



The City of  
**AVENTURA, FLORIDA**

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*Annual Comprehensive Financial Report  
For The Fiscal Year Ended  
**September 30, 2021***

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**OF THE**

**CITY OF AVENTURA, FLORIDA**

**FOR THE YEAR ENDED**

**SEPTEMBER 30, 2021**



**Prepared By**  
**The Finance Department**  
**Melissa Cruz, Finance Director**  
**Brent Rogers, Controller**

**City of Aventura, Florida**  
**Annual Comprehensive Financial Report**  
**For the Fiscal Year Ended September 30, 2021**

<b>Introductory Section (Unaudited):</b>	
Letter of Transmittal	i-viii
List of Principal Officials	ix
Organizational Chart	x
GFOA Certificate of Achievement	xi
<b>Financial Section:</b>	
Independent Auditor's Report	1-3
Management's Discussion and Analysis (Unaudited)	4-13
Basic Financial Statements:	
Government - Wide Financial Statements:	
Statement of Net Position	14
Statement of Activities	15
Fund Financial Statements:	
Balance Sheet - Governmental Funds	16
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Statement of Net Position - Proprietary Fund	20
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund	21
Statement of Cash Flows - Proprietary Fund	22
Statement of Net Position - Fiduciary Fund - Police Officers' Retirement Plan	23
Statement of Changes in Net Position - Fiduciary Fund - Police Officers' Retirement Plan	24
Notes to Basic Financial Statements	25-57
<b>Required Supplementary Information:</b>	
Budgetary Comparison Schedules:	
General Fund	58
Aventura City of Excellence School Fund	59
Don Soffer Aventura High School Fund	60
Transportation and Street Maintenance Fund	61
Notes to Budgetary Comparison Schedules	62
Schedule of Changes in Net Pension Liability and Related Ratios- Police Officers' Retirement Plan	63
Schedule of Contributions - Police Officers' Retirement Plan	64-65
Schedule of Investment Returns - Police Officers' Retirement Plan	66
Schedule of Changes in Total OPEB Liability and Related Ratios – Other Post-Employment Benefits	67
<b>Supplementary Information:</b>	
Combining and Individual Fund Financial Statements:	
Combining Balance Sheet - Nonmajor Governmental Funds	68
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	69

**City of Aventura, Florida**  
**Annual Comprehensive Financial Report**  
**For the Fiscal Year Ended September 30, 2021**  
**(continued)**

Budgetary Comparison Schedules:

Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Special Revenue Funds	70-71
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Debt Service Funds	72-75
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Projects Funds	76-77

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**Statistical Section (Unaudited):**

Net Position by Component	78
Changes in Net Position	79-80
Governmental Activities Tax Revenues by Source	81
Fund Balances of Governmental Funds	82
Changes in Fund Balances of Governmental Funds	83
General Governmental Revenues by Source	84
Assessed Value and Estimated Actual Assessed Value of Taxable Property	85
Property Tax Rates - Direct and Overlapping Governments	86
Principal Property Taxpayers	87
Property Tax Levies and Collections	88
Ratios of Outstanding Debt by Type	89
Ratios of General Bonded Debt Outstanding	90
Direct and Overlapping Governmental Activity Debt	91
Legal Debt Margin Information	92
Demographic and Economic Statistics	93
Occupational Employment by Group - Miami-Dade County, Florida	94
Full-Time Equivalent City Government Employees by Function	95
Operating Indicators by Function	96
Capital Asset Statistics by Function	97

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**Compliance Section:**

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	98-99
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance	100-101
Schedule of Expenditures of Federal Awards	102
Notes to Schedule of Expenditures of Federal Awards	103
Schedule of Findings and Questioned Costs	104
Management Letter in Accordance with the Rules of the Auditor General of the State of Florida	105-106
Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes	107



# INTRODUCTORY SECTION





# City of Aventura

Government Center  
19200 West Country Club Drive  
Aventura, Florida 33180

ENID WEISMAN  
MAYOR

**COMMISSIONERS**

RACHEL S. FRIEDLAND  
DENISE LANDMAN  
DR. LINDA MARKS  
MARC NAROTSKY  
ROBERT SHELLEY

RONALD J. WASSON  
CITY MANAGER

March 24, 2022

To the Honorable Mayor,  
Members of the City Commission  
and Citizens of the  
City of Aventura, Florida

In accordance with Section 11.45(3)(a) (4), Florida Statutes, and Article I, Section 4.11 of the City of Aventura (the "City") Charter, we hereby submit the City's Annual Comprehensive Financial Report (the "ACFR") for the fiscal year ended September 30, 2021. The ACFR includes an Introductory, Financial, Statistical and Compliance section. The financial statements included in the ACFR conform to accounting principles generally accepted in the United States ("GAAP") as set forth by the Governmental Accounting Standards Board ("GASB").

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal controls should not exceed their anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. We believe this data fairly reflects the financial position of the City and the results of its operation.

The Certified Public Accounting firm of Keefe, McCullough & Co., LLP has issued an unmodified ("clean") opinion on the City's financial statements for the fiscal year ended September 30, 2021. The independent auditor's report is located at the front of the Financial Section of this report.

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

Significant Factors Affecting the FY 2020/21 and FY 2021/22  
Operations and Operating and Capital Budget

At the time this Letter of Transmittal was prepared, we were two years into a global pandemic crisis known as "COVID-19". This ever-evolving situation is surrounded by economic uncertainty at every level and impacted the City's FY 2020/21 financial and logistical operations. Many of the additional expenditures that the City incurred during FY 2020/21 for PPE, vaccination and testing programs, premium pay, additional contractual services including sanitization services, legal fees and facility upgrades have been or are anticipated to be reimbursed from various Federal funding sources including:



- Federal Emergency Management Agency (“FEMA”)
- Coronavirus Emergency Supplemental Funding (“CESF”)
- Coronavirus Aid, Relief and Economic Security Act (“CARES”)

In addition, in FY 2020/21, as part of the American Rescue Plan Act, the U.S. Department of Treasury Coronavirus State and Local Fiscal Recovery Funds allocated \$18,525,074 to the City. The intent of the funds is to aid and assist eligible governmental entities in recovery efforts resulting from the economic fallout of the COVID-19 pandemic. At the time this letter was written, the City Commission approved the spending plan for approximately \$14 million of the allocation. Projects such as park improvements, IT software and hardware upgrades (including a new ERP), premium pay, radio communication system upgrades and stormwater and seawall replacement were included in the spending plan.

With the rollout of the COVID-19 vaccine in FY 2020/21, things are slowly returning to normal with more residents heading back to the office and venturing out to visit retail establishments and restaurants. The City’s revenues for the FY 2021/22 budget had been conservatively prepared under the assumption that our State Revenue Sharing categories will gradually recover from their COVID-19 lows.

At this time, it is unknown to what extent the societal, economic and financial norms of our State, County and local economies (i.e., travel and entertainment, restaurants, retail stores and office buildings) will be affected by the pandemic in the short and long-term and what impacts those may have on our current and future budgets.

We will continue to monitor this situation very closely and make adjustments to both our budgeted revenues and expenditures, if necessary. As a result of the pandemic, all capital items and projects were thoroughly reviewed and prioritized to avoid utilizing any General Fund reserves in balancing the FY 2021/22 operating and capital budget. However, it is important to note that while we definitely seem to be experiencing recovery from the pandemic, the emergence of other strains and variants is highly likely and can lead to future negative financial impacts. It is quite possible that as more “actual” economic data becomes available and if the economic outlook appears worse than originally anticipated, General Fund reserve funds may need to be utilized to provide temporary stabilization funds until affected revenues have had time to recover to their pre-COVID-19 levels.

## **PROFILE OF THE GOVERNMENT**

The City was incorporated on November 7, 1995 and is a political subdivision of the State of Florida. It is located on the Intracoastal Waterway in northeast Miami-Dade County (the “County”) between Miami and Fort Lauderdale. The City is 3.2 square miles and serves a population of more than 40,000 residents and 2,700 businesses.

Pursuant to its Charter, the City operates under a commission-manager form of government. Under this form of government, the City Commission (the “Commission”) and the City Manager are the legislative and executive branches of the government, respectively. The Commission enacts Ordinances, the laws of the City, adopts Resolutions authorizing actions on behalf of the City, reviews plans for development and establishes the policies by which the City is governed. The City Manager is the City’s Chief Executive Officer who oversees the day-to-day operations, administers the City’s service providers, prepares long-range plans and implements the policies established by the Commission.

The Commission is comprised of seven (7) members, including the Mayor and six (6) Commissioners. The Mayor is the ceremonial leader of the City and is considered to be “part-time.” The Mayor is elected at large to a four-year term. Each Commissioner has the same authority and ability to bring matters to and to discuss and vote on matters before the Commission. A Commissioner is considered to be “part-time” and is elected to serve a four-year term.

For election purposes, the William Lehman Causeway divides the City into two (2) areas. The City Charter requires that two (2) Commissioners reside in the northern area and two (2) Commissioners reside in the southern area and two (2) Commissioners and the Mayor shall be elected without regard to residence in any particular area.

#### Mission Statement

Our mission is to join with our community to make Aventura a city of the highest quality and a city of excellence. We do this by providing RESPONSIVE, COST EFFECTIVE AND INNOVATIVE local government services.

The City employed 177 full-time equivalent positions at September 30, 2021 and provides high-quality public services including General Government, Police, Community Services and Public Works/Transportation to its residents and business community.

In FY 2020/21, the Commission addressed the following priorities/goals either through formal adoption or supporting them through policy and/or initiatives:

#### *Enhance the safety and security of our residents, schools and businesses:*

- Continued community outreach initiatives to engage the community in joint problem solving and crime prevention techniques.
- Continued to utilize innovative technology throughout the community and with our business partners to prevent, reduce and solve crime.
- Expanded communications with the public by utilizing social media, community outreach and the Police Department's Community Advisory Panel.
- Increased the police overtime and events budgets to meet the increased number of police department sponsored events.

#### *Provide and support quality educational choices for Aventura students to succeed academically and become productive citizens:*

- Continued to operate Aventura City of Excellence School K-8 as an "A" rated high performing school and provide support services thorough various City departments.
- Opened the Don Soffer Aventura High School in August 2019.

#### *Maintain efficient and responsive government which embraces the highest standards of service and financial stability:*

- Had no increase in the tax rate for the 25<sup>th</sup> year in a row.
- Continued to focus on maintaining the City's infrastructure by providing nearly \$2.1 million in funding for park improvements and road resurfacing capital outlay projects.
- Maintained healthy reserves to address economic challenges and unforeseen emergencies.
- Continued the model of privatizing many City service areas while maintaining a small workforce which has allowed for a more cost-effective service delivery system, as compared to the traditional government structure.
- Continued to utilize technology to improve productivity and expand E-government applications.

#### *Continue to explore alternate transportation modes to alleviate traffic and support bicycle friendly initiatives:*

- Continue to fund the free Aventura Express Shuttle Bus system that serves nearly 10,000 riders a month and extend service to new developments.
- Continued to implement recommendations included in the Unfiled Master Plan for Pedestrian/Bicycle Connectivity.
- Maintained the Aventura BCycle bike share program.
- Launched the City's first on-demand ride sharing service in FY 2020/21 that serves nearly 2,500 riders a month. The City plans to expand on-demand services in FY 2021/22 through the addition of more vehicles.
- Continued to collaborate with state, county and local officials to address traffic issues.



### *Community Engagement, Parks, Programs and Special Events:*

- Funded part-time seasonal Park Attendants in order to provide adequate coverage in the peak season and accommodate increased attendance at our park facilities.
- Continued the afterschool program at the Community Recreation Center for Aventura students that attend Aventura Waterways K-8.
- Continued the youth travel soccer and basketball programs that were established to respond to the increased demand for these community services which are offset by user fees.
- Continued the “Community Ride with the Police Department” Special Event which provide opportunities for the residents to interact with the Police.
- Provided funding to maintain the Aventura Arts & Cultural Center as a state-of-the-art venue and to support a wide variety of programming for all age groups.
- Continued to fund Family Movie Nights at Founders Park.
- Provided adequate funding to maintain our parks and recreational facilities at a high level.
- Continued to employ the use of the Youth Advisory Board.

### *Environmental Sustainability and Go Green Initiatives*

- Maintained Tree City USA status.
- Continued to improve the energy efficiency of all City facilities including the replacement of worn air conditioning systems.
- Ensured that redevelopment projects that require land use/zoning revisions do not have a negative impact on the community.
- Included funding to continue to retrofit street lighting throughout the City with more energy efficient LED fixtures.
- Monitored and participated in regional efforts to address the impact of rising sea level as well as implemented recommendations found in the City's Comprehensive Stormwater Management Plan that address drainage improvements and the long-range impacts of climate change.
- Continued the “Go Green Award Program” sponsored by the Community Services Board to recognize condominiums and businesses that have made efforts to reduce energy consumption and implement recycling programs.
- Provide adequate funding to maintain our signature landscape, streets, rights-of-way and facilities and maintained the silver level certification recognition by the Florida Green Local Government Program.

### *Police Department*

On March 25, 2000, the Aventura Police Department (“APD”) became the youngest agency to ever receive accreditation status through the Commission on Accreditation for Law Enforcement Agencies, Inc. (“CALEA”). The accreditation means the APD has been recognized by an independent organization composed of representatives of the International Association of Chiefs of Police, the National Sheriff’s Association, the National Organization of Black Law Enforcement Executives and the Police Executive Research Forum and has complied with over 400 standards that have been established as benchmarks of excellence. The APD has met or exceeded international accreditation standards set by CALEA.

The CALEA accreditation process increases the agency’s ability to prevent and control crime through more effective and efficient delivery of law enforcement services to the community. The process enhances community understanding of the APD and its role in the community, its goals and objectives. For the 7<sup>th</sup> time, CALEA has awarded reaccreditation to the APD. This prestigious organization has awarded our agency with their Gold Standard and has recognized us as one of their flagship organizations. These coveted awards from a nationally recognized and independent organization, symbolizes the agency’s professionalism and distinction.

The APD is a leader in the field of technology. The agency completed full integration of our E911 system as well as our Computer Aided Dispatch (“CAD”) and Records Management System (“RMS”) for reports and computer dispatched calls for service. The merge has allowed our 911 dispatchers to instantly share knowledge of changing events with field units and simultaneously provide existing data on suspects and previous incidents.

The APD was the first municipality in the nation to implement shot detection technology in both of its charter schools. This cutting-edge technology that ties into our 911 center provides real time video and mapping location, to our officers and dispatchers, in the event a gunshot is detected on either school campus. We continue to use in car video systems, automatic license plate readers, city-wide TVMS capability and a host of other technological hardware and software to maintain the high level of service to our community.

We are very proud of our community service efforts and our newly formed Police Explorers Unit. The APD is continually looking for solutions and innovations to make truly make us the “City of Excellence”.

#### *Aventura City of Excellence School*

The City owns and operates the Aventura City of Excellence School (“ACES”). ACES is a K-8 Municipal Charter School that is part of the City’s government and not a separate legal entity or otherwise organized apart from the City. The School operates under a charter granted by the sponsor – the Miami-Dade County Public School District. The School has been well received and has been at full capacity since its inception and has obtained academic success by receiving an “A” grade from the State of Florida for the past 18 years. The School is budgeted to serve 1,032 students in the 2021/22 school year.

Since its opening on August 25, 2003, the Aventura City of Excellence School has achieved several milestones in the City’s short history including:

- Being the first School within the City’s boundaries and the first municipal sponsored charter school in the County.
- In 2005, the School amended the charter to include grades six through eight.
- In 2012, the School amended the charter to increase its capacity from 1,020 to 1,032 students beginning with the 2016/17 school year.

#### *Don Soffer Aventura High School*

The Don Soffer Aventura High School (“DSAHS”) is a tuition-free public charter school that opened in August 2019. The DSAHS currently has 623 9<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> grade students enrolled in its third year and will add grade 12 in the subsequent year for a total enrollment of 800 students. The 53,418 square-foot school and the 10,250 square-foot gymnasium are located on two (2) acres at 3151 NE 213<sup>th</sup> St., Aventura, FL 33180.

DSAHS is a municipal charter school managed by Charter Schools USA Inc. (“CSUSA”) and is governed by the City. CSUSA, the first education management company to receive corporation system-wide accreditation through AdvancED is one of the nation’s leading charter school management companies. CSUSA currently manages nearly 100 schools in five (5) states serving more than 75,000 students in kindergarten through 12<sup>th</sup> grade. CSUSA’s innovative educational advantages include advanced technology, meaningful parental involvement, student uniforms, consistent and fairly-enforced discipline policies, highly qualified and motivated staff, community focus, integrated character education and high academic growth and performance. Students at DSAHS will discover their passion and build a bridge between their rigorous high school experience and future to become impactful global citizens.

#### *Aventura Arts & Cultural Center*

The Aventura Arts & Cultural Center (“AACC”) is a beautiful 14,864 square-foot waterfront performing arts facility located on the intracoastal. Its mission is to enhance the quality of life for Aventura by providing a variety of performing arts and relevant cultural programming for audiences of all ages. The AACC has been managed by the Broward Center for the Performing Arts since its opening and is currently in its 11<sup>th</sup> season of operation. The AACC has become the cultural heart of the City as thousands have enjoyed a wide range of shows and events in this beautiful waterfront facility.

### Budget Process

The City's fiscal year begins on October 1<sup>st</sup> and ends on September 30<sup>th</sup> of each year as mandated by Florida statutes. The City Manager submits to the Commission the Proposed Operating and Capital Budget for the coming year no later than July 10<sup>th</sup> of each fiscal year. The preliminary millage rate is based on the certified taxable value that is received on July 1<sup>st</sup>. The appropriations contained in the proposed budget shall not exceed the funds derived from taxation and other revenue sources.

The budget is approved via Commission adoption of an Ordinance at two (2) public meetings scheduled for September and becomes effective October 1<sup>st</sup>. An annual appropriated budget is adopted for all governmental funds with the exception of the, Federal Forfeiture Fund, the Law Enforcement Trust Fund and the Don Soffer Aventura High School Foundation Fund. A separate budget document for the Aventura City of Excellence Fund and the Don Soffer Aventura High School Fund is adopted by the City in May of each year, based on an annual operational fiscal year ending as of June 30<sup>th</sup>. The City Manager is authorized to transfer part or all of an unencumbered appropriation balance within departments within a fund; however, any revisions that alter the total appropriations of any department or fund must be approved by the Commission. The classification detail at which expenditures may not legally exceed appropriations is at the department level.

## **ECONOMIC CONDITION AND OUTLOOK**

### Local Economy

The City is an affluent suburb in a metropolitan area and serves as a major retail and medical economic driver and attraction for South Florida. It is home to the 2.956 million square foot Aventura Mall, one of the biggest indoor shopping destinations in the greater Miami area, with 300+ luxury retail stores. The City is home to many other beautiful shopping centers, fine dining establishments, parks and the Aventura Hospital and Medical Center. A Brightline train station being constructed at the doorstep of the Aventura Mall is set to open in the coming year. It will provide a significant positive boom for the local economy.

In September 2021, the Commission adopted the budget for the fiscal year beginning October 1, 2021 with the same tax rate as the prior year of 1.726. This is the lowest rate in the County, making it the City's 26<sup>th</sup> year without a property tax increase. The City's property tax component is responsible for approximately 10% of the total tax bill, with the largest portions being incurred from the County and School Board. In FY 2021/22, the City will maintain the same service levels and programs that our residents and businesses enjoyed in the prior year with the following exceptions:

- The overtime in the Police Department operational budget was increased by \$25,000 due to an anticipated increase in workload demands covered by this category.
- The actuarial determined percentage for City contributions related to the Police Officers' Retirement Plan will increase from 21.310% to 21.776% in the coming year.
- Funding remains consistent with the prior year and is provided to maintain the number of part-time seasonal Park Attendant hours to ensure that adequate coverage is provided during the peak season and to accommodate increased attendance at our park facilities.
- The City will incur an 8% (\$207,000) decrease in health insurance premiums over the prior year.
- Non-Departmental Transfers has increased by approximately \$50,000 or 2.19% primarily due to the increase in transfer of Intersection Safety Camera Program revenue to the Aventura City of Excellence School Fund.
- In the coming year, the City and the Dade County Police Benevolent Association will be entering into the 3<sup>rd</sup> and final year of their most recent Collective Bargaining Agreement which

will expire on September 30, 2022. The financial considerations of that agreement have been incorporated into the FY 2021/22 operating budget.

More information about the City's economy may be obtained in the MD&A.

### Major Capital Improvements

One of the City's main priorities is to maintain its infrastructure to a high standard. As a result, the City completed the following major capital improvements during FY 2020/21:

- ✓ Porta Vita Pedestrian Crosswalk.
- ✓ Installation of School Zone Flashing Beacons at DSAHS.
- ✓ Emergency Repairs to the Yacht Club Seawall.
- ✓ Water Main Relocation Project at DSAHS.
- ✓ Locker Room Improvement Project at DSAHS.
- ✓ NE 29<sup>th</sup> Place and Aventura Boulevard Drainage Improvements.
- ✓ Tennis Court Enhancements at Founders Park.

In addition, the following major capital improvements were in process at the end of FY 2020/21:

- Peace Park Restrooms.
- Country Club Drive roadway curbing/drainage improvements.

## **LONG-TERM FINANCIAL PLANNING AND RELEVANT FINANCIAL POLICIES**

### Maintaining Adequate Fund Balances

The City follows GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions which requires that governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The City's policy is to maintain an adequate General Fund balance to meet seasonal shortfalls in cash flow and reduce susceptibility to emergency and unanticipated expenditures and/or revenue shortfalls. Some of our more significant fund balance classifications include:

Committed: This classification includes amounts that can be used only for the specific purposes as determined by adoption of an ordinance by the Commission. Once adopted, the limitation imposed by the ordinance remains in effect until another ordinance either removes or revises the limitation. Effective September 30, 2021, the Commission provided a General Fund Capital Reserve of approximately \$14.8 million and continued to maintain a Hurricane/Emergency and Disaster Recovery Reserve in the amount of \$5 million.

Unassigned: This classification includes the residual fund balance for the General Fund and represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

### Minimum Level of Unassigned Fund Balance of the General Fund

At the beginning of each fiscal year, the total unassigned fund balance shall not be less than 10% of the annual General Fund revenue. If in any fiscal year the City's unassigned fund balance falls below the required threshold, the City shall not utilize any unassigned fund balance to balance the budget. In addition, the City Manager will make every effort to reestablish the minimum unassigned fund balance in a 24 - 36-month period beginning with the year from which the reserve funds fell below the threshold. In FY 2021/22, 10% of the General Fund revenue approximates \$4.4 million, while at September 30, 2021 unassigned fund balance approximated \$24.2 million.

### Pay-As-You-Go Financing

Although the City Charter makes no reference to limitations in establishing debt (i.e., debt limit), the City has limited its borrowing to prudent levels that are able to be satisfied with existing revenue and cash flow projections. In order to minimize our debt issuance (and the related costs) to when it is absolutely necessary, the City has adopted a pay-as-you-go financing policy for CIP projects which include:

- A large number of projects having a relatively small dollar value.
- Projects which can be broken into phases with a portion completed each year without impairing the overall effectiveness of the project.
- Projects which are of a recurring nature.
- Projects where the assets acquired will have relatively short useful lives.

### Privatization of City Services

The City utilizes a model of privatizing many of its service areas in order to provide a more cost-effective service delivery system as compared to a traditional government structure. By utilizing outside contractors to provide Building Inspection, Engineering and other services, the City is able to quickly adjust the costs of such services in direct correlation to the demand for the related service.

## **AWARDS AND ACKNOWLEDGEMENTS**

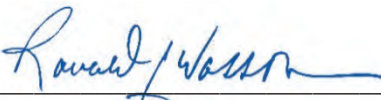
The Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Aventura for its annual comprehensive financial report for the fiscal year ended September 30, 2020. This was the 25<sup>th</sup> consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.


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

The City also received the GFOA’s Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning October 1, 2020. To qualify for the Distinguished Budget Presentation Award, the City’s budget document had to be judged proficient as a policy document, a financial plan, an operations guide and a communications device.

The preparation of this report would not have been possible without the efficient and dedicated service of the Finance Department and as such we would like to express our appreciation to all members of the Department who assisted in this effort. In addition, we give credit to City Commission for their continued interest and support in planning and conducting the City’s financial operations in a responsible and progressive manner.

Respectfully submitted,

  
\_\_\_\_\_  
Ronald J. Wasson  
City Manager

  
\_\_\_\_\_  
Melissa Cruz  
Finance Director

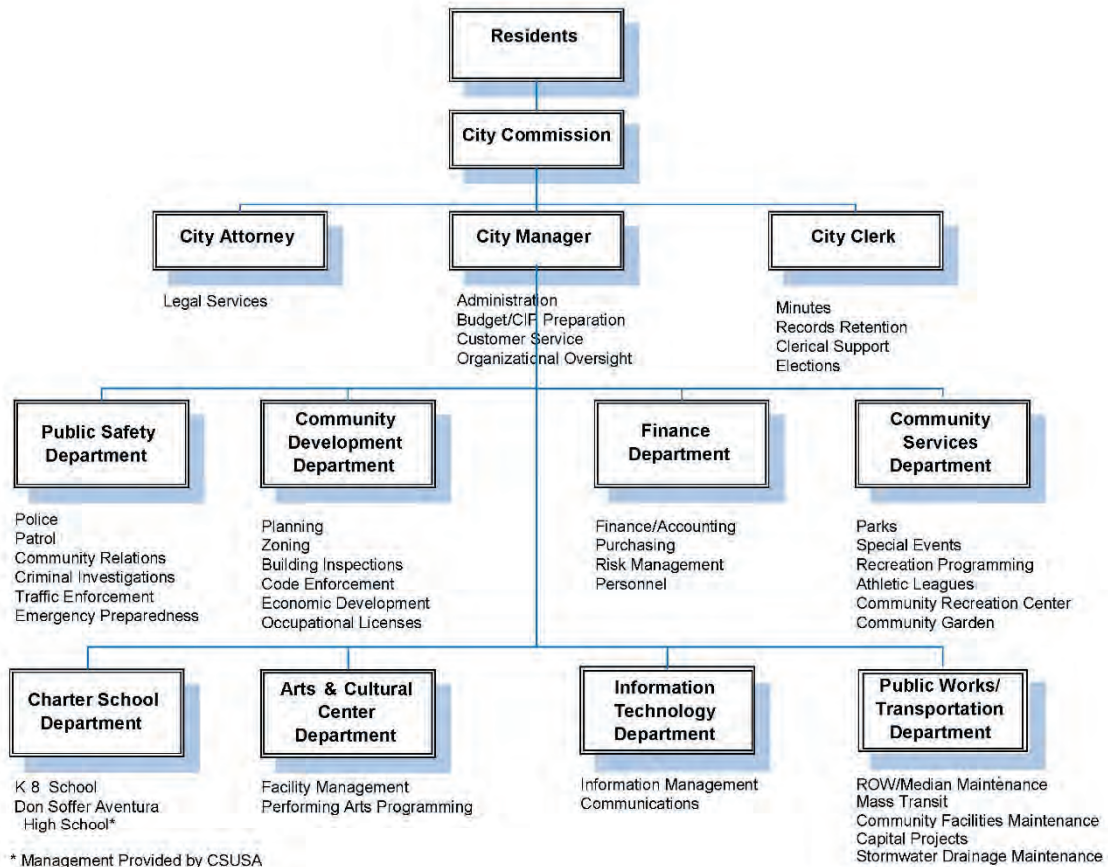
**CITY OF AVENTURA, FLORIDA  
LIST OF PRINCIPAL OFFICIALS**

<u>Title</u>	<u>Name</u>
Mayor	Enid Weisman
Vice Mayor	Rachel S. Friedland
Commissioner	Denise Landman
Commissioner	Dr. Linda Marks
Commissioner	Marc Narotsky
Commissioner	Robert Shelley
Commissioner	Vacant
City Manager	Ronald J. Wasson
City Attorney	Weiss Serota Helfman Cole & Bierman, P.L.
Community Development Director	Keven Klopp
Information Technology Director	Karen J. Lanke
Assistant City Manager	Bryan Pegues
Finance Director	Melissa Cruz
City Clerk	Ellisa L. Horvath
Arts & Cultural Center General Manager	Jeff Kiltie
Community Services Director	Kimberly Merchant
Public Works/Transportation Director	Joseph S. Kroll
Chief of Police	Michael Bentollila
Don Soffer Aventura High School Principal	Geoff McKee
Aventura City of Excellence School Principal	Anthony Tyrkala
City Auditor	Keefe McCullough & Co., LLP



# CITY OF AVENTURA

## Organizational Chart





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Aventura  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2020

*Christopher P. Morrill*

Executive Director/CEO



# FINANCIAL SECTION



## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and  
Members of the City Commission  
City of Aventura, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Aventura, Florida (the "City"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Aventura Police Officers' Retirement Plan Pension Trust Fund, which represent 97%, 97%, and 98%, respectively, of the assets, fund balance/net position, and revenues/additions of the aggregate remaining fund information. These statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Aventura Police Officers' Retirement Plan Pension Trust Fund, is based solely on the report of the other auditor. 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.

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

## **Opinions**

In our opinion, based on our audit and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2021, 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 on pages 4 through 13 and; the budgetary comparison schedules, schedule of changes in net pension liability and related ratios, schedule of contributions, schedule of investment returns and schedule of changes in total OPEB liability and related ratios on pages 58 through 67, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and is also not a required part of the basic financial statements.

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

City of Aventura, 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 24, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



KEEFE McCULLOUGH

Fort Lauderdale, Florida  
March 24, 2022



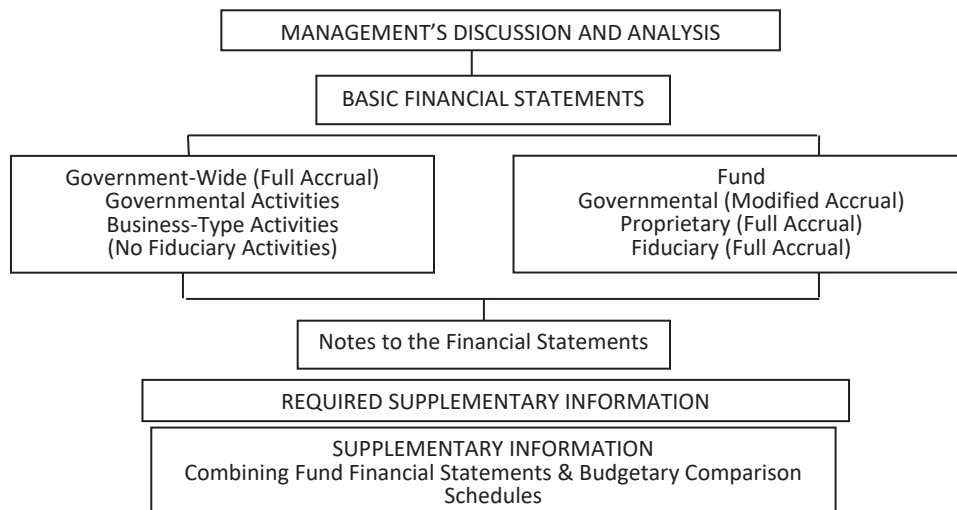
As the City of Aventura’s (the “City”) management, we offer the City’s financial statement readers this narrative overview and analysis of the City’s financial activities for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented herein in conjunction with the Letter of Transmittal, which can be found on pages i through viii of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

**Financial Highlights**

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$133.0 million (net position). Of this amount, approximately \$33.7 million represents unrestricted net position, which may be used to meet the City’s ongoing obligations to citizens and creditors.
- The City’s total net position increased by approximately \$1.1 million over the course of this year’s operations. The net position of governmental activities increased by approximately \$0.9 million while the net position of business type activities increased by approximately \$0.2 million.
- At the close of the current fiscal year, the City’s governmental funds reported combined fund balances of approximately \$51.7 million, an increase of approximately \$2.4 million in comparison with the prior year. Approximately 42% of this amount (\$21.7 million) is available for spending at the government’s discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance (the total of nonspendable, committed, assigned and unassigned components of fund balance) for the General Fund was \$45.5 million, or approximately 112% of total General Fund expenditures (inclusive of transfers out). Of this balance, \$5.0 million has been committed to the City’s disaster recovery fund, \$14.8 million has been committed to future capital projects, \$0.8 million has been assigned for encumbrances, \$0.7 million is classified as nonspendable and \$24.2 million is classified as unassigned.

**Overview of the Financial Statements**

The financial section of this annual report consists of four (4) parts—management’s discussion and analysis (this section), the basic financial statements, required supplementary information and supplementary information that presents combining and individual fund financial statements and budgetary comparison schedules.



**Major Features of the Basic Financial Statements**

	Government-Wide Financial Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except fiduciary activities)	Activities of the City that are not proprietary or fiduciary	Activities of the City that are operated similar to private business	Instances in which the City is the trustee or agent for someone else’s resources
Required financial statements	Statement of net position	Balance sheet	Statement of net position	Statement of net position
	Statement of activities	Statement of revenues, expenditures, and net changes in fund balances	Statement of revenues, expenses, and changes in net position Statement of cash flows	Statement of changes in net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset, liability, and deferred outflows/inflows information	All assets and liabilities, both financial and capital, and short-term and long-term. It also includes the consumption and the acquisition of net position that applies to future period(s).	Only assets expected to be used up and liabilities that come due during the year to soon thereafter, no capital assets and long term liabilities are included. It also includes the consumption and the acquisition of net position that applies to future period(s).	All assets and liabilities, both financial and capital, and short-term and long-term. It also includes the consumption and the acquisition of net position that applies to future period(s).	All assets and liabilities, both short-term and long-term. It also includes the consumption and the acquisition of net position that applies to future period(s).

**Basic Financial Statements**

Government-wide financial statements

The focus of the government-wide financial statements is on the City’s overall financial position and its activities. Reporting is similar to that of a private-sector business. The government-wide financial statements report information about the City as a whole and about its activities in a way that helps answer questions about the City’s financial health and whether the current year activities contributed positively or negatively to that health.

The City’s government-wide financial statements include the statement of net position and statement of activities. As described below, these statements do not include the City’s fiduciary activities because resources from these funds cannot be used to finance the City’s activities. However, the financial statements of fiduciary activities are included in the City’s fund financial statements because the City is financially accountable for those resources, even though they belong to other parties.

The Statement of Net Position presents the City’s long and short term financial information on the assets held and liabilities owed, as well its deferred outflows/inflows of resources. The City’s assets are reported when acquired and its liabilities are reported when they are incurred, regardless of the timing of the related cash flows to acquire these assets or liquidate such liabilities. For example, the City reports buildings and infrastructure as assets even though they are not available to pay the obligations it incurs. On the other hand, the City reports liabilities, such as other post-employment benefits even though these liabilities might not be paid until several years into the future. Deferred outflows/inflows of resources represent the consumption/acquisition, respectively, of net position that applies to a future period(s).

## Basic Financial Statements (continued)

### Government-wide financial statements (continued)

The difference between the City's total assets, deferred outflows of resources, total liabilities and deferred inflows of resources is net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the City's financial position is improving or deteriorating. Although the City's purpose is not to accumulate net position, in general, as this amount increases it indicates that the City's financial position is improving over time.

The Statement of Activities presents the revenues and expenses of the City. The items presented on the Statement of Activities are measured in a manner similar to the approach used in the private-sector, in that revenues are recognized when earned and expenses are reported when incurred. Accordingly, revenues are reported even when they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

Both of the government-wide financial statements distinguish City functions that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The City's governmental activities include general government, public safety, community services and public works. The City's business-type activities include stormwater utility.

### Fund financial statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to the City's specific activities rather than the City as a whole. Except for the General Fund, separate funds are established to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into three (3) categories: governmental funds, proprietary funds and fiduciary funds.

### Governmental funds

Financial statements consist of a balance sheet and a statement of revenues, expenditures, and changes in fund balances. These statements are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables but do not include capital assets such as land and buildings. The difference between the fund's total assets, deferred outflows of resources, total liabilities and deferred inflows of resources is fund balance, and generally indicates the amount that can be used to finance the next fiscal year's activities. The operating statement for governmental funds reports only those revenues that were collected during the current period or very shortly after the end of the year. Expenditures are recorded when incurred.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activities columns of the government-wide financial statements. However, because different accounting basis are used to prepare governmental fund financial statements and government-wide financial statements, there are often significant differences between the totals presented. For this reason, there is an analysis after the governmental funds balance sheet that reconciles the total fund balances for all governmental funds to the amount of net position presented in the governmental activities column on the statement of net position. Also, there is an analysis after the statement of revenues, expenditures and changes in fund balances that reconciles the total change in fund balances for all governmental funds to the change in net position as reported in the governmental activities column in the statement of activities.

## **Basic Financial Statements (continued)**

### Proprietary funds

Financial statements consist of a statement of net position, statement of revenues, expenses, and changes in net position and statement of cash flows. These statements are prepared on an accounting basis that is similar to the basis used to prepare the government-wide financial statements. For financial reporting purposes, proprietary funds are grouped into Enterprise Funds and Internal Service Funds.

The City uses Enterprise Funds to account for business-type activities that charge customers a fee for their use of specific goods or services. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Although the City does not have any Internal Service Funds, such funds are used to account for services provided and billed on an internal basis.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City has one major enterprise fund, the Stormwater Utility fund. A statement of cash flows is presented at the fund financial statement level for proprietary funds, but no equivalent statement is presented in the government-wide financial statements for either governmental activities or business-type activities.

### Fiduciary funds

Fiduciary funds are used to account for resources held for another party's benefit outside the government. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support the City's own programs. Fiduciary financial statements consist of a statement of net position and a statement of changes in net position. The City reports one fiduciary fund to account for the Police Officers' Retirement Plan.

### Notes to the financial statements

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

## **Required Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning various issues such as a comparison between the City's adopted and final budget and actual financial results for its General Fund and major special revenue funds (if applicable). The City adopts an annual appropriated budget for its governmental funds. A budgetary comparison schedule has been provided for the General Fund and major special revenue funds (if applicable) to demonstrate compliance with this budget. Required supplementary information is also presented for the City's defined benefit pension plan including a schedule of changes in net pension liability and related ratios, schedule of contributions, and schedule of investment returns, as well as a schedule of changes in total OPEB liability and related ratios.

## **Combining and Individual Fund Financial Statements and Budgetary Schedules**

Combining statements referred to earlier in connection with nonmajor governmental, internal service and fiduciary funds (as applicable) are presented immediately following the required supplementary information. Additional budgetary schedules are presented in this section including, as applicable, nonmajor special revenue funds, debt services funds and capital projects funds.

**Government-Wide Financial Analysis**

The table below presents a summary of net position as of 2021 and 2020, derived from the government-wide Statement of Net Position:

	Net Position (in thousands)					
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets:						
Current and other assets	\$ 69,084	\$ 60,266	\$ 673	\$ 917	\$ 69,757	\$ 61,183
Capital assets	<u>100,089</u>	<u>103,475</u>	<u>9,711</u>	<u>9,302</u>	<u>109,800</u>	<u>112,777</u>
Total assets	<u>169,173</u>	<u>163,741</u>	<u>10,384</u>	<u>10,219</u>	<u>179,557</u>	<u>173,960</u>
Total deferred outflows of resources	<u>6,734</u>	<u>6,756</u>	<u>-</u>	<u>-</u>	<u>6,734</u>	<u>6,756</u>
Liabilities:						
Long-term liabilities	30,581	33,458	-	-	30,581	33,458
Other liabilities	<u>19,981</u>	<u>13,847</u>	<u>49</u>	<u>106</u>	<u>20,030</u>	<u>13,953</u>
Total liabilities	<u>50,562</u>	<u>47,305</u>	<u>49</u>	<u>106</u>	<u>50,611</u>	<u>47,411</u>
Total deferred inflows of resources	<u>2,639</u>	<u>1,375</u>	<u>-</u>	<u>-</u>	<u>2,639</u>	<u>1,375</u>
Net position:						
Net investment in capital assets	81,619	83,259	9,711	9,302	91,330	92,561
Restricted	8,012	7,874	-	-	8,012	7,874
Unrestricted	<u>33,075</u>	<u>30,684</u>	<u>624</u>	<u>811</u>	<u>33,699</u>	<u>31,495</u>
Total net position	<u>\$ 122,706</u>	<u>\$ 121,817</u>	<u>\$ 10,335</u>	<u>\$ 10,113</u>	<u>\$ 133,041</u>	<u>\$ 131,930</u>

As noted earlier, net position may serve over time as a useful indication of a government's financial position. At the close of the most recent fiscal year, the City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by approximately \$133.0 million.

The largest component of the City's net position is net investment in capital assets and is 68.6% of total net position. This category reflects its investment in capital assets net of any outstanding related debt used to acquire these assets. The City uses these capital assets to provide its citizens with quality services. Consequently, this component of net position is not available for future spending. Although the capital assets are shown net of debt, it should be noted that the resources needed to repay this debt must be provided from other sources. The next largest portion of the City's net position is unrestricted (resources available for spending) and is 25.3% of total net position. Restricted net position represents 6.1% of total net position and contains resources that are subject to external restrictions on how they can be used.

Capital assets decreased approximately \$2.9 million and net investment in capital assets decreased by approximately \$1.2 million, primarily due to the net effect of new capital/infrastructure projects, increase in accumulated depreciation, disposal of equipment and decrease in related debt. The decrease in net investment in capital assets is due to depreciation outpacing current year additions and reductions in debt. Current and other assets increased by approximately \$8.6 million and other liabilities increase by \$ 6.1 million primarily due to the receipt of \$9.2 million of American Rescue Plan funds that are not yet recognized as revenue. Unrestricted net position in the governmental activities increased by approximately \$2.4 million.

**Government-Wide Financial Analysis (continued)**

Over time, increases and decreases in net position measure whether the City's financial position is improving or deteriorating. In the current fiscal year, property taxes decreased by approximately \$0.2 million as the assessed value of our taxable property decreased over the prior year coupled with no change in our ad valorem millage rate. Most of the City's operations are fully resumed after being suspended due to the impact from the COVID-19 pandemic, restoring lost revenue. The City experienced a \$0.6 million increase in building permit fees due to the resumption of construction activity. Operating grants and contribution increased by \$2.1 million due to expanded enrollment in the Don Soffer Aventura High School. Franchise fees increased by \$2.1 million, primarily due to a new electricity agreement with Florida Power and Light. Other revenues decrease by \$2.2 million as a result of lower investment earnings and the absence of impact fees assessed.

The table below presents a summary of changes in net position for the years ended September 30, 2021 and 2020, as derived from the government-wide Statement of Activities:

	Changes in Net Position (in thousands)					
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues and transfers:						
Program revenues:						
Charges for services	\$ 8,495	\$ 7,518	\$ 1,376	\$ 1,442	\$ 9,871	\$ 8,960
Operating grants and contributions	13,121	11,059	-	-	13,121	11,059
Capital grants and contributions	1,623	995	-	252	1,623	1,247
General revenues:						
Property taxes	17,347	17,557	-	-	17,347	17,557
Utility and other locally levied taxes	9,604	9,435	-	-	9,604	9,435
Franchise fees	4,381	2,202	-	-	4,381	2,202
Intergovernmental revenues	6,365	5,336	-	-	6,365	5,336
Other revenues	376	2,490	(83)	10	293	2,500
Net transfers	-	(68)	-	-	-	(68)
Total revenues and transfers	<u>61,312</u>	<u>56,524</u>	<u>1,293</u>	<u>1,704</u>	<u>62,605</u>	<u>58,228</u>
Expenses:						
General government	6,531	6,623	-	-	6,531	6,623
Public safety	26,135	25,293	-	-	26,135	25,293
Community services	21,582	20,174	-	-	21,582	20,174
Public works	5,491	5,078	-	-	5,491	5,078
Interest and fiscal charges	705	839	-	-	705	839
Stormwater utility	-	-	1,071	1,067	1,071	1,067
Total expenses	<u>60,444</u>	<u>58,007</u>	<u>1,071</u>	<u>1,067</u>	<u>61,515</u>	<u>59,074</u>
Change in net position	868	(1,483)	222	637	1,090	(846)
Net position, beginning of year	<u>121,817</u>	<u>123,300</u>	<u>10,113</u>	<u>9,476</u>	<u>131,930</u>	<u>132,776</u>
Restatement, Note 15	<u>21</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21</u>	<u>-</u>
Net position, end of year	<u>\$ 122,706</u>	<u>\$ 121,817</u>	<u>\$ 10,335</u>	<u>\$ 10,113</u>	<u>\$ 133,041</u>	<u>\$ 131,930</u>



## **Financial Analysis of the City of Aventura's Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### Governmental funds

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

The General Fund is the City's chief operating fund and at end of the current fiscal year its total fund balance approximated \$45.5 million. The City's approved fund balance policy requires a hurricane/emergency reserve of \$5.0 million. In addition, the Commission annually approves a portion of fund balance to be reserved for future capital projects. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to total general fund expenditures. Unassigned fund balance equals approximately \$24.1 million or 53% of the General Fund total fund balance. This amount represents approximately 59.8% of total general fund expenditures (inclusive of transfers out) and is available for spending at the government's discretion.

The total fund balance of the City's General Fund increased by \$3.8 million. During the current fiscal year revenues increased by \$3.1 million and expenditures increased by \$0.8 million, respectively. Many state-shared revenues rebounded from the prior year, including state revenue sharing and half-cent sales tax. These revenues increased by \$0.7 million and \$0.5 million, respectively. The City entered into new franchise agreement with the electricity provider, resulting in an additional \$2.1 million.

The Aventura City of Excellence School Fund is used to record the operations of the Aventura City of Excellence School ("ACES"). The School's fund balance decreased by \$1.2 million. Revenues decreased by \$0.5 million, and expenditures increased by approximately \$0.6 million due to the restrictions placed on extracurricular activities and the cancellation of field trips and after school activities caused by COVID-19.

The Don Soffer Aventura High School Fund is used to record the operations of the Don Soffer Aventura High School. This is the third year of operations for this Fund. The student population is being phased in over four years, with full enrollment expected in fiscal year 2022/23. The revenues and expenditures increased by approximately \$2.2 million and \$2.1 million, respectively.

The Transportation and Street Maintenance Fund is used to record the operations of transportation enhancements, street maintenance and construction costs, which are designated by State Statute and/or County Transit System Surtax Ordinance. The activities in this fund vary from year to year based on the projects planned. This year, the fund balance was flat compared to the prior year. Revenues decreased by approximately \$0.5 million, and expenditures decreased by approximately \$0.4 million.

The Aventura Charter High School Construction Fund is used to account for the costs to build the new Don Soffer Aventura High School. The costs were financed partially with \$7.1 million of debt and the remaining costs are covered with the City's funds and donations. The total cost is estimated to be approximately \$17.5 million. In the current year, construction costs were \$0.3 million, and prior years construction costs, in the aggregate, were approximately \$16.3 million.

**Financial Analysis of the City of Aventura’s Funds (continued)**

Proprietary fund

The proprietary fund is used to record the operations of the stormwater-related activities and experienced an increase in net position of \$0.2 million over the prior year. Revenues and expenses remained comparable to the prior year.

**General Fund Budgetary Highlights**

During the year, the original budget was amended to reflect an additional \$1.6 million in new revenues and expenditures. Revenues and expenditures were increased by approximately as follows:

- \$0.3 million expenditures related to the automatic reappropriation of capital-related encumbrances for capital projects that were in process at the end of fiscal year 2020.
- \$0.4 million related to the increase in building permit and planning review activity which was offset by additional revenue in their respective categories.
- \$0.2 million related to continuing costs to address the COVID-19 impact related to ensure a safe work environment.
- \$0.7 million for various operational needs.

During the year, revenues exceeded budgetary estimates and expenditures were less than budgetary estimates, resulting in the net increase to fund balance of approximately \$3.8 million. As explained earlier, much of the unrestricted fund balance will continue to be utilized in future years to fund various capital needs. Licenses and permits and intergovernmental revenue exceeded the revised budget by \$0.6 million and \$0.9 million, respectively due to higher than anticipated revenues in both categories. Non-departmental capital outlay was approximately \$15.6 million less than budgeted because the City budgets a reserve for future capital expenditures which accounts for a significant portion of the appropriated beginning fund balance.

**Capital Assets**

As of September 30, 2021 and 2020, the City had \$109.8 million and \$112.8, respectively, invested in a variety of capital assets, as reflected in the following schedule:

	Capital assets (in thousands, net of depreciation)					
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 25,645	\$ 25,645	\$ -	\$ -	\$ 25,645	\$ 25,645
Buildings	41,664	43,050	-	-	41,664	43,050
Improvements other than buildings	9,620	10,116	-	-	9,620	10,116
Furniture, machinery and equipment	4,552	4,732	-	-	4,552	4,732
Infrastructure	18,218	19,003	9,351	8,918	27,569	27,921
Construction in progress	390	929	360	384	750	1,313
<b>Total</b>	<b>\$ 100,089</b>	<b>\$ 103,475</b>	<b>\$ 9,711</b>	<b>\$ 9,302</b>	<b>\$ 109,800</b>	<b>\$ 112,777</b>

Additional information can be found in Note 7 - Capital Assets.

**Debt Administration**

As of year-end, the City had \$18.7 million in debt outstanding compared to the \$20.5 million last year, a \$1.8 million decrease. All debt is secured only by a covenant to budget and appropriate.

	Bonded Debt and Notes Payable (in thousands)					
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Non-Ad Valorem bonds	\$ 18,725	\$ 20,510	\$ -	\$ -	\$ 18,725	\$ 20,510

Additional information can be found in Note 8 - Long-Term Liabilities of Governmental Activities.

**Economic Factors and Next Year’s Budgets and Rates**

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 including cities, counties and school boards primarily rely on property and a limited array of permitted other taxes (e.g., utility taxes, franchise fees and business licenses) and intergovernmental revenues to provide funding for their governmental activities. For business-type activities and certain governmental activities (e.g., construction services and recreational programs), a fee or charge is paid by those that utilize the service.

Strong fiscal policies and prudent budgeting have enabled the City to maintain the lowest tax rate within the County while at the same time provide high-quality services to our residents. The City experienced a 0.94% decrease in property values over the prior year while the new construction assessed values rose by \$14.0 million over the same time. This is the 4th consecutive year in which we have seen a reduction in the City’s existing property values. The increase of property values related to new construction did not fully compensate for the decrease in existing property values. This resulted in 1.5% decrease in the City’s assessed value. For fiscal years 2020 and 2021 development activities slowed as a result of the effect of the COVID-19 pandemic. For the fiscal year 2022, the City expects an increase in the completion of several projects.

The budget does not include any significant expansion or additional areas of service except for the continued start-up costs associated with the 3rd year of operations of the Don Soffer Aventura High School and a full year of the operation of the On-Demand Transportation Services. Once again, our strong fiscal policies and prudent budgeting have assisted in the maintenance of all existing service levels and avoiding raising the tax rate for the 26th year in a row.

The FY 2021/22 budget totals \$60.4 million or 1.14% less than the previous year. Capital Outlay expenditures are budgeted at \$2.1 million a decrease of \$2.0 million as compared to the prior year. In the coming year, funding has been planned and provided for park improvements, road resurfacing projects as well as the continued investment in state-of-the-art technology to better serve and protect our residents. In addition, the City has made it a priority to maintain its infrastructure (e.g., government buildings and its park facilities) to a very high standard in order to ensure our service levels will be long into the future.

**Economic Factors and Next Year's Budgets and Rates (continued)**

Operating costs increased by approximately \$1,049,000 or 2.9% as compared to the previous year. The budget maintains our current level for all City services except the following areas:

- Police Department Salaries increase by approximately \$234,000 as a result of salary increase and projected overtime.
- The Community Development Department budget increased by approximately \$421,000 primarily in anticipation of the resumption of building activity to pre-pandemic levels.
- The Public Works/Transportation Department budget increased by approximately \$82,000 as a result of additional personnel.
- The remaining increase in the budget was spread across the remaining departments and the Non-Departmental, with the exception of the Information Technology Department. The decrease in the Information Technology department was a result of reclassifying an employee and certain services to the City Manager Department.

**Requests for Information**

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. If you should have any questions pertaining to the information presented in this report or would like additional information, please contact the City's Finance Director at 19200 W. Country Club Drive, Aventura, Florida 33180.



# BASIC FINANCIAL STATEMENTS



**City of Aventura**  
**Statement of Net Position**  
**September 30, 2021**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Assets:</b>			
Cash, cash equivalents and investments	\$ 64,874,381	\$ 445,283	\$ 65,319,664
Receivables, net of allowance for uncollectibles	1,796,193	-	1,796,193
Due from other governments	1,623,097	227,659	1,850,756
Prepays and other assets	768,184	-	768,184
Inventories	23,144	-	23,144
Capital assets:			
Nondepreciable	26,034,213	359,794	26,394,007
Depreciable, net of accumulated depreciation	74,054,368	9,351,205	83,405,573
Total assets	<u>169,173,580</u>	<u>10,383,941</u>	<u>179,557,521</u>
<b>Deferred outflows of resources:</b>			
Deferred outflows relating to pensions	4,948,696	-	4,948,696
Deferred outflows relating to other post employment benefits (OPEB)	1,530,498	-	1,530,498
Deferred charge on refunding	255,098	-	255,098
Total deferred outflows of resources	<u>6,734,292</u>	<u>-</u>	<u>6,734,292</u>
<b>Liabilities:</b>			
Accounts payable	2,179,836	49,081	2,228,917
Accrued liabilities	4,316,741	-	4,316,741
Due to other governments	23,376	-	23,376
Unearned revenues	9,995,354	-	9,995,354
Accrued interest payable	56,730	-	56,730
Internal balances	127,051	-	127,051
Due within one year:			
Compensated absences payable	1,436,972	-	1,436,972
Bonds payable	1,845,000	-	1,845,000
Due in more than one year:			
Compensated absences payable	2,668,662	-	2,668,662
Bonds payable	16,880,000	-	16,880,000
Net pension liability	8,894,988	-	8,894,988
Other post employment benefits (OPEB) liability	2,137,378	-	2,137,378
Total liabilities	<u>50,562,088</u>	<u>49,081</u>	<u>50,611,169</u>
<b>Deferred inflows of resources:</b>			
Deferred inflows relating to pensions	1,988,336	-	1,988,336
Deferred inflows relating to other post employment benefits (OPEB)	651,157	-	651,157
Total deferred inflows of resources	<u>2,639,493</u>	<u>-</u>	<u>2,639,493</u>
<b>Net position:</b>			
Net investment in capital assets	81,618,679	9,710,999	91,329,678
Restricted for:			
Public works/transportation	6,065,586	-	6,065,586
Public safety/law enforcement	855,758	-	855,758
Capital projects	792,900	-	792,900
Debt service	297,898	-	297,898
Unrestricted	33,075,470	623,861	33,699,331
Total net position	<u>\$ 122,706,291</u>	<u>\$ 10,334,860</u>	<u>\$ 133,041,151</u>

\* Charter Schools are presented as of June 30, 2021.

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



**City of Aventura, Florida  
Statement of Activities  
For the Year Ended September 30, 2021**

Functions/Programs:	Program Revenues			Net Revenue (Expense) and Change in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental activities:							
General government	\$ 6,530,759	\$ -	\$ 379,014	\$ -	\$ (6,151,745)	\$ -	\$ (6,151,745)
Public safety	26,134,934	7,257,567	178,020	-	(18,699,347)	-	(18,699,347)
Community services	21,581,551	1,187,005	12,551,442	1,623,343	(6,219,761)	-	(6,219,761)
Public works	5,490,916	50,451	12,676	-	(5,427,789)	-	(5,427,789)
Interest and fiscal charges	705,175	-	-	-	(705,175)	-	(705,175)
Total governmental activities	60,443,335	8,495,023	13,121,152	1,623,343	(37,203,817)	-	(37,203,817)
Business-type activities:							
Stormwater utility	1,071,324	1,376,473	-	-	-	305,149	305,149
Total primary government	\$ 61,514,659	\$ 9,871,496	\$ 13,121,152	\$ 1,623,343	\$ (37,203,817)	\$ 305,149	\$ (36,898,668)
General revenue:							
Ad valorem taxes					17,346,855	-	17,346,855
Utility service and other locally levied taxes					9,604,135	-	9,604,135
Franchise fees					4,381,329	-	4,381,329
Intergovernmental, unrestricted					6,364,811	-	6,364,811
Investment income					75,749	709	76,458
Miscellaneous					299,850	(83,813)	216,037
Total general revenues					38,072,729	(83,104)	37,989,625
Change in net position					868,912	222,045	1,090,957
Net position, beginning, as restated					121,837,379	10,112,815	131,950,194
Net position, ending					\$ 122,706,291	\$ 10,334,860	\$ 133,041,151

\* Charter Schools are presented for the year ended June 30, 2021.

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

**City of Aventura, Florida**  
**Balance Sheet - Governmental Funds**  
**September 30, 2021**

	Major Funds						Total Governmental Funds
	General Fund	Aventura City of Excellence School Fund *	Don Soffer Aventura High School Fund *	Transportation and Street Maintenance Fund	Aventura Charter High School Construction Fund	Nonmajor Governmental Funds	
<b>Assets:</b>							
Cash and cash equivalents and investments	\$ 54,924,559	\$ 1,487,177	\$ 91,739	\$ 6,019,004	\$ 18,523	\$ 2,333,379	\$ 64,874,381
Accounts receivable, net	1,796,140	-	53	-	-	-	1,796,193
Due from other funds	2,149,450	-	-	-	-	-	2,149,450
Due from other governments	752,589	647,609	-	180,207	-	42,692	1,623,097
Inventories	23,144	-	-	-	-	-	23,144
Prepaid items and other assets	673,728	9,466	13,553	-	-	-	696,747
<b>Total assets</b>	<b>\$ 60,319,610</b>	<b>\$ 2,144,252</b>	<b>\$ 105,345</b>	<b>\$ 6,199,211</b>	<b>\$ 18,523</b>	<b>\$ 2,376,071</b>	<b>\$ 71,163,012</b>
<b>Liabilities:</b>							
Accounts payable	\$ 1,369,784	\$ 640,481	\$ 28,027	\$ 133,625	\$ -	\$ 7,919	\$ 2,179,836
Accrued liabilities	3,351,612	540,681	279,225	-	-	145,223	4,316,741
Due to other funds	-	-	1,776,501	-	500,000	-	2,276,501
Due to other governments	23,376	-	-	-	-	-	23,376
Unearned revenues	9,995,354	-	-	-	-	-	9,995,354
<b>Total liabilities</b>	<b>14,740,126</b>	<b>1,181,162</b>	<b>2,083,753</b>	<b>133,625</b>	<b>500,000</b>	<b>153,142</b>	<b>18,791,808</b>
<b>Deferred inflows of resources:</b>							
Unavailable revenues	113,095	572,752	-	-	-	-	685,847
<b>Total deferred inflows of resources</b>	<b>113,095</b>	<b>572,752</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>685,847</b>
<b>Fund balances:</b>							
<b>Nonspendable:</b>							
Inventories	23,144	-	-	-	-	-	23,144
Prepaid items and other assets	673,728	9,466	13,553	-	-	-	696,747
<b>Restricted for:</b>							
Public works/transportation	-	-	-	6,065,586	-	-	6,065,586
Public safety/law enforcement	-	-	-	-	-	855,758	855,758
Capital projects	-	-	-	-	-	792,900	792,900
Debt service	-	-	-	-	-	297,898	297,898
<b>Committed for:</b>							
Capital reserves	14,772,304	-	-	-	-	-	14,772,304
Hurricane/emergency and disaster recovery operating reserves	5,000,000	-	-	-	-	-	5,000,000
<b>Assigned for:</b>							
Charter school operations	-	380,872	-	-	-	276,373	657,245
Encumbrances	841,192	-	-	-	-	-	841,192
<b>Unassigned</b>	<b>24,156,021</b>	<b>-</b>	<b>(1,991,961)</b>	<b>-</b>	<b>(481,477)</b>	<b>-</b>	<b>21,682,583</b>
<b>Total fund balances (deficit)</b>	<b>45,466,389</b>	<b>390,338</b>	<b>(1,978,408)</b>	<b>6,065,586</b>	<b>(481,477)</b>	<b>2,222,929</b>	<b>51,685,357</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficit)</b>	<b>\$ 60,319,610</b>	<b>\$ 2,144,252</b>	<b>\$ 105,345</b>	<b>\$ 6,199,211</b>	<b>\$ 18,523</b>	<b>\$ 2,376,071</b>	<b>\$ 71,163,012</b>

\* As of June 30, 2021.

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

**City of Aventura, Florida**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Position**  
**September 30, 2021**

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Amounts reported for governmental activities in the statement of net position are different as a result of:

Total fund balances - governmental funds	\$	51,685,357
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:

Governmental capital assets	\$ 178,435,140	
Less accumulated depreciation	<u>(78,346,559)</u>	100,088,581

Certain revenues are considered deferred inflows of resources in the fund financial statements due to availability of funds; under full accrual accounting they are considered revenues.		685,847
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Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the governmental funds:

Bonds payable	\$ (18,725,000)	
Other post employment benefits (OPEB) liability	(2,137,378)	
Net pension liability	(8,894,988)	
Compensated absences	(4,105,634)	
Accrued interest payable	(56,730)	
Deferred charge on refunding	<u>255,098</u>	(33,664,632)

Certain funds related to pension and other post employment benefits (OPEB) liabilities; are not reported in the governmental funds:

Prepaid pension contributions	\$ 71,437	
Deferred outflows relating to pensions	4,948,696	
Deferred inflows relating to pensions	(1,988,336)	
Deferred outflows relating to other post employment benefits (OPEB)	1,530,498	
Deferred inflows relating to other post employment benefits (OPEB)	<u>(651,157)</u>	<u>3,911,138</u>

Net position of governmental activities	\$	<u><u>122,706,291</u></u>
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The accompanying notes to financial statements are an integral part of these statements.

**City of Aventura, Florida**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended September 30, 2021**

	Major Funds						Total Governmental Funds
	General Fund	Aventura City of Excellence School Fund *	Don Soffer Aventura High School Fund *	Transportation and Street Maintenance Fund	Aventura Charter High School Construction Fund	Nonmajor Governmental Funds	
<b>Revenues:</b>							
Ad valorem taxes	\$ 17,346,855	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,346,855
Utility service and other locally levied taxes	9,696,071	-	-	-	-	-	9,696,071
Franchise fees	4,381,329	-	-	-	-	-	4,381,329
Licenses and permits	2,872,946	-	-	-	-	-	2,872,946
Intergovernmental revenues	4,591,308	8,757,569	4,023,241	2,293,405	750,000	101,482	20,517,005
Charges for services	3,229,094	169,618	37,562	50,451	-	-	3,486,725
Fines and forfeitures	2,029,183	-	-	-	-	106,169	2,135,352
Investment income	48,634	6,435	40	9,134	8,680	2,826	75,749
Miscellaneous	33,454	253,183	33,214	-	-	19,549	339,400
<b>Total revenues</b>	<b>44,228,874</b>	<b>9,186,805</b>	<b>4,094,057</b>	<b>2,352,990</b>	<b>758,680</b>	<b>230,026</b>	<b>60,851,432</b>
<b>Expenditures:</b>							
<b>Current:</b>							
General government	5,658,476	-	-	-	-	5,788	5,664,264
Public safety	24,727,699	-	-	-	-	100,827	24,828,526
Community services	3,360,958	9,599,627	4,336,471	-	-	-	17,297,056
Public works	3,388,995	-	-	1,841,749	-	-	5,230,744
Capital outlay	959,631	412,193	566,737	547,315	260,130	189,513	2,935,519
<b>Debt service:</b>							
Principal	-	-	-	-	-	1,785,000	1,785,000
Interest	-	-	-	-	-	670,435	670,435
<b>Total expenditures</b>	<b>38,095,759</b>	<b>10,011,820</b>	<b>4,903,208</b>	<b>2,389,064</b>	<b>260,130</b>	<b>2,751,563</b>	<b>58,411,544</b>
Excess (deficiency) of revenues over expenditures	6,133,115	(825,015)	(809,151)	(36,074)	498,550	(2,521,537)	2,439,888
<b>Other financing sources (uses):</b>							
Transfers in	-	100,000	150,000	-	-	2,494,214	2,744,214
Transfers out	(2,300,214)	(444,000)	-	-	-	-	(2,744,214)
<b>Total other financing sources (uses)</b>	<b>(2,300,214)</b>	<b>(344,000)</b>	<b>150,000</b>	<b>-</b>	<b>-</b>	<b>2,494,214</b>	<b>-</b>
Net change in fund balances	3,832,901	(1,169,015)	(659,151)	(36,074)	498,550	(27,323)	2,439,888
<b>Fund balances (deficit), beginning of year, as restated</b>	<b>41,633,488</b>	<b>1,559,353</b>	<b>(1,319,257)</b>	<b>6,101,660</b>	<b>(980,027)</b>	<b>2,250,252</b>	<b>49,245,469</b>
<b>Fund balances (deficit), end of year</b>	<b>\$ 45,466,389</b>	<b>\$ 390,338</b>	<b>\$ (1,978,408)</b>	<b>\$ 6,065,586</b>	<b>\$ (481,477)</b>	<b>\$ 2,222,929</b>	<b>\$ 51,685,357</b>

\* For the year ended June 30, 2021.

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

**City of Aventura, Florida**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended September 30, 2021**

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

Net change in fund balances - total governmental funds	\$	2,439,888
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Governmental funds report capital outlays 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.

Expenditure for capital assets	\$	2,174,877	
Less: net book value of retirements and transfers		(20,001)	
Less: current year depreciation		<u>(5,541,689)</u>	(3,386,813)

Revenues that are earned but not received within the availability period are recognized in the statement of activities when earned and subsequently recognized in the governmental fund financial statements as they become available. The difference is recorded as a reconciling item.	480,816
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Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	1,785,000
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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 governmental funds:

Change in other post employment benefits (OPEB) liability	\$	232,747	
Change in net pension liability		1,073,597	
Change in compensated absences		(421,899)	
Amortization of deferred charges		(39,161)	
Change in accrued interest payable		<u>4,421</u>	849,705

Certain changes related to pension and other post employment benefits (OPEB) liabilities are not reported in the net change in the governmental funds:

Change in deferred outflows relating to pensions	\$	(82,822)	
Change in deferred inflows relating to pensions		(724,105)	
Change in prepaid pension contributions		(53,406)	
Change in deferred outflows relating to other post employment benefits (OPEB)		100,755	
Change in deferred inflows relating to other post employment benefits (OPEB)		<u>(540,106)</u>	<u>(1,299,684)</u>

Change in net position of governmental activities	\$	<u><u>868,912</u></u>
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The accompanying notes to financial statements are an integral part of these statements.

**City of Aventura, Florida**  
**Statement of Net Position**  
**Proprietary Fund**  
**September 30, 2021**

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	<b>Stormwater Utility Fund</b>
	<u>                    </u>
<b>Assets:</b>	
Current assets:	
Cash, cash equivalents and investments	\$ 445,283
Due from other governments	<u>227,659</u>
Total current assets	<u>672,942</u>
Noncurrent assets:	
Capital assets not being depreciated	359,794
Capital assets being depreciated, net	<u>9,351,205</u>
Total noncurrent assets	<u>9,710,999</u>
Total assets	<u>10,383,941</u>
<b>Liabilities:</b>	
Current liabilities:	
Accounts payable	<u>49,081</u>
Total liabilities	<u>49,081</u>
<b>Net position:</b>	
Net investment in capital assets	9,710,999
Unrestricted	<u>623,861</u>
Total net position	\$ <u><u>10,334,860</u></u>

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



**City of Aventura, Florida**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Fund**  
**For the Year Ended September 30, 2021**

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	<b>Stormwater Utility Fund</b>
<b>Operating revenues:</b>	
Charges for services	\$ <u>1,376,473</u>
<b>Operating expenses:</b>	
Cost of sales and services	628,123
Depreciation expense	<u>443,201</u>
Total operating expenses	<u>1,071,324</u>
<b>Operating income (loss)</b>	<u>305,149</u>
<b>Nonoperating revenues (expenses):</b>	
Investment income	709
Loss on disposal of property and equipment	<u>(83,813)</u>
Total nonoperating revenues (expenses)	<u>(83,104)</u>
<b>Change in net position</b>	<u>222,045</u>
<b>Net position, beginning of year</b>	<u>10,112,815</u>
<b>Net position, end of year</b>	\$ <u><u>10,334,860</u></u>

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

**City of Aventura, Florida**  
**Statement of Cash Flows**  
**Proprietary Fund**  
**For the Year Ended September 30, 2021**

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<b>Cash flows from operating activities:</b>	
Cash received from customers, users and others	\$ 1,533,915
Cash paid to suppliers	<u>(685,180)</u>
Net cash provided by (used in) operating activities	<u>848,735</u>
<b>Cash flows from capital and related financing activities:</b>	
Acquisition and construction of capital assets	<u>(935,948)</u>
Net cash provided by (used in) capital and related financing activities	<u>(935,948)</u>
<b>Cash flows from investing activities:</b>	
Investment income received	<u>709</u>
Net cash provided by (used in) investing activities	<u>709</u>
Net increase (decrease) in cash, cash equivalents and investments	(86,504)
<b>Cash, cash equivalents and investments, beginning of year</b>	<u>531,787</u>
<b>Cash, cash equivalents and investments, end of year</b>	<u><u>\$ 445,283</u></u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>	
Operating income (loss)	\$ <u>305,149</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation expense	443,201
Changes in assets and liabilities:	
(Increase) decrease in due from other governments	157,442
Increase (decrease) in accounts payable	<u>(57,057)</u>
Total adjustments	<u>543,586</u>
Net cash provided by (used in) operating activities	<u><u>\$ 848,735</u></u>

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

**City of Aventura, Florida**  
**Statement of Net Position**  
**Fiduciary Fund - Police Officers' Retirement Plan**  
**September 30, 2021**

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**Assets:**

Investments, at fair value:

Equity securities	\$ 44,798,157
Government securities	5,358,101
Corporate bonds	4,648,278
Hedge funds	3,423,073
Self-directed DROP accounts	2,615,603
Money market funds	2,531,878
Real estate fund	2,408,568
Alternative mutual fund	1,579,261
Fixed income mutual funds	<u>1,400,562</u>

Total investments	<u>68,763,481</u>
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Receivables:

Accrued investment income	70,698
Accounts receivable - sale of investments	61,521
Miscellaneous receivables	<u>9,375</u>

Total receivables	<u>141,594</u>
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Other assets

<u>79,029</u>
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Total assets	<u>68,984,104</u>
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**Liabilities:**

Accounts payable	13,374
Accounts payable - purchase of investments	<u>88,176</u>

Total liabilities	<u>101,550</u>
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**Deferred inflows:**

Advanced contributions	<u>71,437</u>
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**Net Position:**

Net position restricted for defined benefits	66,195,514
Net position restricted for drop benefits	<u>2,615,603</u>

Total net position	<u>\$ 68,811,117</u>
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The accompanying notes to financial statements are an integral part of these statements.

**City of Aventura, Florida**  
**Statement of Changes in Net Position**  
**Fiduciary Fund - Police Officer's Retirement Plan**  
**For the Year Ended September 30, 2021**

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**Additions:**

Contributions:

City	\$ 1,881,922
Employees	924,555
Buyback	10,811
Florida chapter 185	<u>382,744</u>

Total contributions	<u>3,200,032</u>
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Investment income:

Net appreciation (depreciation) in fair value of investments	10,670,125
Interest and dividend income	<u>1,131,024</u>

Total investment income	11,801,149
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Less: investment expenses	<u>376,643</u>
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Net investment income	<u>11,424,506</u>
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Other income	<u>856</u>
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Total additions	<u>14,625,394</u>
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**Deductions:**

Benefits paid directly to retirees	905,648
DROP distributions	215,925
Administrative expenses	<u>131,204</u>

Total deductions	<u>1,252,777</u>
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Change in net position	13,372,617
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<b>Net Position, beginning of year</b>	<u>55,438,500</u>
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<b>Net Position, end of year</b>	<u><u>\$ 68,811,117</u></u>
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The accompanying notes to financial statements are an integral part of these statements.



# NOTES TO BASIC FINANCIAL STATEMENTS



**Note 1 - Summary of Significant Accounting Policies**

The City of Aventura, Florida (the "City") was incorporated on November 7, 1995. The City operates under a commission-manager form of government and provides the following full range of municipal services as authorized by its charter: public safety, highways and streets, building, licensing and code compliance, culture and recreation, public works and stormwater management, public records and general administrative services.

The Annual Comprehensive Financial Report (the "ACFR") of the City includes all funds. The financial statements of the City have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Significant accounting and reporting policies and practices used by the City are described below:

**A. Financial Reporting Entity**

The financial statements were prepared in accordance with Government Accounting Standards, which establishes standards for defining and reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the City, organizations for which the City is financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The City is financially accountable for a component unit if it appoints a voting majority of the organization's governing board and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City.

*Discretely Presented Component Units*

Discretely presented component units are separate legal entities that meet the component unit criteria described above, but do not meet the criteria for blending, given that they do not function as an internal part of the primary government. Currently, the City has no discretely presented component units.

*Blended Component Units*

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same as, substantially the same as, or appointed by the City Commission and the component unit provides services (financial benefit) entirely to the City. Currently, the City has one blended component unit: Don Soffer Aventura High School Foundation, Inc. (Note 17).

In June 2019, the City Commission approved Resolution No. 2019-29, which approved the articles of incorporation for the creation of the Don Soffer Aventura High School Foundation, Inc. (the "Foundation"). The Foundation was created as a Florida not for profit 501(c)(3) corporation which may seek and find contributions for the improvement and operation of the Don Soffer Aventura High School Fund (a special revenue fund of the City). The Foundation is governed by a Board of Directors, that are approved by the City Commission. Separate financial statements of the blended component unit are not issued.



**Note 1 - Summary of Significant Accounting Policies (continued)**

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

The basic financial statements include both government-wide (based on the City as a whole) 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 activities of the City. As a general rule, the effect of interfund services provided and used has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

The government-wide 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 expenses that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost (by function) is normally covered by general revenue (i.e., property taxes, sales taxes, franchise taxes, unrestricted intergovernmental revenues, interest income, etc.).

Separate fund financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of fund financial statements is on major funds. Major individual governmental funds and the major individual enterprise funds are reported as separate columns in the fund financial statements. GASB Statement No. 34 sets forth minimum criteria (percentage of assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category for the governmental and enterprise, combined, or funds that management deems of public importance) for the determination of major funds. The nonmajor funds are combined and presented in a single column in the fund financial statements.

The government-wide-focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories, (by category). Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

**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 and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year when an enforceable lien exists and when levied for. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

**Note 1 - Summary of Significant Accounting Policies (continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension, other postemployment benefits and claims and judgments, are recorded only when due.

Property taxes, when levied for, franchise fees, utility taxes, charges for services, impact fees, intergovernmental revenues when eligibility requirements are met and investment income associated with the current fiscal period are all considered to be measurable and have been recognized as revenues of the current fiscal period, if available. 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 City.

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

The City owns and operates two charter schools: Aventura City of Excellence School and Don Soffer Aventura High School. These schools are presented as major special revenue funds, as noted below, and have a fiscal year of July 1st through June 30th. The Charter Schools are required to legally adopt budgets and are also required to issue separately audited special purpose financial statements.

The City reports the following major governmental funds:

*General Fund*

This fund is the principal operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund.

*Aventura City of Excellence School Fund*

This fund is used to account for revenues and expenditures from the operations of the Aventura City of Excellence School, a special revenue fund of the City.

*Don Soffer Aventura High School Fund*

This fund is used to account for revenues and expenditures from the operations of the Don Soffer Aventura High School, a special revenue fund of the City.

*Transportation and Street Maintenance Fund*

This special revenue fund is used to account for revenues and expenditures, which by State Statute and/or County Transit System Surtax Ordinance are designated for transportation enhancements, street maintenance and construction costs.

**Note 1 – Summary of Significant Accounting Policies (continued)**

*Aventura Charter High School Construction Fund*

This capital projects fund was established to account for the funding sources and uses related to the construction and equipping of the Don Soffer Aventura High School.

The City reports the following proprietary fund:

*Stormwater Utility Fund*

This fund accounts for the operation, construction, and maintenance of the City's stormwater drainage system.

Additionally, the government reports the following fiduciary fund type:

*City of Aventura Police Officers' Retirement Plan*

This fund accounts for the activities of the Police Officers' Retirement Plan that accumulates resources for pension benefits to qualifying police officers.

The financial statements of the City have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting. The financial statements of the City follow the guidance of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* for both the government wide and proprietary fund financial statements. Governments also have the option of following subsequent FASB pronouncements for their business type activities and enterprise funds subject to this same limitation. The City has elected not to follow subsequent FASB guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. 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. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

In general, the City maintains a pooled cash account for all funds. This enables the City to invest large amounts of idle cash for short periods of time and to optimize earnings potential. Cash, cash equivalents and investments represent the amount owned by each City fund. Resources of all funds, with the exception of the pension fund, are also combined into investment pools for the purpose of maximizing investment yields. Earnings on pooled cash and investments are allocated monthly based on balances of the respective funds.

The City's investments are reported at their estimated fair value except for the City's investment in the Florida PRIME which is recorded/valued at the amortized cost method.

The pension plan's investments are reported at estimated fair value.

**Note 1 - Summary of Significant Accounting Policies (continued)**

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

The City recognizes receivables in its various funds based on the accounting basis required for the fund. Allowances are provided for possible uncollectible amounts.

3. Prepaid expenses/expenditures - Certain payments to vendors reflect costs applicable to a future accounting period and are recorded as prepaid items in both government-wide and fund financial statements.
4. Inventories - Inventories held for resale are reported at the lower of cost (first-in, first-out) or market. Inventories of supplies are reported at cost. These amounts are typically reported as nonspendable in governmental fund financial statements. Inventory (supplies) is accounted for using the consumption method whereby inventories are recorded as expenditures when they are used.
5. Capital assets - Capital assets purchased or acquired with an original cost of \$ 5,000 or more are reported at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	25 years
Improvements other than buildings	20 - 30 years
Infrastructure	20 - 40 years
Furniture, machinery and equipment	3-20 years

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

6. Deferred outflows/inflows of resources - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has pension related amounts, post-employment benefits other than pension (OPEB), and deferred charge on refunding that qualify for reporting in this category on the government-wide statement of net position.

Deferred charge on refunding reported 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.

**Note 1 - Summary of Significant Accounting Policies (continued)**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The City has pension and OPEB related amounts that qualify for reporting in this category on the government-wide statement of net position.

Unavailable revenues, on the fund financial statements, consist of utility service taxes and intergovernmental revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

7. Compensated absences payable - The City's sick leave policy permits employees to accumulate earned but unused sick pay benefits. Upon termination, sick pay is paid out, between 0 - 100% based on length of service.

The City's vacation policy is that earned vacation is cumulative although limited to certain maximums based on length of service.

Accumulated compensated absences are recorded in the government-wide and proprietary fund financial statements when earned. Expenditures for accumulated compensated absences have been recorded in the governmental funds only if they have matured, (e.g., resulting from employee resignations and retirements). Payments are generally paid out of the General Fund.

8. Long-term obligations - In the government-wide financial statements and 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 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, if applicable.

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

9. Net position - Net position in the government-wide and proprietary funds is categorized as net investment in capital assets; restricted or unrestricted. Net investment in capital assets, is the difference between the cost of capital assets, less accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets; and deferred inflows and outflows of resources related to debt; and excluding unexpended proceeds.

Restricted consists of net position with constraints placed on their use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation. Unrestricted indicates that portion of net position that is available to fund future operations.

**Note 1 - Summary of Significant Accounting Policies (continued)**

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

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

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

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

Committed - This classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision making. The City Commission is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

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

Unassigned - This classification includes the residual fund balance for the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.



**Note 1 - Summary of Significant Accounting Policies (continued)**

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

11. Fund balance policies - The City's policy is to maintain an adequate General Fund balance to meet seasonal shortfalls in cash flow and reduce susceptibility to emergency and unanticipated expenditures and/or revenue shortfalls.

*Minimum Level of Unassigned Fund Balance of the General Fund* - At the beginning of each fiscal year, the total unassigned fund balance shall not be less than 10% of the annual General Fund revenue. In any fiscal year where the City's unassigned fund balance falls below the required 10% threshold, the City shall not budget any amounts of unassigned fund balance for the purpose of balancing the budget. In addition, the City Manager will make every effort to reestablish the minimum unassigned fund balance in a 24 - 36 month period beginning with the year from which the reserve funds fell below the 10% threshold.

*Hurricane/Emergency and Disaster Recovery Reserve* - The City's Commission has adopted a fund balance reserve policy to maintain a Hurricane/Emergency and Disaster Recovery's Operating Reserve at a minimum level of \$ 5,000,000.

12. Encumbrances - Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration.

Encumbrances are recorded at the time a purchase order or other commitment is entered into. Encumbrances outstanding at year-end represent the estimated amount of expenditures which would result if unperformed purchase orders and other commitments at year-end are completed. Encumbrances lapse at year-end; however, the City generally intends to honor purchase orders and other commitments in process. As a result, encumbrances outstanding at year-end are re-appropriated, at the City Manager's discretion, in the next fiscal year.

13. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
14. Subsequent events - Subsequent events are evaluated by management through March 24, 2022, the date the financial statements were available for issuance.

## **Note 2 - Property Taxes**

Property taxes are assessed as of January 1 each year and are first billed (levied) and due the following November 1.

Under Florida law, the assessment of all properties and the collection of all county, municipal, school board and special district property taxes are consolidated in the Offices of the County Property Appraiser and County Tax Collector. The laws for the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. 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 millage rate assessed by the City for the year ended September 30, 2021 was 1.7261 mills.

The City's tax levy is established by the City Commission prior to October 1 of each year, and the County Property Appraiser incorporates the millage into the total tax levy, which includes Miami-Dade County, Miami-Dade County School Board and certain other special taxing districts.

All property is reassessed according to its fair market value as of January 1 each year. Each assessment roll is submitted to the Executive Director of the Florida Department of Revenue for review to determine if the assessment rolls meet all of the appropriate requirements of State Statutes.

All real and tangible personal property taxes are due and payable on November 1 each year or as soon as practicable thereafter as the assessment roll is certified by the County Property Appraiser. Miami-Dade County mails each property owner on the assessment roll a notice of the taxes due and collects the taxes for the City. Taxes may be paid upon receipt of the notice from Miami-Dade County, with discounts at the rate of 4% if paid in the month of November, 3% if paid in the month of December, 2% if paid in the month of January and 1% if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent and liens are placed on April 1 of the year following the year in which the taxes were assessed. Procedures for the collection of delinquent taxes by Miami-Dade County are provided for in the laws of Florida. There were no material delinquent property taxes as of September 30, 2021.

## **Note 3 - Deposits and Investments**

### **Deposits**

The City's custodial credit risk policy is in accordance with Florida Statutes. Florida Statutes authorize the deposit of City funds in demand deposits or time deposits of financial institutions approved by the State Treasurer. These are defined as public deposits. All City public deposits are held in qualified public depositories pursuant to Chapter 280, Florida Statutes, "Florida Security for Public Deposits Act." Under the act, all qualified public depositories are required to pledge eligible collateral having a fair value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The collateral pledging level may range from 50% to 125% depending upon the depository's financial condition and the length of time that the depository has been established. All collateral must be deposited with the State Treasurer. Any losses to public depositors resulting from insolvency are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessment against other qualified public depositories of the same type as the depository in default. The City's bank balances were insured either by the Federal depository insurance corporation or collateralized in the bank's participation in the Florida Security for Public Deposits Act.

### Note 3 - Deposits and Investments (continued)

The Florida SBA Pool, hereinafter referred to as "Florida PRIME", is not a registrant with the Securities and Exchange Commission ("SEC"); however, its board has adopted operating procedures consistent with the requirements for a 2a-7 fund. For the Florida PRIME, a 2a-7 like pool, the value of the City's position is the same as the value of the pool shares and is recorded at amortized cost. At September 30, 2021, the City's investment in the Florida PRIME was that of \$ 28,867,239. In accordance with these requirements, the method used to determine the participants' shares sold and redeemed is the amortized cost method. Amortized cost includes accrued income and is a method of calculating an investment's value by adjusting its acquisition cost for the amortization of discount or premium over the period from purchase to maturity.

Thus, the City's account balance in the SBA is its amortized cost. The SBA is governed by Chapter 19-7 of the Florida Administrative Code. These rules provide guidance and establish the general operating procedures for the administration of the SBA. Additionally, the Office of the Auditor General of the State of Florida performs the operational audit of the activities and investment of the SBA. The SBA accounts are not subject to custodial credit risk as these investments are not evidenced by securities that exist in physical or bank entry form.

In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, the City's investment in the Florida PRIME meets the definition of a qualifying investment pool that measures for financial reporting purposes all of its investments at amortized cost and should disclose the presence of any limitations or restrictions on withdrawals. As of September 30, 2021, 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.

#### Investments

On February 7, 2019, the City re-adopted Chapter 6.6 of the Administrative Policy and Directives and Procedures Manual, entitled "Investments Objective and Parameters," as the City's Investment Policy for the management of Public Funds ("the Policy"). The Policy was created in accordance with Section 218.415, Florida Statutes. The Policy applies to all investments held and controlled by the City, with the exception of the Police Officers' Retirement Pension Plan and its debt issuance where there are other existing policies or indentures in effect for the investment of related funds.

The City's policy for investments other than pension plan and debt issuance is summarized herein. The Finance Director is designated as investment officer of the City and is responsible for investment decisions and the day-to-day administration of the cash management program. The investment policy establishes permitted investments, asset allocation, issuer limits, credit rating requirements and maturity limits to protect the City's assets. All investment securities are held by a Trust custodian, and are managed by financial advisors. In general, the City's policy allows to invest in the following: (1) securities and obligations of the United States and its agencies; (2) nonnegotiable interest bearing time deposits or savings accounts provided that such deposits are secured by collateral as prescribed by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes; (3) repurchase agreements collateralized by full or general faith and credit obligations of the U. S. Government or Agency securities; (4) the Florida Local Government Surplus Funds Trust Fund "SBA"; (5) intergovernmental investment pools authorized pursuant to the Florida Interlocal Cooperation Act, provided by Section 163.01, Florida Statutes, and provided that such funds contain no derivatives; (6) money market mutual funds - registered investment companies with the highest credit quality rating; (7) commercial paper of any U.S. company; (8) corporate notes; (9) asset backed securities issued by corporations organized and operating within the United States or by depository institutions licensed by the United States; (10) taxable/tax-exempt municipal bonds; and (11) Israel bonds.

**Note 3 - Deposits and Investments (continued)**

The City policy for pension investments is under the oversight of the Plan's Board of Trustees (the "Board"). The Board contracts with investment advisory firms and approves any new investment vehicles presented by the consultants. The investment policy statement in effect for fiscal year ended September 30, 2021 was last amended on August 25, 2021.

At September 30, 2021, the City had \$ 2,500,000 of cash in escrow held by an agent, related to certain traffic improvements and other construction projects.

As of September 30, 2021, the City's cash, cash equivalents and investments consisted of the following:

Cash, cash equivalents and investments:	
State Board of Administration -	
SBA, Florida PRIME	\$ 28,867,239
Government bonds	11,044,905
Corporate bonds	5,605,370
Deposits with financial institutions and others	5,863,243
Government mortgage backed securities	3,661,643
Government agencies	3,624,800
Deposits held in escrow	2,500,000
Municipal/provincial bonds	1,649,570
Asset backed securities	1,392,538
Government issued commercial mortgage backed securities	810,356
International bonds	<u>300,000</u>
Total cash, cash equivalents and investments	<u>\$ 65,319,664</u>
Fiduciary fund investments:	
Equity securities	\$ 44,798,157
Government securities	5,358,101
Corporate bonds	4,648,278
Hedge funds	3,423,073
Self-directed DROP accounts	2,615,603
Money market funds	2,531,878
Real estate fund	2,408,568
Alternative mutual fund	1,579,261
Fixed income mutual funds	<u>1,400,562</u>
Total fiduciary investments	<u>\$ 68,763,481</u>

**Interest Rate Risk**

The City's policy is to limit its exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter- term securities, money market mutual funds or similar investment pools.

**Note 3 - Deposits and Investments (continued)**

This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City's policy is that unless matched with specific cash flow, the City will not directly invest in securities maturing more than seven (7) years from the date of purchase. Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds to ensure that proper liquidity is maintained to meet ongoing obligations.

The City does not have a formal investment policy for its pension funds that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Information about the exposure of the City's debt-type investments to this risk using the segmented time distribution model is as follows:

Investment Type	Fair Value	Time to Maturity (in Years)			
		Less Than 1 Year	1-5 Years	6-10 Years	Greater Than 10 Years
<b>City Investments:</b>					
State Board of Administration - SBA, Florida PRIME	\$ 28,867,239	\$ 28,867,239	\$ -	\$ -	\$ -
Government bonds	11,044,905	101,344	10,943,561	-	-
Corporate bonds	5,605,370	985,041	4,620,329	-	-
Government mortgage backed securities	3,661,643	-	981,392	1,880,109	800,142
Government agencies	3,624,800	848,351	2,776,449	-	-
Municipal/provincial bonds	1,649,570	-	1,649,570	-	-
Asset backed securities	1,392,538	-	1,392,538	-	-
Government issued commercial mortgage backed securities	810,356	-	810,356	-	-
International bonds	300,000	-	300,000	-	-
Subtotal - City Investments	<u>56,956,421</u>	<u>30,801,975</u>	<u>23,474,195</u>	<u>1,880,109</u>	<u>800,142</u>
<b>Fiduciary Fund Investments:</b>					
Corporate bonds	4,648,278	504,548	2,192,777	1,755,703	195,250
U.S. treasuries	4,390,763	708,289	2,525,444	787,884	369,146
U.S. agencies	967,338	125,028	351,650	319,085	171,575
Fixed income funds	1,400,562	661,576	624,810	114,176	-
Subtotal - Fiduciary Fund	<u>11,406,941</u>	<u>1,999,441</u>	<u>5,694,681</u>	<u>2,976,848</u>	<u>735,971</u>
Total Investments	<u>\$ 68,363,362</u>	<u>\$ 32,801,416</u>	<u>\$ 29,168,876</u>	<u>\$ 4,856,957</u>	<u>\$ 1,536,113</u>

The dollar weighted average days to maturity (WAM) of Florida PRIME at September 30, 2021, is 49 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average like (WAL) of Florida PRIME at September 30, 2021, is 64 days.

The City's portfolio weighted average effective duration (years) is 1.75.

**Note 3 - Deposits and Investments (continued)**

**Credit Risk**

Generally, credit risk is the risk that an issuer of a debt-type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally-recognized rating organization. The City’s investment policy provides strict guidelines and limits investments to highly rated securities with minimum ratings of A (long term securities), A-1/P-1 (short term securities), and AAAm (money market mutual funds). The Finance Director shall determine the appropriate action for any investment held that is downgraded below the minimum rating by one or more rating agencies. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

The pension fund limits its credit risk by limiting its fixed income investments to securities with the top (4) ratings issued by nationally recognized statistical rating organizations.

The City’s and fiduciary fund’s portfolio is rated by Standard & Poor’s and Moody’s Investor Services, respectively, as follows:

Rating	Fair Value
City Investments:	
A	\$ 3,438,165
A-	1,101,407
A+	814,988
AA	196,091
AA-	463,388
AA+	19,446,572
Aaa	2,328,571
AAAm	28,867,239
Not Rated	300,000
	<u>\$ 56,956,421</u>
Fiduciary Fund Investments:	
A1	\$ 293,100
A2	361,472
A3	259,938
AAA	3,147,982
AA	43,089
A	44,647
BAA1	54,577
BBB	56,808
BB	3,469
B	1,006
Below B	9,169
Not rated	7,131,684
	<u>\$ 11,406,941</u>



### Note 3 - Deposits and Investments (continued)

#### Concentration Risk

The City's policy is to maintain a diversified portfolio to minimize the risk of loss resulting from concentration of assets in a specific issuer. Specific limits have been established which limit the percentage of portfolio assets that can be invested with a specific issuer. GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires disclosure when the percentage is 5% or more in any one issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, or other pooled investments are excluded from this requirement. At September 30, 2021, the City had investments in the Federal National Mortgage Association (Fannie Mae) amounting to 6.98% of the total investments held by the City.

The pension fund limits investments that may be invested in any one issuer to no more than 5% of plan's net position, other than those issued by the U.S. Government or its Agencies. More than 5% of the plan's net position is invested in debt securities issued by the United States Treasury. The United States Treasury investments represented 6.4% of plan's net position. Given the restriction to the highest rating, this concentration is not viewed to be an additional risk to the City.

#### Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty (e.g., broker- dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City's investment policy requires securities, with the exception of certificates of deposit, to be registered in the City's name and held with a third-party custodian.

#### Foreign Credit Risk

For an investment, foreign credit risk is the risk that fluctuations in currency exchange rates may affect transactions conducted in currencies other than U.S. dollars and the carrying value of foreign investments. The City is not exposed to foreign credit risk. The pension fund's investments include American Depository Receipts ("ADRs"), which are non-U.S. equity instruments issued in U.S. dollars and have no foreign credit risk. The total of the investments in foreign securities, which consist of ADR's and foreign bonds, was \$ 10,782,216. The investment policy limits the foreign investments to no more than 15% of the Plan's investment balance. As of year-end, the foreign investments were approximately 16.3% of total investments.

### Note 4 - Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.



**Note 4 - Fair Value Measurements (continued)**

The City has the following recurring fair value measurements as of September 30, 2021:

	Fair Value Measurements at Reporting Date			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>City Investments:</b>				
Government bonds	\$ 11,044,905	\$ -	\$ 11,044,905	\$ -
Corporate bonds	5,605,370	-	5,605,370	-
Government mortgage backed securities	3,661,643	-	3,661,643	-
Government agencies	3,624,800	-	3,624,800	-
Municipal/provincial bonds	1,649,570	-	1,649,570	-
Asset backed securities	1,392,538	-	1,392,538	-
Government issued commercial mortgage backed securities	810,356	-	810,356	-
International bonds	300,000	-	300,000	-
Total investments measured at fair value	28,089,182	-	28,089,182	-
Investments measured at amortized cost:				
Florida PRIME (exempt)	28,867,239	-	-	-
Subtotal - City Investments	56,956,421	-	28,089,182	-
<b>Fiduciary Fund Investments:</b>				
Equity securities:				
Common stocks	43,269,316	43,269,316	-	-
Equity mutual funds	1,528,841	1,528,841	-	-
Total equity securities	44,798,157	44,798,157	-	-
Debt securities:				
Corporate bonds	4,648,278	-	4,648,278	-
U.S. treasury securities	4,390,763	4,390,763	-	-
U.S. agency securities	967,338	-	967,338	-
Fixed income mutual funds	1,400,562	1,400,562	-	-
Total debt securities	11,406,941	5,791,325	5,615,616	-
Alternative mutual fund	1,579,261	1,579,261	-	-
Self-directed DROP accounts	2,615,603	-	2,615,603	-
Total investments measured at fair value	60,399,962	52,168,743	8,231,219	-
Investments measured at the Net Asset Value (NAV)(a)				
Hedge funds	3,423,073			
Real estate fund	2,408,568			
Total investments measured at the NAV	5,831,641			
Money market funds (exempt)	2,531,878			
Subtotal - Fiduciary Fund Investments	68,763,481			
Total Investments	\$ 125,719,902			

(a) As required by GAAP, certain investments that are measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the Statement of Fiduciary Net Position.

**Note 4 - Fair Value Measurements (continued)**

**City Investments**

The City's fixed income securities of \$ 28,089,182 classified in Level 2 of the fair value hierarchy are valued using a market standard pricing technique. Pricing service providers synthesize multiple market inputs to value securities based on the securities' relationship to benchmark quoted prices; the price is derived from altered or indirectly observable prices to result in a fair value measure.

**Fiduciary Fund Investments**

The following is a description of the valuation methodologies used for asset measured at fair value.

- Common stock: Valued at the closing price reported on the New York Stock Exchange.
- Government securities: Valued using pricing models maximizing the use of observable inputs for similar securities.
- Corporate bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yield of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote, if available.
- Mutual funds: Valued at the daily closing price as reported by the Plan. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.
- Hedge funds: Valued based on the net asset value per share, without further adjustment. Net asset value is based upon the fair value of the underlying investment.
- Real estate fund: Valued at the net asset value of shares held by the Plan at year end. The Plan has investments in private market real estate investments for which no liquid public market exists.
- Money market funds: Valued at the floating net asset value of shares held by the Plan at year end.

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient, including their related unfunded commitments and redemption restrictions:

Investments Measured at the NAV	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Hedge Fund (1)	\$ 33,670	\$ -	Quarterly	90 Days
Hedge Fund (1)	33,641	-	Quarterly	90 Days
Hedge Fund (2)	3,355,762	-	Daily	1 Business Day
Real estate fund (3)	2,408,568	-	Quarterly	65 Days
Total investments measured at the NAV	\$ 5,831,641	\$ -		

**Note 4 - Fair Value Measurements (continued)**

- (1) Hedge fund: The fund is a multi-strategy fund of hedge funds that aims to pursue varying strategies in order to diversify risk and reduce volatility. The fund is a diversified portfolio offering investment solutions through activist long/short equity, credit/special situations, event driven and arbitrage, global long/short equity and other opportunistic situations. The investment is valued at NAV and is redeemable on a quarterly basis.
- (2) Hedge fund: The fund is a diversified portfolio of common stocks of infrastructure companies and other permitted investments. The fund seeks to achieve maximum total return by investing globally in publicly traded infrastructure companies. Infrastructure companies operate in sectors that include, but are not limited to, utilities, transportation, pipelines and telecommunications, and other applicable businesses as defined by those included in the FTSE Global Core Infrastructure 50/50 Index. The investment is valued at NAV and is redeemable on a daily basis pertaining that it is a business day.
- (3) Real estate fund: The fund is an open-end core real estate fund with a diversified portfolio of income producing properties located throughout the United States. The investment is valued at NAV and is redeemable on a quarterly basis.

**Note 5 - Receivables**

Receivables as of September 30, 2021 for the City’s individual major funds and non-major funds in the aggregate consist of the following:

	General Fund	Aventura City of Excellence School Fund *	Don Soffer Aventura High School Fund *	Transportation and Street Maintenance Fund	Stormwater Fund	Nonmajor Governmental Funds	Total
Receivables:							
Intergovernmental	\$ 752,589	\$ 647,609	\$ -	\$ 180,207	\$ 227,659	\$ 42,692	\$ 1,850,756
Franchise and utility	1,282,070	-	-	-	-	-	1,282,070
Police services	514,070	-	-	-	-	-	514,070
Vendors and miscellaneous	-	-	53	-	-	-	53
Net total receivables	<u>\$ 2,548,729</u>	<u>\$ 647,609</u>	<u>\$ 53</u>	<u>\$ 180,207</u>	<u>\$ 227,659</u>	<u>\$ 42,692</u>	<u>\$ 3,646,949</u>

\* As of June 30, 2021.

**Note 6 - Interfund Balances and Transfers**

Interfund receivables and payables at September 30, 2021 were as follows:

<u>Due To:</u>	<u>Due From:</u>		<u>Total</u>
	<u>General Fund</u>	<u>Internal Balances*</u>	
Don Soffer Aventura High School Fund	\$ 1,649,450	\$ 127,051	\$ 1,776,501
Aventura Charter High School Construction Fund	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Total	<u>\$ 2,149,450</u>	<u>\$ 127,051</u>	<u>\$ 2,276,501</u>

\* An internal balance of \$ 127,051 remains due from the Don Soffer Aventura High School Fund being reported as of June 30, 2021.

Interfund transfers during the year ended September 30, 2021 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 2,300,214
Aventura City of Excellence School Fund	100,000	444,000
Don Soffer Aventura High School Fund	150,000	-
Nonmajor Governmental Funds	<u>2,494,214</u>	<u>-</u>
	<u>\$ 2,744,214</u>	<u>\$ 2,744,214</u>

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them, to the fund that statute or budget requires to expend them from or (2) use of unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The transfers to the Aventura City of Excellence School Fund and the Don Soffer Aventura High School Fund from the General Fund are being used to support the operations of both schools, from revenues generated through the intersection safety camera program. The remaining transfers represent transfers to meet debt service requirements of the Debt Service Funds.

**City of Aventura, Florida**  
**Notes to Basic Financial Statements**  
**September 30, 2021**

**Note 7 - Capital Assets**

Capital assets activity for the year ended September 30, 2021 was as follows:

	Balance September 30, 2020	Additions and Transfers	Retirements and Transfers	Balance September 30, 2021
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 25,644,586	\$ -	\$ -	\$ 25,644,586
Construction in progress	929,087	813,437	(1,352,897)	389,627
Total capital assets, not being depreciated	<u>26,573,673</u>	<u>813,437</u>	<u>(1,352,897)</u>	<u>26,034,213</u>
Capital assets, being depreciated:				
Buildings	65,166,023	644,331	-	65,810,354
Improvements other than buildings	17,422,647	194,495	-	17,617,142
Infrastructure	45,104,018	643,005	-	45,747,023
Furniture, machinery and equipment	22,360,674	1,232,506	(366,772)	23,226,408
Total capital assets, being depreciated	<u>150,053,362</u>	<u>2,714,337</u>	<u>(366,772)</u>	<u>152,400,927</u>
Less accumulated depreciation for:				
Buildings	22,114,061	2,031,783	-	24,145,844
Improvements other than buildings	7,307,083	690,112	-	7,997,195
Infrastructure	26,101,075	1,427,946	-	27,529,021
Furniture, machinery and equipment	17,629,422	1,391,848	(346,771)	18,674,499
Total accumulated depreciation	<u>73,151,641</u>	<u>5,541,689</u>	<u>(346,771)</u>	<u>78,346,559</u>
Total capital assets, being depreciated, net	<u>76,901,721</u>	<u>(2,827,352)</u>	<u>(20,001)</u>	<u>74,054,368</u>
Governmental activities capital assets, net	<u>\$ 103,475,394</u>	<u>\$ (2,013,915)</u>	<u>\$ (1,372,898)</u>	<u>\$ 100,088,581</u>
<b>Business-type activities:</b>				
Capital assets, being depreciated:				
Construction in progress	\$ 384,045	\$ 679,483	\$ (703,734)	\$ 359,794
Total capital assets, not being depreciated	<u>384,045</u>	<u>679,483</u>	<u>(703,734)</u>	<u>359,794</u>
Capital assets, being depreciated:				
Infrastructure	14,099,640	960,199	(184,479)	14,875,360
Less accumulated depreciation	<u>5,181,620</u>	<u>443,201</u>	<u>(100,666)</u>	<u>5,524,155</u>
Total capital assets, being depreciated, net	<u>8,918,020</u>	<u>516,998</u>	<u>(83,813)</u>	<u>9,351,205</u>
Business-type activities capital assets, net	<u>\$ 9,302,065</u>	<u>\$ 1,196,481</u>	<u>\$ (787,547)</u>	<u>\$ 9,710,999</u>

**Note 7 - Capital Assets (continued)**

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

Governmental activities:	
General government	\$ 784,789
Public safety	832,502
Community services	3,784,896
Public works	<u>139,502</u>
	<u>\$ 5,541,689</u>
Business-type activities:	
Stormwater utility	<u>\$ 443,201</u>

**Note 8 - Long -Term Liabilities of Governmental Activities**

Changes in Governmental Activities long-term liabilities during the year ended September 30, 2021 were as follows:

	Balance September 30, 2020	Additions	Reductions	Balance September 30, 2021	Due Within One Year
Governmental activities:					
Revenue bonds	\$ 20,510,000	\$ -	\$ (1,785,000)	\$ 18,725,000	\$ 1,845,000
Other long-term liabilities:					
Compensated absences payable	3,683,735	2,089,035	(1,667,136)	4,105,634	1,436,972
Net pension liability	9,968,585	-	(1,073,597)	8,894,988	-
Other post-employment benefits	<u>2,370,125</u>	<u>-</u>	<u>(232,747)</u>	<u>2,137,378</u>	<u>-</u>
	<u>\$ 36,532,445</u>	<u>\$ 2,089,035</u>	<u>\$ (4,758,480)</u>	<u>\$ 33,863,000</u>	<u>\$ 3,281,972</u>

Compensated absences, net pension liability and other post-employment benefits attributable to governmental activities are generally liquidated by the General Fund.

Revenue bonds as of September 30, 2021 were comprised of the following:

Series 2010 Refunding Revenue Bonds, principal is due annually over 18 years in various amounts through April 2029. The bonds bear interest at 3.42%, subject to taxability event, and are payable semi-annually on October 1 and April 1 of each year. The bonds are collateralized by available Non-Ad Valorem revenues.	\$ 5,390,000
Series 2011 Refunding Revenue Bonds, principal is due annually over 18 years in various amounts through April 2029. The bonds bear interest at 3.64%, subject to taxability event, and are payable semi-annually on October 1 and April 1 of each year. The bonds are collateralized by available Non-Ad Valorem revenues.	2,915,000

**Note 8 - Long -Term Liabilities of Governmental Activities (continued)**

Series 2012 Refunding Revenue Bonds, principal is due annually over 15 years in various amounts through August 2027. The bonds bear interest at 2.65%, subject to taxability event, and are payable semi-annually on February 1 and August 1 of each year. The bonds are collateralized by available Non-Ad Valorem revenues. 4,180,000

Series 2018 Revenue Bonds, principal is due annually over 20 years in various amounts through August 2038. The bonds bear interest at 3.68%, subject to taxability event, and are payable semi-annually on February 1 and August 1 of each year. The bonds are collateralized by available Non-Ad Valorem revenues. 6,240,000

\$ 18,725,000

**Series 2010 and 2011 Refunding Revenue Bonds**

The City previously issued \$ 21,000,000 in Series 1999 Revenue Bonds to finance the acquisition of land, buildings and other improvements related to municipal parks and the City’s administrative complex and police station. At September 30, 2014, this bond series was fully defeased.

In fiscal year 2010, the City issued Series 2010 Refunding Revenue Bonds to partially advance refund \$ 10,580,000 of the then outstanding Series 1999 Revenue Bonds. In fiscal year 2011, the City issued Series 2011 Refunding Revenue Bonds to advance refund the remaining \$ 5,700,000 of the then outstanding Series 1999 Revenue Bonds. The City refunded the Series 1999 Revenue Bonds to reduce its aggregate debt service payments by approximately \$ 3,166,000.

The indentures contain financial provisions as follows: (1) a default rate equal to the maximum rate permitted by law, and a 3% fee on delinquent payments if not made within fifteen days after the due date; 2) events of default such as failure to make payment, violation of any covenant contained in the agreements, bankruptcy, or insolvency; and 3) anti-dilution requirements where the aggregate adjusted net revenues will equal or exceed 300% of the maximum annual debt service, and the maximum annual debt service will not exceed 20% of adjusted net revenues, as defined in the debt agreements.

**Series 2012 Refunding Revenue Bonds**

The City previously entered into a bond indenture agreement with the Florida Intergovernmental Finance Commission through an interlocal governmental agreement. As a result, the City issued \$ 12,610,000 in Series 2002 Revenue Bonds to finance the acquisition of land and construction of a charter school as well as the construction of the community recreation center. At September 30, 2014, this bond series was fully defeased.

In fiscal year 2012, the City issued \$ 9,885,000 in Series 2012 Refunding Revenue Bonds to advance refund \$ 10,165,000 (including a City contribution of approximately \$ 598,000) of the then outstanding Series 2002 Revenue Bonds. The City advance refunded the Series 2002 Revenue Bonds to reduce its total debt service payments by approximately \$ 3,810,000.



**Note 8 - Long -Term Liabilities of Governmental Activities (continued)**

The indenture contains financial provisions as follows: (1) a default rate equal to Prime plus 3% and a 3% fee on delinquent payments if not made within fifteen days after the due date; 2) events of default such as failure to make payment, violation of any covenant contained in the agreements, bankruptcy, or insolvency; and 3) anti-dilution requirements where the aggregate adjusted net revenues will equal or exceed 300% of the maximum annual debt service, and the maximum annual debt service will not exceed 20% of adjusted net revenues, as defined in the debt agreements.

**Series 2018 Revenue Bonds**

The City previously issued \$ 7,100,000 in Series 2018 Revenue Bonds for the construction and equipping the Don Soffer High School within the City.

The indentures contain financial provisions as follows: (1) a default rate equal to the current interest rate on the bonds plus 2%, after 5 days of any due date; and 2) events of default such as failure to make payment, violation of any covenant contained in the agreements, bankruptcy, or insolvency.

The aggregate annual debt service requirements to maturity for the revenue bonds are approximately as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,845,000	\$ 612,400	\$ 2,457,400
2023	1,900,000	552,300	2,452,300
2024	1,965,000	490,200	2,455,200
2025	2,025,000	426,100	2,451,100
2026	2,080,000	360,100	2,440,100
2027 - 2031	5,865,000	941,600	6,806,600
2032 - 2036	2,095,000	392,300	2,487,300
2037 - 2038	950,000	44,100	994,100
	<u>\$ 18,725,000</u>	<u>\$ 3,819,100</u>	<u>\$ 22,544,100</u>

The City does not currently have unused lines of credit or assets placed as collateral for debt.

**Note 9 - Commitments and Contingencies**

**Litigation**

Various claims and lawsuits, which arise in the normal course of operations, are pending against the City. It is management's opinion, based on the advice of the City Attorney, that the outcome of these actions, if any, will not have a material adverse effect on the financial statements of the City. Management also believes that any possible adverse effect of litigation against the City will be covered by insurance.

**Note 9 - Commitments and Contingencies (continued)**

**Government Grants**

Revenue recognized from grants may be subject to audit by the grantor agencies. In the opinion of City management, as a result of such audits, disallowances of grant revenues, if any, would not have a material adverse effect on the City's financial condition.

**Employment Agreement**

The City has an employment contract with its City Manager that provides for an annual salary, adjusted for cost-of-living increases and certain benefits. This agreement is effective for an indefinite term subject to termination of the City Manager by the City Commission in accordance with Article III, Section 3.08 of the City Charter. The City Manager must provide four (4) months advance written notice to resign voluntarily.

**Charter School Agreements**

The City has two contracts with the School Board of Miami-Dade County, Florida, that allows for Aventura City of Excellence School to provide the residents of the City of Aventura an elementary and middle school education choice; and for the Don Soffer Aventura High School to provide the residents of the City of Aventura a high school education choice. The contracts for the Aventura City of Excellence School and the Don Soffer Aventura High School expire on June 30, 2033 and June 30, 2034, respectively. Both contracts provide for a five-year renewal option by mutual agreement of both parties.

The City previously entered into an agreement with Charter School USA, Inc. ("CSUSA") to provide administrative and educational services for Aventura City of Excellence School. The agreement expires on June 30, 2023, with a five-year renewal option by mutual agreement of both parties.

The City also entered into a separate management agreement with CSUSA to provide those services necessary to organize, manage, staff, operate and maintain the Don Soffer Aventura High School. The term of the agreement is consistent with the existing Charter, expiring June 30, 2034, with automatic renewals through a term consistent with the then current Charter provided performance standards are satisfied.

**Other Agreements**

The City has a three-year nonexclusive agreement with an engineering consulting firm (the "Consultant") to provide building inspections and plan review services. Pursuant to the agreement, the Consultant receives 70% of the gross building permit fee revenues for the first \$ 50,000 in gross fees in a month and 65% of the amount in excess of \$ 50,000 per month. However, the Consultant receives 35% of the permit fee for all projects owned, paid for and to be operated by the City. The agreement may be renewed for one additional three-year term.

**Pension Funding**

Economic developments surrounding the overall market-liquidity, credit availability and market collateral levels may result in declines in the value of the investment securities held by the City of Aventura Police Officers' Retirement Plan. Consequently, the City's required contribution amount to the Plan, which is necessary to maintain the actuarial soundness and to provide the level of assets sufficient to meet participant benefits, could significantly increase in future periods. It is management's opinion that future contributions to the Plan will not have a material adverse effect on the City's financial position.

**Note 9 - Commitments and Contingencies (continued)**

**Construction Agreements**

The City has entered into various agreements in reference to the construction and maintenance of the City’s streets and other infrastructure projects. At year-end, outstanding construction commitments amounted to approximately \$ 390,000.

**Encumbrances**

As discussed in Note 1(12.) Summary of Significant Accounting Policies, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year are as follows:

General Fund	\$	841,192
Aventura City of Excellence		
School Fund *		<u>18,500</u>
	\$	<u><u>859,692</u></u>

\* As of June 30, 2021.

**Note 10 - Risk Management**

The City is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions, employee health, workers' compensation and natural disasters for which the City carries commercial insurance. Settlement amounts have not exceeded insurance coverage for any of the past three (3) fiscal years. In addition, there were no reductions in insurance coverage from those in the prior year.

**Note 11 - Post-Employment Benefits other than Pensions (OPEB)**

**Plan Description**

The City’s defined benefit OPEB plan provides benefits to all eligible employees and is a single employer benefit plan administered by the City. Chapter 627 of the Florida Statutes requires that the City make health coverage available to retirees at the employer's group rate. The City provides no funding for any portion of the premiums after retirement, except as discussed below. However, the City recognizes that there is an “implicit subsidy” arising because of the blended rate premium since retiree health care costs, on average, are higher than active employee healthcare costs. The plan is not accounted for as a trust fund and an irrevocable trust has not been established to fund this plan. The plan does not issue a separate financial report. It is the City’s current policy to fund the plan on a “pay- as-you-go” basis. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

**Note 11 - Post-Employment Benefits other than Pensions (OPEB) (continued)**

**Benefits Provided**

Employees who retire from the City and their dependents are eligible to continue to participate in the City’s health insurance, life insurance, and long-term care benefits currently offered through the City at the “blended” employee group rate, which the City determines on an annual basis. The retiree must continue to meet all participation requirements and pay all applicable premiums by the specified due date. Life insurance and long-term care benefits are portable and the retiree must pay premiums to the carrier directly. Generally, the City provides no funding for any portion of the premiums after retirement. Pursuant to City Resolution 2006-64, department directors who retire at age 55 or later with at least 10 years of full-time service are not required to pay a premium for medical or dental coverage for themselves prior to age 65. The retiree is responsible for any spouse or dependent coverage. For these individuals, there is an explicit subsidy where the City provides for the retiree’s coverage.

As of September 30, 2020, the latest actuarial valuation, health care and dental plan participants consisted of:

Active Plan participants	163
Retiree Plan participants	<u>4</u>
	<u><u>167</u></u>

**Total OPEB Liability**

The City's total OPEB liability of \$ 2,137,378 was measured as of September 30, 2020 (measurement date) and was determined by an actuarial valuation as of September 30, 2020.

**Methods and Assumptions**

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

Projections of benefits for financial reporting purposes are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants.

As of the September 30, 2020 actuarial valuation, the following assumptions were made:

Discount rate: 2.14% per annum; this rate is based on the September 30, 2020 S&P Municipal Bond 20-year High Grade Rate Index as published by S&P Dow Jones Indices.

Salary increases: 3.00% per year.

Inflation: 2.50% per year.

Marital status: Current spouse coverage is applied.

**Note 11 - Post-Employment Benefits other than Pensions (OPEB) (continued)**

Retirement rates:

General - 100% are assumed to retire by age 62 with 6 years of service, or with 30 years of service, regardless of age.

Police - 100% are assumed to retire by age 55 and 10 years of service or age 52 and 25 years of service.

Health care participation: - 5% participation assumed. 100% participation assumed for Directors eligible for explicit coverage to age 65, and 5% thereafter.

Healthcare care inflation: Increases in healthcare costs are assumed to be 7.00% for the 2020/21 fiscal year, 7.50% for the 2021/2022 fiscal year, grading down to the ultimate trend rate of 4.00% in the 2074-2075 fiscal year.

Medical Aging morbidity factors: Developed based on a study performed by Dale Yamamoto for the Society of Actuaries. Used to measure the annual increases in per capital claim costs for each age and relative cost by gender.

Health claims: Developed using active fully insured rates.

Dental claims: Developed using the active fully insured rates. Projected employee contributions are assumed to cover the entire cost of claims.

Funding method: Entry Age Cost Method (Level Percentage of Pay).

Mortality rates: Mortality rates are consistent with mortality rates mandated by Chapter 2015-157, Florida Statutes for pension plans. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). All mortality rates were based on the Pub-2010 mortality tables with fully generational improvement using Scale MP-2018. The rates are those outlined in Milliman’s July 1, 2019 FRS valuation report.

Changes: Since the prior measurement date, the discount rate was decreased from 3.58% per annum to 2.14% per annum. Also, the mortality rates, the annual per capita claim costs, and the health care inflation rates were updated.

**Changes in the Total OPEB Liability**

	<u>Total OPEB Liability</u>
Balance as of September 30, 2019, measurement date	\$ <u>2,370,125</u>
Change due to:	
Service cost	112,309
Expected interest growth	87,298
Demographic experience	(636,641)
Benefit payments and refunds	(88,651)
Assumption changes	<u>292,938</u>
Net changes	<u>(232,747)</u>
Balance as of September 30, 2020, measurement date	\$ <u><u>2,137,378</u></u>

**Note 11 - Post-Employment Benefits other than Pensions (OPEB) (continued)**

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current discount rate:

	1% Decrease (1.14%)	Discount Rate (2.14%)	1% Increase (3.14)
Net OPEB liability	\$ <u>2,440,734</u>	\$ <u>2,137,378</u>	\$ <u>1,882,311</u>

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

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

	Trend Rates Minus 1.00% 3.00% - 6.50%	Healthcare Cost Trend Rates 4.00% - 7.50%	Trend Rates Plus 1.00% 5.00% - 8.50%
Net OPEB liability	\$ <u>1,852,225</u>	\$ <u>2,137,378</u>	\$ <u>2,485,979</u>

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

For the year ended September 30, 2021, the City recognized OPEB expense of \$ 342,531. At September 30, 2021, the City reported deferred outflows of resources and deferred inflows as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 616,307	\$ 557,061
Changes of assumptions	866,915	94,096
Employer contributions subsequent to the measurement date	<u>47,276</u>	<u>-</u>
Total	\$ <u>1,530,498</u>	\$ <u>651,157</u>

The deferred outflows of resources relating from the employer contributions subsequent to the measurement date and prior to the employer's reporting period, in the amount of \$ 47,276, will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year ending September 30, 2022.

**Note 11 - Post-Employment Benefits other than Pensions (OPEB) (continued)**

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

<u>Year ended September 30,</u>	<u>Amount</u>
2022	\$ 142,924
2023	142,924
2024	142,924
2025	142,924
2026	172,936
Thereafter	<u>87,433</u>
	<u>\$ 832,065</u>

**Note 12 - Defined Contribution Pension Plans**

The City is a single-employer that contributes to four (4) defined contribution pension plans based on employee classification created in accordance with Internal Revenue Code Section 401(a). The plans currently cover all full-time employees of the City. Under these plans, the City contributes between 7% and 18% depending on employee classifications. City contributions for the City Manager, department directors and assistant department directors vest in the year they are contributed. City contributions to general employees vest beginning after one year of service through year five in 20% increments. Participants are not permitted to make contributions during the year. The City made plan contributions of approximately \$ 835,000 during the year.

Plan provisions and contribution requirements may be amended by the City Commission. In addition, the City provides to all full-time employees a deferred compensation plan under Section 457 of the Internal Revenue Code. Under this program, employees may voluntarily elect to defer a portion of their salary to future years; with no required contributions from the City. Both programs are administered by ICMA Retirement Corp. The City does not exercise any control or fiduciary responsibility over the Plans’ assets. Therefore, the assets, liabilities and transactions are not included in the City’s financial statements.

**Note 13 - Defined Benefit Pension Plan**

**General Information about the Pension Plan**

Plan Description - The Plan is open solely to active police officers of the City of Aventura. A police officer is any person employed full time in the Police Department of the City, who is certified as a police officer as a condition of employment in accordance with the provisions of Florida Statutes and whose duty is to protect life and property and exercise lawful arrest powers of the State of Florida. The definition includes all supervisory and command personnel whose duties include, in whole or in part, the supervision, training, guidance, and management responsibilities of full-time police officers. All full-time police officers of the City of Aventura, except the Chief of Police, must participate in the pension plan.



**Note 13 - Defined Benefit Pension Plan (continued)**

Board of Trustees: Two City Commission appointees who are City residents, two elected Members of the System, and a fifth member elected by the other four and appointed by Commission (as a ministerial duty).

Plan Membership as of September 30, 2021

Inactive Plan members or beneficiaries currently receiving benefits	21
Active Plan members	<u>81</u>
Total	<u><u>102</u></u>

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

The general administration, management and investment decisions of the Plan and the responsibility for carrying out its provisions is vested in the five (5) members Board of Trustees. Administrative costs of the Plan are financed through current or prior investment earnings.

The City has issued audited stand-alone financial statements for the Plan, which may be obtained from the City's Finance Department.

Benefits - Normal retirement may be received upon attainment the earlier of age 55 with 10 years of credited service or upon completion of 25 years of credited service, regardless of age. For the first 40 years of service, the monthly benefit received will be 3% of final monthly compensation multiplied by the number of years of service, to a maximum of 80%. Years credited beyond 40 will be taken into account at 2% of final compensation per year. An early retirement benefit may be received upon attainment of age 45 with 10 years of credited service. The benefit may be received either on a deferred basis or an immediate basis. On an immediate basis, the benefit amount will be the normal retirement benefit reduced by 3% per year for each year by which the retirement date precedes the normal retirement date. On a deferred basis, the benefit amount will be the same as the normal retirement benefit except that the final compensation and credited service will be based upon the early retirement date.

Disability Retirement - Members who become disabled due to service-incurred injuries, which arise out of performance of service with the City, will receive a monthly benefit amount equal to the member's accrued benefit but not less than 42.00% of the member's final monthly compensation as of the date of disability, offset by any other payments, such as worker's compensation. Members who become disabled due to non-service-incurred injuries, which do not arise out of performance of service with the City, and who have completed at least 10 years of service, will receive a monthly benefit amount equal to 3% of final monthly compensation for each year of credited service, but not less than 30%.

Funding - Effective October 1, 2015, members were required to contribute 10.775% of the annual covered salary. During 2021, the City and State are required to contribute 26.393% of covered payroll. Consistent with the requirements of Sections 112.66 and 185.07 of the Florida Statutes, the City is required to contribute an amount necessary to maintain the Plan on an actuarially sound basis. Contribution requirements of the Plan members and the City are established and may be changed by an amendment of the City ordinance. The costs of administrating the Plan are paid out of contributions to the Plan.

**Note 13 - Defined Benefit Pension Plan (continued)**

**Deferred Retirement Option Plan**

Effective October 1, 2019, a deferred retirement option plan ("DROP") was created. A member is eligible to enter the DROP on the earlier of the first day that he/she is eligible for service retirement as defined by Ordinance 2019-12, section 36-26(b)(ii) or delayed retirement as defined in section 36-26(b)(iii) but with at least 11 years of credited service and attainment of age 57. Upon entering the DROP, a member will no longer accrue credited service or additional pension benefits and will no longer make employee contributions to the Retirement Plan. Instead, the amount of the monthly pension benefit for the benefit option selected by the member will be credited to the member's DROP account. The maximum period that a member may participate in the DROP is five years. After the maximum period of DROP participation, the member must terminate from employment as a City police officer. DROP participation must begin by the earlier of the date on which a member reaches 25 years of service or the date on which a member reaches age 57 with 11 years of service. A member may elect to enter DROP after the foregoing dates, but his/her maximum participation in the DROP will be reduced by the period of time in which the member delayed entry in the DROP after reaching either of the foregoing maximum DROP entry deadlines.

The member's DROP account will be self-directed by the member to mutual funds selected by the Retirement Plan's Board of Trustees from among those offered by a vendor selected by the Board of Trustees. The available mutual funds and the vendor may be changed from time to time by the Board of Trustees. Members will be solely responsible for the gains and losses of their individual self-directed DROP accounts. Members who elect to participate in the DROP shall be required to separate from City service at the conclusion of the DROP period. A member's DROP shall be distributed to the member in a lump sum, rollover, or a combination of both, as soon as administratively practicable and not more than 90 days following the conclusion of the DROP period or approval of the distribution by the Retirement Plan Board of Trustees, whichever occurs last.

Neither the City, the Retirement Plan, nor its Board of Trustees shall have any liability or responsibility to guarantee the principal and/or rate of return for a member's DROP assets. The DROP accounts, although self-directed separate accounts, will remain part of the pension trust, and distributions from a member's account shall not be permitted until termination of employment. The balance of the amounts held by the Plan pursuant to the DROP was \$ 2,615,603 as of September 30, 2021.

**Net Pension Liability**

The City's net pension liability was measured as of September 30, 2020. The total pension liability used to calculate the net pension liability was determined as of that date.

Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of October 1, 2020 (and updated to September 30, 2020) using the following actuarial assumptions:

Inflation	2.30%
Salary Increases	5.00%
Discount rate	7.25%
Investment rate of return	7.25%

Mortality Rate: PubS.H-2010 (Above Median) for both male and female employees, set forward and back for one year, as applicable.

**Note 13 - Defined Benefit Pension Plan (continued)**

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic Equity	55.00%	5.61%
International Equity	10.00%	4.56%
Fixed Income	20.00%	1.47%
Private Real Estate	5.00%	5.18%
Hedge Funds	5.00%	1.58%
MPL/Energy Infrastructure	5.00%	4.45%
	100.00%	

Discount Rate - The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

**Changes in Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a)-(b)
Reporting period ending, September 30, 2020	\$ 59,444,729	\$ 49,476,144	\$ 9,968,585
Changes for the year:			
Service cost	1,993,808	-	1,993,808
Interest	4,421,716	-	4,421,716
Contributions - employer	-	1,603,198	(1,603,198)
Contributions - state	-	561,953	(561,953)
Contributions - employee	-	902,513	(902,513)
Contributions - buy back	10,039	10,039	-
Difference between actual and expected experience	1,097,921	-	1,097,921
Change of assumptions	(1,596,026)	-	(1,596,026)
Net investment income	-	4,011,254	(4,011,254)
Benefit payments, including refunds of employee contributor	(898,707)	(898,707)	-
Administrative expenses	-	(87,902)	87,902
Net change	5,028,751	6,102,348	(1,073,597)
Reporting period ending, September 30, 2021	\$ 64,473,480	\$ 55,578,492	\$ 8,894,988

**Note 13 - Defined Benefit Pension Plan (continued)**

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the City, calculated using the discount rate of 7.25%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current discount rate:

	<u>1% Decrease (6.25%)</u>	<u>Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
Net pension liability	\$ <u>17,555,632</u>	\$ <u>8,894,988</u>	\$ <u>1,790,409</u>

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions**

For the year ended September 30, 2021 the Sponsor will recognize a pension expense of \$ 1,997,996.

On September 30, 2021 the Sponsor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 878,336	\$ 711,516
Changes of assumptions	998,218	1,276,820
Net difference between projected and actual earnings on pension plan investments	807,476	-
Pension contributions subsequent to the measurement date	<u>2,264,666</u>	<u>-</u>
Totals	\$ <u>4,948,696</u>	\$ <u>1,988,336</u>

The deferred outflows of resources resulting from the employer contributions to the Plan subsequent to the measurement date and prior to the employer's reporting period, in the amount of \$ 2,264,666, will be recognized as a reduction of the net pension liability in the subsequent fiscal year ending September 30, 2022.

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

<u>Year ended September 30,</u>	<u>Amount</u>
2022	\$ 25,622
2023	487,652
2024	351,727
2025	<u>(169,307)</u>
	\$ <u>695,694</u>

**Note 14 - Deficits in Fund Balance**

At June 30, 2021, the Don Soffer Aventura High School Fund had a deficit fund balance of \$ 1,978,408 and, at September 30, 2021, the Aventura Charter High School Construction Fund had a deficit fund balance of \$ 481,477. The City expects to fund these deficits with budgeted transfers and other advances from the General Fund in subsequent years.

**Note 15 - Prior Period Adjustment - Restatement**

During the year ended June 30, 2021, Don Soffer Aventura High School Fund restated net position and fund balance by \$ 20,600 to adjust the balance of compensated absences. As a result, the City restated beginning net position and opening fund balance for the fiscal year ended September 30, 2020 on June 30, 2020, respectively.

<u>Government-Wide Financial Statements:</u>	<u>Governmental Activities</u>	<u>Total</u>
Net position, September 30, 2020, as previously reported	\$ 121,816,779	\$ 131,929,594
Prior period adjustment	<u>20,600</u>	<u>20,600</u>
Net position, September 30, 2020, as restated	<u>\$ 121,837,379</u>	<u>\$ 131,950,194</u>
	<u>Don Soffer Aventura High School Fund *</u>	<u>Total Governmental Funds</u>
<u>Fund Financial Statements:</u>		
Fund balances, September 30, 2020, as previously reported	\$ (1,339,857)	\$ 49,224,869
Prior period adjustment	<u>20,600</u>	<u>20,600</u>
Fund balances, September 30, 2020, as restated	<u>\$ (1,319,257)</u>	<u>\$ 49,245,469</u>

\* as of June 30, 2021.

**Note 16 - 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 a pandemic. Management and the City Commission continue to evaluate and monitor the potential adverse effect, if any, 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 17 - Subsequent Events**

Subsequent to year end, the City Commission approved the dissolution of the Don Soffer Aventura High School Foundation, Inc.



## REQUIRED SUPPLEMENTARY INFORMATION



**City of Aventura, Florida**  
**Required Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual - General Fund**  
**For the Year Ended September 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Ad valorem taxes	\$ 17,375,195	\$ 17,375,195	\$ 17,346,855	\$ (28,340)
Utility service and other locally levied taxes	8,930,000	9,230,000	9,696,071	466,071
Licenses and permits; including franchise fees	6,499,557	6,699,557	7,254,275	554,718
Intergovernmental revenues	3,088,870	3,655,870	4,591,308	935,438
Charges for services	2,727,317	2,927,317	3,229,094	301,777
Fines and forfeitures	1,752,500	1,752,500	2,029,183	276,683
Investment income	125,000	125,000	48,634	(76,366)
Miscellaneous	70,000	70,000	33,454	(36,546)
Total revenues	40,568,439	41,835,439	44,228,874	2,393,435
<b>Expenditures:</b>				
<b>General government:</b>				
City commission	150,764	150,764	149,565	1,199
City manager	587,135	587,135	537,366	49,769
Legal	311,000	511,000	501,961	9,039
City clerk	359,674	376,674	374,872	1,802
Finance	1,098,400	1,098,400	1,075,843	22,557
Information technology	1,239,190	1,239,190	1,195,555	43,635
Nondepartmental	1,509,500	1,824,500	1,823,314	1,186
Total general government	5,255,663	5,787,663	5,658,476	129,187
<b>Public safety:</b>				
Police	21,693,857	21,743,857	21,649,788	94,069
Community development	2,686,805	3,086,805	3,077,911	8,894
Total public safety	24,380,662	24,830,662	24,727,699	102,963
<b>Community services:</b>				
Community services	2,573,009	2,708,009	2,709,914	(1,905)
Arts and cultural center	856,996	856,996	651,044	205,952
Total community services	3,430,005	3,565,005	3,360,958	204,047
<b>Public works:</b>				
Public works	3,268,540	3,418,540	3,388,995	29,545
Total public works	3,268,540	3,418,540	3,388,995	29,545
<b>Capital outlay</b>				
Total expenditures	52,528,729	54,156,988	38,095,759	16,061,229
Excess (deficiency) of revenues over expenditures	(11,960,290)	(12,321,549)	6,133,115	18,454,664
<b>Other financing sources (uses):</b>				
Transfers out	(2,300,214)	(2,300,214)	(2,300,214)	-
Appropriated fund balance	14,260,504	14,621,763	-	(14,621,763)
Total other financing sources (uses)	11,960,290	12,321,549	(2,300,214)	(14,621,763)
Net change in fund balance	\$ -	\$ -	\$ 3,832,901	\$ 3,832,901

See notes to required supplementary information.



**City of Aventura, Florida**  
**Required Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual - Aventura City of Excellence School Fund - Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 8,622,115	\$ 8,936,809	\$ 8,757,569	\$ (179,240)
Charges for services	690,000	690,000	169,618	(520,382)
Investment income	5,000	5,000	6,435	1,435
Miscellaneous	419,000	419,000	253,183	(165,817)
Total revenues	<u>9,736,115</u>	<u>10,050,809</u>	<u>9,186,805</u>	<u>(864,004)</u>
<b>Expenditures:</b>				
Community services	9,762,726	9,926,654	9,599,627	327,027
Capital outlay	262,750	413,516	412,193	1,323
Total expenditures	<u>10,025,476</u>	<u>10,340,170</u>	<u>10,011,820</u>	<u>328,350</u>
Excess (deficiency) of revenues over expenditures	<u>(289,361)</u>	<u>(289,361)</u>	<u>(825,015)</u>	<u>(535,654)</u>
<b>Other financing sources (uses):</b>				
Transfers in	100,000	100,000	100,000	-
Transfers out	(444,000)	(444,000)	(444,000)	-
Appropriated fund balance	633,361	633,361	-	(633,361)
Total other financing sources (uses)	<u>289,361</u>	<u>289,361</u>	<u>(344,000)</u>	<u>(633,361)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,169,015)</u>	<u>\$ (1,169,015)</u>

See notes to required supplementary information.

**City of Aventura, Florida**  
**Required Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual - Don Soffer Aventura High School Fund - Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 3,680,844	\$ 4,203,512	\$ 4,023,241	\$ (180,271)
Charges for services	140,364	45,862	37,562	(8,300)
Investment income	-	-	40	40
Miscellaneous income	-	-	33,214	33,214
<b>Total revenues</b>	<b>3,821,208</b>	<b>4,249,374</b>	<b>4,094,057</b>	<b>(155,317)</b>
<b>Expenditures:</b>				
Community services	4,209,079	4,269,613	4,336,471	(66,858)
Capital outlay	250,000	617,632	566,737	50,895
<b>Total expenditures</b>	<b>4,459,079</b>	<b>4,887,245</b>	<b>4,903,208</b>	<b>(15,963)</b>
Excess (deficiency) of revenues over expenditures	(637,871)	(637,871)	(809,151)	(171,280)
<b>Other financing sources (uses):</b>				
Transfers in	150,000	150,000	150,000	-
Appropriated fund balance	487,871	487,871	-	(487,871)
<b>Total other financing sources (uses)</b>	<b>637,871</b>	<b>637,871</b>	<b>150,000</b>	<b>(487,871)</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (659,151)</b>	<b>\$ (659,151)</b>

See notes to required supplementary information.

**City of Aventura, Florida**  
**Required Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual - Transportation and Street Maintenance Fund - Special Revenue Fund**  
**For the Year Ended September 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental revenue	\$ 1,864,000	\$ 1,864,000	\$ 2,293,405	\$ 429,405
Charges for services	40,000	40,000	50,451	10,451
Investment income	3,000	3,000	9,134	6,134
Total revenues	<u>1,907,000</u>	<u>1,907,000</u>	<u>2,352,990</u>	<u>445,990</u>
<b>Expenditures:</b>				
Public works	1,732,058	1,948,344	1,841,749	106,595
Capital outlay	1,034,942	882,075	547,315	334,760
Total expenditures	<u>2,767,000</u>	<u>2,830,419</u>	<u>2,389,064</u>	<u>441,355</u>
Excess (deficiency) of revenues over expenditures	<u>(860,000)</u>	<u>(923,419)</u>	<u>(36,074)</u>	<u>887,345</u>
<b>Other financing sources (uses):</b>				
Appropriated fund balance	<u>860,000</u>	<u>923,419</u>	<u>-</u>	<u>(923,419)</u>
Total other financing sources (uses)	<u>860,000</u>	<u>923,419</u>	<u>-</u>	<u>(923,419)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (36,074)</u>	<u>\$ (36,074)</u>

See notes to required supplementary information.

**Note 1 - Budgets and Budgetary Accounting**

An annual appropriated budget is adopted for all government funds with the exception of the Federal Forfeiture Fund, the Law Enforcement Trust Fund and the Don Soffer Aventura High School Foundation Fund. All of the funds mentioned in this paragraph are Special Revenue Funds.

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

- a. The City Manager submits to the City Commission a proposed operating and capital budget for the ensuing fiscal year. The budget includes proposed expenditures and the means of financing 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. Formal budgetary integration is employed as a management control device during the year for the governmental funds described above.
- e. The City Commission, by ordinance, may make supplemental appropriations for the year up to the amount of revenues in excess of those estimated. The City Commission made several supplemental budgetary appropriations throughout the year including approximately \$ 1.6 million in the General Fund.
- f. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (“GAAP”).
- g. The City Manager is authorized to transfer part or all of an unencumbered appropriation balance within departments within a fund; however, any revisions that alter the total appropriations of any department or fund must be approved by the City Commission. The classification detail at which expenditures may not legally exceed appropriations is at the department level.
- h. Encumbrances lapse at fiscal year-end. Encumbrances are re-appropriated in the following year’s budget.

A separate budget document for the Aventura City of Excellence School Fund and the Don Soffer Aventura High School Fund is adopted by the City on May of each year, based on an annual operational fiscal year ending as of June 30th.

**City of Aventura, Florida**  
**Required Supplementary Information**  
**Schedule of Changes in Net Pension Liability and Related Ratios (Unaudited)**  
**Police Officer's Retirement Plan**  
**Last Ten Fiscal Years (1)**

Reporting period ending:	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Measurement date:	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
<b>Total pension liability:</b>								
Service cost	\$ 2,138,359	\$ 1,993,808	\$ 2,107,436	\$ 1,960,406	\$ 1,946,501	\$ 1,810,699	\$ 1,896,180	\$ 1,732,252
Interest	4,788,701	4,421,716	4,033,828	3,627,275	3,279,516	2,931,936	2,727,885	2,238,129
Changes of benefit terms	-	-	-	1,173,788	-	-	2,797,541	-
Differences between expected and actual experience	1,388,353	1,097,921	-	(794,007)	-	(1,226,574)	(1,326,392)	-
Changes of assumptions	-	(1,596,026)	-	1,856,302	-	1,534,188	-	-
Contributions - buy back	10,811	10,039	121,590	-	-	-	-	-
Benefits payments, including refunds of employee contributions	(1,121,573)	(898,707)	(699,399)	(691,515)	(514,739)	(588,554)	(394,472)	(409,084)
Net change in total pension liability	7,204,651	5,028,751	5,563,455	7,132,249	4,711,278	4,461,695	5,700,742	3,561,297
Total pension liability - beginning	64,473,480	59,444,729	53,881,274	46,749,025	42,037,747	37,576,052	31,875,310	28,314,013
Total pension liability - ending (a)	\$ 71,678,131	\$ 64,473,480	\$ 59,444,729	\$ 53,881,274	\$ 46,749,025	\$ 42,037,747	\$ 37,576,052	\$ 31,875,310
<b>Plan fiduciary net position:</b>								
Contributions - employer	\$ 1,881,922	\$ 1,603,198	\$ 1,551,880	\$ 1,589,440	\$ 1,497,898	\$ 1,302,614	\$ 1,550,643	\$ 1,548,543
Contributions - state	382,744	561,953	474,040	435,103	338,364	342,209	310,354	318,440
Contributions - employee	924,555	902,513	943,658	956,612	941,916	863,769	541,792	541,099
Contributions - buy back	10,811	10,039	121,590	-	-	-	-	-
Net investment income (loss)	11,425,362	4,011,254	837,503	3,511,042	4,262,504	2,158,517	(614,811)	2,199,131
Benefit payments, including refunds of employee contributions	(1,121,573)	(898,707)	(699,399)	(691,515)	(514,739)	(588,554)	(394,472)	(409,084)
Administrative expense	(131,204)	(87,902)	(84,711)	(71,805)	(74,636)	(66,033)	(66,115)	(55,898)
Net change in plan fiduciary net position	13,372,617	6,102,348	3,144,561	5,728,877	6,451,307	4,012,522	1,327,391	4,142,231
Plan fiduciary net position - beginning	55,578,492	49,476,144	46,331,583	40,602,706	34,151,399	30,138,877	28,811,486	24,669,255
Prior period adjustment	(139,992)	-	-	-	-	-	-	-
Plan fiduciary net position - ending (b)	\$ 68,811,117	\$ 55,578,492	\$ 49,476,144	\$ 46,331,583	\$ 40,602,706	\$ 34,151,399	\$ 30,138,877	\$ 28,811,486
Net pension liability - ending (a) - (b)	\$ 2,867,014	\$ 8,894,988	\$ 9,968,585	\$ 7,549,691	\$ 6,146,319	\$ 7,886,348	\$ 7,437,175	\$ 3,063,824
Plan fiduciary net position as a percentage of the total pension liability	96.00%	86.20%	83.23%	85.99%	86.85%	81.24%	80.21%	90.39%
Covered payroll	\$ 8,580,555	\$ 8,375,995	\$ 8,668,447	\$ 8,878,068	\$ 8,741,677	\$ 8,129,475	\$ 8,047,155	\$ 7,986,695
Net pension liability as a percentage of covered payroll	33.41%	106.20%	115.00%	85.04%	70.31%	97.01%	92.42%	38.36%

Note: (1) This schedule is intended to illustrate information for 10 years. However, until a full 10-year trend is compiled, the City of Aventura should present information for those years for which information is available.

**City of Aventura, Florida**  
**Required Supplementary Information**  
**Schedule of Contributions (Unaudited)**  
**Police Officer's Retirement Plan**  
**Last Ten Fiscal Years**

<u>Fiscal Year Ended September 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2021	\$ 2,264,666	\$ 2,264,666	\$ -	\$ 8,580,555	26.39%
2020	\$ 2,210,676	\$ 2,165,151	\$ 45,525	\$ 8,375,995	25.85%
2019	\$ 1,924,394	\$ 2,025,920	\$ (101,526)	\$ 8,668,447	23.37%
2018	\$ 1,951,222	\$ 2,024,543	\$ (73,321)	\$ 8,878,068	22.80%
2017	\$ 1,826,049	\$ 1,836,262	\$ (10,213)	\$ 8,741,677	21.01%
2016	\$ 1,698,166	\$ 1,644,823	\$ 53,343	\$ 8,129,475	20.23%
2015	\$ 1,830,896	\$ 1,860,998	\$ (30,102)	\$ 8,047,155	23.13%
2014	\$ 1,828,554	\$ 1,866,983	\$ (38,429)	\$ 7,986,695	23.38%
2013	\$ 1,959,557	\$ 1,959,557	\$ -	\$ 7,810,732	25.09%
2012	\$ 1,923,697	\$ 1,923,697	\$ -	\$ 7,663,687	25.10%

**Notes to Schedule:**

Valuation date	10/1/2018
Mortality rate:	<p><i>Healthy Active Lives:</i>            Female: RP 2000 Generational, 100% Combined Healthy White Collar, Scale BB.            Male: RP2000 Generational, 10% Combined Healthy White Collar/90% Combined Healthy Blue Collar, Scale BB.</p> <p><i>Disabled Lives:</i>            Female: 60% RP2000 Disabled Female set forward two years/ 40% Annuitant White Collar with no setback, no projection scale.            Male: 60% RP2000 Disabled Male set forward four years/ 40% Annuitant White Collar with no setback, no projection scale.</p> <p><i>Healthy Retiree Lives:</i>            Female: RP 2000 Generational, 100% Annuitant White Collar, Scale BB.            Male: RP 2000 Generational, 10% Annuitant White Collar/ 90% Annuitant Blue Collar, Scale BB.</p>
Interest rate:	7.25%
Salary Increases:	5.00%
Inflation:	2.30%
Payroll growth:	0.0% for purposes of amortizing the Unfunded Actuarial Accrued Liability. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 12, Laws of Florida.
Amortization method:	Experience: 10 Years; Assumption/Method Changes: 20 Years; Benefit Changes: 30 Years.
Retirement age:	Earlier of age 57 and 10 years of Credited Service, or upon completion of 22.5 years of Credited Service, regardless of age. Additionally, any member who has reached Normal Retirement is assumed to continue employment for one additional year.
Early retirement:	Commencing with the earliest Early Retirement Age (45), members are assumed to retire with an immediate subsidized benefit at the rates below.

<u>Age</u>	<u>Rate</u>
45-49	10.00%
50+	25.00%

**City of Aventura, Florida**  
**Required Supplementary Information**  
**Schedule of Contributions (Unaudited)**  
**Police Officer's Retirement Plan**  
**(continued)**  
**Last Ten Fiscal Years**

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Termination and disability rate table:

<u>Age</u>	<u>% Becoming Disabled During the Year</u>	<u>% Terminating During the Year</u>
20	0.14%	10.30%
30	0.18%	4.15%
40	0.30%	0.99%
50	1.00%	0.48%

Funding method: Entry Age Normal Actuarial Cost Method.

Actuarial asset method: All assets are valued at fair value with an adjustment made to uniformly spread actuarial investment gains and losses over a five-year period.



**City of Aventura, Florida**  
**Required Supplementary Information**  
**Schedule of Investment Returns (Unaudited)**  
**Police Officer's Retirement Plan**  
**Last Ten Fiscal Years**

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<b>Fiscal Year Ended September 30,</b>	<b>Annual money-weighted rate of return, net of investment expenses</b>
2021	20.55 %
2020	8.02 %
2019	1.68 %
2018	8.60 %
2017	11.97 %
2016	7.00 %
2015	(1.83) %
2014	8.87 %
2013	11.44 %
2012	16.20 %

**City of Aventura, Florida**  
**Required Supplementary Information**  
**Schedule of Changes in Total OPEB Liability and Related Ratios**  
**Other Post-Employment Benefits (Unaudited)**  
**Last Ten Fiscal Years <sup>(1)</sup>**

Reporting period ending:	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>
Measurement date:	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>
<b>Total OPEB Liability:</b>				
Service cost	\$ 112,309	\$ 109,038	\$ 65,680	\$ 33,459
Expected interest growth	87,298	45,557	27,175	23,363
Demographic experience	(636,641)	288,869	611,405	-
Benefit payments and refunds	(88,651)	(80,592)	(72,858)	(7,496)
Assumption changes	292,938	803,820	(144,961)	-
<b>Net change in total OPEB liability</b>	<u>(232,747)</u>	<u>1,166,692</u>	<u>486,441</u>	<u>49,326</u>
<b>Total OPEB liability-beginning</b>	<u>2,370,125</u>	<u>1,203,433</u>	<u>716,992</u>	<u>667,666</u>
<b>Total OPEB liability-ending</b>	<u>\$ 2,137,378</u>	<u>\$ 2,370,125</u>	<u>\$ 1,203,433</u>	<u>\$ 716,992</u>
Covered-employee payroll	\$ 16,493,626	\$ 16,008,236	\$ 15,746,445	\$ 12,595,559
Total OPEB liability as a percentage of covered-employee payroll	12.96%	14.81%	7.64%	5.69%

Note: (1) This schedule is intended to illustrate information for 10 years. However, until a full 10-year trend is compiled, the City of Aventura should present information for those years for which information is available.

Plan Assets: No assets are accumulated in a trust, or equivalent arrangement, that meets the criteria of GASB Codification P52.101 to pay related benefits for the OPEB plan.



## SUPPLEMENTARY INFORMATION





# COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS



**City of Aventura, Florida  
Combining Balance Sheet  
Nonmajor Governmental Funds  
September 30, 2021**

	Special Revenue Funds						Debt Service Funds				Capital Projects Fund
	Police Education Fund	911 Fund	Federal Forfeiture Fund	Law Enforcement Trust Fund	Don Soffer Aventura High School Foundation	Series 2010 & 2011 Debt Service Fund	Series 2012 (A) Debt Service Fund	Series 2012 (B) Debt Service Fund	Series 2018 Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>											
Cash, cash equivalents and investments	\$ 8,011	\$ 8,541	\$ 653,531	\$ 150,902	\$ 276,373	\$ 145,479	\$ 3	\$ 297,639	\$ -	\$ 792,900	\$ 2,333,379
Due from other governments	290	42,402	-	-	-	-	-	-	-	-	42,692
Total assets	\$ 8,301	\$ 50,943	\$ 653,531	\$ 150,902	\$ 276,373	\$ 145,479	\$ 3	\$ 297,639	\$ -	\$ 792,900	\$ 2,376,071
<b>Liabilities:</b>											
Accounts payable	\$ -	\$ 6,869	\$ 1,050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,919
Accrued liabilities	-	-	-	-	-	145,223	-	-	-	-	145,223
Total liabilities	-	6,869	1,050	-	-	145,223	-	-	-	-	153,142
<b>Fund Balances:</b>											
Restricted for:											
Public safety/law enforcement	8,301	44,074	652,481	150,902	-	-	-	-	-	-	855,758
Capital projects	-	-	-	-	-	-	-	-	-	792,900	792,900
Debt service	-	-	-	-	-	256	3	297,639	-	-	297,898
Assigned for:											
Charter school operations	-	-	-	-	276,373	-	-	-	-	-	276,373
Total fund balances	8,301	44,074	652,481	150,902	276,373	256	3	297,639	-	792,900	2,222,929
Total liabilities and fund balances	\$ 8,301	\$ 50,943	\$ 653,531	\$ 150,902	\$ 276,373	\$ 145,479	\$ 3	\$ 297,639	\$ -	\$ 792,900	\$ 2,376,071

**City of Aventura, Florida  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended September 30, 2021**

	Special Revenue Funds						Debt Service Funds				Capital Projects Fund
	Police Education Fund	911 Fund	Federal Forfeiture Fund	Law Enforcement Trust Fund	Don Soffer Aventura High School Foundation	Series 2010 & 2011 Debt Service Fund	Series 2012 (A) Debt Service Fund	Series 2012 (B) Debt Service Fund	Series 2018 Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>											
Intergovernmental	\$ -	\$ 101,482	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 101,482
Fines and forfeitures	2,475	-	103,694	-	-	-	-	-	-	-	106,169
Investment income	12	48	998	235	13	-	227	-	-	1,293	2,826
Miscellaneous	-	-	-	-	19,549	-	-	-	-	-	19,549
<b>Total revenues</b>	<b>2,487</b>	<b>101,530</b>	<b>104,692</b>	<b>235</b>	<b>19,562</b>	<b>-</b>	<b>227</b>	<b>-</b>	<b>-</b>	<b>1,293</b>	<b>230,026</b>
<b>Expenditures:</b>											
Current:											
General government	-	-	-	-	5,788	-	-	-	-	-	5,788
Public safety	2,200	91,389	-	7,238	-	-	-	-	-	-	100,827
Capital outlay	-	-	109,616	597	-	-	-	-	-	79,300	189,513
Debt service:											
Principal	-	-	-	-	-	885,000	302,464	337,536	260,000	-	1,785,000
Interest	-	-	-	-	-	305,919	60,023	67,685	236,808	-	670,435
<b>Total expenditures</b>	<b>2,200</b>	<b>91,389</b>	<b>109,616</b>	<b>7,835</b>	<b>5,788</b>	<b>1,190,919</b>	<b>362,487</b>	<b>405,221</b>	<b>496,808</b>	<b>79,300</b>	<b>2,751,563</b>
Excess (deficiency) of revenues over expenditures	287	10,141	(4,924)	(7,600)	13,774	(1,190,919)	(362,487)	(404,994)	(496,808)	(78,007)	(2,521,537)
<b>Other financing sources (uses)</b>											
Transfers in	-	-	-	-	-	1,190,919	362,487	444,000	496,808	-	2,494,214
Total other financing sources (uses)	-	-	-	-	-	1,190,919	362,487	444,000	496,808	-	2,494,214
Net change in fund balances	287	10,141	(4,924)	(7,600)	13,774	-	-	39,006	-	(78,007)	(27,323)
<b>Fund balances, beginning</b>	<b>8,014</b>	<b>33,933</b>	<b>657,405</b>	<b>158,502</b>	<b>262,599</b>	<b>256</b>	<b>3</b>	<b>258,633</b>	<b>-</b>	<b>870,907</b>	<b>2,250,252</b>
<b>Fund balances, ending</b>	<b>\$ 8,301</b>	<b>\$ 44,074</b>	<b>\$ 652,481</b>	<b>\$ 150,902</b>	<b>\$ 276,373</b>	<b>\$ 256</b>	<b>\$ 3</b>	<b>\$ 297,639</b>	<b>\$ -</b>	<b>\$ 792,900</b>	<b>\$ 2,222,929</b>

**City of Aventura, Florida**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**Police Education Fund - Special Revenue Fund**  
**For the Year Ended September 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 5,500	\$ 5,500	\$ 2,475	\$ (3,025)
Investment income	-	-	12	12
Total revenues	5,500	5,500	2,487	(3,013)
<b>Expenditures:</b>				
Public safety	5,500	13,514	2,200	11,314
Total expenditures	5,500	13,514	2,200	11,314
Excess (deficiency) of revenues over expenditures	-	(8,014)	287	8,301
<b>Other financing sources (uses):</b>				
Appropriated fund balance	-	8,014	-	(8,014)
Total other financing sources (uses)	-	8,014	-	(8,014)
Net change in fund balance	\$ -	\$ -	\$ 287	\$ 287



**City of Aventura, Florida**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**911 Fund - Special Revenue Fund**  
**For the Year Ended September 30, 2021**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Intergovernmental revenue	\$ 85,350	\$ 85,350	\$ 101,482	\$ 16,132
Investment income	-	-	48	48
<b>Total revenues</b>	<b>85,350</b>	<b>85,350</b>	<b>101,530</b>	<b>16,180</b>
<b>Expenditures:</b>				
Public safety	96,710	96,710	91,389	5,321
Capital outlay	8,640	22,573	-	22,573
<b>Total expenditures</b>	<b>105,350</b>	<b>119,283</b>	<b>91,389</b>	<b>27,894</b>
Excess (deficiency) of revenues over expenditures	(20,000)	(33,933)	10,141	44,074
<b>Other financing sources (uses):</b>				
Appropriated fund balance	20,000	33,933	-	(33,933)
<b>Total other financing sources (uses)</b>	<b>20,000</b>	<b>33,933</b>	<b>-</b>	<b>(33,933)</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,141</b>	<b>\$ 10,141</b>

**City of Aventura, Florida**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**Series 2010 & 2011 - Debt Service Fund**  
**For the Year Ended September 30, 2021**

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	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>	\$ -	\$ -	\$ -	\$ -
<b>Expenditures:</b>				
Debt service:				
Principal	885,000	885,000	885,000	-
Interest	305,919	305,919	305,919	-
Total expenditures	1,190,919	1,190,919	1,190,919	-
Excess (deficiency) of revenues over expenditures	(1,190,919)	(1,190,919)	(1,190,919)	-
<b>Other financing sources (uses):</b>				
Transfers in	1,190,919	1,190,919	1,190,919	-
Total other financing sources (uses)	1,190,919	1,190,919	1,190,919	-
Net change in fund balance	\$ -	\$ -	\$ -	\$ -

**City of Aventura, Florida**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**Series 2012 (A) - Debt Service Fund**  
**For the Year Ended September 30, 2021**

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	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b>Revenues:</b>	\$ -	\$ -	\$ -	\$ -
<b>Expenditures:</b>				
Debt service:				
Principal	302,464	302,464	302,464	-
Interest	<u>60,023</u>	<u>60,023</u>	<u>60,023</u>	<u>-</u>
Total expenditures	<u>362,487</u>	<u>362,487</u>	<u>362,487</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(362,487)</u>	<u>(362,487)</u>	<u>(362,487)</u>	<u>-</u>
<b>Other financing sources (uses):</b>				
Transfers in	<u>362,487</u>	<u>362,487</u>	<u>362,487</u>	<u>-</u>
Total other financing sources (uses)	<u>362,487</u>	<u>362,487</u>	<u>362,487</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**City of Aventura, Florida**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**Series 2012 (B) - Debt Service Fund**  
**For the Year Ended September 30, 2021**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 227	\$ 227
Total revenues	-	-	227	227
<b>Expenditures:</b>				
Debt service:				
Principal	337,536	337,536	337,536	-
Interest	67,685	67,685	67,685	-
Total expenditures	405,221	405,221	405,221	-
Excess (deficiency) of revenues over expenditures	(405,221)	(405,221)	(404,994)	227
<b>Other financing sources (uses):</b>				
Transfers in	405,221	405,221	444,000	38,779
Total other financing sources (uses)	405,221	405,221	444,000	38,779
Net change in fund balance	\$ -	\$ -	\$ 39,006	\$ 39,006

**City of Aventura, Florida**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**Series 2018 - Debt Service Fund**  
**For the Year Ended September 30, 2021**

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	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>	\$ -	\$ -	\$ -	\$ -
<b>Expenditures:</b>				
Debt service:				
Principal	260,000	260,000	260,000	-
Interest	236,808	236,808	236,808	-
Total expenditures	496,808	496,808	496,808	-
Excess (deficiency) of revenues over expenditures	(496,808)	(496,808)	(496,808)	-
<b>Other financing sources (uses):</b>				
Transfers in	496,808	496,808	496,808	-
Total other financing sources (uses)	496,808	496,808	496,808	-
Net change in fund balance	\$ -	\$ -	\$ -	\$ -

**City of Aventura, Florida**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**Capital Projects Fund**  
**For the Year Ended September 30, 2021**

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	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 1,293	\$ 1,293
Total revenues	-	-	1,293	1,293
<b>Expenditures:</b>				
Capital outlay	864,932	870,907	79,300	791,607
Total expenditures	864,932	870,907	79,300	791,607
Excess (deficiency) of revenues over expenditures	(864,932)	(870,907)	(78,007)	792,900
<b>Other financing sources (uses):</b>				
Appropriated fund balance	864,932	870,907	-	(870,907)
Total other financing sources (uses)	864,932	870,907	-	(870,907)
Net change in fund balances	\$ -	\$ -	\$ (78,007)	\$ (78,007)

**City of Aventura, Florida**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**Aventura Charter High School Construction Fund - Capital Projects Fund**  
**For the Year Ended September 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ -	\$ -	\$ 750,000	\$ 750,000
Investment income	-	-	8,680	8,680
Total revenues	-	-	758,680	758,680
<b>Expenditures:</b>				
Capital outlay	-	269,945	260,130	9,815
Total expenditures	-	269,945	260,130	9,815
Excess (deficiency) of revenues over expenditures	-	(269,945)	498,550	768,495
<b>Other financing sources (uses):</b>				
Appropriated fund balance	-	269,945	-	(269,945)
Total other financing sources (uses)	-	269,945	-	(269,945)
Net change in fund balances	\$ -	\$ -	\$ 498,550	\$ 498,550





# STATISTICAL SECTION



## STATISTICAL SECTION

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

### Contents

	<u>Page</u>
<b>Financial Trends</b>	<b>78-84</b>
<i>These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.</i>	
<b>Revenue Capacity</b>	<b>85-88</b>
<i>These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.</i>	
<b>Debt Capacity</b>	<b>89-92</b>
<i>These schedules contain information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.</i>	
<b>Demographic and Economic Information</b>	<b>93-94</b>
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.</i>	
<b>Operating Information</b>	<b>95-97</b>
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.</i>	

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

**City of Aventura, Florida  
Net Position By Component  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)**

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental Activities:</b>										
Net investment in capital assets	\$ 59,176,872	\$ 63,727,119	\$ 69,229,415	\$ 68,719,115	\$ 69,973,180	\$ 69,676,810	\$ 56,363,585	\$ 83,298,863	\$ 83,259,653	\$ 81,618,679
Restricted	2,240,013	2,910,452	3,778,520	3,271,471	3,856,017	5,084,902	17,073,477	8,300,569	7,873,676	8,012,142
Unrestricted	39,900,020	36,690,649	36,726,441	38,897,287	37,512,481	40,147,287	45,458,005	31,633,822	30,683,450	33,075,470
Total governmental activities, net position	\$ 101,316,905	\$ 103,328,220	\$ 109,734,376	\$ 110,887,873	\$ 111,341,678	\$ 114,908,999	\$ 118,895,067	\$ 123,233,254	\$ 121,816,779	\$ 122,706,291
<b>Business-Type Activities:</b>										
Net investment in capital assets	\$ 7,126,772	\$ 6,829,449	\$ 6,532,125	\$ 6,775,365	\$ 6,809,456	\$ 8,464,648	\$ 8,942,582	\$ 8,959,654	\$ 9,302,065	\$ 9,710,999
Unrestricted	1,429,043	1,703,713	2,056,616	2,549,418	2,265,033	912,350	314,906	516,304	810,750	623,861
Total business-type activities, net position	\$ 8,555,815	\$ 8,533,162	\$ 8,588,741	\$ 9,324,783	\$ 9,074,489	\$ 9,376,998	\$ 9,257,488	\$ 9,475,958	\$ 10,112,815	\$ 10,334,860
<b>Primary Government:</b>										
Net investment in capital assets	\$ 66,303,644	\$ 70,556,568	\$ 75,761,540	\$ 75,494,480	\$ 76,782,636	\$ 78,141,458	\$ 65,306,167	\$ 92,258,517	\$ 92,561,718	\$ 91,329,678
Restricted	2,240,013	2,910,452	3,778,520	3,271,471	3,856,017	5,084,902	17,073,477	8,300,569	7,873,676	8,012,142
Unrestricted	41,329,063	38,394,362	38,783,057	41,446,705	39,777,514	41,059,637	45,772,911	32,150,126	31,494,200	33,699,331
Total primary government, net position	\$ 109,872,720	\$ 111,861,382	\$ 118,323,117	\$ 120,212,656	\$ 120,416,167	\$ 124,285,997	\$ 128,152,555	\$ 132,709,212	\$ 131,929,594	\$ 133,041,151

**City of Aventura, Florida  
Changes in Net Position  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)**

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses:</b>										
Governmental activities:										
General government	\$ 4,977,304	\$ 5,116,689	\$ 5,340,426	\$ 5,472,458	\$ 5,435,311	\$ 6,152,071	\$ 6,852,644	\$ 6,499,306	\$ 6,623,623	\$ 6,530,759
Public safety	19,571,423	19,776,833	21,178,335	21,260,568	28,476,913	22,977,305	26,270,646	28,048,176	25,293,219	26,134,934
Community services	15,187,991	16,006,410	16,927,314	18,108,075	18,557,066	13,906,239	13,883,644	14,522,255	20,174,129	21,581,551
Public works	-	-	-	-	-	5,972,296	6,808,327	6,594,647	5,078,284	5,490,916
Interest and fiscal charges	1,187,024	976,609	904,834	811,973	780,591	691,208	823,128	915,785	839,016	705,175
Total governmental activities	40,923,742	41,876,541	44,350,909	45,653,074	53,229,881	49,699,119	54,638,389	56,580,169	58,008,271	60,443,335
Business-type activities:										
Stormwater utility	758,185	872,010	805,636	693,864	1,165,564	990,716	1,479,473	1,135,236	1,067,621	1,071,324
Total business-type activities	758,185	872,010	805,636	693,864	1,165,564	990,716	1,479,473	1,135,236	1,067,621	1,071,324
Total primary government expenses	\$ 41,681,927	\$ 42,748,551	\$ 45,156,545	\$ 46,346,938	\$ 54,395,445	\$ 50,689,835	\$ 56,117,862	\$ 57,715,405	\$ 59,075,892	\$ 61,514,659
<b>Program Revenues:</b>										
Governmental activities:										
Charges for services:	\$ 5,413,866	\$ 5,276,699	\$ 6,369,993	\$ 6,839,027	\$ 9,155,350	\$ 8,438,187	\$ 10,703,033	\$ 9,013,897	\$ 5,956,969	\$ 7,257,567
Public safety	-	-	-	-	-	-	-	-	-	50,451
Public works	1,621,334	1,704,529	1,633,233	1,828,016	1,940,708	2,008,547	2,168,119	2,415,250	1,560,808	1,187,005
Community services	7,032,045	7,323,841	7,841,160	8,261,217	10,330,075	8,951,723	9,859,151	9,494,299	11,058,743	13,121,152
Operating grants and contributions	676,604	723,997	4,428,098	1,253,396	475,022	237,244	288,174	1,270,000	994,779	1,623,343
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	14,743,849	15,029,066	20,272,484	18,181,656	21,901,155	19,635,701	23,018,477	22,193,446	19,571,299	23,239,518
Business-type activities:										
Charges for services:	892,395	846,921	857,558	926,278	904,116	1,283,915	1,253,514	1,347,009	1,442,333	1,376,473
Stormwater utility	-	-	-	-	-	-	-	-	252,106	-
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	892,395	846,921	857,558	926,278	904,116	1,283,915	1,253,514	1,347,009	1,694,439	1,376,473
Total primary government program revenues	\$ 15,636,244	\$ 15,875,987	\$ 21,130,042	\$ 19,107,934	\$ 22,805,271	\$ 20,919,616	\$ 24,271,991	\$ 23,540,455	\$ 21,265,738	\$ 24,615,991

**City of Aventura, Florida  
Changes in Net Position  
Last Ten Fiscal Years  
(continued)  
(Accrual Basis of Accounting)**

	Fiscal Year										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
<b>Net Revenue/Expense:</b>											
Governmental activities	\$ (26,179,893)	\$ (26,847,475)	\$ (24,078,425)	\$ (27,471,418)	\$ (31,328,726)	\$ (30,063,418)	\$ (31,619,912)	\$ (34,386,723)	\$ (38,436,972)	\$ (37,203,817)	
Business-type activities	134,210	(25,089)	51,922	232,414	(261,448)	293,199	(225,959)	211,773	626,818	305,149	
Total primary government, net expense	\$ (26,045,683)	\$ (26,872,564)	\$ (24,026,503)	\$ (27,239,004)	\$ (31,590,174)	\$ (29,770,219)	\$ (31,845,871)	\$ (34,174,950)	\$ (37,810,154)	\$ (36,898,668)	
<b>General Revenue and Transfers:</b>											
Governmental activities:											
Taxes:											
Ad valorem taxes	\$ 11,724,189	\$ 12,080,224	\$ 12,791,444	\$ 13,977,630	\$ 15,008,874	\$ 16,349,089	\$ 16,747,025	\$ 17,051,593	\$ 17,557,171	\$ 17,346,855	
Utility service taxes and other	7,772,000	7,551,899	7,933,535	7,872,483	7,720,496	7,655,803	8,052,694	9,158,398	9,435,432	9,604,135	
Franchise fees	3,070,065	2,823,490	2,289,721	2,294,667	2,365,853	1,979,437	2,544,772	2,399,456	2,201,619	4,381,329	
Intergovernmental revenue - unrestricted	4,917,107	5,238,710	5,767,456	5,960,760	6,157,110	7,141,485	6,632,917	6,413,594	5,336,308	6,364,811	
Impact fees	22,426	655,743	77,607	6,775	255,022	145,498	1,140,494	1,292,803	598,318	-	
Investment income	174,152	65,726	89,941	182,464	260,113	347,537	650,183	1,627,125	1,432,822	75,749	
Miscellaneous revenues	284,916	597,916	1,534,877	377,908	15,063	11,890	28,560	781,941	459,534	299,850	
Net transfers <sup>1</sup>	-	-	-	-	-	-	-	-	(67,841)	-	
Total governmental activities	27,964,855	29,013,708	30,484,581	30,672,687	31,782,531	33,630,739	35,796,645	38,724,910	36,953,363	38,072,729	
Business-type activities:											
Intergovernmental - (unrestricted)	-	-	-	496,293	-	-	-	100,000	-	-	(83,813)
Miscellaneous	-	-	-	-	-	-	-	-	-	-	
Investment income	4,124	2,436	3,657	7,335	11,154	9,310	6,449	6,697	10,039	709	
Total business-type activities	4,124	2,436	3,657	503,628	11,154	9,310	106,449	6,697	10,039	(83,104)	
Total primary government	\$ 27,968,979	\$ 29,016,144	\$ 30,488,238	\$ 31,176,315	\$ 31,793,685	\$ 33,640,049	\$ 35,903,094	\$ 38,731,607	\$ 36,963,402	\$ 37,989,625	
Change in Net Position:											
Governmental activities	\$ 1,784,962	\$ 2,166,233	\$ 6,406,156	\$ 3,201,269	\$ 453,805	\$ 3,567,321	\$ 4,176,733	\$ 4,338,187	\$ (1,483,609)	\$ 868,912	
Business-type activities	138,334	(22,653)	55,579	736,042	(250,294)	302,509	(119,510)	218,470	636,857	222,045	
Total primary government	\$ 1,923,296	\$ 2,143,580	\$ 6,461,735	\$ 3,937,311	\$ 203,511	\$ 3,869,830	\$ 4,057,223	\$ 4,556,657	\$ (846,752)	\$ 1,090,957	

Note: (1) Effective 2020, the Charter Schools of the City are presented as of and for the year ended June 30th.

**City of Aventura, Florida**  
**Governmental Activities Tax Revenues by Source**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

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<u>Fiscal Year</u>	<u>Tax Roll Year</u>	<u>Ad Valorem Taxes</u>	<u>Utility Service Taxes</u>	<u>Franchise Fees</u>	<u>Total</u>
2012	2011	\$ 11,724,189	\$ 7,772,000	\$ 3,070,065	\$ 22,566,254
2013	2012	12,080,224	7,551,899	2,823,490	22,455,613
2014	2013	12,791,444	7,933,535	2,289,721	23,014,700
2015	2014	13,977,630	7,872,483	2,294,667	24,144,780
2016	2015	15,008,874	7,720,496	2,365,853	25,095,223
2017	2016	16,349,089	7,655,803	1,979,437	25,984,329
2018	2017	16,747,025	8,052,694	2,544,772	27,344,491
2019	2018	17,051,593	9,158,398	2,399,456	28,609,447
2020	2019	17,557,171	9,435,432	2,201,619	29,194,222
2021	2020	17,346,855	9,604,135	4,381,329	31,332,319

**City of Aventura, Florida  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)**

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund:										
Nondisposable	\$ 33,045	\$ 285,056	\$ 358,893	\$ 448,765	\$ 416,956	\$ 496,322	\$ 537,563	\$ 630,695	\$ 351,524	\$ 696,872
Committed	19,773,488	19,773,488	21,378,324	21,405,561	21,575,911	21,895,756	19,772,304	19,772,304	19,772,304	19,772,304
Assigned	5,747,436	1,995,152	789,486	313,426	898,495	1,541,402	559,263	399,087	361,257	841,192
Unassigned	14,084,222	14,459,667	13,582,754	16,912,171	19,724,328	21,290,153	15,541,095	20,350,488	21,148,403	24,156,021
Total General Fund	\$ 39,638,191	\$ 36,513,363	\$ 36,109,457	\$ 39,079,923	\$ 42,615,690	\$ 45,223,633	\$ 36,410,225	\$ 41,152,574	\$ 41,633,488	\$ 45,466,389
All other governmental funds:										
Nondisposable	\$ 30,759	\$ -	\$ 9,466	\$ 9,466	\$ 11,961	\$ 11,961	\$ 11,961	\$ 9,466	\$ 9,465	\$ 23,019
Committed	-	-	-	-	-	-	-	1,779,618	-	-
Restricted	2,240,013	2,910,452	3,778,520	3,271,471	4,286,433	5,084,902	17,073,477	8,300,569	7,873,676	8,012,142
Assigned	2,196,478	2,153,301	2,999,094	4,376,429	3,877,756	2,648,408	3,361,029	15,784	2,028,124	657,245
Unassigned	-	-	-	-	-	-	-	(1,350,803)	(2,319,884)	(2,473,438)
Total all other governmental funds	\$ 4,467,250	\$ 5,063,753	\$ 6,787,080	\$ 7,657,366	\$ 8,176,150	\$ 7,745,271	\$ 20,446,467	\$ 8,754,634	\$ 7,591,381	\$ 6,218,968



**City of Aventura, Florida  
Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)**

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues:</b>										
Ad valorem taxes	\$ 11,724,189	\$ 12,080,224	\$ 12,791,444	\$ 13,977,630	\$ 15,008,874	\$ 16,349,089	\$ 16,747,025	\$ 17,051,593	\$ 17,557,171	\$ 17,346,855
Utility service and other	7,486,791	7,856,769	7,884,830	7,872,483	7,720,496	7,655,803	8,052,694	9,158,398	9,230,401	9,696,071
Franchise fees	3,070,065	2,823,490	2,289,722	2,294,667	2,374,953	1,979,437	2,544,772	2,399,456	2,201,619	4,381,329
Licenses and permits	2,522,665	2,489,707	3,231,091	3,930,547	5,459,891	4,978,721	7,010,108	4,192,594	2,220,554	2,872,946
Intergovernmental revenues	11,738,610	12,432,705	13,115,271	13,707,814	13,952,101	14,496,892	15,200,778	17,293,273	17,319,096	20,517,005
Charges for services	2,891,647	2,997,916	3,147,989	3,721,362	5,061,619	4,363,712	4,313,718	4,711,865	3,562,199	3,486,725
Fines and forfeitures	2,459,276	2,371,544	2,652,615	2,783,222	3,008,304	2,787,628	2,653,695	2,706,828	1,734,024	2,135,352
Impact fees	22,426	655,743	6,006	6,775	255,022	145,497	1,140,494	1,292,803	598,318	-
Investment income	174,152	65,726	89,941	182,464	260,077	347,537	650,183	1,627,125	1,432,822	75,749
Miscellaneous	303,795	380,446	474,234	336,529	311,886	264,948	514,920	437,552	690,764	339,400
Total revenues	42,393,616	44,154,270	45,683,143	48,813,493	53,413,223	53,369,264	58,828,387	60,871,487	56,546,968	60,851,432
<b>Expenditures:</b>										
Current:										
General government	4,266,981	4,437,525	4,536,983	4,631,847	4,786,053	5,303,756	5,839,354	5,529,600	5,835,984	5,664,264
Public safety	18,413,325	18,820,627	19,682,937	20,151,306	22,019,805	22,835,279	24,752,571	24,528,213	23,831,441	24,828,526
Community services	12,305,720	12,727,047	13,654,908	13,878,863	14,898,678	11,445,973	11,893,206	12,767,001	14,837,524	17,297,056
Public works	-	-	-	-	-	4,421,461	4,733,897	4,783,972	4,877,664	5,230,744
Capital outlay	3,050,256	8,158,627	5,074,822	3,804,602	5,125,295	4,653,942	12,150,289	17,247,114	4,339,903	2,935,519
Debt service:										
Principal	960,000	1,590,000	1,675,000	1,735,000	1,790,000	1,850,000	1,930,000	2,120,000	2,705,000	1,785,000
Advance refunding escrow	597,856	-	-	-	-	-	-	-	-	-
Interest	987,303	948,769	867,979	811,973	753,904	693,679	769,842	867,530	801,084	670,435
Trustee fees and other	77,909	-	-	-	-	-	-	-	-	-
Total expenditures	40,659,350	46,682,595	45,492,629	45,013,591	49,373,735	51,204,090	62,069,159	67,843,430	57,228,600	58,411,544
Excess (deficiency) of revenues over expenditures	1,734,266	(2,528,325)	190,514	3,799,902	4,039,488	2,165,174	(3,240,772)	(6,971,943)	(681,632)	2,439,888
<b>Other financing sources (uses):</b>										
Issuance of debt	9,885,000	-	-	-	-	-	7,100,000	-	-	-
Sale of general capital assets	-	-	1,128,907	40,850	15,063	11,890	28,560	22,459	-	-
Transfers in	2,747,803	2,657,882	2,773,685	2,666,334	2,644,908	2,644,502	9,273,335	3,748,942	3,743,353	2,744,214
Transfers out	(2,747,803)	(2,657,882)	(2,773,685)	(2,666,334)	(2,644,908)	(2,644,502)	(9,273,335)	(3,478,942)	(3,810,994)	(2,744,214)
Payment to refunded bond escrow agent	(9,810,000)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	75,000	-	1,128,907	40,850	15,063	11,890	7,128,560	22,459	(67,641)	-
Net change in fund balances	\$ 1,809,266	\$ (2,528,325)	\$ 1,319,421	\$ 3,840,752	\$ 4,054,551	\$ 2,177,064	\$ 3,887,788	\$ (6,949,484)	\$ (749,273)	\$ 2,439,888
Debt service as a percentage of noncapital expenditures	5.11%	6.54%	6.17%	6.01%	5.63%	5.46%	4.67%	5.84%	6.41%	4.37%

**City of Aventura, Florida  
General Governmental Revenues By Source  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)**

Fiscal Year	Ad Valorem Taxes	Utility Taxes and Other	Franchise Fees	Licenses and Permits	Inter-Governmental Revenues	Charges for Services	Fines and Forfeitures	Impact Fees	Investment Income	Miscellaneous	Total
2012	\$ 11,724,189	\$ 7,486,791	\$ 3,070,065	\$ 2,522,665	\$ 11,738,610	\$ 2,891,647	\$ 2,459,276	\$ 22,426	\$ 174,152	\$ 303,795	\$ 42,393,616
2013	12,080,224	7,856,769	2,823,490	2,489,707	12,432,705	2,997,916	2,371,544	655,743	65,726	380,446	44,154,270
2014	12,791,444	7,884,830	2,289,722	3,231,091	13,115,271	3,147,989	2,652,615	6,006	89,941	474,234	45,683,143
2015	13,977,630	7,872,483	2,294,667	3,930,547	13,707,814	3,721,362	2,783,222	6,775	182,464	336,529	48,813,493
2016	15,008,874	7,720,496	2,374,953	5,459,891	13,952,101	5,061,619	3,008,304	255,022	260,077	311,886	53,413,223
2017	16,349,089	7,655,803	1,979,437	4,978,721	14,496,892	4,363,712	2,787,628	145,497	347,537	264,948	53,369,264
2018	16,747,025	8,052,694	2,544,772	7,010,108	15,200,778	4,313,718	2,653,695	1,140,494	650,183	514,920	58,828,387
2019	17,051,593	9,158,398	2,399,456	4,192,594	17,293,273	4,711,865	2,706,828	1,292,803	1,627,125	437,552	60,871,487
2020	17,557,171	9,230,401	2,201,619	2,220,554	17,319,096	3,562,199	1,734,024	598,318	1,432,822	690,764	56,546,968
2021	17,346,855	9,696,071	4,381,329	2,872,946	20,517,005	3,486,725	2,135,352	-	75,749	339,400	60,851,432

**City of Aventura, Florida  
Assessed Value and Estimated Actual Assessed Value of Taxable Property  
Last Ten Fiscal Years**

Fiscal Year	Tax Roll Year	Less:		Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value (1)	Assessed Value as a Percentage of Actual Value
		Real Property	Personal Property				
2012	2011	\$ 7,599,224,177	\$ 212,774,157	\$ 7,290,634,319	1.7261	\$ 8,158,847,193	89.359%
2013	2012	7,832,825,557	216,503,467	7,501,239,017	1.7261	8,489,607,871	88.358%
2014	2013	8,109,509,199	211,480,897	7,786,432,398	1.7261	9,019,164,457	86.332%
2015	2014	8,734,453,409	198,681,857	8,394,311,130	1.7261	10,144,322,013	82.749%
2016	2015	9,418,840,654	208,455,823	9,094,962,102	1.7261	11,145,485,996	81.602%
2017	2016	10,256,329,248	216,738,181	9,901,694,244	1.7261	12,029,604,133	82.311%
2018	2017	10,450,567,929	223,735,802	10,098,997,863	1.7261	11,839,266,628	85.301%
2019	2018	10,669,786,837	251,121,004	10,365,840,176	1.7261	11,891,380,991	87.171%
2020	2019	11,012,770,618	286,759,608	10,740,186,632	1.7261	12,261,439,432	87.593%
2021	2020	10,835,195,692	309,145,157	10,550,216,874	1.7261	11,824,717,397	89.222%

Note: (1) Florida Law requires that all property be assessed at current fair market value.

**City of Aventura, Florida  
Property Tax Rates  
Direct and Overlapping Governments  
(Per \$ 1,000 of Taxable Value)  
Last Ten Fiscal Years**

Fiscal Year	Tax Roll Year	City of Aventura										Overlapping Rates										Total Direct and Overlapping Rates
		School District					Regional					Miami-Dade County					Other					
		Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Voted Operating	Debt Service Millage	Total School Millage	South Florida Water Management	Everglades Project	Okeechobee Basin	Florida Inland Navigational District	Total Regional Millage	Operating Millage	Debt Service Millage	Fire and Rescue	Fire Debt	Library	Total County Millage	Children's Trust		
2012	2011	1.7261	0.0000	1.7261	7.7650	0.0000	0.2400	8.0050	0.3739	0.0624	0.0000	0.0345	0.4708	4.8050	0.2850	2.4496	0.0131	0.1795	7.7322	0.5000	18.4341	
2013	2012	1.7261	0.0000	1.7261	7.7650	0.0000	0.2330	7.9980	0.3676	0.0613	0.0000	0.0345	0.4634	4.7035	0.2850	2.4496	0.0131	0.1725	7.6237	0.5000	18.3112	
2014	2013	1.7261	0.0000	1.7261	7.6440	0.0000	0.3330	7.9770	0.3523	0.0587	0.0000	0.0345	0.4455	4.7035	0.4220	2.4496	0.0127	0.1725	7.7603	0.5000	18.4089	
2015	2014	1.7261	0.0000	1.7261	7.7750	0.0000	0.1990	7.9740	0.1577	0.0548	0.1717	0.0345	0.4187	4.6669	0.4500	2.4207	0.0114	0.2840	7.8330	0.5000	18.4518	
2016	2015	1.7261	0.0000	1.7261	7.4130	0.0000	0.1990	7.6120	0.1459	0.0506	0.1586	0.0320	0.3871	4.6669	0.4500	2.4207	0.0086	0.2840	7.8302	0.5000	18.0554	
2017	2016	1.7261	0.0000	1.7261	7.1380	0.0000	0.1840	7.3220	0.1359	0.0471	0.1477	0.0320	0.3627	4.6669	0.4000	2.4207	0.0075	0.2840	7.7791	0.5000	17.6899	
2018	2017	1.7261	0.0000	1.7261	6.7740	0.0000	0.2200	6.9940	0.1275	0.0441	0.1384	0.0320	0.3420	4.6669	0.4000	2.4207	0.0075	0.2840	7.7791	0.4673	17.3085	
2019	2018	1.7261	0.0000	1.7261	6.5040	0.0000	0.2290	6.7330	0.1209	0.0417	0.1310	0.0320	0.3256	4.6669	0.4644	2.4207	0.0000	0.2840	7.8360	0.4415	17.0622	
2020	2019	1.7261	0.0000	1.7261	7.0250	0.0000	0.1230	7.1480	0.1152	0.0397	0.1246	0.0320	0.3115	4.6669	0.4780	2.4207	0.0000	0.2840	7.8496	0.4680	17.5032	
2021	2020	1.7261	0.0000	1.7261	6.1860	0.7500	0.1930	7.1290	0.1103	0.0380	0.1192	0.0320	0.2995	4.6669	0.4780	2.4207	0.0000	0.2840	7.8496	0.4507	17.4549	

Source: Miami-Dade County Appraiser's Office.

**City of Aventura, Florida  
Principal Property Taxpayers  
Current Year and Nine Years Ago**

Taxpayer	Type of Use	Fiscal Year									
		2021					2012				
		Taxable Assessed Value	Rank	Percentage Taxable Assessed Value	Total Taxable Assessed Value	Rank	Percentage Taxable Assessed Value	Total Taxable Assessed Value			
Aventura Mall Venture Lessor	Shopping Center	\$ 616,486,625	1	5.84%	\$ 398,448,027	1	5.47%				
TB Isle Resort LP	Golf Course, Hotel & Marina	180,248,293	2	1.71%	63,471,538	4	0.87%				
Miami Beach Healthcare Group, LTD	Hospital & Health Care Facility	148,874,096	3	1.41%	158,497,479	2	2.17%				
Renaissance Aventura, LLC	Office Building	74,213,253	4	0.70%	-	-	-				
Florida Power & Light Co.	Electrical Utility Company	63,312,548	5	0.60%	41,398,827	7	0.57%				
Aventura Harbour Borrower, LLC	Office Building	59,200,000	6	0.56%	-	-	-				
Promventure Limited Partnership	Shopping Center	57,655,444	7	0.55%	-	-	-				
Summit Properties Partnership, LP	Rental Apartment Complex	54,576,000	8	0.52%	47,000,000	6	0.64%				
Equity One Florida Portfolio	Shopping Center	48,549,172	9	0.46%	-	-	-				
SCG Atlas Aventura, LLC	Multi-Family	47,255,000	10	0.45%	-	-	-				
CC-Aventura Inc.	Independent/Assisted Living Facility	-	-	-	91,532,393	3	1.26%				
D. Soffer and B. Redich TRS	Commercial Developer	-	-	-	49,913,393	5	0.68%				
Bruce Strohm and D. Neithercut TRS	Rental Apartment Complex	-	-	-	40,000,000	8	0.55%				
NNN Aventura Harbour Centre, LLC	Mixed Use Zones & Offices	-	-	-	38,100,000	9	0.52%				
Lincoln Aventura, LLC	Rental Apartment Complex	-	-	-	34,800,000	10	0.48%				
Totals		\$ 1,350,370,431		12.80%	\$ 963,161,657		13.21%				

Source: Miami-Dade County - Office of the Property Appraiser.

**City of Aventura, Florida  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

Fiscal Year	Tax Roll Year	Property Tax Levy	(1) Property Tax Discount		Net Tax Levy	Current Tax Collection	Percentage of Current Tax Collections to Net Tax Levy		Delinquent Tax Collection (2)	Total Tax Collection	Percentage of Total Tax Collection to Property Tax Levy	
			Property Tax Levy	Property Tax Discount			Current Tax Collection	Percentage of Current Tax Collections to Net Tax Levy			Delinquent Tax Collection	Total Tax Collection
2012	2011	\$ 12,584,364	\$	503,375	\$ 12,080,989	\$ 11,612,015	96.12%	\$	112,174	\$ 11,724,189	93.16%	
2013	2012	12,947,889		517,916	12,429,973	11,857,991	95.40%		222,233	12,080,224	93.30%	
2014	2013	13,440,161		537,606	12,902,555	12,669,112	98.19%		122,332	12,791,444	95.17%	
2015	2014	14,489,420		579,577	13,909,843	13,572,764	97.58%		404,866	13,977,630	96.47%	
2016	2015	15,698,814		627,953	15,070,861	14,932,036	99.08%		76,838	15,008,874	95.61%	
2017	2016	17,091,314		683,653	16,407,661	15,905,409	96.94%		443,680	16,349,089	95.66%	
2018	2017	17,431,880		697,275	16,734,605	16,211,763	96.88%		535,262	16,747,025	96.07%	
2019	2018	17,892,477		715,699	17,176,778	16,413,368	95.56%		638,225	17,051,593	95.30%	
2020	2019	18,538,636		741,545	17,797,091	16,771,344	94.24%		785,827	17,557,171	94.71%	
2021	2020	18,210,729		728,429	17,482,300	16,827,280	96.25%		519,575	17,346,855	95.26%	

Source: Miami-Dade County, Florida, Tax Collector.

Notes: (1) Florida Law allows up to a 4% discount for timely payment of property taxes.

(2) Includes corrections and penalties.

**City of Aventura, Florida**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Revenue Bonds	Line of Credit	Outstanding Bonds				
2012	\$ -	\$ 28,805,000	\$ -	\$ -	\$ 28,805,000	1.91%	\$ 773.52	
2013	-	27,215,000	-	-	27,215,000	1.79%	721.40	
2014	-	25,540,000	-	-	25,540,000	1.64%	685.42	
2015	-	23,805,000	-	-	23,805,000	*	635.26	
2016	-	22,015,000	-	-	22,015,000	*	585.33	
2017	-	20,165,000	-	-	20,165,000	*	534.97	
2018	-	25,335,000	-	-	25,335,000	*	672.12	
2019	-	23,215,000	-	-	23,215,000	*	614.32	
2020	-	20,510,000	-	-	20,510,000	*	539.30	
2021	-	18,725,000	-	-	18,725,000	*	463.82	

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.  
(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

\* Information not available.

**City of Aventura, Florida**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

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<b>Fiscal Year</b>	<b>Gross Bonded Debt</b>	<b>Less: Amounts Available in Debt Service Funds</b>	<b>Net Bonded Debt</b>	<b>Assessed Value of Taxable Property</b>	<b>Ratio of Net Bonded Debt to Assessed Value</b>	<b>Net Bonded Debt Per Capita (1)</b>
2012	\$ 28,805,000	\$ 274,594	\$ 28,530,406	\$ 7,290,634,319	0.39%	\$ 766.14
2013	27,215,000	311,384	26,903,616	7,501,239,017	0.36%	713.15
2014	25,540,000	337,770	25,202,230	7,786,432,398	0.32%	676.35
2015	23,805,000	353,377	23,451,623	8,394,311,130	0.28%	625.83
2016	22,015,000	380,498	21,634,502	9,094,962,102	0.24%	575.22
2017	20,165,000	408,361	19,756,639	9,901,694,244	0.20%	524.13
2018	25,335,000	478,742	24,856,258	10,098,997,863	0.25%	659.42
2019	23,215,000	536,587	22,678,413	10,365,840,176	0.22%	600.12
2020	20,510,000	258,892	20,251,108	10,740,186,632	0.19%	532.49
2021	18,725,000	297,898	18,427,102	10,550,216,874	0.17%	456.44

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

(1) See the Schedule of Demographic and Economic Statistics for population data.



**City of Aventura, Florida**  
**Direct and Overlapping Governmental Activity Debt**  
**September 30, 2021**

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<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to City of Aventura (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping debt:			
Miami-Dade Board of County Commissioners (2)	\$ 5,114,532,820	3.337%	\$ 170,692,418
Miami-Dade County School Board (2)	<u>3,151,802,000</u>	3.337%	<u>105,188,240</u>
Subtotal overlapping debt	<u>8,266,334,820</u>		<u>275,880,658</u>
Direct debt:			
City of Aventura	<u>18,725,000</u>	100.000%	<u>18,725,000</u>
Subtotal direct debt	<u>18,725,000</u>		<u>18,725,000</u>
Total direct and overlapping debt	<u>\$ 8,285,059,820</u>		<u>\$ 294,605,658</u>

Notes: (1) The percentage of the overlap is calculated as follows:  

$$\frac{\text{Overlapping portion of the government's revenue base (City of Aventura)}}{\text{Total revenue base of the overlapping government (Miami-Dade County)}}$$

Assessed value of taxable property is the base used in the above calculation.

(2) Source: Miami-Dade County & Miami-Dade County Public Schools, Finance Department.

**City of Aventura, Florida**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	\$ 729,063,432	\$ 750,123,902	\$ 778,643,240	\$ 839,431,113	\$ 909,496,210	\$ 990,169,424	\$ 1,009,899,786	\$ 1,036,584,018	\$ 1,074,018,663	\$ 1,055,021,687
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 729,063,432	\$ 750,123,902	\$ 778,643,240	\$ 839,431,113	\$ 909,496,210	\$ 990,169,424	\$ 1,009,899,786	\$ 1,036,584,018	\$ 1,074,018,663	\$ 1,055,021,687
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Legal Debt Margin Calculation for Fiscal Year 2021**

Assessed valuation of taxable real and personal property	\$ 10,550,216,874
Bonded debt limit - 10% above (1)	\$ 1,055,021,687
Amount of debt applicable to debt limit:	
Total bonded debt	\$ 18,725,000
Less: debt to be repaid from specified revenue sources:	
Covenant to budget and appropriate	(18,725,000)
Total net debt applicable to limit	-
Legal Debt Margin (1)	\$ 1,055,021,687

Note: (1) The City Charter allows revenue bonds to be issued when authorized by the City Commission as long as five (5) of the seven (7) Commission members approve the debt. Ad Valorem (general obligation bonds) must be approved by referendum of the electorate. The Charter provides no limit on the amount of the general obligation debt; however, the adopted Capital Improvement Program provides that general obligation bonds shall not exceed 10% of the City's total assessed value.

**City of Aventura, Florida**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

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<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Personal Income (Amounts Expressed in Thousands)</b>	<b>Per Capita Personal Income (2)</b>	<b>Unemployment Rate (3)</b>
2012	37,239	\$ 1,508,701	\$ 40,514	6.2%
2013	37,725	1,516,696	40,204	6.0%
2014	37,262	1,560,644	41,883	5.4%
2015	37,473	*	*	5.8%
2016	37,611	*	*	5.5%
2017	37,694	*	*	4.3%
2018	37,694	*	*	3.4%
2019	37,790	*	*	2.5%
2020	38,031	*	*	7.0%
2021	40,371	*	*	5.3%

Data sources:

- (1) Years are as of April 1 of each year per the University of Florida Bureau of Economics & Business Research.
  - (2) Represents income per capita for Miami-Dade County as provided by the U.S. Department of Commerce, Bureau of Economic Analysis.
  - (3) Florida Department of Labor, Bureau of Labor Market Information.
- \* Information not available.

**City of Aventura, Florida  
Occupational Employment by Group - Miami-Dade County, Florida  
Current Year and Nine Years Ago**

Occupational Groups	SOC Code	2021			2012		
		Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Office and administrative support	43-0000	389,270	1	15.52%	198,840	1	20.32%
Sales and related	41-0000	293,800	2	11.72%	134,200	2	13.73%
Transportation and material moving	53-0000	221,110	4	8.82%	67,720	4	6.93%
Food preparation and serving related	35-0000	217,570	3	8.68%	84,980	3	8.69%
Healthcare practitioners and technical	29-0000	162,320	5	6.47%	59,200	5	6.06%
Business and financial operations	13-0000	161,760	6	6.45%	50,680	7	5.18%
Management	11-0000	149,400	7	5.96%	32,100	12	3.28%
Education, training and library	25-0000	118,610	8	4.73%	51,840	6	5.30%
Installation, maintenance and repair	49-0000	104,890	9	4.18%	36,470	9	3.73%
Construction and extraction	47-0000	103,950	10	4.14%	23,600	15	2.41%
Building and grounds cleaning and maintenance	37-0000	85,570	11	3.41%	33,720	11	3.45%
Protective service	33-0000	84,680	12	3.38%	37,620	8	3.85%
Healthcare support	31-0000	80,590	13	3.21%	26,370	14	2.70%
Production	51-0000	75,870	14	3.03%	34,100	10	3.49%
Computer and mathematical	15-0000	58,580	15	2.34%	17,180	16	1.76%
Personal care and service	39-0000	53,200	16	2.12%	29,650	13	3.03%
Legal	23-0000	36,450	17	1.45%	15,110	17	1.55%
Community and social service	21-0000	34,300	18	1.37%	11,830	19	1.21%
Arts, design, entertainment, sports and media	27-0000	31,920	19	1.27%	14,740	18	1.51%
Architecture and engineering	17-0000	26,100	20	1.04%	10,010	20	1.02%
Life, physical and social science	19-0000	13,720	21	0.55%	4,000	21	0.41%
Farming, fishing and forestry	45-0000	4,230	22	0.17%	3,730	22	0.38%
<b>Total</b>		<b>2,507,890</b>		<b>100.00%</b>	<b>977,690</b>		<b>100.00%</b>

Source: Represents Metropolitan and Nonmetropolitan Area Occupational Employment for the entire Miami-Miami Beach-Kendall, Florida Metropolitan Division as provided by the U.S. Department of Labor, Bureau of Labor Statistics as of May 2020. Estimates do not include self-employed workers.

**City of Aventura, Florida  
Full-Time Equivalent City Government Employees by Function  
Last Ten Fiscal Years**

Function:	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government	19	18	22	22	22	22	22	21	21	23
Public safety:										
Sworn	83	83	83	83	83	82	85	89	88	92
Civilians	38	38	37	38	39	39	36	37	37	32
Community services	14	14	14	14	14	10	8	16	17	15
Public works/transportation <sup>(1)</sup>	-	-	-	-	-	6	7	7	7	8
Community development	8	8	8	8	8	8	8	6	6	7
<b>Total</b>	<b>162</b>	<b>161</b>	<b>164</b>	<b>165</b>	<b>166</b>	<b>167</b>	<b>166</b>	<b>176</b>	<b>176</b>	<b>177</b>

Source: Various City departments.

<sup>(1)</sup> Prior to October 1, 2016 this function was previously combined with Community services.

**City of Aventura, Florida  
Operating Indicators by Function  
Last Ten Fiscal Years**

Function:	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public safety:										
Part 1 Crimes reported*	2,298	2,353	2,210	2,273	2,126	2,091	2,334	2,082	1,638	1,560
Arrests	2,258	2,015	1,937	1,705	1,560	1,232	1,326	1,209	969	991
Traffic citations	18,707	16,940	18,690	15,911	19,596	13,343	10,277	8,976	3,939	4,212
Parking citations issued	2,120	1,847	1,498	1,295	618	889	795	1,174	424	817
Calls for service	29,276	29,123	28,682	16,816	15,688	15,248	17,934	16,515	15,730	17,653
Accidents	1,102	2,046	2,134	2,144	2,071	2,162	2,042	1,923	1,414	1,709
Community development:										
Building permits issued	4,615	5,141	5,244	5,352	4,959	4,560	6,330	5,063	3,273	3,954
Building inspections conducted	7,963	8,954	10,438	12,538	12,055	11,257	14,236	15,803	10,232	11,282
Code notice of violations issued	135	187	139	146	109	150	119	76	121	153
City business tax receipts issued	2,580	2,712	2,383	2,504	2,625	2,438	2,704	819	579	1,933
Community services:										
Recreation center memberships	1,101	1,088	1,125	1,100	1,132	1,093	1,021	984	795	814
Special event attendance	24,957	27,188	31,715	32,648	35,895	39,587	36,376	35,215	15,962	88,852
Shuttle bus ridership	271,645	284,876	279,943	270,082	274,223	274,532	300,858	300,123	157,060	148,456
Charter school enrollment:										
Aventura City Excellence School (K-8)	984	996	1,008	1,020	1,020	1,020	1,020	1,020	1,020	1,032
Don Soffer Aventura High School	N/A	N/A	N/A	N/A	N/A	N/A	N/A	200	415	620

Source: Various City departments.

\* Part 1 crimes include: homicide, sex offenses, robbery, aggravated assault, burglary, larceny, arson and auto theft.

N/A: Information is not applicable as the Don Soffer Aventura High School opened in August 2019.

**City of Aventura, Florida  
Capital Asset Statistics by Function  
Last Ten Fiscal Years**

Function:	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire stations (1)	2	2	2	2	2	2	2	2	2	2
Parks and recreation:										
Public recreation areas	6	6	6	6	6	7	7	7	7	7
Public recreation acreage	30.50	30.50	30.50	30.50	30.50	32.00	32.00	32.00	32.00	32.00
Baseball/softball diamonds	2	2	2	2	2	2	2	2	2	2
Soccer/football fields	3	3	3	3	3	3	3	3	3	3
Tennis courts	3	3	3	3	3	3	3	3	3	3
Community recreation centers	1	1	1	1	1	1	1	1	1	1
Libraries (1)	1	1	1	1	1	1	1	1	1	1
Public works:										
Street lights	712	742	800	800	824	937	937	937	937	937
Miles of roads	13.80	13.80	13.80	13.80	13.80	13.80	13.80	14.00	14.00	14.00
Charter schools:										
Aventura City Excellence School (K-8)	1	1	1	1	1	1	1	1	1	1
Don Soffer Aventura High School	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1	1	1
Transit routes/minibuses (2)										
Permanent	5	5	5	5	5	6	6	6	6	6
Seasonal	-	-	-	-	1	-	-	-	-	-

Notes: (1) Owned and operated by Miami-Dade County, Florida.  
(2) Operated under contractual agreement.

N/A: Information not available.



# COMPLIANCE SECTION



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

To the Honorable Mayor and  
Members of the City Commission  
City of Aventura, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Aventura, Florida (the "City"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 24, 2022. Our report includes a reference to other auditors who audited the financial statements of the City of Aventura Police Officers' Retirement Plan Pension Trust Fund, as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

### Internal Control over Financial Reporting

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

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida

March 24, 2022

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

To the Honorable Mayor and  
Members of the City Commission  
City of Aventura, Florida

**Report on Compliance for Each Major Federal Program**

We have audited the City of Aventura, Florida's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

## Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

### Purpose of this Report

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida  
March 24, 2022

City of Aventura, Florida  
Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2021

Federal Agency/Pass-Through Grantor/Program Title	CFDA Number	Contract/Grant Number	Expenditures
<b><u>United States Department of Justice</u></b>			
<b>Direct Program</b>			
Equitable Sharing Program	16.922	--	\$ 109,616
<b><u>U.S. Department of Education</u></b>			
<b>Passed Through Florida Department of Education</b>			
Elementary and Secondary School Emergency Relief (ESSER II)	84.425D	--	514,679
Elementary and Secondary School Emergency Relief (ESSER I)	84.425D	--	314,694
		84.425D Total	<u>829,373</u>
CSP Grants to State Entities	84.282A	TAPS 18C071	712,169
Total U.S. Department of Education			<u>1,541,542</u>
<b><u>United States Department of Agriculture</u></b>			
<b>Passed Through Florida Department of Education</b>			
National School Lunch Program	10.555	--	210,574
<b>Total Expenditures of Federal Awards</b>			<b>\$ <u>1,861,732</u></b>

See notes to schedule of expenditures of federal awards.

**City of Aventura, Florida**  
**Notes to Schedule of Expenditures of Federal Awards**  
**September 30, 2021**

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**Note 1 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the City of Aventura, Florida (the "City"). The information in the Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

**Note 2 - Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, as well as other applicable provisions of contracts and grant agreements, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 3 - Indirect Cost Rate**

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

**Note 4 - Contingency**

The grant and contract revenue received is subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor/contract agencies would become a liability of the City. In the opinion of management, all grant and contract expenditures are in compliance with the terms and conditions of the agreements and applicable federal/state laws and other applicable regulations.

**Note 5 - Prior Year Expenditures**

The Schedule includes financial assistance from the U.S Department of Education in the amount of \$ 712,169 that represents expenditures from the 2020 fiscal year.

**City of Aventura, Florida  
 Schedule of Findings and Questioned Costs  
 For the Year Ended September 30, 2021**

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**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued: *Unmodified Opinion*

Internal control over financial reporting:

Material weakness(es) identified?             yes        X   no

Significant deficiency(ies) identified?             yes        X   none reported

Noncompliance material to financial statements noted?             yes        X   no

**Federal Awards**

Internal control over major federal programs:

Material weakness(es) identified?             yes        X   no

Significant deficiency(ies) identified?             yes        X   none reported

Type of auditor's report issued on compliance for major federal programs: *Unmodified Opinion*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?             yes        X   no

Identification of major federal program:

<u>CFDA No.</u>	<u>Federal Program or Cluster</u>
84.425D	Elementary and Secondary School Emergency Relief (ESSER II)

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee?        X   yes             no

**SECTION II - FINANCIAL STATEMENT FINDINGS**

None Reported.

**SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None Reported.

**SECTION IV - PRIOR YEAR AUDIT FINDINGS**

None Reported.

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

To the Honorable Mayor and  
Members of the City Commission  
City of Aventura, Florida

**Report on the Financial Statements**

We have audited the basic financial statements of City of Aventura, Florida (the "City"), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated March 24, 2022.

**Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)*; and Chapter 10.550, Rules of the Auditor General.

**Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 24, 2022, should be considered in conjunction with this management letter.

**Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

**Official Title and Legal Authority**

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



### **Financial Condition and Management**

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

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

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

### **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 City Commission, 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, Florida  
March 24, 2022

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

To the Honorable Mayor and  
Members of the City Commission  
City of Aventura, Florida

We have examined the City of Aventura, Florida, (the "City") compliance with the requirements of Section 218.415 Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2021. Management is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

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

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

This report is intended solely for the information and use of management, Members of the City Commission, 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, Florida  
March 24, 2022

CPA's + Trusted Advisors



# City of Aventura Finance Department

## IMPACT FEE AFFIDAVIT

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

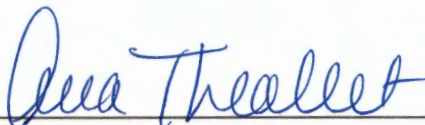
1. I am the Chief Financial Officer of City of Aventura, Florida which is a local governmental entity of the State of Florida;
2. The governing body of City of Aventura, Florida adopted Ordinance No. 96-30 (Police Services Impact Fee) and No. 2008-08 (Transportation Impact Fee), implementing an impact fee or authorized City of Aventura, Florida to receive and expend proceeds of an impact fees implemented by City of Aventura, Florida; and
3. City of Aventura, Florida has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

  
 \_\_\_\_\_  
 Melissa, Cruz, Finance Director  
 City of Aventura, Florida

STATE OF FLORIDA  
COUNTY OF (Name of County) Miami-Dade

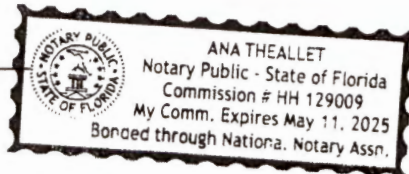
SWORN TO AND SUBSCRIBED before me this 29th day of March, 2020

  
 \_\_\_\_\_  
 NOTARY PUBLIC  
 Print Name Ana Theallet

Personally known  or produced identification N/A

Type of identification produced: N/A

My Commission Expires:





19200 West Country Club Drive  
Aventura, Florida 33180  
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Fax: 305-466-8939

[cityofaventura.com](http://cityofaventura.com)