

TOWN OF SOUTHWEST RANCHES, FLORIDA



Comprehensive Annual Financial Report *Fiscal Year Ended September 30, 2020*



**TOWN OF
SOUTHWEST RANCHES, FLORIDA
Comprehensive Annual Financial Report
Fiscal Year Ended September 30, 2020**



*2020 Town of Southwest Ranches Rural Public Arts & Design Advisory Board Photo Contest
Submitted by: Manny Callis*

Prepared by Finance and Budget Department

Martin D. Sherwood, CPA, CGMA, CGFO
Town Financial Administrator

Richard E. Strum
Controller

Venessa Redman
Senior Procurement and Budget Officer

Gina Lawrence
Accountant

TOWN OF SOUTHWEST RANCHES

MOTTO:

“PRESERVING OUR RURAL LIFESTYLE”

VISION STATEMENT:

“WE EMBRACE OUR UNIQUE NATURE AND WE CONTINUALLY STRIVE TO ENHANCE THE QUALITY OF LIFE
IN OUR TOWN”

MISSION STATEMENT:

“THE TOWN OF SOUTHWEST RANCHES IS COMMITTED TO PROMOTING AND PROTECTING THE RURAL
LIFESTYLE OF OUR RESIDENTS WHILE PRESERVING THE NATURAL ENVIRONMENT”



2020 Town of Southwest Ranches Rural Public Arts & Design Advisory Board Photo Contest
Submitted by: Cindy Samartino

Town of Southwest Ranches, Florida

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Town of Southwest Ranches, Florida

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INTRODUCTORY SECTION



2020 Town of Southwest Ranches Rural Public Arts & Design Advisory Board Photo Contest
Submitted by: Richard Zicarelli



Town of Southwest Ranches
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Southwest Ranches, FL 33330-2628
(954) 434-0008 Town Hall
(954) 434-1490 Fax
web: southwestranches.org

Town Council
Steve Breitreuz, Mayor
Bob Hartmann, Vice Mayor
Jim Allbritton, Council Member
Gary Jablonski, Council Member
David S. Kuczenski, Council Member

Town Administration
Andy Berns, MPA, Town Administrator
Russell Muñiz, MBA, MPA, MMC, Asst. Town Administrator/Town Clerk
Keith M. Poliakoff, JD, Town Attorney
Martin D. Sherwood, CPA, CGMA, CGFO, Town Financial Administrator

March 5, 2021

To the Honorable Mayor, Vice Mayor, Town Council, and the Citizens of the Town of Southwest Ranches, Florida:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the Town of Southwest Ranches, Florida (the Town), for the fiscal year ended September 30, 2020. Although Florida Statutes requires that every general-purpose local government publish within nine months of the close of each fiscal year a complete set of audited financial statements, the Government Finance Officers' Association (GFOA) recommends that local governments publish same within six months. Therefore, in addition to meeting legal requirements, the report represents the Town's continued strong support of full financial disclosure in the timeliest manner. This philosophy is reflected by the informative financial analysis provided by the Town's Finance Department and the exhibits and statistical tables included herein. The financial statements have been audited by Keefe McCullough, Certified Public Accountants. The independent auditor has issued an unmodified opinion that this report fairly represents the financial position of the Town in conformity with generally accepted accounting principles (GAAP).

The CAFR's role is to assist in making policy decisions and to assist in providing accountability and transparency to the citizenry by:

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

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Town. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly present the financial position and results of operations of the Town; and that all disclosures necessary to enable the reader to gain an understanding of the Town's financial activity have been included.

As previously mentioned, Keefe McCullough CPA, independent auditors, have issued unmodified opinions on the Town of Southwest Ranches financial statements for the fiscal year ended September 30, 2020. The independent auditors' report is located at the front of the financial section of this report. The Town's financial statements have been

prepared in conformity with GAAP as promulgated by the Governmental Accounting Standards Board (GASB). The Town's Management Discussion and Analysis document (the MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A compliments this letter of transmittal and should be read in conjunction with it.

ACCOUNTING AND INTERNAL CONTROLS

Management of the Town is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

- The cost of a control should not exceed the benefits likely to be derived; and
- The valuation of costs and benefits requires estimates and judgments by management.

PROFILE OF THE GOVERNMENT

The Town comprises approximately thirteen (13) square miles, with a 2019 census population estimate of 7,957 and is located in the southwest portion of Broward County, a major metropolitan area. The Town motto since its establishment is "Preserving our Rural Lifestyle" but is located between the three major urban cities: Davie (population estimate of 106,306), Pembroke Pines (population estimate of 173,591) and Weston (population estimate of 71,166). The neighboring cities provide a wealth of attractions, business and amenities for use by the residents of the Town. Accordingly, the residents benefit from this close association with these urban neighbors because the Town does not need to provide for these services.

The Town was incorporated on June 6, 2000. The Town's current Charter was amended by the citizens on November 4, 2003, on November 7, 2006, on November 2, 2010 and on November 6, 2018. The Town operates under the Council-Administrator form of government where the Mayor and four Council Members must live in residential districts, are elected at large and appoint a Town Administrator and Town Financial Administrator. The Town Council establishes policy for the operation of the government, enacts ordinances for the safety, welfare, and orderly interaction of the citizens of the Town, adopts a millage rate and annual budget, appoints the Town Attorney and Town Clerk, as well as members to various advisory boards, agencies, and authorities within the Town, and engages the independent auditor.

The financial reporting entity (the Town of Southwest Ranches) includes all funds of the primary government (i.e., the Town of Southwest Ranches as legally defined), as well as all its component units. Component units are legally separate entities for which the Town of Southwest Ranches is financially accountable or the nature and significance of the relationship between the Town and the entity is such that exclusion would cause the Town's financial statements to be misleading or incomplete.

The Town has identified one component unit: The Southwest Ranches Volunteer Fire Rescue, Inc. is reported as a blended component unit of the Town and its governing body is composed of the members of the Town Council. Additional information can be found in Note 1 of the notes to the basic financial statements.

SERVICES PROVIDED

The Town contracts for all major Town services including police, fire, emergency medical services, building inspections, code compliance, planning & zoning, information technology and solid waste & recycling. The Town also has employees to administer all contracts, grants, and daily operations of the Town as well as provide basic municipal services including parks, recreation, and general government services.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment. Despite the economic conditions and impact of most recently a Covid-19 pandemic or from Hurricane Irma on September 10, 2017, the Town has maintained its strong financial position through prudent planning and fiscal actions to reduce or contain costs.

The Town has real estate sales and values with an increase as most other governments in Florida and in the nation; however, the Town has a better than average business cycle than other communities due to the composition of its economy. Specifically, the Town primarily consists of an affluent residential housing stock of 2,629 units with a minimum one-acre and larger single-family estates.

In 2019, the Town experienced a 3.63% increase in total taxable assessed value and a 4.67% increase in 2020. Accordingly, the 2020 total taxable assessed values exceed the 2019 former record highest total taxable assessed valuation.

The Town has made it a policy to establish reserves to offset unanticipated expenses and ensure that a funding source exists in the event of a setback in the continuation of positive economic conditions. The General Fund has an unassigned fund balance equal to 31.2% of the adopted FY 2021 General Fund operating budget.

On a long-term financial perspective, the Town has identified all capital asset and infrastructure projects under a five-year capital improvement plan (CIP). This five-year CIP serves as a quick reference for a project timeline and identifies current and future funding requirements. Commencing in FY 2015, the Town implemented a Transportation Surface and Drainage Ongoing Rehabilitation (TSDOR) program with the goal of preserving and extending the life of the Town's paved streets. The TSDOR program addresses improvements for every Town road over a 25+ year period. Five capital projects, including TSDOR have been fully or partially funded during the fiscal year 2020 budget process.

In the 2021 Session, the Florida Legislature is considering reducing or eliminating local business and communication service taxes as well as pushing additional costs down to local governments as unfunded mandates. The Town is closely monitoring these proposals and their potential impacts and limitations to Florida municipalities. The

consequences of a combination of several of the proposals being considered could have a significant impact on the Town's ability to maintain and/or improve services to residents.

The Town adheres to several financial policies that impact daily operations and the current period's financial statements. The Town's budgetary and financial policies provide the basic framework for the overall fiscal management of the Town. The following policies were used in the development of current activities.

Revenue Policy:

The Town maintains a diversified revenue system to avoid reliance on property taxes. Charges for services are being provided at full cost recovery for services for individual users. One-time revenue will never be used for ongoing operating costs.

Debt Policy:

The Town has no General Obligation debt outstanding and believes that debt is a necessary and integral part of conducting its operations on a financially sound and equitable basis to all taxpayers. The Town reviews as well as evaluates its existing obligations and future borrowing needs regularly.

During 2018, due to primarily vegetative debris collection and removal impact from Hurricane Irma on September 10, 2017, \$3.7 million of the Town's new \$10.0 million variable rate emergency line of credit was activated with collateralization provided from anticipated future reimbursement from Federal (FEMA) and State (FDEM) regulatory authorities. In FY 2019, \$1.9 million in total was received from both FEMA and FDEM and was appropriately utilized to pay down the outstanding balance to \$1.8 million. During FY 2020, slightly over \$1.8 million was also received from both FEMA and FDEM and was also utilized to fully pay down the outstanding balance to zero.

In 2016, the Town obtained financing for the purchase of \$8,100,000 in public purpose Land at a 3.25% interest rate and practically simultaneously retired \$1,640,000 of Series 2001 debt which carried a 5% interest rate utilizing general fund unassigned fund balance. In 2015, the Town obtained financing for the purchase of a \$206,500 Commercial Chassis Volunteer Fire Pumper vehicle while, during 2013, the Town refinanced a portion of its 2001 debt at a lower interest rate resulting in receiving over \$300,000 in present value cash savings for parks, recreation and open spaces capital improvements. The Town also borrowed \$439,139 and \$360,860 in 2010 and 2012, respectively from a line of credit subsequently converted to a fixed note, to fund roadway and drainage improvements. Finally, the Town entered into a \$2,500,000 note with a financial institution for the purpose of refunding an existing pooled commercial loan and to fund the move to a new permanent Town Hall building during 2012. These fixed rate loans, except for the retired Series 2001, are still outstanding at September 30, 2020.

LONG RANGE FINANCIAL PLANNING

The Town Council has adopted a five-year Capital Improvement Program (CIP) to guide in the development of the annual capital budget as well as assist in its associated operating maintenance to achieve the long-term goal of a financially sound Town. The

CIP is prepared and presented to the Town Council as part of the annual budget and update process in accordance with a comprehensive plan. The projects represent the Town's plan for infrastructure improvements for the next five years. The approved CIP also includes funding for Public Safety, Transportation, Drainage, and Parks, Recreation and Open Space.

AWARDS

The Town has applied for and was awarded the Certificate of Achievement for Excellence in Financial Reporting awarded by the Governmental Finance Officers Association (GFOA) of the United States and Canada for the Town's first ever CAFR in 2003 and again in 2005, and 2007 through 2019. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. This report must satisfy both GAAP and applicable legal requirements.

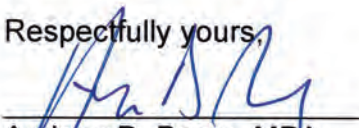
A Certificate of Achievement is valid for a period of one year only. We believe that our current report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

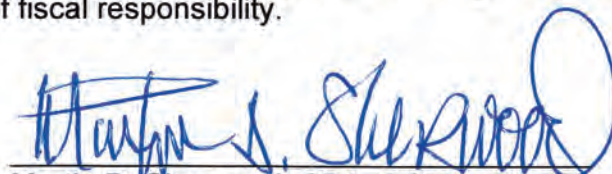
The preparation of this report could not have been accomplished without the dedicated efforts of the entire staff of the Finance & Budget Department. Special thanks must be given to Rich Strum, Venessa Redman, Gina Lawrence for their dedication in the creation and compilation of this document. Credit must also be given to the Town Council and Town Management for their commitment to support sound fiscal management practices with an emphasis on long-term financial stability.

We believe that this report clearly illustrates the strong financial posture of the Town of Southwest Ranches and we wish to take this opportunity to thank you and the citizens of Southwest Ranches for the vital role you have historically played in enabling the Town to achieve and maintain this high degree of fiscal responsibility.

Respectfully yours,



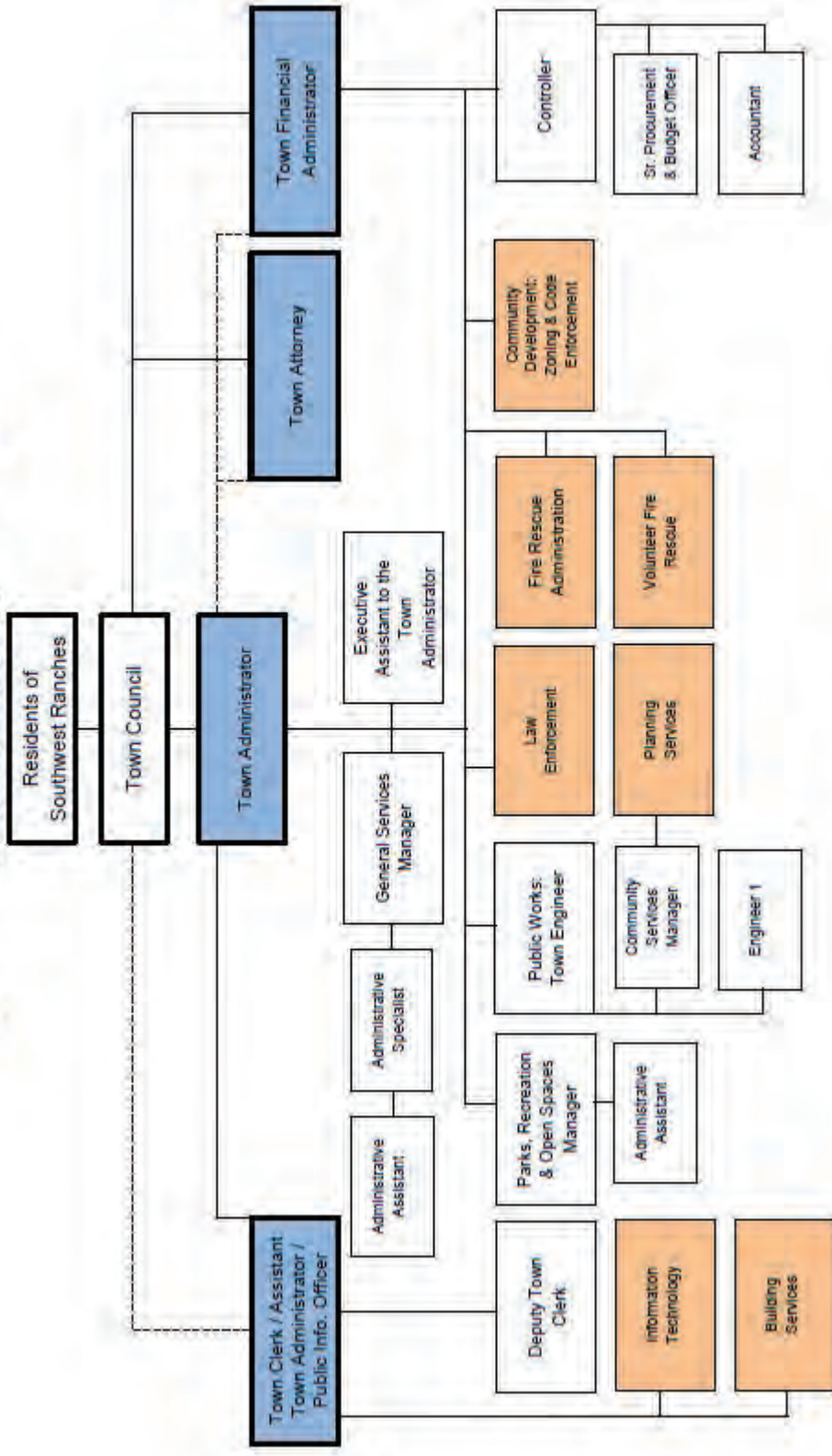
Andrew D. Berns, MPA
Town Administrator



Martin D. Sherwood, CPA, CGMA, CGFO
Town Financial Administrator



**TOWN OF SOUTHWEST RANCHES
ORGANIZATIONAL CHART
Fiscal Year 2019\2020**



Positions appointed by the Town Council
 Contracted Services
 Indirect Relationship

Town of Southwest Ranches, Florida
Council/Administrator Form of Government
List of Principal Officials
as of September 30, 2020

Town Charter approved by a majority of qualified voters of the Town on June 6, 2000



DOUG MCKAY
Mayor



DENISE SCHROEDER
Vice Mayor



BOB HARTMANN
Council Member



DELSA AMUNDSON
Council Member



GARY JABLONSKI
Council Member

TOWN ADMINISTRATOR
Andrew D. Berns, MPA

ASSISTANT TOWN ADMINISTRATOR / TOWN CLERK
Russell C. Muñiz, MBA, MPA, MMC

TOWN ATTORNEY
Keith Poliakoff, Esq.

TOWN FINANCIAL ADMINISTRATOR
Martin D. Sherwood, CPA, CGMA, CGFO

INDEPENDENT AUDITORS
Keefe McCullough & Co, LLP
Certified Public Accountants



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Southwest Ranches
Florida**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



2020 Town of Southwest Ranches Rural Public Arts & Design Advisory Board Photo Contest
Submitted by: Brooke Giacin

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor, Town Council and Town Administrator
Town of Southwest Ranches, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Southwest Ranches, Florida, (the "Town") as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Southwest Ranches, 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 and the budgetary comparison information on the pages 4-14 and 42-44 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Southwest Ranches, Florida's basic financial statements. The introductory section, combining and individual nonmajor fund statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Town of Southwest Ranches, Florida

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 5, 2021, on our consideration of the Town'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 the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Town's internal control over financial reporting and compliance.



KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 5, 2021

**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

Within this section of the comprehensive annual financial report for the Town of Southwest Ranches (the Town), the Town's management is pleased to provide this narrative discussion and analysis of the financial activities of the Town for the fiscal year ended September 30, 2020. The Town's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

2020 FINANCIAL HIGHLIGHTS

- The Town's assets and deferred outflows of resources exceeded its liabilities by \$58,641,143 (total net position) as of September 30, 2020.
- Total net position increased \$1,581,438 even with including the impact of Covid-19 pandemic expenditures and is comprised of the following:
 - (1) Net investment in capital assets of \$50,076,903 includes property and equipment, net of accumulated depreciation and related debt.
 - (2) Net position of \$948,304 is restricted by constraints imposed on the Town in the amount of \$398,610 for transportation, \$292,113 and \$39,024 for fire control and the volunteer fire department, for building \$210,004, and \$8,553 for public safety, respectively, all from outside the Town such as grantors, laws, or regulations.
 - (3) The Town's total debt decreased \$2,350,130 (net) to a total of \$9,659,946 due to a complete reduction in total emergency line of credit outstanding of \$1,761,698 and normal amortization of \$588,432. Total debt includes loans as well as notes payable.
 - (4) Unrestricted net position consists of \$7,615,936 that may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's governmental funds reported total ending fund balance of \$7,927,315 at September 30, 2020. This compares to the prior year total ending fund balance of \$6,877,389 showing an increase of \$1,049,926 during the current year.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$4,153,041 or 31% of total General Fund expenditures and net transfers for 2020. The unrestricted fund balance for the General Fund was \$3,939,370 or 32% of total General Fund expenditures and net transfers for 2019.
- Overall, the Town continues to maintain a healthy financial position despite the effects of a worldwide Covid-19 pandemic.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the Town's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Town also includes in this report additional information to supplement the basic financial statements. Comparative data is presented to allow comparison to the prior fiscal year.

Government-wide Financial Statements

The Town's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Town's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all the Town's assets, deferred outflows, and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town as a whole is improving or deteriorating. Evaluation of the overall health of the Town would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of the Town's infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the Town's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Town's distinct activities or functions on revenues provided by the Town's taxpayers.

Both government-wide financial statements distinguish governmental activities of the Town principally supported by taxes from business-type activities intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, community services and development, parks and recreation, transportation, interest, and other fiscal charges, and finally, emergency services (as a result of impact from the Covid-19 pandemic).

The government-wide financial statements are presented on pages 15 and 16 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Town uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Town's most significant funds rather than the Town as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The Town has two types of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Town's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 17 and 19 of this report.

Individual fund information for nonmajor governmental funds is found in combining statements in a later section of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the Town charges customers a fee. The Town's proprietary fund (Solid Waste Fund) is classified as an enterprise fund. The enterprise fund essentially encompasses the same function reported as business-type activities in the government-wide statements.

The basic proprietary fund financial statements are presented on pages 21 - 23 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 24 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Budgetary comparison schedules are included as required supplementary information for the General Fund and the Transportation Fund. Budgetary comparison schedules for all other governmental funds can be found in the supplementary information section of this report. These schedules demonstrate compliance with the Town's adopted and final revised budget.

Supplementary Information

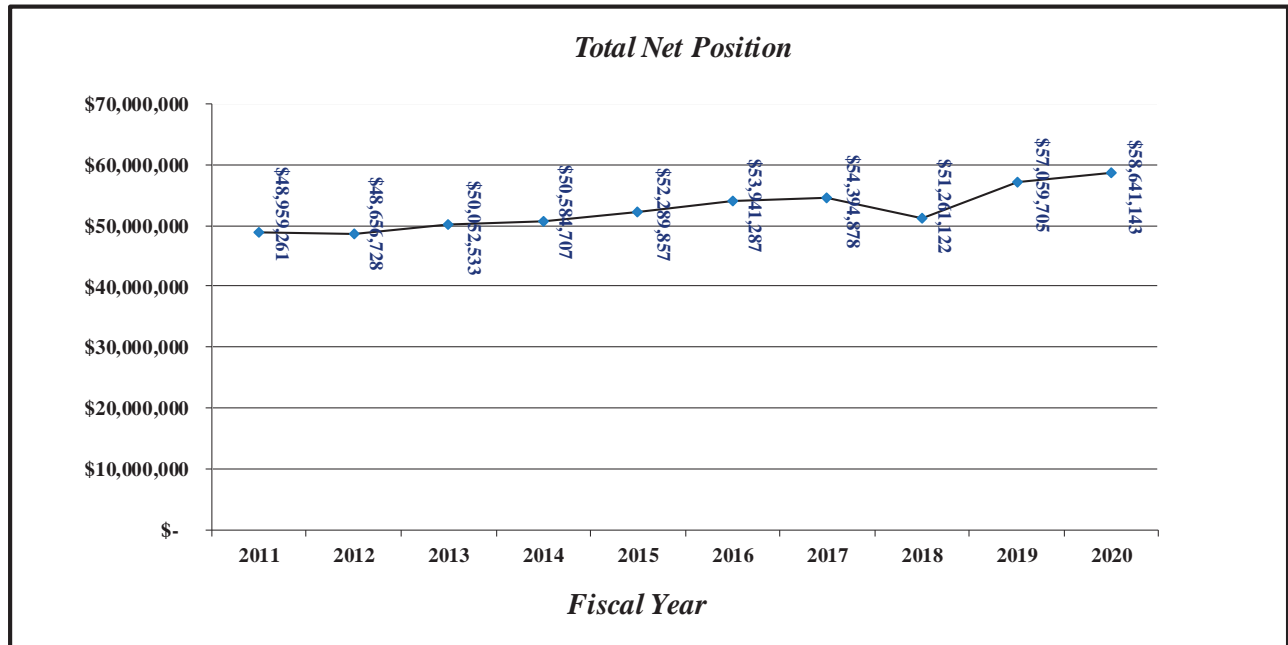
As discussed, the Town reports major funds in the basic financial statements. Combining and individual fund statements and schedules for nonmajor funds are presented in a supplementary information section of this report beginning on page 45.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

The Town's net position at fiscal year-end is \$58,641,143. The following table provides a summary of the Town's net position:

	Summary of Net Position					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Assets:						
Current assets	\$ 8,545,380	\$ 7,221,379	\$ 876,931	\$ 2,499,063	\$ 9,422,311	\$ 9,720,442
Non-current assets:						
Other	359,210	359,210	-	-	359,210	359,210
Capital assets	<u>59,708,055</u>	<u>59,909,601</u>	<u>-</u>	<u>-</u>	<u>59,708,055</u>	<u>59,909,601</u>
Total assets	<u>68,612,645</u>	<u>67,490,190</u>	<u>876,931</u>	<u>2,499,063</u>	<u>69,489,576</u>	<u>69,989,253</u>
Deferred Outflows of Resources:						
Deferred amount on refunding	<u>28,794</u>	<u>34,552</u>	<u>-</u>	<u>-</u>	<u>28,794</u>	<u>34,552</u>
Liabilities:						
Current liabilities	1,099,672	827,448	117,609	126,576	1,217,281	954,024
Long-term liabilities	<u>9,659,946</u>	<u>10,248,378</u>	<u>-</u>	<u>1,761,698</u>	<u>9,659,946</u>	<u>12,010,076</u>
Total liabilities	<u>10,759,618</u>	<u>11,075,826</u>	<u>117,609</u>	<u>1,888,274</u>	<u>10,877,227</u>	<u>12,964,100</u>
Net position:						
Net investment in capital assets	50,076,903	49,695,775	-	-	50,076,903	49,695,775
Restricted	948,304	1,305,241	-	-	948,304	1,305,241
Unrestricted	<u>6,856,614</u>	<u>5,447,900</u>	<u>759,322</u>	<u>610,789</u>	<u>7,615,936</u>	<u>6,058,689</u>
Total net position	<u>\$ 57,881,821</u>	<u>\$ 56,448,916</u>	<u>\$ 759,322</u>	<u>\$ 610,789</u>	<u>\$ 58,641,143</u>	<u>\$ 57,059,705</u>

The following chart reports the Town's total net position balances from fiscal year 2011-2020.



Note over the last ten years, the total net positions have increased \$9,681,882 even with impacts during fiscal years 2018 and 2019 of two separate Hurricanes named Irma and Dorian as well as a Pandemic known as Covid-19 currently.

Current assets in governmental activities increased while business-type activities decreased in fiscal year September 30, 2020. Cash, investments, and receivables for governmental activities increased \$1,324,001 while business-type activities decreased \$1,622,132.

The Town continues to maintain high current ratios. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 7.8 to 1 as compared to 8.7 to 1 at September 30, 2019. The current ratio for business-type activities is 7.5 to 1 as compared to 19.7 to 1 at September 30, 2019. Overall, the total current ratio at September 30, 2020 decreased to 7.7 to 1 as compared to 10.2 to 1 at September 30, 2019. The decrease was primarily due to a decrease in receivables ultimately collected from both the Federal Emergency Management Agency and the Florida Department of Emergency Management for Hurricane Irma debris collection, disposal as well as monitoring payments expended during fiscal years 2017 and 2018.

The Town reported a positive balance in net position for both governmental and business-type activities. During 2020, changes in net position increased \$1,432,905 and \$148,533 for governmental activities and business-type activities, respectively. The former is primarily due to increased building and permitting revenues combined with a reduction in expenses including events, non-essential travel and training resulting from the Covid-19 pandemic. Accordingly, the Town's overall financial position is healthy at fiscal year-end 2020 and it has remained stable even under continued economic uncertainties from Covid-19.

Note that approximately 87.0% of the governmental activities' total assets are tied up in capital assets. The Town uses these capital assets to provide services to its citizens. The business-type activities do not have capital assets. By combining governmental activities with business-type activities, the Town has invested approximately 85.9% of its total assets in capital assets, as presented in the government-wide statement of net position.

The following table provides a summary of the Town's changes in net position:

	Summary of Changes in Net Position						Percentage of Total
	Governmental Activities		Business-type Activities		Total		
	2020	2019	2020	2019	2020	2019	
Revenues:							
Program:							
Charges for services	\$ 4,146,292	\$ 3,992,689	\$ 1,714,527	\$ 1,795,973	\$ 5,860,819	\$ 5,788,662	36.5%
Solid waste emergency services	-	-	70,612	3,949,263	70,612	3,949,263	0.4%
Operating grants and contributions	12,143	124,974	-	-	12,143	124,974	0.1%
Capital grants and contributions	560,206	157,173	-	-	560,206	157,173	3.5%
General:							
Ad valorem taxes	6,633,543	6,549,630	-	-	6,633,543	6,549,630	41.3%
Other taxes	1,889,816	1,877,100	-	-	1,889,816	1,877,100	11.8%
Intergovernmental	757,808	830,865	-	-	757,808	830,865	4.7%
Investment earnings	106,353	170,060	20,098	21,248	126,451	191,308	0.8%
Miscellaneous	165,179	148,308	65	130	165,244	148,438	1.0%
Total revenues	<u>14,271,340</u>	<u>13,850,799</u>	<u>1,805,302</u>	<u>5,766,614</u>	<u>16,076,642</u>	<u>19,617,413</u>	<u>100.0%</u>
Program Expenses:							
General government	2,343,760	2,190,153	-	-	2,343,760	2,190,153	16.2%
Public safety	6,784,682	6,417,516	-	-	6,784,682	6,417,516	46.8%
Community services and development	1,731,518	1,451,377	-	-	1,731,518	1,451,377	11.9%
Parks and recreation	700,734	668,951	-	-	700,734	668,951	4.8%
Transportation	1,165,497	1,132,102	-	-	1,165,497	1,132,102	8.0%
Emergency services	12,094	4,244	16,590	126,668	28,684	130,912	0.2%
Interest and other fiscal charges	321,442	439,232	-	-	321,442	439,232	2.2%
Solid waste	-	-	1,418,887	1,388,587	1,418,887	1,388,587	9.8%
Total expenses	<u>13,059,727</u>	<u>12,303,575</u>	<u>1,435,477</u>	<u>1,515,255</u>	<u>14,495,204</u>	<u>13,818,830</u>	<u>100.0%</u>
Changes in net position before transfers	1,211,613	1,547,224	369,825	4,251,359	1,581,438	5,798,583	
Transfers	221,292	141,060	(221,292)	(141,060)	-	-	
Changes in net position	1,432,905	1,688,284	148,533	4,110,299	1,581,438	5,798,583	
Beginning net position (deficit)	<u>56,448,916</u>	<u>54,760,632</u>	<u>610,789</u>	<u>(3,499,510)</u>	<u>57,059,705</u>	<u>51,261,122</u>	
Ending net position	<u>\$ 57,881,821</u>	<u>\$ 56,448,916</u>	<u>\$ 759,322</u>	<u>\$ 610,789</u>	<u>\$ 58,641,143</u>	<u>\$ 57,059,705</u>	

Governmental Activity Revenues

The Town is heavily reliant on Ad valorem (property) taxes to support governmental operations. Property taxes provided 46.5% of the Town's total governmental revenues as compared to 47.3% in fiscal year 2019. Other taxes, which includes franchise and utility taxes, provided 13.2% and 13.6% of the Town's total governmental revenues for fiscal years 2020 and 2019, respectively. Additionally, because of the Town's healthy financial position, we have been able to earn \$106,353 in investment earnings to support governmental activities.

Note that program revenues covered 36.1% of governmental operating expenditures as compared to 34.7% in fiscal year 2019. This means that the government's taxpayers and the Town's other general revenues normally fund 63.9% of the governmental activities, primarily from property taxes, other taxes, and unrestricted intergovernmental revenue. As a result, the general economy has a major impact on the Town's revenue streams.

Governmental Activity Expenses

The following table presents the cost of each of the Town's services, including the net costs (i.e., total cost less program revenues generated by the activities). The net costs illustrate the financial burden that is placed on the Town's taxpayers by each of these services.

	Governmental Activities			
	<u>Total Cost of Services</u>	<u>Percentage of Total</u>	<u>Net Cost of Services</u>	<u>Percentage of Total</u>
General government	\$ 2,343,760	17.9%	\$ (2,343,760)	28.1%
Public safety	6,784,682	52.0%	(4,330,148)	51.9%
Community services and development	1,731,518	13.3%	(34,592)	0.4%
Parks and recreation	700,734	5.4%	(697,826)	8.4%
Transportation	1,165,497	8.9%	(605,291)	7.3%
Emergency services	12,094	0.1%	(8,027)	0.1%
Interest and other fiscal charges	<u>321,442</u>	<u>2.5%</u>	<u>(321,442)</u>	<u>3.9%</u>
Total	<u>\$ 13,059,727</u>	<u>100.0%</u>	<u>\$ (8,341,086)</u>	<u>100.0%</u>

The public safety expenses total gross about 52% while net of program revenues total 51.9% of costs. The public safety function generated \$2,446,458 in user charges and \$8,076 in operating grant revenues, which offsets program costs. The community services and development expenditures total gross of 13.3% while net of program revenues total 0.4%. The community services and development function generated \$1,696,926 in user charges, primarily from building permits, planning/zoning, engineering, and fire review fees of \$1,687,298. The transportation expenses total gross of 8.9% while net of program revenues total -7.3%. The transportation function, which includes the sixth year of TSDOR capital improvements, was aided by capital grant revenues of \$560,206 which also offsets capital program costs. A Hurricane Dorian threat entailed protective emergency service expenses total gross of 0.1% while net of operating program Hurricane Dorian FEMA and FDEM reimbursements of \$4,067 also total 0.1% of costs. Other total cost and net costs do not differ substantially by percentage or by dollars for each service.

Business-Type Activities

The Town reports one major enterprise fund, Solid Waste.

Total operating revenues decreased \$81,446 or approximately 4.5% due to successful management and legal negotiations obtaining a permanent reduced residential contract life bulk disposal generation factor. This factor combined with all the annual collection element contract adjustments enabled Town Council to adopt and pass-through a net reduction in rates to customers while still retaining full cost recovery. Intergovernmental, non-capital grants, comprising the realization and reimbursement for FY 2017 and FY 2018 Hurricane Irma expenditures decreased \$3,878,651. Total operating expenses and all Hurricane Irma emergency services related expenses decreased \$79,778 or almost 5.3% due to slightly higher contractual and recycling costs of \$30,300 offset by a \$110,078 reduction in and completion of all Hurricane Irma debris collection, disposal and monitoring expenses as compared to the prior year. The current year emergency line of credit interest totaled \$16,267 which was \$101,161 less than the prior year as the full outstanding line of credit was paid down with reimbursements received from federal (FEMA) and state (Florida Department of Emergency Management) authorities. Other operating expenses decreased by \$704 in fiscal year 2020 as compared to fiscal year 2019 due to lower professional fees.

In total, the year-to-year change in operating income decreased \$102,719 and net position decreased \$3,961,766, respectively resulting in a current year ending surplus net position of \$759,322.

FUND ANALYSIS

Governmental Funds

Governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$7,927,315 compared to \$6,877,389 at September 30, 2019.

The total governmental revenues exceeded expenditures by \$828,634.

The General Fund revenues exceeded its expenditures by \$2,562,131 as compared to \$3,196,797 for fiscal year 2019. Transfers in from Solid Waste of \$251,160 as well as transfers to other funds totaling \$2,618,208 offset this excess. The details of the General Fund's financial operations are discussed below.

Governmental funds report total fund balance of \$7,927,315. Of this year-end total, \$948,304 is legally restricted for: transportation (\$398,610); fire control including volunteer fire operations (\$331,137); public safety (\$8,553); and building (\$210,004). \$1,993,281 is committed to various projects: capital projects (\$69,118); transportation (\$1,922,934); and tree preservation (\$1,229). \$420,795 is assigned for the following purposes - debt service (\$217,623); and capital projects (\$203,172). \$411,894 is considered non-spendable and \$4,153,041 is unassigned and available for future appropriation within the General Fund.

The total ending fund balances of governmental funds show an increase of \$1,049,926 or 28.4% increase over the prior year.

Major Governmental Funds

The Town reports three major governmental funds, the General Fund, Transportation Fund and the Capital Projects Fund.

General Fund - The General Fund is the Town's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance of \$5,094,547 increased by \$195,083 or almost 4% as compared to an increase of \$1,070,213 or 27.9% in 2019. The ending unassigned fund balance is considered more than adequate, representing the equivalent of 37.9% of annual expenditures. This percentage compares to 38.4% at September 30, 2019.

Ad valorem (property) taxes increased \$83,913 or 1.3%. This increase relates to an increase in the taxable value of property as the combined operating and transportation surface and drainage ongoing rehabilitation (TSDOR) capital program millage rate decreased from the prior year. However, in total, all tax revenues were \$104,279 or 1.3% above those of 2019. Licenses and permits were \$351,075 or 26.1% higher than the 2019 amount due to increased building and zoning permitting activity.

Overall, total General Fund expenditures increased \$683,664 or 6.7% above the fiscal year 2019 level. The most significant changes, by department, from fiscal year 2019 are described below.

General government costs, consisting of legislative, legal, executive and clerk administration, finance & budget, and non-departmental departments were \$147,312 higher than the 2019 amount primarily due to increased litigation activity.

In total, public safety costs were up \$349,382 or 5.7% above the 2019 amount. This increase is due to a 4.5% annual contract escalator with the Town of Davie in addition to newly replaced police vehicles of .9% plus .3% attributable by a total increase in Southwest Ranches Volunteer Fire department expenses, including stipend payments.

Community services and development which consists of building, planning, code & zoning, and public works increased \$280,141 or 19.3% above those of 2019 primarily due to the aforementioned increased building, zoning permitting activity and application fee volume, resulting in significantly higher contractual service costs.

The 2020 parks and recreation amounts were \$21,267 higher than the 2019 amount of \$386,366. The major portion of this increase is due from a partial year impact from higher grounds maintenance contract implemented toward the end of FY 2020. Additionally, it shall be noted that an increase occurred with one new Town park facility (Frontier Trails) operational for the entire FY 2020.

New for 2020, Covid-19 pandemic emergency service expenditures totaled \$12,094 (or \$7,850 higher than FY 2019) resulting from the acquisition of personal protective and safety equipment which is still ongoing. For 2019, Hurricane Dorian emergency services expenditures resulted from preparation and protective safety measures incurred. Fortunately, this Hurricane did not ultimately strike or financially impact the Town.

In this fiscal year, the General Fund transferred \$2,618,208 to other funds, which included \$1,322,404 to the Transportation Fund, \$72,000 to the Capital Projects Fund, \$1,028,791 to the Debt Service Fund, and \$195,013 to the Volunteer Fire Department Fund (a component unit). The Solid Waste Fund transferred \$251,160 to the General Fund.

Transportation Fund – This fund accounts for the Town’s share of the state gasoline and local option gas taxes, which are restricted to transportation purposes, a state transportation appropriation grant, and an ongoing long-term transportation surface and drainage ongoing rehabilitation (TSDOR) capital program. In fiscal year 2020, revenue of \$719,891 of intergovernmental revenue was earned as compared to \$335,067 in fiscal year 2019 primarily related to an increase in state transportation appropriation grant. \$467,192 was expended on roadways including engineering, signage repairs and replacements and related personnel costs during 2020 and, \$843,049 on capital outlay comprising of: drainage improvements (\$518,043); Guardrails (\$96,701); and TSDOR (\$228,305). The total legally restricted and committed transportation fund balance at fiscal year-end 2020 was \$398,610 and \$1,949,985, respectively.

Capital Projects Fund - This fund is primarily financed from transfers from the General Fund, as indicated above for both the current (\$72,000) and prior (\$241,095) fiscal year.

During fiscal year 2020, this fund spent \$72,788 on capital outlay, which includes:

- Buildings/Fire Control Modular safety improvements \$5,818
- Infrastructure improvements for Town Hall Safety \$6,250
- Infrastructure improvements for Frontier Trails Park \$60,720

Committed and assigned fund balance was \$37,687 (primarily for Town Hall Safety) and \$185,672, respectively. The total capital project fund balance at fiscal year-end 2020 was \$223,359.

Proprietary Fund

Proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. The business-type activities analysis above discusses the Town’s enterprise fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund’s budget was amended in this fiscal year to reflect Departmental line item reclassifications and new Town Council initiatives.

Intergovernmental revenues were under budget by \$139,997 or 18.8% due to a grant reimbursable public safety capital outlay project (\$103,437) delayed and reduced state sales tax revenue sharing (approximately \$36,560) received than anticipated due to the Covid-19 pandemic. Fines and forfeitures were under budget by \$29,209 or 8.7% than anticipated as a result of lower traffic court revenue (approximately \$25,209) as a result of less street traffic and lower code enforcement and lien recoveries received (approximately \$4,000) also due to the Covid-19 pandemic. Investment income revenue were under budget by \$16,732 or 18.0% due to an unanticipated lower interest rate environment. All other revenue sources were slightly over budget but generally consistent with the adopted budget. Overall, we ultimately recognized (\$19,451) or 99.9% of the revenue budget.

On the expenditure side, the Town's actual expenditures for each department or function were less than budgeted due to conservative budgeting and, where noted below, except for those pertaining to Covid-19 pandemic personal protective and safety equipment (\$11,502), for its obvious reason. By function, general governmental was \$267,077 or 10.6% below the budget primarily due to lower than anticipated town operating events, training and education, total public safety was \$38,958 or less than .1% below the budget, community services and development was \$36,086 or 2.0% below the budget, parks and recreation was \$13,444 or 3.2% below the budget and capital outlay was \$165,962 or 72.0% below the budget primarily due to the aforementioned public safety capital outlay project delayed as well as lower than anticipated fire well costs (\$12,390).

Overall, the total General Fund budget was underspent by \$510,025 or 4.5% specifically due to the above, aforementioned items and lower general government operating expenditures including contractual services, primarily due to the Covid-19 pandemic. Tight Departmental Director expenditure controls and monitoring throughout also contributed to the underspending.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets, net of accumulated depreciation, for governmental activities as of September 30, 2020, was \$59,708,055. The change in this net investment was a 0.3% decrease for governmental activities. See Note 6 for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year.

The following table provides a summary of capital asset activity:

	Capital Assets	
	Governmental Activities	
	2020	2019
Non-depreciable assets:		
Land	\$ 42,341,811	\$ 42,341,811
Construction in progress	1,337,468	1,786,806
Total non-depreciable	<u>43,679,279</u>	<u>44,128,617</u>
Depreciable assets:		
Infrastructure	25,233,812	24,532,754
Improvements other than buildings	5,963,630	5,278,971
Buildings and building improvements	3,659,467	3,653,649
Furniture and equipment	1,921,667	1,883,520
Total depreciable assets	<u>36,778,576</u>	<u>35,348,894</u>
Less: accumulated depreciation	<u>20,749,800</u>	<u>19,567,910</u>
Net book value - depreciable assets	<u>16,028,776</u>	<u>15,780,984</u>
Percentage depreciated	<u>56%</u>	<u>55%</u>
Total Capital Asset Net Book Value	<u>\$ 59,708,055</u>	<u>\$ 59,909,601</u>

At September 30, 2020, the depreciable capital assets for governmental activities were 56% depreciated. This compares to the 55% at September 30, 2019.

For governmental activities, the majority of the increase (decrease) of the balance of all non-depreciable and depreciable asset accounts relates to the following projects:

- TSDOR Construction-in-progress \$227,700
- Frontier Trails Park Construction-in-progress (\$624,829)
- Drainage Projects Construction-in-progress (net) (\$163,910)
- Guardrails Construction-in progress \$96,701
- Generators Construction-in-progress \$15,000
- Drainage Infrastructure \$683,448
- Fire Wells #236, #181, #116, #378 Infrastructure \$17,610
- Frontier Trails Park Improvements other than buildings \$684,659
- Public Safety Modular Security Building Improvements \$5,818
- Town Hall Furniture and equipment \$18,179
- Public Safety-Volunteer Fire Furniture and equipment \$19,968

Debt

The Town has no emergency line of credit outstanding at 9/30/2020 and reports it solely attributable to and within its business-type activity for 9/30/2019. The series 2016 land acquisition note payable, series 2013 and 2011 revenue refunding notes payable as well as an equipment and other loan payable with financial institutions are in governmental activities only. Overall, the Town of Southwest Ranches lowered its total debt by \$2,350,130 or 19.6% during the current year of which \$1,761,698 was attributable to realized Federal Emergency Management Agency and Florida Department of Emergency Management recoveries from Hurricane Irma. More detailed information on long-term debt activity to the relevant disclosures in the notes to the financial statements are found on pages 35-39. The following table reports long-term debt balances at September 30, 2020 and 2019:

Outstanding Long-Term Debt		
	<u>2020</u>	<u>2019</u>
Governmental Activities:		
TD Note Payable, 2016	\$ 7,750,000	\$ 7,750,000
TD Note Payable, 2013	1,324,900	1,525,400
TD Note Payable, 2011	350,949	623,229
TD Note Payable, Rosenbauer	84,111	110,761
Centennial Loan Payable	149,986	238,988
Sub-Total	<u>9,659,946</u>	<u>10,248,378</u>
Business-type Activities:		
TD Emergency Line of Credit	<u>-</u>	<u>1,761,698</u>
Grand Total	<u>\$ 9,659,946</u>	<u>\$ 12,010,076</u>

The Town provides an optional single-employer defined benefit post-employment health care plan to eligible employees. The Town does not make contributions to the Plan on behalf of retirees. In accordance with GASB Statement No. 75, the Town has evaluated and determined that it is not necessary to record the total OPEB liability of \$61,765 as it is insignificant to the Town.

A SUMMARY OF THE ECONOMIC CONDITIONS AFFECTING THE TOWN

The State of Florida, by constitution, does not have a state personal income tax, and, therefore, the State operates primarily using sales, gasoline and corporate income taxes. Local governments (towns and cities, counties, school boards) primarily rely on property and an array of permitted other taxes (utility taxes, franchise fees and local business taxes) as well as intergovernmental revenues, including a new County shared sales surtax restricted for transportation, for their governmental activities. For business-type activities and certain governmental activities (building/construction services and parks, recreation and open space programs), the user pays a related fee or charge associated with the service.

During a Covid-19 pandemic significantly impacting south florida economic, especially hospitality activity, the unemployment rate for Broward County residents as of September 2020 and 2019 was 7.8% and 2.8%, respectively and compares unfavorably to the State's unemployment rate of 7.2% for September 2020 but favorably at 3.2% for September 2019. However, the Town's residents would expect to have a lower unemployment rate than is reported for the county. Inflationary trends in the region continue to also compare favorably to national indices, which is a positive sign. In addition, according to the U.S. Census Bureau (2015-2019), the Town's median household income of \$124,591 compares favorably to the Nation's and State's as well as the County's median household income of \$62,843, \$55,660, and \$59,547, respectively.

In the 2020-2021 adopted budget, we continue operating in a conservative economic environment due to the Covid-19 pandemic. There are indications of a continued marginal increase in housing values and related taxable values due to new residential development, improvements and rehabilitation. Additionally, inflationary trends in the region compare more favorably to national indices.

Some of the key elements affecting the fiscal year 2020-2021 budget include:

- Relatively modest change in taxable values but expected to ellipse the 2020 record all-time highest due to a primarily residential composition.
- A shift in funding for Transportation infrastructure to a new County shared sales surtax.
- Continuance of an extremely low interest yield environment.
- Crude oil prices remain historically low and stable.
- Modest growth rates of building construction and rehabilitation.
- A slight decline in State of Florida shared revenues, especially from sales and gas taxes.

All of these factors result in many budget challenges in fiscal year 2020-2021 and beyond. Additionally, the Town carefully monitors Florida Legislative initiatives and their future impact on the Town's ability to function at its present level.

The millage rate for fiscal year 2021 was lowered for the second straight year to 4.2500 representing the Town's regular operating rate of 4.2500 plus .0000 for the seventh year of a major transportation related capital improvement project (TSDOR) as compared to 4.2125 plus .4439 for TSDOR for fiscal year 2020 totaling 4.6564, resulting in an anticipated net revenue reduction of (\$603,947). Additionally, during the current fiscal year, unassigned General Fund fund balance increased \$213,671 to \$4,153,041.

Also, the Town of Southwest Ranches has appropriated \$73,000 and \$17,500 of restricted and assigned General Fund fund balance, respectively for spending in the 2020-2021 fiscal year.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Town's finances, comply with finance-related laws and regulations, and demonstrate the Town's commitment to public accountability and transparency. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Town Financial Administrator, Town of Southwest Ranches, 13400 Griffin Road, Southwest Ranches, Florida 33330-2628.

BASIC FINANCIAL STATEMENTS

**These basic financial statements contain Government-wide Financial Statements,
Fund Financial Statements, Notes to Basic Financial Statements
and Required Supplementary Information**

Town of Southwest Ranches, Florida
Statement of Net Position
September 30, 2020

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	\$ 5,824,887	\$ 838,466	\$ 6,663,353
Investments	1,401,660	-	1,401,660
Receivables	569,660	9,000	578,660
Intergovernmental receivables	696,489	29,465	725,954
Prepaid items	52,684	-	52,684
Assets held for resale	359,210	-	359,210
Capital assets not being depreciated	43,679,279	-	43,679,279
Capital assets being depreciated, net	16,028,776	-	16,028,776
Total Assets	68,612,645	876,931	69,489,576
Deferred Outflows of Resources			
Deferred charge on refunding	28,794	-	28,794
Liabilities			
Accounts payable and accrued liabilities	977,101	117,609	1,094,710
Accrued interest payable	122,397	-	122,397
Unearned revenues	174	-	174
Noncurrent liabilities:			
Due within one year	607,000	-	607,000
Due in more than one year	9,052,946	-	9,052,946
Total Liabilities	10,759,618	117,609	10,877,227
Net Position			
Net investment in capital assets	50,076,903	-	50,076,903
Restricted for:			
Transportation	398,610	-	398,610
Fire control and rescue services	331,137	-	331,137
Public safety	8,553	-	8,553
Building	210,004	-	210,004
Unrestricted	6,856,614	759,322	7,615,936
Total Net Position	\$ 57,881,821	\$ 759,322	\$ 58,641,143

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

Town of Southwest Ranches, Florida
Statement of Activities
For the Fiscal Year Ended September 30, 2020

Functions/Programs	Program Revenues			Net (Expense) Revenue and Change in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities						
General government	\$ 2,343,760	\$ -	\$ -	\$ (2,343,760)	\$ -	\$ (2,343,760)
Public safety	6,784,682	8,076	-	(4,330,148)	-	(4,330,148)
Community services and development	1,731,518	-	-	(34,592)	-	(34,592)
Parks and recreation	700,734	-	-	(697,826)	-	(697,826)
Transportation	1,165,497	-	560,206	(605,291)	-	(605,291)
Emergency services	12,094	-	-	(8,027)	-	(8,027)
Interest and fiscal charges	321,442	4,067	-	(321,442)	-	(321,442)
Total Governmental Activities	13,059,727	12,143	560,206	(8,341,086)	-	(8,341,086)
Business-type Activities						
Solid waste	1,418,887	-	-	-	295,640	295,640
Solid waste emergency services	16,590	70,612	-	-	54,022	54,022
Total Business-type Activities	1,435,477	70,612	-	-	349,662	349,662
Total Primary Government	\$ 14,495,204	\$ 82,755	\$ 560,206	(8,341,086)	349,662	(7,991,424)
General Revenues						
Ad valorem taxes				6,633,543	-	6,633,543
Franchise fees based on gross receipts				668,534	-	668,534
Unrestricted intergovernmental revenue				757,808	-	757,808
Utility taxes				1,221,282	-	1,221,282
Unrestricted investment earnings				106,353	20,098	126,451
Miscellaneous				165,179	65	165,244
Transfers				221,292	(221,292)	-
Total General Revenues and Transfers				9,773,991	(201,129)	9,572,862
Change in Net Position				1,432,905	148,533	1,581,438
Net Position - Beginning of Year				56,448,916	610,789	57,059,705
Net Position - End of Year				\$ 57,881,821	\$ 759,322	\$ 58,641,143

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

Town of Southwest Ranches, Florida
Balance Sheet - Governmental Funds
September 30, 2020

	General Fund	Transportation Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash	\$ 3,484,167	\$ 1,844,519	\$ 223,359	\$ 272,842	\$ 5,824,887
Investments	1,401,660	-	-	-	1,401,660
Receivables	569,660	-	-	-	569,660
Intergovernmental receivables	122,655	573,834	-	-	696,489
Due from other funds	-	-	-	3,850	3,850
Prepaid items	48,517	-	-	4,167	52,684
Assets held for resale	<u>359,210</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>359,210</u>
Total Assets	<u>\$ 5,985,869</u>	<u>\$ 2,418,353</u>	<u>\$ 223,359</u>	<u>\$ 280,859</u>	<u>\$ 8,908,440</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable and accrued liabilities	\$ 887,298	\$ 69,758	\$ -	\$ 20,045	\$ 977,101
Due to other funds	3,850	-	-	-	3,850
Unearned revenues	<u>174</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>174</u>
Total Liabilities	<u>891,322</u>	<u>69,758</u>	<u>-</u>	<u>20,045</u>	<u>981,125</u>
Fund Balances					
Non-spendable:					
Prepaid items	48,517	-	-	4,167	52,684
Assets held for resale	359,210	-	-	-	359,210
Restricted for:					
Transportation	-	398,610	-	-	398,610
Fire control and rescue services	292,113	-	-	39,024	331,137
Public safety	8,553	-	-	-	8,553
Building	210,004	-	-	-	210,004
Committed for:					
Capital projects	4,380	27,051	37,687	-	69,118
Transportation	-	1,922,934	-	-	1,922,934
Tree preservation	1,229	-	-	-	1,229
Assigned for:					
Debt service	-	-	-	217,623	217,623
Capital projects	17,500	-	185,672	-	203,172
Unassigned	<u>4,153,041</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,153,041</u>
Total Fund Balances	<u>5,094,547</u>	<u>2,348,595</u>	<u>223,359</u>	<u>260,814</u>	<u>7,927,315</u>
Total Liabilities and Fund Balances	<u>\$ 5,985,869</u>	<u>\$ 2,418,353</u>	<u>\$ 223,359</u>	<u>\$ 280,859</u>	<u>\$ 8,908,440</u>

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

Town of Southwest Ranches, Florida
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
September 30, 2020

**Amounts Reported for Governmental Activities in the
Statement of Net Position (Page 15) are Different Because:**

Fund Balances - Total Governmental Funds (Page 17)	\$	7,927,315
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital assets	\$	80,457,855	
Accumulated depreciation		<u>(20,749,800)</u>	59,708,055

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

Long-term debt	\$	(9,659,946)	
Accrued interest payable		(122,397)	
Deferred charge on refunding (amortized as interest expense)		<u>28,794</u>	<u>(9,753,549)</u>

Net Position of Governmental Activities (Page 15)	\$	<u><u>57,881,821</u></u>
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The accompanying notes to basic financial statements are an integral part of these statements.

Town of Southwest Ranches, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Year Ended September 30, 2020

	General Fund	Transportation Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Ad valorem taxes	\$ 6,633,543	\$ -	\$ -	\$ -	\$ 6,633,543
Utility taxes	1,221,282	-	-	-	1,221,282
Franchise fees	668,534	-	-	-	668,534
Licenses and permits	1,696,926	-	-	-	1,696,926
Intergovernmental	604,503	719,891	-	-	1,324,394
Charges for services	2,155,792	-	-	-	2,155,792
Fines and forfeitures	306,019	-	-	-	306,019
Investment income	76,052	26,330	2,675	1,296	106,353
Miscellaneous	152,734	-	-	5,763	158,497
Total Revenues	13,515,385	746,221	2,675	7,059	14,271,340
Expenditures					
Current:					
General government	2,252,910	-	-	-	2,252,910
Public safety:					
Law enforcement	2,899,711	-	-	-	2,899,711
Fire control and rescue services	3,584,881	-	-	200,456	3,785,337
Total public safety	6,484,592	-	-	200,456	6,685,048
Community services and development	1,731,518	-	-	-	1,731,518
Parks and recreation	407,633	-	-	-	407,633
Transportation	-	467,192	-	-	467,192
Emergency services	12,094	-	-	-	12,094
Capital outlay	64,507	843,049	72,788	-	980,344
Debt service:					
Principal	-	-	-	588,432	588,432
Interest and fiscal charges	-	-	-	317,535	317,535
Total Expenditures	10,953,254	1,310,241	72,788	1,106,423	13,442,706
Excess (deficiency) of revenues over expenditures	2,562,131	(564,020)	(70,113)	(1,099,364)	828,634
Other Financing Sources (Uses)					
Transfers in	251,160	1,322,404	72,000	1,223,804	2,869,368
Transfers out	(2,618,208)	-	-	(29,868)	(2,648,076)
Total Other Financing Sources (Uses)	(2,367,048)	1,322,404	72,000	1,193,936	221,292
Change in Fund Balances	195,083	758,384	1,887	94,572	1,049,926
Fund Balances - Beginning of Year	4,899,464	1,590,211	221,472	166,242	6,877,389
Fund Balances - End of Year	\$ 5,094,547	\$ 2,348,595	\$ 223,359	\$ 260,814	\$ 7,927,315

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

Town of Southwest Ranches, Florida
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Fiscal Year Ended September 30, 2020

Amounts Reported for Governmental Activities in the Statement of Activities (Page 16) are Different Because:

Net changes in fund balance - total governmental funds (Page 19) \$ 1,049,926

Governmental funds report capital outlay as expenditures.
 However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense:

Expenditures for capital outlay	\$ 980,344	
Less: current year provision for depreciation expense	<u>(1,181,890)</u>	(201,546)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts (other than direct issuance costs) are deferred and amortized in the statement of activities.

This detail of the difference is as follows:

Repayment of principal	588,432
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Amortization of deferred amount on refunding	(5,758)
Change in accrued interest payable	<u>1,851</u>

Change in Net Position of Governmental Activities (Page 16)	\$ <u><u>1,432,905</u></u>
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The accompanying notes to basic financial statements are an integral part of these statements.

Town of Southwest Ranches, Florida
Statement of Net Position - Proprietary Fund
September 30, 2020

	<u>Solid Waste Fund</u>
Assets	
Current Assets	
Cash	\$ 838,466
Accounts receivable	9,000
Intergovernmental receivables	<u>29,465</u>
Total Assets	<u>876,931</u>
Liabilities	
Current Liabilities	
Accounts payable and accrued liabilities	<u>117,609</u>
Total Liabilities	<u>117,609</u>
Net Position	
Unrestricted	<u>759,322</u>
Total Net Position	\$ <u><u>759,322</u></u>

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

Town of Southwest Ranches, Florida
Statement of Revenues, Expenses and Change in Net Position - Proprietary Fund
For the Fiscal Year Ended September 30, 2020

	Solid Waste Fund
Operating Revenues	
Charges for services	\$ 1,714,527
Miscellaneous	<u>65</u>
Total Operating Revenues	<u>1,714,592</u>
Operating Expenses	
Contractual services	1,312,622
Recycling	105,862
Emergency services	323
Other	<u>403</u>
Total Operating Expenses	<u>1,419,210</u>
Operating Income	<u>295,382</u>
Nonoperating Revenues (Expenses)	
Intergovernmental, non-capital grants	70,612
Investment income	20,098
Emergency line of credit interest expense	<u>(16,267)</u>
Total Nonoperating Revenues (Expenses)	<u>74,443</u>
Income Before Transfers	<u>369,825</u>
Transfers:	
Transfers in	29,868
Transfers out	<u>(251,160)</u>
Total net transfers	<u>(221,292)</u>
Change in Net Position	148,533
Net Position - Beginning of Year	<u>610,789</u>
Net Position - End of Year	<u><u>\$ 759,322</u></u>

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

Town of Southwest Ranches, Florida
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended September 30, 2020

	Solid Waste Fund
Cash Flows from Operating Activities	
Cash received from customers and users	\$ 1,726,592
Cash paid to suppliers	<u>(1,414,402)</u>
Net Cash Provided by (Used in) Operating Activities	<u>312,190</u>
Cash Flows from Non-Capital Financing Activities	
Proceeds from grants, non-capital	2,096,253
Payment on emergency line of credit	(1,761,698)
Emergency line of credit interest paid	(30,042)
Transfers out	(251,160)
Transfers in	<u>29,868</u>
Net Cash Provided by (Used in) Non-Capital Financing Activities	<u>83,221</u>
Cash Flows from Investing Activities	
Interest received	<u>20,098</u>
Net Increase (Decrease) in Cash	415,509
Cash - Beginning	<u>422,957</u>
Cash - Ending	<u>\$ 838,466</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating income	\$ <u>295,382</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in operating assets and liabilities:	
Decrease (Increase) in accounts receivable	12,000
Increase (Decrease) in accounts payable and accrued liabilities	<u>4,808</u>
Total adjustments	<u>16,808</u>
Net Cash Provided by Operating Activities	<u>\$ 312,190</u>

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

**NOTES TO BASIC
FINANCIAL STATEMENTS**

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of the Town of Southwest Ranches, Florida’s (the Town) significant accounting policies is presented to assist the reader in interpreting the basic financial statements. The policies are considered essential and should be read in conjunction with the basic financial statements.

The Town is an instrumentality of the State of Florida, incorporated in accordance with House Bill No. 1777 on June 6, 2000, to carry on a centralized government. The Town Council, which is comprised of four elected Council members and the elected Mayor, is responsible for legislative and fiscal control of the Town. The Town is governed under a Council/Administrator form of government. A Town Administrator is appointed by the Council and is responsible for administrative and fiscal control of the resources of the Town maintained in the funds.

The accounting policies of the Town conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town’s accounting policies are described below.

A. FINANCIAL REPORTING ENTITY

The accompanying financial statements present the Town and its component unit, the Southwest Ranches Volunteer Fire-Rescue, Inc. (the Department).

The Department became a blended component unit of the Town of Southwest Ranches on January 28, 2010 when the members of the Town Council became the Board of Directors of the Department. The Department is a legally separate, tax-exempt, 501(c)(4) organization that provides for the protection of human and animal life and property against fire, disaster, natural catastrophe or other calamity within the Town limits of Southwest Ranches. The Town is financially responsible (benefit/burden) and has operational responsibility for the Department. There are no separately issued financial statements for this component unit.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the activities of the Town and its component unit. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

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

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes, franchise fees, utility taxes, charges for services, intergovernmental revenues and interest associated with the current fiscal period are all considered to be measurable and available and have been recognized as revenues of the current fiscal period. Revenues for expenditure driven grants are recognized when the qualifying expenditures are incurred, and eligibility requirements imposed by the provider have been met. All other revenue items such as fines and forfeitures and licenses and permits are considered to be measurable and available when cash is received by the Town.

The reporting practices of the proprietary fund type closely parallel comparable commercial financial reporting, which recognize revenue when earned and expenses when incurred (the accrual basis) including, in the case of the enterprise fund, depreciation on its exhaustible capital assets, if any. Earned, but unbilled service receivables, if any, would be accrued as revenue in the enterprise fund.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

The Town reports the following major governmental funds:

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

The *Transportation Fund* accounts for the receipt of the Town's portion of the state revenue sharing of the gasoline and local option gas taxes which are restricted for transportation related expenditures.

The *Capital Projects Fund* is used to account for the capital projects of the Town which have received the approval of the Town Council. Transfers from the general and other funds are made to this fund to cover such expenditures.

The Town reports the following major proprietary fund:

The *Solid Waste Fund* (an enterprise fund) accounts for the operation of the Town's solid waste collection, disposal, and recycling services.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between the Town's solid waste functions and various other functions of the Town, if applicable. 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*. The general revenues include all taxes whose purpose has not been restricted to a specific program.

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

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. DEPOSITS AND INVESTMENTS

The Town utilizes a pooled cash account for cash of all Town funds other than those that are required to be physically segregated. The pooled cash account concept allows each participating fund to benefit from the economies of scale and improved yield which are inherent to a larger investment pool. Formal accounting records detail the individual equities of the participating funds. The pooled cash system utilizes a single checking account for Town receipts and all disbursements including payroll.

Investments are in the Florida PRIME administered by the State Board of Administration. The Town's investments in the Florida PRIME are stated at amortized cost.

E. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items of governmental funds are recorded as expenditures when consumed rather than when purchased.

F. CAPITAL ASSETS

Capital assets, which include land, construction in progress, infrastructure assets, improvements other than buildings, buildings and building improvements, and furniture and equipment are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value on the date of donation.

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

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

Assets	Years
Infrastructure	10-40
Improvements other than buildings	10-50
Buildings and building improvements	10-50
Furniture and equipment	3-30

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. IMPAIRMENT OF LONG-LIVED ASSETS

The Town records impairment losses on long-lived assets used in operations when events and circumstances indicate the assets might be impaired. No impairment losses have been recorded.

H. LONG-TERM OBLIGATIONS

In the government-wide financial statements and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts, if applicable, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bond issue costs are expensed at issuance. Bonds payable are reported net of the applicable premiums and discounts.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, in the year of issuance. The face amount of debt issued is reported as another financing source. Premiums received on debt issuance are reported as another financing source while discounts on debt issuances are reported as another financing use. Issuance costs, whether or not withheld from the actual debt proceeds received, and principal payments, are reported as debt service expenditures.

I. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Town only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Town has no amounts reported in this category in the current year.

J. UNEARNED REVENUE

Unearned revenue represents increases in assets prior to the eligibility criteria being met for recognition of revenue.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. FUND BALANCE

The Town follows the criteria for classifying governmental fund balances into specifically defined classifications. Classifications are hierarchical and are based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. The Town's accounting and financial policies are used to interpret the nature and/or requirements of the funds and their corresponding classification of nonspendable, restricted, committed, assigned or unassigned.

The following are the fund balance classifications:

Nonspendable fund balance. Nonspendable fund balances are amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance. Restricted fund balances are amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for the specific purposes determined by a formal action (ordinance or resolution) of the Town Council, the Town's highest level of decision-making authority. Ordinances and resolutions constitute the most binding constraints and are deemed equally binding and enforceable within the Town. Commitments may be changed or lifted only by the Town Council taking the same formal action (ordinance or resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance. Assigned fund balances are amounts that are constrained by the Town's intent to be used for specific purposes but are neither restricted nor committed. Intent is established by the Town Administrator and Town Financial Administrator who have the discretionary authority as charter officers of the Town and to which the Council has delegated the authority to assign, modify or rescind amounts to be used for specific purposes. There is no formal policy which has been established by Council delegating this authority. This balance includes (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted, or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue or capital projects fund are assigned for the purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the Town itself.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. NET POSITION

Net position is the result of assets and deferred outflows of resources less liabilities and deferred inflows of resources. The net position of the government-wide and proprietary funds is categorized as net investment in capital assets, reduced by depreciation and any outstanding debt incurred to acquire, construct and improve those assets and deferred inflows and outflows of resources related to debt, and excluding unexpended proceeds.

Restricted net position is that portion of net position that has been restricted for general use by external parties (creditors, grantors, contributors, or laws and regulations of other governments) or imposed by law through constitutional provisions enabling legislation.

Unrestricted net position consists of the net position that does not meet the definition of either of the other two components.

M. FLOW ASSUMPTIONS

Net Position Flow Assumption

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Flow Assumption

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

N. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred inflows/outflows, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results may differ from management’s estimates.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 2 – DEPOSITS AND INVESTMENTS

DEPOSITS

The Town maintains a cash pool that is available for use by all funds. In addition to insurance provided by the Federal Deposit Insurance Corporation (FDIC), all deposits are held in banking institutions approved by the State of Florida, State Treasurer to hold public funds. Under the Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all qualified public depositories to deposit with the Treasurer or banking institution eligible collateral of the depository. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Since the Town uses only authorized public depositories, all funds deposited with financial institutions are FDIC insured and/or are fully collateralized and treated as insured.

INVESTMENTS

The Town is authorized to invest in direct obligations of the U.S. Treasury, Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency, and the Local Government Surplus Funds Trust Fund, or any other intergovernmental investment pool authorized by Florida Statutes, including the Florida PRIME administered by the State Board of Administration. The investment policy defined in the statutes attempts to promote, through state assistance, the maximization of net interest earnings on invested surplus funds of local units of governments while limiting the risk to which the funds are exposed.

Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 215 and 218 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME. Florida PRIME invests in a pool of investments whereby the Town owns a share of the respective pool, not the underlying securities. GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants* establishing criteria for an external investment pool to qualify to report at amortized cost. Florida PRIME is reported at amortized cost.

The investments in the Florida PRIME are not insured by FDIC or any other governmental agency.

The Town had the following investments as of September 30, 2020:

Investments	<u>Value</u>	<u>Weighted Average Maturity</u>
Florida PRIME	\$ <u><u>1,401,660</u></u>	48 days

INTEREST RATE RISK

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates nor do they have any investments that are subject to interest rate risk.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

CREDIT RISK

The Town does not have a written investment policy and, therefore, follows Florida Statute 218.415(17). The Town invests surplus funds in the State Board of Administration Investment Pool. The Florida PRIME is rated by Standard and Poor's. The current rating is AAAM.

CONCENTRATION OF CREDIT RISK

Disclosure is required when the percentage of investments is 5% or more of total investments. At September 30, 2020, the Town only invests in an external investment pool, the Florida PRIME.

INVESTMENT POOLS AND POOL PARTICIPANTS

With regard to redemption dates, Chapter 218.409(8) (a), Florida Statutes, states, "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the Executive Director may extend the moratorium until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2020, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 3 – PROPERTY TAXES

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 Town 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. Assessed values are established by the Broward County Property Appraiser. In November 1992, a Florida constitutional amendment was approved by the voters which provides for limiting the increases in homestead property valuations for ad valorem tax purposes to a maximum of 3% annually and also provides for reassessment of market values upon changes in ownership. The County bills and collects all property taxes and remits them to the Town. Procedures for the collection of delinquent taxes by Broward County are provided for in the Laws of Florida. There were no material delinquent property taxes at September 30, 2020.

State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The tax levy of the Town is established by the Town Council and the Broward County Property Appraiser, who incorporates the Town’s millage into the total tax levy, which includes the County, County School Board and other agencies tax requirements. The millage rate assessed by the Town for the fiscal year ended September 30, 2020 was 4.6564 mills (operating millage was 4.2125 and TSDOR millage 0.4439)

NOTE 4 - RECEIVABLES

Receivables as of September 30, 2020 for the Town’s funds are as follows:

		Taxes and Fees	
General Fund	\$	569,660	
Solid Waste Fund		9,000	
Total Receivables	\$	578,660	

NOTE 5 – INTERFUND TRANSFERS

Interfund transfers during fiscal year ended September 30, 2020 are as follows:

		Transfers In		Transfers Out
General Fund	\$	251,160	\$	2,618,208
Transportation Fund		1,322,404		-
Capital Projects Fund		72,000		-
Volunteer Fire Department Fund		195,013		-
Debt Service Fund		1,028,791		29,868
Solid Waste Fund		29,868		251,160
Total Interfund Transfers	\$	2,899,236	\$	2,899,236

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

General Fund Transfers In consisted of \$251,160 from the Town’s Solid Waste Fund providing an annual subsidy to the General Fund for administrative, finance and contractual compliance management and legal expenses, while \$29,868 from the Debt Service Fund to the Solid Waste Fund relates to the emergency line of credit interest.

General Fund Transfers Out consisted of \$1,322,404 to the Transportation Fund to fund capital projects including the Transportation and Surface Drainage On-Going Rehabilitation (TSDOR) and operating needs; \$72,000 to the Capital Projects Fund to primarily fund capital projects pertaining to the Town Public Safety Modular complex and infrastructure at Frontier Trail Park; \$195,013 to the Volunteer Fire Department Fund to fund volunteer fire operations; and \$1,028,791 to the Debt Service Fund as debt service principal and interest payments become due in accordance with debt service arrangements.

NOTE 6 – CAPITAL ASSETS

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

	Balance October 1, 2019	Increases	Decreases	Transfers	Balance September 30, 2020
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 42,341,811	\$ -	\$ -	\$ -	\$ 42,341,811
Construction in progress	1,786,806	342,854	-	(792,192)	1,337,468
Total capital assets, not being depreciated	44,128,617	342,854	-	(792,192)	43,679,279
Capital assets, being depreciated:					
Infrastructure	24,532,754	532,200	-	168,858	25,233,812
Improvements other than buildings	5,278,971	61,325	-	623,334	5,963,630
Buildings and building improvements	3,653,649	5,818	-	-	3,659,467
Furniture and equipment	1,883,520	38,147	-	-	1,921,667
Total capital assets being depreciated	35,348,894	637,490	-	792,192	36,778,576
Total capital assets	79,477,511	980,344	-	-	80,457,855
Less: accumulated depreciation for:					
Infrastructure	14,381,178	709,454	-	-	15,090,632
Improvements other than buildings	3,522,442	251,135	-	-	3,773,577
Buildings and building improvements	422,498	76,415	-	-	498,913
Furniture and equipment	1,241,792	144,886	-	-	1,386,678
Total accumulated depreciation	19,567,910	1,181,890	-	-	20,749,800
Total capital assets, being depreciated, net	15,780,984	(544,400)	-	792,192	16,028,776
Governmental activities Capital assets, net	\$ 59,909,601	\$ (201,546)	\$ -	\$ -	\$ 59,708,055

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 6 – CAPITAL ASSETS (CONTINUED)

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

General Government	\$	91,206
Public Safety		99,278
Parks and Recreation		293,101
Transportation		<u>698,305</u>
Total Depreciation - Governmental Activities	\$	<u><u>1,181,890</u></u>

NOTE 7 – LONG-TERM DEBT

The following is a summary of changes in long-term liabilities of the Town for the fiscal year ended September 30, 2020.

	Balance October 1, 2019	Additions	Reductions	Balance September 30, 2020	Due Within One Year
Governmental Activities:					
<i>Notes from Direct Borrowing and Private Placements:</i>					
Note Payable Series 2013	\$ 1,525,400	\$ -	\$ (200,500)	\$ 1,324,900	\$ 207,100
Note Payable Series 2011	623,229	-	(272,280)	350,949	279,790
Note Payable Series 2016	7,750,000	-	-	7,750,000	-
Rosenbauer Payable	110,761	-	(26,650)	84,111	27,332
Loan Payable (Centennial/CBB)	<u>238,988</u>	<u>-</u>	<u>(89,002)</u>	<u>149,986</u>	<u>92,778</u>
Total Governmental Activities	<u>\$ 10,248,378</u>	<u>\$ -</u>	<u>\$ (588,432)</u>	<u>\$ 9,659,946</u>	<u>\$ 607,000</u>
	Balance October 1, 2019	Additions	Reductions	Balance September 30, 2020	Due Within One Year
Business-type Activities:					
<i>Notes from Direct Borrowing and Private Placements:</i>					
Emergency LOC Series 2018	\$ 1,761,698	<u>\$ -</u>	<u>\$ (1,761,698)</u>	<u>\$ -</u>	<u>\$ -</u>
Total Business-type Activities	<u>\$ 1,761,698</u>	<u>\$ -</u>	<u>\$ (1,761,698)</u>	<u>\$ -</u>	<u>\$ -</u>

REVENUE REFUNDING NOTE, SERIES 2013

On June 1, 2013 the Town entered in to a \$2,659,800 note with a financial institution for the purpose of refunding a portion of the Town’s Florida Municipal Loan Council Revenue Bonds, Series 2001A and to finance the cost of certain capital projects. The note requires annual payments of principal and semi-annual payments of interest beginning November 1, 2013 and matures on November 1, 2025. The note bears interest on the outstanding principal amount thereof at a rate of 2.85% calculated on the basis of twelve 30-day months and a 360-day year. As security for loan repayment, the Town covenants and agrees to appropriate in its annual budget amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 7 – LONG-TERM DEBT (CONTINUED)

The annual requirements to pay principal and interest on this obligation as of September 30, 2020 are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2021	\$ 207,100	\$ 29,191	\$ 236,291
2022	213,300	24,167	237,467
2023	218,900	19,002	237,902
2024	224,000	14,468	238,468
2025	228,700	6,369	235,069
2026	<u>232,900</u>	<u>6,254</u>	<u>239,154</u>
Total	\$ <u>1,324,900</u>	\$ <u>99,451</u>	\$ <u>1,424,351</u>

REVENUE REFUNDING NOTE, SERIES 2011

On December 1, 2011 the Town entered in to a \$2,500,000 note with a financial institution for the purpose of refunding the Town’s pooled commercial paper loan with the Florida Local Government Finance Commission (FLGFC). The note requires quarterly payments of principal and interest beginning March 1, 2012 and matures on December 1, 2021. The note bears interest on the outstanding principal amount thereof at a fixed rate of 2.73% per annum calculated on a 30/360-day count basis. The Town has pledged non-ad valorem revenues to secure payment of the principal and interest of the note.

The annual requirements to pay principal and interest on this obligation as of September 30, 2020 are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2021	\$ 279,790	\$ 6,733	\$ 286,524
2022	<u>71,159</u>	<u>485</u>	<u>71,644</u>
Total	\$ <u>350,949</u>	\$ <u>7,218</u>	\$ <u>358,168</u>

IMPROVEMENT REVENUE NOTE, SERIES 2016

On March 31, 2016, the Town entered in to a \$7,750,000 note with a financial institution for the acquisition of 24.4373 acres of vacant land. The note requires semi-annual payments of interest beginning November 1, 2016 and semi-annual payments of principal beginning November 1, 2021. The note bears interest at a rate of 3.25% annually and matures on March 31, 2036, unless the financial institution imposes a call option 90 days prior to May 1, 2031.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 7 – LONG-TERM DEBT (CONTINUED)

The annual requirements to pay principal and interest on this obligation as of September 30, 2020 are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2021	\$ -	\$ 251,875	\$ 251,875
2022	516,666	247,677	764,343
2023	516,666	230,885	747,551
2024	516,666	214,094	730,760
2025	516,666	197,302	713,968
2026-2030	2,583,330	734,635	3,317,965
2031-2035	2,583,340	314,844	2,898,184
2036	516,666	12,594	529,260
Total	\$ 7,750,000	\$ 2,203,906	\$ 9,953,906

The Series 2013, 2011 and 2016 arrangements discussed previously include other financial provisions as follows: 1) a 6% late charge on overdue payments in excess of fifteen days; 2) events of defaults such as violation of covenants, payment defaults, bankruptcy, insolvency, and uncured final non-appealable judgements may declare any unpaid principal and interest (acceleration of maturity) due immediately and bearing a default rate equal to the interest rate on the Note at the time of such default plus an additional spread ranging from 4% to 6% but never to exceed the maximum rate permitted by law; and 3) an anti-dilution test of 1.30X and 1.50X as defined in the respective debt agreements – See the Debt Service Anti-Dilution Coverage table in the Statistical Section of this report.

ROSENBAUER PAYABLE

On July 15, 2015, the Town entered into a financing arrangement for the acquisition of a Rosenbauer Pumper Apparatus for the Volunteer Fire Department in the amount of \$206,500. The loan calls for annual interest and principal payments at a fixed rate of 2.56% and the loan matures on June 11, 2023.

The agreement provides that the lender is listed as the lienholder on the subject equipment, to the extent allowed by law. The Town is required to make bona-fide best efforts to include all annual required payments in its annual budget. If the Town fails to appropriate funding to meet the required payments, the equipment must be returned to the lender, at the expense of the Town, and the agreement shall then terminate upon the last day of the fiscal year for which funds were appropriated.

The annual requirements to pay principal and interest on this obligation as of September 30, 2020 are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2021	\$ 27,332	\$ 2,153	\$ 29,485
2022	28,032	1,454	29,486
2023	28,747	736	29,483
Total	\$ 84,111	\$ 4,343	\$ 88,454

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 7 – LONG-TERM DEBT (CONTINUED)

LOAN PAYABLE

On April 7, 2010, the Town originally entered into a line of credit agreement with a financial institution in an amount not to exceed \$2,000,000 for the purpose of financing road improvements and drainage projects in the Town. The loan called for monthly interest payments at 2.75% during the draw period. The principal amount outstanding at the end of the draw period shall be payable monthly, beginning May 7, 2012 in equal payments of principal and interest at 3.95% through April 7, 2022. The Town covenants to budget and appropriate in its annual budget from legally available non-ad valorem revenues in each fiscal year, sufficient moneys to pay the principal and interest on the loan.

In the event the Town fails to pay principal and interest when due on the loan or any other loan or obligation for the repayment of money; declare bankruptcy or insolvency; fails to correct any covenants, conditions or arrangements of this note and such default continues for 30 days after written notice requiring to be remedied; the holder of the note may proceed to protect and enforce its rights as allowed by law.

The annual requirements to pay principal and interest on this obligation as of September 30, 2020 are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2021	\$ 92,778	\$ 4,190	\$ 96,968
2022	<u>57,208</u>	<u>730</u>	<u>57,938</u>
Total	\$ <u>149,986</u>	\$ <u>4,920</u>	\$ <u>154,906</u>

EMERGENCY LINE OF CREDIT - 2018

On May 23, 2018, the Town entered into a revolving line of credit agreement with a financial institution in an amount not to exceed \$10,000,000 for the purpose of expenditures for extraordinary, nonrecurring items the Town desires or needs to undertake subsequent to and as a result of a natural, technological or civil emergencies. The line of credit bears a variable interest rate calculated at 80.25% of the prime rate less 125 basis points (3.21% as of September 30, 2019). Payments of accrued interest are due on the first day of each February, May, August and November, beginning on November 1, 2018, based on the amount drawn and repaid by the Town from time to time. The outstanding principal of this Line of Credit and any accrued and unpaid interest is payable on the maturity date unless renewed. The maturity date of the line of credit is May 23, 2023. The Town had no outstanding balance and available balance was \$ 10,000,000 at September 30, 2020.

The Town covenants to budget from legally available non-ad valorem revenues in each fiscal year sufficient funds to pay any principal and interest outstanding on the note. Any outstanding balance on the line of credit is secured by an irrevocable lien on revenues from FEMA and State proceeds, which shall be used to pay down the outstanding balance within 30 days of receipt. This note may be extended by the lender, at its sole discretion, for additional periods, each to not exceed five years. At such time, the Town is responsible for an extension fee of \$ 25,000 plus legal fees associated with the renewal. The lender, at its sole discretion, shall have the option to require the Town to prepay any outstanding amount on the loan in full on November 22, 2021 (the call date).

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 7 – LONG-TERM DEBT (CONTINUED)

In addition, this arrangement includes other financial provisions as follows: 1) a 6% late charge on overdue payments in excess of fifteen days; and 2) events of defaults such as violation of covenants, payment defaults, bankruptcy, insolvency, and certain uncured final non-appealable judgements may declare any unpaid principal and interest (acceleration of maturity) due immediately and bearing a default rate equal to prime rate plus 6% but never to exceed the maximum rate permitted by law.

NOTE 8 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions and natural disasters for which the Town carries commercial insurance. There were no reductions in insurance coverage from coverage requirements in the prior year. Settled claims did not exceed coverage requirements for each of the past three years.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

INTERLOCAL AGREEMENT FOR PUBLIC SAFETY SERVICES

In June 2017, the Town entered into an agreement with the Town of Davie for public safety services, including emergency medical, fire protection, fire and life safety, and police service effective October 1, 2017 through September 30, 2022. The Town paid approximately \$6,370,000 under this agreement for the fiscal year ended September 30, 2020.

AGREEMENT FOR PLANS REVIEW AND BUILDING INSPECTION SERVICES

In 2012, the Town entered a service agreement through March 2015 for plan review and building inspection services. The agreement was extended on April 12, 2018 for thirty-six months, with extensions to be approved by the Town and contractor. The amount of compensation is based on rates and schedules set forth in the agreement with a maximum percentage of 75% of actual revenue received by the Town. For the fiscal year ended September 30, 2020, the Town paid approximately \$1,032,000 for these services.

AGREEMENT FOR PLANNING SERVICES

In 2014, the Town entered into a renegotiated agreement with a consultant to provide planning, zoning and land use services on an hourly rate fee structure. This agreement, which was set to expire September 30, 2017, was extended through September 30, 2020. and is renewable upon the consent of both parties. The agreement was renewed to September 30, 2023. For the fiscal year ended September 30, 2020, the Town paid approximately \$153,000 for these services.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 9 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

AGREEMENT FOR CODE COMPLIANCE AND ZONING SERVICES

The Town entered into a service agreement with a provider for the provision of code compliance and zoning, including services, as the Code Compliance Official. This agreement is in effect through September 2022. Either party may terminate this agreement upon providing 90 days written notice. For the fiscal year ended September 30, 2020, the Town paid approximately \$297,000 for code compliance and zoning services.

LITIGATION

From time to time, the Town is a defendant in various suits and claims incidental to its operations. Although the outcome of such litigation is not presently determinable, it is the opinion of the Town attorney and Town management that resolution of such matters, if any, will not have a material adverse effect on the financial position and results of operations of the Town.

GRANTS AND AWARDS

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the Town. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, would not have a material adverse effect on the financial position of the Town.

NOTE 10 – DEFINED CONTRIBUTION PLAN

All regular full-time employees are eligible to be covered by the Town's 401(a) Plan (the Plan), a defined contribution pension plan, administered by an independent agent, ICMA Retirement Corporation, and authorized by resolution effective March 27, 2014. The Town's policy is to fund the annual pension costs in each department during the annual budget process.

Under the Plan, the Town matches, and therefore contributes, up to 5% or 10% (as a percentage of employees' regular wages) of the employees' annual elective contribution to an ICMA 457 Plan (see Note 11) for both General and Management personnel, respectively. Each personnel group receives a 20% graduated vesting over various periods of time by completing one through five years of full-time employment. Additionally, age 62, with 5 years of service, is the earliest age that personnel may elect to receive retirement benefits upon separation of service.

Under the Plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. There was a total of 14 employees for both personnel groups participating under the Plan throughout fiscal year 2020. The assets of the Plan are held in trust and are the sole property of the participants; therefore, no balances or financial information is reported in the Town's basic financial statements. For the fiscal year ended September 30, 2020, the employer pension expense was approximately \$81,000.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2020

NOTE 11 – DEFERRED COMPENSATION PLAN

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Service (“IRS”) Code Section 457. The Plan, administered by the ICMA Retirement Corporation, which is available to all Town employees, permits them to defer a portion of their salaries until future years. Participation in the Plan is optional. The deferred compensation plan is generally not available to employees until termination, retirement, death or the hardship distribution criteria as defined in IRS Code Section 457. The assets of the Plan are held in trust and are the sole property of the participants; therefore, no balances or financial information is reported in the Town’s basic financial statements.

NOTE 12 – RISKS AND UNCERTAINTIES

The coronavirus (COVID-19) outbreak has caused disruption in international and U.S. economies and markets. The coronavirus and fear of further spread has caused quarantines, cancellation of events, and overall reduction in business and economic activity. On March 11, 2020, the World Health Organization designated the coronavirus outbreak as a pandemic. Management and the Town Council continue to evaluate and monitor the potential adverse effect that this event may have on the City’s financial position, operations and cash flows. The full impact of COVID-19 is unknown at this time and cannot be reasonably estimated as these events are still developing.

NOTE 13 – SUBSEQUENT EVENT

On October 8th, 2020, the Town Council of Southwest Ranches tentatively entered into a long-term, public-private lease agreement for use of 24.3622 +/- vacant and unimproved town acreage, if the tenant determines within a year that it is suitable for its purposes. The terms would allow the development of the property through the financing, construction, operation, and maintenance of two (2) uses that will serve a public purpose - a single source organic processing facility, with the retail sale of the end products of such processing, and a vehicle parking and equipment storage facility. The Town Council believes that entering into this long-term lease agreement is in the best interest of the health, safety, and welfare of its residents. When operational, the financial impact provides at a minimum, payment of the debt service on the property.

NOTE 14 – DATE OF MANAGEMENT REVIEW

The Town’s management has evaluated subsequent events through March 5, 2021, the date which the financial statements were available for issuance.

REQUIRED SUPPLEMENTARY INFORMATION



2020 Town of Southwest Ranches Rural Public Arts & Design Advisory Board Photo Contest
Submitted by: Natalie Soto

Town of Southwest Ranches, Florida
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
For the Fiscal Year Ended September 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Ad valorem taxes	\$ 6,549,694	\$ 6,549,694	\$ 6,633,543	\$ 83,849
Utility taxes	1,201,321	1,201,321	1,221,282	19,961
Franchise fees	668,079	668,079	668,534	455
Licenses and permits	843,734	1,669,967	1,696,926	26,959
Intergovernmental	634,683	744,500	604,503	(139,997)
Charges for services	2,130,249	2,130,249	2,155,792	25,543
Fines and forfeitures	243,600	335,228	306,019	(29,209)
Investment income	92,784	92,784	76,052	(16,732)
Miscellaneous	107,689	143,014	152,734	9,720
Total Revenues	12,471,833	13,534,836	13,515,385	(19,451)
Expenditures				
Current:				
General government	2,485,463	2,519,987	2,252,910	267,077
Public safety:				
Law enforcement	2,919,093	2,919,093	2,899,711	19,382
Fire control	3,607,618	3,604,457	3,584,881	19,576
Total public safety	6,526,711	6,523,550	6,484,592	38,958
Community services and development	1,132,978	1,767,604	1,731,518	36,086
Parks and recreation	415,377	421,077	407,633	13,444
Emergency services	592	592	12,094	(11,502)
Capital outlay	79,308	230,469	64,507	165,962
Total Expenditures	10,640,429	11,463,279	10,953,254	510,025
Excess (Deficiency) of Revenues over Expenditures	1,831,404	2,071,557	2,562,131	490,574
Other Financing Sources (Uses)				
Transfers in	251,160	251,160	251,160	-
Transfers out	(2,155,564)	(2,615,701)	(2,618,208)	(2,507)
Total Other Financing Sources (Uses)	(1,904,404)	(2,364,541)	(2,367,048)	(2,507)
Change in Fund Balance	\$ (73,000)	\$ (292,984)	\$ 195,083	\$ 488,067
Appropriated Beginning Fund Balance	\$ 73,000	\$ 292,984		

Town of Southwest Ranches, Florida
Required Supplementary Information
Budgetary Comparison Schedule - Transportation Fund
For the Fiscal Year Ended September 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 547,943	\$ 1,316,943	\$ 719,891	\$ (597,052)
Investment income	<u>5,000</u>	<u>5,000</u>	<u>26,330</u>	<u>21,330</u>
Total Revenues	<u>552,943</u>	<u>1,321,943</u>	<u>746,221</u>	<u>(575,722)</u>
Expenditures				
Current:				
Transportation	489,734	503,924	467,192	36,732
Capital outlay	<u>1,618,591</u>	<u>3,245,421</u>	<u>843,049</u>	<u>2,402,372</u>
Total Expenditures	<u>2,108,325</u>	<u>3,749,345</u>	<u>1,310,241</u>	<u>2,439,104</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,555,382)</u>	<u>(2,427,402)</u>	<u>(564,020)</u>	<u>1,863,382</u>
Other Financing Sources				
Transfers in	<u>862,267</u>	<u>1,322,404</u>	<u>1,322,404</u>	<u>-</u>
Total Other Financing Sources	<u>862,267</u>	<u>1,322,404</u>	<u>1,322,404</u>	<u>-</u>
Change in Fund Balance	<u>\$ (693,115)</u>	<u>\$ (1,104,998)</u>	<u>\$ 758,384</u>	<u>\$ 1,863,382</u>
Appropriated Beginning Fund Balance	<u>\$ 693,115</u>	<u>\$ 1,104,998</u>		

Town of Southwest Ranches, Florida
Required Supplementary Information
Note to Budgetary Comparison Schedules
For the Fiscal Year Ended September 30, 2020

The Town follows the procedures below in establishing the budgetary data reflected in the accompanying financial statements.

NOTE 1 - BUDGETS AND BUDGETARY ACCOUNTING

- a. Prior to September 1, the Town Administrator submits to the Town Council a proposed operating budget for the ensuing fiscal year, commencing October 1. The operating budget includes proposed expenditures and the means of funding them.
- b. Public hearings are conducted to obtain taxpayer comments.
- c. Prior to October 1, the budget is legally enacted through passage of an ordinance.
- d. Upon request of the Town Administrator or Town Financial Administrator, the Town Council, in the form of a resolution, may amend the budget, make changes between funds or from a reserve, and increase or decrease a fund. The Town Administrator or Town Financial Administrator may make changes within a department. Therefore, the legal level of control is at the department level. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the fund from which it was appropriated and is subject to future appropriations.
- e. Annual appropriated budgets are adopted for the General Fund, the Transportation Fund, the Capital Projects Fund and the Debt Service Fund on a basis consistent with accounting principles generally accepted in the United States of America.
- f. The reported budgetary data represents the final approved budgets after amendments (supplemental appropriations) adopted by the Town Council. The Volunteer Fire Department Fund's budget is not legally adopted by the Town Council.

**COMBINING AND INDIVIDUAL FUND STATEMENTS
AND SCHEDULES**

Town of Southwest Ranches, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2020

	Volunteer Fire Department	Debt Service Fund	Total Nonmajor Governmental Funds
Assets			
Cash	\$ 55,219	\$ 217,623	\$ 272,842
Due from other funds	3,850	-	3,850
Prepaid items	4,167	-	4,167
Total Assets	\$ 63,236	\$ 217,623	\$ 280,859
Liabilities and Fund Balances			
Liabilities:			
Accounts payable and accrued liabilities	\$ 20,045	\$ -	\$ 20,045
Total Liabilities	20,045	-	20,045
Fund Balances			
Non-spendable:			
Prepaid items	4,167	-	4,167
Restricted for:			
Fire control and rescue services	39,024	-	39,024
Assigned for:			
Debt service	-	217,623	217,623
Total Fund Balances	43,191	217,623	260,814
Total Liabilities and Fund Balances	\$ 63,236	\$ 217,623	\$ 280,859

Town of Southwest Ranches, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended September 30, 2020

	Volunteer Fire Department	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues			
Investment income	\$ 772	\$ 524	\$ 1,296
Miscellaneous	<u>5,763</u>	<u>-</u>	<u>5,763</u>
Total Revenues	<u>6,535</u>	<u>524</u>	<u>7,059</u>
Expenditures			
Current:			
Fire and rescue services	200,456	-	200,456
Debt service:			
Principal	-	588,432	588,432
Interest and fiscal charges	<u>-</u>	<u>317,535</u>	<u>317,535</u>
Total Expenditures	<u>200,456</u>	<u>905,967</u>	<u>1,106,423</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(193,921)</u>	<u>(905,443)</u>	<u>(1,099,364)</u>
Other Financing Sources (Uses)			
Transfers in	195,013	1,028,791	1,223,804
Transfers out	<u>-</u>	<u>(29,868)</u>	<u>(29,868)</u>
Total Other Financing Sources (Uses)	<u>195,013</u>	<u>998,923</u>	<u>1,193,936</u>
Change in Fund Balances	1,092	93,480	94,572
Fund Balances - Beginning	<u>42,099</u>	<u>124,143</u>	<u>166,242</u>
Fund Balances - Ending	<u>\$ 43,191</u>	<u>\$ 217,623</u>	<u>\$ 260,814</u>

Town of Southwest Ranches, Florida
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Debt Service Fund
For the Fiscal Year Ended September 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ -	\$ -	\$ 524	\$ 524
Total Revenues	<u>-</u>	<u>-</u>	<u>524</u>	<u>524</u>
Expenditures				
Debt service:				
Principal	588,621	588,621	588,432	189
Interest and fiscal charges	<u>319,791</u>	<u>319,791</u>	<u>317,535</u>	<u>2,256</u>
Total Expenditures	<u>908,412</u>	<u>908,412</u>	<u>905,967</u>	<u>2,445</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(908,412)</u>	<u>(908,412)</u>	<u>(905,443)</u>	<u>2,969</u>
Other Financing Sources (Uses)				
Transfers in	1,028,791	1,028,791	1,028,791	-
Transfers out	<u>(120,379)</u>	<u>(120,379)</u>	<u>(29,868)</u>	<u>90,511</u>
Total Other Financing Sources (Uses)	<u>908,412</u>	<u>908,412</u>	<u>998,923</u>	<u>90,511</u>
Change in Fund Balance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>93,480</u>	\$ <u>93,480</u>
Appropriated Beginning Fund Balance	\$ <u>-</u>	\$ <u>-</u>		

Town of Southwest Ranches, Florida
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Capital Projects Fund
For the Fiscal Year Ended September 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment income	\$ -	\$ -	\$ 2,675	\$ 2,675
Intergovernmental	<u>180,000</u>	<u>180,000</u>	<u>-</u>	<u>(180,000)</u>
Total Revenues	<u>180,000</u>	<u>180,000</u>	<u>2,675</u>	<u>(177,325)</u>
Expenditures				
Capital outlay	<u>275,039</u>	<u>348,265</u>	<u>72,788</u>	<u>275,477</u>
Total Expenditures	<u>275,039</u>	<u>348,265</u>	<u>72,788</u>	<u>275,477</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(95,039)</u>	<u>(168,265)</u>	<u>(70,113)</u>	<u>98,152</u>
Other Financing Sources				
Transfers in	<u>72,000</u>	<u>72,000</u>	<u>72,000</u>	<u>-</u>
Total Other Financing Sources	<u>72,000</u>	<u>72,000</u>	<u>72,000</u>	<u>-</u>
Change in Fund Balance	<u>\$ (23,039)</u>	<u>\$ (96,265)</u>	<u>\$ 1,887</u>	<u>\$ 98,152</u>
Appropriated Beginning Fund Balance	<u>\$ 23,039</u>	<u>\$ 96,265</u>		

STATISTICAL SECTION



2020 Town of Southwest Ranches Rural Public Arts & Design Advisory Board Photo Contest
Submitted by: Tara Canhos

Town of Southwest Ranches, Florida
Introduction to Statistical Section (Unaudited)
For the Fiscal Year Ended September 30, 2020

This part of Town of Southwest Ranches' comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information is unaudited.

Contents	<u>Page</u>
Financial Trends	
These tables contain trend information that may assist the reader in assessing the Town's current financial performance by placing it in historical perspective.	49-64
Revenue Capacity	
These tables contain information that may assist the reader in assessing the Town's most significant local revenue source, the property taxes.	65-71
Debt Capacity	
These tables contain information that may assist the reader in analyzing the affordability of the Town's current levels of outstanding debt and the Town's ability to issue debt in the future.	72-74
Demographic and Economic Information	
These tables present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the Town operates and (2) to provide information that facilitates comparisons of financial statement information over time and among towns.	75-77
Operating Information	
These tables contain service and infrastructure indicators that can inform one's understanding how the information in the Town's financial statements relates to the services the Town provides and the activities it performs.	78-79

Data Source:

Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial report for the applicable year.

Town of Southwest Ranches, Florida
Changes in Net Position - Governmental Activities (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Year Ended September 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
General government	\$ 1,750,991	\$ 1,897,921	\$ 1,837,205	\$ 1,885,010	\$ 1,943,608	\$ 2,074,739	\$ 2,736,901	\$ 2,904,188	\$ 2,190,153	\$ 2,343,760
Public safety	5,293,993	5,136,515	4,971,275	5,688,914	5,363,076	5,372,525	5,471,550	6,428,569	6,417,516	6,784,682
Community services and development	796,857	887,750	719,489	777,301	859,056	1,020,328	936,647	1,258,271	1,451,377	1,731,518
Parks and recreation	310,369	419,249	497,374	482,289	825,673	672,817	656,412	638,991	668,951	700,734
Transportation	725,093	730,440	744,296	767,872	641,501	907,415	592,730	553,546	1,132,102	1,165,497
Emergency services ¹	-	-	-	-	-	-	-	51,742	4,244	12,094
Interest and fiscal charges	258,608	299,696	279,615	240,636	188,650	237,838	383,975	353,162	439,232	321,442
Total Expenses	9,135,911	9,371,571	9,049,254	9,842,022	9,821,564	10,285,662	10,778,215	12,188,469	12,303,575	13,059,727
Program Revenues:										
Charges for services:										
General government	134,717	109,180	-	-	-	-	-	-	-	-
Public safety	1,613,117	1,848,333	1,836,977	2,031,296	2,140,874	2,013,942	2,133,982	2,396,108	2,636,628	2,446,458
Community services and development	788,347	635,692	1,185,269	1,001,627	975,302	1,121,522	759,959	1,175,057	1,345,851	1,696,926
Parks and recreation	-	-	-	-	-	11,047	10,197	11,317	10,210	2,908
Operating grants and contributions	96,606	48,197	35,683	28,003	13,049	22,694	18,842	58,116	124,974	12,143
Capital grants and contributions	59,162	181,015	382,033	161,293	328,924	649,412	343,013	450,930	157,173	560,206
Total Program Revenues	2,691,949	2,822,417	3,439,962	3,222,219	3,458,149	3,818,617	3,265,993	4,091,548	4,274,836	4,718,641
Net (Expense) Revenue	(6,443,962)	(6,549,154)	(5,609,292)	(6,619,803)	(6,363,415)	(6,467,045)	(7,512,222)	(8,096,921)	(8,028,739)	(8,341,086)
General Revenues:										
Taxes:										
Ad valorem taxes	4,303,700	4,105,338	4,146,677	4,245,717	4,788,463	5,106,037	5,495,085	5,847,614	6,549,630	6,633,543
Utility taxes	1,079,094	1,092,624	1,147,616	1,169,184	1,212,320	1,226,602	1,234,734	1,238,664	1,200,916	1,221,282
Franchise fees based on gross receipts	620,532	593,888	571,399	616,559	621,659	614,039	643,968	642,005	676,184	668,534
Unrestricted intergovernmental revenues	790,831	689,697	720,491	734,438	771,930	777,914	771,213	824,180	830,865	757,808
Unrestricted investment earnings	25,786	30,789	17,725	5,598	19,660	20,640	48,853	102,685	170,060	106,353
Miscellaneous	139,911	97,064	134,736	94,659	89,589	91,794	129,202	2,430	148,308	165,179
Total General Revenues	6,959,854	6,609,400	6,738,644	6,866,155	7,503,621	7,837,026	8,329,055	8,657,578	9,575,963	9,552,699
Net Transfers	-	128,701	174,492	183,327	168,833	185,828	205,427	225,765	141,060	221,292
Total General Revenues, Net of Transfers	6,959,854	6,738,101	6,913,136	7,049,482	7,672,454	8,022,854	8,534,482	8,883,343	9,717,023	9,773,991
Change in Net Position	\$ 515,892	\$ 188,947	\$ 1,303,844	\$ 429,679	\$ 1,309,039	\$ 1,555,809	\$ 1,022,260	\$ 786,422	\$ 1,688,284	\$ 1,432,905

Notes:

¹ Emergency services comprise expenditures resulting from Hurricane Irma for 2018, Hurricane Dorian for 2019 and Covid-19 pandemic for 2020.

The Town implemented GASB Statement No. 63 during the fiscal year ended September 30, 2013 and utilized the new terminology for all years presented.

Data Source:

Applicable years' comprehensive annual financial report.

Town of Southwest Ranches, Florida
Changes in Net Position - Governmental Activities - Percentage of Total (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Year Ended September 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
General government	19.2%	20.3%	20.3%	19.2%	19.8%	20.2%	25.4%	23.8%	17.8%	17.9%
Public safety	57.9%	54.8%	54.9%	57.8%	54.6%	52.2%	50.8%	52.7%	52.2%	52.0%
Community services and development	8.7%	9.5%	8.0%	7.9%	8.7%	9.9%	8.7%	10.3%	11.8%	13.3%
Parks and recreation	3.4%	4.5%	5.5%	4.9%	8.4%	6.5%	6.1%	5.2%	5.4%	5.4%
Transportation	7.9%	7.8%	8.2%	7.8%	6.5%	8.8%	5.5%	4.5%	9.2%	8.9%
Emergency services ¹	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%	0.1%
Interest and fiscal charges	2.8%	3.2%	3.1%	2.4%	1.9%	2.3%	3.6%	2.9%	3.6%	2.5%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Program Revenues:										
Charges for services:										
General government	5.0%	3.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Public safety	59.9%	65.5%	53.4%	63.0%	61.9%	52.7%	65.3%	58.6%	61.7%	51.8%
Community services and development	29.3%	22.5%	34.5%	31.1%	28.2%	29.4%	23.3%	28.7%	31.5%	36.0%
Parks and recreation	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.3%	0.3%	0.2%	0.1%
Operating grants and contributions	3.6%	1.7%	1.0%	0.9%	0.4%	0.6%	0.6%	1.4%	2.9%	0.3%
Capital grants and contributions	2.2%	6.4%	11.1%	5.0%	9.5%	17.0%	10.5%	11.0%	3.7%	11.9%
Total Program Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
General Revenues:										
Taxes:										
Ad valorem taxes	61.8%	62.1%	61.5%	61.8%	63.8%	65.2%	66.0%	67.5%	68.4%	69.4%
Utility taxes	15.5%	16.5%	17.0%	17.0%	16.2%	15.7%	14.8%	14.3%	12.5%	12.8%
Franchise fees based on gross receipts	8.9%	9.0%	8.5%	9.0%	8.3%	7.8%	7.7%	7.4%	7.1%	7.0%
Unrestricted intergovernmental revenues	11.4%	10.4%	10.7%	10.7%	10.3%	9.9%	9.3%	9.5%	8.7%	7.9%
Unrestricted investment earnings	0.4%	0.5%	0.3%	0.1%	0.3%	0.3%	0.6%	1.2%	1.8%	1.1%
Miscellaneous	2.0%	1.5%	2.0%	1.4%	1.2%	1.2%	1.6%	0.0%	1.5%	1.7%
Total General Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

¹ Emergency services comprise expenditures resulting from Hurricane Irma for 2018, Hurricane Dorian for 2019 and Covid-19 pandemic for 2020.

Data Source:

Applicable years' comprehensive annual financial report.

Town of Southwest Ranches, Florida
Changes in Net Position - Business-type Activities (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

Source	For the Fiscal Year Ended September 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
Solid waste	\$ 1,582,463	\$ 1,401,456	\$ 966,722	\$ 781,764	\$ 761,680	\$ 776,993	\$ 782,436	\$ 1,313,812	\$ 1,388,587	\$ 1,418,887
Solid waste emergency services ¹	-	-	-	-	-	-	655,340	3,699,068	126,668	16,590
	<u>1,582,463</u>	<u>1,401,456</u>	<u>966,722</u>	<u>781,764</u>	<u>761,680</u>	<u>776,993</u>	<u>1,437,776</u>	<u>5,012,880</u>	<u>1,515,255</u>	<u>1,435,477</u>
Program Revenues:										
Charges for services:										
Solid waste	1,620,856	1,539,737	1,097,252	1,050,476	1,045,547	1,053,295	1,064,311	1,309,516	1,795,973	1,714,527
Solid waste emergency services ¹	-	-	-	-	-	-	-	-	3,949,263	70,612
Operating grants and contributions	-	-	113,914	-	-	-	-	-	-	-
	<u>1,620,856</u>	<u>1,539,737</u>	<u>1,211,166</u>	<u>1,050,476</u>	<u>1,045,547</u>	<u>1,053,295</u>	<u>1,064,311</u>	<u>1,309,516</u>	<u>5,745,236</u>	<u>1,785,139</u>
Net Revenue (Loss)	<u>38,393</u>	<u>138,281</u>	<u>244,444</u>	<u>268,712</u>	<u>283,867</u>	<u>276,302</u>	<u>(373,465)</u>	<u>(3,703,364)</u>	<u>4,229,981</u>	<u>349,662</u>
General Revenues:										
Investment earnings	8,500	2,121	564	476	1,498	5,147	10,223	8,951	21,248	20,098
Miscellaneous	-	-	21,445	16,634	279,579	-	-	-	130	65
	<u>8,500</u>	<u>2,121</u>	<u>22,009</u>	<u>17,110</u>	<u>281,077</u>	<u>5,147</u>	<u>10,223</u>	<u>8,951</u>	<u>21,378</u>	<u>20,163</u>
Income (Expense) Before Transfers	<u>46,893</u>	<u>140,402</u>	<u>266,453</u>	<u>285,822</u>	<u>564,944</u>	<u>281,449</u>	<u>(363,242)</u>	<u>(3,694,413)</u>	<u>4,251,359</u>	<u>369,825</u>
Net Transfers	-	(128,701)	(174,492)	(183,327)	(168,833)	(185,828)	(205,427)	(225,765)	(141,060)	(221,292)
Change in Net Position	<u>\$ 46,893</u>	<u>\$ 11,701</u>	<u>\$ 91,961</u>	<u>\$ 102,495</u>	<u>\$ 396,111</u>	<u>\$ 95,621</u>	<u>\$ (568,669)</u>	<u>\$ (3,920,178)</u>	<u>\$ 4,110,299</u>	<u>\$ 148,533</u>

Notes:

¹ Solid waste emergency services comprise expenditures & revenues resulting from Hurricane Irma for 2018, Hurricane Dorian for 2019 and Covid-19 pandemic for 2020.

Data Source:

Applicable years' comprehensive annual financial report.

Town of Southwest Ranches, Florida
Changes in Total Net Position (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Year Ended September 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
Governmental activities ¹	\$ 9,135,911	\$ 9,371,571	\$ 9,049,254	\$ 9,842,022	\$ 9,821,564	\$ 10,285,662	\$ 10,778,215	\$ 12,188,469	\$ 12,303,575	\$ 13,059,727
Business-type activities ²	1,582,463	1,401,456	966,722	781,764	761,680	776,993	1,437,776	5,012,880	1,515,255	1,435,477
Total Expenses	10,718,374	10,773,027	10,015,976	10,623,786	10,583,244	11,062,655	12,215,991	17,201,349	13,818,830	14,495,204
Program Revenues:										
Governmental activities ¹	2,691,949	2,822,417	3,439,962	3,222,219	3,458,149	3,818,617	3,265,993	4,091,548	4,274,836	4,718,641
Business-type activities ²	1,620,856	1,539,737	1,211,166	1,050,476	1,045,547	1,053,295	1,064,311	1,309,516	5,745,236	1,785,139
Total Program Revenues	4,312,805	4,362,154	4,651,128	4,272,695	4,503,696	4,871,912	4,330,304	5,401,064	10,020,072	6,503,780
Net (Expense) Revenue	(6,405,569)	(6,410,873)	(5,364,848)	(6,351,091)	(6,079,548)	(6,190,743)	(7,885,687)	(11,800,285)	(3,798,758)	(7,991,424)
General Revenues and Transfers:										
Governmental activities ¹	6,959,854	6,738,101	6,913,136	7,049,482	7,672,454	8,022,854	8,534,482	8,883,343	9,717,023	9,773,991
Business-type activities ²	8,500	(126,580)	(152,483)	(166,217)	112,244	(180,681)	(195,204)	(216,814)	(119,682)	(201,129)
Total General Revenues and Transfers	6,968,354	6,611,521	6,760,653	6,883,265	7,784,698	7,842,173	8,339,278	8,666,529	9,597,341	9,572,862
Change in Net Position	\$ 562,785	\$ 200,648	\$ 1,395,805	\$ 532,174	\$ 1,705,150	\$ 1,651,430	\$ 453,591	\$ (3,133,756)	\$ 5,798,583	\$ 1,581,438

Notes:

¹ See Exhibit I

² See Exhibit III

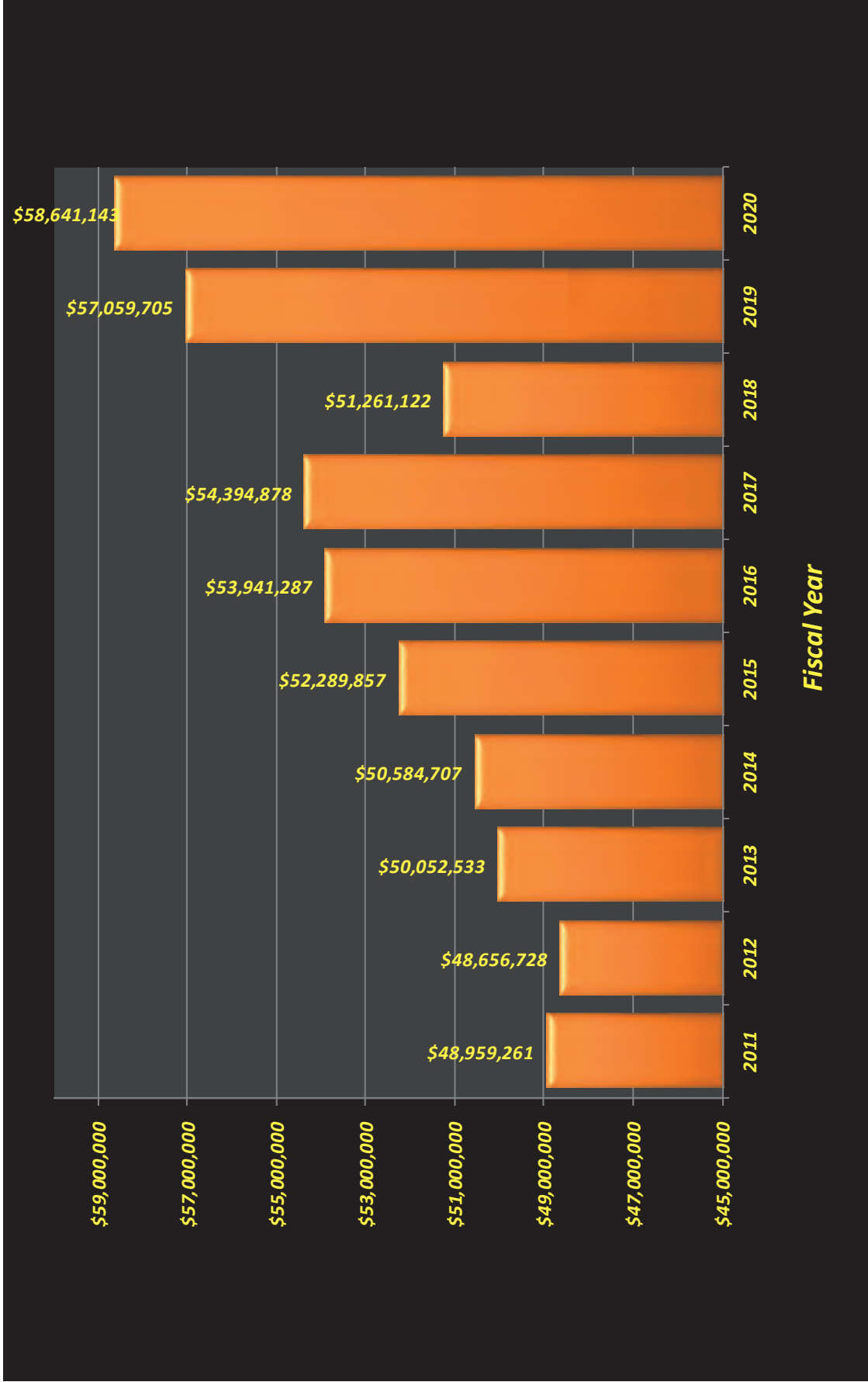
Town of Southwest Ranches, Florida
Government-wide Net Position by Category¹ (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	As of September 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities:										
Net investment in capital assets	\$ 44,892,153	\$ 44,421,400	\$ 44,642,297	\$ 44,619,097	\$ 45,134,927	\$ 48,086,199	\$ 48,346,598	\$ 49,262,430	\$ 49,695,775	\$ 50,076,903
Restricted	736,555	582,907	370,921	599,649	935,161	1,349,124	1,378,035	1,444,305	1,305,241	948,304
Unrestricted	3,039,105	3,349,272	4,644,205	4,868,356	5,326,053	3,516,627	4,249,577	4,053,897	5,447,900	6,856,614
Subtotal Governmental Activities Net Position	48,667,813	48,353,579	49,657,423	50,087,102	51,396,141	52,951,950	53,974,210	54,760,632	56,448,916	57,881,821
Business-type Activities:										
Unrestricted	291,448	303,149	395,110	497,605	893,716	989,337	420,668	(3,499,510)	610,789	759,322
Primary Government:										
Net investment in capital assets	44,892,153	44,421,400	44,642,297	44,619,097	45,134,927	48,086,199	48,346,598	49,262,430	49,695,775	50,076,903
Restricted	736,555	582,907	370,921	599,649	935,161	1,349,124	1,378,035	1,444,305	1,305,241	948,304
Unrestricted	3,330,553	3,652,421	5,039,315	5,365,961	6,219,769	4,505,964	4,670,245	554,387	6,058,689	7,615,936
Total Primary Government Net Position	\$ 48,959,261	\$ 48,656,728	\$ 50,052,533	\$ 50,584,707	\$ 52,289,857	\$ 53,941,287	\$ 54,394,878	\$ 51,261,122	\$ 57,059,705	\$ 58,641,143

Notes:

¹ Accounting standards require that net assets be reported in three components in the financial statements: net investment in capital assets; restricted and unrestricted. Net position is considered restricted only when (1) an external party, such as the State of Florida or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the Town. There are no restrictions currently reported as a result of enabling legislation.

Town of Southwest Ranches, Florida
Chart-Total Government-wide Net Position (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)



Town of Southwest Ranches, Florida
General Governmental Revenues by Source (Unaudited) ¹
Last Ten Fiscal Years
(modified accrual basis of accounting)

For the Fiscal Year Ended September 30,

Revenue Source	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Taxes	\$ 6,003,326	\$ 5,791,850	\$ 5,865,692	\$ 6,031,460	\$ 6,622,442	\$ 6,946,678	\$ 7,373,787	\$ 7,728,283	\$ 8,426,730	\$ 8,523,359
Licenses and permits	482,382	521,830	517,697	604,935	757,924	939,212	759,959	1,175,057	1,345,851	1,696,926
Intergovernmental	787,169	689,697	683,355	707,938	758,881	721,220	399,969	730,464	814,601	752,045
Charges for services	1,613,117	1,848,333	1,763,472	1,939,651	1,984,906	1,912,887	1,920,617	2,204,001	2,322,379	2,155,792
Fines and forfeitures	75,076	109,180	741,077	488,337	373,346	302,296	213,365	212,231	350,639	306,019
Physical and economic charges	309,627	113,862	-	-	-	-	-	-	-	-
Grants	155,768	229,212	417,716	189,296	341,973	672,106	686,428	509,066	285,147	572,349
Investment income	25,786	30,789	17,725	5,598	19,660	20,640	48,853	102,685	170,060	106,353
Miscellaneous	198,346	97,064	171,872	178,460	102,638	140,603	192,070	87,339	135,392	158,497
Total Revenues	\$ 9,650,597	\$ 9,431,817	\$ 10,178,606	\$ 10,145,675	\$ 10,961,770	\$ 11,655,642	\$ 11,595,048	\$ 12,749,126	\$ 13,850,799	\$ 14,271,340
% Change from Prior Year	-3.3%	-2.3%	7.9%	-0.3%	8.0%	6.3%	-0.5%	10.0%	8.6%	3.0%

Percentage of Total

Taxes	62.2%	61.4%	57.6%	59.4%	60.4%	59.6%	63.6%	60.6%	60.8%	59.7%
Licenses and permits	5.0%	5.5%	5.1%	6.0%	6.9%	8.1%	6.6%	9.2%	9.7%	11.9%
Intergovernmental	8.2%	7.3%	6.7%	7.0%	6.9%	6.2%	3.4%	5.7%	5.9%	5.3%
Charges for services	16.7%	19.6%	17.3%	19.1%	18.1%	16.4%	16.6%	17.3%	16.8%	15.1%
Fines and forfeitures	0.8%	1.2%	7.3%	4.8%	3.4%	2.6%	1.8%	1.7%	2.5%	2.1%
Physical and economic charges	3.2%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants	1.6%	2.4%	4.1%	1.9%	3.1%	5.8%	5.9%	4.0%	2.1%	4.0%
Investment income	0.3%	0.3%	0.2%	0.1%	0.2%	0.2%	0.4%	0.8%	1.2%	0.7%
Miscellaneous	2.1%	1.0%	1.7%	1.8%	0.9%	1.2%	1.7%	0.7%	1.0%	1.1%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

¹ Includes all governmental fund types.

Data Source:

Applicable years' comprehensive annual financial report.

Town of Southwest Ranches, Florida
Chart-Total General Governmental Revenues (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

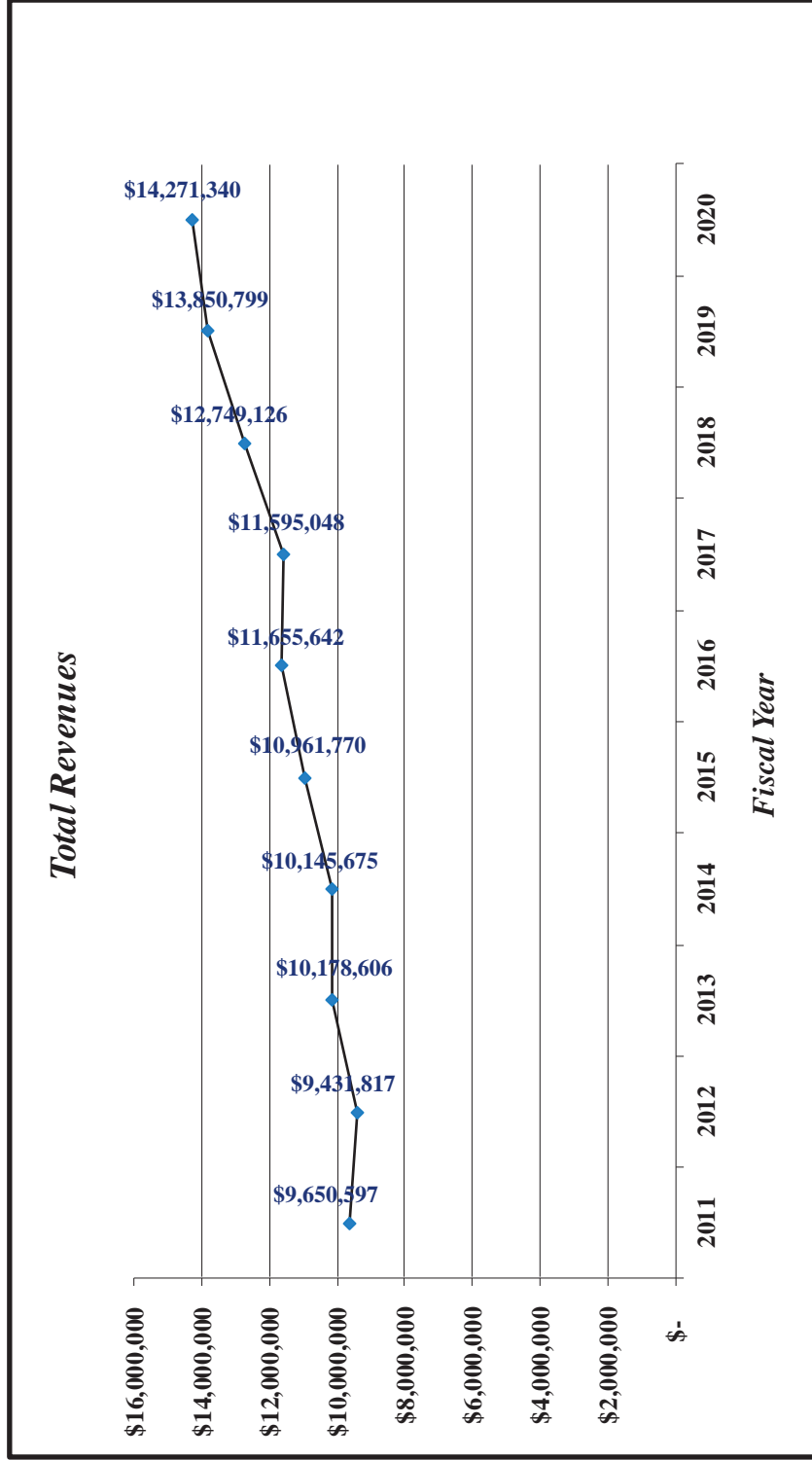


Exhibit VII

Town of Southwest Ranches, Florida
 Tax Revenues by Source - Governmental Funds (Unaudited)
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

For The Fiscal Year Ended September 30,	Amounts				Total
	Property	Utility	Franchise	Total	
2011	\$ 4,303,700	\$ 1,079,094	\$ 620,532	\$ 6,003,326	
2012	\$ 4,105,338	\$ 1,092,624	\$ 593,888	\$ 5,791,850	
2013	\$ 4,146,677	\$ 1,147,616	\$ 571,399	\$ 5,865,692	
2014	\$ 4,245,717	\$ 1,169,184	\$ 616,559	\$ 6,031,460	
2015	\$ 4,788,463	\$ 1,212,320	\$ 621,659	\$ 6,622,442	
2016	\$ 5,106,037	\$ 1,226,602	\$ 614,039	\$ 6,946,678	
2017	\$ 5,495,085	\$ 1,234,734	\$ 643,968	\$ 7,373,787	
2018	\$ 5,847,614	\$ 1,238,664	\$ 642,005	\$ 7,728,283	
2019	\$ 6,549,630	\$ 1,200,916	\$ 676,184	\$ 8,426,730	
2020	\$ 6,633,543	\$ 1,221,282	\$ 668,534	\$ 8,523,359	

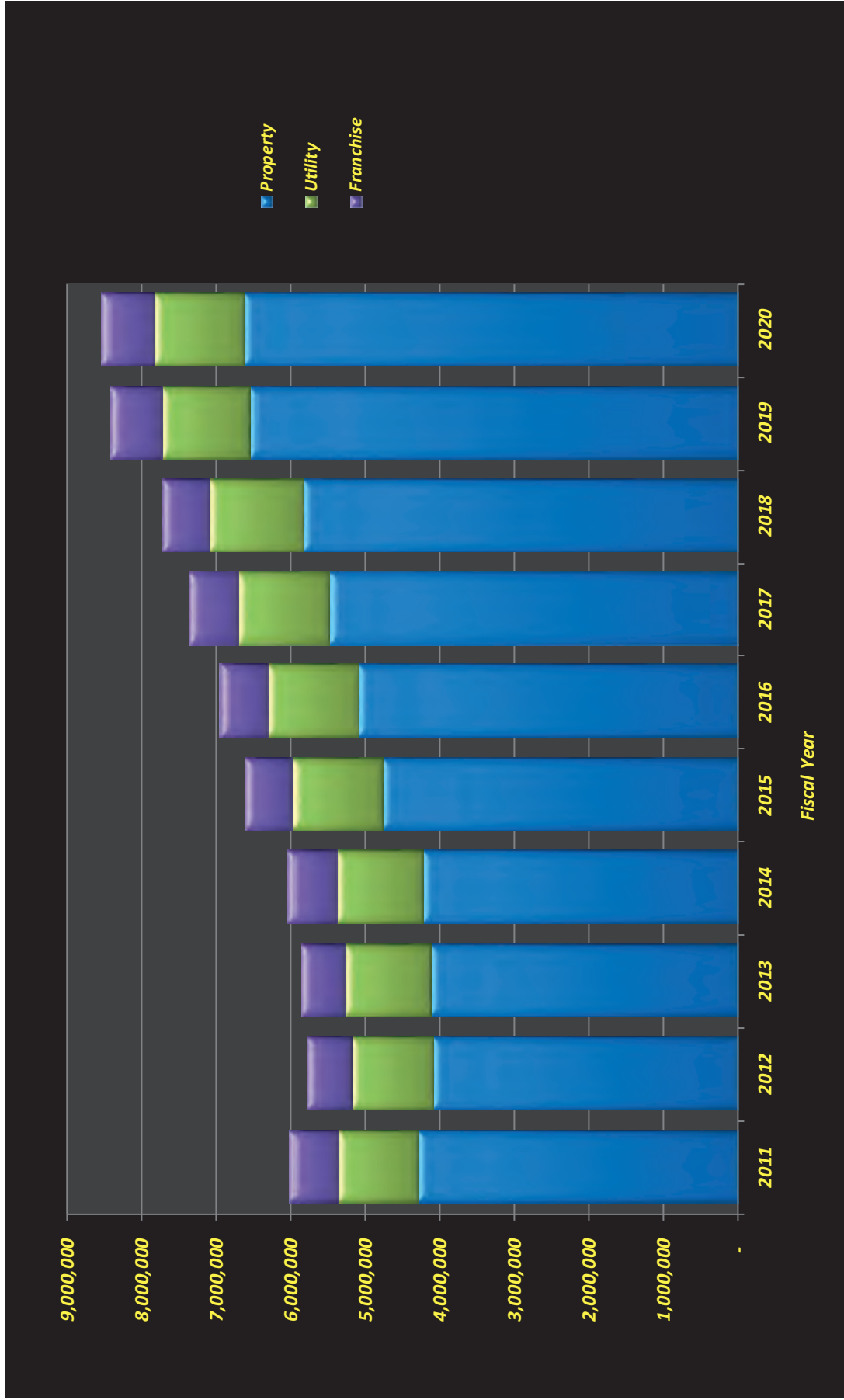
% Change in Dollars
 Over 10 Years

	54.1%	13.2%	7.7%	42.0%
Percentage of Total				
2011	71.7%	18.0%	10.3%	100.0%
2012	70.9%	18.9%	10.3%	100.0%
2013	70.7%	19.6%	9.7%	100.0%
2014	70.4%	19.4%	10.2%	100.0%
2015	72.3%	18.3%	9.4%	100.0%
2016	73.5%	17.7%	8.8%	100.0%
2017	74.5%	16.7%	8.7%	100.0%
2018	75.7%	16.0%	8.3%	100.0%
2019	77.6%	14.3%	8.1%	100.0%
2020	77.7%	14.3%	7.9%	100.0%

Data Source:

Applicable years' comprehensive annual financial report.

Town of Southwest Ranches, Florida
Chart-Tax Revenues by Source - Governmental Funds (Unaudited)
Last Ten Fiscal Years
 (modified accrual basis of accounting)



Town of Southwest Ranches, Florida
General Governmental Expenditures by Function (Unaudited) ¹
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Year Ended September 30,									
Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Current:										
General government	\$ 1,736,413	\$ 1,837,472	\$ 1,796,001	\$ 1,807,017	\$ 1,866,731	\$ 1,994,770	\$ 2,103,392	\$ 2,253,537	\$ 2,105,598	\$ 2,252,910
Public safety	5,230,602	5,045,887	4,821,836	5,542,038	5,204,208	5,240,374	5,399,088	6,048,944	6,330,072	6,685,048
Community services and development	796,857	887,750	719,489	777,301	859,056	1,020,328	936,647	1,258,271	1,451,377	1,731,518
Parks and recreation	142,032	177,921	223,462	195,826	286,489	357,602	403,085	391,142	386,366	407,633
Transportation	301,951	222,031	254,809	239,077	327,491	342,722	439,493	426,294	451,249	467,192
Emergency services ²	-	-	-	-	-	-	-	51,742	4,244	12,094
Total Current	8,207,855	8,171,061	7,815,597	8,561,259	8,543,975	8,955,796	9,281,705	10,429,930	10,728,906	11,556,395
% Change From Prior Year	-11.7%	-0.4%	-4.4%	9.5%	-0.2%	4.8%	3.6%	12.4%	2.9%	7.7%
Capital Outlay	819,349	959,417	1,070,505	606,880	1,059,565	9,854,607	818,929	1,925,534	811,561	980,344
% Change From Prior Year	-59.1%	17.1%	11.6%	-43.3%	74.6%	830.1%	-91.7%	135.1%	-57.9%	20.8%
Debt Service:										
Principal	132,413	332,506	2,691,917	502,068	509,226	2,164,128	545,808	623,585	650,965	588,432
Interest and fiscal charges	260,900	302,092	410,639	219,162	215,478	235,814	379,352	344,898	333,432	317,535
Total Debt Service	393,313	634,598	3,102,556	721,230	724,704	2,399,942	925,160	968,483	984,397	905,967
% Change From Prior Year	-5.6%	61.3%	388.9%	-76.8%	0.5%	231.2%	-61.5%	4.7%	1.6%	-8.0%
Ratio of Total Debt Service to Total Non-Capital Expenditures	4.6%	7.2%	28.4%	7.8%	7.8%	21.1%	9.1%	8.5%	8.4%	7.3%
Total Expenditures	\$ 9,420,517	\$ 9,765,076	\$ 11,988,658	\$ 9,889,369	\$ 10,328,244	\$ 21,210,345	\$ 11,025,794	\$ 13,323,947	\$ 12,524,864	\$ 13,442,706
% Change From Prior Year	-19.6%	3.7%	22.8%	-17.5%	4.4%	105.4%	-48.0%	20.8%	-6.0%	7.3%

Notes:

¹ Includes all governmental fund types.

² Emergency services comprise expenditures resulting from Hurricane Irma for 2018, Hurricane Dorian for 2019 and Covid-19 pandemic for 2020.

Data Source:

Applicable years' comprehensive annual financial report.

Town of Southwest Ranches, Florida
General Governmental Current Expenditures by Function (Unaudited) ¹
Last Ten Fiscal Years
(modified accrual basis of accounting)

Function	For the Fiscal Year Ended September 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Current:										
General government	\$ 1,736,413	\$ 1,837,472	\$ 1,796,001	\$ 1,807,017	\$ 1,866,731	\$ 1,994,770	\$ 2,103,392	\$ 2,253,537	\$ 2,105,598	\$ 2,252,910
Public safety	5,230,602	5,045,887	4,821,836	5,542,038	5,204,208	5,240,374	5,399,088	6,048,944	6,330,072	6,685,048
Community services and development	796,857	887,750	719,489	777,301	859,056	1,020,328	936,647	1,258,271	1,451,377	1,731,518
Parks and recreation	142,032	177,921	223,462	195,826	286,489	357,602	403,085	391,142	386,366	407,633
Transportation	301,951	222,031	254,809	239,077	327,491	342,722	439,493	426,294	451,249	467,192
Emergency services ²	-	-	-	-	-	-	-	51,742	4,244	12,094
Total Current	\$ 8,207,855	\$ 8,171,061	\$ 7,815,597	\$ 8,561,259	\$ 8,543,975	\$ 8,955,796	\$ 9,281,705	\$ 10,429,930	\$ 10,728,906	\$ 11,556,395

Function	Percentage of Total									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Current:										
General government	21.2%	22.5%	23.0%	21.1%	21.8%	22.3%	22.7%	21.6%	19.6%	19.5%
Public safety	63.7%	61.8%	61.7%	64.7%	60.9%	58.5%	58.2%	58.0%	59.0%	57.8%
Community services and development	9.7%	10.9%	9.2%	9.1%	10.1%	11.4%	10.1%	12.1%	13.5%	15.0%
Parks and recreation	1.7%	2.2%	2.9%	2.3%	3.4%	4.0%	4.3%	3.8%	3.6%	3.5%
Transportation	3.7%	2.7%	3.3%	2.8%	3.8%	3.8%	4.7%	4.1%	4.2%	4.0%
Emergency services ²	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	0.1%
Total Current	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

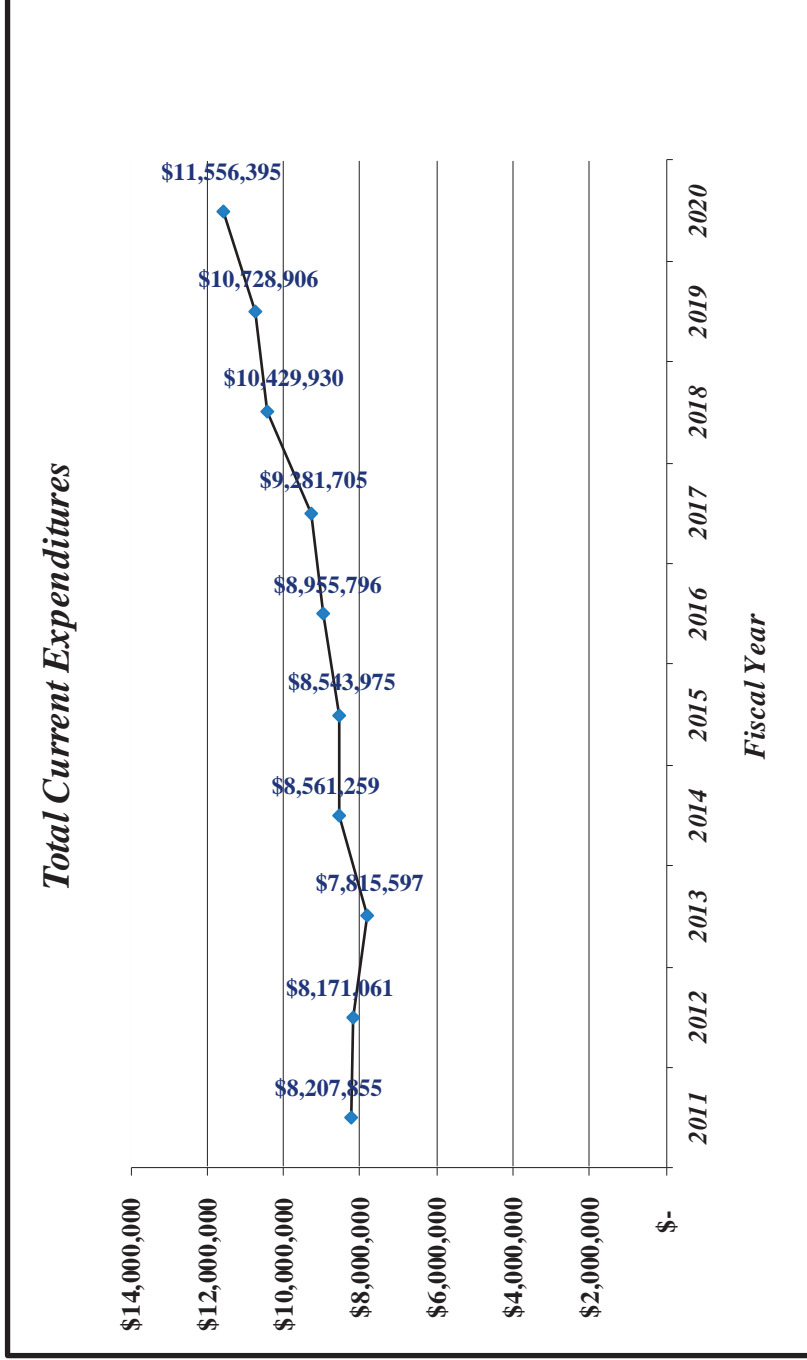
¹ Includes all governmental fund types.

² Emergency services comprise expenditures resulting from Hurricane Irma for 2018, Hurricane Dorian for 2019 and Covid-19 pandemic for 2020.

Data Source:

Applicable years' comprehensive annual financial report.

Town of Southwest Ranches, Florida
Chart-Total General Governmental Current Expenditures (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)



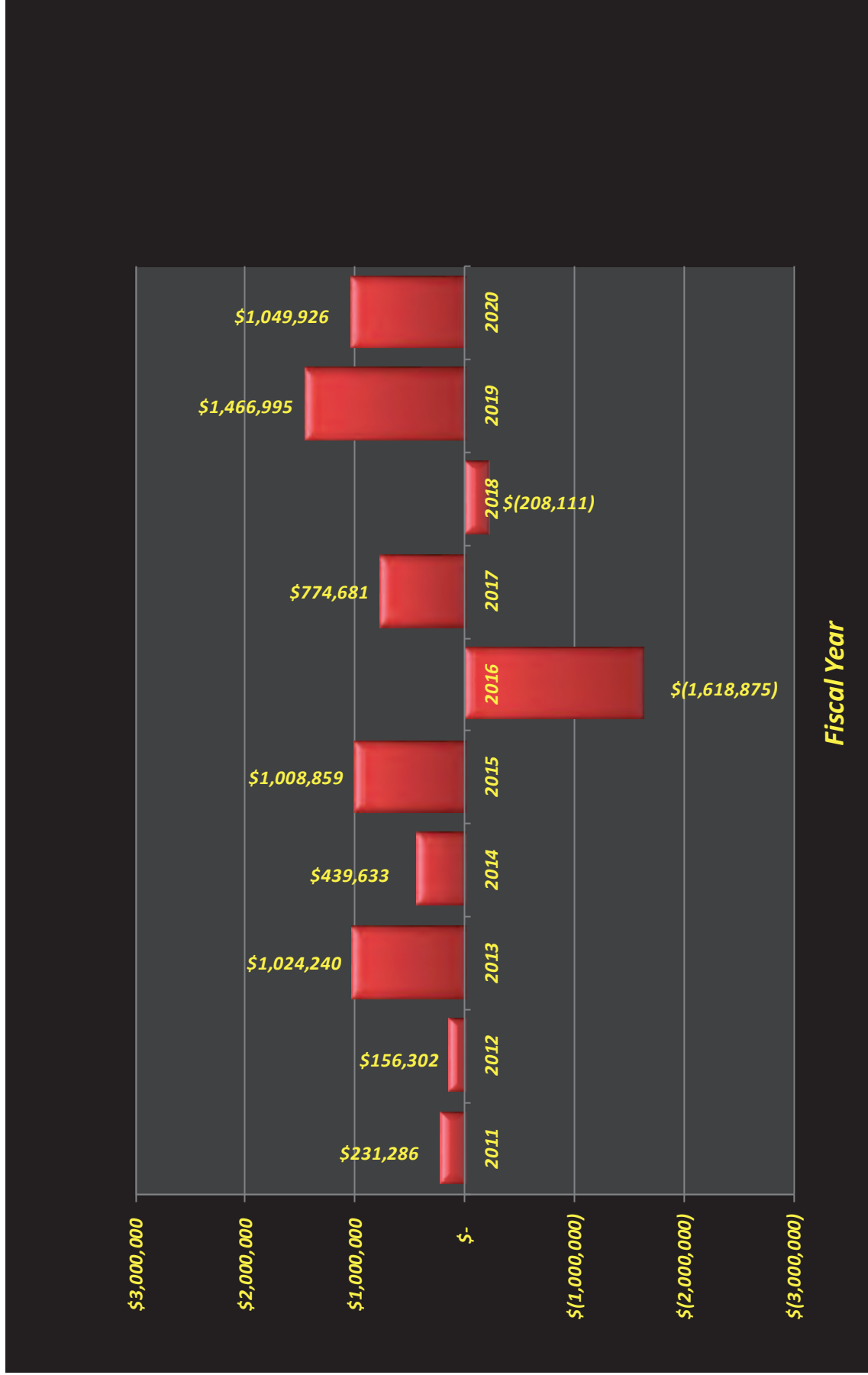
Town of Southwest Ranches, Florida
Summary of Changes in Fund Balances - Governmental Funds (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Year Ended September 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Revenues	\$ 9,650,597	\$ 9,431,817	\$ 10,178,606	\$ 10,145,675	\$ 10,961,770	\$ 11,655,642	\$ 11,595,048	\$ 12,749,126	\$ 13,850,799	\$ 14,271,340
Total Expenditures	9,420,517	9,765,076	11,988,658	9,889,369	10,328,244	21,210,345	11,025,794	13,323,947	12,524,864	13,442,706
Excess (Deficiency) of Revenues Over Expenditures	230,080	(333,259)	(1,810,052)	256,306	633,526	(9,554,703)	569,254	(574,821)	1,325,935	828,634
Other Financing Sources (Uses):										
Other items	1,206	360,860	2,659,800	-	206,500	7,750,000	-	140,945	-	-
Transfers in	1,175,176	1,394,191	1,410,644	1,557,874	1,938,626	4,287,055	2,346,797	2,697,346	2,643,210	2,869,368
Transfers out	(1,175,176)	(1,265,490)	(1,236,152)	(1,374,547)	(1,769,793)	(4,101,227)	(2,141,370)	(2,471,581)	(2,502,150)	(2,648,076)
Total Other Financing Sources (Uses)	1,206	489,561	2,834,292	183,327	375,333	7,935,828	205,427	366,710	141,060	221,292
Net Change in Fund Balances	\$ 231,286	\$ 156,302	\$ 1,024,240	\$ 439,633	\$ 1,008,859	\$ (1,618,875)	\$ 774,681	\$ (208,111)	\$ 1,466,995	\$ 1,049,926

Data Source:

Applicable years' comprehensive annual financial report.

Town of Southwest Ranches, Florida
 Chart-Changes in Fund Balances - Governmental Funds (Unaudited)
 Last Ten Fiscal Years
 (modified accrual basis of accounting)



Town of Southwest Ranches, Florida
Fund Balances - Governmental Funds (Unaudited)
Fiscal Year 2020 and Nine Years Prior
(modified accrual basis of accounting)

	2011	2012	2013	2014	September 30,		2017	2018	2019	2020
					2015	2016				
General Fund:										
Nonspendable:										
Prepaid items	\$ 31,432	\$ 207,568	\$ 25,222	\$ 27,058	\$ 28,763	\$ 28,382	\$ 29,569	\$ 30,250	\$ 30,858	\$ 48,517
Inventory/assets held for resale	138,848	138,848	482,720	482,720	482,720	482,720	482,720	359,210	359,210	359,210
Deposits	25,001	-	-	-	-	-	-	-	-	-
Total nonspendable	<u>195,281</u>	<u>346,416</u>	<u>507,942</u>	<u>509,778</u>	<u>511,483</u>	<u>511,102</u>	<u>512,289</u>	<u>389,460</u>	<u>390,068</u>	<u>407,727</u>
Restricted for:										
Fire control and rescue services	-	-	-	128,291	308,982	363,897	484,719	423,679	335,061	292,113
Public safety	3,663	6,445	10,933	11,020	12,550	6,470	7,579	7,579	8,553	8,553
Town Hall brick program	16,800	18,200	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	181,033	178,979	196,796	204,859	210,004
Total restricted	<u>20,463</u>	<u>24,645</u>	<u>10,933</u>	<u>139,311</u>	<u>321,532</u>	<u>551,400</u>	<u>671,277</u>	<u>628,054</u>	<u>548,473</u>	<u>510,670</u>
Committed to:										
Tree preservation	20,877	20,877	3,086	3,086	3,086	-	-	1,229	1,229	1,229
Capital projects	-	-	9,850	-	-	-	20,324	20,324	20,324	4,380
Total committed	<u>20,877</u>	<u>20,877</u>	<u>12,936</u>	<u>3,086</u>	<u>3,086</u>	<u>-</u>	<u>20,324</u>	<u>21,553</u>	<u>21,553</u>	<u>5,609</u>
Assigned for:										
Capital projects	-	-	-	-	-	-	-	-	-	17,500
Total assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,500</u>
Unassigned	2,360,778	2,494,249	3,458,623	3,830,892	4,365,118	2,484,910	2,704,947	2,790,184	3,939,370	4,153,041
Total General Fund	<u>\$ 2,597,399</u>	<u>\$ 2,886,187</u>	<u>\$ 3,990,434</u>	<u>\$ 4,483,067</u>	<u>\$ 5,201,219</u>	<u>\$ 3,547,412</u>	<u>\$ 3,908,837</u>	<u>\$ 3,829,251</u>	<u>\$ 4,899,464</u>	<u>\$ 5,094,547</u>
General Fund % Change From Prior Year	<u>24.1%</u>	<u>11.1%</u>	<u>38.3%</u>	<u>12.3%</u>	<u>16.0%</u>	<u>-31.8%</u>	<u>10.2%</u>	<u>-2.0%</u>	<u>27.9%</u>	<u>4.0%</u>
All Other Governmental Funds:										
Nonspendable:										
Prepaid items	\$ 810	\$ 3,349	\$ 3,654	\$ 3,857	\$ 1,574	\$ 2,242	\$ 2,534	\$ 2,613	\$ 3,574	\$ 4,167
Deposits	15,000	-	-	-	-	-	-	-	-	-
Total nonspendable	<u>15,810</u>	<u>3,349</u>	<u>3,654</u>	<u>3,857</u>	<u>1,574</u>	<u>2,242</u>	<u>2,534</u>	<u>2,613</u>	<u>3,574</u>	<u>4,167</u>
Restricted for:										
Transportation	696,179	517,455	312,740	389,361	331,973	636,587	537,821	758,804	710,632	398,610
Fire control and rescue services	40,376	40,807	47,248	70,977	281,656	161,137	168,937	37,036	46,136	39,024
Capital projects	-	-	-	-	-	-	-	20,411	-	-
Total restricted	<u>736,555</u>	<u>558,262</u>	<u>359,988</u>	<u>460,338</u>	<u>613,629</u>	<u>797,724</u>	<u>706,758</u>	<u>816,251</u>	<u>756,768</u>	<u>437,634</u>
Committed for:										
Capital projects	-	150,000	60,376	209,053	359,943	149,213	224,661	217,088	458,204	64,738
Transportation	-	-	-	-	-	129,678	593,825	291,955	522,639	1,922,934
Total committed	<u>-</u>	<u>150,000</u>	<u>60,376</u>	<u>209,053</u>	<u>359,943</u>	<u>278,891</u>	<u>818,486</u>	<u>509,043</u>	<u>980,843</u>	<u>1,987,672</u>
Assigned to:										
Debt service	164,278	37,548	15,069	28,448	36,534	12,079	25,266	168,819	124,143	217,623
Public safety	129,750	-	-	-	-	-	-	-	-	-
Fire wells	80,000	-	-	-	-	-	-	-	-	-
Capital projects	109,873	354,621	584,686	269,077	249,800	205,476	156,624	84,417	112,597	185,672
Total assigned	<u>483,901</u>	<u>392,169</u>	<u>599,755</u>	<u>297,525</u>	<u>286,334</u>	<u>217,555</u>	<u>181,890</u>	<u>253,236</u>	<u>236,740</u>	<u>403,295</u>
Total All Other Governmental Funds	<u>\$ 1,236,266</u>	<u>\$ 1,103,780</u>	<u>\$ 1,023,773</u>	<u>\$ 970,773</u>	<u>\$ 1,261,480</u>	<u>\$ 1,296,412</u>	<u>\$ 1,709,668</u>	<u>\$ 1,581,143</u>	<u>\$ 1,977,925</u>	<u>\$ 2,832,768</u>
All Other Governmental Funds % Change From Prior Year	<u>-18.1%</u>	<u>-10.7%</u>	<u>-7.2%</u>	<u>-5.2%</u>	<u>29.9%</u>	<u>2.8%</u>	<u>31.9%</u>	<u>-7.5%</u>	<u>25.1%</u>	<u>43.2%</u>
Total Governmental Funds	<u>\$ 3,833,665</u>	<u>\$ 3,989,967</u>	<u>\$ 5,014,207</u>	<u>\$ 5,453,840</u>	<u>\$ 6,462,699</u>	<u>\$ 4,843,824</u>	<u>\$ 5,618,505</u>	<u>\$ 5,410,394</u>	<u>\$ 6,877,389</u>	<u>\$ 7,927,315</u>
All Governmental Funds % Change From Prior Year	<u>15.1%</u>	<u>4.1%</u>	<u>25.7%</u>	<u>8.8%</u>	<u>18.5%</u>	<u>-25.0%</u>	<u>16.0%</u>	<u>-3.7%</u>	<u>27.1%</u>	<u>15.3%</u>

Data Source:

Applicable years' comprehensive annual financial report.

Town of Southwest Ranches, Florida
 Taxable Assessed Value - Real and Personal Property (Unaudited)
 Last Ten Fiscal Years

Fiscal Year	Real Property			Other ¹	Personal Property	Less: Tax Exemptions	Total Taxable Assessed Value	Total Annual Percentage Change	Town Direct Tax Rate ²	Total Estimated Market Value	Total Taxable Assessed Value as a Percentage of Market Value
	Residential Property	Commercial Property	Agricultural Property								
2011	\$ 1,007,447,260	\$ 51,352,070	\$ 128,276,640	\$ 160,690,440	\$ 46,823,972	\$ 268,202,021	\$ 1,126,388,361	-6.33%	3.9404	\$ 2,030,640,740	55.47%
2012	\$ 967,580,110	\$ 44,081,160	\$ 130,689,460	\$ 160,579,690	\$ 45,941,532	\$ 259,862,760	\$ 1,089,009,192	-3.32%	3.9404	\$ 1,779,105,372	61.21%
2013	\$ 973,702,090	\$ 47,545,710	\$ 127,729,960	\$ 159,741,230	\$ 45,560,922	\$ 258,013,175	\$ 1,096,266,737	0.67%	3.9042	\$ 1,723,189,712	63.62%
2014	\$ 1,000,893,470	\$ 46,589,150	\$ 121,841,100	\$ 164,026,390	\$ 45,912,186	\$ 260,832,475	\$ 1,118,429,821	2.02%	3.9404	\$ 1,730,622,616	64.63%
2015	\$ 1,051,905,200	\$ 49,605,590	\$ 113,472,180	\$ 176,639,690	\$ 42,117,640	\$ 253,470,692	\$ 1,180,269,608	5.53%	4.2719	\$ 1,813,245,860	65.09%
2016	\$ 1,115,305,220	\$ 47,143,840	\$ 103,491,530	\$ 185,956,010	\$ 45,036,741	\$ 266,153,221	\$ 1,230,780,120	4.28%	4.3354	\$ 1,880,663,050	65.44%
2017	\$ 1,173,456,760	\$ 49,986,360	\$ 109,225,190	\$ 178,296,050	\$ 48,718,150	\$ 274,686,748	\$ 1,284,995,762	4.40%	4.4629	\$ 2,048,999,020	62.71%
2018	\$ 1,226,324,800	\$ 52,081,760	\$ 120,626,080	\$ 186,344,830	\$ 52,742,316	\$ 277,947,879	\$ 1,360,171,907	5.85%	4.4629	\$ 2,207,484,810	61.62%
2019	\$ 1,275,280,790	\$ 50,405,780	\$ 131,012,770	\$ 184,158,150	\$ 58,308,572	\$ 289,659,456	\$ 1,409,506,606	3.63%	4.8311	\$ 2,284,562,510	61.70%
2020	\$ 1,351,611,690	\$ 48,184,430	\$ 126,926,360	\$ 183,769,350	\$ 56,521,526	\$ 291,616,499	\$ 1,475,396,857	4.67%	4.6564	\$ 2,331,197,510	63.29%
*	\$ 1,114,350,739	\$ 48,697,585	\$ 121,329,127	\$ 174,020,183	\$ 48,768,356	\$ 270,044,493	\$ 1,237,121,497			\$ 1,982,971,120	62.39%
**	34.2%	-6.2%	-1.1%	14.4%	20.7%	8.7%	31.0%				

* Dollar average for ten years.

** Percentage change in dollars over ten years.

Notes:

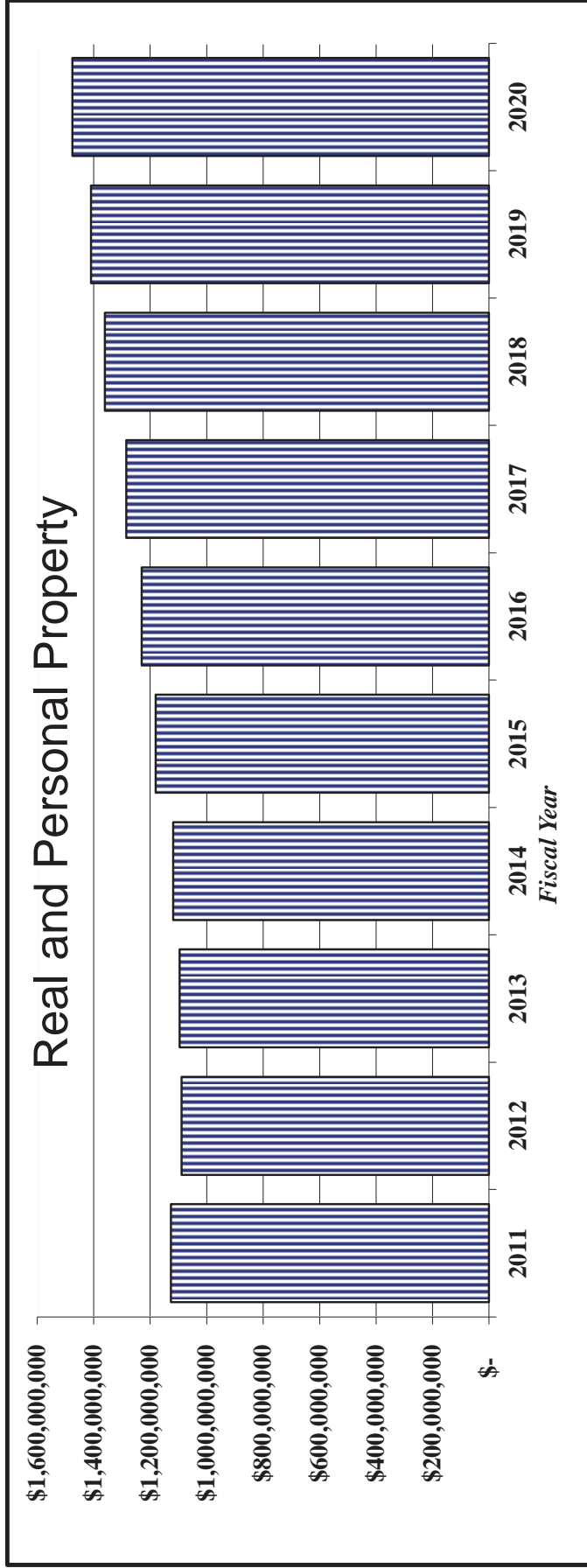
¹ Other includes: industrial, institutional, government, and miscellaneous.

² Tax rates expressed in rate per \$1,000.

Data Source:

Broward County Property Appraiser's Office.

Town of Southwest Ranches, Florida
 Chart-Total Taxable Assessed Value (Unaudited)
 Last Ten Fiscal Years
 (modified accrual basis of accounting)



Town of Southwest Ranches, Florida
Direct and Overlapping Property Tax Rates (Unaudited)
Last Ten Fiscal Years
(rate per \$1,000 of assessed taxable value)

Fiscal Year	Town of Southwest Ranches			Broward County			Broward County School Board			South Florida			South Broward			Total Direct and Overlapping Millage
	Operating Millage	TSDOR Millage ²	Total Town Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	Water Management District	FIN District ³	Children's Services Council	Hospital District	Broward District		
															Operating Millage	
2011	3.9404	-	3.9404	5.1021	0.4509	5.5530	7.6310	-	7.6310	0.6240	0.0345	0.4696	1.2732	0.4696	19.5257	
2012	3.9404	-	3.9404	5.1860	0.3670	5.5530	7.4180	-	7.4180	0.4363	0.0345	0.4789	0.7500	0.4789	18.6111	
2013	3.9042	-	3.9042	5.2576	0.2954	5.5530	7.4560	-	7.4560	0.4289	0.0345	0.4902	0.6000	0.4902	18.4668	
2014	3.9404	-	3.9404	5.4400	0.2830	5.7230	7.4800	-	7.4800	0.4110	0.0345	0.4882	0.4000	0.4882	18.4771	
2015	3.9404	0.3315	4.2719	5.4584	0.2646	5.7230	7.4380	-	7.4380	0.3842	0.0345	0.4882	0.1863	0.4882	18.5261	
2016	3.9404	0.3950	4.3354	5.4741	0.2489	5.7230	7.2030	0.0710	7.2740	0.3551	0.0320	0.4882	0.1737	0.4882	18.3814	
2017	4.0579	0.4050	4.4629	5.4474	0.2216	5.6690	6.8360	0.0703	6.9063	0.3307	0.0320	0.4882	0.1615	0.4882	18.0506	
2018	4.1017	0.3612	4.4629	5.4623	0.2067	5.6690	6.4740	0.0654	6.5394	0.3100	0.0320	0.4882	0.1496	0.4882	17.6511	
2019	4.4969	0.3342	4.8311	5.4792	0.1898	5.6690	6.2750	0.1279	6.4029	0.2936	0.0320	0.4882	0.1414	0.4882	17.8582	
2020	4.2125	0.4439	4.6564	5.4878	0.1812	5.6690	6.6350	0.1043	6.7393	0.2795	0.0320	0.4882	0.1260	0.4882	17.9904	

Notes:

¹ Overlapping rates are those of governments that overlap the Town's geographic boundaries.

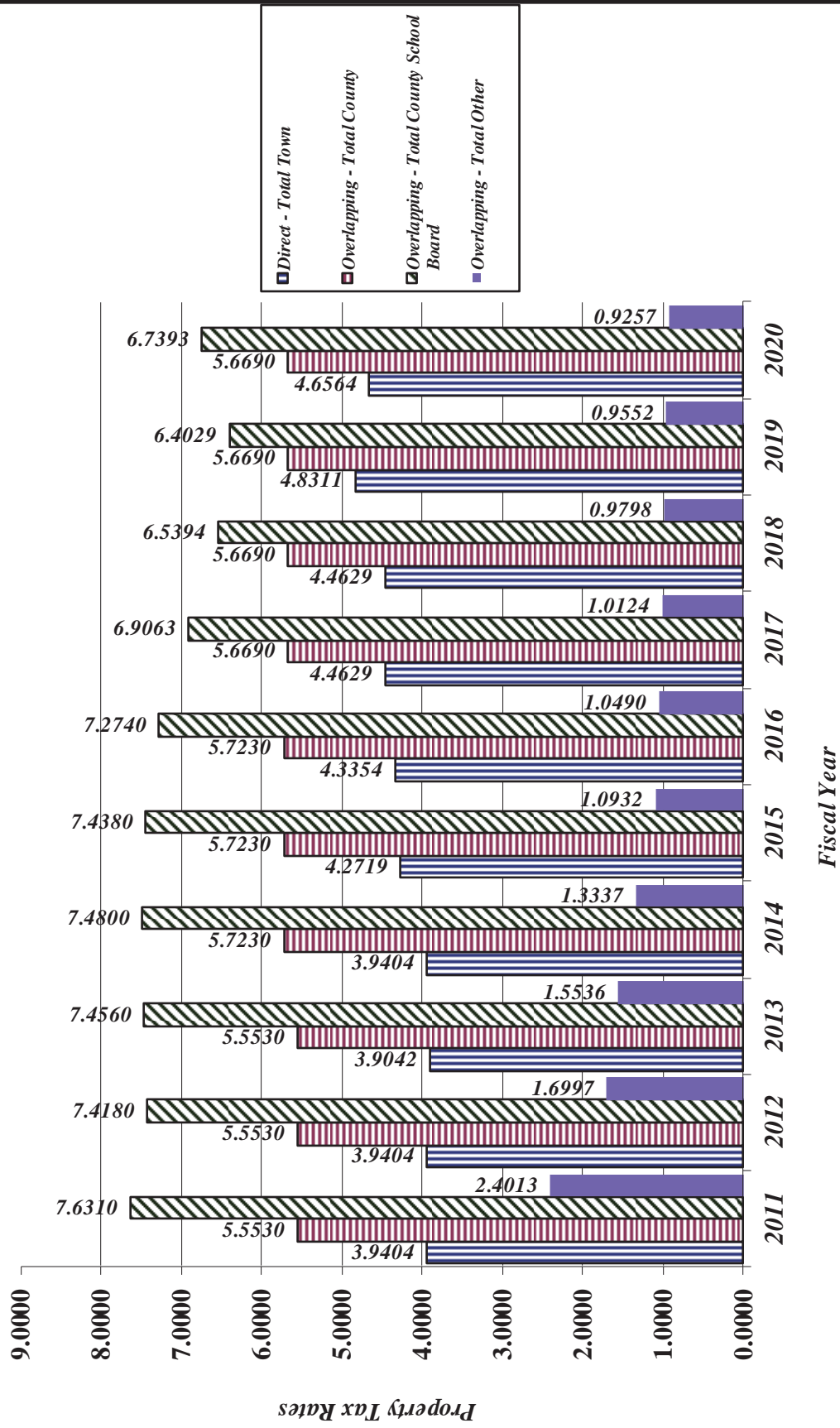
² TSDOR = Transportation Surface and Drainage Ongoing Rehabilitation Capital Improvement Project commenced in FY 2015.

³ Florida Inland Navigational District.

Data Source:

Broward County Property Appraiser Office.

Town of Southwest Ranches, Florida
 Chart-Direct and Overlapping Property Tax Rates (Unaudited)
 Last Ten Fiscal Years
 (rate per \$1,000 of assessed taxable value)



Town of Southwest Ranches, Florida
Total Property Tax Levies and Collections (Unaudited)
Last Ten Fiscal Years

Fiscal Year	Total Taxes Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy ¹		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount Collected	Percentage of Levy
2011	\$ 4,479,936	\$ 4,275,648	95.44%	\$ 61,831	\$ 4,337,479	96.82%
2012	\$ 4,318,983	\$ 4,131,352	95.66%	\$ 124,971	\$ 4,256,323	98.55%
2013	\$ 4,323,515	\$ 4,256,493	98.45%	\$ 64,519	\$ 4,321,012	99.94%
2014	\$ 4,433,004	\$ 4,389,935	99.03%	\$ (9,075)	\$ 4,380,860	98.82%
2015	\$ 5,142,216	\$ 4,964,524	96.54%	\$ 4,778	\$ 4,969,302	96.64%
2016	\$ 5,412,895	\$ 5,285,675	97.65%	\$ 7,547	\$ 5,293,222	97.79%
2017	\$ 5,800,986	\$ 5,687,676	98.05%	\$ 17,984	\$ 5,705,660	98.36%
2018	\$ 6,181,457	\$ 6,045,637	97.80%	\$ 17,372	\$ 6,063,009	98.08%
2019	\$ 6,832,483	\$ 6,783,089	99.28%	\$ 19,191	\$ 6,802,280	99.56%
2020	\$ 6,913,163	\$ 6,838,577	98.92%	\$ -	\$ 6,838,577	98.92%

Notes:

¹ Includes discount taken for early payment of property taxes and current year refunds.

Data Source:

Broward County Property Appraisal Office.

**Town of Southwest Ranches, Florida
Principal Real Property Taxpayers (Unaudited)
Current Year and Nine Years Prior**

FY 2020		FY 2011					
Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Coquina Station LLC	\$ 18,939,800	1	1.33%	Lowes Home Centers, Inc.	\$ 14,663,440	1	1.36%
Lowes Home Centers, Inc.	10,500,000	2	0.74%	US Retail Income Fund	13,388,080	2	1.24%
Cubsmart LP	7,716,960	3	0.54%	Raymond and Baidwatte Moses	4,891,310	3	0.45%
Toll Southeast LP	6,956,550	4	0.49%	YSI LLC	4,432,200	4	0.41%
Moses, Raymond & Baidwatte	6,050,160	5	0.43%	Landmark Custom Ranches	4,363,500	5	0.40%
Pintaluga, Eric & Robyn	5,678,400	6	0.40%	Wayne Peta, Gay & Reginald	4,313,680	6	0.40%
M-N-C Property Holdings LLC	4,845,420	7	0.34%	Finkel, Nathan & Jacqueline	4,117,450	7	0.38%
Mandalay Estates	4,663,920	8	0.33%	Marshall, Brandon	4,009,780	8	0.37%
Necuze, Gerrardo, & Marcia	4,322,290	9	0.30%	MGT Southwest Ranches	3,662,170	9	0.34%
John H Owoc Revocable Trust	4,292,740	10	0.30%	Levine, Susan	3,639,500	10	0.34%
Total Principal Taxpayers	73,966,240		5.21%	Total Principal Taxpayers	61,481,110		5.69%
All Other Taxpayers	1,344,909,091		94.79%	All Other Taxpayers	1,018,083,279		94.31%
Total Taxable Assessed Value	\$ 1,418,875,331		100.00%	Total Taxable Assessed Value	\$ 1,079,564,389		100.00%

Data Source:
Broward County Records, Taxes and Treasury Division.

**Town of Southwest Ranches, Florida
Principal Personal Property Taxpayers (Unaudited)
Current Year and Nine Years Prior**

FY 2020		FY 2011		
Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Principal Taxpayer
Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value
Florida Power and Light Co.	\$ 43,402,912	1	76.79%	Florida Power and Light Co.
AT&T Florida (formally Bellsouth Tele)	1,190,098	2	2.11%	Bellsouth Telecommunications
Sprint Spectrum	1,107,050	3	1.96%	Lowes Home Centers
Comcast	999,281	4	1.77%	Publix Supermarkets # 619
TIAA Commercial Finance Inc	885,076	5	1.57%	FPL Fibernet LLC
DraftPros	813,222	6	1.44%	Shell
Lowes Home Centers, Inc.	644,519	7	1.14%	Apple Tree Montessori School
Publix Supermarkets # 619	557,043	8	0.99%	Metro PCS
AT&T Mobility	465,273	9	0.82%	Applebees
Tom Thumb	423,124	10	0.75%	Walgreens
Total Principal Taxpayers	50,487,598		89.32%	Total Principal Taxpayers
All Other Taxpayers	6,033,928		10.68%	All Other Taxpayers
Total Taxable Assessed Value	\$ 56,521,526		100.00%	Total Taxable Assessed Value
				\$ 30,963,753
				2,561,311
				1,642,136
				884,373
				682,785
				416,820
				393,273
				391,599
				382,775
				379,040
				82.65%
				17.35%
				100.00%

Data Source:
Broward County Records, Taxes and Treasury Division.

Town of Southwest Ranches, Florida
Ratios of Outstanding Debt by Type (Unaudited)
Last Ten Fiscal Years

Governmental Activity Debt:

September 30,	Florida										Total	Percentage of Personal Income (1)	Total Debt Per Capita
	Municipal Loan Council					Florida Local Government Finance Commission Loans							
	Series 2001	TD Note Series 2011	TD Note Series 2013	Centennial Loan Payable	Capital Lease	TD Note Payable	TD Note Series 2016	SW Fund & Gov't Funds	TD LOC Series 2018	Total			
2011	\$ 4,194,416	\$ -	\$ -	\$ 443,039	\$ 62,439	\$ -	\$ -	\$ -	\$ -	\$ 7,199,894	0.0108%	\$ 980	
2012	\$ 4,077,574	\$ 2,335,175	\$ -	\$ 766,019	\$ 47,638	\$ -	\$ -	\$ -	\$ -	\$ 7,226,406	0.0092%	\$ 979	
2013	\$ 1,640,000	\$ 2,110,125	\$ 2,659,800	\$ 704,261	\$ 32,529	\$ -	\$ -	\$ -	\$ -	\$ 7,146,715	0.0089%	\$ 966	
2014	\$ 1,640,000	\$ 1,878,854	\$ 2,475,100	\$ 634,217	\$ 16,476	\$ -	\$ -	\$ -	\$ -	\$ 6,644,647	0.0082%	\$ 866	
2015	\$ 1,640,000	\$ 1,641,204	\$ 2,292,900	\$ 561,316	\$ -	\$ 206,500	\$ -	\$ -	\$ -	\$ 6,341,920	0.0074%	\$ 817	
2016	\$ -	\$ 1,397,000	\$ 2,108,500	\$ 485,506	\$ -	\$ 186,786	\$ 7,750,000	\$ -	\$ -	\$ 11,927,792	0.0137%	\$ 1,519	
2017	\$ -	\$ 1,146,061	\$ 1,917,300	\$ 406,540	\$ -	\$ 162,082	\$ 7,750,000	\$ -	\$ -	\$ 11,381,983	0.0125%	\$ 1,442	
2018	\$ -	\$ 888,201	\$ 1,724,500	\$ 324,526	\$ -	\$ 136,746	\$ 7,750,000	\$ 75,370	\$ -	\$ 10,899,343	0.0114%	\$ 1,370	
2019	\$ -	\$ 623,229	\$ 1,525,400	\$ 238,988	\$ -	\$ 110,761	\$ 7,750,000	\$ -	\$ -	\$ 10,248,378	0.0100%	\$ 1,284	
2020	\$ -	\$ 350,949	\$ 1,324,900	\$ 149,986	\$ -	\$ 84,111	\$ 7,750,000	\$ -	\$ -	\$ 9,659,946	{i}	\$ 1,214	

Business-Type Activity Debt:²

2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,655,855	0.0114%	\$ 459
2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,761,698	0.0100%	\$ 221
2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -

Notes:

¹ The percentage of personal income is based on personal income for Broward County since personal income for the Town is not available.

² Business-Type Activity Debt did not exist prior to 2018

Data Source:

Applicable years' comprehensive annual financial report.

{i} Information not available from County.

Town of Southwest Ranches, Florida
Debt Service Anti-Dilution Coverages (Unaudited)
(Amounts in thousands)

Fiscal Years 2020, 2019, 2018, 2017, 2016, 2015, 2014, 2013 and 2012¹
TD 2018 Emergency Line of Credit, Notes Payable Series 2016, 2013 and 2011
Test of Prior Two Year Average of Non Advallorem Revenues:

	Average Adjusted		Net		Total		Debt		Total		Debt		
	Non-Advallorem Revenues	Adjusted Essential Expenditures	Non-Advallorem Revenues Available for Debt Service	Adjusted Essential Expenditures	Annual Debt Service	Debt Service Coverage Ratio	Coverage Required	Excess Coverage	Max Annual Debt Service	Net Cash Flow	Debt Service Coverage Ratio	Excess Coverage	
2020	\$ 6,899	\$ 1,873	\$ 5,026	\$ 922	922	5.45 %	1.30 %	4.15 %	\$ 1,157	\$ 3,869	4.34 %	1.50 %	2.84 %
2019	\$ 6,577	\$ 2,000	\$ 4,577	\$ 1,026	1,026	4.46 %	1.30 %	3.16 %	\$ 1,263	\$ 3,314	3.62 %	1.50 %	2.12 %
2018	\$ 5,897	\$ 2,083	\$ 3,814	\$ 953	953	4.00 %	1.30 %	2.70 %	\$ 1,386	\$ 2,428	2.75 %	1.50 %	1.25 %
2017	\$ 5,634	\$ 1,936	\$ 3,698	\$ 925	925	4.00 %	1.30 %	2.70 %	\$ 1,152	\$ 2,546	3.21 %	1.50 %	1.71 %
2016	\$ 5,706	\$ 2,076	\$ 3,630	\$ 724	724	5.01 %	1.30 %	3.71 %	\$ 1,152	\$ 2,478	3.15 %	1.50 %	1.65 %

TD Notes Payable Series 2013 and 2011 - modified above during FY 2016 pursuant to TD Series 2016 issuance

	Total Annual		Debt Service Coverage Ratio		Excess Coverage		Total Debt Service		Total Debt Service Coverage Ratio		Excess Coverage		
	Revenues	Adjusted Essential Expenditures	Coverage Required	Excess Coverage	Max Annual Debt Service	Net Cash Flow	Debt Service Coverage Ratio	Coverage Required	Excess Coverage	Max Annual Debt Service	Net Cash Flow	Debt Service Coverage Ratio	
2015	\$ 1,937	\$ 723	1.30 %	1.38 %	\$ 734	\$ 1,203	2.68 %	1.30 %	1.38 %	\$ 734	\$ 1,203	2.64 %	1.50 %
2014	\$ 1,524	\$ 720	1.30 %	0.82 %	\$ 723	\$ 801	2.12 %	1.30 %	0.82 %	\$ 723	\$ 801	2.11 %	1.50 %
2013	\$ 1,842	\$ 712	1.30 %	1.29 %	\$ 723	\$ 1,119	2.59 %	1.30 %	1.29 %	\$ 723	\$ 1,119	2.55 %	1.50 %
2012	\$ 1,315	\$ 609	1.30 %	0.86 %	\$ 723	\$ 592	2.16 %	1.30 %	0.86 %	\$ 723	\$ 592	1.82 %	1.50 %

FMLC Loan Payable Series 2001 - retired during FY 2016

A. Test of Prior Two Year Average of Non Advallorem Revenues:

	Average Adjusted		Net		Total		Debt Service Coverage Ratio		Excess Coverage		Total Debt Service Coverage Ratio		Excess Coverage	
	Non-Advallorem Revenues	Adjusted Essential Expenditures	Non-Advallorem Revenues Available for Debt Service	Adjusted Essential Expenditures	Annual Debt Service	Debt Service Coverage Ratio	Coverage Required	Excess Coverage	Max Annual Debt Service	Net Cash Flow	Debt Service Coverage Ratio	Coverage Required	Excess Coverage	
2015	\$ 5,792	\$ 2,488	\$ 3,304	\$ 734	734	450.12 %	150.00 %	300.12 %	\$ 734	\$ 1,203	2.64 %	1.50 %	1.14 %	
2014	\$ 5,362	\$ 2,526	\$ 2,836	\$ 723	723	392.19 %	150.00 %	242.19 %	\$ 723	\$ 801	2.11 %	1.50 %	0.61 %	
2013 ²	\$ 4,970	\$ 2,368	\$ 2,602	\$ 723	723	359.89 %	150.00 %	209.89 %	\$ 723	\$ 1,119	2.55 %	1.50 %	1.05 %	

B. Projected Maximum annual debt service does not exceed 20% of Governmental Fund Revenues:

	Two Year Avg		Net total		Maximum Allowed Percentage		Excess Percentage	
	Governmental Funds Revenue	Debt Service Percentage	Governmental Funds Revenue	Debt Service Percentage	Maximum Allowed Percentage	Excess Percentage		
2015	\$ 11,376	6.45 %	\$ 11,376	6.45 %	20.00 %	13.55 %		
2014	\$ 10,192	7.09 %	\$ 10,192	7.09 %	20.00 %	12.91 %		
2013 ²	\$ 9,369	7.72 %	\$ 9,369	7.72 %	20.00 %	12.28 %		

Notes:

¹ 2012 is the oldest data readily available.

² 2013 is the oldest data readily available.

Data Source:

Applicable years' comprehensive annual financial reports and appropriate loan documentation.

**Town of Southwest Ranches, Florida
Overlapping Governmental Activities Debt (Unaudited)
September 30, 2020**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ¹</u>	<u>Estimated Share of Underlying Debt</u>
Overlapping Debt^{1, 2}			
Broward County	\$ 134,458,000	0.677890%	\$ 911,478
Broward County School Board	1,882,299,000	0.006828%	<u>128,532</u>
Sub-Total Overlapping Debt			1,040,010
Town Direct Debt			<u>9,659,946</u>
Total Direct and Overlapping Debt			<u><u>\$ 10,699,956</u></u>

Notes:

¹ Applicable percentage was estimated by determining the portion of the Town's assessed value that is within the County's geographic boundaries.

Data Source:

² Each specific government.

Town of Southwest Ranches, Florida
Demographic and Economic Statistics (Unaudited)
Last Ten Calendar Years

Calendar Year	Population ¹	(in \$1,000) Total Personal Income ^{2, 3}	Per Capita Personal Income ⁴	Unemployment Rate		
				County ³	State of Florida ⁵	United States ⁶
2011	7,345	\$ 66,797,269	\$ 38,101	9.3%	10.6%	9.1%
2012	7,385	\$ 78,687,882	\$ 44,429	7.5%	8.1%	7.8%
2013	7,396	\$ 80,525,783	\$ 45,120	5.6%	6.7%	7.3%
2014	7,676	\$ 80,905,552	\$ 44,850	5.2%	6.0%	5.7%
2015	7,761	\$ 85,167,498	\$ 46,607	4.9%	5.3%	5.0%
2016	7,852	\$ 86,987,787	\$ 46,906	4.6%	5.0%	4.9%
2017	7,892	\$ 91,224,860	\$ 48,680	3.3%	3.8%	4.2%
2018	7,958	\$ 95,409,356	\$ 50,269	2.8%	3.5%	3.7%
2019	7,981	\$ 102,145,579	\$ 51,820	2.8%	3.2%	3.5%
2020	7,957	\$ {i}	\$ {i}	7.8%	7.2%	7.9%

Notes:

There are no public schools located within the Town.

Data Sources:

¹ Florida Legislative Office of Economic and Demographic Research
2020 per US Census Bureau.

² 2010 and 2011 estimated by management.

³ Broward County comprehensive annual financial reports.

⁴ Broward County total personal income divided by the Broward County population.

⁵ Real Estate Center, <http://recenter.tamu.edu/data/emp/emps/st12.asp>.

⁶ U.S. Department of Labor, Bureau of Labor Statistics, <http://data.bls.gov/cgi-bin/surveymost> & US Census Quick Facts.

{i} Information not available from County

Town of Southwest Ranches, Florida
Principal Employers (Unaudited)
For the Fiscal Year Ended September 30, 2020 and 2011

		2020	
Employer	Type of Business	Number of Employees	Rank
Lowe's Home Centers, Inc.	Retail	165	1
Publix Supermarkets	Retail	157	2
Archbishop McCarthy High School	Private School	138	3
Romeus Cuban Restaurant	Restaurant	40	4
McDonald's	Restaurant	35	5
Starbucks Coffee Company	Restaurant	27	6
Walgreens	Retail	18	7
Original Pancake House	Restaurant	16	8
Apple Montessori School	Private School	15	9
R&R Garden Center	Nursery	6	10
Total Principal Employers		617	

		2011	
Employer	Type of Business	Number of Employees	Rank
Lowe's Home Centers, Inc.	Retail	125	1
Publix Supermarkets	Retail	100	2
Archbishop McCarthy High School	Private School	76	3
McDonald's	Restaurant	70	4
Applebee's Neighborhood Grill	Restaurant	46	5
Apple Montessori School	Private School	45	6
Romeus Cuban Restaurant	Restaurant	36	7
Original Pancake House	Restaurant	28	8
Starbucks Coffee Company	Restaurant	27	9
Walgreens	Retail	18	10
Total Principal Employers		571	

Data Source:
Town records.

Town of Southwest Ranches, Florida
Town Full-Time Funded Positions by Function/Program (Unaudited)
Last Ten Fiscal Years

Function/program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Town Commission	5	5	5	5	5	5	5	5	5	5
General Government:										
Town management	5	5	3	3	3	3	3	3	3	3
Community services ¹	10	10	14	13	13	15	13	13	13	13
Total General Government	15	15	17	16	16	18	16	16	16	16
Contracted Employees:										
General government, management services	4	4	4	4	4	4	4	4	4	4
Fire rescue	43	43	50	50	44	44	46	46	50	50
Emergency medical services	4	4	15	15	15	15	15	15	15	15
Police protection	15	15	15	16	16	16	16	16	16	16
Total Contracted Employees	66	66	84	85	79	79	81	81	85	85
Total	86	86	106	106	100	102	102	102	106	106
Percentage Change From Prior Year	41.0%	0.0%	23.3%	0.0%	-5.7%	2.0%	0.0%	0.0%	3.9%	0.0%

Notes:

¹ Community services includes parks and recreation, community development, transportation, executive, clerk and finance departments.

Data Source:

Town of Southwest Ranches Community Services and Finance Departments.

Town of Southwest Ranches, Florida
Operating Statistics by Function/Program (Unaudited) ¹
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
GENERAL GOVERNMENT:										
Building Permits Issued ²	433	422	403	407	377	531	566	636	609	625
Broward County ²	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Building Permits Closed ²	-	-	-	-	-	475	396	533	611	656
Building Inspections Conducted:										
CAP Government Services Inc.:	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Electrical ²	381	366	440	417	471	472	683	732	1087	1674
Fire ²	24	19	11	17	19	5	8	29	21	231
Mechanical ²	163	126	169	134	246	249	251	201	264	643
Plumbing ²	306	300	332	414	538	482	590	527	843	1618
Structural ²	1283	1457	1410	1526	1818	1624	1965	2282	2824	4425
Zoning ²	35	7	11	74	75	104	153	213	246	573
Other ²	13	2	3	28	24	20	39	109	83	332
Total building inspections	2,205	2,277	2,376	2,610	3,191	2,956	3,689	4,093	5,368	9,496
Certificates of Use Registrations ³	35	23	11	14	2	4	17	1	20	14
Planning & Zoning Permits Issued ³	213	177	153	148	196	230	318	238	317	279
FIRE:										
Emergency Responses ⁴	403	437	685	747	791	912	789	799	648	546
Station 112 Average Response Time ⁴	-	-	5:58	6:13	5:52	5:10	5:17	5:57	6:42	7:19
Inspections	40	31	98	98	165	84	146	185	202	170
POLICE: ⁵										
Physical arrests	132	77	54	43	43	33	29	33	43	38
Parking violations	2	-	2	-	-	-	3	-	-	71
Traffic violations	3,025	1,225	1,011	2,174	2,416	1,773	1,369	1,673	1,824	1,568
REFUSE COLLECTION: ⁶										
Residential SW- mo. avg in tons	10.89	26.45	287.54	262.29	258.71	257.34	344.16	261.58	257.77	282.79
Residential Recycling - mo. avg in tons	7.63	8.51	36.54	51.20	62.98	64.01	67.46	78.41	76.79	76.35
Residential Bulk - mo. avg in tons	78.90	70.11	593.63	698.53	790.07	719.54	1,283.00	707.96	687.68	736.01
OTHER PUBLIC WORKS: ⁶										
Street resurfacing (in miles)	-	0.95	-	-	-	2.28	-	2.95	-	-
Potholes repaired	107	112	88	93	107	222	224	255	183	164
WATER: ⁷										
New connections	1	1	-	1	3	4	3	10	5	3
Average daily consumption (thousands of gallons)	13.47	12.02	11.52	10.26	10.66	12.16	13.63	13.26	14.46	13.52
Peak monthly consumption (thousands of gallons)	556	440	419	428	417	420	483	502	526	485
General Government Tax Rates:										
Utility Services:										
Electric	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Communication Services	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%
Gas	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Franchises:										
Electric	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
Solid Waste (commercial)	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Towing	13%	13%	13%	13%	15%	15%	15%	15%	18%	18%

Notes:¹ Information not presented is not available.² Information provided by CAP Government Services Inc.³ Information provided by Code Services Inc. for 2011-2018 and JA Medina LLC for thereafter.⁴ Information provided by Broward County Sheriff's Office for western portion of Town and information for the eastern portion of the Town not available from the Town of Davie 2010-2011. Information for 2012 provided by Pembroke Pines. Information since 2013 provided by Town of Davie.⁵ Information provided by Town of Davie (2014-Present) and BSO (2010-2013).⁶ Information provided by Town Contractors. 2013 change from daily average to monthly pertaining to refuse collection.⁷ Information provided by City of Sunrise and Cooper City Public Works. The Town's residents obtain their water supply from wells and septic tanks except for certain residents who have privately connected with the City of Sunrise or Cooper City.

Town of Southwest Ranches, Florida
Capital Asset Statistics by Function/Program (Unaudited)
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
FIRE:										
Stations ¹	1	1	1	1	1	1	1	1	1	1
Vehicles owned ¹	3	3	3	3	3	3	3	3	3	3
POLICE:										
Stations ¹	-	-	-	-	-	-	-	-	-	-
Patrol units	15	15	15	16	16	16	16	16	16	16
OTHER PUBLIC WORKS:										
Streets (miles)	82	82	82	82	82	82	82	82	82	82
Streetlights ²	13	13	13	13	13	13	13	13	13	13
Vehicles owned ¹	-	-	-	-	-	2	2	2	2	2
PARKS AND RECREATION:										
Acreage	149.01	149.01	149.01	149.01	149.01	149.01	149.01	149.01	149.01	149.01
Community Center	-	-	-	-	1	1	1	1	1	1
Playgrounds	1	1	2	2	2	2	3	3	3	3
Equestrian ring	2	2	2	2	2	2	2	2	2	2
Picnic pavilion	1	1	1	1	2	2	4	4	5	5
Restroom facilities	1	1	1	1	3	3	3	3	3	3
Nature trails (miles)	1.5	1.5	1.5	1.5	1.5	5	5	5	5	5
Multi-use trails (miles)	17.35	17.35	17.35	17.35	17.35	17.35	17.35	17.35	17.35	17.35
Vehicles owned ¹	-	-	-	-	-	1	1	1	1	1
WATER:										
Water mains (miles) ³	12	12	12	12	12	12	12	12	12	12
Fire wells	285	285	285	286	286	286	286	284	284	291
Fire hydrants ⁴	-	-	-	-	-	-	95	95	95	117
Lakes (acres) ⁵	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Canals (miles) ⁶	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0

Data Sources:

Various Town departments unless otherwise noted.

Notes:

¹ Items not presented, provided by a contractor.

² Only streetlights and traffic signals are on Griffin Road which is owned and maintained by Broward County.

³ Information provided by City of Sunrise Utilities Department. Unable to determine how many miles of water mains have been added since 2005.

⁴ Information provided by Town of Davie Fire Marshall. Fire hydrants owned and maintained by City of Sunrise.

⁵ Information provided by South Broward Drainage District. Unable to obtain information from Central Broward Water Control District.

⁶ Information provided by South Broward Drainage District and Central Broward Water Control District.

REPORTING SECTION



2020 Town of Southwest Ranches Rural Public Arts & Design Advisory Board Photo Contest
Submitted by: Frank Espinosa

**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, Town Council and Town Administrator
Town of Southwest Ranches, 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 Town of Southwest Ranches, Florida (the "Town"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated March 5, 2021.

Internal Control over Financial Reporting

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

Town of Southwest Ranches, Florida

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town'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.



KEEFE McCULLOUGH

Fort Lauderdale, FL
March 5, 2021

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

To The Honorable Mayor, Town Council and Town Administrator
Town of Southwest Ranches, Florida

Report on the Financial Statements

We have audited the basic financial statements of the Town of Southwest Ranches, Florida (the "Town"), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated March 5, 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; 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 on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 5, 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 financial audit report. There were no findings and recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 to the financial statements.

Town of Southwest Ranches, Florida

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Town 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 Town 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 Town. It is management's responsibility to monitor the Town's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

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

Additional Matters

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

Purpose of this Letter

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



KEEFE McCULLOUGH

Fort Lauderdale, FL
March 5, 2021

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH
SECTION 218.415, FLORIDA STATUTES**

To The Honorable Mayor, Town Council and Town Administrator
Town of Southwest Ranches, Florida

We have examined the Town of Southwest Ranches, Florida's (the "Town") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2020. Management is responsible for the Town's compliance with the specified requirements. Our responsibility is to express an opinion on the Town's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Town complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Town's compliance with specified requirements.

In our opinion, the Town complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

This report is intended solely for the information and use of Members of the Town Council, management, and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Keefe McCullough

KEEFE McCULLOUGH

Fort Lauderdale, FL
March 5, 2021

CPA's + Trusted Advisors



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