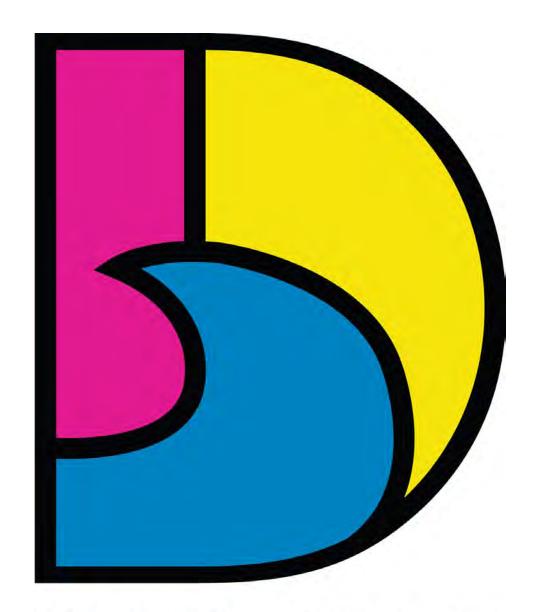


The City of Dania Beach, Florida

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended September 30, 2020





DANIA BEACH SEA IT. LOVE IT.

City of Dania Beach, Florida Comprehensive Annual Financial Report Fiscal Year Ended September 30, 20&\$ Prepared by the Finance Department

CITY OF DANIA BEACH, FLORIDA COMPREHENSIVE ANNUAL FINANCIAL REPORT YEAR ENDED SEPTEMBER 30, 2020

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March 30, 2021

Mayor and Commission City of Dania Beach Dania Beach, FL 33004

Honorable Mayor and City Commissioners:

The Comprehensive Annual Financial Report of the City of Dania Beach ("City") for the year ending September 30, 2020, is hereby submitted in compliance with the City Charter and Florida Statutes. The City is required to provide annually a report on its financial position and activities that is audited by an independent firm of certified public accountants. All disclosures necessary to enable the reader to gain an understanding of the City of Dania Beach's activities have been included.

This report consists of management's representations concerning the finances of the City of Dania Beach. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, City management has established a comprehensive internal control framework designed to protect government assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of financial statements in conformity with Generally Accepted Accounting Principles in the United States of America (US GAAP). Because the cost of internal controls should not outweigh their benefits, the City of Dania Beach's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the City of Dania Beach.

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

The City's independent auditors, HCT Certified Public Accountants & Consultants, LLC, a firm of licensed certified public accountants, has audited the City's financial statements and has issued an unmodified opinion on the financial statements as presented herein. The independent auditor's report is presented as the first component of the financial section of this report.

PROFILE OF THE GOVERNMENT

The City of Dania Beach was incorporated in 1904 as Broward County's first city. The City is located immediately south of the Fort Lauderdale-Hollywood International Airport, Port Everglades, and the Broward County Convention Center. Dania Beach operates under a Commission-City Manager form of government and provides services to an estimated 33,000 residents. Five Commission Members are elected at large on a non-partisan basis for four-year terms. The candidate with the highest number of votes will serve as the Mayor. The Commission appoints the City Manager, who is the Chief Administrative Officer of the City and is responsible for

implementing policies adopted by the City Commission. The City Commission determines policy, adopts legislation, approves the City's budget, levies taxes, and sets fees.

The City of Dania Beach is a significant force in South Florida's academic, maritime, and tourism industries. The American Maritime Officer's (AMO) Training and the Simulation Training Assessment & Research Center for maritime ship licensing is located within the City's boundary, with state-of-the-art bridge and engine room simulators offering advanced merchant marine training. The City is also home to several boating and luxury yacht service such as Seahaven Superyacht Marina, Derecktor Shipyards, and the Dania Beach Mega Yacht Marina. Bass Pro Shops and Divers Direct remain major attractions in the City for people interested in outdoor sports, boating, diving, and fishing. The Casino at Dania Beach is a major revitalized attraction offering various entertainment options, including a casino, jai alai, dining, music, and a comedy club.

The City's location and proximity to the beach, seaport, airport, railway, and major highway systems in South Florida has made Dania Beach a prime location for redevelopment. Major projects are currently underway such as Dania Pointe, a mixed-use commercial and residential development. Properties along the US 1 corridor have provided redevelopment opportunities for tourist-related business, due to the City's proximity to a major airport and seaport.

The City provides the full range of municipal services. The public safety program includes fire and rescue services and police services contracted through the Broward County Sheriff's Office. The City's expansive recreation program includes a beach and fishing pier, pools, tennis courts, neighborhood parks, community centers, and a wide variety of programs for youth, adults and senior citizens. The Public Services Department provides essential street maintenance, roadway beautification, and general service operations, and oversees Community Development Block Grant (CDBG) improvement projects. Public Services also oversees operation of the City's water, sewer, and stormwater services and provides internal support for grounds maintenance, fleet management and City facility maintenance. The Community Development Department provides planning, zoning, building inspection, and code compliance services.

Internal support services include the Department of Human Resources, responsible for recruitment, compensation and benefits, employee relations, workers' compensation, property, casualty and liability insurance. The Finance Department handles the City's debt, revenue collections, annual budget planning and preparation, financial reporting, the annual financial audit, cash and investment management, capital assets accounting, payroll and other disbursements, water and sewer utility meter reading, billing, and collection, property lien research, and business tax receipts.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is best understood when considered from a broad perspective, similar to that environment in which the City of Dania Beach operates. The City of Dania Beach is located in Southeastern Broward County on the Atlantic Ocean, with the City of Hollywood to the South, and the City of Fort Lauderdale to the North. Major economic influences in this area are predominantly the housing market (including home values, insurance, property taxes, and mortgage interest rates), travel and tourism (airport, seaport/cruising, Interstate and Turnpike access), the regional job market, new construction, weather events, and uncertainty about revenue diversification and tax reform. Consideration of these economic indicators play an important role in directing and prioritizing the use of City resources now and in the future.

The Florida Legislature placed limits on the property tax levies of local governments in the State of Florida. Increases to the property tax rate is limited to the annual growth rate of per capita personal income plus the value of new construction. Therefore, to ensure property tax revenues are more resistant to declines in property values, the City has been seeking redevelopment opportunities within its boundary. Increased development has increased values over the past several years, and moderate growth is expected to continue in the coming years, as the economy has fully recovered from the last recession, and the City has been attractive to developers seeking opportunities. The City has seen a surge of development over the past few years, with the redevelopment of various commercial and mixed-use industries, including Dania Pointe, a 102-acre premier mixed-use development located on the I-95 corridor, which has completed its first phase. The City has also seen

significant development in hotel construction due to the immediate proximity to the Fort Lauderdale-Hollywood International Airport and the Port Everglades Cruise Port.

According to the Broward County Property Appraiser's Office, the taxable value of the City for the year ended September 30, 2020 reflected an increase of 4.54% over the prior year. The City continues to see increases in property values as well as sustained success in its redevelopment efforts, indicating a full recovery from the previous economic downturn. Current economic forecasts indicate property values are expected to increase moderately over the next few years, although that may be impacted by the ongoing Covid-19 pandemic, discussed later.

In 2004, the State of Florida and Broward County passed a referendum for the operation of slot machines in four pari-mutuel sites, which includes the Casino at Dania Beach. A major reconstruction of the casino was completed in 2016 complete with full entertainment options, including a casino, jai alai, dining, music, and comedy club. This has generated new revenues to the City from the slot machine gaming area.

In 2010, the Florida Legislature approved a compact with the Seminole Tribe of Florida, Inc. authorizing blackjack and other card games at five Seminole casinos, including the Seminole Hard Rock Hollywood Casino, adjacent to the City border. Annually, the City receives a small portion of the net earnings attributed to the Hard Rock Casino, distributed in March/April, based on the previous year's annual earnings through September 30th.

The City's Community Redevelopment Agency (CRA) was enacted in the early 2000's. Its goal is to revitalize areas running parallel to US1 and its adjacent neighborhoods. In 2010, the City Commission and the CRA successfully expanded the CRA boundaries with approval of the Broward County Commission. The City and CRA are continuing their efforts to attract new businesses, new developments, and increased property values, while respecting and preserving the City's historic character.

In December 2019, a novel strain of coronavirus surfaced in Wuhan, China, and has spread around the world, with resulting business and social disruption. The Covid-19 pandemic was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of the City have been affected by the pandemic. The City closed all of its facilities in March 2020 and shifted all administrative employees to telework. Field operations were adjusted as well, alternating staff on weekly rotations and accommodating for proper physical distancing, in accordance with CDC guidelines. In addition, staff required to report in the field were compensated with 10% premium pay for every hour worked due to the potential of risk of exposure while in the public. All public meetings were, and many are still being conducted virtually, as the safety of the City staff and the public are of the utmost importance.

The Federal Government passed the Cares Act, and one of its provisions provided financial assistance to local governments in their efforts to mitigate the spread of Covid-19 and ensure public safety. The City received an allocation of funding through Broward County and was reimbursed approximately \$449,000 through December 2020 for disinfectant and cleaning supplies, personal protective equipment, employee premium pay, facility sanitization, public information campaigns, telework and other technology accommodations, and more. The City still has ongoing expenditures which may be reimbursed through other available sources, including FEMA, Department of Justice, and the recently passed American Rescue Plan (ARP).

The City has suffered impacts to a limited number of its revenues due primarily to statewide quarantine and lockdown measures taken in response to the pandemic. Initial estimates were dire, but ultimately the impact was not significant enough to warrant a fiscal crisis that would necessitate emergency measures.

The extent to which the coronavirus may impact future governmental activity, business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which, may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus or treat its impact, among others.

LONG-TERM FINANCIAL PLANNING

The City has been working diligently on an array of capital projects that encompass 1) economic development, 2) infrastructure improvement/replacement and 3) expansion of existing facilities. The number and magnitude of City capital projects will continue in the upcoming years. Most City capital projects are financed using accumulated fund balance cash; however, the City's large utility infrastructure improvements have primarily used loans from the State Department of Environmental Protection – State Revolving Fund (SRF loans). The Commission has adopted a debt policy to help provide guidance regarding the prudent use of debt and the reasonable total amount of debt to help ensure the City's continued financial stability in future years. During the past year, the City has undertaken several projects and initiatives, including the following:

- Enhanced solar lighting using General Fund balances and Community Development Block Grant funds; the City has developed a Citywide lighting master plan, as part of its ongoing initiative to enhance citywide street lighting that is being implemented during FY2021.
- Stormwater drainage improvements using a combination of accumulated fund balance and SRF loan
 financing, the City will be commissioning a stormwater masterplan through a state grant that will
 provide a comprehensive assessment of stormwater needs, now and in the future. There are currently
 several projects, including the Southeast drainage project, Ocean Park drainage, and other projects in
 the Southwest area of the City.
- Various neighborhood OASIS beautification projects continue funded by General Fund revenues and Community Development Block Grants (CDBG). The City is working toward an annual initiative to select beautification project throughout the City to enhance and rehabilitate neighborhoods within the qualifying areas.
- Redevelopment of the City's beach area is ongoing. Plans for continued improvement include implementation of the Ocean Park Master Plan that will entail restructuring and augmentation of existing parking to create a larger beach area, as well as partnership with a developer for restaurant and commercial sites at the Beach.
- City-wide water and sewer distribution improvements continue to ensure the City's infrastructure will be able to meet the demands of development.
- The City has adopted a Parks Masterplan not only to include the beach, but a complete overhaul of the City's parks elevating them to world class standards, improving the quality of life for the City's residents, funded through a general obligation (GO) bond issue in the coming years
- The City is in the development stage of a City-wide broadband network that will provide wi-fi to both businesses and residents throughout the City.
- The City is continually investing in its staff, its most critical resource. During 2020 the City hired a Procurement Administrator for the first time to enhance and centralize the purchasing function throughout the City, along with an Assistant Parks and Recreation Director to assist in the implementation of new programs as well as the Parks Masterplan.
- The City has been awarded a hazardous mitigation grant by FEMA for nearly \$2.75m to provide backup generators and pump upgrades to nine lift stations. By hardening key infrastructure, it is intended to prevent catastrophic failure during hurricanes and other natural disasters.

RELEVANT FINANCIAL POLICIES

The City of Dania Beach has budgetary and financial policies that provide the basic framework for the overall fiscal management of the City. These policies are used in the development of current activities and planning for future programs, and are as follows:

Revenue Policy

The City will attempt to maintain a diversified and stable array of revenues to avoid reliance on any one revenue source and will attempt to minimize the dependence on property taxes. Charges for services recover the partial or full cost of providing services that benefit specific users. Additionally, it is the City's intent that new cyclical operating costs are funded with permanent revenues, although certain infrastructure and neighborhood improvements may cause future maintenance costs to increase. One-time operating costs should be tied to one-time revenue sources whenever practical, to ensure fund balance integrity.

Cash Management and Investment Policy

The City follows its adopted investment policy in its management of public funds. The intent of this policy is to 1) ensure the preservation of principal, 2) maintain sufficient cash flow to enable the City to meet its obligations, and 3) maximize the return on assets with an acceptably low exposure to risk. The investment policy meets the requirements of Florida Statutes, Section 218.415.

For fiscal year 2020, idle cash was invested in banks and local government investment pools, including the Florida Prime Local Government Surplus Trust Fund and FLCLASS.

Debt Policy

The City seeks to maintain the highest potential bond rating to minimize borrowing costs. Debt is issued when necessary to finance capital projects but is never used for current operations. The City reviews and evaluates its existing obligations and future borrowing needs regularly. The City continues to evaluate the market for bond refinancing opportunities that could potentially provide an economic gain to the City. During fiscal year 2020, the City's Business-Type Funds have added no material debt, but it should be noted the City has been approved for an approximately \$6.0-million-dollar loan under the State Revolving Fund (SRF) with proceeds primarily used for improvements to the City's stormwater system. The City has not drawn on this loan to date and, therefore, repayment has not begun.

Fund Balance Policy

The City adopted a target fund balance policy for the City's General Fund, establishing 25% of annual budgeted expenditures as a minimum unassigned fund balance to maintain. The City established this policy to ensure adequate cash flow is available for general cash flow needs, competitive borrowing rates, significant or unknown economic uncertainties or revenue shortfalls, and for unforeseen emergency expenditures. The City Commission has placed several commitments and assignments using the General Fund to provide resources for an array of items including 1) capital projects, 2) emergency disaster recovery, and 3) increased annual pension funding.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dania Beach for its Annual Financial Report for the year ended September 30, 2019. This was the thirtieth (30th) consecutive year that the City has received this prestigious award. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfied both US GAAP and applicable legal requirements.

A Certificate of Achievement is valid for one year only. The Finance Department believes that the September 30, 2020 Annual Financial Report continues to meet the Certificate of Achievement Program's requirements, and will be submitted to the GFOA to determine its eligibility for another certificate.

A report of this nature could not be prepared without the dedicated efforts of the entire staff of the Finance Department. Special thanks must be given to Adam Segal, Deputy Director of Finance, and Yeimy Guzman, City Controller, for their hard work dedication in the creation of this comprehensive report. Credit and thanks are also given to the City Manager, Mayor and City Commission for their support and commitment to sound management practices, which provide the framework for long-term fiscal stability for the City of Dania Beach.

Respectfully submitted,

2001

Frank L. DiPaolo CPA, CGMA, SHRM-CP

Director of Finance



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Dania Beach Florida

For its Comprehensive Annual Financial Report For the Fiscal Year Ended

September 30, 2019

Christopher P. Morrill

Executive Director/CEO



CITY OFFICIALS

CITY COMMISSION

Mayor: Lori Lewellen

Vice Mayor: Lauren Odman

Commissioner: Tamara James

Commissioner: Chickie Brandimarte

Commissioner: Bill Harris

CITY MANAGER

Ana M. Garcia, City Manager, ICMA-CM

CITY ATTORNEY

Thomas Ansbro

FINANCE DIRECTOR

Frank DiPaolo CPA, CGMA, SHRM-CP

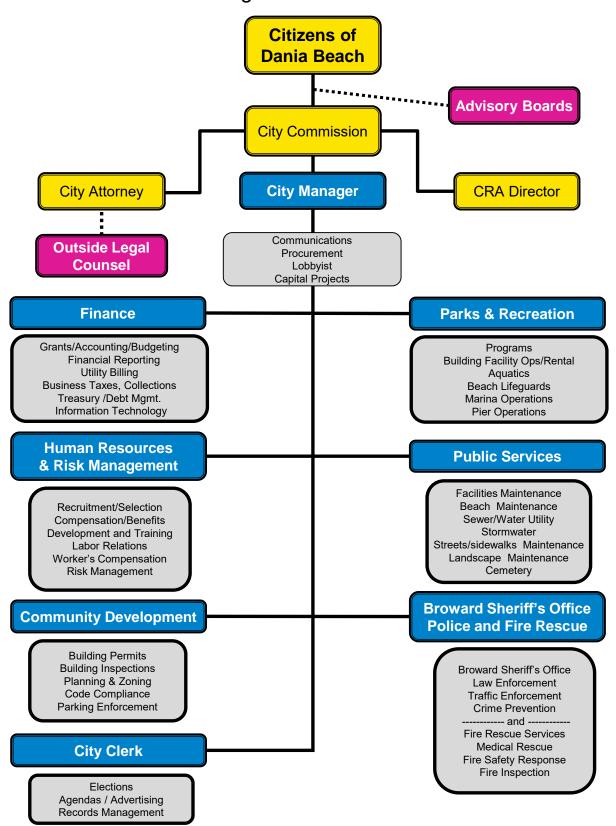
DEPUTY FINANCE DIRECTOR

Adam Segal CPA, FCCA, CFE

CONTROLLER

Yeimy Guzman CPA

City of Dania Beach Organizational Chart





HCT Certified Public Accountants & Consultants, LLC

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Commission City of Dania Beach, Florida

Report on 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 Dania Beach, Florida (the 'City') 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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Dania Beach Police and Firefighters Pension Plan, which represents, 66%, 66%, and 78%, respectively of the assets, net position and revenues of the Fiduciary Funds. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for City of Dania Beach, Florida is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dania 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 accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, Schedules relating to Pensions and other post-employment benefits on pages 4-18 and 79-100 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Dania Beach's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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 nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor 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 and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 30, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering City's internal control over financial reporting and compliance.

Emphasis of Matter

The financial statements of the City as of September 30, 2020 was originally issued on March 30, 2021. Certain reclassifications to the fund balances (page 21) were made subsequent to the original issuance of the financial statements to cause the financial statements to be reissued with new totals.

HCT Certified Public Accountants & Consultants, LLC

Hollywood, Florida

March 30, 2021, except as to the emphasis of matter paragraph, which is as of April 23, 2021



As management of the City of Dania Beach, we offer readers this overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2020. The City's financial statements are designed to provide readers with easy to understand information and analysis of the City's financial activities based on currently known facts, decisions and conditions. This section is specifically designed to assist the reader in focusing on significant financial issues, changes in the City's financial position, and material deviations from the approved budget, and also to identify each individual funds issues and concerns. We encourage the reader to consider the information presented here in conjunction with the information provided in the letter of transmittal which can be found at the beginning this report.

Financial Highlights

The following are highlights of financial activity for the fiscal year ended September 30, 2020:

The City's total assets plus deferred outflows of resources exceeded liabilities and deferred inflows of resources at the close of fiscal year 2020 by approximately \$104.1m (net position), reflecting an increase of \$8.0m over the prior year. This is primarily due to a \$7.0m combined decrease in the net pension liability and net other post-employment benefits (OPEB) liability. Total unrestricted net position increased to \$36.5m, and governmental activities saw the unrestricted net position increase from \$0.2 million to \$8.3m.

Although the City's total net position increased, general revenues decreased by \$1.6m due to a reduction in investment earnings and miscellaneous revenues.

The City's business type activities reported total net position of \$53.4m, which is an increase of \$2.2m, or 4.3%, in comparison to the prior year. This was due to a combined \$0.8m decrease in the net pension liability and net other post-employment benefits (OPEB) liability and a continued positive change in net position of the utility funds. Approximately 49.4% of the total or \$26.3m is unrestricted and is available for spending at the City's discretion.

At the close of fiscal year 2020, the City's governmental funds reported a combined ending fund balance of \$43.8m which includes the General Fund, Grants Fund, Community Redevelopment Agency (CRA) Fund, Building Fund, Debt Service Fund, Capital Projects Fund, and other non-major governmental funds. This balance represents a slight decrease of \$20.8k from the prior year due in large part to a decrease in licenses and building permit activity. The General Fund has an unassigned fund balance of \$25.1m available for spending at the City's discretion or approximately 47% of the original annual General Fund budgeted appropriations and 45% of final General Fund budgeted appropriations. The Grants Fund has a negative unassigned fund balance of \$(68)k due to pending reimbursements that have not been received as of year-end. The \$1.8m fund balance in the Capital Projects Fund is planned to be used entirely for approved governmental capital improvements. Similarly, the \$0.8m fund balance of the CRA Fund is planned for future economic and business development uses.

The General Fund reported a positive operating balance for budgetary purposes of \$593k for fiscal year 2020, before transfers and other financing sources. General Fund revenue sources were \$55m reflecting a positive variance of \$2m from the budget plan. The City received approximately \$2m in FEMA disaster recovery funds (Intergovernmental) from Hurricane Irma in 2017. Most other revenue sources met or exceeded the budget. Property taxes were slightly under budget, due to the unpredictable nature of these revenues. Investment earnings were down over 50% due to the impact of Covid-19 on interest rates. Expenditures for the year were \$54.4m before transfers and other financing sources, finishing \$930k below the budget plan. All City departments were below the final budget, except for General Services, which exceeded the final budget by \$623k, and Code Compliance, which only exceeded the final budget by \$2,199.

General Fund transfers were used primarily for funding of capital projects, debt repayments, allocation of administration costs, and payment-in-lieu-of-tax supporting City operations. Overall, the General Fund completed the fiscal year with a net positive variance of \$2.2m compared with the budget plan.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's financial statement is comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. In addition to the basic financial statements, this report also contains other supplementary information that further explains and supports the information in the financial statements. The following table summarizes the major features of the City's financial statements:

	Government-wide Statements		Fund Statements	
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except fiduciary funds)	The activities of the City that are not proprietary or fiduciary such as police, fire, parks	Activities the City operates similar to private business such as water and sewer system	Instances in which the City is the trustee or agent for someone else's resources, such as retirement plans for employees
Required financial statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balance	Statement of Net Position Statement of Revenues, Expenses and Changes in Fund Net Position Statement of Cash Flows	Statement of Fiduciary Net Position Statement of Changes in Fiduciary Net Position
Accounting basis and measure-ment focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/ liability information	All assets and liabilities, both financial and capital, and short-term and long- term	Only assets expected to be used up and liabilities that come due during the year or soon after, no capital assets included	All assets and liabilities, both financial and capital and short-term and long-term	All assets and liabilities, both short-term and long- term
Type of inflow/ outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenses when goods/services have been received and payment is due, during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The focus of the government-wide financial statements is on the overall financial position and activities of the City of Dania Beach. Reporting is similar to that of a private-sector business. The City's government-wide financial statements include the statement of net position and statement of activities. As described below, these statements do not include the City's fiduciary funds as resources of these funds cannot be used to finance the City's operations. However, the financial statements of the fiduciary funds are included in the City's fund financial statements as the City is financially accountable for those resources.

The Statement of Net Position provides information on the assets and deferred outflows held and liabilities and deferred inflows owed by the City. Assets and deferred outflows and liabilities and deferred inflows are reported using the accrual basis of accounting, meaning assets are recorded when the City acquires ownership, and liabilities are reported when they are incurred, regardless of when cash is received or paid. The difference between the City's total assets and deferred outflows and total liabilities and deferred inflows is net position. This statement combines and consolidates the governmental entity's current financial resources (short-term spendable resources) with capital assets and long-term financial obligations.

The Statement of Activities focuses on both the gross and net cost of various activities. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and the

local taxing effort necessary to sustain each of those activities. The operations of City of Dania Beach are divided into two kinds of activities:

- Governmental activities Most of the City's basic services are reported here. It includes
 police, fire, public services, community development, parks and recreation, the Dania Beach
 Community Redevelopment Agency, and administrative departments. These services are
 principally supported by property taxes, franchise fees and utility taxes, license and permit
 fees, intergovernmental revenues, special assessments, and state, federal and local grant
 revenues.
- Business-type activities City's services for which fees and charges are implemented with the intention to cover all or significant portion of the related costs. These services include water, sewer, stormwater, beach/pier, marina, and parking systems.

These two statements report net position and the changes in that position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Many non-financial or external factors, such as the City's tax base are reflected in the quality of its housing and commercial properties, the condition of City buildings and roads, and the number and types of businesses in the City, which all contribute to the overall health of the City.

FUND FINANCIAL STATEMENTS

Traditional users of governmental financial statements will find the presentation of the fund financial statements more familiar. Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the City rather than the City as a whole. Except for the General Fund, separate funds are established to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements as required by state and federal laws, bond covenants and the governmental accounting standards. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds, and on the balance left at year-end that is available for future spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources available for allocation to future budgets and programs. The relationship (or differences) between governmental activities, as reported in the Statement of Net Position and the Statement of Activities, and governmental funds is reconciled on the page following the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances.

The City maintains twelve (12) individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet, Governmental Fund Statement of Revenues, Expenditures and Changes in Fund balances for the major funds: General Fund, Grants Fund, Community Redevelopment Agency Fund, Building Fund, Debt Service Fund, and the Capital Projects Fund. Information from the other (non-major) governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these other governmental funds is provided in the form of combining statements.

The City adopts annual appropriated budgets for its General Fund, Grants Fund, Community Redevelopment Agency Fund, Building Fund, Debt Service Fund, and Capital Projects Fund. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with annually adopted budgets.

Proprietary Funds – Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, stormwater, pier/beach, parking and marina operations. Proprietary funds provide the same type of information as the government-wide financial statements except in more detail. The financial statements provide separate information for the water, sewer, stormwater, beach/pier, marina, and parking systems.

Fiduciary Funds – The City reports pension trusts for its two closed defined benefit pension plans and for its other post-employment benefit (OPEB) plan in the fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not included in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements provide additional information that is essential for a full understanding of the government-wide and fund financial statements.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that includes budgetary comparison schedules, as well as the City's progress in funding its obligations to provide pension benefits to its employees.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following schedule is a summary of the fiscal year 2020 Statement of Net Position with comparative information for fiscal year 2019. The schedule presents net position, defined as the difference between the City's assets and deferred outflows and liabilities and deferred inflows, as a way to measure the City's financial health or position.

	Governmen	ital Activities	Business-ty	pe Activities	Total			
	2020	2019	2020	2019	2020	2019		
Current and other assets Capital assets Total assets	\$ 49,445,703 44,335,851 93,781,554	\$ 47,630,847 46,054,735 93,685,582	\$ 39,212,985 35,074,236 74,287,221	\$ 36,452,009 36,828,045 73,280,054	\$ 88,658,688 79,410,087 168,068,775	\$ 84,082,856 82,882,780 166,965,636		
Deferred outflows of resources	1,624,079	1,096,181			1,624,079	1,096,181		
Current liabilities Long term liabilities:	5,718,901	3,887,864	2,049,024	1,720,049	7,767,925	5,607,913		
Due in less than one year	1,028,624	1,092,950	1,193,542	1,148,999	2,222,166	2,241,949		
Due in more than one year	37,916,266	44,845,558	16,686,592	18,582,502	54,602,858	63,428,060		
Total liabilities	44,663,791	49,826,372	19,929,158	21,451,550	64,592,949	71,277,922		
Deferred inflows of resources			993,606	645,966	993,606	645,966		
Net position: Net investment in								
capital assets	36,843,197	37,625,589	23,899,561	24,396,503	60,742,758	62,022,092		
Restricted	5,621,643	7,109,191	3,119,693	3,061,428	8,741,336	10,170,619		
Unrestricted	8,277,002	220,611	26,345,203	23,724,607	34,622,205	23,945,218		
Total net position	\$ 50,741,842	\$ 44,955,391	\$ 53,364,457	\$ 51,182,538	\$ 104,106,299	\$ 96,137,929		

The overall financial position of the City increased by \$8.1m to \$104.1m during fiscal year 2020. Unrestricted net position increased by \$10.7m due to decreases in both the net pension liability and the net other post-employment benefits (OPEB) liability. The change in net position over time is a good and useful indicator of financial position. Key elements of the reconciliation of the statements are that the government-wide statement of activities reports the issuance of debt as a liability, the purchases of capital assets as assets, which are then charged to expense over their useful lives through annual depreciation charges and changes in long-term liabilities as adjustments of expenses. Conversely, the governmental fund statements report the issuance of debt as an other financing source of funds, the repayment of debt and the purchase of capital assets as expenditures, and changes in long-term liabilities are not reported in the fund financial statements.

The majority of the City's total net position (58%) is in capital assets, such as land, construction in progress, buildings and improvements, and infrastructure such as roads, parks and utility, furniture, fixtures and equipment, less any related debt outstanding that was used to acquire those assets. This capital investment decreased slightly in the current year, an indication that the City depreciated or retired more capital assets than it acquired. The City uses capital assets to provide basic services to residents and foster a vibrant business climate. Although City investments in 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 because it is unlikely that these capital assets would be sold or liquidated.

The City's combined total unrestricted net position may be used to meet the City's ongoing obligations to its citizens and creditors. The City is able to report positive balances in all three categories of net position, both for the government as a whole, and for its separate governmental and business-type activities.

CHANGES IN NET POSITION

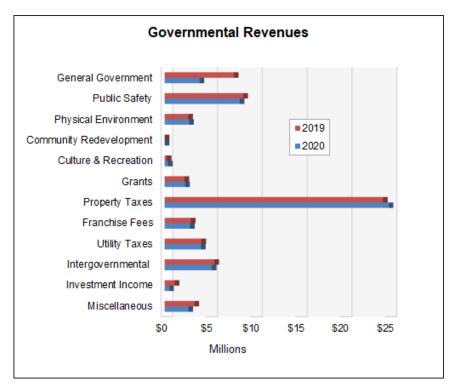
The following schedule is a summary of the fiscal year 2020 Statement of Activities compared to 2019.

	Governmental Activities		Business-ty	pe Activities	Total			
	2020	2019	2020	2019	2020	2019		
Revenues:								
Program revenues:								
Charges for services	\$ 15,415,665	\$ 19,429,178	\$ 16,761,918	\$ 17,710,249	\$ 32,177,583	\$ 37,139,427		
Operating grants	2,293,337	2,225,732	-	-	2,293,337	2,225,732		
Capital grants contributions	368,600	_	_	_	368,600	-		
General revenues:					·			
Property taxes	25,434,453	24,372,949	_	_	25,434,453	24,372,949		
Utility taxes	4,065,872	4,108,466	_	_	4,065,872	4,108,466		
Franchise fees	2,835,651	2,936,311	-	_	2,835,651	2,936,311		
Intergovernmental	5,268,361	5,555,190	-	_	5,268,361	5,555,190		
Miscellaneous	2,654,259	3,331,903	473,254	921,982	3,127,513	4,253,885		
Investment earnings	510,769	1,129,466	399,569	894,958	910,338	2,024,424		
Total revenues	58,846,967	63,089,195	17,634,741	19,527,189	76,481,708	82,616,384		
Total Tevendes	00,040,007	00,000,100	17,004,741	10,027,100	70,401,700	02,010,004		
Expenses:								
General government	8.202.258	7,267,443	_	_	8.202.258	7.267.443		
Public safety	29,250,346	27,349,962	_	_	29,250,346	27,349,962		
Highway and streets	3,139,639	3,835,758	_		3.139.639	3,835,758		
Physical environment	5,523,584	4,604,282	_		5,523,584	4,604,282		
Culture & recreation	4,861,312	4,320,723	_	_	4,861,312	4,320,723		
Community redevelopment	5,316,738	5,852,726	-	-	5,316,738	5,852,726		
Interest expense	200,174	213,827	-	-	200,174	213,827		
Water	200,174	213,021	4,235,036	3,909,321	4,235,036	3,909,321		
Sewer	-	-	, ,	, ,	, ,	, ,		
Stormwater	-	-	4,443,108	4,840,610	4,443,108	4,840,610		
	-	-	1,144,655	1,114,442	1,144,655	1,114,442		
Pier operations	-	-	458,501	466,893	458,501	466,893		
Parking	-	-	895,556	819,848	895,556	819,848		
Marina			842,432	802,576	842,432	802,576		
Total expenses	56,494,051	53,444,721	12,019,288	11,953,690	68,513,339	65,398,411		
Increase (decrease) in net								
position before transfers	2,352,916	9,644,474	5,615,453	7,573,499	7,968,369	17,217,973		
Transfers	3,433,535	3,754,484	(3,433,535)	(3,754,484)	-	-		
Increase (decrease) in net position	5,786,451	13,398,958	2,181,918	3,819,015	7,968,370	17,217,973		
` , , .								
Net position, beginning of year	44,955,391	31,556,433	51,182,538	47,363,523	96,137,929	78,919,956		
Net position, end of year	\$ 50,741,842	\$ 44,955,391	\$ 53,364,456	\$ 51,182,538	\$ 104,106,299	\$ 96,137,929		
Het position, end or year	Ψ 50,7 + 1,0 +2	Ψ 44,555,591	Ψ 00,004,400	Ψ 01,102,000	ψ 10 1 ,100,299	Ψ 30,101,323		

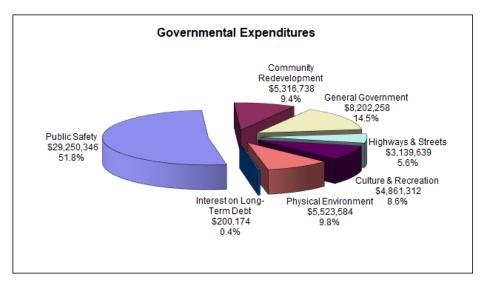
GOVERNMENTAL ACTIVITIES

Governmental activities increased the City's net position by a total of \$2.4m for the fiscal year on an operating basis, before transfers. Governmental revenues decreased by \$(4.2)m over the prior year, primarily due to a decrease in permitting activities and a reduction in interest earnings on City reserves due to lower interest rates. Expenses increased by a total of \$3.0m from the prior year as the net effect of fluctuations across all functions. This increase is also the result of a change in the accounting for City pension contributions, as well as increased public safety contractual services costs.

The chart below illustrates the distribution of program and general revenues for governmental activities for fiscal year 2020 and 2019:



The pie chart below illustrates the program expenses for governmental activities for the year ended September 30, 2020:



BUSINESS-TYPE ACTIVITIES

The City operates six business-type activity funds. The combined result of these funds shows positive operating income of approximately \$5.5m, which was a decrease of \$1.5m from the prior year, primarily due to the following reasons:

- Water Fund operations reflect an increase of approximately \$0.2m in net position. Operating income decreased slightly to \$1.6m. Unrestricted net position of the Water Fund shows a balance of approximately \$4.0m reflecting an increase of approximately \$0.2m from the prior year due to decreases long-term debt outstanding and the net OPEB liability. Investments in other capital infrastructure improvements, net of debt, decreased from the prior year slightly to a total \$9.1m as depreciation of existing assets exceeding the value of newly constructed or acquired assets.
- The Sewer Fund experienced an increase in net position of approximately \$1.7m due to reductions in the net pension and OPEB liabilities. Unrestricted net position of the Sewer Fund totaled approximately \$13.6m reflecting an increase of approximately \$1.8m from the prior year due to positive operating results.
- The Stormwater Fund experienced an increase in net position of approximately \$0.5m, although the assessment rate did not change. The increase was due to savings on personal services and other operating costs. Unrestricted net position of the Stormwater Fund increased by approximately \$0.8m due to a reduction in the net OPEB liability.
- The Marina Fund improved under the continued management of Westrec Marinas and income before transfers decreased slightly from \$268k to \$257k.
- The Parking Fund, one of the City's two non-major business-type funds, continues to experience strong collections with operating revenues totaling nearly \$1.3m. Revenues are derived almost entirely from beach parking fees and fines from enforcement, and both were slightly lower than the prior year. The City's Beach was closed for several months during FY2020 due to Covid-19, which negatively impacted revenues. Downtown development initiatives by the CRA continue to work toward developing demand and use of the downtown parking garage. Operating costs for both the beach and downtown garage areas are reflected in this fund.
- The Pier Operations Fund, the other non-major business-type fund, had operating revenues of approximately \$497k, a decrease of \$422k from the prior year, attributable to the impacts of Covid-19 and closure of the Pier. The Pier Fund also accounts for rental income from the pier restaurant, which is lower than the prior year due to mandated closure in response to the pandemic. Following the three-month closure, business has been strong in the months since and are reflective of near-normal operations.

FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

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

Governmental Funds

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

As of September 30, 2020, the City's governmental funds reported combined ending fund balances of \$43.8m, virtually unchanged from the prior year. Approximately 57% or \$25.0m of the ending balance is unassigned, and available for spending at the City's discretion, with \$8.4m assigned by City management for disaster recovery uses. A portion of this balance was appropriated for Covid-19 relief measures and these funds have subsequently been reimbursed by Broward County through the Cares Act. A balance of \$1.83m is committed for capital projects, \$0.8m for community redevelopment, and \$1.79m for City cemetery and tree preservation use. The remaining restrictions are restricted for specific use by laws, debt covenants, and grant agreements.

Below is the analysis of the fund balance for fiscal year 2020:

	General Fund	Capital Projects Fund	Other Funds	Total
Fund balances, September 30, 2019	\$ 34,248,304	\$ 1,976,839	\$ 7,624,846	\$ 43,849,989
Revenues	54,993,137	1,069	3,858,464	58,852,670
Expenditures	(54,400,022)	(478,225)	(7,456,586)	(62,334,833)
Other financing sources (uses)	1,608,553	330,264	1,522,572	3,461,389
Total Fund balances, September 30, 2020	36,449,972	1,829,947	5,549,296	43,829,215
Nonspendable	(70,856)	-	-	(70,856)
Restricted	(2,848,606)	-	(2,937,592)	(5,786,198)
Committed	-	(1,829,947)	(2,679,752)	(4,509,699)
Assigned fund balance	(8,439,874)	-	-	(8,439,874)
Unassigned fund balance	\$ 25,090,636	\$ -	\$ (68,048)	\$ 25,022,588

General Fund

The General Fund is the chief operating fund of the City. As of September 30, 2020, the fund balance of the General Fund increased by \$2.2m to a total of \$36.4m. Total General Fund revenues increased by approximately \$1.3m to a total of \$55.0m, primarily due to increases in property taxes and the receipt of hurricane recovery grant funds due from FEMA, and offset by smaller decreases in investment earnings and miscellaneous (rental) income. Expenditures increased by \$1.8m over fiscal year 2019 to a total of \$54.4m in 2020, reflecting significant increases in general government (pension costs) and public safety expenditures.

Revenues

The amount of General Fund revenue by type, their percent of the total and the amount of change compared to the last three fiscal years are shown in the following schedule:

	Current Year 9/30/2020	1 year ago 9/30/2019	2 years ago 9/30/2018	3 years ago 9/30/2017	Change Over Past 3 Years	Change Percent
General Fund Revenues:						
Ad valorem taxes	\$ 25,434,453	\$ 24,372,949	\$ 23,028,779	\$ 19,429,124	\$ 6,005,329	30.91%
Special assessments	6,333,454	6,316,109	6,249,500	6,356,104	(22,650)	(0.36)%
Franchise fees	2,841,162	2,936,311	2,755,614	2,673,255	167,907	`6.28%
Utility taxes	4,065,872	4,108,466	3,909,123	3,834,189	231,683	6.04%
Licenses and permits	1,573,630	1,982,035	1,618,889	1,451,405	122,225	8.42%
Intergovernmental	5,268,361	5,748,048	5,537,821	5,567,441	(299,080)	(5.37)%
Charges for services	4,648,344	4,649,862	4,393,137	4,123,317	525,027	12.73%
Fines and forfeitures	453,882	496,691	382,418	510,095	(56,213)	(11.02)%
Interest	456,670	1,025,022	659,470	485,250	(28,580)	(5.89)%
Grants	2,090,112	_	-	-	2,090,112	100.0%
Miscellaneous	1,827,197	2,024,377	2,137,962	2,767,599	(940,402)	(33.98)%
Total revenues	\$ 54,993,137	\$ 53,659,870	\$ 50,672,713	\$ 47,197,779	\$ 7,795,358	16.52%

The increase in ad valorem taxes has been steady due to sustained increases in property values and new development coming on to the tax roll. For the current and last three fiscal years the City adopted a millage rate of 5.9998 mils. For fiscal year 2020, this represents a 1.17% increase from the rolled-back rate, which is the equivalent tax rate that would generate the same dollar amount of ad valorem tax revenue. Property values are the highest ever seen in the City's history, and construction and development activity continues. Following the onset of the Covid-19 pandemic, licenses and permits declined as projects were delayed due to economic uncertainty. However, these projects are now moving forward and the City anticipates continued growth, more in-line with that seen in prior years. Non-ad valorem assessment rates for fire rescue services were unchanged for fiscal year 2020, although fire rescue contract and pension costs continue to increase. Grant revenues increased due to the receipt of \$2.09m in Federal and State grant funding as reimbursement of expenditures related to the recovery from Hurricane Irma in 2017. Intergovernmental revenues declined as Covid-19 travel restrictions impacted State Shared Revenues and Half Cent Sales Tax. Interest revenues decreased sharply as the Federal Reserve cut its target for the Federal Funds Rate to 0%-0.25% in response to the Covid-19 pandemic, seeking to increase liquidity in the lending markets.

Expenditures

The amount of General Fund expenditures by type, their percent of the total and the amount of change compared to the last three fiscal years are shown in the following schedule:

	_	urrent Year 9/30/2020	1 year ago 9/30/2019	2	2 years ago 9/30/2018	3 years ago 9/30/2017	nange Over ast 3 Years	Change Percent
General Fund					_			
Expenditures:								
General government	\$	8,349,044	\$ 7,321,171	\$	8,116,504	\$ 7,257,708	\$ 1,091,336	15.04%
Public safety		34,883,422	33,616,978		31,676,478	30,474,767	4,408,655	14.47%
Highways and streets		2,041,909	2,361,886		2,052,860	1,562,150	479,759	30.71%
Physical environment		5,282,627	5,127,398		4,931,826	4,754,850	527,777	11.10%
Community development		629,069	733,420		628,849	622,220	6,849	1.10%
Culture and recreation		3,213,951	3,448,266		2,993,706	2,585,809	628,142	24.29%
Total expenditures	\$	54,400,022	\$ 52,609,119	\$	50,400,223	\$ 47,257,504	\$ 7,142,518	15.11%

- General Government increased as the General Employees Pension Plan annual contribution transitioned from a percentage of payroll to a flat dollar amount, and the expenditure is no longer allocated among the various operating departments.
- Public safety costs were higher than the prior year due to increases in the cost of police and fire services provided by Broward Sheriff's Office (BSO) under the operating contract.
- Highways and streets decreased as the prior year saw increased capital expenditures for the purchase of several fleet replacement vehicles.
- Community development decreased from the prior year due to a reduction in personal services costs resulting from position vacancies.
- Culture and recreation costs decreased from the prior year as the City closed facilities and canceled programs in response to the Covid-19 pandemic, resulting in lower personal services costs.

Other Major Governmental Funds

The Capital Projects Fund received inter-fund net transfers of \$330k during fiscal year 2020 for use on various governmental infrastructure projects approved by the City Commission. Capital project expenditures totaled approximately \$478k, which included funding from projects approved in the prior year. Expenditures were made for an array of approved projects such as "Oasis" neighborhood improvements, phase II of the beach revitalization plan, and other small projects.

The CRA Fund received net transfers of nearly \$1.2m from the General Fund. Typically, Community Redevelopment Agencies receive tax increment financing from both the County and City. However, upon its inception, the City's CRA was not approved by the County to receive any tax increment financing and therefore, receives nearly all of its operational funding from City General Fund transfers. Expenditures of the CRA totaled \$1.3m, which included all personnel of the CRA, operations of the Patch neighborhood garden, and the promotion of the local business economy through various means, such as matching grants for local business improvements. Certain events, including the signature annual Arts and Seafood Festival event, were canceled due to Covid-19 restrictions on gatherings.

The Grant Fund reported \$571k in revenues and had expenditures of \$962k during fiscal year 2020. Additionally, the fund received a transfer of \$130k from the Capital Projects Fund during 2020 for funding of a portion of the Transportation Alternatives Program (TAP) grant, which helps to identity and plan alternative forms of transportation within the City. Additionally, \$103k was transferred from the General Fund to provide cash flow as the fund awaits reimbursement from two of its grant-funded projects.

Finally, the Debt Service Fund received approximately \$1.1m in transfers from the General Fund in order to pay down various debt obligations

Proprietary Funds

The fund financial statements for the proprietary funds provide essentially the same type of information found in the government-wide financial statements, only in more detail. There are six proprietary funds for fiscal year 2020: Water, Sewer, Stormwater, Parking, Pier Operations, and Marina Fund. The net changes of these funds have already been addressed in the discussion of the City's business-type activities.

BUDGET INFORMATION

The City Commission approves the original budget (adopted budget) in September prior to the beginning of the fiscal year. The final budget (amended budget) reflects departmental/divisional changes made administratively and approved by the City Manager, prior year encumbrances, and supplemental appropriations approved by the City Commission during the year.

General Fund reserves in the amount of \$906k were appropriated to cover demolition of a City building (\$23k), the City match portion of the CRISI Railroad Safety Grant program (\$29k), a bulletproof glass enclosure in the City Commission meeting chamber (\$56k), completion of a City signage update (\$107k), and the rollover of encumbrances and funds from the prior year (\$691k). The City Commission also approved appropriating a portion of the disaster recovery reserve for ongoing costs associated with the response to the Covid-19 pandemic (\$115k).

Expenditures were amended for a number of items, including a transit study (\$35k), marketing costs for social media (\$30k), two license plate reading trailers and a surveillance tower using Law Enforcement Trust Funds (\$142k), and numerous other administrative amendments approved at the department level.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City of Dania Beach total capital assets for Governmental and Business-Type Activities as of September 30, 2020 amount to approximately \$79m (net of accumulated depreciation), representing a decrease of \$3.3m from last year's balance (depreciation of existing assets exceeded new asset additions). The City's investment in capital assets includes land, construction in progress, buildings and improvements, infrastructure, utility system, furniture, fixtures and equipment.

Capital Assets (Net of Depreciation)

	Gov	Governmental Activities				Business-ty	Activities	Total				
	202	20	2019		2020 2019		2020			2019		
Land	\$ 16,18	34,221	\$	16,184,221	\$	220,976	\$	220,976	\$, ,	\$, ,
Utility system Buildings	10.06	- 67.752		11.988.926		28,908,151 2.837.345		30,396,797 3.086.111		28,908,151 13.805.097		30,396,797 15.075.037
Equipment	-,	62,833		1,747,117		1,437,875		1,407,869		3,200,708		3,154,986
Infrastructure	14,29	94,628		15,485,876		-		-		14,294,628		15,485,876
Construction-in-progress		26,417		648,595		1,669,889		1,716,292		2,796,306		2,364,887
	\$ 44,33	35,851	\$	46,054,735	\$	35,074,236	\$	36,828,045	\$	79,410,087	\$	82,882,780

Information on the City's capital assets can be found in Note 6 in the footnotes section of this report.

Long-Term Debt

As of September 30, 2020, the City had a total outstanding debt of approximately \$18.8m excluding compensated absences. This debt consists of bonds, notes, and capital leases payable that are secured by non-ad valorem revenues or through covenants to budget and appropriation, and general obligation bonds secured by ad valorem revenues.

The City's debt total decreased by a net amount of \$1.8m during FY2020 due to the regular pay down of existing debt. Over the years, a significant portion of the CRA parking garage loan from Broward County has been forgiven through a loan-to-grant agreement. Additional information on the City's debt and other long-term liabilities can be found in Note 7 of the footnotes section of this report.

Governmental Activities					Business-Ty	Activities	Total				
	2020	2019			2020		2019		2020		2019
\$	510,000	\$	675,000	\$	-	\$	-	\$	510,000	\$	675,000
	6,354,717		6,853,731		-		-		6,354,717		6,853,731
	538,960		621,876		1,530,000		1,675,000		2,068,960		2,296,876
	88,977		278,539		-		-		88,977		278,539
	-		-		9,782,675		10,756,542		9,782,675		10,756,542
	1,461,169		1,319,457		464,507		362,498		1,925,676		1,681,955
\$	8,953,823	\$	\$ 9,748,603		11,777,182	\$	12,794,040	\$	20,731,005	\$	22,542,643
	\$	2020 \$ 510,000 6,354,717 538,960 88,977 - 1,461,169	\$ 510,000 \$ 6,354,717 538,960 88,977 - 1,461,169	2020 2019 \$ 510,000 \$ 675,000 6,354,717 6,853,731 538,960 621,876 88,977 278,539 	\$ 510,000 \$ 675,000 \$ 6,354,717 6,853,731 538,960 621,876 88,977 278,539 1,461,169 1,319,457	2020 2019 2020 \$ 510,000 \$ 675,000 \$ - 6,354,717 6,853,731 - 538,960 621,876 1,530,000 88,977 278,539 - - - 9,782,675 1,461,169 1,319,457 464,507	2020 2019 2020 \$ 510,000 \$ 675,000 \$ - \$ 6,354,717 6,853,731 - 538,960 621,876 1,530,000 88,977 278,539 - 9,782,675 1,461,169 1,319,457 464,507	2020 2019 2020 2019 \$ 510,000 \$ 675,000 \$ - \$ - 6,354,717 6,853,731 - - 538,960 621,876 1,530,000 1,675,000 88,977 278,539 - - - - 9,782,675 10,756,542 1,461,169 1,319,457 464,507 362,498	2020 2019 2020 2019 \$ 510,000 \$ 675,000 \$ - \$ - \$ \$ 6,354,717 6,853,731	2020 2019 2020 2019 2020 \$ 510,000 \$ 675,000 \$ - \$ - \$ 510,000 6,354,717 6,853,731 - - 6,354,717 538,960 621,876 1,530,000 1,675,000 2,068,960 88,977 278,539 - - 88,977 - - 9,782,675 10,756,542 9,782,675 1,461,169 1,319,457 464,507 362,498 1,925,676	2020 2019 2020 2019 2020 \$ 510,000 \$ 675,000 \$ - \$ - \$ 510,000 \$ 6,354,717 \$ 6,354,717 \$ 6,853,731 - - \$ 6,354,717 \$ 538,960 \$ 621,876 \$ 1,530,000 \$ 1,675,000 \$ 2,068,960 \$ 88,977 \$ 278,539 - - 88,977 - - 9,782,675 \$ 10,756,542 9,782,675 \$ 1,461,169 \$ 1,319,457 \$ 464,507 \$ 362,498 \$ 1,925,676

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's continuing investment in economic development, significant branding and marketing efforts, coupled with its proximity to attractive amenities and transportation hubs are expected to improve the tax base in future years. The City Commission and the Executive Leadership Team have initiated the strategic planning process, which will officially mark the shift from a City that has largely operated in a reactive manner to one that is managed through proactive measures, adhering to a comprehensive set of goals and objectives. This strategic outlook will undoubtedly provide a framework for which the City's budget will be focused, based on the efforts of the City Commission and City Administration investing in those initiatives that have been identified to best serve the community in the long term.

Business and property redevelopment efforts will help maintain the City's financial stability as local and State economies continue to strengthen, recovering from the effects of the Covid-19 pandemic. Continued investments in beautification, recreation, infrastructure, and business economic incentives over the coming years will continue to attract growth in the form of commercial development and an increase in population.

The steady growth in private development seen in recent years translates directly into an increase in assessed property values, resulting in increased ad valorem tax revenues. The City continues to attract new development due to its proximity to the air and sea ports as well as the beach and coastal areas, combined with a cost of land below that of neighboring municipalities. The City continues to see redevelopment and expansion in the downtown area including new multifamily residential and hotels. There are currently several large residential projects that have been approved or are already underway. The Dania Pointe project along Interstate 95, featuring both residential and commercial development and the corporate headquarters of Spirit Airlines, is expected to be completed in the next few years, with the first phase having already opened in 2019. Florida Power and Light is making major improvements to the FPL Dania Beach Clean Energy Center located west of the Fort Lauderdale airport, and these improvements will generate substantial economic benefits to the City of Dania Beach through increased property values, tax revenues, and increased employment opportunities. The Casino at Dania Beach was redeveloped in recent years and offers a future economic opportunity to the City as well as a viable community partnership.

As private investment continues to flow into the community, the City is focused on infrastructure improvements, specifically those that support its economic engines, namely the Beach, Pier, and Ocean Park. The City has a full-service restaurant tenant at the Pier, and is accumulating the rent payments and

other Pier revenues in a fund for future rehabilitation and improvements of the beach amenities. The City recently was awarded a FRDAP grant to rehabilitate the Frank C. "Tootie" Adler park at the Beach. The City continues development of the Beach Master Plan, and seeks to preserve the beach to the extent possible, as erosion has become an area of concern with the onset of king tides and the lack of natural sand deposits from the north. Therefore, additional beach improvements are being carefully planned to ensure erosion is taken into proper consideration before proceeding. This will include a complete re-visioning of the entire beach area that will reroute traffic and construct a parking garage, resulting in a larger beach that is more resistant to natural forces.

There are significant capital projects in process, including lighting, utility infrastructure, and smaller neighborhood development projects known as "Oasis" projects that improve the surrounding areas with sidewalks, lighting, storm drainage, and overall beautification. In addition, the Broward Metropolitan Planning Organization (MPO) has awarded projects that were on the Cycle I funding list, including road rehabilitation and key drainage improvements. Most City infrastructure projects are being planned and carried out utilizing a combination of grant awards and loan financing, allowing the use of accumulated reserves only when absolutely necessary. When possible, the City places high priority on projects with grant awards, moderate priority on loan financing projects, and a lower priority on projects paid entirely by accumulated reserve funds.

The City is also investing in its own facilities, ensuring not only that buildings are safe for occupancy by its employees and the public, but provide a clean and desirable space to conduct City business and hold public events. The City received a \$1.8 million FEMA hardening grant to replace all doors and windows at City Hall and install a new generator system. The City will also be investing in a currently vacant area of City Hall, providing an additional 2,500 square feet of office and meeting space. All parks will be receiving an update during FY2021 through budgeted investments in buildings, pools, and outdoor recreation spaces. Lastly, the City added a facilities foreman position to ensure all maintenance is taking place according to schedule and address other issues in a proactive manner.

The City continues to undertake projects that aim to rehabilitate or improve its water, sewer, and stormwater systems. The Public Services Division works to identify areas of the water distribution system that are either aging or cannot provide the water pressure needed to service customers. The City is planning to undertake one such project involving an 8,000 linear foot section that will be replaced at a cost of approximately \$2 million. The City also received a \$3.9 million FEMA grant to rehabilitate a number of its sewer lift stations. Drainage is a significant concern throughout the City, and a number of projects are currently underway or in planning stages, including Ocean Park, Dania Cove, the Southeast area of the City, and several other streets in the Southwest area.

The City's Community Redevelopment Agency continues its initiatives to pursue economic development opportunities in support of its goals and objectives. The CRA does not receive tax increment financing (TIF) and is funded nearly entirely by transfer from the City's General Fund. In lieu of a TIF, Broward County provides support through other mechanisms, including loans and grants. The CRA received a five-year interest free loan from the County of over \$5 million tied to certain development goals. The funds were used for construction of a four-level parking garage adjacent to City Hall and the County Library in the downtown "City Center" area. As the CRA and City have met development goals over time, nearly all of this loan has been converted to a grant and it is hoped that the remaining \$539k will be forgiven. Additionally, the County awarded the CRA a \$1 million grant for public improvements at a residential project on the corner of Federal Highway and Dania Beach Boulevard.

Notwithstanding this continued growth and expansion, the City is still faced with the challenge of balancing its limited revenue resources with continually increasing levels of service delivery costs. The City continues to manage and control costs in several areas, including: 1) repayment of existing debt and limiting additional debt, 2) continued investment in the City's infrastructure, 3) retirement funding costs, 4) public safety contractual costs, and 5) employee and retiree health care costs. The City is beginning to see increases in revenues related to private development, and therefore the City Commission and City Administration are working to establish priorities for the annual allocation of available funds among service

delivery areas. The City has a healthy level of debt, considering its size and budget. However, the use of debt must be considered when financing long-term capital projects and infrastructure improvements; for example, the City adopted a Parks Master Plan, that will require a large investment, which cannot be funded by reserves. Similarly, the City has infrastructure needs that cannot be funded 100% on a pay-as-you-go basis. Annual required contributions to the City's legacy general employee and police/firefighter pension plans must also be funded. The costs of public safety services provided by the Broward Sheriff's Office (BSO) continue to increase each year, even if other City service levels are maintained. New private residential development projects are increasing the City's population, resulting in increased demand on public safety services. Finally, the City's successful effort to bid, share costs, and better control annual employee health and other benefit costs will be a significant help in controlling personal services and benefits expenditures in the coming years.

The economy has continued to improve and City property values increased by 3.38% for the fiscal year 2020-21 budget. The City has adopted the same millage rate of 5.9998 and therefore, received an increase in ad valorem tax revenues. This is a result of the increase in private development and a growing property tax base. A cautious approach to additional City infrastructure improvements is warranted to ensure funds are generally being used from annual recurring resources without depleting unassigned fund balance. Examining funding levels for annual economic development initiatives, capital improvements and prudent fiscal restraint in discretionary costs will aid Dania Beach in maintaining a stable financial position in coming years.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. Questions concerning any information provided in this report or requests for additional information should be addressed to the Finance Department, 100 West Dania Beach Boulevard, Dania Beach, FL 33004.

BASIC FINANCIAL STATEMENTS These basic financial statements provide a summary overview of financial position of all funds, the operating results of all funds, and the cash flows of proprietary funds. They also serve as an introduction to the more detailed statements and schedules that follow in the next section.

CITY OF DANIA BEACH, FLORIDA STATEMENT OF NET POSITION September 30, 2020

	Governmental Activities	Business- Type Activities	Total
ASSETS: Cash, cash equivalents and investments	\$ 46,302,926	\$ 36,528,364	\$ 82,831,290
Receivables: Franchise, utility and other taxes Customer / other, net	957,459 943,604	269,213 1,660,588	1,226,672 2,604,192
Internal balances Due from other governmental agencies Inventories	335,014 798,144 18,357	(335,014) - 168,695	798,144 187,052
Property held for resale Restricted cash, cash equivalents and investments Capital assets not being depreciated	90,199 - 17,310,638	- 921,139 1,890,866	90,199 921,139 19,201,504
Capital assets being depreciated, net Total assets	27,025,213 93,781,554	33,183,370 74,287,221	60,208,583 168,068,775
DEFERRED OUTFLOWS: Pensions and OPEB	1,624,079	_	1,624,079
Total net deferred outflows	1,624,079		1,624,079
LIABILITIES: Accounts payable and accrued liabilities	3,960,070	1,122,148	5,082,218
Accrued interest payable Due to other governmental agencies	102,415 197,790	101,851 14,302	204,266 212,092
Deposits Unearned revenue	634,255 824,371	551,806 200,687	1,186,061 1,025,058
Other liabilities Non-current liabilities: Due within one year:	-	58,230	58,230
Compensated absences Current portion of long-term debt	219,175 809,449	69,676 1,123,866	288,851 1,933,315
Due in more than one year: Compensated absences Long-term debt	1,241,994 6,683,205	394,831 10,188,809	1,636,825 16,872,014
Net pension liability Net OPEB liability	23,763,395 6,227,672	4,325,001 1,777,951	28,088,396 8,005,623
Total liabilities	44,663,791	19,929,158	64,592,949
DEFERRED INFLOWS: Pensions and OPEB	_	993,606	993,606
Total net deferred inflows	-	993,606	993,606
NET POSITION: Net investment in capital assets Restricted: Impact fees:	36,843,197	23,899,561	60,742,758
Water and sewer General government	- 578,854	2,407,957	2,407,957 578,854
Recreation Public safety	495,820 1,773,932	-	495,820 1,773,932
Building code costs Debt service	2,773,037	- 711,736	2,773,037 711,736
Unrestricted Total net position	8,277,002 \$ 50,741,842	26,345,203 \$ 53,364,457	34,622,205 \$ 104,106,299

CITY OF DANIA BEACH, FLORIDA Statement of Activities Year Ended September 30, 2020

				Program Revenues						Net (Expense) Revenue and Changes in Net Position					
			-						Primary Government						
Functions/Programs		Expenses		Charges for Services		Operating Grants and Contributions		Capital Grants and Contributions		Governmental Activities		Business-Type Activities		Total	
Primary government: General government	\$	8,202,258	\$	3,898,704	\$	2,090,112	\$	_	\$	(2,213,442)	\$	_	\$	(2,213,442)	
Public safety	T	29,250,346	Ψ.	8,374,942	Ψ.	_,000,	Ψ.	293,600	Ψ.	(20,581,804)	Ψ	_	*	(20,581,804)	
Highways and streets		3,139,639				203,225				(2,936,414)		_		(2,936,414)	
Physical environment		5,523,584		2,741,314				_		(2,782,270)		_		(2,782,270)	
Community redevelopment		5,316,738		15,241		_		_		(5,301,497)		_		(5,301,497)	
Culture and recreation		4,861,312		385,464		_		75,000		(4,400,848)		_		(4,400,848)	
Interest on long-term debt		200,174		-		_		-		(200,174)		_		(200,174)	
Total governmental					_				_	(===, :: :)				(===,::-)	
activities		56,494,051		15,415,665		2,293,337		368,600		(38,416,449)		_		(38,416,449)	
Business-type activities:		, - ,		-, -,		,,		,		X, -, -,	-	·		<u> </u>	
Water		4,235,035		5,591,899		-		-		-		1,356,864		1,356,864	
Sewer		4,443,108		6,756,123		-		-		-		2,313,015		2,313,015	
Stormwater		1,144,655		1,970,221		-		-		-		825,566		825,566	
Marina		842,432		1,081,945		-		-		-		239,513		239,513	
Parking		895,556		1,128,022		-		-		-		232,466		232,466	
Pier operations		458,501		233,708		-		-		-		(224,793)		(224,793)	
Total business-type															
activities		12,019,287	_	16,761,918								4,742,631		4,742,631	
Total primary government	\$	68,513,338	\$	32,177,583	\$	2,293,337	\$	368,600		(38,416,449)		4,742,631		(33,673,818)	
	Gene	eral revenues:													
		perty taxes								25,434,453		_		25,434,453	
	Franchise fees based on gross receipts Utility taxes Unrestricted intergovernmental revenue Unrestricted investment earnings									2,835,651		_		2,835,651	
										4,065,872		_		4,065,872	
										5,268,361		_		5,268,361	
										510,769		399,569		910,338	
		cellaneous								2,654,259		473,254		3,127,513	
	Trans									3,433,535		(3,433,535)		-	
	Total	general revenu	es an	nd transfers					_	44,202,900		(2,560,712)		41,642,188	
		ige in net position								5,786,451	-	2,181,919		7,968,370	
	Net p	osition - beginn	ing							44,955,391		51,182,538		96,137,929	
	Net p	osition - ending							\$	50,741,842	\$	53,364,457	\$	104,106,299	
									_					-	

CITY OF DANIA BEACH, FLORIDA BALANCE SHEET GOVERNMENTAL FUNDS September 30, 2020

			Special Revenue Funds					
		O a sa a sa a l		Overte	Community Redevelopment		De ildien Ferrid	
		General		Grants	Agency	_	Building Fund	
ASSETS:								
Current assets								
Cash, cash equivalents and investments	\$	38,519,791	\$	-	\$ 792,999	\$	3,094,327	
Receivables, net:								
Franchise, utility and other taxes		682,005		-	-		_	
Customer / other, net		284,779		-	13,500		-	
Due from other funds		2,527,388		-	40,000		-	
Due from other governmental agencies		1,439,029		268,898	10,542		-	
Inventories		18,357		-	-		-	
Property held for sale		52,499		-	37,700		-	
Total assets	\$	43,523,848	\$	268,898	\$ 894,741	\$	3,094,327	
LIABILITIES AND FUND BALANCES:								
Liabilities								
Accounts payable and accrued liabilities	\$	3,467,508	\$	172,847	\$ 61,593	\$	245,067	
Due to other funds	•	2,020,429	,	164,099	42,024	,	5,821	
Due to other governmental agencies		127,388		- ,	-		70,402	
Deposits		634,180		_	75		-, -	
Unearned revenue		824,371		_	- -		_	
Total liabilities		7,073,876		336,946	103,692		321,290	
Fund balance								
Nonspendable:		40.057						
Inventories		18,357		-	-		-	
Property held for sale Restricted:		52,499		-	-		-	
		E70.0E4						
General government impact fees		578,854		-	-		-	
Recreational impact fees		495,820		-	-		-	
Public safety impact fees		1,773,932		-	-		- 0.772.027	
Building code costs		-		-	27 700		2,773,037	
Property held for sale		-		-	37,700		-	
Committed for:					752.240			
Community redevelopment		-		-	753,349		-	
Maintenance of cemeteries Capital projects		-		-	-		-	
Tree preservation		-		-	-		-	
		-		-	-		-	
Assigned to:		9 207 607						
Disaster recovery		8,397,697		-	-		-	
Branding initiative		42,177		(60.040)	-		-	
Unassigned (deficit)		25,090,636		(68,048)	791.049	-	2,773,037	
Total fund balances (deficit)	-	36,449,972		(68,048)	791,049	-	2,113,031	
Total liabilities, deferred inflows, and fund balances	\$	43,523,848	\$	268,898	\$ 894,741	\$	3,094,327	

Debt Service Fund		Capital Projects	_	Other Non Major Governmental Funds	_	Total Governmental Funds			
\$ -	\$	1,843,002	\$	2,052,807	\$	46,302,926			
-		-		- 451		682,005 298,730			
- - -		- -		- - -		2,567,388 1,718,469 18,357			
\$	\$	1,843,002	\$	2,053,258	\$	90,199 51,678,074			
\$ -	\$	13,055	\$	-	\$	3,960,070			
· -		, - -		-		2,232,373 197,790			
	· - -	- - 13,055	_	- - -	_	634,255 824,371 7,848,859			
- -		-		-		18,357 52,499			
-		- -		-		578,854 495,820			
- - -		- - -		126,855 - -		1,900,787 2,773,037 37,700			
- - -		- - 1,829,947		543,887 138,214		753,349 543,887 1,968,161			
-		-		1,244,302		1,244,302			
	· · ·	- - - 1,829,947	_	2,053,258	_	8,397,697 42,177 25,022,588 43,829,215			
\$ -	\$	1,843,002	\$	2,053,258	\$	51,678,074			

CITY OF DANIA BEACH, FLORIDA RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION September 30, 2020

FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		\$ 43,829,215
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources, and therefore are not reported in the governmental funds		44,335,853
Other assets used in governmental activities are not financial resources, and therefore, are not reported in the governmental funds.		
Deferred outflows-pension and OPEB related		1,624,079
Interest payable, not reported in the government funds		(102,415)
Long-term liabilities are not due and payable in the current period and therefore, are not reported at the fund level Long term debt including bonds, notes and capital leases Lease obligations Net OPEB liability Net pension liability Compensated absences	(7,492,654) (6,227,672) (23,763,395) (1,461,169)	(38,944,890)
NET POSITION OF GOVERNMENTAL ACTIVITIES		\$ 50,741,842



CITY OF DANIA BEACH, FLORIDA STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -GOVERNMENTAL FUNDS

For the Year Ended September 30, 2020

				Special Revenue Funds					
		General Fund	G	rants	Community Redevelopment Agency	Building Fund			
REVENUES									
Property taxes	\$	25,434,453	\$	_	\$ -	\$ -			
Special assessments	•	6,333,454	*	_	-	-			
Franchise fees		2,841,162		_	_	_			
Utility taxes		4,065,872		_	_	_			
Licenses and permits		1,573,630		_	_	2,777,225			
Intergovernmental		5,268,361		_	_	-,,			
Charges for Services		4,648,344		_	_	_			
Fines and forfeitures		453,882		_	_	_			
Investment earnings		456,670		_	7,273	28,540			
Grants		2,090,112		571,825	-,=	,			
Miscellaneous		1,827,197		-	159,782	1,474			
Total revenues		54,993,137		571,825	167,055	2,807,239			
EXPENDITURES Current: General government Public safety Highways and streets Physical environment Community redevelopment Culture and recreation		8,349,044 34,883,422 2,041,909 5,282,627 629,069 3,213,951		961,815 - -	- - - - 1,347,971 -	- - - - 3,938,850 -			
Capital outlay		-		-	-	-			
Debt service:									
Principal		-		-	-	-			
Interest		-		-					
Total expenditures		54,400,022	· 	961,815	1,347,971	3,938,850			
Excess (Deficiency) of revenues over									
(under) expenditures		593,115		(389,990)	(1,180,916)	(1,131,611)			
OTHER FINANCING SOURCES (USES): Transfers in		4 474 920		233,178	1 546 994				
Transfers out		4,474,820 (2,866,267)		233,176	1,546,884 (349,434)	(908,723)			
Total other financing sources (uses)		1,608,553	· 	233,178	1,197,450	(908,723)			
Total other illiancing sources (uses)		1,000,000		233,176	1,197,450	(906,723)			
Net Change in Fund Balances		2,201,668		(156,812)	16,534	(2,040,334)			
FUND BALANCES (DEFICIT) BEGINNING OF YEAR		34,248,304		88,764	774,515	4,813,371			
FUND BALANCES (DEFICIT) END OF YEAR	\$	36,449,972	\$	(68,048)	\$ 791,049	\$ 2,773,037			
>	<u> </u>	55, . 15,512		(55,515)	701,010	-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			

					Other Non Major		Total			
	Debt Service		Capital		Governmental		Governmental			
	Fund		Projects		Funds		Funds			
			•							
\$	-	\$	-	\$	-	\$	25,434,453			
	-		-		-		6,333,454			
	-		-		-		2,841,162			
	-		-		-		4,065,872			
	=		-		1,035		4,351,890			
	-		-		- 04.005		5,268,361			
	-		-		61,225		4,709,569			
	- 70		4 000		5,560		459,442			
	72		1,069		17,145		510,769			
	-		-		227 200		2,661,937			
	72		1,069		227,308 312,273	_	2,215,761 58,852,670			
			1,000		012,270	_	00,002,010			
	_		274,350		_		8,623,394			
	_		,		142,051		35,025,473			
	_		181,304		7,550		3,192,578			
	_		- ,		-		5,282,627			
	-		_		-		5,915,890			
	-		-		-		3,213,951			
	-		22,571		-		22,571			
	853,575		_		_		853,575			
	204,774		-		-		204,774			
	1,058,349		478,225		149,601		62,334,833			
	(1,058,277)		(477,156)		162,672		(3,482,163)			
	(1,000,211)		(,)		. 0=,0.=		(0, 102, 100)			
	1,058,277		460,000		_		7,773,159			
			(129,736)		(57,610)		(4,311,770)			
_	1,058,277		330,264	_	(57,610)	_	3,461,389			
	, ,					_	_			
	-		(146,892)		105,062		(20,774)			
_			1,976,839	_	1,948,196	_	43,849,989			
_		•	4 000 0 :=	_	0.070.077	_	10.000.01=			
\$	-	\$	1,829,947	\$	2,053,258	\$	43,829,215			

CITY OF DANIA BEACH, FLORIDA RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended September 30, 2020

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$	(20,774)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays, reported as expenditures in governmental funds, are shown as capital assets in the statement of net position.		1,173,781
Provision for depreciation on governmental capital assets is included in the governmental activities in the statement of net position.		(2,892,664)
Pension and OPEB contributions are reported as expenditures in the government funds and recorded as deferred outflows on the statement of net position		6,726,735
Principal payments on long-term debt are reported as expenditures in governmental funds, but as a reduction of long-term liabilities in the statement of net position.		936,492
Certain items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:		
Change in accrued interest	4,593	
Change in compensated absences	<u>(141,712)</u> 	(137,119)
Change in net position - Governmental Activities	\$	5,786,451



CITY OF DANIA BEACH, FLORIDA STATEMENT OF NET POSITION PROPRIETARY FUNDS September 30, 2020

	Business Type Activities - Enterprise Funds						
	Water	Sewer	Stormwater				
ASSETS:	Water	COWOI	Otomiwater				
Current assets:							
Cash and cash equivalents	\$ 9,704,868	\$ 15,541,576	\$ 6,611,389				
Receivables, net	785,301	897,659	-				
Inventory	152,612	4,598	11,485				
Total current assets	10,642,781	16,443,833	6,622,874				
Noncurrent assets:							
Restricted cash, cash equivalents, and investments	559,183	350,622	11,334				
Capital assets not being depreciated	269,525	839,595	781,746				
Capital assets being depreciated, net	15,901,404	4,265,046	7,418,615				
Total noncurrent assets	16,730,112	5,455,263	8,211,695				
Total assets	27,372,893	21,899,096	14,834,569				
DEFERRED OUTFLOWS Net pension outflows	_	_	_				
•	-						
Total net deferred outflows							
LIABILITIES AND NET POSITION: Current liabilities:							
Accounts payable and accrued liabilities	348,344	476,512	189,994				
Accrued interest payable	54,898	14,377	4,017				
Due to other funds	14,504	4,158	3,289				
Due to other governmental agencies	6,519	-	-				
Deposits payable	489,014	-	-				
Unearned revenue	71,102	-	-				
Other liabilities	56,317	1,913					
Compensated absences-current	38,936	15,511	9,098				
Current maturities of long-term debt Total current liabilities	<u>760,921</u> 1,840,555	163,732	49,213				
Noncurrent liabilities:	1,040,000	676,203	255,611				
Compensated absences	220,636	87,896	51,556				
Loans payable	6,309,013	1,693,787	806,009				
Net pension liability	2,198,308	672,659	706,177				
Net OPEB liability	909,082	570,531	298,338				
Total noncurrent liabilities	9,637,039	3,024,873	1,862,080				
Total liabilities	11,477,594	3,701,076	2,117,691				
DEEEDDED INCLOWS							
DEFERRED INFLOWS Net pensions inflows	511,826	592,734	174,922				
Total net deferred inflows	511,826	592,734	174,922				
NET POSITION:							
Net investment in capital assets Restricted	9,100,995	3,247,122	7,345,139				
Debt service	552,521	119,284	39,931				
Impact fees	1,720,675	687,282	, -				
Unrestricted	4,009,282	13,551,598	5,156,886				
Total net position	\$ 15,383,473	\$ 17,605,286	\$ 12,541,956				

Business Type Activities - Enterprise Funds

	Marina		Nonmajor Enterprise Funds		Total Enterprise Funds
\$	897,583 246,821	\$	3,772,948 20	\$	36,528,364 1,929,801 168,695
	1,144,404		3,772,968		38,626,860
	5,490,942		107,363		921,139 1,890,866 33,183,370
	5,490,942		107,363		35,995,375
	6,635,346		3,880,331	_	74,622,235
	<u>-</u> _		285,876 285,876		285,876 285,876
			200,070	-	200,070
	46,940 28,559		60,358		1,122,148 101,851
	293,389		19,674		335,014
	5,320		2,463		14,302
	52,855 12,537		9,937 117,048		551,806 200,687
	-		-		58,230
	-		6,131		69,676
	150,000				1,123,866
	589,600		215,611		3,577,580
	1,380,000		34,743		394,831 10,188,809
	-		747,857		4,325,001
	- 4 200 000		700.000		1,777,951
	1,380,000		782,600		16,686,592
	1,969,600		998,211		20,264,172
					1,279,482
	-				1,279,482
	4,098,942		107,363		23,899,561
	-		-		711,736
	-		-		2,407,957
<u>r</u>	566,804	•	3,060,633	<u>~</u>	26,345,203
\$	4,665,746	\$	3,167,996	\$	53,364,457

CITY OF DANIA BEACH, FLORIDA STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS

For the Year Ended September 30, 2020

	Business Type Activities - Enterprise Funds							
	Water	Sewer	Stormwater					
OPERATING REVENUES: Charges for services Fines and forfeitures	\$ 5,548,134	\$ 6,741,623	\$ 1,952,231					
Miscellaneous	88,732	14,500	17,990					
Total operating revenues	5,636,866	6,756,123	1,970,221					
OPERATING EXPENSES:								
Operations and maintenance	2,993,535	4,004,842	715,081					
Depreciation	1,047,477	395,880	409,569					
Total operating expenses	4,041,012	4,400,722	1,124,650					
Operating income (loss)	1,595,854	2,355,401	845,571					
NON-OPERATING REVENUES (EXPENSES)								
Gain on disposal of capital assets	1,700	=	-					
Interest income	120,854	165,710	68,402					
Interest (expense)	(194,023)	(42,386)	(20,005)					
Total non-operating revenues	(74.400)	100.004	40.007					
(expenses) before transfers	(71,469)	123,324	48,397					
Income (loss) before transfers	1,524,385	2,478,725	893,968					
TRANSFERS:								
Transfers out	(1,300,340)	(785,294)	(374,234)					
Total transfers	(1,300,340)	(785,294)	(374,234)					
Change in net position	224,045	1,693,431	519,734					
NET POSITION, beginning	15,159,428	15,911,855	12,022,222					
NET POSITION, end of year	\$ 15,383,473	\$ 17,605,286	\$ 12,541,956					

Business Type Activities - Enterprise Funds

Marina		Nonmajor Funds	Totals		
	-				
\$ 1,081,945	\$	1,327,710	\$ 16,651,643		
-		147,944	147,944		
15,529		297,134	433,885		
1,097,474		1,772,788	17,233,472		
445,204		1,330,490	9,489,152		
 342,391		23,567	 2,218,884		
 787,595		1,354,057	 11,708,036		
309,879		418,731	 5,525,436		
-		-	1,700		
2,362		42,241	399,569		
 (54,837)		<u> </u>	 (311,251)		
 (52,475)		42,241	 90,018		
257,404		460,972	5,615,454		
(268,223)	_	(705,444)	 (3,433,535)		
(268,223)		(705,444)	(3,433,535)		
(10,819)		(244,472)	2,181,919		
4,676,565		3,412,468	 51,182,538		
\$ 4,665,746	\$	3,167,996	\$ 53,364,457		

CITY OF DANIA BEACH, FLORIDA STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

For the Year Ended September 30, 2020

	Business-Type Activities										
	Water	Sewer	Stormwater	Marina	Non-Major Funds	Totals					
CASH FLOWS FROM OPERATING ACTIVITIES: Receipts from customers and users Payments to employees Payments to suppliers	\$ 5,660,628 (2,314,131) (768,473)	\$ 6,737,797 (841,707) (3,278,912)	\$ 1,976,821 (556,578) (95,808)	\$ 1,043,610 (547,645)	\$ 1,880,089 (451,864) (796,727)	\$ 17,298,945 (4,164,280) (5,487,565)					
Net cash provided by operating activities	2,578,024	2,617,178	1,324,435	495,965	631,498	7,647,100					
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES: Cash provided to other funds	(1,295,525)	(783,449)	(372,694)	(268,223)	(704,862)	(3,424,753)					
Net cash used in non-capital financing activities	(1,295,525)	(783,449)	(372,694)	(268,223)	(704,862)	(3,424,753)					
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: Purchase of capital assets Proceeds from disposal of capital assets Principal paid on long-term debt Interest paid on long-term debt	(249,655) 1,700 (760,921) (199,990)	(102,156) - (163,733) (43,716)	(99,464) - (49,213) (20,234)	(13,800) - (145,000) (54,645)	: : :	(465,075) 1,700 (1,118,867) (318,585)					
Net cash used in capital and related financing activities	(1,208,866)	(309,605)	(168,911)	(213,445)		(1,900,827)					
CASH FLOWS FROM INVESTING ACTIVITIES: Investment earnings	120,854	165,710	68,402	2,362	42,241	399,569					
Net cash provided by investing activities	120,854	165,710	68,402	2,362	42,241	399,569					
Net increase (decrease) in cash and cash equivalents	194,487	1,689,834	851,232	16,659	(31,123)	2,721,089					
CASH AND CASH EQUIVALENTS, beginning of year	10,069,564	14,202,364	5,771,491	880,924	3,804,071	34,728,414					
CASH AND CASH EQUIVALENTS, end of year	\$ 10,264,051	\$ 15,892,198	\$ 6,622,723	\$ 897,583	\$ 3,772,948	\$ 37,449,503					
RECONCILIATION TO STATEMENT OF NET POSITION:											
Cash and cash equivalents Restricted cash and cash equivalents	\$ 9,704,868 559,183	\$ 15,541,576 350,622	\$ 6,611,389 11,334	\$ 897,583 -	\$ 3,772,948	\$ 36,528,364 921,139					

\$ 15,892,198 \$

10,264,051

Cash and cash equivalents, end of year \$

CITY OF DANIA BEACH, FLORDIA STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

For the Year Ended September 30, 2020 (continued)

	Business-Type Activities										
		Water		Sewer		Stormwater	Marina	Non-Major Funds			Totals
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES: Operating income Adjustments to reconcile operating income to net cash provided by (used in) operating activities:	\$	1,595,854	\$	2,355,401	\$	845,571	\$ 309,879	\$	413,278	\$	5,519,983
Provision for allowance in doubtful accounts Provision for depreciation (Increase) decrease in:		24,646 1,047,477		(28,534) 395,880		409,569	342,392		23,566		(3,888) 2,218,884
Receivables Prepaids and other assets Net deferred outflows/inflows Increase (decrease) in:		(14,976) (11,811) 179,335		10,208 (360) 219,624		6,600 (792) 61,405	(56,457) - -		22,807 - (107,271)		(31,818) (12,963) 353,093
Accounts payable and accrued liabilities Deposits Due to other governmental agencies		102,688 14,092		118,571 - -		126,883 - -	(97,458) (6,535) 2,593		(19,837) (792) 131		230,847 6,765 2,724
Other liabilities Net pension liability Net OPEB liability Compensated absences		14,699 277,987 (707,663) 55,696		(4,640) (342,710) (132,774) 26,512		175,227 (321,170) 21,142	1,551 - - -		84,363 216,594 - (1,341)		95,973 327,098 (1,161,607) 102,009
Total adjustments		982,170	_	261,777	_	478,864	186,086	_	218,220	_	2,127,117
Net cash provided by operating activities	\$	2,578,024	\$	2,617,178	\$	1,324,435	\$ 495,965	\$	631,498	\$	7,647,100

CITY OF DANIA BEACH, FLORIDA STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS September 30, 2020

	Totals
ASSETS: Cash	<u>\$ 13,906</u>
Investments, at fair value: Common stocks Mutual funds Corporate and foreign bonds Money market funds Partnership/Joint venture Real estate	56,170,937 16,902,431 4,874,868 1,549,110 2,475,958 9,323,549
Government securities	12,410,145
Total investments	103,706,998
Receivables: State contributions Employee contributions Employer contributions Accrued interest receivable Loans to DROP participants Total receivables	463,157 45,996 1,907,349 153,942 927,487 3,497,931
Total assets	107,218,835
LIABILITIES: Accounts payable	65,191
Due for securities purchased	30,217
Total liabilities	95,408
NET POSITION:	
Net position restricted for DROP benefits Net position restricted for defined benefits	12,353,068 94,770,359
Total net position	\$ 107,123,427

CITY OF DANIA BEACH, FLORIDA STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

For the Year Ended September 30, 2020

		Totals
ADDITIONS: Contributions:		
Employees	\$	548,580
Employer	*	8,354,951
Buybacks		646,048
State		463,157
Total contributions	_	10,012,736
Investment income:		
Net appreciation in fair value of investments		3,283,844
Interest and dividends		4,082,268
Total investment income		7,366,112
Less: Investment expenses		(483,292)
Net investment income		6,882,820
Other income		13,495
Total additions		16,909,051
DEDUCTIONS:		
Pension benefits paid		6,544,994
Administrative expenses		274,948
Total deductions		6,819,942
Change in net position		10,089,109
Net position - beginning		97,034,318
Net position - ending	\$	107,123,427

NOTE 1 – ORGANIZATION AND OPERATIONS

The City of Dania Beach, Florida (the "City") located in Broward County, is a political subdivision of the State of Florida. The legislative branch of the City is composed of a five-member elected commission. The City Commission is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Commission-appointed City Manager. In addition to the general government function, the City provides its residents with public works, public safety (police and fire), culture and recreation, building, zoning and planning functions, water and sewer utilities, and storm water management.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting entity:

The financial statements were prepared in accordance with government accounting standards which establishes standards for defining and reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of the financial statements with a basis for assessing the accountability of the elected officials. The financial 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 reporting entity's financial statements to be misleading or incomplete. In evaluating the City as a reporting entity, management has addressed all potential component units for which the City may or may not be financially accountable and, as such, be includable within the City's financial statements. The City is financially accountable for a component unit if it appoints a voting majority of the organization's board, and it is able to impose its will on that organization, or there is a potential for the organization to provide specific financial benefits, or impose specific financial burdens on the City.

The Dania Beach Community Redevelopment Agency (the "CRA") is governed by the CRA Board which is substantially the same as the City Commission. Although it is legally separate from the City, the CRA is reported as part of the primary government because its sole purpose is to finance and redevelop the City's designated redevelopment areas and provides services entirely to the primary government. The CRA is reported as a major special revenue fund type using the blended method.

Governmental-wide and fund financial statements:

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Measurement focus, basis of accounting, and financial statement presentation:

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers receivables collected within 60 days after the year-end to be available and recognizes them as revenues of the current year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental revenues, franchise fees, licenses and investment earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. In applying the susceptible to accrual concept to intergovernmental revenues, recognition occurs when all eligibility requirements are met. All other revenue items are considered to be measurable and available only when the City receives cash.

The City reports the following major governmental funds:

The General Fund is the primary operating fund of the City. It accounts for all financial resources of the general government except those required to be accounted for in a separate fund.

The Grants Fund accounts for the revenues and expenditures related to federal, state and local grants received by the City with the exception of FEMA reimbursements for hurricane-related expenses.

The Community Redevelopment Agency fund accounts for funds received to be used for eliminating slum and blight conditions existing in the community redevelopment area. The CRA does not receive tax increment financing (TIF). Instead, it is funded through the General Fund of the City.

The Building Fund accounts for all monies received from the issuance of building permits for development within the City.

The Debt Service Fund accounts for the funds received to pay the City's long-term debt, as well as proceeds received from new debt issues.

The Capital Projects Fund accounts for the resources accumulated for the completion of the five-year capital budget.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The City reports the following major proprietary (enterprise) and fiduciary funds:

The City's Water Fund and Sewer Fund are funded through primarily by user charges. The Stormwater Fund is funded primarily through a non-ad valorem assessment levied against properties. The City's Marina Fund, which accounts for the operation of the City's Marina, is funded through user charges.

The Pension Trust Fund accounts for the activities of the General Employees Retirement System, the Police and Firefighter's Retirement System and OPEB Trust Plan. These funds accumulate resources for pension benefit payments to qualified employees and other post-employment benefits for qualified retirees.

Other considerations for financial statement presentation:

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's Water, Sewer, and Marina enterprise funds are charges to customers for sales and services, while the Stormwater Fund charges levies a non-ad valorem assessment against properties.

The Water and Sewer Funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is City policy to use restricted resources first, and then unrestricted resources as needed.

Assets, liabilities and net position or fund balance:

1. Deposits and investments:

The City's cash and cash equivalents are considered to be cash on hand, time and demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Short-term investments, except the State Board Investment Pool and the Florida Cooperative Liquid Assets Securities System Investment Pool (FLCLASS) are reported at cost, which approximates fair value. The State Board Investment Pool is recorded at the value of the pool shares (2A-7 Pool), which is fair value.

The nature of the City's investments is governed by the provisions of Florida Statues Section 218. Under this statute, authorized investments are limited, unless otherwise authorized by law or ordinance, to the Local Government Surplus Funds Trust Fund, money market funds, direct or unconditionally guaranteed obligations of the United States Government, obligations of certain government agencies, interest bearing time deposits or savings accounts.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2. Receivables and payables:

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

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable, available financial resources.

Property taxes are levied as of January 1 on property values assessed as of the same date. Assessment and collections are made on behalf of the City by Broward County. Property values are assessed as of January 1 of each year, at which time taxes become an enforceable lien on property. Tax bills are mailed for the City by Broward County on or about October 1 of each year and are payable with discounts of up to 4% offered for early payment. Taxes become delinquent on April 1 of the year following the year of assessment and State law provides for enforcement of collection of property taxes by seizure of the personal property or by the sale of interest-bearing tax certificates to satisfy unpaid property taxes. All trade and property tax receivables are shown net of an allowance for uncollectible accounts. Accounts receivable allowances are based on historical trends.

Operating revenues in the Water and Sewer Enterprise Funds are generally recognized on the basis of cycle billings rendered monthly. The Marina Fund billings are also recognized when billed on a monthly basis. Revenues for services delivered during the last month of the fiscal year that have not been read by September 30 are accrued based on meter reads and Marina dockage fees for the applicable consumption period and billed in October.

3. <u>Inventories and prepaids:</u>

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed. The reported governmental fund type inventories are offset by a nonspendable fund balance, indicating that they do not constitute available spendable resources.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements under the consumption method.

4. Restricted assets:

Certain assets of the Debt Service fund have been classified as restricted because their use is wholly restricted by a bond indenture agreement for the City's debt service requirements and by grant agreements.

Impact fees collected in the General, Water, and Sewer Funds are also restricted for costs associated with newly constructed Public Safety, Recreation, or Administrative facilities, as well as those costs necessary to increase capacity or expand the water and sewer utility system.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital assets:

Capital assets, which include land, buildings and improvements, furniture, fixtures and equipment, construction in progress, infrastructure (e.g. roads, bridges, sidewalks, and similar items) and utility systems are reported in the applicable governmental or business-type activities columns of the government-wide financial statements. The City defines capital assets as those with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. For infrastructure assets, the City defines capital assets with an initial cost of more than \$10,000 and an estimated useful life in excess of five years. Purchased or constructed assets are recorded at historical cost or estimated historical cost. Donated capital assets, including works of art and similar items, and capital assets received through a concession arrangement are recorded at acquisition value at the date of donation.

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

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

Building and improvements 10 - 40 years Infrastructure 20 - 30 years Utility system 5 - 50 years Furniture, fixtures, and equipment 3 - 10 years

6. Compensated absences:

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. An employee may, either on an annual basis or upon termination, redeem a portion of these unused benefits. Vacation and sick pay benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported and recorded in governmental funds only if they have matured; for example, as a result of employee resignation or retirement. When the liability is liquidated, it is expended in the General Fund and the Enterprise Funds.

7. Long-term obligations:

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds and issuance costs are treated as expenditures. Bonds payable are reported net of the applicable bond premium or discount.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

8. Equity classification:

Government-Wide and Proprietary Fund Statements

Equity is classified as Net Position and displayed in three components:

- a. <u>Net investment in capital assets</u> consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvements of those assets.
- b. Restricted net position consists of net position with constraints placed on the use either by:
 - External groups such as creditors, grantors, contributors or laws or regulations of other governments, or
 - 2) Law through constitutional provisions or enabling legislation.
- c. <u>Unrestricted net position</u> all other net position that do not meet the definition of "restricted" or "net investment in capital assets."

Fund Equity

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources reported in governmental funds. The classifications used in the governmental fund financial statements are as follows:

- a. <u>Nonspendable:</u> This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be converted to cash (such as inventories and prepaid amounts) and items such as the long-term portion of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) or a permanent fund is an example of an amount that is legally or contractually required to be nonspendable.
- b. <u>Restricted</u>: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- c. <u>Committed</u>: This classification includes amounts that can be used only for the specific purposes pursuant to constraints imposed by the City Commission usually through a resolution or ordinance, which are equally binding as the highest decision-making authority. The action may only be undone by the City Commission in the same manner.
- d. <u>Assigned:</u> This classification includes amounts that have been identified by the City Commission that should be assigned for a specific purpose or as required by certain funding sources. The City currently has assigned balances for emergency disaster recovery and the City-wide branding initiative. The Finance Director, at the direction of the City Commission, is authorized to assign fund balances. The City Commission may also assign fund balance. Assignments are generally temporary and no formal action is required to remove the assignment.
- e. <u>Unassigned:</u> This classification includes the residual fund balance for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. In other funds, the unassigned classification should only be used to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The City spends restricted balances first when both restricted and unrestricted fund balances are available, unless there are legal documents/contracts that prohibit doing this, such as grant agreements requiring matching spending. Additionally, the City would first use committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

The City's informal policy is to maintain an adequate General Fund unassigned fund balance of at least three (3) months of operating expenditures (25% of the current year adopted operating budget) in accordance with Government Finance Officers' Association (GFOA) recommendations, in the event of a prolonged economic downturn, natural disaster, or other unforeseeable catastrophe.

9. <u>Deferred inflows and outflows of resources:</u>

Governmental Funds and Enterprise Funds report deferred inflows (below total liabilities) in connection with resources that have been received, but not yet earned. Deferred inflows at the government-wide level arise only when the City receives resources before it has a legal claim to them.

The statement of net position and enterprise funds includes a separate section, listed below "Total Assets", for deferred outflow of resources. This represents the expenses of net position applicable to future periods and will not be recognized as expenditures until the future period to which it applies. The City currently reports the pension contributions after the measurement date, which will be recognized in the following year.

10. Use of estimates:

The preparation of financial statements in conformity with United States Generally Accepted Accounting Principles (US GAAP) requires that management make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosures of contingent liabilities, revenues, and expenditures/expenses reported in the financial statements and accompanying notes. All such estimates are based on management's knowledge of current events and actions it may undertake in the future, and they may ultimately differ from actual results.

NOTE 3 - DEPOSITS AND INVESTMENTS

Deposits:

In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or other banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits are insured or collateralized with securities held by the entity or its agent in the entity's name.

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

Investments:

The City's investment policy follows the guidance defined in Florida Statutes Chapter 218.415. The parameters defined in the statutes attempt to promote the maximization of net investment earnings on invested surplus funds of local units of governments while limiting the risk to which the funds are exposed. The City is authorized to invest in obligations of the Unites States Treasury, its agencies, instrumentalities and the Local Government Surplus Funds Trust Fund administered by the State Board of Administration.

The City invests surplus funds in the Local Government Surplus Funds Trust Fund ("Florida PRIME"). Florida PRIME is administered by the Florida State Board of Administration ("SBA"), who provides regulatory oversight. The Florida PRIME has adopted operating procedures consistent with the requirement for a 2a7-like pool. The City's investment in the Florida PRIME is reported at amortized cost in accordance with GASB 79 "Certain External Investment Pools and Pool Participants." As a result, the Florida PRIME Investment is exempt from GASB 72 fair value hierarchy disclosures as of September 30, 2020 there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the City's daily access to 100 percent of the account value.

The City also invests surplus funds in the Florida Liquid Assets Securities System ("FLCLASS"). FLCLASS which is an independent local government investment pool supervised by a Board of Trustees comprised of eligible Participants of the FLCLASS program.

The City invests pension fund assets in the Florida Municipal Investment Trust ("FMItvT") which was created under the laws of the State of Florida to provide eligible units of local government with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment adviser. The Florida League of Cities serves as the administrator, investment manager and secretary-treasurer of the Trust. The Municipal Trust is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operating procedures consistent with the requirements for a "2a-like" pool.

GASB 72 requires governments to disclose the fair value hierarchy for each type of asset or liability measured at fair value in the notes to the financial statements. The standard also requires that the city disclose a description of the valuation techniques used in the fair value measurement and any significant changes in valuation techniques. GASB 72 establishes a three-tier hierarchy:

Level 1 Inputs – quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs – inputs other than quoted prices included within Level 1 that are observable for the asset of liability, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation or by other means.

Level 3 Inputs – unobservable inputs used only when relevant Level 1 and Level 2 inputs are unavailable.

All but two (2) of the FMIvT Funds are considered as Level 2 since the value of the shares is based on market-corroborated data. The Core Plus Fixed Income Fund and the Expanded High Yield Bond Fund are considered Level 3 since the value is based on unobservable inputs.

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

Investments – City:

As of September 30, 2020, the City had the following investments and maturities:

		Investment Matur	ities (in years)
	Amortized Cost	Less than 1	1 through 5
Florida PRIME	\$ 75,396,484	\$ 75,396,484	\$ -
FLCLASS	20,012,754	20,012,754	-

Interest rate risk

The dollar weighted average days to maturity (WAM) of Florida PRIME and FLCLASS at September 30, 2020 is 48 and 51 days, respectively. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME and FLCLASS at September 30, 2020, is 63 and 82 days, respectively.

Credit risk

The City's investment policy mitigates credit risk by limiting investments to the safest types of securities by prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business. Further, the policy diversifies the investment portfolio so that potential losses on individual securities will be minimized. In addition, Florida state law limits investments in bonds, stocks or other evidences of indebtedness issued or guaranteed 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, unless the corporation is listed on any one or more of the recognized national stock exchanges or on the National Market System of the NASDAQ Stock Market and in the case of bonds only, holds a rating in one of the three highest classifications by a major rating service. The Florida PRIME and FLCLASS funds are rated AAAm by Standard and Poor's Global Ratings.

Foreign Currency Risk

Florida PRIME, FLCLASS or FMIvT were not exposed to any foreign currency risk during the period October 1, 2019 through September 30, 2020.

<u>Investments – Fiduciary Funds:</u>

As of September 30, 2020, the City's fiduciary funds had the following investments:

Common stocks	\$ 56,170,937
Mutual funds	16,902,431
Government securities	12,410,145
Corporate and foreign bonds	4,874,868
Money market funds	1,549,110
Real estate trust	9,323,549
Partnership / Joint Venture	 2,475,958
	\$ 103,706,998

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

Interest rate risk

State law does not limit maturity term on fixed income holdings. The term "interest rate risk" refers to the portfolio's exposure to fair value losses arising from increasing interest rates. As of September 30, 2020, the Police and Firefighters Pension Plan and General Employees Pension Plan held fixed income securities with the following maturities:

Police and Firefighters Pension Plan

		Investment Maturities (In Years)							
	Fair Value	Less	than 1 Year		1-5		6-10	Mo	ore Than 10
Corporate and foreign bonds	\$ 2,269,620	\$	156,108	\$	104,393	\$	984,313	\$	1,024,806
Municipal obligations	3,041,758		-		445,455		1,562,466		1,033,837
United States Government treasury notes	1,313,577		-		999,974				313,603
United States Government agency notes	5,707,093		-		345,009		864,329		4,497,755
	\$ 12,332,048	\$	156,108	\$	1,894,831	\$	3,411,108	\$	6,870,001

General Employees Pension Plan

	Investment Maturities (In Years)					
Fair Value	Less	than 1 Year		1-5		6-10
\$ 403,340			\$	188,300	\$	215,040
1,944,376		226,826		706,937		1,010,613
2,605,249		278,380		1,202,904		1,123,965
\$ 4,952,965	\$	505,206	\$	2,098,141	\$	2,349,618
\$	1,944,376 2,605,249	\$ 403,340 1,944,376 2,605,249	Fair Value Less than 1 Year \$ 403,340 1,944,376 2,605,249 278,380	Fair Value Less than 1 Year \$ 403,340 \$ 1,944,376 226,826 2,605,249 278,380	Fair Value Less than 1 Year 1-5 \$ 403,340 \$ 188,300 1,944,376 226,826 706,937 2,605,249 278,380 1,202,904	\$ 403,340 \$ 188,300 \$ 1,944,376 226,826 706,937 2,605,249 278,380 1,202,904

OPEB Trust

FMIvT Interest Rate Risk Information (Years)

Fixed Income Funds	Modified Duration	<u>WAM</u>
Broad Market High Quality Bond Fund	5.52	6.60
Core Plus Fixed income Fund	3.35	5.82

Custodial credit risk

Custodial risk is the risk that in the event of failure of the counterparty, the City and the Fiduciary Funds would not recover the value of its investments or collateral securities that are in possession of an outside party. State law limits investments in bonds, stocks or other evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States, any state or organized territory of the Unites States, or the District of Columbia, unless the corporation is listed on any one or more of the recognized national stock exchanges or on the National Market System of the NASDAQ Stock Market and in the case of bonds only, holds a rating in one of the three highest classifications by a major rating service.

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

Custodial credit risk (continued)

As of September 30, 2020, the Police and Firefighters Pension Plan and the General Employees Pension Plan investments subject to credit risk were rated by Moody's Investors Services as follows:

	Fair Value					
-	Police and	_General				
<u>Rating</u>	<u>Firefighters</u>	<u>Employees</u>				
Aaa	\$ 2,868,746	\$ 2,347,717				
Aa1	1,417,056	1,392,305				
Aa2	859,467	737,612				
Aa3	36,021	475,332				
A1	173,668	-				
A2	428,071	-				
A3	397,057	-				
Baa1	283,310	-				
Baa2	291,346	-				
No rating available	5,577,306					
	\$ 12,332,048	\$ 4,952,966				

Since the OPEB Trust investments are evidenced by shares of the pool, the City's investment is with the pool, not the securities that make up the pool and therefore, no disclosure is required.

Credit Risk for FMIvT fixed incomes funds is as follows:

Fixed Income Funds	Fitch Rating
Broad Market High Quality Bond Fund	Aaf/S4
Core Plus Fixed Income Fund	Not Rated

Concentration Risk

The General Employees Pension Plan investment policy stipulates that not more than 5% of plan assets can be invested in the common stock of any one issuing company nor can the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of any company. As of September 30, 2020, the value of each position held by the General Employees Pension Plan portfolio comprised less than 5% of Plan assets and less than 5% of the value of the outstanding capital stock of the respective company.

The Police and Firefighters Pension Plan limits investments that may be invested in any one issuer to no more than 5% of the Plan Net Position other than government and government agencies securities. There were no individual investments that represent 5% or more of plan net position at September 30, 2020.

The Plan's policy regarding the allocation of invested assets is established and may be amended by the Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan. The investment policy statement was last amended on September 2013.

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

Concentration risk (continued)

The following was the Board's adopted asset allocation policy as of September 30, 2020:

	General Employees	Police and Firefighters
Type of Investment	Target Allocation	Target Allocation
Large Cap Equity	15%-7.5%	30%
Mid Cap Equity	5%-0%	10%
Small Cap Equity	5%-0%	10%
Developed Markets Equity	10%-5%	11%
Emerging Markets Equity	10%-5%	4%
Real Estate	15-0%	15%
Hedge Funds	12%-0%	0%
Fixed income	35%-20%	20%
Cash and Cash Equivalents	Minimum	Minimum

Foreign Credit Risk

For an investment, foreign currency risk is the risk that fluctuations in currency exchange rate may affect transactions conducted in currencies other than U.S. dollars as well as the carrying value of foreign investments. The Fund's exposure to foreign currency risk derives mainly from its investments in international equity funds and foreign bonds. The total amount of foreign investments as of September 30, 2020 was \$6,534,347 for the Police and Firefighters Pension Plan. The investment policy limits the foreign investments to no more than 25% of the fund's investment balance. As of September 30, 2020, foreign investments consisted of 14% of total investments for the Police and Firefighters Pension Plan. The General Employees plan contained no foreign investments. The FMIvT is not subject to foreign credit risk.

Risks and uncertainties

The Plans have investments that are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect balances and the amounts reported in the statement of Net Position available for benefits and the statement of changes in net position available for benefits. The Plans, through their investment advisers, monitor the Plans' investments and risk associated therewith on a regular basis, which the Plans believe minimizes their risks.

Fair value measurements

The Police and Firefighters and General Employees Pension Plan's equity securities have quoted prices in active markets and are all level 1 inputs. Additionally U.S. Treasury securities are also Level 1. U.S. Agency securities and Corporate and Foreign Bonds are level 2 inputs as have significant other observable inputs. Additionally as required by GAAP, certain investments are measured at net position value and are not included in the fair value hierarchy. These represent money market funds which are exempt and real estate holdings which totaled approximately \$5.6m for the Police and Firefighters Pension Plan. The hedge funds in the General Employees Plan fair value cannot be determined by using observable inputs such as market prices. Fair value therefore can only be calculated by using estimates or risk adjusted value ranges.

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

Fair value measurements

Fair value of Investments held by the City's Police and Firefighters Pension Plan Investment Funds are classified at September 30, 2020 as follows:

Investments	Fair Value	A	oted Prices in ctive Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant nobservable Inputs (Level 3)
U.S. Agency securities	\$ 5,707,093	\$	-	\$ 5,707,093	\$ -
U.S. Treasury Obligations	1,313,577		877,429	436,148	-
U.S. Government Agencies	3,041,758		-	3,041,758	-
Corporate and Foreign Bonds	2,269,620		-	2,269,620	-
Common Equity Securities	25,189,686		25,189,686	-	-
Mutual Funds	15,748,310		15,748,310	 	
	\$ 53,270,044	\$	41,815,425	\$ 11,454,619	\$

As required by GAAP, certain investments that are measured at net asset value have not been classified in the the fair value hierarchy. These include real estate holdings in the amount of \$13,327,080. Additionally, money market funds are exempt in the amount of \$1,549,110. The grand total of investments in the pension fund is \$68,146,234.

As of September 30, 2020, the fair value of investments held by the City's General Employees Pension Plan are classified as follows:

Investments	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Funds	\$ 612,165	\$ 6,975	\$ 605,191	\$ -
U.S. Treasury Obligations	1,944,377	-	1,944,377	-
U.S. Government Agencies	403,340	-	403,340	-
Corporate and Foreign Bonds	2,605,248	-	2,605,248	-
Common Equity Securities	15,263,164	15,263,164	-	-
Equity Mutual Funds	522,387	522,387	-	-
Options and Futures	(30,223)	(30,223)	-	-
Fixed Income Mutual Funds	1,259,713	487,961	771,752	-
Hedge Funds	2,475,958	-	-	2,475,958
	\$ 25,056,130	\$ 16,250,264	\$ 6,329,907	\$ 2,475,958

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

Rate of Return

For the year ended September 30, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 3.35% and 6.5% for the Police and Firefighters and General Employees Pension Plans, respectively. The money weighted rate of return for the OPEB investment plan was 6.50%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 4 - RECEIVABLES

Receivables as of September 30, 2020 for the City's individual funds in the aggregate including the allowances for uncollectible receivables are as follows:

	General		ı	Non-Major								on-Major nterprise	
	 Fund	 CRA	G	Governmental		Water Fund		Sewer Fund		Marina		Funds	Total
Customers billed	\$ 290,089	\$ _	\$	-	\$	940,766	\$	1,064,749	\$	246,821	\$	20	\$ 2,542,445
Franchise fees	434,382	-		_		-		_		-		-	434,382
Utility taxes	412,901	-		-		-		-		-		-	412,901
Other	78,790	 13,500		451		20,242				-		_	112,983
Gross receivable Less: Allowance	1,216,162	13,500		451		961,008		1,064,749		246,821		20	3,502,711
for uncollectibles	(249,378)	_		_		(175,707)		(167,090)		_		-	(592,175)
Net total receivables	\$ 966,784	\$ 13,500	\$	451	\$	785,301	\$	897,659	\$	246,821	\$	20	\$ 2,910,536

NOTE 5 - INTERFUND, RECEIVABLES, PAYABLES, AND TRANSFERS

The 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. The composition of net interfund balances as of September 30, 2020 is as follows:

	From	То			
Funds					
General Fund	\$ 506,958	\$	-		
Grants Fund	_		164,099		
CRA Fund	_		2,024		
Building Fund	-		5,821		
Water Fund	-		14,504		
Sewer Fund	-		4,158		
Stormwater Fund	-		3,289		
Marina Fund	-		293,389		
Other Non-Major Enterprise Funds	-		19,674		
, ,	\$ 506,958	\$	506,958		

NOTE 5 - INTERFUND ADVANCES, RECEIVABLES, PAYABLES, AND TRANSFERS (continued)

The composition of interfund transfers for the year ended September 30, 2020 is as follows:

	Tı	ransfers in	(Transfers out)			
Governmental Funds						
General	\$	5,124,727	\$	3,516,174		
Community Redevelopment Agency		1,546,884		349,434		
Grant		233,178		-		
Capital Projects		460,000		129,736		
Perpetual Care		-		57,610		
Building Permit		-		936,577		
Debt Service		1,058,277		-		
Enterprise funds						
Water		-		1,300,340		
Sewer		-		785,294		
Stormwater		-		374,234		
Marina		-		268,223		
Parking		-		637,765		
Pier Operations		-		67,679		
Total fund transfers		8,423,066		8,423,066		
Government-wide						
Governmental Activities		3,433,535		-		
Business-Type Activities		. , , <u>-</u>		3,433,535		
Total transfers	\$	3,433,535	\$	3,433,535		

Transfers are used to 1) move revenues from the fund with collection authorization to the Debt Service Fund as debt service principal and interest payments become due, 2) move restricted amounts from borrowings to the debt service fund to establish mandatory reserve accounts, and 3) move unrestricted General Fund revenues to finance various programs that the government must account for in the other funds in accordance with budgetary authorizations.

NOTE 6 - CAPITAL ASSETS

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

	Balance, Beginning of Year	Additions	Decreases	Balance, End of Year		
Governmental Activities:						
Capital assets, not being depreciated:	f 16 104 221	C	¢.	r 16 104 221		
Land Construction in progress	\$ 16,184,221 648,596	\$ - 477,821	\$ - 	\$ 16,184,221 1,126,417		
Total capital assets, not being depreciated	16,832,817	477,821		17,310,638		
Capital assets, being depreciated:						
Buildings and Improvements	24,719,226	-	-	24,719,226		
Furniture, fixtures, and equipment	6,960,609	383,079	-	7,343,688		
Infrastructure	49,679,470	312,880		49,992,350		
Total capital assets, being depreciated	81,359,305	695,959		82,055,264		
Less accumulated depreciation for:						
Buildings and improvements	12,730,301	1,021,173	-	13,751,474		
Furniture, fixtures, and equipment	5,213,492	367,363	-	5,580,855		
Infrastructure	34,193,594	1,504,128		35,697,722		
Total accumulated depreciation	52,137,387	2,892,664		55,030,051		
Total capital assets, being depreciated, net	29,221,918	(2,196,705)		27,025,213		
Governmental activities capital assets, net	\$ 46,054,735	\$ (1,718,884)	\$ -	\$ 44,335,851		
	Balance, Beginning of	Incresses	Decrees	Balance, End of		
Rusiness-Type Activities:		Increases	Decreases	Balance, End of Year		
Business-Type Activities: Capital assets, not being depreciated:	Beginning of	Increases	Decreases			
Capital assets, not being depreciated: Land	Beginning of Year \$ 220,976	\$ -	\$ -	Year \$ 220,976		
Capital assets, not being depreciated:	Beginning of Year			<u>Year</u>		
Capital assets, not being depreciated: Land	Beginning of Year \$ 220,976	\$ -	\$ -	Year \$ 220,976		
Capital assets, not being depreciated: Land Construction in progress	\$ 220,976 1,716,291	\$ - 91,598	\$ - (138,000)	\$ 220,976 1,669,889		
Capital assets, not being depreciated: Land Construction in progress Total capital assets, not being depreciated Capital assets, being depreciated:	\$ 220,976 1,716,291 1,937,267	\$ - 91,598	\$ - (138,000)	\$ 220,976 1,669,889 1,890,865		
Capital assets, not being depreciated: Land Construction in progress Total capital assets, not being depreciated	\$ 220,976 1,716,291	\$ - 91,598	\$ - (138,000)	\$ 220,976 1,669,889		
Capital assets, not being depreciated: Land Construction in progress Total capital assets, not being depreciated Capital assets, being depreciated: Buildings and improvements	\$ 220,976 1,716,291 1,937,267	\$ - 91,598 91,598	\$ - (138,000)	\$ 220,976 1,669,889 1,890,865 4,969,137		
Capital assets, not being depreciated: Land Construction in progress Total capital assets, not being depreciated Capital assets, being depreciated: Buildings and improvements Furniture, fixtures, and equipment	\$ 220,976 1,716,291 1,937,267 4,969,137 3,301,662	\$ - 91,598 91,598	\$ - (138,000)	\$ 220,976 1,669,889 1,890,865 4,969,137 3,595,143		
Capital assets, not being depreciated: Land Construction in progress Total capital assets, not being depreciated Capital assets, being depreciated: Buildings and improvements Furniture, fixtures, and equipment Utility system	\$ 220,976 1,716,291 1,937,267 4,969,137 3,301,662 59,987,057	\$ 91,598 91,598 91,598	\$ - (138,000)	\$ 220,976 1,669,889 1,890,865 4,969,137 3,595,143 60,205,058		
Capital assets, not being depreciated: Land Construction in progress Total capital assets, not being depreciated Capital assets, being depreciated: Buildings and improvements Furniture, fixtures, and equipment Utility system Total capital assets, being depreciated Less accumulated depreciation for:	\$ 220,976 1,716,291 1,937,267 4,969,137 3,301,662 59,987,057 68,257,856	\$ 91,598 91,598 91,598 - 293,481 218,001 511,482	\$ - (138,000)	\$ 220,976 1,669,889 1,890,865 4,969,137 3,595,143 60,205,058 68,769,338		
Capital assets, not being depreciated: Land Construction in progress Total capital assets, not being depreciated Capital assets, being depreciated: Buildings and improvements Furniture, fixtures, and equipment Utility system Total capital assets, being depreciated Less accumulated depreciation for: Buildings and improvements	\$ 220,976 1,716,291 1,937,267 4,969,137 3,301,662 59,987,057 68,257,856	\$ 91,598 91,598 91,598 293,481 218,001 511,482	\$ - (138,000)	\$ 220,976 1,669,889 1,890,865 4,969,137 3,595,143 60,205,058 68,769,338		
Capital assets, not being depreciated: Land Construction in progress Total capital assets, not being depreciated Capital assets, being depreciated: Buildings and improvements Furniture, fixtures, and equipment Utility system Total capital assets, being depreciated Less accumulated depreciation for:	\$ 220,976 1,716,291 1,937,267 4,969,137 3,301,662 59,987,057 68,257,856	\$ 91,598 91,598 91,598 - 293,481 218,001 511,482	\$ - (138,000)	\$ 220,976 1,669,889 1,890,865 4,969,137 3,595,143 60,205,058 68,769,338		
Capital assets, not being depreciated: Land Construction in progress Total capital assets, not being depreciated Capital assets, being depreciated: Buildings and improvements Furniture, fixtures, and equipment Utility system Total capital assets, being depreciated Less accumulated depreciation for: Buildings and improvements Furniture, fixtures, and equipment	\$ 220,976 1,716,291 1,937,267 4,969,137 3,301,662 59,987,057 68,257,856	\$ - 91,598 91,598 91,598 - 293,481 218,001 511,482 248,766 263,474	\$ - (138,000)	\$ 220,976 1,669,889 1,890,865 4,969,137 3,595,143 60,205,058 68,769,338		
Capital assets, not being depreciated: Land Construction in progress Total capital assets, not being depreciated Capital assets, being depreciated: Buildings and improvements Furniture, fixtures, and equipment Utility system Total capital assets, being depreciated Less accumulated depreciation for: Buildings and improvements Furniture, fixtures, and equipment Utility system	\$ 220,976 1,716,291 1,937,267 4,969,137 3,301,662 59,987,057 68,257,856 1,883,027 1,893,793 29,590,260	\$ 91,598 91,598 91,598 	\$ - (138,000)	\$ 220,976 1,669,889 1,890,865 4,969,137 3,595,143 60,205,058 68,769,338 2,157,267 31,296,907		

NOTE 6 – CAPITAL ASSETS (Continued)

Depreciation expense for the year ended September 30, 2020 was charged to functions/programs of the primary government as follows:

Governmental Activities:		Business-Type Activities:	
General government	\$ 304,197	Parking	\$ 22,567
Highways and streets	556,785	Pier and marina	332,158
Public safety	387,432	Utilities	1,864,162
Community redevelopment	18,056		-
Culture and recreation	1,452,557		-
Physical environment	 173,637		 -
Total depreciation expense -		Total depreciation expense -	
governmental activities	\$ 2,892,664	business-type activities	\$ 2,218,887

NOTE 7 – LONG-TERM DEBT

The following is a summary of changes in long-term debt of the city for governmental activities for the year ended September 30, 2020:

	Balance, Beginning of Year		Additions			Decreases	Balance, End of Year		Due Within One Year	
Governmental Activities										
Bonds, notes, and capital										
Leases payable:										
Sales tax revenue bonds	\$	675,000	\$	-	\$	(165,000)	\$	510,000	\$	170,000
General obligation bonds		6,853,731		-		(499,014)		6,354,717		509,014
Notes payable		621,876		-		(82,916)		538,960		41,458
Capital leases		278,539		-		(189,562)		88,977		88,977
Total bonds, notes and capital leases		8,429,146		-		(936,492)		7,492,654		809,449
Other liabilities:										· · · · · · · · · · · · · · · · · · ·
Compensated absences		1,319,457		164,207		(22,495)		1,461,169		219,175
Total long-term debt and liabilities	\$	9,748,603	\$	164,207	\$	(958,987)	\$	8,953,823	\$	1,028,624

Bonds Payable

The City previously issued \$3,500,000 of General Obligation Bonds, Series 2010 (Refunded in April 2016). The proceeds of the Series 2010 Bonds were used to finance a portion of the parking garage and entry road with associated infrastructure related to a downtown library facility and paying costs of issuance of the bonds. The bonds were payable in annual principal installments beginning October 15, 2010 through October 15, 2025.

The refunding of the Series 2010 Bonds reduced the City's debt service payments over the next 20 years by approximately \$417,942 and obtained an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$346,280 at a present value rate of approximately 2.279%. The bonds are payable in annual principal installments of various amounts based on the maturity of the bonds beginning October 15, 2016 through October 15, 2025 plus interest at 2.28% as accrued between each payment date with a final balloon payment of \$1,253,160.

NOTE 7 – LONG-TERM DEBT (continued)

In December 2012, the City issued the Sales Tax Revenue Refunding Bonds Series 2012 for \$1,615,000. The bonds were issued to refund the Series 1994 Sales Tax Revenue Bonds. The refunding of the series 1994 Bonds reduced the City's debt service payments over the next 13 years by approximately \$968,700 and obtained an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$415,000. The bonds are payable in annual principal installments beginning October 1, 2013 through October 1, 2022. Interest at 1.65% is payable semiannually on the first day of each April and October. The Bonds are limited obligations of the City payable solely from sales tax revenues.

The City previously issued Series 2006 General Obligation Bonds for \$6,800,000 to fund the construction of a fire station in the annexed area, parks and recreation centers improvements, and neighborhood improvements for lighting projects, sidewalk improvements and traffic calming devices. These bonds were refunded in 2015 by \$5,440,773 in General Obligation Bonds, Series 2015 in order to save interest expense of more than \$1m. The new bonds are payable in semi-annual principal installments of \$139,507 beginning Oct 1, 2016 through October 1, 2035 including interest at 3.06% as accrued between each payment date. The installments are due on the first day of April and October. The bonds are collateralized entirely by ad-valorem revenue over the life of the debt.

Annual debt service requirements of the Sales Tax Revenue Bonds, Series 2012, the General Obligations Bonds, 2015 and the General Obligations Bonds, Series 2016 are as follows:

Fiscal year ended September 30:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021 2022 2023 2024 2024 2026-2030 2031-2035	\$ 664,014 679,014 684,014 519,014 524,014 2,260,070 1,534,577	\$ 178,268 161,754 146,528 132,632 118,566 361,866 140,472	\$ 842,282 840,768 830,542 651,646 642,580 2,621,936 1,675,049
	\$ 6,864,717	\$ 1,240,086	\$ 8,104,803

As of September 30, 2020, the City has complied with all of the provisions outlined within its Series 2012 Sales Tax Revenue Bond Indenture Agreement.

NOTE 7 – LONG-TERM DEBT (continued)

Notes Payable - Governmental Funds

On February 21, 2006, the City entered in to an interlocal agreement with Broward County to fund specific projects totaling \$6,345,866 which was amended in March 2011 for an amount not to exceed \$6,038,899. Between March 2009 and September 2013, the City entered into various loan agreements with the County under the interlocal agreement to borrow \$5,343,024 for eligible projects under the County Redevelopment Capital Program. The City received the first draw in March 2009 in the amount of \$2,334,200 for the purchase of Land Parcel 109. The City received its second draw in the amount of \$2,730,909 in September 2010 toward the construction of the Parking Garage Facility on Parcel 109. The loan was held to conditions requiring the City to complete the project within five years of the first draw and to demonstrate a net increase in the tax base of the Community Redevelopment Area. If the conditions are met the note is forgiven using a predetermined schedule. If the conditions are not met the note will be payable to the County over a fifteen-year period commencing at the end of the initial five-year interest free period (March 2019) with interest at the Municipal Market Data (MMD) "A" revenue bond rate in effect at the time repayment begins. As of September 30, 2020, a portion of the above conditions were met, and have formally been indicated as such by the County. The remaining balance outstanding as of September 30, 2020 was \$538,960. The remaining principal of the debt will continue to be repaid until formal forgiveness has been granted in the same manner as the above.

Notes Payable - Enterprise Funds

The following is a summary of the changes in long-term debt for business-type activities:

	Balance, Beginning of Year			Additions	 Decreases	 Balance, End of Year	Due Within One Year		
Business-Type Activities									
Revenue bonds payable	\$	1,675,000	\$	-	\$ (145,000)	\$ 1,530,000	\$	150,000	
State revolving loans payable		10,756,542		_	 (973,867)	 9,782,675		973,866	
Total long-term debt Other liabilities:		12,431,542			 (1,118,867)	 11,312,675		1,123,866	
Compensated absences Total long-term debt and		362,431		103,416	 (1,340)	 464,507		69,676	
other liabilities	\$	12,793,973	\$	103,416	\$ (1,120,207)	\$ 11,777,182	\$	1,193,542	

State Revolving Loans Payable – Enterprise Funds

In previous years, the City entered into various loan agreements with the Florida Department of Environmental Protection's Clean Water State Revolving Fund Loan Program and Drinking Water State Revolving Fund Loan Program to borrow up to \$25,350,941. As of September 30, 2020, the City has a total of \$9,782,675 outstanding which it has borrowed to finance the planning, design and construction of water, wastewater and stormwater infrastructure improvements. The City is required to maintain rates and charges for the services furnished by the water, sewer, and stormwater systems which will be sufficient to provide revenues equal to or exceed 1.15 times the sum of the semiannual loan payments (debt service). The loans payable in semi-annual payments are calculated based on the actual amount of the principal drawn under the agreements, as well as associated capitalized interest and loan issuance costs. The amount of semi-annual payments made during the year totaled \$973,866. These amounts are subject to change since the projects have not been completed; therefore, amortization schedules are not available at this time.

NOTE 7 - LONG-TERM DEBT (continued)

The financing interest rates and principal amounts of the loans are as follows:

Fund	Rate	 Amount
Water Fund	2.50%-2.82%	\$ 7,069,934
Sewer Fund	0.905%-1.355%	1,857,520
Stormwater Fund	-	 855,222
		\$ 9,782,676

As of September 30, 2020, the City complied with all of its bond covenants associated with the State Revolving Fund Loan Program.

Revenue Bonds

In February 2013, the City issued the Taxable Marina Revenue Bonds, Series 2013 for \$2,400,000. The bonds were issued for the purpose of financing a portion of the costs of rehabilitating the Dania Beach Municipal Marina. Principal payments are due annually beginning October 15, 2013 through October 14, 2028. Interest at 3.41% is due semiannually on April 15 and October 15 of each year beginning on April 15, 2013.

Annual debt service requirements for the revenue bonds payable are as follows:

Fiscal Year Ending			
September 30:	Principal	Interest	Total
2021	\$ 150,000	\$ 49,616	\$ 199,616
2022	150,000	49,616	199,616
2023	160,000	39,215	199,215
2024	165,000	33,674	198,674
2025	170,000	27,962	197,962
2026-2029	735,000	51,235	786,235
	\$ 1,530,000	\$ 251,318	\$ 1,781,318

As of September 30, 2020, the City complied with all bond covenants associated with the Taxable Marina Revenue Bonds.

NOTE 8 - LEASES

Operating Leases

The City leases parcels of real estate to private corporations. The leases, classified as operating leases, expire in years 2025 and 2040.

The parking garage lease consists of the rental of 84 parking spaces and roadway access between the hotel and surrounding area. The parking garage lease contains an option provision to extend the initial term for two additional ten-year periods.

The marina lease is subject to contingency rentals, which are calculated as a percentage of gross receipts.

The pier restaurant lease payment is the greater of the base rent of 7% of the gross revenues for each lease year. The pier restaurant lease contains an option provision to extend the initial term for up to four separate, consecutive additional renewal terms of five years each. Total City rental income of approximately \$696,761 is included as revenue in the General Fund, \$34,020 in the Parking Fund, and \$108,898 in the Pier Fund.

The following is a schedule of minimum future rental income of non-cancelable operating leases as of September 30, 2020:

Fiscal year ending September 30:	
2021	\$ 446,785
2022	390,632
2023	314,626
2024	236,340
2025	236,340
2026-2030	954,898
2031-2035	954,898
2036-2040	954,898
Total minimum future rentals	\$ 4,489,417

Capital Leases

The City has a lease agreement for financing the acquisition of equipment for the Fire Department in the amount of \$889,744. This lease agreement qualifies as a capital lease for accounting purposes and therefore, has been recorded at the present value of future minimum lease payments as of inception date. An additional lease in the amount of \$1,005,855 has been paid in full as of September 30, 2020.

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2020 are as follows:

Fiscal year ending September 30:		Lease Payments	 Interest	Present Value of Minimum Lease Payments
2021	\$_	88,980	\$ 1,304	\$ 90,284
Total minimum lease obligations	\$_	88,980	\$ 1,304	\$ 90,284

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Litigation

Various suits and claims arising in the ordinary course of operations are pending against the City. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of legal counsel, the City has sufficient insurance coverage to cover any claims and/or liabilities which may arise from such action. The effect of such losses would not materially affect the financial position of the City or the results of its operations. No such settlements exceeded insurance coverage in each of the past three (3) years.

Interlocal Agreement with Broward County Sheriff's Office for Police Services

A contract exists between the Broward County Sheriff's Office and the City, whereby the Broward County Sheriff's Office provides police officers to serve the City. These police officers are paid on the Broward County Sheriff's Office payroll. The City pays the Broward County Sheriff's Office for the police services based on the contract. The City paid the Broward County Sheriff's Office approximately \$14.4m for the year ended September 30, 2020.

Interlocal Agreement with Broward County Sheriff's Office for Fire Rescue and Emergency Medical Services

The City has an Interlocal Agreement with the Broward County Sheriff's Office to provide fire rescue and emergency medical services which expires in September 2025. All fire personnel are paid on the Broward County Sheriff's Office payroll. The City pays the Broward County Sheriff's Office for the fire rescue and emergency medical services based on the expired contract. The City paid the Broward County Sheriff's Office approximately \$12.9m for the year ended September 30, 2020.

Interlocal Agreement with City of Hollywood

The City has an Interlocal Agreement with the City of Hollywood for utilization of a common area-wide wastewater collection, treatment and disposal facility. The City of Hollywood is required to provide the City of Dania Beach an estimate of all costs at the beginning of each fiscal year. The annual estimate is the basis for monthly billings and is adjusted annually based upon actual flows and actual costs when known. Charges for services provided by the City of Hollywood include operation, maintenance and administrative costs, debt service charges, depreciation charges and renewal replacement and improvement account contributions. For the year ended September 30, 2020, the City recognized expenses of approximately \$3.1m under this agreement. The agreement will continue in existence until modified by mutual consent or termination by one of the parties after giving one year's notice. Should the City terminate the agreement, it would be required to pay all debt service charges which would otherwise have been chargeable to the City (based upon a weighted average for future years using projected flows) and a sum equal to the present value of five years of all other payments based on the annual payment in the year of termination. Management considers the chances of termination of this agreement to be remote. Future payments under this agreement cannot be estimated.

NOTE 9 - COMMITMENTS AND CONTINGENCIES (Continued)

Construction Commitments

The City has numerous active construction projects as of September 30, 2020. The projects include Beach Revitalization II, Oasis XIV, and various utility system projects. At year end, the City's significant commitments with contractors are as follows:

Capital Projects Fund		Remaining Commitment
Beach Revitalization II Oasis XIV	\$	878,343 47,149
	\$ __	925,492
Water, Sewer, Stormwater Funds		
NW 1st Water Main (Stirling Road- City Hall) SW 43rd Terrace, SW 40th Court and SW 49th Street Project Lift Rehabilitation Projects 5,7 and 10 Taylor Lane Drainage	\$	375,766 991,120 11,804 25,834
Taylor Lamo Liamoge	\$	1,404,524
ENCUMBRANCES* Governmental Funds	_	Amount Encumbered
General Fund Building Fund Community Redevelopment Agency Fund Community Redevelopment Agency Fund PATCH Capital Projects Fund Total Governmental Funds	\$ \$_	263,792 14,737 88,600 7,000 28,418 402,547
Enterprise Funds		
Water Stormwater Sewer Nonmajor Funds	\$	68,497 59,921 89,858 28,330
Total Enterprise Funds	\$_	246,606

^{*} Encumbrances include construction commitments

NOTE 10 - DEFINED BENEFIT PENSION PLANS

Plan Description

The City is the sponsor of two single-employer Public Employee Retirement Systems ("PERS") defined benefit pension plans established to provide pension, disability and death benefits for its employees and beneficiaries. The two plans are the General Employees Pension Plan (GEPP) and the City of Dania Beach Retirement System for Police and Firefighters (P&F Plan). The P&F Plan issues a publicly available financial report that includes financial statements and required supplementary information. Both plans are closed to new entrants. The financial reports for the Police and Firefighters' Plan may be obtained by writing to the board of Trustees c/o City of Dania Beach, 100 West Dania Beach Boulevard, Dania Beach, Florida 33004.

Under the provisions of the GEPP, all full-time employees who were hired prior to March 1, 2006 were eligible to participate. Pension benefits were vested after six years of credited service. Members were eligible to retire at age 55 with 6 years of credited service or at age 50 with 25 years of credited service at a benefit of 2.5% (for each year of credited service) of final average salary based on the highest 3 years' salary during the last 10 years of employment. The benefit multiplier was raised to 3% for those who retired after December 31, 1998. City ordinance established these benefit provisions. Amendments to the Plan must be authorized by the City Commission.

The governing boards for the plans have been set by City ordinance. The composition of the governing board for the General Employees' Pension Fund is two active employees of the City and three residents of the City. The board also serves as plan trustees. The composition of the governing board for the City of Dania Beach Retirement System for Police and Firefighters is one City commissioner, two active or DROP participant Firefighters, two active or DROP participant Police Officers, three residents of the City and one other approved by these eight appointed members.

Summary of Significant Accounting Policies

Basis of Accounting:

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

NOTE 10 – DEFINED BENEFIT PENSION PLANS (continued)

Method Used to Value Investments:

Plan investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price. Investments that do not have an established market price are presented at estimated fair value as provided by the custodial bank and investment counsel.

At October 1, 2018, the date of the latest actuarial valuation, the Plan's membership consisted of:

	General Employees	Police and Firefighters
Retirees and Beneficiaries	78	72
Inactive, Nonretired Members	-	-
Active Members	19	18
Total	97	90

Funding Policy

General Employees Pension Plan

City ordinance establishes the contribution requirements of GEPP members and the City. City employee members are required to contribute 19.74% of their annual covered salary of which 16.08% is contributed by the City on behalf of the employee. City and employee contributions for the year ended September 30, 2020, were \$1,356,798 and \$154,407 respectively.

The annual required contribution for the current year was determined based on an October 1, 2018, actuarial valuation date. Effective October 1, 2018 the actuarial cost method was changed from the Aggregate Method to the individual *Entry-Age Normal Cost Method*. Under this method, the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age(s). The portion of this actuarial present value allocated to a valuation year is called the *normal cost*. Significant actuarial assumptions used in the actuarial valuation include (i) a rate of return on the investment of present and future assets of 6.5% a year compounded annually, net of investment-related expenses, (ii) projected salary increases of 4.00% a year attributable to historical events, including inflation, merit and seniority, (iii) normal retirement age based on experience-based table of rates that are specific to the type of eligibility condition. Both (i) and (ii) include an inflation component of 2.75%. The real rate of return over wage inflation is 3.75%. The actuarial value of assets phase in the difference between the expected return on actuarial value and actual return on market value of assets at the rate of 20% per year. During the periods when investment performance is less than assumed rate, actuarial value of assets will tend to be greater than market value.

The GEPP does not issue a stand-alone financial report and is not included in the report of a public employee retirement system or a report of another entity. The GEPP however, is audited in conjunction with the City's financial statements. The Plan financial statements can be found within the Fiduciary Fund financial statements contained within this report.

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

Police and Firefighters Retirement System

Firefighters currently make contributions to the Plan at a rate equal to 24.6% of earnings. Police Officers make contributions to the Plan at a rate equal to 7% of their annual covered salary. Firefighters hired prior to September 30, 2001 and those hired on or after October 1, 2001 contribute 2% and 6.46%, respectively, of their earnings through payroll deductions. The remaining employee contributions are made by the City on behalf of the employee. Effective January 29, 2011, and amended September 25, 2013, the City of Dania Beach and the Broward County Sheriff's Office (BSO) agreed that for the year ending September 30, 2013, and for all future fiscal years as long as annual employer pension contributions are required, BSO will contribute \$513,354 to both the City Fire Pension and the City General Employee Pension. The contributed amount of \$513,354 will be divided between the Fire Pension and the General Employee Pension by \$497,927 and \$15,427, respectively. In the event the annual required employer pension is less than \$513,354 in any fiscal year, BSO's annual required employer contribution shall be the lesser amount.

BSO refunds to the City of Dania Beach the amount that the Sheriff's office would have paid to the Florida Retirement System (FRS) on behalf of those Police Officers who remained in the City Plan. For the year ended September 30, 2020, no active Police Officers were participants in the City Plan. The entire 7% contribution for the Police Officers would be made entirely by the City of Dania Beach on behalf of those employees if the City had any remaining active Officers in the City Plan. Additionally, the City/BSO is required to contribute an actuarially determined rate of 304.26% for Firefighters in the fiscal year. For active participants, BSO and City of Dania Beach make an annual contribution to the City Plan in a percentage of pensionable wages determined by the actuary by taking into consideration the amounts contributed by employees and the State of Florida (the "State") under State law. City/BSO, Employer, Employee and State contributions for the year ended September 30, 2020, were \$6,798,153, \$394,173 and \$463,157 respectively.

Eligibility - Eligible for the Plan are Firefighters of the City and certain Police Officers that were formerly employed by the City but now are employed by BSO. As of October 1, 1988, the Police Officers of the City of Dania Beach became employees of BSO pursuant to a service agreement dated August 30, 1988, between the City of Dania Beach and the Broward Sheriff's Office. As of January 29, 2011, Firefighters of the City also became employees of BSO. The Plan became closed to new participants at that time. The plan covers 15 active employees as well as 65 retirees and beneficiaries currently receiving benefits.

Benefits - Normal Retirement Benefit: Police Officers who have attained 55 years of age and completed 10 years of continuous service, and Firefighters who have attained age 55 and completed 8 years of continuous service may retire with normal retirement benefits. Either Firefighters or Police Officers that have completed 25 years of continuous service, regardless of age, may retire with normal retirement benefits. The monthly retirement benefit for Firefighter members retiring before October 1, 1989, and for Police Officers who retire before October 1, 1991, shall equal 2.5% of average monthly earnings for each of the first 30 years of continuous service and 2% of average monthly earnings for each year of continuous service in excess of 37 and one-half years, subject to a maximum of 100% of average monthly earnings. Average monthly earnings are defined as one twenty-fourth of the arithmetic average of earnings for the highest consecutive 24-month period preceding the member's date of termination.

The monthly retirement benefit for Firefighters retiring after October 1, 1989, and for Police Officers who retire after October 1, 1991, shall equal 3% of average monthly earnings for each of the first 25 years of continuous service and 2% of average monthly earnings for each year of continuous service in excess of 37 and one-half years, subject to a maximum of 100% of average monthly earnings. The monthly retirement benefit for Firefighter members retiring on or after January 1, 1999, shall equal 3% of average monthly earnings for each of the first 15 years of continuous service and 4% of average monthly earnings for each of the next 10 years of continuous service and 2% of average monthly earnings for each year of continuous service in excess of 37 and one-half years, subject to a maximum of 100% of average monthly earnings.

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

Police and Firefighters Retirement System (Continued)

Early Retirement Benefit - Early retirement date shall be when a member completes 20 years of continuous service or both attains 50 years of age and completes eight (8) years of continuous service. A member retiring on or after his early retirement date but before his normal retirement date shall receive their normal retirement benefits actuarially reduced to consider the member's younger age and the earlier commencement of retirement income payments, but not by more than 3% for each year the retiree is younger than the normal retirement age.

Disability Retirement - Any member who receives a service-connected injury, disease or disability, which injury, disease or disability permanently incapacitates the member, physically or mentally from the member's regular and continuous duties as a Firefighter or Police Officer shall receive a monthly disability benefit equal to the greater of the member's accrued retirement benefit or 68% of the member's average monthly earnings in effect as of the date of disability for a disabled Firefighter and the greater of the member's accrued retirement benefit or 60% of the member's average monthly earnings in effect as of the date of disability for a disabled Police Officer. The disability shall be paid until recovery from disability or if the member does not recover, death. Any member with one year of continuous service who receives a non-service connected injury, disease or disability, and which injury, disease or disability permanently incapacitates him physically or mentally from gainful employment shall receive in equal monthly installments a benefit of not less than the members accrued retirement benefit or 25% of their average monthly earnings as follows:

With less than 2 years	40%
With less than 3 years	45%
With less than 4 years	50%
With less than 5 years	55%
With 5 or more years	60%

Pre-Retirement Death - A death benefit of the benefits otherwise payable at early or normal retirement but not less than 40% of average monthly earnings is payable to the member's designated beneficiary if a member dies in the performance of services. In addition, a benefit of 7.5% of average monthly earnings is paid to each of the member's dependent children. The total death benefits to be paid to designated beneficiary and children shall not exceed 75% of average monthly earnings. For members who die while not on active duty, the Plan provides a benefit otherwise payable at early or normal retirement but not less than 35% of average monthly earnings and 7.5% for the designated beneficiary and dependent children, respectively. The total non-service-related death benefits for designated beneficiary and children shall not exceed 50% of average monthly earnings.

These non-service incurred benefits are payable only until recovery as determined by the board or ten years certain and death thereafter for Firefighter members or death for Police Officers.

Deferred Retirement Option Plan (DROP) - A member may enter in the DROP after 25 but less than 30 years of credited service. The maximum duration of participation in the DROP shall be limited to seven years. Election into the DROP is voluntary; however, the election is irrevocable once DROP payments begin. Members will cease to accrue a benefit and will not be eligible for disability or pre-retirement death benefits once the DROP election is made. Monthly normal retirement benefits that would be paid to members upon date of retirement are paid into the DROP account while the member is able to continue employment with the City.

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

Police and Firefighters Retirement System (Continued)

Health Insurance Subsidy - All Firefighter retirees and their survivors receiving benefits shall be eligible for an annual health insurance subsidy equal to 75% of the prior year's actuarial gain allocable to Firefighters, Firefighter retirees and Firefighter survivors remaining after the annual cost of living adjustments are applied. Seventy-Five percent (75%) of any increase in the percentage of covered payroll received by the City of Dania Beach pursuant to Section 175.121, Florida Statutes, over the amount received by the City in 1997 shall be defined as the "available actuarial gain". The available actuarial gain for a fiscal year is to be used to subsidize up to one-year's payments for retiree health insurance due from each Firefighter retiree and Firefighter survivor who receives benefits from the system to cover one-third of the premium cost for such insurance or 100% of the cost if enough funds are made available. Should the available actuarial gain not be fully expended by the subsidy, then the balance together with any unexpended available actuarial gain from prior years shall be accrued by the retirement system. DROP participants shall receive credit for any such future benefits paid while participating in the DROP, but not for the health insurance subsidy.

The Police and Firefighters Retirement System issues a standalone financial report which may be obtained from the plan administrator at 113 SW 1st Street, Dania Beach, FL 33004.

Net Pension Liability, Pension Expense and Deferred Outflows and Inflows of Resources

At September 30, 2020, the City reported a net pension liability of \$4,242,715 and \$12,241,264 in the GEPP and P&F Plans, respectively. The net pension liabilities for both plans were measured as of September 30, 2019, and the total pension liabilities used to calculate the net pension liabilities were determined by an actuarial valuation as of October 1, 2018. The City's net pension liability was based on the City's 2019-20 fiscal year contributions relative to the 2018-19 fiscal year contributions of all participating members.

Component of the Plans' expense for fiscal year ended September 30, 2020 (based on measurement period ended September 30, 2019) are as follows:

General			Police and
	Employees		Firefighters
\$	329,480	\$	724,803
	1,828,705		4,747,703
	(266,554)		(1,623,290)
	(1,558,325)		(3,949,770)
	85,525		181,485
	-		-
	-		1,448,186
	32,010		595,694
	337,639		208,937
\$	788,480	\$	2,333,748
		Employees \$ 329,480 1,828,705 (266,554) (1,558,325) 85,525 - 32,010 337,639	Employees \$ 329,480 \$ 1,828,705 (266,554) (1,558,325) 85,525

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

For the fiscal year ended September 30, 2020, the City recognized pension expense in the GEPP of \$788,480 and in the P&F Plan of \$2,333,748. These expenses are reported as part of general government and public safety within the functional program of activities. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pension plans from the following sources.

	General Employees					Police and Firefighters						
	_	Deferred Deferred Net Deferred Outflow Inflow Outflow			Deferred Outflow			Deferred Inflow		et Deferred Outflow		
	of F	Resources	0	f Resources	01	f Resources	of	f Resources	of	Resources	of	Resources
Difference between expected and actual experience Change of assumptions Net difference between projected and actual	\$	-	\$		\$	-	\$	-	\$	-	\$	- -
earnings on pension plan investments		670,190		481,489		188,701		1,505,762		1,609,633		(103,871)
Total	\$	670,190	\$	481,489	\$	188,701	\$	1,505,762	\$	1,609,633	\$	(103,871)

The deferred outflows of resources related to the Pension Plans, totaling \$1,356,798 and \$6,798,153 resulting from City contributions to the GEPP and the P&F Plan respectively subsequent to the measurement date, but before the end of the City's current reporting period, will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than the current fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ended		General	F	Police and
September 30:	E	mployees	F	irefighters
2021	\$	(24,211)	\$	(316,720)
2022		(47,174)		(304,468)
2023		98,278		140,875
2024		161,808		376,442
Thereafter		-		-
Total	\$	188,701	\$	(103,871)

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

Actuarial Assumptions

The total pension liability in the October 1, 2018, actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement date of September 30, 2019. Methods and assumptions used to determine the total pension liability:

Component	General Employees	Police and Firefighters
A. Total Pension Liability		
Service cost	\$ 329,480	\$ 724,803
Interest	1,828,705	4,747,703
Benefit payments, including refunds of employee contributions	(2,292,994)	(4,291,509)
Differences between expected and actual experience	32,010	595,694
Other	- -	1,448,186
Net change	(102,799)	3,224,877
Total Pension Liability - Beginning	28,950,936	71,757,288
Total Pension Liability - Ending	28,848,137	74,982,165
B. Plan Fiduciary Net Position		
Contributions - City	1,875,779	6,736,911
Contributions - State	-	429,236
Contributions - Employee (includes buyback contributions and picked up member contributions)	266,554	1,623,290
Net investment income	749,289	2,067,568
Benefit payments, including refunds of employee contributions	(2,292,994)	(4,291,509)
Administrative expenses	(85,525)	(4,231,309)
Other	(00,020)	1,210,895
Net change	513,103	6,384,011
Total Pension Liability - Beginning	24,092,319	56,356,890
Total Pension Liability - Ending	24,605,422	62,740,901
C. Net Pension Liability	\$ 4,242,715	\$ 12,241,264

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

Police and Firefighter

Actuarial Cost Method: Entry Age Normal Amortization Method: Level Dollar, Closed Remaining Amortization Period: 5 years

Asset Valuation Method: 5-year smoothed market

Inflation: 2.75%

Salary Increases: 6.0%

Investment Rate of Return 6.75%

Retirement Age Experience-based table of rates that are specific to the type of eligibility condition.

Mortality: The mortality tables used are the same as those used in the July 1, 2018 Pension Actuarial Valuation of the Florida Retirement System (FRS) for Special Risk members. These tables are based on the RP-2000 mortality tables with white and blue collar adjustments and with mortality improvements projected for healthy lives to all future years after 2000 using Scale BB.

General Employees

Actuarial Cost Method: Entry Age Normal Amortization Method: Fixed Dollar Remaining Amortization Period: 5 Years

Asset Valuation Method: 5-year smoothed market

Inflation: 2.75%

Salary Increases: 4.00%

Investment Rate of Return: 6.50%

Retirement Age Experience-based table of rates that are specific to the type of eligibility condition.

Mortality RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates currently in use for Regular Class members of the Florida Retirement System (FRS), as mandated by Florida House Bill 1309.

Discount Rate

The discount rate used to measure the total pension liability was 6.50% and 6.75% for the GEPP and P&F plans, respectively. This single discount rate was based on the expected rate of return on Pension Plan investments of 6.50% and 6.75% for the GEPP and P&F plan, respectively. The projection of cash flows used to determine this single discount rate assumed that Plan member contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments (6.50% and 6.75% for the GEPP and P&F plan, respectively) was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 10 – DEFINED BENEFIT PENSION PLANS (continued)

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rates of 6.50% and 6.75% for the GEP and P&F Plans, respectively, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate schedule of investment returns;

		Current Single	
		Discount	
	1% Decrease	Assumption	1% Increase
	5.75%	6.75%	7.75%
Police and Firefighters	\$ 20,760,791	\$ 12,241,264	\$ 5,120,715
		Current Single	
		Discount	
	1% Decrease	Assumption	1% Increase
	5.50%	6.50%	7.50%
General Employees	\$ 7,247,774	\$ 4,242,715	\$ 1,707,540

The aggregate amount s for all pension liabilities, expenditures, deferred outflows and inflows for all of the plans including the Other Post Employment Benefit Trust (Note 13) are as follows:

	Deferred	Deferred	Pension		Pension/OPEB	
	 Outflows	Inflows	Expenses			Liability
P&F	\$ 8,767,072	\$ (1,609,633)	\$	(4,927,562)	\$	12,241,264
GEPP	2,026,988	(481,489)		(568,318)		4,242,715
OPEB	274,453	(12,793,858)		(2,542,964)		8,005,623
FRS	3,737,931	(17,411)		(2,542,964)		8,913,291
HIS	 884,974	(158,554)		297,647		2,691,126
	\$ 15,691,418	\$ (15,060,945)	\$	(10,284,161)	\$	36,094,019

NOTE 11 – FLORIDA RETIREMENT SYSTEM

General Information

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

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

All general employees hired after March 1, 2006, participate in the Florida Retirement System (FRS). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, city government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

Plan Description

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

Benefits Provided

Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service, regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service, regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement Officers, Firefighters, and correctional Officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service, regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service Class members who retire at or after age 62 with at least six years of credited service or 30 years of service, regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five (5) highest years of salary for each year of credited service. Elected Officers Class members who retire at or after age 62 with at least six years of credited service or 30 years of service, regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five (5) highest years of salary for each year of credited service.

NOTE 11 – FLORIDA RETIREMENT SYSTEM (continued)

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

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

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

Contributions

Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent (3.00%) of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2019 through June 30, 2020 and from July 1, 2020 through September 30, 2020, respectively, were as follows: Regular - 8.47% and 10.00%; Special Risk Administrative Support - 38.59% and 35.84%; Special Risk - 25.48% and 24.45%; Senior Management Service - 25.41% and 27.29%; Elected Officers - 48.82% and 49.18%; and DROP participants - 14.60% and 16.98%. These employer contribution rates include 1.66% HIS Plan subsidy and a 0.06% plan administrative and educational expense for the periods October 1, 2019 through June 30, 2020, and from July 1, 2019 through September 30, 2020, respectively.

The City's contributions to the Pension Plan and Investment Plans totaled \$652,722 and \$355,130 respectively, for the fiscal year ended September 30, 2020.

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

At September 30, 2020, the City reported a liability of \$8,913,291 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The City's proportionate share of the net pension liability was based on the City's 2019-20 fiscal year contributions relative to the 2018-19 fiscal year contributions of all participating members. At June 30, 2020, the City's proportionate share was 0.02057%, which was an increase of 0.028% from its proportionate share measured as of June 30, 2019.

Basis of Accounting

The cost-sharing defined benefit plans are prepared using the flow of economic resources measurement focus and the accrual basis of accounting and are prepared in accordance with accounting principles generally accepted in the United States.

NOTE 11 - FLORIDA RETIREMENT SYSTEM (continued)

For the fiscal year ended September 30, 2020, the City recognized pension expense of \$1,871,870 (collective) as well as employer specific expenses of \$299,112. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

C			Deferred Inflows of Resources	Net Deferred Outflow of Resources
\$	341,130	\$	-	\$ 341,130
	1,613,589		-	1,613,589
	530,706		-	530,706
	2,485,425		_	2,485,425
	1,016,595		17,411	999,184
\$	3,502,020	\$	17,411	\$ 3,484,609
		Outflows of Resources \$ 341,130	Outflows of Resources \$ 341,130 \$ 1,613,589	Outflows of Resources Inflows of Resources \$ 341,130 \$ - 1,613,589 - 530,706 - 2,485,425 - 1,016,595 17,411

The deferred outflows of resources related to employer contributions paid resulting from City contributions paid subsequent to the measurement date and prior to September 30, 2020 in the amount of \$235,931, will be recognized as a reduction of the net pension liability during the subsequent fiscal period (September 30, 2021) rather than the current fiscal period. The remaining service life expectancy of all employees in the pension plan was 5.9 years (the basis for amortization below). Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ended September 30,	Amount
2021	\$ 512,186
2022	797,699
2023	678,041
2024	405,336
2025	92,163
Thereafter	-
	\$ 2,485,425

Actuarial Assumptions

The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation 2.40%

Salary increases 3.25%, average, including inflation

Investment rate of return 6.80%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

NOTE 11 - FLORIDA RETIREMENT SYSTEM (continued)

Actuarial assumptions (continued)

The HIS plan is funded on a pay-as-you-go basis and the actuarial assumptions are based on the most recent experience study of the FRS Pension Plan which was completed in 2019 for the period July 1, 2013 June 30, 2018. The total pension liability for each cost-sharing plan was determined using the actuarial cost method.

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. Further information can be found in the FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Discount Rate

The discount rate used to measure the total pension liability was 6.80%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 6.80%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.80%) or one percentage point higher (7.80%) than the current rate:

		Current	
	1% Decrease	Discount Rate	1% Increase
City's proportionate share of the	5.80%	6.80%	7.80%
net pension liability	\$ 14,233,028	\$ 8,913,291	\$ 4,470,224

Pension Plan Fiduciary Net Position

Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

HIS Plan

Plan Description

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

Benefits Provided

For the fiscal year ended September 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month pursuant to section 112.363 Florida Statutes. To be eligible to receive these benefits, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

NOTE 11 – FLORIDA RETIREMENT SYSTEM (continued)

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2020, the HIS contribution for the period October 1, 2019 through June 30, 2020 and from July 1, 2020 through September 30, 2020 was 1.66%, respectively. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

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

At September 30, 2020, the City's reported a liability of \$2,691,126 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The City's proportionate share of the net pension liability was based on the City's 2019-20 fiscal year contributions relative to the 2018-19 fiscal year contributions of all participating members. At June 30, 2020, the City's proportionate share was 0.02204%, which was an increase of 0.003170% from its proportionate share measured as of June 30, 2019.

For the fiscal year ended September 30, 2020, the City recognized pension expense of \$221,477 which included employer specific expenses of \$114,009. In addition, the City reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

Description	0	Deferred utflows of Resources	Deferred Inflows of Resources	C	t Deferred outflow of esources
Difference between expected					
and actual experience Change in assumptions	\$	110,083 289,372	\$ 2,076 156,478	\$	108,007 132,894
Net difference between projected and actual earnings on pension		209,572	130,470		132,034
plan investments		2,149	 		2,149
		401,604	 158,554		243,050
Employer-Specific Amounts Due to Changes					
in Employer Proportion		445,531	 		445,531
Total	\$	847,135	\$ 158,554	\$	688,581

NOTE 11 – FLORIDA RETIREMENT SYSTEM (continued)

The deferred outflows of resources related to the HIS Plan, resulting from City contributions to the HIS Plan subsequent to the measurement date in the amount of \$37,839, will be recognized as a reduction of the net pension liability in the subsequent fiscal year, September 30, 2021. The remaining service life expectancy of all employees in the HIS was 7.2 years (the basis for amortization below). Other amounts reported as deferred outflows of resources and deferred (inflows) of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending			
September 30	Amount		
2021	\$ 67,266		
2022	49,896		
2023	13,634		
2024	31,660		
2025	43,110		
Thereafter	37,484		
	\$ 243,050		

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

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Municipal bond rate	2.21%

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

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

Discount Rate

The discount rate used to measure the total pension liability was 2.21%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 2.21%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.21%) or one percentage point higher (3.21%) than the current rate:

		Current		
	1% Decrease	Discount Rate	1% Increase	
City's proportionate share of the	1.21%	2.21%	3.21%	
net pension liability	\$ 3,110,822	\$ 2,691,126	\$ 2,347,606	

NOTE 11 – FLORIDA RETIREMENT SYSTEM (continued)

Pension Plan Fiduciary Net Position

Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

The system's CAFR and the actuarial valuation reports are available online at: http://www.dms.myflorida.com/workforce_operations/retirement/publications

Payables to the Pension Plan

The City reported no payables for outstanding contributions to the HIS plan as of September 30, 2020.

NOTE 12 - DEFERED COMPENSATION

The City offers its employees a deferred compensation plan (457b) with a financial institution. Upon employment, all full-time employees have a one-time benefit election to enroll in the plan, and will receive a match of up to a maximum of 1.8% of their compensation by the City. For the year ended September 30, 2020, the City contributed a total of \$99,582 to the Plan.

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS

In June 2015, the GASB issued Statement No. 74 Financial Reporting for Post-Employment Benefit Plans Other than Pension Plans and GASB Statement No. 75 Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions which replaces GASB statement No. 43 and 45 as amended and No. 57, OPEB Measurements by Agent-Employer and Agent Multiple-Employer Plans.

Plan Description

The Employee Health Benefit Plan (the "Plan") is fully insured by a third party on behalf of the City. Coverage under the Plan is a benefit available to retirees of the City and their eligible dependents. On July 28, 2009, the City adopted Ordinance 2009-010 creating the Other Post-Employment Benefits Trust Fund, a single employer post–employment benefit plan, in accordance with Florida Statutes Chapter 115. The City entered into a master trust agreement with Florida Municipal Pensions Trust Fund ("FMPTF"), a pooled trust fund established to provide retirement and other post-employment benefit plan administration.

As of October 1, 2019, the date of the latest actuarial valuation, employee membership data related to the Plan was as follows:

Current retirees:	
Under age 65	37
Over age 65	48
Dependents	51
Total current retirees	136
Active employees:	
Under age 65	128
Over age 65	7
Total active employees	135
Total number of participants	271

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Financial Reports

The Plan does not issue a stand-alone financial report and is not included in the report of a public employee retirement system or a report of another entity. However, the financial statements are included in the Fiduciary Funds Financial Statements contained in this report.

Actuarial Methods

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Although the valuation results are based on values the actuarial consultant believes are reasonable assumptions, the valuation result is only an estimate of what future costs may actually be and reflect a long-term perspective. Deviations in any of several factors, such as future interest rate discounts, medical cost inflation, Medicare coverage risk and changes in marital status, could result in actual costs being greater or less than estimated.

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

Investments

The assets of the Trust are invested in the Florida Municipal Investment Trust Fund, a pooled trust fund considered to be a Local Government Investment Pool. (see note 3).

The following table provides information concerning actuarial methods and assumptions:

Valuation date:

Measurement date:

Actuarial cost method

Valuation method:

September 30, 2019

September 30, 2019

Entry Age Normal

Market Value

Discount rate: 6.50% Assumed inflation rate: 2.30%

Salary increases 4.00% compounded annually

Mortality rates: Healthy Pre-retirement Pub - 2010 General retirees Headcount - Weighted

Mortality using MP 2018 scale

Healthy Post-Retirement - Pub -2010 General retirees Headcount - Weighted

Mortality using MP 2018

Disabled Retirement Participants - Pub 2010 General Disabled Retirees

Headcount - Weighted Mortality using MP 2018

Mortality improvements are projected to all future years after 2010 using scale MP

2018

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Funding Policy

The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to pre-fund benefits when earned and determined annually by the City's actuary. Pay-as-you-go financing is paid by the City and plan members and is accounted for in the City's General Fund. For the year ended September 30, 2020, the City made no contributions to the OPEB plan. It is the City's intent to base future OPEB Trust contributions on the actuarially determined annual required contribution (ARC) less pay-as-you-go financing; however, no future Trust contributions are legally or contractually required. The City shares the insurance premium costs by subsidizing two-thirds of the cost. Retiree plan members are responsible for the remaining portion. The contribution requirements of plan members are established and may be amended by the City Commission.

Total OPEB Liability

The City's total OPEB liability of \$8,005,623 was measured as of September 30, 2019, and was determined by the actuarial valuation on September 30, 2018.

Changes in the Total OPEB Liability

\$ 14,624,247
771,852
993,212
_
(6,538,332)
(1,034,066)
(820,877)
9,587
\$ 8,005,623
\$

The actuarial valuation for the calculation of OPEB involves estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information is designed to provide multi-year trend information to show whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. However, the City has not contributed assets to the plan at this time.

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Net OPEB Liability

The total OPEB liability was determined as of September 30, 2018 (the valuation date) with a measurement date of September 30, 2019, the date as of which the total OPEB liability is determined as follows:

Net OPEB Liability	September 30, 2020
Total OPEB Liability	\$ 17,693,618
Fiduciary Net Position	9,687,995
Net OPEB Liability	8,005,623
Fiduciary Net Position as a % of total liability	54.75%
Covered Payroll	8,076,850
Net OPEB Liability as a % of covered payroll	99.12%

Money Weight of Return

For the year ended September 30, 2020, the net money weighted rate of return was 9.25%. The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

Discount Rate

	September 30, 2020
Discount Rate	6.500%
Long-Term Expected Rate of Return, Net of Investment Expense	6.500%
20 Year Tax-Exempt Municipal Bond	2.660%

The plan's fiduciary net position was not projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payments, to the extent that the plan's fiduciary net position is not projected to be sufficient.

Sensitivity Analysis

The following presents the net OPEB liability of the City, calculated using the discount rate of 6.50%, as well as what the City of Dania Beach, Florida's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate:

	1% Decrease	Current	1% Increase
	5.50%	6.50%	7.50%
Net OPEB Liability	\$ 10,027,670	\$ 8,005,623	\$ 6,323,088

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS (continued)

The following presents the net OPEB liability of the City, calculated using the current healthcare cost trend rates as well as what the City's net OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates:

	1% Decrease	Current Trend Rate	1% Increase
_	5.50%	6.50%	7.50%
Net OPEB Liability	\$ 6,087,429	\$ 8.005.623	\$ 10,316,816

OPEB Expense and deferred outflows of resources and deferred inflows of resources related to OPEB

For the year ended September 30, 2020, the City recognized OPEB expense of \$1,097,651. At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		inflows of resources		Deferred outflows of resources		inflows of resources
Differences between expected and acual experience	\$	4,786,515	\$	- (\$_	(4,786,515)
Changes of assumptios		7,263,731		-		(7,263,731)
Change in proportion and differences between City's plan contributions and proportionate share of contributions		_		_		-
Net difference between projected and actual earnings		743,612		-		(743,612)
City Contributions made subsequent to the measurement date		-		274,433		274,433
	\$	12,793,858	\$_	274,433	\$_	(12,519,425)
	_		_		_	

The contribution in the amount of \$274,433 made after the measurement date of the Net OPEB liability but before the City's reporting period will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period rather than the current fiscal period. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB expense are follows:

Year ended September 30		
2021	- \$	(4,221,200)
2022		(3,739,977)
2023		(3,358,132)
2024		(1,474,549)
2025		-
Thereafter		
	\$	(12,793,858)

NOTE 14 - CORONAVIRUS PANDEMIC AND CARES ACT FUNDING

In December 2019, a novel strain of coronavirus surfaced in Wuhan, China, and has spread around the world, with resulting business and social disruption. As it become known, the Covid-19 pandemic was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. Consequently, congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act which was signed into law on March 27, 2020. CARES Act funds were to be used to provide economic relief to families, businesses, and governments in the form of 2 trillion dollars of which \$2,501,718 was allocated to the City. As of September 30, 2020 the City had expended \$199,743 which was submitted to Broward County for review and potential reimbursement. Any costs not reimbursed by Broward County will be submitted to FEMA.

REQUIRED SUPPLEMENTARY INFORMATION	

CITY OF DANIA BEACH, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE GENERAL FUND

For the Year Ended September 30, 2020

	Budgete	ed Amount		
	Original	Final	Actual	Variance
DEVENUE O				
REVENUES:	Ф 0E E04 E0C	Ф 0E E04 E0C	Ф OE 404 4E0	ф (4E7 440)
Property taxes	\$ 25,591,596	\$ 25,591,596		\$ (157,143)
Special assessments Franchise Fees	6,342,854	6,342,854	6,333,454	(9,400)
	2,754,771	2,754,771	2,841,162	86,391
Utility Taxes	4,004,042 971,221	4,004,042 971,221	4,065,872 1,573,630	61,830 602,409
Licenses and permits Intergovernmental	5,165,143	5,626,182	7,358,473	1,732,291
Charges for Services	4,472,150	4,472,150	4,648,344	176,194
Fines and forfeitures	355,279	355,279	453,882	98,603
Investment earnings (loss)	1,010,975	1,010,975	456,670	(554,305)
Miscellaneous	1,843,386	1,843,386	1,827,197	(16,189)
Total revenues	52,511,417	52,972,456	54,993,137	2,020,681
Total revenues	32,311,417	32,372,430	34,333,137	2,020,001
EXPENDITURES:				
General government				
Legislative	702,699	705,199	579,202	125,997
Executive:				
City clerk	379,062	379,062	339,686	39,376
City manager	804,862	845,112	713,573	131,539
Finance and administration:				
Human resources	537,032	554,904	494,134	60,770
Finance & info. systems	1,904,759	1,991,579	1,777,083	214,496
General services	2,300,846	2,952,206	3,575,714	(623,508)
Legal	1,000,758	979,578	869,652	109,926
Total general government	7,630,018	8,407,640	8,349,044	58,596
Public safety				
Code enforcement	874,654	862,640	864,839	(2,199)
Police	15,360,150	15,567,294	15,450,612	116,682
Fire	18,443,308	18,593,780	18,567,971	25,809
Total public safety	34,678,112	35,023,714	34,883,422	140,292
Highways and streets	2,156,512	2,200,704	2,041,909	158,795
Physical environment	5,358,146	5,484,162	5,282,627	201,535
Community redevelopment	639,609	750,011	629,069	120,942
Culture and recreation	3,415,128	3,463,618	3,213,951	249,667
Total expenditures	53,877,525	55,329,849	54,400,022	929,827
Excess of revenues over expenditures	(1,366,108)	(2,357,393)	593,115	2,950,508
OTHER FINANCING SOURCES (USES):				
Appropriation of prior year reserves	405,000	1,426,285	_	(1,426,285)
Transfers in	4,341,983	4,341,983	4,474,820	132,837
Transfers out	(3,380,875)	(3,410,875)	(2,866,267)	544,608
Total other financing sources (uses)	1,366,108	2,357,393	1,608,553	(748,840)
Total other interioring sources (uses)	1,000,100	2,001,000	·	
Net change in fund balances	\$ -	\$ -	\$ 2,201,668	\$ 2,201,668

CITY OF DANIA BEACH, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE GRANT FUND

For the Year Ended September 30, 2020

	Original Final		 Actual		Variance	
REVENUES Intergovernmental	\$	- \$	326,155	\$ 571,825	\$	245,670
Total revenues			326,155	 571,825		245,670
EXPENDITURES Highways and streets		<u>-</u> _	1,002,899	 961,815		41,084
Total expenditures			1,002,899	 961,815		41,084
Excess (deficiency) of revenues over (under) expenditures			(676,744)	 (389,990)		286,754
OTHER FINANCING SOURCES (USES): Appropriations of prior year reserves Transfers in		- <u>-</u> _	547,008 129,736	 233,178		(547,008) 103,442
Total other financing sources (uses)		<u>-</u> _	676,744	 233,178		(443,566)
Net change in fund balances	\$	- \$	-	\$ (156,812)	\$	(156,812)

CITY OF DANIA BEACH, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE COMMUNITY REDEVELOPMENT AGENCY FUND For the Year Ended September 30, 2020

	Original	Final	Actual	Variance
REVENUES Investment earnings (loss) Miscellaneous	\$ 16,500 292,000	\$ 16,500 292,000	\$ 7,273 159,782	\$ (9,227) (132,218)
Total revenues	308,500	308,500	167,055	(141,445)
EXPENDITURES Community redevelopment	2,010,950	2,264,236	1,347,971	916,265
Total expenditures	2,010,950	2,264,236	1,347,971	916,265
Excess (deficiency) of revenues over (under) expenditures	(1,702,450)	(1,955,736)	(1,180,916)	774,820
OTHER FINANCING SOURCES (USES): Appropriations of prior year reserves Transfers in Transfers out	505,000 1,546,884 (349,434)	758,286 1,546,884 (349,434)	- 1,546,884 (349,434)	(758,286) - -
Total other financing sources (uses)	1,702,450	1,955,736	1,197,450	(758,286)
Net change in fund balances	\$ -	\$ -	\$ 16,534	\$ 16,534

CITY OF DANIA BEACH, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE Building Fund For the Year Ended September 30, 2020

	 Original		Final		Actual	Variance
REVENUES Licenses and permits Investment earnings (loss) Miscellaneous	\$ 5,268,000 - -	\$	5,268,000	\$	2,777,225 \$ 28,540 1,474	\$ (2,490,775) 28,540 1,474
Total revenues	 5,268,000		5,268,000		2,807,239	(2,460,761)
EXPENDITURES Community redevelopment	 4,359,277		5,394,324	_	3,938,850	1,455,474
Total expenditures	 4,359,277		5,394,324		3,938,850	1,455,474
Excess (deficiency) of revenues over (under) expenditures	 908,723		(126,324)		(1,131,611)	(1,005,287)
OTHER FINANCING SOURCES (USES): Appropriations of prior year reserves Transfers out	 (908,723)	_	1,035,047 (908,723)		(908,723)	(1,035,047)
Total other financing sources (uses)	 (908,723)		126,324		(908,723)	(1,035,047)
Net change in fund balances	\$ 	\$		\$	(2,040,334)	\$ (2,040,334)

CITY OF DANIA BEACH, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION NOTES TO BUDGETARY COMPARISON SCHEDULE For the Year Ended September 30, 2020

NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING

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

- (a) The City Manager submits to the Commission a proposed operating budget for the ensuing fiscal year. The operating budget includes appropriations and the means of financing them with an explanation regarding each expenditure that is not of a routine nature.
- (b) Public hearings are conducted to obtain taxpayer comments.
- (c) Prior to October 1, the annual budget is legally adopted through passage of a resolution.
- (d) The City Commission, by motion may make supplemental appropriations to the budget. During the year ended September 30, 2020 there were \$906k in supplemental appropriations for expenditures out of the general fund to cover demolition of a City building (\$23k), the City match portion of the CRISI Railroad Safety Grant program (\$29k), a bulletproof glass enclosure in the City Commission meeting chamber (\$56k), completion of a City signage update (\$107k), and the rollover of encumbrances and funds from the prior year (\$691k). The City Commission also approved appropriating a portion of the disaster recovery reserve for ongoing costs associated with the response to the Covid-19 pandemic (\$115k).
- (e) Formal budgetary integration is employed as a management control device for the General Fund.
- (f) The Annual Budgets for the General Fund, Capital Projects Fund, Building Permit Fund, Community Redevelopment Agency Fund and Debt Service Fund are legally adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).
- (g) Annual budgets are prepared when required for the Grants Fund, Donations Fund, the Tree Preservation Fund, the Perpetual Care Fund, and the Law Enforcement Fund and RAC Traffic Mitigation Fund but they are not legally adopted.
- (h) The City Manager is authorized to transfer part or all of an encumbered appropriation balance within departments within a fund; however, any revisions that alter the total appropriations of any department or fund must be approved by the City Commission. The Classification detail at which expenditures may not legally exceed appropriations is at the departmental level.

CITY OF DANIA BEACH REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY Florida Retirement System Last 10 Fiscal Years*

	 2020	2019	 2018	 2017	2016	2015	 2014**
City's proportion of the net pension liability (asset)	0.02057%	0.01781%	0.01602%	0.01467%	0.01387%	0.01444%	-
City's proportionate share of the net pension liability (asset)	\$ 8,913,291 \$	6,132,936	\$ 4,824,802	\$ 4,338,181	\$ 3,503,415	\$ 1,865,110	\$ 1,341,034
Covered payroll	5,273,239	4,969,544	4,350,123	4,086,957	3,676,377	3,518,245	2,863,691
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	169.03%	123.41%	110.91%	106.15%	95.30%	53.01%	46.83%
Plan fiduciary net position as a percentage of the total pension liability	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

^{*}The amounts presented for each fiscal year were determined as of 6/30.

^{**} Information prior to 2014 is not available

CITY OF DANIA BEACH REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CONTRIBUTIONS Florida Retirement System Last 10 Fiscal Years*

_	2020 2019		2018 2017		2016	2015	2014**
Contractually required contribution	\$ 683,293	\$ 552,201	\$ 456,509	\$ 381,368	\$ 338,361	\$ 352,058	\$ 283,505
Contributions in relation to the contractually required contribution	683,293	552,201	456,509	381,368	338,361	352,058	283,505
Contribution deficiency (excess)		-	-	-	-	-	-
Covered payroll	5,980,590	5,129,222	4,462,931	4,165,705	3,976,972	3,543,934	2,936,276
Contributions as a percentage of covered-employee payroll	11.43%	10.77%	10.23%	9.15%	8.51%	9.93%	9.66%

^{*} The amounts presented for each fiscal year were determined as of 6/30.

^{**} Information prior to 2014 is not available.

CITY OF DANIA BEACH REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY Health Insurance Subsidy Plan Last 10 Fiscal Years*

	2020	2019	2018	2017	2016	2015	2014**
City's proportion of the net pension liability (asset)	0.02204%	0.01867%	0.01814%	0.01788%	0.01716%	0.01600%	0.01492%
City's proportionate share of the net pension liability (asset)	\$ 2,691,126	\$ 2,111,000	\$ 1,919,895	\$ 1,912,155	\$ 1,999,651	\$ 1,631,743	\$ 1,395,192
Covered payroll	5,273,239	4,969,544	4,350,123	4,086,957	3,676,377	3,518,245	2,863,691
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	51.03%	42.48%	44.13%	46.79%	54.39%	46.38%	46.38%
Plan fiduciary net position as a percentage of the total pension liability	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

^{*} The amounts presented for each fiscal year were determined as of 6/30. ** Information prior to 2014 is not available.

CITY OF DANIA BEACH REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CONTRIBUTIONS Health Insurance Subsidy Plan Last 10 Fiscal Years*

	2020		2019		2018		2017		2016		2015		2014**	
Contractually required contribution	\$	99,278	\$	85,145	\$	74,085	\$	69,151	\$	66,018	\$	58,829	\$	36,997
Contributions in relation to the contractually required contribution		127,010		104,765		98,370		94,643		87,944		61,162		51,116
Contribution deficiency (excess)		(27,732)		(19,620)		(24,285)		(25,492)		(21,926)		(2,333)		(14,119)
Covered payroll	5,	980,590	5	5,129,222		4,462,931	4	,165,705		3,976,972	3	,543,934	2,	936,276
Contributions as a percentage of covered-employee payroll		2.12%		2.04%		2.20%		2.27%		2.21%		1.73%		1.74%

^{*} The amounts presented for each fiscal year were determined as of 6/30. ** Information prior to 2014 is not available.

CITY OF DANIA BEACH REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CONTRIBUTIONS Last 10 Fiscal Years as of September 30

Police and Firefighters Pension Plan

_	FY Ending September 30	arily Determined	Actua	al Contribution	Actual Contribution as a % of Covered Payroll		
	2014*	\$ 2,987,487	\$	2,987,487	\$ -	\$ 3,030,736	98.57%
	2015	3,967,948		3,967,948	-	2,970,618	133.57%
	2016	5,729,245		5,729,245	-	2,620,630	218.62%
	2017	6,915,503		6,915,503	-	2,140,626	323.06%
	2018	6,920,425		6,920,425	-	2,012,598	343.86%
	2019	6,928,856		6,928,856	-	1,676,402	413.32%
	2020	7,261,310		7,261,310	-	1,602,329	453.17%

General Employees Pension Plan

FY Ending September 30	Actuarially Determined Contribution	Ac	ctual Contribution	D	Contribution eficiency (Excess)	 Covered Payroll	Actual Contribution as a % of Covered Payroll
2014*	\$ 1,123,817	\$	1,123,817	\$	-	\$ 1,086,708	103.41%
2015	1,387,882		1,387,882		-	1,108,089	125.25%
2016	1,538,811		1,538,811		-	1,223,409	125.78%
2017	1,608,604		1,608,734		(130)	1,223,738	131.46%
2018	1,894,959		1,894,959		-	1,282,631	151.37%
2019	1,815,438		1,875,779		(60,341)	1,271,226	147.56%
2020	1,356,798		1,356,798		-	782,204	173.46%

Notes: Covered payroll in 2020 was calculated by dividing total member contributions for the fiscal year (excluding buybacks) by the total member contribution rate of 19.74%.

The actuarially determined and actual contributions shown in the Police and Firefighters schedule above include both City contributions and the portion of State Chapter 175/185 revenue used to offset the City's contribution requirement

^{*}Information prior to 2014 is not available.

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date: October 1, 2018

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

Police and Fire Assumptions:

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method Entry Age Normal Amortization Method Level Dollar, Closed

Remaining Amortization Period 5 years

Asset Valuation Method 5-year smoothed market

Inflation 2.75% Salary Increases 6.0% Investment Rate of Return 6.75%

Retirement Age Experience-based table of rates that are specific to the type of eligibility

condition.

Mortality RP-2000 Combined Healthy Participant Mortality Table, with mortality

improvement projected to all future years after 2000 using Scale BB.

General Employees Assumptions:

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method Entry Age Normal

Amortization Method Fixed Remaining Amortization Period 5 years

Asset Valuation Method 5-year smoothed market

Inflation 2.75% Salary Increases 4.00% Investment Rate of Return 6.50%

Retirement Age Experience-based table of rates that are specific to the type of eligibility

condition.

Mortality RP-2000 Combined Healthy Participant Mortality Table for males and

females with mortality improvements projected to all future years after

2000 using Scale BB.

Notes: See discussion of valuation results in the October 1, 2018 actuarial valuation report dated March 4, 2019

CITY OF DANIA BEACH, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION POLICE AND FIREFIGHTERS PENSION PLAN

SCHEDULES OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS

For the Year Ended September 30

		2020		2019		2018		2017		2016		2015		2014*
Total pension liability														
Service cost	\$	679,390	\$	724,803	\$	839,069	\$	891,121	\$ ^	1,226,373	\$	1,145,724	\$	1,067,760
Interest		4,949,503		4,747,703		4,709,586		4,574,753	4	4,337,463		4,171,246		3,944,144
Benefit changes		(1,967)		-		-		-		-		-		_
Difference between actual and expected experience		(67,164)		595,694		(922,961)		506,187	•	1,314,433		392,918		(23,067)
Assumption changes		(1,802,248)		-		-		1,869,158	(1	1,436,329)		1,666,373		2,894,544
Benefit payments		(4,671,185)		(4,291,509)		(4,497,632)		(4,299,948)	(3	3,122,665)		(3,803,361)		(2,922,426)
Other (increase in state and health insurance reserves))													
and present value of buybacks)		917,260		1,448,186		447,835		1,027,652	•	1,994,483		435,428		210,585
Net change in total pension liability		3,589		3,224,877		575,897		4,568,923		4,313,758		4,008,328		5,171,540
Total pension liability -beginning		74,982,165		71,757,288		71,181,391		66,612,468	62	2,298,710		58,290,382	;	53,118,842
Total pension liability -ending (a)		74,985,754		74,982,165		71,757,288		71,181,391	\$ 66	6,612,468	\$	62,298,710	\$:	58,290,382
									-				-	
Plan fiduciary net position														
Contributions - employer		6,798,153		6,736,911		6,728,480		6,723,558	Ę	5,537,300		3,776,003		2,795,542
Contributions - employer (from State)		463,157		429,236		395,992		448,880		446,780		441,891		466,381
Contributions - member		394,173		412,395		495,099		526,594		644,675		730,772		745,561
Net investment income		4,941,406		2,067,568		4,568,934		5,074,159	2	2,582,275		(197,718)		2,435,693
Benefit payments		(4,671,185)		(4,291,509)		(4,497,632)		(4,299,948)	(3	3,122,665)		(3,803,361)		(2,922,426)
Administrative expense		(178,901)		(181,485)		(209,337)		(179,172)		(160,786)		(141,008)		(135,697)
Other (net of payments towards buyback balances)		646,048		1,210,895		185,895		(357,645)		966,824		58,192		173,969
Net change in plan fiduciary net position		8,392,851		6,384,011		7,667,431		7,936,426		6,894,403		864,771		3,559,023
Plan fiduciary net position - beginning		62,740,901		56,356,890		48,689,459		40,753,033	33	3,858,630		32,993,859	:	29,434,836
Plan fiduciary net position - ending (b)		71,133,752		62,740,901		56,356,890		48,689,459	40	0,753,033		33,858,630		32,993,859
Net pension liability - ending (a) - (b)	\$	3,852,002	\$	12,241,264	\$	15,400,398	\$	22,491,932	\$ 25		\$	28,440,080	\$:	25,296,523
Plan fiduciary net position as a percentage of total														
pension liability		94.86%		83.67%		78.54%		68.40%		61.18%		54.35%		56.60%
Covered employee payroll	\$	1,602,329	\$	1,676,402	\$	2,012,598	\$	2,140,626	\$ 2	2,620,630		3,020,808	\$	3,002,671
Net pension liability as a percentage of	~	1,00=,0=0	~	.,,	Ψ	_,,	~	_, ,	~ -	_,,	~	-,0-0,000	Ψ	-,,
covered employee payroll		240.40%		730.21%		765.20%		1050.72%		986.76%		941.47%		842.47%
outline on project payron		210.1070		100.2170		. 00.2070		1000.7270		300.1070		0 1 1. 17 70		3 12. 17 /0

^{*}Information prior to 2014 is not available.

CITY OF DANIA BEACH REQUIRED SUPPLEMENTARY INFORMATION POLICE AND FIREFIGHTERS PENSION PLAN SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURNS

Year Ended September 30,	Annual Money-Weighted Rate of Return, Net of Investment Expense
2020	7.80%
2019	3.35%
2018	9.45%
2017	12.67%
2016	7.47%
2015	(0.57)%
2014	8.49%
2013	11.69%
2012	17.28%
2011	0.95%

CITY OF DANIA BEACH REQUIRED SUPPLEMENTARY INFORMATION POLICE AND FIREFIGHTERS PENSION PLAN SCHEDULE OF EMPLOYER'S NET PENSION LIABILITY

				Plan Fiduciary		
				Net Position as		Net Pension
				a % of the		Liability as a %
Year Ending	Total Pension	Plan Net	Net Pension	Total Pension	Covered	of Covered
September 30,	Liability	Position	Liability	Liability	Payroll	Payroll
2014 \$	58,290,382 \$	32,993,859 \$	25,296,523	56.60% \$	3,030,736	834.67%
2015	62,298,710	33,858,630	28,440,080	54.35%	2,970,618	957.38%
2016	66,612,468	40,753,033	25,859,435	61.18%	2,620,630	986.76%
2017	71,181,391	48,689,459	22,491,932	68.40%	2,140,626	1050.72%
2018	71,757,288	56,356,890	15,400,398	78.54%	2,012,598	765.20%
2019	74,982,165	62,740,901	12,241,264	83.67%	1,676,402	730.21%
2020	74,985,754	71,133,752	3,852,002	94.86%	1,602,329	240.40%

CITY OF DANIA BEACH REQUIRED SUPPLEMENTARY INFORMATION POLICE AND FIREFIGHTERS PENSION PLAN NOTES TO SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY

Valuation Date: October 1, 2019

Measurement Date: September 30, 2020

Methods and assumptions used to determine net pension liability

Actuarial cost method: Entry age normal

Inflation 2.50% Salary increases 6.00% Investment rate of return 6.75%

Retirement age Experience-based table of rates that are specific to the type of

eligibility condition

Mortality The mortality tables used are the same as used in the July 1, 2019

Pension Actuarial Valuation of the Florida Retirement System (FRS)

for special risk members.

Note: See discussion of valuation results in October 1, 2019 Actuarial Valuation Report dated

June 29, 2020

CITY OF DANIA BEACH, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION GENERAL EMPLOYEES PENSION PLAN

SCHEDULES OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS

For the Year Ended September 30

		2020		2019		2018		2017		2016		2015		2014
Total pension liability														
Service cost	\$	189,819	\$	329,480	\$	311,154	\$	295,811	\$	272,229	\$	245,645	\$	237,731
Interest		1,826,148		1,828,705		1,813,975		1,798,696		1,761,138		1,796,159		1,788,524
Difference between actual and expected experience		(86,190)		32,010		260,354		185,259		225,302		(648,964)		(46,534)
Assumption changes		-		-		-		-		1,148,450		604,864		593,408
Benefit payments		(1,886,729)	_	(2,292,994)	_	(2,061,387)		(2,058,718)		(1,640,067)		(1,545,461)	((1,643,035)
Net change in total pension liability		43,048		(102,799)		324,096		221,048		1,767,052		452,243		930,094
Total pension liability -beginning		28,848,137		28,950,936		28,626,840		28,405,792		26,638,740		26,186,497	5	25,256,403
Total pension liability -ending (a)		28,891,185	_	28,848,137		28,950,936		28,626,840	\$	28,405,792		26,638,740		26,186,497
rotal policion hability chaing (a)	=	20,001,100	=	20,040,101	=	20,000,000	_	20,020,040	Ψ	20,400,702	=	20,000,140	=	20, 100, 407
Plan fiduciary net position														
Contributions - employer		1,356,798		1,875,779		1,941,463		1,608,734		1,538,811		1,387,882		1,123,817
Contributions - member		154,407		266,554		268,632		273,005		241,501		218,073		214,524
Net investment income		1,338,270		749,289		1,903,704		2,055,278		1,191,779		(425,789)		1,330,113
Benefit payments		(1,886,729)		(2,292,994)		(2,061,387)		(2,058,718)		(1,640,067)		(1,545,461)	((1,643,035)
Other		-		-		(74,150)		(29,967)		-		-		-
Administrative expenses		(83,127)		(85,525)		(227,014)		(83,809)		(84,542)		(77,849)		(90,200)
Net change in plan fiduciary net position		879,619		513,103		1,751,248		1,764,523		1,247,482		(443,144)		935,219
Plan fiduciary net position - beginning		24,605,422		24,092,319		22,341,071		20,576,548	_	19,329,066	_	19,772,210		18,836,991
Plan fiduciary net position - ending (b)		25,485,041	\$	24,605,422	<u>\$</u>	24,092,319	\$	22,341,071	\$	20,576,548	\$	19,329,066	\$ 1	19,772,210
Net pension liability -ending (a) - (b)	\$	3,406,144	\$	4,242,715	\$	4,858,617	\$	6,285,769	\$	7,829,244	\$	7,309,674	\$	6,414,287
Plan fiduciary net position as a percentage of total	ı										_			
pension liability		88.21%		85.29%		83.22%		78.04%		72.44%		72.56%		75.51%
Covered payroll	\$	782,204	\$	1,271,226	\$	1,282,631	\$	1,223,738	\$	1,223,409	\$	1,108,089	\$	1,086,708
Net pension liability as a percentage of														
covered payroll		435.45%		333.75%		378.80%		513.65%		639.95%		659.66%		590.25%

CITY OF DANIA BEACH, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION GENERAL EMPLOYEES PENSION PLAN SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURNS

Year Ended September 30	Annual Money-Weighted Rate of Return, Net of Investment Expense
2020	6.23%
2019	2.98%
2018	8.06%
2017	10.20%
2016	6.31%
2015	(2.35)%
2014	7.250%

Note: This schedule is intended to present information for ten years; however, information prior to 2014 is not available.

CITY OF DANIA BEACH FLORIDA REQUIRED SUPPLEMENTARY INFORMATION GENERAL EMPLOYEES PENSION PLAN SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY

					Plan Net		Net Pension
					Position as a %		Liability as a %
Year Ending	Total Pension	า	Plan Net	Net Pension	of Total Pension		of Covered
September 30,	Liability		Position	Liability	Liability	Covered Payroll	Payroll
2014 \$	26,186,497	-\$	19,772,210	\$ 6,414,287	75.51%	\$ 1,086,708	590.25%
2015	26,638,740		19,329,066	7,309,674	72.56%	1,108,089	659.66%
2016	28,405,792		20,576,548	7,829,244	72.44%	1,223,409	639.95%
2017	28,626,840		22,341,071	6,285,769	78.04%	1,223,738	513.65%
2018	28,950,936		24,092,319	4,858,617	83.22%	1,282,631	378.80%
2019	28,848,137		24,605,422	4,242,715	85.29%	1,271,226	333.75%
2020	28,891,185		25,485,041	3,406,144	88.21%	782,204	435.45%

Note: Information prior to 2014 is not available.

CITY OF DANIA BEACH FLORIDA REQUIRED SUPPLEMENTARY INFORMATION GENERAL EMPLOYEES PENSION PLAN NOTES TO THE SCHEDULE OF EMPLOYER'S NET PENSION LIABILITY

Valuation date: October 1, 2019
Measurement date: September 30, 2020

Methods and assumptions used to determine net pension liability:

Actuarial cost method: Entry Age Normal

Inflation 2.5%
Salary increases 4.00%
Investment rate of return 6.50%

Retirement age Experience-based table of rates that are specific to the

type of eligibility condition

Mortality RP- 2000 Combined Healthy Participant Mortality Table

(for pre-retirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after

2000 using scale BB.

Note: See discussion of valuation results in the October 1, 2019 Actuarial Valuation Report dated April 28, 2020.

CITY OF DANIA BEACH, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION OTHER POST EMPLOYMENT BENEFITS

SCHEDULES OF CHANGES IN EMPLOYER CONTRIBUTIONS AND CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Fiscal Year Ending September 30	De				l ver tion	Defi	ribution ciency ccess)	Covered Payroll		Contribution as as a % of Covered Payroll		
2008-2015*		N/A			N/A		N/A		N/A	N/A		
2016	\$	1,036,583		9	82,376 \$		54,477	\$ 3,914,		25.10%		
2017	Ψ	1,806,102			33,310		772,792	3,454,		29.92%		
2018		765,029			65,029			8,616,		8.88%		
2019		1,034,066			34,066		_	8,076,		12.80%		
	ormation not available			.,0	01,000			0,0.0,	000	12.0070		
							Increas	e (Decrease)				
Ohammaa in Nat O	DED 1 :-	. la 1864		٦	Total OPEB	3	Plan	Fiduciary Position		Net OPEB Liability		
Changes in Net O Balances as of Se		•		\$	(a) 23,500,9	052	\$	(b) 8,876,705	\$	(a)-(b) 14,624,247		
Dalatices as Of Se	plember	30, 2019		Ф	23,500,	952	Φ	0,070,703	Ф	14,024,247		
Changes for the y	/ear:											
Service cost	'				771,8	852				771,852		
Interest on total	OPEB I	iability			993,					993,212		
Effect of plan cl		,			,	_				-		
		ographic gains or	osses	3		_				-		
Effect of assum					(6,538,3	332)				(6,538,332)		
Benefit paymer					(1,034,0			(1,034,066)		60		
Employer contr	ibutions				•	,		1,034,066		(1,034,066)		
Member contrib	outions							_		· -		
Net investment	Income							820,877		(820,877)		
Administrative 6								(9,587)	<u> </u>	9,587		
Balances as of Se	ptember	30, 2020		\$	17,693,6	678	\$	9,687,995	\$	8,005,683		
					·							

Fiscal Year Ending	Net Money-Weighted Rate of
September 30	Return
2010-2017*	N/A
2018	12.00%
2019	5.94%
2020	9.25%
*Information not available	

CITY OF DANIA BEACH REQUIRED SUPPLEMENTARY INFORMATION OTHER POST EMPLOYEMENT BENEFITS SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

Total OPEB Liability		2020	2019		2018
Service cost	\$	771,852	\$ 842,806	\$	1,507,395
Interest on total OPEB liability		993,212	1,179,145		1,056,799
Effect of plan changes		-	-		-
Effect of economic/demographic (gains) or losses		-	(7,935,537)		-
Effect of assumption changes or inputs		(6,538,332)	(1,750,814)		(3,164,379)
Benefit payments		(1,034,066)	(765,029)		(1,033,310)
Net change in total OPEB liability		(5,807,334)	(8,429,429)		(1,633,495)
Total OPEB liability, beginning	2	23,500,952	31,930,381		33,563,876
Total OPEB liability, ending (a)		17,693,618	23,500,952		31,930,381
Fiduciary Net Position					
Employer contributions		1,034,066	765,029		_
Member contributions		-	-		_
Net Investment income		820,877	497,974		898,862
Benefit payments		(1,034,066)	(765,029)		_
Administrative expenses		(9,587)	(9,079)		(8,300)
Net change in plan fiduciary net position		811,290	488,895		890,562
Fiduciary net position, beginning		8,876,705	8,387,810		7,497,228
Fiduciary net position, ending (b)		9,687,995	8,876,705		8,387,790
Net OPEB liability, ending = (a) - (b)	\$	8,005,623	\$ 14,624,247	\$	23,542,591
Fiduciary net position as a % of total OPEB liability		54.75%	37.77%	-	26.27%
Covered payroll	\$	8,076,850	\$ 8,616,155	\$	3,454,112
Net OPEB liability as a % of covered payroll		99.12%	169.73%		681.58%

Note: data not available prior to 2018

CITY OF DANIA BEACH, FLORIDA NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES OF PENSION FUNDING PROGRESS AND CONTRIBUTIONS OTHER POST-EMPLOYMENT BENEFITS For the Year Ended September 30, 2020

NOTE 1 – SINGLE DISCOUNT RATE

The plan's fiduciary net position was not projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payments, to the extent that the plan's fiduciary net position is not projected to be sufficient.

NOTE 2 – AVAILABLE INFORMATION

These schedules will contain 10 years of data, as information is available.

OTHER SUPPLEMENTARY INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources or to finance specified activities as required by law or administrative regulation. The City's Special Revenue Funds and their purposes are:

Donations Fund - Accounts for contributions from local civic organizations for the administration of cultural and recreational activities within the City.

Perpetual Care Fund – Accounts for funds received from the general fund for the administration of the City's cemeteries.

Tree Preservation Fund – Accounts for the collection of tree removal fees to be used for the preservation, maintenance, relocation, or restoration of tree ecosystems.

Law Enforcement Trust Fund – Accounts for funds received from forfeitures to be used for the police equipment, training or crime prevention programs.

RAC Traffic Mitigation Fund – Accounts for a transportation mitigation fee for new development in the Regional Activity Center.

Payment in Lieu of Parking Fund – Accounts for funds generated by developers used to support the provision of parking structures and facilities.

Public Art Fund – Accounts for donations and contributions from contractors and other entities for the promotion of the arts and support of efforts to procure and install art in public places.

CITY OF DANIA BEACH, FLORIDA COMBINING BALANCE SHEET NON-MAJOR GOVERNMENTAL FUNDS September 30, 2020

					S	ped	cial Revenue Fun	ıds						Total Non-major	
	Don	nations	Perpetual Car	e	Tree Preservation	_	Law Enforcement	_	RAC Traffic Mitigation	Р	ayment In-Lieu of Parking		Public Art	G	Sovernmental Funds
ASSETS: Current assets Cash, cash equivalents and investments Receivables, net	\$	17,760	\$ 543,436	6 \$	1,244,302	\$	68,013	\$	58,842	\$	97,500	\$	22,954	\$	2,052,807
Customer / other, net		-	45 ⁻		-	_			-						451
Total assets		17,760	543,88		1,244,302	: =	68,013	_	58,842	_	97,500	_	22,954		2,053,258
LIABILITIES AND FUND BALANCES: Fund balance Restricted Public safety impact fees Committed for:		-		-	-		68,013		58,842		-		-		126,855
Maintenance of cemeteries		-	543,887	7	-		-		-		- 07.500		-		543,887
Capital projects		17,760		-	1 244 202		-		-		97,500		22,954		138,214
Tree preservation Total fund balances (deficit)		17,760	543,88	- - -	1,244,302 1,244,302		68,013	_	58,842		97,500	_	22,954		1,244,302 2,053,258
Total liabilities, deferred inflows and fund balances	\$	17,760	\$ 543,88	<u> </u>	1,244,302	\$	68,013	\$	58,842	\$	97,500	\$	22,954	\$	2,053,258

CITY OF DANIA BEACH, FLORIDA COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NON-MAJOR GOVERNMENTAL FUNDS For the year ended September 30, 2020

	Special Revenue Funds											Total Non-major		
		Donations	Perpetual Care		Tree Preservation		Law Enforcement		RAC Traffic Mitigation	F	Payment In-Lieu of Parking	Public Art		Governmental Funds
REVENUES:														
Licenses and permits	\$	-	*	\$	-	\$	-	\$	1,035	\$	-	\$ -	. \$,
Charges for services		-	61,225		-				-		-	-		61,225
Fines and forfeitures		-	40.047		- - 4-4		5,560		-		-	-	•	5,560
Investment earnings (loss)		-	10,217		5,151		1,777		-		-	00.054	•	17,145
Miscellaneous	_				204,354		<u>-</u>	_	-	_		22,954	<u> </u>	227,308
Total revenues			71,442	_	209,505	_	7,337		1,035	_		22,954		312,273
EXPENDITURES:														
Public safety		-	-		-		142,051		-		-	-		142,051
Highways and streets					7,550	_	-		-					7,550
Total expenditures					7,550	_	142,051						<u>. </u>	149,601
Excess (deficiency) of														
revenues over expenditures	_	-	71,442		201,955	_	(134,714)		1,035			22,954	<u> </u>	162,672
OTHER FINANCING SOURCES (USES):														
Transfers out			(57,610)		-	_	-		-	_				(57,610)
Total other financing sources														
(uses)			(57,610)	_	-	_	-		-	_			<u>. </u>	(57,610)
Net change in fund balances		-	13,832		201,955		(134,714)		1,035		-	22,954		105,062
FUND BALANCES, beginning of year		17,760	530,055	_	1,042,347	_	202,727		57,807		97,500			1,948,196
FUND BALANCES, end of year	\$	17,760	\$ 543,887	\$	1,244,302	\$	68,013	\$	58,842	\$	97,500	\$ 22,954	\$	2,053,258

NON-MAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis are to be financed or recovered primarily through user charges. Additionally, enterprise funds may be operated in a manner such that the governing body has decided that periodic determination of revenues earned and expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The City maintains two non-major enterprise funds:

Parking Fund: to account for revenues and expenses of the City's parking-related operations. The Parking Fund includes all parking costs of the City's beach and marina parking areas as well as operation of the City's downtown parking garage facility and future on-street metered parking. Annual expenses include parking compliance staff and automobiles, equipment and banking collection costs, direct costs of collection equipment, facility insurance, and allocation of the City's overlapping administrative efforts.

Pier Operations Fund: to account for revenues and expenses of the City's public Pier that is located in Dania Beach on the Atlantic Ocean. The Pier Fund includes revenues and expenses from Pier areas which are open to the public for fishing and spectator access. The fund also accounts for the rental operations of the City's restaurant facility located at the Pier entrance. Annual expenses include contracted staffing, direct merchandise sales, equipment and bank collection costs, maintenance and capital improvements of the pier and restaurant facilities, and an allocation of the City's overlapping administrative efforts.

CITY OF DANIA BEACH, FLORIDA COMBINING STATEMENT OF NET POSITION NON-MAJOR PROPRIETARY FUNDS September 30, 2020

	Parking	Pier Operations	Total Non-major Proprietary Funds
ASSETS:			
Current assets: Cash and cash equivalents Receivables, net	\$ 3,268,764 <u>20</u>	\$ 504,184 	\$ 3,772,948 <u>20</u>
Total current assets	3,268,784	504,184	3,772,968
Non-current assets: Capital assets being depreciated, net	104,780	2,583	107,363
Total non-current assets Total assets	104,780 3,373,564	2,583 506,767	107,363 3,880,331
DEFERRED OUTFLOW Net pension outflows Total net deferred outflow	285,876 285,876	<u>-</u>	285,876 285,876
LIABILITIES AND NET POSITION: Current liabilities: Accounts payable and accrued liabilities	47,158	13,200	60,358
Due to other funds Due to other governmental agencies Deposits payable Unearned revenue Compensated absences	2,674 - 9,937 2,435 6,131	17,000 2,463 - 114,613	19,674 2,463 9,937 117,048 6,131
Total current liabilities	68,335	147,276	215,611
Non-current liabilities: Compensated absences Net pension liability	34,743 		34,743 747,857
Total non-current liabilities Total liabilities	782,600 850,935	147,276	782,600 998,211
NET POSITION Net investment in capital assets Unrestricted	104,780 2,703,725	2,583 356,908	107,363 3,060,633
Total net position	\$ 2,808,505	\$ 359,491	\$ 3,167,996

CITY OF DANIA BEACH, FLORIDA COMBINING STATEMENT OF REVENUES, EXPENSES and CHANGES IN NET POSITION NON-MAJOR PROPRIETARY FUNDS For the year ended September 30, 2020

	<u>Parking</u>	Pier Operations	Total Non-major Proprietary Funds
OPERATING REVENUES: Charges for services Fines and forfeitures Miscellaneous	\$ 1,094,002 147,944 34,020	\$ 233,708 - 263,114	\$ 1,327,710 147,944 297,134
Total operating revenues	1,275,966	496,822	1,772,788
OPERATING EXPENSES: Operations and maintenance Depreciation	872,989 22,567	457,501 1,000	1,330,490 23,567
Total operating expenses	895,556	458,501	1,354,057
Operating income	380,410	38,321	418,731
NON-OPERATING REVENUES (EXPENSES): Interest income	42,241_		42,241_
Total non-operating revenues (expenses)	42,241	<u> </u>	42,241
Income before transfers	422,651	38,321	460,972
TRANSFERS: Transfers out	(637,765)	(67,679)	(705,444)
Total transfers	(637,765)	(67,679)	(705,444)
Change in net position	(215,114)	(29,358)	(244,472)
NET POSITION, beginning of year	3,023,619	388,849	3,412,468
NET POSITION, end of year	\$ 2,808,505	\$ 359,491	\$ 3,167,996

CITY OF DANIA BEACH, FLORIDA COMBINING STATEMENT OF CASH FLOWS NON-MAJOR PROPRIETARY FUNDS For the year ended September 30, 2020

	 Parking	_0	Pier perations	al Non-major Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES: Receipts from customers and users Payments to employees Payments to suppliers	\$ 1,295,269 (451,864) (330,570)	\$	584,820 - (466,157)	\$ 1,880,089 (451,864) (796,727)
Net cash provided by operating activities	 512,835		118,663	631,498
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES: Cash provided to other funds	(637,183)		(67,679)	(704,862)
Net cash used in non-capital financing activities	(637,183)		(67,679)	 (704,862)
CASH FLOWS FROM INVESTING ACTIVITIES Investment earnings	42,241			 42,241
Net cash provided by investment earnings	 42,241			 42,241
Net increase in cash and cash equivalents	(82,107)		50,984	(31,123)
CASH AND CASH EQUIVALENTS, beginning of year	 3,350,871		453,200	 3,804,071
CASH AND CASH EQUIVALENTS, end of year	\$ 3,268,764	\$	504,184	\$ 3,772,948
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES: Operating income Adjustments to reconcile operating income to net cash provided by (used in) operating activities:	\$ 374,957	\$	38,321	\$ 413,278
Provision for depreciation	22,567		1,000	23,567
(Increase) decrease in: Receivables Deferred outflows Increase (decrease) in:	22,806 (107,271)		-	22,806 (107,271)
Accounts payable and accrued liabilities Due to othether governmental agencies Unearned revenue Deposits Net pension liability	(11,973) (3,635) 131 216,594		(7,864) (792) 87,998	(19,837) (792) 84,363 131 216,594
Compensated absences	 (1,341)		<u>-</u>	 (1,341)
Total adjustments	 137,878		80,342	 218,220
Net cash provided by operating activities	\$ 512,835	\$	118,663	\$ 631,498

TRUST FUNDS

Pension Trust Funds

Trust fund accounts for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments and/or funds. The City has two Pension trust funds:

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

Police and Firefighters Pension Fund – To account for the accumulation of resources to be used for retirement benefit payments to the City's police officers and firefighters.

OPEB Trust Fund – To account for the accumulation of resources to be used for other post-employment benefit (OPEB) payments on behalf of the City's employees. Resources are contributed by the City at rates determined by the City's actuary.

CITY OF DANIA BEACH, FLORIDA COMBINING STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS For the Year Ended September 30, 2020

	General Employees' Pension	Police and Firefighters' Pension	Other Post- Employment Benefits	Total
ASSETS: Cash	\$ 4,118	\$ 9,788	\$ -	\$ 13,906
Investments, at fair value: Common stocks Mutual funds	15,232,941 2,394,266	40,937,996 4,003,531	- 10,504,634	56,170,937 16,902,431
Corporate and foreign bonds Money market funds	2,605,248	2,269,620 1,549,110	-	4,874,868 1,549,110
Partnership/Joint venture Real estate	2,475,958 -	9,323,549	-	2,475,958 9,323,549
Government securities Total investments	2,347,717 25,056,130	10,062,428 68,146,234	10,504,634	12,410,145 103,706,998
Receivables: State contributions	_	463,157		463.157
Employee contributions Employer contributions	45,996 332,292	1,575,057	-	45,996 1,907,349
Accrued interest receivable Loans to DROP participants	54,843 	99,099 927,487	<u> </u>	153,942 927,487
Total receivables	433,131	3,064,800		3,497,931
Total assets	25,493,379	71,220,822	10,504,634	107,218,835
LIABILITIES: Accounts payable Due for securities purchased	- 8,338	65,191 21,879	<u> </u>	65,191 30,217
Total liabilities	8,338	87,070		95,408
NET POSITION: Net position restricted for DROP benefits Net position restricted for defined benefits	210,624 25,274,417	1,637,810 69,495,942	10,504,634	12,353,068 94,770,359
	\$ 25,485,041	\$ 71,133,752	\$ 10,504,634	\$ 107,123,427

CITY OF DANIA BEACH, FLORIDA COMBINING STATEMENT OF CHANGES TO FIDUCIARY NET POSITION FIDUCIARY FUNDS September 30, 2020

		General Employees' Pension	 Police and Firefighters' Pension		Other Post- Employment Benefits	 Total
ADDITIONS: Contributions:						
Employees Employer Buybacks State	\$	154,407 1,356,798 - -	\$ 394,173 6,798,153 646,048 463,157	\$	200,000	\$ 548,580 8,354,951 646,048 463,157
Total contributions		1,511,205	8,301,531		200,000	10,012,736
Investment income: Net appreciation in fair						
value of investments		961,825	3,677,329		(1,355,310)	3,283,844
Interest and dividends		513,436	 1,586,642		1,982,190	 4,082,268
Total investment income		1,475,261	5,263,971		626,880	7,366,112
Less: Investment expenses	_	(144,974)	 (328,077)	_	(10,241)	 (483,292)
Net investment income		1,330,287	 4,935,894		616,639	 6,882,820
Other income		7,983	 5,512		-	 13,495
Total additions		2,849,475	 13,242,937		816,639	 16,909,051
DEDUCTIONS: Pension benefits paid Administrative expenses		1,886,729 83,127	 4,658,265 191,821		-	 6,544,994 274,948
Total deductions		1,969,856	 4,850,086		-	6,819,942
Change in net position		879,619	8,392,851		816,639	10,089,109
Net position - beginning		24,605,422	 62,740,901		9,687,995	 97,034,318
Net position - ending	\$	25,485,041	\$ 71,133,752	\$	10,504,634	\$ 107,123,427

CITY OF DANIA BEACH, FLORDIA BUDGETARY COMPARISON SCHEDULE BUILDING PERMIT FUND

For the Year Ended September 30, 2020

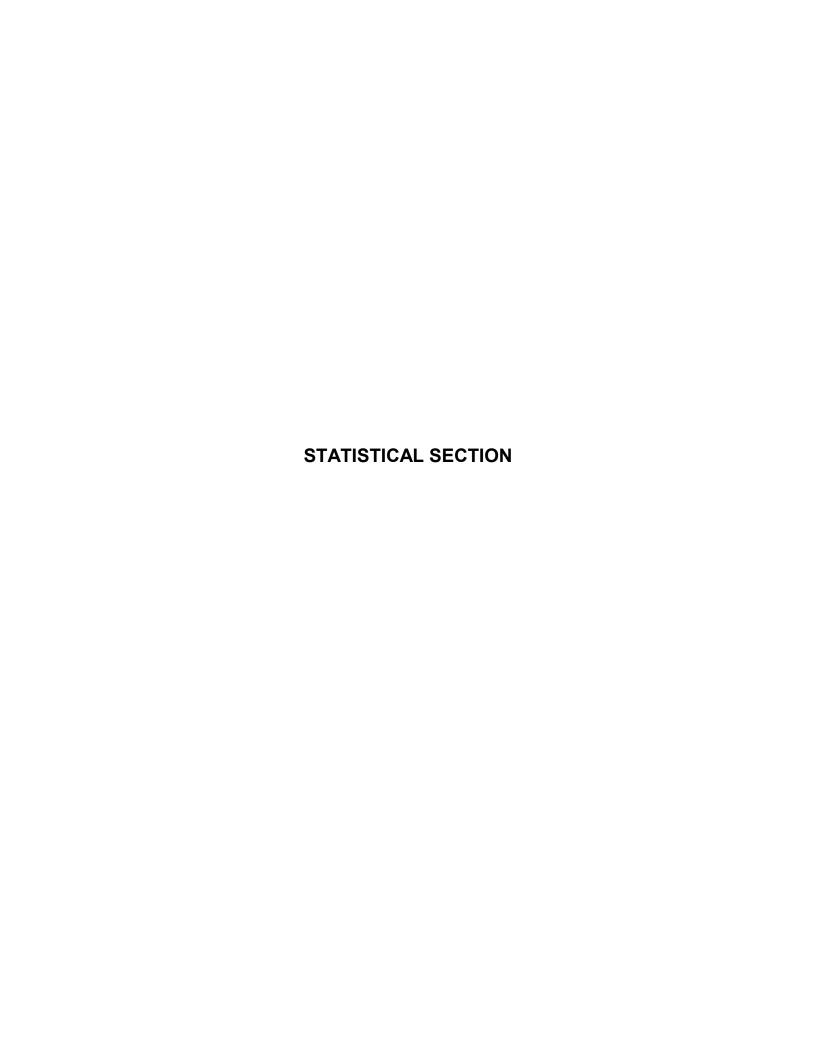
	Budget	<u>A</u> r	nount		
	Original		<u>Final</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:	_				
Licenses and permits	\$ 5,268,000	\$	5,268,000	\$ 2,777,225	\$ (2,490,775)
Interest income	-		-	28,540	28,540
Miscellaneous revenues	 _		-	1,474	1,474
Total revenues	 5,268,000		5,268,000	2,807,239	(2,460,761)
EXPENDITURES					
Community redevelopment	4,331,423		5,366,470	 3,938,850	1,427,620
Total expenditures	4,331,423		5,366,470	 3,938,850	1,427,620
Excess (deficiency) of revenues	000 577		(00.470)	(4.404.044)	(4.000.4.44)
over expenditures	 936,577		(98,470)	 (1,131,611)	(1,033,141)
OTHER FINANCING SOURCES					
(USES):					
Appropriation of prior year balance	-		1,035,047	_	(1,035,047)
Transfers out	(936,577)		(936,577)	(936,577)	-
Total other financing sources (uses)	(936,577)		98,470	(936,577)	(1,035,047)
Excess (deficiency) in revenues					
over expenditures	\$ -	\$	-	\$ (2,068,188)	\$ (2,068,188)

CITY OF DANIA BEACH, FLORDIA BUDGETARY COMPARISON SCHEDULE DEBT SERVICE FUND For the Year Ended September 30, 2020

		Budgete	d Am	ount				
		<u>Original</u>	<u>Final</u>		<u>Actual</u>		<u>Variance</u>	
REVENUES:	Φ.		Φ.		•	70	•	70
Investment earnings	\$		\$		<u> </u>	72	\$	72
Total revenues						72		72
EXPENDITURES								
Debt Service:								
Principal		853,541		853,541		853,574		(33)
Interest and fiscal charges		202,879		202,879		204,775		(1,896)
Total expenditures		1,056,420		1,056,420		1,058,349		(1,929)
								, ,
Excess (deficiency) of revenues								
over expenditures		(1,056,420)		(1,056,420)		(1,058,277)		(1,857)
OTHER FINANCING SOURCES (USES):								
Transfers in		1,056,420		1,056,420		1,058,277		1,857
Total other financing sources (uses)		1,056,420		1,056,420		1,058,277		
Not shares								
Net change	Φ		Φ		æ		ው	
in fund balance	Ф		Ф		Ф		Ф	

CITY OF DANIA BEACH, FLORIDA BUDGETARY COMPARISON SCHEDULE CAPITAL PROJECTS FUND For the Year Ended September 30, 2020

	<u>Original</u>		<u>Final</u>		<u>Actual</u>	<u>Variance</u>		
REVENUES Interest income					 1,069		1,069	
EXPENDITURES General government-capital outlay Police services-capital outlay	\$	230,000	\$	507,527	\$ 274,350	\$	233,177	
Highways and streets-capital outlay Physical environment-capital outlay		-		773,526	181,304		592,222	
Culture and recreation-capital outlay Total expenditures		200,000 430,000		1,110,795 2,391,848	 22,571 478,225		1,088,224 1,913,623	
Excess (deficiency) of revenues over expenditures		(430,000)		(2,391,848)	(477,156)		(1,914,692)	
OTHER FINANCING SOURCES (USES): Transfers out Appropriations from prior year reserves		- -		(129,736) 2,061,584	(129,736)		(2,061,584)	
Transfers in Total other financing sources (uses)		430,000 430,000		460,000 2,391,848	460,000 330,264		(2,061,584)	
Net change in fund balance	\$	<u>-</u>	\$		\$ (146,892)	\$	(146,892)	



CITY OF DANIA BEACH, FLORIDA STATISTICAL SECTION

For the Year Ended September 30, 2020

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

CONTENTS	PAGES
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	115-120
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property taxes.	121-124
Debt Capacity 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.	125-130
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	131-132
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs	133-135

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

CITY OF DANIA BEACH, FLORIDA NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

							2017			
	2011	2012	2013	2014	2015	2016	(Restated)	2018	2019	2020
GOVERNMENTAL ACTIVITIES:					20.0	20.0	(i. iootatou)	20.0		
Net investment in capital assets Restricted Unrestricted	\$ 36,656,751 2,262,284 25,366,659	\$ 39,096,333 2,534,322 23,978,864	\$ 42,228,983 3,242,162 22,886,462	\$ 37,188,106 2,496,639 27,902,454	\$ 35,872,543 3,218,810 6,163,046	\$ 35,651,910 2,761,211 7,077,800	\$ 35,068,858 2,866,963 (11,743,455)	\$ 86,453,713 3,545,448 (29,521,847)	\$ 37,625,589 6,837,576 (20,771,508)	\$ 36,843,197 5,621,643 8,277,002
Total governmental activities net position	64,285,694	65,609,519	68,357,607	67,587,199	45,254,399	45,490,921	26,192,366	60,477,314	23,691,657	50,741,842
BUSINESS-TYPE ACTIVITIES:										
Net investment in capital assets Restricted Unrestricted	22,529,051 3,239,786 6,980,922	19,997,679 2,911,547 10,864,400	20,527,954 3,195,927 9,774,194	25,368,100 2,557,073 16,455,631	23,941,609 4,300,285 16,768,701	23,740,182 2,027,747 21,253,404	24,413,244 2,315,284 17,111,228	24,041,233 2,698,432 15,066,192	24,396,503 3,061,428 18,166,941	23,899,561 3,119,693 26,345,203
Total business-type activities net position	32,749,759	33,773,626	33,498,075	44,380,804	45,010,595	47,021,333	43,839,756	41,805,857	45,624,872	53,364,457
PRIMARY GOVERNMENT										
Net investment in capital assets Restricted Unrestricted	59,185,802 5,502,070 32,347,581	59,094,012 5,445,869 34,843,264	62,756,937 6,438,090 32,660,655	62,556,206 5,053,712 44,358,085	59,814,152 7,519,095 22,931,747	59,392,092 4,788,958 28,331,204	59,482,102 5,182,247 5,367,773	60,494,946 6,243,880 (14,455,655)	62,022,092 9,899,004 (2,604,567)	60,742,758 8,741,336 34,622,205
Total primary government net position	\$ 97,035,453	\$ 99,383,145	\$ 101,855,682	\$ 111,968,003	\$ 90,264,994	\$ 92,512,254	\$ 70,032,122	\$ 52,283,171	\$ 69,316,529	\$ 104,106,299

CITY OF DANIA BEACH, FLORIDA CHANGES IN NET POSITION LAST TEN FISCAL YEARS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	-	-		-			-			
EXPENSES: Governmental activities:										
General government	\$ 9,167,195	\$ 8,741,494	\$ 7,404,873	\$ 6,097,585	\$ 6,112,551	\$ 6,337,517	\$ 6,653,185	\$ 8,817,587	\$ 7,267,443	\$ 8,202,258
Public safety	22,604,730	22,030,147	22,673,356	24,070,777	25,400,964	28,314,440	28,842,274	30,850,159	27,349,962	29,250,346
Highways and streets	1,616,983	1,795,574	2,165,939	2,454,846	2,717,458	3,346,142	3,135,336	3,510,801	3,835,758	3,139,639
Physical environment	3,019,840	2,905,797	3,133,648	3,846,522	3,774,582	3,915,075	5,210,822	4,191,203	4,604,282	5,523,584
Culture and recreation	3,912,623	3,663,648	3,253,312	3,299,230	3,147,016	3,934,643	4,903,343	3,985,340	4,320,723	4,861,312
Community redevelopment	1,688,410	1,513,049	3,808,510	3,298,782	3,539,737	3,928,473	3,785,536	4,268,391	5,852,726	5,316,738
Interest expense	675,607	620,546	962,465	484,334	208,425	317,545	256,483	239,327	213,827	200,174
Total governmental										
activities expenses	42,685,388	41,270,255	43,402,103	43,552,076	44,900,733	50,093,835	52,786,979	55,862,808	53,444,721	56,494,051
Business-type activities:										
Water	3,000,283	4,086,778	3,884,997	3,947,252	4,117,523	4,138,087	4,332,499	4,108,462	3,909,321	4,235,035
Sewer	4,662,042	5,120,193	5,345,282	4,422,730	3,693,787	4,561,554	4,496,988	4,689,446	4,840,610	4,443,108
Stormwater	904,739	1,315,519	1,010,648	904,203	877,269	1,052,413	1,244,627	1,097,556	1,114,442	1,144,655
Parking	481,255	227,461	273,966	340,574	548,092	573,544	633,638	736,788	819,848	895,556
Pier operations	63,279	243,403	330,729	275,754	415,719	463,596	459,381	449,187	466,893	458,501
Marina operations	-	-	169,614	351,774	718,044	827,467	833,373	804,092	802,576	842,432
Total Business-type							40.000.00		44.0=0.000	10.010.00=
activities expenses	9,111,598	10,993,354	11,015,236	10,242,287	10,370,434	11,616,661	12,000,506	11,885,531	11,953,690	12,019,287
Total primary										
government expenses	\$ 51,796,986	\$ 52,263,609	\$ 54,417,339	\$ 53,794,363	\$ 55,271,167	\$ 61,710,496	\$ 64,787,485	\$ 67,748,339	\$ 65,398,411	\$ 68,513,338
PROGRAM REVENUES:										
Governmental activities:										
Charges for services:										
General government	\$ 3,339,702	\$ 3,948,721	\$ 3,714,622	\$ 3,440,054	\$ 4,550,523	\$ 3,370,035	\$ 4,703,252	\$ 5,333,266	\$ 7,726,310	\$ 3,898,704
Community redevelopment	-	-	-	-	· .,000,020	57,120	17,858	19,672	20.856	15,241
Public safety	5,089,902	5,286,026	5,297,301	6,824,324	6,656,338	7,314,079	7,858,423	8,259,288	8,783,650	8,374,942
Highways and streets	36,487	26,973	-	-	957	2,998	13,000	78,000	-	-
Physical environment	1,843,507	1,904,606	2,037,219	2,012,046	2,064,089	2.512.473	2,561,659	2,589,596	2,641,273	2,741,314
Culture and recreation	293,613	403,927	128,635	121,649	240,469	164,541	208,602	250,727	257,089	385,464
Operating grants and contributions	739,742	866,809	265,678	486,672	1,001,165	395,138	-	2,506,200	2,225,732	203,225
Capital grants and contributions	320,526	525,236	603,553	4,895,611	205,326	136,075	175,491	135,492	-	368,600
Total governmental activities	-	-	-		-	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·			· · ·
program revenues	11,663,479	12,962,298	12,047,008	17,780,356	14,718,867	13,952,459	15,538,285	19,172,241	21,654,910	15,987,490
, -										

CITY OF DANIA BEACH, FLORIDA CHANGES IN NET POSITION LAST TEN FISCAL YEARS (Continued)

				(0011111100)	· •)					
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business-type activities:										
Charges for services:										
Water	4,905,537	5,335,472	5,479,402	5,518,175	5,619,733	5.550.941	5.783.284	6,085,312	5,969,968	5,591,899
Sewer	5,325,944	6,285,784	6,771,028	7,035,606	6,653,703	6,651,066	6,597,427	6,817,314	7,104,089	6,756,123
Stormwater	2,034,254	2,083,596	1,949,507	1,927,483	2,033,947	1,949,987	2,029,035	1,975,809	2,004,790	1,970,221
Parking	623,950	699,946	1,052,362	1,421,597	1,644,600	1,378,063	1,454,663	1,289,059	1,285,446	1,128,022
3										
Pier operations	93,847	373,536	362,849	356,454	463,542	268,694	279,128	291,993	295,290	233,708
Marina operations	-	-	162,114	307,557	775,742	861,501	902,157	983,120	1,050,666	1,081,945
Operating grants and contributions	.	-	-	-	-	-		-	-	-
Capital grants and contributions	2,550,000									
Total business-type activities										
program revenues	15,533,532	14,778,334	15,777,262	16,566,872	17,191,267	16.660.252	17.045.694	17,442,607	17,710,249	16,761,918
Total primary government							, , , , , , ,	, ,	, -, -	
program revenue	\$ 27,197,011	\$ 27,740,632	¢ 27 024 270	\$ 34,347,228	\$ 31,910,134	¢ 20 612 711	¢ 22 502 070	\$ 34,108,648	\$ 37,139,427	\$ 34,839,520
program revenue	φ 21,191,011	φ 21,140,032	φ 21,024,210	φ 34,347,220	\$ 31,910,134	φ 30,012,711	φ 32,303,919	φ 34,100,040	φ 31,139,421	φ 34,039,320
NET EXPENSE/REVENUE:										
Governmental activities	\$ (31,021,909)				\$ (30,181,866)	\$ (36,141,376)	,	\$ (36,690,567)		
Business-type activities	6,421,934	3,784,980	4,762,025	6,324,585	6,820,833	5,043,591	5,045,188	5,557,076	5,756,559	4,742,631
Total primary										<u> </u>
government net expense	\$ (24,599,975)	\$ (24,522,977)	\$ (26,593,069)	\$ (19,447,135)	\$ (23,361,033)	\$ (31,097,785)	\$ (32,203,506)	\$ (31,133,491)	\$ (26,033,252)	\$ (33,673,818)
GENERAL REVENUES AND OTHER										
CHANGES IN NET POSITION:										
Governmental activities:										
Taxes:										
Property taxes	\$ 15,872,847	\$ 15,604,005	\$ 15,467,882	\$ 16,135,270	\$ 16,650,291	\$ 17,835,092	\$ 19,429,124	\$ 23,028,779	\$ 24,372,949	\$ 25,434,453
Franchise fees	2,123,895	2,238,321	2,292,448	2,619,934	2,614,609	2,571,950	2,673,255	2,755,614	2,936,311	2,835,651
Utility taxes	4,288,639	4,300,248	4,617,269	3,543,297	3,582,609	3,627,385	3,834,189	3,909,123	4,108,466	4,065,872
Intergovernmental	3,189,370	3,494,027	3,669,786	5,165,694	5,379,885	5,428,609	5,567,441	5,537,821	5,555,190	5,268,361
Investment earnings	126.727	183,364	81,131	63,049	111.579	253.495	534,207	729.344	1.129.466	510.769
Miscellaneous	563,009	1,029,975	3,393,790	2,020,684	1,898,046	2,987,140	3,556,073	2,671,201	3,331,903	2,654,259
Transfers	848,976	2,781,842	5,050,838	(4,546,616)	3,380,840	3,380,840	3,347,969	3,422,752	3,754,484	3,433,535
Transiers	040,070	2,701,042	0,000,000	(4,040,010)	0,000,040	0,000,040	0,047,000	0,422,702	0,704,404	0,400,000
Total governmental activities	27,013,463	29,631,782	34,573,144	25,001,312	33,617,859	36,084,511	38,942,258	42,054,634	45,188,769	44,202,900
	27,013,403	29,031,702	34,373,144	23,001,312	33,017,039	30,004,311	30,942,230	42,004,004	45,100,709	44,202,900
Business-type activities:										
Investment earnings	21,925	20,729	13,261	11,528	24,821	67,555	161,320	581,905	894,958	399,569
Miscellaneous	-	-	-	-	-	573,819	517,550	807,539	921,982	473,254
Intergovernmental	-	-	-	-	-	-				
Transfers	(848,976)	(2,781,842)	(5,050,838)	4,546,616	(3,380,840)	(3,380,840)	(3,347,969)	(3,422,752)	(3,754,484)	(3,433,535)
Total business-type activities	(827,051)	(2,761,113)	(5,037,577)	4,558,144	(3,356,019)	(2,739,466)	(2,669,099)	(2,033,308)	(1,937,544)	(2,560,712)
2.	(027,001)	(2,701,110)	(0,001,011)	7,000,177	(0,000,010)	(2,700,400)	(2,000,000)	(2,000,000)	(1,001,044)	(2,000,112)
Total primary government	£ 00 400 440	Ф 00 0 7 0 000	Ф 00 F0F F07	¢ 00 550 450	¢ 20 204 040	Ф 00 04E 04E	¢ 00 070 450	£ 40.004.000	Ф 40 ОБ4 ООБ	¢ 44 C40 400
general revenues	\$ 26,186,412	\$ 26,870,669	\$ 29,535,567	\$ 29,559,456	\$ 30,261,840	\$ 33,345,045	\$ 36,273,159	\$ 40,021,326	\$ 43,251,225	\$ 41,642,188
CHANGE IN NET POSITION:										
Governmental activities	(4,008,446)	1,323,825	3,218,048	(770,408)	3,435,993	(56,865)	1,693,564	5,364,067	13,398,958	5,786,451
Business-type activities	5,594,883	1,023,867	(275,551)	10.882.729	3,464,814	2,304,125	2,376,089	3,523,768	3,819,015	2,181,919
Total primary government	\$ 1,586,437	\$ 2,347,692	\$ 2,942,497	\$ 10,112,321	\$ 6,900,807	\$ 2,247,260	\$ 4,069,653	\$ 8,887,835	\$ 17,217,973	\$ 7,968,370
Total primary government	ψ 1,500,437	Ψ 2,071,032	Ψ 2,572,731	Ψ 10,112,021	ψ 0,000,007	Ψ 2,271,200	Ψ Ψ,000,000	ψ 0,007,000	Ψ 11,211,010	Ψ 1,000,010

CITY OF DANIA BEACH, FLORIDA FUND BALANCES GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
0 15 1											
General Fund:	_	•			•						
Reserved	\$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	-
Unreserved		4 000 700	-	-	404.050		-	400.044	-	70.000	70.050
Nonspendable		4,086,792	906,147	936,147	124,952	36,549	29,499	109,914	119,840	72,060	70,856
Restricted		411,886	329,498	635,544	699,319	860,150	541,405	628,431	1,193,954	2,207,056	2,848,606
Committed		913,808	2 275 044	2,884,649	125,051	128,567	397,856	567,560	229,894	11 006 015	0 420 074
Assigned		2,126,437	3,375,944	, ,	2,966,278	2,732,145	2,246,576	4,227,115	8,607,252	11,006,815	8,439,874
Unassigned		9,832,009	11,040,070	14,349,377	17,234,790	20,416,162	23,475,784	22,431,697	21,645,608	20,962,373	25,090,636
Total General Fund	\$	17,370,932 \$	15,651,659 \$	18,805,717 \$	21,150,390 \$	24,173,573 \$	26,691,120 \$	27,964,717 \$	31,796,548 \$	34,248,304 \$	36,449,972
All other government funds:	\$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	_
Unreserved, reported in	•	•	•	·	•	•	,	•	•	•	
Special revenue funds		-	-	-	-	-	-	-	-	-	-
Capital projects funds		-	-	-	-	-	-	-	-	.	-
Nonspendable										37,700	
Restricted		1,850,398	2,204,824	1,495,442	1,797,320	2,376,070	2,456,989	3,274,537	3,004,017	5,162,669	2,899,892
Committed		694,796	2,482,732	1,836,528	2,591,068	7,619,905	5,579,582	4,484,518	4,036,615	4,401,316	4,509,699
Assigned		5,180,507	7,686,301	6,367,074	4,618,785	-	-	(00.0.10)	-	-	- (22.2.12)
Unassigned		1,226,673	(1,970,335)	(2,983,873)	(180,049)	(88,798)	(178,991)	(63,348)	(112,306)	-	(68,048)
Total all other											
governmental funds	\$	8,952,374 \$	10,403,522 \$	6,715,171 \$	8,827,124 \$	9,907,177 \$	7,857,580 \$	7,695,707 \$	6,928,326 \$	9,601,685 \$	7,341,543

Note: Information for fiscal years 2011 to 2013 have not been restated for Governmental Accounting Standards Board (GASB) Statement No. 54 classifications.



CITY OF DANIA BEACH, FLORIDA CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
REVENUES:										
Property taxes	\$ 15,872,847	\$ 15,604,005	\$ 15,467,882	\$ 16,135,270	\$ 16,650,291	\$ 17,835,092	\$ 19,429,124	\$ 23,028,779	\$ 24,372,949	\$ 25,434,453
Special assessments	3,937,523	4,082,820	4,065,279	5,052,071	5,081,535	5,821,427	6,356,104	6,249,500	6,316,109	6,333,454
Franchise fees	2,123,895	2,238,321	2,292,448	2,619,934	2,614,609	2,571,950	2,673,255	2,755,614	2,936,979	2,841,162
Utility taxes	4,288,639	4,300,248	4,617,269	3,543,297	3,582,609	3,627,385	3,834,189	3,909,123	4,108,466	4,065,872
Licenses and permits	1,968,915	2,188,191	3,280,797	3,301,706	4,195,456	3,380,233	4,824,367	5,832,071	8,403,419	4,351,890
Intergovernmental	3,189,370	3,494,027	3,669,786	5,165,694	5,379,885	5,428,609	5,567,441	5,537,821	5,748,048	5,268,361
Charges for services	3,235,985	3,277,333	3,455,651	3,582,482	3,669,894	4,219,586	4,162,467	4,429,307	4,688,126	4,709,569
Fines and forfeitures	445,980	738,356	376,050	461,816	565,491	512,683	538,478	386,951	554,902	459,442
Investment earnings	126,727	183,364	81,131	63,047	111,579	253,495	534,207	729,344	1,129,466	510,769
Grants	3,939,790	1,736,388	869,231	5,382,283	1,206,491	531,213	175,491	-	216	2,661,937
Contributions	3,540	-	-	-	-	-				
Miscellaneous	1,577,817	2,313,528	4,687,533	2,071,530	1,944,997	2,474,457	3,037,453	2,335,922	2,857,357	2,215,761
Total revenues	\$ 40,711,028	\$ 40,156,581	\$ 42,863,057	\$ 47,379,130	\$ 45,002,837	\$ 46,656,130	\$ 51,132,576	\$ 55,194,432	\$ 61,116,037	\$ 58,852,670
EXPENDITURES:										
General government	\$ 9.021.525	\$ 7,586,634	\$ 6,541,309	\$ 5,917,429	\$ 5,787,355	\$ 9,262,106	\$ 7,257,708	\$ 8.145.004	\$ 7,363,525	\$ 8,623,394
Public safety	22,073,028	21,664,048	22,369,619	23,550,421	25,363,517	28,087,146	30,583,369	31,676,478	33,819,103	35,025,473
Highways and streets	1,487,793	2,048,198	3,190,349	1,621,968	1,599,671	2,684,886	1,790,893	2,237,310	2,662,387	3,192,578
Physical environment	2,700,705	2,826,999	2,857,462	3,502,300	3,697,428	4,689,865	4,754,850	4,931,826	5,127,398	5,282,627
Community redevelopment	1,668,422	2,635,972	6,671,194	3,288,017	3,534,196	3,754,678	3,625,693	4,394,759	5,977,655	5,915,890
Culture and recreation	3,119,180	4,780,910	3,154,702	6,297,054	2,897,830	3,424,775	2,585,809	2,993,706	3,448,266	3,213,951
Capital outlay*	2,982,416	-	-	-	_,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	-,,	1,112,135	741,369	282,671	22,571
Debt service:	-	_	_	_	-	-	-	-	- ,-	-
Principal**	1,095,106	1,042,551	3,066,126	1,065,831	6,300,947	659,064	773,574	838,574	838,574	853,575
Interest and fiscal charges Bond issuance costs	676,297	621,236	597,424	500,815	457,262	181,798	367,170	246,820	225,827	204,774
Total expenditures	\$ 44,824,472	\$ 43,206,548	\$ 48,448,185	\$ 45,743,835	\$ 49,638,206	\$ 52,744,318	\$ 52,851,201	\$ 56,205,846	\$ 59,745,406	\$ 62,334,833

CITY OF DANIA BEACH, FLORIDA CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (Continued)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Excess (deficiency) of Revenues over Expenditures	\$ (4,113,444)	\$ (3,049,967)	\$ (5,585,130)	\$ 3,138,342	\$ (4,635,369)	\$ (6,088,188)	\$ (1,718,625)	\$ (875,922)	\$ 1,370,631	\$ (3,482,163)
·	Ψ (4,110,444)	ψ (0,040,001)	ψ (0,000,100)	Ψ 0,100,042	Ψ (4,000,000)	Ψ (0,000,100)	Ψ (1,7 10,020)	ψ (070,022)	Ψ 1,070,001	ψ (0,402,100)
OTHER FINANCING SOURCES (USES):										
Note proceeds Debt issuance costs	787,095	-	-	-	5,440,773 (83,008)	2,881,909	-	-	-	-
Transfers in	6,553,593	13,214,460	13,145,974	10,642,062	8,548,499	9,299,410	7,250,819	11,252,069	8,827,844	7,773,159
Transfers out Transfer from reserves	(5,704,617)	(10,432,618)	(8,095,137)	(9,323,778)	(5,167,659)	(5,918,570)	(3,902,850)	(7,829,317)	(5,073,360)	(4,311,770)
Capital lease proceeds				-						
Total other financing										
Sources (Uses)	1,636,071	2,781,842	5,050,837	1,318,284	8,738,605	6,262,749	3,347,969	3,422,752	3,754,484	3,461,389
Net change in										
fund balances	\$ (2,477,373)	\$ (268,125)	\$ (534,293)	\$ 4,456,626	\$ 4,103,236	\$ 174,561	\$ 1,629,344	\$ 2,546,830	\$ 5,125,115	\$ (20,774)
Debt service as a % of non-capital Expenditure	4.23%	4.26%	8.18%	3.55%	16.16%	1.70%	2.29%	2.01%	1.85%	1.68%

^{*}Note: Capital outlay was no longer treated as a separate line item after 2011 but is included in the natural classification. Refer to footnote 6 for the number which is backed out of the total expenditures.

^{**} In 2016 the City refunded debt in the amount of \$2,935,000 which is included in the debt service fund general government expenditures and is not included under the principal line item. The balance is included in the above calculation.

CITY OF DANIA BEACH, FLORIDA VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year Ended September 30	Taxable Value of Personal and Real Property For Operating Purposes (1)	Taxable Value of Centrally Assessed Property for Operating Purposes	Gross Taxable Value	Less Tax-Exempt Property	Total Taxable Assessed Value	Millage Rate
2011	\$ 3,266,278,557	\$ 2,370,745	\$ 3,268,649,302	\$ 579,843,129	\$ 2,688,806,173	6.2450
2012	3,208,220,545	2,426,840	3,210,647,385	583,229,819	2,627,417,566	6.2507
2013	3,172,675,082	2,244,996	3,174,920,078	575,693,985	2,599,226,093	6.2678
2014	3,312,446,134	2,562,196	3,315,008,330	565,619,140	2,749,389,190	6.2688
2015	3,477,989,835	3,044,295	3,481,034,130	588,004,832	2,893,029,298	6.2593
2016	3,661,796,706	3,721,620	3,665,518,326	572,809,972	3,092,708,354	6.2432
2017	3,992,030,478	4,024,741	3,996,055,219	575,164,817	3,420,890,402	6.2462
2018	4,702,225,529	4,165,263	4,706,390,792	603,201,053	4,103,189,739	6.1909
2019	4,950,622,924	4,283,788	4,954,906,712	622,397,462	4,332,509,250	6.1758
2020	5,118,533,284	5,310,142	5,123,843,426	626,566,853	4,497,276,573	6.1688

Source: Broward County Property Appraiser (Form DR-403)

Notes: The Millage Rate is the rate used in the calculation for property taxes. One mil equals \$ 1 per \$ 1,000 of taxable value.

A millage of 6.1688 which is the current rate in effect of the City of Dania Beach is equal to \$ 6.1688 per each \$ 1,000 of taxable value on real property.

Estimated Actual Value (Just Value) obtained from the Broward County Appraiser.

⁽¹⁾ Except for the Save Our Homes cap noted below, Florida State Law requires all property to be assessed at current fair market value
The Save Our Homes cap, provides that property qualifying for and receiving Homestead Exemption is assessed at the lower of the
annual percentage change in the Consumer Price Index or 3% of the previous year's assessment.

TABLE 6

CITY OF DANIA BEACH, FLORIDA DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN FISCAL YEARS

Fiscal Year	Basic Rate	Voted Debt Service	Total Direct	Broward County	Broward County Schools	Children's Services Council	South Florida Water Management District	Florida Inland Navigation District	South Broward Hospital District	Total Direct and Overlapping
2011	5.9998	0.2452	6.2450	5.5530	7.6310	0.4696	0.6240	0.0345	1.2732	21.8303
2012	5.9998	0.2509	6.2507	5.5530	7.4180	0.4789	0.4363	0.0345	0.7500	20.9214
2013	5.9998	0.2680	6.2678	5.5530	7.4560	0.4902	0.4289	0.0345	0.6000	20.8304
2014	5.9998	0.2690	6.2688	5.7230	7.4800	0.4882	0.4110	0.0345	0.4000	20.8055
2015	5.9998	0.2595	6.2593	5.7230	7.4380	0.4882	0.3842	0.0345	0.1863	20.5135
2016	5.9998	0.2434	6.2432	5.7230	7.2740	0.4882	0.3551	0.0320	0.1737	20.2892
2017	5.9998	0.2464	6.2462	5.6690	6.9063	0.4882	0.3307	0.0320	0.1615	19.8339
2018	5.9998	0.1911	6.1909	5.6690	6.5394	0.4882	0.3100	0.0320	0.1496	19.3791
2019	5.9998	0.1760	6.1758	5.6690	6.4029	0.4882	0.2936	0.0320	0.1414	19.2029
2020	5.9998	0.1690	6.1688	5.6690	6.7393	0.4882	0.2795	0.0320	0.1260	19.5028

Broward County Property Appraiser Source:

The Millage Rate is the rate used in the calculation for property taxes. One mil equals \$ 1 per \$ 1,000 of taxable value. A millage of 6.1688 which is the current rate in effect of the City of Dania Beach is equal to \$ 6.1688 per each \$ 1,000 Notes:

of taxable value on real property.

TABLE 7

CITY OF DANIA BEACH, FLORIDA PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND TEN YEARS AGO

	2	2020		2009			
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	
FLORIDA POWER & LIGHT CO	\$ 513,171,167	1	15.00%	\$ 342,638,020	1	31.42%	
DANIA LIVE 1748 LLC	75,796,420	2	2.22%	-	-	0.00%	
DANIA ENTERTAINMENT CENTER LLC	54,215,370	3	1.58%	-	-	0.00%	
DCOTA DEVELOPMENT CO LP	53,128,830	4	1.55%	25,370,050	5	2.33%	
BEACH WALK AT SHERIDAN LP	34,870,810	5	1.02%	-	-	0.00%	
DAWSON JOHNSON OPERATIONS LLC	34,280,730	6	1.00%	-	-	0.00%	
SCG ATLAS SHERIDAN OCEAN CLUB LLC	33,869,620	7	0.99%	-	-	0.00%	
AQUA ISLES APARTMENTS OWNER LLC	30,000,000	8	0.88%	-	-	0.00%	
SOUTH FLORIDA MATERIALS	28,279,191	9	0.63%	-	-	0.00%	
TGC DANIA LLC	25,927,910	10	0.00%	-	-	0.00%	
WILSON HOLLYWOOD SHOWROOM LLC	-	-	0.00%	25,446,870	4	2.33%	
THE ARAGON GROUP, INC.	-	-	0.00%	29,901,830	3	2.74%	
EC-SHERIDAN LAKE LLC	-	-	0.00%	20,405,710	10	1.87%	
HEI FT. LAUDERDALE AIRPORT, LLC	-	-	0.00%	22,809,640	9	2.09%	
FT. LAUDERDALE OWNER, LLC	-	-	0.00%	24,817,320	6	2.28%	
INLAND SOUTHEAST DANIA LLC	-	-	0.00%	24,224,330	7	2.22%	
DESIGN CENTER OF THE AMERICAS	-	-	0.00%	67,717,340	2	6.21%	
EQR - PARADISE POINTE VISTAS, INC.	-	-	0.00%	23,547,879	8	2.16%	
Total	\$ 883,540,048		34.51%	\$ 606,878,989		55.65%	

Source: Broward County Revenue Collection Division

Note: Property values shown above assessed as of January 1, 2019 and January 1, 2009

TABLE 8

CITY OF DANIA BEACH, FLORIDA PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Collected within the Fiscal Year of the Levy

Total Collections to Date

					Total Colloct	iono to Bato
Fiscal Year Ended September 30	Taxes Levied for the Year	Amount	Percentage of the Levy	Collections in Subsequent Years	Amount	Percentage of the Levy
2011	\$ 16,654,408	\$ 14,973,597	89.91%	\$ 899,250	\$ 15,872,847	95.31%
2012	16,112,498	14,824,418	92.01%	779,588	15,604,005	96.84%
2013	16,141,294	14,886,515	92.23%	581,367	15,467,882	95.83%
2014	16,850,215	15,617,070	92.68%	518,200	16,135,270	95.76%
2015	17,474,301	16,124,560	92.28%	525,731	16,650,291	95.28%
2016	18,530,248	17,273,014	93.22%	562,078	17,835,092	96.25%
2017	20,150,609	18,916,142	93.87%	511,982	19,428,124	96.41%
2018	23,987,957	22,551,633	94.01%	477,146	23,028,779	96.00%
2019	25,481,959	23,566,015	92.48%	806,933	24,372,949	95.65%
2020	26,374,031	24,490,470	92.86%	943,983	25,434,453	96.44%

Source: Broward County Revenue Collector

CITY OF DANIA BEACH, FLORIDA RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

	Governmental Activities Business-Type									уре /	Activities				
Fiscal Year		Sales Tax Revenue Bonds	(General Obligation Bonds		Notes Payable		Capital Leases Payable	N	otes/Bonds Payable		State Revolving an Payable	Total Government	Per Capita for Government Activities*	Per Customer for Business Activities**
2011	\$	2,075,000	\$	9,430,000	\$	7,091,636	\$	1,795,014	\$	16,605	\$ 1	1,652,178	\$ 32,060,433	689	2,483
2012		1,970,000		9,230,000		6,438,646		1,605,454		_	1	13,919,426	33,163,526	644	2,962
2013		1,615,000		8,595,000		5,944,144		1,415,894		2,673,790	1	13,648,761	33,892,589	581	3,473
2014		1,455,000		8,295,000		5,585,553		1,226,334		2,598,790	1	3,754,837	32,915,514	546	3,479
2015		1,305,000		8,375,773		5,243,729		1,036,775		2,478,790	1	4,547,371	32,987,438	525	3,623
2016		1,150,000		8,273,866		5,069,234		847,216		2,353,790	1	13,532,157	31,226,262	493	3,380
2017		995,000		7,831,759		5,069,234		657,657		2,223,790	1	12,624,541	29,401,981	462	3,159
2018		835,000		7,342,745		2,868,824		468,098		1,815,000	1	1,698,548	25,028,215	363	2,920
2019		675,000		6,853,731		621,876		278,539		1,675,000	1	10,756,542	20,860,688	263	2,645
2020		510,000		6,354,717		538,960		88,977		1,530,000		9,782,675	18,805,329	233	2,357

^{*} Total debt for Governmental Activities reflected as a percentage of personal income is 1.15%.
** The majority of outstanding debt for Business-Type Activities is applicable to only 14.9% of the City's overall population.

TABLE 10

CITY OF DANIA BEACH, FLORIDA RATIOS OF GENERAL BONDED DEBT LAST SEVEN FISCAL YEARS

				Pe	rcentage	
		General		0	f Actual	
Fiscal	(Obligation		Т	Γaxable	
Year		Bonds	Total		Value	Per Capita
2013	\$	8,595,000	\$ 8,595,000	0	.3307%	284
2014		8,295,000	8,295,000	0	.3017%	273
2015		8,375,773	8,510,773	0	.2942%	278
2016		8,260,773	8,260,773	0	.2671%	266
2017		7,831,759	7,831,759	0	.2289%	249
2018		7,342,745	7,342,745	0	.1790%	231
2019		6,853,731	6,853,731	0	.1582%	216
2020		6,354,717	6,354,717	0	.1413%	197

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Amounts restricted for debt service can be found on the Statement of Net Position, restricted for debt service.

TABLE 11

CITY OF DANIA BEACH, FLORIDA DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT For the Year Ended September 30, 2020

(Debt Dutstanding (1)	Estimated Percentage Applicable	(Estimated Share of Overlapping Debt
•	404 500 000	0.4000/	•	0.500.000
\$	164,580,000	2.130%	\$	3,506,063
	3,280,881,000	2.130%		69,892,909
	-			-
	341,497,000	2.130%		7,274,942
	1,355,270,000	1.969%		26,685,229
	404,076,000	1.969%		7,956,245
				115,315,389
	14,553,650	100.00%		14,553,650
			\$	129,869,039
	\$	Outstanding (1) \$ 164,580,000 3,280,881,000	Debt Outstanding (1) Percentage Applicable \$ 164,580,000 2.130% 3,280,881,000 2.130% 341,497,000 2.130% 1,355,270,000 1.969% 404,076,000 1.969%	Debt Outstanding (1) Percentage Applicable \$ 164,580,000 2.130% \$ 3,280,881,000 2.130% 341,497,000 2.130% 1,355,270,000 1.969% 404,076,000 1.969%

Source: Broward County and the School Board of Broward County

⁽¹⁾ The percentage of overlapping debt applicable is using taxable assessed property values. Taxable value that is within the City's boundaries is divided by the County and School Board's total taxable assessed value (Source: Form DR-420)

CITY OF DANIA BEACH, FLORIDA PLEDGED REVENUE COVERAGE ELECTRIC UTILITY TAX LAST TEN FISCAL YEARS

Fiscal					
Year	Electric			Total	
Ended	Utility			Debt	Debt
September 30	Tax	Principal	Interest	Service	Coverage
2010	\$ 2,251,162	\$ 100,800	\$ 44,058	\$ 139,397	16.15
2011	2,284,989	106,648	32,675	139,323	16.40
2012	2,284,368	112,835	26,560	139,395	16.39
2013	2,497,523	119,382	20,014	139,397	17.92
2014	2,744,101	126,309	13,049	139,358	19.69
2015	2,750,822	133,637	5,698	139,335	19.74

Note: Electric utility tax revenues were not pledged to any outstanding debt after 2015.

TABLE 13

CITY OF DANIA BEACH, FLORIDA PLEDGED REVENUE COVERAGE ELECTRIC FRANCHISE FEES LAST TEN FISCAL YEARS

Fiscal Year Ended	Electric Utility	Discissi	lata a a t	Total Debt	Debt
September 30	Tax	<u>Principal</u>	<u>Interest</u>	Service	Coverage
2011	\$ 2,022,391	\$ 312,718	\$ 23,384	\$ 336,103	6.02
2012	1,950,481	275,608	6,473	282,081	6.91
2013	1,949,911	34,975	865	35,841	54.40

Note: Electric franchise fees revenues were not pledged to any outstanding debt after 2013.

CITY OF DANIA BEACH, FLORIDA DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

		Personal Income			
		(Thousands	Per Capita	School	Unemployment
	Population	of Dollars)	Personal	Enrollment	Rate
Year	(1)	(2)	(2)	(3)	(4)
2011	29,596	\$ 76,133,577	\$ 42,768	1,905	9.6%
2012	29,873	78,687,882	43,351	1,778	7.7%
2013	30,233	80,525,783	43,792	1,627	7.3%
2014	30,351	80,905,552	43,283	1,603	6.1%
2015	30,644	85,167,498	44,429	1,503	5.6%
2016	31,093	89,572,271	46,906	1,576	4.9%
2017	31,473	94,239,376	48,680	1,540	4.1%
2018	31,755	98,087,689	50,269	1,485	3.3%
2019	31,768	102,145,579	52,308	1,484	2.2%
2020	32,215	N/A	N/A	1,435	6.7%
	, -			,	

Sources:

- (1) Bureau of Economic and Business Research, University of Florida.
- (2) Bureau of Economic Analysis, U.S. Department of Commerce. Information was not available at the City level. Totals are for all of Broward County.
- (3) School Board of Broward County, 20th day counts.
- (4) Bureau of Labor Statistics, U.S. Department of Labor.

Miami-Ft. Lauderdale-Pompano Beach, FL Metropolitan Statistical Area (Not Seasonally Adjusted)

N/A Information is not available

CITY OF DANIA BEACH, FLORIDA PRINCIPAL EMPLOYERS CURRENT YEAR AND TEN YEARS AGO

2020 2010 Percentage Percentage of Total of Total City City Taxpayer **Employees** Rank **Employment** Employees Rank Employment Taxpayer Chiquita Brands LLC 314 385 1 2.45% Bass Pro Shops - Outdoor World 1.97% 385 Publix Supermarkets, Inc. 270 1.69% The Casino at Dania Beach 2 2.45% 2 272 3 1.73% 3 1.50% **American Maritime Officers School Board of Broward County** 240 Cross Pointe Care Center 249 4 1.58% Dania Jai-Alai 200 4 1.25% 5 5 **School Board of Broward County** 193 1.23% City of Dania Beach 175 1.10% Arrow Space ATC 180 6 1.15% Uniweld Products, Inc. 169 6 1.06% City of Dania Beach 156 7 0.99% **American Maritime Officers** 7 0.98% 157 **Publix Super Market** Wyndham Hotel 150 8 0.95% 150 8 0.94% US 1 Deli Provisions INC 150 9 0.95% 9 0.72% Boomers 115 Sheraton Ft. Lauderdale Airport 150 0.95% 0.69% **Elegance Distribution Perfume** 10 110 10 1,900 14.45% Total 2,270 Total 11.20%

Source: City of Dania Beach, Greater Fort Lauderdale Alliance, The School Board of Broward County

TABLE 16

CITY OF DANIA BEACH, FLORIDA GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
FUNCTION/PROGRAM:										
General government:										
Management	15.50	15.50	15.50	16.50	16.50	16.50	16.50	18.00	18.50	22.50
Finance	9.00	8.00	9.00	9.00	10.00	10.00	10.00	10.00	10.00	10.00
Human resources	3.50	2.50	2.50	2.50	2.50	3.00	3.00	3.00	3.00	3.00
Community development	10.00	10.00	10.00	10.00	10.00	11.75	11.65	11.75	16.80	16.10
Public safety /Code	77.00	10.00	9.00	10.50	10.50	11.75	11.85	11.75	12.70	12.80
Highways and streets	8.00	7.00	8.00	8.00	8.00	9.00	9.00	10.00	10.00	10.00
Physical environment	15.62	12.45	11.45	12.45	14.45	14.90	14.90	18.90	20.15	20.15
Culture and recreation	20.34	20.19	22.09	21.09	22.10	23.22	23.22	25.42	28.30	30.30
Water	14.75	16.95	16.95	16.95	17.95	17.50	17.50	17.50	18.95	19.90
Sewer	7.75	5.05	5.05	5.05	4.05	5.20	5.20	4.20	5.85	6.05
Stormwater	5.50	6.55	6.55	5.55	5.55	6.65	6.65	3.65	5.30	5.50
Total	186.96	114.19	116.09	118.59	121.60	129.47	129.47	134.17	149.55	156.30

Source: City of Dania Beach

Note: Beginning in fiscal year 2011, the Fire Department positions are contracted with BSO.

CITY OF DANIA BEACH, FLORIDA OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
FUNCTION/PROGRAM:										
Police:										
Physical arrests	1,180	3,700	1,343	1,492	1,240	935	799	1,110	1,035	859
Parking violations	204	40	69	N/A	46	466	9	-	-	-
Traffic violations	4,575	4,106	3,377	4,541	5,659	5,428	2,439	2,267	5,359	1,240
Fire protection/prevention:										
Emergency responses	5,099	4,844	6,249	6,176	6,338	6,617	4,666	4,636	6,416	4,875
Fires extinguished (approx.)	1,493	N/A	N/A	N/A	47	69	75	82	74	72
Fire inspections	3,010	1,802	1,830	3,124	1,647	2,514	2,704	862	4,652	2,454
Community development:										
Building permits issued	2,448	2,094	2,758	2,514	2,546	2,840	1,860	2,200	2,406	1,617
Building permits										
Construction value	32,610,526	32,780,227	85,945,041	37,857,133	101,960,569	27,498,593	202,768,230	128,199,228	237,511,151	101,380,338
Number of cited										
code violations	1,792	612	538	1,642	663	1,729	1,663	1,786	1,738	1,273
Parking violations	-	-	-	-	-	-	7,293	7,723	6,520	4,957
Public works:										
Miles of roads resurfaced	-	-	-	-	4	5	4	4	3	4
Potholes repaired	336	680	823	560	250	316	16,000	16,000	30	83
Parks and recreation:										
Facility rentals	10,500	10,000	9,000	10,500	140	175	155	195	480	120
Parks/sports attendance	57,500	55,227	58,398	71,048	4,500	8,500	6,500	3,725	8,000	24,000
Programs attendance	13,910	6,730	15,060	14,385	11,850	16,297	16,809	8,995	36,750	42,250
Water:										
Average daily consumption										
(thousands of gallons)	2,230	1,875	1,926	1,889	1,891	1,937	2,035	2,041	2,020	1.958
Peak daily consumption										
(thousands of gallons)	2,860	3,600	2,640	2,235	2,361	2,333	2,805	2,491	2,470	2.467
Sewer:										
Average daily sewage treatment										
(thousands of gallons)	3,240	3,200	3,325	3,417	3,200	3,200	3,200	3,200	3,300	3,300

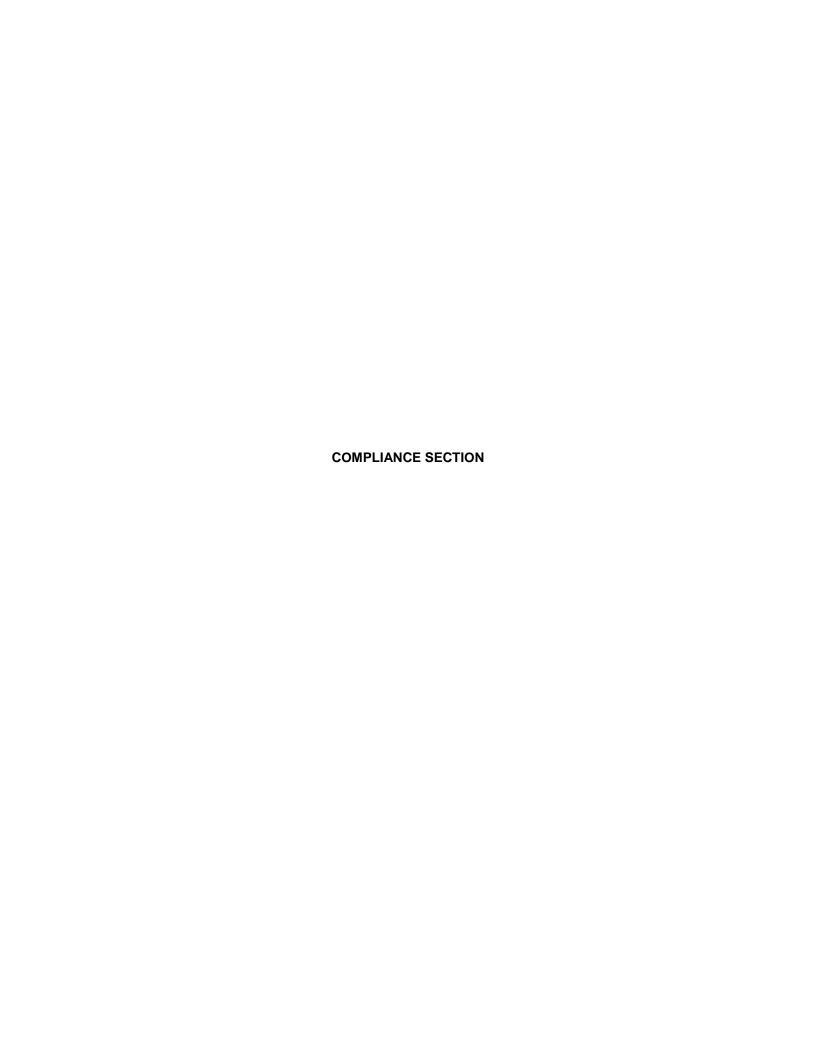
Note: City performs majority of parking violations

Source: City of Dania Beach, Public Works Department; Broward County Sheriff's Office

CITY OF DANIA BEACH, FLORIDA CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
FUNCTION/PROGRAM: Police: Stations	2	2	2	2	2	2	2	2	2	2
Fire protection: Stations Rescue units	2 4	2 4	2 4	2 4	2 2	2 2	2 2	2 2	2 2	2 2
Public works: Streets (miles) Length of sidewalks	150.4 61.9	150.4 61.9	97 86	97 86	97 87	97 88	97 89	97 89	97.265 63	97.265 88
Parks and recreation: Parks acreage Baseball diamonds Community centers	56.63 7 5	56.63 6 4	56.5 5 5	60.56 6 5	60 6 5	60.2 6 5	60.2 6 5	60.9 4 5	128 6 4	128 6 4
Water: Length of water mains (miles)	70.58	76	76.06	76	76	76	77	77	81	81
Sewer/stormwater: Length of sewer mains (miles) Length of storm drains (miles)	44.00 14.00	44.00 14.00	46.00 15.00	46.00 15.00	46.00 15.00	45.00 15.00	47.00 15.00	47.00 15.00	62.00 15.50	62.00 15.50

Source: City of Dania Beach, Public Services Dept; Parks and Recreation Dept.



HCT Certified Public Accountants & Consultants, LLC

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 Members of the City Commission City of Dania Beach, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dania Beach, Florida (the 'City'), 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, and have issued our report thereon dated March 30, 2021.

Our report includes a reference to other auditors who audited the financial statements of the City of Dania Beach Police and Firefighters Pension Plan, as described in our report on the City's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Dania Beach, Florida Response to Findings

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

HCT Certified Public Accountants & Consultants, LLC

Hollywood, Florida March 30, 2021

HCT Certified Public Accountants & Consultants, LLC

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and Members of the City Commission City of Dania Beach, Florida

Report on Compliance for Each Major Federal Program

We have audited the City of Dania Beach, Florida (the City)'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 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 auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 each of its major federal programs for the year ended September 30, 2020.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program 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, 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.

HCT Certified Public Accountants & Consultants, LLC Hollywood, Florida March 30, 2021



CITY OF DANIA BEACH SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended September 30, 2020

Program Title	Federal CFDA Number	Contract/ Grant Number	Period Covered	Expenditures
Indirect programs:				
United States Department of Housing & Urban Development - Passed through Broward County Community Development Block Program CDBG Year 43rd and 44th - Oasis XVI (\$326,155)	14.218		FY 2020	\$ 293,600
Federal Emergency Management Agency Passed through Florida Division of Emergency Management Grant to Local Government for debris removal,				
emergency protective measures measures and repair or replacement of disaster managed facilities	97.036	98525728	FY 2017 FY 2018 FY 2019	110,188 1,937,876 227,333
United States Federal Highway Administration Passed through Florida Department of Transportation Transportation Alternatives Program (\$344,379)	20.205	438282-1-58-01	FY 2020	668,215
Direct programs:				
United States Department of Agriculture Agricultural Marketing Services Farmers Market Promotion Program (\$248,871.90)	10.168	AM170100XXXXG145	FY 2020	55,352
Total expenditures of Federal awards				\$ 3,292,563

CITY OF DANIA BEACH, FLORIDA NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended September 30, 2020

NOTE 1- BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards (Schedule) includes the Federal grant activity of the City of Dania 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, Part 200, Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the City.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) Pass-through entity identifying numbers are presented when available.

NOTE 3 – DISASTER GRANTS – PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS) (CFDA97.0360)

After a presidentially declared disaster, FEMA provides Disaster Grants – Public Assistance (Presidentially Declared Disasters) (CFDA 97.036) to reimburse eligible costs associated with disaster preparedness, debris clean up, repair, replacement, or restoration of disaster-damaged facilities. The federal government makes reimbursements in the form of cost-shared grants that require state matching funds. In 2020, FEMA approved \$1,741,113.97 eligible expenditures that were incurred in prior fiscal years and are therefore include in the schedule.

NOTE 4 - INDIRECT COST RATE

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

City of Dania Beach, Florida Schedule of Findings and Questioned Costs For the Fiscal Year Ended September 30, 2020

I. Summary of Independent Auditor's Results

<u>Financial Statements</u>	
Type of report the auditor issued: Unmodified	
Internal control over financial reporting:	
• Material weakness(es) identified?	yesX_no
• Significant Deficiency(s)	yesXnone reported
Noncompliance material to financial statements noted?	yes <u>X</u> _no
Federal Awards	
Internal control over major programs:	
• Material weakness(es) identified?	yes <u>X</u> no
• Significant Deficiency(s) identified	yesX_none reported
Type of auditor's report issued on compliance for	or major programs: Unmodified.
Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?	yesX_no
Identification of major programs:	
CFDA No(s). Names of Federal Programs of P	or Cluster istance (Presidentially Declared Disasters)
Dollar threshold used to distinguish between Type A and Type B Programs	\$ <u>750,000</u>
Auditee qualified as low-risk auditee?	ves X no

City of Dania Beach, Florida Schedule of Findings and Questioned Costs (Continued) For the Fiscal Year Ended September 30, 2020

II. Prior Year Findings

2018-MLC-01 – Recommendation – Employees Annual Evaluation

Condition – The City does not have a formal process for employees to receive an annual evaluation that included a City form with the employee's name, the period under evaluation, and the supervisor's/department head's rating and scoring based on a rating matrix.

Cause – Best practice by large for employers in the governmental and private sectors require employees to receive an annual evaluation irrespective of merit raises or bonus pay.

Recommendation – We recommend that the City institute an annual employee evaluation process during fiscal year 2019.

Current Year Status – Not implemented in FY 2020.

2018-MLC-07- Material Weakness Finding - Errors in Employee Personnel Files

Condition - Based on our audit inspection of the Human Resource Department employee files, we noted a high rate of errors. 3 of 6 (50%) of the new hire files were noted to have errors and 4 out of 5 (80%) newly terminated employee files were noted to have errors. We selected 28 current and active employee files for audit inspections and noted that 7 out of 28 (25%) files contained errors. We selected 12 prior terminated EEs for audit inspections and noted that 8 out of 12 (66%) files contained errors.

We noted that several executive level City staff employee files did not contain key documents such as a signed Code of Ethics form or signed job descriptions.

Cause – The employee files are not subject to an annual internal inspection that includes a random selection of files with an appropriate level of initiator sign-offs, reviewer sign-offs, and department head signatures as to approval of the procedures performed.

Recommendation – We recommend that all employee files are reviewed and all noted corrective actions are taken during fiscal year 2019 to ensure all required HR documents are associated with each personnel file.

Current Year Status – Implemented

<u>18-MLC-08 – Recommendation – Discretionary Selection and Expenditures with Contracted</u> Law Firms

Condition - The Legal Department selected various law firms to represent the City without a formal committee vetting process.

Cause – The Legal Department employs with an annual budget of over \$1.1 million of which approximately \$250,000 is expended to procure contracted legal services. The City's legal

City of Dania Beach, Florida Schedule of Findings and Questioned Costs (Continued) For the Fiscal Year Ended September 30, 2020

department is not forced to follow the normal and routine procurement process for the contracted legal services.

Recommendation – We recommend that all legal vendors be required to follow the normal and routine vetting and procurement process for any other goods and services hired by the City.

Current Year Status – Partially implemented in FY 2020.

18-MLC-09- Recommendation - Notice of Award and Notice to Proceed for all Procurements

Condition - The City's procurements should include a notice of award and a notice to proceed for every selected vendor after the formal award process has concluded.

Cause - The City does not employ a method or any forms for notice to proceed and notice of award.

Recommendation - We recommend that the City implement a notice of award and notice to precede letters for all procurements during fiscal year 2019 and prospectively.

Current Year Status – Implemented

<u>18-MLC-10- Recommendation - City's Policies and RFQ standards related to any Procurement Process</u>

Condition - The City's procurements should follow all City's policies and RFQ standards, maintain objectivity and avoid irregularities.

Cause - The City did not follow its own policies in preparing RFQs. Communication of any procurement standards for evaluation must match the standards that is used for evaluation of bidders.

Recommendation - We recommend that the City implement procedural steps and guidelines to ensure adherence by all involved City Staff of all City policies and procurement standards are maintained at all times coupled with objectivity.

Current Year Status – Implemented

City of Dania Beach, Florida Schedule of Findings and Questioned Costs (Continued) For the Fiscal Year Ended September 30, 2020

III. Financial Statement Findings

None Noted

IV. Federal Award Findings and Questioned Costs

None Noted

V. State Award Findings and Questioned Costs

None Noted

HCT Certified Public Accountants & Consultants, LLC

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

To the Honorable Mayor and Members of the City Commission City of Dania Beach, Florida

We have examined the City of Dania Beach's (the City's) compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2020. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included 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 examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2020. This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the City Commission, and is not intended to be and should not be used by anyone other than these specified parties.

We did not audit the financial statements of the City of Dania Beach Police and Firefighters Pension Plan which represents aggregate remaining fund information. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the fiduciary funds, is based solely on the report of the other auditors.

HCT Certified Public Accountants & Consultants, LLC

Hollywood, Florida March 30, 2021

HCT Certified Public Accountants & Consultants, LLC

MANAGERMENT LETTER IN ACCORDNACE WITH THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Honorable Mayor and Members of the City Commission City of Dania Beach, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Dania Beach, Florida (the 'City'), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated March 30, 2021.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 30, 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. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report except for as listed on the following page.

Tabulation of Uncorrected Audit Findings		
Current Year Finding	2018-19 FY Findings	2017-18 FY Findings
None	None	18-MLC-01
		18-MLC-08

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. All related disclosures have been made in the notes to the financial statements.

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Sections 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 in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

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

Purpose of this letter

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

 ${\it HCT}$ Certified Public Accountants & Consultants, LLC

Hollywood, Florida March 30, 2021



FURTHER AFFIANT SAYETH NAUGHT.

IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Frank DiPaolo, who being duly sworn, deposes and says on oath that:

- 1. I am the Chief Financial Officer of the City of Dania Beach which is a local governmental entity of the State of Florida; and
- 2. The governing body of the City of Dania Beach adopted Ordinance Nos. 2010-020, 2010-023, 2011-035, 2014-004, and 2014-005 implementing impact fees; and
- 3. The City of Dania Beach has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

	(Chief Financial Officer of the Entity)
STATE OF FLORIDA COUNTY OF BROWARD	
SWORN TO AND SUBSCRIBED before	e me this <u>78</u> day of <u>April</u> , 2021.
	Deromas Solmes den NOTARY PUBLIC Print Name THOMAS L. SCHWEIDER
Personally known or produced identification	
Type of identification produced:	
My Commission Expires:	THOMAS L SCHNEIDER Notary Public – State of Florida
9-23-21	Commission # GG 129832 My Comm. Expires Sep 23, 2021 Bonded through National Notary Assn.