivable	311,296
Pending trades receivable	967,152
DROP loans	311,150
Prepaid expenses	<u>27,972</u>
Total assets	<u>445,133,682</u>
LIABILITIES	
Accounts payable	564,695
Pending trades payable	<u>639,578</u>
Total liabilities	<u>1,204,273</u>
NET POSITION RESTRICTED FOR PENSION BENEFITS	<u><u>\$ 443,929,409</u></u>

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



THE CITY OF BOYNTON BEACH

Statement of Changes in Fiduciary Net Position Pension Trust Funds For the Year Ended September 30, 2020

	<u>Total Pension Trust Funds</u>
ADDITIONS	
Contributions:	
Employer	\$ 17,839,679
Plan members	4,689,822
State	1,789,720
Total contributions	<u>24,319,221</u>
Investment earnings:	
Net appreciation in fair value of investments	28,779,831
Interest and dividends	6,702,123
Miscellaneous	4,491
	<u>35,486,445</u>
Less investment expenses:	
Investment expenses	<u>2,029,863</u>
Net investment earnings	<u>33,456,582</u>
Total additions	<u>57,775,803</u>
DEDUCTIONS	
Benefits paid	26,879,010
Refunds of contributions	382,314
Administrative expenses	541,926
Total deductions	<u>27,803,250</u>
Change in plan net position	29,972,553
Net position restricted for pension benefits - beginning of year	<u>413,956,856</u>
Net position restricted for pension benefits - end of year	<u>\$ 443,929,409</u>

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



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

1. Summary of Significant Accounting Policies

A. Reporting Entity

The City of Boynton Beach (the "City") is a Florida municipality established in 1920 by the Laws of Florida, Section 24398, pursuant to the authority provided in Chapter 165, Florida Statutes. The City is governed by an elected five-member Commission and provides a full range of municipal services including public safety, planning and zoning, sanitation, highways and streets, recreation and park facilities, public improvements, water, wastewater and stormwater services, and general administration functions.

Under governmental accounting and financial reporting standards, the reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the City's financial statements to be misleading or incomplete. The primary government is financially accountable if it appoints a voting majority of an organization's governing body and imposes its will on that organization. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government regardless of the authority of the organization's governing board. Legally separate organizations outside of the primary government, which meet the criteria for financial accountability, are component units of the reporting entity.

The accompanying financial statements present the City as the primary government, with its blended component unit, the Boynton Beach Community Redevelopment Agency (CRA), and a joint venture, the South Central Regional Wastewater Treatment and Disposal Board (the "Board").

Blended Component Unit. The Boynton Beach Community Redevelopment Agency operates under the authority of Florida Statutes Chapter 163, Part III and City Ordinance Number 83-41 to finance and develop certain targeted areas in the City. The City is financially accountable for the CRA and in accordance with City Ordinance Number 11-009 and pursuant to Florida Statutes, Section 163.357, the Mayor and City Commissioners plus two (2) additional members appointed by the City Commission comprise the governing board of the CRA, and the City approves the CRA's budget and guarantees the CRA's debt. Accordingly, the CRA meets the criteria to blend its activities with the funds of the City's financial statements. The CRA has a September 30 year-end and issues separate, audited financial statements which are available from the CRA at 710 North Federal Highway, Boynton Beach, Florida 33435.

Joint Venture. The South Central Regional Wastewater Treatment and Disposal Board is an independent special district created by the cities of Boynton Beach and Delray Beach to operate a regional wastewater treatment facility serving both cities. The Board's governing body is comprised of the City Commissions of Boynton Beach and Delray Beach, who exercise equal control and oversight. The City accounts for its investment in the Board as a joint venture recorded on the equity method of accounting as discussed in Note 3.E. The Board has a September 30 year-end and issues separate, audited financial statements which are available at their administrative offices located at 1801 North Congress Avenue, Delray Beach, Florida 33445.

Related Organizations. The Quantum Park Overlay Dependent District (the "QPODD") was created on October 18, 2005 by City Ordinance 05-061. The Quantum Community Development District ("QCDD") was created on July 16, 1991 by City Ordinance 091-48. The High Ridge/Quantum Community Development District ("High Ridge CDD") was created on August 17, 2004, by City Ordinance 04-062. The QPODD, QCDD and High Ridge CDD are collectively referred to as the Districts and were formed pursuant to the Florida Uniform Dependent District Act of 1980. Members of each District's governing body are elected at a bi-annual meeting of the landowners in the respective District's area, although members of the governing body are subject to removal by the City Commission. The City does not provide funding, approve budgets, retain any financial interest or have any obligation for debt and cannot impose its will on the Districts. Accordingly, the three Districts are not included in the City's financial reporting entity.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities that encompass all non-fiduciary activities of the City. Both statements report separate information on the *governmental activities* and the *business-type activities* of the City and its blended component unit. Governmental activities are functions primarily supported by taxes and grants. Business-type activities are those functions supported by charges for services and user fees.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or program. *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 program, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes and other items not included among program revenues are reported as *general revenues*.

C. Fund Financial Statements

The basic financial statements include separate fund financial statements for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The governmental funds and enterprise funds financial statements report *major* funds as separate columns in the respective fund financial statements.

The City reports the following funds as major governmental funds:

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

The Boynton Beach CRA Special Revenue Fund accounts for the activity and redevelopment projects of the CRA covering a specified redevelopment area in downtown Boynton Beach.

The City reports the following major proprietary funds:

The Water and Sewer Fund accounts for the activities related to providing water, wastewater and stormwater services to the public.

The Sanitation Fund accounts for the activities related to providing trash collection and disposal services to the public.

Additionally, the City reports the following fund types:

Internal Service Funds account for the activities related to providing fleet services, risk management, and warehouse services to other departments of the City.

Pension Trust Funds account for the activities of the City's three defined benefit pension funds which accumulate resources for pension benefit payments to City employees.

D. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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. Water and sewer and other proprietary fund revenues are recognized as earned when the services are provided.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

1. Summary of Significant Accounting Policies (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues available if collected within 60 days of the end of the current fiscal year.

Property taxes, franchise taxes, public service taxes, state shared revenues and charges for services and investment income associated with the current fiscal period are all considered susceptible to accrual and are recognized as revenues of the current fiscal period. For special assessments, only the portion of the special assessment receivable due within the current fiscal period is considered susceptible to accrual as revenue of the current fiscal period. Business taxes and other revenues collected in advance of periods to which they relate are recorded as unavailable revenues, a deferred inflow of resources. Grant revenue is recorded when the related expenditures/expenses are incurred and the eligibility requirements have been met. All other revenue items are measurable and available only when the City receives the cash.

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.

E. Financial Statement Presentation

The City maintains its accounting records in accordance with the principles and policies applicable to governmental entities set forth by the Governmental Accounting Standards Board (GASB) as U.S. generally accepted accounting principles (GAAP).

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 where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's water and sewer function and various other functions of the City.

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer, sanitation, and golf course enterprise funds, and of the City's internal service funds, are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Since the principal users of the internal services accounted for in the City's internal service funds are governmental activities, the financial statements of internal service funds are consolidated into the governmental activities column at the government-wide level and the costs of the internal services are charged to the appropriate functional activity. Surpluses or deficits in the internal service funds are allocated back to customers at the government-wide level which creates a reconciling item between the business-type activities column at the government-wide level and the proprietary fund statements at the fund level.



1. Summary of Significant Accounting Policies (Continued)

F. Pooled Cash and Investments

Pooled cash and investments consist of petty cash on hand, demand and money market deposits with financial institutions, money market mutual funds and investments with authorized Florida intergovernment investment pools. Interest earned on pooled cash and investments is allocated to individual funds based on their average daily pooled cash and investment balances. For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with an original maturity or availability of three months or less to be cash equivalents, unless they are held as part of the City's long-term investment portfolio.

All deposits with financial institutions were entirely covered by a combination of federal depository insurance and a collateral pool pledged to the State Treasurer of Florida by financial institutions which comply with the requirements of Florida Statutes and have been designated as a *qualified public depository*. Qualified public depositories are required to pledge collateral to the State Treasurer with a fair value equal to a percentage of the average daily balance of all government deposits in excess of any federal deposit insurance. In the event of a default by a qualified public depository, all claims for government deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories. Accordingly, deposits with qualified public depositories are considered fully insured.

The Florida intergovernmental investment pools authorized by the City include the Florida Prime Fund, Florida Municipal Investment Trust (FMIT) and Florida Fixed Income Trust (FIT). Participants in the investment pools are limited to governmental entities in the State of Florida. Florida Prime is operated by the Florida State Board of Administration in a manner consistent with SEC Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC registered mutual funds to use amortized cost, rather than fair value, to report net position used to compute share prices if certain conditions are met. Those conditions include restrictions on the types of investments held, restrictions on the term-to-maturity of individual investments and the dollar-weighted average of the portfolio, requirements for portfolio diversification, and requirements for divestiture considerations in the event of security downgrades and defaults, and required actions if the fair value of the portfolio deviates from amortized cost by a specified amount. The fair value of the position in the pool is considered to be the same as the City's account balance (amortized cost) in the pool.

FMIT and FIT are organized by Florida public agencies under Florida Statutes Section 163, the Florida Interlocal Cooperation Act, for the purpose of operating independent investment pools for local governments in Florida and are administered by a Board of Trustees elected by the participants in the pool. FMIT and FIT are exempt from registration under the Securities Act of 1933, the Investment Company Act of 1940 and the Florida Securities and Investors Protection Act. FMIT operates six fixed income and five equity funds with differing investment goals. The City did not invest in any FMIT funds during the current year. FIT operates four fixed income funds with differing cash management and investment goals. The fair value of investments in FMIT and FIT is the net asset value (NAV) of each fund based on the fair value of the fund's underlying investment portfolio as determined by the fund administrator at the end of each month.

The City's pension trust funds investments consist of money market mutual funds, U.S. Government and Agency obligations, municipal obligations, mortgage-backed securities, domestic and international corporate obligations, equity securities, equity mutual funds, equity investment funds and alternative investments consisting of fixed income investment funds and real estate investment funds. City and Pension Fund investment policies do not allow investments in derivatives. All investments are reported at fair value, except for money market mutual funds and the Florida Prime Fund that are reported at amortized cost, which approximates fair value. Purchases and sales of investments are recorded on the trade date. Realized and unrealized gains and losses on investments are reflected in current operating results as investment earnings. Realized gains and losses on investments held at the end of the prior year and sold during the current year include the change in fair value from the beginning of the year to the date sold.



1. Summary of Significant Accounting Policies (Continued)

G. Receivables

Receivables in the governmental funds include delinquent property taxes, billings for general City services, various taxes due from local businesses, and amounts due from other governments for shared revenues, taxes and grants. All property tax and other receivables are reported net of an allowance for uncollectible accounts.

Accounts receivable in the proprietary funds include amounts due for various City services and utilities, provided primarily to local businesses and residents. Accounts receivable are reported net of an allowance for uncollectible accounts determined based on the age of the individual receivable and historical collection trends. Accounts receivable are written off on an individual basis in the year the City deems them uncollectible. An allowance for doubtful accounts has been provided for those accounts where collectability appears to be doubtful. The City does not require collateral from its customers, except for the Water and Sewer Fund, which requires deposits for services. The City maintains an allowance for doubtful accounts at a level which management believes is sufficient to cover potential credit losses.

H. Unbilled Service Receivables

The City's enterprise funds recognize revenue on the basis of monthly cycle billings to customers for services provided. As a result of this cycle billing method, there are unbilled receivables at the end of each fiscal year with respect to services provided, but not billed at such date. It is the policy of the City to accrue the unbilled service amounts at year-end. The public service taxes owed to the City on the unbilled services are recorded as receivables in the Public Service Tax Debt Service Fund. All unbilled receivables are billed in the following month.

I. Interfund Receivables and Payables

Activity between funds that represents interfund lending/borrowing that is outstanding at year end is classified as "due to/due from other funds". Any such balances outstanding between governmental activities and business-type activities in the government-wide financial statements are classified as "internal balances."

J. Prepaid Items and Inventories

Expenditures/expenses for insurance premiums and other administrative expenses extending over more than one accounting period are accounted for as prepaid items/expenses and allocated between accounting periods. Inventories are valued at average cost which approximates market. Inventories are accounted for using the consumption method, whereby inventories are recorded as expenditures in the period when used.

K. Investment in Joint Venture

The City accounts for its investment in the jointly owned South Central Regional Wastewater Treatment and Disposal Board as a joint venture recorded on the equity method of accounting. This investment is included in the City's Water and Sewer Enterprise Fund balance sheet as Investment in Joint Venture.

L. Restricted Assets

The City classifies certain amounts of pooled cash and investments in the Water and Sewer Enterprise Fund as restricted assets because their use is legally restricted for monies held for customers as security deposits, revenue bond covenant requirements and capital improvements. The net position of the Water and Sewer Enterprise Fund is restricted to the extent that restricted assets exceed liabilities payable from restricted assets.

M. Capital Assets

Capital assets include land, buildings, equipment, and infrastructure. The City reports these assets in the applicable governmental or business-type activities columns in the government-wide statement of net position and in the statements of net position for enterprise and internal service funds.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

1. Summary of Significant Accounting Policies (Continued)

M. Capital Assets (Continued)

The City defines capital assets as assets with an initial, individual cost of more than \$750 and an estimated useful life in excess of one year. Donated capital assets are recorded at the date of donation at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the date of acquisition. Capital asset acquisitions are recorded as capital outlay expenditures in the governmental fund financial statements.

All costs relating to the construction of facilities are capitalized including salaries, employee benefits, contracted services, and materials. Prior to adoption of GASB Statement No. 89, the City also capitalized interest incurred during the construction phase of capital assets of business-type activities as part of the capitalized cost of the assets constructed. Costs which materially extend the useful life of existing properties are capitalized. However, the City does not capitalize the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives.

Infrastructure assets of the governmental activities are reported in the government-wide financial statements. Governmental activities infrastructure assets include roads, bridges, streets and sidewalks, curbs and gutters, lighting systems and similar assets that are immovable and generally of value only to the City. The City has historically reported infrastructure assets of the business-type activities as capital assets and recorded depreciation on those assets.

The City calculates depreciation of capital assets using the straight-line method over the following estimated useful lives of the related assets:

Equipment	3-12 years
Buildings and other improvements	10-40 years
Water/wastewater/stormwater system	15-50 years
Infrastructure	15-50 years

N. Unavailable / Unearned Revenue

Unearned revenue in the Governmental Activities and unavailable revenue in the Governmental Funds includes amounts received in advance for business licenses, grants and long-term receivables for various housing assistance programs provided by the City. Unearned revenue in the Business-type Activities and Proprietary Funds is composed of advance utility payments from customers and other amounts received in advance of the related services being provided by the City.

O. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits in varying amounts based on length of service. Upon termination, employees are paid accumulated vacation at the pay rate on the date of termination. Employees are compensated for a maximum of 50% of accumulated sick leave upon termination, depending on the employee's hire date and length of service. Compensated absences, including related payroll taxes, are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

P. Noncurrent Liabilities

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



1. Summary of Significant Accounting Policies (Continued)

P. Noncurrent Liabilities (Continued)

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

Q. Deferred Outflows / Inflows of Resources

In addition to assets and liabilities, the government-wide statement and proprietary funds statements of net position report a separate section for deferred outflows or deferred inflows of resources. The 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 that time. The City reports deferred charges on debt refundings and deferred amounts related to other postemployment benefits (OPEB) and pensions as deferred outflows of resources on the government-wide statement of net position. The deferred charges on debt refundings were losses resulting from the difference in the carrying value of refunded debt and its reacquisition price. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred amounts related to OPEB and pensions result from differences between expected and actual experience and investment earnings, changes in assumptions, or other actuarial inputs. The deferred amounts are amortized to OPEB and pension expense in a systematic and rational manner over a period equal to the average expected remaining service lives of employees provided with benefits through the OPEB and pension plans, including inactive employees.

The 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 (revenues) until that time. The City's deferred inflows of resources on the government-wide and proprietary funds statements of net position consist of deferred amounts related to OPEB and pensions. The deferred inflows of resources related to OPEB and pensions results from differences between expected and actual experience which are deferred and included in OPEB and pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the OPEB and pension plans (active employees and inactive employees). The City also has one item, unavailable revenues, which arises only under the modified accrual basis of accounting and is reported as a deferred inflow of resources on the governmental funds balance sheet. The unavailable revenues include amounts received in advance for business licenses, grants and long-term receivables for various housing assistance programs provided by the City. These amounts are deferred and recognized as an inflow of resources in the year that the amounts become available.

R. Net Position / Fund Balance

Net Position. 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 the portion of the assets that have been acquired through the use of long-term debt. This amount is offset by any unspent debt proceeds that are outstanding at fiscal year-end.

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.

The government-wide statement of net position reports governmental activities restricted net position and business-type activities restricted net position and the proprietary funds statement of net position reports restricted net position for the following purposes:

Public Safety – Net position of the governmental activities are restricted for certain funds that are legally restricted by Florida Statutes to law enforcement capital expenditures and police education.



1. Summary of Significant Accounting Policies (Continued)

R. Net Position / Fund Balance (Continued)

Grant Programs – Net position of the governmental activities are restricted for grant funds that are legally restricted by grantors to allowable costs for specific grant programs.

Debt Service – Net position of the governmental activities are restricted for CRA debt service funds that are legally restricted to the payment of principal and interest on the CRA's bonded debt. Net position of the business-type activities and the Water and Sewer Fund are restricted for the excess of restricted assets required by revenue bond covenants over the related liabilities payable from those restricted assets.

Capital Projects – Net position of the governmental activities are restricted for local option gas tax funds that are legally restricted by Florida Statutes to capital improvements for roads and streets and the one-cent sales tax surcharge that is restricted for infrastructure projects. Net position of the business-type activities and Water and Sewer Fund may also be restricted for the excess of restricted assets required for renewal and replacement by bond covenants over the related liabilities payable from those restricted assets.

Other Purposes – Net position of the governmental activities are restricted for assets held in trust in the Community Service Fund that are restricted for specific purposes.

Unrestricted net position consists of net position not included in net investment in capital assets or restricted.

Fund Balance. In the fund financial statements, governmental funds report fund equity classifications that comprise a hierarchy based primarily on the extent to which the City is legally bound to honor the specific purposes for which amounts in fund balance may be spent. The fund balance classifications are summarized as follows:

Nonspendable - Nonspendable fund balances include amounts that cannot be spent because they are either: 1) not in spendable form; or, 2) legally or contractually required to be maintained intact.

Restricted - Restricted fund balances include amounts that are restricted to specific purposes either by: 1) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments; or, 2) imposed by law through constitutional provisions or enabling legislation.

Committed - Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by the City Commission through an ordinance.

Assigned - Assigned fund balances include amounts that are constrained by the City's intent to be used for specific purposes. The City Commission assigns fund balance through the annual budget or by adopting a resolution delegating authority to a City Official or other Board.

Unassigned - Unassigned fund balances include amounts that are not assigned to other funds and have not been restricted, committed, or assigned to specific purposes in the General Fund. The unassigned deficit represents the fund balance deficit of certain non-major special revenue funds that will be funded through future revenues of those funds or transfers from other funds.

The City considers restricted fund balances to be spent when expenditures are incurred for the restricted purpose. The City considers committed, assigned or unassigned fund balances to be spent when expenditures are incurred for purposes for which amounts in any of those fund balance classifications could be used.

Minimum Fund Balance Policy. Generally, the City strives to maintain 10% to 20% of the following year's budgeted expenditures to provide for short term revenue fluctuations and other emergency purposes. However, the City has not adopted a formal policy establishing a minimum fund balance requirement.



1. Summary of Significant Accounting Policies (Continued)

S. Property Taxes

Ad valorem property taxes are assessed as of January 1 and levied the following October. Property taxes are due March 31 and become delinquent on April 1. Delinquent tax certificates are sold on June 1 and become a lien on the property. All property taxes are collected by the Palm Beach County Tax Collector and remitted to the City. Revenue is recognized at the time monies are received from Palm Beach County. At September 30, estimated unpaid delinquent taxes are recorded as a receivable and offset by an allowance for estimated uncollectability. State Statutes permit municipalities to levy property taxes at a rate not to exceed 10 mills (\$10.00 for each \$1,000 of assessed valuation).

During 2007, the Florida Legislature passed property tax reform legislation limiting the property tax levies of local governments in the State of Florida. Local governments that adopt a property tax levy in excess of the limit under State law will lose their Half-Cent Sales Tax distribution from the State for the succeeding twelve months. For the fiscal year ended September 30, 2020, the maximum tax levy allowed by a majority vote of the governing body is generally based on a percentage adjustment applied to the prior year (2018/2019) property tax revenue. The percentage adjustment is calculated based on the compound annual growth rate in the per capita property taxes levied for five preceding fiscal years. State law allows local governments to adopt a higher millage rate based on the following approval of the governing body: 1) a majority vote to adopt a rate equal to the adjusted current year rolled-back millage rate plus an adjustment for growth in per capita Florida personal income; 2) a two-thirds vote to adopt a rate equal to the adjusted current year roll back millage rate plus 10%; or, 3) any millage rate approved by unanimous vote of the governing body or voter approved referendum.

T. On-behalf Payments

The City receives on-behalf payments from the State of Florida to be used for Police Officers and Firefighters pension benefits. These on-behalf payments are recorded as intergovernmental revenue and public safety expenditures in the GAAP basis government-wide and General Fund financial statements, but are not budgeted and therefore are not included in the General Fund budgetary comparison statement. On-behalf payments to the City totaled \$1,789,720 for the fiscal year ended September 30, 2020.

U. Interfund Transactions

Transactions between funds during the year consisted of loans, services provided, reimbursements and transfers. Loans are reported in the fund financial statements as *Due from Other Funds* and *Due to Other Funds* as appropriate and are subject to elimination in the government-wide financial statements. The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Services, deemed to be reasonably equivalent in value, are treated as revenue and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are presented as transfers. Transfers within the governmental and business-type activities are eliminated in the government-wide financial statements.

V. Use of Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with GAAP. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses/expenditures. Actual results could vary from the estimates that were used.

W. Implementation of GASB Statements

There were no GASB Statements effective for the City during the fiscal year ended September 30, 2020.



1. Summary of Significant Accounting Policies (Continued)

X. Recent Accounting Pronouncements

The Governmental Accounting Standards Board has issued new Statements effective in future years. Management has not completed its analysis of the effects, if any, of these GASB statements on the financial statements of the City:

- GASB Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria 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 will be effective for the City for the fiscal year ending September 30, 2021.
- GASB Statement No. 87, *Leases*, addresses accounting and financial reporting for leases by governments. The Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this statement will be effective for the City for the fiscal year ending September 30, 2022.
- GASB Statement No. 90, *Majority Equity Interests – an Amendment of GASB Statements No. 14 and No. 61*, defines a majority equity interest and specifies the basis for measurement of a majority equity interest in a legally separate organization. The requirements of this Statement will be effective for the City for the fiscal year ending September 30, 2021.
- GASB Statement No. 91, *Conduit Debt Obligations*, provides a single method of reporting conduit debt obligations by issuers and requires additional note disclosures. The requirements of this Statement will be effective for the City for the fiscal year ending September 30, 2023.
- GASB Statement No. 92, *Omnibus 2020*, addresses certain practice issues identified during implementation and application of certain GASB Statements. The requirements of this Statement will be effective for the City for the fiscal year ending September 30, 2022.
- GASB Statement No. 93, *Replacement of Interbank Offered Rates*, addresses the replacement of an Interbank Offered Rate (IBOR) with other reference interest rates and modifies the existing provisions for hedge accounting termination and lease modifications. The requirements of this Statement will be effective for the City for the fiscal year ending September 30, 2022.
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, addresses issues related to public-private and public-public partnership (PPP) and provides guidance for accounting and financial reporting for availability payment arrangements (APA). The Statement provides specific guidance on the accounting and financial reporting for PPP and APA transactions. The requirements of this Statement will be effective for the City for the fiscal year ending September 30, 2023.
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* provides guidance on the accounting and financial reporting for subscription-based information technology arrangements. The requirements of this Statement will be effective for the City for the fiscal year ending September 30, 2023.
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, addresses the reporting of fiduciary component units without a governing board, requires that the financial burden criteria of Statement No. 84 apply only to defined benefit plans and requires Statement No. 84 to be applied to all Section 457 plans to determine whether those plans should be reported as fiduciary activities. The requirements of this Statement will be effective for the City for the fiscal year ending September 30, 2022.



2. Stewardship, Compliance, and Accountability

A. Concentration of Credit Risk

The City performs ongoing credit evaluations of its customers and generally does not require collateral, except for customer deposits in the City's Water and Sewer Fund. The City maintains an allowance for uncollectible accounts at a level which management believes is sufficient to cover potential credit losses. Generally, the allowance includes accounts over 90 days past due. Accounts receivable are written off on an individual basis in the year the City deems them uncollectible. Subsequent collections on accounts that were previously written off are recorded as revenue in the year received.

B. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as part of the budgetary accounting system in the general, special revenue and capital projects funds. The City records encumbrances as an appropriation of fund balance until expended or accrued as a liability of the fund. The City had no outstanding encumbrances at September 30, 2020.

C. Budgets and the Budgeting Process

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1) Prior to July 15, the City Manager submits a tentative budget to the City Commission for consideration and approval. The budget is prepared by fund, function and activity, and is made available to the public at this time.
- 2) Informal budget workshops are held by the City Commission to review the proposed budget and to obtain public comment.
- 3) The City advises the Palm Beach County Tax Collector of the proposed millage rate, the rolled-back millage rate, and the day, time and place of the public hearing for budget acceptance.
- 4) The public hearing is held to obtain final taxpayer input and to adopt the final budget.
- 5) The budget and related millage rates are legally enacted through passage of an ordinance.
- 6) Changes or amendments to the total budgeted expenditures of a fund and transfers between funds must be approved by the City Commission. There were four budget amendments that increased the General Fund budgeted revenues by \$78,813 and increased budgeted expenditures by \$131,215 for the year ended September 30, 2020. Various other non-major funds were adjusted to recognize additional revenues and unforeseen expenditures and to provide a budget for various transfers. Department heads may transfer appropriations within their department with the approval of the Financial Services Department. Changes or amendments to total budgeted expenditures of a department require approval of the City Manager. Accordingly, the legal level of control for budget appropriations is exercised at the fund level.

Appropriated budgets are legally adopted on a modified-accrual basis for the following funds: 1) General Fund; 2) Boynton Beach CRA Special Revenue, Local Option Gas Tax, Community Improvements, Public Art, Recreation Program, Boynton Beach Memorial Park (special revenue funds); 3) Public Service Tax Debt Service (debt service fund); and, 4) General Capital Improvements (capital projects fund). The General Fund revenues and expenditures reported in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual differ from the revenues and expenditures reported on the GAAP Basis because on-behalf payments from the State of Florida for Police Officers' and Firefighters' pensions and capital outlay expenditures for capital leases are not budgeted in the General Fund.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

2. Stewardship, Compliance, and Accountability (Continued)

C. Budgets and the Budgeting Process (Continued)

The General Fund differences in revenues and expenditures are reconciled as follows:

	<u>Revenues</u>	<u>Expenditures</u>
Budgetary basis	\$ 78,427,429	\$ 92,500,914
On-behalf payments for pension benefits	1,789,720	1,789,720
Capital lease agreements	<u>-</u>	<u>79,853,165</u>
GAAP basis	<u>\$ 80,217,149</u>	<u>\$ 174,143,799</u>

Non-appropriated budgets are prepared for the City's enterprise funds (Water and Sewer Fund, Sanitation Fund, and Golf Course Fund) and internal service funds (Vehicle Service Fund, Warehouse Fund and Self Insurance Fund). The operations of the following funds: 1) Grants, FEMA Hurricane, SHIP Grant, CDBG Grant, Traffic Safety, Green Building and Community Services (special revenue funds); 2) Boynton Beach CRA Debt Service (debt service fund); 3) Parks & Recreational Facilities, Boynton Beach CRA Bond Projects and Local Government Surtax Improvement (capital projects funds); and, 4) all fiduciary funds are non-budgeted financial activities.

D. Deficit Fund Equity

The Grants Fund, CDBG Grant Fund, Community Improvements Fund, and Public Art Fund (special revenue funds) had deficit fund balances of \$155,825, \$128,588, \$239,810, and \$352,086, respectively, at September 30, 2020. For the Grants Fund and CDBG Grant Fund, the deficit was caused by program expenditures that were paid but not eligible for grant reimbursement until 60 days after the end of the current fiscal year. For the Community Improvements Fund, the deficit was caused by lower than expected revenues for the City's low-income home improvement program. For the Public Art Fund, the deficit was caused by lower than expected revenues from the City's licenses and permits. The City anticipates receiving additional funds or reducing expenditures for these programs in fiscal year 2021. The expenditures within these funds have been consistent; however, the revenues fluctuate year to year. The City anticipates that revenues will increase over the next two fiscal years as larger new projects begin.

The Sanitation Fund (proprietary fund) had a deficit net position of \$1,129,227 at September 30, 2020. The deficit was originally caused by the implementation of GASB Statement 68. The City plans to recover the deficit over several years from future operating revenues. The Warehouse Fund and Self Insurance Fund (internal service funds) had a deficit net position of \$239,902 and \$3,268,379, respectively, due to higher than anticipated expenses for the Warehouse Fund and higher claims for the Self Insurance Fund. The City plans to increase charges over the next two fiscal years to cover the deficits.

3. Detailed Notes on All Funds

A. Deposits with Financial Institutions

The City's deposits with financial institutions were entirely covered by a combination of federal depository insurance and a collateral pool pledged to the State Treasurer of Florida by financial institutions which comply with the requirements of Florida Statutes and have been designated as a *qualified public depository*. Qualified public depositories are required to pledge collateral to the State Treasurer with a fair value equal to a percentage of the average daily balance of all governmental deposits in excess of available federal deposit insurance. In the event of a default by a qualified public depository, all claims for government deposits would be satisfied from the federal deposit insurance, pledged collateral and, if necessary, an assessment to other qualified public depositories. Accordingly, the City's deposits are considered fully insured or collateralized.



3. Detailed Notes on All Funds (Continued)

B. Investments

The City has adopted an investment policy to establish guidelines for the efficient management of its cash reserves. The City's investment policy limits permitted investments to the following:

- 1) Florida Prime Fund or any authorized intergovernmental investment pool pursuant to Florida Statutes Section 163.01 may comprise up to 60% of the portfolio and 50% of the portfolio for investments with a floating net asset value (NAV). Individual issuers are limited to a maximum of 35% of the portfolio and 20% of the portfolio for investments with a floating NAV. Investment pools must have a minimum credit rating of AAF by a Nationally Recognized Statistical Rating Organization (NRSRO).
- 2) United States Government negotiable direct obligations guaranteed by the United States Government may comprise up to 100% of the portfolio with the exception of Treasury Strips which are limited to 10% of the portfolio. Maturities are limited to 5 years from the date of settlement.
- 3) United States Government Agency bonds, debentures, notes, or callable securities issued or guaranteed by the United States Government may comprise up to 100% of the portfolio. Individual issuers are limited to a maximum of 40% of the portfolio. Maturities are limited to 5 years from the date of settlement.
- 4) Federal Instrumentalities that are negotiable direct obligations or obligations the principal and interest of which are issued or guaranteed by United States Government sponsored enterprises may comprise no more than 80% of the portfolio. Individual issuers may comprise no more than 40% of the portfolio. Maturities are limited to 5 years from the date of settlement. Eligible securities must be senior debt obligations issued by an Instrumentality carrying the same credit rating by two NRSROs as that of the U.S. Treasury. Securities of such an Agency or Instrumentality with a rating below that of the U.S. Treasury may be considered corporate debt.
- 5) Mortgage-Backed Securities guaranteed by a U.S. Government Agency may comprise no more than 20% of the portfolio. Individual issuers may comprise no more than 5% of the portfolio. Maturities are limited to 5 years from the date of settlement. The date corresponding to its average life is considered to be its maturity. Eligible securities must be senior debt obligations with the same credit rating as U.S. Treasury obligations by two NRSROs. Securities of such an Agency or Instrumentality with a rating below that of the U.S. Treasury may be considered corporate debt. The following securities are not permitted: securities collateralized with any portion of Sub-Prime Mortgages or Alt-A Mortgage obligations, collateralized debt obligations, collateralized bond obligations, collateralized loan obligations, Structured Investment Vehicles, or Special Purpose Entity Obligations.
- 6) Non-negotiable interest bearing certificates of deposit with a financial institution secured by Chapter 280, Florida Statutes, may comprise up to 40% of the portfolio. Individual issuers may comprise a maximum of 20% of the portfolio. Maturities are limited to 3 years from the date of settlement. At the time of deposit, the financial institution must have a minimum 3-star rating from Bauer Financial. Financial institutions with ratings below 3-stars are limited to FDIC insured amounts.
- 7) Money market savings accounts in a Qualified Public Depository may comprise up to 100% of the portfolio. Individual depositories are limited to 25% of the portfolio, except for accounts with the City's main depository institution, which can be up to 100%. The money market savings account must have daily liquidity and the financial institution must have a minimum 3-star rating from Bauer Financial. Financial institutions with a rating below 3 stars are limited to FDIC insured amounts.
- 8) Repurchase agreements may be comprised of only those investments set forth by the City's Master Repurchase Agreement. A third party custodian shall hold collateral for all repurchase agreements with a term longer than one business day. The mark-to-market value of collateral must be a minimum of 102% during the term of the repurchase agreement. Repurchase agreements may comprise a maximum of 20% of available funds. One business day agreements and overnight sweep agreements are limited to a maximum of 50% of the portfolio. A maximum of 10% of available funds may be invested with any one financial institution. One business day and overnight sweep agreements are limited to a maximum of 30%



3. Detailed Notes on All Funds (Continued)

B. Investments (Continued)

of the portfolio. Maturities are limited to 90 days from the date of settlement. At the time of purchase, the repurchase agreement counterparty must have a minimum rating of A by two NRSROs.

- 9) Commercial paper must be U.S. dollar denominated and may comprise up to 25% of the portfolio. Individual issuers are limited to 5% of the portfolio and a maximum of 10% can be invested in any one sector. At the time of purchase, the commercial paper must have a minimum short-term rating of A-2 or P-2 or equivalent by an NRSRO and have a minimum long-term rating of A by two NRSROs. If the commercial paper is backed by a letter of credit (LOC), the long-term debt of the LOC provider must be A rated or better by at least two NRSROs. Maturity is limited to no longer than 270 days from the settlement date.
- 10) Corporate notes issued by U.S. corporations or by depository institutions licensed by the United States may comprise no more than 25% of the portfolio. Individual issuers are limited to 5% of the portfolio and a maximum of 10% can be invested in any one sector. Maturity is limited to 5 years from the date of settlement. Corporate notes must have a minimum rating of A by two NRSROs.
- 11) State and local government taxable and tax-exempt debt securities may comprise no more than 25% of the portfolio. Individual issuers must not have been in default within five years prior to the date of purchase and are limited to 10% of available funds. Securities must have a minimum rating of A by two NRSROs for long-term debt. For short-term securities, the issuer must have a minimum rating of MIG-2 (Moody's), SP-2 (Standard & Poor's), or F-2 (Fitch) by two NRSROs. Debt issued for the purpose of funding student loans is not permitted.
- 12) Money market mutual funds registered under the Federal Investment Company Act of 1940 and operated in accordance with 17 CFR 270.2a-7. Money market mutual funds must have an average weighted maturity of 60 days or less and the share value shall be fixed at \$1.00. Money market mutual funds may comprise no more than 50% of the portfolio and a maximum of 20% of the invested funds of any one City fund. Money market mutual funds must have a rating of AAAM or the equivalent by two NRSROs.
- 13) Short-term bond funds that are registered under the Federal Investment Company Act of 1940 may comprise up to 40% of the portfolio. Individual issuers are limited to a maximum of 15% of the portfolio with any one fund. Individual securities must have a rating of Aaf or the equivalent by one NRSRO.
- 14) Foreign obligations, bonds, notes, or instruments of the Government of Israel backed by the full faith and credit of the State of Israel and denominated in U.S. Dollars may comprise up to 3% of the total portfolio. Commercial paper issued by foreign domiciled corporations is not permitted. Individual issuers are limited to 1% of the total portfolio. Maturities are limited to 3 years from the date of settlement. Individual securities must have a rating of A or the equivalent by one NRSRO.

General Employees' Pension Fund. The investment policy of the General Employees' Pension Fund limits investments to the following:

- 1) Direct obligations of the U.S. Government with a maturity of one year or less;
- 2) Commercial paper with a maturity of 270 days or less and rated "Prime 1" by Moody's and "A-1" by S&P;
- 3) A money market mutual fund or short term investment fund provided by the Plan's custodian;
- 4) Bankers Acceptances issued by the largest 50 banks in the United States (in terms of total assets);
- 5) Corporate obligations issued by a corporation organized under the laws of the United States, any state or organized territory of the United States or the District of Columbia;
- 6) Fixed income securities below investment grade (BBB) cannot exceed 15% of the fixed income portfolio;
- 7) The duration of the fixed income portfolio cannot exceed 135% of the duration of the Barclay's Capital Aggregate Bond Index;



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

B. Investments (Continued)

- 8) Mortgage-backed securities guaranteed or fully insured by Ginnie Mae (formerly the Government National Mortgage Association), the Federal Home Loan Mortgage Corporation (FHLMC), Fannie Mae (formerly the Federal National Mortgage Association), or rated "Aaa" by Moody's or "AAA" by S&P;
- 9) Common stocks, with investments in stocks of foreign companies limited to 20% (at cost) of the total investment portfolio and stocks publicly traded for less than one year limited to 15% of the equity portfolio; and,
- 10) Mutual funds, commingled funds, limited partnerships, real estate held in commingled funds, and absolute or real return investments held in commingled funds.

Police Officers' Pension Fund. The investment policy of the Police Officers' Pension Fund limits investments to the following:

- 1) Time or saving accounts of a national bank, a state bank insured by the Bank Insurance Fund, or a savings and loan association insured by the Saving Insurance Association Insurance Fund which is administered by the Federal Deposit Insurance Corporation or a state or federal chartered credit union whose share accounts are insured by the National Credit Union Share Insurance Fund;
- 2) Obligations issued by the U.S. Government or obligations guaranteed as to principal and interest by the government of the United States;
- 3) Bonds issued by the State of Israel;
- 4) Bonds, stocks, or other evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States or the District of Columbia provided the corporation is listed on one or more of the recognized national exchanges or on the National Market System of the NASDAQ stock market and, in the case of bonds only, the average rating of such bonds shall be no lower than "AA" by S&P;
- 5) Real estate investment trusts (REIT'S); and,
- 6) Commingled stock, bond, or money market funds and institutional mutual funds whose investments are restricted to securities meeting the criteria outlined above. Investments in stocks and convertible securities are limited to 65% of the portfolio cost.

Firefighters' Pension Fund. Investments of the Firefighters' Pension Fund are subject to limitations set forth in Florida Statute Section 215.47 and are limited to the following:

- 1) Bonds, notes, or other obligations of the United States or those guaranteed by the United States or for which the credit of the United States is pledged for the payment of the principal and interest or dividends thereof and notes, bonds, or other obligations of Agencies of the United States;
- 2) State bonds pledging the full faith and credit of the state and revenue bonds additionally secured by the full faith and credit of the state;
- 3) Certificates of deposit or savings accounts in Florida qualified public depositories;
- 4) Bankers Acceptances, which are accepted by a member bank of the Federal Reserve System having total deposits of not less than \$400 million;
- 5) Commercial paper, of prime quality of the highest letter and numerical rating as provided for by at least one nationally recognized rating service;
- 6) Negotiable certificates of deposit by domestic or foreign financial institutions denominated in U.S. dollars;
- 7) Common stocks, preferred stocks, pooled equity funds, and foreign stocks provided that the investments in stocks and convertible securities are limited to 70% of the portfolio cost; and,



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

B. Investments (Continued)

- 8) Securities of, or other interests in, any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, wherein the portfolio is limited to U.S. Government obligations and to repurchase agreements fully collateralized by such U.S. Government obligations.

A summary of deposits and investments reported on the statement of net position and statement of fiduciary net position for the City is as follows:

	Pooled Cash and Investments		Pension Cash and Investments		Total
	Unrestricted	Restricted	Cash	Investments	
Governmental activities	\$ 58,037,504	\$ -	\$ -	\$ -	\$ 58,037,504
Business-type activities	<u>18,364,783</u>	<u>58,524,763</u>	-	-	<u>76,889,546</u>
Total statement of net position	76,402,287	58,524,763	-	-	134,927,050
Pension trust funds	-	-	<u>1,258,478</u>	<u>442,257,634</u>	<u>443,516,112</u>
Total cash and investments	<u>\$ 76,402,287</u>	<u>\$ 58,524,763</u>	<u>\$ 1,258,478</u>	<u>\$ 442,257,634</u>	<u>\$ 578,443,162</u>

The following summary presents the components of the City's cash, pooled cash and investments and investments at September 30, 2020:

	Fair Value at September 30, 2020			
	Unrestricted	Restricted	Pension	Total
Cash:				
Petty cash	\$ 5,725	\$ -	\$ -	\$ 5,725
Deposits with financial institutions	<u>39,846,323</u>	<u>39,449,861</u>	<u>1,258,478</u>	<u>80,554,662</u>
Total cash	39,852,048	39,449,861	1,258,478	80,560,387
Investments:				
Money market mutual funds	-	-	3,882,443	3,882,443
Florida Prime Fund	-	4,512,519	-	4,512,519
Florida Fixed Income Trust	32,043,364	14,562,383	-	46,605,747
Israel Government bond	2,000,000	-	-	2,000,000
U.S. Government and Agency obligations	2,506,875	-	28,851,671	31,358,546
Municipal obligations	-	-	70,958	70,958
Mortgage-backed securities	-	-	2,639,921	2,639,921
Corporate obligations	-	-	22,966,040	22,966,040
Equity securities	-	-	75,847,790	75,847,790
Equity mutual funds	-	-	72,497,680	72,497,680
Equity investment funds	-	-	120,410,769	120,410,769
International equity investment funds	-	-	22,618,202	22,618,202
Fixed income investment funds	-	-	39,730,372	39,730,372
Alternative investments				
Domestic fixed income funds	-	-	5,694,306	5,694,306
Real estate investment funds	-	-	<u>47,047,482</u>	<u>47,047,482</u>
Total investments	<u>36,550,239</u>	<u>19,074,902</u>	<u>442,257,634</u>	<u>497,882,775</u>
Total cash and investments	<u>\$ 76,402,287</u>	<u>\$ 58,524,763</u>	<u>\$ 443,516,112</u>	<u>\$ 578,443,162</u>

Fair Value of Investments: The City follows the provisions of GASB Statement No. 72, *Fair Value Measurement and Application*, which establishes a framework for measuring the fair value of investments in a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the City has the ability to access at the measurement date.



3. Detailed Notes on All Funds (Continued)

B. Investments (Continued)

Level 2: Inputs to the valuation methodology include the following:

- Quoted prices for similar assets in active markets.
- Quoted prices for identical or similar assets in inactive markets.
- Inputs other than quoted prices that are observable for the assets.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset has a specified contractual term, the Level 2 input must be observable for substantially the full term of the asset.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. These unobservable inputs reflect the entity's own estimates for assumptions that market participants would use in pricing the asset or liability. Valuation techniques would typically include discounted cash flow models and similar techniques, but may also include the use of market prices of assets that are not directly comparable to the subject asset.

The fair value measurement of an asset within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The categorization of an investment within the fair value hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to the City's perceived risk of that investment.

Valuation Methodologies: The valuation methods and assumptions used by the City in estimating the fair value of financial instruments measured at fair value on a recurring basis under GASB Statement No. 72, were as follows:

Equity securities, equity mutual funds, equity investment funds and international equity investment funds: Valued at the closing price or net asset value reported on the active exchange on which the individual securities and mutual funds are actively traded.

U.S. Government and Agency obligations, municipal obligations, mortgage-backed securities, corporate obligations, fixed income investment funds and Israel Government bond: Valued at the closing price or net asset value reported on the active exchange on which the individual securities or funds are actively traded. Securities that are not actively traded are valued by the investment manager using a matrix pricing technique based on the securities' relationship to quoted benchmark prices. Certain fixed income investment funds include private corporate obligations that are not traded and are valued by the investment manager using proprietary models.

Investments measured at net asset value (NAV): The Florida Fixed Income Trust, certain equity investment funds, certain fixed income investment funds and real estate investment funds are valued at the unadjusted NAV per share at September 30, 2020, calculated in a manner consistent with GAAP for external governmental investment pools and private investment companies based on the fair value of the underlying fund investments as determined by the fund manager, if available, or by valuations of a fund's underlying assets as provided by the general partner or investment manager, since the assets are not publicly traded. Real estate values are based upon appraisals performed for assets held by the fund, or estimated by the fund manager, if appraisals are not performed or available. The fair value of real estate is the price that would be received if the asset was sold to a market participant assuming the highest and best use of each asset at the measurement date. The alternative investment funds are not publicly traded and invest in various types of equity or fixed income securities, as applicable. These alternative investment funds may hold certain investments which are not marketable and may be valued by a single market maker. While the fund managers use their best judgment in estimating the fair values of underlying investments, there are inherent limitations in any estimation technique. Accordingly, the fair values of the alternative investment funds may be estimated by the management of the pension funds and their investment advisors in the absence of readily ascertainable market values.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

B. Investments (Continued)

The methods and assumptions used by the City may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. While the City believes its valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There were no changes in the methods and assumptions used for the year ended September 30, 2020.

Fair Value of Investments: The financial assets measured at fair value on a recurring basis include the City's investments. There were no liabilities measured at fair value on a recurring basis at September 30, 2020. The money market mutual funds and Florida Prime Fund are reported at amortized cost which approximates fair value and are included in the following fair value table for reconciliation purposes only. The fair value of the City's investments at September 30, 2020 is summarized as follows:

	Fair Values at September 30, 2020			
	Level 1	Level 2	Level 3	Total
Fixed Income Investments				
U.S. Government and Agency obligations	\$ -	\$ 31,358,546	\$ -	\$ 31,358,546
Municipal obligations	-	70,958	-	70,958
Mortgage-backed securities	-	2,639,921	-	2,639,921
Corporate obligations	-	22,966,040	-	22,966,040
Fixed income investment funds	-	6,994,484	587,841	7,582,325
Israel Government bond	<u>2,000,000</u>	-	-	<u>2,000,000</u>
Total fixed income investments	<u>2,000,000</u>	<u>64,029,949</u>	<u>587,841</u>	<u>66,617,790</u>
Equity Investments				
Equity securities	75,847,790	-	-	75,847,790
Equity mutual funds	72,497,680	-	-	72,497,680
Equity investment funds	33,119,808	15,232,144	-	48,351,952
International equity investment funds	<u>22,618,202</u>	-	-	<u>22,618,202</u>
Total equity investments	<u>204,083,480</u>	<u>15,232,144</u>	-	<u>219,315,624</u>
Total investments at fair value	<u>\$ 205,083,480</u>	<u>\$ 79,262,093</u>	<u>\$ 587,841</u>	<u>285,933,414</u>
Investments Measured at NAV				
Florida Fixed Income Trust				46,605,747
Alternative investment funds:				
Equity investment funds				72,058,817
Fixed income investment funds				37,842,353
Real estate investment funds				<u>47,047,482</u>
Total investments at NAV				<u>203,554,399</u>
Investments in Cash Equivalents				
Money market mutual funds				3,882,443
Florida Prime Fund				<u>4,512,519</u>
Total equity investments				<u>8,394,962</u>
Total investments				<u>\$ 497,882,775</u>

The reported fair values for the alternative investment funds may differ significantly from the values that would have been used had a ready market for the underlying funds existed and the differences could be material. Future confirming events will affect the estimates of fair value, and the effect of such events on the estimates of fair value could be material. The alternative investment funds also expose the pension funds to additional investment risks, including liquidity risks; counterparty and custody risks; foreign political, economic and governmental risks; and, market risk. There were no lock-up periods for any investments at September 30, 2020. The alternative investment funds were redeemable with advance notice and approval of the investment fund manager.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

B. Investments (Continued)

Credit Risk: Credit risk is the risk that a debt issuer will not fulfill its obligations. The investment policies of the City and the pension funds utilize portfolio diversification to control this risk as well as limiting investments to investment grade (BBB) securities as rated by nationally recognized statistical rating organizations at the time of purchase.

The S&P ratings for the City and Pension Funds' investments at September 30, 2020, are summarized as follows:

Investment Type	Rating	Fair Value
U.S. Government and Agency obligations	AA	\$ 15,159,286
U.S. Government and Agency obligations	Not rated	16,199,260
Municipal obligations	AA to A+	70,958
Mortgage-backed securities	Not rated	2,639,921
Corporate obligations	AA+ to BBB	22,966,040
Fixed income investment funds	AA	32,148,047
Fixed income investment funds	Not rated	13,276,631
Israel Government bond	Not rated	2,000,000
Florida Fixed Income Trust	AAAf	46,605,747
Money market mutual funds	AAA to AA	3,882,443
Florida Prime Fund	AAAm	4,512,519

Custodial Credit Risk: Custodial credit risk is defined as the risk that the City may not recover cash and investments held by another party in the event of financial failure. The City investment policy requires cash and investments to be fully insured or collateralized, or held in independent custodial safekeeping accounts in the City's name. At September 30, 2020, all investments were held in independent custodial safekeeping accounts, except for investments considered unclassified pursuant to GASB Statement No. 3, as amended, which include the Florida Fixed Income Trust investment pool, Florida Prime Fund, money market mutual funds and alternative investment funds.

Concentration of Credit Risk: Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. For all investments of the City, including those in the City's three pension funds, securities of a single issuer are limited to no more than 5% of the total investment portfolio. Mutual funds and investment pools are excluded from the concentration of credit risk disclosures.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in fixed income securities. Generally, the longer the time to maturity, the greater the exposure to interest rate risks. The City's investment policy limits the maturities of fixed income investments to five years from the date of purchase, unless the investment is matched with a specific cash flow. The investment policies of the three pension funds provide no specific limitations on the maturity of investments, but require the investment portfolios to be structured in a manner as to provide sufficient liquidity to pay obligations as they come due. To the extent possible, investment maturities are matched with the known cash needs and anticipated cash-flow requirements.

The Florida Prime Fund and money market mutual funds held by the City and the Pension Funds have a weighted average maturity of less than 90 days. The City's investment in the Israel Government bond has a scheduled maturity of February 1, 2021.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

B. Investments (Continued)

The table below summarizes the scheduled maturities of fixed income investments of the City's General Employees' Pension Trust Fund at September 30, 2020:

	Fair Value of Investment Maturities			
	Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
General Employees' Pension Trust Fund:				
U.S. Government and Agency obligations	\$ 4,632,377	\$ 4,960,137	\$ 2,220,941	\$ 1,878,930
Municipal obligations	10,240	36,367	24,351	-
Mortgage-backed securities	-	56,318	-	2,583,603
Corporate obligations	209,933	2,023,518	7,061,438	1,260,456
Total Fair Value	<u>\$ 4,852,550</u>	<u>\$ 7,076,340</u>	<u>\$ 9,306,730</u>	<u>\$ 5,722,989</u>

The table below summarizes the average effective duration of the City's investment in the Florida Fixed Income Trust investment pools and the fixed income investments of the Police Officers' and Firefighters' Pension Funds at September 30, 2020:

	Fair Value	Effective Duration
City:		
Florida Fixed Income Trust:		
Cash Pool	\$ 26,186,693	0.3 years
Enhanced Cash Pool	20,419,054	0.6 years
Police Officers' Pension Fund:		
Fixed income investment funds	32,148,047	6.3 years
Firefighters' Pension Fund:		
U.S. Government and Agency obligations	15,159,286	5.1 years
Corporate obligations	12,410,695	6.4 years
Fixed income investment funds	13,276,631	Not available

The Florida Fixed Income Trust investment pools include the Cash Pool and Enhanced Cash Pool. The Cash Pool is a high quality money market alternative that provides the fund manager flexibility in the portfolio's investments and duration compared to traditional money market mutual funds. The Cash Pool has a floating rate NAV, but is managed in a manner that strives to maintain a fixed NAV of \$1.00 per share. The Enhanced Cash Pool is managed to provide growth and a longer investment time horizon of 3 to 18 months. The Enhanced Cash Pool invests in short-term fixed income securities rated A or higher and is managed to provide a target effective duration of .5 years. The Enhanced Cash Pool has a floating rate NAV based on the underlying fair value of the portfolio. Investments in both funds may be withdrawn on a next day basis without limitation at any time during normal business hours. Investments in both funds are unsecured and collateralized only by the securities in the fund portfolio.

Foreign Currency Risk: Foreign currency risk includes the risk of revaluation of currencies, high rates of inflation, repatriation restrictions on income and capital, and future adverse political, social, and economic developments. Moreover, securities of foreign governments may be less liquid, subject to delayed settlements, taxation on realized and unrealized gains, and their price may be more volatile than those of comparable securities in U.S. Companies. At September 30, 2020 the Pension Trust Funds' investments included \$22,618,202 invested in a U.S. dollar denominated international equity investment fund.

Other Risks: The value, liquidity, and related income of certain fixed income securities that have contractual cash flows and weighted average maturities or an effective duration in excess of one year, such as mortgage-backed securities, collateralized mortgage obligations, and alternative investment funds or mutual funds investing in these types of securities or entities, are particularly sensitive to changes in financial markets and economic conditions,



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

B. Investments (Continued)

including real estate values, delinquencies or defaults, or both, and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates. In addition, such securities are also subject to prepayment risk and liquidity risk which can adversely affect the fair value and/or income of the investment.

Due to the various risks associated with the City's investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

C. Receivables

Receivables (excluding restricted assets - accounts receivable) for the City's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, at September 30, 2020 are as follows:

	Delinquent Property Taxes	Receivables, Billed Services	Receivables, Unbilled Services	Due From Other Governments	Public Services Taxes	Allowance Uncollectible Accounts	Total Receivables, Net
General Fund	\$ 249,727	\$ 7,446,012	\$ -	\$ 485,879	\$ -	\$ (5,233,272)	\$ 2,948,346
Boynton Beach CRA Special Revenue Fund	-	6,089	-	-	-	-	6,089
Non-Major Governmental Funds	-	149,369	48,200	1,376,692	615,895	(29,247)	2,160,909
Water and Sewer Fund	-	3,994,278	1,702,450	-	-	(598,807)	5,097,921
Sanitation Fund	-	1,232,708	425,149	-	-	(266,889)	1,390,968
Non-Major Enterprise Fund	-	3,640	-	-	-	-	3,640
Total	<u>\$ 249,727</u>	<u>\$ 12,832,096</u>	<u>\$ 2,175,799</u>	<u>\$ 1,862,571</u>	<u>\$ 615,895</u>	<u>\$ (6,128,215)</u>	<u>\$ 11,607,873</u>

The amounts due from other governments at September 30, 2020 are summarized as follows:

Due from Palm Beach County	\$ 59,077
Due from State of Florida	1,241,047
Due from U.S. Government	<u>562,447</u>
Total due from other governments	<u>\$ 1,862,571</u>

The CRA established a Homebuyer Assistance Program to assist residents with the purchase of a home by providing a subsidy of up to \$50,000 per homeowner. The subsidy is secured by a mortgage note payable on the residence, which require repayment by the property owner only under certain circumstances, such as the sale of the property, and is forgiven if the homeowner remains in the home for the full term specified in the agreement. The amount of these mortgage notes receivable outstanding at September 30, 2020, totaled \$1,394,672. Given the nature of these loans and that there is no right to demand payment; the CRA does not expect to collect the receivables. Accordingly, the CRA charges the homeowner loans to expenditures when approved and does not recognize these notes receivable in the financial statements.

The City has a Community Development Block Grant with the U.S. Department of Housing and Urban Development (HUD) to assist local property owners with rehabilitation and preservation of their personal residence. The assistance is secured by a mortgage note payable on the residence, which requires repayment by the property owner only under certain circumstances, such as the sale of the property, and is forgiven if the property owner remains in the property for the full term specified in the agreement, typically ten years. The amount of these mortgage notes receivable outstanding at September 30, 2020 totaled \$4,403,004. Given the nature of these loans and that there is no right to demand payment; the City does not expect to collect the receivables. Accordingly, the City charges the homeowner loans to expenditures when approved and does not recognize these notes receivable in the financial statements.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

D. Restricted Assets

In connection with City ordinances governing the issuance of water and sewer system revenue bonds, the City is required to invest and restrict pooled cash and investments and accounts receivable held for customer deposits, bond requirements and unspent bond proceeds held for capital improvements of the water and sewer system.

The restricted assets and liabilities payable from restricted assets in the Water and Sewer Fund at September 30, 2020, are summarized as follows:

	Restricted for			
	Customer Deposits	Revenue Bond Covenants	Capital Improvements	Total
<u>Restricted Assets:</u>				
Pooled cash and investments	\$ 1,568,466	\$ 8,667,960	\$ 48,288,337	\$ 58,524,763
Accounts receivable	38,500	-	-	38,500
Total restricted assets	1,606,966	8,667,960	48,288,337	58,563,263
<u>Liabilities Payable from Restricted Assets:</u>				
Customer deposits	(1,606,966)	-	-	(1,606,966)
Revenue bonds payable, current	-	(4,640,000)	-	(4,640,000)
Accrued revenue bond interest	-	(921,857)	-	(921,857)
Contracts payable	-	-	(1,302,861)	(1,302,861)
Total liabilities	(1,606,966)	(5,561,857)	(1,302,861)	(8,471,684)
Net restricted assets	-	3,106,103	46,985,476	50,091,579
Less unspent bond proceeds allocated to revenue bonds payable	-	-	(46,985,476)	(46,985,476)
Net position restricted for revenue bond covenants	\$ -	\$ 3,106,103	\$ -	\$ 3,106,103

E. Investment in Regional Wastewater Treatment Plant

In 1974, the City joined with the City of Delray Beach to form the South Central Regional Wastewater Treatment and Disposal Board (the "Board"), an independent special district. The Board, which is governed by a body composed of the Commission members from each city, oversees the operation of the Regional Wastewater Treatment Plant which services both cities and surrounding areas. The interlocal agreement between the City and the City of Delray Beach specifies that the Board has the authority to accept and disburse funds, transact business and enter into contracts for budgeted items. In addition, the Board has the authority, subject to approval by a majority vote of each City Commission before becoming effective, to adopt an annual budget, establish rates and charges for operations, maintenance, expansion and construction, enter into contracts for non-budgeted items and authorize the return of any surplus funds or levy additional charges for deficits of the Board to the respective cities. No debt has been authorized or issued by the Board.

Ownership of the Regional Wastewater Treatment Plant is vested proportionately with the cities in accordance with the capital investments of each city, which to date are approximately 50% each. The Board charges each city for its share of the Board's operating expenses based on the percentage flow of wastewater from each city. For the year ended September 30, 2020, the City accounted for approximately 50% of the total wastewater flow treated by the Board, and approximately 50% of the Board's operating expenses were billed to the City.

The City accounts for its investment in the Board as a joint venture recorded on the equity method of accounting. At September 30, 2020, the City's 50% equity interest in the net position of the Board totaled \$16,746,468 plus land purchased by the City in the amount of \$554,612 for a total investment of \$17,301,080. This investment has been included in the City's Water and Sewer Enterprise Fund statement of net position as Investment in Joint Venture.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

E. Investment in Regional Wastewater Treatment Plant (Continued)

At September 30, 2020, the City had a receivable from and a payable to the Board of \$491,245 and \$391,449, respectively. For the year ended September 30, 2020, the City paid approximately \$5.4 million to the Board for operating expenses, repairs and replacement and capital charges. Each individual city is responsible for setting the rates and collecting charges for wastewater disposal from customers within its jurisdiction. Financial information relating to the Board as of and for the years ended September 30, 2020 and 2019 is as follows:

Net Position		
	2020	2019
Current and other assets	\$ 11,983,000	\$ 19,714,000
Capital assets, net	<u>37,062,000</u>	<u>31,438,000</u>
Total assets	49,045,000	51,152,000
Current liabilities	2,327,000	1,955,000
Noncurrent liabilities	<u>13,231,000</u>	<u>14,067,000</u>
Total liabilities	<u>15,558,000</u>	<u>16,022,000</u>
Net position	<u>\$ 33,487,000</u>	<u>\$ 35,130,000</u>
Changes in Net Position		
Charges for services	\$ 8,304,000	\$ 7,723,000
Operating grants and contributions	1,200,000	1,200,000
Capital grants and contributions	435,000	753,000
Operating expenses	<u>(10,872,000)</u>	<u>(10,806,000)</u>
Operating loss	(933,000)	(1,130,000)
Investment and other revenues	142,000	110,000
Transfers to joint venture participants	<u>(852,000)</u>	<u>(363,000)</u>
Changes in net position	<u>\$ (1,643,000)</u>	<u>\$ (1,383,000)</u>

Separate, audited financial statements of the Board can be obtained by contacting the South Central Regional Wastewater Treatment and Disposal Board, 1801 North Congress Avenue, Delray Beach, FL 33445.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

F. Capital Assets

Capital asset activity for the year ended September 30, 2020, was as follows:

	<u>Beginning Balance</u>	<u>Reclassifications</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities					
Non-depreciable assets:					
Land	\$ 32,325,556	\$ -	\$ 368,627	\$ (2,027,938)	\$ 30,666,245
Construction in progress	<u>8,605,673</u>	<u>-</u>	<u>5,801,109</u>	<u>-</u>	<u>14,406,782</u>
Total non-depreciable assets	<u>40,931,229</u>	<u>-</u>	<u>6,169,736</u>	<u>(2,027,938)</u>	<u>45,073,027</u>
Depreciable assets:					
Buildings and improvements	92,091,988	-	79,853,165	(170,850)	171,774,303
Machinery, equipment, and vehicles	79,398,859	-	9,437,980	(1,191,793)	87,645,046
Infrastructure	<u>15,867,023</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,867,023</u>
Total depreciable assets	<u>187,357,870</u>	<u>-</u>	<u>89,291,145</u>	<u>(1,362,643)</u>	<u>275,286,372</u>
Less accumulated depreciation:					
Buildings and improvements	(55,954,782)	-	(2,641,423)	157,182	(58,439,023)
Machinery, equipment, and vehicles	(60,492,005)	-	(7,195,868)	382,729	(67,305,144)
Infrastructure	<u>(13,129,939)</u>	<u>-</u>	<u>(457,565)</u>	<u>-</u>	<u>(13,587,504)</u>
Total accumulated depreciation	<u>(129,576,726)</u>	<u>-</u>	<u>(10,294,856)</u>	<u>539,911</u>	<u>(139,331,671)</u>
Total depreciable assets, net	<u>57,781,144</u>	<u>-</u>	<u>78,996,289</u>	<u>(822,732)</u>	<u>135,954,701</u>
Governmental activities capital assets, net	<u>\$ 98,712,373</u>	<u>\$ -</u>	<u>\$ 85,166,025</u>	<u>\$ (2,850,670)</u>	<u>\$ 181,027,728</u>
Business-type activities					
Non-depreciable assets:					
Land	\$ 5,132,225	\$ -	\$ -	\$ -	\$ 5,132,225
Intangible	2,910,000	-	-	-	2,910,000
Construction in progress	<u>31,538,949</u>	<u>(2,846,178)</u>	<u>7,945,363</u>	<u>-</u>	<u>36,638,134</u>
Total non-depreciable assets	<u>39,581,174</u>	<u>(2,846,178)</u>	<u>7,945,363</u>	<u>-</u>	<u>44,680,359</u>
Depreciable assets:					
Buildings and improvements	123,292,472	2,682,958	2,009,447	-	127,984,877
Utility lines	188,299,244	-	-	-	188,299,244
Wells	21,924,533	-	-	-	21,924,533
Golf course improvements	2,681,199	-	-	-	2,681,199
Machinery, equipment, and vehicles	<u>33,282,163</u>	<u>163,220</u>	<u>1,514,525</u>	<u>(138,670)</u>	<u>34,821,238</u>
Total depreciable assets	<u>369,479,611</u>	<u>2,846,178</u>	<u>3,523,972</u>	<u>(138,670)</u>	<u>375,711,091</u>
Less accumulated depreciation:					
Buildings and improvements	(66,940,190)	-	(3,672,757)	-	(70,612,947)
Utility lines	(98,789,612)	-	(6,594,816)	-	(105,384,428)
Wells	(20,355,459)	-	(694,844)	-	(21,050,303)
Golf course improvements	(2,391,279)	-	(72,807)	-	(2,464,086)
Machinery, equipment, and vehicles	<u>(29,166,059)</u>	<u>-</u>	<u>(648,821)</u>	<u>138,670</u>	<u>(29,676,210)</u>
Total accumulated depreciation	<u>(217,642,599)</u>	<u>-</u>	<u>(11,684,045)</u>	<u>138,670</u>	<u>(229,187,974)</u>
Total depreciable assets, net	<u>151,837,012</u>	<u>2,846,178</u>	<u>(8,160,073)</u>	<u>-</u>	<u>146,523,117</u>
Business-type activities capital assets, net	<u>\$ 191,418,186</u>	<u>\$ -</u>	<u>\$ (214,710)</u>	<u>\$ -</u>	<u>\$ 191,203,476</u>



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

F. Capital Assets (Continued)

Depreciation expense was charged to programs/functions as follows:

<u>Governmental activities</u>		
General government	\$	1,645,087
Public safety		1,883,945
Physical environment		750,619
Economic environment		3,645
Culture and recreation		1,518,424
Capital assets of the City's internal service funds are charged to functions based on their usage of the assets		4,272,531
Blended component unit		<u>220,605</u>
Total depreciation – governmental activities	\$	<u>10,294,856</u>
 <u>Business-type activities</u>		
Water and sewer	\$	11,558,779
Sanitation		2,233
Non-major enterprise fund: Golf course		<u>123,033</u>
Total depreciation – business-type activities	\$	<u>11,684,045</u>

G. Interfund Receivables and Payables

Interfund receivable and payable balances at September 30, 2020, are summarized as follows:

	Interfund Receivables	Interfund Payables
General Fund	\$ 2,004,369	\$ -
Special Revenue Funds:		
Grants Fund	-	459,411
CDBG Grant Fund	-	117,076
Community Improvements Fund	-	171,927
Public Art Fund	-	110,603
Golf Course Fund	-	628,024
Internal Service Fund:		
Warehouse Fund	<u>-</u>	<u>517,328</u>
Total	<u>\$ 2,004,369</u>	<u>\$ 2,004,369</u>

The outstanding balances among funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These balances also include the amount of working capital loans made to various funds that the General Fund expects to collect in the subsequent year.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

H. Interfund Transfers

Transfers	General Fund	Non-Major Governmental Funds	Sanitation Fund	Internal Service Funds	Total Transfers Out
General Fund	\$ -	\$ 20,000	\$ -	\$ 2,578,073	\$ 2,598,073
Boynton Beach CRA Special Revenue Fund	-	11,693,401	-	-	11,693,401
Non-Major Governmental Funds	8,467,000	7,456,623	-	16,557	15,940,180
Water & Sewer Fund	7,050,000	-	-	1,116,662	8,166,662
Sanitation Fund	1,100,000	-	-	1,426,313	2,526,313
Golf Course Fund	25,000	-	10,000	8,850	43,580
Internal Service Funds	-	-	-	6,448	6,448
Total Transfers In	<u>\$ 16,642,000</u>	<u>\$ 19,170,024</u>	<u>\$ 10,000</u>	<u>\$ 5,152,633</u>	<u>\$ 46,974,657</u>

Transfers are used to: (1) pay the payment in lieu of taxes charged to the various enterprise funds by the General Fund, (2) fund the excess expenses of the internal service funds for the current period, and (3) move fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations and legal requirements, including amounts provided as subsidies or matching funds for various grant programs and excess revenues collected for debt service after the payment of principal and interest due for the current year.

I. Noncurrent Liabilities

Governmental Activities

Changes in governmental activities noncurrent liabilities for the year ended September 30, 2020, were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Public Service Tax Revenue Refunding Bonds, Series 2015	\$ 17,920,000	\$ -	\$ (2,095,000)	\$ 15,825,000	\$ 2,130,000
CRA Tax Increment Refunding Revenue Bonds, Series 2012	10,203,000	-	(1,367,000)	8,836,000	1,397,000
CRA Tax Increment Refunding Revenue Bonds, Series 2015	3,535,000	-	(395,000)	3,140,000	410,000
Note Payable	<u>4,350,000</u>	-	<u>(2,500,000)</u>	<u>1,850,000</u>	<u>1,850,000</u>
Total bonds and note payable	36,008,000	-	(6,357,000)	29,651,000	5,787,000
Capital leases for Town Square facilities	-	79,853,165	(1,603,244)	78,249,921	1,660,491
Installment agreements for equipment	2,355,155	-	(1,017,390)	1,337,765	481,305
Compensated absences	6,850,844	5,748,179	(4,774,812)	7,824,211	1,017,147
Provision for insurance losses	<u>5,545,188</u>	<u>1,832,036</u>	<u>(1,324,957)</u>	<u>6,052,267</u>	<u>2,066,205</u>
Total noncurrent liabilities	<u>\$ 50,759,187</u>	<u>\$ 87,433,380</u>	<u>\$ (15,077,403)</u>	<u>\$ 123,115,164</u>	<u>\$ 11,012,148</u>

Compensated absences are typically liquidated by the General Fund. Insurance claims liabilities have typically been liquidated by the Self Insurance Internal Service Fund which mainly serves the governmental funds. Therefore, the long-term liabilities of this fund are included in the governmental activities noncurrent liabilities.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

I. Noncurrent Liabilities (Continued)

Governmental Activities (Continued)

Public Service Tax Revenue Refunding Bonds, Series 2015: On May 15, 2015, the City issued \$24,210,000 Public Service Tax Revenue Refunding Bonds, Series 2015 (the "Series 2015 Bonds"), to advance refund \$5,425,000 of the Public Service Tax Revenue Bonds, Series 2004, and \$18,190,000 of the Public Service Tax Revenue Refunding Bonds, Series 2006, and to pay the costs associated with the issuance of the Series 2015 Bonds. The proceeds of the Series 2015 Bonds were placed in an irrevocable trust to purchase U.S. Government securities which were used, along with all interest earnings, for the sole purpose of paying future debt service on the refunded bonds. The refunding resulted in an economic gain (the difference between the present value of the debt service payments of the refunded and refunding bonds) of approximately \$2,450,000 and reduced the total debt service payments by approximately \$2,723,000. The Series 2015 Bonds bear interest at a fixed rate of 1.95% and are payable semi-annually on November 1 and May 1. Principal payments are due each November 1 through maturity on November 1, 2026. The Series 2015 Bonds are payable from and secured by a pledge of the City's public service tax revenues. The debt service requirements of the Series 2015 Bonds are as follows at September 30, 2020:

Fiscal Year Ending September 30,	Principal	Interest	Total
2021	\$ 2,130,000	\$ 287,820	\$ 2,417,820
2022	2,170,000	245,894	2,415,894
2023	2,215,000	203,142	2,418,142
2024	2,260,000	159,510	2,419,510
2025	2,305,000	115,000	2,420,000
2026-2027	<u>4,745,000</u>	<u>92,966</u>	<u>4,837,966</u>
	<u>\$ 15,825,000</u>	<u>\$ 1,104,332</u>	<u>\$ 16,929,332</u>

CRA Tax Increment Refunding Revenue Bonds, Series 2012: Resolution 12-07 of the CRA Board of Commissioners dated October 9, 2012, authorized the issuance of CRA Tax Increment Refunding Revenue Bonds, Series 2012 (the "CRA Series 2012 Bonds"), in the principal amount of \$16,185,000 to advance refund \$12,665,000 of the CRA Tax Increment Revenue Bonds, Series 2004 and \$3,000,000 of the CRA Tax Increment Revenue Bonds, Series 2005A. The proceeds of the CRA Series 2012 Bonds were placed in an irrevocable trust to purchase U.S. Government securities which were used, along with all interest earnings, for the sole purpose of paying future debt service on the refunded bonds. The refunding resulted in an economic gain of approximately \$1,182,000 and reduced the total debt service payments by approximately \$2,095,000. The outstanding CRA Series 2012 Bonds at September 30, 2020, were \$8,836,000 and are due in annual principal installments of \$1,397,000 to \$1,530,000 plus interest at 2.56% through maturity on October 1, 2026. Principal and interest on the CRA Series 2012 Bonds are payable from and secured by a pledge of the CRA's tax increment revenues. The debt service requirements of the CRA Series 2012 Bonds are as follows at September 30, 2020:

Fiscal Year Ending September 30,	Principal	Interest	Total
2021	\$ 1,397,000	\$ 226,201	\$ 1,623,201
2022	1,439,000	190,439	1,629,439
2023	1,471,000	153,600	1,624,600
2024	1,512,000	115,942	1,627,942
2025	1,487,000	77,236	1,564,236
2026-2027	<u>1,530,000</u>	<u>39,167</u>	<u>1,569,167</u>
	<u>\$ 8,836,000</u>	<u>\$ 802,585</u>	<u>\$ 9,638,585</u>



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

I. Noncurrent Liabilities (Continued)

Governmental Activities (Continued)

CRA Tax Increment Refunding Revenue Bonds, Series 2015: On March 26, 2015, the CRA authorized the issuance of \$5,005,000 Tax Increment Refunding Revenue Bonds, Series 2015 (the "CRA Series 2015 Bonds"), to advance refund the CRA's Tax Increment Revenue Bonds, Series 2005B. The CRA Series 2015 Bonds were structured as a private placement to be issued as additional bonds under Resolution No. 15-01 adopted on March 10, 2015. The payment of principal and interest on the CRA Series 2015 Bonds are secured by a pledge of the CRA's tax increment revenues. Principal and interest at a fixed interest rate of 3.30% on the CRA Series 2015 Bonds is payable through maturity on October 1, 2026. The refunding resulted in an economic gain of approximately \$1,450,000 and reduced the total debt service payments by approximately \$1,790,000. The debt service requirements of the CRA Series 2015 Bonds are as follows at September 30, 2020:

<u>Fiscal Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 410,000	\$ 103,620	\$ 513,620
2022	420,000	90,090	510,090
2023	435,000	76,230	511,230
2024	445,000	61,875	506,875
2025	705,000	47,190	752,190
2026-2027	<u>725,000</u>	<u>23,925</u>	<u>748,925</u>
	<u>\$ 3,140,000</u>	<u>\$ 402,930</u>	<u>\$ 3,542,930</u>

Note Payable: On November 6, 2018 the City entered into a term loan agreement for \$6,850,000 with a private lender to finance the cost of rehabilitation and construction of the historic Boynton Beach High School building into the new Boynton Beach Cultural Center as part of the Town Square Project. Principal payments are due each September 1 and interest on the outstanding note balance accrues at a fixed rate of 4.85% and is payable monthly through maturity on September 1, 2021. The City was required to deposit an interest reserve of \$337,000 with the lender from the loan proceeds. The debt service requirements of the note payable are as follows at September 30, 2020:

<u>Fiscal Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	<u>\$ 1,850,000</u>	<u>\$ 90,971</u>	<u>\$ 1,940,971</u>

Town Square Capital Lease Obligation: The City Commission approved the *Town Square Project* (the "Project") to redevelop the existing City Hall complex and surrounding properties with a Public-Private Partnership between the City and private development companies pursuant to Florida Statutes Section 287.05712. The Project includes the construction of a new City Hall, Police Station, Fire Station and Library and renovation of the historic Boynton Beach High School building as the City's new cultural center.

The City entered into lease agreements with CFP Boynton Beach Town Square, LLC ("CFP"), a Minnesota non-profit corporation and a qualified tax exempt 501(c)(3) charitable organization to build and finance the Project and lease the facilities to the City upon completion of construction. The City owns the land where the former City Hall complex and Police and Fire Station facilities were located and entered into "Ground Lease" agreements with CFP to construct the Town Square Project on the City's site. The City and CFP also entered into "Facilities Lease" agreements for the completed Town Square facilities. The 25 year term of the Ground Leases match the term of the Facilities Leases which end on June 1, 2044. The Facilities Leases were determined to be capital lease agreements under GAAP. Upon termination of the Ground Leases and Facilities Leases, CFP's rights and title to the buildings, improvements and property will terminate and all rights and title to the Town Square properties and facilities will vest



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

I. Noncurrent Liabilities (Continued)

Governmental Activities (Continued)

with the City. The City's lease payments to CFP under the Facilities Leases are due semi-annually on December 1 and June 1, and range from approximately \$3.0 million to \$5.2 million over the term of the Facilities Leases ending on June 1, 2044. At September 30, 2020, the cost of buildings and improvements held under these agreements was approximately \$79,850,000 and the accumulated amortization was approximately \$1,921,000 at September 30, 2020. Amortization expense related to the leased facilities is included in depreciation expense in the accompanying financial statements. The Facilities Lease payments and all Project buildings and improvements constructed by CFP are pledged as collateral for bonds issued by CFP to construct the Project. The future annual capital lease payments owed by the City are as follows at September 30, 2020:

Fiscal Year Ending September 30,	Amount
2021	\$ 4,483,323
2022	4,485,424
2023	4,483,578
2024	4,483,178
2025	4,482,619
2026-2030	24,509,016
2031-2035	25,906,764
2036-2040	25,901,395
2041-2044	20,714,970
Total minimum lease payments	119,450,265
Less amounts representing interest	(41,200,344)

Capital lease obligation at September 30, 2020 \$ 78,249,921

Installment Agreements for Equipment: The City entered into various installment agreements to finance the purchase of equipment. At September 30, 2020, the cost of equipment held under these agreements was approximately \$4,010,000 and the accumulated amortization was approximately \$1,428,000 at September 30, 2020. The installment agreements are secured by the related equipment. Amortization expense related to the equipment is included in depreciation expense in the accompanying financial statements. Future payments for the City's installment agreements through maturity are as follows as of September 30, 2020:

Fiscal Year Ending September 30,	Amount
2021	\$ 517,617
2022	517,617
2023	371,623
Total minimum payments	1,406,857
Less amounts representing interest	(69,091)

Outstanding balance at September 30, 2020 \$ 1,337,765

Pledged Governmental Revenues - The City has pledged the future public service tax revenues of the City to repay the outstanding Public Service Tax Revenue Refunding Bonds, Series 2015. The public service tax bonds are payable solely from the public service tax revenues received by the City and are payable through fiscal year 2027. Annual principal and interest payments on the bonds are expected to require less than 25 percent of public service tax revenues. Total principal and interest remaining to be paid on the public service tax revenue bonds is \$16,929,332 at September 30, 2020. Principal and interest paid and public service tax revenues received for the current year were \$2,424,014 and \$10,565,666, respectively.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

I. Noncurrent Liabilities (Continued)

Governmental Activities (Continued)

The CRA has pledged its future tax increment revenues to repay the outstanding CRA Tax Increment Refunding Revenue Bonds, Series 2012 and 2015. The City has also pledged its full faith and credit to guarantee repayment by the CRA of its outstanding bonds. The tax increment bonds are payable solely from the tax increment revenues received by the CRA and are payable through fiscal year 2027. Annual principal and interest payments on the bonds are expected to require less than 20 percent of the tax increment revenues. Total principal and interest remaining to be paid on the CRA tax increment revenue bonds at September 30, 2020 is \$13,181,515. Principal and interest paid for the current year were \$2,138,527. Tax increment revenues received by the CRA for the current year were \$13,932,896.

Events of Default - Events of default for governmental activities debt generally include the nonpayment of principal and interest when due, the dissolution, liquidation or bankruptcy of the issuer, or any other violations of the bond covenants that are not cured within the greater of a reasonable time or 30 days following written notice of violation by at least 25% of the bondholders. In the event of a default, the interest rate increases to the maximum rate allowed by law (18%) and upon written notice of a majority of the bondholders, all outstanding bonds may be declared immediately due and payable. The issuer is also responsible for the debtors' costs of collection.

Business-type Activities

Changes in business-type activities noncurrent liabilities are as follows for the year ended September 30, 2020:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Water and Sewer Utility					
Series 2002 Bonds	\$ 6,780,000	\$ -	\$ (3,300,000)	\$ 3,480,000	\$ 3,480,000
Series 2012 Bonds	43,260,000	-	(40,175,000)	3,085,000	520,000
Series 2016 Bonds	23,000,000	-	-	23,000,000	-
Series 2018 Bonds	11,065,000	-	(11,065,000)	-	-
Series 2020A Note	-	42,470,000	-	42,470,000	330,000
Series 2020B Note	-	10,500,000	-	10,500,000	310,000
Unamortized bond premium	<u>2,602,553</u>	<u>-</u>	<u>(2,320,161)</u>	<u>282,392</u>	<u>-</u>
Total revenue bonds payable	86,707,553	52,970,000	(56,860,161)	82,817,392	4,640,000
Compensated absences	<u>1,514,088</u>	<u>1,194,505</u>	<u>(1,015,010)</u>	<u>1,693,583</u>	<u>220,166</u>
Total noncurrent liabilities	<u>\$ 88,221,641</u>	<u>\$ 54,164,505</u>	<u>\$ (57,875,171)</u>	<u>\$ 84,510,975</u>	<u>\$ 4,860,166</u>

Compensated absences are typically liquidated by the Water and Sewer, Sanitation and Other Enterprise Funds for which the related employees work.

Water and Sewer Utility Revenue Refunding Bonds, Series 2002: The City issued \$24,400,000 Water and Sewer Utility System Revenue Refunding Bonds, Series 2002 (the "Series 2002 Bonds"), for the principal purpose of refunding the City's outstanding Water and Sewer Utility System Revenue Bonds, Series 1992, maturing on and after November 1, 2002. The proceeds from the issuance of the Series 2002 Bonds, together with certain other funds of the City, were used to defease the Series 1992 Bonds. Interest on the Series 2002 Bonds is payable semi-annually on November 1st and May 1st at interest rates ranging from 5.375% to 5.5%. Annual principal payments are due on November 1st through maturity on November 1, 2020. The principal and interest on the Series 2002 Bonds are payable solely from and secured by a pledge of the City's Water and Sewer Utility System revenues. The default interest rate on the Series 2012 Bonds is the maximum rate allowed by law (18%). The debt service requirements of the Series 2002 Bonds are as follows at September 30, 2020:



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

I. Noncurrent Liabilities (Continued)

Business-type Activities (Continued)

Fiscal Year Ending September 30,	Principal	Interest	Total
2021	\$ 3,480,000	\$ 95,700	\$ 3,575,000

Water and Sewer Utility Revenue Bonds, Series 2012: On February 27, 2012, the City issued \$45,895,000 Water and Sewer Utility System Revenue Bonds, Series 2012 (the "Series 2012 Bonds"), to finance the cost of approximately \$20 million of capital improvements to the City's Water and Sewer Utility System and to refund all of the City's outstanding Water and Sewer Utility System Revenue Bonds, Series 2008, maturing on or after November 1, 2012. A portion of the proceeds from the issuance of the Series 2012 Bonds, together with certain other funds of the City, were used to currently refund the Series 2008 Bonds, which were called for full redemption on May 1, 2012. The current refunding of the Series 2008 Bonds resulted in an economic gain (the difference between the present value of the debt service payments on the Series 2008 Bonds and Series 2012 Bonds) of approximately \$1,712,000 and reduced the City's total debt service payments by approximately \$2,290,000. Interest on the Series 2012 Bonds is payable semi-annually on November 1st and May 1st at interest rates ranging from 3.63% to 5.0% and principal payments are due on November 1st. The principal and interest on the Series 2012 Bonds are payable solely from and secured by a pledge of the City's Water and Sewer Utility System revenues. The default interest rate on the Series 2012 Bonds is the maximum rate allowed by law (18%).

During the fiscal year ended September 30, 2020, the City advance refunded \$39,675,000 of the outstanding balance of the Series 2012 bonds through the issuance of the \$42,470,000 Taxable Utility System Refunding Revenue Bonds, Series 2020A. The debt service requirements of the outstanding Series 2012 Bonds are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2021	\$ 520,000	\$ 119,413	\$ 639,413
2022	2,565,000	51,300	2,616,300
	<u>\$ 3,085,000</u>	<u>\$ 170,713</u>	<u>\$ 3,255,713</u>

Water and Sewer Utility Revenue Bonds, Series 2016: On November 18, 2016, the City issued \$23,000,000 Water and Sewer Utility System Revenue Bonds, Series 2016 (the "Series 2016 Bonds"), to finance improvement projects including pipeline rehabilitation in various neighborhood locations, water reuse distribution, completion of the East Plant Rehabilitation and ion exchange, the Seacrest Corridor Improvement Projects and to pay costs associated with the issuance of the Series 2016 Bonds. The Series 2016 Bonds are payable from and secured by a pledge of the Water and Sewer Utility System Revenue which includes (1) Net Revenues of the System, (2) certain impact fees, and (3) certain funds and accounts established under the bond resolution. Interest at 2.45% is payable on November 1st and May 1st and principal payments are due beginning November 1, 2021 through maturity on November 1, 2031. The default interest rate on the Series 2016 Bonds increases to the greater of (a) the Federal Reserve Bank's Prime Rate plus 3%, (b) the Federal Funds Rate plus 5%, or (c) 7%.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

I. Noncurrent Liabilities (Continued)

Business-type Activities (Continued)

The debt service requirements of the Series 2016 Bonds are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2021	\$ -	\$ 563,500	\$ 563,500
2022	1,830,000	541,083	2,371,083
2023	1,860,000	495,881	2,355,881
2024	1,890,000	449,943	2,339,943
2025	1,925,000	403,209	2,328,209
2026-2030	10,495,000	1,279,210	11,774,210
2031-2032	5,000,000	123,236	5,123,236
	<u>\$ 23,000,000</u>	<u>\$ 3,856,062</u>	<u>\$ 26,856,062</u>

Water and Sewer Utility Revenue Bonds, Series 2018: On June 8, 2018, the City issued \$11,065,000 Water and Sewer Utility System Revenue Bonds, Series 2018 (the "Series 2018 Bonds"), to finance capital improvements to the City's Water and Sewer Utility System and to pay for certain costs associated with the issuance of the Series 2018 Bonds. The Series 2018 Bonds are payable from and secured by a pledge of the Water and Sewer Utility System Revenue which includes (1) Net Revenues of the System, (2) certain impact fees, and (3) certain funds and accounts established under the bond resolution. The Series 2018 Bonds were paid in full during the year ended September 30, 2020 through a current refunding with the issuance of the \$10,500,000 Tax Exempt Utility System Refunding Bond, Series 2020B.

Taxable Utility System Refunding Revenue Note, Series 2020A: On April 30, 2020, the City issued \$42,470,000 Taxable Utility System Refunding Revenue Note, Series 2020A (the "Series 2020A Note") to a financial institution, to refund a portion of the Series 2012 Bonds and pay the cost of issuance for the Series 2020A Note. The proceeds from the issuance of the Series 2020A Note, together with certain other funds of the City, were used to advance refund \$39,675,000 of the Series 2012 Bonds, representing all Series 2012 Bonds due on and after November 1, 2022, which will be called for full redemption on November 1, 2021. The advance refunding of the Series 2012 Bonds resulted in an economic gain of approximately \$3,127,000 and reduced the City's total debt service payments by approximately \$4,807,000. The Series 2020A Note is payable from and secured by a pledge of the Water and Sewer Utility System Revenue which includes (1) Net Revenues of the System, (2) certain impact fees, and (3) certain funds and accounts established under the bond resolution. Interest at 2.56% is payable on the Series 2020A Note on November 1st and May 1st and principal payments are due beginning November 1, 2020 through maturity on November 1, 2034.

The City has an option to exchange the taxable Series 2020A Note to a \$42,470,000 Tax Exempt Utility System Refunding Revenue Note, Series 2021A, with a fixed interest rate of 2.09%. The City must exercise the option no earlier than August 4, 2021 (90 days prior to the call date of November 1, 2021 for the Series 2012 Bonds).



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

I. Noncurrent Liabilities (Continued)

Business-type Activities (Continued)

The debt service requirements of the Series 2020A Note are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2021	\$ 330,000	\$ 1,086,028	\$ 1,416,028
2022	735,000	1,069,376	1,804,376
2023	3,595,000	1,013,952	4,608,952
2024	3,690,000	920,704	4,610,704
2025	3,775,000	825,152	4,600,152
2026-2030	18,285,000	2,636,736	20,921,736
2031-2035	12,060,000	784,256	12,844,256
	<u>\$ 42,470,000</u>	<u>\$ 8,336,204</u>	<u>\$ 50,806,204</u>

Tax Exempt Utility System Revenue Refunding Note, Series 2020B: On April 30, 2020, the City issued \$10,500,000 Tax Exempt Utility System Revenue Refunding Note, Series 2020B (the "Series 2020B Note") to a financial institution, to currently refund all of the of the Series 2018 Bonds, which were called for full redemption on May 1, 2020, and pay the cost of issuance of the Series 2020B Note. The current refunding of the Series 2018 Bonds resulted in an economic gain of approximately \$1,265,000 and reduced the total debt service payments by approximately \$1,907,000. The Series 2020B Note is payable from and secured by a pledge of the Water and Sewer Utility System Revenue which includes (1) Net Revenues of the System, (2) certain impact fees, and (3) certain funds and accounts established under the bond resolution. Interest at 2.16% is payable on the Series 2020B Note on November 1st and May 1st and principal payments are due beginning November 1, 2020 through maturity on November 1, 2034. The debt service requirements of the Series 2020B Note are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2021	\$ 310,000	\$ 224,082	\$ 534,082
2022	630,000	213,300	843,300
2023	650,000	199,476	849,476
2024	660,000	185,328	845,328
2025	670,000	170,964	840,964
2026-2030	3,590,000	627,912	4,217,912
2031-2035	3,990,000	219,024	4,209,024
	<u>\$ 10,500,000</u>	<u>\$ 1,840,086</u>	<u>\$ 12,340,086</u>

Bond Resolution 96-88 of the City requires that net operating revenue (as defined in the resolution) of the Water and Sewer Fund be sufficient to provide an amount equal to 110% of the current fiscal year's principal and interest requirements on all outstanding utility system bonds and 100% of all amounts required to meet the current year's reserve account deposit requirements and renewal and replacement fund requirements. The City was in compliance with these requirements for the year ended September 30, 2020.

Pledged Business-type Revenues - The City has pledged the future net revenues (generally customer revenues, net of specified operating expenses) of the Water and Sewer Utility System to repay the outstanding Series 2002, Series 2012, Series 2016 and Series 2020A and 2020B water and sewer utility revenue bonds and notes issued to finance improvements to the system. The water and sewer utility revenue bonds and notes are payable solely from the utility net revenues and are payable through fiscal year 2035. Annual principal and interest payments on the bonds are expected to require less than 30 percent of utility net revenues. Total principal and interest remaining to be paid on the water and sewer utility revenue bonds and notes is \$96,833,765.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

3. Detailed Notes on All Funds (Continued)

I. Noncurrent Liabilities (Continued)

Business-type Activities (Continued)

Principal and interest paid for the current year was \$7,407,714. The Water and Sewer Utility System net revenues available for debt service for the current year were approximately \$24.8 million.

Events of Default - Events of default for business-type activities debt generally include nonpayment of principal and interest when due, the dissolution, liquidation or bankruptcy of the issuer, or any other violations of the bond covenants that are not cured within the greater of a reasonable time or 30 days following written notice of violation by at least 25% of the bondholders. In the event of a default, the interest rate increases to the default interest rate and upon written notice of a majority of the bondholders, all outstanding bonds may be declared immediately due and payable. The issuer is also responsible for the debtors' costs of collection.

Legal Debt Limit - The City's legal debt limit on general obligation debt is based on 10% of the total assessed value of real property and was approximately \$934 million at September 30, 2020. There is no legal debt limit for business-type activities debt.

Interest Expense

Total interest costs incurred and paid on all City debt, including the CRA, for the year ended September 30, 2020, totaled \$7,071,947 and \$7,171,379, respectively.

Defeased Bonds

The City defeased certain revenue bonds by placing the proceeds of the new bonds in irrevocable trust accounts to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At September 30, 2020, the outstanding principal of the defeased bonds considered extinguished under these funding arrangements is as follows:

Public Service Tax Revenue Bonds, Series 2006	\$	13,645,000
Water and Sewer Utility Revenue Bonds, Series 1992		4,150,000
Water and Sewer Utility Revenue Bonds, Series 1996		160,000
Water and Sewer Utility Revenue Bonds, Series 2012		<u>39,675,000</u>
Total defeased bonds	\$	<u>57,630,000</u>

J. Debt Service Reserve Surety Bonds

The City's Water and Sewer Utility Revenue Refunding Bonds, Series 2002 and Water and Sewer Utility Revenue Bonds, Series 2012, collectively the "Bonds", require the City to maintain debt service reserves equivalent to the maximum principal and interest due in any year through maturity on the Bonds. The Bonds' resolutions provide that the City may purchase a credit facility for the debt service reserve requirements from an institution with the highest credit rating for municipal bonds insured or guaranteed by that institution. The City purchased surety bonds from Assured Guaranty Municipal Corporation ("AGM") and Financial Guaranty Insurance Company ("FGIC") to satisfy the debt service reserve requirements for the Bonds at the date of issue. At September 30, 2020, AGM and FGIC had credit ratings that were less than the highest rating from Moody's Investor Service, Inc. ("Moody's") and Standard and Poor's ("S&P"), or had their ratings withdrawn by these agencies. The surety bonds outstanding at September 30, 2020, have a credit rating lower than the City's underlying rating of AA- from S&P. City management, in consultation with bond counsel, has determined that the City is not required to obtain new surety bonds or substitute cash and investments to replace the surety bonds from AGM and FGIC that are held by the City at September 30, 2020. Accordingly, the debt service reserves for the Bonds are secured only by the original credit facility, which may not be available in the event of nonpayment by the City.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

4. Other Information

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and general and automotive liability. The City has a Self Insurance Fund (an Internal Service Fund) to provide coverage for general liability, automotive liability, workers' compensation and property claims.

The liability for claims retained by the City is accrued in the Self Insurance Fund which will be the source of payment for these claims. Insurance claim expense is recognized when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated, and includes incurred-but-not-reported claims. The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are re-evaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate.

The City also purchased commercial insurance policies to provide excess coverage as follows:

	<u>Individual Claims In Excess of</u>		<u>Maximum Coverage</u>
	<u>Per Person</u>	<u>Per Occurrence</u>	
General liability	\$ 200,000	\$ 300,000	\$ 5 million
Automobile liability	100,000	300,000	2 million
Property	50,000	100,000	5 million
Workers compensation	500,000	500,000	5 million

The City's liability for estimated insurance losses represents the estimated ultimate cost of settling self-insured liability claims. The liability for estimated insurance losses was estimated by an outside actuary using accepted actuarial methods. These methods consider case-basis reserves established by the City, the rate of loss development on older claims, the effects of incurred-but-not-reported claims and the effects of inflation and other economic factors to determine ultimate cost.

The City has recorded a liability for estimated insurance losses of \$6,052,267, of which \$2,066,205 is considered to be a current liability. The liability falls within the actuarially determined range, from an actuarial valuation for all claims based upon the date the loss was incurred. Due to the long-term nature of many of these claims, the City considers anticipated investment income in determining the net liability for estimated insurance losses by discounting claims to the estimated present value. At September 30, 2020, the recorded liability for estimated insurance losses of \$6,052,267 is based on gross claims of \$6,529,417 discounted at an assumed rate of return on investments of 3%. The following summarizes the liability for estimated insurance loss activity for the three most recent years:

	<u>Claims Liability Beginning of Fiscal Year</u>	<u>Claims Expense</u>	<u>Claims Paid</u>	<u>Claims Liability End of Fiscal Year</u>
2017-2018	\$ 4,777,489	\$ 2,758,555	\$ (2,681,349)	\$ 4,854,695
2018-2019	4,854,695	2,859,683	(2,169,190)	5,545,188
2019-2020	5,545,188	1,832,036	(1,324,957)	6,052,267

For each of the most recent three years, there have been no settlements that have exceeded the City's insurance coverage.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

4. Other Information (Continued)

B. Commitments and Contingencies

Contract Commitments: The City has various long-term contractual obligations for construction projects on which work has not been completed. The balances of these contracts and related commitments as of September 30, 2020, are as follows:

	General Fund	Capital Projects Funds	Other Governmental Funds	Water and Sewer Fund	Other Enterprise Funds	Total
Total contract amount	\$ 5,121,747	\$ 7,984,313	\$ 3,036,016	\$ 30,123,142	\$ 1,330,896	\$ 47,596,114
Interim payments on contracts	<u>4,269,151</u>	<u>7,385,589</u>	<u>1,290,605</u>	<u>25,267,571</u>	<u>193,057</u>	<u>38,405,973</u>
Remaining contract commitment as of September 30, 2020	<u>\$ 852,596</u>	<u>\$ 598,724</u>	<u>\$ 1,745,411</u>	<u>\$ 4,855,571</u>	<u>\$ 1,137,839</u>	<u>\$ 9,190,141</u>

The contractual commitments of the Water and Sewer Fund will be paid primarily from unspent bond proceeds. The contractual commitments of the General Fund, Capital Projects Funds, Other Governmental Funds and Other Enterprise Funds will be paid from various sources, including future revenues, operating transfers, and available fund equity.

City Operating Lease Commitments: The City entered into various operating lease agreements for equipment and communication services with various terms through March 2023. The leases are non-cancelable and include annual increases in base rent of 4% plus payment for taxes, insurance and maintenance of the equipment. Rent expense totaled approximately \$1,532,000 for the year ended September 30, 2020.

The future minimum lease payments on these operating lease agreements are as follows:

Fiscal Year Ending September 30,	
2021	\$ 179,296
2022	103,680
2023	<u>51,840</u>
Total	<u>\$ 334,816</u>

CRA Operating Lease Commitment: The CRA entered into an operating lease for office space commencing October 2011 with a term of ten years, and base monthly rent and maintenance expenses of approximately \$6,400. The lease includes annual increases in base rent of 4% plus payment for real estate taxes, insurance and maintenance of the property. If the lease is terminated, the CRA is obligated to pay a portion of the monthly rent depending on the termination year. Rent expense totaled approximately \$77,000 for the year ended September 30, 2020.

The future minimum lease payments on this operating lease agreement are as follows:

Fiscal Year Ending September 30,	
2021	<u>\$ 77,672</u>



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

4. Other Information (Continued)

B. Commitments and Contingencies (Continued)

Interlocal Agreements: The City approved an Interlocal Agreement with the Town of Ocean Ridge (“Ocean Ridge”) to provide Fire Suppression, Emergency Medical and Fire Life Safety services to Ocean Ridge for a 12-year term commencing October 1, 2016 through September 30, 2028. The Agreement provides for Ocean Ridge to pay the City \$1,058,853 for the first year of the Agreement with annual increases of 4% thereafter.

The City approved an Interlocal Agreement with the Town of Hypoluxo (“Hypoluxo”) to provide Fire Suppression, Emergency Medical and Fire Life Safety services to Hypoluxo for a 7-year term commencing October 1, 2018 through September 30, 2025. The Agreement provides for Hypoluxo to pay the City \$436,142 for the first year of the Agreement with annual increases of 4% thereafter.

The City approved an Interlocal Agreement with the Town of Briny Breezes (“Briny Breezes”) to provide Fire Suppression, Emergency Medical and Fire Life Safety services to Briny Breezes for a 12-year term commencing October 1, 2016 through September 30, 2028. This Agreement provides for Briny Breezes to pay the City \$356,725 for the first year of the Agreement with annual increases of 4% thereafter.

The City approved an Interlocal Agreement with the Village of Golf (the “Village”) to provide Fire Suppression, Emergency Medical and Fire Life Safety services to the Village for a 10-year term commencing October 1, 2015 through September 30, 2025. The Agreement provides for the Village to pay the City \$200,000 for the first year of the Agreement with annual increases of 4% thereafter.

Grants: Amounts received or receivable from grantor agencies are subject to audit and adjustment by those agencies, principally the Federal and State government. Any disallowed claims, including amounts already received, may constitute a liability of the City for the return of those funds. In the opinion of management, all grant expenditures were in substantial compliance with the terms of the grant agreements and applicable Federal and State statutes and regulations and the amount of reimbursement to grantor agencies, if any, would not materially affect the financial position of the City.

Environmental Liabilities: The City owns property that was used as a landfill prior to 1985. Final closure occurred during 1992. Post-closure care is mandated by State and Federal statutes and regulations and consists of certain maintenance and monitoring functions at the landfill site for 20 years after its closure. Although the City’s mandatory post-closure care period ended in 2012, the City’s closed landfill site remains subject to ongoing monitoring by various regulatory agencies for potential environmental contaminants. The monitoring programs have not identified any contaminants from the City’s closed landfill, however, in the event any landfill contaminants are identified, the City may be financially responsible for the environmental assessment and any cleanup costs, as well as potential fines imposed by governmental regulatory agencies.

Litigation: The City is a defendant in various lawsuits incurred in the normal course of operations, the ultimate outcomes of which are not presently determinable. Management and the City’s legal counsel believe that amounts not covered by insurance, if any, resulting from these lawsuits would not materially affect the financial position of the City.

Coronavirus Pandemic: During March 2020, a global pandemic was declared by the World Health Organization related to the rapidly growing outbreak of the coronavirus (COVID-19). The pandemic significantly affected economic conditions in the U.S. as federal, state and local governments reacted to the public health crisis by ordering the temporary closures of schools, public facilities and non-essential businesses and organizations, and imposing travel restrictions. To date, certain revenues of the City, such as sales taxes, gas taxes and recreation program fees, have been negatively impacted by the decline in economic activity, although the City has made corresponding budget adjustments. The duration of the business and economic disruptions, and the long-term impact on the City’s revenues and services cannot presently be determined. It is at least reasonably possible that the effects of the pandemic on the City could be material in future periods.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

4. Other Information (Continued)

C. Postemployment Benefits Other Than Pensions

Plan Description

The City administers a single-employer defined benefit plan (the "OPEB Plan") that provides medical and life insurance benefits to eligible retired employees and their beneficiaries. The Plan allows its employees and their beneficiaries, at their own cost, to continue to obtain health, dental and other insurance benefits upon retirement. The City Commission has the authority to establish and amend premiums for and the benefit provisions of the OPEB Plan. The OPEB Plan is financed on a "pay-as-you-go" basis and is not administered as a formal qualifying trust. The OPEB Plan does not issue a publicly available financial report.

Florida Statute 112.0801 requires the City to allow retirees to buy healthcare coverage at the same *group insurance rates* that current employees are charged resulting in an *implicit* healthcare benefit. The State of Florida prohibits the OPEB Plan from separately rating retirees and active employees. Therefore, both groups (active employees and retirees) are charged an equal, blended rate premium. Although both groups are charged the same blended rate premium, GAAP requires the actuarial figures to be calculated using age adjusted premiums approximating claim costs for retirees separate from active employees. The use of age adjusted premiums results in the addition of an implicit rate subsidy into the actuarial accrued liability. OPEB Plan members receiving benefits contribute 100% of the monthly premiums ranging from a minimum of approximately \$600 to a maximum of approximately \$1,300 for medical/prescription coverage.

Plan Membership

Membership of the City's OPEB Plan as of October 1, 2019, the date of the most recent actuarial valuation, is summarized as follows:

Inactive employees or beneficiaries currently receiving benefit payments	541
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	680

Total OPEB Liability

The City's total OPEB liability of \$11,300,032 was determined by an actuarial roll-forward to September 30, 2020 of the OPEB actuarial valuation as of October 1, 2019. The actuarial methods and significant assumptions used to determine the City's total OPEB liability for the current year are summarized as follows:

Actuarial valuation date	October 1, 2019
Measurement date	September 30, 2020
Actuarial cost method	Entry Age Normal
Post-retirement benefit increases	None
Health care cost trend rates	6.25% for 2020 and gradually decreasing to an ultimate rate of 3.99% in 2044
Amortization method	Level Percent of Payroll – Closed
Remaining amortization period	28 years
Asset valuation method	N/A ⁽¹⁾
Actuarial assumptions:	
Investment rate of return	2.41% ⁽²⁾
Projected salary increases (includes inflation at 2.25%)	3.5% - 14.5%
Mortality	RP-2010 with generational improvements Using Scale MP-2018

- (1) The plan is funded on a pay-as-you-go basis and is not administered as a formal qualifying trust. There were no plan assets as of September 30, 2020.
- (2) Since there are currently no invested plan assets held in trust to finance the OPEB obligation, the discount rate is the long-term expected rate of return on tax-exempt, high quality municipal bonds based on the *Fidelity 20-Year Municipal GO AA Index*. The discount rate decreased from 2.75% to 2.41% for the current year.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

4. Other Information (Continued)

C. Postemployment Benefits Other Than Pensions (Continued)

Total OPEB Liability (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Projections of benefits are based on the types of benefits provided under the substantive plan at the time of each valuation and on the pattern of sharing of benefit costs between the employer and plan members to that point. In addition, projections of benefits for financial reporting purposes do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective and accordingly, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities.

Changes in the Total OPEB Liability

The change in the City's total OPEB liability for the current year is as follows:

Total OPEB liability at September 30, 2019	\$ 10,900,561
Changes in the total OPEB liability for the year	
Service cost	778,151
Interest	315,403
Changes of benefit terms	109,919
Changes in assumptions	67,828
Difference between expected and actual experience	(452,773)
Benefit payments	(419,057)
Change in total OPEB liability	399,471
Total OPEB liability at September 30, 2020	\$ 11,300,032

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following table presents the total OPEB liability of the City calculated using the current discount rate of 2.41%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.41%) or one percentage point higher (3.41%) than the current rate:

Current Discount Rate	Total OPEB Liability		
	1.0% Decrease in Current Rate	Current Discount Rate	1.0% Increase in Current Rate
2.41%	\$ 12,523,948	\$ 11,300,032	\$ 10,226,795

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate: The following table presents the total OPEB liability of the City calculated using the current healthcare cost trend rate of 6.25%, as well as what the total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower (5.25%) or one percentage point higher (7.25%) than the current rate:

Current Trend Rate	Total OPEB Liability		
	1.0% Decrease in Current Rate	Current Trend Rate	1.0% Increase in Current Rate
6.25%	\$ 9,965,091	\$ 11,300,032	\$ 12,939,662



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

4. Other Information (Continued)

C. Postemployment Benefits Other Than Pensions (Continued)

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

For the year ended September 30, 2020, the City recognized OPEB expense of \$1,300,581. At September 30, 2020, the City reported deferred inflows/outflows of resources related to OPEB from the following sources:

	Deferred Inflows	Deferred Outflows
Difference between expected and actual experience	\$ -	\$ 373,339
Changes in assumptions and other inputs	905,064	164,680
Total	\$ 905,064	\$ 538,019

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

Fiscal Year Ending September 30,	
2021	\$ 97,108
2022	97,108
2023	108,873
2024	111,231
2025	(47,275)

D. Defined Benefit Pension Plans

Description of Plans

The City contributes to three single-employer defined benefit pension plans covering all full-time City employees.

General Employees' Pension Fund: The General Employees' Pension Plan covers all permanent full-time employees except those covered by the Police Officers' and Firefighters' Pension Plans. The benefit provisions and all requirements are established by City Ordinance. Employees are fully vested after five years of service with the City. There is no mandatory retirement age. Retirees begin receiving monthly benefit checks the month their retirement begins and continues until death. Benefits to which retirees are entitled are equal to 3% of their final average monthly compensation times years of credited service, provided the employee has completed at least 30 full years of credited service at any age; 25 or more years of credited service at age 55; or 5 or more years of credited service at age 62. Employee contributions are 7% of annual earnings. The City's contribution is determined actuarially on an annual basis. For the year ended September 30, 2020, the City's contribution was \$7,289,319. The General Employees' Pension Plan is governed by a seven member board comprised of the Mayor, the City Manager, two City residents appointed by the City Commission and three members elected by the plan membership, one of whom must be a member of a bargaining unit of the City and one of whom must not be a member of a bargaining unit of the City.

Police Officers' Pension Fund: The Police Officers' Pension Plan covers all sworn police department employees. Employees are vested after 10 years of service with the City and are eligible for retirement after 20 years of service regardless of age. Employees with 10 years of credited service may retire at or after age 55 or employees with 15 years of credited service may retire at or after age 50. Employees who are age 50 and have 10 years of credited service receive a reduced retirement benefit. Monthly benefit checks begin the month an employee retires, and the amount of benefit to which the retired employee is entitled is equal to the number of years of credited service multiplied by 3% of average final compensation. Employee contributions are 7% of annual



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

4. Other Information (Continued)

D. Defined Benefit Pension Plans (Continued)

Description of Plans (Continued)

compensation. The City's contribution is determined actuarially on an annual basis and is reduced by \$465,087 of the amount the City receives from the State of Florida pursuant to Chapter 185 of the Florida Statutes, which provides for a premium tax on certain casualty insurance contracts written on properties within the City. The tax is collected by the State of Florida and remitted to the City for the Police Officers' Pension Fund. For the year ended September 30, 2020, the City's contribution was \$5,815,515 and the contribution from the State was \$907,957. The Police Officers' Pension Plan is governed by a five member board consisting of two police officers, two City residents and a fifth member elected by the other four members.

Firefighters' Pension Fund: The Firefighters' Pension Plan covers all firefighters and fire department officers. Employees become vested after 10 years of service with the City and are eligible for retirement after 20 years regardless of age. Employees with 10 years of credited service may retire at or after age 55. Employees who are age 50 and have 10 years of credited service can receive a reduced retirement benefit. Monthly benefit checks begin the month an employee retires, and the amount of the benefit to which the retired employee will be entitled will be equal to the number of years of credited service multiplied by 3% of average final compensation. Employee contributions are 12% of annual compensation. The City's contribution is determined actuarially on an annual basis and is reduced by the amount the City receives from the State of Florida pursuant to Chapter 175 of the Florida Statutes, which provides for a premium tax on certain property insurance contracts written on properties within the City. The tax is collected by the State of Florida and remitted to the City for the Firefighters' Pension Fund. For the year ended September 30, 2020, the City's contribution was \$4,734,845 and the contribution from the State was \$881,763. The Firefighters' Pension Plan is governed by a five member board consisting of two firefighters, two City residents and a fifth member elected by the other four members.

The benefit provisions and all other requirements of the General Employees', Police Officers' and Firefighters' Pension Funds are established by City Ordinance. The funding methods and determination of benefits payable are provided in the various acts of the Florida Legislature, which created these plans, including subsequent amendments thereto. The Florida Statutes provide, in general, that funds are to be accumulated from employee contributions, City contributions, State appropriations and income from investment of accumulated funds. Florida Statutes also provide that, should the accumulated funds at any time be insufficient to meet and pay the benefits due, the City shall supplement the fund by an appropriation from current funds, or from any revenues which may lawfully be used for said purposes and in an amount sufficient to make up the deficiency. The investments of the funds are administered, managed and operated by the respective Board of Trustees of each plan.

The net pension liability, deferred outflows/inflows of resources related to pensions and pension expense related to the City's three defined benefit retirement plans are summarized as follows at September 30, 2020:

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Firefighters'</u>	<u>Total</u>
Net pension liability	<u>\$ 18,690,703</u>	<u>\$ 47,757,736</u>	<u>\$ 38,282,891</u>	<u>\$104,731,330</u>
Deferred outflows/inflows				
Deferred outflows of resources	<u>\$ 5,143,708</u>	<u>\$ 6,591,588</u>	<u>\$ 4,019,088</u>	<u>\$ 15,754,384</u>
Deferred inflows of resources	<u>\$ 131,175</u>	<u>\$ 124,236</u>	<u>\$ 6,195,783</u>	<u>\$ 6,451,194</u>
Pension expense	<u>\$ 4,706,543</u>	<u>\$ 8,064,311</u>	<u>\$ 5,220,931</u>	<u>\$ 17,991,785</u>



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

4. Other Information (Continued)

D. Defined Benefit Pension Plans (Continued)

Plan Membership

Membership data of the City's pension plans as of the most recent actuarial valuation date of October 1, 2019, is summarized as follows:

	General Employees'	Police Officers'	Firefighters'
Retirees, beneficiaries and DROP participants receiving benefits	439	147	122
Terminated employees entitled to benefits but not yet receiving them	50	23	2
Active members	366	125	115

Significant Accounting Policies

The financial statements of the three pension plans are prepared using the economic resources measurement focus and the accrual basis of accounting. Employee and employer contributions are recognized in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Other expenses are recognized when the corresponding liabilities are incurred. Investment income is recognized as revenue when earned. Investments are reported at fair value. Money market mutual funds are reported at amortized cost, which approximates fair value. Securities and mutual funds traded on a national exchange are valued at the last sales price. Net asset values of investment funds that are not publicly traded are determined by the fund managers based on the fair values of the underlying investments of the fund. Net appreciation or depreciation in the fair value of investments includes the difference between the fair value and cost of the investments held as well as the net realized and unrealized gains and losses for investments sold during the period. Interest and dividend income are recognized on the accrual basis when earned. Purchases and sales of investments are recorded on a trade date basis. Investment earnings are reduced for investment related expenses, such as management fees, portfolio evaluation and custodial services.

DROP Accounts

Any participant of the General Employees', Police Officers', and Firefighters' Pension Plans who is eligible to receive an early or normal retirement benefit may elect to participate in a deferred retirement option plan (DROP) while continuing his or her active employment. Upon participation in DROP, the participant becomes a retiree for plan purposes and ceases to accrue further benefits under the pension plan. Normal retirement payments payable to the participant are invested in DROP and distributed to the participant upon termination of employment. The amounts held for DROP benefits at September 30, 2020 were \$17,368,664 for the General Employees' Pension Plan; \$15,223,229 for the Police Officers' Pension Plan; and \$19,828,385 for the Firefighters' Pension Plan.

Investments

Investment Policy: The policy for the allocation of invested assets is established and may be amended by a majority vote of the Board of each pension plan. It is the policy of each pension plan Board to pursue an investment strategy that reduces risk through the prudent diversification of the investment portfolio across a broad selection of distinct asset classes. The investment policies of the City's pension plans discourage the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. There were no significant changes in the investment policies of the City's pension plans for the year ended September 30, 2020.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

4. Other Information (Continued)

D. Defined Benefit Pension Plans (Continued)

Investments (Continued)

The asset allocation policies adopted by the pension plan Boards at September 30, 2020 were as follows:

Asset Class	General Employees'	Police Officers'	Firefighters'
Domestic equity	45%	25%	45%
International equity	20	30	15
Bonds and fixed income	20	32	30
Real estate and REITS	15	7	10
Master limited partnerships	-	2	-
Commodities	-	2	-
Cash	-	2	-
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

Rate of Return: The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested. The annual money-weighted rates of return on pension plan investments, net of investment expenses, were as follows for the year ended September 30, 2020:

	General Employees'	Police Officers'	Firefighters'
Annual money-weighted rate of return	7.30%	8.67%	6.44%

Net Pension Liability

The components of the net pension liability for the three pension plans for the most recent actuarial valuation as of October 1, 2019, were as follows:

	General Employees'	Police Officers'	Firefighters'
Total pension liability	\$ 212,763,512	\$ 159,571,394	\$ 176,325,833
Plan fiduciary net position	<u>(194,072,809)</u>	<u>(111,813,658)</u>	<u>(138,042,942)</u>
Net pension liability	<u>\$ 18,690,703</u>	<u>\$ 47,757,736</u>	<u>\$ 38,282,891</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>91.2%</u>	<u>70.1%</u>	<u>78.3%</u>

The net pension liability is generally liquidated by the General Fund for the governmental activities and by net revenues of the applicable proprietary funds for the business-type activities.



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

4. Other Information (Continued)

D. Defined Benefit Pension Plans (Continued)

Actuarial Assumptions

The net pension liability of each pension plan was determined by an actuarial valuation as of October 1, 2019 and measurement date of September 30, 2020, using the following significant actuarial assumptions:

	General Employees'	Police Officers'	Firefighters'
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level dollar, closed	Level percent of payroll, closed	Level percent of payroll, closed
Remaining amortization period	6 years	18 years	19 years
Asset valuation method	Five year smoothed market	Five year smoothed market	Five year smoothed market
Actuarial assumptions:			
Investment rate of return*	7.08%	7.25%	7.50%
Projected salary increases*	3.5% - 8.6%	5.0% - 6.5 %	3.5% - 14.5%
Inflation rate	2.8%	2.5%	2.5%
Cost of living adjustments	None	1% annually	2% five years after retirement

* Includes inflation rate

Mortality rates - Mortality rates for the General Employees', Police Officers' and Firefighters' Pension Plans are based on the RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvements projected to all future years after 2000 using Scale BB with a 50% blue collar adjustment and 50% white collar adjustment for males and a 100% white collar adjustment for females for General Employees and 90% blue collar adjustment and 10% white collar adjustment for males and a 100% white collar adjustment for females for Police Officers and Firefighters.

Actuarial Changes: There were no changes in benefits for the General Employees' and Police Officers' Pension Plans. The Firefighters' Pension Plan changed the benefits effective October 1, 2018 to cap the normal retirement benefit at \$95,000 annually for firefighters not eligible for normal retirement on that date. On October 1, 2023 and annually thereafter, the cap is increased by 1.5%. The annual cap applies to early retirement, disability retirement and deferred vested retirement. New members hired after February 5, 2019 are classified as Tier 2 and receive different retirement benefits as follows: normal retirement will be the earlier of completion of 25 years of service regardless of age, or attainment of age 55 with 10 years of service. Vested members terminating service with less than 25 years of service will be eligible for a deferred normal retirement benefit beginning at age 55.

The assumed investment return for the General Employees' Pension Plan was reduced from 7.18% to 7.08% for the year ended September 30, 2020. The investment return assumption is scheduled to be reduced by 0.10% per year until a target of 7.0% is reached. There were no changes in actuarial assumptions for the Police Officers' and Firefighters' Pension Plans.

Rate of Return on Investments: The long-term expected rate of return on investments of each pension plan was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce a long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target allocation as of September 30, 2020 are summarized in the following table:



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

4. Other Information (Continued)

D. Defined Benefit Pension Plans (Continued)

Actuarial Assumptions (Continued)

Asset Class	Long-Term Expected Real Rate of Return		
	General Employees'	Police Officers'	Firefighters'
Domestic equity	9.13%	4.80%	6.0%
International equity	5.3	2.24	8.5
Bonds and fixed income	0.8	2.44	6.0
Real estate	4.4	7.10	4.5
Master limited partnerships	-	16.90	-
Commodities	-	4.90	-
Cash	-	4.10	-

Discount Rate: The discount rate was based on the expected rate of return on investments of each pension plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on investments of each pension plan was applied to all periods of projected benefit payments to determine the projected total pension liability.

Changes in the Net Pension Liability

The changes in the net pension liability of the General Employees', Police Officers' and Firefighters' Pension Plans were as follows for the year ended September 30, 2020:

General Employees' Pension Fund	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at October 1, 2019	\$ 204,112,598	\$ 184,018,384	\$ 20,094,214
Changes for the Current Year			
Service cost	3,594,993	-	3,594,993
Interest	14,494,818	-	14,494,818
Differences between expected and actual experience	244,463	-	244,463
Assumption changes	1,947,549	-	1,947,549
Contributions – City	-	7,289,319	(7,289,319)
Contributions – Employee	-	1,687,097	(1,687,097)
Net investment income	-	12,885,168	(12,885,168)
Benefit payments, including refunds of employee contributions	(11,659,811)	(11,659,811)	-
Administration expenses	-	(147,348)	147,348
Other (contributions toward elective benefits)	28,902	-	28,902
Net Changes	8,650,914	10,054,425	(1,403,511)
Balances at September 30, 2020	\$ 212,763,512	\$ 194,072,809	\$ 18,690,703



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

4. Other Information (Continued)

D. Defined Benefit Pension Plans (Continued)

Changes in the Net Pension Liability (Continued)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Police Officers' Pension Fund			
Balances at October 1, 2019	\$ 151,965,967	\$ 107,146,116	\$ 44,819,851
Changes for the Current Year			
Service cost	3,151,301	-	3,151,301
Interest	10,983,024	-	10,983,024
Differences between expected and actual experience	708,903	-	708,903
Changes in benefit terms	16,771	-	16,771
Contributions – City	-	5,815,515	(5,815,515)
Contributions – State	-	907,957	(907,957)
Contributions – Employee	-	1,166,999	(1,166,999)
Net investment income	-	4,736,754	(4,736,754)
Other income	-	59,006	(59,006)
Benefit payments, including refunds of employee contributions	(7,853,275)	(7,853,275)	-
Administration expenses	-	(165,414)	165,414
Other (adjustments to reserves)	598,703	-	598,703
Net Changes	7,605,427	4,667,542	2,937,885
Balances at September 30, 2020	\$ 159,571,394	\$ 111,813,658	\$ 47,757,736
 Firefighters' Pension Fund			
Balances at October 1, 2019	\$ 163,996,071	\$ 122,792,356	\$ 41,203,715
Changes for the Current Year			
Service cost	3,593,983	-	3,593,983
Interest	12,281,407	-	12,281,407
Differences between expected and actual experience	3,514,248	-	3,514,248
Changes in benefit terms	616,047	-	616,047
Contributions – City	-	4,734,845	(4,734,845)
Contributions – State	-	881,763	(881,763)
Contributions – Employee	-	1,448,783	(1,448,783)
Net investment income	-	15,834,660	(15,834,660)
Benefit payments, including refunds of employee contributions	(7,748,238)	(7,748,238)	-
Administration expenses	-	(229,164)	229,164
Other (rollovers into DROP)	72,315	327,937	(255,622)
Net Changes	12,329,762	15,250,586	(2,920,824)
Balances at September 30, 2020	\$ 176,325,833	\$ 138,042,942	\$ 38,282,891



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

4. Other Information (Continued)

D. Defined Benefit Pension Plans (Continued)

Changes in the Net Pension Liability (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following table presents the current discount rate used to measure the total pension liability for each pension plan and the net pension liability of each pension plan calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower and one percentage point higher than the current discount rate:

	Current Discount Rate	Net Pension Liability (Asset)		
		1.0% Decrease in Current Rate	Current Discount Rate	1.0% Increase in Current Rate
General Employees'	7.08%	\$ 40,149,177	\$ 18,690,703	\$ 614,909
Police Officers'	7.25%	\$ 64,690,049	\$ 47,757,736	\$ 33,728,174
Firefighters'	7.50%	\$ 58,082,881	\$ 38,282,891	\$ 22,076,883

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

For the year ended September 30, 2020, the City recognized pension expense of \$15,934,556 and \$2,057,229 for the governmental activities and business-type activities, respectively. At September 30, 2020, the City reported deferred inflows and deferred outflows of resources related to the General Employees', Police Officers' and Firefighters' Pension Plans from the following sources:

	Deferred Inflows	Deferred Outflows
General Employees' Pension Fund		
Differences between expected and actual experience	\$ 131,475	\$ 288,293
Changes of assumptions	-	2,885,760
Net difference between projected and actual investment earnings on pension plan investments	-	1,969,655
Total	\$ 131,475	\$ 5,143,708
Police Officers' Pension Fund		
Differences between expected and actual experience	\$ 124,236	\$ 1,255,604
Changes of assumptions	-	1,579,449
Net difference between projected and actual investment earnings on pension plan investments	-	3,756,535
Total	\$ 124,236	\$ 6,591,588
Firefighters' Pension Fund		
Differences between expected and actual experience	\$ 776,529	\$ 3,152,367
Changes of assumptions	-	866,721
Net difference between projected and actual investment earnings on pension plan investments	5,419,254	-
Total	\$ 6,195,783	\$ 4,019,088



THE CITY OF BOYNTON BEACH

NOTES TO THE FINANCIAL STATEMENTS September 30, 2020

4. Other Information (Continued)

D. Defined Benefit Pension Plans (Continued)

Pension Expense and Deferred Inflows/Outflows of Resources Related to Pensions (Continued)

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

Fiscal Year Ending September 30,	General Employees'	Police Officers'	Firefighters'
2021	\$ 1,234,856	\$ 2,365,268	\$ (420,396)
2022	1,894,598	2,140,998	(484,635)
2023	1,822,544	1,295,868	(63,461)
2024	60,235	665,218	(1,208,203)

Separately Issued Pension Plan Financial Statements

The City's external auditors did not audit the financial statements of the General Employees', Police Officers' and Firefighters' Pension Funds which were audited by other auditors. Copies of the separate, audited financial statements of each pension plan can be obtained from the City's Pension Boards by calling (561) 742-6081 or by writing to: Pension Administrator, 100 E. Boynton Beach Boulevard, Boynton Beach, FL 33435.

E. CRA Defined Contribution Plans

The CRA participates in a 401(a) defined contribution retirement plan and a 457(b) deferred compensation plan (the "Plans"). The Plans are qualified under Sections 401(a), 403(a) and 501(a) of the Internal Revenue Code and are administered by independent trustees. All employees who meet the Plans' eligibility requirements are qualified to participate. Employees make voluntary contributions to the 457(b) plan. The CRA contributes 20% of the total salaries of qualified participants to the 401(a) defined contribution retirement plan which totaled \$211,063 for 2020.

5. Related Party Transactions

The CRA is a blended component unit of the City. For the year ended September 30, 2020, the CRA's tax increment revenue includes \$8,693,724 of taxes received from the City. In addition, the CRA reimbursed the City for services performed on behalf of the CRA, including information technology services, Clean & Safe program, landscape and maintenance services, festival expenses, human resources and payroll services, facility rental and permitting fees paid during the year. Payments by the CRA to the City for these services for the year ended September 30, 2020, totaled approximately \$5,810,000.





Required Supplementary Information

THE CITY OF BOYNTON BEACH

Required Supplementary Information Schedule of Changes in the Net Pension Liability and Related Ratios General Employees' Pension Plan Last Seven Fiscal Years

	2020	2019
Total Pension Liability		
Service cost	\$ 3,594,993	\$ 3,461,314
Interest	14,494,818	14,109,905
Changes of benefit terms	-	-
Differences between expected and actual experience	244,463	(276,923)
Change in assumptions	1,947,549	2,245,392
Benefit payments, including refunds	(11,659,811)	(10,561,632)
Other (Contributions toward elective benefits)	28,902	28,664
Net change in total pension liability	8,650,914	9,006,720
Total pension liability, beginning of fiscal year	204,112,598	195,105,878
Total pension liability, end of fiscal year (a)	\$ 212,763,512	\$ 204,112,598
 Plan Fiduciary Net Position		
Contributions		
Employer	\$ 7,289,319	\$ 7,320,463
Plan members	1,687,097	1,564,653
Net investment income	12,885,168	6,115,140
Benefit payments, including refunds	(11,659,811)	(10,561,632)
Administration expense	(147,348)	(141,005)
Net change in plan fiduciary net position	10,054,425	4,297,619
Plan fiduciary net position, beginning of fiscal year	184,018,384	179,720,765
Plan fiduciary net position, end of fiscal year (b)	\$ 194,072,809	\$ 184,018,384
 Net Pension Liability, end of fiscal year [(a)-(b)]	\$ 18,690,703	\$ 20,094,214
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.2%	90.2%
 Covered Payroll	\$ 23,688,500	\$ 21,942,700
 Net Pension Liability as a Percentage of Covered Payroll	78.9%	91.6%

Information prior to fiscal year 2014 is not available.



THE CITY OF BOYNTON BEACH

2018	2017	2016	2015	2014
\$ 3,435,186	\$ 3,115,194	\$ 2,990,326	\$ 2,954,646	\$ 2,968,214
13,626,918	12,836,669	12,699,614	11,691,291	11,192,833
-	-	-	5,680,646	-
484,186	2,006,523	(4,891,541)	1,191,720	(13,973)
1,800,889	4,538,235	-	-	-
(9,969,109)	(9,749,117)	(8,516,256)	(7,784,781)	(7,994,248)
30,897	34,453	36,826	40,842	44,092
9,408,967	12,781,957	2,318,969	13,774,364	6,196,918
185,696,911	172,914,954	170,595,985	156,821,621	150,624,703
<u>\$ 195,105,878</u>	<u>\$ 185,696,911</u>	<u>\$ 172,914,954</u>	<u>\$ 170,595,985</u>	<u>\$ 156,821,621</u>

\$ 7,110,298	\$ 6,951,693	\$ 7,615,053	\$ 7,273,068	\$ 6,780,773
1,532,846	1,520,068	1,450,369	1,439,239	1,492,985
15,250,355	17,730,273	16,354,236	1,605,790	11,833,483
(9,969,109)	(9,749,117)	(8,516,256)	(7,784,781)	(7,994,248)
(137,738)	(144,179)	(141,114)	(142,577)	(135,227)
13,786,652	16,308,738	16,762,288	2,390,739	11,977,766
165,934,113	149,625,375	132,863,087	130,472,348	118,494,582
<u>\$ 179,720,765</u>	<u>\$ 165,934,113</u>	<u>\$ 149,625,375</u>	<u>\$ 132,863,087</u>	<u>\$ 130,472,348</u>

<u>\$ 15,385,113</u>	<u>\$ 19,762,798</u>	<u>\$ 23,289,579</u>	<u>\$ 37,732,898</u>	<u>\$ 26,349,273</u>
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<u>92.1%</u>	<u>89.4%</u>	<u>86.5%</u>	<u>77.9%</u>	<u>83.2%</u>
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<u>\$ 21,456,414</u>	<u>\$ 21,223,071</u>	<u>\$ 20,193,471</u>	<u>\$ 19,977,100</u>	<u>\$ 20,698,471</u>
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<u>71.7%</u>	<u>93.1%</u>	<u>115.3%</u>	<u>188.9%</u>	<u>127.3%</u>
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THE CITY OF BOYNTON BEACH

Required Supplementary Information Schedule of Changes in the Net Pension Liability and Related Ratios Police Officers' Pension Plan Last Seven Fiscal Years

	2020	2019
Total Pension Liability		
Service cost	\$ 3,151,301	\$ 3,138,898
Interest	10,983,024	10,487,401
Changes of benefit terms	16,771	-
Differences between expected and actual experience	708,903	455,046
Changes of assumptions	-	-
Benefit payments, including refunds	(7,853,275)	(7,848,043)
Other (adjustments to reserves)	598,703	587,472
Net change in total pension liability	7,605,427	6,820,774
Total pension liability, beginning of fiscal year	151,965,967	145,145,193
Total pension liability, end of fiscal year (a)	\$ 159,571,394	\$ 151,965,967
 Plan Fiduciary Net Position		
Contributions		
Employer	\$ 5,815,515	\$ 5,809,713
State	907,957	861,862
Plan members	1,166,999	983,971
Net investment income	4,736,754	5,426,455
Other income	59,006	108,110
Benefit payments, including refunds	(7,853,275)	(7,848,043)
Administration expense	(165,414)	(178,668)
Net change in plan fiduciary net position	4,667,542	5,163,400
Plan fiduciary net position, beginning of fiscal year	107,146,116	101,982,716
Plan fiduciary net position, end of fiscal year (b)	\$ 111,813,658	\$ 107,146,116
 Net Pension Liability, end of fiscal year [(a)-(b)]	\$ 47,757,736	\$ 44,819,851
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	70.1%	70.5%
 Covered Payroll	\$ 12,682,527	\$ 11,268,875
 Net Pension Liability as a Percentage of Covered Payroll	376.6%	397.7%

Information prior to fiscal year 2014 is not available.



THE CITY OF BOYNTON BEACH

2018	2017	2016	2015	2014
\$ 3,199,467	\$ 2,886,162	\$ 3,047,445	\$ 2,767,701	\$ 2,809,815
10,007,776	9,654,424	9,076,479	8,679,595	8,234,704
-	-	-	-	-
1,355,270	(1,118,136)	1,820,086	(1,776,804)	(129,636)
3,525,859	3,177,559	(565,994)	617,426	-
(6,939,906)	(6,270,887)	(6,262,438)	(5,507,892)	(5,519,854)
578,453	533,304	481,282	395,891	255,655
11,726,919	8,862,426	7,596,860	5,175,917	5,650,684
133,418,274	124,555,848	116,958,988	111,783,071	106,132,387
<u>\$ 145,145,193</u>	<u>\$ 133,418,274</u>	<u>\$ 124,555,848</u>	<u>\$ 116,958,988</u>	<u>\$ 111,783,071</u>
\$ 5,355,058	\$ 4,791,528	\$ 4,391,305	\$ 4,365,259	\$ 4,159,736
825,507	781,307	735,945	675,227	645,579
1,214,260	976,688	928,153	1,040,875	911,375
6,379,064	8,797,727	8,254,453	1,428,464	7,154,203
102,504	98,740	109,362	78,814	28,186
(6,939,906)	(6,270,887)	(6,262,438)	(5,507,892)	(5,519,854)
(163,266)	(167,698)	(164,398)	(153,104)	(125,126)
6,773,221	9,007,405	7,992,382	1,927,643	7,254,099
95,209,495	86,202,090	78,209,708	76,282,065	69,027,966
<u>\$ 101,982,716</u>	<u>\$ 95,209,495</u>	<u>\$ 86,202,090</u>	<u>\$ 78,209,708</u>	<u>\$ 76,282,065</u>
<u>\$ 43,162,477</u>	<u>\$ 38,208,779</u>	<u>\$ 38,353,758</u>	<u>\$ 38,749,280</u>	<u>\$ 35,501,006</u>
<u>70.3%</u>	<u>71.4%</u>	<u>69.2%</u>	<u>66.9%</u>	<u>68.2%</u>
<u>\$ 11,522,888</u>	<u>\$ 11,834,364</u>	<u>\$ 11,279,375</u>	<u>\$ 11,553,613</u>	<u>\$ 11,070,863</u>
<u>374.6%</u>	<u>322.9%</u>	<u>340.0%</u>	<u>335.4%</u>	<u>320.7%</u>



THE CITY OF BOYNTON BEACH

Required Supplementary Information Schedule of Changes in the Net Pension Liability and Related Ratios Firefighters' Pension Plan Last Seven Fiscal Years

	2020	2019
Total Pension Liability		
Service cost	\$ 3,593,983	\$ 3,403,511
Interest	12,281,407	11,904,771
Change in benefit terms	616,047	(1,384,791)
Differences between expected and actual experience	3,514,248	(1,516,079)
Changes of assumptions	-	-
Benefit payments, including refunds	(7,748,238)	(7,624,103)
Other (Rollovers to DROP & adjustments to reserves)	72,315	371,271
Net change in total pension liability	12,329,762	5,154,580
Total pension liability, beginning of fiscal year	163,996,071	158,841,491
Total pension liability, end of fiscal year (a)	\$ 176,325,833	\$ 163,996,071
 Plan Fiduciary Net Position		
Contributions		
Employer	\$ 4,734,845	\$ 5,627,597
State	881,763	830,904
Plan members	1,448,783	1,524,397
Net investment income	15,834,660	6,835,550
Benefit payments, including refunds	(7,748,238)	(7,624,103)
Administration expense	(229,164)	(184,750)
Other (Rollovers into DROP)	327,937	379,375
Net change in plan fiduciary net position	15,250,586	7,388,970
Plan fiduciary net position, beginning of fiscal year	122,792,356	115,403,386
Plan fiduciary net position, end of fiscal year (b)	\$ 138,042,942	\$ 122,792,356
 Net Pension Liability, end of fiscal year [(a)-(b)]	\$ 38,282,891	\$ 41,203,715
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	78.3%	74.9%
 Covered Payroll	\$ 11,666,258	\$ 12,156,508
 Net Pension Liability as a Percentage of Covered Payroll	328.2%	338.9%

Information prior to fiscal year 2014 is not available.



THE CITY OF BOYNTON BEACH

2018	2017	2016	2015	2014
\$ 3,717,529	\$ 3,330,443	\$ 3,204,682	\$ 2,988,536	\$ 2,772,724
11,208,637	10,066,945	9,542,671	8,955,215	8,188,369
-	-	-	-	-
1,224,054	668,799	(498,197)	708,071	(28,363)
-	6,644,861	-	1,809,581	-
(6,076,694)	(5,510,050)	(5,176,836)	(4,308,771)	(4,342,743)
(2,695)	(161,694)	79,370	399,111	656,082
10,070,831	15,039,304	7,151,690	10,551,743	7,246,069
148,770,660	133,731,356	126,579,666	116,027,923	108,781,854
<u>\$ 158,841,491</u>	<u>\$ 148,770,660</u>	<u>\$ 133,731,356</u>	<u>\$ 126,579,666</u>	<u>\$ 116,027,923</u>
\$ 5,444,061	\$ 4,293,563	\$ 4,195,420	\$ 3,930,996	\$ 3,522,147
789,121	883,314	923,246	963,573	1,016,561
1,473,516	1,477,115	1,485,128	1,251,530	1,291,773
9,221,736	12,165,106	9,197,486	282,853	7,187,580
(6,076,694)	(5,510,050)	(5,176,836)	(4,308,771)	(4,342,743)
(141,569)	(151,010)	(161,122)	(132,439)	(122,390)
323,472	70,279	271,411	139,860	343,843
11,033,643	13,228,317	10,734,733	2,127,602	8,896,771
104,369,743	91,141,426	80,406,693	78,279,091	69,382,320
<u>\$ 115,403,386</u>	<u>\$ 104,369,743</u>	<u>\$ 91,141,426</u>	<u>\$ 80,406,693</u>	<u>\$ 78,279,091</u>
<u>\$ 43,438,105</u>	<u>\$ 44,400,917</u>	<u>\$ 42,589,930</u>	<u>\$ 46,172,973</u>	<u>\$ 37,748,832</u>
<u>72.7%</u>	<u>70.2%</u>	<u>68.2%</u>	<u>63.5%</u>	<u>67.5%</u>
<u>\$ 11,133,758</u>	<u>\$ 11,219,225</u>	<u>\$ 10,906,700</u>	<u>\$ 9,962,067</u>	<u>\$ 9,925,925</u>
<u>390.1%</u>	<u>395.8%</u>	<u>390.5%</u>	<u>463.5%</u>	<u>380.3%</u>



**Required Supplementary Information
Schedules of City Contributions
Pension Trust Funds
Last Seven Fiscal Years**

	<u>2020</u>	<u>2019</u>
General Employees' Pension Fund		
Actuarially determined contribution	\$ 7,289,319	\$ 7,320,463
Contributions in relation to actuarially determined contribution	<u>7,289,319</u>	<u>7,320,463</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
 Covered payroll	 <u>\$ 23,688,500</u>	 <u>\$ 21,942,700</u>
 Contributions as a percentage of covered payroll	 <u>30.8%</u>	 <u>33.4%</u>
 Police Officers' Pension Fund		
Actuarially determined contribution	\$ 6,280,602	\$ 6,272,374
Contributions in relation to actuarially determined contribution ⁽¹⁾	<u>6,280,602</u>	<u>6,274,800</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (2,426)</u>
 Covered payroll	 <u>\$ 12,682,527</u>	 <u>\$ 11,268,875</u>
 Contributions as a percentage of covered payroll	 <u>49.5%</u>	 <u>55.7%</u>
 Firefighters' Pension Fund		
Actuarially determined contribution	\$ 5,969,275	\$ 6,409,551
Contributions in relation to actuarially determined contribution	<u>5,616,608</u>	<u>6,458,501</u>
Contribution deficiency (excess)	<u>\$ 352,667</u>	<u>\$ (48,950)</u>
 Covered payroll	 <u>\$ 11,666,258</u>	 <u>\$ 12,156,508</u>
 Contributions as a percentage of covered payroll	 <u>48.1%</u>	 <u>53.1%</u>

Information prior to fiscal year 2014 is not available.

⁽¹⁾ The contribution from the State that may be applied to the actuarially required contribution is limited to \$465,087 annually.



THE CITY OF BOYNTON BEACH

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 7,110,298	\$ 6,951,693	\$ 7,608,338	\$ 7,273,067	\$ 6,780,773
<u>7,110,298</u>	<u>6,951,693</u>	<u>7,615,053</u>	<u>7,273,068</u>	<u>6,780,773</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,715)</u>	<u>\$ (1)</u>	<u>\$ -</u>
<u>\$ 21,456,414</u>	<u>\$ 21,223,071</u>	<u>\$ 20,193,471</u>	<u>\$ 19,977,100</u>	<u>\$ 20,698,471</u>
<u>33.1%</u>	<u>32.8%</u>	<u>37.7%</u>	<u>36.4%</u>	<u>32.8%</u>
\$ 5,820,145	\$ 5,256,615	\$ 4,856,392	\$ 4,830,346	\$ 4,560,918
<u>5,820,145</u>	<u>5,256,615</u>	<u>4,856,392</u>	<u>4,830,346</u>	<u>4,624,823</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (63,905)</u>
<u>\$ 11,522,888</u>	<u>\$ 11,834,364</u>	<u>\$ 11,279,375</u>	<u>\$ 11,553,613</u>	<u>\$ 11,070,863</u>
<u>50.5%</u>	<u>44.4%</u>	<u>43.1%</u>	<u>41.8%</u>	<u>41.8%</u>
\$ 6,157,171	\$ 5,075,517	\$ 4,899,742	\$ 4,635,318	\$ 4,226,469
<u>6,226,015</u>	<u>5,075,517</u>	<u>4,977,374</u>	<u>4,635,318</u>	<u>4,226,469</u>
<u>\$ (68,844)</u>	<u>\$ -</u>	<u>\$ (77,632)</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 11,133,758</u>	<u>\$ 11,219,225</u>	<u>\$ 10,906,700</u>	<u>\$ 9,962,067</u>	<u>\$ 9,925,925</u>
<u>55.9%</u>	<u>45.2%</u>	<u>45.6%</u>	<u>46.5%</u>	<u>42.6%</u>



THE CITY OF BOYNTON BEACH

Required Supplementary Information Notes to Schedules of City Contributions Pension Trust Funds Last Seven Fiscal Years

	General Employees' Pension Fund	Police Officers' Pension Fund	Firefighters' Pension Fund
Actuarial valuation date	10/1/2019	10/1/2019	10/1/2019
Measurement date	9/30/2020	9/30/2020	9/30/2020
Actuarial methods and assumptions used to determine contribution rates:			
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method	Level Dollar, Closed	Level Percent of Payroll, Closed	Level Percent of Payroll, Closed
Remaining amortization period	6 years	18 years	19 years
Asset valuation method	5-Year Smoothed	5-Year Smoothed	5-Year Smoothed
Investment rate of return (net of expenses, with inflation)	7.08% / year	7.25% / year	7.5% / year
Salary increases (with inflation)	3.5% - 8.6% / year	5.0% - 6.5% / year	3.5% - 14.5% / year
Inflation	2.8% / year	2.5% / year	2.5% / year
Cost of living adjustments	None	1.0% annually	2.0% five years after retirement
Retirement age	Experienced-based table of rates	Experienced-based table of rates	Experienced-based table of rates
Mortality	RP-2000 Combined Healthy Participant Mortality Table using Scale BB	RP-2000 Combined Healthy Participant Mortality Table using Scale BB	RP-2000 Combined Healthy Participant Mortality Table using Scale BB

Actuarially determined contribution rates are calculated at October 1, one year prior to the end of the fiscal year in which the contributions are reported.

Actuarial Changes

Revisions in benefits	None	(1)	(2)
<p>(1) Ordinance 15-022 was passed on September 3, 2015 and changed the benefit accrual for all members hired on or after 10-1-2015 to 3.0% per year of credited service. The benefit accrual for members hired prior to 10-1-2015 remains at 3.5%.</p> <p>(2) For firefighters not eligible for normal retirement at October 1, 2018, the normal retirement benefit is capped at \$95,000 annually for five years. On October 1, 2023 and annually thereafter, the cap is increased by 1.5%. The annual cap applies to early retirement, disability retirement and deferred vested retirement. New members hired after February 5, 2019 are classified as Tier 2 and receive different retirement benefits as follows: normal retirement will be the earlier of completion of 25 years of service regardless of age, or attainment of age 55 with 10 years of service. Vested members terminating service with less than 25 years of service will be eligible for a deferred normal retirement benefit beginning at age 55.</p>			
Revisions in actuarial assumptions	(7)	(3) (5)	(4) (6)
<p>(3) RP-2000 Combined Healthy Participant Mortality Table using Scale BB was adopted on October 1, 2011 and phased in over a five year period. For the current actuarial valuation 100% of the revised rate was used.</p> <p>(4) The investment return assumption was reduced from 7.65% in the 2013 actuarial valuation to 7.50% in the 2014 actuarial valuation.</p> <p>(5) The investment return assumption was reduced from 7.75% in the 2015 actuarial valuation to 7.50% in 2016 and from 7.50% to 7.25% in the 2017 actuarial valuation.</p> <p>(6) RP-2000 Combined Healthy Participant Mortality Table using Scale BB was adopted on October 1, 2016.</p> <p>(7) The investment return assumption was reduced from 7.50% in the 2015 actuarial valuation to 7.40% in 2016; from 7.40% to 7.30% in 2017; from 7.30% to 7.18% in 2018; and from 7.18% to 7.08% in the 2019 actuarial valuation.</p>			



**Required Supplementary Information
Schedules of Investment Returns
Pension Trust Funds
Last Seven Fiscal Years**

Fiscal Year Ended September 30,	Annual money-weighted rate of return, net of investment expenses		
	General Employees' Pension Plan	Police Officers' Pension Plan	Firefighters' Pension Plan
2020	7.30%	8.67%	6.44%
2019	3.80%	5.86%	5.36%
2018	9.70%	7.30%	8.78%
2017	12.50%	11.04%	12.86%
2016	12.60%	10.72%	11.07%
2015	0.80%	2.50%	0.78%
2014	10.20%	11.00%	9.54%

Notes to Schedule:

The money-weighted rate of return considers the changing amounts estimated as invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period. Cash flows are estimated on a monthly basis and are assumed to occur at the beginning of each month. Cash inflows are netted with cash outflows, resulting in a net cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

Information prior to fiscal year 2014 is not available.



THE CITY OF BOYNTON BEACH

Required Supplementary Information Schedule of Changes in the Total OPEB Liability and Related Ratios Last Three Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service cost	\$ 778,151	\$ 616,806	\$ 642,372
Interest	315,403	360,589	320,506
Changes of benefit terms	109,919	-	-
Differences between expected and actual experience	(452,773)	-	-
Changes in assumptions	67,828	1,296,050	(341,125)
Benefit payments	<u>(419,057)</u>	<u>(341,856)</u>	<u>(335,455)</u>
Net change in total OPEB liability	399,471	1,931,589	286,298
Total OPEB liability, beginning of fiscal year	10,900,561	8,968,972	8,682,674
Total OPEB liability, end of fiscal year	<u>\$ 11,300,032</u>	<u>\$ 10,900,561</u>	<u>\$ 8,968,972</u>
Covered Employee Payroll	<u>\$ 44,876,013</u>	<u>\$ 55,814,027</u>	<u>\$ 47,747,864</u>
Net Pension Liability as a Percentage of Covered Employee Payroll	<u>25.2%</u>	<u>19.5%</u>	<u>18.8%</u>

Notes to Schedule:

Information prior to adoption of GASB Statement No. 75 in fiscal year 2018 is not available.

The plan is funded on a pay-as-you-go basis and is not administered as a formal qualifying trust. There were no plan assets as of the date of the most recent valuation. Since there are currently no invested plan assets held in trust to finance the OPEB obligation, the discount rate is the long-term expected rate of return on tax-exempt, high quality municipal bonds based on the *Fidelity 20-Year Municipal GO AA Index*.

Changes of Assumptions : Changes of assumptions and other inputs reflect the effects of changes in the discount rate each year. The following are the discount rates used for each fiscal year:

2020	2.41%
2019	2.75%
2018	3.83%



*Combining and Individual Fund
Financial Statements*



MAJOR GOVERNMENTAL FUNDS

General Fund:

The General Fund serves as the primary operating fund of the City. It accounts for all financial resources except those required to be accounted for in another fund.

Boynton Beach CRA Special Revenue Fund:

The Boynton Beach CRA Special Revenue Fund accounts for revenues and expenditures relative to all the general operations of the City's Community Redevelopment Agency (CRA). It is a blended component unit that encourages development in the City's downtown area.



THE CITY OF BOYNTON BEACH

Major Governmental Funds Balance Sheets September 30, 2020

	General Fund	Boynton Beach CRA Special Revenue Fund
ASSETS		
Pooled cash and investments	\$ 17,762,049	\$ 3,070,013
Accounts receivable, net	2,462,467	6,089
Due from other governments	485,879	-
Due from other funds	2,004,369	-
Prepaid items	69,144	203,995
Total assets	\$ 22,783,908	\$ 3,280,097
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 1,246,896	\$ 80,070
Accrued liabilities	2,505,908	-
Refundable deposits	460,384	17,099
Total liabilities	4,213,188	97,169
Deferred inflows of resources:		
Unavailable revenue	1,125,181	-
Fund balance:		
Nonspendable		
Prepaid items	69,144	203,995
Committed for:		
Emergency purposes	8,324,107	-
Economic development	-	1,425,909
Assigned to:		
Subsequent year's budget	923,613	-
Economic development	-	1,553,024
Unassigned	8,128,675	-
Total fund balance	17,445,539	3,182,928
Total liabilities, deferred inflows of resources and fund balance	\$ 22,783,908	\$ 3,280,097



THE CITY OF BOYNTON BEACH

Major Governmental Funds Statements of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020

	<u>General Fund</u>	<u>Boynton Beach CRA Special Revenue Fund</u>
REVENUES		
Taxes	\$ 49,045,707	\$ 13,932,896
Less: tax increment revenue	(8,693,724)	-
Licenses and permits	7,899,485	-
Intergovernmental	10,907,151	-
Charges for services	7,598,573	1,168,931
Special assessments	6,883,199	-
Fines and forfeitures	468,382	-
Rents and royalties	261,296	-
Investment earnings	246,953	225,982
Miscellaneous	5,600,127	-
Total revenues	80,217,149	15,327,809
EXPENDITURES		
Current:		
General government	14,268,144	3,357,826
Public safety	63,159,268	-
Physical environment	1,231,185	-
Economic environment	556,495	-
Culture and recreation	8,898,870	-
Capital outlay	80,725,900	-
Debt service:		
Principal retirement	2,286,056	-
Interest charges	3,017,881	-
Total expenditures	174,143,799	3,357,826
Revenues over (under) expenditures	(93,926,650)	11,969,983
OTHER FINANCING SOURCES (USES)		
Transfers in	16,642,000	-
Transfers out	(2,598,073)	(11,693,401)
Issuance of capital lease agreements	79,853,165	-
Total other financing sources and uses	93,897,092	(11,693,401)
Net change in fund balance	(29,558)	276,582
Fund balance - beginning of year	17,475,097	2,906,346
Fund balance - end of year	\$ 17,445,539	\$ 3,182,928



THE CITY OF BOYNTON BEACH

General Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Pooled cash and investments	\$ 17,762,049	\$ 11,989,227
Accounts receivable, net	2,462,467	1,981,654
Due from other governments	485,879	575,555
Due from other funds	2,004,369	7,659,139
Prepaid items	69,144	82,095
Total assets	\$ 22,783,908	\$ 22,287,670
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 1,246,896	\$ 794,855
Accrued liabilities	2,505,908	2,214,267
Refundable deposits	460,384	461,332
Total liabilities	4,213,188	3,470,454
Deferred inflows of resources:		
Unavailable revenue	1,125,181	1,342,119
Fund balance:		
Nonspendable:		
Prepaid items	69,144	82,095
Committed for:		
Emergency purposes	8,324,107	8,324,107
Assigned to:		
Subsequent year's budget	923,613	1,286,655
Unassigned	8,128,675	7,782,240
Total fund balance	17,445,539	17,475,097
Total liabilities, deferred inflows of resources and fund balance	\$ 22,783,908	\$ 22,287,670



THE CITY OF BOYNTON BEACH

General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Taxes	\$ 49,045,707	\$ 45,885,389
Less: tax increment revenue	(8,693,724)	(7,817,513)
Licenses and permits	7,899,485	9,012,263
Intergovernmental	10,907,151	11,223,066
Charges for services	7,598,573	7,803,045
Special assessments	6,883,199	6,773,585
Fines and forfeitures	468,382	494,456
Rents and royalties	261,296	477,669
Investment earnings	246,953	323,014
Miscellaneous	5,600,127	2,879,073
Total revenues	80,217,149	77,054,047
EXPENDITURES		
Current:		
General government	14,268,144	16,386,586
Public safety	63,159,268	61,584,719
Physical environment	1,231,185	1,236,417
Economic environment	556,495	592,078
Culture and recreation	8,898,870	8,205,440
Capital outlay	80,725,900	818,754
Debt service		
Principal retirement	2,286,056	-
Interest charges	3,017,881	-
Total expenditures	174,143,799	88,823,994
Revenues over (under) expenditures	(93,926,650)	(11,769,947)
OTHER FINANCING SOURCES (USES)		
Transfers in	16,642,000	15,927,000
Transfers out	(2,598,073)	(2,615,679)
Issuance of capital lease agreements	79,853,165	-
Total other financing sources and uses	93,897,092	13,311,321
Net change in fund balance	(29,558)	1,541,374
Fund balance - beginning of year	17,475,097	15,933,723
Fund balance - end of year	\$ 17,445,539	\$ 17,475,097



THE CITY OF BOYNTON BEACH

Boynton Beach CRA Special Revenue Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Pooled cash and investments	\$ 3,070,013	\$ 2,770,526
Accounts receivable, net	6,089	6,536
Prepaid items	203,995	184,488
Total assets	\$ 3,280,097	\$ 2,961,550
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 80,070	\$ 42,328
Refundable deposits	17,099	12,876
Total liabilities	97,169	55,204
Fund balance:		
Nonspendable:		
Prepaid items	203,995	184,488
Committed for economic development	1,425,909	1,425,909
Assigned to economic development	1,553,024	1,295,949
Total fund balance	3,182,928	2,906,346
Total liabilities and fund balance	\$ 3,280,097	\$ 2,961,550



THE CITY OF BOYNTON BEACH

Boynton Beach CRA Special Revenue Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Taxes	\$ 13,932,896	\$ 12,549,087
Charges for services	1,168,931	1,304,480
Investment earnings	225,982	294,159
Total revenues	15,327,809	14,147,726
EXPENDITURES		
Current:		
General government	3,357,826	3,366,813
Capital outlay:		
General government	-	38,101
Total expenditures	3,357,826	3,404,914
Revenues over expenditures	11,969,983	10,742,812
OTHER FINANCING USES		
Transfers out	(11,693,401)	(10,238,768)
Total other financing uses	(11,693,401)	(10,238,768)
Net change in fund balance	276,582	504,044
Fund balance - beginning of year	2,906,346	2,402,302
Fund balance - end of year	\$ 3,182,928	\$ 2,906,346





MAJOR ENTERPRISE FUNDS

Enterprise funds account for activities for which a fee is charged to external users for services or activities financed with debt that is secured solely by a pledge of the net revenues from fees of the activity.

Water & Sewer Fund:

To account for the operations of the City's water, sewer, and stormwater utility services.

Sanitation Fund:

To account for the operations of refuse and recycling pickup for all residences and commercial establishments located within the city limits of Boynton Beach.





THE CITY OF BOYNTON BEACH

Major Enterprise Funds Statements of Net Position September 30, 2020

	Water & Sewer	Sanitation
ASSETS		
Current assets:		
Pooled cash and investments	\$ 17,555,406	\$ 809,377
Accounts receivable, net	5,097,921	1,390,968
Prepaid expenses	50,868	-
	22,704,195	2,200,345
Restricted assets:		
Restricted pooled cash and investments:		
Customer deposits	1,568,466	-
Revenue bond covenants	8,667,960	-
Capital improvements	48,288,337	-
	58,524,763	-
Restricted accounts receivable - customer deposits	38,500	-
	58,563,263	-
Total current assets	81,267,458	2,200,345
Noncurrent assets:		
Investment in Regional Wastewater Joint Venture	17,301,080	-
Intangible assets	2,910,000	-
Capital assets not being depreciated	40,413,892	-
Capital assets, net of accumulated depreciation	145,977,992	2,011
Total noncurrent assets	206,602,964	2,011
Total assets	287,870,422	2,202,356
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges on debt refundings	881,004	-
Deferred amounts related to other postemployment benefits	254,142	88,063
Deferred amounts related to pensions	1,444,353	500,483
Total deferred outflows of resources	2,579,499	588,546
LIABILITIES		
Current liabilities:		
Accounts payable	2,408,181	313,422
Accrued expenses	411,559	155,232
Refundable deposits	162,420	-
Compensated absences payable	141,886	60,874
Due to other governments	72,367	-
	3,196,413	529,528
Current liabilities payable from restricted assets:		
Customer deposits	1,606,966	-
Revenue bonds, current maturities	4,640,000	-
Accrued revenue bond interest	921,857	-
Contracts payable	1,302,861	-
	8,471,684	-
Total current liabilities	11,668,097	529,528
Noncurrent liabilities:		
Revenue bonds payable, less current maturities, plus unamortized premium	78,177,392	-
Compensated absences payable, less current portion	949,541	407,391
Other postemployment benefits	3,173,049	1,099,493
Net pension liability	5,248,349	1,818,605
Total noncurrent liabilities	87,548,331	3,325,489
Total liabilities	99,216,428	3,855,017
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts related to other postemployment benefits	151,076	52,349
Deferred amounts related to pensions	36,834	12,763
Total deferred inflows of resources	187,910	65,112
NET POSITION (DEFICIT)		
Net investment in capital assets	151,440,972	2,011
Restricted for:		
Revenue bond covenants	3,106,103	-
Unrestricted (deficit)	36,498,508	(1,131,238)
Total net position (deficit)	\$ 191,045,583	\$ (1,129,227)



THE CITY OF BOYNTON BEACH

Major Enterprise Funds Statements of Revenues, Expenses, and Changes in Net Position For the Year Ended September 30, 2020

	Water & Sewer	Sanitation
OPERATING REVENUES		
Charges for services:		
Water sales	\$ 24,049,139	\$ -
Sewer service	19,501,315	-
Stormwater utility fees	5,038,729	-
Garbage fees	-	13,022,899
Recycling fees	-	3,369
Total operating revenues	48,589,183	13,026,268
OPERATING EXPENSES		
Personal services and benefits	10,186,810	3,877,161
Supplies, services and claims	14,486,006	5,699,666
Depreciation and amortization	11,558,779	2,233
Total operating expenses	36,231,595	9,579,060
Operating income	12,357,588	3,447,208
NONOPERATING REVENUES (EXPENSES)		
Investment earnings	791,160	2,571
Interest expense	(2,992,127)	-
Equity in loss of Regional Wastewater Joint Venture	(818,077)	-
Miscellaneous income	69,844	2,988
	(2,949,200)	5,559
Income before contributions and transfers	9,408,388	3,452,767
Capital contributions	476,654	-
Transfers:		
Transfers in	-	10,000
Transfers out	(8,166,662)	(2,526,313)
Total transfers	(8,166,662)	(2,516,313)
Change in net position	1,718,380	936,454
Net position (deficit) - beginning of year	189,327,203	(2,065,681)
Net position (deficit) - end of year	\$ 191,045,583	\$ (1,129,227)



THE CITY OF BOYNTON BEACH

Major Enterprise Funds Statements of Cash Flows For the Year Ended September 30, 2020

	Water & Sewer	Sanitation
Cash Flows From Operating Activities		
Receipts from customers and users	\$ 48,581,867	\$ 12,895,413
Receipts from others	69,844	2,988
Payments to suppliers	(13,384,442)	(3,568,925)
Payments to employees	(10,863,369)	(3,732,517)
Payments for interfund services used	(804,830)	(2,272,889)
Net cash provided by operating activities	23,599,070	3,324,070
Cash Flows From Non-Capital Financing Activities		
Transfers in	-	10,000
Transfers out	(8,166,662)	(2,526,313)
Net cash used in non-capital financing activities	(8,166,662)	(2,516,313)
Cash Flows From Capital and Related Financing Activities		
Acquisition of capital assets	(11,527,925)	(951)
Capital contributions	476,654	-
Proceeds from issuance of revenue refunding bonds	52,970,000	-
Bond issuance costs paid	(212,930)	-
Payment to escrow agent for advance refunding of revenue bonds	(52,972,928)	-
Principal payments on revenue bonds	(4,215,000)	-
Interest payments on revenue bonds	(3,192,714)	-
Net cash used in capital and related financing activities	(18,674,843)	(951)
Cash Flows From Investing Activity		
Interest on pooled cash and investments	791,160	2,571
Net cash provided by investing activity	791,160	2,571
Increase (decrease) in pooled cash and investments	(2,451,275)	809,377
Pooled cash and investments - beginning of year	78,531,444	-
Pooled cash and investments - end of year	\$ 76,080,169	\$ 809,377
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:		
Operating income	\$ 12,357,588	\$ 3,447,208
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	11,558,779	2,233
Provision for doubtful accounts	97,346	-
Miscellaneous income	69,844	2,988
Changes in operating assets and liabilities:		
Accounts receivable	(129,435)	(130,855)
Prepaid expenses	1,013	-
Deferred amounts related to other postemployment benefits	149,287	37,648
Deferred amounts related to pensions	(325,678)	(107,738)
Accounts payable	283,016	(111,230)
Accrued expenses	82,896	35,160
Due to other funds	-	(30,918)
Refundable deposits	17,514	-
Due to other governments	12,705	-
Customer deposits	7,259	-
Compensated absences payable	132,837	84,102
Other postemployment benefits	(66,598)	157,685
Net pension liability	(649,303)	(62,213)
Total adjustments	11,241,482	(123,138)
Net cash provided by operating activities	\$ 23,599,070	\$ 3,324,070
Noncash Investing, Capital and Related Financing Activities:		
Equity in loss of Regional Wastewater Joint Venture	\$ (818,077)	\$ -
Amortization of bond premiums	62,746	-
Amortization of charges on refundings	(108,873)	-



THE CITY OF BOYNTON BEACH

Water & Sewer Fund Statement of Net Position September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Current assets:		
Pooled cash and investments	\$ 17,555,406	\$ 27,665,012
Accounts receivable, net	5,097,921	5,063,891
Prepaid expenses	50,868	51,881
	22,704,195	32,780,784
Restricted assets:		
Restricted pooled cash and investments:		
Customer deposits	1,568,466	1,559,266
Revenue bond covenants	8,667,960	8,098,123
Capital improvements	48,288,337	41,209,043
	58,524,763	50,866,432
Restricted accounts receivable - customer deposits	38,500	40,441
	58,563,263	50,906,873
Total current assets	81,267,458	83,687,657
Noncurrent assets:		
Investment in Regional Wastewater Joint Venture	17,301,080	18,119,157
Intangible assets	2,910,000	2,910,000
Capital assets not being depreciated	40,413,892	35,314,707
Capital assets, net of accumulated depreciation	145,977,992	151,366,577
Total noncurrent assets	206,602,964	207,710,441
Total assets	287,870,422	291,398,098
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges on debt refundings	881,004	599,364
Deferred amounts related to other postemployment benefits	254,142	318,775
Deferred amounts related to pensions	1,444,353	1,184,953
Total deferred outflows of resources	2,579,499	2,103,092
LIABILITIES		
Current liabilities:		
Accounts payable	2,408,181	2,125,165
Accrued expenses	411,559	328,663
Refundable deposits	162,420	144,906
Compensated absences payable	141,886	124,617
Due to other governments	72,367	59,662
	3,196,413	2,783,013
Current liabilities payable from restricted assets:		
Customer deposits	1,606,966	1,599,707
Revenue bonds, current maturities	4,640,000	4,215,000
Accrued revenue bond interest	921,857	1,381,501
Contracts payable	1,302,861	1,561,407
	8,471,684	8,757,615
Total current liabilities	11,668,097	11,540,628
Noncurrent liabilities:		
Revenue bonds payable, less current maturities, plus unamortized premium	78,177,392	82,492,553
Compensated absences payable, less current portion	949,541	833,973
Other postemployment benefits	3,173,049	3,239,647
Net pension liability	5,248,349	5,897,652
Total noncurrent liabilities	87,548,331	92,463,825
Total liabilities	99,216,428	104,004,453
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts related to other postemployment benefits	151,076	66,422
Deferred amounts related to pensions	36,834	103,112
Total deferred inflows of resources	187,910	169,534
NET POSITION		
Net investment in capital assets	151,440,972	140,220,731
Restricted for:		
Revenue bond covenants	3,106,103	2,501,622
Unrestricted	36,498,508	46,604,850
Total net position	\$ 191,045,583	\$ 189,327,203



THE CITY OF BOYNTON BEACH

Water & Sewer Fund Statement of Revenues, Expenses, and Changes in Net Position For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
OPERATING REVENUES		
Charges for services:		
Water sales	\$ 24,049,139	\$ 24,223,166
Sewer service	19,501,315	19,607,887
Stormwater utility fees	5,038,729	4,222,041
Total operating revenues	48,589,183	48,053,094
OPERATING EXPENSES		
Personal services and benefits	10,186,810	10,235,221
Supplies, services and claims	14,486,006	13,510,676
Depreciation and amortization	11,558,779	11,587,273
Total operating expenses	36,231,595	35,333,170
Operating income	12,357,588	12,719,924
NONOPERATING REVENUES (EXPENSES)		
Investment earnings	791,160	1,434,773
Interest expense	(2,992,127)	(3,164,365)
Equity in loss of Regional Wastewater Joint Venture	(818,077)	(691,556)
Miscellaneous income	69,844	129,578
	(2,949,200)	(2,291,570)
Income before contributions and transfers	9,408,388	10,428,354
Capital contributions	476,654	1,732,808
Transfers:		
Transfers out	(8,166,662)	(7,661,466)
Total transfers	(8,166,662)	(7,661,466)
Change in net position	1,718,380	4,499,696
Net position - beginning of year	189,327,203	184,827,507
Net position - end of year	\$ 191,045,583	\$ 189,327,203



THE CITY OF BOYNTON BEACH

Water & Sewer Fund Statement of Cash Flows For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
Cash Flows From Operating Activities		
Receipts from customers and users	\$ 48,581,867	\$ 48,232,497
Receipts from others	69,844	129,578
Payments to suppliers	(13,384,442)	(12,992,006)
Payments to employees	(10,863,369)	(10,925,187)
Payments for interfund services used	(804,830)	(713,438)
Net cash provided by operating activities	23,599,070	23,731,444
Cash Flows From Non-Capital Financing Activity		
Transfers out	(8,166,662)	(7,661,466)
Net cash used in non-capital financing activity	(8,166,662)	(7,661,466)
Cash Flows From Capital and Related Financing Activities		
Acquisition of capital assets	(11,527,925)	(22,411,967)
Capital contributions	476,654	1,732,808
Proceeds from issuance of refunding revenue bonds	52,970,000	-
Bond issuance costs paid	(212,930)	-
Payment to escrow agent for advance refunding of revenue bonds	(52,972,928)	-
Principal payments on revenue bonds	(4,215,000)	(3,605,000)
Interest payments on revenue bonds	(3,192,714)	(3,370,201)
Net cash used in capital and related financing activities	(18,674,843)	(27,654,360)
Cash Flows From Investing Activity		
Interest on pooled cash and investments	791,160	1,434,773
Net cash provided by investing activity	791,160	1,434,773
Decrease in pooled cash and investments	(2,451,275)	(10,149,609)
Pooled cash and investments - beginning of year	78,531,444	88,681,053
Pooled cash and investments - end of year	\$ 76,080,169	\$ 78,531,444
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:		
Operating income	\$ 12,357,588	\$ 12,719,924
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	11,558,779	11,587,273
Provision for doubtful accounts	97,346	79,667
Miscellaneous income	69,844	129,578
Changes in operating assets and liabilities:		
Accounts receivable	(129,435)	(49,271)
Prepaid expenses	1,013	33,652
Deferred amounts related to other postemployment benefits	149,287	(336,256)
Deferred amounts related to pensions	(325,678)	(2,099,749)
Accounts payable	283,016	(232,339)
Accrued expenses	82,896	39,827
Refundable deposits	17,514	29,784
Due to other governments	12,705	3,919
Customer deposits	7,259	119,223
Compensated absences payable	132,837	(193,054)
Other postemployment benefits	(66,598)	574,069
Net pension liability	(649,303)	1,325,197
Total adjustments	11,241,482	11,011,520
Net cash provided by operating activities	\$ 23,599,070	\$ 23,731,444
Noncash Investing, Capital and Related Financing Activities:		
Equity in loss of Regional Wastewater Joint Venture	\$ (818,077)	\$ (691,556)
Amortization of bond premiums	62,746	297,494
Amortization of charges on refundings	(108,873)	(137,157)



THE CITY OF BOYNTON BEACH

Sanitation Fund Statement of Net Position September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Current assets:		
Pooled cash and investments	\$ 809,377	\$ -
Accounts receivable, net	<u>1,390,968</u>	<u>1,260,113</u>
Total current assets	<u>2,200,345</u>	<u>1,260,113</u>
Noncurrent assets:		
Capital assets, net of accumulated depreciation	<u>2,011</u>	<u>3,293</u>
Total noncurrent assets	<u>2,011</u>	<u>3,293</u>
Total assets	<u>2,202,356</u>	<u>1,263,406</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts related to other postemployment benefits	88,063	92,672
Deferred amounts related to pensions	<u>500,483</u>	<u>377,893</u>
Total deferred outflows of resources	<u>588,546</u>	<u>470,565</u>
LIABILITIES		
Current liabilities:		
Accounts payable	313,422	424,652
Accrued expenses	155,232	120,072
Compensated absences payable	60,874	49,941
Due to other funds	-	30,918
Total current liabilities	<u>529,528</u>	<u>625,583</u>
Noncurrent liabilities:		
Compensated absences payable, less current portion	407,391	334,222
Other postemployment benefits	1,099,493	941,808
Net pension liability	<u>1,818,605</u>	<u>1,880,818</u>
Total noncurrent liabilities	<u>3,325,489</u>	<u>3,156,848</u>
Total liabilities	<u>3,855,017</u>	<u>3,782,431</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts related to other postemployment benefits	52,349	19,310
Deferred amounts related to pensions	<u>12,763</u>	<u>(2,089)</u>
Total deferred inflows of resources	<u>65,112</u>	<u>17,221</u>
NET POSITION (DEFICIT)		
Net investment in capital assets	2,011	3,293
Unrestricted (deficit)	<u>(1,131,238)</u>	<u>(2,068,974)</u>
Total net position (deficit)	<u>\$ (1,129,227)</u>	<u>\$ (2,065,681)</u>



THE CITY OF BOYNTON BEACH

Sanitation Fund Statement of Revenues, Expenses, and Changes in Net Position For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
OPERATING REVENUES		
Charges for services:		
Garbage fees	\$ 13,022,899	\$ 12,614,802
Recycling fees	3,369	8,215
Total operating revenues	13,026,268	12,623,017
OPERATING EXPENSES		
Personal services and benefits	3,877,161	3,602,357
Supplies, services and claims	5,699,666	5,160,118
Depreciation and amortization	2,233	1,610
Total operating expenses	9,579,060	8,764,085
Operating income	3,447,208	3,858,932
NONOPERATING REVENUES		
Investment earnings	2,571	97
Miscellaneous income	2,988	62
	5,559	159
Income before transfers	3,452,767	3,859,091
Transfers:		
Transfers in	10,000	10,000
Transfers out	(2,526,313)	(2,428,906)
Total transfers	(2,516,313)	(2,418,906)
Change in net position	936,454	1,440,185
Net position (deficit) - beginning of year	(2,065,681)	(3,505,866)
Net position (deficit) - end of year	\$ (1,129,227)	\$ (2,065,681)



THE CITY OF BOYNTON BEACH

Sanitation Fund Statement of Cash Flows For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
Cash Flows From Operating Activities		
Receipts from customers and users	\$ 12,895,413	\$ 12,646,433
Receipts from others	2,988	62
Payments to suppliers	(3,568,925)	(4,787,274)
Payments to employees	(3,732,517)	(3,598,759)
Payments for interfund services used	(2,272,889)	(1,840,505)
Net cash provided by operating activities	3,324,070	2,419,957
Cash Flows From Non-Capital Financing Activities		
Transfers in	10,000	10,000
Transfers out	(2,526,313)	(2,428,906)
Net cash used in non-capital financing activities	(2,516,313)	(2,418,906)
Cash Flows From Capital and Related Financing Activity		
Acquisition of capital assets	(951)	(1,148)
Net cash used in capital and related financing activity	(951)	(1,148)
Cash Flows From Investing Activity		
Interest on pooled cash and investments	2,571	97
Net cash provided by investing activity	2,571	97
Increase in pooled cash and investments	809,377	-
Pooled cash and investments - beginning of year	-	-
Pooled cash and investments - end of year	\$ 809,377	\$ -
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:		
Operating income	\$ 3,447,208	\$ 3,858,932
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	2,233	1,610
Miscellaneous income	2,988	62
Changes in operating assets and liabilities:		
Accounts receivable	(130,855)	17,509
Due from other governments	-	5,907
Deferred amounts related to other postemployment benefits	37,648	(97,754)
Deferred amounts related to pensions	(107,738)	(642,148)
Accounts payable	(111,230)	246,452
Accrued expenses	35,160	(1,576)
Due to other funds	(30,918)	(1,714,113)
Compensated absences payable	84,102	26,643
Other postemployment benefits	157,685	166,889
Net pension liability	(62,213)	551,544
Total adjustments	(123,138)	(1,438,975)
Net cash provided by operating activities	\$ 3,324,070	\$ 2,419,957





NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are funds containing certain revenue sources set aside for a specific purpose. Some funds contain legal restrictions requiring that they may only be spent for a specific purpose.

Grants Fund: To account for Parks Development Grants and Law Enforcement Grants received by the City.

FEMA Hurricane Fund: To account for hurricane related grants and expenditures.

SHIP Grant Fund: To account for revenues and expenditures related to the State's affordable housing initiative program.

CDBG Grant Fund: To account for revenues and expenditures related to the Community Development Block Grant.

Traffic Safety Fund: To account for revenues and expenditures related to red light traffic cameras.

Local Option Gas Tax Fund: To account for gas tax revenues restricted for roadway program expenditures.

Community Improvements Fund: To account for revenues and expenditures relative to the City's low-income home improvements program.

Green Building Fund: To account for revenues and expenditures related to the City's energy improvements to public buildings.

Public Art Fund: To account for fees collected from developers to be used by the City for establishing and enhancing public art throughout the City.

Recreation Program Fund: To account for revenues and expenditures relative to recreation programs in the City.

Boynton Beach Memorial Park Fund: To account for revenues and expenditures relative to the City's two cemeteries.

Community Services Fund: To account for assets that are restricted for designated purposes.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

Public Service Tax Debt Service Fund: The Public Service Tax Debt Service Fund accounts for the payment of principal and interest and fiscal charges on the City's revenue bonds which are payable from non-ad valorem revenues.

Boynton Beach CRA Debt Service Fund: To account for the accumulation of resources for the annual payment of principal and interest on long-term obligation debt of the Boynton Beach Community Redevelopment Agency.

CAPITAL PROJECTS FUNDS

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

General Capital Improvements Fund: To account for City construction projects, such as major improvements to general City buildings and improvements to streets and sidewalks.

Parks & Recreational Facilities Fund: To account for the acquisition or development of City parks and recreational lands funded by fees collected from developers.

Boynton Beach CRA Bond Projects Fund: To account for capital projects funded through bonds issued by the Boynton Beach Community Redevelopment Agency.

Local Government Surtax Improvement Fund: To account for infrastructure projects that will be funded by the one-cent sales surtax.



THE CITY OF BOYNTON BEACH

Non-Major Governmental Funds Combining Balance Sheet September 30, 2020

	Special Revenue Funds			
	Grants	FEMA Hurricane	SHIP Grant	CDBG Grant
ASSETS				
Pooled cash and investments	\$ -	\$ 2,222,809	\$ 876,642	\$ -
Receivables, net	10,940	-	-	-
Due from other governments	327,149	288,768	-	-
Prepaid items	-	-	-	-
Total assets	\$ 338,089	\$ 2,511,577	\$ 876,642	\$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)				
Liabilities:				
Accounts payable	\$ 7,980	\$ 8,590	\$ 10,227	\$ 11,512
Accrued liabilities	-	-	-	-
Due to other funds	459,411	-	-	117,076
Due to other governments	-	-	-	-
Refundable deposits	-	-	-	-
Other payables	-	-	-	-
Total liabilities	467,391	8,590	10,227	128,588
Deferred inflows of resources:				
Unavailable revenue	26,523	-	224,876	-
Fund balance (deficit):				
Nonspendable:				
Prepaid items	-	-	-	-
Restricted for:				
Public safety	-	-	-	-
Grant programs	-	2,502,987	641,539	-
Debt service	-	-	-	-
Capital projects	-	-	-	-
Other purposes	-	-	-	-
Committed for:				
Capital projects	-	-	-	-
Assigned to:				
Debt service	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Cemetery maintenance	-	-	-	-
Capital projects	-	-	-	-
Unassigned (deficit)	(155,825)	-	-	(128,588)
Total fund balance (deficit)	(155,825)	2,502,987	641,539	(128,588)
Total liabilities, deferred inflows of resources and fund balance (deficit)	\$ 338,089	\$ 2,511,577	\$ 876,642	\$ -



THE CITY OF BOYNTON BEACH

Special Revenue Funds

Traffic Safety	Local Option Gas Tax	Community Improvements	Green Building	Public Art	Recreation Program	Boynton Beach Memorial Park	Community Services	Sub Total Special Revenue Funds
\$ 2,046,806	\$ 355,614	\$ -	\$ 252,653	\$ -	\$ 561,912	\$ 3,127,111	\$ 1,135,777	\$ 10,579,324
-	-	-	-	-	240	12,339	-	23,519
77,917	99,635	-	-	-	-	-	20,797	814,266
-	-	-	-	-	-	-	-	-
<u>\$ 2,124,723</u>	<u>\$ 455,249</u>	<u>\$ -</u>	<u>\$ 252,653</u>	<u>\$ -</u>	<u>\$ 562,152</u>	<u>\$ 3,139,450</u>	<u>\$ 1,156,574</u>	<u>\$ 11,417,109</u>
\$ 76,794	\$ -	\$ -	\$ 3,402	\$ 171,341	\$ 23,500	\$ 3,026	\$ 106,145	\$ 422,517
-	-	7,011	-	2,405	4,403	3,940	-	17,759
-	-	171,927	-	110,603	-	-	-	859,017
44,654	-	-	-	-	-	-	-	44,654
-	-	-	-	67,737	-	-	-	67,737
-	-	-	-	-	-	-	-	-
<u>121,448</u>	<u>-</u>	<u>178,938</u>	<u>3,402</u>	<u>352,086</u>	<u>27,903</u>	<u>6,966</u>	<u>106,145</u>	<u>1,411,684</u>
-	-	60,872	-	-	-	-	-	312,271
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	699,614	699,614
-	-	-	-	-	-	-	-	3,144,526
-	-	-	-	-	-	-	-	-
-	455,249	-	-	-	-	-	-	455,249
-	-	-	-	-	-	-	350,815	350,815
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
2,003,275	-	-	-	-	-	-	-	2,003,275
-	-	-	-	-	534,249	-	-	534,249
-	-	-	-	-	-	3,132,484	-	3,132,484
-	-	-	249,251	-	-	-	-	249,251
-	-	(239,810)	-	(352,086)	-	-	-	(876,309)
<u>2,003,275</u>	<u>455,249</u>	<u>(239,810)</u>	<u>249,251</u>	<u>(352,086)</u>	<u>534,249</u>	<u>3,132,484</u>	<u>1,050,429</u>	<u>9,693,154</u>
<u>\$ 2,124,723</u>	<u>\$ 455,249</u>	<u>\$ -</u>	<u>\$ 252,653</u>	<u>\$ -</u>	<u>\$ 562,152</u>	<u>\$ 3,139,450</u>	<u>\$ 1,156,574</u>	<u>\$ 11,417,109</u>

(Continued)



THE CITY OF BOYNTON BEACH

Non-Major Governmental Funds Combining Balance Sheet (Continued) September 30, 2020

	Debt Service Funds			Capital Projects Funds	
	Public Service Tax Debt Service	Boynton Beach CRA Debt Service	Sub Total Debt Service Funds	General Capital Improvements	Parks & Recreational Facilities
ASSETS					
Pooled cash and investments	\$ 4,721,356	\$ 116,097	\$ 4,837,453	\$ 2,928,945	\$ 273,844
Receivables, net	760,698	-	760,698	-	-
Due from other governments	222,533	-	222,533	-	-
Prepaid items	-	-	-	-	-
Total assets	<u>\$ 5,704,587</u>	<u>\$ 116,097</u>	<u>\$ 5,820,684</u>	<u>\$ 2,928,945</u>	<u>\$ 273,844</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 57,764	\$ -
Accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Refundable deposits	-	-	-	-	-
Other payables	-	-	-	202,476	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>260,240</u>	<u>-</u>
Deferred inflows of resources:					
Unavailable revenue	-	-	-	-	-
Fund balance (deficit):					
Nonspendable:					
Prepaid items	-	-	-	-	-
Restricted for:					
Public safety	-	-	-	-	-
Grant programs	-	-	-	-	-
Debt service	-	116,097	116,097	-	-
Capital projects	-	-	-	-	-
Other purposes	-	-	-	-	-
Committed for:					
Capital projects	-	-	-	-	-
Assigned to:					
Debt service	5,704,587	-	5,704,587	-	-
Public safety	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Cemetery maintenance	-	-	-	-	-
Capital projects	-	-	-	2,668,705	273,844
Unassigned (deficit)	-	-	-	-	-
Total fund balance	<u>5,704,587</u>	<u>116,097</u>	<u>5,820,684</u>	<u>2,668,705</u>	<u>273,844</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 5,704,587</u>	<u>\$ 116,097</u>	<u>\$ 5,820,684</u>	<u>\$ 2,928,945</u>	<u>\$ 273,844</u>



THE CITY OF BOYNTON BEACH

Capital Projects Funds			
Boynton Beach CRA Bond Projects	Local Government Surtax Improvement	Sub Total Capital Projects Funds	Non-Major Governmental Funds Total
\$ 11,081,596	\$ 3,055,142	\$ 17,339,527	\$ 32,756,304
-	-	-	784,217
-	339,893	339,893	1,376,692
33,972	-	33,972	33,972
<u>\$ 11,115,568</u>	<u>\$ 3,395,035</u>	<u>\$ 17,713,392</u>	<u>\$ 34,951,185</u>
\$ 74,767	\$ 536,058	\$ 668,589	\$ 1,091,106
-	13,439	13,439	31,198
-	-	-	859,017
-	-	-	44,654
-	-	-	67,737
-	-	202,476	202,476
<u>74,767</u>	<u>549,497</u>	<u>884,504</u>	<u>2,296,188</u>
-	-	-	312,271
33,972	-	33,972	33,972
-	-	-	699,614
-	-	-	3,144,526
-	-	-	116,097
-	2,845,538	2,845,538	3,300,787
-	-	-	350,815
5,777,612	-	5,777,612	5,777,612
-	-	-	5,704,587
-	-	-	2,003,275
-	-	-	534,249
-	-	-	3,132,484
5,229,217	-	8,171,766	8,421,017
-	-	-	(876,309)
<u>11,040,801</u>	<u>2,845,538</u>	<u>16,828,888</u>	<u>32,342,726</u>
<u>\$ 11,115,568</u>	<u>\$ 3,395,035</u>	<u>\$ 17,713,392</u>	<u>\$ 34,951,185</u>



THE CITY OF BOYNTON BEACH

Non-Major Governmental Funds Combining Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020

	Special Revenue Funds			
	Grants	FEMA Hurricane	SHIP Grant	CDBG Grant
REVENUES				
Taxes, net of tax increment revenue	\$ -	\$ -	\$ -	\$ -
Intergovernmental	972,153	1,615,654	493,768	63,000
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	4,753	-
Donations	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	972,153	1,615,654	498,521	63,000
EXPENDITURES				
Current:				
General government	-	8,590	-	-
Public safety	146,941	-	-	-
Physical environment	-	-	-	-
Economic environment	-	-	254,274	196,508
Culture and recreation	115,963	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	611,047	-	-	-
Physical environment	-	-	-	-
Economic environment	-	-	-	-
Culture and recreation	106,477	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest charges	-	-	-	-
Total expenditures	980,428	8,590	254,274	196,508
Revenues over (under) expenditures	(8,275)	1,607,064	244,247	(133,508)
OTHER FINANCING SOURCES (USES)				
Transfers in	3,302	-	-	-
Transfers out	-	-	(12,871)	-
Total other financing sources and uses	3,302	-	(12,871)	-
Net change in fund balance	(4,973)	1,607,064	231,376	(133,508)
Fund balance (deficit) - beginning of year	(150,852)	895,923	410,163	4,920
Fund balance (deficit) - end of year	\$ (155,825)	\$ 2,502,987	\$ 641,539	\$ (128,588)



THE CITY OF BOYNTON BEACH

Special Revenue Funds

Traffic Safety	Local Option Gas Tax	Community Improvements	Green Building	Public Art	Recreation Program	Boynton Beach Memorial Park	Community Services	Sub Total Special Revenue Funds
\$ -	\$ 1,229,597	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,229,597
-	-	-	-	-	-	-	-	3,144,575
-	-	-	66,982	-	307,826	174,110	-	548,918
1,921,180	-	-	-	-	-	-	202,038	2,123,218
16,494	2,529	-	1,895	-	4,251	48,010	7,922	85,854
-	-	-	-	13,871	-	-	230,893	244,764
158	-	-	-	-	15,976	8,945	-	25,079
<u>1,937,832</u>	<u>1,232,126</u>	<u>-</u>	<u>68,877</u>	<u>13,871</u>	<u>328,053</u>	<u>231,065</u>	<u>440,853</u>	<u>7,402,005</u>
279,144	-	-	-	-	-	259,886	41,084	588,704
729,723	-	-	-	-	-	-	116,044	992,708
-	1,150	-	64,006	-	-	-	-	65,156
-	-	149,617	-	-	-	-	-	600,399
-	-	-	-	268,341	318,671	-	31,963	734,938
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	55,722	666,769
-	-	-	-	-	-	-	-	-
-	-	-	-	387,910	2,650	-	156,675	653,712
-	-	-	-	-	-	-	-	-
<u>1,008,867</u>	<u>1,150</u>	<u>149,617</u>	<u>64,006</u>	<u>656,251</u>	<u>321,321</u>	<u>259,886</u>	<u>401,488</u>	<u>4,302,386</u>
<u>928,965</u>	<u>1,230,976</u>	<u>(149,617)</u>	<u>4,871</u>	<u>(642,380)</u>	<u>6,732</u>	<u>(28,821)</u>	<u>39,365</u>	<u>3,099,619</u>
-	-	12,869	-	20,000	-	-	-	36,171
(968,325)	(1,300,000)	-	-	-	-	(43,557)	-	(2,324,753)
<u>(968,325)</u>	<u>(1,300,000)</u>	<u>12,869</u>	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>(43,557)</u>	<u>-</u>	<u>(2,288,582)</u>
(39,360)	(69,024)	(136,748)	4,871	(622,380)	6,732	(72,378)	39,365	811,037
2,042,635	524,273	(103,062)	244,380	270,294	527,517	3,204,862	1,011,064	8,882,117
<u>\$ 2,003,275</u>	<u>\$ 455,249</u>	<u>\$ (239,810)</u>	<u>\$ 249,251</u>	<u>\$ (352,086)</u>	<u>\$ 534,249</u>	<u>\$ 3,132,484</u>	<u>\$ 1,050,429</u>	<u>\$ 9,693,154</u>

(Continued)



THE CITY OF BOYNTON BEACH

Non-Major Governmental Funds Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (Continued) For the Year Ended September 30, 2020

	Debt Service Funds			Capital Projects Funds	
	Public Service Tax Debt Service	Boynton Beach CRA Debt Service	Sub Total Debt Service Funds	General Capital Improvements	Parks & Recreational Facilities
REVENUES					
Taxes, net of tax increment revenue	\$ 10,565,666	\$ -	\$ 10,565,666	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	184,117
Fines and forfeitures	-	-	-	-	-
Investment earnings	24,745	5,416	30,161	135,908	2,294
Donations	-	-	-	-	-
Miscellaneous	-	-	-	278,616	-
Total revenues	<u>10,590,411</u>	<u>5,416</u>	<u>10,595,827</u>	<u>414,524</u>	<u>186,411</u>
EXPENDITURES					
Current:					
General government	7,561	-	7,561	3,201	-
Public safety	-	-	-	-	-
Physical environment	-	-	-	-	1,067
Economic environment	-	-	-	-	-
Culture and recreation	-	-	-	179	-
Capital outlay:					
General government	-	-	-	18,500	65,835
Public safety	-	-	-	-	-
Physical environment	-	-	-	205,000	-
Economic environment	-	-	-	-	-
Culture and recreation	-	-	-	2,858,412	-
Debt service:					
Principal retirement	2,095,000	1,762,000	3,857,000	2,834,578	-
Interest charges	329,014	376,527	705,541	255,243	-
Total expenditures	<u>2,431,575</u>	<u>2,138,527</u>	<u>4,570,102</u>	<u>6,175,113</u>	<u>66,902</u>
Revenues over (under) expenditures	<u>8,158,836</u>	<u>(2,133,111)</u>	<u>6,025,725</u>	<u>(5,760,589)</u>	<u>119,509</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	2,139,852	2,139,852	7,440,452	-
Transfers out	(7,840,000)	-	(7,840,000)	-	(15,000)
Total other financing sources and uses	<u>(7,840,000)</u>	<u>2,139,852</u>	<u>(5,700,148)</u>	<u>7,440,452</u>	<u>(15,000)</u>
Net change in fund balance	318,836	6,741	325,577	1,679,863	104,509
Fund balance (deficit) - beginning of year	5,385,751	109,356	5,495,107	988,842	169,335
Fund balance (deficit) - end of year	<u>\$ 5,704,587</u>	<u>\$ 116,097</u>	<u>\$ 5,820,684</u>	<u>\$ 2,668,705</u>	<u>\$ 273,844</u>



THE CITY OF BOYNTON BEACH

Capital Projects Funds			
Boynton Beach CRA Bond Projects	Local Government Surtax Improvement	Sub Total Capital Projects Funds	Non-Major Governmental Funds Total
\$ -	\$ -	\$ -	\$ 11,795,263
-	5,331,081	5,331,081	8,475,656
-	-	184,117	733,035
-	-	-	2,123,218
157,815	66,595	362,612	478,627
-	-	-	244,764
-	-	278,616	303,695
<u>157,815</u>	<u>5,397,676</u>	<u>6,156,426</u>	<u>24,154,258</u>
-	-	3,201	599,466
-	-	-	992,708
-	-	1,067	66,223
10,151,278	-	10,151,278	10,751,677
-	31,168	31,347	766,285
-	-	84,335	84,335
-	-	-	666,769
-	-	205,000	205,000
368,626	-	368,626	368,626
-	5,846,164	8,704,576	9,358,288
-	-	2,834,578	6,691,578
-	-	255,243	960,784
<u>10,519,904</u>	<u>5,877,332</u>	<u>22,639,251</u>	<u>31,511,739</u>
<u>(10,362,089)</u>	<u>(479,656)</u>	<u>(16,482,825)</u>	<u>(7,357,481)</u>
9,553,549	-	16,994,001	19,170,024
-	(5,760,427)	(5,775,427)	(15,940,180)
<u>9,553,549</u>	<u>(5,760,427)</u>	<u>11,218,574</u>	<u>3,229,844</u>
(808,540)	(6,240,083)	(5,264,251)	(4,127,637)
11,849,341	9,085,621	22,093,139	36,470,363
<u>\$ 11,040,801</u>	<u>\$ 2,845,538</u>	<u>\$ 16,828,888</u>	<u>\$ 32,342,726</u>



THE CITY OF BOYNTON BEACH

Grants Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Receivables, net	\$ 10,940	\$ -
Due from other governments	327,149	127,400
Prepaid items	-	450
Total assets	\$ 338,089	\$ 127,850
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)		
Liabilities:		
Accounts payable	\$ 7,980	\$ 53,197
Due to other funds	459,411	120,496
Total liabilities	467,391	173,693
Deferred inflows of resources:		
Unavailable revenue	26,523	105,009
Fund balance (deficit):		
Nonspendable:		
Prepaid items	-	450
Unassigned (deficit)	(155,825)	(151,302)
Total fund balance (deficit)	(155,825)	(150,852)
Total liabilities, deferred inflows of resources and fund balance (deficit)	\$ 338,089	\$ 127,850



THE CITY OF BOYNTON BEACH

Grants Fund Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Intergovernmental	\$ 972,153	\$ 358,688
Total revenues	972,153	358,688
EXPENDITURES		
Current:		
Public safety	146,941	144,866
Culture and recreation	115,963	99,827
Capital outlay:		
Public safety	611,047	117,118
Culture and recreation	106,477	20,298
Total expenditures	980,428	382,109
Revenues over (under) expenditures	(8,275)	(23,421)
OTHER FINANCING SOURCES		
Transfers in	3,302	10,023
Total other financing sources	3,302	10,023
Net change in fund balance	(4,973)	(13,398)
Fund balance (deficit) - beginning of year	(150,852)	(137,454)
Fund balance (deficit) - end of year	\$ (155,825)	\$ (150,852)



THE CITY OF BOYNTON BEACH

FEMA Hurricane Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Pooled cash and investments	\$ 2,222,809	\$ 895,923
Due from other governments	288,768	-
Total assets	\$ 2,511,577	\$ 895,923
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 8,590	\$ -
Total liabilities	8,590	-
Fund balance:		
Restricted for grant programs	2,502,987	895,923
Total fund balance	2,502,987	895,923
Total liabilities and fund balance	\$ 2,511,577	\$ 895,923



THE CITY OF BOYNTON BEACH

FEMA Hurricane Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Intergovernmental	\$ 1,615,654	\$ 87,412
Total revenues	1,615,654	87,411
EXPENDITURES		
Current:		
General government	8,590	16,811
Total expenditures	8,590	16,811
Net change in fund balance	1,607,064	70,600
Fund balance - beginning of year	895,923	825,323
Fund balance - end of year	\$ 2,502,987	\$ 895,923



THE CITY OF BOYNTON BEACH

SHIP Grant Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Pooled cash and investments	\$ 876,642	\$ 720,373
Receivables, net	-	106
Total assets	\$ 876,642	\$ 720,479
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 10,227	\$ 60,000
Total liabilities	10,227	60,000
Deferred inflows of resources:		
Unavailable revenue	224,876	250,316
Fund balance:		
Restricted for grant programs	641,539	410,163
Total fund balance	641,539	410,163
Total liabilities, deferred inflows of resources and fund balance	\$ 876,642	\$ 720,479



THE CITY OF BOYNTON BEACH

SHIP Grant Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Intergovernmental	\$ 493,768	\$ 503,434
Investment earnings	4,753	10,485
Total revenues	498,521	513,919
EXPENDITURES		
Current:		
Economic environment	254,274	538,302
Total expenditures	254,274	538,302
Revenues over (under) expenditures	244,247	(24,383)
OTHER FINANCING USES		
Transfers out	(12,871)	(47,061)
Total other financing uses	(12,871)	(47,061)
Net change in fund balance	231,376	(71,444)
Fund balance - beginning of year	410,163	481,607
Fund balance - end of year	\$ 641,539	\$ 410,163



THE CITY OF BOYNTON BEACH

CDBG Grant Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Due from other governments	\$ -	\$ 40,240
Total assets	\$ -	\$ 40,240
LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities:		
Accounts payable	\$ 11,512	\$ 28,730
Due to other funds	117,076	6,590
Total liabilities	128,588	35,320
Fund balance (deficit):		
Restricted for grant programs	-	4,920
Unassigned (deficit)	(128,588)	-
Total fund balance (deficit)	(128,588)	4,920
Total liabilities and fund balance (deficit)	\$ -	\$ 40,240



THE CITY OF BOYNTON BEACH

CDBG Grant Fund Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Intergovernmental	\$ 63,000	\$ 374,887
Miscellaneous	-	4,251
Total revenues	63,000	379,138
EXPENDITURES		
Current:		
Economic environment	196,508	203,145
Total expenditures	196,508	203,145
Revenues over (under) expenditures	(133,508)	175,993
OTHER FINANCING USES		
Transfers out	-	(171,742)
Total other financing uses	-	(171,742)
Net change in fund balance	(133,508)	4,251
Fund balance - beginning of year	4,920	669
Fund balance (deficit) - end of year	\$ (128,588)	\$ 4,920



THE CITY OF BOYNTON BEACH

Traffic Safety Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Pooled cash and investments	\$ 2,046,806	\$ 2,180,378
Receivables, net	-	3,446
Due from other governments	77,917	61,188
Total assets	\$ 2,124,723	\$ 2,245,012
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 76,794	\$ 169,404
Due to other governments	44,654	32,973
Total liabilities	121,448	202,377
Fund balance:		
Assigned to:		
Public safety	2,003,275	2,042,635
Total fund balance	2,003,275	2,042,635
Total liabilities and fund balance	\$ 2,124,723	\$ 2,245,012



THE CITY OF BOYNTON BEACH

Traffic Safety Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Fines and forfeitures	\$ 1,921,180	\$ 1,844,392
Investment earnings	16,494	17,649
Miscellaneous	158	-
Total revenues	1,937,832	1,862,041
EXPENDITURES		
Current:		
General government	279,144	259,122
Public safety	729,723	806,481
Total expenditures	1,008,867	1,065,603
Revenues over expenditures	928,965	796,438
OTHER FINANCING USES		
Transfers out	(968,325)	(100,000)
Total other financing uses	(968,325)	(100,000)
Net change in fund balance	(39,360)	696,438
Fund balance - beginning of year	2,042,635	1,346,197
Fund balance - end of year	\$ 2,003,275	\$ 2,042,635



THE CITY OF BOYNTON BEACH

Local Option Gas Tax Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Pooled cash and investments	\$ 355,614	\$ 405,174
Receivables, net	-	41
Due from other governments	99,635	119,058
Total assets	<u>\$ 455,249</u>	<u>\$ 524,273</u>
FUND BALANCE		
Fund balance:		
Restricted for capital projects	\$ 455,249	\$ 524,273
Total fund balance	<u>\$ 455,249</u>	<u>\$ 524,273</u>



THE CITY OF BOYNTON BEACH

Local Option Gas Tax Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Taxes	\$ 1,229,597	\$ 1,365,106
Investment earnings	2,529	3,068
Total revenues	1,232,126	1,368,174
EXPENDITURES		
Current:		
Physical environment	1,150	1,150
Total expenditures	1,150	1,150
Revenues over expenditures	1,230,976	1,367,024
OTHER FINANCING USES		
Transfers out	(1,300,000)	(1,300,000)
Total other financing uses	(1,300,000)	(1,300,000)
Net change in fund balance	(69,024)	67,024
Fund balance - beginning of year	524,273	457,249
Fund balance - end of year	\$ 455,249	\$ 524,273



THE CITY OF BOYNTON BEACH

Local Option Gas Tax Fund Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 1,301,150	\$ 1,301,150	\$ 1,229,597	\$ (71,553)
Investment earnings	-	-	2,529	2,529
Total revenues	<u>1,301,150</u>	<u>1,301,150</u>	<u>1,232,126</u>	<u>(69,024)</u>
EXPENDITURES				
Current:				
Physical environment	1,150	1,150	1,150	-
Total expenditures	<u>1,150</u>	<u>1,150</u>	<u>1,150</u>	<u>-</u>
Revenues over expenditures	<u>1,300,000</u>	<u>1,300,000</u>	<u>1,230,976</u>	<u>(69,024)</u>
OTHER FINANCING USES				
Transfers out	<u>(1,300,000)</u>	<u>(1,300,000)</u>	<u>(1,300,000)</u>	<u>-</u>
Total other financing uses	<u>(1,300,000)</u>	<u>(1,300,000)</u>	<u>(1,300,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(69,024)</u>	<u>\$ (69,024)</u>
Fund balance - beginning of year			<u>524,273</u>	
Fund balance - end of year			<u>\$ 455,249</u>	



THE CITY OF BOYNTON BEACH

Community Improvements Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Pooled cash and investments	\$ -	\$ -
Total assets	\$ -	\$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)		
Liabilities:		
Accounts payable	\$ -	\$ 6
Accrued liabilities	7,011	7,475
Due to other funds	171,927	34,709
Total liabilities	178,938	42,190
Deferred inflows of resources:		
Unavailable revenue	60,872	60,872
Fund balance (deficit):		
Unassigned (deficit)	(239,810)	(103,062)
Total fund balance (deficit)	(239,810)	(103,062)
Total liabilities, deferred inflows of resources and fund balance (deficit)	\$ -	\$ -



THE CITY OF BOYNTON BEACH

Community Improvements Fund Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Miscellaneous	\$ -	\$ -
Total revenues	-	-
EXPENDITURES		
Current:		
Economic environment	149,617	240,068
Total expenditures	149,617	240,068
Revenues over (under) expenditures	(149,617)	(240,068)
OTHER FINANCING SOURCES		
Transfers in	12,869	218,803
Total other financing sources	12,869	218,803
Net change in fund balance	(136,748)	(21,265)
Fund balance (deficit) - beginning of year	(103,062)	(81,797)
Fund balance (deficit) - end of year	\$ (239,810)	\$ (103,062)



THE CITY OF BOYNTON BEACH

Community Improvements Fund Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) Budget and Actual For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Miscellaneous	\$ 7,100	\$ 7,100	\$ -	\$ (7,100)
Total revenues	<u>7,100</u>	<u>7,100</u>	<u>-</u>	<u>(7,100)</u>
EXPENDITURES				
Current:				
Economic environment	245,580	245,580	149,617	95,963
Total expenditures	<u>245,580</u>	<u>245,580</u>	<u>149,617</u>	<u>95,963</u>
Revenues over (under) expenditures	<u>(238,480)</u>	<u>(238,480)</u>	<u>(149,617)</u>	<u>88,863</u>
OTHER FINANCING SOURCES				
Transfers in	170,000	170,000	12,869	(157,131)
Appropriated fund balance	<u>68,480</u>	<u>68,480</u>	<u>-</u>	<u>(68,480)</u>
Total other financing sources	<u>238,480</u>	<u>238,480</u>	<u>12,869</u>	<u>(225,611)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(136,748)</u>	<u>\$ (136,748)</u>
Fund balance (deficit) - beginning of year			<u>(103,062)</u>	
Fund balance (deficit) - end of year			<u>\$ (239,810)</u>	



THE CITY OF BOYNTON BEACH

Green Building Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Pooled cash and investments	\$ 252,653	\$ 244,350
Receivables, net	-	30
Total assets	\$ 252,653	\$ 244,380
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 3,402	\$ -
Total liabilities	3,402	-
Fund balance:		
Assigned to:		
Capital projects	249,251	244,380
Total fund balance	249,251	244,380
Total liabilities and fund balance	\$ 252,653	\$ 244,380



**Green Building Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended September 30, 2020
(With Comparative Figures for 2019)**

	<u>2020</u>	<u>2019</u>
REVENUES		
Charges for services	\$ 66,982	\$ 105,597
Investment earnings	1,895	2,137
Total revenues	<u>68,877</u>	<u>107,734</u>
EXPENDITURES		
Current:		
Physical environment	64,006	21,789
Capital outlay:		
General government	-	7,025
Total expenditures	<u>64,006</u>	<u>28,814</u>
Revenues over expenditures	<u>4,871</u>	<u>78,920</u>
Net change in fund balance	4,871	78,920
Fund balance - beginning of year	244,380	165,460
Fund balance - end of year	<u>\$ 249,251</u>	<u>\$ 244,380</u>



THE CITY OF BOYNTON BEACH

Public Art Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Pooled cash and investments	\$ -	\$ 324,142
Total assets	\$ -	\$ 324,142
LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities:		
Accounts payable	\$ 171,341	\$ 44,385
Accrued liabilities	2,405	6,912
Due to other funds	110,603	-
Refundable deposits	67,737	2,551
Total liabilities	352,086	53,848
Fund balance (deficit):		
Assigned to:		
Culture and recreation	-	270,294
Unassigned (deficit)	(352,086)	-
Total fund balance (deficit)	(352,086)	270,294
Total liabilities and fund balance (deficit)	\$ -	\$ 324,142



THE CITY OF BOYNTON BEACH

Public Art Fund Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Licenses and permits	\$ -	\$ 820,114
Donations	13,871	959
Miscellaneous	-	1,007
Total revenues	13,871	822,080
EXPENDITURES		
Current:		
Culture and recreation	268,341	678,455
Capital outlay:		
Culture and recreation	387,910	-
Total expenditures	656,251	678,455
Revenues over (under) expenditures	(642,380)	143,625
OTHER FINANCING SOURCES		
Transfers in	20,000	20,000
Total other financing sources	20,000	20,000
Net change in fund balance	(622,380)	163,625
Fund balance - beginning of year	270,294	106,669
Fund balance (deficit) - end of year	\$ (352,086)	\$ 270,294



THE CITY OF BOYNTON BEACH

Public Art Fund Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) Budget and Actual For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Licenses and permits	\$ 653,039	\$ 653,039	\$ -	\$ (653,039)
Donations	832,051	832,051	13,871	(818,180)
Total revenues	<u>1,485,090</u>	<u>1,485,090</u>	<u>13,871</u>	<u>(1,471,219)</u>
EXPENDITURES				
Current:				
Culture and recreation	231,120	262,050	268,341	(6,291)
Capital outlay:				
Culture and recreation	<u>860,300</u>	<u>829,370</u>	<u>387,910</u>	<u>441,460</u>
Total expenditures	<u>1,091,420</u>	<u>1,091,420</u>	<u>656,251</u>	<u>435,169</u>
Revenues over (under) expenditures	<u>393,670</u>	<u>393,670</u>	<u>(642,380)</u>	<u>(1,036,050)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	20,000	20,000	20,000	-
Transfer to fund balance	<u>(413,670)</u>	<u>(413,670)</u>	<u>-</u>	<u>413,670</u>
Total other financing sources (uses)	<u>(393,670)</u>	<u>(393,670)</u>	<u>20,000</u>	<u>413,670</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(622,380)</u>	<u>\$ (622,380)</u>
Fund balance - beginning of year			<u>270,294</u>	
Fund balance (deficit) - end of year			<u>\$ (352,086)</u>	



THE CITY OF BOYNTON BEACH

Recreation Program Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Pooled cash and investments	\$ 561,912	\$ 536,701
Receivables, net	240	1,338
Total assets	\$ 562,152	\$ 538,039
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 23,500	\$ 7,964
Accrued liabilities	4,403	2,558
Total liabilities	27,903	10,522
Fund balance:		
Assigned to:		
Culture and recreation	534,249	527,517
Total fund balance	534,249	527,517
Total liabilities and fund balance	\$ 562,152	\$ 538,039



THE CITY OF BOYNTON BEACH

Recreation Program Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Charges for services	\$ 307,826	\$ 484,811
Investment earnings	4,251	4,985
Miscellaneous	15,976	28,789
Total revenues	328,053	518,585
EXPENDITURES		
Current:		
Culture and recreation	318,671	414,021
Capital outlay:		
Culture and recreation	2,650	-
Total expenditures	321,321	414,021
Revenues over expenditures	6,732	104,564
Net change in fund balance	6,732	104,564
Fund balance - beginning of year	527,517	422,953
Fund balance - end of year	\$ 534,249	\$ 527,517



THE CITY OF BOYNTON BEACH

Recreation Program Fund Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 477,054	\$ 477,054	\$ 307,826	\$ (169,228)
Investment earnings	-	-	4,251	4,251
Miscellaneous	13,100	13,100	15,976	2,876
Total revenues	<u>490,154</u>	<u>490,154</u>	<u>328,053</u>	<u>(162,101)</u>
EXPENDITURES				
Current:				
Culture and recreation	496,051	492,601	318,671	173,930
Capital outlay:				
Culture and recreation	-	3,450	2,650	800
Total expenditures	<u>496,051</u>	<u>496,051</u>	<u>321,321</u>	<u>174,730</u>
Revenues over (under) expenditures	<u>(5,897)</u>	<u>(5,897)</u>	<u>6,732</u>	<u>12,629</u>
OTHER FINANCING SOURCES				
Appropriated fund balance	5,897	5,897	-	(5,897)
Total other financing sources	<u>5,897</u>	<u>5,897</u>	<u>-</u>	<u>(5,897)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	6,732	<u>\$ 6,732</u>
Fund balance - beginning of year			527,517	
Fund balance - end of year			<u>\$ 534,249</u>	



THE CITY OF BOYNTON BEACH

Boynton Beach Memorial Park Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Pooled cash and investments	\$ 3,127,111	\$ 3,193,434
Receivables, net	12,339	23,686
Total assets	\$ 3,139,450	\$ 3,217,120
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 3,026	\$ 3,554
Accrued liabilities	3,940	8,704
Total liabilities	6,966	12,258
Fund balance:		
Assigned to:		
Cemetery maintenance	3,132,484	3,204,862
Total fund balance	3,132,484	3,204,862
Total liabilities and fund balance	\$ 3,139,450	\$ 3,217,120



THE CITY OF BOYNTON BEACH

Boynton Beach Memorial Park Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Charges for services	\$ 174,110	\$ 154,045
Investment earnings	48,010	144,821
Miscellaneous	8,945	12,478
Total revenues	231,065	311,344
EXPENDITURES		
Current:		
General government	259,886	337,707
Total expenditures	259,886	337,707
Revenues over (under) expenditures	(28,821)	(26,363)
OTHER FINANCING USES		
Transfers out	(43,557)	(41,690)
Total other financing uses	(43,557)	(41,690)
Net change in fund balance	(72,378)	(68,053)
Fund balance - beginning of year	3,204,862	3,272,915
Fund balance - end of year	\$ 3,132,484	\$ 3,204,862



THE CITY OF BOYNTON BEACH

Boynton Beach Memorial Park Fund Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 105,000	\$ 128,000	\$ 174,110	\$ 46,110
Investment earnings	35,000	35,000	48,010	13,010
Miscellaneous	7,500	7,500	8,945	1,445
Total revenues	<u>147,500</u>	<u>170,500</u>	<u>231,065</u>	<u>60,565</u>
EXPENDITURES				
Current:				
General government	233,835	256,835	259,886	(3,051)
Total expenditures	<u>233,835</u>	<u>256,835</u>	<u>259,886</u>	<u>(3,051)</u>
Revenues over (under) expenditures	<u>(86,335)</u>	<u>(86,335)</u>	<u>(28,821)</u>	<u>57,514</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(43,557)	(43,557)	(43,557)	-
Appropriated fund balance	129,892	129,892	-	(129,892)
Total other financing sources (uses)	<u>86,335</u>	<u>86,335</u>	<u>(43,557)</u>	<u>(129,892)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(72,378)	<u>\$ (72,378)</u>
Fund balance - beginning of year			3,204,862	
Fund balance - end of year			<u>\$ 3,132,484</u>	



THE CITY OF BOYNTON BEACH

Community Services Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Pooled cash and investments	\$ 1,135,777	\$ 1,014,278
Receivables, net	-	120
Due from other governments	20,797	-
Total assets	\$ 1,156,574	\$ 1,014,398
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 106,145	\$ 68
Refundable deposits	-	3,266
Total liabilities	106,145	3,334
Fund balance:		
Restricted for:		
Public safety	699,614	529,142
Other purposes	350,815	481,922
Total fund balance	1,050,429	1,011,064
Total liabilities and fund balance	\$ 1,156,574	\$ 1,014,398



THE CITY OF BOYNTON BEACH

Community Services Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Charges for services	\$ -	\$ 1,695
Fines and forfeitures	202,038	94,248
Investment earnings	7,922	9,035
Donations	230,893	209,101
Total revenues	440,853	314,079
EXPENDITURES		
Current:		
General government	41,084	14,245
Public safety	116,044	92,754
Culture and recreation	31,963	28,502
Capital outlay:		
Public safety	55,722	18,953
Culture and recreation	156,675	-
Total expenditures	401,488	154,454
Revenues over expenditures	39,365	159,625
Net change in fund balance	39,365	159,625
Fund balance - beginning of year	1,011,064	851,439
Fund balance - end of year	\$ 1,050,429	\$ 1,011,064



THE CITY OF BOYNTON BEACH

Public Service Tax Debt Service Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Pooled cash and investments	\$ 4,721,356	\$ 4,424,308
Taxes receivable	760,698	734,602
Due from other governments	222,533	226,841
Total assets	<u>\$ 5,704,587</u>	<u>\$ 5,385,751</u>
FUND BALANCE		
Fund balance:		
Assigned to debt service	5,704,587	5,385,751
Total fund balance	<u>5,704,587</u>	<u>5,385,751</u>
Total liabilities and fund balance	<u>\$ 5,704,587</u>	<u>\$ 5,385,751</u>



THE CITY OF BOYNTON BEACH

Public Service Tax Debt Service Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Taxes	\$ 10,565,666	\$ 10,426,347
Investment earnings	24,745	30,907
Total revenues	10,590,411	10,457,254
EXPENDITURES		
Current:		
General government	7,561	3,810
Debt service:		
Principal retirement	2,095,000	1,970,000
Interest charges	329,014	368,648
Total expenditures	2,431,575	2,342,458
Revenues over expenditures	8,158,836	8,114,796
OTHER FINANCING USES		
Transfers out	(7,840,000)	(7,840,000)
Total other financing uses	(7,840,000)	(7,840,000)
Net change in fund balance	318,836	274,796
Fund balance - beginning of year	5,385,751	5,110,955
Fund balance - end of year	\$ 5,704,587	\$ 5,385,751



THE CITY OF BOYNTON BEACH

Public Service Tax Debt Service Fund Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 9,855,000	\$ 9,855,000	\$ 10,565,666	\$ 710,666
Investment earnings	1,500	1,500	24,745	23,245
Total revenues	<u>9,856,500</u>	<u>9,856,500</u>	<u>10,590,411</u>	<u>733,911</u>
EXPENDITURES				
Current:				
General government	20,000	4,500	7,561	(3,061)
Debt service:				
Principal retirement	1,970,000	2,095,000	2,095,000	-
Interest charges	370,000	330,000	329,014	986
Total expenditures	<u>2,360,000</u>	<u>2,429,500</u>	<u>2,431,575</u>	<u>(2,075)</u>
Revenues over expenditures	<u>7,496,500</u>	<u>7,427,000</u>	<u>8,158,836</u>	<u>731,836</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(7,840,000)	(7,840,000)	(7,840,000)	-
Appropriated fund balance	343,500	413,000	-	(413,000)
Total other financing sources (uses)	<u>(7,496,500)</u>	<u>(7,427,000)</u>	<u>(7,840,000)</u>	<u>(413,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	318,836	<u>\$ 318,836</u>
Fund balance - beginning of year			<u>5,385,751</u>	
Fund balance - end of year			<u>\$ 5,704,587</u>	



**Boynton Beach CRA Debt Service Fund
Balance Sheet
September 30, 2020
(With Comparative Figures for 2019)**

	<u>2020</u>	<u>2019</u>
ASSETS		
Pooled cash and investments	\$ 116,097	\$ 109,356
Total assets	<u>\$ 116,097</u>	<u>\$ 109,356</u>
FUND BALANCE		
Fund balance:		
Restricted for debt service	\$ 116,097	\$ 109,356
Total fund balance	<u>\$ 116,097</u>	<u>\$ 109,356</u>



THE CITY OF BOYNTON BEACH

Boynton Beach CRA Debt Service Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Investment earnings	\$ 5,416	\$ 15,417
Total revenues	5,416	15,417
EXPENDITURES		
Debt service:		
Principal retirement	1,762,000	1,711,000
Interest charges	376,527	422,709
Total expenditures	2,138,527	2,133,709
Revenues over (under) expenditures	(2,133,111)	(2,118,292)
OTHER FINANCING SOURCES		
Transfers in	2,139,852	2,136,465
Total other financing sources	2,139,852	2,136,465
Net change in fund balance	6,741	18,173
Fund balance - beginning of year	109,356	91,183
Fund balance - end of year	\$ 116,097	\$ 109,356



THE CITY OF BOYNTON BEACH

General Capital Improvements Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Pooled cash and investments	\$ 2,928,945	\$ 6,452,342
Total assets	\$ 2,928,945	\$ 6,452,342
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 57,764	\$ 430,467
Due to other funds	-	4,510,551
Other payables	202,476	522,482
Total liabilities	260,240	5,463,500
Fund balance:		
Assigned to:		
Capital projects	2,668,705	988,842
Total fund balance	2,668,705	988,842
Total liabilities and fund balance	\$ 2,928,945	\$ 6,452,342



THE CITY OF BOYNTON BEACH

General Capital Improvements Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Intergovernmental	\$ -	\$ 67,925
Investment earnings	135,908	1,252
Miscellaneous	278,616	1,600,000
Total revenues	414,524	1,669,177
EXPENDITURES		
Current:		
General government	3,201	1,639,804
Culture and recreation	179	618
Capital outlay:		
General government	18,500	-
Physical environment	205,000	-
Culture and recreation	2,858,412	8,136,103
Debt service:		
Principal retirement	2,834,578	2,709,366
Interest charges	255,243	378,633
Total expenditures	6,175,113	12,864,524
Revenues over (under) expenditures	(5,760,589)	(11,195,347)
OTHER FINANCING SOURCES		
Transfers in	7,440,452	1,065,000
Issuance of installment debt	-	1,836,998
Issuance of long-term debt	-	6,850,000
Total other financing sources	7,440,452	9,751,998
Net change in fund balance	1,679,863	(1,443,349)
Fund balance - beginning of year	988,842	2,432,191
Fund balance - end of year	\$ 2,668,705	\$ 988,842



THE CITY OF BOYNTON BEACH

General Capital Improvements Fund Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Investment earnings	\$ 5,137	\$ 5,137	\$ 135,908	\$ 130,771
Miscellaneous	-	835,000	278,616	(556,384)
Total revenues	<u>5,137</u>	<u>840,137</u>	<u>414,524</u>	<u>(425,613)</u>
EXPENDITURES				
Current:				
General government	3,202	3,202	3,201	1
Culture and recreation	80,000	80,000	179	79,821
Capital outlay:				
General government	20,000	18,500	18,500	-
Physical environment	-	205,000	205,000	-
Culture and recreation	1,141,900	5,018,416	2,858,412	2,160,004
Debt service:				
Principal retirement	-	2,500,000	2,834,578	(334,578)
Interest charges	-	-	255,243	(255,243)
Total expenditures	<u>1,245,102</u>	<u>7,825,118</u>	<u>6,175,113</u>	<u>1,650,005</u>
Revenues over (under) expenditures	<u>(1,239,965)</u>	<u>(6,984,981)</u>	<u>(5,760,589)</u>	<u>1,224,392</u>
OTHER FINANCING SOURCES				
Transfers in	1,065,000	4,183,325	7,440,452	3,257,127
Appropriated fund balance	174,965	2,801,656	-	(2,801,656)
Total other financing sources	<u>1,239,965</u>	<u>6,984,981</u>	<u>7,440,452</u>	<u>455,471</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,679,863	<u>\$ 1,679,863</u>
Fund balance - beginning of year			988,842	
Fund balance - end of year			<u>\$ 2,668,705</u>	



THE CITY OF BOYNTON BEACH

Parks & Recreational Facilities Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Pooled cash and investments	\$ 273,844	\$ 185,808
Receivables, net	-	25
Total assets	<u>\$ 273,844</u>	<u>\$ 185,833</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ -	\$ 16,498
Total liabilities	<u>-</u>	<u>16,498</u>
Fund balance:		
Assigned to:		
Capital projects	273,844	169,335
Total liabilities and fund balance	<u>\$ 273,844</u>	<u>\$ 185,833</u>



THE CITY OF BOYNTON BEACH

Parks & Recreational Facilities Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Charges for services	\$ 184,117	\$ 21,173
Investment earnings	2,294	2,837
Total revenues	186,411	24,010
EXPENDITURES		
Current:		
Physical environment	1,067	11,842
Capital outlay:		
General government	65,835	178,488
Total expenditures	66,902	190,330
Revenues over (under) expenditures	119,509	(166,320)
OTHER FINANCING USES		
Transfers out	(15,000)	(15,000)
Total other financing uses	(15,000)	(15,000)
Net change in fund balance	104,509	(181,320)
Fund balance - beginning of year	169,335	350,655
Fund balance - end of year	\$ 273,844	\$ 169,335



THE CITY OF BOYNTON BEACH

Boynton Beach CRA Bond Projects Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Pooled cash and investments	\$ 11,081,596	\$ 12,502,034
Prepaid items	33,972	72,191
Total assets	\$ 11,115,568	\$ 12,574,225
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 74,767	\$ 724,674
Refundable deposits	-	210
Total liabilities	74,767	724,884
Fund balance:		
Nonspendable:		
Prepaid items	33,972	72,191
Committed for:		
Capital projects	5,777,612	4,231,375
Assigned to:		
Capital projects	5,229,217	7,545,775
Total fund balance	11,040,801	11,849,341
Total liabilities and fund balance	\$ 11,115,568	\$ 12,574,225



THE CITY OF BOYNTON BEACH

Boynton Beach CRA Bond Projects Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Investment earnings	\$ 157,815	\$ 230,450
Total revenues	157,815	230,450
EXPENDITURES		
Current:		
Economic environment	10,151,278	7,264,006
Capital outlay:		
Economic environment	368,626	325,085
Total expenditures	10,519,904	7,589,091
Revenues over (under) expenditures	(10,362,089)	(7,358,641)
OTHER FINANCING SOURCES		
Transfers in	9,553,549	8,102,303
Total other financing sources	9,553,549	8,102,303
Net change in fund balance	(808,540)	743,662
Fund balance - beginning of year	11,849,341	11,105,679
Fund balance - end of year	\$ 11,040,801	\$ 11,849,341



THE CITY OF BOYNTON BEACH

Local Government Surtax Improvement Fund Balance Sheet September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Pooled cash and investments	\$ 3,055,142	8,734,611
Receivables, net	-	601,008
Due from other governments	339,893	373,433
Total assets	\$ 3,395,035	\$ 9,709,052
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 536,058	\$ 527,287
Accrued liabilities	13,439	96,144
Total liabilities	549,497	623,431
Fund balance:		
Restricted for:		
Capital projects	2,845,538	9,085,621
Total fund balance	2,845,538	9,085,621
Total liabilities and fund balance	\$ 3,395,035	\$ 9,709,052



THE CITY OF BOYNTON BEACH

Local Government Surtax Improvement Fund Statement of Revenues, Expenditures, and Changes in Fund Balance For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
REVENUES		
Intergovernmental	\$ 5,331,081	\$ 6,044,393
Investment earnings	66,595	79,265
Total revenues	5,397,676	6,123,658
EXPENDITURES		
Current:		
Culture and recreation	31,168	127,656
Capital outlay:		
Culture and recreation	5,846,164	4,017,181
Total expenditures	5,877,332	4,144,837
Revenues over (under) expenditures	(479,656)	1,978,821
OTHER FINANCING USES		
Transfers out	(5,760,427)	-
Total other financing uses	(5,760,427)	-
Net change in fund balance	(6,240,083)	1,978,821
Fund balance - beginning of year	9,085,621	7,106,800
Fund balance - end of year	\$ 2,845,538	\$ 9,085,621



NON-MAJOR ENTERPRISE FUND

Enterprise funds account for activities for which a fee is charged to external users for services or activities financed with debt that is secured solely by a pledge of the net revenues from fees of the activity.

Golf Course Fund: To account for operations of the City's municipal golf course.



THE CITY OF BOYNTON BEACH

Golf Course Fund Statement of Net Position September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Current assets:		
Accounts receivable, net	\$ 3,640	\$ 3,600
Prepaid expenses	6,503	6,503
Inventories	24,799	-
Total current assets	34,942	10,103
Noncurrent assets:		
Capital assets not being depreciated	1,356,467	1,356,467
Capital assets, net of accumulated depreciation	543,114	467,142
Total noncurrent assets	1,899,581	1,823,609
Total assets	1,934,523	1,833,712
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts related to other postemployment benefits	17,558	20,379
Deferred amounts related to pensions	72,526	75,498
Total deferred outflows of resources	90,084	95,877
LIABILITIES		
Current liabilities:		
Accounts payable	35,389	12,647
Accrued expenses	46,134	42,663
Due to other funds	628,024	658,578
Unearned revenues	49,317	53,711
Compensated absences payable, current portion	17,406	22,274
Total current liabilities	776,270	789,873
Noncurrent liabilities:		
Compensated absences payable, less current portion	116,485	149,061
Other postemployment benefits	219,221	207,111
Net pension liability	263,539	375,762
Total noncurrent liabilities	599,245	731,934
Total liabilities	1,375,515	1,521,807
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts related to other postemployment benefits	10,438	4,246
Deferred amounts related to pensions	1,850	10,597
Total deferred inflows of resources	12,288	14,843
NET POSITION		
Investment in capital assets	1,899,581	1,823,609
Unrestricted (deficit)	(1,262,777)	(1,430,670)
Total net position	\$ 636,804	\$ 392,939



THE CITY OF BOYNTON BEACH

Golf Course Fund Statement of Revenues, Expenses, and Changes in Net Position For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
OPERATING REVENUES		
Charges for services:		
Cart and green fees	\$ 1,640,199	\$ 1,609,786
Dues	69,621	72,100
Other services	308,551	307,123
Total operating revenues	2,018,371	1,989,009
OPERATING EXPENSES		
Personal services and benefits	1,001,559	969,934
Supplies, services and claims	606,334	608,289
Depreciation and amortization	123,033	121,381
Total operating expenses	1,730,926	1,699,604
Operating income	287,445	289,405
NONOPERATING EXPENSES		
Transfers:		
Transfers out	(43,580)	(27,384)
Total transfers	(43,580)	(27,384)
Change in net position	243,865	262,021
Net position - beginning of year	392,939	130,918
Net position - end of year	\$ 636,804	\$ 392,939



THE CITY OF BOYNTON BEACH

Golf Course Fund Statement of Cash Flows For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
Cash Flows From Operating Activities		
Receipts from customers and users	\$ 2,013,937	\$ 2,012,994
Payments to suppliers	(467,239)	(492,588)
Payments to employees	(1,132,407)	(994,371)
Payments for interfund services used	(141,152)	(128,216)
Net cash provided by operating activities	273,139	397,819
Cash Flows From Non-Capital Financing Activities		
Loans to other funds	(30,554)	(315,582)
Transfers out	(43,580)	(27,384)
Net cash used in non-capital financing activities	(74,134)	(342,966)
Cash Flows From Capital and Related Financing Activity		
Acquisition of capital assets	(199,005)	(54,853)
Net cash used in capital and related financing activity	(199,005)	(54,853)
Increase in cash and cash equivalents	-	-
Cash and cash equivalents - beginning of year	-	-
Cash and cash equivalents - end of year	\$ -	\$ -
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:		
Operating income	\$ 287,445	\$ 289,405
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	123,033	121,381
Changes in operating assets and liabilities:		
Accounts receivable	(40)	(75)
Prepaid expenses	-	(6,503)
Inventories	(24,799)	-
Deferred amounts related to other postemployment benefits	9,013	(21,497)
Deferred amounts related to pensions	(5,775)	(133,993)
Accounts payable	22,742	(6,012)
Accrued expenses	3,471	5,524
Unearned revenues	(4,394)	24,060
Compensated absences payable	(37,444)	5,383
Other postemployment benefits	12,110	36,701
Net pension liability	(112,223)	83,445
Total adjustments	(14,306)	108,414
Net cash provided by operating activities	\$ 273,139	\$ 397,819



INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the government on a cost reimbursement basis.

Vehicle Service Fund: To account for the cost of operating a maintenance facility for automotive equipment used by City departments and administration of the City's fleet.

Warehouse Fund: To account for inventory and disbursement of commodities purchased in bulk.

Self Insurance Fund: To account for worker's compensation insurance coverage of all City employees and the City's general and auto liability self-insurance program.



THE CITY OF BOYNTON BEACH

Internal Service Funds Combining Statement of Net Position September 30, 2020 (With Comparative Figures for 2019)

	Vehicle Service	Warehouse	Self Insurance	Total 2020	Total 2019
ASSETS					
Current assets:					
Pooled cash and investments	\$ 1,000,048	\$ -	\$ 3,449,090	\$ 4,449,138	\$ 2,937,387
Accounts receivable	-	-	-	-	1,028
Other receivables	-	-	-	-	296
Inventories	251,412	806,425	-	1,057,837	1,155,045
Total current assets	<u>1,251,460</u>	<u>806,425</u>	<u>3,449,090</u>	<u>5,506,975</u>	<u>4,093,756</u>
Noncurrent assets:					
Capital assets not being depreciated	33,166	-	-	33,166	33,166
Capital assets, net of accumulated depreciation	<u>11,605,938</u>	<u>975</u>	<u>-</u>	<u>11,606,913</u>	<u>11,827,481</u>
Total noncurrent assets	<u>11,639,104</u>	<u>975</u>	<u>-</u>	<u>11,640,079</u>	<u>11,860,647</u>
Total assets	<u>12,890,564</u>	<u>807,400</u>	<u>3,449,090</u>	<u>17,147,054</u>	<u>15,954,403</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amounts related to other postemployment benefits	20,816	8,598	11,223	40,637	38,720
Deferred amounts related to pensions	<u>118,305</u>	<u>48,865</u>	<u>63,782</u>	<u>230,952</u>	<u>185,097</u>
Total deferred outflows of resources	<u>139,121</u>	<u>57,463</u>	<u>75,005</u>	<u>271,589</u>	<u>223,817</u>
LIABILITIES					
Current liabilities:					
Accounts payable	1,332,657	226,282	304,569	1,863,508	524,599
Accrued expenses	41,373	14,186	19,663	75,222	54,805
Provision for insurance losses, current portion	-	-	2,066,205	2,066,205	1,994,614
Compensated absences payable, current portion	9,279	7,241	4,653	21,173	17,190
Due to other funds	-	517,328	-	517,328	1,697,297
Total current liabilities	<u>1,383,309</u>	<u>765,037</u>	<u>2,395,090</u>	<u>4,543,436</u>	<u>4,288,505</u>
Noncurrent liabilities:					
Provision for insurance losses, less current portion	-	-	3,986,062	3,986,062	3,550,574
Compensated absences payable, less current portion	62,098	48,459	31,139	141,696	115,041
Other postemployment benefits	259,901	107,350	140,120	507,371	393,511
Net pension liability	<u>429,886</u>	<u>177,562</u>	<u>231,765</u>	<u>839,213</u>	<u>872,090</u>
Total noncurrent liabilities	<u>751,885</u>	<u>333,371</u>	<u>4,389,086</u>	<u>5,474,342</u>	<u>4,931,216</u>
Total liabilities	<u>2,135,194</u>	<u>1,098,408</u>	<u>6,784,176</u>	<u>10,017,778</u>	<u>9,219,721</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred amounts related to other postemployment benefits	12,374	5,111	6,671	24,156	8,068
Deferred amounts related to pensions	<u>3,017</u>	<u>1,246</u>	<u>1,627</u>	<u>5,890</u>	<u>34,837</u>
Total deferred inflows of resources	<u>15,391</u>	<u>6,357</u>	<u>8,298</u>	<u>30,046</u>	<u>42,905</u>
NET POSITION (DEFICIT)					
Investment in capital assets	11,639,104	975	-	11,640,079	11,860,647
Unrestricted (deficit)	<u>(760,004)</u>	<u>(240,877)</u>	<u>(3,268,379)</u>	<u>(4,269,260)</u>	<u>(4,945,053)</u>
Total net position (deficit)	<u>\$ 10,879,100</u>	<u>\$ (239,902)</u>	<u>\$ (3,268,379)</u>	<u>\$ 7,370,819</u>	<u>\$ 6,915,594</u>



THE CITY OF BOYNTON BEACH

Internal Service Funds Combining Statement of Revenues, Expenses, and Changes in Net Position For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	Vehicle Service	Warehouse	Self Insurance	Total 2020	Total 2019
OPERATING REVENUES					
Charges for services	\$ 3,952,092	\$ 390,921	\$ 5,501,116	\$ 9,844,129	\$ 8,710,010
Total operating revenues	<u>3,952,092</u>	<u>390,921</u>	<u>5,501,116</u>	<u>9,844,129</u>	<u>8,710,010</u>
OPERATING EXPENSES					
Personal services and benefits	1,158,097	395,494	507,482	2,061,073	\$ 1,883,512
Supplies, services and claims	2,831,545	30,525	5,717,992	8,580,062	8,415,273
Depreciation and amortization	4,271,469	1,062	-	4,272,531	4,032,240
Total operating expenses	<u>8,261,111</u>	<u>427,081</u>	<u>6,225,474</u>	<u>14,913,666</u>	<u>14,331,025</u>
Operating loss	<u>(4,309,019)</u>	<u>(36,160)</u>	<u>(724,358)</u>	<u>(5,069,537)</u>	<u>(5,621,015)</u>
NONOPERATING REVENUES					
Investment earnings	-	-	15,516	15,516	18,966
Gain on disposal of capital assets	283,745	-	-	283,745	178,434
Miscellaneous income	17,720	-	61,596	79,316	471,110
Total nonoperating revenues	<u>301,465</u>	<u>-</u>	<u>77,112</u>	<u>378,577</u>	<u>668,510</u>
Loss before transfers	<u>(4,007,554)</u>	<u>(36,160)</u>	<u>(647,246)</u>	<u>(4,690,960)</u>	<u>(4,952,505)</u>
Transfers:					
Transfers in	4,533,883	-	618,750	5,152,633	5,004,550
Transfers out	-	(6,448)	-	(6,448)	(6,448)
Total transfers	<u>4,533,883</u>	<u>(6,448)</u>	<u>618,750</u>	<u>5,146,185</u>	<u>4,998,102</u>
Change in net position	526,329	(42,608)	(28,496)	455,225	45,597
Net position (deficit) - beginning of year	10,352,771	(197,294)	(3,239,883)	6,915,594	6,869,997
Net position (deficit) - end of year	<u>\$ 10,879,100</u>	<u>\$ (239,902)</u>	<u>\$ (3,268,379)</u>	<u>\$ 7,370,819</u>	<u>\$ 6,915,594</u>



THE CITY OF BOYNTON BEACH

Internal Service Funds Combining Statement of Cash Flows For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	Vehicle Service	Warehouse	Self Insurance	Total 2020	Total 2019
Cash Flows From Operating Activities					
Receipts from interfund services provided	\$ 3,952,388	\$ 390,921	\$ 5,502,144	\$ 9,845,453	\$ 8,708,686
Receipts from others	17,720	-	61,596	79,316	471,110
Payments to suppliers	(1,266,108)	2,079	(5,210,440)	(6,474,469)	(8,211,951)
Payments to employees	(1,130,446)	(383,489)	(475,731)	(1,989,666)	(1,799,874)
Payments for interfund services used	(179,696)	(2,237)	(132)	(182,065)	(216,870)
Net cash provided by (used in) operating activities	<u>1,393,858</u>	<u>7,274</u>	<u>(122,563)</u>	<u>1,278,569</u>	<u>(1,048,899)</u>
Cash Flows From Non-Capital Financing Activities					
Loans from other funds	-	-	-	-	1,160,301
Loans to other funds	(1,160,301)	-	-	(1,160,301)	-
Transfers in	4,533,883	-	618,750	5,152,633	5,004,550
Transfers out	-	(6,448)	-	(6,448)	(6,448)
Net cash provided by (used in) non-capital financing activities	<u>3,373,582</u>	<u>(6,448)</u>	<u>618,750</u>	<u>3,985,884</u>	<u>6,158,403</u>
Cash Flows From Capital and Related Financing Activities					
Acquisition of capital assets	(4,051,137)	(826)	-	(4,051,963)	(6,646,517)
Proceeds from sale of capital assets	283,745	-	-	283,745	178,434
Net cash used in capital and related financing activities	<u>(3,767,392)</u>	<u>(826)</u>	<u>-</u>	<u>(3,768,218)</u>	<u>(6,468,083)</u>
Cash Flows From Investing Activity					
Investment income	-	-	15,516	15,516	18,966
Net cash provided by investing activity	<u>-</u>	<u>-</u>	<u>15,516</u>	<u>15,516</u>	<u>18,966</u>
Increase (decrease) in pooled cash and investments	1,000,048	-	511,703	1,511,751	(1,339,613)
Pooled cash and investments - beginning of year	-	-	2,937,387	2,937,387	4,277,000
Pooled cash and investments - end of year	<u>\$ 1,000,048</u>	<u>\$ -</u>	<u>\$ 3,449,090</u>	<u>\$ 4,449,138</u>	<u>\$ 2,937,387</u>
Reconciliation of Operating Loss to Net Cash Provided By (Used In) Operating Activities:					
Operating loss	\$ (4,309,019)	\$ (36,160)	\$ (724,358)	\$ (5,069,537)	\$ (5,621,015)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:					
Depreciation and amortization	4,271,469	1,062	-	4,272,531	4,032,240
Miscellaneous income	17,720	-	61,596	79,316	471,110
Changes in operating assets and liabilities:					
Accounts receivable	-	-	1,028	1,028	(1,028)
Other receivable	296	-	-	296	(296)
Prepaid expenses	-	-	-	-	11,380
Inventories	221,903	(124,695)	-	97,208	(274,457)
Deferred amounts related to other postemployment benefits	8,964	1,862	3,345	14,171	(40,843)
Deferred amounts related to pensions	(15,782)	(18,145)	(40,875)	(74,802)	(284,755)
Accounts payable	1,163,838	174,730	341	1,338,909	(515,881)
Accrued expenses	10,637	3,518	6,262	20,417	6,785
Due to other funds	-	(19,668)	-	(19,668)	74,917
Provision for insurance losses	-	-	507,079	507,079	690,493
Compensated absences payable	3,599	7,465	19,574	30,638	16,033
Other postemployment benefits	36,439	38,676	38,745	113,860	69,731
Net pension liability	(16,206)	(21,371)	4,700	(32,877)	316,687
Total adjustments	<u>5,702,877</u>	<u>43,434</u>	<u>601,795</u>	<u>6,348,106</u>	<u>4,572,116</u>
Net cash provided by (used in) operating activities	<u>\$ 1,393,858</u>	<u>\$ 7,274</u>	<u>\$ (122,563)</u>	<u>\$ 1,278,569</u>	<u>\$ (1,048,899)</u>
Noncash Capital and Related Financing Activity:					
Gain on disposal of capital assets	\$ 283,745	\$ -	\$ -	\$ 283,745	\$ 178,434



THE CITY OF BOYNTON BEACH

Vehicle Service Fund Statement of Net Position September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Current assets:		
Pooled cash and investments	\$ 1,000,048	\$ -
Other receivables	-	296
Inventories	251,412	473,315
Total current assets	1,251,460	473,611
Noncurrent assets:		
Capital assets not being depreciated	33,166	33,166
Capital assets, net of accumulated depreciation	11,605,938	11,826,270
Total noncurrent assets	11,639,104	11,859,436
Total assets	12,890,564	12,333,047
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts related to other postemployment benefits	20,816	21,988
Deferred amounts related to pensions	118,305	99,506
Total deferred outflows of resources	139,121	121,494
LIABILITIES		
Current liabilities:		
Accounts payable	1,332,657	168,819
Accrued expenses	41,373	30,736
Compensated absences payable, current portion	9,279	8,811
Due to other funds	-	1,160,301
Total current liabilities	1,383,309	1,368,667
Noncurrent liabilities:		
Compensated absences payable, less current portion	62,098	58,967
Other postemployment benefits	259,901	223,462
Net pension liability	429,886	446,092
Total noncurrent liabilities	751,885	728,521
Total liabilities	2,135,194	2,097,188
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts related to other postemployment benefits	12,374	4,582
Deferred amounts related to pensions	3,017	-
Total deferred inflows of resources	15,391	4,582
NET POSITION		
Investment in capital assets	11,639,104	11,859,436
Unrestricted (deficit)	(760,004)	(1,506,665)
Total net position	\$ 10,879,100	\$ 10,352,771



THE CITY OF BOYNTON BEACH

Vehicle Service Fund Statement of Revenues, Expenses, and Changes in Net Position For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
OPERATING REVENUES		
Charges for services	\$ 3,952,092	\$ 3,330,877
Total operating revenues	3,952,092	3,330,877
OPERATING EXPENSES		
Personal services and benefits	1,158,097	1,031,747
Supplies, services and claims	2,831,545	2,602,944
Depreciation and amortization	4,271,469	4,030,965
Total operating expenses	8,261,111	7,665,656
Operating loss	(4,309,019)	(4,334,779)
NONOPERATING REVENUES		
Investment earnings	-	13
Gain on disposal of capital assets	283,745	178,434
Miscellaneous income	17,720	140,450
Total nonoperating revenues	301,465	318,897
Loss before transfers	(4,007,554)	(4,015,882)
Transfers:		
Transfers in	4,533,883	4,385,800
Total transfers	4,533,883	4,385,800
Change in net position	526,329	369,918
Net position - beginning of year	10,352,771	9,982,853
Net position - end of year	\$ 10,879,100	\$ 10,352,771



THE CITY OF BOYNTON BEACH

Vehicle Service Fund Statement of Cash Flows For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
Cash Flows From Operating Activities		
Receipts from interfund services provided	\$ 3,952,388	\$ 3,330,581
Receipts from others	17,720	140,450
Payments to suppliers	(1,266,108)	(3,106,089)
Payments to employees	(1,130,446)	(1,021,072)
Payments for interfund services used	(179,696)	(214,685)
Net cash provided by (used in) operating activities	1,393,858	(870,815)
Cash Flows From Non-Capital Financing Activities		
Loans from other funds	-	1,160,301
Loans to other funds	(1,160,301)	-
Transfers in	4,533,883	4,385,800
Net cash provided by non-capital financing activities	3,373,582	5,546,101
Cash Flows From Capital and Related Financing Activities		
Acquisition of capital assets	(4,051,137)	(6,646,517)
Proceeds from sale of capital assets	283,745	178,434
Net cash used in capital and related financing activities	(3,767,392)	(6,468,083)
Cash Flows From Investing Activity		
Investment income	-	13
Net cash provided by investing activity	-	13
Increase (decrease) in pooled cash and investments	1,000,048	(1,792,784)
Pooled cash and investments - beginning of year	-	1,792,784
Pooled cash and investments - end of year	\$ 1,000,048	\$ -
Reconciliation of Operating Loss to Net Cash Provided By (Used In) Operating Activities:		
Operating loss	\$ (4,309,019)	\$ (4,334,779)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	4,271,469	4,030,965
Miscellaneous income	17,720	140,450
Changes in operating assets and liabilities:		
Other receivable	296	(296)
Inventories	221,903	(303,592)
Deferred amounts related to other postemployment benefits	8,964	(23,193)
Deferred amounts related to pensions	(15,782)	(152,329)
Accounts payable	1,163,838	(414,238)
Accrued expenses	10,637	4,727
Compensated absences payable	3,599	11,175
Other postemployment benefits	36,439	39,598
Net pension liability	(16,206)	130,697
Total adjustments	5,702,877	3,463,964
Net cash provided by (used in) operating activities	\$ 1,393,858	\$ (870,815)
Noncash Capital and Related Financing Activity:		
Gain on disposal of capital assets	\$ 283,745	\$ 178,434



THE CITY OF BOYNTON BEACH

Warehouse Fund Statement of Net Position September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Current assets:		
Inventories	\$ 806,425	\$ 681,730
Total current assets	806,425	681,730
Noncurrent assets:		
Capital assets, net of accumulated depreciation	975	1,211
Total noncurrent assets	975	1,211
Total assets	807,400	682,941
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts related to other postemployment benefits	8,598	6,757
Deferred amounts related to pensions	48,865	39,969
Total deferred outflows of resources	57,463	46,726
LIABILITIES		
Current liabilities:		
Accounts payable	226,282	51,552
Accrued expenses	14,186	10,668
Compensated absences payable, current portion	7,241	6,271
Due to other funds	517,328	536,996
Total current liabilities	765,037	605,487
Noncurrent liabilities:		
Compensated absences payable, less current portion	48,459	41,964
Other postemployment benefits	107,350	68,674
Net pension liability	177,562	198,933
Total noncurrent liabilities	333,371	309,571
Total liabilities	1,098,408	915,058
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts related to other postemployment benefits	5,111	1,408
Deferred amounts related to pensions	1,246	10,495
Total deferred inflows of resources	6,357	11,903
NET POSITION (DEFICIT)		
Investment in capital assets	975	1,211
Unrestricted (deficit)	(240,877)	(198,505)
Total net position (deficit)	\$ (239,902)	\$ (197,294)



THE CITY OF BOYNTON BEACH

Warehouse Fund Statement of Revenues, Expenses, and Changes in Net Position For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
OPERATING REVENUES		
Charges for services	\$ 390,921	\$ 379,133
Total operating revenues	390,921	379,133
OPERATING EXPENSES		
Personal services and benefits	395,494	400,511
Supplies, services and claims	30,525	33,129
Depreciation and amortization	1,062	1,275
Total operating expenses	427,081	434,915
Operating loss	(36,160)	(55,782)
Transfers:		
Transfers out	(6,448)	(6,448)
Total transfers	(6,448)	(6,448)
Change in net position	(42,608)	(62,230)
Net position (deficit) - beginning of year	(197,294)	(135,064)
Net position (deficit) - end of year	\$ (239,902)	\$ (197,294)



THE CITY OF BOYNTON BEACH

Warehouse Fund Statement of Cash Flows For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
Cash Flows From Operating Activities		
Receipts from interfund services provided	\$ 390,921	\$ 379,133
Payments to suppliers	2,079	(25,230)
Payments to employees	(383,489)	(345,407)
Payments for interfund services used	(2,237)	(2,048)
Net cash provided by operating activities	7,274	6,448
Cash Flows From Non-Capital Financing Activity		
Transfers out	(6,448)	(6,448)
Net cash used in non-capital financing activity	(6,448)	(6,448)
Cash Flows From Capital and Related Financing Activity		
Acquisition of capital assets	(826)	-
Net cash used in capital and related financing activity	(826)	-
Increase in pooled cash and investments	-	-
Pooled cash and investments - beginning of year	-	-
Pooled cash and investments - end of year	\$ -	\$ -
Reconciliation of Operating Loss to Net Cash Provided By Operating Activities:		
Operating loss	\$ (36,160)	\$ (55,782)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	1,062	1,275
Changes in operating assets and liabilities:		
Inventories	(124,695)	29,135
Deferred amounts related to other postemployment benefits	1,862	(7,128)
Deferred amounts related to pensions	(18,145)	(58,610)
Accounts payable	174,730	(98,201)
Accrued expenses	3,518	1,411
Due to other funds	(19,668)	74,917
Compensated absences payable	7,465	5,255
Other postemployment benefits	38,676	12,169
Net pension liability	(21,371)	102,007
Total adjustments	43,434	62,230
Net cash provided by operating activities	\$ 7,274	\$ 6,448



THE CITY OF BOYNTON BEACH

Self Insurance Fund Statement of Net Position September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Current assets:		
Pooled cash and investments	\$ 3,449,090	\$ 2,937,387
Accounts receivable	-	1,028
Total current assets	3,449,090	2,938,415
Total assets	3,449,090	2,938,415
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts related to other postemployment benefits	11,223	9,975
Deferred amounts related to pensions	63,782	45,622
Total deferred outflows of resources	75,005	55,597
LIABILITIES		
Current liabilities:		
Accounts payable	304,569	304,228
Accrued expenses	19,663	13,401
Provision for insurance losses, current portion	2,066,205	1,994,614
Compensated absences payable, current portion	4,653	2,108
Total current liabilities	2,395,090	2,314,351
Noncurrent liabilities:		
Provision for insurance losses, less current portion	3,986,062	3,550,574
Compensated absences payable, less current portion	31,139	14,110
Other postemployment benefits	140,120	101,375
Net pension liability	231,765	227,065
Total noncurrent liabilities	4,389,086	3,893,124
Total liabilities	6,784,176	6,207,475
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts related to other postemployment benefits	6,671	2,078
Deferred amounts related to pensions	1,627	24,342
Total deferred inflows of resources	8,298	26,420
NET POSITION (DEFICIT)		
Unrestricted (deficit)	(3,268,379)	(3,239,883)
Total net position (deficit)	\$ (3,268,379)	\$ (3,239,883)



THE CITY OF BOYNTON BEACH

Self Insurance Fund Statement of Revenues, Expenses, and Changes in Net Position For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
OPERATING REVENUES		
Charges for services	\$ 5,501,116	\$ 5,000,000
Total operating revenues	5,501,116	5,000,000
OPERATING EXPENSES		
Personal services and benefits	507,482	451,254
Supplies, services and claims	5,717,992	5,779,200
Total operating expenses	6,225,474	6,230,454
Operating loss	(724,358)	(1,230,454)
NONOPERATING REVENUES		
Investment earnings	15,516	18,953
Miscellaneous income	61,596	330,660
Total nonoperating revenues	77,112	349,613
Loss before transfers	(647,246)	(880,841)
Transfers:		
Transfers in	618,750	618,750
Total transfers	618,750	618,750
Change in net position	(28,496)	(262,091)
Net position (deficit) - beginning of year	(3,239,883)	(2,977,792)
Net position (deficit) - end of year	\$ (3,268,379)	\$ (3,239,883)



THE CITY OF BOYNTON BEACH

Self Insurance Fund Statement of Cash Flows For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
Cash Flows From Operating Activities		
Receipts from interfund services provided	\$ 5,502,144	\$ 4,998,972
Receipts from others	61,596	330,660
Payments to suppliers	(5,210,440)	(5,080,632)
Payments to employees	(475,731)	(433,395)
Payments for interfund services used	(132)	(137)
Net cash used in operating activities	(122,563)	(184,532)
Cash Flows From Non-Capital Financing Activity		
Transfers in	618,750	618,750
Net cash provided by non-capital financing activity	618,750	618,750
Cash Flows From Investing Activity		
Investment income	15,516	18,953
Net cash provided by investing activity	15,516	18,953
Increase in pooled cash and investments	511,703	453,171
Pooled cash and investments - beginning of year	2,937,387	2,484,216
Pooled cash and investments - end of year	\$ 3,449,090	\$ 2,937,387
Reconciliation of Operating Loss to Net Cash Used In Operating Activities:		
Operating loss	\$ (724,358)	\$ (1,230,454)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Miscellaneous income	61,596	330,660
Changes in operating assets and liabilities:		
Accounts receivable	1,028	(1,028)
Prepaid expenses	-	11,380
Deferred amounts related to other postemployment benefits	3,345	(10,522)
Deferred amounts related to pensions	(40,875)	(73,816)
Accounts payable	341	(3,442)
Accrued expenses	6,262	647
Provision for insurance losses	507,079	690,493
Compensated absences payable	19,574	(397)
Other postemployment benefits	38,745	17,964
Net pension liability	4,700	83,983
Total adjustments	601,795	1,045,922
Net cash used in operating activities	\$ (122,563)	\$ (184,532)



PENSION TRUST FUNDS

Pension Trust Funds account for the net position restricted for pension benefits and the changes in net position restricted for pension benefits of the City's three pension plans. Since these assets are not funds of the City of Boynton Beach, but those held in trust for employees and retirees, they are not included in the Government-Wide Financial Statements. Instead, they are reported in the following pages as part of the City's fiduciary responsibility.

General Employees' Pension Fund: To account for the accumulation of resources to be used for the retirement benefit payments to the City's general employees.

Police Officers' Pension Fund: To account for the accumulation of resources to be used for the retirement benefit payments to the City's sworn police personnel.

Firefighters' Pension Fund: To account for the accumulation of resources to be used for the retirement benefit payments to the City's certified fire personnel.



THE CITY OF BOYNTON BEACH

Pension Trust Funds Combining Statement of Fiduciary Net Position September 30, 2020 (With Comparative Figures for 2019)

	General Employees' Pension Fund	Police Officers' Pension Fund	Firefighters' Pension Fund	Total 2020	Total 2019
ASSETS					
Cash	\$ 1,256,105	\$ 2,373	\$ -	\$ 1,258,478	\$ 1,188,373
Investments:					
Money market mutual funds	1,607,547	-	2,274,896	3,882,443	4,279,366
U.S. Government and Agency obligations	13,692,385	-	15,159,286	28,851,671	22,276,095
Municipal obligations	70,958	-	-	70,958	-
Mortgage-backed securities	2,639,921	-	-	2,639,921	2,898,940
Corporate obligations	10,555,345	-	12,410,695	22,966,040	15,756,730
Equity securities	44,322,860	-	31,524,930	75,847,790	91,941,462
Equity mutual funds	72,497,680	-	-	72,497,680	50,251,231
Equity investment funds	15,232,144	72,058,817	33,119,808	120,410,769	110,313,855
International equity investment funds	-	-	22,618,202	22,618,202	21,014,778
Fixed income investment funds	-	32,148,047	13,276,631	45,424,678	43,585,162
Real estate investment funds	32,390,460	7,086,338	7,570,684	47,047,482	49,982,404
Interest and dividends receivable	147,193	-	164,103	311,296	321,190
Pending trades receivable	417,035	550,117	-	967,152	697,767
DROP loans	-	174,190	136,960	311,150	458,716
Prepaid expenses	4,596	10,473	12,903	27,972	22,939
Total assets	<u>194,834,229</u>	<u>112,030,355</u>	<u>138,269,098</u>	<u>445,133,682</u>	<u>414,989,008</u>
LIABILITIES					
Accounts payable	300,094	187,697	76,904	564,695	530,145
Pending trades payable	461,326	29,000	149,252	639,578	502,007
Total liabilities	<u>761,420</u>	<u>216,697</u>	<u>226,156</u>	<u>1,204,273</u>	<u>1,032,152</u>
NET POSITION					
Net position restricted for pension benefits	<u>\$ 194,072,809</u>	<u>\$ 111,813,658</u>	<u>\$ 138,042,942</u>	<u>\$ 443,929,409</u>	<u>\$ 413,956,856</u>



THE CITY OF BOYNTON BEACH

Pension Trust Funds Combining Statement of Changes in Fiduciary Net Position For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	General Employees' Pension Fund	Police Officers' Pension Fund	Firefighters' Pension Fund	Total 2020	Total 2019
ADDITIONS					
Contributions:					
Employer	\$ 7,289,319	\$ 5,815,515	\$ 4,734,845	\$ 17,839,679	\$ 18,757,773
Plan members	1,687,097	1,226,005	1,776,720	4,689,822	4,560,506
State	-	907,957	881,763	1,789,720	1,692,766
Total contributions	<u>8,976,416</u>	<u>7,949,477</u>	<u>7,393,328</u>	<u>24,319,221</u>	<u>25,011,045</u>
Investment earnings:					
Net appreciation in fair value of investments	9,467,570	5,476,179	13,836,082	28,779,831	14,252,293
Interest and dividends	4,280,885	1,190	2,420,048	6,702,123	5,980,426
Miscellaneous	4,011	480	-	4,491	25,171
	<u>13,752,466</u>	<u>5,477,849</u>	<u>16,256,130</u>	<u>35,486,445</u>	<u>20,257,890</u>
Less investment expenses:					
Investment expenses	867,298	741,095	421,470	2,029,863	1,880,745
Net investment earnings	<u>12,885,168</u>	<u>4,736,754</u>	<u>15,834,660</u>	<u>33,456,582</u>	<u>18,377,145</u>
Total additions	<u>21,861,584</u>	<u>12,686,231</u>	<u>23,227,988</u>	<u>57,775,803</u>	<u>43,388,190</u>
DEDUCTIONS					
Benefits paid	11,459,963	7,755,642	7,663,405	26,879,010	25,725,370
Refunds of contributions	199,848	97,633	84,833	382,314	308,408
Administrative expenses	147,348	165,414	229,164	541,926	504,423
Total deductions	<u>11,807,159</u>	<u>8,018,689</u>	<u>7,977,402</u>	<u>27,803,250</u>	<u>26,538,201</u>
Change in plan net position	10,054,425	4,667,542	15,250,586	29,972,553	16,849,989
Net position restricted for pension benefits					
Beginning of year	184,018,384	107,146,116	122,792,356	413,956,856	397,106,867
End of year	<u>\$ 194,072,809</u>	<u>\$ 111,813,658</u>	<u>\$ 138,042,942</u>	<u>\$ 443,929,409</u>	<u>\$ 413,956,856</u>



THE CITY OF BOYNTON BEACH

General Employees' Pension Fund Statement of Fiduciary Net Position September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Cash	\$ 1,256,105	\$ 1,185,981
Investments:		
Money market mutual funds	1,607,547	1,554,675
U.S. Government and Agency obligations	13,692,385	12,611,358
Municipal obligations	70,958	-
Mortgage-backed securities	2,639,921	2,898,940
Corporate obligations	10,555,345	9,856,395
Equity securities	44,322,860	58,022,572
Equity mutual funds	72,497,680	50,251,231
Equity investment funds	15,232,144	15,852,283
Real estate investment funds	32,390,460	32,090,565
Interest and dividends receivable	147,193	179,381
Pending trades receivable	417,035	139,140
Prepaid expenses	4,596	5,993
Total assets	194,834,229	184,648,514
 LIABILITIES		
Accounts payable	300,094	293,396
Pending trades payable	461,326	336,734
Total liabilities	761,420	630,130
 NET POSITION		
Net position restricted for pension benefits	\$ 194,072,809	\$ 184,018,384



THE CITY OF BOYNTON BEACH

General Employees' Pension Fund Statement of Changes in Fiduciary Net Position For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ADDITIONS		
Contributions:		
Employer	\$ 7,289,319	\$ 7,320,463
Plan members	1,687,097	1,564,653
Total contributions	8,976,416	8,885,116
Investment earnings:		
Net appreciation in fair value of investments	9,467,570	2,968,800
Interest and dividends	4,280,885	3,960,572
Miscellaneous	4,011	16,763
	13,752,466	6,946,135
Less investment expenses:		
Investment expenses	867,298	830,995
Net investment earnings	12,885,168	6,115,140
Total additions	21,861,584	15,000,256
DEDUCTIONS		
Benefits paid	11,459,963	10,299,754
Refunds of contributions	199,848	261,878
Administrative expenses	147,348	141,005
Total deductions	11,807,159	10,702,637
Change in plan net position	10,054,425	4,297,619
Net position restricted for pension benefits - beginning of year	184,018,384	179,720,765
Net position restricted for pension benefits - end of year	\$ 194,072,809	\$ 184,018,384



**Police Officers' Pension Fund
Statement of Fiduciary Net Position
September 30, 2020
(With Comparative Figures for 2019)**

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash	\$ 2,373	\$ 2,392
Investments:		
Equity investment funds	72,058,817	68,787,511
Fixed income investment funds	32,148,047	30,616,407
Real estate investment funds	7,086,338	7,071,372
Pending trades receivable	550,117	547,827
DROP loans	174,190	283,627
Prepaid expenses	10,473	8,716
Total assets	<u>112,030,355</u>	<u>107,317,852</u>
LIABILITIES		
Accounts payable	187,697	171,736
Pending trades payable	29,000	-
Total liabilities	<u>216,697</u>	<u>171,736</u>
NET POSITION		
Net position restricted for pension benefits	<u>\$ 111,813,658</u>	<u>\$ 107,146,116</u>



THE CITY OF BOYNTON BEACH

Police Officers' Pension Fund Statement of Changes in Fiduciary Net Position For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ADDITIONS		
Contributions:		
Employer	\$ 5,815,515	\$ 5,809,713
Plan members	1,226,005	1,092,081
State	907,957	861,862
Total contributions	7,949,477	7,763,656
Investment earnings:		
Net appreciation in fair value of investments	5,476,179	6,124,070
Interest and dividends	1,190	845
Miscellaneous	480	450
	5,477,849	6,125,365
Less investment expenses:		
Investment expenses	741,095	698,910
Net investment earnings	4,736,754	5,426,455
Total additions	12,686,231	13,190,111
DEDUCTIONS		
Benefits paid	7,755,642	7,828,430
Refunds of contributions	97,633	19,613
Administrative expenses	165,414	178,668
Total deductions	8,018,689	8,026,711
Change in plan net position	4,667,542	5,163,400
Net position restricted for pension benefits - beginning of year	107,146,116	101,982,716
Net position restricted for pension benefits - end of year	\$ 111,813,658	\$ 107,146,116



THE CITY OF BOYNTON BEACH

Firefighters' Pension Fund Statement of Fiduciary Net Position September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ASSETS		
Investments:		
Money market mutual funds	\$ 2,274,896	\$ 2,724,691
U.S. Government and Agency obligations	15,159,286	9,664,737
Corporate obligations	12,410,695	5,900,335
Equity securities	31,524,930	33,918,890
Equity investment funds	33,119,808	25,674,061
International equity investment funds	22,618,202	21,014,778
Fixed income investment funds	13,276,631	12,968,755
Real estate investment funds	7,570,684	10,820,467
Interest and dividends receivable	164,103	141,809
Pending trades receivable	-	10,800
DROP loans	136,960	175,089
Prepaid expenses	12,903	8,230
Total assets	138,269,098	123,022,642
LIABILITIES		
Accounts payable	76,904	65,013
Pending trades payable	149,252	165,273
Total liabilities	226,156	230,286
NET ASSETS		
Net position restricted for pension benefits	\$ 138,042,942	\$ 122,792,356



THE CITY OF BOYNTON BEACH

Firefighters' Pension Fund Statement of Changes in Fiduciary Net Position For the Year Ended September 30, 2020 (With Comparative Figures for 2019)

	2020	2019
ADDITIONS		
Contributions:		
Employer	\$ 4,734,845	\$ 5,627,597
Plan members	1,776,720	1,903,772
State	881,763	830,904
Total contributions	7,393,328	8,362,273
Investment earnings:		
Net appreciation in fair value of investments	13,836,082	5,159,423
Interest and dividends	2,420,048	2,019,009
Miscellaneous	-	7,958
	16,256,130	7,186,390
Less investment expenses:		
Investment expenses	421,470	350,840
Net investment earnings	15,834,660	6,835,550
Total additions	23,227,988	15,197,823
DEDUCTIONS		
Benefits paid	7,663,405	7,597,186
Refunds of contributions	84,833	26,917
Administrative expenses	229,164	184,750
Total deductions	7,977,402	7,808,853
Change in plan net position	15,250,586	7,388,970
Net position restricted for pension benefits - beginning of year	122,792,356	115,403,386
Net position restricted for pension benefits - end of year	\$ 138,042,942	\$ 122,792,356



STATISTICAL SECTION



STATISTICAL SECTION

This part of the City of Boynton Beach’s Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

<u>Contents</u>	<u>Page</u>
<u>Financial Trends</u>	
<i>These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.</i>	
Government-wide Net Position by Component	III-2
Government-wide Changes in Net Position	III-4
Governmental Activities Tax Revenues by Source	III-8
Fund Balance of Governmental Funds	III-9
Changes in Fund Balance of Governmental Funds	III-11
<u>Revenue Capacity</u>	
<i>These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.</i>	
Assessed Value and Estimated Actual Value of Taxable Property	III-13
Property Tax Rates – Direct and Overlapping Governments	III-15
Ten Principal Property Taxpayers	III-16
Property Tax Levies and Collections	III-17
<u>Debt Capacity</u>	
<i>These schedules contain information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.</i>	
Ratios of Outstanding Debt by Type	III-18
Ratios of General Bonded Debt Outstanding	III-19
Direct and Overlapping Governmental Activities Debt	III-20
Legal Debt Margin Information	III-21
Pledged Revenue Coverage - Water & Sewer Bonds	III-22
Pledged Revenue Coverage - Public Service Tax Bonds	III-23
<u>Demographics and Economic Information</u>	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.</i>	
Demographic and Economic Statistics	III-24
Principal Employers	III-25
<u>Operating Information</u>	
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.</i>	
Full-Time Equivalent City Government Employees by Function	III-26
Operating Indicators by Function/Program	III-27
Capital Asset Statistics by Function/Program	III-29

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report (CAFR) for the relevant year.



THE CITY OF BOYNTON BEACH

Government-wide Net Position by Component Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year			
	2011	2012	2013	2014
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 45,331,243	\$ 43,154,695	\$ 43,915,691	\$ 48,517,011
Restricted	3,289,038	6,184,429	4,772,382	3,817,815
Unrestricted (deficit)	38,199,258	38,808,332	37,408,798	36,496,158
Total governmental activities net position	<u>\$ 86,819,539</u>	<u>\$ 88,147,456</u>	<u>\$ 86,096,871</u>	<u>\$ 88,830,984</u>
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 113,343,953	\$ 134,502,795	\$ 135,724,154	\$ 134,958,037
Restricted	27,526,325	1,961,504	1,654,178	1,846,079
Unrestricted	31,595,279	30,656,355	27,799,397	25,930,440
Total business-type activities net position	<u>\$ 172,465,557</u>	<u>\$ 167,120,654</u>	<u>\$ 165,177,729</u>	<u>\$ 162,734,556</u>
TOTAL PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 158,675,196	\$ 177,657,490	\$ 179,639,845	\$ 183,475,048
Restricted	30,815,363	8,145,933	6,426,560	5,663,894
Unrestricted (deficit)	69,794,537	69,464,687	65,208,195	62,426,598
Total primary government net position	<u>\$ 259,285,096</u>	<u>\$ 255,268,110</u>	<u>\$ 251,274,600</u>	<u>\$ 251,565,540</u>

Note: GASB Statement No. 68 was adopted in fiscal year 2015 resulting in the reduction of net position for the net pension liability incurred in prior years.



THE CITY OF BOYNTON BEACH

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 49,878,248	\$ 51,190,967	\$ 51,655,230	\$ 52,390,429	\$ 61,899,426	\$ 73,221,074
3,334,645	3,035,739	6,209,514	9,814,156	12,041,320	7,611,839
(51,459,872)	(47,642,113)	(40,423,781)	(34,845,281)	(33,014,470)	(30,230,441)
<u>\$ 1,753,021</u>	<u>\$ 6,584,593</u>	<u>\$ 17,440,963</u>	<u>\$ 27,359,304</u>	<u>\$ 40,926,276</u>	<u>\$ 50,602,472</u>
\$ 135,846,516	\$ 138,521,160	\$ 137,638,134	\$ 139,293,677	\$ 142,047,633	\$ 153,342,564
2,042,671	2,239,433	2,213,359	2,299,384	2,501,622	3,106,103
14,643,361	14,525,497	15,690,560	13,419,107	13,762,598	2,089,463
<u>\$ 152,532,548</u>	<u>\$ 155,286,090</u>	<u>\$ 155,542,053</u>	<u>\$ 155,012,168</u>	<u>\$ 158,311,853</u>	<u>\$ 158,538,130</u>
\$ 185,724,764	\$ 189,712,127	\$ 189,293,364	\$ 191,684,106	\$ 203,947,059	\$ 226,563,638
5,377,316	5,275,172	8,422,873	12,113,540	14,542,942	10,717,942
(36,816,511)	(33,116,616)	(24,733,221)	(21,426,174)	(19,251,872)	(28,140,978)
<u>\$ 154,285,569</u>	<u>\$ 161,870,683</u>	<u>\$ 172,983,016</u>	<u>\$ 182,371,472</u>	<u>\$ 199,238,129</u>	<u>\$ 209,140,602</u>



THE CITY OF BOYNTON BEACH

Government-wide Changes in Net Position Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year			
	2011	2012	2013	2014
EXPENSES				
Governmental activities:				
General government	\$ 16,580,084	\$ 16,628,649	\$ 17,367,632	\$ 16,991,337
Public safety	49,820,122	48,264,463	49,943,737	50,392,153
Physical environment	1,922,230	1,883,613	1,985,677	2,141,055
Economic environment	4,612,914	1,768,934	2,856,423	2,151,592
Culture and recreation	10,424,628	9,624,728	9,972,236	10,924,060
Interest on long-term debt	2,663,153	2,534,797	2,183,781	2,027,810
Total governmental activities expenses	<u>86,023,131</u>	<u>80,705,184</u>	<u>84,309,486</u>	<u>84,628,007</u>
Business-type activities:				
Water and sewer	35,460,168	36,182,879	34,194,478	36,748,098
Sanitation	7,470,324	7,333,593	7,591,901	8,070,015
Golf course	2,392,419	2,127,791	1,989,641	2,035,884
Total business-type activities expenses	<u>45,322,911</u>	<u>45,644,263</u>	<u>43,776,020</u>	<u>46,853,997</u>
Total primary government expenses	<u>\$ 131,346,042</u>	<u>\$ 126,349,447</u>	<u>\$ 128,085,506</u>	<u>\$ 131,482,004</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	\$ 5,391,847	\$ 5,968,670	\$ 6,263,060	\$ 6,219,554
Public safety	9,317,546	10,924,447	5,786,137	6,101,902
Physical environment	104,047	193,742	221,175	178,455
Economic environment	122,296	10,472	-	-
Culture and recreation	1,110,191	1,149,664	1,203,181	1,242,486
Operating grants and contributions:				
General government	-	23,704	42,685	59,166
Public safety	627,789	622,669	529,019	715,856
Physical environment	55,108	80,800	-	-
Economic environment	1,698,526	1,036,594	1,509,293	924,141
Culture and recreation	1,592,726	340,025	290,026	170,623
Capital grants and contributions:				
General government	-	-	-	-
Public safety	256,307	56,986	59,101	56,159
Physical environment	839,224	68,710	-	-
Economic environment	340,151	17,864	-	-
Culture and recreation	15,831	50,700	58,092	50,651
Total governmental activities program revenues	<u>21,471,589</u>	<u>20,545,047</u>	<u>15,961,769</u>	<u>15,718,993</u>
Business-type activities:				
Charges for services:				
Water and sewer	38,186,059	38,025,492	38,814,428	41,544,004
Sanitation	10,080,888	10,245,462	10,361,241	10,615,183
Golf course	1,967,363	1,816,629	1,721,776	1,677,960
Operating grants and contributions:				
Sanitation	125,719	-	-	-
Capital grants and contributions:				
Water and sewer	183,462	226,811	2,503,790	302,801
Total business-type activities program revenues	<u>50,543,491</u>	<u>50,314,394</u>	<u>53,401,235</u>	<u>54,139,948</u>
Total primary government program revenues	<u>\$ 72,015,080</u>	<u>\$ 70,859,441</u>	<u>\$ 69,363,004</u>	<u>\$ 69,858,941</u>
NET (EXPENSE)/REVENUE				
Governmental activities	\$ (64,551,542)	\$ (60,160,137)	\$ (68,347,717)	\$ (68,909,014)
Business-type activities	5,220,580	4,670,131	9,625,215	7,285,951
Total primary government net expense	<u>\$ (59,330,962)</u>	<u>\$ (55,490,006)</u>	<u>\$ (58,722,502)</u>	<u>\$ (61,623,063)</u>



THE CITY OF BOYNTON BEACH

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 16,756,253	\$ 17,446,178	\$ 17,248,803	\$ 21,534,502	\$ 23,485,076	\$ 23,776,458
58,570,187	56,226,627	59,269,809	61,127,252	63,271,710	66,606,767
2,192,587	2,090,605	2,184,200	2,188,823	2,125,856	2,119,313
2,995,977	4,102,240	4,040,011	11,450,205	10,204,754	11,333,855
11,127,163	10,947,954	10,786,599	10,900,242	11,432,254	11,422,219
1,165,259	1,238,456	1,149,442	1,122,852	1,361,811	4,079,820
<u>92,807,426</u>	<u>92,052,060</u>	<u>94,678,864</u>	<u>108,323,876</u>	<u>111,881,461</u>	<u>119,338,432</u>
37,343,155	36,764,285	38,299,935	39,448,905	40,144,769	41,036,731
8,276,973	8,699,222	10,067,260	9,893,397	10,678,459	11,232,760
2,007,293	1,859,179	1,535,230	1,563,671	1,731,769	1,754,716
<u>47,627,421</u>	<u>47,322,686</u>	<u>49,902,425</u>	<u>50,905,973</u>	<u>52,554,997</u>	<u>54,024,207</u>
<u>\$ 140,434,847</u>	<u>\$ 139,374,746</u>	<u>\$ 144,581,289</u>	<u>\$ 159,229,849</u>	<u>\$ 164,436,458</u>	<u>\$ 173,362,639</u>
\$ 7,371,307	\$ 7,045,867	\$ 7,065,570	\$ 10,313,177	\$ 11,080,582	\$ 8,282,797
7,242,279	7,853,220	8,173,541	7,915,513	15,801,777	15,713,173
138,400	86,225	143,100	158,158	170,726	243,090
-	-	1,128	5,247	-	-
1,355,498	1,237,221	1,104,571	1,176,531	1,817,879	743,273
73,128	164,095	3,233,477	211,528	209,101	230,893
719,927	109,325	213,308	92,854	87,411	1,836,803
-	-	-	-	-	-
705,285	714,658	565,364	935,697	850,353	484,073
399,106	282,510	450,029	213,693	22,132	184,568
-	-	-	-	-	254,793
78,967	-	-	22,997	17,903	465,860
-	-	-	-	-	-
-	-	-	-	-	-
37,779	27,256	3,632	72,331	69,074	190,466
<u>18,121,676</u>	<u>17,520,377</u>	<u>20,953,720</u>	<u>21,117,726</u>	<u>30,126,938</u>	<u>28,629,789</u>
43,589,493	45,095,405	46,056,827	46,397,059	48,053,094	48,589,183
10,881,915	11,322,781	11,854,871	11,911,986	12,623,017	13,026,268
1,744,974	1,451,977	1,284,176	1,569,682	1,989,009	2,018,371
-	-	-	-	-	-
2,651,490	1,911,050	215,756	2,138,466	1,732,808	476,654
<u>58,867,872</u>	<u>59,781,213</u>	<u>59,411,630</u>	<u>62,017,193</u>	<u>64,397,928</u>	<u>64,110,476</u>
<u>\$ 76,989,548</u>	<u>\$ 77,301,590</u>	<u>\$ 80,365,350</u>	<u>\$ 83,134,919</u>	<u>\$ 94,524,866</u>	<u>\$ 92,740,265</u>
\$ (74,685,750)	\$ (74,531,683)	\$ (73,725,144)	\$ (87,206,150)	\$ (81,754,523)	\$ (90,708,643)
11,240,451	12,458,527	9,509,205	11,111,220	11,842,931	10,086,269
<u>\$ (63,445,299)</u>	<u>\$ (62,073,156)</u>	<u>\$ (64,215,939)</u>	<u>\$ (76,094,930)</u>	<u>\$ (69,911,592)</u>	<u>\$ (80,622,374)</u>



THE CITY OF BOYNTON BEACH

Government-wide Changes in Net Position (Continued) Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year			
	2011	2012	2013	2014
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes:				
Property taxes	\$ 21,941,677	\$ 22,600,580	\$ 23,480,334	\$ 25,080,586
Tax increment	5,660,118	5,730,453	5,614,228	7,022,119
Franchise taxes	4,546,878	4,287,510	4,296,681	4,636,483
Public service taxes	5,899,255	5,928,449	6,395,124	6,987,760
Communications services tax	2,838,133	2,583,369	2,775,603	2,494,978
Sales taxes	4,294,745	4,462,768	4,702,203	5,033,943
Gas taxes	1,124,405	1,159,641	1,152,519	1,199,533
Intergovernmental, unrestricted	2,037,246	2,109,974	2,226,865	2,400,103
Special assessments	-	-	4,935,223	4,933,830
Investment earnings (loss)	990,738	614,233	(47,898)	188,876
Gain on disposal of capital assets	-	-	-	-
Miscellaneous	1,284,954	855,739	927,210	1,273,177
Transfers	8,887,141	11,155,338	10,286,077	10,391,739
Total governmental activities	<u>59,505,290</u>	<u>61,488,054</u>	<u>66,744,169</u>	<u>71,643,127</u>
Business-type activities:				
Investment earnings (loss)	1,106,732	1,104,858	(331,102)	614,598
Miscellaneous	55,090	35,446	48,300	48,017
Transfers	(8,887,141)	(11,155,338)	(10,286,077)	(10,391,739)
Total business-type activities	<u>(7,725,319)</u>	<u>(10,015,034)</u>	<u>(10,568,879)</u>	<u>(9,729,124)</u>
Total primary government	<u>\$ 51,779,971</u>	<u>\$ 51,473,020</u>	<u>\$ 56,175,290</u>	<u>\$ 61,914,003</u>
CHANGE IN NET POSITION (DEFICIT)				
Governmental activities	\$ (5,046,252)	\$ 1,327,917	\$ 66,744,169	\$ 2,734,113
Business-type activities	<u>(2,504,739)</u>	<u>(5,344,903)</u>	<u>(10,568,879)</u>	<u>(2,443,173)</u>
Total primary government	<u>\$ (7,550,991)</u>	<u>\$ (4,016,986)</u>	<u>\$ 56,175,290</u>	<u>\$ 290,940</u>



THE CITY OF BOYNTON BEACH

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 26,891,091	\$ 29,642,316	\$ 31,704,673	\$ 33,819,753	\$ 36,273,555	\$ 38,488,762
8,317,868	9,585,902	10,579,150	11,776,329	12,549,087	13,932,896
4,688,568	4,669,059	4,784,734	4,715,685	4,581,640	4,503,615
7,156,246	7,352,212	7,576,223	7,735,274	7,873,870	7,817,800
2,509,197	2,383,974	2,558,269	2,325,012	2,552,477	2,747,866
5,434,292	4,760,885	5,738,662	11,162,782	12,058,775	11,091,619
1,279,010	1,313,329	1,368,662	1,401,786	1,415,063	1,301,895
2,378,947	2,484,312	2,638,921	2,938,720	3,049,123	2,820,257
5,607,447	5,680,335	5,692,928	6,859,492	-	-
215,569	248,905	308,926	491,696	1,188,447	967,078
-	-	-	-	177,653	283,745
972,829	759,197	2,022,322	3,525,293	3,494,049	5,702,751
<u>11,030,255</u>	<u>10,482,829</u>	<u>9,608,044</u>	<u>9,740,787</u>	<u>10,107,756</u>	<u>10,726,555</u>
<u>76,481,319</u>	<u>79,363,255</u>	<u>84,581,514</u>	<u>96,492,609</u>	<u>95,321,495</u>	<u>100,384,839</u>
715,946	697,288	314,624	54,395	1,434,870	793,731
51,846	80,556	40,178	99,382	129,640	72,832
<u>(11,030,255)</u>	<u>(10,482,829)</u>	<u>(9,608,044)</u>	<u>(9,740,787)</u>	<u>(10,107,756)</u>	<u>(10,726,555)</u>
<u>(10,262,463)</u>	<u>(9,704,985)</u>	<u>(9,253,242)</u>	<u>(9,587,010)</u>	<u>(8,543,246)</u>	<u>(9,859,992)</u>
<u>\$ 66,218,856</u>	<u>\$ 69,658,270</u>	<u>\$ 75,328,272</u>	<u>\$ 86,905,599</u>	<u>\$ 86,778,249</u>	<u>\$ 90,524,847</u>
\$ 1,795,569	\$ 4,831,572	\$ 10,856,370	\$ 9,286,459	\$ 13,566,972	\$ 9,676,196
977,988	2,753,542	255,963	1,524,210	3,299,685	226,277
<u>\$ 2,773,557</u>	<u>\$ 7,585,114</u>	<u>\$ 11,112,333</u>	<u>\$ 10,810,669</u>	<u>\$ 16,866,657</u>	<u>\$ 9,902,473</u>





THE CITY OF BOYNTON BEACH

Governmental Activities Tax Revenues by Source Last Ten Fiscal Years

Fiscal Year	Property Taxes	Franchise Taxes	Public Service Taxes	Communications Services Taxes	Sales Taxes ⁽¹⁾	Gas Taxes	Total
2011	\$ 27,601,795	\$ 4,546,878	\$ 5,899,255	\$ 2,838,133	\$ 4,294,745	\$ 1,124,405	\$ 46,305,211
2012	28,331,033	4,287,510	5,928,449	2,583,369	4,462,768	1,159,641	46,752,770
2013	29,094,562	4,296,681	6,395,124	2,775,603	4,702,203	1,152,519	48,416,692
2014	32,102,705	4,636,483	6,987,760	2,494,978	5,033,943	1,199,533	52,455,402
2015	35,208,959	4,688,568	7,156,246	2,509,197	5,434,292	1,279,010	56,276,272
2016	39,228,218	4,669,059	7,352,212	2,383,974	4,760,885	1,313,329	59,707,677
2017	42,283,823	4,784,734	7,576,223	2,558,269	5,738,662	1,368,662	64,310,373
2018	45,596,082	4,715,685	7,735,274	2,325,012	11,162,782	1,401,786	72,936,621
2019	48,822,642	4,581,640	7,873,870	2,552,477	12,058,775	1,415,063	77,304,467
2020	52,421,658	4,503,615	7,817,800	2,747,866	11,091,619	1,301,895	79,884,453

(1) In 2017 the City began receiving the proceeds of a local option sales tax approved by the voters for a 10 year period to finance local infrastructure capital projects.



THE CITY OF BOYNTON BEACH

Fund Balance of Governmental Funds Last Ten Fiscal Years (Modified Accrual Basis of Accounting)

	Fiscal Year			
	2011	2012	2013	2014
GENERAL FUND				
Nonspendable				
Prepaid items	\$ 208,867	\$ 143,862	\$ 106,222	\$ 98,886
Committed to:				
Emergency purposes	6,514,230	6,882,152	7,126,713	7,254,011
Assigned to:				
Subsequent year's budget	110,000	2,897,849	2,420,738	461,356
Unassigned	3,875,447	2,906,439	1,541,293	3,463,775
Total general fund	<u>\$ 10,708,544</u>	<u>\$ 12,830,302</u>	<u>\$ 11,194,966</u>	<u>\$ 11,278,028</u>
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable:				
Prepaid items	\$ 32,890	\$ 25,353	\$ 106,626	\$ 69,514
Restricted for:				
Economic development	-	-	-	-
Public safety	915,644	888,052	652,154	590,369
Grant programs	1,565,960	1,569,109	1,652,063	1,692,416
Debt service	3,110,319	3,118,504	1,607,500	827,500
Capital projects	178,719	237,690	288,138	316,121
Other purposes	293,078	371,074	572,527	391,409
Committed for:				
Economic development	835,299	467,783	336,446	707,515
Debt service	-	-	57,187	60,511
Capital projects	1,639,799	513,176	136,254	663,585
Assigned to:				
Economic development	3,294,361	3,117,712	2,563,918	2,496,123
Debt service	2,021,514	1,832,634	2,018,843	2,814,438
Public safety	1,833	66,557	110,462	45,348
Culture and recreation	786,324	919,538	825,207	731,849
Cemetery maintenance	4,193,552	4,117,895	4,056,731	3,989,764
Capital projects	4,448,899	5,750,493	6,329,544	5,341,477
Unassigned (deficit)	(473,938)	(431,343)	187,983	(367,163)
Total all other governmental funds	<u>\$ 22,844,253</u>	<u>\$ 22,564,227</u>	<u>\$ 21,501,583</u>	<u>\$ 20,370,776</u>



THE CITY OF BOYNTON BEACH

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 124,236	\$ 162,954	\$ 469,156	\$ 490,897	\$ 82,095	\$ 69,144
7,651,856	7,940,131	8,324,107	8,324,107	8,324,107	8,324,107
450,645	1,006,726	118,100	-	1,286,655	923,613
6,852,818	6,895,157	7,439,695	7,118,719	7,782,240	8,128,675
<u>\$ 15,079,555</u>	<u>\$ 16,004,968</u>	<u>\$ 16,351,058</u>	<u>\$ 15,933,723</u>	<u>\$ 17,475,097</u>	<u>\$ 17,445,539</u>
\$ 67,517	\$ 96,965	\$ 193,714	\$ 201,469	\$ 257,129	\$ 237,967
-	-	88,123	-	-	-
787,731	482,594	325,021	293,168	529,142	699,614
1,920,891	1,898,147	1,909,342	1,307,599	1,311,006	3,144,526
-	-	-	91,183	109,356	116,097
423,693	237,145	3,407,924	7,564,049	9,609,894	3,300,787
202,330	417,853	479,104	558,157	481,922	350,815
160,412	1,022,417	1,196,851	658,307	1,425,909	1,425,909
66,231	72,205	78,291	-	-	-
804,049	2,397,914	4,231,375	5,777,612	5,777,612	5,777,612
2,825,016	2,843,502	2,839,349	1,598,959	1,295,949	1,553,024
2,313,596	3,648,413	4,515,502	5,110,955	5,385,751	5,704,587
-	350,738	859,078	1,346,197	2,042,635	2,003,275
616,944	612,470	467,358	529,558	797,811	534,249
3,857,723	3,636,060	3,453,801	3,272,915	3,204,862	3,132,484
6,490,977	6,307,610	6,850,038	8,220,118	7,402,095	8,421,017
284,207	490,503	(303,770)	(219,251)	(254,364)	(876,309)
<u>\$ 20,821,317</u>	<u>\$ 24,514,536</u>	<u>\$ 30,591,101</u>	<u>\$ 36,310,995</u>	<u>\$ 39,376,709</u>	<u>\$ 35,525,654</u>



THE CITY OF BOYNTON BEACH

Changes in Fund Balance of Governmental Funds Last Ten Fiscal Years (Modified Accrual Basis of Accounting)

	Fiscal Year			
	2011	2012	2013	2014
REVENUES				
Taxes	\$ 38,855,159	\$ 39,365,949	\$ 40,767,941	\$ 44,217,234
Licenses and permits	6,089,525	6,415,141	6,712,501	6,848,006
Intergovernmental	14,250,887	10,905,362	10,924,332	11,373,452
Charges for services	7,408,143	7,120,281	7,334,438	7,484,480
Special assessments	3,703,024	4,904,844	4,935,223	4,933,831
Fines and forfeitures	1,074,116	1,904,061	1,727,138	1,834,271
Rents and royalties	344,189	331,689	336,908	345,242
Investment earnings (loss)	862,490	537,604	(20,813)	177,599
Donations	63,130	183,587	339,365	192,767
Miscellaneous	751,004	278,182	447,344	517,270
Total revenues	<u>73,401,667</u>	<u>71,946,700</u>	<u>73,504,377</u>	<u>77,924,152</u>
EXPENDITURES				
Current:				
General government	14,530,115	13,376,103	14,555,256	15,142,282
Public safety	49,338,788	47,143,279	48,947,953	49,594,033
Physical environment	1,101,867	1,029,639	1,156,818	1,303,407
Economic environment	4,604,398	1,756,329	2,838,375	2,164,536
Culture and recreation	8,398,393	7,612,261	7,997,433	8,968,951
Capital outlay	5,088,656	3,007,837	2,462,094	4,530,865
Debt service:				
Principal	2,623,120	2,527,960	2,790,006	2,888,390
Interest and other fiscal charges	2,716,951	2,614,668	3,252,592	2,039,375
Debt issuance costs	-	-	-	-
Total expenditures	<u>88,402,288</u>	<u>79,068,076</u>	<u>84,000,527</u>	<u>86,631,839</u>
Revenues over (under) expenditures	<u>(15,000,621)</u>	<u>(7,121,376)</u>	<u>(10,496,150)</u>	<u>(8,707,687)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	31,519,453	27,695,921	22,002,164	23,653,669
Transfers out	(22,870,189)	(18,732,813)	(14,248,994)	(15,993,727)
Proceeds from the sale of capital assets	-	-	-	-
Issuance of capital lease agreements	-	-	-	-
Debt proceeds	-	-	16,185,000	-
Payment to refunded bond escrow agent	-	-	(16,140,000)	-
Total other financing sources (uses)	<u>8,649,264</u>	<u>8,963,108</u>	<u>7,798,170</u>	<u>7,659,942</u>
Net change in fund balance	<u>\$ (6,351,357)</u>	<u>\$ 1,841,732</u>	<u>\$ (2,697,980)</u>	<u>\$ (1,047,745)</u>
Debt service as a percentage of non-capital expenditures	<u>6.41%</u>	<u>6.76%</u>	<u>7.41%</u>	<u>6.00%</u>



THE CITY OF BOYNTON BEACH

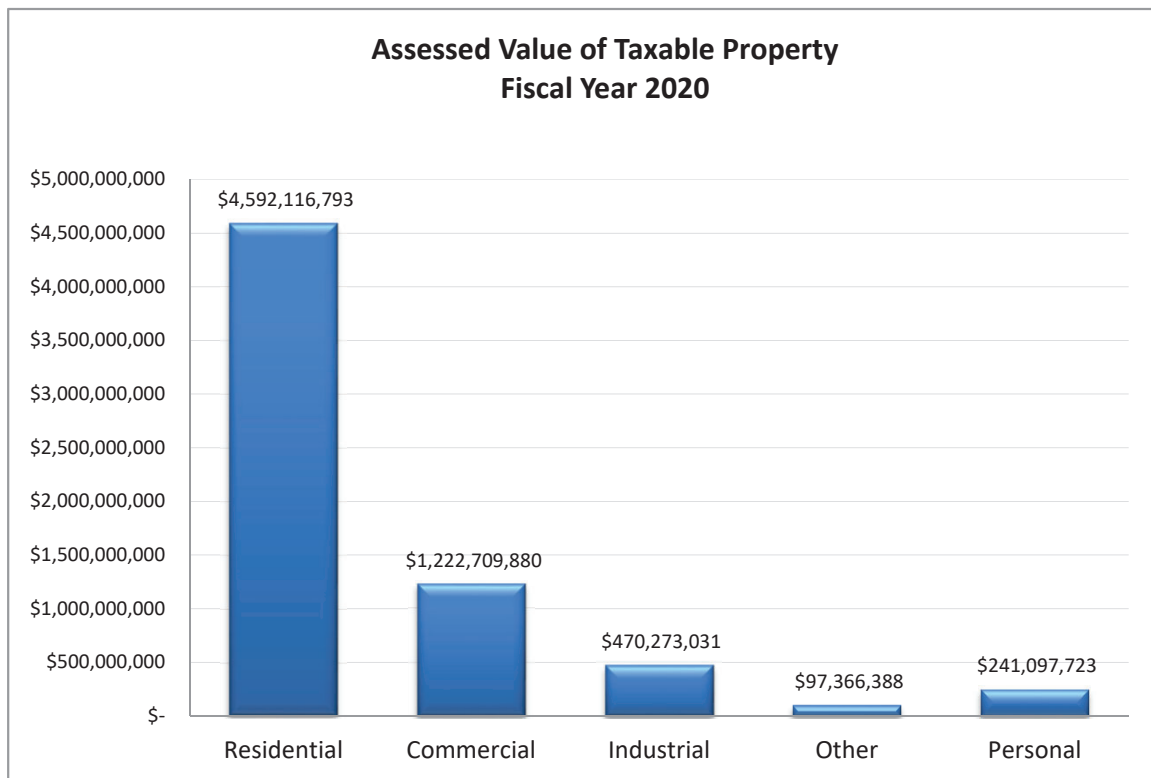
Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 47,748,292	\$ 51,917,489	\$ 55,449,182	\$ 58,760,618	\$ 62,408,417	\$ 66,080,142
7,445,570	7,580,666	7,614,649	8,665,143	9,832,377	7,899,485
11,824,905	10,464,412	14,616,730	17,480,482	18,659,804	19,382,807
8,810,314	8,428,918	9,559,547	9,267,679	9,874,846	9,500,539
5,607,447	5,680,334	5,692,928	6,859,493	6,773,585	6,883,199
1,985,878	2,384,364	1,512,195	1,928,363	2,433,096	2,591,600
364,343	404,255	413,386	437,947	477,669	261,296
206,789	243,507	305,799	487,506	1,169,481	951,562
236,393	189,328	404,961	279,181	210,060	244,764
519,937	435,592	1,060,287	4,984,607	4,525,598	5,903,822
<u>84,749,868</u>	<u>87,728,865</u>	<u>96,629,664</u>	<u>109,151,019</u>	<u>116,364,933</u>	<u>119,699,216</u>
12,906,141	13,437,110	14,398,273	20,335,069	22,024,899	18,225,436
53,227,085	56,329,759	58,359,234	60,736,128	62,628,820	64,151,976
1,320,137	1,292,729	1,347,505	1,324,885	1,271,199	1,297,408
2,973,379	4,114,899	4,025,651	6,477,579	8,837,599	11,308,172
8,905,292	8,956,644	8,823,549	8,886,654	9,554,915	9,665,155
2,729,896	3,206,652	3,879,540	8,494,644	13,676,709	91,408,918
2,675,595	2,697,762	3,525,000	4,477,617	6,390,366	8,977,634
1,650,092	1,027,118	959,828	930,787	1,169,990	3,978,665
117,758	-	-	-	-	-
<u>86,505,375</u>	<u>91,062,673</u>	<u>95,318,580</u>	<u>111,663,363</u>	<u>125,554,497</u>	<u>209,013,364</u>
<u>(1,755,507)</u>	<u>(3,333,808)</u>	<u>1,311,084</u>	<u>(2,512,344)</u>	<u>(9,189,564)</u>	<u>(89,314,148)</u>
24,565,411	25,344,133	25,698,050	28,239,670	27,479,594	35,812,024
(16,655,675)	(17,947,694)	(20,586,479)	(23,174,119)	(22,369,940)	(30,231,654)
-	556,001	-	1,154,212	-	-
-	-	-	-	-	79,853,165
29,720,947	-	-	1,595,140	8,686,998	-
(31,623,108)	-	-	-	-	-
<u>6,007,575</u>	<u>7,952,440</u>	<u>5,111,571</u>	<u>7,814,903</u>	<u>13,796,652</u>	<u>85,433,535</u>
<u>\$ 4,252,068</u>	<u>\$ 4,618,632</u>	<u>\$ 6,422,655</u>	<u>\$ 5,302,559</u>	<u>\$ 4,607,088</u>	<u>\$ (3,880,613)</u>
<u>5.17%</u>	<u>4.24%</u>	<u>4.90%</u>	<u>5.24%</u>	<u>6.76%</u>	<u>11.02%</u>



THE CITY OF BOYNTON BEACH

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

Fiscal Year	Property Types				
	Residential	Commercial	Industrial	Other	Personal
2011	\$ 2,385,181,626	\$ 825,539,209	\$ 347,592,426	\$ 57,732,386	\$ 273,434,050
2012	2,372,668,214	746,944,112	348,003,702	55,371,557	240,255,636
2013	2,320,445,333	729,017,453	339,651,613	54,042,639	234,489,500
2014	2,436,467,599	810,364,696	342,148,867	53,926,467	241,430,308
2015	2,923,761,118	972,437,635	410,578,640	73,888,557	265,510,848
2016	3,159,914,754	1,085,753,914	439,319,144	79,060,755	257,206,056
2017	3,654,470,712	1,075,226,494	386,020,388	74,713,623	223,599,467
2018	3,938,326,539	1,135,743,874	408,311,796	83,097,704	226,176,763
2019	4,221,761,871	1,217,481,622	437,697,370	89,078,118	242,454,358
2020	4,592,116,793	1,222,709,880	470,273,031	97,366,388	241,097,723



Source: Palm Beach County Property Appraiser



THE CITY OF BOYNTON BEACH

	Total Taxable Value ⁽¹⁾	Total Direct Tax Rate ⁽²⁾		Total Actual Value ⁽³⁾	Taxable Value as a % of Actual Value
\$	3,889,479,697	6.7626	\$	5,380,721,213	72.29 %
	3,763,243,221	7.1941		5,195,441,429	72.43
	3,677,646,538	7.6000		5,037,982,238	73.00
	3,884,337,937	7.9000		5,353,496,813	72.56
	4,646,176,798	7.9000		6,786,463,694	68.46
	5,021,254,623	7.9000		7,389,490,524	67.95
	5,414,030,684	7.9000		7,952,133,115	68.08
	5,791,656,676	7.9000		8,411,325,671	68.86
	6,208,473,339	7.9000		8,960,659,593	69.29
	6,623,563,815	7.9000		9,342,102,055	70.90

¹⁾ Actual value less all exemptions (governmental, institutional, widow's/widower's, disability/blind, and homestead) and homestead assessment differential (just value minus capped value)

²⁾ Includes debt service

³⁾ Actual Value = Just Value

Source: Palm Beach County Property Appraiser



THE CITY OF BOYNTON BEACH

Property Tax Rates Direct and Overlapping Governments Last Ten Fiscal Years (Per \$1,000 of Assessed Value)

Fiscal Year	City of Boynton Beach			Palm Beach County			Schools			Other ⁽¹⁾	Total
	Operating Millage	Debt Service	Total City	Operating Millage	Debt Service	Total County	Operating Millage	Debt Service	Total Schools		
2011	6.7626	0.0000	6.7626	4.7500	0.2460	4.9960	8.1540	0.0000	8.1540	2.5549	22.4675
2012	7.1941	0.0000	7.1941	4.7815	0.2110	4.9925	8.1800	0.0000	8.1800	2.3088	22.6754
2013	7.6000	0.0000	7.6000	4.7815	0.2087	4.9902	7.7780	0.0000	7.7780	2.3154	22.6836
2014	7.9000	0.0000	7.9000	4.7815	0.2037	4.9852	7.5860	0.0000	7.5860	2.2800	22.7512
2015	7.9000	0.0000	7.9000	4.7815	0.1914	4.9729	7.5940	0.0000	7.5940	2.1732	22.6401
2016	7.9000	0.0000	7.9000	4.7815	0.1327	4.9142	7.5120	0.0000	7.5120	2.0974	22.4236
2017	7.9000	0.0000	7.9000	4.7815	0.1210	4.9025	7.0700	0.0000	7.0700	1.8518	21.7243
2018	7.9000	0.0000	7.9000	4.7815	0.1208	4.9023	6.7690	0.0000	6.7690	1.7818	21.3531
2019	7.9000	0.0000	7.9000	4.7815	0.0765	4.8580	7.1640	0.0000	7.1640	1.6870	21.6090
2020	7.9000	0.0000	7.9000	4.7815	0.0309	4.8124	8.0654	0.0000	8.0654	1.6753	22.4531

Source: Palm Beach County Property Appraiser

Tax rate limits	- Ten mills per Florida Statute 200.081
Scope of tax rate limit	- No municipality shall levy ad valorem taxes for real and tangible personal property in excess of ten mills of the assessed value, except for special benefits and debt service on obligations issued with the approval of those taxpayers subject to ad valorem taxes.
Taxes due	- March 31
Taxes delinquent	- April 1
Discounts allowed	- 4% November, 3% December, 2% January, 1% February
Penalties for delinquency	- 2.5% after April 1, increasing .5% each ten days to maximum of 5.0%
Tax collector	- Palm Beach County
Tax collector's commission	- None

⁽¹⁾ Other rates include the South Florida Water Management District, Florida Inland Navigation District, Palm Beach County Health Care District, and the Children's Services Council.



THE CITY OF BOYNTON BEACH

Ten Principal Property Taxpayers Current Year and Nine Years Ago

Taxpayer	2020				2011		
	City Tax Amount	Taxable Value			Taxable Value		
		Value	Rank	%	Value	Rank	%
Florida Power & Light Co.	\$ 887,198	\$ 112,303,495	1	1.70%	\$ -	-	-
Hart Seabourn Cove LLC	811,702	102,747,042	2	1.55%	-	-	-
CH Realty VII PSREG Boynton Beach	687,300	87,000,000	3	1.31%	-	-	-
Duke PGC at Quantum 19 LLC	629,032	79,624,281	4	1.20%	-	-	-
GSG Residential Savannah Lakes LLC	540,457	68,412,335	5	1.03%	-	-	-
Morguard Boynton Town Center Inc.	495,186	62,681,723	6	0.95%	-	-	-
RRPIV Cortina LLC	489,773	61,996,519	7	0.94%	-	-	-
Compson Place Apartments LLC	411,869	52,135,296	8	0.79%	-	-	-
Villas at Quantum Park	381,783	48,326,904	9	0.73%	-	-	-
Boynton Beach Mall LLC	339,700	43,000,000	10	0.65%	-	-	-
Boynton JCP Associates	-	-	-	-	95,200,000	1	2.45%
City National Bank of Florida	-	-	-	-	55,346,365	2	1.42%
Northland Lugano LLC	-	-	-	-	40,911,000	3	1.05%
Hovstone Properties Florida LLC	-	-	-	-	38,226,521	4	0.98%
EQR FREWAC 2008 Limited Partnership	-	-	-	-	35,612,452	5	0.92%
Premier Gateway Center @ Quantum	-	-	-	-	33,875,884	6	0.87%
Publix Super Markets, Inc.	-	-	-	-	33,020,199	7	0.85%
1950 Congress Ave LLC	-	-	-	-	32,414,993	8	0.83%
DDRTC Boynton Commons LLC	-	-	-	-	30,000,000	9	0.77%
Villas at Quantum Lakes Inc.	-	-	-	-	28,953,987	10	0.74%
	5,674,000	718,227,595		10.85%	423,561,401		10.88%
Other	43,222,218	5,905,336,220		89.15%	3,465,918,296		89.12%
Total tax and final taxable value	<u>\$ 48,896,218</u>	<u>\$ 6,623,563,815</u>		<u>100.00%</u>	<u>\$ 3,889,479,697</u>		<u>100.00%</u>



THE CITY OF BOYNTON BEACH

Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year Ended September 30,	Total General Fund Property Tax Levied for Fiscal Year	General Fund Property Tax Collections					
		Current Property Taxes Collected		Delinquent Taxes (Refunds)	Total Property Taxes Collected		
		Amount	% of Levy ⁽¹⁾		Amount	% of Levy ⁽¹⁾	
2011	\$ 26,302,982	\$ 26,086,339	99.2%	\$ 74,349	\$ 26,160,688	99.5%	
2012	27,109,849	26,858,653	99.1%	132,961	26,991,614	99.6%	
2013	27,950,114	27,720,517	99.2%	176,046	27,896,563	99.8%	
2014	29,736,500	29,372,243	98.8%	82,805	29,455,048	99.1%	
2015	33,372,261	31,930,094	95.7%	142,652	32,072,746	96.1%	
2016	36,619,390	35,249,544	96.3%	364,353	35,613,897	97.3%	
2017	39,712,237	38,100,867	95.9%	266,011	38,366,878	96.6%	
2018	41,458,358	41,175,720	99.3%	62,632	41,188,352	99.3%	
2019	45,698,641	45,670,932	99.9%	15,903	45,686,835	100.0%	
2020	49,100,107	48,896,218	99.6%	61,632	48,957,850	99.7%	

Sources: City of Boynton Beach Financial Services Department and Palm Beach County Tax Collector

⁽¹⁾ General Fund tax levy and collections do not include tax increment revenues and are not reduced for early payment discounts.



THE CITY OF BOYNTON BEACH

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year Ended September 30,	Governmental Activities					Business-type Activities	Total Primary Government	Per Capita
	CRA Promissory Notes*	CRA Tax Increment Revenue Bonds/Note*	Public Service Tax Bonds	Note Payable	Capital Lease / Installment Agreements	Water & Sewer Revenue Bonds		
2011	\$ 1,308,713	\$ 24,815,000	\$ 29,850,000	\$ -	\$ -	\$ 57,178,924	\$ 113,152,637	\$ 1,654
2012	1,075,753	23,820,000	28,550,000	-	-	76,179,187	129,624,940	1,849
2013	828,747	23,162,000	27,185,000	-	-	73,671,656	124,847,403	1,781
2014	567,357	21,965,000	25,755,000	-	-	70,529,795	118,817,152	1,678
2015	290,762	20,031,000	24,850,000	-	-	67,258,586	112,430,348	1,570
2016	-	18,744,000	23,730,000	-	-	63,843,581	106,317,581	1,461
2017	-	17,119,000	21,830,000	-	-	83,275,514	122,224,514	1,617
2018	-	15,449,000	19,890,000	-	727,523	90,610,047	126,676,570	1,649
2019	-	13,738,000	17,920,000	4,350,000	2,355,155	86,707,553	125,070,708	1,610
2020	-	11,976,000	15,825,000	1,850,000	79,587,686	82,817,392	192,056,078	2,447

Note: Details about the City's outstanding debt can be found in the notes to the financial statements. The debt for the business-type activities represents debt for our water treatment plants and wastewater collection and transmission system. These facilities serve our residents as well as non-residents on our water and sewer utility system.

* Governmental Activities includes outstanding debt for the Community Redevelopment Agency (CRA), consisting of the tax increment revenue bonds and a portion of the promissory notes.



THE CITY OF BOYNTON BEACH

Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years

Fiscal Year Ended September 30,	Population	Taxable Value of Property	General Obligation Debt (including CRA Debt)	Less: Amounts Available in Debt Service Funds	Net General Obligation Debt	Percentage of Actual Taxable Value of Property	Per Capita
2011	68,409	\$ 3,889,479,697	\$ 1,308,713	\$ -	\$ 1,308,713	0.034%	\$ 19.13
2012	70,101	3,763,243,221	1,075,753	-	1,075,753	0.029%	15.35
2013	70,101	3,677,646,538	828,747	-	828,747	0.023%	11.82
2014	70,800	3,884,337,937	567,357	-	567,357	0.015%	8.01
2015	71,608	4,646,176,798	290,762	-	290,762	0.006%	4.06
2016	72,784	5,021,254,623	-	-	-	-	-
2017	75,569	5,414,030,684	-	-	-	-	-
2018	76,800	5,791,656,676	727,523	-	727,523	0.013%	9.47
2019	77,696	6,208,473,339	2,355,155	-	2,355,155	0.038%	30.31
2020	78,495	6,623,563,815	79,587,686	-	79,587,686	1.202%	1,013.92

Source: City of Boynton Beach Financial Services Department



THE CITY OF BOYNTON BEACH

Direct and Overlapping Governmental Activities Debt As of September 30, 2020

	<u>Net Governmental Activities Debt</u>	<u>Estimated Percent Applicable</u>	<u>Direct and Overlapping Net General Obligation Debt</u>
Direct:			
City of Boynton Beach:	<u>\$ 109,238,686</u>	<u>100.00%</u>	\$ 109,238,686
Overlapping:			
Palm Beach County:			
General obligation bonds	\$ 44,740,000	3.15%	1,410,156
Palm Beach County School District:			
Certificates of Participation	<u>1,190,585,947</u>	3.15%	<u>37,525,964</u>
Total direct and overlapping bonded debt payable from taxes	<u>\$ 1,235,325,947</u>		<u>\$ 148,174,806</u>
Boynton Beach estimated population			<u>78,495</u>
Direct and overlapping net debt per capita			<u>\$ 1,887.70</u>

Sources: Assessed value data used to estimate applicable percentages provided by Palm Beach County.
 Debt outstanding data provided by Palm Beach County and Palm Beach County School Board.
 Palm Beach County 2020 Taxable Value \$210,145,754,984

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Boynton Beach.

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



THE CITY OF BOYNTON BEACH

Legal Debt Margin Information Last Ten Fiscal Years

Fiscal Year Ended September 30,	Debt Limit (A)	Total Net Debt Applicable to Debt Limit (B)	Legal Debt Margin (A) - (B)	% of Total Net Debt Applicable to Debt Limit (B) / (A)
2011	\$ 538,072,121	\$ 1,308,713	\$ 536,763,408	0.24%
2012	519,544,143	1,075,753	518,468,390	0.21%
2013	503,798,224	828,747	502,969,477	0.16%
2014	535,349,681	567,357	534,782,324	0.11%
2015	678,646,369	290,762	678,355,607	0.04%
2016	738,949,052	-	738,949,052	0.00%
2017	795,213,312	-	795,213,312	0.00%
2018	841,132,567	727,523	840,405,044	0.00%
2019	896,065,959	2,355,155	893,710,804	0.26%
2020	934,210,206	79,587,686	854,622,520	8.52%

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed valuations:		
Taxable value		\$ 6,623,563,815
Add back exempt property		<u>2,718,538,240</u>
Total assessed value for debt limit		<u><u>\$ 9,342,102,055</u></u>
Legal debt margin:		
Debt limitation - 10% of total assessed value for debt limit		<u>\$ 934,210,206</u>
Debt applicable to limitation:		
Total general obligation debt		79,587,686
Less: Amount available for repayment of general obligation debt		<u>-</u>
Total net debt applicable to debt limit		<u>79,587,686</u>
Legal debt margin		<u><u>\$ 854,622,520</u></u>

The City has established a maximum cap for long-term general obligation debt as 10% of the total assessed value of both real and personal property within the City limits. This cap shall be adjusted annually to reflect the annual changes in the assessed value.



THE CITY OF BOYNTON BEACH

Pledged Revenue Coverage - Water & Sewer Bonds Last Ten Fiscal Years

Fiscal Year Ended September 30,	Water and Sewer Revenue Bonds					
	Revenues ⁽¹⁾	Current Expenses ⁽¹⁾	Net Available Revenues	Debt Service Payments		Coverage ⁽²⁾
				Principal	Interest	
2011	\$ 39,492,570	\$ 24,584,473	\$ 14,908,097	\$ 2,590,000	\$ 2,752,234	2.79
2012	39,219,086	22,145,529	17,073,557	2,685,000	2,397,740	3.36
2013	38,639,303	21,862,965	16,776,338	2,170,000	3,382,123	3.02
2014	42,291,880	22,397,705	19,894,175	2,810,000	3,289,266	3.26
2015	44,453,262	22,479,193	21,974,069	2,945,000	3,129,086	3.62
2016	45,867,901	21,809,615	24,058,286	3,095,000	2,976,734	3.96
2017	46,411,629	22,617,289	23,794,340	3,255,000	3,136,770	3.72
2018	46,548,876	22,331,704	24,217,172	3,425,000	3,261,374	3.62
2019	49,617,445	23,745,897	25,871,548	3,605,000	3,370,201	3.71
2020	49,450,187	24,672,816	24,777,371	4,215,000	3,192,714	3.34

The following definitions are in accordance with the bond resolutions:

- (1) Revenues include operating and certain non-operating revenues and transfers. Current expenses include operating and non-operating expenses (excludes depreciation, amortization, and transfers for administrative expenses).
- (2) Coverage requirement is 110% of current debt service.

Source: City of Boynton Beach Financial Services Department



THE CITY OF BOYNTON BEACH

Pledged Revenue Coverage - Public Service Tax Bonds Last Ten Fiscal Years

Fiscal Year Ended September 30,	Public Service Tax Revenues	Debt Service		Coverage ⁽¹⁾
		Principal	Interest	
2011	\$ 8,737,388	\$ 1,260,000	\$ 1,379,215	3.31
2012	8,511,818	1,300,000	1,329,165	3.24
2013	9,170,727	1,365,000	1,265,315	3.49
2014	9,482,738	1,430,000	1,198,709	3.61
2015	9,665,443	1,500,000	1,128,828	3.68
2016	9,736,186	1,120,000	466,455	6.14
2017	10,134,492	1,900,000	446,273	4.32
2018	10,060,286	1,940,000	406,770	4.29
2019	10,426,347	1,970,000	368,648	4.46
2020	10,565,666	2,095,000	329,014	4.36

Coverage requirement is 110% of current debt service.

Source: City of Boynton Beach Financial Services Department



THE CITY OF BOYNTON BEACH

Demographic and Economic Statistics Last Ten Fiscal Years

Fiscal Year	Population ⁽¹⁾	Per Capita Personal Income ⁽¹⁾	Total Average School Enrollment ⁽²⁾	Unemployment Rate ⁽³⁾
2011	68,409	53,871	174,818	10.9%
2012	70,101	55,628	174,594	9.2%
2013	70,101	57,985	177,797	7.1%
2014	70,800	58,565	180,285	6.0%
2015	71,608	66,914	183,447	5.3%
2016	72,784	68,714	186,291	4.8%
2017	75,569	55,322	189,320	4.2%
2018	76,800	50,561	195,289	3.5%
2019	77,696	52,078	196,335	3.6%
2020	78,495	55,463	198,133	9.1%

(1) Source: University of Florida, Bureau of Business and Economic Research
Personal Income represents Palm Beach County (Revised)

(2) Source: School District of Palm Beach County - Student Information File
Comprehensive Annual Financial Report

(3) Source: Florida Department of Commerce, Division of Employment Security
Data is for Palm Beach County



THE CITY OF BOYNTON BEACH

Principal Employers Current Year and Nine Years Ago

Employer	2020			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Bethesda Memorial Hospital	2,579	1	N/A	N/A	1	N/A
City of Boynton Beach	843	2	N/A	850	2	N/A
Totals	<u>3,422</u>		<u>N/A</u>	<u>850</u>		<u>N/A</u>

Sources: InfoUSA (ReferenceUSA Database) and the Greater Boynton Beach Chamber of Commerce
 Only partial information for 2020 and 2011 was available.
 N/A - Not available.



THE CITY OF BOYNTON BEACH

Full-Time Equivalent City Government Employees by Function Last Ten Fiscal Years

Function/Program	Full-Time Equivalent Employees as of September 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Management Services	22	19	19	17	17	19	18	18	18	21
Financial Services	15	13	13	13	13	14	14	15	15	15
Information Technology	14	15	15	15	15	14	14	15	15	15
Human Resources	9	7	7	7	6	6	6	6	6	5
Planning and Zoning	8	6	6	6	6	6	6	6	6	6
Facilities Management	12	10	11	11	11	11	11	12	12	11
Public Safety										
Police	188	177	185	191	222	211	211	214	220	222
Communications	23	23	23	23	-	-	-	-	-	-
Fire	152	143	142	142	149	147	147	147	147	147
Community Standards	-	-	-	-	-	22	22	23	23	22
Code Compliance	13	11	11	11	-	-	-	-	-	-
Animal Control	2	-	-	-	-	-	-	-	-	-
Building/Engineering/Licenses	36	28	31	31	30	34	30	32	32	32
Physical Environment										
Forestry & Grounds	8	9	-	-	-	-	-	20	20	23
Roads & Streets	4	4	4	5	5	5	5	5	4	4
Economic Environment										
Community Improvement	5	4	4	3	2	2	2	2	2	2
Grants	10	10	2	8	1	1	1	1	1	1
Culture/Recreation										
Library	30	28	28	28	27	27	27	27	28	28
Recreation and Parks	72	65	70	70	70	68	72	53	52	52
Public Art	1	1	1	1	1	1	1	1	2	2
Internal Service Funds										
Vehicle Service	11	11	11	11	11	12	12	12	12	16
Warehouse	5	4	4	4	4	4	4	5	5	6
Self Insurance	4	4	4	3	4	4	4	5	5	5
Enterprise Funds										
Water & Sewer Utility	134	129	128	130	133	133	133	134	138	141
Sanitation	41	38	38	40	40	44	44	44	46	47
Golf Course	29	26	26	26	24	21	21	21	21	21
Transportation	5	-	-	-	-	-	-	-	-	-
Total	849	785	783	796	791	806	805	818	830	843

Source: City of Boynton Beach Financial Services Department



THE CITY OF BOYNTON BEACH

Operating Indicators by Function/Program Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2011	2012	2013	2014	2015
General Government					
Planning and Zoning					
Number of inspections	11,790	22,405	15,079	16,077	17,000
Building permits issued	4,973	6,074	4,353	5,058	5,700
Public Safety					
Police					
Physical arrests	3,001	3,082	3,001	4,500	3,500
Parking violations	1,184	1,199	1,184	1,684	1,920
Traffic violations	12,316	12,491	12,316	13,325	11,500
Fire					
Number of calls	11,762	11,933	12,000	12,175	12,250
Inspections	6,603	8,123	8,126	8,373	8,350
Code Compliance					
Code enforcement violations	3,332	3,200	3,000	2,858	2,082
Public Works					
Street resurfacing (miles)	7.0	-	-	-	-
Culture/Recreation					
Library					
Circulation	357,416	356,454	374,287	267,381	269,688
Cardholders	48,008	44,030	44,910	43,888	38,936
Leisure Services					
Camp program participants	304	304	304	269	280
Class participants	5,647	5,647	5,600	4,531	4,800
Water System					
Total meters	34,965	34,990	34,918	34,918	35,259
Total living units served	56,370	56,385	55,859	57,176	58,000
Avg. daily water consumption (thousand of gallons)	13,171	13,184	13,000	13,210	13,500
Sewer System					
Total connections	32,712	32,699	32,677	33,083	33,300
Total living units served	54,550	54,450	53,664	55,489	55,500
Sanitation					
Refuse collected (tons)	60,443	62,312	67,384	67,500	68,000
Recyclables collected (tons)	4,972	5,097	5,765	6,000	6,300
Golf Course					
Rounds played (Starts-9 or 18 hole)	67,306	63,546	61,420	60,185	65,000

Sources: City Departments



THE CITY OF BOYNTON BEACH

Fiscal Year				
2016	2017	2018	2019	2020
17,143	19,125	20,361	23,313	25,908
5,760	6,137	7,081	7,420	7,076
3,946	2,168	2,427	2,106	1,572
2,016	1,186	1,027	1,629	1,244
13,142	4,694	5,050	7,970	2,749
12,374	15,468	13,892	13,787	13,712
8,421	9,240	10,502	8,601	10,002
2,219	2,150	2,818	4,325	3,276
-	-	1.3	-	7.7
271,152	214,142	201,415	114,897	89,487
39,121	30,298	24,143	19,933	14,883
289	313	271	269	38
4,864	3,216	2,981	2,850	1,719
35,746	36,210	35,848	37,072	36,770
58,873	59,415	60,783	62,282	60,880
13,520	14,280	14,520	13,980	14,300
33,542	34,170	34,265	34,766	34,820
55,712	56,814	57,476	58,623	57,570
68,214	85,418	68,957	183,510	188,202
6,376	5,097	4,139	4,097	4,197
62,142	45,230	58,233	69,044	71,165



THE CITY OF BOYNTON BEACH

Capital Asset Statistics by Function/Program Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2011	2012	2013	2014	2015
Public Safety					
Police					
Stations	1	1	1	1	1
Patrol Units	99	99	99	99	99
Fire					
Stations	5	5	5	5	5
Trucks	7	7	7	7	7
ALS rescue vehicles	7	7	7	7	7
Sanitation					
Garbage trucks	23	23	23	23	23
Trash trucks	7	7	7	7	7
Public Works					
Street lights	209	209	209	209	209
Lane miles	252	252	252	252	252
Culture/Recreation					
Library					
Books	139,830	143,888	151,081	141,832	138,473
Leisure Services					
Ballfields - lighted	6	6	6	6	6
Basketball courts	14	14	14	14	14
Shuffleboard courts	16	16	16	16	16
Racketball courts	8	8	8	8	8
Tennis courts	31	31	31	31	29
Parks	29	29	29	29	29
Activity Centers	8	8	8	8	8
Water/Sewer Utility					
Water mains (miles)	400	400	410	410	410
Sanitary sewers (miles)	325	325	325	325	325
Storm sewers (miles)	65	73	73	73	73
Fire hydrants	3,900	3,900	3,915	3,915	3,920
Lift Stations	160	162	162	162	162

Sources: City Departments
N/A - Information not available.



THE CITY OF BOYNTON BEACH

Fiscal Year				
2016	2017	2018	2019	2020
1	1	1	1	1
99	99	99	109	115
5	5	5	5	5
7	7	7	8	8
7	7	7	7	10
23	23	22	23	28
7	7	9	10	10
209	209	209	209	209
252	252	252	252	252
141,214	135,552	128,977	128,584	107,446
6	6	6	6	8
14	14	14	15	15
16	16	16	16	0
8	8	8	8	8
29	29	29	29	29
29	29	29	31	32
8	8	6	6	7
410	410	449	459	463
325	325	346	346	369
73	73	73	86	86
3,920	3,920	4,045	4,224	4,250
162	162	162	165	187





COMPLIANCE SECTION





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

To the Honorable Mayor and
City Commission
City of Boynton Beach, Florida

We have audited, in accordance with U.S. generally accepted auditing standards 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 Boynton Beach, Florida, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Boynton Beach, Florida, and have issued our report thereon dated March 12, 2021. Our report includes a reference to other auditors who audited the financial statements of the Boynton Beach Community Redevelopment Agency, a major governmental fund of the City, and the City of Boynton Beach General Employees' Pension Fund, the City of Boynton Beach Police Officers' Pension Fund, and the City of Boynton Beach Firefighters' Pension Fund, fiduciary funds of the City, as described in our report on the financial statements of the City of Boynton Beach, Florida. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the City of Boynton Beach Police Officers' Pension Fund and the City of Boynton Beach Firefighters' Pension Fund were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) of the City of Boynton Beach, Florida, as a basis for designing 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 internal control of the City of Boynton Beach, Florida. Accordingly, we do not express an opinion on the effectiveness of the internal control of the City of Boynton Beach, Florida.

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



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

Compliance and Other Matters

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

Purpose of this Report

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

West Palm Beach, Florida
March 12, 2021

*Cale, Dauter, Levine,
Cohen, Porter & Veil, P.A.*



THE CITY OF BOYNTON BEACH

Schedule of Expenditures of Federal Awards For the Year Ended September 30, 2020

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Federal CFDA Number	Grant Number/ Pass-through Entity Identifying Number	Federal Expenditures	Transfers to Subrecipients
U.S. Department of Housing and Urban Development				
Direct Award				
Community Development Block Grants/Entitlement Grants	14.218	B-19-MC-12-0043	\$ 195,386	\$ 138,794
Total U.S. Department of Housing and Urban Development			195,386	138,794
U.S. Department of Justice				
Direct Awards				
Bulletproof Vest Partnership Program	16.607	18095819	8,259	-
Edward Byrne Memorial Justice Assistance Grant Program				
JAG Real Time Crime Center Project	16.738	2017-DJ-BX-0745	30,300	-
Technology Innovation for Public Safety (TIPS)	16.738	2018-DG-BX-K009	465,860	-
Equitable Sharing Program	16.922	N/A	2,000	-
Pass-through Award from State of Florida, Department of Legal Affairs, Office of the Attorney General				
Crime Victim Assistance	16.575	VOCA-2019-City of Boynton Beach-00329	56,153	-
Total U.S. Department of Justice			562,572	-
U.S. Department of Transportation				
Pass-through Award from State of Florida, Florida Department of Transportation				
Highway Safety Cluster				
State and Community Highway Safety Program	20.600	G1D48	49,835	-
National Priority Safety Programs (Impaired Driving)	20.616	G1E88	42,623	-
National Priority Safety Programs (Occupant Protection)	20.616	G1D91	9,470	-
Total Highway Safety Cluster			<u>101,928</u>	<u>-</u>
Total U.S. Department of Transportation			101,928	-
U.S. Department of Treasury				
Direct Award				
Equitable Sharing Program	21.016	N/A	22,164	-
Pass-through Award from State of Florida, Florida Housing Finance Corporation				
COVID-19 - Coronavirus Relief Fund	21.019	103-2020	13,773	-
Total U.S. Department of Treasury			35,937	-
U.S. Institute of Museum and Library Services				
Pass-through Award from State of Florida, Department of State, Division of Library and Information Services				
Grants to States - Library Services and Technology Act Grant	45.310	19-LSTA-B-01	83,991	-
Total U.S. Institute of Museum and Library Services			83,991	-
U.S. Department of Homeland Security				
Pass-through Award from Florida Division of Emergency Management				
Disaster Grants - Public Assistance (Presidentially Declared)				
Disasters - Hurricane Irma)	97.036	4337-121-R	1,090,457	-
Hazard Mitigation Grant	97.039	H0054	27,750	-
Total U.S. Department of Homeland Security			1,118,207	-
Total Federal Awards			<u>\$ 2,098,021</u>	<u>\$ 138,794</u>

See notes to schedule of expenditures of federal awards.



**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
September 30, 2020**

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the Federal grant activity of the City of Boynton Beach, Florida (the “City”), under programs of the Federal government for the year ended September 30, 2020. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position or changes in net position, or cash flows of the City. Expenditures of State financial assistance for the year ended September 30, 2020 did not exceed the \$750,000 threshold for a State Single Audit.

2. Summary of Significant Accounting Policies

- (a) Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Expenditure relating to U.S. Department of Homeland Security, Federal Emergency Management Agency (“FEMA”) CFDA 97.036 – Disaster Grants - Public Assistance (Presidentially Declared Disasters - Hurricane Irma), are reported when 1) FEMA has approved the project worksheet, and 2) eligible expenditures have been incurred in accordance with FEMA regulations (See Note 5).
- (b) The City made subrecipient payments totaling \$138,794 from Federal awards to various local non-profit organizations for the year ended September 30, 2020.
- (c) Pass-through entity identifying numbers were not available for pass-through awards listed in the Schedule for the year ended September 30, 2020.

3. Indirect Cost Rate

The City did not elect to charge the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

4. Contingency

Amounts received or receivable from grantor agencies are subject to audit and adjustment by those agencies. Any disallowed claims, including amounts already received, might constitute a liability of the City for the return of those funds. In the opinion of management, all grant expenditures were in compliance with the terms of the grant agreements and applicable Federal laws and regulations.

5. Expenditures Incurred in Prior Years

Amounts reported in the Schedule of Expenditures of Federal Awards for U.S. Department of Homeland Security, Disaster Grants - Public Assistance (Presidentially Declared Disasters - Hurricane Irma) include expenditures of \$1,090,457 that were incurred in a prior year.





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**Independent Auditor's Report on Compliance for Each Major Federal Program
and on Internal Control Over Compliance Required by the Uniform Guidance**

To the Honorable Mayor and
City Commission
City of Boynton Beach, Florida

Report on Compliance for Each Major Federal Program

We have audited the compliance of the City of Boynton Beach, Florida (the "City"), with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major Federal programs for the year ended September 30, 2020. The City's major Federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with Federal statutes, regulations, and the terms and conditions of its Federal awards applicable to its Federal programs.

Auditor's Responsibility

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

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



Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major Federal programs for the year ended September 30, 2020.

Report on Internal Control Over Compliance

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

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

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

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

*Caleb, Dauter, Levine,
Cohen, Porter & Veil, P.A.*

West Palm Beach, Florida
March 12, 2021



THE CITY OF BOYNTON BEACH

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - FEDERAL AWARD PROGRAMS For the Year Ended September 30, 2020

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	<i>Unmodified Opinion</i>
Internal control over financial reporting:	
Material weakness(es) identified?	_____ Yes <u> X </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes <u> X </u> None reported
Noncompliance material to financial statements noted?	_____ Yes <u> X </u> No

Federal Award Programs

Internal control over major Federal Award Programs:	
Material weakness(es) identified?	_____ Yes <u> X </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes <u> X </u> None reported

Type of auditor's report issued on compliance for major Federal Award Programs:	<i>Unmodified Opinion</i>
---	---------------------------

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	_____ Yes <u> X </u> No
--	---------------------------

Identification of Major Programs:

<u>Major Federal Award Program</u>	<u>CFDA No.</u>
U.S. Department of Homeland Security Federal Emergency Management Agency (FEMA) Pass-through Award from Florida Division of Emergency Management Disaster Grants - Public Assistance (Presidentially Declared Disasters - Hurricane Irma)	97.036
Dollar threshold used to distinguish between Type A and Type B Federal award programs:	<u> \$ 750,000 </u>
Auditee qualified as low-risk auditee?	_____ Yes <u> X </u> No

SECTION II - FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD PROGRAMS FINDINGS AND QUESTIONED COSTS

None



**SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL AWARD PROGRAMS (Continued)
For the Year Ended September 30, 2020**

SECTION IV – OTHER MATTERS

A Corrective Action Plan is not required because there were no audit findings reported.



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS –
FEDERAL AWARD PROGRAMS
For the Year Ended September 30, 2020**

A. FINANCIAL STATEMENT FINDINGS – NONE

B. FINDINGS – FEDERAL AWARD PROGRAMS

<u>Finding Number</u>	<u>Finding</u>
2019-001	<p>Assistance to Firefighters Grant CFDA 97.044 (Reporting) Grant No. EMW-2017-FO-00229</p> <p><i>Condition:</i> The City did not timely file the Semi-Annual Federal Financial Report (SF-425) for the period ended December 31, 2018 within thirty days after the end of the fiscal period or by January 31, 2019.</p> <p><i>Recommendation:</i> We recommend that staff file required reports as required by the grant agreement.</p> <p><i>Current Status:</i> This finding was resolved and requires no further action by management.</p>
2019-002	<p>Community Development Block Grant (CDBG) CFDA 14.218 (Reporting) Grant No. B-18-MC-12-0043</p> <p><i>Condition:</i> The City did not file two quarterly Federal Financial Reports (SF-425) within thirty days after the City’s quarterly reporting periods ended December 31, 2018 and March 31, 2019. The December 31, 2018 report was due on January 31, 2019 and the March 31, 2019 report was due on April 30, 2019. Both reports were filed on September 10, 2019.</p> <p><i>Recommendation:</i> We recommend that staff file the Financial Reports by the required due dates.</p> <p><i>Current Status:</i> This finding was resolved and requires no further action by management.</p>



**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FEDERAL AWARDS PROGRAMS (Continued)
For the Year Ended September 30, 2020**

B. FINDINGS AND QUESTIONED COSTS – FEDERAL AWARD PROGRAMS (Continued)

Finding Number	Finding
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2019-003	Community Development Block Grant (CDBG) CFDA 14.218 (Activities Allowed or Unallowed & Allowable Costs) Grant No. B-18-MC-12-0043
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Condition: For salaries and wages charged to this program, the employee timesheet we reviewed did not indicate what grant or program the employee worked on nor was there any certification documentation indicating that 100% of the employee’s time was spent on this grant.

Recommendation: We recommend that salaries and wages for employees working on multiple grant activities be supported by personal activity reports (time reports) or equivalent documentation as required by Section 200.430.

Action Taken: This finding was resolved and requires no further action by management.





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Management Letter

To the Honorable Mayor and
City Commission
City of Boynton Beach, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Boynton Beach, Florida, as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated March 12, 2021. Our report was modified to include references to other auditors who audited the financial statements of the Boynton Beach Community Redevelopment Agency (“CRA”), a major governmental fund of the City, and the City of Boynton Beach General Employees’ Pension Fund, the City of Boynton Beach Police Officers’ Pension Fund, and the City of Boynton Beach Firefighters’ Pension Fund, which are fiduciary funds of the City. This management letter does not include any matters reported on separately by those other auditors in their management letter, if any.

Auditor’s Responsibility

We conducted our audit in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General. This management letter does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Police Officers’ Pension Fund and Firefighters’ Pension Fund, audited by other auditors, were not audited in accordance with *Government Auditing Standards*.

Other Reporting Requirements

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; and Independent Accountant’s Report on Investment Compliance on our examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 12, 2021, should be considered in conjunction with this management letter.



Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Our prior audit findings 2019-001, 2019-002 and 2019-003 were resolved by the City and require no further action.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 to the financial statements. Also, as discussed in Note 1, the City included the Boynton Beach Community Redevelopment Agency as a blended component unit of the City.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes, as of and for the year ended September 30, 2020.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures to the City as of September 30, 2020. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. The results of our procedures disclosed no matters that are required to be reported.

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

Special District Component Units

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

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal



THE CITY OF BOYNTON BEACH

and other granting agencies, and the City Commission and management of the City of Boynton Beach, Florida, and is not intended to be and should not be used by anyone other than these specified parties.

*Cale, Dauter, Levine,
Cohen, Porter & Veil, P.A.*

West Palm Beach, Florida
March 12, 2021







CALER, DONTEN, LEVINE,
COHEN, PORTER & VEIL, P.A.

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Independent Accountant's Report on Investment Compliance

To the Honorable Mayor and
City Commission
City of Boynton Beach, Florida

We have examined the City of Boynton Beach's compliance with Section 218.415, Florida Statutes for the year ended September 30, 2020. Management of the City of Boynton Beach, Florida (the "City"), is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

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

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

In our opinion, the City of Boynton Beach, Florida, complied, in all material respects, with Section 218.415, Florida Statutes, as of and for the year ended September 30, 2020.

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

*Caler, Donten, Levine,
Cohen, Porter & Veil, P.A.*

West Palm Beach, Florida
March 12, 2021







CITY OF BOYNTON BEACH

Boynton Beach, FL 33435

Boynton-beach-website