

ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

CITY OF BOCA RATON, FLORIDA

FOR THE FISCAL YEAR ENDED

September 30, 2021



Prepared by the Financial Services Department

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ABOUT THE COVER:



Boca Golf & Racquet Club, photo courtesy of the City of Boca Raton

What a beautiful view. Am I right?

Due to the donation made by MSD Partners and Northview Hotel Group, some of the City's residents get to enjoy this 167-acre view from their front or back yards. The Boca Raton Golf and Racquet Club, as it is now named, is home to an 18-hole championship golf course, an aquatics center, some tennis courts, and a clubhouse where special events can take place. It was donated to the City in October 2020; and what was once only accessible through private membership has officially opened its doors to the public on November 1, 2021.

The Boca Raton Golf and Racquet Club will require some upgrades and renovations, but the golf course and newly upgraded driving range are open for play. The City has budgeted about \$7 million towards the renovations which include partitioning out meeting and banquet space, a restaurant, upgrading the golf course, and expanding the racquet center to include pickleball courts.

The acquisition of the Boca Raton Golf and Racquet Club has not only brought some excitement to the community, but it has also brought with it new part-time and full-time positions.

To keep up with the latest updates with BRGRC, follow and bookmark the following link <https://www.myboca.us/1940/BRGRC-History-and-Renovation-Updates> or follow us on social media <https://www.myboca.us/937/Social-Media>

CITY OF BOCA RATON, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the fiscal year ended September 30, 2021

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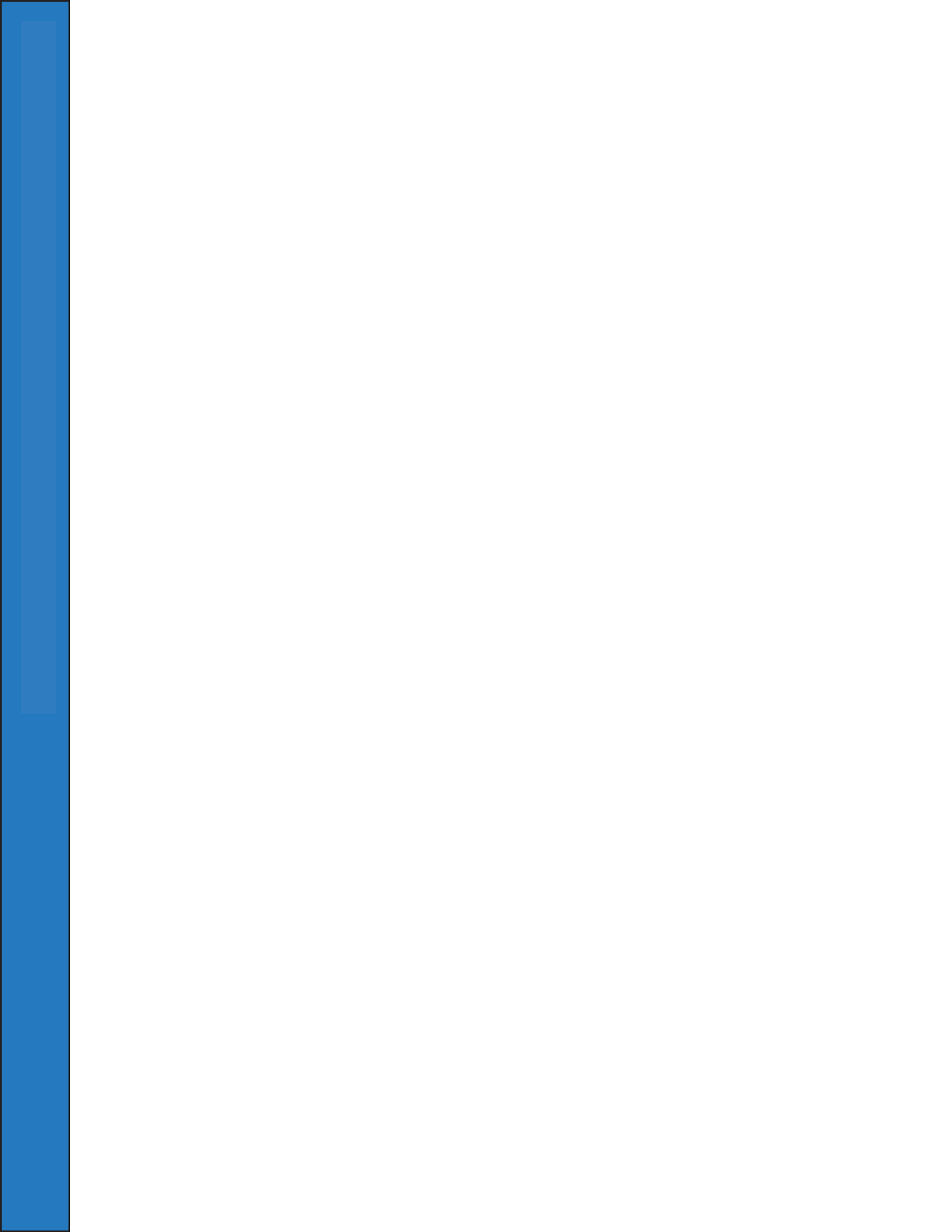
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CITY OF Boca Raton

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May 20, 2022

To The Honorable Mayor,
Members of the City Council,
Citizens of the City of Boca Raton, Florida:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Boca Raton, Florida (the City), for the fiscal year ended September 30, 2021.

This report provides the City Council, City staff, our citizens, our bondholders and other interested parties with detailed information concerning the financial condition and activities of the City government. State law requires that all general-purpose local governments annually publish a complete set of financial statements within nine months of the close of each fiscal year. The financial statements are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards and government auditing standards by an independent auditing firm.

We believe that this report complies with these requirements and continues to present the City's strong tradition of full financial disclosure. This philosophy is reflected by the informative financial analysis provided by the City's Financial Services Department and the exhibits and statistical tables included herein.

The ACFR's role is to assist in making economic, social and political decisions and to assist in assessing accountability to the citizenry by:

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

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City.

We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to present fairly the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

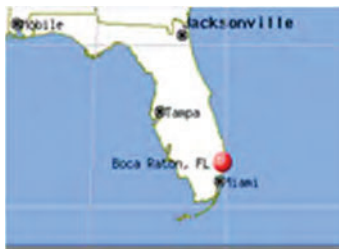
Marcum LLP, independent auditors, have issued unmodified opinions on the City of Boca Raton's financial statements for the fiscal year ended September 30, 2021. The independent auditors' report is located at the front of the financial section of this report.

The City's Financial Statements have been prepared using the reporting model in accordance with Governmental Accounting Standard Board (GASB) Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis (MD&A). MD&A immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A compliments the letter of transmittal and should be read in conjunction with it.

THE CITY OF BOCA RATON

Profile

Boca Raton is a full service City located on the south eastern coastline of Palm Beach County, Florida with a population of approximately 98,046.



The City derives its governmental authority from a charter granted by the Legislature of the State of Florida. In 1965, the Council- Manager form of government replaced the Commissioner- Manager system in Boca Raton. Four Council Members and a Mayor are elected at large on a non-partisan basis for three-year terms.

The City Council appoints the City Manager who is the Chief Administrative Officer of the City and directs the business of the City and its various departments. The City Council determines policy, adopts legislation, approves the City's budget, sets taxes and fees, and appoints the City Attorney and members of various boards and committees.

Services Provided

The City provides a full range of municipal services. The public safety program includes police, fire protection and rescue services; the City's extensive recreation program includes beaches, a pool, golf courses, libraries, tennis courts, neighborhood parks, and community centers; the Municipal Services Department provides essential traffic, facility and street maintenance, solid waste collection and storm water services as well as other technical assistance to the City; the Utility Services Department provides water and sewer services. The City's Development Services Department provides planning, zoning and building permit and inspection services and administers the City's Community Development Block Grants. The City also provides general administrative services.

Reporting Entity

This report includes all of the funds of the City. In addition to general government activities, the Community Redevelopment Agency (CRA) is included in the reporting entity. However, the Greater Boca Raton Beach and Park District, the Boca Raton Housing Authority and the Boca Raton Airport Authority do not meet the established criteria for inclusion in the reporting entity and, accordingly, are not included in this report.

Accounting and Internal Control

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit

As a recipient of federal, state and county financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

The City is periodically required to undergo an annual single audit performed under the provisions of the U.S. Office of Management and Budget Compliance Supplement (Uniform Guidance) and the Rules of the Auditor General, State of Florida. The information related to the Single Audit, including the schedule of expenditure of federal awards and state projects, schedule of findings and questioned costs, and auditors' reports on the internal control over compliance and compliance with applicable laws and regulations are included in a separate report. This report disclosed no instances of material weaknesses in internal control over financial reporting and over compliance, or significant violations of applicable laws and regulations. The City was subject to an audit in accordance with the Uniform Guidance for the fiscal year ended September 30, 2021.

Budgetary Controls

In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. In accordance with state laws the Approved Budget is posted on the City's website within 30 days of adoption. Activities of the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department (by fund) level. The City maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end. However, encumbrances generally are re-appropriated as part of the following year's budget adoption. All expenditures for other than personal services are controlled by a procurement system, which encumbers purchase orders against budgets prior to issuance to the vendors. Purchase orders are not issued until appropriations are made available.

Administrative budget transfers may occur upon approval of the City Manager as long as the department budget within a fund is not increased. Budget amendments are submitted as needed to Council for their consideration and in accordance with state law are posted to the City's website within five days of adoption.

LOCAL ECONOMY

The City of Boca Raton provides a unique environment for business – a strong business environment, with economic resources and a well-educated and talented workforce, all within a community known for its high quality of life. Boca Raton is a rich blend of corporate and regional headquarters, small businesses, and innovative start-up companies. There are economic opportunities for all types of companies and businesses. Boca Raton has grown from a small agricultural and retirement community to a large regional employment center with one of the largest business concentrations in South Florida. In fact, Boca Raton is home to the largest single office complex in the state of Florida and more than half of the corporate headquarters in Palm Beach County call Boca Raton home.



Boca Raton has easy access to road, rail, and air transportation. It is becoming a hub for technology, medical, financial, security and educational businesses, although many other business categories are represented in the City. Brightline broke ground on the new Boca Raton train station setting in motion construction of a 38,000 square foot station and parking garage in 2022. This station will allow travelers and regional workforce to easily access our City. The project is slated for completion late in the calendar 2022 year with service to begin in early 2023. This significant

investment will continue to make Boca Raton a premier city to live, work and visit.

Through its Economic Development Incentive Policy, the City has committed \$5.8 million in long-term economic development incentives and has leveraged over \$20 million in State and County incentives. This has resulted in a total of 10,956 jobs created or retained in the City. The City of Boca Raton continues to face tremendous competition for the relocation of new businesses to the City and for the retention of businesses already in the City.

The City continues to support and fund a strong Economic Development Incentive Program for fiscal year 2021-22. One of the primary components in the City's Economic Development Incentive Policy is to provide economic development incentives for companies seeking to relocate to the City or to expand their existing business within the City. Based on the criteria listed in the policy, including job creation and/or retention, capital investment and job salaries, the City can provide incentives through several different methods including providing the local match for state economic development programs, making grants and/or loans, and subsidizing rents and leases. It can also provide non-financial incentives such as expedited permitting. To ensure continued long-term success of the City's Economic Incentive Program, the Economic Development Fund is budgeted to add another \$1.0 million in funding to the Economic Development reserves this year.

Major business centers within the City include the Boca Raton Innovation Campus (BRiC) which has 1.7 million square feet of corporate space. The campus was originally built in 1969 for IBM and is home to the invention of the first personal computer. The Park at Broken Sound, formerly known as the Arvida Park of Commerce (APOC), which has over 5 million square feet of office space on its 700 acres; the Florida Atlantic University (FAU) Research Park, which is currently home to 20 companies; the Florida Atlantic University (FAU) Tech Runway, which provides incubation and acceleration to start-up companies in its 28,000 square feet of collaborative space; and the Lynn University Social Impact Lab, which is an experiential learning space that provides cultural and



career prep programs, social impact training, and networking opportunities with industry professionals.



The three schools of higher learning in the City - Florida Atlantic University (FAU), Lynn University and Palm Beach State College - all continue to have educational successes. In 2022, Florida Atlantic University's College of Business has once again been ranked in the top 50 programs for entrepreneurship studies in both undergraduate and graduate programs by The Princeton Review. The University's Adams Center for Entrepreneurship counters traditional business programs, providing students with a unique academic experience by fostering revolutionary intellectual growth beyond conventional wisdom in the pursuit and creation of sustainable solutions to business and social problems. The center seeks to educate students for productive careers and citizenship by focusing on three program areas: cross-disciplinary academics, community outreach and venture creation from

emerging technologies.

Lynn University's newest project is a residence hall that will host 342 upperclassmen. The \$40.5 million building will provide affordable university housing and is set to open for the Fall, 2022 semester.

Additionally, almost all the public schools in the Boca Raton have received an "A" rating, the highest rating possible, by the State of Florida and there are a number of nationally known private schools operating within the City.

On December 18, 2021, the City of Boca Raton hosted the RoofClaim.com Boca Raton Bowl at Florida Atlantic University stadium. In its eighth year, this ESPN college bowl game hosted Western Kentucky University and Appalachian State University. By all measures, the event was a huge success for Boca Raton and Palm Beach County. They sold 24,283 tickets, there were 15,262 attendees at the Bowl Game and 1.66 million household viewers of the live broadcast, with a combined 2.75 million household views for all re-airings of the Bowl game on ESPN.

The PGA TOUR Champions TimberTech Championship was played in Boca Raton at the Old Course at Broken Sound on November 1-7, 2021. Since 2007 the City of Boca Raton has sponsored the PGA golf event with much success. The City was showcased in 2 commercial spots that aired internationally on the Golf Channel.

MAJOR INITIATIVES

For the Year

With goals and priorities of a financially sound City government, world class municipal services, vibrant and sustainable City and a strong partnership with community, the City continues to demonstrate its ability to be one of the most financially secure local governments in Florida.

Over the past several years, the City has been diligently working to improve its software systems. During the past fiscal year, the City went live with four new software projects after several years of planning, implementation, and data conversion. At the start of the fiscal year, the City implemented a new Enterprise Resource Planning (ERP) system, Oracle Fusion Cloud, followed by a new Utility Customer Service and Billing system for the City's water and sewer in December

2020. The Oracle Planning and Budgeting Cloud Service (PBCS) software came online during the second quarter of the fiscal year for operating and CIP budget planning. The Oracle Human Capital Management (HCM) Cloud system for human resources, benefits, and payroll was implemented in the third quarter of the fiscal year. Despite the challenges and hurdles presented by the COVID 19 pandemic, each system went live within a week of their original go live date. The new systems provide the City with a robust financial system and data architecture that will support the City operations, its residents, and stakeholders for years to come.

The COVID-19 pandemic continued to provide a complicated challenge for the City.

As a response to the economic needs of the City businesses and residents the Mayor and City Council approved several economic stimulus programs including a small and large business loan program and meal program. In addition, the City worked with Palm Beach County to administer CARES funding to residents in need of rental and utility payment assistance.

The City's taxable value is \$25.020 billion, making the City's taxable value the highest of any municipality in Palm Beach County and the fourth highest in the three South Florida counties behind Miami, Miami Beach and Ft. Lauderdale.

In 2017, Palm Beach County Voters approved a one cent sales surtax to fund infrastructure improvements throughout the county for ten years. The City of Boca Raton received \$24.0 million for infrastructure projects through September 30, 2021. The first major project was completed in February 2020.



Construction has begun at the Wildflower and Silver Palm Park sites to integrate them into one waterfront park to facilitate better utilization. Development of this park helps create a waterfront recreational facility



and to create a pedestrian linkage between Silver Palm Park and the Wildflower Property. New amenities are expected to include walkways, terraced steps/seating, an event lawn, interactive art/play/water features, and an event pavilion with a plaza.

Additionally, the restoration of Lake Wyman Park and Rutherford Park has commenced. Having been overgrown with predominately non-native and evasive vegetation, these two City parks were underutilized. The restoration of these parks will increase recreational and educational opportunities; enhance waterfront access, rehabilitate both the boardwalk and the canoe/kayak access, and increase overall park function and interconnectivity.

Additional projects that the City has earmarked for the use of these funds include street pavement projects, recreation park construction, and other relevant projects. Revenue and expenditures that are part of the Infrastructure Surtax initiative are reported in a separate special revenue fund in the City's financial statements. Expenditures are reviewed annually by a Citizens Oversight Committee and the Citizens Oversight Committee provides a report to the City Council annually.

In the past year, the Boca Raton Community Redevelopment (CRA) has worked to continue the vision of Downtown Boca – where residents, visitors and businesses are engaged in a vibrant and thriving environment. A place where they can come early, stay late, and enjoy all activities, attractions, and services the downtown has to offer – dining, shopping, living, culture, nightlife, business, and recreation.

The 2020-2021 fiscal year included numerous activities and achievements in furthering the goals of the CRA. The CRA also continued its metered parking program to effectively manage the availability of parking within the Downtown. The second phase of the Wayfinding Signage Program, which included vehicular signs for significant downtown destinations has been completed. The third phase, Gateway Entrance Signs, is currently in process.

Finally, the CRA was the proud recipient of the Florida Redevelopment Association's 2021 Roy F. Kenzie Award in the *Out of the Box Small City Category* for its COVID-19 Marketing Initiatives. This project included a safety related "Welcome Back Downtown Boca" Campaign with pavement markers, promoted a "*Downtown Boca To Go*" program along with virtual walking tours, as well as continuous updates on business openings and changes.

For the Future

The City recognizes that a successful downtown is a critical component for Boca Raton. To be successful, downtown Boca Raton must develop a sense of place, the public and private sector must work together with a common goal, public funds need to be wisely invested and new development should provide pedestrian connections to the overall downtown.

Through the recent economic downturn, Boca Raton has maintained its strong financial position through prudent long-term financial planning and fiscal actions to reduce or contain fixed costs.

For the 2021 fiscal year, the City approved a slight increase in the operating tax rate of \$3.5704 per \$1,000. The City's 2021 debt service tax rate decreased 45.7% to \$0.1082 per \$1,000 based upon voter approved bond issues. The increase in the operating tax rate was completely offset by the decrease in debt service tax rate.

The Florida Legislature is again considering various proposals relating to local government home rule and various other proposals. Potential legislation could have a significant impact on a local government's ability to maintain and or improve services to residents. The City is carefully monitoring these initiatives and their future impact on the City's ability to function at its present level.

LONG RANGE FINANCIAL PLANNING

The City Council has adopted financial policies for operating, capital and debt management. Management has made every effort to comply with these policies and we believe that we are in compliance with the adopted policies. A long-range financial plan is presented to the City Council annually in the spring. However, this presentation was canceled last year due to Covid 19. This document forecasts the General Fund and several other fund operations for the next five years and is used to guide the development of the annual operating budget and to support the long-term goal of a financially sound city.

The Capital Improvements Program (CIP) is prepared and presented to the City Council as part of the annual budget process. The projects represent the City's plan for infrastructure improvement and major equipment acquisition for the next six years.

The approved CIP also includes funding for Wastewater Upgrades, Replacements and Expansion, Police Services Facilities, and Beach Restoration.

The Innovative Sustainable Infrastructure Program (iSIP) is an initiative by the Utility Services Department. This long-term initiative uses technology and data to evaluate, prioritize and improve critical underground areas throughout the City. By using a mapping inventory system, areas will be identified and prioritized based on the age, location, and deterioration of water and sewer pipes and neighborhood roads as part of a critical infrastructure assessment.

The Utility Services Department will coordinate with other City departments on the timing and installation of underground work in conjunction with road resurfacing projects which will help save money and minimize disruption to residents. The installation of new, larger pipes to provide better water service while continuing to deliver clean, fresh City tap water to customers.

Neighborhoods will also benefit from improved roads, sidewalks, and stormwater systems. The program will maintain the stability of Boca Raton's infrastructure by defending against potential failures through proactive, collaborative planning and prudent long-term financial planning.

OTHER INFORMATION

Certificate of Achievement

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 Boca Raton, Florida for its annual comprehensive financial report for the fiscal year ended September 30, 2020. This was the 41st consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit 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 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.

Award for Distinguished Budget

The City received the GFOA Award for the Distinguished Budget Presentation for the City budget for the fiscal year ended September 30, 2021. It was the 40th consecutive year the City received the award for the document, which serves as the City's primary fiscal policy document.

ACKNOWLEDGEMENTS

The completion and issuance of this report could not have been accomplished without the dedicated efforts of the entire staff of the Financial Services Department. Special thanks must be given to Carlisha Jenkins, Cormac Conahan, Shari Mello, Kamilah Pinkston, Judy Fleurimond, Luciana Teixeira, Shanique Dimonnay and Jean-Michel Neault for their dedication in the creation and compilation of this document. Our appreciation is also extended to Stephanie Biagini, Shannon Estremera, Lynn Kunkel, Stephen Timberlake, Jerry Nickell, Ralph Ryan, George Brown, Michael Woika, Sharon McGuire, Jessica Del Vecchio, Leslie Harmon and Zachary Bihl for providing support in the preparation of this report. Credit must also be given to the City Council and City Management for their commitment to support sound fiscal management practices with an emphasis on long-term financial stability and sustainability.

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

Respectfully yours,

A handwritten signature in cursive script that reads "Linda C. Davidson". The signature is written in black ink and is positioned centrally below the "Respectfully yours," text.

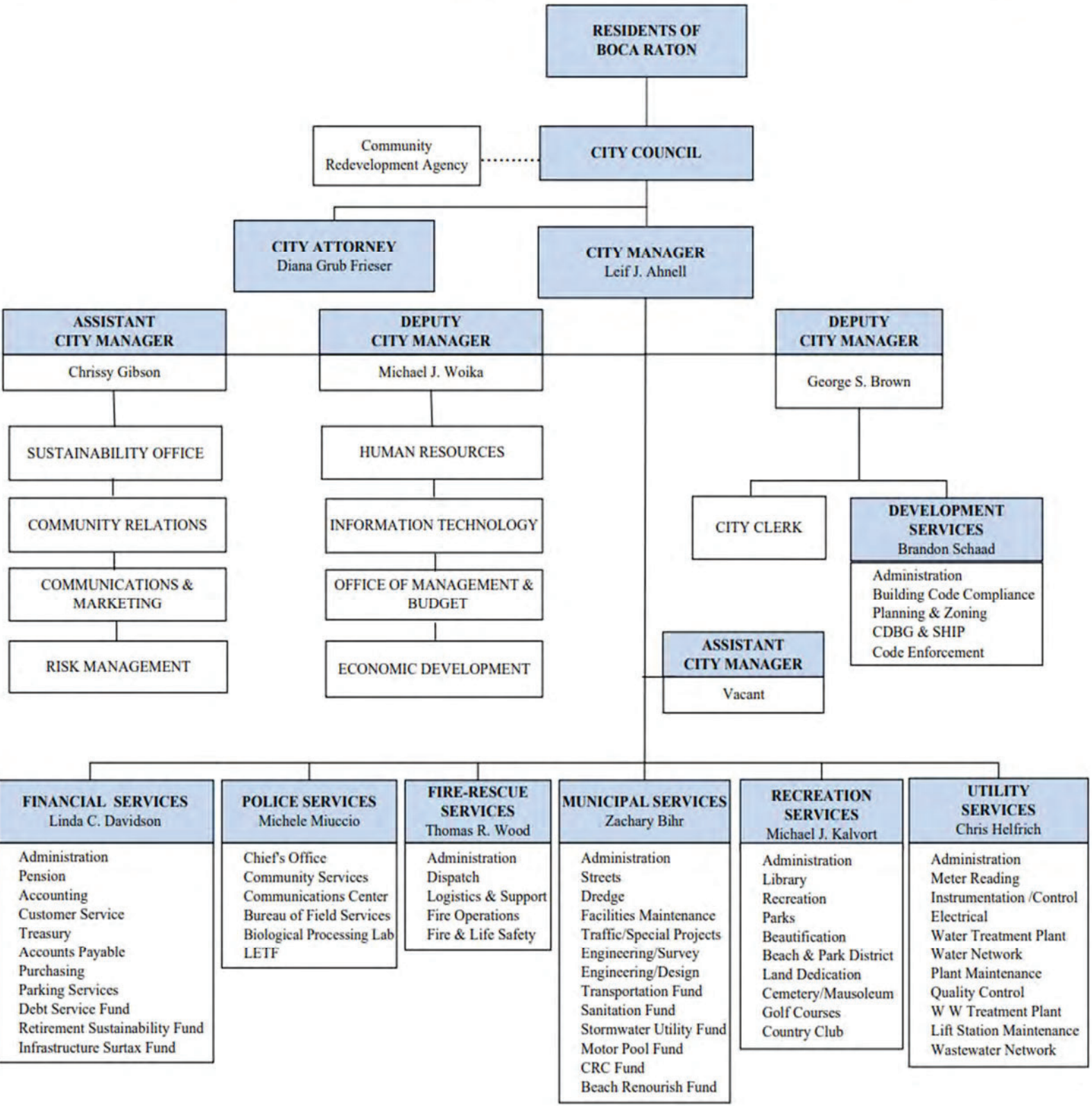
Linda C. Davidson, C.P.A., C.G.F.O.

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LIST OF PRINCIPAL OFFICIALS
September 30, 2021

Mayor	Scott Singer
Deputy Mayor	Andrea Levine O'Rourke
Council Member	Yvette Drucker
Council Member	Monica Mayotte
Council Member	Andy Thomson
City Manager	Leif J. Ahnell
Deputy City Manager	George S. Brown
Deputy City Manager	Michael J. Woika
Assistant City Manager	Christina Gibson
City Attorney	Diana Grub Frieser
City Clerk	Mary Siddons
Development Services Director	Brandon Schaad
Financial Services Director	Linda C. Davidson
Fire/Rescue Services Chief	Tom Wood
Recreation Services Director	Michael J. Kalvort
Police Services Chief	Michele Miuccio
Utility Services Director	Chris Helfrich
Municipal Services Director	Zachary Bihl
Office of Management and Budget Director	Sharon McGuire
Information Technology Director	Sandra Stevens
Human Resources Director	Danielle Olson

CITY OF BOCA RATON ORGANIZATIONAL STRUCTURE



INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, City Council and City Manager
City of Boca Raton, 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 Boca Raton, Florida, (the "City"), as of and for the fiscal 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 City'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 City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the Schedules of Changes in Net Pension Liability and Related Ratios, the Schedules of Employer Contributions, the Schedule of Changes in Total OPEB Liability and Related Ratios, the budgetary comparison schedules and related notes on pages 1-14 and 114-133 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and 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 combining and individual fund statements and schedules, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 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.

Marcum LLP

West Palm Beach, FL
May 20, 2022

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Management's Discussion and Analysis (Unaudited)

The purpose of financial reporting, in general, is to provide the readers of the financial statements with information that will help them make decisions or draw conclusions about an entity. As management of the City of Boca Raton, Florida (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2021. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets plus deferred outflows of resources of the City exceeded its liabilities plus deferred inflows of resources at the close of the most recent fiscal year by \$952.599 million (net position). Of this amount, \$179.637 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$34.065 million which was attributable to an increase in general revenues in the governmental activities of \$6.889 million and an increase in operating revenues for the business-type activities of \$27.176 million, primarily in water and sewer operations.
- The City's business-type activities reported total net position of \$455.357 million, which is an increase of \$27.176 million, or 6.3%, in comparison to the prior year. Approximately 27.30% of the total or \$124.328 million is unrestricted and thus available for spending at the City's discretion.
- At the end of the current fiscal year, fund balance for the General Fund was \$97.101 million, or 53.10% of the general fund expenditures and other financing uses. Of this balance, \$346 thousand was non-spendable for inventories and an advance to the Golf Course Fund, \$170 thousand was restricted for the Army Corp of Engineers for an overflow site in the event of emergency dredging of the Intracoastal Waterway, \$20.966 million was restricted for Building Permits, \$19.660 million was committed for hurricane/disaster emergency and Right of Way Beautification, \$16.242 million was assigned for the subsequent years' budget and \$39.717 million was unassigned.
- As a result of decisions made by the United States Federal Reserve regarding target rates, interest rates decreased by a considerable margin again this past fiscal year, resulting in a moderate amount in interest earnings for the City. The City's blended average portfolio yield decreased from 1.61% in 2020 to 0.21% in 2021.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The focus of the *government-wide financial statements* is on the overall financial position and activities of the City of Boca Raton. Reporting is similar to that of a private-sector business. The City's government-wide financial statements include the statement of net position and statement of activities. As described below, these statements do not include the City's fiduciary funds because resources of these funds cannot be used to finance the City's activities. However, the financial statements of fiduciary funds 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 financial and capital resources of the City. Assets and deferred outflows of resources; and liabilities and deferred inflows of resources are presented, with the net of these reported as net position. For example, the City reports buildings and infrastructure as assets, even though they are not available to pay the obligations incurred by the City. On the other hand, the City reports liabilities even though these liabilities might not be paid until several years into the future.

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Although the purpose of the City is not to accumulate net position, in general, as this amount increases it indicates that the financial position of the City 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 functions of the City that are principally supported by taxes and intergovernmental revenues (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 governmental activities of the City include general government, law enforcement, fire rescue, physical environment, transportation, community development and parks and recreation. The business-type activities include water and sewer utility, cemetery/mausoleum, golf course, stormwater utility, and sanitation.

The City's government-wide financial statements are presented on pages 16-18 of this report.

Fund Financial Statements

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

Governmental Funds

Governmental fund financial statements consist of a balance sheet and statement of revenues, expenditures, and change 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 collectible within a short period of time, but do not include capital assets such as land and buildings. Fund liabilities include amounts that are to be paid within a short period of time after the end of the fiscal year. Additionally, included on the balance sheet are the City's deferred inflows and deferred outflows of resources. The difference between a fund's total assets and deferred outflows and the fund's total liabilities and deferred inflows is labeled as the 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 and expenditures that were collected or paid during the current period or very shortly after the end of the year.

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 a different accounting basis is used to prepare the fund financial statements and the government-wide financial statements, there are often significant differences between the totals presented. For this reason, there is an analysis after the balance sheet that reconciles the total fund balances 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.

The City maintains twenty-four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the major funds which are the General Fund, Community Redevelopment Agency Operating Fund, the Five Year Capital Improvement Fund and the Beach and Park Operations Fund. The City presents data from all other non-major governmental funds in a single column (non-major funds). Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City's governmental fund financial statements are presented on pages 19-24.

Proprietary Funds

Proprietary fund financial statements consist of a statement of net position, a statement of revenues, expenses, and changes in net position and a 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 fees to customers for the 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. Internal Service funds are used to account for services provided and billed on an internal basis. The City uses Internal Service Funds to account for its fleet of vehicles, information technology systems and self-insurance/benefit programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City presents a separate column for the Water and Sewer Utility Fund since it is most significant to the City. The remaining four non-major enterprise funds are aggregated and reported in a single column. Internal Service Funds are aggregated and presented in a single column. 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.

The City's proprietary fund financial statements are presented on pages 25-28.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Fiduciary financial statements consist of a statement of fiduciary net position and a statement of changes in fiduciary net position.

The City's fiduciary fund financial statements are presented on pages 30-31.

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. The notes to the financial statements can be found on pages 32-113.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits to its employees as well as other post employment benefits. This section also includes a comparison between the City's adopted and final budget and actual financial results. The City adopts an annual appropriated budget for its governmental funds. A budgetary comparison schedule has been provided for the general fund and for the major special revenue funds to demonstrate compliance with this budget.

Required supplementary information can be found on pages 114-133.

Combining and individual fund statements and schedules referred to earlier in connection with major and non-major governmental funds and proprietary funds are presented immediately following the required supplementary information and can be found on pages 134-171 of this report.

Government-Wide Financial Analysis

The following schedule is a summary of the fiscal 2021 Statement of Net Position found on pages 16-18 with comparative information for fiscal 2020.

CITY OF BOCA RATON, FLORIDA						
Net Position (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 358,910	\$ 329,970	\$ 236,627	\$ 199,017	\$ 595,537	\$ 528,987
Capital assets	378,859	379,682	284,561	263,935	663,420	643,617
Total assets	<u>737,769</u>	<u>709,652</u>	<u>521,188</u>	<u>462,952</u>	<u>1,258,957</u>	<u>1,172,604</u>
Deferred outflows	<u>74,264</u>	<u>64,673</u>	<u>4,524</u>	<u>5,173</u>	<u>78,788</u>	<u>69,846</u>
Current liabilities	30,857	21,938	11,730	13,186	42,587	35,124
Bonds and loans payable	40,478	47,997	46,005	14,595	86,483	62,592
Other non-current liabilities	235,397	201,648	10,649	10,121	246,046	211,769
Total liabilities	<u>306,732</u>	<u>271,583</u>	<u>68,384</u>	<u>37,902</u>	<u>375,116</u>	<u>309,485</u>
Deferred inflows	<u>8,059</u>	<u>12,390</u>	<u>1,971</u>	<u>2,042</u>	<u>10,030</u>	<u>14,432</u>
Net investment in capital assets	352,192	352,856	256,087	249,111	608,279	601,967
Restricted net position	89,740	94,209	74,943	45,114	164,683	139,323
Unrestricted net position	55,310	43,288	124,327	133,956	179,637	177,244
Total net position	<u>\$ 497,242</u>	<u>\$ 490,353</u>	<u>\$ 455,357</u>	<u>\$ 428,181</u>	<u>\$ 952,599</u>	<u>\$ 918,534</u>

The overall position of the City increased during the 2021 fiscal year. Changes in net position over time can be one of the best and most useful indicators of financial position. The net increase of \$34.065 million is attributable to an increase in general revenues in the governmental activities of \$6.889 million and an increase in operating revenues for the business-type activities of \$27.176 million.

Deferred outflows increased by \$8.942 million mostly due to demographic gains and losses used in the calculation of the net pension liability for the retirement plans.

By far, the largest portion of the City's net position (64%) reflect its investment in capital assets (such as land, roads, parks, buildings, machinery and equipment) less any related outstanding debt and deferred outflows used to acquire those assets. 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, since the capital assets themselves cannot be used to liquidate and pay for these liabilities. With a 2021 balance of \$608.279 million, net investment in capital assets increased by 3%, or \$6.312 million, from the 2020 balance of \$601.967 million. New acquisitions in 2021 were due primarily to the completion of construction projects related to capital assets.

17% of the City's net position represents resources that are subject to external restrictions on how they may be used. The \$164.683 million ending balance in restricted net position reflects a net increase of \$25.360 million less than the 2020 balance of \$139.323 million.

The remaining 19% of the City's net position is unrestricted and may be used to meet the City's on-going obligations to its citizens and creditors. The ending balance of \$179.637 million or \$2.393 million, an increase from the 2020 balance of \$177.244 million. This decrease in unrestricted net position was the result of operations primarily in the governmental activities.

The following schedule is a summary of the fiscal year ended September 30, 2021 Statement of Activities found on page 18 with comparative information for the fiscal year ended September 30, 2020:

CITY OF BOCA RATON, FLORIDA						
Changes in Net Position (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 82,551	\$ 67,184	\$ 75,204	\$ 74,807	\$ 157,755	\$ 141,991
Operating grants & contributions	16,844	19,131	84		16,928	19,131
Capital grants & contributions	3,762	1,670	26,326	3,489	30,088	5,159
General revenues:						
Property taxes	92,750	88,550			92,750	88,550
Other taxes	68,007	64,365			68,007	64,365
Other	5,136	9,083	404	3,084	5,540	12,167
Total revenues	<u>269,050</u>	<u>249,983</u>	<u>102,018</u>	<u>81,380</u>	<u>371,068</u>	<u>331,363</u>
Expenses:						
General government	35,481	69,844			35,481	69,844
Law enforcement	63,402	54,068			63,402	54,068
Fire rescue	65,143	54,266			65,143	54,266
Physical environment	4,448	5,406			4,448	5,406
Transportation	26,269	14,215			26,269	14,215
Community development	19,447	15,876			19,447	15,876
Parks and recreation	46,749	43,243			46,749	43,243
Interest and fiscal charges	1,318	1,589			1,318	1,589
Water and sewer			59,759	57,576	59,759	57,576
Cemetery			902	1,028	902	1,028
Golf course			3,254	3,100	3,254	3,100
Stormwater utility			2,852	2,848	2,852	2,848
Sanitation			7,979	7,987	7,979	7,987
Total expenses	<u>262,257</u>	<u>258,507</u>	<u>74,746</u>	<u>72,539</u>	<u>337,003</u>	<u>331,046</u>
Increase in net position before transfers	6,793	(8,524)	27,272	8,841	34,065	317
Transfers	96	(354)	(96)	354	-	-
Increase in net position	<u>6,889</u>	<u>(8,878)</u>	<u>27,176</u>	<u>9,195</u>	<u>34,065</u>	<u>317</u>
Net position beginning	<u>490,353</u>	<u>499,231</u>	<u>428,181</u>	<u>418,986</u>	<u>918,534</u>	<u>918,217</u>
Net position end of year	<u>\$ 497,242</u>	<u>\$ 490,353</u>	<u>\$ 455,357</u>	<u>\$ 428,181</u>	<u>\$ 952,599</u>	<u>\$ 918,534</u>

Changes in net position:

Governmental activities increased the City's net position by \$6.889 million, an increase of \$15.767 million compared to fiscal year 2020. This increase in change in net position is a result of the following:

- Property tax revenue increased by approximately \$4.200 million due to an increase in new construction and property tax values.
- Operating grants and contributions received by the City decreased by approximately \$2.287 million and capital grants and contributions increased by \$2.092 million relating to cash contributions in lieu of dedicated park land.
- Charges for services increased by \$15.367 million. This increase is related to the reopening of city facilities and restart of program activities and events that were closed as a result of the COVID 19 pandemic.
- Other taxes increased by \$3.641 million. due to the improving economy after the reopening of facilities that were closed due to COVID-19.
- Expenses during 2021 increased by approximately \$3.750 million from 2020 primarily as a result of general government.

The following is a table of the fiscal years 2021 and 2020 revenues by source for governmental activities.

**Governmental Activities
Revenues by Source
FY 2021 and 2020
(in millions of dollars)**

Revenues by Source	2021 Revenues	% of Revenues	2020 Revenues	% of Revenues
Property taxes	\$ 92.750	34	\$ 88.550	34
Other taxes	68.007	25	64.365	26
Charges for services	82.551	31	67.184	27
Operating grants & Contributions	16.844	6	19.131	8
Capital grants & Contributions	3.762	1	1.670	1
Other	5.136	3	9.083	4
Total Revenues	\$ 269.050	100	\$ 249.983	100

The following is a table of the fiscal years 2021 and 2020 expenses by source for governmental activities.

**Governmental Activities
Expenses by Source
FY 2021 and 2020
(in millions of dollars)**

Expenses by Source	2021 Expenses	% of Expenses	2020 Expenses	% of Expenses
General Government	\$ 35.481	14	\$ 69.844	27
Law Enforcement	63.402	24	54.068	21
Fire Rescue	65.143	25	54.266	21
Physical Environment	4.448	2	5.406	2
Transportation	26.269	10	14.215	6
Community Development	19.447	7	15.876	6
Parks & Recreation	46.749	17	43.243	16
Interest & Fiscal Charges	1.318	1	1.589	1
Total Expenses	\$ 262.257	100	\$ 258.507	100

Business-Type Activities

Net position for business-type activities at September 30, 2021 was \$455.357 million, a 6.35%, or \$27.176 million, increase from the 2020 balance of \$428.181 million.

The change in net position for the Water and Sewer Fund was \$5.523 million in 2021, a 27.53%, or \$2.097 million, decrease from the \$7.620 million reported in 2020.

The following tables show the revenues, expenses and net position for the business-type activities by source for the fiscal year ended September 30, 2021.

Business-Type Activities Revenues by Source FY 2021 and 2020 (in millions of dollars)

Fund	2021 Revenues	% of Revenues	2020 Revenues	% of Revenues
Water and sewer	\$ 65.356	64	\$ 65.196	80
Cemetery	0.370	-	0.329	1
Golf course	22.297	22	2.673	3
Stormwater	3.039	3	3.179	4
Sanitation	10.956	11	10.002	12
Total Revenues	<u>\$ 102.018</u>	<u>100</u>	<u>\$ 81.380</u>	<u>100</u>

Business-Type Activities Expenses by Source FY 2021 and 2020 (in millions of dollars)

Fund	2021 Actual Expenses	2021 % of Expenses	2020 Actual Expenses	2020 % of Expenses
Water and sewer	\$ 59.759	80	\$ 57.576	80
Cemetery	0.902	1	1.028	1
Golf course	3.254	4	3.100	4
Stormwater	2.852	4	2.848	4
Sanitation	7.979	11	7.987	11
Total Expenses	<u>\$ 74.746</u>	<u>100</u>	<u>\$ 72.539</u>	<u>100</u>

Business-Type Activities Net Position by Source FY 2021 and FY 2020 (in millions of dollars)

Fund	2021	2020
Water and sewer	\$ 396.486	\$ 390.962
Cemetery	0.623	1.155
Golf course	20.789	1.746
Stormwater	19.735	19.549
Sanitation	17.724	14.769
Total net position	<u>\$ 455.357</u>	<u>\$ 428.181</u>

Financial Analysis of the City of Boca Raton's Funds

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

Governmental Funds

The fund financial statements for the governmental funds are provided on pages 19-24. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Major Fund Information (in thousands)

	General Fund	Community Redevelopment Agency Mizner Park Operating Fund	Five Year Capital Improvement Fund	Infrastructure Surtax Fund	Beach and Park Operations Fund
Fiscal Year 2021					
Revenues	\$ 203,193	\$ 17,733	\$ 10,105	\$ 7,687	\$ 17,119
Expenditures	(178,291)	(17,822)	(7,052)	(6,181)	(16,931)
Other financing sources (uses)	(202)	-	(2,729)	(3,203)	(188)
Increase (decrease) in fund balance	<u>\$ 24,700</u>	<u>\$ (89)</u>	<u>\$ 324</u>	<u>\$ (1,697)</u>	<u>\$ -</u>
Fiscal Year 2020					
Revenues	\$ 186,329	\$ 16,454	\$ 9,424	\$ 6,860	\$ 16,486
Expenditures	(175,720)	(15,134)	(5,822)	(12,114)	(16,486)
Other financing sources (uses)	(1,852)	5,694	(2,756)	(3,199)	-
Increase (decrease) in fund balance	<u>\$ 8,757</u>	<u>\$ 7,014</u>	<u>\$ 846</u>	<u>\$ (8,453)</u>	<u>\$ -</u>

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the fund balance in the General Fund was \$97.101 million, of which \$39.717 million or 40.9% was unassigned fund balance. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures and other financing uses. Unassigned fund balance represents 22.3% of total general fund expenditures and other financing uses, while total fund balance represents 54.4% of that same amount.

The fund balance of the City's General Fund increased by \$24.700 million in 2021, which is a \$15.942 million increase in net position from the 2020 net position increase of \$8.758 million. This increase was due primarily to increased business permit activity.

The fund balance of the City's Community Redevelopment Agency (CRA) Mizner Park Operating Fund decreased by \$89 thousand in 2021, a \$7.102 million decrease from the 2020 change in net position. Revenues increased by \$1.279 million while expenditures increased by \$2.688 million.

The fund balance of the City's Five Year Capital Improvement Fund increased by \$324 thousand, a \$521 thousand decrease from the 2020 change in net position primarily from increased spending on transportation and capital outlay projects.

The Beach and Park Operations Fund increased contributions from an independent special district by \$79 thousand. This increase relates to increases in the district's operating and capital costs; the City provides services to the special district through several interlocal agreements.

The fund balance for the Infrastructure Surtax Fund decreased by \$1.697 million, a \$6.756 million decrease from the 2020 change in net position.

The fund balance in the other non-major governmental funds decreased by \$60.174 thousand, a \$5.460 million decrease from the 2020 change in net position.

The following table compares revenues by source for the governmental funds for fiscal years 2021 and 2020.

**Governmental Funds
Revenues by Source
FY 2021 and 2020
(in millions of dollars)**

Revenues by Source	2021 Revenues	2020 Revenues
Taxes	\$ 152.361	\$ 145.896
Permits & Licenses	26.143	14.938
Intergovernmental	46.746	46.945
Charges for services	36.324	32.819
Fines & forfeitures	1.326	1.218
Special assessments	1.530	1.531
Donations in lieu of land	3.762	1.641
Investment earnings	0.850	3.833
Miscellaneous	0.750	0.690
Total Revenues	\$ 269.792	\$ 249.511

The following table compares governmental expenditures by program for fiscal years 2021 and 2020.

Expenditures by Program	2021 Expenditures	2020 Expenditures
General government	\$ 30.363	\$ 30.099
Law enforcement	53.661	53.781
Fire rescue	56.064	54.102
Physical environment	7.385	5.400
Transportation	12.149	15.556
Community development	19.648	16.733
Parks and recreation	42.980	42.430
Capital outlay	12.385	12.786
Debt service	8.838	10.998
Total expenditures	\$ 243.473	\$ 241.885

Proprietary Funds

The table below summarizes both the operating income (loss) and the change in net position for each of the City's proprietary funds.

The current year operating income for the business-type activities was \$1.589 million as compared with \$2.764 million in the previous year. The current year change in net position was \$27.176 million as compared with \$9.195 million in the previous year. The primary reason for the \$1.175 million decrease in operating income was due to decreased water and sewer revenues. The primary reason for the \$17.981 million increase in the change in net position was due to \$19.365 million capital contributions to the golf course and recreational facility.

The current year operating loss for the internal service funds was \$3.178 million as compared with \$0.337 million in the previous year. The current year change in net position was \$0.705 million as compared with \$6.193 million in the previous year. The primary reason for the \$2.841 million increase in operating loss was due to operating costs exceeding operating revenues for information technology, and self insurance funds. The primary reason for the \$5.487 million decrease in the change in net position was due to a reduction in transfers.

Fund Name	PROPRIETARY FUNDS			
	Operating Income (Loss) in thousands		Change in Net Position in thousands	
	2021	2020	2021	2020
Water and sewer	\$ (785)	\$ 1,773	\$ 5,523	\$ 7,620
Cemetery / mausoleum	(532)	(724)	(531)	(345)
Golf course	(333)	(602)	19,043	(427)
Stormwater utility	169	169	186	331
Sanitation	3,069	2,147	2,957	2,016
Total business-type activities	<u>\$ 1,589</u>	<u>\$ 2,764</u>	<u>\$ 27,176</u>	<u>\$ 9,195</u>
Fleet management	599	362	1,253	2,770
Information technology	(1,791)	(2,603)	1,291	338
Insurance programs	(1,986)	(930)	(1,922)	(414)
Retirement sustainability	-	2,835	83	3,499
Total internal service funds	<u>\$ (3,178)</u>	<u>\$ (337)</u>	<u>\$ 705</u>	<u>\$ 6,193</u>

The following table summarizes the operations of the Proprietary Funds for fiscal years 2021 and 2020.

Proprietary Funds (in millions)						
Fund Name	Operating Revenues		Operating Expenses		Non Operating Revenues (Expenses)	
	2021	2020	2021	2020	2021	2020
Water and Sewer	\$ 58.019	\$ 59.001	\$ 58.804	\$ 57.228	\$ 6.381	\$ 5.847
Cemetery/ Mausoleum	0.370	0.304	0.902	1.028	0.001	0.379
Golf course	2.921	2.499	3.254	3.100	19.376	0.175
Stormwater utility	3.021	3.017	2.852	2.848	0.016	0.163
Sanitation	10.944	10.134	7.874	7.987	(0.113)	(0.132)
Total business-type activities	<u>\$ 75.274</u>	<u>\$ 74.955</u>	<u>\$ 73.686</u>	<u>\$ 72.191</u>	<u>\$ 25.662</u>	<u>\$ 6.431</u>
Fleet management	\$ 6.176	\$ 5.657	\$ 5.577	\$ 5.295	\$ 0.654	\$ 2.408
Information technology	11.162	11.218	12.953	13.821	3.082	2.941
Insurance programs	23.504	21.147	25.490	22.077	0.064	0.516
Retirement sustainability	3.712	6.299	3.712	3.464	0.083	0.664
Total internal service funds	<u>\$ 44.554</u>	<u>\$ 44.321</u>	<u>\$ 47.732</u>	<u>\$ 44.657</u>	<u>\$ 3.883</u>	<u>\$ 6.529</u>

General Fund Budgetary Highlights

The difference between the original and final amended budget for 2021 was an increase of \$13.695 million funded from unassigned fund balance related to increased operating costs for general government, public safety, physical environment, transportation and parks and recreation.

The City generated a positive variance of approximately \$45.396 million between the final adopted budget and actual results of operations. Actual revenues were greater than final budgeted revenues by \$20.291 million due to the receipt of \$5.4 million Federal Grant for Hurricane Irma relief approved last year. Actual expenditures during the year were less than final budgeted expenditures by \$25.104 million. This positive variance is due primarily to actual operating costs being less than anticipated; general government of \$3.091 million, public safety of \$3.980 million, physical environment of \$12.668 million, transportation of \$1.437 million, including \$12 million in funding for a new Brightline train station and parks and recreation of \$3.928 million.

The original budget estimated that unassigned fund balance would decrease by \$7.001 million. The final budget anticipated that \$20.696 million would be drawn down from available unassigned fund balance. During the year however, expenditures in most areas were below the budgetary estimates while revenues were greater than the budgetary estimates, producing a positive budget variance of \$45.396 million.

The following table depicts the fiscal year 2021 original and amended budgets, actual balance, as well as the budget variance.

Budgetary Comparison	Original Budget	Amended Budget	Actual Balance	Budget Variance Positive/(Negative)
Revenues	\$ 182.923	\$ 182.923	\$ 203.214	\$ 20.291
Expenditures	189.924	203.618	178.514	25.104
Fund Balance	<u>\$ (7.001)</u>	<u>\$ (20.696)</u>	<u>\$ 24.700</u>	<u>\$ 45.396</u>

Capital Assets and Debt Administration

Capital Assets

As of year-end, the City had \$663.419 million invested in a variety of capital assets, as reflected in the following schedule. In 2021, there was a net increase (additions less retirements and depreciation) of \$19.802 million.

CITY OF BOCA RATON, FLORIDA Capital Assets Net of Depreciation and Amortization (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 138,136	\$ 138,136	\$ 5,309	\$ 2,805	\$ 143,445	\$ 140,941
Utility Plant in Service			34,553	191,656	34,553	191,656
Buildings	44,660	46,987	8,178	384	52,838	47,371
Improvements other than Buildings	-	24,452	-	10,108	-	34,560
Equipment	21,120	20,149	34,850	35,403	55,970	55,552
Infrastructure	150,069	127,718	166,506		316,575	127,718
Construction in Progress	24,873	22,240	35,165	23,579	60,038	45,819
Total	\$ 378,858	\$ 379,682	\$ 284,561	\$ 263,935	\$ 663,419	\$ 643,617

Major capital asset events during the fiscal year included:

- Capital projects under construction increased by \$14.219 million.

Additional information can be found in Note 6 Capital Assets on pages 68-70.

Debt Administration

As of year-end, the City had \$86.040 million in debt (bonds, notes, etc.) outstanding compared to the \$61.980 million last year, a 38.8% increase (considering debt issuance). Approximately 8% of the outstanding debt for fiscal year 2021 was backed by the full faith and credit of the government and the balance was secured by various revenue sources.

CITY OF BOCA RATON, FLORIDA Bonded Debt and Loans Payable (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
General Obligation Bonds	\$ 6,850	\$ 9,065			\$ 6,850	\$ 9,065
Revenue Bonds	29,945	33,820	\$ 46,005	\$ 14,595	75,950	48,415
Special Assessment Debt with Government Commitments	3,240	4,500			3,240	4,500
Totals	\$ 40,035	\$ 47,385	\$ 46,005	\$ 14,595	\$ 86,040	\$ 61,980

The debt position of the City is summarized below and is more fully explained in Note 8 Long-Term Debt on pages 71-75.

During fiscal year 2021, the City had the following debt activity:

- Issued \$35,000,000 in Water and Sewer Revenue Improvement Bonds
- All decreases in the Governmental Activities for the general obligation bonds and special assessment, were due to principal payments on the debt.

The City's General Obligation Bonds were rated AAA by all three credit rating agencies. Boca Raton was the first municipality in Florida to have been granted this credit rating by all three rating agencies. The Water and Sewer Utility Fund bonds are also rated AAA by Fitch Rating Services, Standard and Poor's and Moody's Investor Service. Under Florida Statutes, no debt limit margin is placed on local governments.

Economic Factors and Next Year's Budgets and Rates

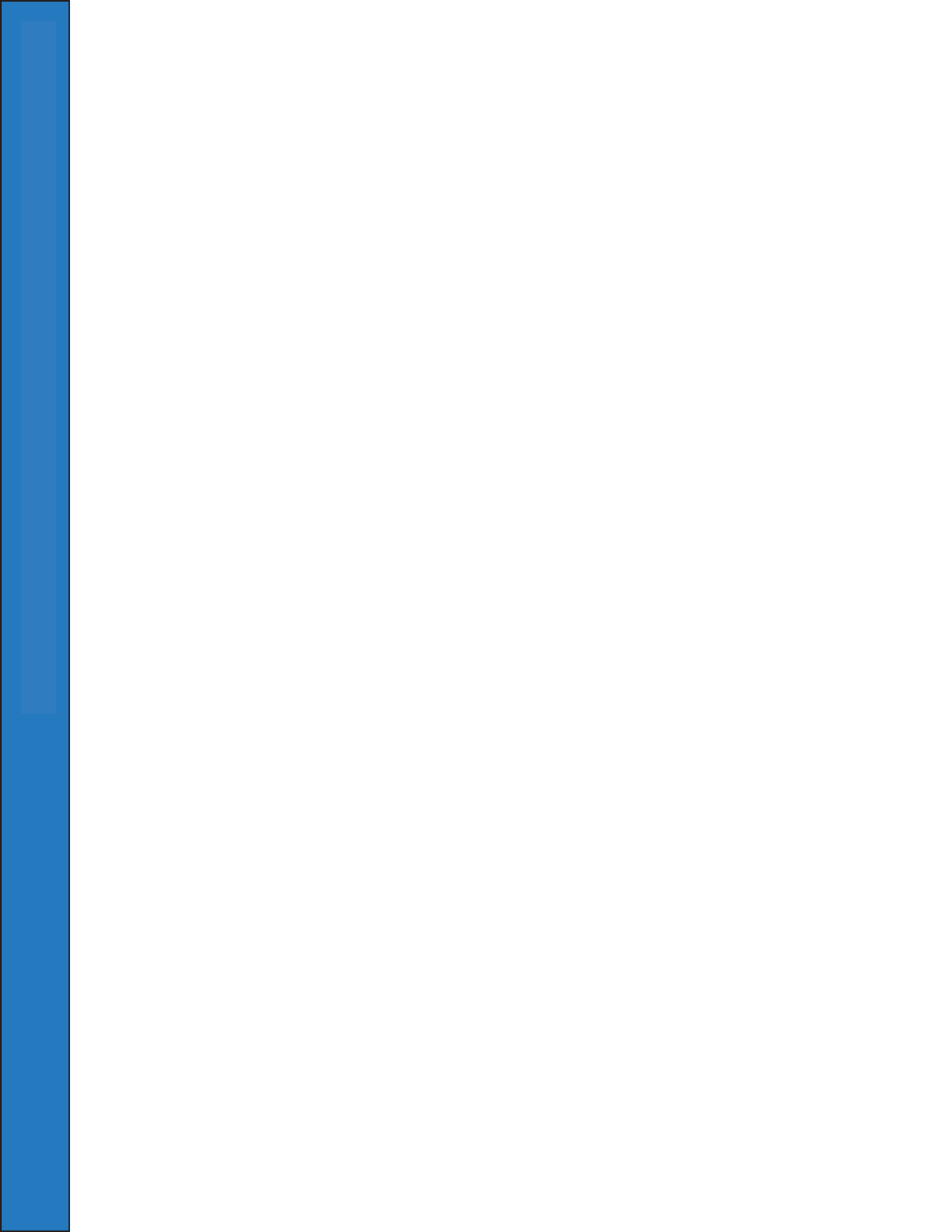
The City Council held their annual Goal Setting Session in April 2021. The City Council chose to extend the established goals and priorities from 2019 which included: a financially sound City government, top quality municipal services and a strong partnership with our stakeholders. These goals were used as a guide to prioritize funding for the Fiscal Year 2021-22 Approved Budget. The City expenditures have been strategically linked to the goals, objectives, core businesses, and existing obligations of the City.

- For FY 2021-22 property values increased 3.81% in the City. The net increase is composed of a 2.58% increase from reassessments of existing properties and an increase of 1.23% from new construction (net of CRA Downtown values). This is the ninth consecutive increase in property values after four prior years of decline. The City slightly increased the operating property tax rate in 2021 but the debt service rate declined slightly which resulted in a very small change to the total millage rate. The operating millage rate for 2021 is 3.5789 and the debt service millage is 0.0996 for a total millage rate of 3.6785 mills per \$1,000 dollars of taxable value.
- Current projections indicate that General Fund revenues will grow at an estimated rate of 4-6% annually for the next several years while at the same time operating costs are projected to increase at 5-7% annually.
- The Florida Legislature is again considering various proposals relating to the local government home rule, and various other proposals. Potential legislation could have a significant impact on a local government's ability to maintain and or improve services to residents. The City is carefully monitoring these initiatives and their future impact on the City's ability to function at its' present level.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. Additional Information is also available on the City's website at www.myboca.us. If you have any questions about this report or would like additional financial information, please contact:

City of Boca Raton
Financial Services Department, Room 160
201 W. Palmetto Park Road
Boca Raton, Florida 33432



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CITY OF BOCA RATON, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Primary Government		Total Primary Government
	Governmental Activities	Business-Type Activities	
Assets			
Cash and cash equivalents	\$ 154,653,980	\$ 67,606,188	\$ 222,260,168
Investments	146,781,002	57,208,330	203,989,332
Receivables, net	20,323,367	12,199,979	32,523,346
Due from other funds	8,211	(8,211)	
Advances to other funds	320,000	(320,000)	
Due from other governmental units	15,091,271	94,979	15,186,250
Advance to other governmental units	300,000		300,000
Inventories	892,900	59,048	951,948
Other assets	4,500		4,500
Restricted:			
Cash and cash equivalents	2,674,894	56,306,794	58,981,688
Investments	2,550,908	42,874,720	45,425,628
Interest receivable on investments	12,137	72,908	85,045
Accounts receivable	41,351		41,351
Assessment receivable		464,879	464,879
Interest receivable on assessments		67,711	67,711
Notes receivable	15,255,000		15,255,000
Capital assets:			
Non-depreciable	163,009,049	40,473,530	203,482,579
Depreciable (net)	215,849,721	244,087,433	459,937,154
Total assets	<u>737,768,291</u>	<u>521,188,288</u>	<u>1,258,956,579</u>
Deferred outflows of resources			
Deferred amount on refunding	149,093	436,254	585,347
Deferred outflows for pensions	73,743,278	4,010,119	77,753,397
Deferred outflows for OPEB	371,675	77,164	448,839
Total deferred outflows of resources	<u>74,264,046</u>	<u>4,523,537</u>	<u>78,787,583</u>

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

CITY OF BOCA RATON, FLORIDA
STATEMENT OF NET POSITION (continued)
SEPTEMBER 30, 2021

	Primary Government		Total Primary Government
	Governmental Activities	Business-Type Activities	
Liabilities			
Accounts payable and accrued liabilities	\$ 19,843,955	\$ 5,659,209	\$ 25,503,164
Accrued interest payable	305,815		305,815
Retainage payable	636,797	1,044,395	1,681,192
Performance bonds and escrow funds	8,198,768	213,000	8,411,768
Unearned revenue	1,871,467	19,983	1,891,450
Current liabilities payable from restricted assets:			
Customer deposits payable		4,302,934	4,302,934
Current accrued interest payable		490,107	490,107
Non-current liabilities			
Due within one year:			
Compensated absences	2,289,155	238,271	2,527,426
Bonds and loans	7,610,000	2,725,000	10,335,000
Estimated liability for self-insured losses	2,973,000		2,973,000
Due in more than one year:			
Compensated absences	20,602,398	2,144,438	22,746,836
Bonds and loans	32,867,926	43,280,000	76,147,926
Net pension liability	196,448,923	7,243,720	203,692,643
Total OPEB liability	4,927,336	1,022,999	5,950,335
Estimated liability for self-insured losses	8,156,000		8,156,000
Total liabilities	<u>306,731,540</u>	<u>68,384,056</u>	<u>375,115,596</u>
Deferred inflows of resources:			
Deferred inflows for pensions	7,835,000	1,924,050	9,759,050
Deferred inflows for OPEB	224,254	46,560	270,814
Total deferred inflows of resources	<u>8,059,254</u>	<u>1,970,610</u>	<u>10,029,864</u>
Net Position			
Net investment in capital assets	352,191,880	256,086,988	608,278,868
Restricted for:			
Building permits	28,013,063		28,013,063
Community development	5,833,915		5,833,915
Debt service	2,288,261	13,786,076	16,074,337
Law enforcement	1,205,861		1,205,861
Transportation	8,012,550		8,012,550
Economic development	6,174,288		6,174,288
Infrastructure	17,599,913		17,599,913
Renewal and replacement		23,037,597	23,037,597
Operations and maintenance reserves		3,774,288	3,774,288
Capital projects and Utilities expansion	20,442,474	34,345,299	54,787,773
Other purposes	170,000		170,000
Unrestricted	<u>55,309,338</u>	<u>124,326,911</u>	<u>179,636,249</u>
Total net position	<u>\$ 497,241,543</u>	<u>\$ 455,357,159</u>	<u>\$ 952,598,702</u>

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

**CITY OF BOCA RATON, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary Government:								
Governmental Activities:								
General government	\$ 35,480,811	\$ 40,597,695	\$ 684,842	\$ 462,725	\$ 6,264,451	\$	\$ 6,264,451	
Law enforcement	63,401,506	2,771,144	825,453		(59,804,909)		(59,804,909)	
Fire rescue	65,142,448	15,205,356	435,592		(49,501,500)		(49,501,500)	
Physical environment	4,448,354	249,766	783,123		(3,415,465)		(3,415,465)	
Transportation	26,268,884	8,412	45,630		(26,214,842)		(26,214,842)	
Community development	19,447,000	1,679,812	14,037,817	771,453	(2,957,918)		(2,957,918)	
Parks and recreation	46,748,835	22,038,722	31,829	2,527,554	(22,150,730)		(22,150,730)	
Interest and fiscal charges	1,318,250				(1,318,250)		(1,318,250)	
Total Governmental Activities	262,256,088	82,550,907	16,844,286	3,761,732	(159,099,163)		(159,099,163)	
Business-type Activities:								
Water and sewer	59,758,996	57,972,818	59,908	6,960,065	\$	\$ 5,233,795	5,233,795	
Cemetery	901,834	368,826	930			(532,078)	(532,078)	
Golf course	3,254,219	2,919,697	23,425	19,365,249		19,054,152	19,054,152	
Stormwater utility	2,851,536	3,020,969				169,433	169,433	
Sanitation	7,979,063	10,921,592				2,942,529	2,942,529	
Total Business-Type Activities	74,745,648	75,203,902	84,263	26,325,314		26,867,831	26,867,831	
Total Primary Government	\$ 337,001,736	\$ 157,754,809	\$ 16,928,549	\$ 30,087,046	(159,099,163)	26,867,831	(132,231,332)	
General revenues:								
Property tax					92,749,751		92,749,751	
Utility tax					21,841,106		21,841,106	
Franchise tax					13,242,679		13,242,679	
Sales tax					8,365,178		8,365,178	
Infrastructure surtax					7,645,253		7,645,253	
Gas tax					2,131,977		2,131,977	
Incremental property tax					14,780,347		14,780,347	
State shared revenues, unrestricted					3,363,553		3,363,553	
Investment earnings (loss)					1,067,727	384,482	1,452,209	
Gain on disposal of capital asset					653,446	19,752	673,198	
Miscellaneous					50,451	(95,600)	50,451	
Transfers					95,600			
Total general revenues and transfers					165,987,068	308,634	166,295,702	
Change in net position					6,887,905	27,176,465	34,064,370	
Net position, beginning					490,353,638	428,180,694	918,534,332	
Net position, ending					\$ 497,241,543	\$ 455,357,159	\$ 952,598,702	

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

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**CITY OF BOCA RATON, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2021**

	General	Community Redevelopment Agency Operating Fund	Five Year Capital Improvement Fund
ASSETS			
Cash and cash equivalents	\$ 46,955,451	\$ 6,146,829	\$ 13,514,811
Investments	46,990,151	5,864,305	12,716,921
Receivables, net:			
Accounts receivable	4,771,008	13,882,560	72,816
Assessments			
Interest	228,525	25,219	56,477
Due from other funds	7,342,259		
Advance to other funds	320,000		
Due from other governmental units	4,577,306		368,235
Advance to other governmental units	300,000		
Inventories	26,446		
Restricted:			
Restricted cash and cash equivalents			
Investments			
Interest receivable on investments			
Restricted accounts receivable			
Other assets	4,500		
Total assets	111,515,646	25,918,913	26,729,260
DEFERRED OUTFLOWS OF RESOURCES			
Total deferred outflows of resources			
Total assets and deferred outflows of resources	\$ 111,515,646	\$ 25,918,913	\$ 26,729,260
LIABILITIES			
Accounts payable and accrued liabilities	\$ 6,607,932	\$ 557,500	\$ 1,634,432
Performance bonds and escrow funds	5,891,810	236,608	139,832
Due to other funds			
Unearned revenue	881,998		
Total liabilities	13,381,740	794,108	1,774,264
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	1,032,637	13,882,560	
Total deferred inflows of resources	1,032,637	13,882,560	
FUND BALANCES			
Non-spendable:			
Nonspendable inventories	26,446		
Nonspendable advance	320,000		
Perpetual care, cemetery and mausoleum			
Restricted for:			
Army Corp of Engineers	170,000		
Building permits	20,966,463		
Debt service			
Housing			
Infrastructure			
Law enforcement			
Transportation			
Downtown		11,239,178	
Economic development			
Land dedication			
Land proceeds			
Committed to:			
Hurricane/disaster emergency	18,870,000		
Parking		3,067	
Right of way beautification	789,948		
Right of way acquisition			
Assigned to:			
Capital projects			24,954,996
Subsequent year's budget	16,241,700		
Unassigned	39,716,712		
Total fund balances	97,101,269	11,242,245	24,954,996
Total liabilities, deferred inflows of resources and fund balances	\$ 111,515,646	\$ 25,918,913	\$ 26,729,260

<u>Infrastructure Surtax Fund</u>	<u>Beach and Park Operations Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 9,548,523	\$ 200	\$ 24,185,117	\$ 100,350,931
9,103,899		20,019,206	94,694,482
		714	18,727,098
		261,293	261,293
3,401		90,634	404,256
			7,342,259
			320,000
1,348,684	7,917,700	778,663	14,990,588
			300,000
			26,446
		2,674,894	2,674,894
		2,550,908	2,550,908
		12,137	12,137
		41,351	41,351
			4,500
<u>20,004,507</u>	<u>7,917,900</u>	<u>50,614,917</u>	<u>242,701,143</u>
<u>\$ 20,004,507</u>	<u>\$ 7,917,900</u>	<u>\$ 50,614,917</u>	<u>\$ 242,701,143</u>
\$ 2,404,594	\$ 699,697	\$ 1,902,129	\$ 13,806,284
	18,208	1,912,310	8,198,768
	7,199,995	134,053	7,334,048
			881,998
<u>2,404,594</u>	<u>7,917,900</u>	<u>3,948,492</u>	<u>30,221,098</u>
		15,203	14,930,400
		<u>15,203</u>	<u>14,930,400</u>
			26,446
			320,000
		4,366,980	4,366,980
			170,000
			20,966,463
		2,288,261	2,288,261
		466,068	466,068
17,599,913			17,599,913
		1,205,861	1,205,861
		8,012,550	8,012,550
		1,175,269	12,414,447
		6,174,288	6,174,288
		20,442,474	20,442,474
		40,405	40,405
			18,870,000
			3,067
			789,948
		2,479,066	2,479,066
			24,954,996
			16,241,700
			39,716,712
<u>17,599,913</u>	<u></u>	<u>46,651,222</u>	<u>197,549,645</u>
<u>\$ 20,004,507</u>	<u>\$ 7,917,900</u>	<u>\$ 50,614,917</u>	<u>\$ 242,701,143</u>

**CITY OF BOCA RATON, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

Ending fund balance - governmental funds		\$ 197,549,645
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets, excluding Internal Service Funds	\$ 734,577,940	
Less accumulated depreciation/amortization	(377,491,006)	
Net capital assets		357,086,934
Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable in the governmental funds.		
Note Receivable	15,255,000	
Accrued interest on note receivables	100,683	
Operating lease revenues	13,882,560	
Communication Service Tax revenues	58,371	
		29,296,614
Long term liabilities, including bonds and loans payable, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Accrued interest payable on long-term debt	(305,815)	
Bonds and loans payable	(40,477,926)	
Deferred amount on refunding	149,093	
Compensated absences	(21,959,263)	
Supplemental SERP pension accrual	(4,445,394)	
Net pension liability	(193,269,502)	
Total OPEB liability	(4,655,028)	
Total long-term liabilities		(264,963,835)
Deferred outflows/inflows of resources related to pensions:		
Deferred outflows - pensions	72,088,960	
Deferred outflows - OPEB	351,135	
Deferred inflows - pensions	(7,130,760)	
Deferred inflows - OPEB	(211,860)	
		65,097,475
Internal service funds are used by management to charge the costs of fleet management, management information systems and insurance programs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the same statement of net position.		
Assets and deferred outflows	131,633,437	
Liabilities and deferred outflows	(18,458,727)	
Net position		113,174,710
Net position of governmental activities		\$ 497,241,543

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

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**CITY OF BOCA RATON, FLORIDA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<u>General</u>	<u>Community Redevelopment Agency Operating Fund</u>	<u>Five Year Capital Improvement Fund</u>
REVENUES			
Taxes	\$ 115,288,062	\$ 14,780,347	\$ 8,793,586
Licenses and permits	26,143,143		
Intergovernmental	28,805,294		727,688
Charges for services	30,509,345	2,923,000	
Fines and forfeitures	1,270,780		
Special assessments			
Donations in lieu of land	409,509		526,071
Investment earnings (loss)	186,304	29,564	57,598
Miscellaneous	580,628		
Total revenues	<u>203,193,065</u>	<u>17,732,911</u>	<u>10,104,943</u>
EXPENDITURES			
Current:			
General government	29,895,304		457,210
Law enforcement	52,873,831		716,695
Fire rescue	55,997,551		66,501
Physical environment	5,741,286		
Transportation	7,295,921		2,745,746
Community development		17,472,365	
Parks and recreation	26,074,072		546,148
Capital outlay	412,920	349,219	2,519,342
Debt service:			
Principal			
Interest			
Total expenditures	<u>178,290,885</u>	<u>17,821,584</u>	<u>7,051,642</u>
Excess (deficiency) of revenues over expenditures	<u>24,902,180</u>	<u>(88,673)</u>	<u>3,053,301</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	4,371,000		1,200,000
Transfers out	<u>(4,573,400)</u>		<u>(3,929,400)</u>
Total other financing sources (uses)	<u>(202,400)</u>		<u>(2,729,400)</u>
Net change in fund balances	24,699,780	(88,673)	323,901
Fund balances - beginning	<u>72,401,489</u>	<u>11,330,918</u>	<u>24,631,095</u>
Fund balances - ending	<u>\$ 97,101,269</u>	<u>\$ 11,242,245</u>	<u>\$ 24,954,996</u>

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

Infrastructure Surtax Fund	Beach and Park Operations Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 7,645,253		\$ 5,852,310	\$ 152,359,558
	\$ 14,460,396	2,752,870	26,143,143
	2,654,086	238,020	46,746,248
		55,449	36,324,451
		1,530,233	1,326,229
	2,615	2,823,790	1,530,233
41,957		534,286	3,761,985
	1,528	167,612	849,709
<u>7,687,210</u>	<u>17,118,625</u>	<u>13,954,570</u>	<u>269,791,324</u>
		10,565	30,363,079
		70,877	53,661,403
1,513,556		130,247	56,064,052
		2,107,141	7,385,089
		2,175,340	12,148,808
	16,282,087	77,492	19,647,705
4,667,721	648,738	3,786,554	42,979,799
			12,384,494
		7,350,000	7,350,000
		1,488,170	1,488,170
<u>6,181,277</u>	<u>16,930,825</u>	<u>17,196,386</u>	<u>243,472,599</u>
<u>1,505,933</u>	<u>187,800</u>	<u>(3,241,816)</u>	<u>26,318,725</u>
		6,255,964	11,826,964
<u>(3,202,642)</u>	<u>(187,800)</u>	<u>(3,074,322)</u>	<u>(14,967,564)</u>
<u>(3,202,642)</u>	<u>(187,800)</u>	<u>3,181,642</u>	<u>(3,140,600)</u>
(1,696,709)		(60,174)	23,178,125
<u>19,296,622</u>		<u>46,711,396</u>	<u>174,371,520</u>
<u>\$ 17,599,913</u>	<u>\$</u>	<u>\$ 46,651,222</u>	<u>\$ 197,549,645</u>

**CITY OF BOCA RATON, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Net change in fund balances –total governmental funds	\$ 23,178,125
<p>Amounts reported for governmental activities in the statement of activities are different because: 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.</p>	
Expenditures for capital assets	\$ 11,666,847
Less current year depreciation/amortization	<u>(16,359,414)</u>
	(4,692,567)
<p>The net effect of the various miscellaneous transactions involving capital assets (i.e. sales, trade ins and donations) is to decrease net position.</p>	
<p>Some revenues and expenses reported in the statement of activities are not reported in the governmental funds because they have no effect on current financial resources.</p>	
Operating lease revenues	(233,131)
Communications Service Tax revenues	31,555
Compensated absences	(3,863,098)
OPEB liability	(169,314)
Payroll liability Reversal	865,812
Net effect of accrued interest on long term debt (difference between amount that would have been accrued in prior year and current year accrual)	<u>63,476</u>
	(3,304,700)
<p>Pension contributions are reported as expenditures in the governmental funds and recorded as a net pension asset on the statement of net position.</p>	
	(28,883,570)
<p>Notes Receivable, principal payments</p>	
	(1,180,000)
<p>Accrued Interest on Notes Receivable</p>	
	(7,788)
<p>The issuance of long-term debt (e.g., bonds and loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.</p>	
<p>Debt retired:</p>	
Principal payments on bonds and loans	7,350,000
<p>The governmental funds report bond premiums, discounts and similar items as expenditures when debt is first issued, whereas those amounts are deferred and amortized in the statement of activities.</p>	
Amortization of deferred amount on refunding	(107,151)
Amortization of bond discount	(4,380)
Amortization of bond premium	<u>217,976</u>
	7,456,445
<p>Deferred outflows of resources reported on the statement of net position:</p>	
Change in deferred outflows - pensions	9,879,082
Change in deferred inflows - pensions	3,700,968
Change in deferred outflows - OPEB	(16,528)
Change in deferred inflows - OPEB	<u>53,891</u>
	13,617,413
<p>Internal service funds are used by management to charge costs of fleet management, management information systems and insurance programs to individual funds. The net revenue of the activities of the internal service funds is reported with governmental activities:</p>	
Net operating income of the internal service funds	(3,178,086)
<p>Impact of external transactions on the net position of governmental activities:</p>	
Investment income	225,806
Gain on disposal of capital assets	420,627
<p>Net transfers from governmental funds to internal service funds decrease the fund balances of the governmental funds, but have no effect on net position as reported on a government-wide basis.</p>	
	<u>3,236,200</u>
	<u>704,547</u>
Change in net position of governmental activities	<u>\$ 6,887,905</u>

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

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**CITY OF BOCA RATON, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

	Business - Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Nonmajor Enterprise Funds	Total	Internal Service Fund
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 58,065,109	\$ 9,541,079	\$ 67,606,188	\$ 54,303,049
Investments	48,186,651	9,021,679	57,208,330	52,086,520
Interest receivable on investments	282,781	39,315	322,096	250,700
Interest receivable on assessments	36,938		36,938	
Accounts receivable	9,342,574	2,237,318	11,579,892	680,020
Assessments receivable	261,053		261,053	
Due from other governmental units	3,163	91,816	94,979	
Inventories		59,048	59,048	866,454
Total unrestricted current assets	<u>116,178,269</u>	<u>20,990,255</u>	<u>137,168,524</u>	<u>108,186,743</u>
Restricted assets:				
Cash and cash equivalents	56,306,794		56,306,794	
Investments	42,874,720		42,874,720	
Interest receivable on investments	72,908		72,908	
Interest receivable on assessments	67,711		67,711	
Assessments receivable	464,879		464,879	
Total restricted current assets	<u>99,787,012</u>		<u>99,787,012</u>	
Total current assets	<u>215,965,281</u>	<u>20,990,255</u>	<u>236,955,536</u>	<u>108,186,743</u>
Noncurrent assets:				
Capital assets:				
Land	245,873	5,062,693	5,308,566	
Construction in progress	34,946,140	218,824	35,164,964	7,052,587
Buildings	102,194,234	10,313,161	112,507,395	1,270,000
Improvements other than buildings	324,118,230	28,392,717	352,510,947	
Equipment	62,038,747	16,440,149	78,478,896	41,136,901
Less accumulated depreciation	(280,218,074)	(19,191,731)	(299,409,805)	(27,687,652)
Total capital assets (net of accumulated depreciation/amortization)	<u>243,325,150</u>	<u>41,235,813</u>	<u>284,560,963</u>	<u>21,771,836</u>
Total noncurrent assets	<u>243,325,150</u>	<u>41,235,813</u>	<u>284,560,963</u>	<u>21,771,836</u>
Total assets	<u>459,290,431</u>	<u>62,226,068</u>	<u>521,516,499</u>	<u>129,958,579</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	436,254		436,254	
Deferred outflows for pensions	3,218,569	791,550	4,010,119	1,654,318
Deferred outflows for OPEB	49,962	27,202	77,164	20,540
Total deferred outflows of resources	<u>3,704,785</u>	<u>818,752</u>	<u>4,523,537</u>	<u>1,674,858</u>

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

**CITY OF BOCA RATON, FLORIDA
PROPRIETARY FUNDS (continued)
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

	Business - Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Nonmajor Enterprise Funds	Total	Internal Service Fund
LIABILITIES				
Due to other funds		8,211	8,211	
Accounts payable and accrued liabilities	\$ 4,626,259	\$ 1,032,950	\$ 5,659,209	\$ 2,229,074
Advances from other funds		320,000	320,000	
Compensated absences	163,129	75,142	238,271	93,229
Retainage payable	181,555		181,555	
Performance bonds and escrow funds	212,000	1,000	213,000	
Estimated liability for self-insurance losses				2,973,000
Unearned revenue		19,983	19,983	
Total unrestricted current liabilities	5,182,943	1,457,286	6,640,229	5,295,303
Current liabilities payable from restricted assets:				
Customer deposits payable	4,296,764	6,170	4,302,934	
Restricted retainage payable	859,322	3,518	862,840	
Revenue bonds payable, current portion	2,725,000		2,725,000	
Accrued interest payable	490,107		490,107	
Total current liabilities payable from restricted assets	8,371,193	9,688	8,380,881	
Total current liabilities	13,554,136	1,466,974	15,021,110	5,295,303
Non-current liabilities:				
Compensated absences	1,468,161	676,277	2,144,438	839,061
Net pension liability	6,109,453	1,134,267	7,243,720	3,179,421
Total OPEB liability	662,374	360,625	1,022,999	272,308
Revenue bonds payable	43,280,000		43,280,000	
Estimated liability for self-insurance				8,156,000
Total noncurrent liabilities	51,519,988	2,171,169	53,691,157	12,446,790
Total liabilities	65,074,124	3,638,143	68,712,267	17,742,093
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows for pensions	1,405,861	518,189	1,924,050	704,240
Deferred inflows for OPEB	30,147	16,413	46,560	12,394
Total deferred inflows of resources	1,436,008	534,602	1,970,610	716,634
NET POSITION				
Net investment in capital assets	214,859,434	41,227,554	256,086,988	21,771,836
Restricted for:				
Debt service	13,786,076		13,786,076	
Renewal and replacement	23,037,597		23,037,597	
Operations and maintenance reserves	3,774,288		3,774,288	
Capital projects and Utilities expansion	34,345,299		34,345,299	
Unrestricted	106,682,390	17,644,521	124,326,911	91,402,874
Total net position	\$ 396,485,084	\$ 58,872,075	\$ 455,357,159	\$ 113,174,710

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

**CITY OF BOCA RATON, FLORIDA
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Business - Type Activities - Enterprise Funds			Governmental
	Water and Sewer	Nonmajor Enterprise Funds	Total	Internal Service Fund
OPERATING REVENUES				
Charges for sales and services		\$ 17,229,959	\$ 17,229,959	
Fleet management				\$ 5,649,182
Management information processing				11,081,000
Insurance premiums				22,334,827
Insurance premium tax				3,711,634
Water sales	\$ 34,740,029		34,740,029	
Sewer service charges	21,490,753		21,490,753	
Other	1,788,278	25,366	1,813,644	1,776,984
Total operating revenues	<u>58,019,060</u>	<u>17,255,325</u>	<u>75,274,385</u>	<u>44,553,627</u>
OPERATING EXPENSES				
Personnel services	15,952,335	6,289,537	22,241,872	8,138,453
Materials and supplies	4,929,795	522,684	5,452,479	171,434
General and administration	11,594,492	1,804,030	13,398,522	206,507
Other services and charges	10,459,523	3,666,271	14,125,794	12,377,643
Insurance claims				18,913,056
Pension benefits				3,711,634
Depreciation/amortization of capital assets	15,867,501	2,599,408	18,466,909	4,212,986
Total operating expenses	<u>58,803,646</u>	<u>14,881,930</u>	<u>73,685,576</u>	<u>47,731,713</u>
Operating income (loss)	<u>(784,586)</u>	<u>2,373,395</u>	<u>1,588,809</u>	<u>(3,178,086)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	353,198	31,284	384,482	225,806
Interest expense	(955,350)		(955,350)	
Gain (loss) on disposal of capital assets	9,547	(94,517)	(84,970)	420,627
Total nonoperating revenues (expenses)	<u>(592,605)</u>	<u>(63,233)</u>	<u>(655,838)</u>	<u>646,433</u>
Income (loss) before transfers and contributions	<u>(1,377,191)</u>	<u>2,310,162</u>	<u>932,971</u>	<u>(2,531,653)</u>
Transfers in				3,236,200
Transfers out	(74,000)	(21,600)	(95,600)	
Capital contributions	6,973,845	19,365,249	26,339,094	
Change in net position	5,522,654	21,653,811	27,176,465	704,547
Net position, beginning	<u>390,962,430</u>	<u>37,218,264</u>	<u>428,180,694</u>	<u>112,470,163</u>
Net position, ending	<u>\$ 396,485,084</u>	<u>\$ 58,872,075</u>	<u>\$ 455,357,159</u>	<u>\$ 113,174,710</u>

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

**CITY OF BOCA RATON, FLORIDA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Enterprise Funds			Governmental Activities
	Water and Sewer	Non-Major Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 57,375,336	\$ 36,638,077	\$ 94,013,413	\$ 44,187,334
Payments to suppliers	(29,503,538)	(5,401,858)	(34,905,397)	(16,089,760)
Payments to employees	(14,707,681)	(6,459,033)	(21,166,713)	(7,535,857)
Claims paid				(18,543,056)
Net cash provided by operating activities	<u>13,164,117</u>	<u>24,777,186</u>	<u>37,941,303</u>	<u>2,018,661</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in				3,236,200
Transfers out	(74,000)	(21,600)	(95,600)	
Net cash provided by noncapital financing activities	<u>(74,000)</u>	<u>(21,600)</u>	<u>(95,600)</u>	<u>3,236,200</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital Contributions				
Payment of bond principal	31,555,418		31,555,418	
Acquisition of capital assets	(11,335,372)	(20,698,860)	(32,034,232)	(8,502,592)
Interest paid	(648,915)		(648,915)	
Proceeds from sale of capital assets	19,094	(189,034)	(169,940)	841,254
Due to other funds		(86,585)	(86,585)	
Net cash used in capital and related financing activities	<u>19,590,225</u>	<u>(20,974,479)</u>	<u>(1,384,254)</u>	<u>(7,661,338)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	517,955	46,313	564,268	330,371
Sale of investments	91,943,984	7,870,745	99,814,729	57,863,596
Purchase of investments	(91,113,424)	(9,041,828)	(100,155,252)	(52,086,520)
Net cash used in investing activities	<u>1,348,515</u>	<u>(1,124,770)</u>	<u>223,745</u>	<u>6,107,447</u>
Net increase (decrease) in cash and cash equivalents	34,028,857	2,656,337	36,685,194	3,700,970
Cash and cash equivalents				
Beginning of year	<u>80,397,606</u>	<u>6,884,742</u>	<u>87,282,348</u>	<u>50,602,079</u>
End of year	<u>114,426,463</u>	<u>9,541,079</u>	<u>123,967,542</u>	<u>54,303,049</u>
Cash and cash equivalents, unrestricted	58,119,669	9,541,079	67,660,748	54,303,049
Cash and cash equivalents, restricted	56,306,794		56,306,794	
End of Year	<u>\$ 114,426,463</u>	<u>\$ 9,541,079</u>	<u>\$ 123,967,542</u>	<u>\$ 54,303,049</u>

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

(Continued)

CITY OF BOCA RATON, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS (continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Enterprise Funds			Governmental Activities
	Water and Sewer	Non-Major Enterprise Funds	Total	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS)				
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	\$ (407,725)	\$ 21,738,644	\$ 21,330,919	\$ (3,178,086)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	15,794,792	2,599,408	18,394,200	4,212,986
Change in assets, liabilities, deferred outflows & deferred inflows:				
(Increase) decrease in accounts receivable	(1,358,110)	(139,239)	(1,497,349)	(366,293)
(Increase) decrease in assessments receivable	168,427		168,427	
(Increase) decrease in due from other governmental units		155,542	155,542	
(Increase) decrease in inventories		3,473	3,473	(159,853)
(Increase) decrease in other assets				200,619
(Increase) decrease in deferred pension outflows	290,120	286,226	576,346	209,041
Increase (decrease) in accounts payable and accrued liabilities	(2,789,350)	558,744	(2,230,606)	316,028
Increase (decrease) in retainage payable	303,069	3,247	306,316	
Increase (decrease) in performance bonds and escrow funds	212,000		212,000	
Increase (decrease) in customer deposits payable	63,711	2,429	66,140	
Increase (decrease) in compensated absences	(106,447)	(118,848)	(225,295)	44,750
Increase (decrease) in total OPEB liability	24,090	16,662	40,752	16,995
Increase (decrease) in estimated liability for self-insurance losses				370,000
Increase (decrease) in unearned revenue		(1,229)	(1,229)	
Increase (decrease) in net pension liability	1,068,866	(356,217)	712,649	401,466
Increase (decrease) in deferred inflows for pensions	(91,658)	32,307	(59,351)	(46,261)
Increase (decrease) in deferred inflows for OPEB	(7,668)	(3,963)	(11,631)	(2,731)
Total adjustments	13,571,842	3,038,542	16,610,384	5,196,747
Net cash provided by operating activities	\$ 13,164,117	\$ 24,777,186	\$ 37,941,303	\$ 2,018,661
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Unrealized (loss) on investments	\$ -	\$ -	\$ -	\$ -
Noncash portion of capital contributions	6,973,845		6,973,845	

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

**CITY OF BOCA RATON, FLORIDA
PENSION TRUST FUNDS
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2021**

ASSETS

Cash and cash equivalents	\$ 51,599,418
Investments:	
Common and preferred stock	269,449,282
U.S. government securities	26,992,885
Corporate bonds and debentures	71,310,748
Infrastructure	10,549,621
Commingled funds	70,686,804
Real estate	46,092,797
Private Equity	184,434,712
Multi Asset Class	49,418,551
Florida Municipal Pension Trust Fund	64,132,921
Total Investments	793,068,321
Receivables:	
Interest and dividends	505,232
Unsettled trades receivable	619,015
Total receivables	1,124,247
Other assets	19,930
Prepaid expenses	33,987
Total assets	845,845,903

LIABILITIES

Accounts payable and accrued liabilities	660,016
Unsettled trades payable	673,752
Total liabilities	1,333,768

NET POSITION RESTRICTED FOR PENSIONS \$ 844,512,135

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

**CITY OF BOCA RATON, FLORIDA
PENSION TRUST FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

ADDITIONS

Contributions:		
City	\$	19,946,624
State		3,711,634
Employee		7,538,403
Transfer from other pension trust funds		94,108
Total contributions		<u>31,290,769</u>
Investment income:		
Interest revenue		59,137,256
Dividends		11,376,346
Net appreciation (depreciation) in fair value of investments		97,443,234
Other investment income		18,741
Investment expense		<u>(6,542,352)</u>
Total investment income		<u>161,433,225</u>
Total additions		<u>192,723,994</u>

DEDUCTIONS

Benefits paid:		
Retirement		36,309,551
Disability		941,999
Death		2,044,999
Deferred retirement option plan		10,856,251
Termination refunds		317,679
Administrative expenses		489,157
Transfer to other pension trust funds		<u>94,108</u>
Total deductions		<u>51,053,744</u>
Net increase/(decrease) in net position		141,670,250

NET POSITION RESTRICTED FOR PENSIONS

Beginning of year		<u>702,841,885</u>
End of year	\$	<u><u>844,512,135</u></u>

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

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

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1. The City of Boca Raton

The City of Boca Raton, Florida (the City) was incorporated in 1925 and operates under a Charter granted by the Legislature of the State of Florida, Chapter 65-1264, Special Acts, Laws of Florida. The City is governed by an elected City Council (4 members) and an elected Mayor, and provides, under the administration of an appointed City Manager, the following services: public safety, recreation, sanitation, cemetery, streets and traffic engineering, planning and zoning, water and sewer services, and general administrative services.

2. Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's governmental accounting policies are described below.

A. Reporting Entity

As required by various GASB Statements, the accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. The City is financially accountable if the City Council appoints a voting majority of an organization's governing body and the City is able to impose its will on that organization, or the City has a financial benefit/burden relationship or operational responsibility with the organization. Blended component units are, in substance, part of the City's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the City.

Blended Component Unit. The City Council of Boca Raton, Florida created the Boca Raton Community Redevelopment Agency (CRA) in 1980 as an independent special district by City Resolution No. 162-80. The CRA was established to prepare or have prepared a community redevelopment plan for areas within the City of Boca Raton, which are determined to be slum or blighted areas, and to carry out the community redevelopment purposes of Part III, Chapter 163, of the Florida Statutes. As a tax increment district, the CRA receives operating revenues from tax increment assessments from three taxing jurisdictions within Palm Beach County. Funds are also provided by private contributions, fees collected, interest income, and the unexpended fund balance from the previous year. The funds of the CRA included within the reporting entity are the Community Redevelopment Agency Operating Fund (major special revenue fund) and the Community Redevelopment Agency Mizner Park Revenue Fund (nonmajor special revenue fund). During fiscal year 1989, the CRA entered into an interlocal agreement with the City. This agreement called for the City to make a secondary pledge of its excise tax revenues for the CRA's debt. On February 5, 1991, the City, by referendum, adopted a resolution declaring the City Council Members to constitute the Board of Commissioners

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of the CRA. Under Florida Statute 163.356, this made the CRA a dependent special district of the City. The CRA is reported as a blended component unit since its Board of Commissioners is the same as the governing body of the City and the City has the financial benefit/burden relationship and operational responsibility for the CRA relating to the secondary pledge of the City's excise (public service) taxes for the CRA's debt.

Discretely Presented Component Units. There are no discretely presented component units for the City. The Greater Boca Raton Beach and Park District, the Boca Raton Housing Authority and the Boca Raton Airport Authority have not met the established criteria for inclusion as component units and, therefore, are excluded from this report.

B. Government-Wide And Fund Financial Statements

The basic financial statements consist of the government-wide financial statements and fund financial statements. Both sets of statements distinguish between the governmental and business-type activities of the City.

Government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements report on the government as a whole and provide a consolidated financial picture of the government. As part of the consolidation process, inter-fund activities are eliminated to avoid distorted financial results. The amounts reported as internal balances represent the residual amounts due between governmental and business-type activities. Fiduciary trust funds of the government are also excluded from this presentation since these resources are not available for general government funding purposes.

The Statement of Net Position reports all financial and capital resources of the City's governmental and business-type activities. Governmental activities are those supported by taxes and intergovernmental revenues. Business-type activities rely to a significant extent on fees and charges for support. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges for goods or services that are recovered directly from customers for services rendered and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is provided which briefly explains the adjustments necessary to reconcile

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the results of governmental fund accounting to the government-wide presentations.

The City's fiduciary trust funds are presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

C. Measurement Focus, Basis Of Accounting And Financial Statement Presentation

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

All governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, public services taxes, franchise taxes and interest income associated with the current fiscal period are susceptible to accrual and are recorded as earned since they are measurable and available. In addition, revenue from Federal, State and local reimbursement type grants for which eligibility requirements have been met and which meet the availability criteria of twelve months have been accrued and recognized as revenues of the period. The City also considers funds due from the Greater Boca Raton Beach and Park District as available if received within a twelve-month period. Only the portion of special assessments receivable due within the current period is considered to be susceptible to accrual as revenue of the current period. Licenses and permits, charges for services and miscellaneous revenues are recorded as revenue when received in cash, because they are generally not measurable until actually received.

D. Major Funds and Basis of Presentation

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for using a

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separate set of self-balancing accounts, which comprise its assets and deferred outflows of resources, liabilities and deferred inflows of resources, fund equities, revenues and expenditures or expenses. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Accounting principles generally accepted in the United States of America set forth minimum criteria (percentage of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined), for the determination of major funds. The non-major funds are presented in one column in the fund financial statements.

The City reports the following major governmental funds:

The **General Fund** is the primary operating fund of the City. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenue is derived primarily from property taxes, utility taxes, state and federal distributions and other intergovernmental revenue. The general operating expenditures, fixed charges and capital outlay costs that are not paid through other funds are paid from the General Fund.

The **Community Redevelopment Agency Operating Fund** is used to account for tax increment revenues assessed on downtown properties and land lease revenues that are used to fund the downtown plan for the CRA operations and capital improvements that encourage development in the downtown.

The **Five-Year Capital Improvement Program Fund** is used to account for various building, park and street construction projects. Financing is being provided by general tax revenue, bond proceeds, excise tax and interest income.

The **Infrastructure Surtax Fund** is used to account for the bond proceeds and payment of designated infrastructure expenses as a result of the 1-cent sales surtax approved by Palm Beach County votes in November of 2016.

The **Beach and Park Operations Fund** is used to account for beach and park operations reimbursed through an interlocal agreement with the Greater Boca Raton Beach and Park Tax District. The Fund did not meet the minimum criteria for major fund determination during fiscal 2021. However, it will continue to be presented as a major fund for the purpose of consistency and to highlight the operations of the Fund.

The City reports the following major proprietary fund:

The **Water and Sewer Fund** accounts for the provision of water and sewer services to residents of the City and to some residents of Palm Beach County.

Additionally, the City reports the following fund types:

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Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost reimbursement basis. The City's Internal Service Fund operations include Fleet Management and Information Technology for direct services and Self-Insurance for the provision of employee health, workers' compensation and property and general liability insurance for the City. The City also has an Internal Service Fund for retirement sustainability to separate funding for certain receipts and expenditures for all of the City's defined benefit plans and accounts for reserves to reduce the financial burden, if any, of retiree defined benefit plan payments on future taxpayers.

Pension Trust Funds account for activities of the City's General Employees' Pension Plan, the Police and Firefighters' Retirement System and the Executive Employees' Retirement Plan that accumulate resources for pension benefits and disability benefit payments.

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

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions. All revenues that are not program revenues are general revenues, and include *all* taxes, as well as grants, contributions and investment earnings that are not restricted to a particular program.

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

E. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Equity

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand and time deposits and short-term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the City to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, commercial paper, corporate bonds, repurchase agreements, State Treasurer's Investment Pool, investment pools governed

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by interlocal agreements, and the Florida Municipal Investment Trust.

The City maintains a cash and investment pool that is available for use by all funds. This pool has deposits and other investments with maturities generally less than one year. In addition, longer-term investments are also held by the investment pool. Pooled cash is classified as "Cash and Cash Equivalents" in the Statement of Net Position and pooled investments are combined with other separate investments and classified as "Investments."

Long-term investments are valued at fair value.

2. Receivables and Payables

During the course of its operations, the City has numerous transactions between funds to provide goods or render services. To the extent that certain transactions between funds were not paid for or received as of September 30, 2021, balances of interfund receivables and payables expected to be liquidated within one year have been recorded as due from and due to other funds. Balances of interfund receivables and payables not expected to be liquidated within one year are recorded as advances to and advances from other funds. Balances of advances to and from other funds are considered non-spendable fund balances of the respective funds since these balances are not available for appropriation.

All trade and other receivables are shown net of an allowance for uncollectibles. Long-term receivables are analyzed for their collectability based on the terms and conditions of the agreements. In addition to those receivables specifically identified as uncollectible, a general allowance is calculated based on the City's historical bad debt experience.

Water and wastewater charges to customers are based on actual water consumption. Consumption is determined on a bi-monthly cycle basis. The City recognizes revenue and a related receivable for the estimated unbilled consumption as of September 30th of each year.

3. Inventories

All inventories are valued at weighted average cost. Perpetual inventory records are maintained and adjusted annually to physical inventory amounts as of September 30th of each year. Inventory is reported using the consumption method whereby inventories are recorded as expenditures/expenses when used.

4. Restricted Assets

Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside in accordance with bond covenants or local ordinances are classified as restricted assets on the fund level balance sheet. The "operations and maintenance reserve" is used to report resources set aside to subsidize potential deficiencies from the City's Water and Sewer Utility operations that could adversely affect debt service

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payments. The “renewal and replacement reserve” is used for the accumulation of resources to provide for replacement of existing system assets. The “debt service reserve” is used for the accumulation of resources needed to meet debt service requirements as they become due. Certain accounts receivable items in the Water and Sewer Fund are restricted to repay debt. Cash and investments of the City’s Perpetual Care Fund are restricted to providing perpetual care for the City’s cemetery and mausoleum. Additionally, cash and investments of the General Trust Fund are restricted as the funds are to be used only for specific purposes. All applicable assets in the enterprise funds and in the governmental funds have been restricted in amounts sufficient to meet restrictive purposes.

5. Capital Assets

Capital assets, which include property, plant, equipment, intangible and infrastructure assets (e.g., roads, bridges, lighting systems and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City’s capitalization threshold for tangible capital assets is \$5,000 and for intangible assets, including software, is \$35,000. In addition, these assets must have an estimated life of greater than one year. A \$35,000 threshold is maintained for additions to infrastructure capital assets. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. All infrastructure assets acquired subsequent to June 30, 1980 are reported. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Property, plant, equipment, intangible and infrastructure assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Type</u>	<u>Life</u>
Building	40
Building improvements	10-50
Roads	40
Bridges	50
Other Infrastructure	10-75
Equipment	3-40
Intangible	5-20

6. Deferred Outflows of Resources

Deferred Outflows of Resources represents the expenses of net position applicable to future periods and will not be recognized as expenses until the future period to which it applies. The City currently reports the net deferred loss on refunding of debt, deferred outflows related to pension investment gains and losses, demographic gains and employer pension contributions made after the measurement date, which will be recognized in future fiscal years.

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7. Unearned Revenue

Unearned revenue is recorded for governmental funds for items that are measurable and available, but have not met the criteria for revenue recognition, such as unredeemed gift certificates. Local and business taxes are recorded as unearned revenue in the government-wide and the fund statements.

8. Liabilities – Performance Bonds, Escrow for Performance Bonds and Escrow Funds

Liabilities include amounts paid to the City by contractors as guarantees of performance. These amounts may be due back to the contractors.

9. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, sick pay benefits and compensatory time. All vacation, sick pay and compensatory time is accrued when earned in the government-wide and proprietary fund financial statements. A liability for those amounts is reported in governmental funds only if they have matured, as a result of employee resignations or retirements.

10. Long-Term Obligations

In the government-wide financial statements and proprietary fund types of 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. Bonds payable are reported net of the applicable premium or discount. These premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method of amortization which approximates the effective interest method. Issuance costs are expensed in the year they are incurred.

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

For purposes of measuring the net pension liability and OPEB liability, information about the fiduciary net position of the City's three pension plans and additions to/deductions from the City's Pension Plans fiduciary net position have been determined on the same basis as they are reported by the Pension Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

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11. Deferred Inflows of Resources

Deferred Inflows of Resources represents the acquisition of net position applicable to future periods and will not be recognized as revenue until the future period to which it applies. Currently, the items in this category are Pension and Other Post-Employment Benefits (OPEB) and unavailable revenues. The respective balances represent the difference between the expected and actual pension and OPEB expense. The Pension expense is amortized over the investment terms of the pension assets and the OPEB expenses are amortized over the average expected remaining lifetime of both active and inactive employees. Governmental funds also report unavailable revenue in this category.

12. Net Position

Net position is the result of assets and deferred outflows of resources, less liabilities and deferred inflows of resources. The net position of the government-wide and proprietary funds are categorized as net investment in capital assets, reduced by accumulated depreciation and any outstanding debt and related deferred outflows incurred to acquire, construct or improve those assets excluding unexpended bond proceeds, restricted or unrestricted. The first category represents net position related to property, plant, equipment and infrastructure.

When an expenditure is incurred for purposes for which both restricted and unrestricted net position is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned net position are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions by either an ordinance or resolution.

The restricted category represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by legislation in excess of the related liabilities payable from restricted assets. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

13. Fund Balance

The City classifies fund balance in accordance with GASB Statement No. 54 "*Fund Balance Reporting and Governmental Fund Type Definitions.*" This Statement enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

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The City reports the following fund classifications:

Nonspendable fund balance. Nonspendable fund balances are amounts that cannot be spent because they are either not in spendable form such as inventory or legally or contractually required to be maintained intact such as a perpetual trust.

Restricted fund balance. Restricted fund balances are amounts that are constrained by the imposition externally by creditors, grantors, contributors, or laws or regulations of other governmental agencies or imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. Those amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council through an ordinance or resolution (which are equally binding as the highest decision-making authority) are classified as committed fund balances.

Assigned fund balance. Amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. Assignments are recommended by the City Manager, based on the City Council direction during the annual budget process, and the City Council authorizes assignments by the adoption of a resolution.

Unassigned fund balance. Unassigned fund balance 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.

The City's policy is to maintain an adequate General Fund fund balance to provide liquidity in the event of an economic downturn or natural disaster. The City Council adopted a Fund Balance Policy by Resolution No. 137-2009 which is a financial standard to maintain a General Fund minimum unassigned fund balance of 10 percent of budgeted expenditures. General Fund is the only fund that reports a positive unassigned fund balance amount. The other governmental funds may report negative unassigned fund balance if that fund's expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes. As part of the annual budget adoption process, which is accomplished through an ordinance, the City Council reviews the fund balance commitments. Any action to establish, modify or rescind fund balance classifications would be taken through the adoption of an ordinance approved by City Council.

F. Other Policies

1. Property Taxes

Calendar of Property Tax Events

- January 1, 2020 – Property taxes are based on assessed property value at this date as determined by the Palm Beach County Property Appraiser.
- June 24, 2020 –Property assessment roll and certificates of value by the Palm Beach

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- County Property Appraiser are provided to the City.
- July 28, 2020 – Proposed tax millage rate approved by the City Council and provided to the Palm Beach County Property Appraiser, who mails notices to the taxpayers.
 - September 21, 2020 – Property tax millage rate ordinance approved by the City Council.
 - October 1, 2020 – Beginning of fiscal year for which taxes are levied.
 - April 1, 2021 – Unpaid property taxes become delinquent and become a lien.
 - April 2, 2021 – The Palm Beach County Property Appraiser notifies the City of the taxable value on the final property tax assessment roll.
 - June 1, 2021 – Tax certificates are sold by the Palm Beach County Tax Collector.

Property Tax Collection

Property tax collections are governed by Chapter 197, Florida Statutes. The Palm Beach County Tax Collector (Tax Collector) bills and collects all property taxes levied within the County. Discounts are allowed for early payment of 4% in November, 3% in December, 2% in January and 1% in February. If property taxes are not paid by April 1, the County adds a 3% penalty on real estate and a 1 ½% penalty on personal property.

The Tax Collector advertises and sells tax certificates on all real property for delinquent taxes. Certificates not sold revert back to the County. The Tax Collector must receive payment before the certificates are issued. Any person owning land on which a tax certificate has been sold may redeem the land by paying the Tax Collector the face amount of the tax certificate plus interest and other costs. The owner of a tax certificate may at any time after taxes have been delinquent (April 1), for two years, file an application for a tax deed sale. The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent. Tax deeds are issued to the highest bidder for the property which is sold at public auction.

The Tax Collector remits current taxes collected through four distributions to the City in the first two months of the tax year and at least one distribution each month thereafter. The City recognizes property tax revenue in the period in which they are levied. The Tax Collector pays the City interest on monies held from date of collection to date of distribution. The City has no control over the investment program of the Tax Collector as this program is governed by State statutes.

Property Tax Limitation

The City is permitted by state statutes to levy taxes up to 10 mills of assessed value. The total millage rate levied by the City for the fiscal year ended September 30, 2021, was 3.6785. Current tax collections for the City were approximately 96.6% of the total tax levy.

2. 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 of assets, liabilities, deferred inflows/outflows and disclosure of contingent assets and liabilities at the date of the

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financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

3. Encumbrances

Budgets in governmental funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. While appropriations lapse at the end of the fiscal year, the succeeding year's budget ordinance specifically provides for the re-appropriation of year-end encumbrances.

H. Governmental Accounting Standards Board (GASB) Pronouncements

Effective October 1, 2021, the City implemented the following GASB Pronouncements:

- GASB Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria is on (1) whether a government is controlling the assets of the fiduciary activity, and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.
- GASB Statement No. 90, *Majority Equity Interests - an Amendment of GASB Statements No. 14 and No. 61*, defines a majority equity interest and specifies the basis for measurement of a majority equity interest in a legally separate organization.
- GASB Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*, extends the effective dates of certain accounting and financial reporting provisions in Statements and Implementation Guides that were first effective for reporting periods beginning after June 15, 2018. The adoption of GASB No. 95 did not have an impact on the City financial statements.
- GASB Statement No. 98, *The Annual Comprehensive Financial Report*, establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in GAAP for state and local governments.

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3. Deposits and Investments

General Authorization:

Cash and cash equivalents include cash on hand, amounts in demand and time deposits, and short-term investments with original maturity dates within three months of the date acquired by the City. All of the City's deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*. Under the Act, every qualified public depository shall deposit with the Treasurer eligible collateral of the depository to be held subject to his or her order. The Treasurer, by rule, shall establish minimum required collateral pledging levels. The pledging level may range from 25% to 200% of the average monthly balance of public deposits depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any potential losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

The City's investment practices are governed by Chapter 280 and 218, Florida Statutes, City Code of Ordinances, Section 20, the adopted investment policy, and various legal covenants related to outstanding bond issues. For all investments authorized by statute and policy, the City applies the "Prudent Man Rule" when developing investment strategies.

Types of Investments:

The City is authorized to invest in a wide range of securities that include certificates of deposit, money market funds, U.S. Treasury obligations, State and U.S. Government Agencies and Enterprises, State and Local Government Series, corporate bonds, the State Board of Administration investment pool, interlocal investment pools, the Florida Municipal Investment Trust, mutual funds, foreign obligations of the government of Israel (State of Israel), and repurchase agreements. The City uses only financial institutions qualified as public depositories by the State of Florida or "approved" security dealers to place its investments unless bond covenants specifically require other financial institutions to be used. In addition to the investments above, the Pension trust funds are authorized to invest in commercial paper, real estate; and domestic, international, convertible, commingled, common and preferred stock.

The City participates in seven pooled investment funds, three of which behave as SEC-regulated money market funds under SEC Rule 2a7. Therefore, in accordance with GASB Statement 79 , *Certain External Investment Pools and Pool Participants*, which established criteria for an external investment pool for making the selection to qualify to measure its investments at amortized cost, these pools are exempt from the GASB 72, *Fair Value Measurement and Application* hierarchy disclosures and are reported at amortized cost. Detailed information for these pooled investment funds are as follows:

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Florida PRIME

The State Board of Administration (SBA) administers the Florida PRIME pool which is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 218 and 215 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME pool. Florida PRIME invests in a pool of investments whereby the City owns a share of the respective pool, not the underlying securities. The fair value of the position in the Florida PRIME pool is equal to the value of the pool shares.

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

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

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

As of September 30, 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.

FLCLASS

The Florida Cooperative Liquid Assets Securities System Trust (FLCLASS) is a common law trust established, created, and authorized by an Interlocal Agreement by and among participating Florida public agencies. FLCLASS is an authorized investment pool under Section 218.415(16)(a), Florida Statutes, and was established for participating Florida agencies on April 1, 2015 under the Interlocal Agreement and commenced operations on

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July 15, 2015 (inception). FLCLASS is available for investment by any unit of local government within the State of Florida. The purpose of FLCLASS is to enable such units to cooperate in the investment of their available funds. FLCLASS operates like a money market mutual fund with each share valued at \$1.00.

FL PALM

Florida Public Assets for Liquidity Management Fund (FL PALM) is a common law trust organized under the authority of the Florida Interlocal Cooperation Act of 1969, as amended (Section 163.01 of the Florida Statutes) and Section 218.415 of the Florida Statutes. FL PALM was created on October 22, 2010 by contract among its participating governmental units and is governed by its trustees.

The Trust Agreement for FL PALM permits and provides for the creation of several specialized asset portfolios. The City participates in two of these portfolios known as the FL PALM Portfolio and the FL PALM Term Portfolio. The FL PALM Portfolio seeks to maintain a stable \$1.00 net asset value and reports at amortized cost. The FL PALM Term Portfolio seeks to assure the return of principal on the planned maturity date and there is a penalty for early withdrawal. The Term Portfolio is reported at Net Asset Value (NAV). The City had no active investments in the Term Portfolio as of September 30, 2021.

FL-FIT

The Florida Fixed Income Trust (FL-FIT) was created on April 28, 2010, under the laws of the State of Florida, to provide eligible units of local governments with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Trust began operations on July 1, 2010. The City participates in the FL FIT Cash Pool, one of four portfolios offered by the Trust. The FL-FIT Cash Pool does not meet the criteria required to be exempted from fair value leveling and is measured and reported at Net Asset Value (NAV).

FMIvT

The City additionally participates in two pooled investment funds administered by the Florida League of Cities which do not meet the criteria required to be exempted from fair value leveling. These funds are referred to collectively as follows:

The Florida Municipal Investment Trust (FMIvT) was created under the laws of the State of Florida to provide eligible units of local government with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Florida League of Cities serves as the administrator, investment manager and secretary-treasurer of the Trust.

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a. City of Boca Raton

At September 30, 2021, the City of Boca Raton had the following cash, cash equivalents and investments:

Portfolio/Investments	Value	Average Maturity	Credit Rating	Rating Agency	Percent Distribution
Cash Deposits	\$ 101,624,322				19.16%
Florida PRIME	112,621,419	64 days	AAAm	S&P	21.22%
FLCLASS	42,840,151	192 days	AAAm	S&P	8.07%
FL PALM Portfolio	24,155,964	54 days	AAAm	S&P	4.55%
Total Cash & Cash Equivalents	281,241,856				
FMIvT 0-2 Year High Quality Government Fund	37,078,216	0.80 years	AAAf/S1	Fitch, S&P	6.99%
FMIvT 1-3 Year High Quality Bond Fund	37,061,409	1.50 years	AAAf/S2	Fitch, S&P	6.98%
FMIvT Intermediate High Quality Bond Fund	36,785,913	3.90 years	AAAf/S3	S&P	6.93%
FL-FIT Cash Pool	52,383,071	79 days	AAAf/S1	S&P	9.87%
U.S. Government Agencies:					
Federal National Mortgage Association	10,092,100	0.51 years	AA+	S&P	1.90%
Federal Home Loan Bank	15,002,100	4.98 years	AA+	S&P	2.83%
Certificates of Deposit	16,972,000	0.61 years	Not rated		3.20%
Corporate Obligations:					
Bonds	5,002,100	3.16 years	A-	S&P	0.94%
Bonds	9,999,100	81 days	A	S&P	1.88%
Bonds	14,000,740	0.34 years	A+	S&P	2.64%
Bonds	8,179,310	0.63 years	AA-	S&P	1.54%
Bonds	2,062,600	1.40 years	AA+	S&P	0.39%
Municipal Obligations:					
Bonds	866,586	0.84 years	AA+	S&P	0.16%
Bonds	931,395	0.34 years	AAA	S&P	0.18%
International Investments:					
Foreign Bond	2,998,320	1.50 years	AA-	S&P	0.57%
Total Investments	249,414,960				
Total Cash and Investments	\$ 530,656,816				100.00%

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

Fair Value Hierarchy

The investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

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Level 3 – Investments reflect prices based upon unobservable inputs.

The investment pricing transparency determines the category within the hierarchy and should not be observed as the investment risk. The custodian bank’s (primary external pricing vendors) quoted prices were used to determine level classification based on the fair value hierarchy.

At September 30, 2021, the investments by fair value level are:

Investment Type	As of 9/30/2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
FMIvT 0-2 Year High Quality Government Fund	\$ 37,078,216	\$ -	\$ 37,078,216	\$ -
FMIvT 1-3 Year High Quality Bond Fund	37,061,409	-	37,061,409	-
FMIvT Intermediate High Quality Bond Fund	36,785,913	-	36,785,913	-
U.S. Government Agencies:				
Federal National Mortgage Association	10,092,100	-	10,092,100	-
Federal Home Loan Bank	15,002,100	-	15,002,100	-
Corporate Bonds	39,243,850	-	39,243,850	-
Municipal Bonds	1,797,981	-	1,797,981	-
International Investments:				
Foreign Bond	2,998,320	-	2,998,320	-
Total Investments at Fair Value	180,059,889	\$ -	\$ 180,059,889	\$ -

Investment at the net asset value (NAV)	As of 9/30/2021	Redemption Frequency	Days Notice Before Redemption
FL-FIT Cash Pool	52,383,071	Daily	Same Day
Total Investments measured at NAV	52,383,071		
Certificates of Deposit (exempt)	16,972,000		
Total Investments	\$ 249,414,960		

FMIvT 0-2 Year High Quality Government Fund

This fund invests mainly in US government and agency securities and asset-backed securities. The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted. (Level 2 inputs).

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FMIvT 1-3 Year High Quality Bond Fund

This fund invests mainly in US government and agency securities and asset-backed securities. The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted. (Level 2 inputs).

FMIvT Intermediate High Quality Bond Fund

This fund invests mainly in US government and agency securities, asset-backed securities, and corporate bonds. The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted. (Level 2 inputs).

U.S. Government Securities

The City's investment policy allows investments in U.S. Treasury, but there were no U.S. Treasury Notes in the City's investment portfolio at September 30, 2021.

U.S. Government Agencies

Security prices were obtained from a pricing service, Interactive Data Corporation (IDC). The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs.

Corporate Notes

Security prices were obtained from a pricing service, Interactive Data Corporation (IDC). The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs.

Municipal Notes

Security prices were obtained from a pricing service, Interactive Data Corporation (IDC). The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs.

International Investments

The City's investment policy allows investments in obligations of the government of Israel (State of Israel) and the single foreign obligation that is in the City's investment portfolio at September 30, 2021 is an Israel Jubilee Bond. The security prices were valued using a matrix pricing technique. Matrix pricing is used to value securities based on broker/dealer

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quotes (Level 2 inputs).

Violations:

There were no violations of the legal or contractual provisions for deposits and investments.

Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The City's investment policy limits investments to those having a maturity, at the time of purchase, of less than five years. There were no investments in the City's portfolio that exceeded this maximum maturity at September 30, 2021.

Credit Risk

Credit risk exists when there is a possibility the issuer or other counter-party to an investment may be unable to fulfill its obligations. The City's investment policy allows investments in U.S. Government sponsored agencies and enterprises, corporate notes, municipal notes, the Florida PRIME investment pool, interlocal investment pools, and the Florida Municipal Investment Trust. The ratings of the investments held at year end are shown above. All are rated within the policy guidelines.

Concentration of Credit Risk

In addition to describing the credit risk of investments in the portfolio, governmental entities need to disclose the concentration of any single investment type or holding per single issuer. The percentage allocation of each cash investment type in the portfolio is shown in the preceding table. The City's investment policy allows investment concentrations in various percentages for different types of investments. Governmental Accounting Standards Board (GASB) Statement No. 40 requires disclosures when the percent is 5% or more of total investments position in any one issuer. As of September 30, 2021, the City had more than 5% invested with Florida PRIME, FLCLASS, FMIVT, and FL-FIT. The percentage concentrations of investments from each issuer are shown above.

Custodial Risk

The City's investment policy requires that all securities, with the exception of certificates of deposit, be held with a third party custodian. Security transactions between a broker/dealer and the custodian involving the purchase or sale of securities by transfer of money or securities are made on a "delivery vs. payment" basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. As of September 30, 2021, the City's investment portfolio was held with a third-party custodian.

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b. Executive Employees' Retirement Plan

At September 30, 2021, the Executive Employee's Retirement Plan (EERP) invested in securities and fixed income investments listed as follows:

Executive Employees' Retirement Plan Portfolio/Investments	Value	Weighted Average Maturity	Credit Rating	Rating Agency	Percent Distribution
Cash and short-term investments	\$ 257,562				0.40%
FMIvT Core Plus Fixed Income Fund	6,439,048	3.98 years	Not rated		10.00%
FMIvT Broad Market High Quality Bond Fund	7,469,296	5.39 years	AAf/S4	Fitch	11.60%
FMIvT Large Cap Diversified Value Portfolio	19,832,269		Not rated		30.80%
FMIvT Diversified Small Cap Equity Portfolio	10,109,306		Not rated		15.70%
FMIvT International Equity Portfolio	15,196,154		Not rated		23.60%
FMIvT Core Real Estate	5,086,848		Not rated		7.90%
Total Investments	64,132,921				99.60%
Total Cash and Investments	\$ 64,390,483				100.00%

Fair Value Hierarchy

The investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable inputs.

The investment pricing transparency determines the category within the hierarchy and should not be observed as the investment risk. The custodian bank's (primary external pricing vendors) quoted prices were used to determine level classification based on the fair value hierarchy.

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At September 30, 2021, the investments by fair value level are:

Executive Employees' Retirement Plan		Fair Value Measurements Using			
Investment by fair value level	9/30/2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
FMIvT Broad Market High Quality Bond Fund	\$ 7,469,296	\$ -	\$ 7,469,296	\$ -	-
FMIvT Large Cap Diversified Value Portfolio	19,832,269	-	19,832,269	-	-
FMIvT Diversified Small Cap Equity Portfolio	10,109,306	-	10,109,306	-	-
FMIvT International Equity Portfolio	15,196,154	-	15,196,154	-	-
Total Investments at Fair Value	52,607,025	\$ -	\$ 52,607,025	\$ -	-

Investment at the net asset value (NAV)*		Redemption Frequency	Redemption Notice Period
FMIvT Core Real Estate	5,086,848	Quarterly	5 business days prior
FMIvT Core Plus Fixed Income	6,439,048	Monthly	to valuation
Total Investments measured at NAV	11,525,896		
Total Investments	\$ 64,132,921		

* 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.

FMIvT Broad Market High Quality Bond Fund

This fund invests mainly in US government and agency securities, asset-backed securities and corporate bonds and notes. The underlying securities have observable Level 1 quoted pricing inputs or observable Level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted. Value is based on market-corroborated data. (Level 2 inputs).

FMIvT Large Cap Diversified Value Portfolio

This portfolio invests mainly in domestic stocks and in a single underlying fund, the Intech U.S. Broad Enhanced Plus Fund, LLC (Intech Fund), shares of which are not publicly traded. The majority of the underlying securities have observable Level 1 quoted pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted market prices, the net asset value of the portfolio is not publicly quoted. Value is based on market-corroborated data. (Level 2 inputs).

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FMIVT Diversified Small to Mid Cap Equity Portfolio

This portfolio invests mainly in domestic stocks. The majority of the underlying securities have observable Level 1 quoted pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted market prices, the net asset value of the portfolio is not publicly quoted. Value is based on market-corroborated data. (Level 2 inputs).

FMIVT International Equity Portfolio

This portfolio invests in a single underlying fund, the Investec International Dynamic Equity Fund, LLC (Investec Fund), shares of which are not publicly quoted. The Investec Fund invests in stocks sold on U.S. and international exchanges, all of which have observable Level 1 quoted pricing inputs. The value of the portfolio's shares of the Intech Fund investment are determined based on the net asset value provided by the Investec Fund, which was calculated in accordance with generally accepted accounting principles. Value is based on market-corroborated data. (Level 2 inputs).

FMIVT Core Real Estate Fund

This portfolio invests in a single underlying fund, the Morgan Stanley Prime Property Fund (Morgan Stanley Fund), shares of which are not publicly quoted. The Morgan Stanley Fund invests in core real estate in the U.S. The value of the Morgan Stanley Fund investments was determined based on quarterly real estate appraisals, which were calculated in accordance with generally accepted accounting principles. Value is based on unobservable inputs (Level 3 inputs). This fund is reported at NAV as a practical expedient. There are no unfunded commitment requirements.

FMIVT Core Plus Fixed Income Fund

This fund invests in two underlying funds, the Franklin Templeton Global Multi-Sector Plus Fund, LP and the Pioneer Institutional Multi-Sector Fixed Income Portfolio, LLC. Shares of these funds are not publicly quoted. These underlying funds invest in a variety of financial instruments, including equity investments, asset-backed securities, debt securities, swaps, forward exchange contracts, credit-linked notes, escrow accounts, litigation trusts for both U.S. and foreign companies and governments. Value is based on unobservable inputs. (Level 3 inputs). This fund is reported at NAV as a practical expedient. There are no unfunded commitment requirements.

Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The EERP has a maximum maturity at purchase of 180 days with a total average maturity, at any point in time, for all repurchase agreements held of not greater than 60 days. Bankers' Acceptances maximum maturity

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shall not exceed 270 days from the time of purchase. Nonnegotiable certificates of deposit shall not exceed 2 years. No investments held in the portfolio exceed these limits.

Credit Risk

The EERP allows investments in Commercial Paper with A1/P1 or a comparable rating as provided by two of the top nationally recognized statistical rating organizations; and that the corporation's long-term debt, if any, is rated at least A1/A+ by a nationally recognized statistical rating organization or, if backed by a letter of credit (LOC), the long-term debt of the LOC provider must be rated at least AA (or comparable rating) by at least two of the nationally recognized statistical rating agencies publishing ratings for financial institutions. Banker's Acceptances issued with the U.S. by institutions with a long-term debt rating of at least AA or short term debt rating of P1 (or comparable rating) as provided by one nationally recognized statistical rating organization.

Nonnegotiable Certificates of Deposit must be rated at least A1/P1 (or comparable rating) and a long-term rating of a least A (or comparable rating) as provided by two of the top nationally recognized rating agencies. Guaranteed Investment Contracts must be rated in the highest category by AM Best Rating System or a comparable nationally recognized statistical rating organization. All investments held at September 30, 2021 in the portfolio met these requirements.

Concentration of Credit Risk

The EERP allows no more than \$5 million in certificates of deposit with any one depository at one time. Corporate fixed income securities are limited to no more than 3% of any one corporation at the time of purchase. No more than \$10 million in investment agreements with other financial institutions may be entered into with any one financial institution. Governmental Accounting Standards Board (GASB) Statement No. 40 requires disclosures when the percent is 5% or more of fiduciary net position in any one issuer. As of September 30, 2021, all investments were within the allowable limits.

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c. General Employees' Pension Plan

At September 30, 2021 the General Employees' Pension Plan's (the Plan) portfolio consisted of the following securities and fixed income investments:

General Employees' Pension Plan Portfolio/Investments	Value	Weighted Average Maturity	Credit Rating	Rating Agency	Percent Distribution
Cash deposits	\$ 29,179,891				10.85%
Short-term investments	15,493,504				5.76%
Total Cash and Short-Term Investments	<u>44,673,395</u>				<u>16.61%</u>
U.S. Government Securities:					
U.S. Treasury Securities:					
U.S. Treasury bonds	10,314,550	4.89 years		Moody's	3.83%
U.S. Government Sponsored Agencies:					
Mortgage Backed Securities:					
Federal National Mortgage Association	77,603	12.72 years	Aaa	Moody's	0.03%
Government National Mortgage Association	6,134		Aaa	Moody's	0.00%
Federal Home Loan Mortgage Corporation	73,881		Aaa	Moody's	0.03%
Corporate Bonds & Debentures:					
Corporate Obligations:					
Bonds	1,957,190	3.30 years	Aa	Moody's	0.73%
Bonds	8,387,360		A	Moody's	3.12%
Bonds	267,397		Baa	Moody's	0.10%
Stock and Convertible Securities:					
Common stock	118,392,150				44.01%
Convertible preferred stock	3,246,795				1.21%
Corporate convertible bonds	17,509,768				6.51%
Preferred stock	325,655				0.12%
Global infrastructure fund	10,549,621				3.92%
Real Estate Funds:					
Real estate direct investment partnership	12,069,869				4.49%
Real estate investment trust	8,580,745				3.19%
Commingled Funds:					
International equity fund	32,584,225				12.11%
Total Investments	<u>224,342,943</u>				<u>83.39%</u>
Total Cash and Investments	<u>\$ 269,016,338</u>				<u>100.00%</u>

Government agency and treasury securities are not rated but have an implied Aaa rating from Moody's Investor Service and Fitch and an implied Aa+ rating from Standard & Poor's.

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Fair Value Hierarchy

The investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable inputs.

The investment pricing transparency determines the category within the hierarchy and should not be observed as the investment risk. The custodian bank's (primary external pricing vendors) quoted prices were used to determine level classification based on the fair value hierarchy.

Equity securities traded on national or international exchanges are valued at the last reported sales price or current exchange rates (Level 1). This includes common stock, mutual fund equities and Real Estate Investment Trusts (REITs).

Debt securities are valued using pricing inputs that reflect the assumptions market participants would use to price an asset or liability and are developed based on market data obtained from sources independent of the reporting entity (Level 2). This includes U.S. Treasury bonds and notes, U.S. federal agencies, mortgage backed, municipal bonds and corporate obligations, including asset backed securities.

The Plan has investments in alternative asset classes including commingled funds, master limited partnerships and a core real estate fund which hold a variety of investment vehicles that do not have readily available market quotations. These investments are measured at net asset value based on their proportionate share of the value of the investments as determined by the fund managers and are valued according to methodologies which include pricing models, discounted cash flow models and similar techniques.

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At September 30, 2021, the investments by fair value level are:

General Employees' Pension Plan	Investment by fair value level	9/30/2021	Fair Value Measurements Using		
			Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities:					
	Corporate bonds and debentures	\$ 10,611,947	\$ -	\$ 10,611,947	\$ -
	U.S. government securities	10,472,168	-	10,472,168	-
	Total Debt Securities	21,084,115	-	21,084,115	-
Stock and convertible securities:					
	Common stock	118,392,150	51,676,318	66,715,832	-
	Convertible preferred stock	3,246,795	-	3,246,795	-
	Preferred stock	325,655	-	325,655	-
	Commingled funds	32,584,225	-	32,584,225	-
	Corporate convertible bonds	17,509,768	-	17,509,768	-
	Real estate investment trust	8,580,745	8,580,745	-	-
	Total Stock and Convertible Securities	180,639,338	60,257,063	120,382,275	-
	Total investments at fair value	201,723,453	\$ 60,257,063	\$ 141,466,390	-

Investment measured at the net asset value (NAV)*		Redemption Frequency	Redemption Notice Period	Unfunded Commitments
Global Infrastructure (1)	10,549,621	Daily	T+1	-
Real estate direct investment partnership (2)	12,069,869	Quarterly	45 Days	-
Total investments measured at NAV	22,619,490			-
Total investments	\$ 224,342,943			\$ -

* 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.

(1) *Global Infrastructure*: This portfolio seeks to achieve positive returns by investing in a select universe of "Preferred Infrastructure" companies. The companies have the potential to achieve lower volatility returns that exceed inflation which allow the portfolio to reach high diversification opportunities. The portfolio may then compliment other real assets, private equity infrastructure, and global equity allocations..

(2) *Real estate direct investment partnership*: This fund enters into real estate partnerships with various joint venture partners that provide management, leasing and construction-related services to the properties in which the Fund has a limited ownership partner interest.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest-rate risk. The established performance objectives require investment maturities to provide sufficient liquidity to pay obligations as they become due. Treasury inflation indexed securities are limited to ten year maturities. The weighted average maturity in years for each investment type at September 30, 2021, is included in the preceding table.

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Credit Risk

Credit risk is the risk that a debt issuer will not fulfill its obligations. The Plan utilizes portfolio diversification in order to limit investments to the highest rated securities as rated by nationally recognized rating agencies. The investment policy limits credit risk by requiring fixed income securities to have a minimum rating by two of the three major credit rating agencies. The minimum rating for corporate bonds is Baa2 (Moody's) or BBB (Standard & Poor's/Fitch). The minimum rating for short-term commercial paper/bankers acceptances is P-1 (Moody's), A-1 (Standard & Poor's) or F-1 (Fitch) with the issuer having a minimum long-term debt rating of A. The minimum rating for commercial mortgage-backed and asset-backed securities is Aaa (Moody's/Standard & Poor's) or AAA (Fitch). Further, the investment policy does not permit private mortgages or tax-exempt bonds. At September 30, 2021, the portfolio met the credit rating limitations of the investment policy as presented in the preceding table.

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. The Plan utilizes limitations on securities of a single issuer to manage this risk. The investment policy requires that corporate bond issues cannot represent more than 2% of the total bond portfolio. The policy further requires that corporate bond issues rated below A3/A- (Moody's/Standard & Poor's) cannot represent more than 20% of the total bond portfolio. Governmental Accounting Standards Board (GASB) Statement No. 40 requires disclosures when the percent is 5% or more of fiduciary net position in any one issuer. At September 30, 2021, the portfolio met the corporate single issuer and quality ratings limitations of the policy.

Custodial Credit Risk

Custodial credit risk is defined as the risk that the plan may not recover cash and investments held by another party in the event of financial failure. Custodial credit risk is limited since investments are held in independent custodial safekeeping accounts or commingled funds.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The investment policy does not permit general obligations issued by a foreign government and is therefore, not exposed to foreign currency risk.

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d. Police and Firefighter's Retirement System

At September 30, 2021, the Police and Firefighter's Retirement System invested in the following securities and fixed income investments:

Police and Firefighters' Retirement System Portfolio/Investments	Value	Weighted Avg Maturity	Credit Rating	Rating Agency	Percent Distribution
Cash and Short-Term Investments					
Cash Deposits	\$ 1,278,493				0.25%
Short-term Investments	<u>5,389,968</u>				<u>1.05%</u>
Total Cash and Short-Term Investments	<u>6,668,461</u>				<u>1.30%</u>
Common Stock	<u>147,484,682</u>				<u>28.85%</u>
U.S. Government Securities					
U.S. Treasury Securities:					
U.S. Treasury bonds	4,913,737		Aaa	Moody's	<u>0.96%</u>
U.S. Treasury bonds	<u>88,083</u>		Baa	Moody's	<u>0.02%</u>
Total U.S. Treasury Securities	<u>5,001,820</u>	14.66 years			<u>0.98%</u>
Mortgage-backed Securities:					
Federal National Mortgage Association	7,277,613		Aaa	Moody's	1.42%
Government National Mortgage Association	1,852,028		Aaa	Moody's	0.36%
Federal Home Loan Mortgage Corporation	<u>2,389,256</u>		Aaa	Moody's	<u>0.47%</u>
Total Mortgage-backed Securities	<u>11,518,897</u>	24.93 years			<u>2.25%</u>
Total U.S. Government Securities	<u>16,520,717</u>				<u>3.23%</u>

continued

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Police and Firefighter’s Retirement System securities and fixed income investments
(continued)

Police and Firefighters' Retirement System Portfolio/Investments (continued)	Fair Value	Weighted Avg Maturity	Credit Rating	Moody's	Percent Distribution
Corporate Bonds & Debentures:					
Corporate Obligations:					
Bonds	858,265		Aa	Moody's	0.17%
Bonds	6,743,185		A	Moody's	1.32%
Bonds	8,550,136		Baa	Moody's	1.67%
Bonds	479,737		Ba	Moody's	0.09%
Bonds	<u>24,601,927</u>		Not rated		<u>4.81%</u>
Total Corporate Obligations	<u>41,233,250</u>	11.30 years			<u>8.07%</u>
Commercial Mortgage Backed Securities (CMBS):	<u>72,446</u>	23.81 years	Aaa	Moody's	<u>0.01%</u>
Asset Backed Securities:					
ABS	1,118,339		Aaa	Moody's	0.22%
ABS	<u>764,998</u>		Not rated		<u>0.15%</u>
Total Asset Backed Securities	<u>1,883,337</u>	3.84 years			<u>0.37%</u>
Total Corporate Bonds and Debentures	<u>43,189,033</u>				<u>8.45%</u>
Commingled Funds:					
Mutual funds	3,096,646		Not rated		0.61%
Long/Short equity strategies	29,185,404				5.71%
International equity funds	73,025,928				14.28%
High yield fixed income/debt	<u>5,820,529</u>				<u>1.14%</u>
Total Commingled Funds	<u>111,128,507</u>				<u>21.74%</u>
Real Estate	<u>25,442,183</u>				<u>4.98%</u>
Private market	<u>111,408,784</u>				<u>21.79%</u>
Multi Asset Class	<u>49,418,551</u>				<u>9.67%</u>
Total Investments	<u>504,592,457</u>				<u>56.76%</u>
Total Cash and Investments	<u>\$ 511,260,918</u>				<u>100.00%</u>

Government agency and treasury securities are not rated but have an implied Aaa rating from Moody’s Investor Service and Fitch and an implied AA+ rating from Standard & Poor’s.

Fair Value Hierarchy

The investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

Level 2 – Investments reflect prices that are based on inputs that are either directly or

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NOTES TO THE FINANCIAL STATEMENTS
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indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable inputs. The investment pricing transparency determines the category within the hierarchy and should not be observed as the investment risk. The custodian bank's (primary external pricing vendors) quoted prices were used to determine level classification based on the fair value hierarchy.

Equity securities traded on national or international exchanges are valued at the last reported sales price or current exchange rates (Level 1). This includes common stock, mutual fund equities and REITs.

Debt securities are valued using pricing inputs that reflect the assumptions market participants would use to price an asset or liability and are developed based on market data obtained from sources independent of the reporting entity (Level 2). This includes U.S. Treasury bonds and notes, U.S. federal agencies, mortgage backed, municipal bonds and corporate obligations, including asset backed securities.

The Plan has investments in alternative asset classes including commingled funds and a real estate fund which hold a variety of investment vehicles that do not have readily available market quotations. These investments are measured at net asset value based on their proportionate share of the value of the investments as determined by the fund managers and are valued according to methodologies which include pricing models, discounted cash flow models and similar techniques.

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At September 30, 2021, the investments by fair value level are:

System Investment by fair value level	9/30/2021	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Common stock	\$ 124,938,185	\$ 124,938,185		\$ -
US government securities	16,520,717	-	\$ 16,520,717	-
Corporate bonds and debentures	18,973,099	-	18,973,099	-
Commingled funds	3,096,646	3,096,646		
Non-US equity	73,025,928	73,025,928	-	-
Total investments at fair value	236,554,575	\$ 201,060,759	\$ 35,493,816	\$ -

Investment at the net asset value (NAV)*		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Blended debt fund (1)	22,546,497	-	Monthly	5 days
Corporate bonds and debentures (2)	24,215,934	-	Quarterly	90 days
Commingled Funds				
Long/short equity strategies (3)	29,185,404	-	Quarterly	65 days
High yield fixed income/debt (4)	5,820,529	-	N/A	N/A
Total commingled funds	35,005,933	-		
Private equity (5)	111,408,784	83,768,011	N/A	N/A
Multi asset class (6)	49,418,551	-	N/A	N/A
Real estate direct investment partnership				
Real estate funds (7)	14,729,302	-	Quarterly	45 days
Private real estate fund (8)	10,712,881	7,500,000	N/A	N/A
Total real estate direct investment partnership	25,442,183	7,500,000		
Total investments measured at NAV	268,037,882	91,268,011		
Total investments	\$ 504,592,457	\$ 91,268,011		

* 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.

(1) *Blended Debt fund*: This investment consists of warrants, rights and other derivatives instruments. These instruments are used opportunistically to gain exposure to certain stocks when purchasing the underlying physical security is either difficult or too expensive. They are used sparingly, and rarely consist of more than a few percent of the portfolio's total assets. The overall portfolio is highly liquid, and redeemable with daily liquidity, and five days' notice.

(2) *Corporate bonds and debentures*: These are financial assets which are issued by the borrowing company, for a price which is equal to, less than, or more than, its face value, but are not one and the same.

(3) *Commingled fund*: This fund consists of assets from several accounts that are blended together. Investors in commingled fund investments benefit from economies of scale, which allow for lower trading costs per dollar of investment, diversification, and professional money management.

(4) *High yield fixed income/debt*: These securities are a composite of yield bonds that are a higher paying bond with a lower credit rating than investment grade corporate bonds, Treasury bonds and municipal bonds. Because of the higher risk of default, these bonds pay a higher yield than investment grade bonds.

(5) *Private equity*: This is equity that share representing ownership of an interest in an entity that is not publicly listed or traded.

(6) *Multi asset class*: This is a combination of asset classes such as cash, equity or bonds, used as an investment. It contains more than one asset class, creating a group, or portfolio of assets.

(7) *Real estate fund*: This fund enters into real estate partnerships with various joint venture partners that provide management, leasing and construction-related services to the properties in which the Fund has an ownership interest. The fund is valued at net asset value.

(8) *Private real estate fund*: The portfolio consists primarily of direct investments in privately negotiated real estate transactions. The portfolio is valued quarterly at net asset value.

CITY OF BOCA RATON, FLORIDA
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Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest-rate risk. The established performance objectives require investment maturities to match anticipated cash flow requirements in order to pay obligations when due. The weighted average maturity as of September 30, 2021, in years, for each investment type is included in the preceding table.

Credit Risk

Credit risk is the risk that a debt issuer will not fulfill its obligations. The Plan utilizes portfolio diversification in order to limit investments to the highest rated securities as rated by nationally recognized rating agencies. The investment policy limits credit risk by requiring fixed income securities to maintain a weighted average credit quality rating of A or better. The policy further limits high yield fixed income securities to 3% of the portfolio. The investment policy does not permit private placement bonds, except for Rule 144A securities of U.S. issuers which are limited to 10% percent of the portfolio. At September 30, 2021, for those where ratings are available, the portfolio met the credit rating limitations of the policy.

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. The Plan utilizes limitations on securities of a single issuer to manage this risk. Governmental Accounting Standards Board (GASB) Statement No. 40 requires disclosures when the percent is more than 5% of the fair value of the portfolio. At September 30, 2021, the portfolio met the corporate single issuer and quality ratings limitation of the policy.

Custodial Credit Risk

Custodial credit risk is defined as the risk that the plan may not recover cash and investments held by another party in the event of financial failure. Custodial credit risk is limited since investments are held in independent custodial safekeeping accounts or commingled funds in the name of the Plan.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The investment policy permits a maximum of 10% of the fair value of the fixed income portfolio to be invested in Yankee securities (foreign issuers of U.S. dollar-denominated debt). At September 30, 2021, 2.62% of the fair value of the fixed income portfolio was invested in Yankee securities, which met the limitations of the policy. The Plan is not subject to foreign currency risk.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

e. Risks and Uncertainties – Pension Trust Funds

The Plans invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and, that such changes could materially affect the amounts reported in the statement of fiduciary net position for each Plan. The Plans, through their investment advisors, monitor Plan investments and the risks associated therewith on a regular basis which each Plan believes minimizes these risks.

Contributions to the Plans are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

4. Receivables and Payables

Notes Receivable

On February 2, 2018, the City entered into an interlocal agreement with the Greater Boca Raton Beach and Park District to provide funding to the District for the acquisition of real property (Ocean Breeze Property) for the development of a public golf course. The District will reimburse the City for all associated costs, including all principal and interest payments, legal, and other fees related to the 15-year \$19.1 million bonds issued on February 23, 2018. The Note is secured by the City's pledge of its non ad valorem revenues. The City holds title to the property for as long as the Note remains outstanding. Upon full reimbursement by the District to the City, the City shall convey to the District the title and interest in the Ocean Breeze property, known as the Boca Raton National Golf Course.

CITY OF BOCA RATON, FLORIDA
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Accounts Receivable

Accounts receivable as of the fiscal year-end for the City's individual governmental major and non-major funds, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental	General	Community Redevelopment Agency Operating Fund	Five Year Capital Improvement	Infrastructure Surtax Fund	Greater Boca Raton Beach & Park District	Other Governmental	Internal Services	Total
Receivables:									
Accounts, net	\$ 4,771,008			\$ 72,816		\$ -	\$ 42,065	\$ 680,020	\$ 5,565,909
Assessments							261,293		261,293
Lease revenues			\$ 13,882,560						13,882,560
Interest on investments	228,525		25,219	56,477	\$ 3,401		102,771	250,700	667,093
Net governmental receivables	\$ 4,999,533	\$ 13,907,779	\$ 129,293	\$ 3,401	\$ -	\$ 406,129	\$ 930,720	\$ 20,376,855	

Receivables for the City's business-type activities, including individual business-type major funds and allowances for uncollectible accounts are as follows:

Business-type	Water & Sewer	Other Enterprise	Total
Receivables:			
Accounts, net	\$ 9,342,574	\$ 2,237,318	\$ 11,579,892
Assessments	725,932		725,932
Interest on assessments	104,649		104,649
Interest on investments	355,689	39,315	395,004
Net business-type receivables	\$ 10,528,844	\$ 2,276,633	\$ 12,805,477

Accounts Payable

Accounts payable and accrued liabilities as of fiscal year-end for the City's individual governmental major and non-major funds, and internal service funds in the aggregate, are as follows:

Governmental Payables	General	Community Redevelopment Agency Operating Fund	Five Year Capital Improvement	Infrastructure Surtax Fund	Beach and Park Operations	Other Governmental	Internal Services	Total
Payables:								
Vendors	\$ 1,927,825	\$ 481,704	\$ 1,634,432	\$ 2,404,594	\$ 316,806	\$ 1,878,129	\$ 1,826,033	\$ 10,469,523
Salaries and benefits	4,694,110	75,796			382,891	24,000	403,041	5,579,838
Governmental payables	\$ 6,621,935	\$ 557,500	\$ 1,634,432	\$ 2,404,594	\$ 699,697	\$ 1,902,129	\$ 2,229,074	\$ 16,049,361

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
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Accounts payable and accrued liabilities for the City's business-type activities, including individual major funds, are as follows:

Business-type	Water & Sewer	Other Enterprise	Total
Payables			
Vendors	\$ 4,015,647	\$ 734,068	\$ 4,749,715
Salaries and benefits	610,612	298,882	909,494
Business-type payables	<u>\$ 4,626,259</u>	<u>\$ 1,032,950</u>	<u>\$ 5,659,209</u>

5. Encumbrances

Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. Significant encumbrances from fiscal year 2021 that were re-appropriated on October 1, 2021 were:

Major funds:	
General Fund	\$ 11,366,708
Five Year Capital Improvement Fund	4,007,976
Infrastructure	<u>10,564,196</u>
Total Major funds	25,938,881
Non-Major Governmental Funds	<u>6,624,485</u>
Total Encumbrances	<u>\$ 32,563,366</u>

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

6. Capital Assets

The following is a summary of capital asset activity for the fiscal year ended September 30, 2021:

Governmental activities:	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Capital assets not being depreciated/amortized:					
Land	\$ 138,135,702		-		\$ 138,135,702
Construction in progress	22,239,742	\$ 10,972,152	\$ -	\$ 8,338,547	24,873,347
Total capital assets not being depreciated/amortized	160,375,444	10,972,152	-	8,338,547	163,009,049
Capital assets being depreciated/amortized:					
Buildings	93,950,130	435,846	-	-	94,385,976
Equipment	72,934,233	7,098,960	291,143	1,849,634	78,474,702
Infrastructure	438,873,162	9,328,762	(34,223)		448,167,701
Total capital assets being depreciated/amortized	605,757,525	16,863,568	256,920	1,849,634	621,028,379
Less accumulated depreciation/amortization for:					
Buildings	46,962,815	2,762,720	-	-	49,725,535
Equipment	52,737,891	6,471,404	(10,225)	1,844,352	57,354,718
Infrastructure	286,749,906	11,348,499	-	-	298,098,405
Total accumulated depreciation/amortization	386,450,612	20,582,623	(10,225)	1,844,352	405,178,658
Total capital assets being depreciated/amortized, net	219,306,913	(3,719,055)	267,145	5,282	215,849,721
Governmental activities capital assets, net	\$ 379,682,357	\$ 7,253,097	\$ 267,145	\$ 8,343,829	\$ 378,858,770

Business-type activities:	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Water and sewer					
Capital assets not being depreciated/amortized:					
Land	\$ 245,873				\$ 245,873
Construction in progress	23,472,704	\$ 16,570,401	\$ -	\$ 5,096,965	34,946,140
Total capital assets not being depreciated/amortized	23,718,577	16,570,401	-	5,096,965	35,192,013
Capital assets being depreciated/amortized:					
Utility plant in service	422,226,141	6,416,272	(121,123)	2,208,826	426,312,464
Equipment	59,401,963	2,395,590	271,611	30,417	62,038,747
Total capital assets being depreciated/amortized	481,628,104	8,811,862	150,488	2,239,243	488,351,211
Less accumulated depreciation/amortization for:					
Utility plant in service	230,569,944	12,603,332	-	-	243,173,276
Equipment	33,883,756	3,191,461	-	30,419	37,044,798
Total accumulated depreciation/amortization	264,453,700	15,794,793	-	30,419	280,218,074
Total capital assets being depreciated/amortized, net	217,174,404	(6,982,931)	150,488	2,208,824	208,133,137
Total water and sewer capital assets, net	\$ 240,892,981	\$ 9,587,470	\$ 150,488	\$ 7,305,789	\$ 243,325,150

**CITY OF BOCA RATON, FLORIDA
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Non-major funds, business-type activities	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Capital assets not being depreciated:					
Land	\$ 2,559,477	\$ 2,503,216	\$ -	\$ -	\$ 5,062,693
Construction in progress	105,964	112,860	-	-	218,824
Total capital assets not being depreciated	<u>2,665,441</u>	<u>2,616,076</u>	-	-	<u>5,281,517</u>
Capital assets being depreciated:					
Buildings	2,259,661	8,053,500	-	-	10,313,161
Improvements other than buildings	19,745,317	8,647,400	-	-	28,392,717
Equipment	16,757,823	1,837,909	-	2,155,583	16,440,149
Total capital assets being depreciated	<u>38,762,801</u>	<u>18,538,809</u>	-	<u>2,155,583</u>	<u>55,146,027</u>
Less accumulated depreciation for:					
Buildings	1,876,194	259,011	-	-	2,135,205
Improvements other than buildings	9,637,332	835,623	-	-	10,472,955
Equipment	6,872,872	1,504,773	-	1,794,074	6,583,571
Total accumulated depreciation	<u>18,386,398</u>	<u>2,599,407</u>	-	<u>1,794,074</u>	<u>19,191,731</u>
Total capital assets being depreciated, net	<u>20,376,403</u>	<u>15,939,402</u>	-	<u>361,509</u>	<u>35,954,296</u>
Total non-major funds, capital assets, net	<u>23,041,844</u>	<u>18,555,478</u>	-	<u>361,509</u>	<u>41,235,813</u>
Total business-type activities, capital assets, net	<u>\$ 263,934,825</u>	<u>\$ 28,142,948</u>	<u>\$ 150,488</u>	<u>\$ 7,667,298</u>	<u>\$ 284,560,963</u>

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

	Depr & Amort Expense
Governmental activities:	
General government	\$ 438,388
Law enforcement	1,772,257
Fire rescue	1,423,186
Physical environment	54,505
Transportation, including depreciation of general infrastructure assets	10,546,114
Community development	-
Parks and recreation	2,124,964
Sub Total	<u>16,359,414</u>
Depreciation and amortization of the capital assets held by the government's Internal Service Funds are charged to the various functions based on their usage of the assets	<u>4,212,986</u>
Total depreciation/amortization expense, governmental activities	<u>\$ 20,572,400</u>
Business-type activities:	
Water and sewer depreciation	\$ 15,794,792
Water and sewer amortization	72,709
Total water and sewer	<u>15,867,501</u>
Cemetery	60,413
Golf course	534,269
Stormwater utility	736,632
Sanitation	1,268,094
Total depreciation and amortization expense, business-type activities	<u>18,466,909</u>
Total government wide depreciation and amortization expense	<u>\$ 39,039,309</u>

**CITY OF BOCA RATON, FLORIDA
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Construction and Purchase Commitments:

The City has active construction projects as of September 30, 2021. The projects include infrastructure projects and various water, wastewater and drainage projects. In addition, the City has outstanding purchase commitments for engineering and design services. At fiscal year-end, the City's significant commitments with contractors are as follows:

Project	Remaining Commitment
Infrastructure projects	\$ 16,203,839
Water, wastewater and drainage projects	23,479,269
Total	<u>\$ 39,683,108</u>

The infrastructure projects were financed through revenue bonds. The water and sewer improvements are financed through revenue bonds from system revenues. All other commitments are financed from existing City resources.

7. Deferred Outflows and Inflows

Deferred outflows and inflows as of the fiscal year-end as presented on the City's fund-level and government-wide statements in the aggregate, are as follows:

Deferred Outflows:	Fund-Level Statements	Government-Wide Statements
Deferred charge on refunding of bonds	\$ 436,254	\$ 585,347
Deferred outflows for pensions	5,664,437	77,753,397
Deferred outflows for OPEB	97,704	448,839
Total deferred outflows	<u>\$ 6,198,395</u>	<u>\$ 78,787,583</u>

Deferred Inflows:	Fund-Level Statements	Government-Wide Statements
Unavailable revenue	\$ 14,930,400	
Deferred inflows for pensions	2,628,290	\$ 9,759,050
Deferred inflows for OPEB	58,954	270,814
Total deferred inflows	<u>\$ 17,617,644</u>	<u>\$ 10,029,864</u>

**CITY OF BOCA RATON, FLORIDA
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8. Long Term Debt

A. General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City as a whole and not its individual funds. In each year that debt is outstanding, an ad valorem tax is levied equal to principal and interest due. No reserves are maintained. These bonds generally are issued as 20-year serial bonds.

B. Special Assessment Bonds

The City issues special assessment debt to finance capital improvements in the Downtown District where both principal and interest are payable from pledged funds, which consist of special assessment proceeds on the benefitted property owners in the Downtown District. In the event that the pledged funds are insufficient to make the debt service payments, the City has committed to make an annual appropriation of available non-ad valorem revenues to make up any deficiencies.

On September 8, 2020 the City Council adopted Resolution No. 133-2020, which equalized and adopted the special assessment roll for the Downtown Special Assessment and established the special assessment amounts (\$1,527,914) due January 1, 2021.

C. Governmental Activities Non Ad Valorem Revenue Bonds

The City issues bonds where the City pledges revenues from non-ad valorem revenues.

D. Governmental Activities Infrastructure Surtax Revenue Bonds

The City issues bonds pledging the additional infrastructure sales surtax revenues.

E. Enterprise Funds Revenue Bonds and Defeasance of Debt

The City issues bonds whereby the City pledges income derived from the operations of the water and sewer system and a system development charge of the water and sewer system to pay debt service.

On October 27, 2020 the City authorized the issuance of its Water and Sewer Revenue Improvement Bonds, Series 2020 in an amount not to exceed \$35,000,000, at a rate of 2.09% with a term of 20 years through a bank loan (private placement) with CenterState Bank, N.A. The funds were received on November 17, 2020 for the purpose of funding certain water and sewer infrastructure capital projects as further described in Ordinance No. 5548 and Resolution No. 161-2020.

**CITY OF BOCA RATON, FLORIDA
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F. Outstanding Bonds and Loans Payable

Governmental activities bonds and loans outstanding at September 30, 2021 consist of the following:

Governmental activities	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rate	Maximum Annual Debt Service
General Obligation Bonds:					
Series 2010	Improvement	\$ 9,225,000	\$ 5,030,000	3.00 – 4.00%	\$ 670,700
Series 2011 Refunding	Improvement	9,525,000	1,160,000	5.00%	1,218,000
Series 2011 Refunding	Improvement	6,060,000	660,000	3.00%	679,800
Series 2014 Refunding	Refunding	12,560,000	-	1.52%	-
		<u>37,370,000</u>	<u>6,850,000</u>		
Special Assessment Bonds:					
Series 2009, Refunding	Refunding	11,205,000	1,115,000	4.25%	1,162,388
Series 2010	Improvement	3,705,000	2,125,000	2.00 – 4.125%	286,769
		<u>14,910,000</u>	<u>3,240,000</u>		
Revenue Bond:					
Series 2018	Long Term Advance	19,100,000	15,255,000	2.64%	1,617,788
Series 2018	Improvement	20,000,000	14,690,000	2.92%	3,203,064
		<u>39,100,000</u>	<u>29,945,000</u>		
Total for Governmental Activities		<u>\$ 91,380,000</u>	<u>\$ 40,035,000</u>		

Business-type activities bonds outstanding at September 30, 2021 consist of the following:

Business-type activities	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rate	Maximum Annual Debt Service
Utility system revenue bonds:					
Series 2015	Refunding	\$ 15,555,000	\$ 11,005,000	2.26%	\$ 1,703,225
Series 2020	Improvements	35,000,000	35,000,000	2.09%	2,155,232
Total for Business-type Activities		<u>\$ 50,555,000</u>	<u>\$ 46,005,000</u>		

**CITY OF BOCA RATON, FLORIDA
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Long-term bonds and loans payable activity for the fiscal year ended September 30, 2021 was as follows:

Governmental activities	Beginning Balance	Additions	Reductions	Ending Balances	Due Within One Year
Bonds and notes payable:					
General obligation bonds	\$ 9,065,000		\$ 2,215,000	\$ 6,850,000	\$ 2,215,000
Special assessment bonds	4,500,000		1,260,000	3,240,000	1,260,000
Revenue bonds	33,820,000		3,875,000	29,945,000	3,875,000
Net premium on bonds	611,570		213,596	397,974	
Total governmental bonds and loans payable, net	\$ 47,996,570		\$ 7,563,596	\$ 40,432,974	\$ 7,350,000

Business-type activities	Beginning Balance	Additions	Reductions	Ending Balances	Due Within One Year
Water and Sewer:					
Revenue bonds	\$ 14,595,000	\$ 35,000,000	\$ 3,590,000	\$ 46,005,000	\$ 2,965,000
Net premium on bonds	96,833		96,833		
Total business-type bonds and loans payable, net	\$ 14,691,833		\$ 3,686,833	\$ 46,005,000	\$ 2,965,000

Other long-term liability activity for the fiscal year ended September 30, 2021 was as follows:

Governmental activities	Beginning Balance	Additions	Reductions	Ending Balances	Due Within One Year
Governmental activities:					
Compensated absences	\$ 18,983,705	\$ 6,557,127	\$ 2,649,277	\$ 22,891,555	\$ 2,289,156
Estimated liability for self-insurance losses	8,020,000	8,156,000	8,020,000	8,156,000	2,195,000
Total governmental activities, long-term liabilities	\$ 27,003,705	\$ 14,713,127	\$ 10,669,277	\$ 31,047,555	\$ 4,484,156

Business-type activities	Beginning Balance	Additions	Reductions	Ending Balances	Due Within One Year
Water and Sewer:					
Compensated absences - Water and Sewer	\$ 1,737,738	\$ 731,762	\$ 838,210	\$ 1,631,290	\$ 163,129
Compensated absences - other business type activities	870,266	276,993	395,840	751,419	75,142
Total business-type activities, long-term liabilities	\$ 2,608,004	\$ 1,008,755	\$ 1,234,050	\$ 2,382,709	\$ 238,272

**CITY OF BOCA RATON, FLORIDA
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Summary of Annual Debt Service Requirements:

Fiscal Year Ending September 30,	Governmental Activities						Business-type Activities	
	General Obligation Bonds		Special Assessment and Revenue Bonds		Revenue Bonds		Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 2,305,000	\$ 262,900	\$ 1,320,000	\$ 128,681	\$ 3,985,000	\$ 831,680	\$ 2,725,000	\$ 950,487
2023	505,000	165,700	210,000	74,119	4,100,000	718,720	2,965,000	888,502
2024	520,000	150,550	220,000	66,769	4,215,000	602,486	3,030,000	823,275
2025	535,000	134,950	225,000	58,794	4,330,000	482,972	3,095,000	756,629
2026	555,000	113,550	235,000	50,356	4,455,000	360,224	3,170,000	688,457
2027-2031	2,430,000	238,575	1,030,000	106,375	7,285,000	795,036	11,620,000	2,543,774
2032-2036	-	-	-	-	1,575,000	41,580	9,200,000	1,554,542
2037-2041	-	-	-	-	-	-	10,200,000	541,729
Total	\$ 6,850,000	\$ 1,066,225	\$ 3,240,000	\$ 485,094	\$ 29,945,000	\$ 3,832,698	\$ 46,005,000	\$ 8,747,395

G. Compensated Absences

Accumulated compensated absences and other post employment benefit obligations are recorded in the government-wide and proprietary financial statements when earned. For governmental activities, compensated absences and other post employment benefits are primarily liquidated by the General Fund when paid.

H. Water and Sewer System Bond Covenants

The Water and Sewer System (the System) bond ordinances provide for two separate revenue flows to meet the needs of the System operations, reserves and debt service. System Development Charges (connection fees) are deposited into separate accounts. An annual calculation determines the portion of the charge to be transferred to the debt service fund. Connection fees are restricted to payment of debt service related to the construction of new plant capacity. Connection fees may not be used for operations (see Note 7).

First, operating revenue of the System is used to meet the operations and maintenance requirements. Next, revenue is used to pay any portion of the bond interest, principal and reserve requirements not paid from impact fees. Next, an amount not less than 5% of the prior year's revenue is transferred to the System's Renewal and Replacement Fund until the balance in the fund totals 1% of gross book value of assets of the System. Revenue is then used to fund an operation and maintenance reserve fund, which is maintained at a level equal to 1/12 of the operating budget. Remaining monies can be used for any legal City purpose.

At September 30, 2021, all reserves including the bond reserve account were fully funded. The rate structure is calculated annually to assure adequate coverage of all requirements.

J. Pledged Revenues

The City issues bonds that are served by a pledge of specific revenues. Total pledged

**CITY OF BOCA RATON, FLORIDA
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revenues to repay the principal and interest of those bonds as of September 30, 2021 are as follows:

Source of Revenue Pledged	<u>Governmental Activities</u>		<u>Business-type Activities</u>
	Special Assessment	Infrastructure Surtax	Water & Sewer Revenues
Current revenue pledged	\$ 1,530,233	\$ 7,687,210	\$ 15,436,113
Current debt service	1,439,438	3,206,300	2,015,309
Total future revenues pledged	3,725,094	19,204,160	54,752,395
Description of debt	Special Assessment Refunding & Improvement Bonds, Series 2009-2010 (Visions 90 Projects) Series 2009, to refund Special Assessment Bonds, Series 2001; Series 2010, to finance certain improvements within the Downtown District	Capital Improvement Surtax Bonds, issued 2018	Water and Sewer Utility Revenue Bonds, issued 2015; Improvement Bonds, issued 2020
Purpose of debt		Infrastructure	Refunding and Improvements within Water and Sewer System
Term of commitment	2010-2030	2018-2026	2015-2040
Percentage of debt service to pledged revenues (current year)	94%	42%	13%

Additional information related to pledged revenue debt coverage is provided in the Debt Capacity of the Statistical Section.

K. Defeasance of Debt

The City defeased certain general obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments of the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's general purpose financial statements. At September 30, 2021, \$9,335,000 of bonds outstanding is considered defeased.

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9. Employee Retirement Systems

The City of Boca Raton sponsors three defined benefit plans – General Employees’ Pension Plan, Police and Firefighters’ Retirement System and the Executive Employees’ Retirement Plan. The General Employees’ Pension Plan, the Police and Firefighters’ Retirement System and the Executive Employees’ Retirement Plan each issue a publicly available audited GAAP financial report that includes financial statements and required supplementary information. The information reported below is a brief summary of information reported in more detail in the independently published financial statements for each pension plan. Copies of these reports are available at City Hall in the Financial Services Department, Room 160, located at 201 West Palmetto Park Road, Boca Raton, FL 33432.

The pension plans’ financial statements are prepared using the accrual basis of accounting. Contributions from members are recognized in the period the City makes payroll deductions from participants. City contributions to each Plan are recognized when due as determined actuarially and are remitted on a monthly basis along with the members’ contributions. The City has made a formal commitment to provide the contributions to the pension plans. Benefit payments and refunds to members are recognized when due and payable in accordance with the terms of each plan.

Current Membership of Pension Plans:

Current membership, at September 30, 2021 in the General Employees’ Pension Plan, Police and Firefighters’ Retirement System and Executive Employees’ Retirement Plan, is comprised of the following:

	General Employees’ Pension Plan	Police and Firefighters’ Retirement System	Executive Employees’ Retirement Plan
Inactive plan members/beneficiaries currently receiving benefits	575	338	42
Inactive plan members entitled to, but not yet receiving, benefits	53	13	14
Active plan members	611	383	48
Total	<u>1,239</u>	<u>734</u>	<u>104</u>

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The following summarizes the pension related amounts for the City as of the indicated measurement date.

	Measurement Date	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense/(Income)
General Employees' Pension Plan	9/30/20	\$ 15,168,601	\$ 10,585,427	\$ 6,929,737	\$ 7,646,096
Police and Firefighters' Retirement System	9/30/20	168,961,556	59,592,647	2,485,444	27,661,171
Executive Employees' Retirement Plan	9/30/20	19,378,656	7,455,878	809,500	6,833,761
Florida Retirement System Plan	6/30/21	132,859	113,681	(463,510)	20,487
Retiree Health Insurance Subsidy Program	6/30/21	50,971	5,764	(2,121)	7,755
Total		<u>\$ 203,692,643</u>	<u>\$ 77,753,397</u>	<u>\$ 9,759,050</u>	<u>\$ 42,169,270</u>

General Employees' Pension Plan:

General Information about the Pension Plan:

Plan Description:

The General Employees' Pension Plan (GE Plan) is a single-employer defined benefit plan administered by a Board of Trustees (the Board) that covers all regular full-time City employees except police, fire, and executive management employees. The Board consists of eight trustees, each serving a term of three years. Four of the trustees are Plan members who are elected by members of the Plan and the other four trustees are appointed by City Council. The GE Plan was established by Ordinance No.1806, adopted April 17, 1973, by City Council. The GE Plan is also governed by Chapter 112, Florida Statutes. The Plan issued a publicly available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained online at <https://myboca.us/> or by writing to:

General Employees' Pension Plan
Boca Raton City Hall, Suite 230
201 West Palmetto Park Road
Boca Raton, Florida 33432

The GE Plan is divided into three levels of benefit- Plan A, Plan B and Plan C. Employees hired prior to October 1, 1987 are enrolled in GE Plan A. Employees hired from October 1, 1987 to October 31, 2007 or transferred from GE Plan A are enrolled in GE Plan B. Employees hired on or after November 1, 2007, or who elect to transfer from GE Plan A or B, may enroll in GE Plan C or the City's defined contribution plan. On an ongoing basis, all assets accumulated for the payment of benefits may legally be used to pay benefits to members or beneficiaries of GE Plan A, B and C.

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Benefits Provided:

Retirement benefits are calculated by multiplying the member's earnings averaged over five years times the member's years of continuous service times a multiplier determined by their plan level.

Members become eligible for unreduced benefits upon the attainment of age 65, without regard to service, age 55 with the completion of 20 years of continuous service, or age 53 with the completion of 30 years of continuous service. GE Plan A and B participants utilize a 3.00% multiplier and GE Plan C participants utilize a 1.75% multiplier.

Members become eligible for a Rule 68 retirement benefit when age plus service equals 68 and requires a minimum age of 50 and minimum continuous service of 15 years. For the Rule of 68 retirement option, GE Plan A participants utilize a 2.5% multiplier. GE Plan B and C participants utilize a 1.50% multiplier.

Members qualify for alternate unreduced early retirement upon the attainment of age 55 and minimum continuous service of 15 years. GE Plan A and B participants utilize a 2% multiplier. GE Plan C participants utilize a 1.75% multiplier.

Members qualify for early retirement benefits upon attaining age 50 with 20 years of continuous service. If a participant terminates employment after having attained the early retirement date, they have the following two available options: 1) The benefits can be deferred until the member's normal retirement date, in which case the benefit will be calculated the same as normal retirement, or 2) The member may take a reduced benefit, which may start any time prior to the normal retirement date. The reduction factor is 5% for each year early retirement precedes the normal retirement age 55.

Active employees who become disabled receive 60% (50% of earnings for disabilities incurred away from work) of the monthly earnings in effect at the time of disability, reduced by workers' compensation or any public disability benefits to which the member is entitled. Disability benefits are paid until the earlier of death, recovery, or the end of the maximum benefit period. The maximum benefit period is until age 65 if the member became disabled prior to attainment of age 60 or for 60 months if the member became disabled after the attainment of age 60.

If an employee dies while an active member or on disability, the benefit is equal to 3.5 times the member's annual earnings as of the date of death or the date the member became disabled. The beneficiary receives an initial lump sum followed by monthly payments until the designated amount is paid in full. Interest, at a rate equal to the yield of the five-year U.S. Treasury Note on the first day of the fiscal year, is approved annually by the Board of Trustees and is credited on the unpaid balance.

If a member meets the minimum service requirement of 10 years of continuous service at the time employment terminates, the benefit will be paid when the member turns 65 or later attains the age requirement for unreduced benefits provided the service requirement

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for unreduced benefits was met prior to termination. A member may elect to take an immediate reduced benefit, when eligible, calculated in the same manner as for early retirement.

If termination occurs after the completion of 10 years of continuous service, the full accrued retirement benefit is payable at the normal retirement date. If termination occurs prior to the completion of 10 years of continuous service, the member's contributions will be refunded with interest credited at 3% per year, compounded annually.

The Deferred Retirement Option Plan (DROP) is available to all GE Plan members who are still actively employed and have attained the age of 55 with at least 20 years of continuous service, age 53 with at least 30 years of continuous service, or a reduced benefit at age 50 with 20 years of continuous service. Upon electing to participate in the DROP, members are considered to have retired for pension purposes of the GE Plan but continue to remain in active employment with the City. The member's pension benefit is calculated as if they actually retired on the date of DROP participation, using continuous service, average monthly earnings, and the current multiplier as of that date. Instead of paying the benefit to the member, a DROP account is established and the benefit is deposited in the account each month; these deposits continue to accumulate interest during the remainder of the member's employment with the City. City and employee contributions cease when a member elects to participate in the DROP. Maximum duration of participation is seven years. If a member continues to remain in employment more than the maximum period, no further deposits will be made to the member's account and investment earnings will cease to be posted. Upon termination of employment, members shall receive their normal retirement benefits and may elect to receive their funds from the DROP account in a lump sum distribution or roll their account balance into a qualified instrument. When participating in the DROP, participants are no longer eligible for disability or preretirement death benefits from the GE Plan. If a participant dies prior to the DROP balance being paid in full, the beneficiary shall have the same rights to which the participant was entitled. At September 30, 2021, there were 84 DROP participants with a total balance of \$8,974,052. These amounts are included in the total investment balance presented on the Pension Trust Funds Statement of Fiduciary Net Position.

There are no automatic annual cost-of-living adjustments for members in the Plan. However, under Section 12-03, City Code of Ordinance, provides for a biennial review of retirement and disability benefits. In 2021, Ordinance No. 5595 was passed by City Council, providing for a one-time lump sum payment equal to 5.0% of the annual retirement benefit to members who began receiving benefits prior to October 1, 2007 and a one-time lump sum payment equal to 3.0% of the annual retirement benefit to members who began receiving benefits on or after October 1, 2007 and prior to October 1, 2011.

GE Plan Contributions:

GE Plan A and B members are required to contribute 9.65% of their annual earnings while GE Plan C members are required to contribute 6% of their annual earnings. Member contributions are established in accordance with the applicable collective bargaining

CITY OF BOCA RATON, FLORIDA
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agreement. Annual earnings include basic wages and longevity pay but exclude overtime, bonuses and any other extra compensation. Annual earnings does not include payments made to a member for any portion of a cost of living adjustment and/or merit increase, which exceeds the maximum of the employee's respective salary range. Employer contributions for the fiscal year ended September 30, 2021 determined using the actuarial valuation dated October 1, 2019 were 4.93% of covered payroll for GE Plan A, B and C members. The City is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions of actuarially determined amounts.

City's Net Pension Liability Regarding the GE Plan:

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

Actuarial Assumptions.

The total pension liability was determined by an actuarial valuation as of October 1, 2019, rolled forward to September 30, 2021 using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation	2.6%
Salary increases	3.0%
Investment rate of return	7.75%

Mortality rates, as mandated by Chapter 2015-157, Laws of Florida, were those used in Milliman's July 1, 2019 Florida Retirement System (FRS) valuation report for non-special risk employees, with appropriate adjustments made based on the plan demographics.

The long-term expected rate of return on the GE plan investments is 7.75%. The GE plan's policy regarding the allocation of investments is established by the GE Plan Board of Trustees. The long-term expected rate of return of each pension plan asset class is based upon the historical average or mean returns. This historical data reveals a tendency for the returns of various asset classes to fall within a range, but the expected returns are based upon the average returns during these past periods. In order to determine the real rates of return, it is necessary to subtract the expected inflation rate from the nominal investment return. The long-term expected rate of return for the GE plan was calculated by weighing the expected future rates of return of each asset class by the corresponding target allocation percentages.

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Best estimates of real rates of return for each major asset class included in the GE plan's target asset allocation as of September 30, 2020 are summarized as follows:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	6.3%
International equity	4.1
Convertibles	8.1
Infrastructure	6.4
Fixed Income	3.2
REITs	7.9
Real estate	5.0
Cash	0.5

The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows was used to determine the discount rate assumed the GE Plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the GE Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current GE Plan members. Therefore, the long-term expected rate of return on GE Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability:

Component	General Employees' Pension Plan Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at September 30, 2019	\$ 239,799,367	\$ 224,159,937	\$ 15,639,430
Changes for the year:			
Service cost	3,621,703	-	3,621,703
Interest	18,427,537	-	18,427,537
Reserve for 2% lump sum payments	(78,088)	-	(78,088)
Assumption changes	(167,450)	-	(167,450)
Plan changes	647,487	-	647,487
Differences between expected and actual experience	2,084,345	-	2,084,345
Contributions - employer	-	1,725,822	(1,725,822)
Contributions - employee	-	2,520,603	(2,520,603)
Net investment income	-	20,891,319	(20,891,319)
Benefit payments, including refunds of employee contributions	(15,220,344)	(15,220,344)	-
Transfers	(259,656)	(259,656)	-
Administrative Expenses	-	(131,381)	131,381
Net changes	<u>9,055,534</u>	<u>9,526,363</u>	<u>(470,829)</u>
Balance at September 30, 2020	<u>\$ 248,854,901</u>	<u>\$ 233,686,300</u>	<u>\$ 15,168,601</u>

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The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.75 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	1% Decrease 6.75%	Current Rate 7.75%	1% Increase 8.75%
Net pension liability (asset)	\$ 39,154,606	\$ 15,168,601	\$ (5,258,356)

GE Plan Fiduciary Net Position:

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to GE Plan:

For the fiscal year ended September 30, 2021 the City recognized pension expense of \$7,646,096 on the government-wide Statement of Activities for the GE Plan. This amount is included as part of personal services expenses within the functional program activities.

At September 30, 2021, the City reports deferred outflows and inflows of resources related to the GE Plan from the following sources:

General Employees' Pension Plan	Deferred Outflow of Resources	Deferred Inflow of Resources
Experience gain/loss	\$ 2,250,148	\$ 1,983,612
Asset gain/loss	1,100,975	
Assumptions	789,490	125,589
Total	<u>\$ 4,140,613</u>	<u>\$ 2,109,201</u>

Deferred outflows of resources related to the GE Plan, totaling \$2,240,997 resulting from City contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ending September 30, 2022. Other asset and liability gains & losses reported as deferred outflows of resources and as deferred inflows of resources related to the GE Plan will be recognized in pension expense in subsequent years as follows:

Year ended September 30:	
2022	\$ 381,704
2023	736,678
2024	1,683,045
2025	(770,015)

The schedule of changes in the City's net pension liability and related ratios and the schedule of contributions, presented as Required Supplementary Information (RSI) following the notes to the financial statements, provide additional information about the

**CITY OF BOCA RATON, FLORIDA
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net pension liability, plan assets and contributions.

Police and Firefighters' Retirement System:

General Information about the Pension Plan:

Plan Description:

The Police and Firefighters' Retirement System (PF Plan) is a single-employer defined benefit plan administered by Board of Trustees (the Board) which covers all City of Boca Raton (the City) police officers and firefighters. The Board consists of eight trustees, each serving a term of two years. Two of the trustees are eligible police officer members of the Plan who are elected by the other police officer members of the Plan. Two of the trustees are eligible firefighter members of the Plan who are elected by other firefighter members of the Plan. The other four trustees are appointed by the City Council. The PF Plan issued a publicly available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained online at the City's website at <https://myboca.us/> or by writing to:

Police and Firefighters' Retirement System
Boca Raton City Hall, Suite 230
201 West Palmetto Park Road
Boca Raton, Florida 33432

The PF Plan was established by Ordinance No. 1806, adopted April 17, 1973, by City Council. The PF Plan is also governed by Chapters 112, 175, and 185, Florida Statutes. Pursuant to Chapters 175 and 185 of the Florida Statutes, premium taxes on certain property and casualty insurance contracts written on City properties is collected by the State and is remitted to the PF Plan. This amount totaled \$3,711,635 for the fiscal year ended September 30, 2021: \$2,232,489 for property insurance contracts for firefighters under Chapter 175 and \$1,479,146 for casualty insurance contracts for police officers under Chapter 185. This amount was recognized as an expenditure and revenue in the Retirement Sustainability Internal Service Fund.

Benefits Provided:

The earliest date at which a police officer and a firefighter can receive full benefits is called the normal retirement date. The normal retirement date is the first day of the month coincident with or following completion of 20 years of continuous service or attainment of age 55 with 10 years of continuous service. There is no mandatory retirement date; members may work past their normal retirement date and continue to accrue additional benefits subject to certain maximums as described below.

Police officer members exercising normal retirement are entitled to receive monthly benefits payable at 3.5% of their average monthly earnings (AME), which is the highest two-year average preceding retirement, multiplied by their years of continuous services,

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subject to a maximum of the greater of 87.5% of AME or 2% of AME multiplied by the years of service. For those police officers retiring on or after April 14, 2015, the maximum benefit is 77% of AME. The maximum benefit shall be increased to include the percentage attributable to the past service purchase but in no event shall the total benefit exceed 87.5% of AME. For those members retiring on or after April 14, 2015, longevity pay shall not be included in AME and AME will be the highest 3-year average prior to retirement, provided that the AME for a police officer member who retires prior to October 1, 2017 shall be the greater of the arithmetic average of the highest 2 years preceding actual retirement or the arithmetic average of annual earnings for the 3 consecutive years immediately preceding retirement. A police officer, who becomes a member of the Plan on or after April 14, 2015, shall not have any overtime pay included in the calculation of AME.

Notwithstanding the prior maximums, the maximum normal retirement benefit for members who retire on or after July 24, 2018 shall be 84% of AME; provided, if a member's accrued benefit as of July 24, 2018 exceeded 84% of the AME, the member shall retain the accrued benefit as of that date but shall not thereafter accrue any additional benefit. In no event shall such member's normal retirement benefit be less than 2% of the AME for each year of service. For those members who purchased past service on or before April 14, 2015, the maximum benefit of 84% of AME shall be increased to include the percentage attributable to the previously past service, but in no event shall the maximum normal retirement benefit (when applied to the normal form of benefit) at the time of retirement shall not exceed 87.5% of AME. Past service purchased on or after April 14, 2015 shall not increase the maximum normal retirement benefit above 84% of the AME.

Firefighter members exercising normal retirement are entitled to receive monthly benefits of 3.4% of their AME, multiplied by the member's years of continuous service, subject to a maximum of 100% of AME. For those firefighter members retiring on or after April 14, 2015, the maximum benefit shall be the lesser of \$100,000 or 90% of AME. This maximum benefit will increase 2% per year.

Firefighter members separating from service receive a \$10.50 monthly supplement per year of service. Ordinance No. 5578, adopted on May 5, 2021, increased the supplemental for Police members separating from service, on or after May 25, 2021, from \$10.50 to \$20.00. Members retiring on or before October 26, 2010 received a \$10 monthly supplement per year of service. The supplement for terminated vested members was frozen as of April 14, 2015, and going forward, members are no longer eligible for the retirement supplement.

A member of the PF Plan may be eligible for early retirement after attainment of age 50 with 10 years of continuous service. Members so qualifying may receive benefits under one of the following two options:

- The benefits can be deferred until the member's normal retirement date, in which case the benefit will be calculated the same as discussed above under normal retirement, or

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- The member may take a reduced benefit, which may start any time prior to the normal retirement date. The reduction factor is 3% for each year prior to the normal retirement date.

Active employees under a disability retirement shall be entitled to receive a retirement benefit equal to 75% of the member's average monthly earnings or accrued benefit if the disability occurred in-service. The monthly benefit for a non-service incurred disability is equal to the normal benefit accrued by the member as of the date of the disability. Such benefit is payable from the first day of disability. Disability benefits are paid until the earlier of death or recovery from disability.

If an active employee dies from a service-incurred death, a lump-sum payment of \$5,000 is paid to the beneficiaries. In addition, the surviving spouse receives a monthly benefit until death, equal to 75% of the average monthly earnings. An additional 7½% of the average monthly earnings is paid for each minor child, but in no event does the amount paid to the spouse and children exceed 90% of the member's average monthly earnings. The payments to the children end upon the earlier of death, marriage, attainment of age 18, or age 22 if the child is a full-time student in an accredited school.

If an active employee dies from a non-service incurred cause and has less than one year of continuous service, a single payment of \$2,500 is paid to the beneficiaries. If the employee has more than one year of continuous service, a single payment of \$5,000 is paid to the beneficiaries. If the employee has five or more years of service, the surviving spouse will receive a monthly pension equal to 65% of the employee's accrued pension. An additional 7½% of the average monthly earnings is paid for each minor child, but in no event does the amount paid to the spouse and children exceed 50% of the member's average monthly earnings. Payments to the children end upon the earlier of death, marriage, attainment of age 18, or age 22 if the child is a full-time student in an accredited school.

If a member terminates employment and is not eligible for any other benefits under the system, he or she is entitled to the following:

- With less than 10 years of continuous service, a refund of the member contribution is made plus 3% interest, or
- With 10 or more years of continuous service, the pension accrued to the date of termination, payable commencing at his or her normal retirement date, or at the member's option, a lump sum refund of the member contribution plus 3% interest.

Police officers and firefighters who have reached normal retirement age may elect to participate in the Deferred Retirement Option Plan (DROP). Upon electing to participate in the DROP, members are considered to have retired for purposes of the pension plan, but continue to remain in active employment with the City. Under Section 12-153, City of Boca Raton Code of Ordinances, as of July 24, 2018, a police officer member's election into the DROP will be deemed irrevocable. The member's normal retirement benefit is calculated as if the member had actually retired on the date of DROP participation, using

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continuous service and average monthly earnings as of that date.

Instead of paying the benefit to the member, a DROP account is established and the benefit is deposited in the account each month; these deposits continue to accumulate interest during the remainder of the member's employment with the City. The DROP account may remain a commingled part of the pension plan or may be self-directed with an established retirement corporation. City and employee contributions cease when a member elects to participate in the DROP.

During the period of DROP participation, the member's DROP account is credited monthly with investment earnings at the same rate that is earned on the total pension fund or as self-directed, if applicable. In addition, each member's account is charged with a portion of the administrative expenses. The maximum duration of DROP participation is seven years. If a member continues to remain in employment more than seven years, no further deposits will be made to the member's account and investment earnings will cease to be posted. Administrative expenses will continue to be charged. There is no taxation of benefits during the period of DROP participation.

Upon termination of employment, members may elect to receive their funds from the DROP account in a lump sum, annual installments or monthly annuity distributions. Benefit distributions must commence by age 72 ½. When participating in the DROP, participants are no longer eligible for disability or preretirement death benefits from the PF Plan. If a participant dies prior to the DROP balance being paid in full, the beneficiary shall have the same rights to which the participant was entitled. At September 30, 2021, there were 121 DROP participants with a total balance of \$30,302,685. These amounts are included in the total investment balance presented on the Pension Trust Funds Statement of Fiduciary Net Position.

Police officer members eligible to receive normal retirement benefits at the time they leave the employment of the City, on or after October 1, 2001, are eligible to receive a 2% annual increase every year after the year of retirement. Retirements before October 1, 2001 receive a 3% annual increase every 2 years. On or after April 14, 2015 a police officer member shall be eligible to receive an annual increase upon attainment of their normal retirement date while actively employed. For police officer members who enter the DROP on or after April 14, 2015, the annual increase on the retirement benefit will begin the earlier of 1 year after termination of employment or 3 years after DROP entry.

Firefighter members eligible to receive normal retirement benefits at the time they leave the employment of the City (who retired prior to April 14, 2015) and have 22 or more years of continuous service (or 20 years if retired prior to December 9, 2008), are eligible for a cost of living adjustment of 3% each year once they have attained the age of 52 or have been retired one year, whichever comes later. Firefighter members with 21 years of continuous service are eligible for the cost-of-living adjustment after two years and with 20 years of continuous service are eligible after three years. For firefighter members retiring on or after April 14, 2015, for that portion of the retirement benefit that accrues on or after April 14, 2015, the cost of living adjustment shall be based on the continuous

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service earned on or after April 14, 2015 and the annual cost of living adjustment shall be 2.5 percent.

Benefits payable for service-related death and disability benefits are increased by 3% each year starting with the date they would have attained age 52. No increases apply to nonservice related death or disability benefits unless they complete 20 years of continuous service prior to their death or disability. For firefighter members retiring on or after April 14, 2015, for that portion of the retirement benefit that accrues on or after April 14, 2015, the cost of living adjustment shall be based on continuous service earned on or after April 14, 2015, the annual increase in their retirement benefit shall be 2.5 percent.

PF Plan Contributions:

Firefighter member contributions are at the rate of 10.2% of compensation. Effective October 1, 2015 police officer member contributions increased from 10.2% to 11.5% of compensation. Employer contributions for the year ended September 30, 2021, determined using the actuarial valuation dated October 1, 2019, were 49.14% of covered payroll. The Plan's funding policy provides for actuarially determined periodic employer contributions sufficient to pay the benefits provided by the Plan when they become due. Administrative costs are funded through investment earnings.

Police officer members are required to contribute 11.5% of their annual earnings. Member contributions are established in accordance with the applicable collective bargaining agreement. For those police officers who became members of the Plan prior to April 14, 2015 annual earnings include basic wages, longevity pay and the first 300 hours of overtime but exclude any overtime earnings in excess of 300 hours, bonuses and any other extra compensation. For those police officers who became members of the Plan on or after April 14, 2015 annual earnings include basic wages only.

Firefighter members are required to contribute 10.2% of their annual earnings. Member contributions are established in accordance with the applicable collective bargaining agreement. Annual earnings include basic wages, certification pay and longevity pay but exclude overtime, bonuses and any other extra compensation.

For police officers, the PF Plan receives funding from premium taxes on certain property and casualty insurance contracts written on City properties that is collected by the State and remitted directly to the PF Plan as a contribution, which was 8.09% of covered payroll for police officers. Employer contributions for the fiscal year ended September 30, 2021 determined using the actuarial valuation dated October 1, 2019 were 45.17% of covered payroll. The City is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions of actuarially determined amounts.

For firefighters, the PF Plan receives funding from premium taxes on certain property and casualty insurance contracts written on City properties that is collected by the State and remitted directly to the PF Plan as a contribution, which was 10.50% of covered payroll for firefighters. Employer contributions for the fiscal year ended September 30, 2021

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determined using the actuarial valuation dated October 1, 2019 were 35.10% of covered payroll. The City is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions of actuarially determined amounts.

City's Net Pension Liability Regarding the PF Plan:

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

Actuarial Assumptions.

The total pension liability was determined by an actuarial valuation as of October 1, 2019, rolled forward to September 30, 2020 using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation	2.0%
Salary increases	Age based
Investment rate of return	7.75%
Cost of living adjustment	varies

Mortality rates, as mandated by Chapter 2015-157, Laws of Florida, were those used in Milliman's July 1, 2019 Florida Retirement System (FRS) valuation report for special risk employees, with appropriate adjustments made based on the plan demographics.

The long-term expected rate of return on the PF plan investments is 7.75%. The PF plan's policy in regard to the allocation of investments is established by the PF Plan Board of Trustees. 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 for the PF plan by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimate of arithmetic real rates of return for each major asset class included in the PF Plan's target asset allocation as of September 30, 2020 are summarized in the following table:

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Asset Class	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	5.91%
U.S. Small Cap Equity	6.87
International Developed Equity	6.78
Emerging Markets Equity	8.65
Core Fixed income	1.11
High Yield Fixed Income	3.51
Emerging Markets Debt	3.99
Multi-Asset Class Solutions	4.47
Private Equity	9.99
Long/Short Equity Strategies	4.47
Credit/Event Hedge Strategies	4.52
Real Estate - Core	4.33
Timber	4.66
Farmland	6.06
Oil & Gas	10.13
Infrastructure	5.53

The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows was used to determine the discount rate assumed the PF Plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the PF Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current PF Plan members. Therefore, the long-term expected rate of return on PF Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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Changes in Net Pension Liability:

	Police & Firefighters' Retirement System		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at September 30, 2019	\$ 543,549,365	\$ 400,792,010	\$ 142,757,355
Changes for the year:			
Service cost	11,741,146		11,741,146
Interest	42,316,629		42,316,629
Changes of benefit terms	937,428		937,428
Differences between expected and actual experience	1,950,627		1,950,627
Changes of assumptions	12,500,208		12,500,208
Contributions - employer		14,654,808	(14,654,808)
Contributions - State		3,464,368	(3,464,368)
Contributions - employee		4,372,630	(4,372,630)
Contributions - buy back	245,305	245,305	-
Net investment income		20,999,386	(20,999,386)
Benefit payments, including re-funds of employee contributions	(27,414,110)	(27,414,110)	-
Transfers			-
Administrative expense		(249,355)	249,355
Net changes	<u>42,277,233</u>	<u>16,073,032</u>	<u>26,204,201</u>
Balance at September 30, 2020	<u>\$ 585,826,598</u>	<u>\$ 416,865,042</u>	<u>\$ 168,961,556</u>

Florida State Statutes Chapters 175 and 185 establish minimum benefits and standards for all municipal Police Officer and Firefighter pension plans. The statutes govern the allocation of insurance premium excise taxes that are levied to provide a partial funding source for these plans. In 2015, the statutes were amended to allow the City and the Unions to mutually agree on the use of these funds. The balance of the insurance premium excise taxes to be used for future benefits at September 30, 2021 totals \$13,397,184.

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The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.75 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	1% Decrease	Current Rate	1% Increase
	6.75%	7.75%	8.75%
Net pension liability	\$ 243,284,663	\$ 168,961,556	\$ 107,993,825

PF Plan Fiduciary Net Position:

Detailed information about the PF Plan's Fiduciary Net Position is available in a separately issued financial report. The report may be obtained on the internet at the City's website (<http://myboca.us/>).

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to PF Plan:

For the fiscal year ended September 30, 2021 the City recognized pension expense of \$27,661,171 on the government-wide Statement of Activities for the PF Plan. This amount is included as part of personal services expenses within the functional program activities.

At September 30, 2021, the City reported deferred outflows and inflows of resources related to the PF Plan from the following sources:

Police and Firefighters' Retirement System	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 7,794,199	\$ 25,791
Changes of assumptions	17,118,567	
Net difference between projected and actual earnings on pension plan investments	16,498,341	
Employer and state contributions subsequent to the measurement date	19,433,521	
Total	<u>\$ 60,844,628</u>	<u>\$ 25,791</u>

Deferred outflows of resources related to the PF Plan, totaling \$18,119,176, resulting from City and State contributions subsequent to the September 30, 2021 measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ending September 30, 2022. Other asset and liability gains & losses reported as deferred outflows of resources and as deferred inflows of resources related to the PF Plan will be recognized in pension expense in subsequent years as follows:

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Year ended September 30:

2022	\$	11,426,877
2023		11,352,720
2024		10,393,267
2025		5,803,979
2026		2,408,473

The schedule of changes in the City's net pension liability and related ratios and the schedule of contributions, presented as Required Supplementary Information (RSI) following the notes to the financial statements, provide additional information about the net pension liability, plan assets and contributions.

Executive Employees' Retirement Plan

Plan Description:

The Executive Employees' Retirement Plan (EE Plan) is a single-employer defined benefit plan administered by a five-member Board of Trustees (the Board) that covers the executive employees of the City of Boca Raton. Two of the trustees are members of the Plan appointed by the city manager, two are appointed by the city council, and the other is the city manager. The EE Plan was established by Ordinance 4745, adopted November 12, 2003, by City Council. The EE Plan is also governed by Chapter 112, Florida Statutes. The Plan issued a publicly available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained online at <https://myboca.us/> or by writing to:

Florida Municipal Pension Trust Fund
Florida League of Cities, Inc.
Post Office Box 1757
Tallahassee, FL 32302-1757
Direct Line (850) 701-3633

EE Plan members are assigned to one of four divisions, each providing different levels of benefits depending on their division and entry into the plan. Division 1 includes D1, D2 and D3 pay classifications; Division 2 includes D4 and higher D pay classifications; Division 3 includes DD pay classifications and Division 4 includes the City Manager and City Attorney, if they elect to participate in the EE Plan.

Retirement benefits are calculated by multiplying the member's earnings averaged over five years (for Division 1 through Division 3) or two years (for Division 4) times the member's years of continuous service times a multiplier determined by their plan level subject to a maximum of 90% for those members that entered the plan on or prior to September 30, 2010 and 80% for those members that entered the plan after September 30, 2010.

For members hired on or before September 30, 2010, Division 1, Division 2 or Division 3

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utilize multipliers of 3.05, 3.15 and 3.25 respectively. For members who retire or enter the DROP before January 26, 2021, Division 4 utilizes a multiplier of 4.55 for the first 10 years and 3.35 thereafter. For members who retire or enter the DROP on or after January 26, 2021, Division 4 utilizes the same percentage multiplier as provided for Division 3 members, plus 0.1. After September 30, 2010, new members assigned to Division 1, Division 2, Division 3 and Division 4 utilize multipliers of 2.35, 2.45, 2.55 and 2.65 respectively.

Members are eligible to retire the earlier of reaching age 65 with at least 6 years of vesting service or reaching age 55 with at least 10 years of vesting service or for new members after September 30, 2010 age 58 with at least 10 years of vesting service. Monthly benefits are calculated as a percentage of average final compensation. A cost of living increase of 2% per year for Divisions 1, 2 and 3 and 3% per year for Division 4 in current monthly benefits commence on October 1st following 5 years after retirement. Members who terminate with 10 years or more of benefit service and are eligible for immediate early or normal retirement receive a \$10 monthly supplement per year of service. The EE Plan also permits early retirement for all participants at the age of 50 and the completion of 10 years of vesting service or for new members after September 30, 2010 age 53 and the completion of 10 years of vesting service.

Members qualify for early retirement benefits upon attaining age 50 with 10 years of continuous service or for new members after September 30, 2010 age 53 with 10 years of continuous service. If a participant terminates employment after having attained the early retirement date, they have the following two available options: 1) The benefits can be deferred until the member's normal retirement date, in which case the benefit will be calculated the same as normal retirement, or 2) The member may take a reduced benefit, which may start any time prior to the normal retirement date. The reduction factor is 5% for each year the early retirement precedes the normal retirement age 55 or 58 for new members who join the plan after September 30, 2010.

Members who have reached normal retirement age may elect to participate in the Deferred Retirement Option Plan (DROP). They will remain active employees of the City, but will no longer contribute to the EE Plan. Their benefits will remain frozen and continue to accrue interest until they retire from the City, at which time DROP benefits will be paid. Maximum duration of participation is sixty months. At September 30, 2020, there were 11 DROP participants with a total balance of \$2,811,203. These amounts are included in the total investment balance presented on the Pension Trust Funds Statement of Fiduciary Net Position.

Active employees who become disabled receive 60% of the average final compensation as of the date of disability payable starting at age 65. Disability benefits are paid until the earlier of death or recovery from disability. If an active employee dies, a member's beneficiary is entitled to an accrued benefit that varies with age, length of service and employee division. If an employee terminates his employment with the City and is not eligible for any other benefits under the EE Plan, the member is entitled to the following:

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- with less than six years of continuous service, a refund of member contribution plus 5% interest.
- with six or more years of continuous service, the pension accrued to the date of termination, payable commencing at the member's normal retirement date.

The City by Ordinance No. 4749 established a Preservation of Benefits Plan to pay benefit obligations. In the event that the accrued benefit for a member under the EE Plan is reduced pursuant to Section 401(a)(17) or Section 415(b) of the Internal Revenue Code, the City will pay a supplemental benefit amount equal to the amount reduced under the Internal Revenue Code limits.

EE Plan Contributions:

Members are required to contribute 11% of their annual earnings. Annual earnings include basic wages and longevity pay but exclude overtime, bonuses and any other extra compensation. Annual earnings do not include payments made to a member for any portion of a cost of living adjustment and/or merit increase, which exceeds the maximum of the employee's respective salary range. Employer contributions for the fiscal year ended September 30, 2020 determined using the actuarial valuation dated October 1, 2018 were 40.27% of covered payroll. The City is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions of actuarially determined amounts.

City's Net Pension Liability Regarding the EE Plan:

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

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of October 1, 2019, rolled forward to September 30, 2021 using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation	2.75%
Salary increases	Varies
Investment rate of return	7.15%
Cost of living adjustment	Varies

Mortality rates were based on the Florida Retirement System (FRS) mortality assumptions. FRS uses the RP-2000 mortality tables with white and blue collar adjustments and with mortality improvements projected for healthy lives to all future years using Scale BB.

The long-term expected rate of return on the EE plan investments is 7.15%. The EE plan's

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policy regarding the allocation of investments is established by the EE Plan Board of Trustees. 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 for the EE plan by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimate of arithmetic real rates of return for each major asset class included in the EE Plan's target asset allocation as of September 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Core Bonds	4.4%
Multi-Sector	4.8
U.S. Large Cap Equity	7.4
U.S. Small Cap Equity	8.2
Non-U.S. Equity	9.5
Core Real Estate	7.7

The discount rate used to measure the total pension liability was 7.15 percent. The projection of cash flows was used to determine the discount rate assumed the EE Plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the EE Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current EE Plan members. Therefore, the long-term expected rate of return on EE Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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Changes in Net Pension Liability:

	Executive Employees' Pension Plan Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at September 30, 2019	\$ 62,584,426	\$ 48,230,289	\$ 14,354,137
Changes for the year:			
Service cost	979,825		979,825
Interest	4,523,118		4,523,118
Changes of benefit terms Differences between expected and actual experience	3,756,497		3,756,497
Changes to assumptions	212,007		212,007
Contributions - employer		2,234,407	(2,234,407)
Contributions - employee		857,673	(857,673)
Transfer from other pension plans			
Net investment income		3,403,805	(3,403,805)
Benefit payments, including re- funds of employee contributions	(2,352,833)	(2,352,833)	
Administrative expense		(82,798)	75,266
Net changes	<u>\$ 9,084,772</u>	<u>4,060,254</u>	<u>5,024,518</u>
Balance at September 30, 2020	<u>\$ 71,669,198</u>	<u>\$ 52,290,543</u>	<u>\$ 19,378,655</u>

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.15 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease 6.15%	Current Rate 7.15%	1% Increase 8.15%
Net pension liability	\$ 37,700,283	\$ 19,378,655	\$ 6,215,945

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EE Plan Fiduciary Net Position:

Detailed information about the EE Plan's Fiduciary Net Position is available in a separately issued financial report. The report may be obtained online at the City's website at <http://myboca.us> or by writing to:

Florida Municipal Pension Trust Fund
Florida League of Cities, Inc.
Post Office Box 1757
Tallahassee, FL 32302-1757
Direct Line (850)701-3633

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to EE Plan:

For the fiscal year ended September 30, 2021 the City recognized pension expense of \$713,853 on the government-wide Statement of Activities. This amount is included as part of personal services expenses within the functional program activities.

At September 30, 2021, the City reports deferred outflows and inflows of resources related to the EE Plan from the following sources:

Executive Employees' Retirement Plan	Deferred Outflow of Resources	Deferred Inflow of Resources
Liability (gain) loss	\$ 3,941,268	
Asset (gain)/loss		\$ 169,792
Assumption change	274,442	
Total	\$ 4,215,710	\$ 169,792

Deferred outflows of resources related to the EE Plan, totaling \$2,600,459, resulting from City contributions subsequent to the September 30, 2020 measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2022. Other asset and liability gains & losses reported as deferred outflows of resources and as deferred inflows of resources related to the EE Plan will be recognized in pension expense in subsequent years as follows:

Year ended September 30:		
2022	\$	1,580,363
2023		1,681,421
2024		744,598
2025		39,537

The schedule of changes in the City's net pension liability and related ratios and the schedule of contributions, presented as Required Supplementary Information (RSI) following the notes to the financial statements, provide additional information about the net pension liability, plan assets and contributions.

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Florida Retirement System (FRS) Plans:

General Information about the FRS Pension Plans

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

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

Department of Management Services
Division of Retirement
Research and Education Section
P. O. Box 9000
Tallahassee, FL 32315-9000
850-488-5706 or toll free at 877-377-1737

Plan Description:

FRS Pension Plan

The FRS Pension Plan (Plan) is a cost-sharing, multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. Only elected officials of the City may become members of the Plan under the FRS Elected Officers' Class (EOC) of membership.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of

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

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

HIS Plan

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

Benefits Provided:

FRS Pension Plan

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

The percentage value for each year of service credit earned under the FRS Elected Officers' Class is 3.00%.

Pursuant to Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1,

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2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

HIS Plan

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

Plan Contributions:

FRS Pension Plan

The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates for the Elected Officials Class during the 2021 fiscal year were as follows:

Percent of Gross Salary		Percent of Gross Salary	
October 1, 2020 to June 30, 2021		July 1, 2021 to September 30, 2021	
<u>Employee</u>	<u>Employer¹</u>	<u>Employee</u>	<u>Employer¹</u>
3.00%	49.18%	3.00%	51.42%

¹Employer rates include a postemployment HIS contribution rate of 1.66% and an Investment plan administrative charge of .06%.

The City's contributions to the Plan totaled \$72,095 for the fiscal year ended September 30, 2021. This excludes the HIS defined benefit pension plan contributions and the investment plan administrative charge.

HIS Plan

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. The HIS contribution rate for the periods October 1, 2020 through June 30, 2021 and July 1, 2021 through September 30, 2021 was 1.66 percent. Contribution rates remained unchanged for the Plan's new fiscal year beginning July 1. The City contributed 100% of its statutorily required contributions for the current year. This HIS Plan benefits are not guaranteed and are subject to annual

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legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants' benefits may be reduced or canceled.

The City's contributions to the HIS Plan totaled \$2,490 for the fiscal year ended September 30, 2021.

City's Net Pension Liability Regarding the FRS Plan:

Actuarial Assumptions

Actuarial assumptions for both the FRS and HIS cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS plan has a valuation performed annually. The HIS Program has a valuations performed biennially that is updated for GASB reporting in the year a valuation is not performed. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	FRS	HIS
Actuarial Cost Method	Individual Entry Age	
Investment Rate of Return	6.80%	2.21%
Salary Increase	3.25%	3.25%
Inflation	2.40%	2.40%

Mortality assumptions for both the FRS Pension Plan and HIS program were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

The most recent experience study for the FRS Pension Plan was completed in 2019 for the period July 1, 2013, through June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

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

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Asset Class	Target Allocation ¹	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.1%	2.1%	1.1%
Fixed income	20.0%	3.8%	3.7%	3.3%
Global equity	54.2%	8.2%	6.7%	17.8%
Real estate	10.3%	7.1%	6.2%	13.8%
Private equity	10.8%	11.7%	8.5%	26.4%
Strategic investments	<u>3.7%</u>	5.7%	5.4%	8.4%
Total	<u><u>100.0%</u></u>			
Assumed Inflation - Mean			2.4%	1.2%

¹As outlined in the FRS Pension Plan's investment policy

The discount rate used to measure the total pension liability was 6.8% for the FRS plan. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The HIS program uses a pay as you go funding structure. Therefore, the depletion date is considered to be immediate and the single equivalent discount rate is equal to the municipal bond rate. The municipal bond rate of 2.16% was used to determine the total pension liability for the program. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

The following changes in actuarial assumptions occurred in 2021:

- FRS: Decreased the maximum amortization period to 20 years for all current and future amortization bases.
- HIS: The municipal bond rate used to determine total pension liability was decreased from 2.21% to 2.16%.

Net Pension Liability

At September 30, 2021, the City reported a liability of \$132,859 for its proportionate share of the FRS Pension Plan's net pension liability and \$50,971 for the HIS net pension liability. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The City's proportionate share of the net pension liability was based on the City's contributions for the year ended June 30, 2021 relative to the contributions made during the year ended June 30, 2010 of all participating members. At June 30, 2021, the City's proportionate share was .001758816% for the FRS plan and .000415530% for the

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HIS plan, which represent a decrease of .000297573% and .000016637% respectively from the proportionate shares measured as of June 30, 2020.

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

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.8%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.8%) or 1-percentage-point higher (7.8%) than the current rate:

	1% Decrease 5.80%	Current Rate 6.80%	1% Increase 7.80%
Net pension liability (asset)	\$ 594,152	\$ 132,859	\$ (252,731)

Plan Fiduciary Net Position

Detailed information about the fiduciary net position of both benefit plans are available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Pension Expense and Deferred Outflows and Inflows of Resources

For the fiscal year ended September 30, 2021 the City recognized pension expense of \$20,487 related to the FRS Pension Plan and \$7,755 related to the HIS plan. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		
	FRS	HIS	Total
Differences between expected and actual experience	\$ 22,772	\$ 1,706	\$ 24,478
Changes in assumptions	90,908	4,005	94,914
Net difference between projected and actual investment earnings		53	53
Changes in proportion and differences between City FRS contributions and proportionate share of FRS contributions	65,645	10,673	76,319
City FRS contributions subsequent to the measurement date	18,755	671	19,426
Total Deferred Outflows of Resources	\$ 198,081	\$ 17,108	215,189

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	Deferred Inflows of Resources		
	FRS	HIS	Total
Differences between expected and actual experience	-	\$ (21)	\$ (21)
Changes in assumptions	-	(2,100)	(2,100)
Net difference between projected and actual investment earnings	\$ (463,510)	-	(463,510)
Changes in proportion and differences between City FRS contributions and proportionate share of FRS contributions	(90,145)	(2,406)	(92,551)
Total Deferred Inflows of Resources	\$ (553,655)	\$ (4,527)	(558,182)

The deferred outflows of resources related to pensions, totaling \$19,426 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	FRS	HIS	Total
2022	\$ (42,253)	\$ 4,975	\$ (37,277)
2023	(69,538)	4,275	(65,263)
2024	(110,709)	1,775	(108,934)
2025	(141,163)	577	(140,586)
2026	(10,667)	301	(10,366)
Thereafter	-	8	8
Total	(374,329)	11,910	(362,419)

Payables to the Pension Plan – At September 30, 2021, the City did not report a payable to the Plan for the fiscal year ended September 30, 2021.

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10. Other Post Employment Benefits (OPEB)

OPEB Plan Description

The City provides a single employer defined benefit health care plan (the Plan) to all of its employees except for the firefighter members covered by the collective bargaining agreement between the City and the International Association of Firefighters. The Plan is not accounted for as a trust fund since an irrevocable trust has not been established to fund the plan. The Plan has no assets and does not issue a separate financial report.

The Plan allows its employees and their beneficiaries, at their own cost and until the attainment of age 65, to continue to obtain health, dental and other insurance benefits upon retirement. The benefits of the Plan conform to the Florida Statutes, which are the legal authority for the Plan. Eligible employees of the City who satisfy early or normal retirement provisions of their respective pension plan are allowed access to the Plan until the participant reaches Medicare eligibility at the participant's cost. There is no subsidy offered by the City to retirees. General eligibility rules are as follows:

- General employees, police, and executive employees, must meet the eligibility requirements for their respective retirement plan.
- Participants electing to participate in the City's Internal Revenue Code (IRC) 401a plan, in lieu of the City's three defined retirement benefit plans, must meet the eligibility requirements under the City's IRC 401a plan.

Where applicable, participants currently electing to participate in the Deferred Retirement Option Program (DROP) are assumed to begin receiving benefits under OPEB at the end of the DROP period, which is 7 years.

Dependents and surviving spouses of participants are allowed access to the plan at the participant cost. There is no subsidy offered by the City for dependents.

Participants who terminate employment prior to reaching retirement eligibility are not allowed access to the plan.

At September 30, 2021, the OPEB Plan covered 1,090 active employees and 101 retirees.

Total OPEB Liability

Actuarial Methods and Assumptions

The OPEB liability is based on the October 1, 2020 valuation which includes several actuarial assumptions. September 30, 2021 was the actuarial measurement date. Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities. Significant methods and assumptions are listed below.

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Actuarial Assumptions	Rate/ Methodology
Actuarial Cost Method	Entry Age Normal (EAN)
Discount Rate (based on the 20-year GO Bond index)	2.19%
Inflation rate	2.50%
Medical Trend Rate (using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model baseline assumptions)	4.00%
Salary Increase	General - 3% Police & Executives - Varies Pub-2010 mortality fully generational using scale MP- 2019
Mortality Rate	

The discount rate used to determine the liabilities under GASB 75 is based on an index rate for 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. This rate was 2.41% as of September 30, 2020 and 2.19% as of September 30, 2021.

Because this year's GASB 75 disclosure is based on the same data and assumptions, there is no difference between actual and expected experience from the prior year.

The City does not provide funding for any portion of the premiums after retirement; however, the City recognizes that there is an "implicit subsidy" arising as a result of the blended rate premium since retiree health care costs, on average, are higher than active employee healthcare costs.

Total OPEB Liability

At September 30, 2021, the City reported a total OPEB liability of \$5,950,335, representing 7.32% of covered payroll. The components of the City's OPEB liability were as follows:

Component	Value
Total OPEB liability	\$ 5,950,335
Plan fiduciary net position	--
Total OPEB liability	<u>\$ 5,950,335</u>
Plan fiduciary net position as a percentage of OPEB liability	0%
Covered payroll	\$ 81,312,364
Total OPEB liability as a percentage of covered payroll	7.32%

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Change in OPEB Liability

The detail of the change in OPEB liability for fiscal year 2021 is presented below:

Component	Increase (Decrease)
Balance at September 30, 2020	\$ 5,723,274
Changes for the year:	
Service cost	250,988
Interest cost	134,824
Plan changes	
Differences between expected and actual experience	-
Changes in assumptions	99,114
Benefit payments, net of retiree contributions	(257,865)
Net changes	<u>227,061</u>
Balance at September 30, 2021	<u>\$ 5,950,335</u>

Sensitivity of Total OPEB Liability to Changes in Discount Rate or Medical Trend Rate

The chart below presents the total OPEB liability of the City, calculated using the discount rate of 2.19%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.19%) or 1-percentage-point higher (3.19%) than the current rate.

	1% Decrease 1.19%	Discount Rate 2.19%	1% Increase 3.19%
Total OPEB liability	\$ 6,506,243	\$ 5,950,335	\$ 5,453,595

The chart below presents the total OPEB liability of the City, calculated using a health care cost trend rate of 4.0%, as well as what the total OPEB liability would be if it were calculated using a health care cost trend rate that is 1-percentage-point lower (3.0%) or 1-percentage-point higher (5.0%) than the current rate.

	1% Decrease 3.00%	Medical Trend 4.00%	1% Increase 5.00%
Total OPEB liability	\$ 5,307,346	\$ 5,950,335	\$ 6,710,924

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OPEB expense

For the fiscal year ended September 30, 2021, the City recognized OPEB expense of \$436,933. This amount is broken down in more details below.

Expense	Amount
Service cost	\$ 250,988
Interest	134,824
Differences between expected and actual experience	
In current fiscal year, recognized in current year	-
From past years recognized in current year	(44,768)
Total	(44,768)
Changes in assumptions	
In current fiscal year, recognized in current year	14,159
From past years recognized in current year	81,730
Total	95,889
Total OPEB expense	<u>\$ 436,933</u>

Changes in OPEB liability are recognized in OPEB expense during the fiscal year except for certain items as discussed in the deferred inflows/outflows of resources section below.

OPEB Fiduciary Net Position

Deferred Inflows/Outflows of Resources related to OPEB

For the fiscal year ended September 30, 2021, the City reported deferred outflows and inflows of resources related to OPEB from the following source(s):

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	-	\$ 223,843
Changes in assumptions	\$ 448,839	46,971
Total	<u>\$ 448,839</u>	<u>\$ 270,814</u>

Deferred outflows of resources of \$448,839 and deferred inflows of resources of \$270,814 are the result of changes in assumptions which increased the total OPEB liability by \$99,114, of which \$14,159 was recognized in OPEB expense at September 30, 2021. The remainder of the balance will be recognized to OPEB expense as follows:

Fiscal year ended September 30:	
2022	\$ 51,121
2023	51,120
2024	74,606
2025	(6,490)
2026	(6,492)
Thereafter	14,160

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11. Interfund Receivables, Payables, Transfers and Advances

A. Due To/From Other Funds (Balances Expected To Be Repaid Within One Year)

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

The following is a summary of interfund receivable and payable balances at September 30, 2021:

	Interfund Receivables (Due From)	Interfund Payables (Due To)
Major funds:		
General Fund	\$ 7,342,259	
Beach and Park Operations Fund		\$ 7,199,995
Non-Major General Fund		134,053
Non-Major Enterprise Fund		8,211
Total interfund receivables/payables	<u>\$ 7,342,259</u>	<u>\$ 7,342,259</u>

The inter-fund balances above represent short-term loans to cover temporary negative balances in each fund's equity in pooled cash at year end.

B. Interfund Transfer Reconciliation

Transfers from:	To General	To Other Governmental	To Internal Service	Total
General			\$ 223,400	\$ 223,400
CRA Mizner Park Revenue				-
5 Year Capital Improvements			2,729,400	2,729,400
Beach and Park Operations			187,800	187,800
Water and Sewer			74,000	74,000
Non-major governmental	\$ 21,000	\$ 6,255,964	-	6,276,964
Non-major enterprise			21,600	21,600
Total	<u>\$ 21,000</u>	<u>\$ 6,255,964</u>	<u>\$ 3,236,200</u>	<u>\$ 9,513,164</u>

Non-major governmental fund transfers in are regarding payments for CRA operations and debt service payments. The transfers into the internal service funds are for the purchase of capital assets, which are not recovered through normal user fees and to partially offset operating costs in the Information Technology Fund.

C. Advances to Other Funds

In August 2016, the General Fund advanced \$320,000 to the Golf Course Fund for the purchase of golf carts. This advance was approved by City Council on Ordinance 5359. The City recorded the advance as nonspendable fund balance in the General Fund where it remains until the debt is repaid.

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12. Self-Insurance Programs

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has established a Self-Insurance Fund (an Internal Service Fund) to account for and finance its uninsured risks of loss. Under this program the City has established three programs, Workers Compensation, Employees' Health and General and Automobile Liability.

The City is fully self-insured for workers' compensation, general liability, automobile liability, employment liability, police professional liability and errors and omissions. In addition, the City purchases an excess policy at a self-insured retention of \$500,000 for workers' compensation each accident, except \$875,000 for police, fire, and presumption claims and \$200,000 per occurrence for general liability, auto liability, law enforcement liability, and public official's liability losses. The City has excess policy insurance with Lloyd's of London BRITT for general liability coverage and New York Marine for excess workers' compensation coverage. The City purchases commercial insurance for property damage up to \$150,000,000 after a deductible of \$100,000. There were no significant changes in insurance coverage from the prior year and the amount of settlements did not exceed the insurance coverage for each of the past three years. The City has a contract with Florida Blue to provide for employee health insurance through a self-insurance program with Florida Blue as a third party payer. The City has Stop-Loss coverage for the group medical and pharmacy plan with a specific deductible of \$375,000 and with Aggregate contract attachment point of \$11,959,775 with 125% aggregate corridor. The City is ultimately responsible for and establishment of reserve amounts on claims.

All funds of the City participate in the program and make payments to the Self-Insurance Fund, based on actuarial estimates of amounts needed to pay prior and current year claims. The claims liability of \$11,129,000 reported in the Fund at September 30, 2021 is based on the requirements of GASB Statement No. 10, "*Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*," which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. A discount rate of 4.50% is assumed for group medical claims.

The City's estimated liability for self-insured losses for general liability and workers' compensation was determined by an independent actuarial valuation performed as of September 30, 2021. Liabilities include an amount for claims incurred but not reported (IBNR). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The liability for self-insured losses are based on estimates and the ultimate settlement of the claims may differ from the amounts recorded. A discount rate of 1.0% is assumed for general liability and workers compensation claims.

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The estimated liability at September 30, 2020 and 2021 is as follows:

Type	As of 9/30/20	As of 9/30/21	Due Within One Year
Workers Compensation	\$ 6,541,000	\$ 6,750,000	\$ 1,479,000
General and Automobile Liability	3,500,000	3,601,000	1,177,000
Health Insurance	718,000	778,000	778,000
Total	<u>\$ 10,759,000</u>	<u>\$ 11,129,000</u>	<u>\$ 2,973,000</u>

Changes in the estimated liability for the fiscal years ended September 30, 2020 and 2021 are as follows:

Fiscal Year	Liability on October 1	Changes in Estimates	Claim Payments	Liability on September 30
2020	\$ 9,744,000	\$ 15,590,234	\$ 14,575,234	\$ 10,759,000
2021	\$ 10,759,000	\$ 18,913,056	\$ 18,543,056	\$ 11,129,000

13. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, might constitute a liability of the applicable funds. It is management's opinion that there are not any significant contingent liabilities relating to these grants.

The City is a defendant in various lawsuits at September 30, 2021. The estimated liability for probable losses, as a result of the lawsuits, was determined based on advice from legal counsel after giving consideration for insurance coverage and, in certain instances, the Florida statutory limitations of governmental liability, and is included in the estimated liability for self-insured claims in the internal service fund (see Note 12). Although the ultimate outcome of these lawsuits is not presently determinable, it is the opinion of management, based on advice from legal counsel, that the amount of losses resulting from the above litigation in excess of the amount accrued as of September 30, 2021, would not have a material adverse effect on the financial position of the City.

14. Boca Raton Community Redevelopment Agency

The Florida Legislature during the 2019 Legislative Session revised Chapter 163.387 relating to the Redevelopment trust funds to provide for a financial audit each year by an independent certified public accountant or firm financial statements and the issuance of an audit report. The Boca Raton Community Redevelopment Agency, a component unit of the City of Boca Raton, has engaged an independent public accountant firm which has performed a financial audit and the Community Redevelopment Agency has issued separate trust fund financial statements and an audit report. Please refer to the City's website for the documents.

Pursuant to Florida Statute 163.387, listed below is a summary of the sources and amounts of deposits to, and the purpose and amounts of withdrawals from, the Community Redevelopment Agency Funds (CRA) for the fiscal year ended September 30, 2021:

	<u>Deposits</u>	<u>Withdrawals</u>
Source of deposits:		
Tax increment revenues	\$ 14,780,347	
Lease revenues	1,912,226	
Investment income	29,562	
Other	1,010,774	
Purpose of withdrawals:		
Salaries and benefits		\$ 2,417,004
Professional services		277,079
Advertising		43,968
Repayments to City		13,000,000
Other contractual services		170
Insurance premiums		9,969
IT technology		52,300
Supplies		74,695
Dues and subscriptions		6,145
Capital outlay		349,219
Wayfinding Signs		887,943
Miscellaneous		703,092
Total	<u>\$ 17,732,909</u>	<u>\$ 17,821,584</u>

15. Subsequent Events

American Rescue Plan Act (ARPA)

Pursuant to Resolution No. 134-2021, on September 23, 2021, the City accepted a grant award of \$12,199,643 from the U.S. Department of the Treasury through the Coronavirus State and Local Fiscal Recovery Funds for the purpose of fiscal relief from the impact of the Covid-19 pandemic. The City received its first distribution of 50% of the funds in the amount of \$6,099,822 on October 5, 2021. The City will use the funds as revenue replacement for general services in accordance with the provisions of the grant.

Sale of Western Golf Course

The City of Boca Raton closed on the sale of its western golf course to GL Homes on November 1, 2021 and received proceeds of \$58,749,351 in addition to the previous deposits of \$6,000,000 and \$1,000,000 for a total of \$65,749,351.

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CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾

General Employees' Pension Plan

September 30,	Year 2020	Year 2019	Year 2018	Year 2017
Total Pension Liability				
Service cost	\$ 3,621,703	\$ 3,565,692	\$ 3,439,409	\$ 3,224,234
Interest	18,427,537	18,235,699	17,465,497	16,928,618
Reserve for 2% lump sum payments	(78,088)	78,088		
Changes of benefit terms	647,487	1,105,146		1,501,811
Differences between expected and actual experience	2,084,345	(3,967,222)	2,976,520	(1,491,049)
Changes of Assumptions	(167,450)	1,078,853	1,083,605	2,087,606
Benefit payments, including refunds of member contributions	(15,220,344)	(15,389,621)	(13,435,956)	(12,101,909)
Transfers (net)	(259,656)	(466,265)	(398,832)	(310,001)
Net Change in Total Pension Liability	<u>9,055,534</u>	<u>4,240,370</u>	<u>11,130,243</u>	<u>9,839,310</u>
Total Pension Liability - Beginning	<u>239,799,367</u>	<u>235,558,997</u>	<u>224,428,754</u>	<u>214,589,444</u>
Total Pension Liability - Ending (a)	<u>248,854,901</u>	<u>239,799,367</u>	<u>235,558,997</u>	<u>224,428,754</u>
Plan Fiduciary Net Position				
Contributions - employer	1,725,822	2,240,997	2,093,506	2,340,675
Contributions - member	2,520,603	2,468,106	2,560,917	2,431,496
Net investment income (loss)	20,891,319	7,574,765	18,067,722	22,496,220
Benefit payments, including refunds of member contributions	(15,220,344)	(15,389,621)	(13,435,956)	(12,101,909)
Administrative expense	(131,381)	(114,677)	(106,870)	(135,013)
Transfers (net)	(259,656)	(466,265)	(398,832)	(310,001)
Net Change in Plan Fiduciary Net Position	<u>9,526,363</u>	<u>(3,686,695)</u>	<u>8,780,487</u>	<u>14,721,468</u>
Plan Fiduciary Net Position - Beginning	<u>224,159,937</u>	<u>227,846,632</u>	<u>219,066,145</u>	<u>204,344,677</u>
Plan Fiduciary Net Position - Ending (b)	<u>233,686,300</u>	<u>224,159,937</u>	<u>227,846,632</u>	<u>219,066,145</u>
Net Pension Liability (Asset) - Ending (a) - (b)	<u>\$ 15,168,601</u>	<u>\$ 15,639,430</u>	<u>\$ 7,712,365</u>	<u>\$ 5,362,609</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.90%	93.48%	96.73%	97.61%
Covered Payroll	\$ 32,830,669	\$ 31,486,792	\$ 37,233,984	\$ 36,206,318
Net Pension Liability (Asset) as a Percentage of Covered Payroll	46.20%	49.67%	20.71%	14.81%

Notes to Schedule:

¹This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾**

General Employees' Pension Plan

Year 2016	Year 2015	Year 2014
\$ 3,855,305	\$ 3,952,877	\$ 4,070,341
16,311,059	15,878,172	15,543,810
113,363	(1,726,306)	(3,613,328)
636,444		
(12,610,638)	(12,424,759)	(10,670,374)
(108,675)	(48,097)	(264,439)
8,196,858	5,631,887	5,066,010
206,392,586	200,760,699	195,694,689
214,589,444	206,392,586	200,760,699
3,361,534	3,925,569	3,744,111
2,509,043	2,335,348	2,360,378
16,484,179	(2,130,561)	19,283,849
(12,610,638)	(12,424,759)	(10,670,374)
(132,952)	(90,032)	(243,981)
(108,675)	6,442	(264,439)
9,502,491	(8,377,993)	14,209,544
194,842,186	203,220,179	189,010,635
204,344,677	194,842,186	203,220,179
<u>\$ 10,244,767</u>	<u>\$ 11,550,400</u>	<u>\$ (2,459,480)</u>
95.23%	94.40%	101.23%
\$ 35,094,926	\$ 35,658,133	\$ 34,835,028
29.19%	32.39%	(7.06)%

Notes to Schedule:

¹This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years**

General Employees' Pension Plan

Fiscal Year	(1) Actuarially Determined Contribution	(2) Contribution in relation to the actuarially determined contribution	(3) Contribution excess/ (deficiency) (2)-(1)	(4) Covered payroll	(5) Actuarially determined contributions as a percentage of covered payroll (1)/(4)	(6) Contributions as a percentage of covered payroll (2)/(4)
2012	\$ 3,427,410	\$ 3,427,410		\$ 28,583,981	11.99%	11.99%
2013	4,268,084	4,268,084		27,597,864	15.47%	15.47%
2014	3,744,111	3,744,111		34,835,028	10.75%	10.75%
2015	3,925,569	3,925,569		35,658,133	11.01%	11.01%
2016	3,361,534	3,361,534		35,094,926	9.58%	9.58%
2017	2,340,675	2,340,675		36,206,318	6.46%	6.46%
2018	2,093,506	2,093,506		37,233,984	5.62%	5.62%
2019	2,240,997	2,240,997		31,486,792	7.12%	7.12%
2020	1,725,822	1,725,822		32,830,669	5.26%	5.26%
2021	1,681,100	1,681,100		31,971,845	5.26%	5.26%

Notes to Schedule:

Valuation date: October 1, 2019

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

Methods and assumptions used to determine contribution rates:

Measurement date	October 1
Actuarial cost method	Entry age
Asset valuation method	4-year smoothing
Salary increases	3% annum
Inflation	2.6%
Investment rate of return	7.75%

Mortality is assumed to follow the Florida Retirement System (FRS) Mortality Table.

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CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾

Police & Firefighters' Retirement System

September 30,	Year 2020	Year 2019	Year 2018	Year 2017
Total Pension Liability				
Service cost	\$ 11,741,146	\$ 11,021,198	\$ 10,027,517	\$ 9,139,764
Interest	42,316,629	39,878,548	37,651,191	35,591,072
Changes of benefit terms	937,428		1,270,260	
Differences between expected and actual experience	1,950,627	5,211,764	4,019,386	1,149,110
Transfer from (to) General Employees' Plan		11,307	(10,300)	
Changes of Assumptions	12,500,208	3,076,955	2,874,659	2,864,781
Contributions - buy back	245,305	414,164	113,861	135,964
Benefit payments, including refunds of member contributions	(27,414,110)	(26,100,713)	(22,420,013)	(21,835,563)
Net Change in Total Pension Liability	42,277,233	33,513,223	33,526,561	27,045,128
Total Pension Liability - Beginning	543,549,365	510,036,142	476,509,581	449,464,453
Total Pension Liability - Ending (a)	585,826,598	543,549,365	510,036,142	476,509,581
Plan Fiduciary Net Position				
Contributions - employer	14,654,808	13,316,657	10,186,562	8,020,870
Contributions - State	3,464,368	3,483,705	3,313,018	2,771,797
Contributions - member	4,372,630	4,201,798	3,956,634	3,620,915
Contributions - buy back	245,305	414,164	113,861	135,964
Transfer from General Employees' Plan		11,307	(10,300)	
Net investment income	20,999,386	13,400,305	27,561,870	38,904,664
Benefit payments, including refunds of member contributions	(27,414,110)	(26,100,713)	(22,420,013)	(21,835,562)
Administrative expense	(249,355)	(216,090)	(228,726)	(250,745)
Other				
Net Change in Plan Fiduciary Net Position	16,073,032	8,511,133	22,472,906	31,367,903
Plan Fiduciary Net Position - Beginning	400,792,010	392,280,877	369,807,971	338,440,068
Plan Fiduciary Net Position - Ending (b)	416,865,042	400,792,010	392,280,877	369,807,971
Net Pension Liability - Ending (a) - (b)	\$ 168,961,556	\$ 142,757,355	\$ 117,755,265	\$ 106,701,610
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.16%	73.74%	76.91%	77.61%
Covered Payroll	\$ 40,455,610	\$ 38,811,038	\$ 36,539,436	\$ 33,450,986
Net Pension Liability (Asset) as a Percentage of Covered Payroll	417.65%	367.83%	322.27%	318.98%

Notes to Schedule:

¹ This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾

Police & Firefighters' Retirement System

Year 2016	Year 2015	Year 2014	Year 2013
\$ 8,067,516	\$ 8,019,243	\$ 8,842,600	\$ 8,187,593
33,015,209	31,100,803	30,257,546	28,465,767
	(12,002,331)		
(154,745)	2,110,050		
		132,304	
13,548,989			
25,319	51,514	28,668	
<u>(19,320,864)</u>	<u>(15,478,755)</u>	<u>(16,310,699)</u>	<u>(13,511,539)</u>
35,181,424	13,800,524	22,950,419	23,141,821
414,283,029	400,482,505	377,532,086	354,390,265
<u>449,464,453</u>	<u>414,283,029</u>	<u>400,482,505</u>	<u>377,532,086</u>
8,111,246	11,352,729	13,182,553	12,419,043
3,899,711	3,198,125	2,868,153	2,843,696
3,436,368	3,109,262	2,985,855	2,981,727
25,319	51,514	28,668	
		132,304	
26,257,007	2,205,514	26,241,511	34,407,247
(19,320,864)	(15,478,755)	(16,310,699)	(13,511,539)
(256,228)	(222,131)	(362,469)	(444,233)
			5593
<u>22,152,559</u>	<u>4,216,258</u>	<u>28,765,876</u>	<u>38,701,534</u>
316,287,509	312,071,251	283,305,375	244,603,841
<u>338,440,068</u>	<u>316,287,509</u>	<u>312,071,251</u>	<u>283,305,375</u>
<u>\$ 111,024,385</u>	<u>\$ 97,995,520</u>	<u>\$ 88,411,254</u>	<u>\$ 94,226,711</u>
75.30%	76.35%	77.92%	75.04%
\$ 31,834,502	\$ 29,855,531	\$ 29,422,696	\$ 29,655,556
348.75%	328.23%	300.49%	317.74%

Notes to Schedule:

¹This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years**

Police & Firefighters' Retirement System

Fiscal Year	(1) Actuarially Determined Contribution	(2) Contribution in relation to the actuarially determined contribution	(3) Contribution excess/ (deficiency) (2)-(1)	(4) Covered payroll	(5) Actuarially determined contributions as a percentage of covered payroll (1)/(4)	(6) Contributions as a percentage of covered payroll (2)/(4)
2012	\$ 12,902,505	\$ 12,790,958	\$ (111,547)	\$ 29,458,000	43.80%	43.42%
2013	15,099,422	15,262,739	163,317	29,655,556	50.92%	51.47%
2014	16,050,706	16,050,706		29,422,696	54.55%	54.55%
2015	12,642,612	14,550,854	1,908,242	29,855,531	42.35%	48.74%
2016	13,919,199	12,010,957	(1,908,242)	31,834,502	43.72%	37.73%
2017	10,792,667	10,792,667		33,450,986	32.26%	32.26%
2018	13,499,580	13,499,580		36,539,436	36.95%	36.95%
2019	16,800,362	16,800,362		38,811,038	43.29%	43.29%
2020	18,119,176	18,119,176		40,455,610	44.79%	44.79%
2021	18,593,875	18,593,875		40,458,484	45.96%	45.96%

Notes to Schedule:

Valuation date: October 1, 2019

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Measurement date	October 1
Actuarial cost method	Entry age
Amortization method	Level percentage of pay, closed
Remaining amortization period	20 years (as of 10/1/2018)
Asset valuation method	4-year smoothing
Payroll growth projection	2.92% per annum
Inflation	2.00%
Investment rate of return	7.75%

Mortality is assumed to follow the Florida Retirement System (FRS) Mortality Table.

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**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾**

Executive Employees' Retirement Plan

September 30,	Year 2020	Year 2019	Year 2018	Year 2017
Total Pension Liability				
Service cost	\$ 979,825	\$ 1,027,733	\$ 1,033,954	\$ 999,642
Interest	4,523,118	4,012,692	3,759,183	3,607,804
Changes of benefit terms	3,756,497			
Differences between expected and actual experience	1,966,158	4,304,119	1,258,361	
Changes of assumptions	212,007		461,746	1,970,552
Benefit payments, including refunds of member contributions	(2,352,833)	(2,159,731)	(3,860,948)	(1,870,177)
Net Change in Total Pension Liability	<u>9,084,772</u>	<u>7,184,813</u>	<u>2,652,296</u>	<u>4,707,821</u>
Total Pension Liability - Beginning	<u>62,584,426</u>	<u>55,399,613</u>	<u>52,747,317</u>	<u>48,039,496</u>
Total Pension Liability - Ending (a)	<u>71,669,198</u>	<u>62,584,426</u>	<u>55,399,613</u>	<u>52,747,317</u>
Plan Fiduciary Net Position				
Contributions - employer	2,234,407	1,954,554	1,850,134	1,525,219
Contributions - member	857,673	1,089,408	885,015	639,876
Transfer from other pension plans			409,132	314,525
Net investment income	3,403,805	2,550,698	3,770,512	5,423,879
Benefit payments, including refunds of member contributions	(2,352,833)	(2,159,731)	(3,860,949)	(1,870,177)
Administrative expense	(82,798)	(75,265)	(46,064)	(31,744)
Net Change in Plan Fiduciary Net Position	<u>4,060,254</u>	<u>3,359,664</u>	<u>3,007,780</u>	<u>6,001,578</u>
Plan Fiduciary Net Position - Beginning	<u>48,230,289</u>	<u>44,870,625</u>	<u>41,862,845</u>	<u>35,861,267</u>
Plan Fiduciary Net Position - Ending (b)	<u>52,290,543</u>	<u>48,230,289</u>	<u>44,870,625</u>	<u>41,862,845</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 19,378,655</u>	<u>\$ 14,354,137</u>	<u>\$ 10,528,988</u>	<u>\$ 10,884,472</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.96%	77.06%	80.99%	79.36%
Covered Payroll	\$ 5,593,482	\$ 5,593,482	\$ 5,361,342	\$ 5,748,308
Net Pension Liability as a Percentage of Covered Payroll	346.45%	256.62%	196.39%	189.35%

Notes to Schedule:

¹This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾**

Executive Employees' Retirement Plan

Year 2016	Year 2015	Year 2014
\$ 887,093	\$ 830,044	\$ 807,122
3,302,491	3,130,704	2,970,466
1,605,801	(145,142)	327,026
(1,804,008)	(1,360,326)	(1,088,490)
3,991,377	2,455,280	4,071,362
44,048,119	41,592,839	37,521,477
<u>48,039,496</u>	<u>44,048,119</u>	<u>41,592,839</u>
1,482,115	1,457,248	1,458,974
762,047	635,026	717,085
108,675	21,680	
2,819,391	85,342	2,784,339
(1,804,008)	(1,360,326)	(1,088,489)
(29,006)	(27,327)	(38,294)
<u>3,339,214</u>	<u>811,643</u>	<u>3,833,615</u>
<u>32,522,053</u>	<u>31,710,410</u>	<u>27,876,795</u>
<u>35,861,267</u>	<u>32,522,053</u>	<u>31,710,410</u>
<u>\$ 12,178,229</u>	<u>\$ 11,526,066</u>	<u>\$ 9,882,429</u>
74.65%	73.83%	76.24%
\$ 5,359,816	\$ 4,748,431	\$ 4,463,155
227.21%	242.73%	221.42%

Notes to Schedule:

¹This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years**

Executive Employees' Retirement Plan

Fiscal Year Ended	(1) Actuarially Determined Contribution	(2) Contribution in relation to the actuarially determined contribution	(3) Contribution excess/ (deficiency) (2)-(1)	(4) Covered payroll	(5) Actuarially determined contributions as a percentage of covered payroll (1)/(4)	(6) Contributions as a percentage of covered payroll (2)/(4)
2012	\$ 1,111,897	\$ 1,098,407	\$ (13,490)	\$ 4,376,313	25.41%	25.10%
2013	1,350,306	1,367,748	17,442	4,418,964	30.56%	30.95%
2014	1,458,974	1,458,974	-	4,463,155	32.69%	32.69%
2015	1,457,248	1,457,248		4,748,431	30.69%	30.69%
2016	1,482,115	1,482,115		5,359,816	27.65%	27.65%
2017	1,525,219	1,525,219		5,748,308	26.53%	26.53%
2018	1,850,134	1,850,134		5,361,342	34.51%	34.51%
2019	1,954,554	1,954,554		5,593,482	34.94%	34.94%
2020	2,234,407	2,234,407		5,549,081	40.27%	40.27%
2021	2,600,459	2,600,459		5,728,084	45.40%	45.40%

Notes to Schedule:

Valuation date: October 1, 2019

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

Methods and assumptions used to determine contribution rates:

Measurement date	October 1
Actuarial cost method	Entry age
Asset valuation method	5-year smoothing
Salary increases	varies
Inflation	2.75%
Investment rate of return	7.15%

Mortality is assumed to follow the Florida Retirement System (FRS) Mortality Table.

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**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Florida Retirement System (FRS) Pension Plan
Last Ten Fiscal Years ^(1,2)**

June 30,	<u>Year 2021</u>	<u>Year 2020</u>	<u>Year 2019</u>	<u>Year 2018</u>	<u>Year 2017³</u>
City of Boca Raton's proportion of the FRS net pension liability (asset)	0.001758816%		0.002126274%	0.002140260%	0.001760086%
City of Boca Raton's proportionate share of the FRS net pension liability (asset)	\$ 132,859	\$ 891,269	\$ 732,259	\$ 644,657	\$ 520,622
City of Boca Raton's covered payroll	\$ 147,115	\$ 150,000	\$ 145,333	\$ 145,333	\$ 121,950
City of Boca Raton's proportionate share of the FRS net pension liability (asset) as a percentage of its covered payroll	90.31%	594.18%	503.85%	443.57%	426.91%
Plan fiduciary net position as a percentage of the total pension liability	96.40%	78.85%	82.61%	84.26%	83.89%
June 30,	<u>Year 2016</u>	<u>Year 2015</u>	<u>Year 2014</u>		
City of Boca Raton's proportion of the FRS net pension liability (asset)	0.000573538%	0.000594821%	0.000399841%		
City of Boca Raton's proportionate share of the FRS net pension liability (asset)	\$ 144,819	\$ 76,829	\$ 24,396		
City of Boca Raton's covered payroll	\$ 37,800	\$ 37,800	\$ 34,200		
City of Boca Raton's proportionate share of the FRS net pension liability (asset) as a percentage of its covered payroll	383.12%	203.25%	71.33%		
Plan fiduciary net position as a percentage of the total pension liability	84.88%	92.00%	96.09%		

Notes to Schedule:

- ¹ This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available
- ² The amounts presented for each fiscal year were determined as of the measurement date, June 30.
- ³ The increase in NPL at 2017 was primarily due to the implementation of GASB 75.

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Health Insurance Subsidy (HIS) Plan
Last Ten Fiscal Years^(1,2)**

June 30,	<u>Year 2021</u>	<u>Year 2020</u>	<u>Year 2019</u>	<u>Year 2018</u>	<u>Year 2017³</u>
City of Boca Raton's proportion of the HIS net pension liability (asset)	0.000415530%	0.000432167%	0.000434533%	0.000444945%	0.000382574%
City of Boca Raton's proportionate share of the HIS net pension liability (asset)	\$ 50,971	\$ 52,767	\$ 48,620	\$ 47,093	\$ 40,907
City of Boca Raton's covered payroll	\$ 147,115	\$ 150,000	\$ 145,333	\$ 145,333	\$ 121,950
City of Boca Raton's proportionate share of the HIS net pension liability (asset) as a percentage of its covered payroll	34.65%	35.18%	33.45%	32.40%	33.54%
Plan fiduciary net position as a percentage of the total pension liability	3.56%	3.00%	2.63%	2.15%	1.64%
June 30,	<u>Year 2016</u>	<u>Year 2015</u>	<u>Year 2014</u>		
City of Boca Raton's proportion of the HIS net pension liability (asset)	0.000122446%	0.000124595%	0.000109049%		
City of Boca Raton's proportionate share of the HIS net pension liability (asset)	\$ 14,271	\$ 12,707	\$ 10,196		
City of Boca Raton's covered payroll	\$ 37,800	\$ 37,800	\$ 34,200		
City of Boca Raton's proportionate share of the HIS net pension liability (asset) as a percentage of its covered payroll	37.75%	33.62%	29.81%		
Plan fiduciary net position as a percentage of the total pension liability	0.97%	0.50%	0.99%		

Notes to Schedule:

¹ This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available

² The amounts presented for each fiscal year were determined as of the measurement date, June 30.

³ The increase in NPL at 2017 was primarily due to the implementation of GASB 75.

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CITY CONTRIBUTIONS
Florida Retirement System (FRS) Pension Plan
Last Ten Fiscal Years ^(1,2)**

September 30,	<u>Year 2021</u>	<u>Year 2020</u>	<u>Year 2019</u>	<u>Year 2018</u>	<u>Year 2017</u>
Contractually required contribution	\$ 72,094	\$ 70,785	\$ 70,515	\$ 62,634	\$ 62,261
Contributions in relation to the contractually required contribution	<u>(72,094)</u>	<u>(70,785)</u>	<u>(70,515)</u>	<u>(62,634)</u>	<u>(62,261)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City of Boca Raton's covered payroll	\$ 150,000	\$ 150,000	\$ 150,000	\$ 140,667	\$ 150,000
Contributions as a percentage of covered payroll	48.06%	47.19%	47.01%	44.53%	41.51%
September 30,	<u>Year 2016</u>	<u>Year 2015</u>	<u>Year 2014</u>		
Contractually required contribution	\$ 15,352	\$ 15,724	\$ 11,834		
Contributions in relation to the contractually required contribution	<u>(15,352)</u>	<u>(15,724)</u>	<u>(11,834)</u>		
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
City of Boca Raton's covered payroll	\$ 37,800	\$ 37,800	\$ 34,200		
Contributions as a percentage of covered payroll	40.61%	41.60%	34.60%		

Notes to Schedule:

¹ This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available

² The amounts presented for each fiscal year were determined as of the measurement date, June 30.

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CITY CONTRIBUTIONS
Health Insurance Subsidy (HIS) Plan
Last Ten Fiscal Years ^(1,2)**

September 30,	<u>Year 2021</u>	<u>Year 2020</u>	<u>Year 2019</u>	<u>Year 2018</u>	<u>Year 2017</u>
Contractually required contribution	\$ 2,490	\$ 2,490	\$ 2,490	\$ 2,335	\$ 2,490
Contributions in relation to the contractually required contribution	<u>(2,490)</u>	<u>(2,490)</u>	<u>(2,490)</u>	<u>(2,335)</u>	<u>(2,490)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City of Boca Raton's covered payroll	\$ 150,000	\$ 150,000	\$ 150,000	\$ 140,667	\$ 150,000
Contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.66%	1.66%
September 30,	<u>Year 2016</u>	<u>Year 2015</u>	<u>Year 2014</u>		
Contractually required contribution	\$ 627	\$ 514	\$ 416		
Contributions in relation to the contractually required contribution	<u>(627)</u>	<u>(514)</u>	<u>(416)</u>		
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
City of Boca Raton's covered payroll	\$ 37,800	\$ 37,800	\$ 34,200		
Contributions as a percentage of covered payroll	1.66%	1.36%	1.22%		

Notes to Schedule:

¹ This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available

² The amounts presented for each fiscal year were determined as of the measurement date, June 30.

**CITY OF BOCA RATON, FLORIDA
OTHER POST EMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS***

September 30,	<u>Year 2021</u>	<u>Year 2020</u>	<u>Year 2019</u>	<u>Year 2018</u>
Total OPEB Liability				
Service cost	\$ 250,988	\$ 320,837	\$ 263,838	\$ 265,614
Interest Cost	134,824	152,590	187,333	169,577
Changes of benefit terms	-	-	-	-
Experience Losses/(Gains)	-	(313,379)	-	-
Changes of assumptions	99,114	168,834	486,576	(140,911)
Benefit payments	<u>(257,865)</u>	<u>(308,672)</u>	<u>(251,787)</u>	<u>(244,453)</u>
Net change in total OPEB liability	227,061	20,210	685,960	49,827
Total OPEB liability - beginning	<u>5,723,274</u>	<u>5,703,064</u>	<u>5,017,104</u>	<u>4,967,277</u>
Total OPEB liability - ending	<u>\$ 5,950,335</u>	<u>\$ 5,723,274</u>	<u>\$ 5,703,064</u>	<u>\$ 5,017,104</u>
Covered payroll	\$ 81,312,364	\$ 80,542,532	\$ 75,374,981	\$ 70,611,024
Total OPEB liability as a percentage of covered payroll	7.32%	7.11%	7.57%	7.11%

***Note to schedule**

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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**CITY OF BOCA RATON, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
PROPERTY TAXES	\$ 80,838,000	\$ 80,838,000	\$ 81,848,156	\$ 1,010,156
EXCISE TAXES				
Utility	20,219,700	20,219,700	20,197,227	(22,473)
Total excise taxes	20,219,700	20,219,700	20,197,227	(22,473)
FRANCHISE TAXES				
Electrical	10,200,000	10,200,000	9,790,751	(409,249)
Television	1,700,000	1,700,000	1,641,596	(58,404)
Natural gas	200,000	200,000	241,110	41,110
Solid waste	1,300,000	1,300,000	1,569,222	269,222
Total franchise taxes	13,400,000	13,400,000	13,242,679	(157,321)
Total taxes	114,457,700	114,457,700	115,288,062	830,362
LICENSES AND PERMITS				
Local business taxes	1,458,000	1,458,000	1,670,827	212,827
Beverage licenses	175,000	175,000	135,511	(39,489)
Building permits	8,764,000	8,764,000	20,053,062	11,289,062
Other	1,285,500	1,285,500	4,283,743	2,998,243
Total licenses and permits	11,682,500	11,682,500	26,143,143	14,460,643
INTERGOVERNMENTAL				
Federal Grants			532,765	532,765
State revenue sharing	9,729,500	9,729,500	12,499,803	2,770,303
Palm Beach County	13,620,000	13,620,000	13,544,850	(75,150)
Beach tax district	1,817,700	1,817,700	1,884,679	66,979
Other shared local revenue	717,000	717,000	343,197	(373,803)
Total intergovernmental	25,884,200	25,884,200	28,805,294	2,921,094
CHARGES FOR SERVICES				
Physical environment	175,000	175,000	252,782	77,782
Planning and zoning fees	1,029,200	1,029,200	1,617,106	587,906
Fire services	15,417,700	15,417,700	15,088,115	(329,585)
Police services	276,000	276,000	293,371	17,371
Library	104,800	104,800	67,925	(36,875)
Recreation services	2,027,600	2,027,600	2,784,027	756,427
Parking	950,000	950,000	1,190,934	240,934
Administrative service charge	8,977,500	8,977,500	9,006,076	28,576
Other charges for services	251,000	251,000	611,498	360,498
Total charges for services	29,208,800	29,208,800	30,911,834	1,703,034
FINES AND FORFEITURES	1,051,400	1,051,400	1,270,780	219,380
INVESTMENT EARNINGS (LOSS)	415,000	415,000	186,304	(228,696)
MISCELLANEOUS	202,000	202,000	587,648	385,648
Total revenues	182,901,600	182,901,600	203,193,065	20,291,465
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
City council	472,500	472,500	474,223	(1,723)
Total city council	472,500	472,500	474,223	(1,723)
City manager				
Administration	1,605,900	1,606,400	1,548,922	57,478
City clerk	1,075,600	1,085,100	1,128,456	(43,356)
Human resources	2,514,300	2,552,300	1,953,162	599,138
Mizner Park Amphitheater	599,500	614,600	429,657	184,943
Communications	583,100	588,100	471,267	116,833
Sustainability Office	141,800	141,800	134,971	6,829
Office of management and budget	610,900	611,400	643,365	(31,965)
Total city manager	7,131,100	7,199,700	6,309,800	889,900

(CONTINUED)

CITY OF BOCA RATON, FLORIDA
GENERAL FUND (continued)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
Financial services				
Financial services administration	\$ 1,076,500	\$ 1,079,800	\$ 1,058,766	\$ 21,034
Pension	559,300	560,300	492,825	67,475
Accounting	716,600	716,600	509,796	206,804
Treasury	205,100	205,100	187,366	17,734
Accounts payable	322,200	322,200	288,729	33,471
Alarm administration	165,000	165,000	100,733	64,267
Purchasing	1,084,300	1,084,900	1,069,085	15,815
Parking	252,000	256,900	289,618	(32,718)
Total financial services	<u>4,381,000</u>	<u>4,390,800</u>	<u>3,996,918</u>	<u>393,882</u>
City attorney	<u>1,600,300</u>	<u>1,601,700</u>	<u>1,541,639</u>	<u>60,061</u>
Development services				
Development services administration	838,600	842,000	893,680	(51,680)
Code compliance/licensing	8,305,100	8,308,500	7,660,605	647,895
Planning and zoning	1,766,200	1,799,100	1,687,919	111,181
Total development services	<u>10,909,900</u>	<u>10,949,600</u>	<u>10,242,204</u>	<u>707,396</u>
Other non-departmental services	<u>8,371,400</u>	<u>8,375,000</u>	<u>7,333,562</u>	<u>1,041,438</u>
Total general government	<u>32,866,200</u>	<u>32,989,300</u>	<u>29,898,346</u>	<u>3,090,954</u>
PUBLIC SAFETY				
Law enforcement				
Communications/dispatch	3,751,900	3,751,900	3,120,195	631,705
Community services	15,614,400	15,864,100	16,131,969	(267,869)
Bureau of field services	36,006,000	36,006,000	33,449,792	2,556,208
Biological Processing Lab	199,100	199,100	171,875	27,225
Total law enforcement	<u>55,571,400</u>	<u>55,821,100</u>	<u>52,873,831</u>	<u>2,947,269</u>
Fire rescue services				
Fire administration	4,678,500	4,755,100	4,413,974	341,126
Logistics and support	4,130,700	4,152,200	3,718,077	434,123
Fire operations	45,401,900	45,780,700	45,669,502	111,198
Fire and life safety	2,483,200	2,488,500	2,342,229	146,271
Total fire rescue services	<u>56,694,300</u>	<u>57,176,500</u>	<u>56,143,782</u>	<u>1,032,718</u>
Total public safety	<u>112,265,700</u>	<u>112,997,600</u>	<u>109,017,613</u>	<u>3,979,987</u>
PHYSICAL ENVIRONMENT				
Physical environment administration	1,222,100	12,968,900	1,328,386	11,640,514
Dredge	551,000	555,400	503,436	51,964
Facilities management	4,532,800	4,885,100	3,909,464	975,636
Total physical environment	<u>6,305,900</u>	<u>18,409,400</u>	<u>5,741,286</u>	<u>12,668,114</u>
TRANSPORTATION				
Streets	1,418,000	1,423,300	1,212,024	211,276
Traffic/special projects	5,237,900	5,411,900	4,439,471	972,429
Engineering-survey	408,700	409,300	378,887	30,413
Engineering-design	1,482,400	1,488,300	1,265,539	222,761
Total transportation	<u>8,547,000</u>	<u>8,732,800</u>	<u>7,295,921</u>	<u>1,436,879</u>

(CONTINUED)

CITY OF BOCA RATON, FLORIDA
GENERAL FUND (continued)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
PARKS AND RECREATION				
Parks and rec administration	\$ 2,183,300	\$ 2,266,800	\$ 1,989,493	\$ 277,307
Library	5,666,300	5,734,800	5,131,370	603,430
Community center	805,900	807,400	671,885	135,515
Train depot	59,200	59,500	9,208	50,292
Camp programs	660,500	660,500	66,318	594,182
Athletics	506,000	515,100	423,829	91,271
Children's Museum	150,000	155,300	77,488	77,812
Skateboard park	59,000	59,100	55,890	3,210
Special programs	377,600	391,800	41,460	350,340
Aquatics	545,000	570,000	490,721	79,279
Tennis center	356,800	360,800	311,806	48,994
Special interest activity	623,200	634,900	341,874	293,026
Ocean rescue	2,189,000	2,189,200	2,085,436	103,764
Parks District I	5,336,700	5,573,600	5,167,471	406,129
Parks District II	1,126,400	1,126,400	881,273	245,127
Mizner Park	771,500	798,300	559,923	238,377
Park rangers	681,000	681,000	614,290	66,710
Irrigation	796,600	798,300	896,205	(97,905)
Beautification	6,821,300	6,883,100	6,521,779	361,321
Total parks and recreation	<u>29,715,300</u>	<u>30,265,900</u>	<u>26,337,719</u>	<u>3,928,181</u>
Total expenditures	<u>189,700,100</u>	<u>203,395,000</u>	<u>178,290,885</u>	<u>25,104,115</u>
Excess (deficiency) of revenues over expenditures	<u>(6,798,500)</u>	<u>(20,493,400)</u>	<u>24,902,180</u>	<u>45,395,580</u>
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Downtown Infrastructure Fund	21,000	21,000	21,000	
Total transfers in	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>	
Transfers out:				
Information Technology Fund	(51,400)	(51,400)	(51,400)	
Fleet Management Fund	(172,000)	(172,000)	(172,000)	
Total transfers out	<u>(223,400)</u>	<u>(223,400)</u>	<u>(223,400)</u>	
Total other financing uses	<u>(202,400)</u>	<u>(202,400)</u>	<u>(202,400)</u>	
Net change in fund balance	<u>\$ (7,000,900)</u>	<u>\$ (20,695,800)</u>	24,699,780	<u>\$ 45,395,580</u>
Fund balance - beginning, as previously reported			<u>72,401,489</u>	
Fund balance - ending			<u>\$ 97,101,269</u>	

**CITY OF BOCA RATON, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY OPERATING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Taxes	\$ 14,500,000	\$ 14,500,000	\$ 14,780,347	\$ 280,347
Charges for services	3,478,600	3,478,600	2,923,000	(555,600)
Investment earnings (loss)	56,000	56,000	29,564	(26,436)
Total revenues	<u>18,034,600</u>	<u>18,034,600</u>	<u>17,732,911</u>	<u>(301,689)</u>
EXPENDITURES				
Community development	17,022,800	17,229,500	17,472,365	(242,865)
Capital outlay	6,262,000	6,919,900	349,219	6,570,681
Total expenditures	<u>23,284,800</u>	<u>24,149,400</u>	<u>17,821,584</u>	<u>6,327,816</u>
Net change in fund balance	<u>\$ (5,250,200)</u>	<u>\$ (6,114,800)</u>	(88,673)	<u>\$ 6,026,127</u>
Fund balance - beginning			<u>11,330,918</u>	
Fund balance - ending			<u>\$ 11,242,245</u>	

See accompanying note to required supplementary information

**CITY OF BOCA RATON, FLORIDA
 BEACH AND PARK OPERATIONS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Intergovernmental	\$ 23,697,400	\$ 24,348,300	\$ 14,460,396	\$ (9,887,904)
Charges for services	2,746,700	2,746,700	2,654,086	(92,614)
Donations in lieu of land	25,000	25,000	2,615	(22,385)
Miscellaneous	7,600	7,600	1,528	(6,072)
Total revenues	<u>26,476,700</u>	<u>27,127,600</u>	<u>17,118,625</u>	<u>(10,008,975)</u>
EXPENDITURES				
Current:				
Parks and recreation	18,477,800	18,639,600	16,282,087	2,357,513
Capital outlay	7,811,100	8,300,200	648,738	7,651,462
Total expenditures	<u>26,288,900</u>	<u>26,939,800</u>	<u>16,930,825</u>	<u>10,008,975</u>
Excess (deficiency) of revenues over expenditures	<u>187,800</u>	<u>187,800</u>	<u>187,800</u>	
OTHER FINANCING USES				
Transfers out	<u>(187,800)</u>	<u>(187,800)</u>	<u>(187,800)</u>	
Total other financing uses	<u>(187,800)</u>	<u>(187,800)</u>	<u>(187,800)</u>	
Net change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>
Fund balance - beginning				
Fund balance - ending			<u>\$</u>	

See accompanying note to required supplementary information

**CITY OF BOCA RATON, FLORIDA
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2021**

Stewardship, Compliance and Accountability

A. Budgetary Information

General governmental revenue and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements, which govern the City's operations. Annual budgets have been legally adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP) for the General Fund, Special Revenue Funds (except the General Trust Fund), Debt Service Funds and Capital Projects Funds. Budgets in governmental funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. While appropriations lapse at the end of the fiscal year, the succeeding year's budget ordinance specifically provides for the re-appropriation of year end encumbrances.

The City Manager is authorized to transfer budgeted amounts within departments within any fund; however, any revisions that increase the total expenditures of any department or fund must be approved by the City Council. The level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department (by fund) level. All necessary supplemental appropriations are adopted by the City Council as part of a quarterly budget review process and are included in the "Final Budget" columns on the schedule of revenues, expenditures and changes in fund balance – budget and actual.

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Major Governmental Fund

CAPITAL PROJECTS FUNDS

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

Five-Year Capital Improvement Program Fund -- To account for various building, park and street construction projects. Financing is provided by general tax revenue, bond proceeds, excise tax and interest income.

Infrastructure Surtax Fund - To account for the bond proceeds and payment of designated infrastructure expenses as a result of the 1-cent sales surtax approved by Palm Beach County voters in November 2016.

**CITY OF BOCA RATON, FLORIDA
 FIVE YEAR CAPITAL IMPROVEMENT PROGRAM FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Taxes	\$ 8,646,500	\$ 8,646,500	\$ 8,793,586	\$ 147,086
Intergovernmental	737,600	2,117,600	727,688	(1,389,912)
Donations in lieu of land	345,500	345,500	526,071	180,571
Investment earnings (loss)	75,000	75,000	57,598	(17,402)
Total revenues	9,804,600	11,184,600	10,104,943	(1,079,657)
EXPENDITURES				
General government	458,500	458,500	457,210	1,290
Public safety			783,196	(783,196)
Transportation	100,000	100,000	2,745,746	(2,645,746)
Parks & recreation			546,148	(546,148)
Capital outlay	13,809,900	18,868,300	2,519,342	16,348,958
Capital outlay:				
Total expenditures	14,368,400	19,426,800	7,051,642	12,375,158
Excess (deficiency) of revenues over expenditures	(4,563,800)	(8,242,200)	3,053,301	11,295,501
OTHER FINANCING SOURCES (USES)				
Transfers in	1,200,000	1,200,000	1,200,000	
Transfers out	(3,929,400)	(3,929,400)	(3,929,400)	
Total other financing uses	(2,729,400)	(2,729,400)	(2,729,400)	
Net change in fund balance	\$ (7,293,200)	\$ (10,971,600)	323,901	\$ 11,295,501
Fund balance - beginning			24,631,095	
Fund balance - ending			\$ 24,954,996	

**CITY OF BOCA RATON, FLORIDA
INFRASTRUCTURE SURTAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive / (Negative)
REVENUES				
Taxes	\$ 6,500,200	\$ 6,500,200	\$ 7,645,253	\$ 1,145,053
Investment earnings (loss)	151,000	151,000	41,957	(109,043)
Total revenues	<u>6,651,200</u>	<u>6,651,200</u>	<u>7,687,210</u>	<u>1,036,010</u>
EXPENDITURES				
Transportation		160,600	1,513,556	(1,352,956)
Capital outlay	20,097,500	26,963,700	4,667,721	22,295,979
Total expenditures	<u>20,097,500</u>	<u>27,124,300</u>	<u>6,181,277</u>	<u>20,943,023</u>
Excess (deficiency) of revenues over expenditures	<u>(13,446,300)</u>	<u>(20,473,100)</u>	1,505,933	21,979,033
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,202,700)	(3,202,700)	(3,202,642)	58
Total other financing uses	<u>(3,202,700)</u>	<u>(3,202,700)</u>	<u>(3,202,642)</u>	<u>58</u>
Net change in fund balance	<u>\$ (16,649,000)</u>	<u>\$ (23,675,800)</u>	(1,696,709)	<u>\$ 21,979,091</u>
Fund balance - beginning			<u>19,296,622</u>	
Fund balance - ending			<u>\$ 17,599,913</u>	

Non-Major Governmental Funds

SPECIAL REVENUE FUNDS

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

Community Development Block Grant Program Fund -- To account for revenue from a grant agreement between the City and the U.S. Department of Housing and Urban Development (HUD) and expenditures for qualified neighborhood revitalization. The program includes expenditures for housing rehabilitation, clearance of housing and relocation of families, the construction of new, low and moderate income housing units, and public improvements to the neighborhood.

Housing Assistance Trust Fund -- To account for funds received from the State Housing Initiatives Partnership for the purpose of providing affordable housing in the City.

Law Enforcement Trust Fund -- To account for funds received from State and Federal forfeitures.

Transportation Fund -- To account for local option gas tax restricted for roadway program expenditures.

Right of Way Beautification Fund -- To account for excise tax levied specifically for the comprehensive median beautification program established in 1984.

Land Proceeds Fund — To account for the funds received from the sale of the City's Municipal Golf Course and related costs.

Economic Development Fund -- To support economic development activities benefitting the City, including a variety of incentive programs.

Grant Funds -- To account for revenues and expenditures of specific state and federally funded grants.

PERMANENT FUND

Perpetual Care Fund -- To account for moneys received for the purpose of providing perpetual care for the City's cemetery and mausoleum.

PERMANENT FUND

Perpetual Care Fund -- To account for moneys received for the purpose of providing perpetual care for the City's cemetery and mausoleum.

DEBT SERVICE FUNDS

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

City Debt Service Fund -- To account for the payment of principal and interest, and fiscal charges on the City's general obligation bonds which are payable from ad valorem taxes; and the City's revenue bonds and notes payable which are payable from non ad valorem revenues.

CAPITAL PROJECTS FUNDS

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

Right of Way Acquisition Fund -- To account for the cost of acquiring right of way property. Revenue is provided from land sales proceeds and interest income.

Park Land Dedication Fund -- To account for the cost of buying and constructing park developments. Financing is being provided by donations from developers as required by City ordinance.

Downtown Land Dedication Fund -- To account for the cost of buying and constructing park developments in the downtown area. Financing is being provided by donations from developers in the downtown as required by City ordinance.

Downtown Infrastructure Fund -- To account for the financing and implementation of the downtown infrastructure program.

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**CITY OF BOCA RATON, FLORIDA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2021**

	<u>Special Revenue</u>	<u>Permanent</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 9,274,311		\$ 2,288,261	\$ 12,622,545	\$ 24,185,117
Investments	7,987,083			12,032,123	20,019,206
Receivables, net:					
Accounts receivable	714				714
Assessments				261,293	261,293
Interest	48,496			42,138	90,634
Due from other governmental units	778,663				778,663
Restricted:					
Restricted cash and cash equivalents	464,130	\$ 2,210,764			2,674,894
Investments	442,722	2,108,186			2,550,908
Interest receivable on investments	1,458	10,679			12,137
Restricted accounts receivable		41,351			41,351
Total assets	<u>\$ 18,997,577</u>	<u>\$ 4,370,980</u>	<u>\$ 2,288,261</u>	<u>\$ 24,958,099</u>	<u>\$ 50,614,917</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 1,040,839			\$ 861,290	\$ 1,902,129
Performance bonds and escrow funds	1,908,310	\$ 4,000			1,912,310
Due to other funds	134,053				134,053
Total liabilities	<u>3,083,202</u>	<u>4,000</u>		<u>861,290</u>	<u>3,948,492</u>
Unavailable revenue	15,203				15,203
FUND BALANCES					
Non-spendable:					
Perpetual care, cemetery and mausoleum		4,366,980			4,366,980
Restricted for:					
Debt service			\$ 2,288,261		2,288,261
Housing	466,068				466,068
Law enforcement	1,205,861				1,205,861
Transportation	8,012,550				8,012,550
Downtown				1,175,269	1,175,269
Economic development	6,174,288				6,174,288
Land dedication				20,442,474	20,442,474
Land proceeds	40,405				40,405
Committed to:					
Right of way acquisition				2,479,066	2,479,066
Total fund balances	<u>15,899,172</u>	<u>4,366,980</u>	<u>2,288,261</u>	<u>24,096,809</u>	<u>46,651,222</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 18,997,577</u>	<u>\$ 4,370,980</u>	<u>\$ 2,288,261</u>	<u>\$ 24,958,099</u>	<u>\$ 50,614,917</u>

**CITY OF BOCA RATON, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<u>Special Revenue</u>	<u>Permanent</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES					
Taxes	\$ 3,131,977		\$ 2,720,333		\$ 5,852,310
Intergovernmental	2,752,870				2,752,870
Charges for services		\$ 238,020			238,020
Fines and forfeitures	55,449				55,449
Special assessments				\$ 1,530,233	1,530,233
Donations in lieu of land				2,823,790	2,823,790
Investment earnings (loss)	472,977	8,660		52,649	534,286
Miscellaneous	167,612				167,612
Total revenues	<u>6,580,885</u>	<u>246,680</u>	<u>2,720,333</u>	<u>4,406,672</u>	<u>13,954,570</u>
EXPENDITURES					
Current:					
General government	10,565				10,565
Law enforcement	70,877				70,877
Physical environment				130,247	130,247
Transportation	2,107,141				2,107,141
Community development	2,175,340				2,175,340
Parks and recreation				77,492	77,492
Capital outlay	2,552,055			1,234,499	3,786,554
Debt service:					
Principal			7,350,000		7,350,000
Interest			1,488,170		1,488,170
Total expenditures	<u>6,915,978</u>	<u>246,680</u>	<u>8,838,170</u>	<u>1,442,238</u>	<u>17,196,386</u>
Excess (deficiency) of revenues over expenditures	<u>(335,093)</u>	<u>246,680</u>	<u>(6,117,837)</u>	<u>2,964,434</u>	<u>(3,241,816)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in			6,255,964		6,255,964
Transfers out	<u>(1,613,884)</u>			<u>(1,460,438)</u>	<u>(3,074,322)</u>
Total other financing sources (uses)	<u>(1,613,884)</u>		<u>6,255,964</u>	<u>(1,460,438)</u>	<u>3,181,642</u>
Net change in fund balances	(1,948,977)	246,680	138,127	1,503,996	(60,174)
Fund balances - beginning	<u>17,848,149</u>	<u>4,120,300</u>	<u>2,150,134</u>	<u>22,592,813</u>	<u>46,711,396</u>
Fund balances - ending	<u>\$ 15,899,172</u>	<u>\$ 4,366,980</u>	<u>\$ 2,288,261</u>	<u>\$ 24,096,809</u>	<u>\$ 46,651,222</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2021**

	Community Development Block Grant Program	SHIP Housing Assistance Trust Fund	Law Enforcement Trust Fund	Transportation Fund	Ocean Breeze GBRBPD
ASSETS					
Cash and cash equivalents		\$ 452,611	\$ 869,627	\$ 4,225,850	
Investments		15,588	333,879	4,029,022	
Receivables, net:					
Accounts receivable			714		
Interest		597	1,674	28,553	
Due from other governmental units	\$ 257,617			409,187	
Restricted:					
Restricted cash and cash equivalents					
Investments					
Interest receivable on investments					
Total assets	<u>\$ 257,617</u>	<u>\$ 468,796</u>	<u>\$ 1,205,894</u>	<u>\$ 8,692,612</u>	<u>\$</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 218,708	\$ 2,728	\$ 33	\$ 680,062	
Performance bonds and escrow funds					
Due to other funds	38,909				
Total liabilities	<u>257,617</u>	<u>2,728</u>	<u>33</u>	<u>680,062</u>	
Unavailable revenue					
FUND BALANCES					
Restricted for:					
Housing		466,068			
Law enforcement			1,205,861		
Transportation				8,012,550	
Economic development					
Committed to:					
Land proceeds					
Total fund balances		<u>466,068</u>	<u>1,205,861</u>	<u>8,012,550</u>	
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 257,617</u>	<u>\$ 468,796</u>	<u>\$ 1,205,894</u>	<u>\$ 8,692,612</u>	<u>\$</u>

<u>Economic Development Fund</u>	<u>Land Proceeds Fund</u>	<u>General Trust Fund</u>	<u>Grant Funds</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 3,191,285	\$ 534,938			\$ 9,274,311
3,098,497	510,097			7,987,083
				714
15,902	1,770			48,496
			\$ 111,859	778,663
		\$ 464,130		464,130
		442,722		442,722
		1,458		1,458
<u>\$ 6,305,684</u>	<u>\$ 1,046,805</u>	<u>\$ 908,310</u>	<u>\$ 111,859</u>	<u>\$ 18,997,577</u>
\$ 131,396	\$ 6,400		\$ 1,512	\$ 1,040,839
	1,000,000	\$ 908,310		1,908,310
			95,144	134,053
<u>131,396</u>	<u>1,006,400</u>	<u>908,310</u>	<u>96,656</u>	<u>3,083,202</u>
			15,203	15,203
				466,068
				1,205,861
				8,012,550
6,174,288				6,174,288
	40,405			40,405
<u>6,174,288</u>	<u>40,405</u>			<u>15,899,172</u>
<u>\$ 6,305,684</u>	<u>\$ 1,046,805</u>	<u>\$ 908,310</u>	<u>\$ 111,859</u>	<u>\$ 18,997,577</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Community Development Block Grant Program	SHIP Housing Assistance Trust Fund	Law Enforcement Trust Fund	Transportation Fund	Ocean Breeze GBRBPD
REVENUES					
Taxes				\$ 2,131,977	
Intergovernmental	\$ 725,018	\$ 153,499		45,630	\$ 1,180,000
Fines and forfeitures			\$ 55,449		
Investment earnings (loss)		1,382	2,840	18,872	433,884
Miscellaneous	69,200	90,000		8,412	
Total revenues	<u>794,218</u>	<u>244,881</u>	<u>58,289</u>	<u>2,204,891</u>	<u>1,613,884</u>
EXPENDITURES					
Current:					
General government					
Law enforcement			42,077		
Transportation				2,034,835	
Community development	295,578	307,751			
Capital outlay	498,640			2,053,415	
Total expenditures	<u>794,218</u>	<u>307,751</u>	<u>42,077</u>	<u>4,088,250</u>	
Excess (deficiency) of revenues over expenditures		<u>(62,870)</u>	<u>16,212</u>	<u>(1,883,359)</u>	<u>1,613,884</u>
OTHER FINANCING SOURCES (USES)					
Transfers out					(1,613,884)
Total other financing sources (uses)					<u>(1,613,884)</u>
Net change in fund balances		(62,870)	16,212	(1,883,359)	
Fund balances - beginning		528,938	1,189,649	9,895,909	
Fund balances - ending	<u>\$</u>	<u>\$ 466,068</u>	<u>\$ 1,205,861</u>	<u>\$ 8,012,550</u>	<u>\$</u>

Economic Development Fund	Land Proceeds Fund	Grant Funds	Total Nonmajor Special Revenue Funds
\$ 1,000,000		\$ 648,723	\$ 3,131,977
			2,752,870
			55,449
13,834	\$ 2,165		472,977
			167,612
<u>1,013,834</u>	<u>2,165</u>	<u>648,723</u>	<u>6,580,885</u>
	10,565		10,565
		28,800	70,877
		72,306	2,107,141
1,024,394		547,617	2,175,340
			2,552,055
<u>1,024,394</u>	<u>10,565</u>	<u>648,723</u>	<u>6,915,978</u>
<u>(10,560)</u>	<u>(8,400)</u>		<u>(335,093)</u>
			(1,613,884)
			(1,613,884)
(10,560)	(8,400)		(1,948,977)
6,184,848	48,805		17,848,149
<u>\$ 6,174,288</u>	<u>\$ 40,405</u>	<u>\$</u>	<u>\$ 15,899,172</u>

**CITY OF BOCA RATON, FLORIDA
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Intergovernmental	\$ 1,807,100	\$ 2,445,700	\$ 725,018	\$ (1,720,682)
Miscellaneous	75,000	75,000	69,200	(5,800)
Total revenues	<u>1,882,100</u>	<u>2,520,700</u>	<u>794,218</u>	<u>(1,726,482)</u>
EXPENDITURES				
Current:				
Community development	181,000	181,000	295,578	(114,578)
Capital outlay	1,701,100	2,339,700	498,640	1,841,060
Total expenditures	<u>1,882,100</u>	<u>2,520,700</u>	<u>794,218</u>	<u>1,726,482</u>
Net change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>
Fund balance - beginning			<u> </u>	
Fund balance - ending			<u>\$</u>	

**CITY OF BOCA RATON, FLORIDA
HOUSING ASSISTANCE TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive / (Negative)
REVENUES				
Intergovernmental	\$ 484,100	\$ 484,100	\$ 153,499	\$ (330,601)
Investment earnings (loss)	500	500	1,382	882
Miscellaneous	350,000	350,000	90,000	(260,000)
Total revenues	<u>834,600</u>	<u>834,600</u>	<u>244,881</u>	<u>(589,719)</u>
EXPENDITURES				
Current:				
Community development	834,600	834,600	307,751	526,849
Total expenditures	<u>834,600</u>	<u>834,600</u>	<u>307,751</u>	<u>526,849</u>
Net change in fund balance	<u>\$</u>	<u>\$</u>	(62,870)	<u>\$ (62,870)</u>
Fund balance - beginning			<u>528,938</u>	
Fund balance - ending			<u>\$ 466,068</u>	

**CITY OF BOCA RATON, FLORIDA
LAW ENFORCEMENT TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Fines and forfeitures	\$ 59,000	\$ 59,000	\$ 55,449	\$ (3,551)
Investment earnings (loss)	6,000	6,000	2,840	(3,160)
Total revenues	<u>65,000</u>	<u>65,000</u>	<u>58,289</u>	<u>(6,711)</u>
EXPENDITURES				
Current:				
Law enforcement	100,000	104,400	42,077	62,323
Total expenditures	<u>100,000</u>	<u>104,400</u>	<u>42,077</u>	<u>62,323</u>
Net change in fund balance	<u>\$ (35,000)</u>	<u>\$ (39,400)</u>	16,212	<u>\$ 55,612</u>
Fund balance - beginning			<u>1,189,649</u>	
Fund balance - ending			<u>\$ 1,205,861</u>	

**CITY OF BOCA RATON, FLORIDA
TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive / (Negative)
REVENUES				
Taxes	\$ 1,986,400	\$ 1,986,400	\$ 2,131,977	\$ 145,577
Intergovernmental			45,630	45,630
Investment earnings (loss)	55,000	55,000	18,872	(36,128)
Miscellaneous			8,412	8,412
Total revenues	<u>2,041,400</u>	<u>2,041,400</u>	<u>2,204,891</u>	<u>163,491</u>
EXPENDITURES				
Current:				
Transportation	1,273,200	1,750,400	2,034,835	(284,435)
Capital outlay	<u>6,435,500</u>	<u>10,246,100</u>	<u>2,053,415</u>	<u>8,192,685</u>
Total expenditures	<u>7,708,700</u>	<u>11,996,500</u>	<u>4,088,250</u>	<u>7,908,250</u>
Net change in fund balance	<u>\$ (5,667,300)</u>	<u>\$ (9,955,100)</u>	(1,883,359)	<u>\$ 8,071,741</u>
Fund balance - beginning			<u>9,895,909</u>	
Fund balance - ending			<u>\$ 8,012,550</u>	

CITY OF BOCA RATON, FLORIDA
OCEAN BREEZE GBRBPD
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive / (Negative)
REVENUES				
Intergovernmental	\$ 1,180,000	\$ 1,180,000	\$ 1,180,000	
Investment earnings (loss)	433,900	433,900	433,884	\$ (16)
Total revenues	<u>1,613,900</u>	<u>1,613,900</u>	<u>1,613,884</u>	<u>(16)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(1,613,900)</u>	<u>(1,613,900)</u>	<u>(1,613,884)</u>	16
Total other financing sources (uses)	<u>(1,613,900)</u>	<u>(1,613,900)</u>	<u>(1,613,884)</u>	16
Net change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>
Fund balance - beginning			_____	
Fund balance - ending			<u>\$</u>	

**CITY OF BOCA RATON, FLORIDA
ECONOMIC DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Taxes	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	
Investment earnings (loss)	33,000	33,000	13,834	\$ (19,166)
Total revenues	1,033,000	1,033,000	1,013,834	(19,166)
EXPENDITURES				
Current:				
Community development	2,225,200	2,225,200	1,024,394	1,200,806
Total expenditures	2,225,200	2,225,200	1,024,394	1,200,806
Net change in fund balance	\$ (1,192,200)	\$ (1,192,200)	(10,560)	\$ 1,181,640
Fund balance - beginning			6,184,848	
Fund balance - ending			\$ 6,174,288	

CITY OF BOCA RATON, FLORIDA
LAND PROCEEDS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Investment earnings (loss)	\$ 5,000	\$ 5,000	\$ 2,165	\$ (2,835)
Total revenues	5,000	5,000	2,165	(2,835)
EXPENDITURES				
General government		18,600	10,565	8,035
Total expenditures		18,600	10,565	8,035
Net change in fund balance	\$ 5,000	\$ (13,600)	(8,400)	\$ 5,200
Fund balance - beginning			48,805	
Fund balance - ending			\$ 40,405	

**CITY OF BOCA RATON, FLORIDA
GRANT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Intergovernmental	\$ 767,700	\$ 802,200	\$ 648,723	\$ (153,477)
Total revenues	<u>767,700</u>	<u>802,200</u>	<u>648,723</u>	<u>(153,477)</u>
EXPENDITURES				
Current:				
Law enforcement	79,200	79,767	28,800	50,967
Transportation			72,306	(72,306)
Community development	529,000	547,700	547,617	83
Capital outlay	<u>159,500</u>	<u>174,733</u>		<u>174,733</u>
Total expenditures	<u>767,700</u>	<u>802,200</u>	<u>648,723</u>	<u>153,477</u>
Net change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>
Fund balance - beginning			<u> </u>	
Fund balance - ending			<u>\$</u>	

CITY OF BOCA RATON, FLORIDA
PERPETUAL CARE PERMANENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Charges for services	\$ 140,000	\$ 140,000	\$ 238,020	\$ 98,020
Investment earnings (loss)	21,000	21,000	8,660	(12,340)
Total revenues	161,000	161,000	246,680	85,680
Net change in fund balance	\$ 161,000	\$ 161,000	246,680	\$ 85,680
Fund balance - beginning			4,120,300	
Fund balance - ending			\$ 4,366,980	

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CITY OF BOCA RATON, FLORIDA
NON-MAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2021

	City Debt Service Fund	Total Non-major Debt Service Funds
ASSETS		
Cash and cash equivalents	\$ 2,288,261	\$ 2,288,261
Total assets	\$ 2,288,261	\$ 2,288,261
FUND BALANCES		
Restricted for:		
Building permits		
Debt service	\$ 2,288,261	\$ 2,288,261
Total fund balances	2,288,261	2,288,261
Total liabilities, deferred inflows of resources and fund balances	\$ 2,288,261	\$ 2,288,261

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<u>City Debt Service Fund</u>	<u>Total Non-major Debt Service Funds</u>
REVENUES		
Taxes	\$ 2,720,333	\$ 2,720,333
Total revenues	<u>2,720,333</u>	<u>2,720,333</u>
EXPENDITURES		
Debt service:		
Principal	7,350,000	7,350,000
Interest	<u>1,488,170</u>	<u>1,488,170</u>
Total expenditures	<u>8,838,170</u>	<u>8,838,170</u>
Excess (deficiency) of revenues over expenditures	<u>(6,117,837)</u>	<u>(6,117,837)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	<u>6,255,964</u>	<u>6,255,964</u>
Total other financing sources (uses)	<u>6,255,964</u>	<u>6,255,964</u>
Net change in fund balances	138,127	138,127
Fund balances - beginning	<u>2,150,134</u>	<u>2,150,134</u>
Fund balances - ending	<u>\$ 2,288,261</u>	<u>\$ 2,288,261</u>

CITY OF BOCA RATON, FLORIDA
CITY DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Taxes	\$ 2,571,900	\$ 2,571,900	\$ 2,720,333	\$ 148,433
Total revenues	<u>2,571,900</u>	<u>2,571,900</u>	<u>2,720,333</u>	<u>148,433</u>
EXPENDITURES				
Debt service:				
Principal	7,350,000	7,350,000	7,350,000	
Interest	1,527,400	1,527,400	1,488,170	39,230
Total expenditures	<u>8,877,400</u>	<u>8,877,400</u>	<u>8,838,170</u>	<u>39,230</u>
Excess (deficiency) of revenues over expenditures	<u>(6,305,500)</u>	<u>(6,305,500)</u>	<u>(6,117,837)</u>	<u>187,663</u>
OTHER FINANCING SOURCES				
Transfers in	6,256,200	6,256,200	6,255,964	(236)
Total other financing sources	<u>6,256,200</u>	<u>6,256,200</u>	<u>6,255,964</u>	<u>(236)</u>
Net change in fund balance	<u>\$ (49,300)</u>	<u>\$ (49,300)</u>	138,127	<u>\$ 187,427</u>
Fund balance - beginning			<u>2,150,134</u>	
Fund balance - ending			<u>\$ 2,288,261</u>	

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**CITY OF BOCA RATON, FLORIDA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2021**

	Right of Way Acquisition Program Fund	Park Land Dedication Fund	Downtown Land Dedication Fund
ASSETS			
Cash and cash equivalents	\$ 1,266,126	\$ 6,802,853	\$ 4,084,474
Investments	1,207,333	6,486,260	3,895,514
Receivables, net:			
Assessments			
Interest	5,607	18,811	15,852
Total assets	<u>\$ 2,479,066</u>	<u>\$ 13,307,924</u>	<u>\$ 7,995,840</u>
LIABILITIES			
Accounts payable and accrued liabilities		\$ 841,642	\$ 19,648
FUND BALANCES			
Restricted for:			
Downtown			
Land dedication		12,466,282	7,976,192
Committed to:			
Right of way acquisition	\$ 2,479,066		
Total fund balances	<u>2,479,066</u>	<u>12,466,282</u>	<u>7,976,192</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,479,066</u>	<u>\$ 13,307,924</u>	<u>\$ 7,995,840</u>

Downtown Infrastructure Fund	Total Non-Major Capital Projects Funds
\$ 469,092	\$ 12,622,545
443,016	12,032,123
261,293	261,293
1,868	42,138
<u>\$ 1,175,269</u>	<u>\$ 24,958,099</u>
	\$ 861,290
\$ 1,175,269	1,175,269
	20,442,474
	2,479,066
<u>1,175,269</u>	<u>24,096,809</u>
<u>\$ 1,175,269</u>	<u>\$ 24,958,099</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<u>Right of Way Acquisition Program Fund</u>	<u>Park Land Dedication Fund</u>	<u>Downtown Land Dedication Fund</u>
REVENUES			
Special assessments			
Donations in lieu of land		\$ 2,115,430	\$ 708,360
Investment earnings (loss)	\$ 5,101	27,018	15,617
Total revenues	<u>5,101</u>	<u>2,142,448</u>	<u>723,977</u>
EXPENDITURES			
Physical environment		130,247	
Parks and recreation		42,295	35,197
Capital outlay		1,234,499	
Total expenditures		<u>1,407,041</u>	<u>35,197</u>
Excess (deficiency) of revenues over expenditures	<u>5,101</u>	<u>735,407</u>	<u>688,780</u>
OTHER FINANCING SOURCES (USES)			
Transfers out			
Total other financing sources (uses)			
Net change in fund balances	5,101	735,407	688,780
Fund balances - beginning	<u>2,473,965</u>	<u>11,730,875</u>	<u>7,287,412</u>
Fund balances - ending	<u>\$ 2,479,066</u>	<u>\$ 12,466,282</u>	<u>\$ 7,976,192</u>

<u>Downtown Infrastructure Fund</u>	<u>Total Non-Major Capital Project Funds</u>
\$ 1,530,233	\$ 1,530,233
4,913	2,823,790
<u>1,535,146</u>	<u>52,649</u>
	<u>4,406,672</u>
	130,247
	77,492
	<u>1,234,499</u>
	<u>1,442,238</u>
<u>1,535,146</u>	<u>2,964,434</u>
<u>(1,460,438)</u>	<u>(1,460,438)</u>
<u>(1,460,438)</u>	<u>(1,460,438)</u>
74,708	1,503,996
<u>1,100,561</u>	<u>22,592,813</u>
<u>\$ 1,175,269</u>	<u>\$ 24,096,809</u>

CITY OF BOCA RATON, FLORIDA
RIGHT OF WAY ACQUISITION PROGRAM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Investment earnings (loss)	\$ 12,000	\$ 12,000	\$ 5,101	\$ (6,899)
Total revenues	12,000	12,000	5,101	(6,899)
EXPENDITURES				
Total expenditures				
Net change in fund balance	\$ 12,000	\$ 12,000	5,101	\$ (6,899)
Fund balance - beginning			2,473,965	
Fund balance - ending			\$ 2,479,066	

**CITY OF BOCA RATON, FLORIDA
PARK LAND DEDICATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Donations in lieu of land	\$ 400,000	\$ 400,000	\$ 2,115,430	\$ 1,715,430
Investment earnings (loss)	50,000	50,000	27,018	(22,982)
Total revenues	450,000	450,000	2,142,448	1,692,448
EXPENDITURES				
Physical environment			130,247	(130,247)
Parks and recreation	50,000	50,000	42,295	7,705
Capital outlay	4,254,500	5,512,400	1,234,499	4,277,901
Total expenditures	4,304,500	5,562,400	1,407,041	4,155,359
Net change in fund balance	<u>\$ (3,854,500)</u>	<u>\$ (5,112,400)</u>	735,407	<u>\$ 5,847,807</u>
Fund balance - beginning			11,730,875	
Fund balance - ending			<u>\$ 12,466,282</u>	

**CITY OF BOCA RATON, FLORIDA
DOWNTOWN LAND DEDICATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Donations in lieu of land			\$ 708,360	\$ 708,360
Investment earnings (loss)	\$ 37,000	\$ 37,000	15,617	(21,383)
Total revenues	<u>37,000</u>	<u>37,000</u>	<u>723,977</u>	<u>686,977</u>
EXPENDITURES				
Parks and recreation			35,197	(35,197)
Capital outlay	40,000	40,000		40,000
Total expenditures	<u>40,000</u>	<u>40,000</u>	<u>35,197</u>	<u>4,803</u>
Net change in fund balance	<u>\$ (3,000)</u>	<u>\$ (3,000)</u>	688,780	<u>\$ 691,780</u>
Fund balance - beginning			<u>7,287,412</u>	
Fund balance - ending			<u>\$ 7,976,192</u>	

**CITY OF BOCA RATON, FLORIDA
DOWNTOWN INFRASTRUCTURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Special assessments	\$ 1,510,000	\$ 1,510,000	\$ 1,530,233	\$ 20,233
Investment earnings (loss)	7,000	7,000	4,913	(2,087)
Total revenues	1,517,000	1,517,000	1,535,146	18,146
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,460,600)	(1,460,600)	(1,460,438)	162
Total other financing sources (uses)	(1,460,600)	(1,460,600)	(1,460,438)	162
Net change in fund balance	\$ 56,400	\$ 56,400	74,708	\$ 18,308
Fund balance - beginning			1,100,561	
Fund balance - ending			\$ 1,175,269	

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Non-Major Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The costs of providing goods or services to the general public are financed or recovered primarily through user charges.

Cemetery Fund -- To account for the operation of the City's cemetery and mausoleum.

Golf Course Fund -- To account for the operation of the City's golf courses.

Stormwater Utility Fund -- To account for the provision of stormwater maintenance and capital improvements to the residents of the City.

Sanitation Fund -- To account for the provision of solid waste services and capital assets used to provide the services to the residents of the City.

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

	Cemetery Mausoleum	Golf Course	Stormwater Utility	Sanitation	Total Non-Major Enterprise Funds
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 47,119	\$ 2,500	\$ 4,881,175	\$ 4,610,285	\$ 9,541,079
Investments	77,631		4,687,735	4,256,313	9,021,679
Interest receivable on investments	1,301	1,561	19,010	17,443	39,315
Accounts receivable	18,002		365,973	1,853,343	2,237,318
Due from other governmental units		91,816			91,816
Inventories	59,048				59,048
Total current assets	<u>203,101</u>	<u>95,877</u>	<u>9,953,893</u>	<u>10,737,384</u>	<u>20,990,255</u>
Noncurrent assets:					
Capital assets:					
Land	118,000	4,944,693			5,062,693
Construction in progress			172,928	45,896	218,824
Buildings	1,488,761	8,824,400			10,313,161
Improvements other than buildings	588,373	10,335,131	17,469,213		28,392,717
Equipment	200,739	1,657,311	1,831,509	12,750,590	16,440,149
Less accumulated depreciation	(1,826,366)	(3,956,456)	(9,364,973)	(4,043,936)	(19,191,731)
Total capital assets (net of accumulated depreciation)	<u>569,507</u>	<u>21,805,079</u>	<u>10,108,677</u>	<u>8,752,550</u>	<u>41,235,813</u>
Total noncurrent assets	<u>569,507</u>	<u>21,805,079</u>	<u>10,108,677</u>	<u>8,752,550</u>	<u>41,235,813</u>
Total assets	<u>772,608</u>	<u>21,900,956</u>	<u>20,062,570</u>	<u>19,489,934</u>	<u>62,226,068</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows for pensions	48,691	194,766	111,117	436,976	791,550
Deferred outflows for OPEB	1,665	6,384	3,331	15,822	27,202
Total deferred outflows of resources	<u>50,356</u>	<u>201,150</u>	<u>114,448</u>	<u>452,798</u>	<u>818,752</u>
LIABILITIES					
Current liabilities:					
Due to other funds		8,211			8,211
Accounts payable and accrued liabilities	66,854	227,924	75,788	662,384	1,032,950
Advances from other funds		320,000			320,000
Compensated absences	800	24,116	8,432	41,794	75,142
Performance bonds and escrow funds		1,000			1,000
Unearned revenue		19,983			19,983
Customer deposits payable				6,170	6,170
Restricted retainage payable			3,518		3,518
Total current liabilities	<u>67,654</u>	<u>601,234</u>	<u>87,738</u>	<u>710,348</u>	<u>1,466,974</u>
Non-current liabilities:					
Compensated absences	7,197	217,044	75,887	376,149	676,277
Net pension liability	69,773	279,094	159,227	626,173	1,134,267
Total OPEB liability	<u>22,079</u>	<u>84,636</u>	<u>44,158</u>	<u>209,752</u>	<u>360,625</u>
Total noncurrent liabilities	<u>99,049</u>	<u>580,774</u>	<u>279,272</u>	<u>1,212,074</u>	<u>2,171,169</u>
Total liabilities	<u>166,703</u>	<u>1,182,008</u>	<u>367,010</u>	<u>1,922,422</u>	<u>3,638,143</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows for pensions	31,876	127,504	72,743	286,066	518,189
Deferred inflows for OPEB	1,005	3,852	2,010	9,546	16,413
Total deferred inflows of resources	<u>32,881</u>	<u>131,356</u>	<u>74,753</u>	<u>295,612</u>	<u>534,602</u>
NET POSITION					
Net investment in capital assets	569,507	21,805,079	10,105,159	8,752,550	41,232,295
Unrestricted	53,873	(1,016,337)	9,630,096	8,972,148	17,639,780
Total net position	<u>\$ 623,380</u>	<u>\$ 20,788,742</u>	<u>\$ 19,735,255</u>	<u>\$ 17,724,698</u>	<u>\$ 58,872,075</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Cemetery Mausoleum	Golf Course	Stormwater Utility	Sanitation	Total Non-major Enterprise Funds
OPERATING REVENUES					
Charges for sales and services	\$ 368,826	\$ 2,918,572	\$ 3,020,969	\$ 10,921,592	\$ 17,229,959
Other	930	2,410		22,026	25,366
Total operating revenues	<u>369,756</u>	<u>2,920,982</u>	<u>3,020,969</u>	<u>10,943,618</u>	<u>17,255,325</u>
OPERATING EXPENSES					
Personnel services	358,535	1,681,596	714,176	3,535,230	6,289,537
Materials and supplies	48,408	363,388	2,319	108,569	522,684
General and administration	36,510	264,535	488,182	1,014,803	1,804,030
Other services and charges	397,968	410,431	910,227	1,947,645	3,666,271
Depreciation/amortization of capital assets	60,413	534,269	736,632	1,268,094	2,599,408
Total operating expenses	<u>901,834</u>	<u>3,254,219</u>	<u>2,851,536</u>	<u>7,874,341</u>	<u>14,881,930</u>
Operating income (loss)	<u>(532,078)</u>	<u>(333,237)</u>	<u>169,433</u>	<u>3,069,277</u>	<u>2,373,395</u>
NONOPERATING REVENUES (EXPENSES)					
Investment earnings	844	787	18,187	11,466	31,284
Gain (loss) on disposal of capital assets		10,205		(104,722)	(94,517)
Total nonoperating revenues (expenses)	<u>844</u>	<u>10,992</u>	<u>18,187</u>	<u>(93,256)</u>	<u>(63,233)</u>
Income (loss) before transfers and contributions	(531,234)	(322,245)	187,620	2,976,021	2,310,162
Transfers out			(1,700)	(19,900)	(21,600)
Capital contributions		19,365,249			19,365,249
Change in net position	(531,234)	19,043,004	185,920	2,956,121	21,653,811
Net position, beginning	1,154,614	1,745,738	19,549,335	14,768,577	37,218,264
Net position, ending	<u>\$ 623,380</u>	<u>\$ 20,788,742</u>	<u>\$ 19,735,255</u>	<u>\$ 17,724,698</u>	<u>\$ 58,872,075</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Cemetery/ Mausoleum	Golf Course	Stormwater Utility	Sanitation	Total Non- Major Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 363,783	\$ 22,440,544	\$ 2,985,069	\$ 10,848,681	\$ 36,638,077
Payments to suppliers	(420,809)	(994,642)	(1,372,727)	(2,613,680)	(5,401,858)
Payments to employees	(368,204)	(1,831,087)	(813,722)	(3,446,020)	(6,459,033)
Net cash provided by (used in) operating activities	<u>(425,230)</u>	<u>19,614,815</u>	<u>798,620</u>	<u>4,788,981</u>	<u>24,777,186</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers out			(1,700)	(19,900)	(21,600)
Net cash provided by (used in) noncapital financing activities			<u>(1,700)</u>	<u>(19,900)</u>	<u>(21,600)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets		(19,529,822)	(115,126)	(1,053,912)	(20,698,860)
Capital Contributions					
Proceeds from sale of capital assets		20,410		(209,444)	(189,034)
Due to other funds		(86,585)			(86,585)
Net cash provided by (used in) capital and related financing activities		<u>(19,595,997)</u>	<u>(115,126)</u>	<u>(1,263,356)</u>	<u>(20,974,479)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	1,139	1,331	26,881	16,962	46,313
Sale of investments	292,807		4,726,950	2,850,988	7,870,745
Purchase of investments	(77,631)	(20,149)	(4,687,735)	(4,256,313)	(9,041,828)
Net cash provided by (used in) investing activities	<u>216,315</u>	<u>(18,818)</u>	<u>66,096</u>	<u>(1,388,363)</u>	<u>(1,124,770)</u>
Net increase (decrease) in cash and cash equivalents	(208,915)		747,890	2,117,362	2,656,337
Cash and cash equivalents					
Beginning of year	<u>256,034</u>	<u>2,500</u>	<u>4,133,285</u>	<u>2,492,923</u>	<u>6,884,742</u>
End of year	<u>\$ 47,119</u>	<u>\$ 2,500</u>	<u>\$ 4,881,175</u>	<u>\$ 4,610,285</u>	<u>\$ 9,541,079</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS (continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Cemetery/ Mausoleum	Golf Course	Stormwater Utility	Sanitation	Total Non- Major Enterprise Funds
RECONCILIATION OF OPERATING INCOME (LOSS)					
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating income (loss)	\$ (532,078)	\$ 19,032,012	\$ 169,433	\$ 3,069,277	\$ 21,738,644
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	60,413	534,269	736,632	1,268,094	2,599,408
Change in assets, liabilities, deferred outflows & deferred inflows					
(Increase) decrease in accounts receivable	(5,973)		(35,900)	(97,366)	(139,239)
(Increase) decrease in due from other governmental units		155,542			155,542
(Increase) decrease in inventories	3,473				3,473
(Increase) decrease in other assets					
(Increase) decrease in deferred pension outflows	18,399	187,553	87,024	(6,750)	286,226
Increase (decrease) in accounts payable and accrued liabilities	48,996	38,966	21,606	449,176	558,744
Increase (decrease) in retainage payable			3,247		3,247
Increase (decrease) in customer deposits payable				2,429	2,429
Increase (decrease) in compensated absences	(3,920)	(20,735)	(29,058)	(65,135)	(118,848)
Increase (decrease) in total OPEB liability	803	3,078	5,152	7,629	16,662
Increase (decrease) in unearned revenue		(1,229)			(1,229)
Increase (decrease) in net pension liability	(11,557)	(284,562)	(165,018)	104,920	(356,217)
Increase (decrease) in deferred inflows for pensions	(3,531)	(29,100)	5,803	59,135	32,307
Increase (decrease) in deferred inflows for OPEB	(255)	(979)	(301)	(2,428)	(3,963)
Total adjustments	106,848	582,803	629,187	1,719,704	3,038,542
Net cash provided by (used in) operating activities	\$ (425,230)	\$ 19,614,815	\$ 798,620	\$ 4,788,981	\$ 24,777,186
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Unrealized gain (loss) on investments	\$ (740)	\$ -	\$ (11,962)	\$ (7,219)	\$ (19,921)

(Continued)

Internal Service Funds

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

Fleet Management -- To account for the cost of operating a maintenance facility for automotive equipment used by other City departments, and administering the City fleet.

Information Technology -- To account for the cost of operating a computer facility used by other City departments.

Self-Insurance Programs -- To account for the cost of providing health and workers' compensation insurance coverage to all City employees, and the City's general liability self-insurance program.

Retirement Sustainability Fund -- provides a separate funding for certain receipts and expenditures for all of the City's defined benefit plans and accounts for reserves to reduce the financial burden, if any, of retiree defined benefit plan payments on future taxpayers.

**CITY OF BOCA RATON, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

	Fleet Management Fund	Information Technology Fund	Self- Insurance Programs Fund	Retirement Sustainability Fund	Total Internal Service Funds
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 15,239,951	\$ 3,403,351	\$ 14,971,143	\$ 20,688,604	\$ 54,303,049
Investments	14,544,704	3,608,276	14,205,605	19,727,935	52,086,520
Interest receivable on investments	55,683	38,202	91,958	64,857	250,700
Accounts receivable	244,040		435,980		680,020
Inventories	866,454				866,454
Total current assets	<u>30,950,832</u>	<u>7,049,829</u>	<u>29,704,686</u>	<u>40,481,396</u>	<u>108,186,743</u>
Capital Assets:					
Construction in progress	25,848	7,026,739			7,052,587
Buildings	1,270,000				1,270,000
Equipment	36,078,582	5,058,319			41,136,901
	<u>37,374,430</u>	<u>12,085,058</u>			<u>49,459,488</u>
Less accumulated depreciation	<u>(24,123,760)</u>	<u>(3,563,892)</u>			<u>(27,687,652)</u>
Total capital assets (net of accumulated depreciation/amortization)	<u>13,250,670</u>	<u>8,521,166</u>			<u>21,771,836</u>
Total assets	<u>44,201,502</u>	<u>15,570,995</u>	<u>29,704,686</u>	<u>40,481,396</u>	<u>129,958,579</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows for pensions	174,790	1,262,137	217,391		1,654,318
Deferred outflows for OPEB	4,996	13,324	2,220		20,540
Total deferred outflows of resources	<u>179,786</u>	<u>1,275,461</u>	<u>219,611</u>		<u>1,674,858</u>
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	180,287	724,731	1,324,056		2,229,074
Compensated absences	17,324	64,838	11,067		93,229
Estimated liability for self-insurance losses			2,973,000		2,973,000
Total current liabilities	<u>197,611</u>	<u>789,569</u>	<u>4,308,123</u>		<u>5,295,303</u>
Non-current liabilities:					
Compensated absences	155,913	583,543	99,605		839,061
Net pension liability	250,469	2,427,262	501,690		3,179,421
Total OPEB liability	66,237	176,633	29,438		272,308
Estimated liability for self-insurance losses			8,156,000		8,156,000
Total noncurrent liabilities	<u>472,619</u>	<u>3,187,438</u>	<u>8,786,733</u>		<u>12,446,790</u>
Total liabilities	<u>670,230</u>	<u>3,977,007</u>	<u>13,094,856</u>		<u>17,742,093</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows for pensions	114,426	536,554	53,260		704,240
Deferred inflows for OPEB	3,015	8,039	1,340		12,394
Total deferred inflows of resources	<u>117,441</u>	<u>544,593</u>	<u>54,600</u>		<u>716,634</u>
NET POSITION					
Net investment in capital assets	13,250,670	8,521,166			21,771,836
Unrestricted	30,342,947	3,803,690	16,774,841	40,481,396	91,402,874
Total net position	<u>\$ 43,593,617</u>	<u>\$ 12,324,856</u>	<u>\$ 16,774,841</u>	<u>\$ 40,481,396</u>	<u>\$ 113,174,710</u>

**CITY OF BOCA RATON, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Fleet Management Fund	Information Technology Fund	Self- Insurance Programs Fund	Retirement Sustainability Fund	Total Internal Service Funds
OPERATING REVENUES					
Fleet management	\$ 5,649,182				\$ 5,649,182
Management information processing		\$ 11,081,000			11,081,000
Insurance premiums			\$ 22,334,827		22,334,827
Insurance premium tax				\$ 3,711,634	3,711,634
Other	526,935	81,069	1,168,980		1,776,984
Total operating revenues	<u>6,176,117</u>	<u>11,162,069</u>	<u>23,503,807</u>	<u>3,711,634</u>	<u>44,553,627</u>
OPERATING EXPENSES					
Personnel services	1,301,191	5,903,125	934,137		8,138,453
Materials and supplies	73,694	94,612	3,128		171,434
General and administration	121,706	51,501	33,300		206,507
Other services and charges	334,079	6,437,680	5,605,884		12,377,643
Insurance claims			18,913,056		18,913,056
Pension benefits				3,711,634	3,711,634
Depreciation/amortization of capital assets	3,746,765	466,221			4,212,986
Total operating expenses	<u>5,577,435</u>	<u>12,953,139</u>	<u>25,489,505</u>	<u>3,711,634</u>	<u>47,731,713</u>
Operating income (loss)	<u>598,682</u>	<u>(1,791,070)</u>	<u>(1,985,698)</u>		<u>(3,178,086)</u>
NONOPERATING REVENUES (EXPENSES)					
Investment earnings	61,509	17,402	63,607	83,288	225,806
Gain (loss) on disposal of capital assets	420,627				420,627
Total nonoperating revenues (expenses)	<u>482,136</u>	<u>17,402</u>	<u>63,607</u>	<u>83,288</u>	<u>646,433</u>
Income (loss) before transfers and contributions	1,080,818	(1,773,668)	(1,922,091)	83,288	(2,531,653)
Transfers in	172,000	3,064,200			3,236,200
Change in net position	1,252,818	1,290,532	(1,922,091)	83,288	704,547
Net position, beginning	42,340,799	11,034,324	18,696,932	40,398,108	112,470,163
Net position, ending	<u>\$ 43,593,617</u>	<u>\$ 12,324,856</u>	<u>\$ 16,774,841</u>	<u>\$ 40,481,396</u>	<u>\$ 113,174,710</u>

**CITY OF BOCA RATON, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Fleet Management Fund	Information Technology Fund	Self-Insurance Programs Fund	Retirement Sustainability Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 5,955,124	\$ 11,162,069	\$ 23,358,507	\$ 3,711,634	\$ 44,187,334
Payments to suppliers	(822,271)	(6,219,786)	(5,336,069)	(3,711,634)	(16,089,760)
Payments to employees	(1,254,119)	(5,479,069)	(802,669)		(7,535,857)
Claims paid			(18,543,056)		(18,543,056)
Net cash provided by (used in) operating activities	<u>3,878,734</u>	<u>(536,786)</u>	<u>(1,323,287)</u>		<u>2,018,661</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	172,000	3,064,200			3,236,200
Net cash provided by (used in) noncapital financing activities	<u>172,000</u>	<u>3,064,200</u>			<u>3,236,200</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(5,654,072)	(2,848,520)			(8,502,592)
Proceeds from sale of capital assets	841,254				841,254
Net cash provided by (used in) capital and related financing activities	<u>(4,812,818)</u>	<u>(2,848,520)</u>			<u>(7,661,338)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	87,685	25,622	94,287	122,777	330,371
Sale of investments	16,249,905	3,898,134	16,218,814	21,496,743	57,863,596
Purchase of investments	(14,544,704)	(3,608,276)	(14,205,605)	(19,727,935)	(52,086,520)
Net cash provided by (used in) investing activities	<u>1,792,886</u>	<u>315,480</u>	<u>2,107,496</u>	<u>1,891,585</u>	<u>6,107,447</u>
Net increase (decrease) in cash and cash equivalents	1,030,802	(5,626)	784,209	1,891,585	3,700,970
Cash and cash equivalents Beginning of year	<u>14,209,149</u>	<u>3,408,977</u>	<u>14,186,934</u>	<u>18,797,019</u>	<u>50,602,079</u>
End of year	<u>\$ 15,239,951</u>	<u>\$ 3,403,351</u>	<u>\$ 14,971,143</u>	<u>\$ 20,688,604</u>	<u>\$ 54,303,049</u>

CITY OF BOCA RATON, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS (continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	<u>Fleet Management Fund</u>	<u>Information Technology Fund</u>	<u>Self-Insurance Programs Fund</u>	<u>Retirement Sustainability Fund</u>	<u>Total Internal Service Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS)					
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating income (loss)	\$ 598,682	\$ (1,791,070)	\$ (1,985,698)	\$ -	\$ (3,178,086)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	3,746,765	466,221			4,212,986
Change in assets, liabilities, deferred outflows & deferred inflows					
(Increase) decrease in accounts receivable	(220,993)		(145,300)		(366,293)
(Increase) decrease in due from other governmental units					200,619
(Increase) decrease in inventories	(159,853)				(159,853)
(Increase) decrease in other assets		200,619			200,619
(Increase) decrease in deferred pension outflows	35,797	177,349	(4,105)		209,041
Increase (decrease) in accounts payable and accrued liabilities	(137,069)	149,288	303,809		316,028
Increase (decrease) in compensated absences	8,814	23,536	12,400		44,750
Increase (decrease) in total OPEB liability	9,501	6,424	1,070		16,995
Increase (decrease) in estimated liability for self-insurance losses			370,000		370,000
Increase (decrease) in net pension liability	(5,536)	271,245	135,757		401,466
Increase (decrease) in deferred inflows for pensions	2,972	(38,353)	(10,880)		(46,261)
Increase (decrease) in deferred inflows for OPEB	(346)	(2,045)	(340)		(2,731)
Total adjustments	<u>3,280,052</u>	<u>1,254,284</u>	<u>662,411</u>		<u>5,196,747</u>
Net cash provided by (used in) operating activities	<u>\$ 3,878,734</u>	<u>\$ (536,786)</u>	<u>\$ (1,323,287)</u>	<u>\$ -</u>	<u>\$ 2,018,661</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Unrealized gain (loss) on investments	\$ (41,009)	\$ (9,846)	\$ (40,965)	\$ (54,295)	\$ (146,115)

(Continued)

Pension Trust Funds

Pension Trust Funds account for financial operations and condition of the City's three pension plans.

General Employees' Pension Plan, Police and Firefighters' Retirement System and Executive Employees' Retirement Plan -- To account for the accumulation of resources to be used for the retirement benefit payments to the City's employees. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial valuation.

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**CITY OF BOCA RATON, FLORIDA
PENSION TRUST FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2021**

	Police and Firefighters' Retirement System	General Employees' Pension Plan	Executive Employees' Retirement Plan	Total Pension Trust Funds
ASSETS				
Cash and cash equivalents	\$ 6,668,461	\$ 44,673,395	\$ 257,562	\$ 51,599,418
Investments:				
Common and preferred stock	147,484,682	121,964,600		269,449,282
U.S. government securities	16,520,717	10,472,168		26,992,885
Corporate bonds and debentures	43,189,033	28,121,715		71,310,748
Infrastructure		10,549,621		10,549,621
Commingled funds	38,102,579	32,584,225		70,686,804
Real estate	25,442,183	20,650,614		46,092,797
Private Equity	184,434,712			184,434,712
Multi Asset Class	49,418,551			49,418,551
Florida Municipal Pension Trust Fund			64,132,921	64,132,921
Total investments	<u>504,592,457</u>	<u>224,342,943</u>	<u>64,132,921</u>	<u>793,068,321</u>
Receivables:				
Interest and dividends	263,069	242,163		505,232
Unsettled trades receivable	11,524	607,491		619,015
Total receivables	<u>274,593</u>	<u>849,654</u>		<u>1,124,247</u>
Other assets		19,930		19,930
Prepaid expenses	33,987			33,987
Total assets	<u>511,569,498</u>	<u>269,885,922</u>	<u>64,390,483</u>	<u>845,845,903</u>
LIABILITIES				
Accounts payable	374,005	286,011		660,016
Unsettled trades payable	100,695	573,057		673,752
Total liabilities	<u>474,700</u>	<u>859,068</u>		<u>1,333,768</u>
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 511,094,798</u>	<u>\$ 269,026,854</u>	<u>\$ 64,390,483</u>	<u>\$ 844,512,135</u>

CITY OF BOCA RATON, FLORIDA
PENSION TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Police and Firefighters' Retirement System	General Employees' Pension Plan	Executive Employees' Retirement Plan	Total Pension Trust Funds
ADDITIONS				
Contributions:				
City	\$ 15,721,887	\$ 1,624,278	\$ 2,600,459	\$ 19,946,624
State	3,711,634			3,711,634
Employee	4,369,997	2,469,616	698,790	7,538,403
Transfer from other pension trust funds			94,108	94,108
Total contributions	<u>23,803,518</u>	<u>4,093,894</u>	<u>3,393,357</u>	<u>31,290,769</u>
Investment income:				
Interest revenue	954,182	46,075,085	12,107,989	59,137,256
Dividends	8,722,995	2,653,351		11,376,346
Net appreciation (depreciation) in fair value of investments	97,443,234			97,443,234
Other investment income	16,547	2,194		18,741
Investment expense	<u>(5,612,145)</u>	<u>(881,207)</u>	<u>(49,000)</u>	<u>(6,542,352)</u>
Total investment income	<u>101,524,813</u>	<u>47,849,423</u>	<u>12,058,989</u>	<u>161,433,225</u>
Total additions	<u>125,328,331</u>	<u>51,943,317</u>	<u>15,452,346</u>	<u>192,723,994</u>
DEDUCTIONS				
Benefits paid:				
Retirement	21,325,765	12,535,547	2,448,239	36,309,551
Disability	858,557	83,442		941,999
Death	980,884	1,064,115		2,044,999
Deferred retirement option plan	7,665,009	2,429,489	761,753	10,856,251
Termination refunds	39,011	243,956	34,712	317,679
Administrative expenses	229,349	152,106	107,702	489,157
Transfer to other pension trust funds		94,108		94,108
Total deductions	<u>31,098,575</u>	<u>16,602,763</u>	<u>3,352,406</u>	<u>51,053,744</u>
Net increase/(decrease) in net position	94,229,756	35,340,554	12,099,940	141,670,250
NET POSITION RESTRICTED FOR PENSION				
Beginning of year	416,865,042	233,686,300	52,290,543	702,841,885
End of year	<u>\$ 511,094,798</u>	<u>\$ 269,026,854</u>	<u>\$ 64,390,483</u>	<u>\$ 844,512,135</u>

STATISTICAL SECTION

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

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The information presented in this section is intended to assist users in understanding and assessing how a government's financial position has changed over time.

Revenue Capacity	182
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This section is intended to assist users in understanding and assessing the factors affecting a government's ability to generate its own-source revenue.

Debt Capacity	187
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The information presented in this section is intended to assist users in understanding and assessing a government's debt burden and its ability to issue additional debt.

Demographic and Economic Information	192
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This section is intended (1) to assist users in understanding the socioeconomic environment within which a government operates and (2) to provide information that facilitates comparisons of financial statement information over time and among governments.

Operating Information	195
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This section is intended to provide contextual information about a government's operations and resources to assist readers in using financial statement information to understand and assess a government's economic condition.

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FINANCIAL TREND INFORMATION

The information presented in this section is intended to assist users in understanding and assessing how a government's financial position has changed over time.

**CITY OF BOCA RATON, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

(accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental activities					
Net investment in capital assets	\$370,985	\$368,548	\$365,123	\$343,424	\$346,406
Restricted	45,031	45,621	54,793	64,313	68,787
Unrestricted	87,241	94,762	99,030	40,029	64,216
Total governmental activities net position	<u>\$503,257</u>	<u>\$508,931</u>	<u>\$518,946</u>	<u>\$447,766</u>	<u>\$479,409</u>
Business-type activities					
Net investment in capital assets	\$207,936	\$214,698	\$224,767	\$221,972	\$228,380
Restricted	51,835	60,744	66,786	68,015	79,734
Unrestricted	65,329	61,970	53,581	72,957	72,893
Total business-type activities net position	<u>\$325,100</u>	<u>\$337,412</u>	<u>\$345,134</u>	<u>\$362,944</u>	<u>\$381,007</u>
Primary government					
Net investment in capital assets	\$578,921	\$583,246	\$589,890	\$565,396	\$574,786
Restricted	96,866	106,365	121,579	132,328	148,521
Unrestricted	152,570	156,732	152,611	112,986	137,109
Total primary government net position	<u>\$828,357</u>	<u>\$846,343</u>	<u>\$864,080</u>	<u>\$810,710</u>	<u>\$860,416</u>

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$383,364	\$356,695	\$339,885	\$348,293	\$352,192
77,176	84,149	109,664	105,290	89,740
25,208	44,238	49,682	37,079	55,309
<u>\$485,748</u>	<u>\$485,082</u>	<u>\$499,231</u>	<u>\$490,662</u>	<u>\$497,241</u>

\$229,424	\$227,958	\$239,614	\$249,849	\$256,087
75,550	61,802	59,222	45,114	74,943
90,195	111,578	120,150	133,218	124,327
<u>\$395,169</u>	<u>\$401,338</u>	<u>\$418,986</u>	<u>\$428,181</u>	<u>\$455,357</u>

\$612,788	\$584,653	\$579,499	\$598,142	\$608,279
152,726	145,951	168,886	150,404	164,683
115,403	155,816	169,832	170,297	179,637
<u>\$880,917</u>	<u>\$886,420</u>	<u>\$918,217</u>	<u>\$918,843</u>	<u>\$952,599</u>

**CITY OF BOCA RATON, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

*(accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)*

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Expenses					
Governmental activities:					
General government	\$ 18,808	\$ 18,891	\$ 19,017	\$ 20,655	\$ 34,158
Law enforcement	40,865	42,044	43,913	40,575	34,328
Fire rescue	42,227	43,626	44,831	42,631	37,701
Physical environment	4,105	4,255	4,055	4,217	4,449
Transportation	17,925	20,185	19,166	17,744	13,672
Community development	3,106	2,889	2,804	3,257	5,345
Parks and recreation	39,039	37,542	37,507	37,107	38,605
Interest and fiscal charges	2,971	3,807	4,114	2,165	2,393
Total governmental activities expenses	<u>169,046</u>	<u>173,239</u>	<u>175,407</u>	<u>168,351</u>	<u>170,651</u>
Business-type activities:					
Water and sewer	43,662	45,617	45,393	48,616	48,415
Cemetery	589	569	623	610	664
Golf course	2,690	2,776	2,787	2,726	2,831
Stormwater utility	2,545	2,169	2,428	2,252	2,260
Sanitation	6,593	6,727	6,758	6,183	6,816
Total business-type activities expenses	<u>56,079</u>	<u>57,858</u>	<u>57,989</u>	<u>60,387</u>	<u>60,986</u>
Total primary government expenses	<u>\$ 225,125</u>	<u>\$ 231,097</u>	<u>\$ 233,396</u>	<u>\$ 228,738</u>	<u>\$ 231,637</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 21,615	\$ 25,301	\$ 25,881	\$ 32,294	\$ 27,994
Law enforcement	3,251	3,286	3,187	2,484	2,055
Fire rescue	11,738	12,968	12,517	10,605	10,554
Physical environment	214	245	143	137	1,942
Transportation					49
Community development	1,898	2,020	2,324	1,959	2,174
Parks and recreation	20,662	19,313	19,125	19,213	21,141
Operating grants and contributions	5,238	4,482	6,262	4,494	5,979
Capital grants and contributions	3,503	2,971	1,159	5,295	5,060
Total governmental activities program revenues	<u>68,119</u>	<u>70,586</u>	<u>70,598</u>	<u>76,481</u>	<u>76,948</u>
Business-type activities:					
Charges for services:					
Water and sewer	\$ 49,239	\$ 48,452	\$ 51,071	\$ 54,934	\$ 54,142
Cemetery	144	210	244	236	241
Golf course	2,444	2,485	2,440	2,490	2,482
Stormwater utility	2,239	2,236	2,292	2,353	2,379
Sanitation	7,179	7,376	7,487	7,502	7,629
Operating grants and contributions					
Capital grants and contribution	9,272	9,025	867	11,473	11,902
Total business-type activities program revenues	<u>70,517</u>	<u>69,784</u>	<u>64,401</u>	<u>78,988</u>	<u>78,775</u>
Total primary government program revenues	<u>\$ 138,636</u>	<u>\$ 140,370</u>	<u>\$ 134,999</u>	<u>\$ 155,469</u>	<u>\$ 155,723</u>

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$	28,232	\$ 32,066	\$ 39,341	\$ 69,844	\$ 35,481
	72,198	49,796	49,727	54,068	63,401
	35,501	53,134	49,475	54,266	65,142
	5,034	5,507	5,222	5,406	4,448
	20,177	25,420	31,725	14,215	26,269
	5,702	6,384	13,517	15,876	19,447
	42,614	44,873	46,220	43,243	46,749
	1,968	1,293	1,719	1,589	1,318
	<u>211,426</u>	<u>218,473</u>	<u>236,946</u>	<u>258,507</u>	<u>262,255</u>
	49,730	52,174	53,646	57,576	59,759
	720	671	652	1,028	902
	3,091	2,777	2,843	3,100	3,254
	2,596	2,804	3,396	2,848	2,852
	7,102	7,381	7,829	7,987	7,979
	<u>63,238</u>	<u>65,807</u>	<u>68,366</u>	<u>72,539</u>	<u>74,746</u>
\$	<u>274,664</u>	<u>284,280</u>	<u>305,312</u>	<u>331,046</u>	<u>337,001</u>

\$	26,992	\$ 26,057	\$ 31,309	\$ 28,305	\$ 40,598
	2,010	1,812	1,902	1,500	2,771
	12,162	14,043	15,038	15,290	15,205
	3,369	270	207	205	250
	26	178	67	90	8
	2,051	2,306	1,942	1,332	1,680
	21,210	22,862	23,896	20,462	22,039
	7,679	6,781	13,680	19,131	16,844
	4,747	1,036	1,910	1,670	3,762
	<u>80,246</u>	<u>75,345</u>	<u>89,951</u>	<u>87,985</u>	<u>103,157</u>

\$	57,400	\$ 56,704	\$ 60,504	\$ 58,944	\$ 57,973
	449	375	378	302	369
	2,518	2,432	2,534	2,489	2,920
	2,474	2,534	2,653	3,017	3,021
	7,835	7,715	8,038	10,134	10,921
					84
	6,295	1,017	5,834	3,410	26,325
	<u>76,971</u>	<u>70,777</u>	<u>79,941</u>	<u>78,296</u>	<u>101,613</u>
\$	<u>157,217</u>	<u>146,122</u>	<u>169,892</u>	<u>166,281</u>	<u>204,770</u>

**CITY OF BOCA RATON, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

*(accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)*

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Net (Expenses) Revenue						
Governmental activities	\$ (100,927)	\$ (102,653)	\$ (104,809)	\$ (91,870)	\$ (93,703)	\$ (131,180)
Business-type activities	10,936	11,926	6,412	18,601	17,789	13,733
Total primary government net expense	<u>\$ (89,991)</u>	<u>\$ (90,727)</u>	<u>\$ (98,397)</u>	<u>\$ (73,269)</u>	<u>\$ (75,914)</u>	<u>\$ (117,447)</u>
General Revenue and Other Changes in Net Position						
Governmental activities:						
Taxes						
Property tax	\$ 55,914	\$ 59,568	\$ 61,938	\$ 65,238	\$ 69,785	\$ 74,866
Utility tax	20,714	20,502	21,390	21,361	20,652	21,645
Franchise tax	12,137	11,977	12,867	12,893	12,536	12,826
Sales tax	5,533	5,854	6,287	6,687	6,898	6,916
Infrastructure tax						4,312
Gas tax	1,966	1,958	1,999	2,120	2,154	2,312
Incremental property tax	6,484	6,575	6,730	7,183	8,449	9,720
State shared revenues unrestricted	2,242	2,280	2,418	2,549	2,781	2,849
Investment earnings unrestricted	1,396	(186)	1,344	1,279	1,083	1,030
Gain (loss) on disposal of capital assets	120	156	112	49	253	315
Miscellaneous	43	88	137	188	237	322
Transfers	(410)	(445)	(397)	(338)	518	408
Total governmental activities	<u>106,139</u>	<u>108,327</u>	<u>114,825</u>	<u>119,209</u>	<u>125,346</u>	<u>137,521</u>
Business-type activities						
Investment earnings	765	(288)	901	847	675	614
Gain (loss) on disposal of capital assets	98	229	11	50	67	186
Miscellaneous				19	51	36
Transfers	410	445	397	338	(518)	(408)
Total business-type activities	<u>1,273</u>	<u>386</u>	<u>1,309</u>	<u>1,254</u>	<u>275</u>	<u>428</u>
Total primary government	<u>\$ 107,412</u>	<u>\$ 108,713</u>	<u>\$ 116,134</u>	<u>\$ 120,463</u>	<u>\$ 125,621</u>	<u>\$ 137,949</u>
Changes in net position						
Governmental activities	\$ 5,212	\$ 5,674	\$ 10,016	\$ 27,339	\$ 31,643	\$ 6,339
Business-type activities	12,209	12,312	7,721	19,855	18,064	14,162
Total primary government	<u>\$ 17,421</u>	<u>\$ 17,986</u>	<u>\$ 17,737</u>	<u>\$ 47,194</u>	<u>\$ 49,707</u>	<u>\$ 20,501</u>

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ (143,129)	\$ (146,996)	\$ (170,519)	\$ (159,098)
4,971	11,574	5,757	26,867
<u>\$ (138,158)</u>	<u>\$ (135,422)</u>	<u>\$ (164,762)</u>	<u>\$ (132,231)</u>

\$ 79,753	\$ 84,781	\$ 88,550	\$ 92,750
21,894	22,174	21,804	21,841
13,215	13,350	12,882	13,243
7,177	7,464	7,040	8,365
6,471	6,767	6,471	7,645
2,244	2,265	2,018	2,132
12,489	13,366	14,150	14,780
2,924	3,108	2,878	3,364
2,279	7,886	5,658	1,068
392	288	150	653
362	288	397	50
(144)	(593)	(354)	96
<u>149,056</u>	<u>161,144</u>	<u>161,644</u>	<u>165,987</u>

1,154	4,702	3,119	385
116	195	(183)	20
208	583	354	(96)
144	593	148	-
<u>1,622</u>	<u>6,073</u>	<u>3,438</u>	<u>309</u>

<u>\$ 150,678</u>	<u>\$ 167,217</u>	<u>\$ 165,082</u>	<u>\$ 166,296</u>
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\$ 5,927	\$ 14,148	\$ (8,878)	\$ 6,889
6,593	17,647	9,195	27,176
<u>\$ 12,520</u>	<u>\$ 31,795</u>	<u>\$ 317</u>	<u>\$ 34,065</u>

CITY OF BOCA RATON, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS

(modified accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund:				
Non-spendable:				
Inventories, Advance	\$ 25	\$ 23	\$ 25	\$ 22
Restricted for:				
Army Corp of Engineers	170	170	170	170
Building permits				
Committed to:				
Right of way beautification				
Hurricane/ disaster emergency	10,600	10,600	10,600	10,600
Mizner Park debt service	1,633	1,633	1,633	1,633
Retirement system reserve	12,000	12,000		
Assigned to:				
Subsequent year's budget	1,758	12,920	3,762	2,536
Unassigned	25,653	21,300	29,138	44,075
Total general fund	<u>\$ 51,839</u>	<u>\$ 58,646</u>	<u>\$ 45,328</u>	<u>\$ 59,036</u>
All Other Governmental Funds:				
Non-spendable:				
Perpetual care, cemetery	\$ 1,777	\$ 1,630	\$ 1,505	\$ 1,385
Perpetual care, masoleum	3,253	2,994	2,776	2,611
Restricted for:				
Debt service	10,995	6,191	11,489	11,830
Housing	175	202	150	532
Law enforcement	1,140	1,084	766	1,211
Transportation	7,971	13,363	8,947	9,981
Right of way beautification	318	271	1,814	2,117
Economic development			6,487	4,788
Infrastructure				
Downtown	2,386	2,181	2,941	6,850
Land dedication	3,453	5,243	5,538	9,763
Land Proceeds				
Library	8,103	550	547	372
Committed to:				
Parking	3	826	3	3
Right of way acquisition	2,301	2,297	2,315	2,331
Assigned to:				
Special revenue funds				
Capital projects	24,248	23,021	26,031	29,571
Environmentally sensitive lands	1,034	1,032		
Unassigned				
Total all other governmental funds	<u>\$ 67,157</u>	<u>\$ 60,885</u>	<u>\$ 71,309</u>	<u>\$ 83,345</u>

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 345	\$ 339	\$ 347	\$ 337	\$ 344	\$ 346
170	170	170	170	170	170
			6,514	9,230	20,966
	35	223	225	139	790
10,600	13,424	12,936	18,590	18,590	18,870
1,633	1,633				
14,825	14,703	1,233	7,425	6,964	16,242
38,822	30,242	33,323	30,383	36,963	39,717
<u>\$ 66,395</u>	<u>\$ 60,546</u>	<u>\$ 48,232</u>	<u>\$ 63,644</u>	<u>\$ 72,400</u>	<u>\$ 97,101</u>
\$ 1,446	\$ 1,610	\$ 1,678	\$ 1,646	\$ 4,120	\$ 4,367
2,695	2,822	2,773	2,597	-	-
11,948	12,073	12,712	2,116	2,150	2,288
814	1,204	886	807	529	466
1,159	1,293	1,190	1,125	1,190	8,013
10,682	11,882	10,368	10,674	9,896	17,600
1,231	-	-	-	-	-
4,636	5,574	8,562	6,176	6,185	12,414
	4,315	8,718	27,750	19,297	1,206
5,920	6,128	5,909	11,002	12,428	6,174
14,317	15,910	16,397	17,940	19,018	20,443
		6	31	49	40
3	3	3	3	3	3
2,341	2,350	2,367	2,431	2,474	2,479
25,544	21,268	22,547	23,786	24,631	24,955
<u>\$ 82,736</u>	<u>\$ 86,432</u>	<u>\$ 94,116</u>	<u>\$ 108,084</u>	<u>\$ 101,970</u>	<u>\$ 100,448</u>

CITY OF BOCA RATON, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting)
(Unaudited)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenues:				
Taxes	\$ 99,484,015	\$ 103,840,677	\$ 104,972,742	\$ 108,754,619
Licenses and permits	11,199,032	12,661,480	13,716,396	18,199,802
Intergovernmental	30,209,165	27,232,751	29,205,706	28,204,044
Charges of services	25,385,962	28,501,248	28,566,477	30,545,193
Fines and forfeitures	2,642,876	2,973,556	2,332,373	2,203,618
Special assessments	1,172,570	1,493,004	1,483,647	1,505,634
Donations in lieu of land	2,182,150	2,442,421	724,303	4,642,068
Investment earnings	1,125,971	(101,337)	999,229	872,975
Miscellaneous	108,915	205,082	223,098	220,838
Total revenues	<u>173,510,656</u>	<u>179,248,882</u>	<u>182,223,971</u>	<u>195,148,791</u>
Expenditures:				
Current:				
General government	20,073,899	20,917,289	18,176,334	19,701,982
Law enforcement	37,824,269	39,515,182	40,453,294	39,650,656
Fire rescue	37,539,229	39,809,307	41,333,442	40,739,785
Physical environment	4,185,053	4,281,679	4,038,442	4,220,664
Transportation	7,098,294	6,725,749	6,354,401	7,536,209
Community development	2,983,234	3,025,793	3,153,304	3,942,306
Parks and recreation	36,019,775	34,993,019	34,587,799	35,757,011
Capital outlay	8,903,781	13,287,857	5,460,607	928,156
Debt service:				
Principal	11,150,000	11,015,000	11,600,000	7,722,363
Interest	2,731,354	2,460,400	1,834,035	5,081,592
Bond issuance costs	313,238		45,146	
Bond repayment			12,507,993	
Total expenditures	<u>168,822,126</u>	<u>176,031,275</u>	<u>179,544,797</u>	<u>165,280,724</u>
Excess (deficiency) of revenues				
Over expenditures	<u>4,688,530</u>	<u>3,217,607</u>	<u>2,679,174</u>	<u>29,868,067</u>
Other financing sources (uses):				
Transfers in	9,568,100	10,457,500	17,292,828	9,617,600
Transfers out	(12,052,300)	(13,140,800)	(35,425,628)	(13,741,700)
Refunding and new bonds issued	15,585,000		12,560,000	
Discount on bonds issued				
Payment to refunded bond escrow agent	(17,259,729)			
Proceeds from sale of land				
Premium on bonds issued	2,013,311			
Total other financing sources (uses)	<u>(2,145,618)</u>	<u>(2,683,300)</u>	<u>(5,572,800)</u>	<u>(4,124,100)</u>
Net change in fund balances	<u>\$ 2,542,912</u>	<u>\$ 534,307</u>	<u>\$ (2,893,626)</u>	<u>\$ 25,743,967</u>
Debt service as a percentage of				
Noncapital expenditures	8.57%	8.10%	7.55%	7.78%

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 114,075,840	\$ 125,189,629	\$ 136,042,459	\$ 142,744,416	\$ 145,894,699	\$ 152,359,558
15,527,771	13,752,420	13,031,240	16,632,462	14,938,041	26,143,143
33,169,318	38,983,346	34,985,353	44,054,242	47,253,581	46,746,248
29,598,932	31,536,517	33,605,151	35,741,289	32,819,230	36,324,451
1,602,642	1,667,585	1,430,218	1,615,709	1,218,360	1,326,229
1,511,197	1,512,790	1,519,976	1,547,777	1,531,554	1,530,233
4,927,834	2,218,238	840,499	1,786,918	1,641,007	3,761,985
768,096	700,702	1,433,234	5,122,263	3,833,082	849,709
332,882	484,425	723,413	554,589	690,221	749,768
<u>201,514,512</u>	<u>216,045,652</u>	<u>223,611,543</u>	<u>249,799,665</u>	<u>249,819,775</u>	<u>269,791,324</u>
21,996,764	26,458,740	29,102,759	29,450,258	30,099,361	30,365,475
41,031,455	44,500,795	47,594,807	50,202,799	53,781,452	53,661,403
44,686,248	44,292,717	48,332,421	50,792,426	54,101,552	56,064,052
4,956,152	4,652,372	5,269,402	5,206,147	5,399,507	7,385,089
11,830,942	18,003,649	15,487,320	14,612,619	18,754,633	12,148,808
7,353,945	6,255,361	7,309,798	13,872,937	16,732,880	19,647,705
38,642,169	40,307,017	60,654,784	42,649,422	42,430,428	42,979,799
6,022,772	9,961,955	4,811,148	10,909,768	12,785,429	12,382,098
7,680,486	7,665,707	8,087,014	8,894,599	9,230,000	7,350,000
5,107,954	5,111,168	5,274,703	5,634,349	1,768,336	1,488,170
		44,050	64,201		
<u>189,308,887</u>	<u>207,209,481</u>	<u>231,968,206</u>	<u>232,289,525</u>	<u>245,083,578</u>	<u>243,472,599</u>
<u>12,205,625</u>	<u>8,836,171</u>	<u>(8,356,663)</u>	<u>17,510,140</u>	<u>4,736,197</u>	<u>26,318,725</u>
9,924,796	16,157,948	11,441,485	13,135,524	11,959,995	11,826,964
(15,381,200)	(27,146,976)	(22,153,685)	(21,264,524)	(13,744,795)	(14,967,564)
		19,100,000	20,000,000		
<u>(5,456,404)</u>	<u>(10,989,028)</u>	<u>8,387,800</u>	<u>11,871,000</u>	<u>(1,784,800)</u>	<u>(3,140,600)</u>
<u>\$ 6,749,221</u>	<u>\$ (2,152,857)</u>	<u>\$ 31,137</u>	<u>\$ 29,381,140</u>	<u>\$ 2,951,397</u>	<u>\$ 23,178,125</u>
6.95%	6.52%	5.86%	6.50%	4.73%	3.81%

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REVENUE CAPACITY INFORMATION

This section is intended to assist users in understanding and assessing the factors affecting a government's ability to generate its own-source revenue.

CITY OF BOCA RATON, FLORIDA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)
LAST TEN FISCAL YEARS

(Unaudited)

<u>Fiscal Year</u> ⁽²⁾	<u>Real Property</u> ⁽¹⁾	<u>Personal Property</u>	<u>Total Assessed Value</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
2012	\$ 18,387,146,075	\$ 946,365,118	\$ 19,333,511,193	\$ 2,912,409,267	\$ 16,421,101,926	3.51
2013	18,551,617,089	908,950,096	19,460,567,185	2,833,483,666	16,627,083,519	3.72
2014	19,490,849,519	931,461,073	20,422,310,592	3,150,099,060	17,272,211,532	3.72
2015	21,228,631,119	942,986,167	22,171,617,286	3,948,840,288	18,222,776,998	3.71
2016	23,483,977,167	960,239,397	24,444,216,564	4,889,767,942	19,554,448,622	3.68
2017	25,535,736,108	1,038,415,774	26,574,151,882	5,567,612,961	21,006,538,921	3.68
2018	27,103,496,479	900,034,862	28,003,531,341	5,496,652,239	22,506,879,102	3.68
2019	28,436,576,386	912,320,426	29,348,896,812	5,463,573,971	23,885,322,841	3.68
2020	29,698,116,755	1,120,267,563	30,818,384,318	5,621,330,641	25,197,053,677	3.68
2021	30,531,500,361	955,496,379	31,486,996,740	5,344,152,213	26,142,844,527	3.68

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

(2) As of December 31st of each year listed.

Source: Palm Beach County Property Appraiser

	<u>Estimated Actual</u> <u>Value</u>	<u>Taxable Assessed</u> <u>Value as a % of</u> <u>Actual Taxable</u> <u>Value</u>
\$	20,550,742,753	79.91%
	20,738,752,412	80.17%
	21,630,010,810	79.85%
	23,460,717,251	77.32%
	25,841,728,608	75.77%
	28,046,758,787	74.90%
	29,587,726,191	76.07%
	31,015,888,721	77.01%
	32,545,643,512	77.42%
	33,311,515,653	78.48%

**CITY OF BOCA RATON, FLORIDA
PROPERTY TAX RATES
ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS (1)
(Unaudited)**

Tax Year	Operating Millage	Debt Service	Total City Millage	Operating Millage	Debt Service	Total County Tax	Operating Millage	Debt Service	Total Schools	Other	Total
2012	3.410	0.313	3.723	4.782	0.209	4.991	7.778	0.000	7.778	3.314	19.806
2013	3.422	0.301	3.723	4.782	0.204	4.986	7.586	0.000	7.586	3.196	19.491
2014	3.422	0.291	3.713	4.782	0.191	4.973	7.594	0.000	7.594	2.270	18.550
2015	3.422	0.258	3.680	4.782	0.146	4.928	7.512	0.000	7.512	3.065	19.185
2016	3.439	0.240	3.679	4.782	0.133	4.914	7.070	0.000	7.070	2.860	18.523
2017	3.579	0.100	3.679	4.782	0.121	4.902	6.769	0.000	6.769	2.689	18.038
2018	3.469	0.210	3.679	4.782	0.117	4.898	6.572	0.000	6.572	2.607	17.755
2019	3.479	0.199	3.679	4.782	0.077	4.858	7.164	0.000	7.164	2.602	18.303
2020	3.570	0.108	3.679	4.782	0.031	4.812	7.01	0.000	7.010	2.557	18.058
2021	3.579	0.100	3.679	4.782	0.033	4.815	6.875	0.000	6.875	2.689	18.057

Source: Palm Beach County Tax Collector
(1) Millage rates are per \$1,000 of assessed valuation.

**CITY OF BOCA RATON, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
FOR THE CURRENT CALENDAR YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
TOWN CENTER AT BOCA RATON TRUST	\$ 578,101,332	1	2.21%	\$ 336,800,511	1	2.05%
BOCA OWNER LLC	310,379,484	2	1.19%			
FLORIDA POWER & LIGHT CO	182,472,843	3	0.70%	100,637,747	4	0.61%
BOCA RATON CRA LESSOR	163,002,000	4	0.62%			
BOCA CENTER AT MILITARY LLC	160,560,570	5	0.61%			
BOCA T REX BORROWER LLC	147,143,257	6	0.56%			
PALMETTO PROMENADE OWNER LLC	142,731,626	7	0.55%			
VIA MIZNER OWNER I LLC	131,690,418	8	0.50%			
ALTIS BOCA RATON LLC	129,501,787	9	0.50%			
OFFICE DEPOT INC	118,756,439	10	0.45%			
Panthers BRHC Ltd. Partnership				150,000,000	2	0.91%
HUB Properties Trust				138,077,547	3	0.84%
BRE Boca Raton CRA Lessor				96,985,726	5	0.59%
Boca Raton CRA Lessor				93,500,000	6	0.57%
Royal Palm Place Investments L.L.C				58,318,074	7	0.36%
PR Heritage LLC				56,644,210	8	0.34%
Panthers BRHC LLC				54,444,902	9	0.33%
WRC Properties Inc				52,493,376	10	0.32%
Total	\$ 2,064,339,756		7.90%	\$ 1,137,902,093		6.93%

Source: City of Boca Raton , FL
Palm Beach County Tax Collector System

CITY OF BOCA RATON, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in subsequent Years	Total Collections To Date	
		Amount (1)	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 57,438,380	\$ 55,175,170	96.1%	\$ 295,953	\$ 55,471,123	96.6%
2013	61,894,344	59,327,683	95.9%	117,532	59,445,215	96.0%
2014	64,295,809	61,803,940	96.1%	129,569	61,933,509	96.3%
2015	67,653,899	65,089,535	96.2%	165,927	65,255,462	96.5%
2016	71,957,439	69,322,388	96.3%	90,753	69,413,141	96.5%
2017	77,249,421	74,490,355	96.4%	31,637	74,521,992	96.5%
2018	82,659,659	79,727,836	96.5%	15,114	79,742,949	96.5%
2019	87,708,652	84,586,487	96.4%	290,669	84,877,155	96.8%
2020	91,843,259	88,322,011	96.2%	124,182	88,446,193	96.3%
2021	93,197,588	89,765,770	96.3%	-	89,765,770	96.3%

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

Source: Palm Beach County Tax Collector System
<https://www.pbcgov.org/papa/tax-roll.htm>

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DEBT CAPACITY INFORMATION

The information presented in this section is intended to assist users in understanding and assessing a government's debt burden and its ability to issue additional debt.

**CITY OF BOCA RATON, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

(Unaudited)

Governmental Activities

Fiscal Year	General Obligation Bonds	Special Assessment Bonds	Revenue Bonds	Tax Increment Bonds ²	Loans Payable	Capital Leases
2012	\$ 39,905,000	\$ 12,830,000		\$ 39,212,947	\$ 1,275,000	
2013	36,490,000	11,925,000		34,489,628	655,000	
2014	33,105,000	10,995,000		29,554,660		
2015	29,345,000	10,020,000		24,197,700		
2016	25,495,000	9,005,000		18,607,867		
2017	21,550,000	7,955,000		12,735,754		
2018	17,495,000	6,860,000	\$ 18,705,000	6,566,021		
2019	13,325,000	5,705,000	37,585,000			
2020	9,065,000	4,500,000	34,431,570			
2021	6,850,000	3,240,000	29,945,000			

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

¹ See Demographic and Economic Statistics table for personal income and population data. These ratios are calculated using personal income and population for the prior year.

² Includes accreted interest on Capital Appreciation Bond.

Business-Type Activities

	Water & Sewer Revenue Bonds	Total Primary Government	Percentage of Personal Income¹	Per Capita¹
\$	43,640,000	\$ 136,862,947	0.0525%	1,602
	40,260,000	123,819,628	0.0566%	1,439
	36,780,000	110,434,660	0.0640%	1,275
	34,345,000	97,907,700	0.0722%	1,116
	26,625,000	79,732,867	0.0887%	903
	26,625,000	68,865,754	0.1069%	750
	22,440,000	72,066,021	0.0771%	771
	18,065,000	74,680,000	0.0793%	790
	14,595,000	62,591,570	0.0977%	658
	46,005,000	86,040,000	0.0691%	878

CITY OF BOCA RATON, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(dollars in thousands, except per capita)
(Unaudited)

Fiscal Year	General Obligation Bonds	Assessed Value of Taxable Property	Percentage of Estimated Actual Taxable Value of Property	Population	Per Capita
2012	\$ 39,905	\$ 16,421,102	0.24%	85,413	0.47
2013	36,490	16,627,084	0.22%	86,041	0.42
2014	33,105	17,272,212	0.12%	86,647	0.24
2015	29,345	18,222,777	0.16%	87,766	0.33
2016	25,495	19,581,516	0.13%	88,275	0.29
2017	21,550	21,006,539	0.10%	91,797	0.23
2018	17,495	22,506,879	0.08%	93,417	0.19
2019	13,325	23,888,627	0.06%	94,488	0.14
2020	9,065	24,966,225	0.04%	95,139	0.10
2021	6,850	26,142,854	0.03%	98,046	0.07

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements
The current ordinances of the City of Boca Raton do not specify a legal debt margin.

CITY OF BOCA RATON, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2021

(Amounts Expressed in Thousands)
(Unaudited)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
OVERLAPPING:			
Palm Beach County	\$ 35,700,000 ¹	0.01% ²	\$ 4,206
Palm Beach School District	<u>18,678</u>	0.01% ²	<u>2</u>
SUBTOTAL	<u>\$ 35,718,678</u>		<u>4,208</u>
DIRECT DEBT:			
General obligation bonds	\$ 6,850 ³	100.00%	6,850
Special assessment bonds	3,240 ³	100.00%	3,240
Revenue bonds	<u>29,945 ³</u>	100.00%	<u>29,945</u>
SUBTOTAL	<u>\$ 40,035</u>		<u>40,035</u>
TOTAL DIRECT AND OVERLAPPING DEBT			<u><u>\$ 44,243</u></u>

¹ Source: Palm Beach County

² Determined by dividing:
taxable assessed valuation of the City of Boca Raton
by the total taxable valuation of Palm Beach County.

³ Source: City of Boca Raton, Financial Services Department

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Boca Raton. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

CITY OF BOCA RATON, FLORIDA
PLEGGED-REVENUE COVERAGE FOR WATER AND SEWER REVENUE BONDS
LAST TEN FISCAL YEARS
(Unaudited)

<u>Fiscal Year</u>	<u>Utility Service Charges</u>	<u>Less: Operating Expenses (1)</u>	<u>Net Available Revenue</u>	<u>Debt Service</u>		<u>Coverage by Net Revenue Available for Debt Service (2)</u>
				<u>Principal</u>	<u>Interest</u>	
2012	\$ 49,926,107	\$ 31,677,197	\$ 18,248,910	\$ 3,260,000	\$ 1,766,594	3.63
2013	48,193,038	33,403,929	14,789,109	3,380,000	1,660,169	2.93
2014	51,875,748	33,367,732	18,508,016	3,480,000	1,558,838	3.67
2015	54,982,804	33,327,479	21,655,325	3,585,000	1,439,988	4.31
2016	54,800,138	34,830,929	19,969,209	7,720,000	982,282	2.29
2017	57,990,998	35,898,856	22,092,142	-	909,106	24.30
2018	57,957,825	37,929,374	20,028,451	4,185,000	724,074	4.08
2019	63,981,813	38,158,738	25,823,075	4,375,000	555,471	5.24
2020	61,877,711	42,014,353	19,863,358	3,470,000	424,564	5.10
2021	58,372,258	42,936,145	15,436,113	1,435,000	580,309	7.66

- (1) Total expense exclusive of depreciation, amortization and debt service on revenue bonds.
(2) 1.10 net revenues test required by the rate covenants applies to the 2008 and 2009 bonds.

Note: This table excludes system development charges (capital contributions).

CITY OF BOCA RATON, FLORIDA
PLEDGED-REVENUE COVERAGE FOR SPECIAL ASSESSMENT BONDS
LAST TEN FISCAL YEARS
(Unaudited)

<u>Fiscal Year</u>	<u>Special Assessments</u>		<u>Debt Service</u>		<u>Coverage by Net Collections Available for Debt Service (3)</u>
	<u>Levied (1)</u>	<u>Collections (2)</u>	<u>Principal</u>	<u>Interest</u>	
2012	\$ 1,172,570	\$ 1,242,188	\$ 715,000	\$ 493,294	1.03
2013	1,493,004	1,506,672	905,000	471,844	1.09
2014	1,483,647	1,518,586	930,000	446,294	1.10
2015	1,505,634	1,543,753	975,000	419,994	1.11
2016	1,511,197	1,518,448	1,015,000	391,569	1.08
2017	1,512,790	1,487,248	1,050,000	353,519	1.06
2018	1,519,976	1,483,885	1,095,000	313,269	1.05
2019	1,547,777	1,504,292	1,155,000	271,269	1.05
2020	1,531,554	2,085,869	1,205,000	226,688	1.46
2021	1,530,486	1,649,888	1,260,000	179,438	1.15

- (1) Includes amounts from adopted assessment rolls and penalties assessed for late payment
- (2) Collections reported are inclusive of payments on current and prior year assessments and penalties where cash was received in the listed fiscal year
- (3) Available funds to be used for debt service coverage are the Special Assessment Collections for that fiscal year

CITY OF BOCA RATON, FLORIDA
PLEDGED-REVENUE COVERAGE FOR TAX INCREMENT REVENUE REFUNDING BONDS
LAST TEN FISCAL YEARS
(Unaudited)

<u>Fiscal Year</u>	<u>Lease Revenue</u>	<u>Tax Increment Revenue</u>	<u>Collections</u>	<u>Debt Service</u>		<u>Coverage by Net Revenue Available for Debt Service</u>
				<u>Principal (1)</u>	<u>Interest</u>	
2012	\$ 1,300,374	\$ 6,484,150	\$ 7,784,524	\$ 5,815,000	\$ 704,206	1.19
2013	1,240,859	6,574,894	7,815,753	6,075,000	433,644	1.20
2014	1,489,383	6,729,850	8,219,233	6,355,000	146,959	1.26
2015	1,561,772	7,183,269	8,745,041	2,987,363	3,667,637	1.31
2016	1,767,671	8,448,676	10,216,347	2,815,486	3,804,514	1.54
2017	1,653,839	9,719,650	11,373,489	2,670,707	3,949,293	1.72
2018	1,908,824	12,489,146	14,397,970	2,542,014	4,077,986	2.17
2019	1,806,562	13,366,285	15,172,847	2,449,599	4,170,401	2.29
2020	1,565,313	14,150,342	15,715,655	-	-	-
2021	1,912,226	14,780,347	16,692,573	-	-	-

(1) In October, 1998, the Boca Raton Community Redevelopment Agency Tax Increment Revenue Refunding Bonds, Series 1998 (Mizner Park Project) was used to refinance the CRA's Tax Increment Revenue Bond, Series 1992.

**CITY OF BOCA RATON, FLORIDA
 PLEDGED-REVENUE COVERAGE FOR ALL NON AD VALOREM REVENUE BONDS AND LOANS PAYABLE
 BY MAXIMUM ANNUAL DEBT SERVICE
 LAST TEN FISCAL YEARS**

(Unaudited)

<u>Fiscal Year</u>	<u>Net Revenue Available</u> ⁽¹⁾	<u>Revenue Bonds</u> <u>2018</u>	<u>Special Assessment Revenue</u>			<u>Tax Increment Revenue</u>	<u>(Loans Payable)</u>	<u>Total</u>	<u>Coverage by Net Revenue Available for Maximum Debt Service</u>
			<u>Bonds</u> <u>2009</u>	<u>Bonds</u> <u>2010</u>	<u>Refunding Bonds</u> <u>1998</u>	<u>Governmental Financing</u> <u>First Florida Commission</u> <u>2001B</u> <u>2003</u>			
2012	\$ 37,041,078		\$ 1,082,319	\$ 125,975	\$ 6,519,903	\$ 689,978	\$ 8,418,174	4.40	
2013	40,481,387		1,090,869	285,975	6,508,644	690,409	8,575,896	4.72	
2014	44,679,602		1,093,519	282,775	6,501,959	691,025	8,569,278	5.21	
2015	53,189,429		1,110,419	284,575	6,655,000		8,049,994	6.61	
2016	50,512,120		1,121,119	285,450	6,620,000		8,026,569	6.29	
2017	52,672,177		1,117,319	286,200	6,620,000		8,023,518	6.56	
2018	53,508,013	\$ 574,285	1,122,319	285,950	6,620,000		8,602,554	6.22	
2019	51,385,793	1,613,812	1,140,719	285,550	6,620,000		9,660,081	5.32	
2020	43,321,116	1,614,244	1,146,919	284,769			3,045,932	14.22	
2021	44,458,043	1,613,884	1,156,319	283,119			3,053,322	14.56	

(1) Net revenue available after deducting operating expenses, restricted, and committed amounts.

DEMOGRAPHIC AND ECONOMIC INFORMATION

This section is intended (1) to assist users in understanding the socioeconomic environment within which a government operates and (2) to provide information that facilitates comparisons of financial statement information over time and among governments.

**CITY OF BOCA RATON, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Population⁴	Personal Income (amounts expressed in thousands)³	Per Capita Personal Income⁵	Median Age³	Education Level in Years of Schooling	School Enrollment²	Unemployment Rate¹
2012	85,413	\$ 6,133,166	\$ 71,806	45	13	12,998	9.0%
2013	86,041	6,028,635	70,067	45	13	13,235	7.6%
2014	86,647	6,125,856	70,699	45	13	13,243	6.3%
2015	87,766	6,204,968	70,699	45	13	13,737	5.2%
2016	88,275	6,495,892	73,587	45	13	13,861	4.8%
2017	91,797	4,756,186	51,812	46	13	13,535	4.3%
2018	93,417	5,190,155	55,559	47	13	13,450	3.3%
2019	94,488	5,593,028	59,193	47	13	13,448	2.2%
2020	95,139	5,815,657	61,128	48	13	13,371	7.0%
2021	98,046	5,827,168	59,433	48	13	12,678	3.7%

Source¹: Bureau of Labor Statistics for Miami-Fort Lauderdale-West Palm Beach, FL Metropolitan Statistical Area

Source²: 2018 School Enrollment Information - www.Palmbeachschools.org

Source³: U.S. Census Bureau - Median Age (ACS 5-Year Estimate)

Source⁴: Bureau of Economic and Business Research (BEBR)

Source⁵: U.S. Census Bureau - Per capita income in past 12 months (ACS 5-Year Estimate)
Years 2015-2019 reflect median household income

CITY OF BOCA RATON, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Employer	2021 ⁽¹⁾			2012 ⁽²⁾		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Florida Atlantic University	3,133	1	2.96%	2,706	1	2.73%
Boca Raton Regional Hospital	3,052	2	2.88%	2,250	3	2.27%
Office Depot (Hdqtrs)	2,000	3	1.89%	2,250	2	2.27%
Boca Raton Resort and Club			0.00%	1,800	4	1.81%
City of Boca Raton	1,810	4	1.71%	1,279	5	1.29%
Lynn University						
National Council of Comp Ins (NCCI)				800	6	0.81%
ADT Security Services (Hdqtrs)	500	7	0.47%			
International Bus. Machines (IBM)	600	6	0.57%	600	9	0.60%
Johnson Controls / Tyco (Hdqtrs)	741	5	0.70%	700	8	0.71%
Prime Management Group Inc				750	7	0.76%
Applied Card Systems				550	10	0.55%
US Foods	374	8	0.35%			
Newell Btrands (Hdqtrs)	350	9	0.33%			
TOTAL	<u>12,560</u>		<u>11.86%</u>	<u>13,685</u>		<u>13.79%</u>
TOTAL CITY WORKFORCE⁽³⁾	<u>105,891</u>			<u>99,236</u>		

⁽¹⁾Source of 2020 data: Department of Economic Opportunity (DEO) June 2020.

⁽²⁾Source of 2012 data: 2012 City of Boca Raton CAFR

⁽³⁾Source of Workforce: U.S. Census Bureau, LEHD Origin-Destination Employment Statistics Data (2002-2018)

CITY OF BOCA RATON, FLORIDA
FULL-TIME EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

Function/Program	Fiscal Years									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government	159	160	171	184	202	217	239	249	255	255
Public safety										
Police										
Officers	198	198	198	198	203	211	216	208	208	209
Civilians	97	97	97	97	99	105	106	115	119	118
Fire										
Firefighters and officers	205	205	205	205	209	226	232	226	238	238
Civilians	11	11	11	11	11	12	14	21	21	21
Highways and streets										
Engineering	9	9	8	8	8	12	13	16	16	16
Maintenance	16	16	16	16	16	19	19	20	20	20
Sanitation	49	46	46	46	46	50	52	52	57	57
Culture and recreation	281	296	299	314	355	377	384	392	396	396
Water/sewer	166	164	164	167	168	174	174	174	180	180
Stormwater	11	11	11	11	11	11	11	10	11	12
Information technology	25	27	30	35	38	42	47	48	48	48
Motor pool	12	12	13	13	14	14	14	16	16	18
Golf course	23	23	23	23	23	23	23	23	23	23
Cemetery	5	5	5	5	5	6	6	6	6	6
Total	1,267	1,280	1,297	1,333	1,408	1,499	1,550	1,576	1,614	1,617

Source: City of Boca Raton Approved Budget Book 2020-2021

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OPERATING INFORMATION

This section is intended to provide contextual information about a government's operations and resources to assist readers in using financial statement information to understand and assess a government's economic condition.

CITY OF BOCA RATON, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Governmental activities:			
General government			
Bond ratings - G.O. bonds			
Moody's	Aaa	Aaa	Aaa
Standard & Poor's	AAA	AAA	AAA
Fitch	AAA	AAA	AAA
Building permits issued	7,542	8,150	7,578
Law enforcement			
Physical arrests	2,939	2,992	3,057
Parking violations	958	639	677
Traffic violations	25,985	31,481	41,097
Fire rescue			
Number of calls answered	16,192	15,737	16,310
Inspections	5,855	7,131	4,451
Transportation			
Streets resurfacing (miles)	18	20	9
Potholes repaired (tons)	11	10	5
Physical environment			
Refuse collection(tons/daily)	112	132	136
Recyclables collected (tons/daily)	25	18	17
Vegetation Collected (tons/daily)	0	0	0
Bulk Trash Collected (tons/daily)	0	0	0
Parks & recreation			
Athletic field permits issued	8,698	9,185	9,395
Community center admissions	456,802	450,381	453,848
Tennis participation	188,231	189,477	196,156
Camp programs	3,093	3,097	3,271
Aquatics participation programs	57,749	59,024	56,830
Business-type activities:			
Water			
New connections (excl Iris)	147	80	77
Water mains breaks	130	85	58
Average daily consumption (thousands of gallons)	31,630	30,490	32,481
Active accounts	36,375	34,522	36,800
Sewer			
Average daily sewage treatment (thousands of gallons)	13,656	12,345	14,180
Active accounts	33,141	33,018	33,262
Golf courses			
Annual golf permits	72	64	55
Golf participation	107,037	108,453	106,122

Source: Various City Departments

2015	2016	2017	2018	2019	2020	2021
Aaa AAA AAA 8,065	Aaa AAA AAA 8,211	Aaa AAA AAA 9,460	Aaa AAA AAA 10,165	Aaa AAA AAA 9,827	Aaa AAA AAA 10,874	Aaa AAA AAA 12,671
3,745 373 37,127	2,844 264 37,795	3,026 212 29,823	2,200 155 22,298	1,760 162 21,870	1,116 236 9,138	1,262 177 16,434
17,275 5,294	18,372 5,542	18,386 4,479	17,602 9,176	18,235 7,756	15,860 7,089	17,499 9,950
7 4	2 3	1 14	15 12	11 1	17 17	6 4
139 16 0 0	140 16 0 0	131 16 0 0	106 16 0 0	108 16 0 0	160 23 54 9	165 22 51 12
9,150 458,030 203,465 2,899 58,125	9,479 430,438 193,023 3,388 55,629	9,161 471,451 185,961 3,357 46,679	8,813 490,547 180,768 3,611 52,065	8,884 459,568 182,270 4,182 60,217	7,461 203,402 118,348 554 38,586	8,437 66,121 153,728 4,005 50,001
30 33	77 34	123 35	89 27	29 29	33 29	11 32
34,530 36,488	33,505 36,561	34,484 36,676	35,873 36,802	35,306 36,857	33,106 36,919	33,339 36,930
13,269 33,492	13,635 33,571	13,440 33,690	13,140 33,773	12,260 33,787	13,354 33,807	13,003 33,815
50 106,162	41 98,744	40 98,223	34 94,557	34 99,624	32 87,976	41 99,740

CITY OF BOCA RATON, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

Function/Program	Fiscal Years									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Law enforcement										
Police stations/substations	2	2	2	2	2	3	3	3	2	2
Patrol units	230	230	293	229	278	282	284	284	284	284
Fire rescue										
Fire stations	8	8	8	8	8	8	8	8	8	8
Fire rescue units	33	33	33	33	34	35	35	35	35	35
Physical environment										
Sanitation-collection trucks	35	35	35	40	41	45	51	53	49	50
Transportation										
Street (miles)	218	220	220	220	220	220	220	220	220	200
Street lights	857	863	863	863	863	1,082	1,082	1,082	1,082	1,082
Traffic signals	136	136	136	136	137	138	138	138	139	139
Lane miles	485	487	487	487	487	487	487	487	487	487
Parks and recreation										
Park acreage	636	636	636	636	658	658	660	660	687	903
Parks	32	32	32	32	32	42	43	43	44	48
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis centers	3	3	3	3	3	3	3	3	3	3
Community centers	3	3	3	3	3	3	3	3	3	3
Public libraries	2	2	2	2	2	2	2	2	2	2
Public beaches (miles)	2	2	2	2	2	2	2	2	2	2
Business-type activities										
Water										
Water mains & service lines(miles)	560	560	705	706	706	706	708	675	672	622
Fire hydrants	5,503	5,567	5,567	5,512	5,498	5,513	5,646	5,651	5,657	5,657
Maximum daily capacity (thousands of gallons)	70	70	70	70	70	70	70	70	70	70
Sewer										
Sanitary sewers & service laterals (r	513	516	604	591	591	591	591	607	618	710
Maximum daily treatment capacity (thousands of gallons)	18	18	18	18	18	18	18	18	18	18
Waste water pumping stations	238	240	239	240	241	241	241	242	242	242
Cemetery	1	1	1	1	1	1	1	1	1	1
Golf courses	3	3	3	3	3	3	3	3	2	2
Storm water utilities										
Storm sewer(miles)	100	100	100	100	100	100	100	100	100	100

Sources: Various City departments

Note: No capital asset indicators are available for the general government function.

CITY OF BOCA RATON, FLORIDA
COMPLIANCE REPORTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

CITY OF BOCA RATON, FLORIDA

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**INDEPENDENT AUDITORS' 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, City Council and City Manager
City of Boca Raton, 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 accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Boca Raton, Florida (the "City") as of and for the fiscal 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 May 20, 2022.

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 the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City'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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Marcum LLP

West Palm Beach, FL
May 20, 2022

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Mayor, City Council and City Manager
City of Boca Raton, Florida

Report on Compliance for Each Major Federal Program

We have audited the City of Boca Raton, Florida (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 fiscal year ended September 30, 2021. The City's major federal programs are identified in the summary of auditors' 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 its major federal programs. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the 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 fiscal 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 of its major federal programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal programs and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the City as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated May 20, 2022, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Marcum LLP

West Palm Beach, FL
May 20, 2022

CITY OF BOCA RATON, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Federal Grantor, Pass-through Entity, Federal Program	Assistance Listing Number (ALN)	Grant/Contract Number	Passed through to Subrecipients	Expenditures
U.S. Department of Justice:				
Direct Programs:				
Coronavirus Emergency Supplemental Funding Program	16.034	N/A	\$ --	\$ 51,509
Bullet Proof Vest Partnership Program	16.607	N/A	--	28,800
Total U.S. Department of Justice			<u>--</u>	<u>80,309</u>
U.S. Department of Treasury:				
Indirect Program:				
Passed through Florida Housing Finance Corporation - Coronavirus Relief Fund	21.000	N/A	--	547,617
Total U.S. Department of Treasury			<u>--</u>	<u>547,617</u>
U.S. Department of Housing and Urban Development:				
Direct Programs:				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grant (CDBG)	14.218	B-16-MC-12-0001	--	136,394
Community Development Block Grant (CDBG)	14.218	B-17-MC-12-0001	--	143,631
Community Development Block Grant (CDBG)	14.218	B-18-MC-12-0001	--	39,578
Community Development Block Grant (CDBG)	14.218	B-19-MC-12-0001	--	35,742
Community Development Block Grant (CDBG)	14.218	B-20-MC-12-0001	--	305,247
Community Development Block Grant (CDBG) (COVID-19)	14.218	B-20-MW-12-0001	--	42,398
Community Development Block Grant (CDBG)	14.218	2019 PI	--	22,028
Community Development Block Grant (CDBG)	14.218	2020 PI	--	69,200
Total U.S. Department of Housing and Urban Development (Cluster)			<u>--</u>	<u>794,218</u>
U.S. Department of Homeland Security:				
Direct Program:				
Operation Stonegarden	97.067	2020-SFA-CL-50-A9-003	--	50,000
Indirect Program:				
Passed through State of Florida - Division of Emergency Management				
Disaster Relief Funding, Hurricane Dorian	97.036	4468	--	398,485
Total U.S. Department of Homeland Security			<u>--</u>	<u>448,485</u>
Health Resources and Services Administration (HRSA)				
Direct Program:				
Provider Relief Fund	93.498	N/A	--	97,611
Total Health Resources and Services Administration (HRSA)			<u>--</u>	<u>97,611</u>
Total Expenditures of Federal Awards			<u>\$ --</u>	<u>\$ 1,968,240</u>

CITY OF BATON RATON, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal activity of the City of Boca Raton, Florida (the “City”) under programs of the federal government for the fiscal year ended September 30, 2021. The information in this Schedule is presented in accordance with the 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”). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

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

CITY OF BOCA RATON, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified Opinion

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified not considered to be material weakness(es)? _____ Yes X None reported

Non-compliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified not considered to be material weakness(es)? _____ Yes X None reported

Type of auditors’ report issued on compliance for major programs:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with CFR 200.516(a)? _____ Yes X No

Identification of major programs:

ALN
21.019

Federal Program or Cluster
United States Department of Treasury –
Passed through Florida Housing Finance
Corporation - Coronavirus Relief Fund

14.218

United States Department of Housing and Urban -
Community Development Block Grants -
Entitlement Grants Cluster

Dollar threshold used to distinguish between Type A and Type B programs – Federal:

\$750,000

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?

_____ Yes X No

CITY OF BOCA RATON, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

There were no findings reported in the prior fiscal year.

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

To the Honorable Mayor, City Council, and City Manager
City of Boca Raton, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Boca Raton, Florida (the “City”), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated May 20, 2022.

Auditors’ 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 Requirements 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 Auditors’ 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 Auditors’ Report on Compliance for each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; and Independent Accountants’ 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 May 20, 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. The City has made these disclosures in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require 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 of 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 review of financial information provided by same. This assessment was performed as of the fiscal year end.

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

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within in the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

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

Purpose of this Letter

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

Marcum LLP

West Palm Beach, FL
May 20, 2022

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE PURSUANT TO
SECTION 218.415 FLORIDA STATUTES**

To the Honorable Mayor, City Council and City Manager
City of Boca Raton, Florida

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

In our opinion, the City complied, in all material respects, with Section 218.415 Florida Statutes for the fiscal year ended September 30, 2021.

This report is intended solely to describe our testing of compliance with Section 218.415, Florida Statutes and it is not suitable for any other purpose.

Marcum LLP

West Palm Beach, FL
May 20, 2022