

Annual Comprehensive Financial Report



America's Gateway to the Gulfstream

CITY OF BOYNTON BEACH, FLORIDA
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2021



CITY OF BOYNTON BEACH, FLORIDA ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2021**

Vision Statement

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

Mission Statement

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

Core Beliefs

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

The Commission Initiatives

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

Prepared by Department of Financial Services

**Mara Frederiksen
Director of Financial Services**



CITY OF BOYNTON BEACH, FLORIDA

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INTRODUCTORY SECTION





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April 15, 2022

To The honorable Mayor,
Members of the City Commission, and
Citizens of Boynton Beach, Florida

The Financial Services Department is pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Boynton Beach, Florida for the Fiscal Year ended September 30, 2021. The report fulfills the requirements set forth in Chapter 218.39 of the Florida Statutes and the Rules of the Auditor General, Chapter 10.550. In addition to meeting the legal requirements, the report continues to present the City's tradition of full financial disclosure as demonstrated by the informative financial analysis provided and the exhibits and statistical tables included herein.

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

The City's independent auditor, Marcum LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Boynton Beach's financial statements for the year ended September 30, 2021. The auditor's report is located at the front of the Financial Section of this report.

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

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

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

PROFILE OF THE CITY OF BOYNTON BEACH



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

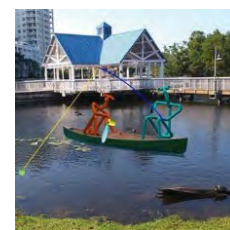
The City, incorporated in 1920, derives its governmental authority from a charter granted by the Legislature of the State of Florida. The City operates under a Commission/Manager form of government. Four Commissioners are elected by district for a three-year term. A Mayor is elected at large on a non-partisan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



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

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

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



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

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

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

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

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

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

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

Top 6 Priorities for the City:

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

Strategic Projects beginning Fiscal Year 2020-2021

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

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

Highlights of FY 2020-2021

Employee Based Priorities

For Fiscal Year 2020-21, the Commission approved funding for employee raises of 2%. Over the past four fiscal years, the City Commission and the City Manager has consistently offered adjustment to salary pay ranges or hourly salary increases to its employees. These salary adjustments range from 2% to 4% and are consistent with annual inflation rates.

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

The City of Boynton Beach has established a tuition reimbursement program for employees who are full time, non-probationary, unrepresented (General) employees and full-time, non-probationary employees covered under the SEIU Blue Collar or White-Collar Collective Bargaining Agreement. For FY 2020-2021, the City established a budget of \$25,000 along with partnering with Palm Beach College for an on-site Organizational Leadership Bachelor’s Program.

Short-Term City Based Priorities

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

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

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

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

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

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

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

Over the past year, the City's Marketing & Events Department prioritized the activation of Downtown Boynton. Central to Downtown Boynton are the newly built four-story City Hall/Library, Arts & Cultural Center and Centennial Park and Amphitheater, which collectively have helped to transform the area. A Strategic project of the City's Marketing and Events Department is to invigorate Downtown's vibrant culture by creating inclusive activities that support local businesses and celebrate our diverse community, including First Friday @ 5 concerts and Friday Flicks outdoor movies. The community response has been enthusiastic, with attendees of all ages and demographics coming together to enjoy a variety of food trucks, children's activities and more. In addition to hosting City sponsored events, the Amphitheater is now available for rent, which will generate rental income for the City while providing an opportunity for the public to host live concerts and performances, ensuring Downtown Boynton becomes an entertainment destination year-round.

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

Long Term Priorities/Financial Plans

The City has embarked on a long-term comprehensive strategy, in partnership with Florida International University, to address racial and social equity. The strategy consists of an internal organizational review of the City's internal systems, policies, and processes to establish the capacity to assess, implement, and monitor a social and racial equity strategy and foster a culture of diversity and inclusion, and an external community needs assessment that will provide the analytical framework and community engagement to develop research findings and present recommended action/policy items to the City Commission. The external community assessment will develop a baseline evidence-based understanding of the community characteristics and trajectory with indicators that can be used to develop a social equity index that reflects current conditions and allows for monitoring of changes and progress in the future. This long-term investment demonstrates a commitment to inclusion and building equity within all communities in Boynton Beach.

As part of our Building Wealth in the Community Strategic Plan Priority, the City has invested in the development of a comprehensive Economic Development Plan that will guide the City's economic development priorities and create a "plan of action" based on current and projected economic, industry, and real estate trends; align policy and investments to maximize City assets; and evaluate current assets and chart a course towards a sustainable and equitable economy that will grow jobs and careers, advance opportunities for prosperity, and create vibrant neighborhoods and communities.

According to newly released 2020 Census data, the City of Boynton Beach is experiencing economic and population growth. With this rapid increase in economic and population growth comes rapidly increasing housing costs and transportation needs. As part of the City's Strategic Plan, the City undertook a Housing Needs and Solutions Assessment to assess the current state of the Boynton Beach housing market, estimate the City's future housing needs, and provide strategic guidance for solutions that would address the affordability crisis. The report will include a Market Analysis comprising data on attached and detached housing demand/pricing, housing and vacant lot inventory, rental activity based on current and expected markets, demographic and economic trends; a Housing Cost Burden Analysis for extremely low, very low, and low-income households, estimates of workforce housing demand and affordability gaps based on incomes and housing prices; and policy review and recommendations, including examples of solutions for attainable housing from other cities throughout the country.

Transportation and Mobility is a priority that our City Commission identified in our Strategic Plan. The City has begun the process of developing and implementing a comprehensive citywide mobility plan. The Complete Streets Mobility Plan's long-term goal is to address the growing need and desire for a balanced transportation network that adequately accommodates all modes of transportation to improve safety and comfort for people walking, biking, driving, and using transit. The objective of the Mobility Plan is to encourage pedestrian walkability and bicycling to create a healthier and more sustainable community. This aligns with the City Commission's Vision Zero policy to eliminate traffic fatalities and severe injuries among all road users, and to ensure safe, healthy, and equitable mobility for all. The plan will also address traffic congestion, improve local multimodal circulation, adopt new transportation technologies, and implement a new Mobility Fee structure for development projects. Mobility Fees can be used for costs associated with adding new multimodal capacity, including sidewalks, trails, bike lanes, streetscape and landscape, microtransit (i.e. golf carts, neighborhood electric vehicles, autonomous transit shuttles etc.), and other mobility options to provide a variety of choices for personal mobility.

The City is working to integrate the Strategic Priority of Environmental Sustainability into all government planning and operations. The 2020 Climate Action Plan established targets of reducing greenhouse gas (GHG) emissions 50% below 2015 levels by 2035 and achieving net zero emissions by 2050, and the City continues to track progress toward these goals through annual inventories of government and community-

wide emissions. Boynton Beach recently joined the Cities Race to Zero, a global campaign to accelerate GHG reductions, and is developing targets for high-impact actions such as renewable energy, electric vehicle adoption, and building efficiency.

The City also completed a climate change vulnerability assessment (CCVA) in July 2021, which incorporated sea level rise projections for 2040 and 2070, and is working to develop a climate adaptation and resilience plan following the CCVA recommendations. The Sustainability and Engineering Departments are collaborating to align future capital projects with state and federal funding sources for resilient infrastructure, with a focus on social vulnerability to ensure these investments are equitably distributed. The City is looking to implement targeted strategies to engage frontline communities that are most vulnerable to climate impacts.

20-21 Achievements

Florida Atlantic University (FAU) Tech Runway has leased space on the first floor of City Hall to establish a business incubator to support entrepreneurs and start-ups in Boynton Beach. FAU Tech Runway provides entrepreneurs with a complete ecosystem in which to train, mentor, fund, and scale their companies from ideation to the early revenue stage. They will provide for the creation, development, and operation of an economic development hub within City Hall to incubate startup companies and train local small businesses. The City provided a \$50,000 grant to FAU Tech Runway to expand its services within the City, provide support and resources to local entrepreneurs and startups, and bring awareness to the City of Boynton Beach’s economic development efforts.

In partnership with Florida International University, the City launched a Racial and Social Equity Initiative to assess both the City’s internal organization and the external community. The Internal Assessment will examine the City’s internal systems, policies, and processes to establish a social and racial equity strategy and foster a culture of diversity and inclusion. The external Community Assessment will develop key findings and recommend action/policy items in five interconnected equity pillars: Economic Development, Education, Housing, Criminal Justice and Safety, and Public Health. We believe authentic community engagement is the heart of equity-focused policy. The City invested \$125,000 in the external Community Assessment and \$163,800 for the Internal Assessment.

The City completed a climate change vulnerability assessment (CCVA) in partnership with six neighboring municipalities and Palm Beach County as the Coastal Resilience Partnership of Southeast Palm Beach County (CRP). The CCVA includes detailed spatiotemporal analyses of vulnerabilities and risks associated with three types of flooding—rainfall-induced flooding, storm surge, and tidal flooding—including projections for sea level rise in the years 2040 and 2070. The CCVA also assessed non-flooding climate threats (high winds, extreme heat, drought, etc.) using spatial and/or narrative analyses. Vulnerabilities and risks were assessed for residential and commercial properties, critical facilities and government buildings, water infrastructure, roads and transportation facilities, natural resources, economic factors, and people/socioeconomics. The “AccelAdapt” web platform provides City staff access to the assessment data at the Census tract and parcel scales to support the integration of CCVA results in City planning and operations.

The City’s Office of Sustainability contracted with Community Greening to plant 590 trees on public land, and give away 297 trees to City residents for a total of 887 trees planted in FY20/21. Other Sustainability achievements in FY20/21 include the distribution of 62 Energy Edge Rebates totaling \$51,800, distribution of 36 rain barrels through the water conservation program, passage of the Polystyrene Foam Waste Reduction Ordinance and launch of the Pass On Plastics Pledge, participation in the second Palm Beach County Solar Co-op, increase to 8 restaurants in the Green



Business Recognition Program, and installation of two dual electric car chargers at City Hall and Kapok Park through a partnership with Florida Power & Light.

As part of the City's Flood Mitigation Plan, the Utilities, Development and Public Works Engineering Departments annually prioritize drainage improvement needs and requests for projects to be included in the City's CIP Program funding. The City was awarded \$83,250 for Hazard Mitigation from the Florida Division of Emergency Management to reduce flooding in Lakeside Gardens neighborhoods. This project is part of the City's continued efforts to comply with the National Flood Insurance Program (NFIP) and the Community Rating System (CRS). Seeking CRS classification improvements within the capabilities of City programs, adopting and administering Federal Emergency Management Agency (FEMA) approved ordinances and Flood Insurance Rate Maps (FIRMs) enhances the City's flood mitigation efforts while securing insurance premium rewards for its residents and businesses. As a result, beginning in April 2022 flood policy holders will now receive up to a 25% discount on their flood insurance premiums resulting in an estimated \$424,000 in discounts for flood insurance premiums in the City.

ACKNOWLEDGEMENTS

The preparation and issuance of this report represents countless hours of work. I thank the many individuals of the Financial Services Department along with the Deputy Finance Director, Corinne Elliott who are responsible for maintaining financial records upon which we base this report for its completion.

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

Respectfully submitted,

Mara Frederiksen

Mara Frederiksen
Director of Financial Services



America's Gateway to the Gulfstream

Elected and Appointed Officials

September 30, 2021

Elected Officials



Mayor
Steven B. Grant



District 1
Commissioner
Justin Katz



District 2
Commissioner
Woodrow Hay



District 3
Vice-Mayor
Christina
Romelus



District 4
Commissioner
Ty Penserga

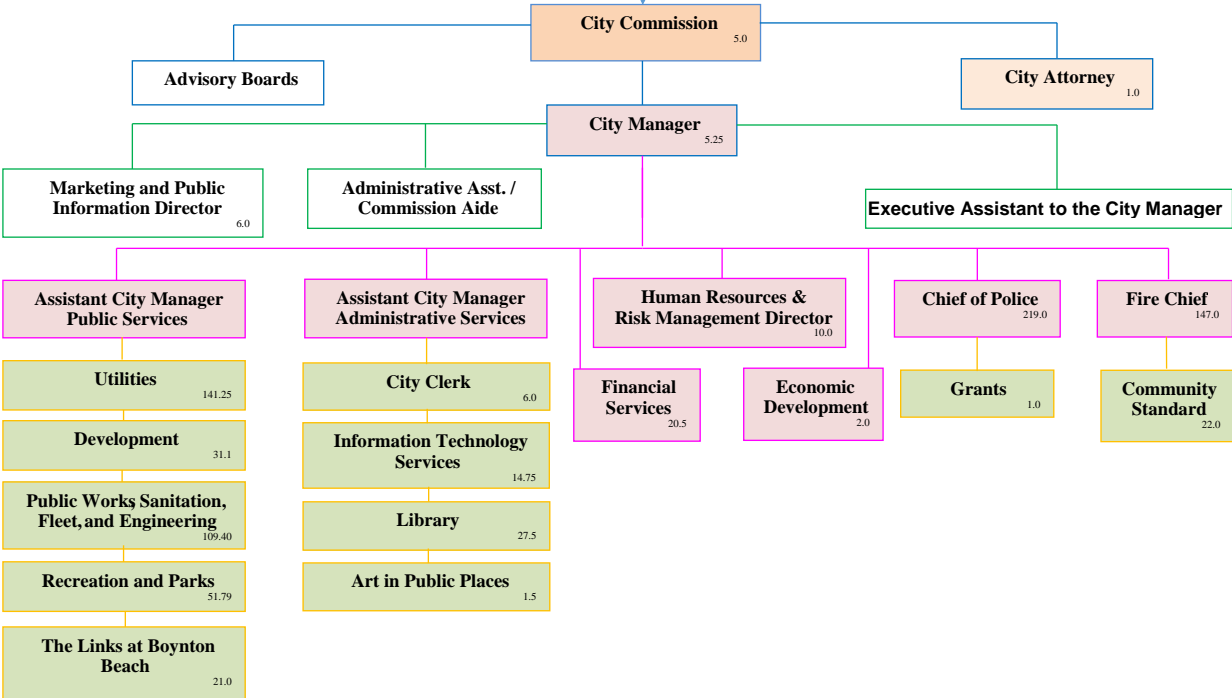
Appointed Officials

Lori LaVerriere, City Manager

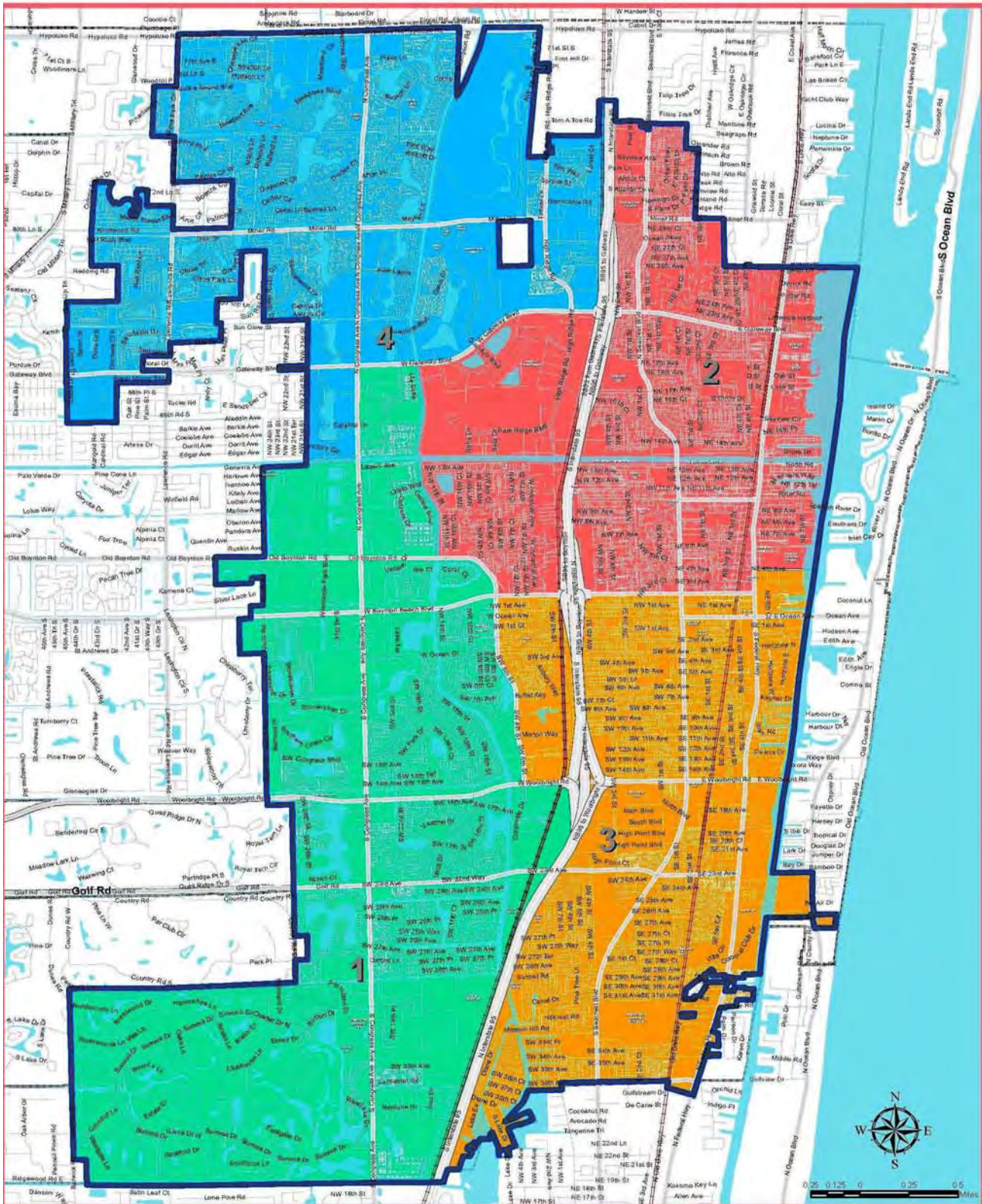
James Cherof
Kathryn Matos
Andrew Mack
Crystal Gibson
James Stables
Michael Gregory
Adam Temple
Mario Guzman
Carisse LeJeune
Julie Oldbury
Mara Frederiksen

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

CITIZENS OF BOYNTON BEACH



City of Boynton Beach Commission Districts





Government Finance Officers Association

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Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Boynton Beach
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor,
City Commission and City Manager
City of Boynton Beach, Florida

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Boynton Beach Community Redevelopment Agency ("CRA"), which includes the Boynton Beach CRA Special Revenue Fund, a major governmental fund, which represents 13%, 36%, and 12%, respectively, of the assets and deferred outflows of resources, net position, and revenues of the governmental activities of the City. We also did not audit the financial statements of the City of Boynton Beach General Employees' Pension Fund, the City of Boynton Beach Police Officers' Pension Fund, and the City of Boynton Beach Firefighters' Pension Fund, fiduciary funds of the City, which combined with the non-major governmental funds of the CRA, collectively represent 94%, 96%, and 78%, respectively, of the assets and deferred outflows of resources, fund balance/net position, and revenues/additions of the aggregate remaining fund information of the City. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the CRA, General Employees' Pension Fund, Police Officers' Pension Fund, and Firefighters' Pension Fund, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City, as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America and the respective budgetary comparison for the General Fund and the Boynton Beach CRA Special Revenue Fund.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 through 13 and the pension information and other postemployment benefits information on pages 111 through 118, 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 U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Matter – 2020 Summarized Comparative Information

The financial statements of the City as of and for the fiscal year ended September 30, 2020, were audited by predecessor auditors whose report dated March 12, 2021 expressed an unmodified opinion. The summarized information presented herein as of and for the fiscal year ended September 30, 2020 was derived from the 2020 financial statements. The 2020 individual major and nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the 2021 basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 basic financial statements. The 2020 financial statements of the Boynton Beach Community Redevelopment Agency, General Employees' Pension Fund, Police Officers' Pension Fund, and Firefighters' Pension Fund, were audited by other auditors and that information is based solely on the reports of the other auditors.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 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, Florida
April 15, 2022



MANAGEMENT'S DISCUSSION AND ANALYSIS
(MD&A)

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis provides a narrative overview and introduction to the City's financial position and results of operations as of and for the fiscal year ended September 30, 2021 organized under the following topics:

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

FINANCIAL HIGHLIGHTS

- The City's net position at September 30, 2021 totals \$236,625,682 representing a \$27,485,080 increase from the net position at September 30, 2020. For 2021, approximately 69% of the net position is attributable to business-type activities (primarily our Water and Sewer System). For 2020, approximately 76% of the net position was attributable to our business-type activities. The City's 2021 net position is summarized as follows:
 - \$232,803,414 is the net investment in capital assets,
 - \$20,763,520 is restricted for public safety, grant programs, debt service, capital projects and other purposes,
 - \$16,941,252 is an unrestricted net deficit.
- The City's total fund balances (available financial resources) of all governmental funds at September 30, 2021 were \$52,722,678 in comparison with \$52,971,193 in the prior year. The 2021 fund balances of individual governmental fund types are:
 - \$15,874,032 - General Fund
 - \$14,265,409 - Special Revenue Funds (restricted, committed, assigned or unassigned for specific purposes)
 - \$ 6,212,255 - Debt Service Funds (accumulated to repay principal and interest on outstanding debt)
 - \$16,370,982 - Capital Project Funds (committed or assigned for capital improvements)
- The General Fund includes \$10,239,669 committed for emergencies pursuant to a City Ordinance requiring 10% of the subsequent year's General Fund expenditures be set aside for emergencies. Other than \$35,888 representing nonspendable prepaid items and \$8,750 assigned to the 2021/2022 budget, the remaining \$5,589,725 of unassigned fund balance of the General Fund is available (a) to mitigate future revenue shortfalls and unanticipated expenditures, (b) to stabilize tax rates, and (c) to provide for working capital to minimize short-term borrowing for operations.
- General Fund unassigned fund balance represents approximately 5.8% of total General Fund 2021 expenditures.

DISCUSSION OF THE BASIC FINANCIAL STATEMENTS

The City's basic financial statements comprise three components:

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

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

- Statement of Net Position
- Statement of Activities

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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

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

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

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

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

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

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

The government-wide financial statements can be found on pages 14 through 15 of this report.

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

The City groups its funds into three categories:

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

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

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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

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

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

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

The basic governmental fund financial statements can be found on pages 16 through 21 of this report.

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

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

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

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

The City's proprietary fund financial statements can be found on pages 22 through 27 of this report.

Fiduciary Funds account for resources held for the benefit of parties outside the City that represent separate pension plans for general employees, police officers and firefighters. The City does not include fiduciary funds in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Instead they are held for the benefit of employees upon retirement. The accounting used for fiduciary funds is much like that used for proprietary funds. The operations of these Plans lead to the recording of related deferred outflows/inflows, pension expense, and net pension liability (asset) on the City's financial statements. Separate from these plans, the City Commission is covered by the Florida Retirement System (FRS), a multi-employer defined benefit plan administered by the State of Florida. The net pension liability (NPL), deferred outflows/inflows and pension expense related to the FRS plan is not considered significant to the City and City management has decided not to record or disclose the FRS activity in the City's financial statements.

The City's fiduciary fund financial statements can be found on pages 28 and 29.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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

The notes to the financial statements can be found on pages 30 through 110 of this report.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* (RSI) concerning the City's progress in funding its obligation to provide pension benefits and other postemployment benefits to its employees. Required supplementary information related to these benefits can be found on pages 111 to 118 of this report.

This report also contains other supplementary information immediately following the RSI, which includes the combining and individual fund financial statements beginning on page 119.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

Net Position - As noted previously, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$236,625,682 at the close of the most recent fiscal year.

Summary of Net Position (Amounts in Thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 109,307	\$ 97,161	\$ 66,798	\$ 68,161	\$ 176,105	\$ 165,322
Capital assets	183,189	181,028	185,195	191,203	368,384	372,231
Net pension asset	6,263	--	3,935	--	10,198	--
Total Assets	<u>298,759</u>	<u>278,189</u>	<u>255,928</u>	<u>259,364</u>	<u>554,687</u>	<u>537,553</u>
Deferred outflows of resources	10,339	15,714	1,977	3,258	12,316	18,972
Long-term liabilities outstanding	184,443	227,324	84,195	96,333	268,638	323,657
Other liabilities	14,819	9,252	4,366	7,486	19,185	16,738
Total Liabilities	<u>199,262</u>	<u>236,576</u>	<u>88,561</u>	<u>103,819</u>	<u>287,823</u>	<u>340,395</u>
Deferred inflows of resources	35,510	6,724	7,045	265	42,555	6,989
Net Position						
Net investment in capital assets	83,013	73,221	149,790	153,343	232,803	226,564
Restricted	13,317	7,612	7,446	3,106	20,763	10,718
Unrestricted (deficit)	(22,004)	(30,230)	5,063	2,089	(16,941)	(28,141)
Total Net Position	<u>\$ 74,326</u>	<u>\$ 50,603</u>	<u>\$ 162,299</u>	<u>\$ 158,538</u>	<u>\$ 236,625</u>	<u>\$ 209,141</u>

A significant portion of the City's net position (\$232,803) reflects its investment in capital assets (e.g., land, buildings, and equipment), less any debt and deferred inflows/outflows related to those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (\$20,763 or 7.7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance is an unrestricted net deficit of \$16,941 or 7.2%.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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

Change in Net Position. Total net position increased in fiscal year 2021 by \$27,485,080 with governmental activities increasing the City's net position by \$23,723,881 and business-type activities increasing the City's net position by \$3,761,199. Key elements of these changes are summarized as follows:

Summary of Change in Net Position (Amounts in Thousands)

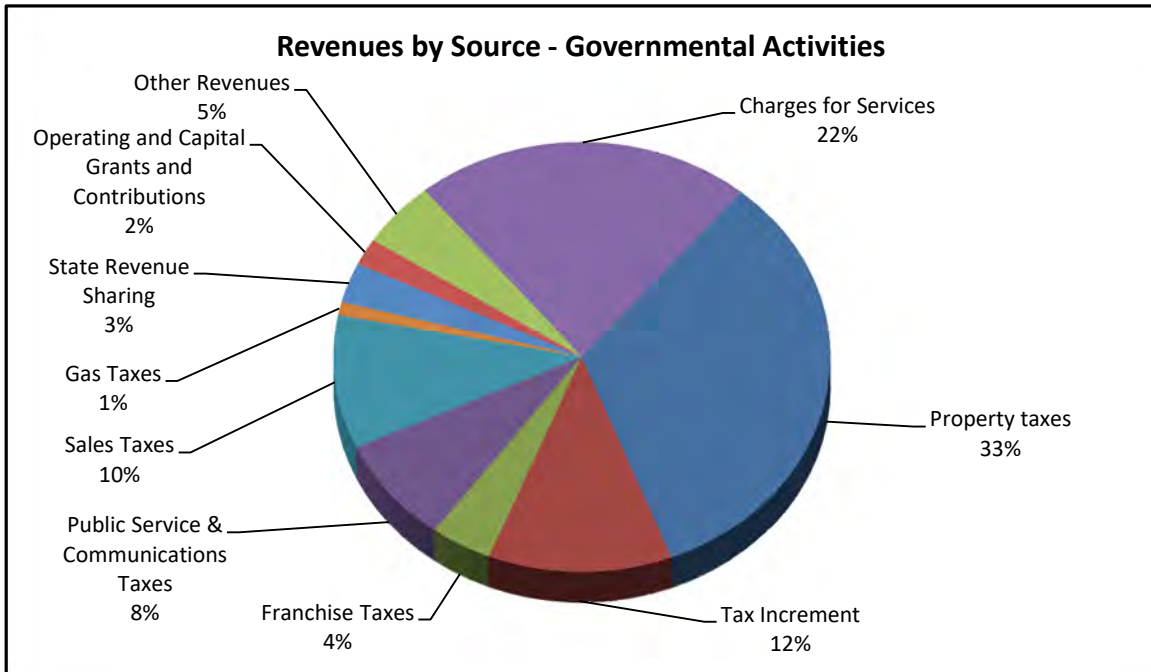
	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues						
Charges for services	\$ 27,077	\$ 24,982	\$ 66,017	\$ 63,634	\$ 93,094	\$ 88,616
Operating grants and contributions	2,154	2,736	--	--	2,154	2,736
Capital grants and contributions	532	911	367	477	899	1,388
General revenues						
Property taxes	40,923	38,489	--	--	40,923	38,489
Property tax increment	14,928	13,933	--	--	14,928	13,933
Franchise taxes	4,689	4,504	--	--	4,689	4,504
Communications and public service taxes	10,637	10,566	--	--	10,637	10,566
Sales taxes	12,953	11,092	--	--	12,953	11,092
Gas taxes	1,362	1,302	--	--	1,362	1,302
State revenue sharing	3,322	2,820	--	--	3,322	2,820
Investment income	511	967	127	794	638	1,761
Other revenues	5,489	5,986	(68)	73	5,421	6,059
Total Revenues	<u>124,577</u>	<u>118,288</u>	<u>66,443</u>	<u>64,978</u>	<u>187,698</u>	<u>183,266</u>
Expenses						
General government	25,163	23,776	--	--	25,163	23,776
Public safety	62,140	66,607	--	--	62,140	66,607
Physical environment	1,576	2,119	--	--	1,576	2,119
Economic environment	8,299	11,334	--	--	8,299	11,334
Culture and recreation	11,192	11,422	--	--	11,192	11,422
Interest on long-term debt	3,846	4,080	--	--	3,846	4,080
Water ad sewer	--	--	38,929	41,037	38,929	41,037
Sanitation	--	--	10,742	11,233	10,742	11,233
Golf course	--	--	1,649	1,755	1,649	1,755
Total Expenses	<u>112,216</u>	<u>119,338</u>	<u>51,320</u>	<u>54,025</u>	<u>163,536</u>	<u>173,363</u>
Change in net position before transfers	12,361	(1,050)	15,123	10,953	27,484	9,903
Transfers	11,362	10,727	(11,362)	(10,727)	--	--
Change in Net Position	23,723	9,677	3,761	226	27,484	9,903
Net Position - Beginning of Year	<u>50,603</u>	<u>40,926</u>	<u>158,538</u>	<u>158,312</u>	<u>209,141</u>	<u>199,238</u>
Net Position - End of Year	<u>\$ 74,326</u>	<u>\$ 50,603</u>	<u>\$ 162,299</u>	<u>\$ 158,538</u>	<u>\$ 236,625</u>	<u>\$ 209,141</u>

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

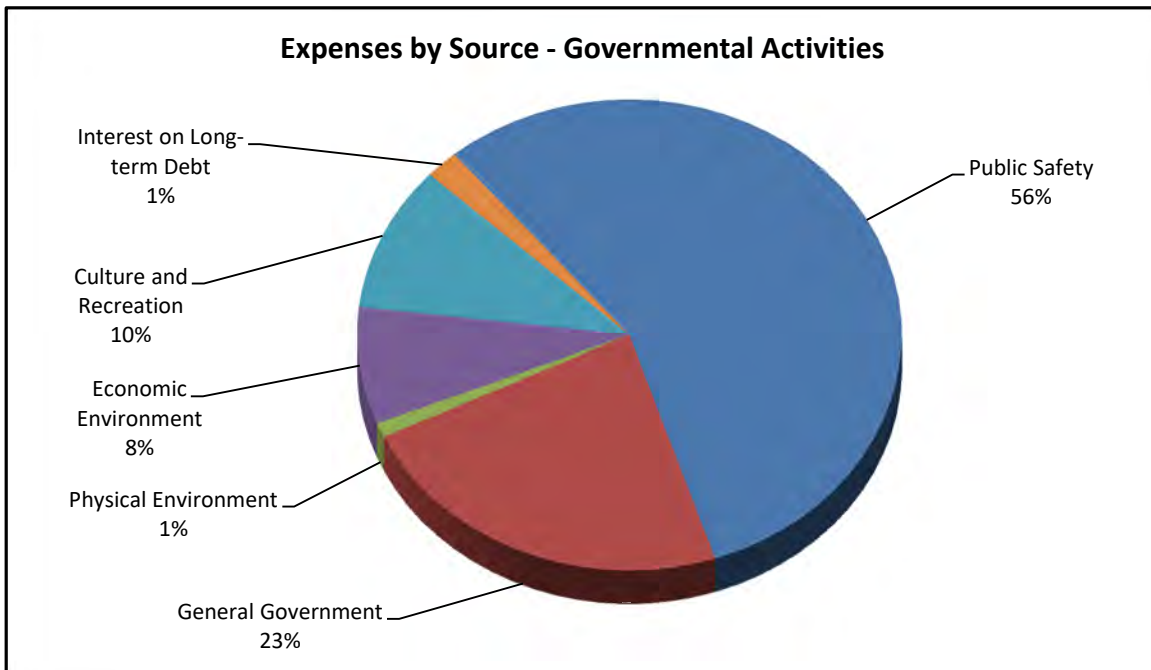
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Governmental Activities

Taxes (property taxes, tax increment, franchise taxes, public service and communications taxes, sales taxes and gas taxes) continue as the major revenue source for the City's governmental activities representing 68% of revenues in FY 2020-2021, compared to 68% in FY 2019-2020.



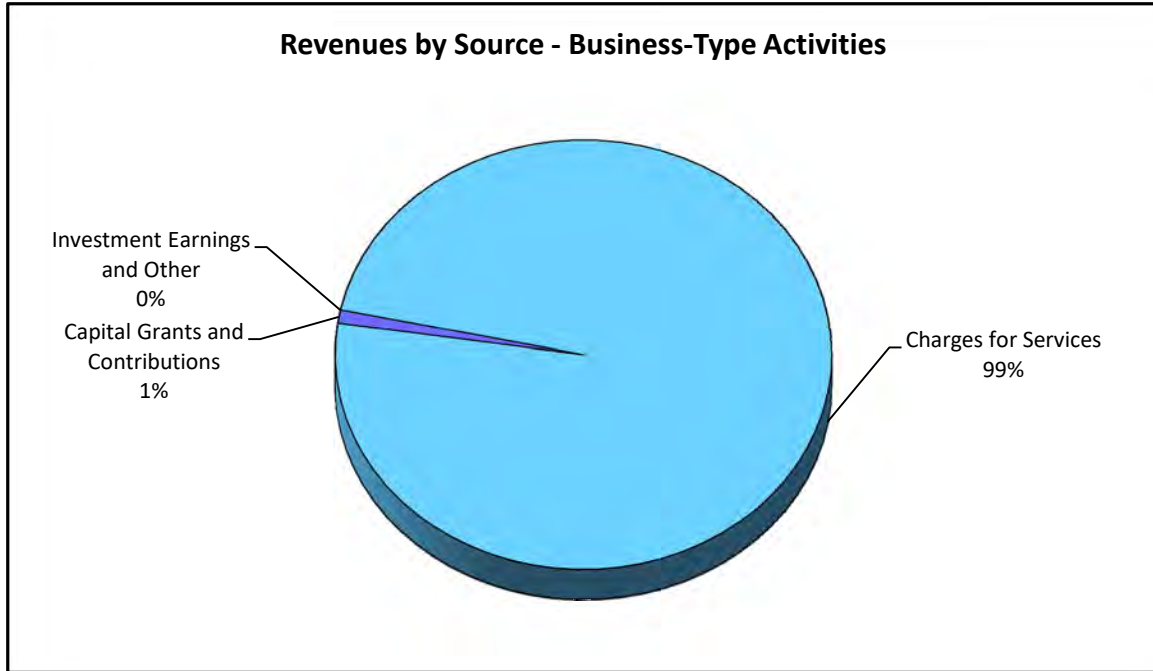
Public safety (Police, Fire, and 911 Communications) expenses aggregate 56% of total expenses of governmental activities in FY 2020-2021 compared to 57% in FY 2019-2020.



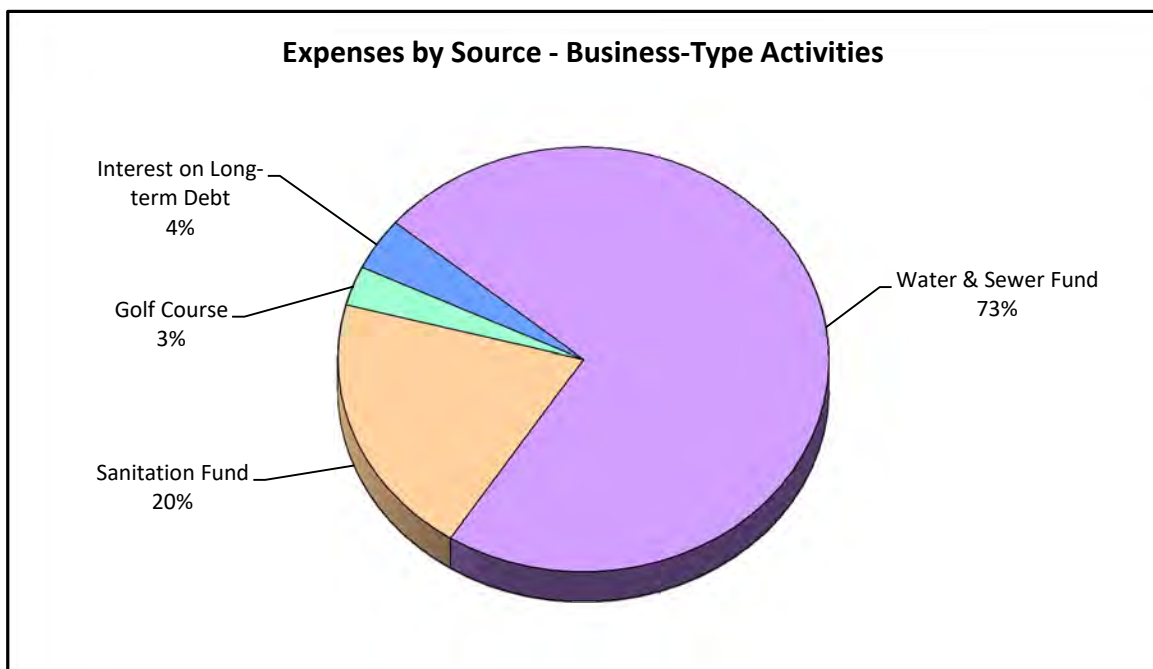
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Business-Type Activities

Charges for services represent 99% of all revenues in FY 2020-2021 compared to 98% in FY 2019-2020. The charges include those for water, wastewater, stormwater, sanitation and golf course revenues.



The Water and Sewer Fund expenses (excluding interest on long-term debt) accounted for 73% of the expenses of the City's business-type activities in FY 2020-2021 compared to 72% in FY 2019-2020. The Sanitation Fund remained unchanged at 20%, along with the Golf Course Fund at 3%. The interest on long-term debt decreased to 4% in FY 2020-2021 from 5% in FY 2019-2020.



MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

DISCUSSION OF MAJOR FUNDS

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

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

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

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

- The **General Fund** is the primary operating fund accounting for all unrestricted operating expenditures of the City. Revenues plus transfers from other funds and issuance of capital lease agreements aggregated \$95.40 million while expenditures plus net transfers to other funds totaled \$96.97 million resulting in a \$1.57 million decrease in fund balance for the year. The decrease in fund balance for 2021 was primarily attributable to increased property taxes due to higher property valuations and decreases in taxes such as sales, franchise and gas taxes attributable to decreased economic activity and tourism resulting from the coronavirus pandemic. The ending fund balance of \$15.9 million includes \$10.2 million committed by City Ordinance for emergencies, \$8,750 assigned for the FY 2021-2022 budget and \$35,888 for prepaid items that is nonspendable. The remaining \$5.6 million, representing approximately 5.8% of annual General Fund expenditures (excluding the capital lease expenditure), is unassigned and available (a) to mitigate future revenue shortfalls and unanticipated expenditures, (b) to stabilize tax rates, and (c) to provide for working capital to minimize short-term borrowing for operations.

General Fund comparative financial statements for 2021 and 2020 are on pages 121-122.

- The **Boynton Beach CRA Special Revenue Fund** accounts for all of the CRA's general operations. Major revenues for the year included property tax increment revenue of \$14.9 million and charges for services of \$1.6 million. Expenditures included \$3.5 million for general government operations, and transfers to other governmental funds of \$12.5 million for redevelopment projects. Fund balance increased by approximately \$677,000 due to an increase in tax increment revenue attributable to higher property valuations in 2021. At the end of 2021, approximately \$3.7 million of fund balance was committed and assigned for future economic development, primarily redevelopment projects, and \$133,000 was nonspendable.

The CRA Special Revenue Fund comparative financial statements for 2021 and 2020 are on pages 123-124.

- The **American Rescue Fund** is a new major fund of the City that was established in fiscal 2021. The purpose of the fund is to account for the revenues and expenditures associated with the Coronavirus State and Local Fiscal Recovery Funds established by the American Rescue Plan Act (ARPA), which was signed into law on March 11, 2021. The received approximately \$6.7 million in funds and expended \$146,613 through September 30, 2021. The City expects to receive approximately \$7 million in future ARPA funds.

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

- Water and Sewer Fund
- Sanitation Fund

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

The City’s major proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position (deficit) of the City’s major proprietary funds at September 30, 2021 is summarized as follows:

\$40,762,100 – Water and Sewer Fund
 (\$661,446)– Sanitation Fund

The above total unrestricted net position (deficit) compares to \$36,498,508 for the Water and Sewer Fund and \$(1,131,238) deficit for the Sanitation Fund at the end of 2020. Other factors concerning the finances of these funds have already been addressed in the discussion of the City’s business-type activities.

Water and Sewer Fund comparative financial statements for 2021 and 2020 are on pages 128 to 130 and Sanitation Fund comparative financial statements for 2021 and 2020 are on pages 131 to 133.

SUMMARY OF GENERAL FUND BUDGETARY RESULTS

The original General Fund budget appropriation for expenditures and transfers to other funds approved for FY 2020-2021 was \$99,218,382. There was a mid-year budget amendment to expenditures and transfers resulting in a final appropriation for FY 2020-2021 of \$99,185,429. Total expenditures alone of \$95,080,348 for the year were \$322,694 less than the final appropriation for expenditures. Departmental budget details are reflected on page 20.

The original General Fund budgeted revenues of \$80,745,382 were decreased by \$32,953 to \$80,712,429 for FY 2020-2021. Actual revenues were less than the final budget by \$1,894,218 for FY 2020-2021 due to the effects of the coronavirus pandemic on the economy and tourism related revenue streams.

REVIEW OF CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The City’s investment in capital assets (including intangible assets) for its governmental and business-type activities as of September 30, 2021, totals \$368,384,349 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, park facilities, streets, utility lines and wells and intangible assets. The total net decrease in the City’s investment in capital assets for the current fiscal year was approximately \$3.8 million or 1.0% (a 1.2% increase for governmental activities and a 3.2% decrease for business-type activities). Capital assets are summarized as follows:

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Land	\$ 32,183	\$ 30,666	\$ 5,132	\$ 5,132	\$ 37,315	\$ 35,798
Construction in progress	1,092	14,407	5,333	36,638	6,425	51,045
Intangible assets	--	--	2,910	2,910	2,910	2,910
Building and improvements	121,329	113,335	69,734	57,589	191,063	170,924
Equipment and vehicles	19,756	20,340	18,100	5,145	37,856	25,485
Utility lines and wells	--	--	83,986	83,789	83,986	83,789
Infrastructure	8,829	2,280	--	--	8,829	2,280
Total	\$ 183,189	\$ 181,028	\$ 185,195	\$ 191,203	\$ 368,384	\$ 372,231

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Additional information on the City's capital assets can be found in Note 3.F beginning on page 69.

Long-Term Liabilities - At the end of the current fiscal year, the City had total outstanding long-term debt (revenue bonds, notes payable, capital lease agreements and installment agreements) of \$179,267,890, excluding net unamortized bond premium, as summarized below:

	Long-Term Liabilities					
	(Amounts in Thousands)					
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue bonds	\$ 23,864	\$ 27,801	\$ 25,565	\$ 29,565	\$ 49,429	\$ 57,366
Notes payable	--	1,850	52,330	52,970	52,330	54,820
Capital leases (Town Square)	76,589	78,250	--	--	76,589	78,250
Installment agreements	<u>856</u>	<u>1,338</u>	<u>--</u>	<u>--</u>	<u>856</u>	<u>1,338</u>
Total	<u>\$ 101,309</u>	<u>\$ 109,239</u>	<u>\$ 77,895</u>	<u>\$ 82,535</u>	<u>\$ 179,204</u>	<u>\$ 191,774</u>

The revenue bonds, notes payable and capital leases are secured solely by specified revenue sources and the installment agreements are secured by equipment. The City's long-term debt decreased by approximately \$12.5 million, or 6.5% during the current year, primarily due to the repayment of debt during the current year.

Additional information on the City's long-term liabilities can be found in Note 3.H. beginning on page 74.

FUTURE BUDGETARY OUTLOOK

The City considered the following economic factors in developing the 2021/2022 fiscal year budget.

- Housing prices are continuing to increase in the City and surrounding areas and the increase in property values is expected to continue for the coming fiscal year.
- The City is continuing to see an increase in permit issuance related to new construction and remodeling.
- Taxable values are expected to increase for fiscal year 2021/2022 and then start to level off thereafter.
- Interest rates are expected to remain favorable, enabling the issuance of additional long-term debt to finance new capital projects.
- Adoption of a General Fund budget for the 2021/2022 fiscal year of \$102 million, which was an increase of \$3.1 million or 3.2% from the final 2020/2021 budget.
- Adoption of a property tax millage rate of 7.89 mills, which is a decrease of 0.10 mills from the 2020/2021 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions or requests for additional information should be addressed to: Director of Financial Services, 100 E. Ocean Avenue, Boynton Beach, FL 33435, (561) 742-6310.

Mara Frederiksen

Mara Frederiksen
Director of Financial Services

BASIC FINANCIAL STATEMENTS

CITY OF BOYNTON BEACH, FLORIDA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2021

	Governmental Activities	Business-type Activities	Total
Assets			
Pooled cash and investments	\$ 68,074,818	\$ 23,703,584	\$ 91,778,402
Receivables, net	3,520,945	7,798,312	11,319,257
Due from other governments	2,329,385	--	2,329,385
Internal balances	34,356,485	(34,356,485)	--
Prepaid expenses	215,007	77,410	292,417
Inventories	810,067	29,993	840,060
Investment in joint venture	--	16,650,509	16,650,509
Restricted assets - pooled cash and investments	--	52,855,837	52,855,837
Restricted assets - accounts receivable	--	38,553	38,553
Intangible assets	--	2,910,000	2,910,000
Capital assets not being depreciated	33,275,370	10,465,585	43,740,955
Capital assets net of accumulated depreciation	149,913,482	171,819,912	321,733,394
Net pension asset	6,263,798	3,934,507	10,198,305
Total Assets	298,759,357	255,927,717	554,687,074
Deferred Outflow of Resources			
Deferred charges on debt refundings	1,134,553	1,070,725	2,205,278
Deferred amount related to OPEB	551,453	348,585	900,038
Deferred amounts related to pensions	8,652,510	558,230	9,210,740
Total Deferred Outflows of Resources	10,338,516	1,977,540	12,316,056
Liabilities			
Accounts payable and accrued liabilities	6,620,726	1,988,975	8,609,701
Accrued interest payable	111,272	516,491	627,763
Unearned revenue	7,959,821	19,864	7,979,685
Refundable deposits	99,480	158,477	257,957
Customer deposits	--	1,601,081	1,601,081
Due to other governments	27,061	80,000	107,061
Other payables	--	1,600	1,600
Noncurrent liabilities:			
Due within one year:			
Bonds and notes payable	4,029,000	5,760,000	9,789,000
Capital leases and installment agreements	2,217,871	--	2,217,871
Compensated absences	1,030,284	192,119	1,222,403
Provision for insurance losses	2,215,459	--	2,215,459
Due in more than one year:			
Bonds and notes payable	19,835,000	72,219,712	92,054,712
Capital leases and installment agreements	75,228,019	--	75,228,019
Compensated absences	6,894,979	1,285,729	8,180,708
Provision for insurance losses	4,160,284	--	4,160,284
Total OPEB liability	7,493,830	4,737,002	12,230,832
Net pension liability	61,338,393	--	61,338,393
Total Liabilities	199,261,479	88,561,050	287,822,529
Deferred Inflows of Resources			
Deferred amount related to OPEB	244,939	154,831	399,770
Deferred amounts related to pensions	35,265,102	6,890,047	42,155,149
Total Deferred Inflows of Resources	35,510,041	7,044,878	42,554,919
Net Position			
Net investment in capital assets	83,013,515	149,789,899	232,803,414
Restricted for:			
Public safety	653,322	--	653,322
Grant programs	1,850,224	--	1,850,224
Debt service	120,621	3,511,829	3,632,450
Capital projects	2,847,093	--	2,847,093
Net pension asset	6,263,798	3,934,507	10,198,305
Other purposes	1,582,126	--	1,582,126
Unrestricted (deficit)	(22,004,346)	5,063,094	(16,941,252)
Total Net Position	\$ 74,326,353	\$ 162,299,329	\$ 236,625,682

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

CITY OF BOYNTON BEACH, FLORIDA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		
		Charges for Services, Fees, Fines and Forfeitures	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
General government	\$ 25,163,019	\$ 9,546,149	\$ 223,644	\$ --	\$ (15,393,226)	\$ --	\$ (15,393,226)
Public safety	62,139,809	15,872,161	518,956	481,165	(45,267,527)	--	(45,267,527)
Physical environment	1,575,544	181,423	--	--	(1,394,121)	--	(1,394,121)
Economic environment	8,299,197	--	1,165,983	--	(7,133,214)	--	(7,133,214)
Culture and recreation	11,191,863	1,477,251	244,967	51,024	(9,418,621)	--	(9,418,621)
Interest on long-term debt	3,846,471	--	--	--	(3,846,471)	--	(3,846,471)
Total Governmental Activities	<u>112,215,903</u>	<u>27,076,984</u>	<u>2,153,550</u>	<u>532,189</u>	<u>(82,453,180)</u>	<u>--</u>	<u>(82,453,180)</u>
Business-type Activities							
Water and sewer	38,928,678	50,196,287	--	367,348	--	11,634,957	11,634,957
Sanitation	10,742,454	13,268,238	--	--	--	2,525,784	2,525,784
Golf course	1,648,541	2,552,175	--	--	--	903,634	903,634
Total Business-type Activities	<u>51,319,673</u>	<u>66,016,700</u>	<u>--</u>	<u>367,348</u>	<u>--</u>	<u>15,064,375</u>	<u>15,064,375</u>
Total Primary Government	<u>\$ 163,535,576</u>	<u>\$ 93,093,684</u>	<u>\$ 2,153,550</u>	<u>\$ 899,537</u>	<u>(82,453,180)</u>	<u>15,064,375</u>	<u>(67,388,805)</u>
		General Revenues					
		Property taxes			40,922,907	--	40,922,907
		Tax increment			14,928,164	--	14,928,164
		Franchise taxes			4,688,829	--	4,688,829
		Public service taxes			7,951,801	--	7,951,801
		Communications services tax			2,685,713	--	2,685,713
		Sales taxes			12,952,881	--	12,952,881
		Gas taxes			1,361,830	--	1,361,830
		State revenue sharing not restricted to specific programs			3,322,120	--	3,322,120
		Investment earnings			511,233	126,888	638,121
		Gain (loss) on disposal of capital assets			411,459	(212,861)	198,598
		Other			5,077,689	145,232	5,222,921
		Transfers			11,362,435	(11,362,435)	--
		Total General Revenues and Transfers			<u>106,177,061</u>	<u>(11,303,176)</u>	<u>94,873,885</u>
		Change in Net Position			<u>23,723,881</u>	<u>3,761,199</u>	<u>27,485,080</u>
		Net Position - Beginning of Year			<u>50,602,472</u>	<u>158,538,130</u>	<u>209,140,602</u>
		Net Position - End of Year			<u>\$ 74,326,353</u>	<u>\$ 162,299,329</u>	<u>\$ 236,625,682</u>

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

CITY OF BOYNTON BEACH, FLORIDA

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2021

	General Fund	Boynton Beach CRA Special Revenue Fund	American Rescue Fund	Other Non-Major Governmental Funds	Total Governmental Funds
Assets					
Pooled cash and investments	\$ 16,347,304	\$ 4,280,408	\$ 6,208,481	\$ 33,380,785	\$ 60,216,978
Receivables, net	2,421,851	15,708	--	870,137	3,307,696
Due from other governments	716,513	--	--	1,612,872	2,329,385
Due from other funds	1,477,443	--	500,000	445,561	2,423,004
Prepaid items	<u>35,888</u>	<u>132,758</u>	<u>--</u>	<u>46,361</u>	<u>215,007</u>
Total Assets	<u>\$ 20,998,999</u>	<u>\$ 4,428,874</u>	<u>\$ 6,708,481</u>	<u>\$ 36,355,716</u>	<u>\$ 68,492,070</u>
Liabilities, Deferred Inflows of Resources and Fund Balance					
Liabilities:					
Accounts payable	\$ 1,212,528	\$ 109,530	\$ --	\$ 1,855,619	\$ 3,177,677
Accrued liabilities	2,653,740	--	--	16,984	2,670,724
Due to other funds	--	445,561	31,142	1,357,926	1,834,629
Due to other governments	--	--	--	27,061	27,061
Refundable deposits	<u>83,998</u>	<u>13,677</u>	<u>--</u>	<u>1,805</u>	<u>99,480</u>
Total Liabilities	<u>3,950,266</u>	<u>568,768</u>	<u>31,142</u>	<u>3,259,395</u>	<u>7,809,571</u>
Deferred Inflows of Resources					
Unavailable revenue	<u>1,174,701</u>	<u>--</u>	<u>6,677,339</u>	<u>107,781</u>	<u>7,959,821</u>
Fund Balances					
Nonspendable					
Prepaid items	35,888	132,758	--	46,361	215,007
Restricted for:					
Public safety	--	--	--	653,322	653,322
Grant programs	--	--	--	1,850,224	1,850,224
Debt service	--	--	--	120,621	120,621
Capital projects	--	--	--	2,847,093	2,847,093
Other purposes	--	--	--	1,582,126	1,582,126
Committed for:					
Emergency purposes	10,239,669	--	--	--	10,239,669
Economic development	--	874,999	--	--	874,999
Capital projects	--	--	--	3,908,906	3,908,906
Assigned to:					
Subsequent year's budget	8,750	--	--	--	8,750
Economic development	--	2,852,349	--	--	2,852,349
Debt service	--	--	--	6,091,634	6,091,634
Public safety	--	--	--	2,821,213	2,821,213
Culture and recreation	--	--	--	617,535	617,535
Cemetery maintenance	--	--	--	2,991,802	2,991,802
Capital projects	--	--	--	10,293,644	10,293,644
Unassigned (deficit)	<u>5,589,725</u>	<u>--</u>	<u>--</u>	<u>(835,941)</u>	<u>4,753,784</u>
Total Fund Balances	<u>15,874,032</u>	<u>3,860,106</u>	<u>-</u>	<u>32,988,540</u>	<u>52,722,678</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 20,998,999</u>	<u>\$ 4,428,874</u>	<u>\$ 6,708,481</u>	<u>\$ 36,355,716</u>	<u>\$ 68,492,070</u>

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

CITY OF BOYNTON BEACH, FLORIDA

**RECONCILIATION OF THE FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION OF GOVERNMENTAL ACTIVITIES**

SEPTEMBER 30, 2021

Fund balances reported in the Balance Sheet of total governmental funds.	\$ 52,722,678
<p>Amounts reported as fund balance in the governmental funds Balance Sheet (above) are different from the total net position for governmental activities in the Statement of Net Position (below) because of a different measurement focus and basis of accounting between the two statements resulting in the following increases and decreases.</p>	
<u>Increases:</u>	
Capital assets are not financial resources. Therefore, they are not reported in the Balance Sheet of governmental funds. However, they are reported in the Statement of Net Position of governmental activities.	173,606,374
The City uses internal service funds to charge the costs of fleet management, risk management, and warehouse services to individual governmental and enterprise funds. The majority of these costs are charged to governmental funds. Therefore, the total net position of internal service funds are included with governmental activities in the Statement of Net Position.	9,606,532
The internal service funds have operations with cumulative positive income results over the years; primarily for excess service charges to governmental funds to pre-fund fleet replacement. Those excess charges have reduced the fund balances reported in the Balance Sheet of total governmental funds above. Since internal service funds should operate at a break-even basis, the cumulative excess charges are added back to the above fund balances.	34,342,640
Deferred outflows of resources for deferred charges on debt refundings are reported in the Statement of Net Position but are recognized in the governmental funds as proceeds and repayment of debt.	1,134,553
The net pension liability (asset) and deferred outflows and inflows of resources related to defined benefit pension plans and other postemployment benefits are reported in the statement of net position. Because the net pension liability (asset) and other postemployment benefits liability do not represent available, spendable resources, they are not reported in governmental funds.	
Net pension asset	5,717,169
Net pension liability	(61,338,393)
Deferred outflows related to other postemployment benefits	503,392
Deferred outflows related to pensions	8,574,954
Deferred inflows related to other postemployment benefits	(223,591)
Deferred inflows related to pensions	(34,307,854)
<u>Decreases:</u>	
Governmental funds recognize the proceeds and the repayment of noncurrent bonds and notes payable, capital leases and installment agreements as a change in fund balance included above. However, governmental activities report noncurrent bonds and notes payable, capital leases and installment agreements payable as liabilities in the Statement of Net Position thus decreasing the fund balance of governmental funds.	(101,309,890)
Governmental funds do not recognize interest on the above noncurrent debt as an expense and an accrued liability until it is due and payable. However, accrued interest is reported as an expense and liability in the government-wide financial statements.	(111,272)
Governmental funds do not recognize other postemployment benefits (OPEB) as an expense and an accrued liability. However, the total OPEB obligation is reported as a liability in the government-wide financial statements.	(6,840,704)
Compensated absences that are not due and payable in the current period are not reported in the governmental funds. However, they are reported as a liability in the Statement of Net Position for governmental activities thus reducing net position.	(7,750,235)
Net position reported in the Statement of Net Position of governmental activities.	<u>\$ 74,326,353</u>

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

CITY OF BOYNTON BEACH, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	General Fund	Boynton Beach CRA Special Revenue Fund	American Rescue Fund	Other Non-Major Governmental Funds	Total Governmental Funds
Revenues					
Taxes, net of tax increment revenue	\$ 42,428,504	\$ --	\$ --	\$ 11,916,771	\$ 54,345,275
Tax increment revenue	--	14,928,164	--	--	14,928,164
Licenses and permits	5,250,710	--	--	3,839,279	9,089,989
Intergovernmental	12,657,739	--	146,563	8,302,362	21,106,664
Charges for services	7,690,810	1,575,454	--	954,914	10,221,178
Special assessment	7,033,880	--	--	--	7,033,880
Fines and forfeitures	612,001	--	--	2,372,895	2,984,896
Rents and royalties	550,081	--	--	--	550,081
Investment earnings	114,058	164,689	--	225,643	504,390
Donations	--	--	--	221,412	221,412
Miscellaneous	4,370,736	--	--	199,381	4,570,117
Total Revenues	<u>80,708,519</u>	<u>16,668,307</u>	<u>146,563</u>	<u>28,032,657</u>	<u>125,556,046</u>
Expenditures					
Current:					
General government	14,620,173	3,476,446	28,574	617,248	18,742,441
Public safety	65,495,110	--	103,739	3,938,644	69,537,493
Physical environment	1,392,715	--	--	51,818	1,444,533
Economic environment	757,102	--	14,250	7,541,394	8,312,746
Culture and recreation	9,885,214	--	--	759,754	10,644,968
Capital outlay	518,308	--	--	10,645,924	11,164,232
Debt service:					
Principal retirement	1,798,318	--	--	6,130,478	7,928,796
Interest charges	2,503,716	--	--	1,062,582	3,566,298
Total Expenditures	<u>96,970,656</u>	<u>3,476,446</u>	<u>146,563</u>	<u>30,747,842</u>	<u>131,341,507</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(16,262,137)</u>	<u>13,191,861</u>	<u>--</u>	<u>(2,715,185)</u>	<u>(5,785,461)</u>
Other Financing Sources (Uses)					
Transfers in	18,473,000	--	--	15,515,849	33,988,849
Transfers out	(3,782,370)	(12,514,683)	--	(12,154,850)	(28,451,903)
Total Other Financing Sources (Uses)	<u>14,690,630</u>	<u>(12,514,683)</u>	<u>--</u>	<u>3,360,999</u>	<u>5,536,946</u>
Net Change in Fund Balances	(1,571,507)	677,178	--	645,814	(248,515)
Fund Balances - Beginning of Year	<u>17,445,539</u>	<u>3,182,928</u>	<u>--</u>	<u>32,342,726</u>	<u>52,971,193</u>
Fund Balances - End of Year	<u>\$ 15,874,032</u>	<u>\$ 3,860,106</u>	<u>\$ --</u>	<u>\$ 32,988,540</u>	<u>\$ 52,722,678</u>

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

CITY OF BOYNTON BEACH, FLORIDA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR YEAR ENDED SEPTEMBER 30, 2021

Net change in fund balances reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance of total governmental funds \$ (248,515)

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

Increases:

Capital outlay, reported as expenditures in governmental funds, is reported as capital assets in the Statement of Net Position rather than expenses. 11,164,232

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

Transfers	\$ 5,825,489	
Nonoperating revenue	911,611	
Consolidation of operating loss related to governmental funds	<u>(2,173,777)</u>	4,563,323

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

Repayment of noncurrent bonds, notes, installment agreements and capital leases 7,928,796

Decreases:

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

Depreciation expense (4,093,348)

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

Amortization of deferred charges on debt refundings (297,479)

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

Accrued interest on noncurrent debt	\$ 17,306	
Compensated absences expenses	(88,893)	
Other postemployment benefits	(464,669)	
Pension expense	<u>8,095,286</u>	7,559,030

The net effect of transactions involving capital asset dispositions (i.e., sales and trade-ins). (2,852,158)

Change in Net Position of Governmental Activities \$ 23,723,881

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

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL BUDGETARY BASIS
GENERAL FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues				
Taxes, net of tax increment revenue	\$ 42,833,008	\$ 42,833,008	\$ 42,428,504	\$ (404,504)
Licenses and permits	7,860,000	5,325,000	5,250,710	(74,290)
Intergovernmental	8,618,237	10,118,237	10,767,431	649,194
Charges for services	8,207,915	8,207,915	7,690,810	(517,105)
Special assessments	6,759,000	6,759,000	7,033,880	274,880
Fines and forfeitures	502,109	502,109	612,001	109,892
Rents and royalties	350,500	350,500	550,081	199,581
Investment earnings	188,000	188,000	114,058	(73,942)
Miscellaneous	4,503,000	4,503,000	4,370,736	(132,264)
Appropriated fund balance	923,613	1,925,660	--	(1,925,660)
Total Revenues	<u>80,745,382</u>	<u>80,712,429</u>	<u>78,818,211</u>	<u>(1,894,218)</u>
Expenditures				
General government:				
Mayor and commission	320,464	307,464	306,828	636
City manager	847,230	860,299	857,092	3,207
Public affairs	498,463	427,463	419,060	8,403
City clerk	591,034	620,561	612,584	7,977
Financial services	1,509,010	1,517,010	1,520,529	(3,519)
Information technology	2,823,098	2,768,098	2,703,740	64,358
Human resources	905,959	853,239	849,300	3,939
City attorney	590,257	648,257	647,054	1,203
Planning and zoning	748,991	780,491	800,079	(19,588)
Facilities management	2,423,687	2,772,362	2,733,476	38,886
City hall general administrative	2,992,341	2,846,729	2,723,109	123,620
Town Square	4,519,969	649,432	645,974	3,458
Total general government	<u>18,770,503</u>	<u>15,051,405</u>	<u>14,818,825</u>	<u>232,580</u>
Public safety:				
Police	34,154,407	34,429,407	34,650,365	(220,958)
Fire	26,827,161	27,703,088	27,856,745	(153,657)
Protective inspections	3,578,926	1,220,296	1,232,650	(12,354)
Total public safety	<u>64,560,494</u>	<u>63,352,791</u>	<u>63,739,760</u>	<u>(386,969)</u>
Physical environment:				
Public works	430,610	274,851	235,347	39,504
Streets maintenance	1,268,317	1,268,317	1,192,071	76,246
Total physical environment	<u>1,698,927</u>	<u>1,543,168</u>	<u>1,427,418</u>	<u>115,750</u>
Economic environment:				
Other economic environment	980,593	767,593	759,213	8,380
Total economic environment	<u>980,593</u>	<u>767,593</u>	<u>759,213</u>	<u>8,380</u>
Culture and recreation:				
Library	2,524,277	2,498,277	2,489,179	9,098
Recreation	3,689,267	3,534,807	3,533,672	1,135
Schoolhouse museum	382,233	366,233	364,362	1,871
Forestry and grounds	3,391,829	3,657,668	3,645,885	11,783
Total culture and recreation	<u>9,987,606</u>	<u>10,056,985</u>	<u>10,033,098</u>	<u>23,887</u>
Debt service:				
Principal retirement	--	1,798,900	1,798,318	582
Interest charges	--	2,832,200	2,503,716	328,484
Total debt service	<u>--</u>	<u>4,631,100</u>	<u>4,302,034</u>	<u>329,066</u>
Total Expenditures	<u>95,998,123</u>	<u>95,403,042</u>	<u>95,080,348</u>	<u>322,694</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(15,252,741)</u>	<u>(14,690,613)</u>	<u>(16,262,137)</u>	<u>(1,571,524)</u>
Other Financing Sources (Uses)				
Transfers in	18,473,000	18,473,000	18,473,000	--
Transfers out	(3,220,259)	(3,782,387)	(3,782,370)	17
Total Other Financing Sources and Uses	<u>15,252,741</u>	<u>14,690,613</u>	<u>14,690,630</u>	<u>17</u>
Net Change in Fund Balance	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (1,571,507)</u>	<u>\$ (1,571,507)</u>

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

CITY OF BOYNTON BEACH, FLORIDA
BOYNTON BEACH CRA SPECIAL REVENUE FUND
STATEMENT 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				
Tax increment revenue	\$ 14,852,192	\$ 14,852,192	\$ 14,928,164	\$ 75,972
Charges for services	1,000,000	1,000,000	1,575,454	575,454
Investment earnings	100,000	545,561	164,689	(380,872)
Total Revenues	<u>15,952,192</u>	<u>16,397,753</u>	<u>16,668,307</u>	<u>270,554</u>
Expenditures				
Current				
General government	3,883,070	3,883,070	3,476,446	406,624
Total Expenditures	<u>3,883,070</u>	<u>3,883,070</u>	<u>3,476,446</u>	<u>406,624</u>
Revenues Over Expenditures	<u>12,069,122</u>	<u>12,514,683</u>	<u>13,191,861</u>	<u>677,178</u>
Other Financing Uses				
Transfers out	(12,069,122)	(12,514,683)	(12,514,683)	--
Total Other Financing Uses	<u>(12,069,122)</u>	<u>(12,514,683)</u>	<u>(12,514,683)</u>	<u>--</u>
Net Change in Fund Balance	<u>\$ --</u>	<u>\$ --</u>	677,178	<u>\$ 677,178</u>
Fund Balance - Beginning of Year			<u>3,182,928</u>	
Fund Balance - End of Year			<u>\$ 3,860,106</u>	

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

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Non-Major Fund	Total	
			Golf Course Fund		
Assets					
Current assets:					
Pooled cash and investments	\$ 21,977,966	\$ 1,725,618	\$ --	\$ 23,703,584	\$ 7,857,840
Accounts receivable, net	6,482,157	1,313,530	2,625	7,798,312	143
Other receivables	--	--	--	--	213,106
Prepaid expenses	77,410	--	--	77,410	--
Inventories	--	--	29,993	29,993	810,067
Total current assets	28,537,533	3,039,148	32,618	31,609,299	8,881,156
Restricted assets:					
Restricted pooled cash and investments:					
Customer deposits	1,562,528	--	--	1,562,528	--
Revenue bond covenants	9,788,320	--	--	9,788,320	--
Capital improvements	41,504,989	--	--	41,504,989	--
	52,855,837	--	--	52,855,837	--
Restricted accounts receivable	38,553	--	--	38,553	--
Total restricted assets	52,894,390	--	--	52,894,390	--
Total current assets	81,431,923	3,039,148	32,618	84,503,689	8,881,156
Noncurrent assets:					
Investment in joint venture	16,650,509	--	--	16,650,509	--
Intangible assets	2,910,000	--	--	2,910,000	--
Capital assets not being depreciated	9,109,118	--	1,356,467	10,465,585	33,166
Capital assets, net of accumulated depreciation	171,237,474	1,446	580,992	171,819,912	9,549,312
Net pension asset	2,724,988	1,026,969	182,550	3,934,507	546,629
Total noncurrent assets	202,632,089	1,028,415	2,120,009	205,780,513	10,129,107
Total Assets	284,064,012	4,067,563	2,152,627	290,284,202	19,010,263
Deferred Outflows of Resources					
Deferred charges on debt refundings	1,070,725	--	--	1,070,725	--
Deferred amounts related to OPEB	242,110	90,454	16,021	348,585	48,061
Deferred amounts related to pensions	386,623	145,707	25,900	558,230	77,556
Total Deferred Outflows of Resources	1,699,458	236,161	41,921	1,977,540	125,617

(Continued)

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

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS (CONTINUED)**

SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds			Total	Governmental Activities - Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Non-Major Fund Golf Course Fund		
Liabilities					
Current liabilities:					
Accounts payable	\$ 958,345	\$ 397,796	\$ 21,036	\$ 1,377,177	\$ 671,558
Accrued liabilities	425,916	141,859	44,023	611,798	100,767
Unearned revenues	--	--	19,864	19,864	--
Provision for insurance losses, current portion	--	--	--	--	2,215,459
Refundable deposits	158,477	--	--	158,477	--
Compensated absences payable, current portion	132,905	42,810	16,404	192,119	22,754
Due to other governments	80,000	--	--	80,000	--
Due to other funds	--	--	13,845	13,845	574,530
	<u>1,755,643</u>	<u>582,465</u>	<u>115,172</u>	<u>2,453,280</u>	<u>3,585,068</u>
Current liabilities payable from restricted assets:					
Customer deposits	1,601,081	--	--	1,601,081	--
Revenue bonds, current maturities	5,760,000	--	--	5,760,000	--
Accrued revenue bond interest	516,491	--	--	516,491	--
Contracts payable	1,600	--	--	1,600	--
	<u>7,879,172</u>	<u>--</u>	<u>--</u>	<u>7,879,172</u>	<u>--</u>
Total Current Liabilities	<u>9,634,815</u>	<u>582,465</u>	<u>115,172</u>	<u>10,332,452</u>	<u>3,585,068</u>
Noncurrent liabilities:					
Revenue bonds payable, less current maturities, plus unamortized premium	72,219,712	--	--	72,219,712	--
Provision for insurance losses, less current portion	--	--	--	--	4,160,284
Compensated absences payable, less current portion	889,444	286,501	109,784	1,285,729	152,274
Total OPEB liability	<u>3,290,094</u>	<u>1,229,199</u>	<u>217,709</u>	<u>4,737,002</u>	<u>653,126</u>
Total noncurrent liabilities	<u>76,399,250</u>	<u>1,515,700</u>	<u>327,493</u>	<u>78,242,443</u>	<u>4,965,684</u>
Total Liabilities	<u>86,034,065</u>	<u>2,098,165</u>	<u>442,665</u>	<u>88,574,895</u>	<u>8,550,752</u>
Deferred Inflows of Resources					
Deferred amount related to OPEB	107,538	40,177	7,116	154,831	21,348
Deferred amounts related to pensions	<u>4,771,956</u>	<u>1,798,413</u>	<u>319,678</u>	<u>6,890,047</u>	<u>957,248</u>
Total Deferred Inflows of Resources	<u>4,879,494</u>	<u>1,838,590</u>	<u>326,794</u>	<u>7,044,878</u>	<u>978,596</u>
Net Position					
Net investment in capital assets	147,850,994	1,446	1,937,459	149,789,899	9,582,478
Restricted for:					
Revenue bond covenants	3,511,829	--	--	3,511,829	--
Net pension asset	2,724,988	1,026,969	182,550	3,934,507	546,629
Unrestricted (deficit)	<u>40,762,100</u>	<u>(661,446)</u>	<u>(694,920)</u>	<u>39,405,734</u>	<u>(522,575)</u>
Total Net Position	<u>\$ 194,849,911</u>	<u>\$ 366,969</u>	<u>\$ 1,425,089</u>	<u>\$ 196,641,969</u>	<u>\$ 9,606,532</u>

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

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Non-Major Fund	Total	
			Golf Course Fund		
Operating Revenues					
Charges for services:					
Water sales	\$ 24,976,528	\$ --	\$ --	\$ 24,976,528	\$ --
Sewer service	19,736,462	--	--	19,736,462	--
Stormwater utility fees	5,483,297	--	--	5,483,297	--
Garbage fees	--	13,257,797	--	13,257,797	--
Recycling fees	--	10,441	--	10,441	--
Cart and green fees	--	--	2,108,980	2,108,980	--
Dues	--	--	116,368	116,368	--
Other services	--	--	326,827	326,827	10,763,972
Total Operating Revenues	<u>50,196,287</u>	<u>13,268,238</u>	<u>2,552,175</u>	<u>66,016,700</u>	<u>10,763,972</u>
Operating Expenses					
Personal services and benefits	9,126,053	3,422,589	1,005,719	13,554,361	2,182,438
Supplies, services and claims	14,686,266	5,750,184	500,685	20,937,135	8,447,461
Depreciation and amortization	12,242,767	2,475	117,256	12,362,498	4,635,460
Total Operating Expenses	<u>36,055,086</u>	<u>9,175,248</u>	<u>1,623,660</u>	<u>46,853,994</u>	<u>15,265,359</u>
Operating Income (Loss)	<u>14,141,201</u>	<u>4,092,990</u>	<u>928,515</u>	<u>19,162,706</u>	<u>(4,501,387)</u>
Nonoperating Revenues (Expenses)					
Investment earnings	124,851	1,991	46	126,888	6,843
Interest expense	(1,596,054)	--	--	(1,596,054)	--
Equity in loss of Regional Wastewater Joint Venture	(650,572)	--	--	(650,572)	--
Intergovernmental	108,557	--	--	108,557	--
Gain (loss) on disposal of capital assets	(119,756)	(40,175)	(52,930)	(212,861)	411,459
Miscellaneous income	145,232	--	--	145,232	493,309
Total Nonoperating Revenues (Expenses)	<u>(1,987,742)</u>	<u>(38,184)</u>	<u>(52,884)</u>	<u>(2,078,810)</u>	<u>911,611</u>
Income (Loss) Before Contributions and Transfers	<u>12,153,459</u>	<u>4,054,806</u>	<u>875,631</u>	<u>17,083,896</u>	<u>(3,589,776)</u>
Capital contributions	367,348	--	--	367,348	--
Transfers					
Transfers in	--	10,000	--	10,000	5,848,072
Transfers out	(8,716,479)	(2,568,610)	(87,346)	(11,372,435)	(22,583)
Total Transfers	<u>(8,716,479)</u>	<u>(2,558,610)</u>	<u>(87,346)</u>	<u>(11,362,435)</u>	<u>5,825,489</u>
Change in Net Position	3,804,328	1,496,196	788,285	6,088,809	2,235,713
Net Position (Deficit) - Beginning of Year	<u>191,045,583</u>	<u>(1,129,227)</u>	<u>636,804</u>	<u>190,553,160</u>	<u>7,370,819</u>
Net Position - End of Year	<u>\$ 194,849,911</u>	<u>\$ 366,969</u>	<u>\$ 1,425,089</u>	<u>\$ 196,641,969</u>	<u>\$ 9,606,532</u>

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

CITY OF BOYNTON BEACH, FLORIDA

**RECONCILIATION OF THE TOTAL ENTERPRISE FUNDS TO THE
GOVERNMENT-WIDE STATEMENTS OF BUSINESS-TYPE ACTIVITIES**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Statement of Net Position	Statement of Revenues, Expenses, and Changes in Net Position
Amounts Reported for Total Enterprise Funds	\$ 196,641,969	\$ 6,088,809
<p>The City uses internal service funds to charge the costs of fleet management, risk management, and warehouse services to individual governmental and enterprise funds. The operating income (loss) of certain activities of internal service funds related to enterprise funds are included with business-type activities in the Statement of Activities.</p> <p>The following reflect the consolidation of internal service fund activities related to enterprise funds.</p>		
Current year adjustment	(2,327,610)	(2,327,610)
Cumulative prior year adjustments	(32,015,030)	--
Net Position/Change in Net Position of Business-type Activities	\$ 162,299,329	\$ 3,761,199

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

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Non-Major Fund Golf Course Fund	Total	
Cash Flows From Operating Activities					
Receipts from customers and users	\$ 48,802,170	\$ 13,345,676	\$ 2,523,737	\$ 64,671,583	\$ --
Receipts from interfund services provided	--	--	--	--	10,550,723
Receipts from others	253,789	--	--	253,789	493,309
Payments to suppliers	(15,128,324)	(3,140,802)	(365,416)	(18,634,542)	(8,720,460)
Payments to employees	(11,275,720)	(4,164,921)	(1,100,465)	(16,541,106)	(2,290,299)
Payments for interfund services used	(1,026,687)	(2,525,008)	(148,313)	(3,700,008)	(290,503)
Net Cash Provided by (Used in) Operating Activities	<u>21,625,228</u>	<u>3,514,945</u>	<u>909,543</u>	<u>26,049,716</u>	<u>(257,230)</u>
Cash Flows From Non-Capital Financing Activities					
Loans to other funds	--	--	(614,179)	(614,179)	--
Transfers in	--	10,000	--	10,000	5,848,072
Transfers out	(8,716,479)	(2,568,610)	(87,346)	(11,372,435)	(22,583)
Net Cash Provided by (Used in) Non-Capital Financing Activities	<u>(8,716,479)</u>	<u>(2,558,610)</u>	<u>(701,525)</u>	<u>(11,976,614)</u>	<u>5,825,489</u>
Cash Flows From Capital and Related Financing Activities					
Acquisition of capital assets	(7,618,492)	(42,085)	(208,064)	(7,868,641)	(2,450,145)
Proceeds from sale of capital assets	--	--	--	--	283,745
Capital contributions	367,348	--	--	367,348	--
Proceeds from issuance of revenue refunding bonds	41,140,000	--	--	41,140,000	--
Bond issuance costs paid	764,150	--	--	764,150	--
Payment to escrow agent for advance refunding of revenue bonds	(42,470,000)	--	--	(42,470,000)	--
Principal payments on revenue bonds	(4,507,679)	--	--	(4,507,679)	--
Interest payments on revenue bonds	(1,955,293)	--	--	(1,955,293)	--
Net Cash Used in Capital and Related Financing Activities	<u>(14,279,966)</u>	<u>(42,085)</u>	<u>(208,064)</u>	<u>(14,530,115)</u>	<u>(2,166,400)</u>
Cash Flows From Investing Activity					
Interest on pooled cash and investments	124,851	1,991	46	126,888	6,843
Net Cash Provided by Investing Activity	<u>124,851</u>	<u>1,991</u>	<u>46</u>	<u>126,888</u>	<u>6,843</u>
Increase (Decrease) in Pooled Cash and Investments	<u>(1,246,366)</u>	<u>916,241</u>	<u>--</u>	<u>(330,125)</u>	<u>3,408,702</u>
Pooled cash and investments - beginning of year	<u>76,080,169</u>	<u>809,377</u>	<u>--</u>	<u>76,889,546</u>	<u>4,449,138</u>
Pooled cash and investments - end of year	<u>\$ 74,833,803</u>	<u>\$ 1,725,618</u>	<u>\$ --</u>	<u>\$ 76,559,421</u>	<u>\$ 7,857,840</u>
Reconciliation of Pooled Cash and Investments to Statement of Net Position					
Pooled cash and investments	21,977,966	1,725,618	--	23,703,584	7,857,840
Restricted pooled cash and investments	52,855,837	--	--	52,855,837	--
Pooled Cash and Investments - End of Year	<u>\$ 74,833,803</u>	<u>\$ 1,725,618</u>	<u>\$ --</u>	<u>\$ 76,559,421</u>	<u>\$ 7,857,840</u>

(Continued)

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

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds			Total	Governmental Activities - Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Non-Major Fund Golf Course Fund		
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used in)					
Operating Activities					
Operating income (loss)	\$ 14,141,201	\$ 4,092,990	\$ 928,515	\$ 19,162,706	\$ (4,501,387)
Adjustments to reconcile operating income to Net Cash Provided By (used in)					
operating activities:					
Depreciation	12,242,767	2,475	117,256	12,362,498	4,635,460
Provision for doubtful accounts	(81,556)	--	--	(81,556)	--
Miscellaneous income	253,789	--	--	253,789	493,309
Changes in operating assets, liabilities and deferred inflows/outflows:					
Accounts receivable	(1,302,733)	77,438	1,015	(1,224,280)	(143)
Prepaid expenses	(26,542)	--	6,503	(20,039)	--
Inventories	--	--	(5,194)	(5,194)	247,770
Deferred amounts related to OPEB	(31,506)	(14,563)	(1,785)	(47,854)	(10,232)
Deferred amounts related to pensions	5,792,852	2,140,426	364,454	8,297,732	1,104,754
Accounts payable	(1,449,836)	84,374	(14,353)	(1,379,815)	(1,191,950)
Accrued expenses	14,357	(13,373)	(2,111)	(1,127)	25,545
Due to other funds	--	--	--	--	57,202
Unearned revenues	--	--	(29,453)	(29,453)	--
Refundable deposits	(3,943)	--	--	(3,943)	--
Due to other governments	7,633	--	--	7,633	--
Provision for insurance losses	--	--	--	--	323,476
Customer deposits	(5,885)	--	--	(5,885)	--
Compensated absences payable	(69,078)	(138,954)	(7,703)	(215,735)	12,159
OPEB	117,045	129,706	(1,512)	245,239	145,755
Net pension asset	(7,973,337)	(2,845,574)	(446,089)	(11,265,000)	(1,385,842)
Total adjustments	<u>7,484,027</u>	<u>(578,045)</u>	<u>(18,972)</u>	<u>6,887,010</u>	<u>4,244,157</u>
Net Cash Provided by (Used in)					
Operating Activities	<u>\$ 21,625,228</u>	<u>\$ 3,514,945</u>	<u>\$ 909,543</u>	<u>\$ 26,049,716</u>	<u>\$ (257,230)</u>
Noncash Investing, Capital and Related Financing Activities					
Equity in loss of Regional Wastewater Joint Venture	\$ (650,571)	\$ --	\$ --	\$ (650,571)	\$ --
Gain on disposal of capital assets	(119,756)	(40,175)	(52,930)	(212,861)	411,459
Amortization of bond premiums	62,746	--	--	62,746	--
Amortization of charges on refundings	(108,873)	--	--	(108,873)	--

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

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

SEPTEMBER 30, 2021

	<u>Total Pension Trust Funds</u>
Assets	
Cash	\$ 1,369,984
Investments:	
Money market mutual funds	8,381,322
U.S. Government and Agency obligations	32,789,701
Mortgage-backed securities	3,844,665
Corporate obligations	14,628,908
Equity securities	95,379,265
Equity mutual funds	103,022,526
Equity investment funds	135,701,778
International equity investment funds	28,692,647
Fixed income investment funds	50,138,221
Real estate investment funds	<u>53,532,315</u>
Total investments	526,111,348
Interest and dividends receivable	220,304
Pending trades receivable	601,962
DROP loans	235,912
Prepaid expenses	<u>35,577</u>
Total Assets	<u>528,575,087</u>
Liabilities	
Accounts payable	671,818
Prepaid employees contributions	70,426
Pending trades payable	<u>881,846</u>
Total Liabilities	<u>1,624,090</u>
Net Position Restricted for Pension Benefits	<u>\$ 526,950,997</u>

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

CITY OF BOYNTON BEACH, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PENSION TRUST FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Total Pension Trust Funds
Additions	
Contributions:	
Employer	\$ 18,683,469
Plan members	4,857,206
State	<u>1,890,308</u>
Total contributions	<u>25,430,983</u>
Investment earnings:	
Net appreciation in fair value of investments	80,310,220
Interest and dividends	6,804,656
Miscellaneous	<u>37,995</u>
	87,152,871
Less investment expenses:	
Investment expenses	2,085,487
Net investment earnings	<u>85,067,384</u>
Total Additions	<u>110,498,367</u>
Deductions	
Benefits paid	26,551,336
Refunds of contributions	390,939
Administrative expenses	<u>534,504</u>
Total Deductions	<u>27,476,779</u>
Change in Plan Net Position	83,021,588
Net position restricted for pension benefits - beginning of year	<u>443,929,409</u>
Net position restricted for pension benefits - end of year	<u>\$ 526,950,997</u>

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



NOTES TO FINANCIAL STATEMENTS



CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *REPORTING ENTITY*

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

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

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

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. REPORTING ENTITY

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

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

B. GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or program. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods,

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. GOVERNMENT-WIDE FINANCIAL STATEMENTS (CONTINUED)

services, or privileges provided by a given function or program, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes and other items not included among program revenues are reported as *general revenues*.

C. FUND FINANCIAL STATEMENTS

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

The City reports the following funds as major governmental funds:

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

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

The *American Rescue Fund* accounts for revenues and expenditures associated with the Coronavirus State and Local Fiscal Recovery Funds established by the American Rescue Plan Act (ARPA), which was signed into law on March 11, 2021.

The City reports the following major proprietary funds:

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

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

Additionally, the City reports the following fund types:

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

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

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

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

E. FINANCIAL STATEMENT PRESENTATION

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. FINANCIAL STATEMENT PRESENTATION (CONTINUED)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's water and sewer function and various other functions of the City.

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

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

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. POOLED CASH AND INVESTMENTS

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

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

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. POOLED CASH AND INVESTMENTS (CONTINUED)

FIT is organized by Florida public agencies under Florida Statutes Section 163, the Florida Interlocal Cooperation Act, for the purpose of operating independent investment pools for local governments in Florida and are administered by a Board of Trustees elected by the participants in the pool. FIT is exempt from registration under the Securities Act of 1933, the Investment Company Act of 1940 and the Florida Securities and Investors Protection Act. FIT operates four fixed income funds with differing cash management and investment goals. The fair value of investments in FIT is the net asset value (NAV) of each fund based on the fair value of the fund's underlying investment portfolio as determined by the fund administrator at the end of each month.

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

G. RECEIVABLES

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. RECEIVABLES (CONTINUED)

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

H. UNBILLED SERVICE RECEIVABLES

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

I. INTERFUND RECEIVABLES AND PAYABLES

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

J. PREPAID ITEMS AND INVENTORIES

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. INVESTMENT IN JOINT VENTURE

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

L. RESTRICTED ASSETS

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

M. CAPITAL ASSETS

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

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

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. CAPITAL ASSETS (CONTINUED)

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

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

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

N. UNAVAILABLE / UNEARNED REVENUE

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

O. COMPENSATED ABSENCES

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. NONCURRENT LIABILITIES

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

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

Q. DEFERRED OUTFLOWS / INFLOWS OF RESOURCES

In addition to assets and liabilities, the government-wide statement and proprietary funds statements of net position report a separate section for deferred outflows or deferred inflows of resources. The separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City reports deferred charges on debt refundings and deferred amounts related to other postemployment benefits (OPEB) and pensions as deferred outflows of resources on the government-wide statement of net position. The deferred charges on debt refundings were losses resulting from the difference in the carrying value of refunded debt and its reacquisition price. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred amounts related to OPEB and pensions result from differences between expected and actual experience and investment earnings, changes in assumptions, or other actuarial inputs. The deferred amounts are amortized to OPEB and pension expense in a systematic and rational manner over a period equal to the average expected remaining service lives of employees provided with benefits through the OPEB and pension plans, including inactive employees.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. DEFERRED OUTFLOWS / INFLOWS OF RESOURCES (CONTINUED)

The separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The City's deferred inflows of resources on the government-wide and proprietary funds statements of net position consist of deferred amounts related to OPEB and pensions. The deferred inflows of resources related to OPEB and pensions results from differences between expected and actual experience which are deferred and included in OPEB and pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the OPEB and pension plans (active employees and inactive employees). The City also has one item, unavailable revenues, which arises only under the modified accrual basis of accounting and is reported as a deferred inflow of resources on the governmental funds balance sheet. The unavailable revenues include amounts received in advance for business licenses, grants and long-term receivables for various housing assistance programs provided by the City. These amounts are deferred and recognized as an inflow of resources in the year that the amounts become available.

R. NET POSITION / FUND BALANCE

Net Position

Net position of the government-wide and proprietary funds are categorized as *net investment in capital assets, restricted* or *unrestricted*. Net investment in capital assets is that portion of net position that relates to the City's capital assets net of accumulated depreciation and net of related deferred inflows/outflows reduced by the portion of the assets that have been acquired through the use of long-term debt. This amount is offset by any unspent debt proceeds that are outstanding at fiscal year-end.

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

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

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. NET POSITION / FUND BALANCE (CONTINUED)

Net Position (continued)

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

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

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

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

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

Fund Balance

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

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

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. NET POSITION / FUND BALANCE (CONTINUED)

Fund Balance (continued)

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

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

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

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

Minimum Fund Balance Policy

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

S. PROPERTY TAXES

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. PROPERTY TAXES (CONTINUED)

During 2007, the Florida Legislature passed property tax reform legislation limiting the property tax levies of local governments in the State of Florida. Local governments that adopt a property tax levy in excess of the limit under State law will lose their Half-Cent Sales Tax distribution from the State for the succeeding twelve months. For the fiscal year ended September 30, 2021, the maximum tax levy allowed by a majority vote of the governing body is generally based on a percentage adjustment applied to the prior year (2019/2020) property tax revenue. The percentage adjustment is calculated based on the compound annual growth rate in the per capita property taxes levied for five preceding fiscal years. State law allows local governments to adopt a higher millage rate based on the following approval of the governing body: 1) a majority vote to adopt a rate equal to the adjusted current year rolled-back millage rate plus an adjustment for growth in per capita Florida personal income; 2) a two-thirds vote to adopt a rate equal to the adjusted current year roll back millage rate plus 10%; or, 3) any millage rate approved by unanimous vote of the governing body or voter approved referendum.

T. ON-BEHALF PAYMENTS

The City receives on-behalf payments from the State of Florida to be used for Police Officers and Firefighters pension benefits. These on-behalf payments are recorded as intergovernmental revenue and public safety expenditures in the GAAP basis government-wide and General Fund financial statements, but are not budgeted and therefore are not included in the General Fund budgetary comparison statement. On-behalf payments to the City totaled \$1,890,308 for the fiscal year ended September 30, 2021.

U. INTERFUND TRANSACTIONS

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U. INTERFUND TRANSACTIONS (CONTINUED)

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

V. USE OF ESTIMATES

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

W. IMPLEMENTATION OF GASB STATEMENTS

The following GASB Statements were effective for the City during the fiscal year ended September 30, 2021.

- 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.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

X. RECENT ACCOUNTING PRONOUNCEMENTS

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

- GASB Statement No. 87, *Leases*, addresses accounting and financial reporting for leases by governments. The Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this statement will be effective for the City for the fiscal year ending September 30, 2022.
- GASB Statement No. 91, *Conduit Debt Obligations*, provides a single method of reporting conduit debt obligations by issuers and requires additional note disclosures. The requirements of this Statement will be effective for the City for the fiscal year ending September 30, 2023.
- GASB Statement No. 92, *Omnibus 2020*, addresses certain practice issues identified during implementation and application of certain GASB Statements. The requirements of this Statement will be effective for the City for the fiscal year ending September 30, 2022.
- GASB Statement No. 93, *Replacement of Interbank Offered Rates*, addresses the replacement of an Interbank Offered Rate (IBOR) with other reference interest rates and modifies the existing provisions for hedge accounting termination and lease modifications. The requirements of this Statement will be effective for the City for the fiscal year ending September 30, 2022.
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, addresses issues related to public-private and public-public partnership (PPP) and provides guidance for accounting and financial reporting for availability payment arrangements (APA). The Statement provides specific guidance on the accounting and financial reporting for PPP and APA transactions. The requirements of this Statement will be effective for the City for the fiscal year ending September 30, 2023.
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* provides guidance on the accounting and financial reporting for subscription-based information technology arrangements. The requirements of this Statement will be effective for the City for the fiscal year ending September 30, 2023.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

X. RECENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, addresses the reporting of fiduciary component units without a governing board, requires that the financial burden criteria of Statement No. 84 apply only to defined benefit plans and requires Statement No. 84 to be applied to all Section 457 plans to determine whether those plans should be reported as fiduciary activities. The requirements of this Statement will be effective for the City for the fiscal year ending September 30, 2022.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. CONCENTRATION OF CREDIT RISK

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

B. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as part of the budgetary accounting system in the general, special revenue and capital projects funds. However, all encumbrances outstanding at year end lapse.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

C. BUDGETS AND THE BUDGETING PROCESS

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

- 1) Prior to July 15, the City Manager submits a tentative budget to the City Commission for consideration and approval. The budget is prepared by fund, function and activity, and is made available to the public at this time.
- 2) Informal budget workshops are held by the City Commission to review the proposed budget and to obtain public comment.
- 3) The City advises the Palm Beach County Tax Collector of the proposed millage rate, the rolled-back millage rate, and the day, time and place of the public hearing for budget acceptance.
- 4) The public hearing is held to obtain final taxpayer input and to adopt the final budget.
- 5) The budget and related millage rates are legally enacted through passage of an ordinance.
- 6) Changes or amendments to the total budgeted expenditures of a fund and transfers between funds must be approved by the City Commission. There were six budget amendments that decreased the General Fund budgeted revenues by \$32,953 and decreased budgeted expenditures by \$595,081 for the fiscal year ended September 30, 2021. Various other non-major funds were adjusted to recognize additional revenues and unforeseen expenditures and to provide a budget for various transfers. Department heads may transfer appropriations within their department with the approval of the Financial Services Department. Changes or amendments to total budgeted expenditures of a department require approval of the City Manager. Accordingly, the legal level of control for budget appropriations is exercised at the fund level.

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

For fiscal year September 30, 2021, the American Rescue Fund did not have a legally adopted budget.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

C. BUDGETS AND THE BUDGETING PROCESS (CONTINUED)

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

	<u>Revenues</u>	<u>Expenditures</u>
Budgetary basis	\$ 78,818,211	\$ 95,080,348
On-behalf payments for pension benefits	<u>1,890,308</u>	<u>1,890,308</u>
GAAP Basis	<u>\$ 80,708,519</u>	<u>\$ 96,970,656</u>

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

D. DEFICIT FUND EQUITY

The Grants Fund, Community Improvements Fund, and Public Art Fund (special revenue funds) had deficit fund balances of \$160,161, \$449,009, and \$226,771, respectively, at September 30, 2021. For the Grants Fund, the deficit was caused by program expenditures that were paid but not eligible for grant reimbursement until 60 days after the end of the current fiscal year. For the Community Improvements Fund, the deficit was caused by lower than expected revenues for the City’s low-income home improvement program. For the Public Art Fund, the deficit was caused by lower than expected revenues from the City’s licenses and permits. The City anticipates receiving additional funds or reducing expenditures for these programs in fiscal year 2022. Those expenditures within these funds have been consistent; however, the revenues fluctuate year to year. The City anticipates that revenues will increase over the next two fiscal years as larger new projects begin.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

D. DEFICIT FUND EQUITY (CONTINUED)

The Warehouse Fund and Self Insurance Fund (internal service funds) had a deficit net position of \$125,837 and \$2,270,713, respectively, due to higher than anticipated expenses for the Warehouse Fund and higher claims for the Self Insurance Fund. The City plans to increase charges over the next two fiscal years to cover the deficits.

NOTE 3 – DETAILED NOTES ON ALL FUNDS

A. INVESTMENTS

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

- 1) Florida PRIME Fund or any authorized intergovernmental investment pool pursuant to Florida Statutes Section 163.01 may comprise up to 60% of the portfolio and 50% of the portfolio for investments with a floating net asset value (NAV). Individual issuers are limited to a maximum of 35% of the portfolio and 20% of the portfolio for investments with a floating NAV. Investment pools must have a minimum credit rating of Aaf by a Nationally Recognized Statistical Rating Organization (NRSRO).
- 2) United States Government negotiable direct obligations guaranteed by the United States Government may comprise up to 100% of the portfolio with the exception of Treasury Strips which are limited to 10% of the portfolio. Maturities are limited to 5 years from the date of settlement.
- 3) United States Government Agency bonds, debentures, notes, or callable securities issued or guaranteed by the United States Government may comprise up to 100% of the portfolio. Individual issuers are limited to a maximum of 40% of the portfolio. Maturities are limited to 5 years from the date of settlement.
- 4) Federal Instrumentalities that are negotiable direct obligations or obligations the principal and interest of which are issued or guaranteed by United States Government sponsored enterprises may comprise no more than 80% of the portfolio. Individual issuers may comprise no more than 40% of the portfolio. Maturities are limited to 5 years from the date of settlement. Eligible securities must be senior debt obligations issued by an Instrumentality carrying the same credit rating by two NRSROs as that of the U.S. Treasury. Securities of such an Agency or Instrumentality with a rating below that of the U.S. Treasury may be considered corporate debt.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. INVESTMENTS (CONTINUED)

- 5) Mortgage-Backed Securities guaranteed by a U.S. Government Agency may comprise no more than 20% of the portfolio. Individual issuers may comprise no more than 5% of the portfolio. Maturities are limited to 5 years from the date of settlement. The date corresponding to its average life is considered to be its maturity. Eligible securities must be senior debt obligations with the same credit rating as U.S. Treasury obligations by two NRSROs. Securities of such an Agency or Instrumentality with a rating below that of the U.S. Treasury may be considered corporate debt. The following securities are not permitted: securities collateralized with any portion of Sub-Prime Mortgages or Alt-A Mortgage obligations, collateralized debt obligations, collateralized bond obligations, collateralized loan obligations, Structured Investment Vehicles, or Special Purpose Entity Obligations.
- 6) Non-negotiable interest bearing certificates of deposit with a financial institution secured by Chapter 280, Florida Statutes, may comprise up to 40% of the portfolio. Individual issuers may comprise a maximum of 20% of the portfolio. Maturities are limited to 3 years from the date of settlement. At the time of deposit, the financial institution must have a minimum 3-star rating from Bauer Financial. Financial institutions with ratings below 3-stars are limited to FDIC insured amounts.
- 7) Money market savings accounts in a Qualified Public Depository may comprise up to 100% of the portfolio. Individual depositories are limited to 25% of the portfolio, except for accounts with the City's main depository institution, which can be up to 100%. The money market savings account must have daily liquidity and the financial institution must have a minimum 3-star rating from Bauer Financial. Financial institutions with a rating below 3 stars are limited to FDIC insured amounts.
- 8) Repurchase agreements may be comprised of only those investments set forth by the City's Master Repurchase Agreement. A third party custodian shall hold collateral for all repurchase agreements with a term longer than one business day. The mark-to-market value of collateral must be a minimum of 102% during the term of the repurchase agreement. Repurchase agreements may comprise a maximum of 20% of available funds. One business day agreements and overnight sweep agreements are limited to a maximum of 50% of the portfolio. A maximum of 10% of available funds may be invested with any one financial institution. One business day and overnight sweep agreements are limited to a maximum of 30% of the portfolio. Maturities are limited to 90 days from the date of settlement. At the time of purchase, the repurchase agreement counterparty must have a minimum rating of A by two NRSROs.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. INVESTMENTS (CONTINUED)

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. INVESTMENTS (CONTINUED)

General Employees' Pension Fund

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

- 1) Direct obligations of the U.S. Government with a maturity of one year or less;
- 2) Commercial paper with a maturity of 270 days or less and rated "Prime 1" by Moody's and "A-1" by S&P;
- 3) A money market mutual fund or short term investment fund provided by the Plan's custodian;
- 4) Bankers Acceptances issued by the largest 50 banks in the United States (in terms of total assets);
- 5) Corporate obligations issued by a corporation organized under the laws of the United States, any state or organized territory of the United States or the District of Columbia;
- 6) Fixed income securities below investment grade (BBB) cannot exceed 15% of the fixed income portfolio;
- 7) The duration of the fixed income portfolio cannot exceed 135% of the duration of the Barclay's Capital Aggregate Bond Index;
- 8) Mortgage-backed securities guaranteed or fully insured by Ginnie Mae (formerly the Government National Mortgage Association), the Federal Home Loan Mortgage Corporation (FHLMC), Fannie Mae (formerly the Federal National Mortgage Association), or rated "Aaa" by Moody's or "AAA" by S&P;
- 9) Common stocks, with investments in stocks of foreign companies limited to 20% (at cost) of the total investment portfolio and stocks publicly traded for less than one year limited to 15% of the equity portfolio; and,
- 10) Mutual funds, commingled funds, limited partnerships, real estate held in commingled funds, and absolute or real return investments held in commingled funds.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. INVESTMENTS (CONTINUED)

Police Officers' Pension Fund

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

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

Firefighters' Pension Fund

The investment policy of the firefighters' pension fund limits investments to the following:

- 1) Bonds, notes, or other obligations of the United States or those guaranteed by the United States or for which the credit of the United States is pledged for the payment of the principal and interest or dividends thereof and notes, bonds, or other obligations of Agencies of the United States;
- 2) State bonds pledging the full faith and credit of the state and revenue bonds additionally secured by the full faith and credit of the state;

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. INVESTMENTS (CONTINUED)

Firefighters' Pension Fund (continued)

- 3) Certificates of deposit or savings accounts in Florida qualified public depositories;
- 4) Bankers Acceptances, which are accepted by a member bank of the Federal Reserve System having total deposits of not less than \$400 million;
- 5) Commercial paper, of prime quality of the highest letter and numerical rating as provided for by at least one nationally recognized rating service;
- 6) Negotiable certificates of deposit by domestic or foreign financial institutions denominated in U.S. dollars;
- 7) Common stocks, preferred stocks, pooled equity funds, and foreign stocks provided that the investments in stocks and convertible securities are limited to 70% of the portfolio cost; and,
- 8) Securities of, or other interests in, any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, wherein the portfolio is limited to U.S. Government obligations and to repurchase agreements fully collateralized by such U.S. Government obligations.

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

	Pooled Cash and Investments		Pension Cash and Investments		Total
	Unrestricted	Restricted	Cash	Investments	
Government activities	\$ 68,074,818	\$ --	\$ --	\$ --	\$ 68,074,818
Business-type activities	23,703,584	52,855,837	--	--	76,559,421
Total Statement of Net Position	91,778,402	52,855,837	--	--	144,634,239
Pension Trust Funds	--	--	1,369,984	526,111,348	527,481,332
Total Cash and Investments	<u>\$ 91,778,402</u>	<u>\$ 52,855,837</u>	<u>\$ 1,369,984</u>	<u>\$ 526,111,348</u>	<u>\$ 672,115,571</u>

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. INVESTMENTS (CONTINUED)

The following summary presents the components of the City’s cash, pooled cash and investments and investments at September 30, 2021:

	Fair Value at September 30, 2021			
	Unrestricted	Restricted	Pension	Total
Cash				
Petty cash	\$ 5,525	\$ --	\$ --	\$ 5,525
Deposits with financial institutions	5,681,894	48,634,651	1,369,984	55,686,529
Total Cash	<u>5,687,419</u>	<u>48,634,651</u>	<u>1,369,984</u>	<u>55,692,054</u>
Investments				
Money market mutual funds	--	--	8,381,322	8,381,322
Florida PRIME Fund	--	2,801,405	--	2,801,405
Florida Fixed Income Trust (FIT)	84,090,983	1,419,781	--	85,510,764
Israel Government Bond	2,000,000	--	--	2,000,000
U.S. Government and Agency obligations	--	--	32,789,701	32,789,701
Mortgage-backed securities	--	--	3,844,665	3,844,665
Corporate obligations	--	--	14,628,908	14,628,908
Equity securities	--	--	95,379,265	95,379,265
Equity mutual funds	--	--	161,009,752	161,009,752
Equity investment funds	--	--	106,407,199	106,407,199
Fixed income investment funds	--	--	46,389,766	46,389,766
Alternative investments:				
Domestic fixed income funds	--	--	3,748,455	3,748,455
Real estate investment funds	--	--	53,532,315	53,532,315
Total Investments	<u>86,090,983</u>	<u>4,221,186</u>	<u>526,111,348</u>	<u>616,423,517</u>
Total Cash and Investments	<u>\$ 91,778,402</u>	<u>\$ 52,855,837</u>	<u>\$ 527,481,332</u>	<u>\$ 672,115,571</u>

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. INVESTMENTS (CONTINUED)

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

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

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

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

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

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

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. INVESTMENTS (CONTINUED)

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

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

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

Investments measured at net asset value (NAV): The Florida Fixed Income Trust, certain equity investment funds, certain fixed income investment funds and real estate investment funds are valued at the unadjusted NAV per share at September 30, 2021, calculated in a manner consistent with GAAP for external governmental investment pools and private investment companies based on the fair value of the underlying fund investments as determined by the fund manager, if available, or by valuations of a fund's underlying assets as provided by the general partner or investment manager, since the assets are not publicly traded. Real estate values are based upon appraisals performed for assets held by the fund, or estimated by the fund manager, if appraisals are not performed or available. The fair value of real estate is the price that would be received if the asset was sold to a market participant assuming the highest and best use of each asset at the measurement date. The alternative investment funds are not publicly traded and invest in various types of equity or fixed income securities, as applicable. These alternative investment funds may hold certain investments which are not marketable and may be valued by a single market maker. While the fund managers use their best judgment in estimating the fair values of underlying investments, there are inherent limitations in any estimation technique. Accordingly, the fair values of the alternative investment funds may be estimated by the management of the pension funds and their investment advisors in the absence of readily ascertainable market values.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. INVESTMENTS (CONTINUED)

The methods and assumptions used by the City and the Funds may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. While the City and the Funds believe its valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There were no changes in the methods and assumptions used for the year ended September 30, 2021.

Fair Value of Investments: The financial assets measured at fair value on a recurring basis include the City's and the Funds' investments. There were no liabilities measured at fair value on a recurring basis at September 30, 2021. The money market mutual funds and Florida PRIME Fund are reported at amortized cost and are included in the following fair value table for reconciliation purposes only. The fair value of the City's and the Pension Trust Funds' investments at September 30, 2021 is summarized as follows:

	Fair Value at September 30, 2021			
	Level 1	Level 2	Level 3	Total
Fixed Income Investments				
U.S. Government and Agency obligations	\$ --	\$ 32,789,701	\$ --	\$ 32,789,701
Mortgage-backed securities	--	3,844,665	--	3,844,665
Corporate obligations	--	14,628,908	--	14,628,908
Fixed income investment funds	--	7,335,868	582,709	7,918,577
Israel Government bond	2,000,000	--	--	2,000,000
Total Fixed Income Investments	2,000,000	58,599,142	582,709	61,181,851
Equity Investments				
Equity securities	95,379,265	--	--	95,379,265
Equity mutual funds	103,022,526	--	--	103,022,526
Equity investment funds	29,294,579	20,367,562	--	49,662,141
International equity investment funds	28,692,647	--	--	28,692,647
Total Equity Investments	256,389,017	20,367,562	--	276,756,579
Total Investments at Fair Value	\$ 258,389,017	\$ 78,966,704	\$ 582,709	337,938,430

(Balance Forward)

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. INVESTMENTS (CONTINUED)

(Balance Forward)

	Fair Value at September 30, 2021			
	Level 1	Level 2	Level 3	Total
Investments Measured at NAV				
Florida Fixed Income Trust (FIT)				85,510,764
Alternative Investment funds:				
Equity investment funds				86,039,637
Fixed income investment funds				42,219,644
Real estate investment funds				53,532,315
Total Investments at NAV				267,302,360
Investments at Amortized Cost				
Money market mutual funds				8,381,322
Florida PRIME Fund				2,801,405
Total Investments at Amortized Cost				11,182,727
Total Investments				\$ 616,423,517

The reported fair values for the alternative investment funds may differ significantly from the values that would have been used had a ready market for the underlying funds existed and the differences could be material. Future confirming events will affect the estimates of fair value, and the effect of such events on the estimates of fair value could be material. The alternative investment funds also expose the pension funds to additional investment risks, including liquidity risks; counterparty and custody risks; foreign political, economic and governmental risks; and, market risk.

At September 30, 2021, certain alternative funds have unfunded commitments of approximately \$2,071,000. The redemption notice period is 90 days. Distribution or withdraw requests must be made 60 days in advance and may be paid in one or more installments.

Another alternative investment is in real estate investment fund which are structured as limited partnerships with a primary focus to invest in income producing property in major U.S. markets. The fair values of the investments have been determined using net asset value per unit of the Trusts ownership interest in the partners' capital. Real estate investment fund distributions are received through the liquidation of the underlying real estate assets of the fund. It is expected by the fund managers that the underlying assets of this fund would be liquidated over the next five to eight years.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. INVESTMENTS (CONTINUED)

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

The S&P ratings for the City and Pension Funds' investments at September 30, 2021, are summarized as follows:

Investment Type	Rating	Fair Value
U.S. Government and Agency obligations	AA	\$ 26,033,863
U.S. Government and Agency obligations	Not rated	6,755,838
Mortgage-backed securities	Not rated	3,844,665
Corporate obligations	AA+ to BBB	14,628,908
Fixed income investment funds (FIT)	AA	7,918,577
Israel Government bond	Not rated	2,000,000
Florida Fixed Income Trust	AAAf	85,510,764
Money market mutual funds	AAA to AA	8,381,322
Florida PRIME Fund	AAAm	2,801,405
Fixed income investment funds	AA	38,471,189
Fixed income investment funds	Not rated	11,667,032

Custodial Credit Risk: Custodial credit risk is defined as the risk that the City may not recover cash and investments held by another party in the event of financial failure. The City investment policy requires cash and investments to be fully insured or collateralized, or held in independent custodial safekeeping accounts in the City's name. At September 30, 2021, all investments were held in independent custodial safekeeping accounts, except for investments considered unclassified pursuant to GASB Statement No. 3, as amended, which include the Florida Fixed Income Trust investment pool, Florida PRIME Fund, money market mutual funds and alternative investment funds.

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. INVESTMENTS (CONTINUED)

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

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

The table below summarizes the average effective duration of the City’s investment in the Florida Fixed Income Trust (FIT) investment pools and the fixed income investments of the Police Officers’ and Firefighters’ Pension Funds at September 30, 2021:

	Reported Value	Effective Duration
City		
Florida Fixed Income Trust: (FIT)		
Cash Pool	\$ 45,231,377	0.3 years
Enhanced Cash Pool	40,279,387	0.6 years
Florida PRIME	2,801,405	Under 90 days
Israel Bond	2,000,000	Matures 2-1-21
Pensions		
General Employees' Pension Fund:		
U.S. Government obligations	6,755,838	6.4 years
Mortgage back securities	3,844,665	> 10 years
Corporate obligations	3,493,546	6.1 years
Police Officers' Pension Fund:		
Fixed income investment funds	38,471,189	6.3 years
Firefighters' Pension Fund		
U.S. Government obligations	26,033,863	5.1 years
Corporate obligations	11,135,362	6.4 years
Fixed income investment funds	11,667,032	Not available

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. INVESTMENTS (CONTINUED)

The Florida Fixed Income Trust (FIT) investment pools include the Cash Pool and Enhanced Cash Pool. The Cash Pool is a high quality money market alternative that provides the fund manager flexibility in the portfolio's investments and duration compared to traditional money market mutual funds. The Cash Pool has a floating rate NAV, but is managed in a manner that strives to maintain a fixed NAV of \$1.00 per share. The Enhanced Cash Pool is managed to provide growth and a longer investment time horizon of 3 to 18 months. The Enhanced Cash Pool invests in short-term fixed income securities rated A or higher and is managed to provide a target effective duration of 0.5 years. The Enhanced Cash Pool has a floating rate NAV based on the underlying fair value of the portfolio. Investments in both funds may be withdrawn on a next day basis without limitation at any time during normal business hours. Investments in both funds are unsecured and collateralized only by the securities in the fund portfolio.

Foreign Currency Risk: Foreign currency risk includes the risk of revaluation of currencies, high rates of inflation, repatriation restrictions on income and capital, and future adverse political, social, and economic developments. Moreover, securities of foreign governments may be less liquid, subject to delayed settlements, taxation on realized and unrealized gains, and their price may be more volatile than those of comparable securities in U.S. Companies. At September 30, 2021 the Pension Trust Funds' investments included \$28,692,647 invested in a U.S. dollar denominated international equity investment fund.

Other Risks: The value, liquidity, and related income of certain fixed income securities that have contractual cash flows and weighted average maturities or an effective duration in excess of one year, such as mortgage-backed securities, collateralized mortgage obligations, and alternative investment funds or mutual funds investing in these types of securities or entities, are particularly sensitive to changes in financial markets and economic conditions, including real estate values, delinquencies or defaults, or both, and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates. In addition, such securities are also subject to prepayment risk and liquidity risk which can adversely affect the fair value and/or income of the investment.

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. RECEIVABLES

Receivables (excluding restricted assets - accounts receivable) for the City's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, at September 30, 2021 are as follows:

Fund	Receivables, Billed Services	Receivables, Unbilled Services	Due From Other Governments	Public Services Taxes	Allowance Uncollectible Accounts	Total Receivables, Net
General Fund	\$ 7,793,001	\$ --	\$ 716,513	\$ --	\$ (5,371,150)	\$ 3,138,364
Special Revenue Fund	15,708	--	--	--	--	15,708
Non-Major Govern- mental Funds	189,734	53,222	1,612,872	870,733	(30,303)	2,696,258
Water and Sewer Fund	5,124,835	1,871,260	--	3,313	(517,251)	6,482,157
Sanitation Fund	1,103,188	452,288	--	--	(241,946)	1,313,530
Non-Major Enterprise Funds	100	--	--	2,525	--	2,625
Total	<u>\$ 14,226,566</u>	<u>\$ 2,376,770</u>	<u>\$ 2,329,385</u>	<u>\$ 876,571</u>	<u>\$ (6,160,650)</u>	<u>\$ 13,648,642</u>

The amounts due from other governments at September 30, 2021 are summarized as follows:

Due from Palm Beach County	\$ 643,791
Due from State of Florida	926,591
Due from U.S. Government	<u>759,003</u>
Total Due From Other Governments	<u>\$ 2,329,385</u>

The CRA established a Homebuyer Assistance Program to assist residents with the purchase of a home by providing a subsidy of up to \$50,000 per homeowner. The subsidy is secured by a mortgage note payable on the residence, which require repayment by the property owner only under certain circumstances, such as the sale of the property, and is forgiven if the homeowner remains in the home for the full term specified in the agreement. The amount of these mortgage notes receivable outstanding at September 30, 2021, totaled \$1,345,872. Given the nature of these loans and that there is no right to demand payment; the CRA does not expect to collect the receivables. Accordingly, the CRA charges the homeowner loans to expenditures when approved and does not recognize these notes receivable in the financial statements.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. RECEIVABLES (CONTINUED)

The City has a Community Development Block Grant with the U.S. Department of Housing and Urban Development (HUD) to assist local property owners with rehabilitation and preservation of their personal residence. The assistance is secured by a mortgage note payable on the residence, which requires repayment by the property owner only under certain circumstances, such as the sale of the property, and is forgiven if the property owner remains in the property for the full term specified in the agreement, typically ten years. The amount of these mortgage notes receivable outstanding at September 30, 2021 totaled \$4,403,004. Given the nature of these loans and that there is no right to demand payment; the City does not expect to collect the receivables. Accordingly, the City charges the homeowner loans to expenditures when approved and does not recognize these notes receivable in the financial statements.

C. RESTRICTED ASSETS

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. RESTRICTED ASSETS (CONTINUED)

The restricted assets and liabilities payable from restricted assets in the Water and Sewer Fund at September 30, 2021, are summarized as follows:

	Restricted For			
	Customer Deposits	Revenue Bond Covenants	Capital Improvements	Total
Restricted Assets				
Pooled cash and investments	\$ 1,562,528	\$ 9,788,320	\$ 41,504,989	\$ 52,855,837
Accounts receivable	38,553	--	--	38,553
Total Restricted Assets	<u>1,601,081</u>	<u>9,788,320</u>	<u>41,504,989</u>	<u>52,894,390</u>
Liabilities Payable from Restricted Assets				
Customer deposits	(1,601,081)	--	--	(1,601,081)
Revenue bonds payable, current	--	(5,760,000)	--	(5,760,000)
Accrued revenue bond interest	--	(516,491)	--	(516,491)
Total Liabilities	<u>(1,601,081)</u>	<u>(6,276,491)</u>	<u>--</u>	<u>(7,877,572)</u>
Net Restricted Assets	--	3,511,829	41,504,989	45,016,818
Less unspent bond proceeds allocated to revenue bonds payable	--	--	(41,504,989)	(41,504,989)
Net Position Restricted for Revenue Bond Covenants	<u>\$ --</u>	<u>\$ 3,511,829</u>	<u>\$ --</u>	<u>\$ 3,511,829</u>

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. INVESTMENT IN REGIONAL WASTEWATER TREATMENT PLANT

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

Ownership of the Regional Wastewater Treatment Plant is vested proportionately with the cities in accordance with the capital investments of each city, which to date are approximately 50% each. The Board charges each city for its share of the Board’s operating expenses based on the percentage flow of wastewater from each city. For the year ended September 30, 2021, the City accounted for approximately 50% of the total wastewater flow treated by the Board, and approximately 50% of the Board’s operating expenses were billed to the City.

The City accounts for its investment in the Board as a joint venture recorded on the equity method of accounting. At September 30, 2021, the City’s 50% equity interest in the net position of the Board totaled \$16,095,897 plus land purchased by the City in the amount of \$554,612 for a total investment of \$16,095,897. This investment has been included in the City’s Water and Sewer Enterprise Fund statement of net position as Investment in Joint Venture.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

D INVESTMENT IN REGIONAL WASTEWATER TREATMENT PLANT (CONTINUED)

At September 30, 2021, the City had a receivable from and a payable to the Board of \$797,424 and \$334,984, respectively. For the year ended September 30, 2021, the City paid approximately \$4.6 million to the Board for operating expenses, repairs and replacement and capital charges. Each individual city is responsible for setting the rates and collecting charges for wastewater disposal from customers within its jurisdiction. Financial information (rounded) relating to the Board as of and for the years ended September 30, 2021 and 2020 is as follows:

Net Position		
	2021	2020
Current and other assets	\$12,319,000	\$11,983,000
Capital assets, net	<u>34,771,000</u>	<u>37,062,000</u>
Total Assets	<u>47,090,000</u>	<u>49,045,000</u>
Current liabilities	2,486,000	2,327,000
Noncurrent liabilities	<u>12,412,000</u>	<u>13,231,000</u>
Total Liabilities	<u>14,898,000</u>	<u>15,558,000</u>
Net Position	<u>\$32,192,000</u>	<u>\$33,487,000</u>
Changes in Net Position		
	2021	2020
Charges for services	\$ 8,422,000	\$ 8,304,000
Operating grants and contributions	1,200,000	1,200,000
Capital grants and contributions	853,000	435,000
Operating expenses	<u>(10,517,000)</u>	<u>(10,872,000)</u>
Operating Loss	(42,000)	(933,000)
Investment and other revenues	123,000	142,000
Transfers to joint venture participants	<u>(1,375,000)</u>	<u>(852,000)</u>
Changes in Net Position	<u>\$ (1,294,000)</u>	<u>\$ (1,643,000)</u>

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. CAPITAL ASSETS

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

	Beginning Balances	Reclassification	Additions	Deletions	Ending Balance
Governmental Activities					
Non-depreciable assets:					
Land	\$ 30,666,245	\$ --	\$ 1,563,777	\$ (47,009)	\$ 32,183,013
Construction in progress	14,406,782	(14,061,949)	747,524	--	1,092,357
Total Non-Depreciable Assets	<u>45,073,027</u>	<u>(14,061,949)</u>	<u>2,311,301</u>	<u>(47,009)</u>	<u>33,275,370</u>
Depreciable Assets					
Buildings and improvements	171,774,303	9,886,682	3,861,623	(3,042,345)	182,480,263
Machinery, equipment, and vehicles	87,645,046	407,913	5,106,614	(115,048)	93,044,525
Infrastructure	15,867,023	3,767,354	3,269,127	--	22,903,504
Total Depreciable Assets	<u>275,286,372</u>	<u>14,061,949</u>	<u>12,237,364</u>	<u>(3,157,393)</u>	<u>298,428,292</u>
Less Accumulated Depreciation					
Buildings and improvements	(58,439,023)	--	(1,999,076)	286,341	(60,151,758)
Machinery, equipment, and vehicles	(67,305,144)	--	(6,242,732)	259,328	(73,288,548)
Infrastructure	(13,587,504)	--	(487,000)	--	(14,074,504)
Total Accumulated Depreciation	<u>(139,331,671)</u>	<u>--</u>	<u>(8,728,808)</u>	<u>545,669</u>	<u>(147,514,810)</u>
Total Depreciable Assets, Net	<u>135,954,701</u>	<u>14,061,949</u>	<u>3,508,556</u>	<u>(2,611,724)</u>	<u>150,913,482</u>
Governmental Activities Capital Assets, Net	<u>\$ 181,027,728</u>	<u>\$ --</u>	<u>\$ 5,819,857</u>	<u>\$ (2,658,733)</u>	<u>\$ 184,188,852</u>

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. CAPITAL ASSETS (CONTINUED)

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

	Beginning Balances	Reclassification	Additions	Deletions	Ending Balance
Business-type Activities					
Non-depreciable assets:					
Land	\$ 5,132,225	\$ --	\$ --	\$ --	\$ 5,132,225
Intangibles	2,910,000	--	--	--	2,910,000
Construction in progress	36,638,134	(34,160,887)	2,856,113	--	5,333,360
Total Non-Depreciable Assets	<u>44,680,359</u>	<u>(34,160,887)</u>	<u>2,856,113</u>	<u>--</u>	<u>13,375,585</u>
Depreciable Assets					
Buildings and improvements	127,984,877	14,512,127	1,046,811	--	143,543,815
Utility lines	188,299,244	7,167,734	--	--	195,466,978
Wells	21,924,533	--	--	--	21,924,533
Golf course improvements	2,681,199	--	--	--	2,681,199
Machinery, equipment, and vehicles	34,821,238	12,481,026	2,481,786	(219,911)	49,564,139
Total Depreciable Assets	<u>375,711,091</u>	<u>34,160,887</u>	<u>3,528,597</u>	<u>(219,911)</u>	<u>413,180,664</u>
Less Accumulated Depreciation					
Buildings and improvements	(70,612,947)	--	(3,296,347)	--	(73,909,294)
Utility lines	(105,384,428)	--	(6,276,668)	--	(111,661,096)
Wells	(21,050,303)	--	(694,932)	--	(21,745,235)
Golf course improvements	(2,464,086)	--	(117,256)	--	(2,581,342)
Machinery, equipment, and vehicles	(29,676,210)	--	(1,977,296)	189,721	(31,463,785)
Total Accumulated Depreciation	<u>(229,187,974)</u>	<u>--</u>	<u>(12,362,499)</u>	<u>189,721</u>	<u>(241,360,752)</u>
Total Depreciable Assets, Net	<u>146,523,117</u>	<u>34,160,887</u>	<u>(8,833,902)</u>	<u>(30,190)</u>	<u>171,819,912</u>
Business-type Activities Capital Assets, Net	<u>\$ 191,203,476</u>	<u>\$ --</u>	<u>\$ (5,977,789)</u>	<u>\$ (30,190)</u>	<u>\$ 185,195,497</u>

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to programs/functions as follows:

Government Activities	
General government	\$ 2,766,120
Public safety	849,491
Physical environment	107,119
Economic environment	4,667
Culture and recreation	167,872
Capital assets of the City's internal service funds are charged to functions based on their usage of the assets	4,635,460
Blended component unit	<u>198,079</u>
Total Depreciation - Governmental Activities	<u>\$ 8,728,808</u>
Business-type Activities	
Water and sewer	\$12,242,767
Sanitation	2,475
Non-major enterprise fund: Golf course	<u>117,256</u>
Total Depreciation - Business-type Activities	<u>\$12,362,498</u>

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at September 30, 2021, are summarized as follows:

	Interfund Receivables	Interfund Payables
General Fund	\$ 1,477,443	\$ --
Special Revenue Funds:		
Boynton Beach CRA Special Revenue Fund	--	445,561
Grants Fund	--	260,005
Community Improvements Fund	--	375,191
Public Art Fund	--	222,730
American Rescue Fund	500,000	31,142
Boynton Beach CRA Bond Projects Fund	445,561	500,000
Gold Course Fund	--	13,845
Internal Service Fund:		
Warehouse Fund	--	574,530
Total	<u>\$ 2,423,004</u>	<u>\$ 2,423,004</u>

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. INTERFUND TRANSFERS

	Transfers In				Total Transfers In
	General Fund	Non-Major Governmental Funds	Sanitation Fund	Internal Service Funds	
<u>Transfers Out</u>					
General Fund	\$ --	\$ 603,431	\$ --	\$ 3,178,939	\$ 3,782,370
Boynton Beach CRA Special					
Revenue Fund	--	12,514,683	--	--	12,514,683
Non-Major Governmental Funds	9,717,000	2,397,735	--	40,115	12,154,850
Water and Sewer Fund	7,631,000	--	--	1,085,479	8,716,479
Sanitation Fund	1,100,000	--	--	1,468,610	2,568,610
Golf Course Fund	25,000	--	10,000	52,346	87,346
Internal Service Funds	--	--	--	22,583	22,583
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Transfers Out	<u>\$ 18,473,000</u>	<u>\$ 15,515,849</u>	<u>\$ 10,000</u>	<u>\$ 5,848,072</u>	<u>\$ 39,846,921</u>

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. NONCURRENT LIABILITIES

Governmental Activities

Changes in governmental activities noncurrent liabilities for the year ended September 30, 2021, were as follows:

	Beginning Balances	Additions	Reductions	Ending Balance	Due Within One Year
Public Service Tax Revenue Refunding					
Bonds, Series 2015	\$ 15,825,000	\$ --	\$ (2,130,000)	\$ 13,695,000	\$ 2,170,000
CRA Tax Increment Refunding Revenue					
Bonds, Series 2012	8,836,000	--	(1,397,000)	7,439,000	1,439,000
CRA Tax Increment Refunding Revenue					
Bonds, Series 2015	3,140,000	--	(410,000)	2,730,000	420,000
Note payable	1,850,000	--	(1,850,000)	--	--
Total Bonds and Note Payable	29,651,000	--	(5,787,000)	23,864,000	4,029,000
Capital leases for Town Square facilities	78,249,921	--	(1,660,491)	76,589,430	1,723,405
Installment agreements for equipment	1,337,765	--	(481,305)	856,460	494,466
Compensated absences	7,824,211	6,048,614	(5,947,562)	7,925,263	1,030,284
Provision for insurance losses	6,052,267	1,119,182	(795,706)	6,375,743	2,215,459
Total Noncurrent Liabilities	\$ 123,115,164	\$ 7,167,796	\$ (14,672,064)	\$ 115,610,896	\$ 9,492,614

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

Public Service Tax Revenue Refunding Bonds, Series 2015: On May 15, 2015, the City issued \$24,210,000 Public Service Tax Revenue Refunding Bonds, Series 2015 (the “Series 2015 Bonds”), to advance refund \$5,425,000 of the Public Service Tax Revenue Bonds, Series 2004, and \$18,190,000 of the Public Service Tax Revenue Refunding Bonds, Series 2006, and to pay the costs associated with the issuance of the Series 2015 Bonds. The proceeds of the Series 2015 Bonds were placed in an irrevocable trust to purchase U.S. Government securities which were used, along with all interest earnings, for the sole purpose of paying future debt service on the refunded bonds. The refunding resulted in an economic gain (the difference between the present value of the debt service payments of the refunded and refunding bonds) of approximately \$2,450,000 and reduced the total debt service payments by approximately \$2,723,000. The Series 2015 Bonds bear interest at a fixed

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. NONCURRENT LIABILITIES (CONTINUED)

Governmental Activities (continued)

rate of 1.95% and are payable semi-annually on November 1 and May 1. Principal payments are due each November 1 through maturity on November 1, 2026. The Series 2015 Bonds are payable from and secured by a pledge of the City's public service tax revenues. The debt service requirements of the Series 2015 Bonds are as follows at September 30, 2021:

Fiscal Year Ending September 30	Principal	Interest	Total
2022	\$ 2,170,000	\$ 245,894	\$ 2,415,894
2023	2,215,000	203,142	2,418,142
2024	2,260,000	159,510	2,419,510
2025	2,305,000	115,000	2,420,000
2026	2,350,000	69,615	2,419,615
2027	2,395,000	23,351	2,418,351
Total	<u>\$13,695,000</u>	<u>\$ 816,512</u>	<u>\$14,511,512</u>

CRA Tax Increment Refunding Revenue Bonds, Series 2012: Resolution 12-07 of the CRA Board of Commissioners dated October 9, 2012, authorized the issuance of CRA Tax Increment Refunding Revenue Bonds, Series 2012 (the "CRA Series 2012 Bonds"), in the principal amount of \$16,185,000 to advance refund \$12,665,000 of the CRA Tax Increment Revenue Bonds, Series 2004 and \$3,000,000 of the CRA Tax Increment Revenue Bonds, Series 2005A. The proceeds of the CRA Series 2012 Bonds were placed in an irrevocable trust to purchase U.S. Government securities which were used, along with all interest earnings, for the sole purpose of paying future debt service on the refunded bonds. The refunding resulted in an economic gain of approximately \$1,182,000 and reduced the total debt service payments by approximately \$2,095,000. The outstanding CRA Series 2012 Bonds at September 30, 2021, were \$8,836,000 and are due in annual principal installments of \$1,397,000 to \$1,530,000 plus interest at 2.56% through maturity on October 1, 2026. Principal and interest on the CRA Series 2012 Bonds are payable from and secured by a pledge of the CRA's tax increment revenues. The debt service requirements of the CRA Series 2012 Bonds are as follows at September 30, 2021:

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

H NONCURRENT LIABILITIES (CONTINUED)

Governmental Activities (continued)

	Principal	Interest	Total
Fiscal Year Ending September 30			
2022	\$ 1,439,000	\$ 190,438	\$ 1,629,438
2023	1,471,000	153,600	1,624,600
2024	1,512,000	115,942	1,627,942
2025	1,487,000	77,236	1,564,236
2026	1,530,000	39,167	1,569,167
Total	\$ 7,439,000	\$ 576,383	\$ 8,015,383

CRA Tax Increment Refunding Revenue Bonds, Series 2015: On March 26, 2015, the CRA authorized the issuance of \$5,005,000 Tax Increment Refunding Revenue Bonds, Series 2015 (the “CRA Series 2015 Bonds”), to advance refund the CRA’s Tax Increment Revenue Bonds, Series 2005B. The CRA Series 2015 Bonds were structured as a private placement to be issued as additional bonds under Resolution No. 15-01 adopted on March 10, 2015. The payment of principal and interest on the CRA Series 2015 Bonds are secured by a pledge of the CRA’s tax increment revenues. Principal and interest at a fixed interest rate of 3.30% on the CRA Series 2015 Bonds is payable through maturity on October 1, 2026. The refunding resulted in an economic gain of approximately \$1,450,000 and reduced the total debt service payments by approximately \$1,790,000. The debt service requirements of the CRA Series 2015 Bonds are as follows at September 30, 2021:

	Principal	Interest	Total
Fiscal Year Ending September 30			
2022	\$ 420,000	\$ 90,090	\$ 510,090
2023	435,000	76,230	511,230
2024	445,000	61,875	506,875
2025	705,000	47,190	752,190
2026	725,000	23,925	748,925
Total	\$ 2,730,000	\$ 299,310	\$ 3,029,310

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. NONCURRENT LIABILITIES (CONTINUED)

Governmental Activities (continued)

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

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

The City entered into lease agreements with CFP Boynton Beach Town Square, LLC (“CFP”), a Minnesota non-profit corporation and a qualified tax exempt 501(c)(3) charitable organization to build and finance the Project and lease the facilities to the City upon completion of construction. The City owns the land where the former City Hall complex and Police and Fire Station facilities were located and entered into "Ground Lease" agreements with CFP to construct the Town Square Project on the City’s site. The City and CFP also entered into "Facilities Lease" agreements for the completed Town Square facilities. The 25 year term of the Ground Leases match the term of the Facilities Leases which end on June 1, 2044. The Facilities Leases were determined to be capital lease agreements under GAAP. Upon termination of the Ground Leases and Facilities Leases, CFP’s rights and title to the buildings, improvements and property will terminate and all rights and title to the Town Square properties and facilities will vest with the City. The City’s lease payments to CFP under the Facilities Leases are due semi-annually on December 1 and June 1, and range from approximately \$3.0 million to \$5.2 million over the term of the Facilities Leases ending on June 1, 2044. At September 30, 2021, the cost of buildings and improvements held under these agreements was approximately \$79,850,000 and the accumulated amortization was approximately \$1,921,000 at September 30, 2021. Amortization expense related to the leased facilities is included in depreciation expense in the accompanying financial statements. The Facilities Lease payments and all Project buildings and improvements constructed by CFP are pledged as collateral for bonds issued by CFP to construct the Project.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. NONCURRENT LIABILITIES (CONTINUED)

Governmental Activities (continued)

The future annual capital lease payments owed by the City are as follows at September 30, 2021:

Fiscal Year Ending September 30	Amount
2022	\$ 4,485,424
2023	4,483,578
2024	4,483,178
2025	4,482,619
2026	4,482,186
2027-2031	25,208,054
2032-2036	25,904,396
2037-2041	25,906,667
2042-2044	<u>15,530,842</u>
Total minimum lease payments	114,966,944
Less amounts representing interest	<u>(38,377,514)</u>
Capital Lease Obligation at September 30, 2021	<u>\$ 76,589,430</u>

Installment Agreements for Equipment: The City entered into various installment agreements to finance the purchase of equipment. At September 30, 2021, the cost of equipment held under these agreements was approximately \$4,010,000 and the accumulated amortization was approximately \$2,142,000 at September 30, 2021. The installment agreements are secured by the related equipment. Amortization expense related to the equipment is included in depreciation expense in the accompanying financial statements. Future payments for the City's installment agreements through maturity are as follows as of September 30, 2021:

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. NONCURRENT LIABILITIES (CONTINUED)

Governmental Activities (continued)

Fiscal Year Ending September 30	Amount
2022	\$ 517,617
2023	<u>371,623</u>
Total minimum lease payments	889,240
Less amounts representing interest	<u>(32,780)</u>
Outstanding Balance at September 30, 2021	<u>\$ 856,460</u>

Pledged Governmental Revenues - The City has pledged the future public service tax revenues of the City to repay the outstanding Public Service Tax Revenue Refunding Bonds, Series 2015. The public service tax bonds are payable solely from the public service tax revenues received by the City and are payable through fiscal year 2027. Annual principal and interest payments on the bonds are expected to require less than 25 percent of public service tax revenues. Total principal and interest remaining to be paid on the public service tax revenue bonds is \$16,929,332 at September 30, 2021. Principal and interest paid and public service tax revenues received for the current year were \$2,417,820 and \$10,637,514, respectively.

The CRA has pledged its future tax increment revenues to repay the outstanding CRA Tax Increment Refunding Revenue Bonds, Series 2012 and 2015. The City has also pledged its full faith and credit to guarantee repayment by the CRA of its outstanding bonds. The tax increment bonds are payable solely from the tax increment revenues received by the CRA and are payable through fiscal year 2027. Annual principal and interest payments on the bonds are expected to require less than 20 percent of the tax increment revenues. Total principal and interest remaining to be paid on the CRA tax increment revenue bonds at September 30, 2021 is \$11,044,693. Principal and interest paid for the current year were \$2,136,827. Tax increment revenues received by the CRA for the current year were \$14,928,164.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. NONCURRENT LIABILITIES (CONTINUED)

Governmental Activities (continued)

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

Business-type Activities

Changes in business-type activities noncurrent liabilities are as follows for the year ended September 30, 2021:

	Beginning Balances	Additions	Reductions	Ending Balance	Due Within One Year
Water and Sewer Utility					
Series 2002 Bonds	\$ 3,480,000	\$ --	\$ (3,480,000)	\$ --	\$ --
Series 2012 Bonds	3,085,000		(520,000)	2,565,000	2,565,000
Series 2016 Bonds	23,000,000	--	--	23,000,000	1,830,000
Series 2018 Bonds	--				
Series 2020A Bonds	42,470,000	--	(42,470,000)	--	--
Series 2020B Bonds	10,500,000	--	(310,000)	10,190,000	630,000
Series 2021A Bonds	--	42,140,000	--	42,140,000	735,000
Unamortized bond premium	282,392	--	(197,680)	84,712	--
Total Revenue Bonds Payable	<u>82,817,392</u>	<u>42,140,000</u>	<u>(46,977,680)</u>	<u>77,979,712</u>	<u>5,760,000</u>
Compensated absences	<u>1,693,585</u>	<u>1,214,693</u>	<u>(1,430,430)</u>	<u>1,477,848</u>	<u>192,119</u>
Total Noncurrent Liabilities	<u>\$ 84,510,977</u>	<u>\$ 43,354,693</u>	<u>\$ (48,408,110)</u>	<u>\$ 79,457,560</u>	<u>\$ 5,952,119</u>

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. NONCURRENT LIABILITIES (CONTINUED)

Business-type Activities (continued)

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

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. NONCURRENT LIABILITIES (CONTINUED)

Business-type Activities (continued)

During the fiscal year ended September 30, 2021, the City advance refunded \$39,675,000 of the outstanding balance of the Series 2012 bonds through the issuance of the \$42,470,000 Taxable Utility System Refunding Revenue Bonds, Series 2020A. The debt service requirements of the outstanding Series 2012 Bonds are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total
2022	<u>\$ 2,565,000</u>	<u>\$ 51,300</u>	<u>\$ 2,616,300</u>
Total	<u><u>\$ 2,565,000</u></u>	<u><u>\$ 51,300</u></u>	<u><u>\$ 2,616,300</u></u>

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. NONCURRENT LIABILITIES (CONTINUED)

Business-type Activities (continued)

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

	Principal	Interest	Total
Fiscal Year Ending September 30			
2022	\$ 1,830,000	\$ 259,333	\$ 2,089,333
2023	1,860,000	495,881	2,355,881
2024	1,890,000	449,943	2,339,943
2025	1,925,000	403,209	2,328,209
2026	1,965,000	355,557	2,320,557
2027-2031	11,000,000	1,015,896	12,015,896
2032	2,530,000	30,993	2,560,993
Total	\$23,000,000	\$ 3,010,812	\$26,010,812

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

H NONCURRENT LIABILITIES (CONTINUED)

Business-type Activities (continued)

The City has an option to exchange the taxable Series 2020A Bonds to the \$42,470,000 Tax Exempt Utility System Refunding Revenue Bonds, Series 2021A, with a fixed interest rate of 2.09%. The City must exercise the option no earlier than August 4, 2021 (90 days prior to the call date of November 1, 2021 for the Series 2012 Bonds). On August 4, 2021, the City exercised the option to retire the 2020A Bonds. The City made a principle payment in the amount of \$330,000 during fiscal year 2021 and issued \$42,140,000 of Series 2021A Bonds. The Series 2020A Bonds were paid in full in August 2021.

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

	Principal	Interest	Total
Fiscal Year Ending September 30			
2022	\$ 630,000	\$ 213,300	\$ 843,300
2023	650,000	199,476	849,476
2024	660,000	185,328	845,328
2025	670,000	170,964	840,964
2026	690,000	156,276	846,276
2027-2031	3,665,000	549,558	4,214,558
2032-2035	3,225,000	141,102	3,366,102
Total	\$10,190,000	\$ 1,616,004	\$11,806,004

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. NONCURRENT LIABILITIES (CONTINUED)

Business-type Activities (continued)

Tax Exempt Utility System Revenue Refunding Bonds, Series 2021A: On August 4, 2021, the City issued \$42,140,000 Utility System Revenue Refunding Bonds, Series 2021A (the “Series 2021A Bonds”) to a financial institution, to refund all of the of the Series 2020A notes, which were called for full redemption on August 4, 2021. The current refunding of the Series 2018 Bonds resulted in an economic gain of approximately \$1,166,000 and reduced the total debt service payments (cash flow savings) by approximately \$1,279,000. The Series 2021A Bonds are payable from and secured by a pledge of the Water and Sewer Utility System Revenue which includes (1) Net Revenues of the System, (2) certain impact fees, and (3) certain funds and accounts established under the bond resolution. Interest at 2.09% is payable on the Series 2021A Bonds on November 1st and May 1st and principal payments are due beginning November 1, 2021 through maturity on November 1, 2034. The debt service requirements of the Series 2021A Bonds are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total
2022	\$ 735,000	\$ 645,524	\$ 1,380,524
2023	3,595,000	827,797	4,422,797
2024	3,690,000	751,669	4,441,669
2025	3,775,000	673,659	4,448,659
2026	3,865,000	593,821	4,458,821
2027-2031	16,735,000	1,786,689	18,521,689
2032-2035	9,745,000	412,409	10,157,409
Total	\$42,140,000	\$ 5,691,568	\$47,831,568

Bond Resolution 96-88 of the City requires that net operating revenue (as defined in the resolution) of the Water and Sewer Fund be sufficient to provide an amount equal to 110% of the current fiscal year’s principal and interest requirements on all outstanding utility system bonds and 100% of all amounts required to meet the current year’s reserve account deposit requirements and renewal and replacement fund requirements. The City was in compliance with these requirements for the year ended September 30, 2021.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. NONCURRENT LIABILITIES (CONTINUED)

Pledged Business-type Revenues - The City has pledged the future net revenues (generally customer revenues, net of specified operating expenses) of the Water and Sewer Utility System to repay the outstanding Series 2002, Series 2012, Series 2016 and Series 2020A and 2020B water and sewer utility revenue bonds and notes issued to finance improvements to the system. The water and sewer utility revenue bonds and notes are payable solely from the utility net revenues and are payable through fiscal year 2035. Annual principal and interest payments on the bonds are expected to require less than 30 percent of utility net revenues. Total principal and interest remaining to be paid on the water and sewer utility revenue bonds and notes is \$88,264,684.

Principal and interest paid for the current year was \$5,319,108, excluding the Series 2020A bonds which were exchanged for the Series 2021A bonds. The Water and Sewer Utility System net revenues available for debt service for the current year were approximately \$24.4 million.

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

Legal Debt Limit - The City's legal debt limit on general obligation debt is based on 10% of the total assessed value of real property and was approximately \$992 million at September 30, 2021. There is no legal debt limit for business-type activities debt.

Interest Expense

Total interest costs incurred and paid on all City debt, including the CRA, for the year ended September 30, 2021, totaled \$6,121,796 and \$6,480,097, respectively.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 3 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. NONCURRENT LIABILITIES (CONTINUED)

Defeased Bonds

The City defeased certain revenue bonds by placing the proceeds of the new bonds in irrevocable trust accounts to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City’s financial statements. At September 30, 2021, the outstanding principal of the defeased bonds considered extinguished under these funding arrangements is as follows:

Public Service Tax Revenue Bonds, Series 2006	\$ 11,595,000
Water and Sewer Utility Revenue Bonds, Series 2012	<u>42,140,000</u>
Total Defeased Bonds	<u>\$ 53,735,000</u>

I. DEBT SERVICE RESERVE SURETY BONDS

The City’s Water and Sewer Utility Revenue Bonds, Series 2012, require the City to maintain debt service reserves equivalent to the maximum principal and interest due in any year through maturity on the Bonds. The Bonds’ resolutions provide that the City may purchase a credit facility for the debt service reserve requirements from an institution with the highest credit rating for municipal bonds insured or guaranteed by that institution. The City purchased surety bonds from Assured Guaranty Municipal Corporation (“AGM”) to satisfy the debt service reserve requirements for the Bonds at the date of issue. At September 30, 2021, AGM had credit ratings that were less than the highest rating from Moody’s Investor Service, Inc. (“Moody’s”) and Standard and Poor’s (“S&P Global”). The surety bonds outstanding at September 30, 2021, have a credit rating lower than the City’s underlying rating of Aa3 from Moody’s. City management, in consultation with bond counsel, has determined that the City is not required to obtain new surety bonds or substitute cash and investments to replace the surety bonds from AGM that are held by the City at September 30, 2021. Accordingly, the debt service reserves for the Bonds are secured only by the original credit facility, which may not be available in the event of nonpayment by the City.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION

A. RISK MANAGEMENT

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

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

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

	Individual Claims in Excess of		Maximum Coverage
	Per Person	Per Occurrence	
General liability	\$ 200,000	\$ 300,000	\$5 million
Automobile liability	100,000	300,000	\$2 million
Property	25,000	100,000	\$5 million
Workers' compensation	500,000	500,000	\$5 million

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

A. RISK MANAGEMENT (CONTINUED)

The City has recorded a liability for estimated insurance losses of \$6,375,743, of which \$2,215,459 is considered to be a current liability. The liability falls within the actuarially determined range, from an actuarial valuation for all claims based upon the date the loss was incurred. Due to the long-term nature of many of these claims, the City considers anticipated investment income in determining the net liability for estimated insurance losses by discounting claims to the estimated present value. At September 30, 2021, the recorded liability for estimated insurance losses of \$6,375,743 is based on gross claims of \$6,873,935 discounted at an assumed rate of return on investments of 3%. The following summarizes the liability for estimated insurance loss activity for the three most recent years:

Years	Claims Liability Beginning of Fiscal Year	Claims Expense	Claims Paid	Claims Liability End of Fiscal Year
2018-2019	\$ 4,854,695	\$ 2,859,683	\$ (2,169,190)	\$ 5,545,188
2019-2020	5,545,188	1,832,036	(1,324,957)	6,052,267
2020-2021	6,052,267	1,119,182	(795,706)	6,375,743

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

B. COMMITMENTS AND CONTINGENCIES

Contract Commitments: The City has various long-term contractual obligations for construction projects on which work has not been completed. The balances of these contracts and related commitments as of September 30, 2021, are as follows:

	General Fund	Capital Projects Funds	Other Governmental Funds	Water and Sewer Fund	Other Enterprise Funds	Total
Total contract amount	\$ 52,555	\$ 8,720,476	\$ 2,913,014	\$ 8,765,034	\$ 4,088,370	\$ 24,539,449
Interim payments on contracts	--	7,989,265	1,127,519	3,703,280	160,700	12,980,764
Remaining Contract Commitments	<u>\$ 52,555</u>	<u>\$ 731,211</u>	<u>\$ 1,785,495</u>	<u>\$ 5,061,754</u>	<u>\$ 3,927,670</u>	<u>\$ 11,558,684</u>

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

B. COMMITMENTS AND CONTINGENCIES

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

City Operating Lease Commitments: The City entered into various operating lease agreements for equipment and communication services with various terms through March 2023. The leases are non-cancelable and include annual increases in base rent of 4% plus payment for taxes, insurance and maintenance of the equipment.

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

Fiscal Year Ending September 30,	Amount
2022	\$ 103,680
2023	<u>51,840</u>
Total	<u><u>\$ 155,520</u></u>

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

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

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

B. COMMITMENTS AND CONTINGENCIES (CONTINUED)

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

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

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

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

C. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

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

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

Plan Membership

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

Inactive employees or beneficiaries currently receiving benefit payments	517
Inactive employees entitled to but not yet receiving benefit payments	--
Active employees	<u>653</u>
Total Members	<u><u>1,170</u></u>

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

C. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Total OPEB Liability

The City's total OPEB liability of \$12,230,832 was determined by an actuarial roll-forward to September 30, 2021 of the OPEB actuarial valuation as of October 1, 2019. The actuarial methods and significant assumptions used to determine the City's total OPEB liability for the current year are summarized as follows:

Valuation date	October 1, 2019
Measurement date	September 30, 2021
Actuarial cost method	Entry Age Normal
Post-retirement benefit increases	None
Health care cost trend rates	6.25% for 2021 and gradually decreasing to an ultimate rate of 3.99% in 2044
Amortization method	Level Percent of Payroll – Closed
Remaining amortization period	28 years
Asset valuation method	N/A ⁽¹⁾
Actuarial assumptions:	
Investment rate of return	2.19%
Projected salary increases (includes Inflation at 2.25%)	3.5% - 14.5%
Mortality	RP-2010 with generational improvements using Scale MP-2018

(1) The plan is funded on a pay-as-you-go basis and is not administered as a formal qualifying trust. There were no plan assets as of September 30, 2021.

(2) Since there are currently no invested plan assets held in trust to finance the OPEB obligation, the discount rate is the long-term expected rate of return on tax-exempt, high quality municipal bonds based on the *Fidelity 20-Year Municipal GO AA Index*. The discount rate decreased from 2.41% to 2.19% for the current year.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Projections of benefits are based on the types of benefits provided under the substantive plan at the time of each valuation and on the pattern of sharing of benefit costs between the employer and plan members to that point. In

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

C. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Total OPEB Liability (continued)

addition, projections of benefits for financial reporting purposes do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective and accordingly, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities.

Changes in the Total OPEB Liability

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

Total OPEB Liability at September 30, 2020	\$ 11,300,032
Changes in the total OPEB liability for the year:	
Service costs	847,477
Interest	286,935
Changes in assumptions	279,337
Benefit payments	<u>(482,949)</u>
Change in Total OPEB Liability	<u>930,800</u>
Total OPEB Liability at September 30, 2021	<u>\$ 12,230,832</u>

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

C. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Total OPEB Liability (continued)

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

Current Discount Rate	Total OPEB Liability		
	1.0% Decrease in Current Rate	Current Discount Rate	1.0% Increase in Current Rate
2.41%	<u>\$ 13,615,146</u>	<u>\$ 12,230,832</u>	<u>\$ 11,030,491</u>

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

Current Discount Rate	Total OPEB Liability		
	1.0% Decrease in Current Rate	Current Trend Rate	1.0% Increase in Current Rate
6.25%	<u>\$ 10,658,578</u>	<u>\$ 12,230,832</u>	<u>\$ 14,181,262</u>

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

C. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

For the year ended September 30, 2021, the City recognized OPEB expense of \$1,280,526. At September 30, 2021, the City reported deferred inflows/outflows of resources related to OPEB from the following sources:

	Deferred Inflows	Deferred Outflows
Difference between expected and actual experience	\$ 293,905	\$ --
Changes in assumptions and other inputs	105,865	900,038
Total	\$ 399,770	\$ 900,038

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

Fiscal Year Ending September 30,	Amount
2022	\$ 146,114
2023	157,878
2024	160,238
2025	1,731
2026	34,307
Total	\$ 500,268

D. DEFINED BENEFIT PENSION PLANS

Description of Plans

The City contributes to three (General Employees, Police Officers, and Firefighters’) single-employer defined benefit pension plans covering all full-time City employees.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

D. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Description of Plans (continued)

General Employees' Pension Fund: The General Employees' Pension Plan covers all permanent full-time employees except those covered by the Police Officers' and Firefighters' Pension Plans. The benefit provisions and all requirements are established by City Ordinance. Employees are fully vested after five years of service with the City. There is no mandatory retirement age. Retirees begin receiving monthly benefit checks the month their retirement begins and continues until death. Benefits to which retirees are entitled are equal to 3% of their final average monthly compensation times years of credited service, provided the employee has completed at least 30 full years of credited service at any age; 25 or more years of credited service at age 55; or 5 or more years of credited service at age 62. Employee contributions are 7% of annual earnings. The City's contribution is determined actuarially on an annual basis. For the year ended September 30, 2021, the City's contribution was \$7,468,676. The General Employees' Pension Plan is governed by a seven member board comprised of the Mayor, the City Manager, two City residents appointed by the City Commission and three members elected by the plan membership, one of whom must be a member of a bargaining unit of the City and one of whom must not be a member of a bargaining unit of the City.

Police Officers' Pension Fund: The Police Officers' Pension Plan covers all sworn police department employees. Employees are vested after 10 years of service with the City and are eligible for retirement after 20 years of service regardless of age. Employees with 10 years of credited service may retire at or after age 55 or employees with 15 years of credited service may retire at or after age 50. Employees who are age 50 and have 10 years of credited service receive a reduced retirement benefit. Monthly benefit checks begin the month an employee retires, and the amount of benefit to which the retired employee is entitled is equal to the number of years of credited service multiplied by 3% of average final compensation. Employee contributions are 7% of annual compensation. The City's contribution is determined actuarially on an annual basis and is reduced by \$465,087 of the amount the City receives from the State of Florida pursuant to Chapter 185 of the Florida Statutes, which provides for a premium tax on certain casualty insurance contracts written on properties within the City. The tax is collected by the State of Florida and remitted to the City for the Police Officers' Pension Fund. For the year ended September 30, 2021, the City's contribution was \$5,999,430 and the contribution from the State was \$895,165. The Police Officers' Pension Plan is governed by a five member board consisting of two police officers, two City residents and a fifth member elected by the other four members.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

D. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Description of Plans (continued)

Firefighters' Pension Fund: The Firefighters' Pension Plan covers all firefighters and fire department officers. Employees become vested after 10 years of service with the City and are eligible for retirement after 20 years regardless of age. Employees with 10 years of credited service may retire at or after age 55. Employees who are age 50 and have 10 years of credited service can receive a reduced retirement benefit. Monthly benefit checks begin the month an employee retires, and the amount of the benefit to which the retired employee will be entitled will be equal to the number of years of credited service multiplied by 3% of average final compensation. Employee contributions are 12% of annual compensation. The City's contribution is determined actuarially on an annual basis and is reduced by the amount the City receives from the State of Florida pursuant to Chapter 175 of the Florida Statutes, which provides for a premium tax on certain property insurance contracts written on properties within the City. The tax is collected by the State of Florida and remitted to the City for the Firefighters' Pension Fund. For the year ended September 30, 2021, the City's contribution was \$5,215,363 and the contribution from the State was \$995,143. The Firefighters' Pension Plan is governed by a five member board consisting of two firefighters, two City residents and a fifth member elected by the other four members.

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

D. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Description of Plans (continued)

The net pension liability, deferred outflows/inflows of resources related to pensions and pension expense related to the City’s three defined benefit retirement plans are summarized as follows at September 30, 2021:

	General Employees'	Police Officers'	Firefighters'	Total
Net pension asset	<u>\$ (10,198,305)</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (10,198,305)</u>
Net pension liability	<u>\$ --</u>	<u>\$ 40,217,605</u>	<u>\$ 21,120,788</u>	<u>\$ 61,338,393</u>
Deferred outflows/inflows:				
Deferred outflows of resources	<u>\$ 1,446,941</u>	<u>\$ 5,283,243</u>	<u>\$ 2,480,556</u>	<u>\$ 9,210,740</u>
Deferred inflows of resources	<u>\$ 17,859,115</u>	<u>\$ 7,235,858</u>	<u>\$ 17,060,176</u>	<u>\$ 42,155,149</u>
Pension expense	<u>\$ 4,375</u>	<u>\$ 7,774,431</u>	<u>\$ 1,451,328</u>	<u>\$ 9,230,134</u>

Plan Membership

Membership data of the City’s pension plans as of the most recent actuarial valuation date of October 1, 2020, is summarized as follows:

	General Employees'	Police Officers'	Firefighters'
Retirees, beneficiaries and DROP participants receiving benefits	441	150	127
Terminated employees entitled to benefits but not yet receiving them	52	21	2
Active members	408	121	119

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

D. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Significant Accounting Policies

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

DROP Accounts

Any participant of the General Employees', Police Officers', and Firefighters' Pension Plans who is eligible to receive an early or normal retirement benefit may elect to participate in a deferred retirement option plan (DROP) while continuing his or her active employment. Upon participation in DROP, the participant becomes a retiree for plan purposes and ceases to accrue further benefits under the pension plan. Normal retirement payments payable to the participant are invested in DROP and distributed to the participant upon termination of employment. The amounts held for DROP benefits at September 30, 2021 were \$18,575,325 for the General Employees' Pension Plan; \$15,223,229 for the Police Officers' Pension Plan; and \$22,369,614 for the Firefighters' Pension Plan.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

D. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Investments

Investment Policy: The policy for the allocation of invested assets is established and may be amended by a majority vote of the Board of each pension plan. It is the policy of each pension plan Board to pursue an investment strategy that reduces risk through the prudent diversification of the investment portfolio across a broad selection of distinct asset classes. The investment policies of the City's pension plans discourage the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. There were no significant changes in the investment policies of the City's pension plans for the year ended September 30, 2021.

The asset allocation policies adopted by the pension plan Boards at September 30, 2021 were as follows:

	General Employees'	Police Officers'	Firefighters'
Domestic equity	50%	25%	45%
International equity	15%	30%	15%
Bonds and fixed income	20%	32%	25%
Real estate and REITS	15%	7%	15%
Master limited partnerships	--	2%	--
Commodities	--	2%	--
Cash	--	2%	--

Rate of Return: The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested. The annual money-weighted rates of return on pension plan investments, net of investment expenses, were as follows for the year ended September 30, 2021:

	General Employees'	Police Officers'	Firefighters'
Annual money-weighted rate of return	19.90%	18.10%	19.36%

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

D. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Net Pension Liability (Asset)

The components of the net pension liability (asset) for the three pension plans for the most recent actuarial valuation as of October 1, 2020, were as follows:

	General Employees'	Police Officers'	Firefighters'
Total pension liability	\$ 218,974,978	\$ 173,112,174	\$ 186,003,933
Plan fiduciary net position	229,173,283	132,894,569	164,883,145
Net Pension Liability (Asset)	\$ (10,198,305)	\$ 40,217,605	\$ 21,120,788
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	104.66%	76.77%	88.64%

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

Actuarial Assumptions

The net pension liability of each pension plan was determined by an actuarial valuation as of October 1, 2020 and measurement date of September 30, 2021, using the following significant actuarial assumptions:

	General Employees'	Police Officers'	Firefighters
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level dollar, closed	Level percent of payroll, closed	Level percent of payroll, closed
Remaining amortization period	6 years	17 years	19 years
Asset valuation method	Five year smoothed market	Five year smoothed market	Five year smoothed market

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

D. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Actuarial Assumptions (continued)

	General Employees'	Police Officers'	Firefighters
Actuarial assumptions:			
Investment rate of return*	6.0%	7.005%	7.35%
Projected salary increases	3.25% - 8.10%	5.0% - 6.5%	3.5% - 14.5%
Inflation rate	2.5%	2.5%	2.5%
Cost of living adjustments	None	1% annually	2% five years after retirement

* Includes inflation rate

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

Actuarial Changes: There were no changes in benefits for the General Employees', Firefighters or Police Pension Plans. The assumed investment return for the General Employees' Pension Plan was reduced from 7.08% to 6.90% for the year ended September 30, 2021. The assumed investment return for the Police Officers' Pension Plan was reduced from 7.25% to 7.00% for the year ended September 30, 2021. The assumed investment return for the Firefighters' Pension Plan was reduced from 7.50% to 7.35% for the year ended September 30, 2021.

For the Police Officers and Firefighters Pension Plans, the mortality assumption was updated to the current mortality assumption being used by the Florida Retirement System (FRS), which was update effective July 1, 2019 by FRS.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

D. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Actuarial Assumptions (continued)

Rate of Return on Investments: The long-term expected rate of return on investments of each pension plan was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce a long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target allocation as of September 30, 2021 are summarized in the following table:

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

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

D. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Changes in the Net Pension Liability (Asset)

The changes in the net pension liability (asset) of the General Employees', Police Officers' and Firefighters' Pension Plans were as follows for the year ended September 30, 2021:

	Increase (Decrease)		
	Total	Plan	Net
	Pension	Fiduciary	Pension
	Liability	Net Position	Liability
			(Asset)
General Employees' Pension Fund			
Balances at October 1, 2020	\$ 212,763,512	\$ 194,072,809	\$ 18,690,703
Changes for the Current Year			
Service cost	4,091,360	--	4,091,360
Interest	14,926,445	--	14,926,445
Differences between expected and actual experience	(301,927)	--	(301,927)
Assumption changes	(474,328)	--	(474,328)
Contributions - City	--	7,468,676	(7,468,676)
Contributions - Employee	--	1,789,284	(1,789,284)
Net investment income	--	38,062,305	(38,062,305)
Benefit payments, including refunds of employee contributions	(12,058,744)	(12,058,744)	--
Administration expenses	--	(161,047)	161,047
Other (contributions toward elective benefits)	28,660	--	28,660
	<u>28,660</u>	<u>--</u>	<u>28,660</u>
Balances at September 30, 2021	<u>\$ 218,974,978</u>	<u>\$ 229,173,283</u>	<u>\$ (10,198,305)</u>

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

D. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Changes in the Net Pension Liability (Asset) (continued)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at October 1, 2020	\$ 159,571,394	\$ 111,813,658	\$ 47,757,736
Changes for the Current Year			
Service cost	3,553,623	--	3,553,623
Interest	11,567,515	--	11,567,515
Differences between expected and actual experience	3,435,967	--	3,435,967
Contributions - City	--	5,999,430	(5,999,430)
Contributions - State		895,165	(895,165)
Contributions - Employee	--	1,260,835	(1,260,835)
Changes of Assumptions	2,129,859		2,129,859
Net investment income	--	20,788,895	(20,788,895)
Benefit payments, including refunds of employee contributions	(7,824,823)	(7,824,823)	--
Administration expenses	--	(187,230)	187,230
Other (adjustments to reserves)	678,639	148,639	530,000
Balances at September 30, 2021	<u>\$ 173,112,174</u>	<u>\$ 132,894,569</u>	<u>\$ 40,217,605</u>

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

D. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Changes in the Net Pension Liability (Asset) (continued)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at October 1, 2020	\$ 176,325,833	\$ 138,042,942	\$ 38,282,891
Changes for the Current Year			
Service cost	3,656,658	--	3,656,658
Interest	13,234,970	--	13,234,970
Differences between expected and actual experience	(890,682)	--	(890,682)
Contributions - City	--	5,215,363	(5,215,363)
Contributions - State	--	995,143	(995,143)
Contributions - Employee	--	1,489,935	(1,489,935)
Changes of Assumptions	709,591	--	709,591
Net investment income	--	26,216,184	(26,216,184)
Benefit payments, including refunds of employee contributions	(7,058,708)	(7,058,708)	--
Administration expenses	--	(186,227)	186,227
Other (rollovers into DROP)	26,271	168,513	(142,242)
Balances at September 30, 2021	<u>\$ 186,003,933</u>	<u>\$ 164,883,145</u>	<u>\$ 21,120,788</u>

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

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

D. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Changes in the Net Pension Liability (Asset) (continued)

	Net Pension Liability (Asset)			
	Current Discount Rate	1% Decrease in Current Rate	Current Discount Rate	1% Increase in Current Rate
General Employees'	6.90%	<u>\$ 14,694,782</u>	<u>\$ (10,198,305)</u>	<u>\$ (28,924,082)</u>
Police Officers'	7.00%	<u>\$ 58,142,905</u>	<u>\$ 40,217,605</u>	<u>\$ 25,344,751</u>
Firefighters'	7.35%	<u>\$ 41,123,455</u>	<u>\$ 21,120,788</u>	<u>\$ 4,663,925</u>

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

For the year ended September 30, 2021, the City recognized pension expense of \$9,228,446 and \$1,688 for the governmental activities and business-type activities, respectively. At September 30, 2021, the City reported deferred inflows and deferred outflows of resources related to the General Employees', Police Officers' and Firefighters' Pension Plans from the following sources:

<u>General Employees' Pension Funds</u>	Deferred Inflows	Deferred Outflows
Difference between expected and actual experience	\$ 282,811	\$ 108,651
Change of assumptions	352,705	1,338,290
Net difference between projected and actual investment earnings on pension plan investments	<u>17,223,599</u>	<u>--</u>
Total	<u>\$17,859,115</u>	<u>\$ 1,446,941</u>

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

D. DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

Police Officers' Pension Fund	Deferred Inflows	Deferred Outflows
Difference between expected and actual experience	\$ --	\$ 3,239,607
Change of assumptions	--	2,043,636
Net difference between projected and actual investment earnings on pension plan investments	<u>7,235,858</u>	<u>--</u>
Total	<u>\$ 7,235,858</u>	<u>\$ 5,283,243</u>
Firefighters' Pension Fund	Deferred Inflows	Deferred Outflows
Difference between expected and actual experience	\$ 1,090,301	\$ 1,935,986
Change of assumptions	--	544,570
Net difference between projected and actual investment earnings on pension plan investments	<u>15,969,875</u>	<u>--</u>
Total	<u>\$17,060,176</u>	<u>\$ 2,480,556</u>

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

	General Employees	Police Officers	Firefighters'
Fiscal Year Ending September 30			
2022	\$ (3,207,601)	\$ 1,019,785	\$ (3,697,835)
2023	(3,279,355)	174,655	(3,276,661)
2024	(5,022,059)	(598,709)	(4,421,406)
2025	<u>(4,903,159)</u>	<u>(2,548,346)</u>	<u>(3,183,718)</u>
Total	<u>\$ (16,412,174)</u>	<u>\$ (1,952,615)</u>	<u>\$ (14,579,620)</u>

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 4 – OTHER INFORMATION (CONTINUED)

D. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Separately Issued Pension Plan Financial Statements

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

E. CRA DEFINED CONTRIBUTION PLANS

The CRA participates in a 401(a) defined contribution retirement plan and a 457(b) deferred compensation plan (the "Plans"). The Plans are qualified under Sections 401(a), 403(a) and 501(a) of the Internal Revenue Code and are administered by independent trustees. All employees who meet the Plans' eligibility requirements are qualified to participate. Employees make voluntary contributions to the 457(b) plan. The CRA contributes 27.5% of the total salaries of qualified participants to the 401(a) defined contribution retirement plan which totaled \$214,896 for the year ended September 30, 2021.

NOTE 5 – RELATED PARTY TRANSACTIONS

The CRA is a blended component unit of the City. For the year ended September 30, 2021, the CRA's tax increment revenue includes \$9,377,669 of taxes received from the City. The CRA received \$500,000 in funding from the City to assist in the acquisition of certain lots located in the Cherry Hill neighborhood, and currently owned by the Palm Beach County Housing Authority. The funding was not used for its intended purpose, and is due back to the City. The City has \$500,00 due from the CRA included in due from other funds as of September 30, 2021. In addition, the CRA reimbursed the City for services performed on behalf of the CRA, including information technology services, Clean & Safe program, landscape and maintenance services, festival expenses, human resources and payroll services, facility rental and permitting fees paid during the year. Payments by the CRA to the City for these services for the year ended September 30, 2021, totaled approximately \$4,237,000.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BOYNTON BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
GENERAL EMPLOYEE'S PENSION PLAN

LAST EIGHT YEARS

Measurement Date, September 30	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	\$ 4,091,360	\$ 3,594,993	\$ 3,461,314	\$ 3,435,186	\$ 3,115,194	\$ 2,990,326	\$ 2,954,646	\$ 2,968,214
Interest	14,926,445	14,494,818	14,109,905	13,626,918	12,836,669	12,699,614	11,691,291	11,192,833
Changes of benefit terms	--	--	--	--	--	--	5,680,646	--
Differences between expected and actual experience	(301,927)	244,463	(276,923)	484,186	2,006,523	(4,891,541)	1,191,720	(13,973)
Change in assumptions	(474,328)	1,947,549	2,245,392	1,800,889	4,538,235	--	--	--
Benefit payments, including refunds	(12,058,744)	(11,659,811)	(10,561,632)	(9,969,109)	(9,749,117)	(8,516,256)	(7,784,781)	(7,994,248)
Other (contributions toward elective benefits)	28,660	28,902	28,664	30,897	34,453	36,826	40,842	44,092
Net Change in Total Pension Liability	6,211,466	8,650,914	9,006,720	9,408,967	12,781,957	2,318,969	13,774,364	6,196,918
Total Pension Liability - Beginning of Fiscal Year	<u>212,763,512</u>	<u>204,112,598</u>	<u>195,105,878</u>	<u>185,696,911</u>	<u>172,914,954</u>	<u>170,595,985</u>	<u>156,821,621</u>	<u>150,624,703</u>
Total Pension Liability - End of Fiscal Year (a)	<u>\$ 218,974,978</u>	<u>\$ 212,763,512</u>	<u>\$ 204,112,598</u>	<u>\$ 195,105,878</u>	<u>\$ 185,696,911</u>	<u>\$ 172,914,954</u>	<u>\$ 170,595,985</u>	<u>\$ 156,821,621</u>
Plan Fiduciary Net Position								
Contributions								
Employer	\$ 7,468,676	\$ 7,289,319	\$ 7,320,463	\$ 7,110,298	\$ 6,951,693	\$ 7,615,053	\$ 7,273,068	\$ 6,780,773
Plan members	1,789,284	1,687,097	1,564,653	1,532,846	1,520,068	1,450,369	1,439,239	1,492,985
Net investment income	38,062,305	12,885,168	6,115,140	15,250,355	17,730,273	16,354,236	1,605,790	11,833,483
Benefit payments, including refunds	(12,058,744)	(11,659,811)	(10,561,632)	(9,969,109)	(9,749,117)	(8,516,256)	(7,784,781)	(7,994,248)
Administration expense	(161,047)	(147,348)	(141,005)	(137,738)	(144,179)	(141,114)	(142,577)	(135,227)
Net Change in Plan Fiduciary Net Position	35,100,474	10,054,425	4,297,619	13,786,652	16,308,738	16,762,288	2,390,739	11,977,766
Plan Fiduciary Net Position - Beginning of Fiscal Year	<u>194,072,809</u>	<u>184,018,384</u>	<u>179,720,765</u>	<u>165,934,113</u>	<u>149,625,375</u>	<u>132,863,087</u>	<u>130,472,348</u>	<u>118,494,582</u>
Plan Fiduciary Net Position - End of Fiscal Year (b)	<u>\$ 229,173,283</u>	<u>\$ 194,072,809</u>	<u>\$ 184,018,384</u>	<u>\$ 179,720,765</u>	<u>\$ 165,934,113</u>	<u>\$ 149,625,375</u>	<u>\$ 132,863,087</u>	<u>\$ 130,472,348</u>
Net Pension Liability (Asset) - End of Fiscal Year [(a)-(b)]	\$ (10,198,305)	\$ 18,690,703	\$ 20,094,214	\$ 15,385,113	\$ 19,762,798	\$ 23,289,579	\$ 37,732,898	\$ 26,349,273
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	<u>104.7%</u>	<u>91.2%</u>	<u>90.2%</u>	<u>92.1%</u>	<u>89.4%</u>	<u>86.5%</u>	<u>77.9%</u>	<u>83.2%</u>
Covered payroll	<u>\$ 25,151,771</u>	<u>\$ 23,688,500</u>	<u>\$ 21,942,700</u>	<u>\$ 21,456,414</u>	<u>\$ 21,223,071</u>	<u>\$ 20,193,471</u>	<u>\$ 19,977,100</u>	<u>\$ 20,698,471</u>
Net Pension Liability as a Percentage of Covered Payroll	<u>-40.5%</u>	<u>78.9%</u>	<u>91.6%</u>	<u>71.7%</u>	<u>93.1%</u>	<u>115.3%</u>	<u>188.9%</u>	<u>127.3%</u>

Information prior to fiscal year 2014 is not available.

CITY OF BOYNTON BEACH, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
POLICE OFFICERS' PENSION PLAN**

LAST EIGHT YEARS

Measurement Date, September 30,	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	\$ 3,553,623	\$ 3,151,301	\$ 3,138,898	\$ 3,199,467	\$ 2,886,162	\$ 3,047,445	\$ 2,767,701	\$ 2,809,815
Interest	11,567,515	10,983,024	10,487,401	10,007,776	9,654,424	9,076,479	8,679,595	8,234,704
Changes of benefit terms	--	16,771	--	--	--	--	--	--
Differences between expected and actual experience	3,435,967	708,903	455,046	1,355,270	(1,118,136)	1,820,086	(1,776,804)	(129,636)
Changes of assumptions	2,129,859	--	--	3,525,859	3,177,559	(565,994)	617,426	--
Benefit payments, including refunds	(7,824,823)	(7,853,275)	(7,848,043)	(6,939,906)	(6,270,887)	(6,262,438)	(5,507,892)	(5,519,854)
Other (adjustments to reserves)	678,639	598,703	587,472	578,453	533,304	481,282	395,891	255,655
Net Change in Total Pension Liability	13,540,780	7,605,427	6,820,774	11,726,919	8,862,426	7,596,860	5,175,917	5,650,684
Total Pension Liability - Beginning of Fiscal Year	159,571,394	151,965,967	145,145,193	133,418,274	124,555,848	116,958,988	111,783,071	106,132,387
Total Pension Liability - End of Fiscal Year (a)	\$ 173,112,174	\$ 159,571,394	\$ 151,965,967	\$ 145,145,193	\$ 133,418,274	\$ 124,555,848	\$ 116,958,988	\$ 111,783,071
Plan Fiduciary Net Position								
Contributions								
Employer	5,999,430	5,815,515	5,809,713	5,355,058	4,791,528	4,391,305	4,365,259	4,159,736
State	895,165	907,957	861,862	825,507	781,307	735,945	675,227	645,579
Plan members	1,260,835	1,166,999	983,971	1,214,260	976,688	928,153	1,040,875	911,375
Net investment income	20,788,895	4,736,754	5,426,455	6,379,064	8,797,727	8,254,453	1,428,464	7,154,203
Other income	148,639	59,006	108,110	102,504	98,740	109,362	78,814	28,186
Benefit payments, including refunds	(7,824,823)	(7,853,275)	(7,848,043)	(6,939,906)	(6,270,887)	(6,262,438)	(5,507,892)	(5,519,854)
Administration expense	(187,230)	(165,414)	(178,668)	(163,266)	(167,698)	(164,398)	(153,104)	(125,126)
Net Change in Plan Fiduciary Net Position	21,080,911	4,667,542	5,163,400	6,773,221	9,007,405	7,992,382	1,927,643	7,254,099
Plan Fiduciary Net Position - Beginning of Fiscal Year	111,813,658	107,146,116	101,982,716	95,209,495	86,202,090	78,209,708	76,282,065	69,027,966
Plan Fiduciary Net Position - End of Fiscal Year (b)	\$ 132,894,569	\$ 111,813,658	\$ 107,146,116	\$ 101,982,716	\$ 95,209,495	\$ 86,202,090	\$ 78,209,708	\$ 76,282,065
Net Pension Liability - End of Fiscal Year [(a)-(b)]	\$ 40,217,605	\$ 47,757,736	\$ 44,819,851	\$ 43,162,477	\$ 38,208,779	\$ 38,353,758	\$ 38,749,280	\$ 35,501,006
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	76.8%	70.1%	70.5%	70.3%	71.4%	69.2%	66.9%	68.2%
Covered payroll	\$ 13,006,567	\$ 12,682,527	\$ 11,268,875	\$ 11,522,888	\$ 11,834,364	\$ 11,279,375	\$ 11,553,613	\$ 11,070,863
Net Pension Liability as a Percentage of Covered Payroll	309.2%	376.6%	397.7%	374.6%	322.9%	340.0%	335.4%	320.7%

Information prior to fiscal year 2014 is not available.

CITY OF BOYNTON BEACH, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION PLAN**

LAST EIGHT YEARS

Measurement Date, September 30,	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	\$ 3,656,658	\$ 3,593,983	\$ 3,403,511	\$ 3,717,529	\$ 3,330,443	\$ 3,204,682	\$ 2,988,536	\$ 2,772,724
Interest	13,234,970	12,281,407	11,904,771	11,208,637	10,066,945	9,542,671	8,955,215	8,188,369
Change in benefit terms	--	616,047	(1,384,791)	--	--	--	--	--
Differences between expected and actual experience	(890,682)	3,514,248	(1,516,079)	1,224,054	668,799	(498,197)	708,071	(28,363)
Changes of assumptions	709,591	--	--	--	6,644,861	--	1,809,581	--
Benefit payments, including refunds	(7,058,708)	(7,748,238)	(7,624,103)	(6,076,694)	(5,510,050)	(5,176,836)	(4,308,771)	(4,342,743)
Other (Rollovers to DROP & adjustments to reserves)	26,271	72,315	371,271	(2,695)	(161,694)	79,370	399,111	656,082
Net Change in Total Pension Liability	9,678,100	12,329,762	5,154,580	10,070,831	15,039,304	7,151,690	10,551,743	7,246,069
Total Pension Liability - Beginning of Fiscal Year	176,325,833	163,996,071	158,841,491	148,770,660	133,731,356	126,579,666	116,027,923	108,781,854
Total Pension Liability - End of Fiscal Year (a)	\$ 186,003,933	\$ 176,325,833	\$ 163,996,071	\$ 158,841,491	\$ 148,770,660	\$ 133,731,356	\$ 126,579,666	\$ 116,027,923
Plan Fiduciary Net Position								
Contributions								
Employer	\$ 5,215,363	\$ 4,734,845	\$ 5,627,597	\$ 5,444,061	\$ 4,293,563	\$ 4,195,420	\$ 3,930,996	\$ 3,522,147
State	995,143	881,763	830,904	789,121	883,314	923,246	963,573	1,016,561
Plan members	1,489,935	1,448,783	1,524,397	1,473,516	1,477,115	1,485,128	1,251,530	1,291,773
Net investment income	26,216,184	15,834,660	6,835,550	9,221,736	12,165,106	9,197,486	282,853	7,187,580
Benefit payments, including refunds	(7,058,708)	(7,748,238)	(7,624,103)	(6,076,694)	(5,510,050)	(5,176,836)	(4,308,771)	(4,342,743)
Administration expense	(186,227)	(229,164)	(184,750)	(141,569)	(151,010)	(161,122)	(132,439)	(122,390)
Other (Rollovers into DROP)	168,513	327,937	379,375	323,472	70,279	271,411	139,860	343,843
Net Change in Plan Fiduciary Net Position	26,840,203	15,250,586	7,388,970	11,033,643	13,228,317	10,734,733	2,127,602	8,896,771
Plan Fiduciary Net Position - Beginning of Fiscal Year	138,042,942	122,792,356	115,403,386	104,369,743	91,141,426	80,406,693	78,279,091	69,382,320
Plan Fiduciary Net Position - End of Fiscal Year (b)	\$ 164,883,145	\$ 138,042,942	\$ 122,792,356	\$ 115,403,386	\$ 104,369,743	\$ 91,141,426	\$ 80,406,693	\$ 78,279,091
Net Pension Liability - End of Fiscal Year [(a)-(b)]	\$ 21,120,788	\$ 38,282,891	\$ 41,203,715	\$ 43,438,105	\$ 44,400,917	\$ 42,589,930	\$ 46,172,973	\$ 37,748,832
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	88.6%	78.3%	74.9%	72.7%	70.2%	68.2%	63.5%	67.5%
Covered payroll	\$ 12,144,750	\$ 11,666,258	\$ 12,156,508	\$ 11,133,758	\$ 11,219,225	\$ 10,906,700	\$ 9,962,067	\$ 9,925,925
Net Pension Liability as a Percentage of Covered Payroll	173.9%	328.2%	338.9%	390.1%	395.8%	390.5%	463.5%	380.3%

Information prior to fiscal year 2014 is not available.

CITY OF BOYNTON BEACH, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULES OF CITY CONTRIBUTIONS
PENSION TRUST FUNDS**

LAST EIGHT YEARS

September 30,	2021	2020	2019	2018	2017	2016	2015	2014
General Employees' Pension Fund								
Actuarially determined contribution	\$ 7,468,676	\$ 7,289,319	\$ 7,320,463	\$ 7,110,298	\$ 6,951,693	\$ 7,608,338	\$ 7,273,067	\$ 6,780,773
Contributions in relation to actuarially determined contribution	<u>7,468,676</u>	<u>7,289,319</u>	<u>7,320,463</u>	<u>7,110,298</u>	<u>6,951,693</u>	<u>7,615,053</u>	<u>7,273,068</u>	<u>6,780,773</u>
Contribution Deficiency (Excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (6,715)</u>	<u>\$ (1)</u>	<u>\$ --</u>
Covered payroll	<u>\$ 25,151,771</u>	<u>\$ 23,688,500</u>	<u>\$ 21,942,700</u>	<u>\$ 21,456,414</u>	<u>\$ 21,223,071</u>	<u>\$ 20,193,471</u>	<u>\$ 19,977,100</u>	<u>\$ 20,698,471</u>
Contributions as a Percentage of Covered Payroll	<u>29.7%</u>	<u>30.8%</u>	<u>33.4%</u>	<u>33.1%</u>	<u>32.8%</u>	<u>37.7%</u>	<u>36.4%</u>	<u>32.8%</u>
Police Officers' Pension Fund								
Actuarially determined contribution	\$ 6,464,517	\$ 6,280,602	\$ 6,272,374	\$ 5,820,145	\$ 5,256,615	\$ 4,856,392	\$ 4,830,346	\$ 4,560,918
Contributions in relation to actuarially determined contribution	<u>6,464,517</u>	<u>6,280,602</u>	<u>6,274,800</u>	<u>5,820,145</u>	<u>5,256,615</u>	<u>4,856,392</u>	<u>4,830,346</u>	<u>4,624,823</u>
Contribution Deficiency (Excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (2,426)</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (63,905)</u>
Covered payroll	<u>\$ 12,682,527</u>	<u>\$ 12,682,527</u>	<u>\$ 11,268,875</u>	<u>\$ 11,522,888</u>	<u>\$ 11,834,364</u>	<u>\$ 11,279,375</u>	<u>\$ 11,553,613</u>	<u>\$ 11,070,863</u>
Contributions as a Percentage of Covered Payroll	<u>51.0%</u>	<u>49.5%</u>	<u>55.7%</u>	<u>50.5%</u>	<u>44.4%</u>	<u>43.1%</u>	<u>41.8%</u>	<u>41.8%</u>
Firefighters' Pension Fund								
Actuarially determined contribution	\$ 6,400,723	\$ 5,969,275	\$ 6,409,551	\$ 6,157,171	\$ 5,075,517	\$ 4,899,742	\$ 4,635,318	\$ 4,226,469
Contributions in relation to actuarially determined contribution	<u>6,210,506</u>	<u>5,616,608</u>	<u>6,458,501</u>	<u>6,226,015</u>	<u>5,075,517</u>	<u>4,977,374</u>	<u>4,635,318</u>	<u>4,226,469</u>
Contribution Deficiency (Excess)	<u>\$ 190,217</u>	<u>\$ 352,667</u>	<u>\$ (48,950)</u>	<u>\$ (68,844)</u>	<u>\$ --</u>	<u>\$ (77,632)</u>	<u>\$ --</u>	<u>\$ --</u>
Covered payroll	<u>\$ 12,144,750</u>	<u>\$ 11,666,258</u>	<u>\$ 12,156,508</u>	<u>\$ 11,133,758</u>	<u>\$ 11,219,225</u>	<u>\$ 10,906,700</u>	<u>\$ 9,962,067</u>	<u>\$ 9,925,925</u>
Contributions as a Percentage of Covered Payroll	<u>51.1%</u>	<u>48.1%</u>	<u>53.1%</u>	<u>55.9%</u>	<u>45.2%</u>	<u>45.6%</u>	<u>46.5%</u>	<u>42.6%</u>

Information prior to fiscal year 2014 is not available.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO SCHEDULES OF CITY CONTRIBUTIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	General Employees' Pension Fund	Police Officers' Pension Fund	Firefighters Pension Fund
Actuarial valuation date	10/1/2019	10/1/2019	10/1/2019
Measurement date	9/30/2021	9/30/2021	9/30/2021
Actuarial methods and assumptions used to determine contribution rates:	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial cost method	Level Dollar,	Level Percent of	Level Percent of
Amortization method	Closed 6 years	Payroll, Closed 17 years	Payroll, Closed 19 years
Remaining amortization period	5-Year Smoothed	5-Year Smoothed	5-Year Smoothed
Asset valuation method	6.90% / year	7.00% / year	7.35% / year
Investment rate of return (net of expenses, with inflation)	3.25% - 8.6% / year	5.0% - 6.5% / year	3.5% - 14.5% / year
Salary increases (with inflation)	2.5% / year	2.5% / year	2.5% / year
Inflation	None	1.0% annually	2.0% five years after retirement
Cost of living adjustments	Experienced-based table of rates	Experienced-based table of rates	Experienced-based table of rates
Retirement age	RP-2000 Combined Healthy Participant Mortality Table using Scale BB	RP-2000 Combined Healthy Participant Mortality Table using Scale BB	RP-2000 Combined Healthy Participant Mortality Table using Scale BB
Mortality	Experienced-based table of rates RP-2000 Combined Healthy Participant Mortality Table using Scale BB	Experienced-based table of rates RP-2000 Combined Healthy Participant Mortality Table using Scale BB	Experienced-based table of rates RP-2000 Combined Healthy Participant Mortality Table using Scale BB

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO SCHEDULES OF CITY CONTRIBUTIONS (CONTINUED)

FOR THE YEAR ENDED SEPTEMBER 30, 2021

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

	General Employees' Pension Fund	Police Officers' Pension Fund	Firefighters Pension Fund
<i>Actuarial Changes</i>			
Revisions in benefits	None	None	None
Revisions in actuarial assumptions	(1)	(2)	(3)

- (1) The investment return assumption was reduced from 7.08% in the October 1, 2019 actuarial valuation to 6.90% in the October 1, 2020 actuarial valuation.
- (2) The investment return assumption was reduced from 7.25% in the October 1, 2019 actuarial valuation to 7.00% in the October 1, 2020 actuarial valuation.
- (3) The investment return assumption was reduced from 7.50% in the October 1, 2019 actuarial valuation to 7.35% in the October 1, 2020 actuarial valuation.

**COMBINING AND INDIVIDUAL
FUND FINANCIAL STATEMENTS**

CITY OF BOYNTON BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF INVESTMENT RETURNS
PENSION TRUST FUNDS
LAST EIGHT FISCAL YEARS

Fiscal Year Ended September 30,	Annual Money-Weighted Rate of Return, Net of Investment Expenses		
	General Employees' Pension Plan	Police Officers' Pension Plan	Firefighters' Pension Plan
2021	19.90%	18.10%	19.36%
2020	7.30%	8.67%	6.44%
2019	3.80%	5.86%	5.36%
2018	9.70%	7.30%	8.78%
2017	12.50%	11.04%	12.86%
2016	12.60%	10.72%	11.07%
2015	0.80%	2.50%	0.78%
2014	10.20%	11.00%	9.54%

Notes to Schedule:

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

Information prior to fiscal year 2014 is not available.

CITY OF BOYNTON BEACH, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY
AND RELATED RATIOS**

LAST FOUR FISCAL YEARS

Measurement Date, September 30,	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service cost	\$ 847,477	\$ 778,151	\$ 616,806	\$ 642,372
Interest	286,935	315,403	360,589	320,506
Changes of benefit terms	--	109,919	--	--
Differences between expected and actual experience	--	(452,773)	--	--
Changes in assumptions	279,337	67,828	1,296,050	(341,125)
Benefit payments	<u>(482,949)</u>	<u>(419,057)</u>	<u>(341,856)</u>	<u>(335,455)</u>
Net Change in Total OPEB Liability	930,800	399,471	1,931,589	286,298
Total OPEB Liability - Beginning of Fiscal Year	<u>11,300,032</u>	<u>10,900,561</u>	<u>8,968,972</u>	<u>8,682,674</u>
Total OPEB Liability - End of Fiscal Year	<u>\$ 12,230,832</u>	<u>\$ 11,300,032</u>	<u>\$ 10,900,561</u>	<u>\$ 8,968,972</u>
Covered Employee Payroll	<u>\$ 46,446,673</u>	<u>\$ 44,876,013</u>	<u>\$ 55,814,027</u>	<u>\$ 47,747,864</u>
Net Pension Liability as a Percentage of Covered Employee Payroll	<u>26.3%</u>	<u>25.2%</u>	<u>19.5%</u>	<u>18.8%</u>

Notes to Schedule:

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

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

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

2021	2.19%
2020	2.41%
2019	2.75%
2018	3.83%



MAJOR GOVERNMENTAL FUNDS

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

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

American Rescue Fund - To account for revenues and expenditures associated with the Coronavirus State and Local Fiscal Recovery Funds established by the American Rescue Plan Act (ARPA), which was signed into law on March 11, 2021.

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEETS
MAJOR GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2021

	General Fund	Boynton Beach CRA Special Revenue Fund	American Rescue Plan Fund
	<u> </u>	<u> </u>	<u> </u>
Assets			
Pooled cash and investments	\$ 16,347,304	\$ 4,280,408	\$ 6,208,481
Accounts receivable, net	2,421,851	15,708	--
Due from other governments	716,513	--	--
Due from other funds	1,477,443	--	500,000
Prepaid items	<u>35,888</u>	<u>132,758</u>	<u>--</u>
Total Assets	<u>\$ 20,998,999</u>	<u>\$ 4,428,874</u>	<u>\$ 6,708,481</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities:			
Accounts payable	\$ 1,212,528	\$ 109,530	\$ --
Accrued liabilities	2,653,740	--	--
Due to other funds	--	445,561	31,142
Refundable deposits	<u>83,998</u>	<u>13,677</u>	<u>--</u>
Total Liabilities	<u>3,950,266</u>	<u>568,768</u>	<u>31,142</u>
Deferred Inflows of Resources			
Unavailable revenue	<u>1,174,701</u>	<u>--</u>	<u>6,677,339</u>
Fund Balances			
Nonspendable			
Prepaid items	35,888	132,758	--
Restricted for:			
Other purposes			--
Committed for:			
Emergency purposes	10,239,669	--	--
Economic development	--	874,999	--
Assigned to:			
Subsequent year's budget	8,750	--	--
Economic development	--	2,852,349	--
Unassigned	<u>5,589,725</u>	<u>--</u>	<u>--</u>
Total Fund Balances	<u>15,874,032</u>	<u>3,860,106</u>	<u>--</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 20,998,999</u>	<u>\$ 4,428,874</u>	<u>\$ 6,708,481</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	General Fund	Boynton Beach CRA Special Revenue Fund	American Rescue Plan Fund
Revenues			
Taxes	\$ 51,806,173	\$ 14,928,164	\$ --
Less: tax increment revenue	(9,377,669)	--	--
Licenses and permits	5,250,710	--	--
Intergovernmental	12,657,739	--	146,563
Charges for services	7,690,810	1,575,454	--
Special assessments	7,033,880	--	--
Fines and forfeitures	612,001	--	--
Rents and royalties	550,081	--	--
Investment earnings	114,058	164,689	--
Miscellaneous	4,370,736	--	--
Total Revenues	<u>80,708,519</u>	<u>16,668,307</u>	<u>146,563</u>
Expenditures			
Current:			
General government	14,620,173	3,476,446	28,574
Public safety	65,495,110	--	103,739
Physical environment	1,392,715	--	--
Economic environment	757,102	--	14,250
Culture and recreation	9,885,214	--	--
Capital outlay	518,308	--	--
Debt service:			
Principal retirement	1,798,318	--	--
Interest charges	2,503,716	--	--
Total Expenditures	<u>96,970,656</u>	<u>3,476,446</u>	<u>146,563</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(16,262,137)</u>	<u>13,191,861</u>	<u>--</u>
Other Financing Sources (Uses)			
Transfers in	18,473,000	--	--
Transfers out	(3,782,370)	(12,514,683)	--
Total Other Financing Sources and Uses	<u>14,690,630</u>	<u>(12,514,683)</u>	<u>--</u>
Net Change in Fund Balances	(1,571,507)	677,178	--
Fund Balances - Beginning of Year	<u>17,445,539</u>	<u>3,182,928</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 15,874,032</u>	<u>\$ 3,860,106</u>	<u>\$ --</u>

CITY OF BOYNTON BEACH, FLORIDA

BALANCE SHEET GENERAL FUND

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 16,347,304	\$ 17,762,049
Accounts receivable, net	2,421,851	2,462,467
Due from other governments	716,513	485,879
Due from other funds	1,477,443	2,004,369
Prepaid items	<u>35,888</u>	<u>69,144</u>
Total Assets	<u>\$ 20,998,999</u>	<u>\$ 22,783,908</u>
Liabilities, Deferred Inflows of Resources and Fund Balance		
Liabilities:		
Accounts payable	\$ 1,212,528	\$ 1,246,896
Accrued liabilities	2,653,740	2,505,908
Refundable deposits	<u>83,998</u>	<u>460,384</u>
Total Liabilities	<u>3,950,266</u>	<u>4,213,188</u>
Deferred Inflows of Resources		
Unavailable revenue	<u>1,174,701</u>	<u>1,125,181</u>
Fund Balance		
Nonspendable:		
Prepaid items	35,888	69,144
Committed for:		
Emergency purposes	10,239,669	8,324,107
Assigned to:		
Subsequent year's budget	8,750	923,613
Unassigned	<u>5,589,725</u>	<u>8,128,675</u>
Total Fund Balance	<u>15,874,032</u>	<u>17,445,539</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 20,998,999</u>	<u>\$ 22,783,908</u>

CITY OF BOYNTON BEACH, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)

	2021	2020
Revenues		
Taxes	\$ 51,806,173	\$ 49,045,707
Less: tax increment revenue	(9,377,669)	(8,693,724)
Licenses and permits	5,250,710	7,899,485
Intergovernmental	12,657,739	10,907,151
Charges for services	7,690,810	7,598,573
Special assessments	7,033,880	6,883,199
Fines and forfeitures	612,001	468,382
Rents and royalties	550,081	261,296
Investment earnings	114,058	246,953
Miscellaneous	4,370,736	5,600,127
Total Revenues	80,708,519	80,217,149
Expenditures		
Current:		
General government	14,620,173	14,268,144
Public safety	65,495,110	63,159,268
Physical environment	1,392,715	1,231,185
Economic environment	757,102	556,495
Culture and recreation	9,885,214	8,898,870
Capital outlay	518,308	80,725,900
Debt service		
Principal retirement	1,798,318	2,286,056
Interest charges	2,503,716	3,017,881
Total Expenditures	96,970,656	174,143,799
Excess (Deficiency) of Revenues Over Expenditures	(16,262,137)	(93,926,650)
Other Financing Sources (Uses)		
Transfers in	18,473,000	16,642,000
Transfers out	(3,782,370)	(2,598,073)
Issuance of capital lease agreements	--	79,853,165
Total Other Financing Sources and Uses	14,690,630	93,897,092
Net Change in Fund Balance	(1,571,507)	(29,558)
Fund Balance - Beginning of Year	17,445,539	17,475,097
Fund Balance - End of Year	\$ 15,874,032	\$ 17,445,539

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
BOYNTON BEACH CRA SPECIAL REVENUE FUND**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 4,280,408	\$ 3,070,013
Accounts receivable, net	15,708	6,089
Prepaid items	<u>132,758</u>	<u>203,995</u>
Total Assets	<u>\$ 4,428,874</u>	<u>\$ 3,280,097</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$ 109,530	\$ 80,070
Due to primary government	445,561	--
Refundable deposits	<u>13,677</u>	<u>17,099</u>
Total Liabilities	<u>568,768</u>	<u>97,169</u>
Fund Balance		
Nonspendable:		
Prepaid items	132,758	203,995
Committed for economic development	874,999	1,425,909
Assigned to economic development	<u>2,852,349</u>	<u>1,553,024</u>
Total Fund Balance	<u>3,860,106</u>	<u>3,182,928</u>
Total Liabilities and Fund Balance	<u>\$ 4,428,874</u>	<u>\$ 3,280,097</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BOYNTON BEACH CRA SPECIAL REVENUE FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Revenues		
Taxes	\$ 14,928,164	\$ 13,932,896
Charges for services	1,575,454	1,168,931
Investment earnings	<u>164,689</u>	<u>225,982</u>
Total Revenues	<u>16,668,307</u>	<u>15,327,809</u>
Expenditures		
Current:		
General government	<u>3,476,446</u>	3,357,826
Total Expenditures	<u>3,476,446</u>	<u>3,357,826</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>13,191,861</u>	<u>11,969,983</u>
Other Financing Uses		
Transfers out	<u>(12,514,683)</u>	<u>(11,693,401)</u>
Total Other Financing Uses	<u>(12,514,683)</u>	<u>(11,693,401)</u>
Net Change in Fund Balance	677,178	276,582
Fund Balance - Beginning of Year	<u>3,182,928</u>	<u>2,906,346</u>
Fund Balance - End of Year	<u>\$ 3,860,106</u>	<u>\$ 3,182,928</u>

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
AMERICAN RESCUE FUND**

**SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 6,208,481	\$ --
Due from other funds	<u>500,000</u>	<u>--</u>
Total Assets	<u>\$ 6,708,481</u>	<u>\$ --</u>
Liabilities and Fund Balance		
Liabilities		
Due to other funds	\$ 31,142	\$ --
Deferred revenue	<u>6,677,339</u>	<u>--</u>
Total Liabilities	<u>6,708,481</u>	<u>--</u>
Fund Balance		
Restricted for:		
Other purposes	<u>--</u>	<u>--</u>
Total Fund Balance	<u>--</u>	<u>--</u>
Total Liabilities and Fund Balance	<u>\$ 6,708,481</u>	<u>\$ --</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
AMERICAN RESCUE FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Intergovernmental	\$ 146,563	\$ --
Total Revenues	<u>146,563</u>	<u>--</u>
Expenditures		
Current:		
General government	28,574	--
Public safety	103,739	--
Economic environment	<u>14,250</u>	<u>--</u>
Total Expenditures	<u>146,563</u>	<u>--</u>
Excess of Revenues Over Expenditures	<u>--</u>	<u>--</u>
Net Change in Fund Balance	--	--
Fund Balance - Beginning of Year	<u>--</u>	<u>--</u>
Fund Balance - End of Year	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>

MAJOR ENTERPRISE FUNDS

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

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

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENTS OF NET POSITION
MAJOR ENTERPRISE FUNDS**

SEPTEMBER 30, 2021

	Water & Sewer	Sanitation
Assets		
Current assets:		
Pooled cash and investments	\$ 21,977,966	\$ 1,725,618
Accounts receivable, net	6,482,157	1,313,530
Prepaid expenses	77,410	--
	<u>28,537,533</u>	<u>3,039,148</u>
Restricted assets:		
Restricted pooled cash and investments:		
Customer deposits	1,562,528	--
Revenue bond covenants	9,788,320	--
Capital improvements	41,504,989	--
	<u>52,855,837</u>	<u>--</u>
Restricted accounts receivable - customer deposits	38,553	--
Total restricted assets	<u>52,894,390</u>	<u>--</u>
Total Current Assets	<u>81,431,923</u>	<u>3,039,148</u>
Noncurrent Assets		
Investment in Regional Wastewater Joint Venture	16,650,509	--
Intangible assets	2,910,000	--
Capital assets not being depreciated	9,109,118	--
Capital assets, net of accumulated depreciation	171,237,474	1,446
Net pension asset	2,724,988	1,026,969
	<u>202,632,089</u>	<u>1,028,415</u>
Total Noncurrent Assets	<u>202,632,089</u>	<u>1,028,415</u>
Total Assets	<u>284,064,012</u>	<u>4,067,563</u>
Deferred Outflows of Resources		
Deferred charges on debt refundings	1,070,725	--
Deferred amounts related to OPEB	242,110	90,454
Deferred amounts related to pensions	386,623	145,707
	<u>1,699,458</u>	<u>236,161</u>
Total Deferred Outflows of Resources	<u>1,699,458</u>	<u>236,161</u>
Liabilities		
Current liabilities:		
Accounts payable	958,345	397,796
Accrued expenses	425,916	141,859
Refundable deposits	158,477	--
Compensated absences payable	132,905	42,810
Due to other governments	80,000	--
	<u>1,755,643</u>	<u>582,465</u>
Current liabilities payable from restricted assets:		
Customer deposits	1,601,081	--
Revenue bonds, current maturities	5,760,000	--
Accrued revenue bond interest	516,491	--
Contracts payable	1,600	--
	<u>7,879,172</u>	<u>--</u>
Total Current Liabilities	<u>9,634,815</u>	<u>582,465</u>
Noncurrent Liabilities		
Revenue bonds payable, less current maturities, plus unamortized premium	72,219,712	--
Compensated absences payable, less current portion	889,444	286,501
Other postemployment benefits	3,290,094	1,229,199
	<u>76,399,250</u>	<u>1,515,700</u>
Total Noncurrent Liabilities	<u>76,399,250</u>	<u>1,515,700</u>
Total Liabilities	<u>86,034,065</u>	<u>2,098,165</u>
Deferred Inflows of Resources		
Deferred amounts related to OPEB	107,538	40,177
Deferred amounts related to pensions	4,771,956	1,798,413
	<u>4,879,494</u>	<u>1,838,590</u>
Total Deferred Inflows of Resources	<u>4,879,494</u>	<u>1,838,590</u>
Net Position		
Net investment in capital assets	147,850,994	1,446
Restricted for:		
Revenue bond covenants	3,511,829	--
Net pension asset	2,724,988	102,699
Unrestricted (deficit)	40,762,100	(661,446)
	<u>\$ 194,849,911</u>	<u>\$ 366,969</u>
Total Net Position	<u>\$ 194,849,911</u>	<u>\$ 366,969</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
MAJOR ENTERPRISE FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Water & Sewer</u>	<u>Sanitation</u>
Operating Revenues		
Charges for services:		
Water sales	\$ 24,976,528	\$ --
Sewer service	19,736,462	--
Stormwater utility fees	5,483,297	--
Garbage fees	--	13,257,797
Recycling fees	--	<u>10,441</u>
Total Operating Revenues	<u>50,196,287</u>	<u>13,268,238</u>
Operating Expenses		
Personal services and benefits	9,126,053	3,422,589
Supplies, services and claims	14,686,266	5,750,184
Depreciation and amortization	<u>12,242,767</u>	<u>2,475</u>
Total Operating Expenses	<u>36,055,086</u>	<u>9,175,248</u>
Operating Income	<u>14,141,201</u>	<u>4,092,990</u>
Nonoperating Revenues (Expenses)		
Investment earnings	124,851	1,991
Interest expense	(1,596,054)	--
Equity in loss of Regional Wastewater Joint Venture	(650,572)	--
Miscellaneous income	<u>145,232</u>	<u>--</u>
Total Operating Revenues (Expenses)	<u>(1,987,742)</u>	<u>(38,184)</u>
Income Before Contributions and Transfers	<u>12,153,459</u>	<u>4,054,806</u>
Capital Contributions	<u>367,348</u>	<u>--</u>
Transfers		
Transfers in	--	10,000
Transfers out	<u>(8,716,479)</u>	<u>(2,568,610)</u>
Total Transfers	<u>(8,716,479)</u>	<u>(2,558,610)</u>
Change in Net Position	3,804,328	1,496,196
Net Position (Deficit) - Beginning of Year	<u>191,045,583</u>	<u>(1,129,227)</u>
Net Position - End of Year	<u>\$ 194,849,911</u>	<u>\$ 366,969</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENTS OF CASH FLOWS
MAJOR ENTERPRISE CASH FLOWS**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Water & Sewer	Sanitation
Cash Flows From Operating Activities		
Receipts from customers and users	\$ 48,802,170	\$ 13,345,676
Receipts from others	253,789	--
Payments to suppliers	(15,128,324)	(3,140,802)
Payments to employees	(11,275,720)	(4,164,921)
Payments for interfund services used	<u>(1,026,687)</u>	<u>(2,525,008)</u>
Net Cash Provided by Operating Activities	<u>21,625,228</u>	<u>3,514,945</u>
Cash Flows From Non-Capital Financing Activities		
Transfers in	--	10,000
Transfers out	<u>(8,716,479)</u>	<u>(2,568,610)</u>
Net Cash Used in Non-capital Financing Activities	<u>(8,716,479)</u>	<u>(2,558,610)</u>
Cash Flows From Capital and Related Financing Activities		
Acquisition of capital assets	(7,618,492)	(42,085)
Capital contributions	367,348	--
Proceeds from issuance of revenue refunding bonds	41,140,000	--
Bond issuance costs paid	764,150	--
Payment to escrow agent for advance refunding of revenue bonds	(42,470,000)	--
Principal payments on revenue bonds	(4,507,679)	--
Interest payments on revenue bonds	<u>(1,955,293)</u>	<u>--</u>
Net Cash Used in Capital and Related Financing Activities	<u>(14,279,966)</u>	<u>(42,085)</u>
Cash Flows From Investing Activity		
Interest on pooled cash and investments	<u>124,851</u>	<u>1,991</u>
Net Cash Provided by Investing Activity	<u>124,851</u>	<u>1,991</u>
Increase (decrease) in pooled cash and investments	(1,246,366)	916,241
Pooled Cash and Investments - Beginning of Year	<u>76,080,169</u>	<u>809,377</u>
Pooled Cash and Investments - End of Year	<u>\$ 74,833,803</u>	<u>\$ 1,725,618</u>
Reconciliation of Operating Income to Net Cash Provided By Operating Activities		
Operating income	\$ 14,141,201	\$ 4,092,990
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	12,242,767	2,475
Provision for doubtful accounts	(81,556)	--
Miscellaneous income	253,789	--
Changes in operating assets, liabilities, deferred inflows/outflows:		
Accounts receivable	(1,302,733)	77,438
Prepaid expenses	(26,542)	--
Deferred amounts related to OPEB	(31,506)	(14,563)
Deferred amounts related to pensions	5,792,852	2,140,426
Accounts payable	(1,449,836)	84,374
Accrued expenses	14,357	(13,373)
Refundable deposits	(3,943)	--
Due to other governments	7,633	--
Customer deposits	(5,885)	--
Compensated absences payable	(69,078)	(138,954)
Total OPEB liability	117,045	129,706
Net pension liability	<u>(7,973,337)</u>	<u>(2,845,574)</u>
Total Adjustments	<u>7,484,027</u>	<u>(578,045)</u>
Net Cash Provided by Operating Activities	<u>\$ 21,625,228</u>	<u>\$ 3,514,945</u>
Noncash Investing, Capital and Related Financing Activities		
Equity in loss of Regional Wastewater Joint Venture	\$ (650,571)	\$ --
Amortization of bond premiums	\$ 62,746	\$ --
Amortization of charges on refundings	\$ (108,873)	\$ --

CITY OF BOYNTON BEACH, FLORIDA

STATEMENT OF NET POSITION WATER & SEWER

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	2021	2020
Assets		
Current Assets		
Pooled cash and investments	\$ 21,977,966	\$ 17,555,406
Accounts receivable, net	6,482,157	5,097,921
Prepaid expenses	77,410	50,868
	28,537,533	22,704,195
Restricted assets:		
Restricted pooled cash and investments:		
Customer deposits	1,562,528	1,568,466
Revenue bond covenants	9,788,320	8,667,960
Capital improvements	41,504,989	48,288,337
	52,855,837	58,524,763
Restricted accounts receivable - customer deposits	38,553	38,500
Total restricted assets	52,894,390	58,563,263
Total Current Assets	81,431,923	81,267,458
Noncurrent Assets		
Investment in Regional Wastewater Joint Venture	16,650,509	17,301,080
Intangible assets	2,910,000	2,910,000
Capital assets not being depreciated	9,109,118	40,413,892
Capital assets, net of accumulated depreciation	171,237,474	145,977,992
Net pension asset	2,724,988	--
Total Noncurrent Assets	202,632,089	206,602,964
Total Assets	284,064,012	287,870,422
Deferred Outflows of Resources		
Deferred charges on debt refundings	1,070,725	881,004
Deferred amounts related to OPEB	242,110	254,142
Deferred amounts related to pensions	386,623	1,444,353
Total Deferred Outflows of Resources	1,699,458	2,579,499
Liabilities		
Current Liabilities		
Accounts payable	958,345	2,408,181
Accrued expenses	425,916	411,559
Refundable deposits	158,477	162,420
Compensated absences payable	132,905	141,886
Due to other governments	80,000	72,367
	1,755,643	3,196,413
Current liabilities payable from restricted assets:		
Customer deposits	1,601,081	1,606,966
Revenue bonds, current maturities	5,760,000	4,640,000
Accrued revenue bond interest	516,491	921,857
Contracts payable	1,600	1,302,861
	7,879,172	8,471,684
Total Current Liabilities	9,634,815	11,668,097
Noncurrent Liabilities		
Revenue bonds payable, less current maturities, plus unamortized premium	72,219,712	78,177,392
Compensated absences payable, less current portion	889,444	949,541
Total OPEB liability	3,290,094	3,173,049
Net pension liability	--	5,248,349
Total Noncurrent Liabilities	76,399,250	87,548,331
Total Liabilities	86,034,065	99,216,428
Deferred Inflows of Resources		
Deferred amounts related to OPEB	107,538	151,076
Deferred amounts related to pensions	4,771,956	36,834
Total Deferred Inflows of Resources	4,879,494	187,910
Net Position		
Net investment in capital assets	147,850,994	151,440,972
Restricted for:		
Revenue bond covenants	3,511,829	3,106,103
Net pension asset	2,724,988	--
Unrestricted	40,762,100	36,498,508
Total Net Position	\$ 194,849,911	\$ 191,045,583

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
WATER & SEWER**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Operating Revenues		
Charges for services:		
Water sales	\$ 24,976,528	\$ 24,049,139
Sewer service	19,736,462	19,501,315
Stormwater utility fees	<u>5,483,297</u>	<u>5,038,729</u>
Total Operating Revenues	<u>50,196,287</u>	<u>48,589,183</u>
Operating Expenses		
Personal services and benefits	9,126,053	10,186,810
Supplies, services and claims	14,686,266	14,486,006
Depreciation and amortization	<u>12,242,767</u>	<u>11,558,779</u>
Total Operating Expenses	<u>36,055,086</u>	<u>36,231,595</u>
Operating Income	<u>14,141,201</u>	<u>12,357,588</u>
Nonoperating Revenues (Expenses)		
Investment earnings	124,851	791,160
Interest expense	(1,596,054)	(2,992,127)
Equity in loss of Regional Wastewater Joint Venture	(650,572)	(818,077)
Miscellaneous income	<u>145,232</u>	<u>69,844</u>
	<u>(1,987,742)</u>	<u>(2,949,200)</u>
Income Before Contributions and Transfers	<u>12,153,459</u>	<u>9,408,388</u>
Capital Contributions	<u>367,348</u>	<u>476,654</u>
Transfers		
Transfers out	<u>(8,716,479)</u>	<u>(8,166,662)</u>
Total Transfers	<u>(8,716,479)</u>	<u>(8,166,662)</u>
Change in net position	3,804,328	1,718,380
Net Position - Beginning of Year	<u>191,045,583</u>	<u>189,327,203</u>
Net Position - End of Year	<u>\$ 194,849,911</u>	<u>\$ 191,045,583</u>

CITY OF BOYNTON BEACH, FLORIDA

STATEMENT OF CASH FLOWS WATER & SEWER FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)

	2021	2020
Cash Flows From Operating Activities		
Receipts from customers and users	\$ 48,802,170	\$ 48,581,867
Receipts from others	253,789	69,844
Payments to suppliers	(15,128,324)	(13,384,442)
Payments to employees	(11,275,720)	(10,863,369)
Payments for interfund services used	(1,026,687)	(804,830)
Net Cash Provided by Operating Activities	21,625,228	23,599,070
Cash Flows From Non-Capital Financing Activity		
Transfers out	(8,716,479)	(8,166,662)
Net Cash Used in Non-capital Financing Activity	(8,716,479)	(8,166,662)
Cash Flows From Capital and Related Financing Activities		
Acquisition of capital assets	(7,618,492)	(11,527,925)
Capital contributions	367,348	476,654
Proceeds from issuance of refunding revenue bonds	41,140,000	52,970,000
Bond issuance costs paid	764,150	(212,930)
Payment to escrow agent for advance refunding of revenue bonds	(42,470,000)	(52,972,928)
Principal payments on revenue bonds	(4,507,679)	(4,215,000)
Interest payments on revenue bonds	(1,955,293)	(3,192,714)
Net Cash Used in Capital and Related Financing Activities	(14,279,966)	(18,674,843)
Cash Flows From Investing Activity		
Interest on pooled cash and investments	124,851	791,160
Net Cash Provided by Investing Activity	124,851	791,160
Decrease in pooled cash and investments	(1,246,366)	(2,451,275)
Pooled Cash and Investments - Beginning of Year	76,080,169	78,531,444
Pooled Cash and Investments - End of Year	\$ 74,833,803	\$ 76,080,169
Reconciliation of Operating Income to Net Cash Provided By Operating Activities		
Operating income	\$ 14,141,201	\$ 12,357,588
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	12,242,767	11,558,779
Provision for doubtful accounts	(81,556)	97,346
Miscellaneous income	253,789	69,844
Changes in operating assets, liabilities and deferred inflows/outflows:		
Accounts receivable	(1,302,733)	(129,435)
Prepaid expenses	(26,542)	1,013
Deferred amounts related to OPEB	(31,506)	149,287
Deferred amounts related to pensions	5,792,852	(325,678)
Accounts payable	(1,449,836)	283,016
Accrued expenses	14,357	82,896
Refundable deposits	(3,943)	17,514
Due to other governments	7,633	12,705
Customer deposits	(5,885)	7,259
Compensated absences payable	(69,078)	132,837
Total OPEB liability	117,045	(66,598)
Net pension liability	(7,973,337)	(649,303)
Total Adjustments	7,484,027	11,241,482
Net Cash Provided by Operating Activities	\$ 21,625,228	\$ 23,599,070
Noncash Investing, Capital and Related Financing Activities		
Equity in loss of Regional Wastewater Joint Venture	\$ (650,571)	\$ (818,077)
Loss on disposal of capital assets	\$ (119,756)	\$ --
Amortization of bond premiums	\$ 62,746	\$ 62,746
Amortization of charges on refundings	\$ (108,873)	\$ (108,873)

CITY OF BOYNTON BEACH, FLORIDA

STATEMENT OF NET POSITION SANITATION FUND

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	2021	2020
Assets		
Current Assets		
Pooled cash and investments	\$ 1,725,618	\$ 809,377
Accounts receivable, net	1,313,530	1,390,968
Total Current Assets	3,039,148	2,200,345
Noncurrent Assets		
Capital assets, net of accumulated depreciation	1,446	2,011
Net pension asset	1,026,969	--
Total Noncurrent Assets	1,028,415	2,011
Total Assets	4,067,563	2,202,356
Deferred Outflows of Resources		
Deferred amounts related to OPEB	90,454	88,063
Deferred amounts related to pensions	145,707	500,483
Total Deferred Outflows of Resources	236,161	588,546
Liabilities		
Current Liabilities		
Accounts payable	397,796	313,422
Accrued expenses	141,859	155,232
Compensated absences payable	42,810	60,874
Total Current Liabilities	582,465	529,528
Noncurrent Liabilities		
Compensated absences payable, less current portion	286,501	407,391
Total OPEB liability	1,229,199	1,099,493
Net pension liability	--	1,818,605
Total Noncurrent Liabilities	1,515,700	3,325,489
Total Liabilities	2,098,165	3,855,017
Deferred Inflows of Resources		
Deferred amounts related to OPEB	40,177	52,349
Deferred amounts related to pensions	1,798,413	12,763
Total Deferred Inflows of Resources	1,838,590	65,112
Net Position (Deficit)		
Net investment in capital assets	1,446	2,011
Restricted for:		
Net pension asset	1,026,969	--
Unrestricted (deficit)	(661,446)	(1,131,238)
Total Net Position (Deficit)	\$ 366,969	\$ (1,129,227)

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
SANITATION FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Operating Revenues		
Charges for services:		
Garbage fees	\$ 13,257,797	\$ 13,022,899
Recycling fees	<u>10,441</u>	<u>3,369</u>
Total Operating Revenues	<u>13,268,238</u>	<u>13,026,268</u>
Operating Expenses		
Personal services and benefits	3,422,589	3,877,161
Supplies, services and claims	5,750,184	5,699,666
Depreciation and amortization	<u>2,475</u>	<u>2,233</u>
Total Operating Expenses	<u>9,175,248</u>	<u>9,579,060</u>
Operating Income	<u>4,092,990</u>	<u>3,447,208</u>
Nonoperating Revenues		
Investment earnings	1,991	2,571
Miscellaneous income	<u>--</u>	<u>2,988</u>
Total Nonoperating Revenues	<u>(38,184)</u>	<u>5,559</u>
Income Before Transfers	<u>4,054,806</u>	<u>3,452,767</u>
Transfers:		
Transfers in	10,000	10,000
Transfers out	<u>(2,568,610)</u>	<u>(2,526,313)</u>
Total Transfers	<u>(2,558,610)</u>	<u>(2,516,313)</u>
Change in Net Position	1,496,196	936,454
Net Position (Deficit) - Beginning of Year	<u>(1,129,227)</u>	<u>(2,065,681)</u>
Net Position (Deficit) - End of Year	<u>\$ 366,969</u>	<u>\$ (1,129,227)</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF CASH FLOWS
SANITATION FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities		
Receipts from customers and users	\$ 13,345,676	\$ 12,895,413
Receipts from others	--	2,988
Payments to suppliers	(3,140,802)	(3,568,925)
Payments to employees	(4,164,921)	(3,732,517)
Payments for interfund services used	<u>(2,525,008)</u>	<u>(2,272,889)</u>
Net Cash Provided by Operating Activities	<u>3,514,945</u>	<u>3,324,070</u>
Cash Flows From Non-Capital Financing Activities		
Transfers in	10,000	10,000
Transfers out	<u>(2,568,610)</u>	<u>(2,526,313)</u>
Net Cash Used in Non-capital Financing Activities	<u>(2,558,610)</u>	<u>(2,516,313)</u>
Cash Flows From Capital and Related Financing Activity		
Acquisition of capital assets	<u>(42,085)</u>	<u>(951)</u>
Net Cash Used in Capital and Related Financing Activity	<u>(42,085)</u>	<u>(951)</u>
Cash Flows From Investing Activity		
Interest on pooled cash and investments	<u>1,991</u>	<u>2,571</u>
Net Cash Provided by Investing Activity	<u>1,991</u>	<u>2,571</u>
Increase in Pooled Cash and Investments	916,241	809,377
Pooled Cash and Investments - Beginning of Year	<u>809,377</u>	<u>--</u>
Pooled Cash and Investments - End of Year	<u>\$ 1,725,618</u>	<u>\$ 809,377</u>
Reconciliation of Operating Income to Net Cash Provided By Operating Activities		
Operating income	\$ 4,092,990	\$ 3,447,208
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	2,475	2,233
Miscellaneous income	--	2,988
Changes in operating assets, liabilities and deferred outflows/inflows:		
Accounts receivable	77,438	(130,855)
Deferred amounts related to OPEB	(14,563)	37,648
Deferred amounts related to pensions	2,140,426	(107,738)
Accounts payable	84,374	(111,230)
Accrued expenses	(13,373)	35,160
Due to other funds	--	(30,918)
Compensated absences payable	(138,954)	84,102
Total OPEB liability	129,706	157,685
Net pension liability	<u>(2,845,574)</u>	<u>(62,213)</u>
Total Adjustments	<u>(578,045)</u>	<u>(123,138)</u>
Net Cash Provided by Operating Activities	<u>\$ 3,514,945</u>	<u>\$ 3,324,070</u>



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

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

Building Fund - To account for revenues and expenditures associated with the services provided by the building department.

DEBT SERVICE FUNDS

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

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

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

CAPITAL PROJECTS FUNDS

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

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

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

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

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

CITY OF BOYNTON BEACH, FLORIDA

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENT FUNDS**

SEPTEMBER 30, 2021

	Special Revenue Funds					
	Grants	FEMA Hurricane	SHIP Grant	CDBG Grant	Traffic Safety	Local Option Gas Tax
Assets						
Pooled cash and investments	\$ --	\$ 1,335,726	\$ 417,230	\$ 100,877	\$ 2,825,449	\$ 325,533
Receivables, net	--	--	--	38,709	--	--
Due from other governments	185,576	--	--	570,540	96,143	108,266
Due from other funds	--	--	--	--	--	--
Prepaid items	--	--	--	--	--	--
Total Assets	<u>\$ 185,576</u>	<u>\$ 1,335,726</u>	<u>\$ 417,230</u>	<u>\$ 710,126</u>	<u>\$ 2,921,592</u>	<u>\$ 433,799</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)						
Liabilities						
Accounts payable	\$ 70,610	\$ --	\$ 28	\$ 587,309	\$ 73,318	\$ --
Accrued liabilities	--	--	--	--	--	--
Due to other funds	260,005	--	--	--	--	--
Due to other governments	--	--	--	--	27,061	--
Refundable deposits	--	--	--	--	--	--
Other payables	--	--	--	--	--	--
Total Liabilities	<u>330,615</u>	<u>--</u>	<u>28</u>	<u>587,309</u>	<u>100,379</u>	<u>--</u>
Deferred Inflows of Resources						
Unavailable revenue	15,122	--	25,521	--	--	--
Fund Balances (Deficit)						
Nonspendable:						
Prepaid items	--	--	--	--	--	--
Restricted for:						
Public safety	--	--	--	--	--	--
Grant programs	--	1,335,726	391,681	122,817	--	--
Debt service	--	--	--	--	--	--
Capital projects	--	--	--	--	--	433,799
Other purposes	--	--	--	--	--	--
Committed for:						
Capital projects	--	--	--	--	--	--
Assigned to:						
Debt service	--	--	--	--	--	--
Public safety	--	--	--	--	2,821,213	--
Culture and recreation	--	--	--	--	--	--
Cemetery maintenance	--	--	--	--	--	--
Capital projects	--	--	--	--	--	--
Unassigned (deficit)	(160,161)	--	--	--	--	--
Total Fund Balances (Deficit)	<u>(160,161)</u>	<u>1,335,726</u>	<u>391,681</u>	<u>122,817</u>	<u>2,821,213</u>	<u>433,799</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)	<u>\$ 185,576</u>	<u>\$ 1,335,726</u>	<u>\$ 417,230</u>	<u>\$ 710,126</u>	<u>\$ 2,921,592</u>	<u>\$ 433,799</u>

(Continued)

CITY OF BOYNTON BEACH, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENT FUNDS (CONTINUED)

SEPTEMBER 30, 2021

	Special Revenue Funds					
	Community Improvements	Green Building	Public Art	Recreation Program	Boynton Beach Memorial Park	Community Services
Assets						
Pooled cash and investments	\$ --	\$ 291,223	\$ --	\$ 635,207	\$ 2,994,398	\$ 1,116,262
Receivables, net	--	--	--	412	31,486	--
Due from other governments	--	--	--	--	--	2,421
Due from other funds	--	--	--	--	--	--
Prepaid items	--	--	--	--	--	--
Total Assets	<u>\$ --</u>	<u>\$ 291,223</u>	<u>\$ --</u>	<u>\$ 635,619</u>	<u>\$ 3,025,884</u>	<u>\$ 1,118,683</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)						
Liabilities						
Accounts payable	\$ 9,444	\$ --	\$ 86	\$ 14,056	\$ 28,840	\$ 10,617
Accrued liabilities	3,759	--	3,955	4,028	5,242	--
Due to other funds	375,191	--	222,730	--	--	--
Due to other governments	--	--	--	--	--	--
Refundable deposits	--	--	--	--	--	--
Other payables	--	--	--	--	--	--
Total Liabilities	<u>388,394</u>	<u>--</u>	<u>226,771</u>	<u>18,084</u>	<u>34,082</u>	<u>10,617</u>
Deferred Inflows of Resources						
Unavailable revenue	<u>60,615</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balances (Deficit)						
Nonspendable:						
Prepaid items	--	--	--	--	--	--
Restricted for:						
Public safety	--	--	--	--	--	653,322
Grant programs	--	--	--	--	--	--
Debt service	--	--	--	--	--	--
Capital projects	--	--	--	--	--	--
Other purposes	--	--	--	--	--	454,744
Committed for:						
Capital projects	--	--	--	--	--	--
Assigned to:						
Debt service	--	--	--	--	--	--
Public safety	--	--	--	--	--	--
Parks and recreation	--	--	--	617,535	--	--
Cemetery maintenance	--	--	--	--	2,991,802	--
Capital projects	--	291,223	--	--	--	--
Unassigned (deficit)	<u>(449,009)</u>	<u>--</u>	<u>(226,771)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Fund Balances (Deficit)	<u>(449,009)</u>	<u>291,223</u>	<u>(226,771)</u>	<u>617,535</u>	<u>2,991,802</u>	<u>1,108,066</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)	<u>\$ --</u>	<u>\$ 291,223</u>	<u>\$ --</u>	<u>\$ 635,619</u>	<u>\$ 3,025,884</u>	<u>\$ 1,118,683</u>

(Continued)

CITY OF BOYNTON BEACH, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENT FUNDS (CONTINUED)

SEPTEMBER 30, 2021

	Special Revenue Funds		Debt Service Funds		
	Building Fund	Sub Total Special Revenue Funds	Public Service Tax Debt Service	Boynton Beach CRA Debt Service	Sub Total Debt Service Funds
Assets					
Pooled cash and investments	\$ 1,445,454	\$ 11,487,359	\$ 5,100,074	\$ 120,621	\$ 5,220,695
Receivables, net	--	70,607	766,859	--	766,859
Due from other governments	--	962,946	224,701	--	224,701
Due from other funds	--	--	--	--	--
Prepaid items	--	--	--	--	--
Total Assets	<u>\$ 1,445,454</u>	<u>\$ 12,520,912</u>	<u>\$ 6,091,634</u>	<u>\$ 120,621</u>	<u>\$ 6,212,255</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)					
Liabilities					
Accounts payable	\$ 316,267	\$ 1,110,575	\$ --	\$ --	\$ --
Accrued liabilities	--	16,984	--	--	--
Due to other funds	--	857,926	--	--	--
Due to other governments	--	27,061	--	--	--
Refundable deposits	1,805	1,805	--	--	--
Other payables	--	--	--	--	--
Total Liabilities	<u>318,072</u>	<u>2,014,351</u>	<u>--</u>	<u>--</u>	<u>--</u>
Deferred Inflows of Resources					
Unavailable revenue	--	101,258	--	--	--
Fund Balances (Deficit)					
Nonspendable:					
Prepaid items	--	--	--	--	--
Restricted for:					
Public safety	--	653,322	--	--	--
Grant programs	--	1,850,224	--	--	--
Debt service	--	--	--	120,621	120,621
Capital projects	--	433,799	--	--	--
Other purposes	1,127,382	1,582,126	--	--	--
Committed for:					
Capital projects	--	--	--	--	--
Assigned to:					
Debt service	--	--	6,091,634	--	6,091,634
Public safety	--	2,821,213	--	--	--
Culture and recreation	--	617,535	--	--	--
Cemetery maintenance	--	2,991,802	--	--	--
Capital projects	--	291,223	--	--	--
Unassigned (deficit)	--	(835,941)	--	--	--
Total Fund Balances	<u>1,127,382</u>	<u>10,405,303</u>	<u>6,091,634</u>	<u>120,621</u>	<u>6,212,255</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,445,454</u>	<u>\$ 12,520,912</u>	<u>\$ 6,091,634</u>	<u>\$ 120,621</u>	<u>\$ 6,212,255</u>

(Continued)

CITY OF BOYNTON BEACH, FLORIDA

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENT FUNDS**

SEPTEMBER 30, 2021

	Capital Projects Funds					Non-Major Governmental Funds Total
	General Capital Improvements	Parks & Recreational Facilities	Boynton Beach CRA Bond Projects	Local Government Surtax Improvement	Sub Total Capital Projects Funds	
Assets						
Pooled cash and investments	\$ 1,787,190	\$ 460,809	\$ 12,039,073	\$ 2,385,659	\$ 16,672,731	\$ 33,380,785
Receivables, net	--	--	32,671	--	32,671	870,137
Due from other governments	--	--	--	425,225	425,225	1,612,872
Due from other funds	--	--	445,561	--	445,561	445,561
Prepaid items	--	--	46,361	--	46,361	46,361
Total Assets	<u>\$ 1,787,190</u>	<u>\$ 460,809</u>	<u>\$ 12,563,666</u>	<u>\$ 2,810,884</u>	<u>\$ 17,622,549</u>	<u>\$ 36,355,716</u>
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)						
Liabilities						
Accounts payable	\$ 142,930	\$ --	\$ 204,524	\$ 397,590	\$ 745,044	\$ 1,855,619
Accrued liabilities	--	--	--	--	--	16,984
Due to other funds	--	--	500,000	--	500,000	1,357,926
Due to other governments	--	--	--	--	--	27,061
Refundable deposits	--	--	--	--	--	1,805
Other payables	--	--	--	--	--	--
Total Liabilities	<u>142,930</u>	<u>--</u>	<u>704,524</u>	<u>397,590</u>	<u>1,245,044</u>	<u>3,259,395</u>
Deferred Inflows of Resources						
Unavailable revenue	--	--	6,523	--	6,523	107,781
Fund Balances (Deficit)						
Nonspendable:						
Prepaid items	--	--	46,361	--	46,361	46,361
Restricted for:						
Public safety	--	--	--	--	--	653,322
Grant programs	--	--	--	--	--	1,850,224
Debt service	--	--	--	--	--	120,621
Capital projects	--	--	--	2,413,294	2,413,294	2,847,093
Other purposes	--	--	--	--	--	1,582,126
Committed for:						
Capital projects	--	--	3,908,906	--	3,908,906	3,908,906
Assigned to:						
Debt service	--	--	--	--	--	6,091,634
Public safety	--	--	--	--	--	2,821,213
Culture and recreation	--	--	--	--	--	617,535
Cemetery maintenance	--	--	--	--	--	2,991,802
Capital projects	1,644,260	460,809	7,897,352	--	10,002,421	10,293,644
Unassigned (deficit)	--	--	--	--	--	(835,941)
Total Fund Balances	<u>1,644,260</u>	<u>460,809</u>	<u>11,852,619</u>	<u>2,413,294</u>	<u>16,370,982</u>	<u>32,988,540</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,787,190</u>	<u>\$ 460,809</u>	<u>\$ 12,563,666</u>	<u>\$ 2,810,884</u>	<u>\$ 17,622,549</u>	<u>\$ 36,355,716</u>

CITY OF BOYNTON BEACH, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Special Revenue Funds					
	Grants	FEMA Hurricane	SHIP Grant	CDBG Grant	Traffic Safety	Local Option Gas Tax
Revenues						
Taxes, net of tax increment revenue	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 1,279,257
Licenses and permits	--	--	--	--	--	--
Intergovernmental	905,784	82,739	230,076	921,657	--	--
Charges for services	--	--	--	--	--	--
Fines and forfeitures	--	--	--	--	2,302,463	--
Investment earnings	--	--	1,308	--	4,011	443
Donations	--	--	--	--	--	--
Miscellaneous	--	--	--	--	--	--
Total Revenues	<u>905,784</u>	<u>82,739</u>	<u>231,384</u>	<u>921,657</u>	<u>2,306,474</u>	<u>1,279,700</u>
Expenditures						
Current:						
General government	--	--	--	--	290,604	--
Public safety	259,202	--	--	--	843,094	--
Physical environment	--	--	--	--	--	1,150
Economic environment	--	--	437,493	603,833	--	--
Culture and recreation	59,522	--	--	--	--	--
Capital outlay:						
General government	--	--	--	--	--	--
Public safety	622,355	--	--	--	4,838	--
Physical environment	--	--	--	--	--	--
Economic environment	--	--	--	--	--	--
Culture and recreation	17,524	--	--	--	--	--
Debt service:						
Principal retirement	--	--	--	--	--	--
Interest charges	--	--	--	--	--	--
Total Expenditures	<u>958,603</u>	<u>--</u>	<u>437,493</u>	<u>603,833</u>	<u>1,138,536</u>	<u>1,150</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(52,819)</u>	<u>82,739</u>	<u>(206,109)</u>	<u>317,824</u>	<u>1,167,938</u>	<u>1,278,550</u>
Other Financing Sources (Uses)						
Transfers in	48,483	--	--	--	--	--
Transfers out	--	(1,250,000)	(43,749)	(66,419)	(350,000)	(1,300,000)
Total Other Financing Sources (Uses)	<u>48,483</u>	<u>(1,250,000)</u>	<u>(43,749)</u>	<u>(66,419)</u>	<u>(350,000)</u>	<u>(1,300,000)</u>
Net Change in Fund Balances	(4,336)	(1,167,261)	(249,858)	251,405	817,938	(21,450)
Fund Balances (Deficit) - Beginning of Year	<u>(155,825)</u>	<u>2,502,987</u>	<u>641,539</u>	<u>(128,588)</u>	<u>2,003,275</u>	<u>455,249</u>
Fund Balances (Deficit) - End of Year	<u>\$ (160,161)</u>	<u>\$ 1,335,726</u>	<u>\$ 391,681</u>	<u>\$ 122,817</u>	<u>\$ 2,821,213</u>	<u>\$ 433,799</u>

(Continued)

CITY OF BOYNTON BEACH, FLORIDA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Special Revenue Funds					Community Services
	Community Improvements	Green Building	Public Art	Recreation Program	Boynton Beach Memorial Park	
Revenues						
Taxes, net of tax increment revenue	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	349,226	--	--	--
Intergovernmental	--	--	--	--	--	--
Charges for services	--	91,098	--	500,911	159,000	--
Special assessments	--	--	--	--	--	--
Fines and forfeitures	--	--	--	--	--	70,432
Investment earnings	--	475	--	1,084	5,554	2,060
Donations	--	--	26,392	--	--	195,020
Miscellaneous	257	--	3,000	8,036	5,000	--
Total Revenues	<u>257</u>	<u>91,573</u>	<u>378,618</u>	<u>510,031</u>	<u>169,554</u>	<u>267,512</u>
Expenditures						
Current:						
General government	--	--	--	--	264,441	59,825
Public safety	--	--	--	--	--	104,182
Physical environment	--	49,601	--	--	--	--
Economic environment	319,624	--	--	--	--	--
Culture and recreation	--	--	219,348	425,476	--	32,322
Capital outlay:						
General government	--	--	--	--	--	--
Public safety	--	--	--	--	--	2,971
Physical environment	--	--	--	--	--	--
Economic environment	--	--	--	--	--	--
Culture and recreation	--	--	53,955	1,269	--	10,575
Debt service:						
Principal retirement	--	--	--	--	--	--
Interest charges	--	--	--	--	--	--
Total Expenditures	<u>319,624</u>	<u>49,601</u>	<u>273,303</u>	<u>426,745</u>	<u>264,441</u>	<u>209,875</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(319,367)</u>	<u>41,972</u>	<u>105,315</u>	<u>83,286</u>	<u>(94,887)</u>	<u>57,637</u>
Other Financing Sources (Uses)						
Transfers in	110,168	--	20,000	--	--	--
Transfers out	--	--	--	--	(45,795)	--
Total Other Financing Sources (Uses)	<u>110,168</u>	<u>--</u>	<u>20,000</u>	<u>--</u>	<u>(45,795)</u>	<u>--</u>
Net Change in Fund Balances	<u>(209,199)</u>	<u>41,972</u>	<u>125,315</u>	<u>83,286</u>	<u>(140,682)</u>	<u>57,637</u>
Fund Balances (Deficit) - Beginning of Year	<u>(239,810)</u>	<u>249,251</u>	<u>(352,086)</u>	<u>534,249</u>	<u>3,132,484</u>	<u>1,050,429</u>
Fund Balances (Deficit) - End of Year	<u>\$ (449,009)</u>	<u>\$ 291,223</u>	<u>\$ (226,771)</u>	<u>\$ 617,535</u>	<u>\$ 2,991,802</u>	<u>\$ 1,108,066</u>

(Continued)

CITY OF BOYNTON BEACH, FLORIDA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Special Revenue Funds		Debt Service Funds		
	Building Fund	Sub Total Special Revenue Funds	Public Service Tax Debt Service	Boynton Beach CRA Debt Service	Sub Total Debt Service Funds
Revenues					
Taxes, net of tax increment revenue	\$ --	\$ 1,279,257.00	\$ 10,637,514	\$ --	\$ 10,637,514
Licenses and permits	3,490,053	3,839,279	--	--	--
Intergovernmental	--	2,140,256	--	--	--
Charges for services	--	751,009	--	--	--
Fines and forfeitures	--	2,372,895	--	--	--
Investment earnings	62	14,997	6,529	2,065	8,594
Donations	--	221,412	--	--	--
Miscellaneous	183,088	199,381	--	--	--
Total Revenues	<u>3,673,203</u>	<u>10,818,486</u>	<u>10,644,043</u>	<u>2,065</u>	<u>10,646,108</u>
Expenditures					
Current:					
General government	--	614,870	(824)	--	(824)
Public safety	2,732,166	3,938,644	--	--	--
Physical environment	--	50,751	--	--	--
Economic environment	--	1,360,950	--	--	--
Culture and recreation	--	736,668	--	--	--
Capital outlay:					
General government	--	--	--	--	--
Public safety	--	630,164	--	--	--
Physical environment	--	--	--	--	--
Economic environment	--	--	--	--	--
Culture and recreation	--	83,323	--	--	--
Debt service:					
Principal retirement	--	--	2,130,000	1,807,000	3,937,000
Interest charges	327,283	327,283	287,820	328,363	616,183
Total Expenditures	<u>3,059,449</u>	<u>7,742,653</u>	<u>2,416,996</u>	<u>2,135,363</u>	<u>4,552,359</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>613,754</u>	<u>3,075,833</u>	<u>8,227,047</u>	<u>(2,133,298)</u>	<u>6,093,749</u>
Other Financing Sources (Uses)					
Transfers in	534,948	713,599	--	2,137,822	2,137,822
Transfers out	(21,320)	(3,077,283)	(7,840,000)	--	(7,840,000)
Total Other Financing Sources (Uses)	<u>513,628</u>	<u>(2,363,684)</u>	<u>(7,840,000)</u>	<u>2,137,822</u>	<u>(5,702,178)</u>
Net Change in Fund Balances	<u>1,127,382</u>	<u>712,149</u>	<u>387,047</u>	<u>4,524</u>	<u>391,571</u>
Fund Balances (Deficit) - Beginning of Year	<u>--</u>	<u>9,693,154</u>	<u>5,704,587</u>	<u>116,097</u>	<u>5,820,684</u>
Fund Balances (Deficit) - End of Year	<u>\$ 1,127,382</u>	<u>\$ 10,405,303</u>	<u>\$ 6,091,634</u>	<u>\$ 120,621</u>	<u>\$ 6,212,255</u>

(Continued)

CITY OF BOYNTON BEACH, FLORIDA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Capital Projects Funds					Non-Major Governmental Funds Total
	General Capital Improvements	Parks & Recreational Facilities	Boynton Beach CRA Bond Projects	Local Government Surtax Improvement	Sub Total Capital Projects Funds	
Revenues						
Taxes, net of tax increment revenue	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 11,916,771
Licenses and permits	--	--	--	--	--	3,839,279
Intergovernmental	--	--	--	6,162,106	6,162,106	8,302,362
Charges for services	--	203,905	--	--	203,905	954,914
Fines and forfeitures	--	--	--	--	--	2,372,895
Investment earnings	2,614	586	191,547	7,305	202,052	225,643
Donations	--	--	--	--	--	221,412
Miscellaneous	--	--	--	--	--	199,381
Total Revenues	<u>2,614</u>	<u>204,491</u>	<u>191,547</u>	<u>6,169,411</u>	<u>6,568,063</u>	<u>28,032,657</u>
Expenditures						
Current:						
General government	3,202	--	--	--	3,202	617,248
Public safety	--	--	--	--	--	3,938,644
Physical environment	--	1,067	--	--	1,067	51,818
Economic environment	--	--	6,180,444	--	6,180,444	7,541,394
Culture and recreation	17,136	--	--	5,950	23,086	759,754
Capital outlay:						
General government	--	16,459	--	--	16,459	16,459
Public safety	--	--	--	--	--	630,164
Physical environment	84,980	--	--	--	84,980	84,980
Economic environment	--	--	3,576,146	--	3,576,146	3,576,146
Culture and recreation	896,714	--	--	5,358,138	6,254,852	6,338,175
Debt service:						
Principal retirement	2,193,478	--	--	--	2,193,478	6,130,478
Interest charges	119,116	--	--	--	119,116	1,062,582
Total Expenditures	<u>3,314,626</u>	<u>17,526</u>	<u>9,756,590</u>	<u>5,364,088</u>	<u>18,452,830</u>	<u>30,747,842</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,312,012)</u>	<u>186,965</u>	<u>(9,565,043)</u>	<u>805,323</u>	<u>(11,884,767)</u>	<u>(2,715,185)</u>
Other Financing Sources (Uses)						
Transfers in	2,287,567	--	10,376,861	--	12,664,428	15,515,849
Transfers out	--	--	--	(1,237,567)	(1,237,567)	(12,154,850)
Total Other Financing Sources (Uses)	<u>2,287,567</u>	<u>--</u>	<u>10,376,861</u>	<u>(1,237,567)</u>	<u>11,426,861</u>	<u>3,360,999</u>
Net Change in Fund Balances	<u>(1,024,445)</u>	<u>186,965</u>	<u>811,818</u>	<u>(432,244)</u>	<u>(457,906)</u>	<u>645,814</u>
Fund Balances (Deficit) - Beginning of Year	<u>2,668,705</u>	<u>273,844</u>	<u>11,040,801</u>	<u>2,845,538</u>	<u>16,828,888</u>	<u>32,342,726</u>
Fund Balances (Deficit) - End of Year	<u>\$ 1,644,260</u>	<u>\$ 460,809</u>	<u>\$ 11,852,619</u>	<u>\$ 2,413,294</u>	<u>\$ 16,370,982</u>	<u>\$ 32,988,540</u>

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
GRANTS FUND**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Receivables, net	\$ --	\$ 10,940
Due from other governments	<u>185,576</u>	<u>327,149</u>
Total Assets	<u>\$ 185,576</u>	<u>\$ 338,089</u>
Liabilities, Deferred Inflows of Resources and Fund Balance (Deficit)		
Liabilities		
Accounts payable	\$ 70,610	\$ 7,980
Due to other funds	<u>260,005</u>	<u>459,411</u>
Total Liabilities	<u>330,615</u>	<u>467,391</u>
Deferred Inflows of Resources		
Unavailable revenue	<u>15,122</u>	<u>26,523</u>
Fund Balance (Deficit)		
Unassigned (deficit)	<u>(160,161)</u>	<u>(155,825)</u>
Total Fund Balance (Deficit)	<u>(160,161)</u>	<u>(155,825)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance (Deficit)	<u>\$ 185,576</u>	<u>\$ 338,089</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE (DEFICIT)
GRANTS FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Intergovernmental	\$ 905,784	\$ 972,153
Total Revenues	<u>905,784</u>	<u>972,153</u>
Expenditures		
Current:		
Public safety	259,202	146,941
Culture and recreation	59,522	115,963
Capital outlay:		
Public safety	622,355	611,047
Culture and recreation	<u>17,524</u>	<u>106,477</u>
Total Expenditures	<u>958,603</u>	<u>980,428</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(52,819)</u>	<u>(8,275)</u>
Other Financing Sources		
Transfers in	<u>48,483</u>	<u>3,302</u>
Total Other Financing Sources	<u>48,483</u>	<u>3,302</u>
Net Change in Fund Balance	(4,336)	(4,973)
Fund Balance (Deficit) - Beginning of Year	<u>(155,825)</u>	<u>(150,852)</u>
Fund Balance (Deficit) - End of Year	<u>\$ (160,161)</u>	<u>\$ (155,825)</u>

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
FEMA HURRICANE FUND**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 1,335,726	\$ 2,222,809
Due from other governments	<u> --</u>	<u> 288,768</u>
Total Assets	<u>\$ 1,335,726</u>	<u>\$ 2,511,577</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	<u>\$ --</u>	<u>\$ 8,590</u>
Total Liabilities	<u> --</u>	<u> 8,590</u>
Fund Balance		
Restricted for grant programs	<u> 1,335,726</u>	<u> 2,502,987</u>
Total Fund Balance	<u> 1,335,726</u>	<u> 2,502,987</u>
Total Liabilities and Fund Balance	<u>\$ 1,335,726</u>	<u>\$ 2,511,577</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
FEMA HURRICANE FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Intergovernmental	\$ 82,739	\$ 1,615,654
Total Revenues	<u>82,739</u>	<u>1,615,654</u>
Expenditures		
Current:		
General government	<u>--</u>	<u>8,590</u>
Total Expenditures	<u>--</u>	<u>8,590</u>
Net Change in Fund Balance	(1,167,261)	1,607,064
Fund Balance - Beginning of Year	<u>2,502,987</u>	<u>895,923</u>
Fund Balance - End of Year	<u>\$ 1,335,726</u>	<u>\$ 2,502,987</u>

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
SHIP GRANT FUND**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 417,230	\$ 876,642
Total Assets	<u>\$ 417,230</u>	<u>\$ 876,642</u>
Liabilities, Deferred Inflows of Resources and Fund Balance		
Liabilities		
Accounts payable	\$ 28	\$ 10,227
Total Liabilities	<u>28</u>	<u>10,227</u>
Deferred Inflows of Resources		
Unavailable revenue	<u>25,521</u>	<u>224,876</u>
Fund Balance		
Restricted for grant programs	<u>391,681</u>	<u>641,539</u>
Total Fund Balance	<u>391,681</u>	<u>641,539</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 417,230</u>	<u>\$ 876,642</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
SHIP GRANT FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Intergovernmental	\$ 230,076	\$ 493,768
Total Revenues	<u>231,384</u>	<u>498,521</u>
Expenditures		
Current:		
Economic environment	<u>437,493</u>	<u>254,274</u>
Total Expenditures	<u>437,493</u>	<u>254,274</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(206,109)</u>	<u>244,247</u>
Other Financing Uses		
Transfers out	<u>(43,749)</u>	<u>(12,871)</u>
Total Other Financing Uses	<u>(43,749)</u>	<u>(12,871)</u>
Net Change in Fund Balance	(249,858)	231,376
Fund Balance - Beginning of Year	<u>641,539</u>	<u>410,163</u>
Fund Balance - End of Year	<u>\$ 391,681</u>	<u>\$ 641,539</u>

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
CDBG GRANT FUND**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 100,877	\$ --
Receivables, net	38,709	--
Due from other governments	<u>570,540</u>	<u>--</u>
Total Assets	<u>\$ 710,126</u>	<u>\$ --</u>
Liabilities and Fund Balance (Deficit)		
Liabilities		
Accounts payable	587,309	11,512
Due to other funds	<u>--</u>	<u>117,076</u>
Total Liabilities	<u>587,309</u>	<u>128,588</u>
Fund Balance (Deficit)		
Restricted for grant programs	<u>122,817</u>	<u>(128,588)</u>
Total Fund Balance (Deficit)	<u>122,817</u>	<u>(128,588)</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ 710,126</u>	<u>\$ --</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE (DEFICIT)
CDBG GRANT FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Intergovernmental	\$ 921,657	\$ 63,000
Total Revenues	<u>921,657</u>	<u>63,000</u>
Expenditures		
Current:		
Economic environment	<u>603,833</u>	<u>196,508</u>
Total Expenditures	<u>603,833</u>	<u>196,508</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>317,824</u>	<u>(133,508)</u>
Other Financing Uses		
Transfers out	<u>(66,419)</u>	<u>--</u>
Total Other Financing Uses	<u>(66,419)</u>	<u>--</u>
Net Change in Fund Balance	251,405	(133,508)
Fund Balance - Beginning of Year	<u>(128,588)</u>	<u>4,920</u>
Fund Balance - End of Year	<u>\$ 122,817</u>	<u>\$ (128,588)</u>

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
TRAFFIC SAFETY FUND**

**SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 2,825,449	\$ 2,046,806
Due from other governments	<u>96,143</u>	<u>77,917</u>
Total Assets	<u>\$ 2,921,592</u>	<u>\$ 2,124,723</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$ 73,318	\$ 76,794
Due to other governments	<u>27,061</u>	<u>44,654</u>
Total Liabilities	<u>100,379</u>	<u>121,448</u>
Fund Balance		
Assigned to:		
Public safety	<u>2,821,213</u>	<u>2,003,275</u>
Total Fund Balance	<u>2,821,213</u>	<u>2,003,275</u>
Total Liabilities and Fund Balance	<u>\$ 2,921,592</u>	<u>\$ 2,124,723</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
TRAFFIC SAFETY FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Fines and forfeitures	\$ 2,302,463	\$ 1,921,180
Investment earnings	4,011	16,494
Miscellaneous	<u> --</u>	<u> 158</u>
Total Revenues	<u>2,306,474</u>	<u>1,937,832</u>
Expenditures		
Current:		
General government	290,604	279,144
Public safety	843,094	729,723
Capital outlay:		
Public safety	<u>4,838</u>	<u> --</u>
Total Expenditures	<u>1,138,536</u>	<u>1,008,867</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,167,938</u>	<u>928,965</u>
Other Financing Uses		
Transfers out	<u>(350,000)</u>	<u>(968,325)</u>
Total Other Financing Uses	<u>(350,000)</u>	<u>(968,325)</u>
Net Change in Fund Balance	817,938	(39,360)
Fund Balance - Beginning of Year	<u>2,003,275</u>	<u>2,042,635</u>
Fund Balance - End of Year	<u>\$ 2,821,213</u>	<u>\$ 2,003,275</u>

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
LOCAL OPTION GAS TAX FUND**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 325,533	\$ 355,614
Due from other governments	<u>108,266</u>	<u>99,635</u>
Total Assets	<u>\$ 433,799</u>	<u>\$ 455,249</u>
Fund Balance		
Restricted for capital projects	<u>433,799</u>	<u>455,249</u>
Total Fund Balance	<u>\$ 433,799</u>	<u>\$ 455,249</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
LOCAL OPTION GAS TAX FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Taxes	\$ 1,279,257	\$ 1,229,597
Investment earnings	<u>443</u>	<u>2,529</u>
Total Revenues	<u>1,279,700</u>	<u>1,232,126</u>
Expenditures		
Current:		
Physical environment	<u>1,150</u>	<u>1,150</u>
Total Expenditures	<u>1,150</u>	<u>1,150</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,278,550</u>	<u>1,230,976</u>
Other Financing Uses		
Transfers out	<u>(1,300,000)</u>	<u>(1,300,000)</u>
Total Other Financing Uses	<u>(1,300,000)</u>	<u>(1,300,000)</u>
Net Change in Fund Balance	(21,450)	(69,024)
Fund Balance - Beginning of Year	<u>455,249</u>	<u>524,273</u>
Fund Balance - End of Year	<u>\$ 433,799</u>	<u>\$ 455,249</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LOCAL OPTION GAS TAX FUND**

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	\$ 1,224,632	\$ 1,224,632	\$ 1,279,257	\$ 54,625
Investment earnings	<u>1,863</u>	<u>1,863</u>	<u>443</u>	<u>(1,420)</u>
Total Revenues	<u>1,226,495</u>	<u>1,226,495</u>	<u>1,279,700</u>	<u>53,205</u>
Expenditures				
Current:				
Physical environment	<u>1,150</u>	<u>1,150</u>	<u>1,150</u>	<u>--</u>
Total Expenditures	<u>1,150</u>	<u>1,150</u>	<u>1,150</u>	<u>--</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,225,345</u>	<u>1,225,345</u>	<u>1,278,550</u>	<u>53,205</u>
Other Financing Uses				
Transfers out	(1,300,000)	(1,300,000)	(1,300,000)	--
Appropriated fund balance	<u>74,655</u>	<u>74,655</u>	<u>--</u>	<u>74,655</u>
Total Other Financing Uses	<u>(1,225,345)</u>	<u>(1,225,345)</u>	<u>(1,300,000)</u>	<u>--</u>
Net Change in Fund Balance	<u>\$ --</u>	<u>\$ --</u>	(21,450)	<u>\$ 53,205</u>
Fund Balance - Beginning of Year			<u>455,249</u>	
Fund Balance - End of Year			<u>\$ 433,799</u>	

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
COMMUNITY IMPROVEMENTS FUND**

**SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ --	\$ --
Total Assets	<u>\$ --</u>	<u>\$ --</u>
Liabilities, Deferred Inflows of Resources and Fund Balance (Deficit)		
Liabilities		
Accounts payable	\$ 9,444	\$ --
Accrued liabilities	3,759	7,011
Due to other funds	<u> 375,191</u>	<u> 171,927</u>
Total Liabilities	<u> 388,394</u>	<u> 178,938</u>
Deferred Inflows of Resources		
Unavailable revenue	<u> 60,615</u>	<u> 60,872</u>
Fund Balance (Deficit)		
Unassigned (deficit)	<u> (449,009)</u>	<u> (239,810)</u>
Total Fund Balance (Deficit)	<u> (449,009)</u>	<u> (239,810)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance (Deficit)	<u>\$ --</u>	<u>\$ --</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE (DEFICIT)
COMMUNITY IMPROVEMENTS FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Miscellaneous	\$ 257	\$ --
Total Revenues	<u>257</u>	<u>--</u>
Expenditures		
Current:		
Economic environment	<u>319,624</u>	<u>149,617</u>
Total Expenditures	<u>319,624</u>	<u>149,617</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(319,367)</u>	<u>(149,617)</u>
Other Financing Sources		
Transfers in	<u>110,168</u>	<u>12,869</u>
Total Other Financing Sources	<u>110,168</u>	<u>12,869</u>
Net Change in Fund Balance	(209,199)	(136,748)
Fund Balance (Deficit) - Beginning of Year	<u>(239,810)</u>	<u>(103,062)</u>
Fund Balance (Deficit) - End of Year	<u>\$ (449,009)</u>	<u>\$ (239,810)</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE (DEFICIT)
BUDGET AND ACTUAL
COMMUNITY IMPROVEMENTS FUND**

FOR THE 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				
Miscellaneous	\$ 7,100	\$ 7,100	\$ 257	\$ (6,843)
Total Revenues	<u>7,100</u>	<u>7,100</u>	<u>257</u>	<u>(6,843)</u>
Expenditures				
Current:				
Economic environment	<u>277,958</u>	<u>321,958</u>	<u>319,624</u>	<u>2,334</u>
Total Expenditures	<u>277,958</u>	<u>321,958</u>	<u>319,624</u>	<u>2,334</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(270,858)</u>	<u>(314,858)</u>	<u>(319,367)</u>	<u>(4,509)</u>
Other Financing Sources				
Transfers in	209,318	209,318	110,168	(99,150)
Appropriated fund balance	<u>61,540</u>	<u>105,540</u>	<u>--</u>	<u>(105,540)</u>
Total Other Financing Sources	<u>270,858</u>	<u>314,858</u>	<u>110,168</u>	<u>(204,690)</u>
Net Change in Fund Balance	<u>\$ --</u>	<u>\$ --</u>	<u>(209,199)</u>	<u>\$ (209,199)</u>
Fund Balance (Deficit) - Beginning of Year			<u>(239,810)</u>	
Fund Balance (Deficit) - End of Year			<u>\$ (449,009)</u>	

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
GREEN BUILDING FUND**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 291,223	\$ 252,653
Total Assets	<u>\$ 291,223</u>	<u>\$ 252,653</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$ --	\$ 3,402
Total Liabilities	<u>--</u>	<u>3,402</u>
Fund Balance		
Assigned to:		
Capital projects	<u>291,223</u>	<u>249,251</u>
Total Fund Balance	<u>291,223</u>	<u>249,251</u>
Total Liabilities and Fund Balance	<u>\$ 291,223</u>	<u>\$ 252,653</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
GREEN BUILDING FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Charges for services	\$ 91,098	\$ 66,982
Investment earnings	<u>475</u>	<u>1,895</u>
Total Revenues	<u>91,573</u>	<u>68,877</u>
Expenditures		
Current:		
Physical environment	<u>49,601</u>	<u>64,006</u>
Total Expenditures	<u>49,601</u>	<u>64,006</u>
Excess (Deficiency) of Revenues Over Expenditures	41,972	4,871
Net Change in Fund Balance	41,972	4,871
Fund Balance - Beginning of Year	<u>249,251</u>	<u>244,380</u>
Fund Balance - End of Year	<u>\$ 291,223</u>	<u>\$ 249,251</u>

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
PUBLIC ART FUND**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ --	\$ --
Total Assets	<u>\$ --</u>	<u>\$ --</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$ 86	\$ 171,341
Accrued liabilities	3,955	2,405
Due to other funds	222,730	110,603
Refundable deposits	<u> --</u>	<u> 67,737</u>
Total Liabilities	<u> 226,771</u>	<u> 352,086</u>
Fund Balance (Deficit)		
Unassigned (Deficit)	<u> (226,771)</u>	<u> (352,086)</u>
Total Fund Balance (Deficit)	<u> (226,771)</u>	<u> (352,086)</u>
Total Liabilities and Fund Balance	<u>\$ --</u>	<u>\$ --</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE (DEFICIT)
PUBLIC ART FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Licenses and permits	\$ 349,226	\$ --
Donations	26,392	13,871
Miscellaneous	<u>3,000</u>	<u>--</u>
Total Revenues	<u>378,618</u>	<u>13,871</u>
Expenditures		
Current:		
Culture and recreation	219,348	268,341
Capital outlay:		
Culture and recreation	<u>53,955</u>	<u>387,910</u>
Total Revenues	<u>273,303</u>	<u>656,251</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>105,315</u>	<u>(642,380)</u>
Other Financing Sources		
Transfers in	<u>20,000</u>	<u>20,000</u>
Total Other Financing Sources	<u>20,000</u>	<u>20,000</u>
Net Change in Fund Balance	125,315	(622,380)
Fund Balance - Beginning of Year	<u>(352,086)</u>	<u>270,294</u>
Fund Balance - End of Year	<u>\$ (226,771)</u>	<u>\$ (352,086)</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE (DEFICIT)
BUDGET AND ACTUAL
PUBLIC ART FUND**

FOR THE 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				
Licenses and permits	\$ 300,000	\$ 300,000	\$ 349,226	\$ 49,226
Donations	715,000	715,000	26,392	(688,608)
Miscellaneous	<u>--</u>	<u>--</u>	<u>3,000</u>	<u>3,000</u>
Total Revenues	<u>1,015,741</u>	<u>1,015,741</u>	<u>378,618</u>	<u>(637,123)</u>
Expenditures				
Current:				
Culture and recreation	262,120	294,320	219,348	74,972
Capital outlay:				
Culture and recreation	<u>220,000</u>	<u>251,835</u>	<u>53,955</u>	<u>197,880</u>
Total Expenditures	<u>482,120</u>	<u>546,155</u>	<u>273,303</u>	<u>272,852</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>533,621</u>	<u>469,586</u>	<u>105,315</u>	<u>(364,271)</u>
Other Financing Sources (Uses)				
Transfers in	20,000	20,000	20,000	--
Transfer to fund balance	<u>(553,621)</u>	<u>(489,586)</u>	<u>--</u>	<u>489,586</u>
Total Other Financing Sources (Uses)	<u>(533,621)</u>	<u>(469,586)</u>	<u>20,000</u>	<u>489,586</u>
Net Change in Fund Balance	<u>\$ --</u>	<u>\$ --</u>	125,315	<u>\$ 125,315</u>
Fund Balance (Deficit) - Beginning of Year			<u>(352,086)</u>	
Fund Balance (Deficit) - End of Year			<u>\$ (226,771)</u>	

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
RECREATION PROGRAM FUND**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 635,207	\$ 561,912
Receivables, net	<u>412</u>	<u>240</u>
Total Assets	<u>\$ 635,619</u>	<u>\$ 562,152</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$ 14,056	\$ 23,500
Accrued liabilities	<u>4,028</u>	<u>4,403</u>
Total Liabilities	<u>18,084</u>	<u>27,903</u>
Fund Balance		
Assigned to:		
Culture and recreation	<u>617,535</u>	<u>534,249</u>
Total Fund Balance	<u>617,535</u>	<u>534,249</u>
Total Liabilities and Fund Balance	<u>\$ 635,619</u>	<u>\$ 562,152</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
RECREATION PROGRAM FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Charges for services	\$ 500,911	\$ 307,826
Investment earnings	1,084	4,251
Miscellaneous	<u>8,036</u>	<u>15,976</u>
Total Revenues	<u>510,031</u>	<u>328,053</u>
Expenditures		
Current:		
Culture and recreation	425,476	318,671
Capital outlay:		
Culture and recreation	<u>1,269</u>	<u>2,650</u>
Total Expenditures	<u>426,745</u>	<u>321,321</u>
Excess of Revenues Over Expenditures	<u>83,286</u>	<u>6,732</u>
Net Change in Fund Balance	83,286	6,732
Fund Balance - Beginning of Year	<u>534,249</u>	<u>527,517</u>
Fund Balance - End of Year	<u>\$ 617,535</u>	<u>\$ 534,249</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
RECREATION PROGRAM FUND
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				
Charges for services	\$ 598,800	\$ 598,800	\$ 500,911	\$ (97,889)
Investment earnings	3,616	3,616	1,084	(2,532)
Miscellaneous	<u>18,200</u>	<u>18,200</u>	<u>8,036</u>	<u>(10,164)</u>
Total Revenues	<u>620,616</u>	<u>620,616</u>	<u>510,031</u>	<u>(110,585)</u>
Expenditures				
Current:				
Culture and recreation	576,559	607,734	425,476	182,258
Capital outlay:				
Culture and recreation	<u>--</u>	<u>1,300</u>	<u>1,269</u>	<u>31</u>
Total Expenditures	<u>576,559</u>	<u>609,034</u>	<u>426,745</u>	<u>182,289</u>
Excess of Revenues Over Expenditures	<u>44,057</u>	<u>11,582</u>	<u>83,286</u>	<u>71,704</u>
Other Financing Sources				
Appropriated fund balance	<u>(44,057)</u>	<u>(11,582)</u>	<u>--</u>	<u>11,582</u>
Total Other Financing Sources	<u>(44,057)</u>	<u>(11,582)</u>	<u>--</u>	<u>11,582</u>
Net Change in Fund Balance	<u>\$ --</u>	<u>\$ --</u>	83,286	<u>\$ 83,286</u>
Fund Balance - Beginning of Year			<u>534,249</u>	
Fund Balance - End of Year			<u>\$ 617,535</u>	

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
BOYNTON BEACH MEMORIAL PARK FUND**

**SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 2,994,398	\$ 3,127,111
Receivables, net	<u>31,486</u>	<u>12,339</u>
Total Assets	<u>\$ 3,025,884</u>	<u>\$ 3,139,450</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$ 28,840	\$ 3,026
Accrued liabilities	<u>5,242</u>	<u>3,940</u>
Total Liabilities	<u>34,082</u>	<u>6,966</u>
Fund Balance		
Assigned to:		
Cemetery maintenance	<u>2,991,802</u>	<u>3,132,484</u>
Total Fund Balance	<u>2,991,802</u>	<u>3,132,484</u>
Total Liabilities and Fund Balance	<u>\$ 3,025,884</u>	<u>\$ 3,139,450</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
BOYNTON BEACH MEMORIAL PARK FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Charges for services	\$ 159,000	\$ 174,110
Investment earnings	5,554	48,010
Miscellaneous	<u>5,000</u>	<u>8,945</u>
Total Revenues	<u>169,554</u>	<u>231,065</u>
Expenditures		
Current:		
General government	<u>264,441</u>	<u>259,886</u>
Total Expenditures	<u>264,441</u>	<u>259,886</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(94,887)</u>	<u>(28,821)</u>
Other Financing Sources		
Transfers out	<u>(45,795)</u>	<u>(43,557)</u>
Total Other Financing Sources	<u>(45,795)</u>	<u>(43,557)</u>
Net Change in Fund Balance	(140,682)	(72,378)
Fund Balance - Beginning of Year	<u>3,132,484</u>	<u>3,204,862</u>
Fund Balance - End of Year	<u>\$ 2,991,802</u>	<u>\$ 3,132,484</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
BOYNTON BEACH MEMORIAL PARK FUND
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				
Charges for services	\$ 133,000	\$ 133,000	\$ 159,000	\$ 26,000
Investment earnings	15,000	15,000	5,554	(9,446)
Miscellaneous	<u>6,000</u>	<u>6,000</u>	<u>5,000</u>	<u>(1,000)</u>
Total Revenues	<u>154,000</u>	<u>154,000</u>	<u>169,554</u>	<u>15,554</u>
Expenditures				
Current:				
General government	<u>244,601</u>	<u>267,001</u>	<u>264,441</u>	<u>2,560</u>
Total Expenditures	<u>247,601</u>	<u>267,001</u>	<u>264,441</u>	<u>2,560</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(93,601)</u>	<u>(113,001)</u>	<u>(94,887)</u>	<u>18,114</u>
Other Financing Sources (Uses)				
Transfers out	(45,795)	(45,795)	(45,795)	--
Appropriated fund balance	<u>139,396</u>	<u>158,796</u>	<u>--</u>	<u>(158,796)</u>
Total Other Financing Sources (Uses)	<u>93,601</u>	<u>113,001</u>	<u>(45,795)</u>	<u>(158,796)</u>
Net Change in Fund Balance	<u>\$ --</u>	<u>\$ --</u>	(140,682)	<u>\$ (140,682)</u>
Fund Balance - Beginning of Year			<u>3,132,484</u>	
Fund Balance - End of Year			<u>\$ 2,991,802</u>	

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
COMMUNITY SERVICES FUNDS**

**SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 1,116,262	\$ 1,135,777
Due from other governments	<u>2,421</u>	<u>20,797</u>
Total Assets	<u>\$ 1,118,683</u>	<u>\$ 1,156,574</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	<u>\$ 10,617</u>	<u>\$ 106,145</u>
Total Liabilities	<u>10,617</u>	<u>106,145</u>
Fund Balance		
Restricted for:		
Public safety	653,322	699,614
Other purposes	<u>454,744</u>	<u>350,815</u>
Total Fund Balance	<u>1,108,066</u>	<u>1,050,429</u>
Total Liabilities and Fund Balance	<u>\$ 1,118,683</u>	<u>\$ 1,156,574</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
COMMUNITY SERVICES FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Fines and forfeitures	\$ 70,432	\$ 202,038
Investment earnings	2,060	7,922
Donations	<u>195,020</u>	<u>230,893</u>
Total Revenues	<u>267,512</u>	<u>440,853</u>
Expenditures		
Current:		
General government	59,825	41,084
Public safety	104,182	116,044
Culture and recreation	32,322	31,963
Capital outlay:		
Public safety	2,971	55,722
Culture and recreation	<u>10,575</u>	<u>156,675</u>
Total Expenditures	<u>209,875</u>	<u>401,488</u>
Excess of Revenues Over Expenditures	<u>57,637</u>	<u>39,365</u>
Net Change in Fund Balance	57,637	39,365
Fund Balance - Beginning of Year	<u>1,050,429</u>	<u>1,011,064</u>
Fund Balance - End of Year	<u>\$ 1,108,066</u>	<u>\$ 1,050,429</u>

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
BUILDING FUND**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 1,445,454	\$ --
Total Assets	<u>\$ 1,445,454</u>	<u>\$ --</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$ 316,267	\$ --
Refundable deposits	<u>1,805</u>	<u>--</u>
Total Liabilities	<u>318,072</u>	<u>--</u>
Fund Balance		
Restricted for:		
Other purposes	<u>1,127,382</u>	<u>--</u>
Total Fund Balance	<u>1,127,382</u>	<u>--</u>
Total Liabilities and Fund Balance	<u>\$ 1,445,454</u>	<u>\$ --</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
BUILDING FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Licenses and permits	\$ 3,490,053	\$ --
Investment earnings	62	--
Miscellaneous	<u>183,088</u>	<u>--</u>
Total Revenues	<u>3,673,203</u>	<u>--</u>
Expenditures		
Current:		
Public safety	2,732,166	--
Debt service:		
Interest	<u>327,283</u>	<u>--</u>
Total Expenditures	<u>3,059,449</u>	<u>--</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>613,754</u>	<u>--</u>
Other Financing Uses		
Transfers in	534,948	--
Transfers out	<u>(21,320)</u>	<u>--</u>
Total Other Financing Uses	<u>513,628</u>	<u>--</u>
Net Change in Fund Balance	1,127,382	--
Fund Balance - Beginning of Year	<u>--</u>	<u>--</u>
Fund Balance - End of Year	<u>\$ 1,127,382</u>	<u>\$ --</u>

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
PUBLIC SERVICE TAX DEBT SERVICE FUND**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 5,100,074	\$ 4,721,356
Taxes receivable	766,859	760,698
Due from other governments	<u>224,701</u>	<u>222,533</u>
Total Assets	<u>\$ 6,091,634</u>	<u>\$ 5,704,587</u>
Fund Balance		
Assigned to debt service	<u>\$ 6,091,634</u>	<u>\$ 5,704,587</u>
Total Fund Balance	<u>6,091,634</u>	<u>5,704,587</u>
Total Liabilities and Fund Balance	<u>\$ 6,091,634</u>	<u>\$ 5,704,587</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
PUBLIC SERVICE TAX DEBT SERVICE FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Taxes	\$ 10,637,514	\$ 10,565,666
Investment earnings	<u>6,529</u>	<u>24,745</u>
Total Revenues	<u>10,644,043</u>	<u>10,590,411</u>
Expenditures		
Current:		
General government	(824)	7,561
Debt service:		
Principal retirement	2,130,000	2,095,000
Interest charges	<u>287,820</u>	<u>329,014</u>
Total Expenditures	<u>2,416,996</u>	<u>2,431,575</u>
Excess of Revenues Over Expenditures	<u>8,227,047</u>	<u>8,158,836</u>
Other Financing Uses		
Transfers out	<u>(7,840,000)</u>	<u>(7,840,000)</u>
Total Other Financing Uses	<u>(7,840,000)</u>	<u>(7,840,000)</u>
Net Change in Fund Balance	387,047	318,836
Fund Balance - Beginning of Year	<u>5,704,587</u>	<u>5,385,751</u>
Fund Balance - End of Year	<u>\$ 6,091,634</u>	<u>\$ 5,704,587</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
PUBLIC SERVICE TAX DEBT SERVICE FUND
BUDGET AND ACTUAL**

FOR THE 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	\$ 10,199,738	\$ 10,199,738	\$ 10,637,514	\$ 437,776
Investment earnings	<u>20,836</u>	<u>20,836</u>	<u>6,529</u>	<u>(14,307)</u>
Total Revenues	<u>10,220,574</u>	<u>10,220,574</u>	<u>10,644,043</u>	<u>423,469</u>
Expenditures				
Current:				
General government	20,000	20,000	(824)	20,824
Debt service:				
Principal retirement	2,130,000	2,130,000	2,130,000	--
Interest charges	<u>287,820</u>	<u>287,820</u>	<u>287,820</u>	<u>--</u>
Total Expenditures	<u>2,437,820</u>	<u>2,437,820</u>	<u>2,416,996</u>	<u>20,824</u>
Excess of Revenues Over Expenditures	<u>7,782,754</u>	<u>7,782,754</u>	<u>8,227,047</u>	<u>444,293</u>
Other Financing Sources (Uses)				
Transfers out	(7,840,000)	(7,840,000)	(7,840,000)	--
Appropriated fund balance	<u>57,246</u>	<u>57,246</u>	<u>--</u>	<u>(57,246)</u>
Total Other Financing Uses	<u>(7,782,754)</u>	<u>(7,782,754)</u>	<u>(7,840,000)</u>	<u>(57,246)</u>
Net Change in Fund Balance	<u>\$ --</u>	<u>\$ --</u>	387,047	<u>\$ 387,047</u>
Fund Balance - Beginning of Year			<u>5,704,587</u>	
Fund Balance - End of Year			<u>\$ 6,091,634</u>	

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
BOYNTON BEACH CRA DEBT SERVICE FUND**

**SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ <u>120,621</u>	\$ <u>116,097</u>
Total Assets	<u>\$ 120,621</u>	<u>\$ 116,097</u>
Fund Balance		
Restricted for debt service	\$ <u>120,621</u>	\$ <u>116,097</u>
Total Fund Balance	<u>\$ 120,621</u>	<u>\$ 116,097</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
BOYNTON BEACH CRA DEBT SERVICE FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Investment earnings	\$ 2,065	\$ 5,416
Total Revenues	<u>2,065</u>	<u>5,416</u>
Expenditures		
Debt service:		
Principal retirement	1,807,000	1,762,000
Interest charges	<u>328,363</u>	<u>376,527</u>
Total Expenditures	<u>2,135,363</u>	<u>2,138,527</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,133,298)</u>	<u>(2,133,111)</u>
Other Financing Sources		
Transfers in	<u>2,137,822</u>	<u>2,139,852</u>
Total Other Financing Sources	<u>2,137,822</u>	<u>2,139,852</u>
Net Change in Fund Balance	4,524	6,741
Fund Balance - Beginning of Year	<u>116,097</u>	<u>109,356</u>
Fund Balance - End of Year	<u>\$ 120,621</u>	<u>\$ 116,097</u>

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
GENERAL CAPITAL IMPROVEMENTS FUND**

**SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 1,787,190	\$ 2,928,945
Total Assets	<u>\$ 1,787,190</u>	<u>\$ 2,928,945</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$ 142,930	\$ 57,764
Other payables	<u> --</u>	<u>202,476</u>
Total Liabilities	<u>142,930</u>	<u>260,240</u>
Fund Balance		
Assigned to:		
Capital projects	<u>1,644,260</u>	<u>2,668,705</u>
Total Fund Balance	<u>1,644,260</u>	<u>2,668,705</u>
Total Liabilities and Fund Balance	<u>\$ 1,787,190</u>	<u>\$ 2,928,945</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
GENERAL CAPITAL IMPROVEMENTS FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Investment earnings	\$ 2,614	\$ 135,908
Miscellaneous	<u>--</u>	<u>278,616</u>
Total Revenues	<u>2,614</u>	<u>414,524</u>
Expenditures		
Current:		
General government	3,202	3,200
Culture and recreation	17,136	179
Capital outlay:		
General government	--	18,500
Physical environment	84,980	205,000
Culture and recreation	896,714	2,858,413
Debt service:		
Principal retirement	2,193,478	2,834,578
Interest charges	<u>119,116</u>	<u>255,243</u>
Total Expenditures	<u>3,314,626</u>	<u>6,175,113</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,312,012)</u>	<u>(5,760,589)</u>
Other Financing Sources		
Transfers in	<u>2,287,567</u>	<u>7,440,452</u>
Total Other Financing Sources	<u>2,287,567</u>	<u>7,440,452</u>
Net Change in Fund Balance	(1,024,445)	1,679,863
Fund Balance - Beginning of Year	<u>2,668,705</u>	<u>988,842</u>
Fund Balance - End of Year	<u>\$ 1,644,260</u>	<u>\$ 2,668,705</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL CAPITAL IMPROVEMENTS FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment earnings	\$ 750	\$ 750	\$ 2,614	\$ 1,864
Miscellaneous	<u>500,000</u>	<u>1,182,561</u>	<u>--</u>	<u>(1,182,561)</u>
Total Revenues	<u>500,750</u>	<u>1,183,311</u>	<u>2,614</u>	<u>(1,180,697)</u>
Expenditures				
Current:				
General government	3,202	3,202	3,202	--
Culture and recreation	--	17,200	17,136	64
Capital outlay:				
General government	30,000	117,000	--	117,000
Physical environment	750,000	717,500	84,980	632,520
Culture and recreation	2,092,022	2,255,606	896,714	1,358,892
Debt service:				
Principal retirement	--	2,194,000	2,193,478	522
Interest charges	<u>--</u>	<u>120,000</u>	<u>119,116</u>	<u>884</u>
Total Expenditures	<u>2,875,224</u>	<u>5,424,508</u>	<u>3,314,626</u>	<u>2,109,882</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,374,474)	(4,241,197)	(3,312,012)	929,185
Other Financing Sources				
Transfers in	1,650,000	2,887,567	2,287,567	(600,000)
Issuance of installment debt	--	(371,625)	--	371,625
Appropriated fund balance	<u>724,474</u>	<u>1,725,255</u>	<u>--</u>	<u>(1,725,255)</u>
Total Other Financing Sources	<u>2,374,474</u>	<u>4,241,197</u>	<u>2,287,567</u>	<u>(1,953,630)</u>
Net Change in Fund Balance	<u>\$ --</u>	<u>\$ --</u>	(1,024,445)	<u>\$ (1,024,445)</u>
Fund Balance - Beginning of Year			<u>2,668,705</u>	
Fund Balance - End of Year			<u>\$ 1,644,260</u>	

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
PARKS & RECREATIONAL FACILITIES FUND**

**SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	<u>\$ 460,809</u>	<u>\$ 273,844</u>
Total Assets	<u>\$ 460,809</u>	<u>\$ 273,844</u>
Fund Balance		
Assigned to:		
Capital projects	<u>460,809</u>	<u>273,844</u>
Total Fund Balance	<u>\$ 460,809</u>	<u>\$ 273,844</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
PARKS & RECREATIONAL FACILITIES FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Charges for services	\$ 203,905	\$ 184,117
Investment earnings	<u>586</u>	<u>2,294</u>
Total Revenues	<u>204,491</u>	<u>186,411</u>
Expenditures		
Current:		
Physical environment	1,067	1,067
Capital outlay:		
General government	<u>16,459</u>	<u>65,835</u>
Total Expenditures	<u>17,526</u>	<u>66,902</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>186,965</u>	<u>119,509</u>
Other Financing Uses		
Transfers out	<u>--</u>	<u>(15,000)</u>
Total Other Financing Uses	<u>--</u>	<u>(15,000)</u>
Net Change in Fund Balance	186,965	104,509
Fund Balance - Beginning of Year	<u>273,844</u>	<u>169,335</u>
Fund Balance - End of Year	<u>\$ 460,809</u>	<u>\$ 273,844</u>

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
BOYNTON BEACH CRA BOND PROJECTS FUND**

**SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 12,039,073	\$ 11,081,596
Receivables, net	32,671	--
Due from other funds	445,561	--
Prepaid items	<u>46,361</u>	<u>33,972</u>
Total Assets	<u><u>\$ 12,563,666</u></u>	<u><u>\$ 11,115,568</u></u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$ 204,524	\$ 74,767
Due to primary government	500,000	--
Deferred revenue	<u>6,523</u>	<u>--</u>
Total Liabilities	<u>711,047</u>	<u>74,767</u>
Fund Balance		
Nonspendable:		
Prepaid items	46,361	33,972
Committed for:		
Capital projects	3,908,906	5,777,612
Assigned to:		
Capital projects	<u>7,897,352</u>	<u>5,229,217</u>
Total Fund Balance	<u>11,852,619</u>	<u>11,040,801</u>
Total Liabilities and Fund Balance	<u><u>\$ 12,563,666</u></u>	<u><u>\$ 11,115,568</u></u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
BOYNTON BEACH CRA BOND PROJECTS FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Investment earnings	\$ 191,547	\$ 157,815
Total Revenues	<u>191,547</u>	<u>157,815</u>
Expenditures		
Current:		
Economic environment	6,180,444	10,151,278
Capital outlay:		
Economic environment	<u>3,576,146</u>	<u>368,626</u>
Total Expenditures	9,756,590	10,519,904
Excess (Deficiency) of Revenues Over Expenditures	<u>(9,565,043)</u>	<u>(10,362,089)</u>
Other Financing Sources		
Transfers in	<u>10,376,861</u>	<u>9,553,549</u>
Total Other Financing Sources	<u>10,376,861</u>	<u>9,553,549</u>
Net Change in Fund Balance	811,818	(808,540)
Fund Balance - Beginning of Year	<u>11,040,801</u>	<u>11,849,341</u>
Fund Balance - End of Year	<u>\$ 11,852,619</u>	<u>\$ 11,040,801</u>

CITY OF BOYNTON BEACH, FLORIDA

**BALANCE SHEET
LOCAL GOVERNMENT SURTAX IMPROVEMENT FUND**

**SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Assets		
Pooled cash and investments	\$ 2,385,659	\$ 3,055,142
Due from other governments	<u>425,225</u>	<u>339,893</u>
Total Assets	<u>\$ 2,810,884</u>	<u>\$ 3,395,035</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$ 397,590	\$ 536,058
Accrued liabilities	<u>--</u>	<u>13,439</u>
Total Liabilities	<u>397,590</u>	<u>549,497</u>
Fund Balance		
Restricted for:		
Capital projects	<u>2,413,294</u>	<u>2,845,538</u>
Total Fund Balance	<u>2,413,294</u>	<u>2,845,538</u>
Total Liabilities and Fund Balance	<u>\$ 2,810,884</u>	<u>\$ 3,395,035</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
LOCAL GOVERNMENT SURTAX IMPROVEMENT FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Revenues		
Intergovernmental	\$ 6,162,106	\$ 5,331,081
Investment earnings	<u>7,305</u>	<u>66,595</u>
Total Revenues	<u>6,169,411</u>	<u>5,397,676</u>
Expenditures		
Current:		
Culture and recreation	5,950	31,168
Capital outlay:		
Culture and recreation	<u>5,358,138</u>	<u>5,846,164</u>
Total Expenditures	<u>5,364,088</u>	<u>5,877,332</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>805,323</u>	<u>(479,656)</u>
Other Financing Uses		
Transfers out	<u>(1,237,567)</u>	<u>(5,760,427)</u>
Total Other Financing Uses	<u>(1,237,567)</u>	<u>(5,760,427)</u>
Net Change in Fund Balance	(432,244)	(6,240,083)
Fund Balance - Beginning of Year	<u>2,845,538</u>	<u>9,085,621</u>
Fund Balance - End of Year	<u>\$ 2,413,294</u>	<u>\$ 2,845,538</u>

NONMAJOR ENTERPRISE FUND

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

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

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF NET POSITION
GOLF COURSE FUND**

**SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)**

	2021	2020
Assets		
Current Assets		
Accounts receivable, net	\$ 2,625	\$ 3,640
Prepaid expenses	--	6,503
Inventories	29,993	24,799
Total Current Assets	<u>32,618</u>	<u>34,942</u>
Noncurrent Assets		
Capital assets not being depreciated	1,356,467	1,356,467
Capital assets, net of accumulated depreciation	580,992	543,114
Net pension asset	182,550	--
Total Noncurrent Assets	<u>2,120,009</u>	<u>1,899,581</u>
Total Assets	<u>2,152,627</u>	<u>1,934,523</u>
Deferred Outflows of Resources		
Deferred amounts related to OPEB	16,021	17,558
Deferred amounts related to pensions	25,900	72,526
Total Deferred Outflows of Resources	<u>41,921</u>	<u>90,084</u>
Liabilities		
Current Liabilities		
Accounts payable	21,036	35,389
Accrued expenses	44,023	46,134
Due to other funds	13,845	628,024
Unearned revenues	19,864	49,317
Compensated absences payable, current portion	16,404	17,406
Total Current Liabilities	<u>115,172</u>	<u>776,270</u>
Noncurrent Liabilities		
Compensated absences payable, less current portion	109,784	116,485
Other postemployment benefits	217,709	219,221
Net pension liability	--	263,539
Total Noncurrent Liabilities	<u>327,493</u>	<u>599,245</u>
Total Liabilities	<u>442,665</u>	<u>1,375,515</u>
Deferred Inflows of Resources		
Deferred amounts related to OPEB	7,116	10,438
Deferred amounts related to pensions	319,678	1,850
Total Deferred Inflows of Resources	<u>326,794</u>	<u>12,288</u>
Net Position		
Investment in capital assets	1,937,459	1,899,581
Restricted for:		
Net pension asset	182,550	--
Unrestricted (deficit)	<u>(694,920)</u>	<u>(1,262,777)</u>
Total Net Position	<u>\$ 1,425,089</u>	<u>\$ 636,804</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
GOLF COURSE FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)

	2021	2020
Operating Revenues		
Charges for services:		
Cart and green fees	\$ 2,108,980	\$ 1,640,199
Dues	116,368	69,621
Other services	<u>326,827</u>	<u>308,551</u>
Total Operating Revenues	<u>2,552,175</u>	<u>2,018,371</u>
Operating Expenses		
Personal services and benefits	1,005,719	1,001,559
Supplies, services and claims	500,685	606,334
Depreciation and amortization	<u>117,256</u>	<u>123,033</u>
Total Operating Expenses	<u>1,623,660</u>	<u>1,730,926</u>
Operating Income	<u>928,515</u>	<u>287,445</u>
Nonoperating Expenses		
Investment income	46	--
Gain on disposal of capital assets	<u>(52,930)</u>	<u>--</u>
Total Nonoperating Expenses	<u>(52,884)</u>	<u>--</u>
Income Before Transfers	<u>875,631</u>	<u>287,445</u>
Transfers		
Transfers out	<u>(87,346)</u>	<u>(43,580)</u>
Total Transfers	<u>(87,346)</u>	<u>(43,580)</u>
Change in Net Position	788,285	243,865
Net Position - Beginning of Year	<u>636,804</u>	<u>392,939</u>
Net Position - End of Year	<u>\$ 1,425,089</u>	<u>\$ 636,804</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF CASH FLOWS
GOLF COURSE FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities		
Receipts from customers and users	\$ 2,523,737	\$ 2,013,937
Payments to suppliers	(365,416)	(467,239)
Payments to employees	(1,100,465)	(1,132,407)
Payments for interfund services used	<u>(148,313)</u>	<u>(141,152)</u>
Net Cash Provided by Operating Activities	<u>909,543</u>	<u>273,139</u>
Cash Flows From Non-Capital Financing Activities		
Loans to other funds	(614,179)	(30,554)
Transfers out	<u>(87,346)</u>	<u>(43,580)</u>
Net Cash Used in Non-Capital Financing Activities	<u>(701,525)</u>	<u>(74,134)</u>
Cash Flows From Capital and Related Financing Activity		
Acquisition of capital assets	<u>(208,064)</u>	<u>(199,005)</u>
Net Cash Used in Capital and Related Financing Activity	<u>(208,064)</u>	<u>(199,005)</u>
Cash Flows From Investing Activity		
Interest on cash equivalents	<u>46</u>	<u>--</u>
Net Cash Provided by Investing Activity	<u>46</u>	<u>--</u>
Increase in Pooled Cash and Investments	<u>--</u>	<u>--</u>
Pooled Cash and Investments - Beginning of Year	<u>--</u>	<u>--</u>
Pooled Cash and Investments - End of Year	<u>\$ --</u>	<u>\$ --</u>
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:		
Operating Income	<u>\$ 928,515</u>	<u>\$ 287,445</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	117,256	123,033
Changes in operating assets, liabilities and deferred inflows/outflows:		
Accounts receivable	1,015	(40)
Prepaid expenses	6,503	--
Inventories	(5,194)	(24,799)
Deferred amounts related to OPEB	(1,785)	9,013
Deferred amounts related to pensions	364,454	(5,775)
Accounts payable	(14,353)	22,742
Accrued expenses	(2,111)	3,471
Unearned revenues	(29,453)	(4,394)
Compensated absences payable	(7,703)	(37,444)
Total OPEB liability	(1,512)	12,110
Net pension liability	<u>(446,089)</u>	<u>(112,223)</u>
Total Adjustments	<u>(18,972)</u>	<u>(14,306)</u>
Net Cash Provided by Operating Activities	<u>\$ 909,543</u>	<u>\$ 273,139</u>
Noncash Capital and Related Financing Activity:		
Gain on disposal of capital assets	\$ (52,930)	\$ --

INTERNAL SERVICE FUNDS

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

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

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

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

CITY OF BOYNTON BEACH, FLORIDA

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICES FUND**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	Vehicle Service	Warehouse	Self Insurance	Total 2021	Total 2020
Assets					
Current assets:					
Pooled cash and investments	\$ 3,102,131	\$ --	\$ 4,755,709	\$ 7,857,840	\$ 4,449,138
Accounts receivable	--	--	143	143	--
Other receivables	213,106	--	--	213,106	--
Inventories	<u>78,708</u>	<u>731,359</u>	<u>--</u>	<u>810,067</u>	<u>1,057,837</u>
Total Current Assets	<u>3,393,945</u>	<u>731,359</u>	<u>4,755,852</u>	<u>8,881,156</u>	<u>5,506,975</u>
Noncurrent Assets					
Capital assets not being depreciated	33,166	--	--	33,166	33,166
Capital assets, net of accumulated depreciation	9,539,853	9,459	--	9,549,312	11,606,913
Net pension asset	<u>311,048</u>	<u>110,142</u>	<u>125,439</u>	<u>546,629</u>	<u>--</u>
Total Noncurrent Assets	<u>9,884,067</u>	<u>119,601</u>	<u>125,439</u>	<u>10,129,107</u>	<u>11,640,079</u>
Total Assets	<u>13,278,012</u>	<u>850,960</u>	<u>4,881,291</u>	<u>19,010,263</u>	<u>17,147,054</u>
Deferred Outflows of Resources					
Deferred amounts related to OPEB	27,361	9,630	11,070	48,061	40,637
Deferred amounts related to pensions	<u>44,132</u>	<u>15,627</u>	<u>17,797</u>	<u>77,556</u>	<u>230,952</u>
Total Deferred Outflows of Resources	<u>71,493</u>	<u>25,257</u>	<u>28,867</u>	<u>125,617</u>	<u>271,589</u>
Liabilities					
Current liabilities:					
Accounts payable	282,969	18,589	370,000	671,558	1,863,508
Accrued expenses	57,135	17,048	26,584	100,767	75,222
Provision for insurance losses, current portion	--	--	2,215,459	2,215,459	2,066,205
Compensated absences payable, current portion	10,094	8,302	4,358	22,754	21,173
Due to other funds	<u>--</u>	<u>574,530</u>	<u>--</u>	<u>574,530</u>	<u>517,328</u>
Total Current Liabilities	<u>350,198</u>	<u>618,469</u>	<u>2,616,401</u>	<u>3,585,068</u>	<u>4,543,436</u>
Noncurrent Liabilities					
Provision for insurance losses, less current portion	--	--	4,160,284	4,160,284	3,986,062
Compensated absences payable, less current portion	67,552	55,559	29,163	152,274	141,696
Total OPEB liability	371,817	130,870	150,439	653,126	507,371
Net pension liability	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>839,213</u>
Total Noncurrent Liabilities	<u>439,369</u>	<u>186,429</u>	<u>4,339,886</u>	<u>4,965,684</u>	<u>5,474,342</u>
Total Liabilities	<u>789,567</u>	<u>804,898</u>	<u>6,956,287</u>	<u>8,550,752</u>	<u>10,017,778</u>
Deferred Inflows of Resources					
Deferred amounts related to OPEB	12,153	4,278	4,917	21,348	24,156
Deferred amounts related to pensions	<u>544,703</u>	<u>192,878</u>	<u>219,667</u>	<u>957,248</u>	<u>5,890</u>
Total Deferred Inflows of Resources	<u>556,856</u>	<u>197,156</u>	<u>224,584</u>	<u>978,596</u>	<u>30,046</u>
Net Position (Deficit)					
Investment in capital assets	9,573,019	9,459	--	9,582,478	11,640,079
Restricted for:					
Net pension asset	311,048	110,142	125,439	546,629	--
Unrestricted (deficit)	<u>2,119,015</u>	<u>(245,438)</u>	<u>(2,396,152)</u>	<u>(522,575)</u>	<u>(4,269,260)</u>
Total Net Position (Deficit)	<u>\$ 12,003,082</u>	<u>\$ (125,837)</u>	<u>\$ (2,270,713)</u>	<u>\$ 9,606,532</u>	<u>\$ 7,370,819</u>

CITY OF BOYNTON BEACH, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION INTERNAL SERVICES FUND

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	Vehicle Service	Warehouse	Self Insurance	Total 2021	Total 2020
Operating Revenues					
Charges for services	\$ 4,642,354	\$ 525,250	\$ 5,596,368	\$ 10,763,972	\$ 9,844,129
Total Operating Revenues	<u>4,642,354</u>	<u>525,250</u>	<u>5,596,368</u>	<u>10,763,972</u>	<u>9,844,129</u>
Operating Expenses					
Personal services and benefits	1,309,896	403,112	469,430	2,182,438	2,061,073
Supplies, services and claims	3,216,779	46,344	5,184,338	8,447,461	8,580,062
Depreciation and amortization	4,633,699	1,761	--	4,635,460	4,272,531
Total Operating Expenses	<u>9,160,374</u>	<u>451,217</u>	<u>5,653,768</u>	<u>15,265,359</u>	<u>14,913,666</u>
Operating Income (Loss)	<u>(4,518,020)</u>	<u>74,033</u>	<u>(57,400)</u>	<u>(4,501,387)</u>	<u>(5,069,537)</u>
Nonoperating Revenues					
Investment earnings	715	--	6,128	6,843	15,516
Gain on disposal of capital assets	411,459	--	--	411,459	283,745
Miscellaneous income	506	62,615	430,188	493,309	79,316
Total Nonoperating Revenues	<u>412,680</u>	<u>62,615</u>	<u>436,316</u>	<u>911,611</u>	<u>378,577</u>
Income (Loss) Before Transfers	<u>(4,105,340)</u>	<u>136,648</u>	<u>378,916</u>	<u>(3,589,776)</u>	<u>(4,690,960)</u>
Transfers					
Transfers in	5,229,322	--	618,750	5,848,072	5,152,633
Transfers out	--	(22,583)	--	(22,583)	(6,448)
Total Transfers	<u>5,229,322</u>	<u>(22,583)</u>	<u>618,750</u>	<u>5,825,489</u>	<u>5,146,185</u>
Change in net position	1,123,982	114,065	997,666	2,235,713	455,225
Net Position (Deficit) - Beginning of Year	<u>10,879,100</u>	<u>(239,902)</u>	<u>(3,268,379)</u>	<u>7,370,819</u>	<u>6,915,594</u>
Net Position (Deficit) - End of Year	<u>\$ 12,003,082</u>	<u>\$ (125,837)</u>	<u>\$ (2,270,713)</u>	<u>\$ 9,606,532</u>	<u>\$ 7,370,819</u>

CITY OF BOYNTON BEACH, FLORIDA

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICES FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)

	Vehicle Service	Warehouse	Self Insurance	Total 2021	Total 2020
Cash Flows From Operating Activities					
Receipts from interfund services provided	\$ 4,429,248	\$ 525,250	\$ 5,596,225	\$ 10,550,723	\$ 9,845,453
Receipts from others	506	62,615	430,188	493,309	79,316
Payments to suppliers	(3,805,750)	(119,392)	(4,795,318)	(8,720,460)	(6,474,469)
Payments to employees	(1,307,790)	(433,268)	(549,241)	(2,290,299)	(1,989,666)
Payments for interfund services used	(288,013)	(2,377)	(113)	(290,503)	(182,065)
Net Cash Provided by (Used in) Operating Activities	<u>(971,799)</u>	<u>32,828</u>	<u>681,741</u>	<u>(257,230)</u>	<u>1,278,569</u>
Cash Flows From Non-Capital Financing Activities					
Loans to other funds	--	--	--	--	(1,160,301)
Transfers in	5,229,322	--	618,750	5,848,072	5,152,633
Transfers out	--	(22,583)	--	(22,583)	(6,448)
Net Cash Provided by (Used in) Non-Capital Financing Activities	<u>5,229,322</u>	<u>(22,583)</u>	<u>618,750</u>	<u>5,825,489</u>	<u>3,985,884</u>
Cash Flows From Capital and Related Financing Activities					
Acquisition of capital assets	(2,439,900)	(10,245)	--	(2,450,145)	(4,051,963)
Proceeds from sale of capital assets	283,745	--	--	283,745	283,745
Net Cash Used in Capital and Related Financing Activities	<u>(2,156,155)</u>	<u>(10,245)</u>	<u>--</u>	<u>(2,166,400)</u>	<u>(3,768,218)</u>
Cash Flows From Investing Activity					
Investment income	715	--	6,128	6,843	15,516
Net Cash Provided by Investing Activity	<u>715</u>	<u>--</u>	<u>6,128</u>	<u>6,843</u>	<u>15,516</u>
Increase (decrease) in pooled cash and investments	2,102,083	--	1,306,619	3,408,702	1,511,751
Pooled cash and investments - beginning of year	1,000,048	--	3,449,090	4,449,138	2,937,387
Pooled cash and investments - end of year	<u>\$ 3,102,131</u>	<u>\$ --</u>	<u>\$ 4,755,709</u>	<u>\$ 7,857,840</u>	<u>\$ 4,449,138</u>
Reconciliation of Operating Loss to Net Cash Provided by (Used In) Operating Activities					
Operating income (loss)	\$ (4,518,020)	\$ 74,033	\$ (57,400)	\$ (4,501,387)	\$ (5,069,537)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	4,633,699	1,761	--	4,635,460	4,272,531
Miscellaneous income	506	62,615	430,188	493,309	79,316
Changes in operating assets, liabilities and deferred inflows/outflows:					
Accounts receivable	--	--	(143)	(143)	1,028
Other receivable	(213,106)	--	--	(213,106)	296
Inventories	172,704	75,066	--	247,770	97,208
Deferred amounts related to OPEB	(6,766)	(1,865)	(1,601)	(10,232)	14,171
Deferred amounts related to pensions	615,859	224,870	264,025	1,104,754	(74,802)
Accounts payable	(1,049,688)	(207,693)	65,431	(1,191,950)	1,338,909
Accrued expenses	15,762	2,862	6,921	25,545	20,417
Due to other funds	--	57,202	--	57,202	(19,668)
Provision for insurance losses	--	--	323,476	323,476	507,079
Compensated absences payable	6,269	8,161	(2,271)	12,159	30,638
Total OPEB liability	111,916	23,520	10,319	145,755	113,860
Net pension liability	(740,934)	(287,704)	(357,204)	(1,385,842)	(32,877)
Total Adjustments	<u>3,546,221</u>	<u>(41,205)</u>	<u>739,141</u>	<u>4,244,157</u>	<u>6,348,106</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (971,799)</u>	<u>\$ 32,828</u>	<u>\$ 681,741</u>	<u>\$ (257,230)</u>	<u>\$ 1,278,569</u>
Noncash Capital and Related Financing Activity					
Gain on disposal of capital assets	\$ 411,459	\$ --	\$ --	\$ 411,459	\$ 283,745

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF NET POSITION
VEHICLE SERVICE FUND**

**SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Assets		
Current Assets		
Pooled cash and investments	\$ 3,102,131	\$ 1,000,048
Other receivables	213,106	--
Inventories	<u>78,708</u>	<u>251,412</u>
Total Current Assets	<u>3,393,945</u>	<u>1,251,460</u>
Noncurrent Assets		
Capital assets not being depreciated	33,166	33,166
Capital assets, net of accumulated depreciation	9,539,853	11,605,938
Net pension assets	<u>311,048</u>	<u>--</u>
Total Noncurrent Assets	<u>9,884,067</u>	<u>11,639,104</u>
Total Assets	<u>13,278,012</u>	<u>12,890,564</u>
Deferred Outflows of Resources		
Deferred amounts related to OPEB	27,361	20,816
Deferred amounts related to pensions	<u>44,132</u>	<u>118,305</u>
Total Deferred Outflows of Resources	<u>71,493</u>	<u>139,121</u>
Liabilities		
Current Liabilities		
Accounts payable	282,969	1,332,657
Accrued expenses	57,135	41,373
Compensated absences payable, current portion	<u>10,094</u>	<u>9,279</u>
Total Current Liabilities	<u>350,198</u>	<u>1,383,309</u>
Noncurrent Liabilities		
Compensated absences payable, less current portion	67,552	62,098
Total OPEB liability	371,817	259,901
Net pension liability	<u>--</u>	<u>429,886</u>
Total Noncurrent Liabilities	<u>439,369</u>	<u>751,885</u>
Total Liabilities	<u>789,567</u>	<u>2,135,194</u>
Deferred Inflows of Resources		
Deferred amounts related to OPEB	12,153	12,374
Deferred amounts related to pensions	<u>544,703</u>	<u>3,017</u>
Total Deferred Inflows of Resources	<u>556,856</u>	<u>15,391</u>
Net Position		
Investment in capital assets	9,573,019	11,639,104
Restricted for:		
Net pension assets	311,048	--
Unrestricted (deficit)	<u>2,119,015</u>	<u>(760,004)</u>
Total Net Position	<u>\$ 12,003,082</u>	<u>\$ 10,879,100</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
VEHICLE SERVICE FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Operating Revenues		
Charges for services	\$ 4,642,354	\$ 3,952,092
Total Operating Revenues	<u>4,642,354</u>	<u>3,952,092</u>
Operating Expenses		
Personal services and benefits	1,309,896	1,158,097
Supplies, services and claims	3,216,779	2,831,545
Depreciation and amortization	<u>4,633,699</u>	<u>4,271,469</u>
Total Operating Expenses	<u>9,160,374</u>	<u>8,261,111</u>
Operating Loss	<u>(4,518,020)</u>	<u>(4,309,019)</u>
Nonoperating Revenues		
Investment earnings	715	--
Gain on disposal of capital assets	411,459	283,745
Miscellaneous income	<u>506</u>	<u>17,720</u>
Total Nonoperating Revenues	<u>412,680</u>	<u>301,465</u>
Loss Before Transfers	<u>(4,105,340)</u>	<u>(4,007,554)</u>
Transfers		
Transfers in	<u>5,229,322</u>	<u>4,533,883</u>
Total Transfers	<u>5,229,322</u>	<u>4,533,883</u>
Change in Net Position	1,123,982	526,329
Net Position - Beginning of Year	<u>10,879,100</u>	<u>10,352,771</u>
Net Position - End of Year	<u>\$ 12,003,082</u>	<u>\$ 10,879,100</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF CASH FLOWS
VEHICLE SERVICE FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities		
Receipts from interfund services provided	\$ 4,429,248	\$ 3,952,388
Receipts from others	506	17,720
Payments to suppliers	(3,805,750)	(1,266,108)
Payments to employees	(1,307,790)	(1,130,446)
Payments for interfund services used	<u>(288,013)</u>	<u>(179,696)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(971,799)</u>	<u>1,393,858</u>
Cash Flows From Non-Capital Financing Activities		
Loans to other funds	--	(1,160,301)
Transfers in	<u>5,229,322</u>	<u>4,533,883</u>
Net Cash Provided by Non-Capital Financing Activities	<u>5,229,322</u>	<u>3,373,582</u>
Cash Flows From Capital and Related Financing Activities		
Acquisition of capital assets	(2,439,900)	(4,051,137)
Proceeds from sale of capital assets	<u>283,745</u>	<u>283,745</u>
Other proceeds		
Net Cash Used in Capital and Related Financing Activities	<u>(2,156,155)</u>	<u>(3,767,392)</u>
Cash Flows From Investing Activity		
Investment income	<u>715</u>	<u>--</u>
Net Cash Provided by Investing Activity	<u>715</u>	<u>--</u>
Increase in Pooled Cash and Investments	2,102,083	1,000,048
Pooled Cash and Investments - Beginning of Year	<u>1,000,048</u>	<u>--</u>
Pooled Cash and Investments - End of Year	<u>\$ 3,102,131</u>	<u>\$ 1,000,048</u>
Reconciliation of Operating Loss to Net Cash Provided By (Used In) Operating Activities		
Operating loss	\$ (4,518,020)	\$ (4,309,019)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	4,633,699	4,271,469
Miscellaneous income	506	17,720
Changes in operating assets, liabilities and deferred inflows/outflows:		
Other receivable	(213,106)	296
Inventories	172,704	221,903
Deferred amounts related to OPEB	(6,766)	8,964
Deferred amounts related to pensions	615,859	(15,782)
Accounts payable	(1,049,688)	1,163,838
Accrued expenses	15,762	10,637
Compensated absences payable	6,269	3,599
Total OPEB liability	111,916	36,439
Net pension liability	<u>(740,934)</u>	<u>(16,206)</u>
Total adjustments	<u>3,546,221</u>	<u>5,702,877</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (971,799)</u>	<u>\$ 1,393,858</u>
Noncash Capital and Related Financing Activity		
Gain on disposal of capital assets	\$ 411,459	\$ 283,745

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF NET POSITION
WAREHOUSE FUND**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Current Assets		
Inventories	\$ 731,359	\$ 806,425
Total Current Assets	<u>731,359</u>	<u>806,425</u>
Noncurrent Assets		
Capital assets, net of accumulated depreciation	9,459	975
Net pension asset	<u>110,142</u>	<u>--</u>
Total Noncurrent Assets	<u>119,601</u>	<u>975</u>
Total Assets	<u>850,960</u>	<u>807,400</u>
Deferred Outflows of Resources		
Deferred amounts related to OPEB	9,630	8,598
Deferred amounts related to pensions	<u>15,627</u>	<u>48,865</u>
Total Deferred Outflows of Resources	<u>25,257</u>	<u>57,463</u>
Liabilities		
Current Liabilities		
Accounts payable	18,589	226,282
Accrued expenses	17,048	14,186
Compensated absences payable, current portion	8,302	7,241
Due to other funds	<u>574,530</u>	<u>517,328</u>
Total Current Liabilities	<u>618,469</u>	<u>765,037</u>
Noncurrent Liabilities		
Compensated absences payable, less current portion	55,559	48,459
Other postemployment benefits	130,870	107,350
Net pension liability	<u>--</u>	<u>177,562</u>
Total Noncurrent Liabilities	<u>186,429</u>	<u>333,371</u>
Total Liabilities	<u>804,898</u>	<u>1,098,408</u>
Deferred Inflows of Resources		
Deferred amounts related to OPEB	4,278	5,111
Deferred amounts related to pensions	<u>192,878</u>	<u>1,246</u>
Total Deferred Inflows of Resources	<u>197,156</u>	<u>6,357</u>
Net Position (Deficit)		
Investment in capital assets	9,459	975
Restricted for:		
Net pension assets	110,142	--
Unrestricted (deficit)	<u>(245,438)</u>	<u>(240,877)</u>
Total Net Position (Deficit)	<u>\$ (125,837)</u>	<u>\$ (239,902)</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
WAREHOUSE FUND**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Operating Revenues		
Charges for services	\$ 525,250	\$ 390,921
Total Operating Revenues	<u>525,250</u>	<u>390,921</u>
Operating Expenses		
Personal services and benefits	403,112	395,494
Supplies, services and claims	46,344	30,525
Depreciation and amortization	<u>1,761</u>	<u>1,062</u>
Total Operating Expenses	<u>451,217</u>	<u>427,081</u>
Operating Income (Loss)	<u>74,033</u>	<u>(36,160)</u>
Nonoperating Revenues		
Miscellaneous income	<u>62,615</u>	<u>--</u>
Income (Loss) Before Transfers	<u>136,648</u>	<u>(36,160)</u>
Transfers		
Transfers out	<u>(22,583)</u>	<u>(6,448)</u>
Total Transfers	<u>(22,583)</u>	<u>(6,448)</u>
Change in Net Position	114,065	(42,608)
Net Position (Deficit) - Beginning of Year	<u>(239,902)</u>	<u>(197,294)</u>
Net Position (Deficit) - End of Year	<u>\$ (125,837)</u>	<u>\$ (239,902)</u>

CITY OF BOYNTON BEACH, FLORIDA

STATEMENT OF CASH FLOWS WAREHOUSE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)

	2021	2020
Cash Flows From Operating Activities		
Receipts from interfund services provided	\$ 525,250	\$ 390,921
Receipts from other	62,615	--
Payments to suppliers	(119,392)	2,079
Payments to employees	(433,268)	(383,489)
Payments for interfund services used	(2,377)	(2,237)
Net Cash Provided by Operating Activities	32,828	7,274
Cash Flows From Non-Capital Financing Activity		
Transfers out	(22,583)	(6,448)
Net Cash Used in Non-Capital Financing Activity	(22,583)	(6,448)
Cash Flows From Capital and Related Financing Activity		
Acquisition of capital assets	(10,245)	(826)
Net Cash Used in Capital and Related Financing Activity	(10,245)	(826)
Increase in Pooled Cash and Investments	--	--
Pooled Cash and Investments - Beginning of Year	--	--
Pooled Cash and Investments - End of Year	\$ --	\$ --
Reconciliation of Operating Income (Loss) to Net Cash Provided By Operating Activities		
Operating income (loss)	\$ 74,033	\$ (36,160)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	1,761	1,062
Miscellaneous income	62,615	--
Changes in operating assets, liabilities and deferred inflows/outflows:		
Inventories	75,066	(124,695)
Deferred amounts related to OPEB	(1,865)	1,862
Deferred amounts related to pensions	224,870	(18,145)
Accounts payable	(207,693)	174,730
Accrued expenses	2,862	3,518
Due to other funds	57,202	(19,668)
Compensated absences payable	8,161	7,465
Other postemployment benefits	23,520	38,676
Net pension liability	(287,704)	(21,371)
Total Adjustments	(41,205)	43,434
Net Cash Provided by Operating Activities	\$ 32,828	\$ 7,274

CITY OF BOYNTON BEACH, FLORIDA

STATEMENT OF NET POSITION SELF INSURANCE FUND

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	2021	2020
Assets		
Current Assets		
Pooled cash and investments	\$ 4,755,709	\$ 3,449,090
Accounts receivable	143	--
Total Current Assets	4,755,852	3,449,090
Noncurrent assets		
Net pension assets	125,439	--
Total noncurrent assets	125,439	--
Total Assets	4,881,291	3,449,090
Deferred Outflows of Resources		
Deferred amounts related to OPEB	11,070	11,223
Deferred amounts related to pensions	17,797	63,782
Total Deferred Outflows of Resources	28,867	75,005
Liabilities		
Current Liabilities		
Accounts payable	370,000	304,569
Accrued expenses	26,584	19,663
Provision for insurance losses, current portion	2,215,459	2,066,205
Compensated absences payable, current portion	4,358	4,653
Total Current Liabilities	2,616,401	2,395,090
Noncurrent Liabilities		
Provision for insurance losses, less current portion	4,160,284	3,986,062
Compensated absences payable, less current portion	29,163	31,139
Total OPEB liability	150,439	140,120
Net pension liability	--	231,765
Total Noncurrent Liabilities	4,339,886	4,389,086
Total Liabilities	6,956,287	6,784,176
Deferred Inflows of Resources		
Deferred amounts related to OPEB	4,917	6,671
Deferred amounts related to pensions	219,667	1,627
Total Deferred Inflows of Resources	224,584	8,298
Net Position (Deficit)		
Restricted for:		
Net pension assets	125,439	--
Unrestricted (deficit)	(2,396,152)	(3,268,379)
Total Net Position (Deficit)	\$ (2,270,713)	\$ (3,268,379)

CITY OF BOYNTON BEACH, FLORIDA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION SELF INSURANCE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Operating Revenues		
Charges for services	\$ 5,596,368	\$ 5,501,116
Total Operating Revenues	<u>5,596,368</u>	<u>5,501,116</u>
Operating Expenses		
Personal services and benefits	469,430	507,482
Supplies, services and claims	<u>5,184,338</u>	<u>5,717,992</u>
Total Operating Expenses	<u>5,653,768</u>	<u>6,225,474</u>
Operating Loss	<u>(57,400)</u>	<u>(724,358)</u>
Nonoperating Revenues		
Investment earnings	6,128	15,516
Miscellaneous income	<u>430,188</u>	<u>61,596</u>
Total Nonoperating Revenues	<u>436,316</u>	<u>77,112</u>
Income (Loss) Before Transfers	<u>378,916</u>	<u>(647,246)</u>
Transfers		
Transfers in	<u>618,750</u>	<u>618,750</u>
Total Transfers	<u>618,750</u>	<u>618,750</u>
Change in Net Position	997,666	(28,496)
Net Position (Deficit) - Beginning of Year	<u>(3,268,379)</u>	<u>(3,239,883)</u>
Net Position (Deficit) - End of Year	<u>\$ (2,270,713)</u>	<u>\$ (3,268,379)</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF CASH FLOWS
SELF INSURANCE FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities		
Receipts from interfund services provided	\$ 5,596,225	\$ 5,502,144
Receipts from others	430,188	61,596
Payments to suppliers	(4,795,318)	(5,210,440)
Payments to employees	(549,241)	(475,731)
Payments for interfund services used	<u>(113)</u>	<u>(132)</u>
Net Cash Provided by (Used in) Operating Activities	<u>681,741</u>	<u>(122,563)</u>
Cash Flows From Non-Capital Financing Activity		
Transfers in	<u>618,750</u>	<u>618,750</u>
Net Cash Provided by Non-Capital Financing Activity	<u>618,750</u>	<u>618,750</u>
Cash Flows From Investing Activity		
Investment income	<u>6,128</u>	<u>15,516</u>
Net Cash Provided by Investing Activity	<u>6,128</u>	<u>15,516</u>
Increase in Pooled Cash and Investments	1,306,619	511,703
Pooled Cash and Investments - Beginning of Year	<u>3,449,090</u>	<u>2,937,387</u>
Pooled Cash and Investments - End of Year	<u>\$ 4,755,709</u>	<u>\$ 3,449,090</u>
Reconciliation of Operating Loss to Net Cash Used In Operating Activities		
Operating loss	\$ <u>(57,400)</u>	\$ <u>(724,358)</u>
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Miscellaneous income	430,188	61,596
Changes in operating assets, liabilities and deferred inflows/outflows:		
Accounts receivable	(143)	1,028
Deferred amounts related to OPEB	(1,601)	3,345
Deferred amounts related to pensions	264,025	(40,875)
Accounts payable	65,431	341
Accrued expenses	6,921	6,262
Provision for insurance losses	323,476	507,079
Compensated absences payable	(2,271)	19,574
Total OPEB liability	10,319	38,745
Net pension liability (asset)	<u>(357,204)</u>	<u>4,700</u>
Total Adjustments	<u>739,141</u>	<u>601,795</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 681,741</u>	<u>\$ (122,563)</u>

PENSION TRUST FUNDS

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

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

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

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

CITY OF BOYNTON BEACH, FLORIDA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	General Employees' Pension Fund	Police Officers' Pension Fund	Firefighters' Pension Fund	Total 2021	Total 2020
Assets					
Cash	\$ 1,367,611	\$ 2,373	\$ --	\$ 1,369,984	\$ 1,258,478
Investments:					
Money market mutual funds	1,914,345	--	6,466,977	8,381,322	3,882,443
U.S. Government and Agency obligations	6,755,838	--	26,033,863	32,789,701	28,851,671
Municipal obligations	--	--	--	--	70,958
Mortgage-backed securities	3,844,665	--	--	3,844,665	2,639,921
Corporate obligations	3,493,546	--	11,135,362	14,628,908	22,966,040
Equity securities	52,142,658	--	43,236,607	95,379,265	75,847,790
Equity mutual funds	103,022,526	--	--	103,022,526	72,497,680
Equity investment funds	20,367,562	86,039,637	29,294,579	135,701,778	120,410,769
International equity investment funds	--	--	28,692,647	28,692,647	22,618,202
Fixed income investment funds	--	38,471,189	11,667,032	50,138,221	45,424,678
Real estate investment funds	37,071,600	7,874,733	8,585,982	53,532,315	47,047,482
Interest and dividends receivable	84,042	--	136,262	220,304	311,296
Pending trades receivable	61,329	540,633	--	601,962	967,152
DROP loans	--	137,665	98,247	235,912	311,150
Prepaid expenses	8,513	11,934	15,130	35,577	27,972
Total Assets	<u>230,134,235</u>	<u>133,078,164</u>	<u>165,362,688</u>	<u>528,575,087</u>	<u>445,133,682</u>
Liabilities					
Accounts payable	327,704	183,595	160,519	671,818	564,695
Prepaid employee contributions	70,426	--	--	70,426	--
Pending trades payable	562,822	--	319,024	881,846	639,578
Total Liabilities	<u>960,952</u>	<u>183,595</u>	<u>479,543</u>	<u>1,624,090</u>	<u>1,204,273</u>
Net Position Restricted for Pension Benefits	<u>\$ 229,173,283</u>	<u>\$ 132,894,569</u>	<u>\$ 164,883,145</u>	<u>\$ 526,950,997</u>	<u>\$ 443,929,409</u>

CITY OF BOYNTON BEACH, FLORIDA

COMBINING STATEMENT OF FIDUCIARY NET POSITION PENSION TRUST FUNDS

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	General Employees' Pension Fund	Police Officers' Pension Fund	Firefighters' Pension Fund	Total 2021	Total 2020
Additions					
Contributions:					
Employer	\$ 7,468,676	\$ 5,999,430	\$ 5,215,363	\$ 18,683,469	\$ 17,839,679
Plan members	1,789,284	1,409,474	1,658,448	4,857,206	4,689,822
State	--	895,165	995,143	1,890,308	1,789,720
Total Contributions	<u>9,257,960</u>	<u>8,304,069</u>	<u>7,868,954</u>	<u>25,430,983</u>	<u>24,319,221</u>
Investment Earnings					
Net appreciation in fair value of investments	35,346,104	21,506,549	23,457,567	80,310,220	28,779,831
Interest and dividends	3,585,936	10,279	3,208,441	6,804,656	6,702,123
Miscellaneous	37,668	--	327	37,995	4,491
	<u>38,969,708</u>	<u>21,516,828</u>	<u>26,666,335</u>	<u>87,152,871</u>	<u>35,486,445</u>
Less investment expenses	<u>907,403</u>	<u>727,933</u>	<u>450,151</u>	<u>2,085,487</u>	<u>2,029,863</u>
Net Investment Earnings	<u>38,062,305</u>	<u>20,788,895</u>	<u>26,216,184</u>	<u>85,067,384</u>	<u>33,456,582</u>
Total Additions	<u>47,320,265</u>	<u>29,092,964</u>	<u>34,085,138</u>	<u>110,498,367</u>	<u>57,775,803</u>
Deductions					
Benefits paid	11,689,646	7,810,999	7,050,691	26,551,336	26,879,010
Refunds of contributions	369,098	13,824	8,017	390,939	382,314
Administrative expenses	161,047	187,230	186,227	534,504	541,926
Total Deductions	<u>12,219,791</u>	<u>8,012,053</u>	<u>7,244,935</u>	<u>27,476,779</u>	<u>27,803,250</u>
Change in Plan Net Position	35,100,474	21,080,911	26,840,203	83,021,588	29,972,553
Net Position Restricted for Pension Benefits					
Beginning of Year	<u>194,072,809</u>	<u>111,813,658</u>	<u>138,042,942</u>	<u>443,929,409</u>	<u>413,956,856</u>
End of Year	<u>\$ 229,173,283</u>	<u>\$ 132,894,569</u>	<u>\$ 164,883,145</u>	<u>\$ 526,950,997</u>	<u>\$ 443,929,409</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF FIDUCIARY NET POSITION
GENERAL EMPLOYEES' PENSION FUND**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Cash	\$ 1,367,611	\$ 1,256,105
Investments:		
Money market mutual funds	1,914,345	1,607,547
U.S. Government and Agency obligations	6,755,838	13,692,385
Municipal obligations	--	70,958
Mortgage-backed securities	3,844,665	2,639,921
Corporate obligations	3,493,546	10,555,345
Equity securities	52,142,658	44,322,860
Equity mutual funds	103,022,526	72,497,680
Equity investment funds	20,367,562	15,232,144
Real estate investment funds	37,071,600	32,390,460
Interest and dividends receivable	84,042	147,193
Pending trades receivable	61,329	417,035
Prepaid expenses	<u>8,513</u>	<u>4,596</u>
Total Assets	<u>230,134,235</u>	<u>194,834,229</u>
Liabilities		
Accounts payable	327,704	300,094
Prepaid employee contributions	70,426	--
Pending trades payable	<u>562,822</u>	<u>461,326</u>
Total Liabilities	<u>960,952</u>	<u>761,420</u>
Net Position Restricted for Pension Benefits	<u>\$ 229,173,283</u>	<u>\$ 194,072,809</u>

CITY OF BOYNTON BEACH, FLORIDA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
GENERAL EMPLOYEES' PENSION FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Additions		
Contributions:		
Employer	\$ 7,468,676	\$ 7,289,319
Plan members	<u>1,789,284</u>	<u>1,687,097</u>
Total Contributions	<u>9,257,960</u>	<u>8,976,416</u>
Investment Earnings		
Net appreciation in fair value of investments	35,346,104	9,467,570
Interest and dividends	3,585,936	4,280,885
Miscellaneous	<u>37,668</u>	<u>4,011</u>
	38,969,708	13,752,466
Less investment expenses	<u>907,403</u>	<u>867,298</u>
Net Investment Earnings	<u>38,062,305</u>	<u>12,885,168</u>
Total Additions	<u>47,320,265</u>	<u>21,861,584</u>
Deduction		
Benefits paid	11,689,646	11,459,963
Refunds of contributions	369,098	199,848
Administrative expenses	<u>161,047</u>	<u>147,348</u>
Total Deductions	<u>12,219,791</u>	<u>11,807,159</u>
Change in Plan Net Position	<u>35,100,474</u>	<u>10,054,425</u>
Net Position Restricted for Pension Benefits - Beginning of Year	<u>194,072,809</u>	<u>184,018,384</u>
Net Position Restricted for Pension Benefits - End of Year	<u>\$ 229,173,283</u>	<u>\$ 194,072,809</u>

CITY OF BOYNTON BEACH, FLORIDA

**POLICE OFFICERS' PENSION FUND
STATEMENT OF FIDUCIARY NET POSITION**

**SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Assets		
Cash	\$ 2,373	\$ 2,373
Investments:		
Equity investment funds	67,413,280	72,058,817
Fixed income investment funds	38,471,189	32,148,047
Real estate investment funds	7,874,733	7,086,338
1000 index fund	18,626,357	--
Pending trades receivable	540,633	550,117
DROP loans	137,665	174,190
Prepaid expenses	<u>11,934</u>	<u>10,473</u>
Total Assets	<u>133,078,164</u>	<u>112,030,355</u>
Liabilities		
Accounts payable	183,595	187,697
Pending trades payable	<u>--</u>	<u>29,000</u>
Total Liabilities	<u>183,595</u>	<u>216,697</u>
Net Position Restricted for Pension Benefits	<u>\$ 132,894,569</u>	<u>\$ 111,813,658</u>

CITY OF BOYNTON BEACH, FLORIDA

**POLICE OFFICERS' PENSION FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Additions		
Contributions:		
Employer	\$ 5,999,430	\$ 5,815,515
Plan members	1,409,474	1,226,005
State	<u>895,165</u>	<u>907,957</u>
Total Contributions	<u>8,304,069</u>	<u>7,949,477</u>
Investment Earnings		
Net appreciation in fair value of investments	21,506,549	5,476,179
Interest and dividends	10,279	1,190
Miscellaneous	<u>--</u>	<u>480</u>
	21,516,828	5,477,849
Less investment expenses:		
Investment expenses	<u>727,933</u>	<u>741,095</u>
Net Investment Earnings	<u>20,788,895</u>	<u>4,736,754</u>
Total Deductions	<u>29,092,964</u>	<u>12,686,231</u>
Deductions		
Benefits paid	7,810,999	7,755,642
Refunds of contributions	13,824	97,633
Administrative expenses	<u>187,230</u>	<u>165,414</u>
Total Deductions	<u>8,012,053</u>	<u>8,018,689</u>
Change in Plan Net Position	21,080,911	4,667,542
Net Position Restricted for Pension Benefits -		
Beginning of Year	<u>111,813,658</u>	<u>107,146,116</u>
Net Position Restricted for Pension Benefits -		
End of Year	<u>\$ 132,894,569</u>	<u>\$ 111,813,658</u>

CITY OF BOYNTON BEACH, FLORIDA

**FIREFIGHTERS' PENSION FUND
STATEMENT OF FIDUCIARY NET POSITION**

SEPTEMBER 30, 2021

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Investments:		
Money market mutual funds	\$ 6,466,977	\$ 2,274,896
U.S. Government and Agency obligations	26,033,863	15,159,286
Corporate obligations	11,135,362	12,410,695
Equity securities	43,236,607	31,524,930
Equity investment funds	29,294,579	33,119,808
International equity investment funds	28,692,647	22,618,202
Fixed income investment funds	11,667,032	13,276,631
Real estate investment funds	8,585,982	7,570,684
Interest and dividends receivable	136,262	164,103
DROP loans	98,247	136,960
Prepaid expenses	15,130	12,903
Total Assets	<u>165,362,688</u>	<u>138,269,098</u>
Liabilities		
Accounts payable	160,519	76,904
Pending trades payable	319,024	149,252
Total Liabilities	<u>479,543</u>	<u>226,156</u>
Net Position Restricted for Pension Benefits	<u>\$ 164,883,145</u>	<u>\$ 138,042,942</u>

CITY OF BOYNTON BEACH, FLORIDA

**FIREFIGHTERS' PENSION FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2020)**

	<u>2021</u>	<u>2020</u>
Additions		
Contributions:		
Employer	\$ 5,215,363	\$ 4,734,845
Plan members	1,658,448	1,776,720
State	<u>995,143</u>	<u>881,763</u>
Total Contributions	<u>7,868,954</u>	<u>7,393,328</u>
Investment Earnings		
Net appreciation in fair value of investments	23,457,567	13,836,082
Interest and dividends	3,208,441	2,420,048
Miscellaneous	<u>327</u>	<u>--</u>
	26,666,335	16,256,130
Less investment expenses	<u>450,151</u>	<u>421,470</u>
Net Investment Earnings	<u>26,216,184</u>	<u>15,834,660</u>
Total Additions	<u>34,085,138</u>	<u>23,227,988</u>
Deductions		
Benefits paid	7,050,691	7,663,405
Refunds of contributions	8,017	84,833
Administrative expenses	<u>186,227</u>	<u>229,164</u>
Total Deductions	<u>7,244,935</u>	<u>7,977,402</u>
Change in Plan Net Position	26,840,203	15,250,586
Net Position Restricted for Pension Benefits -		
Beginning of Year	<u>138,042,942</u>	<u>122,792,356</u>
Net Position Restricted for Pension Benefits -		
End of Year	<u>\$ 164,883,145</u>	<u>\$ 138,042,942</u>

STATISTICAL SECTION



STATISTICAL SECTION TABLE OF CONTENTS

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

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

CITY OF BOYNTON BEACH, FLORIDA
GOVERNMENT-WIDE NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Net investment in capital assets	\$ 43,154,695	\$ 43,915,691	\$ 48,517,011	\$ 49,878,248	\$ 51,190,967	\$ 51,655,230	\$ 52,390,429	\$ 61,899,426	\$ 73,221,074	\$ 83,013,515
Restricted	6,184,429	4,772,382	3,817,815	3,334,645	3,035,739	6,209,514	9,814,156	12,041,320	7,611,839	13,317,184
Unrestricted (deficit)	38,808,332	37,408,798	36,496,158	(51,459,872)	(47,642,113)	(40,423,781)	(34,845,281)	(33,014,470)	(30,230,441)	(22,004,346)
Total Governmental Activities Net Position	<u>\$ 88,147,456</u>	<u>\$ 86,096,871</u>	<u>\$ 88,830,984</u>	<u>\$ 1,753,021</u>	<u>\$ 6,584,593</u>	<u>\$ 17,440,963</u>	<u>\$ 27,359,304</u>	<u>\$ 40,926,276</u>	<u>\$ 50,602,472</u>	<u>\$ 74,326,353</u>
Business-type Activities										
Net investment in capital assets	134,502,795	135,724,154	134,958,037	135,846,516	138,521,160	137,638,134	139,293,677	142,047,633	153,342,564	149,789,899
Restricted	1,961,504	1,654,178	1,846,079	2,042,671	2,239,433	2,213,359	2,299,384	2,501,622	3,106,103	7,446,336
Unrestricted	30,656,355	27,799,397	25,930,440	14,643,361	14,525,497	15,690,560	13,419,107	13,762,598	2,089,463	5,063,094
Total Business-type Activities Net Position	<u>\$ 167,120,654</u>	<u>\$ 165,177,729</u>	<u>\$ 162,734,556</u>	<u>\$ 152,532,548</u>	<u>\$ 155,286,090</u>	<u>\$ 155,542,053</u>	<u>\$ 155,012,168</u>	<u>\$ 158,311,853</u>	<u>\$ 158,538,130</u>	<u>\$ 162,299,329</u>
Total Primary Government										
Net investment in capital assets	177,657,490	179,639,845	183,475,048	185,724,764	189,712,127	189,293,364	191,684,106	203,947,059	226,563,638	232,803,414
Restricted	8,145,933	6,426,560	5,663,894	5,377,316	5,275,172	8,422,873	12,113,540	14,542,942	10,717,942	20,763,520
Unrestricted (deficit)	69,464,687	65,208,195	62,426,598	(36,816,511)	(33,116,616)	(24,733,221)	(21,426,174)	(19,251,872)	(28,140,978)	(16,941,252)
Total Primary Government Net Position	<u>\$ 255,268,110</u>	<u>\$ 251,274,600</u>	<u>\$ 251,565,540</u>	<u>\$ 154,285,569</u>	<u>\$ 161,870,683</u>	<u>\$ 172,983,016</u>	<u>\$ 182,371,472</u>	<u>\$ 199,238,129</u>	<u>\$ 209,140,602</u>	<u>\$ 236,625,682</u>

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

CITY OF BOYNTON BEACH, FLORIDA
GOVERNMENT-WIDE CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
General government	\$ 16,628,649	\$ 17,367,632	\$ 16,991,337	\$ 16,756,253	\$ 17,446,178	\$ 17,248,803	\$ 21,534,502	\$ 23,485,076	\$ 23,776,458	\$ 25,163,019
Public safety	48,264,463	49,943,737	50,392,153	58,570,187	56,226,627	59,269,809	61,127,252	63,271,710	66,606,767	62,139,809
Physical environment	1,883,613	1,985,677	2,141,055	2,192,587	2,090,605	2,184,200	2,188,823	2,125,856	2,119,313	1,575,544
Economic environment	1,768,934	2,856,423	2,151,592	2,995,977	4,102,240	4,040,011	11,450,205	10,204,754	11,333,855	8,299,197
Culture and recreation	9,624,728	9,972,236	10,924,060	11,127,163	10,947,954	10,786,599	10,900,242	11,432,254	11,422,219	11,191,863
Interest on long-term debt	2,534,797	2,183,781	2,027,810	1,165,259	1,238,456	1,149,442	1,122,852	1,361,811	4,079,820	3,846,471
Total Governmental Activities Expenses	80,705,184	84,309,486	84,628,007	92,807,426	92,052,060	94,678,864	108,323,876	111,881,461	119,338,432	112,215,903
Business-type activities:										
Water and sewer	36,182,879	34,194,478	36,748,098	37,343,155	36,764,285	38,299,935	39,448,905	40,144,769	41,036,731	38,928,678
Sanitation	7,333,593	7,591,901	8,070,015	8,276,973	8,699,222	10,067,260	9,893,397	10,678,459	11,232,760	10,742,454
Golf course	2,127,791	1,989,641	2,035,884	2,007,293	1,859,179	1,535,230	1,563,671	1,731,769	1,754,716	1,648,541
Total Business-type Activities Expenses	45,644,263	43,776,020	46,853,997	47,627,421	47,322,686	49,902,425	50,905,973	52,554,997	54,024,207	51,319,673
Total Primary Government Expenses	\$ 126,349,447	\$ 128,085,506	\$ 131,482,004	\$ 140,434,847	\$ 139,374,746	\$ 144,581,289	\$ 159,229,849	\$ 164,436,458	\$ 173,362,639	\$ 163,535,576
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 5,968,670	\$ 6,263,060	\$ 6,219,554	\$ 7,371,307	\$ 7,045,867	\$ 7,065,570	\$ 10,313,177	\$ 11,080,582	\$ 8,282,797	\$ 9,546,149
Public safety	10,924,447	5,786,137	6,101,902	7,242,279	7,853,220	8,173,541	7,915,513	15,801,777	15,713,173	15,872,161
Physical environment	193,742	221,175	178,455	138,400	86,225	143,100	158,158	170,726	243,090	181,423
Economic environment	10,472	--	--	--	--	1,128	5,247	--	--	--
Culture and recreation	1,149,664	1,203,181	1,242,486	1,355,498	1,237,221	1,104,571	1,176,531	1,817,879	743,273	1,477,251
Operating grants and contributions:										
General government	23,704	42,685	59,166	73,128	164,095	3,233,477	211,528	209,101	230,893	223,644
Public safety	622,669	529,019	715,856	719,927	109,325	213,308	92,854	87,411	1,836,803	518,956
Physical environment	80,800	--	--	--	--	--	--	--	--	--
Economic environment	1,036,594	1,509,293	924,141	705,285	714,658	565,364	935,697	850,353	484,073	1,165,983
Culture and recreation	340,025	290,026	170,623	399,106	282,510	450,029	213,693	22,132	184,568	244,967
Capital grants and contributions:										
General government	--	--	--	--	--	--	--	--	254,793	--
Public safety	56,986	59,101	56,159	78,967	--	--	22,997	17,903	465,860	481,165
Physical environment	68,710	--	--	--	--	--	--	--	--	--
Economic environment	17,864	--	--	--	--	--	--	--	--	--
Culture and recreation	50,700	58,092	50,651	37,779	27,256	3,632	72,331	69,074	190,466	51,024
Total Governmental Activities Program Revenues	20,545,047	15,961,769	15,718,993	18,121,676	17,520,377	20,953,720	21,117,726	30,126,938	28,629,789	29,762,723
Business-type activities:										
Charges for services:										
Water and sewer	38,025,492	38,814,428	41,544,004	43,589,493	45,095,405	46,056,827	46,397,059	48,053,094	48,589,183	50,196,287
Sanitation	10,245,462	10,361,241	10,615,183	10,881,915	11,322,781	11,854,871	11,911,986	12,623,017	13,026,268	13,268,238
Golf course	1,816,629	1,721,776	1,677,960	1,744,974	1,451,977	1,284,176	1,569,682	1,989,009	2,018,371	2,552,175
Operating grants and contributions:										
Sanitation	--	--	--	--	--	--	--	--	--	--
Capital grants and contributions:										
Water and sewer	226,811	2,503,790	302,801	2,651,490	1,911,050	215,756	2,138,466	1,732,808	476,654	367,348
Total Business-type Activities Program Revenues	50,314,394	53,401,235	54,139,948	58,867,872	59,781,213	59,411,630	62,017,193	64,397,928	64,110,476	66,384,048
Total Primary Government Program Revenues	\$ 70,859,441	\$ 69,363,004	\$ 69,858,941	\$ 76,989,548	\$ 77,301,590	\$ 80,365,350	\$ 83,134,919	\$ 94,524,866	\$ 92,740,265	\$ 96,146,771
Net (Expense)/Revenue										
Governmental activities	(60,160,137)	(68,347,717)	(68,909,014)	(74,685,750)	(74,531,683)	(73,725,144)	(87,206,150)	(81,754,523)	(90,708,643)	(82,453,180)
Business-type activities	4,670,131	9,625,215	7,285,951	11,240,451	12,458,527	9,509,205	11,111,220	11,842,931	10,086,269	15,064,375
Total Primary Government Net Expense	\$ (55,490,006)	\$ (58,722,502)	\$ (61,623,063)	\$ (63,445,299)	\$ (62,073,156)	\$ (64,215,939)	\$ (76,094,930)	\$ (69,911,592)	\$ (80,622,374)	\$ (67,388,805)

CITY OF BOYNTON BEACH, FLORIDA

GOVERNMENT-WIDE CHANGES IN NET POSITION (CONTINUED)

**LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 22,600,580	\$ 23,480,334	\$ 25,080,586	\$ 26,891,091	\$ 29,642,316	\$ 31,704,673	\$ 33,819,753	\$ 36,273,555	\$ 38,488,762	\$ 40,922,907
Tax increment	5,730,453	5,614,228	7,022,119	8,317,868	9,585,902	10,579,150	11,776,329	12,549,087	13,932,896	14,928,164
Franchise taxes	4,287,510	4,296,681	4,636,483	4,688,568	4,669,059	4,784,734	4,715,685	4,581,640	4,503,615	4,688,829
Public service taxes	5,928,449	6,395,124	6,987,760	7,156,246	7,352,212	7,576,223	7,735,274	7,873,870	7,817,800	7,951,801
Communications services tax	2,583,369	2,775,603	2,494,978	2,509,197	2,383,974	2,558,269	2,325,012	2,552,477	2,747,866	2,685,713
Sales taxes	4,462,768	4,702,203	5,033,943	5,434,292	4,760,885	5,738,662	11,162,782	12,058,775	11,091,619	12,952,881
Gas taxes	1,159,641	1,152,519	1,199,533	1,279,010	1,313,329	1,368,662	1,401,786	1,415,063	1,301,895	1,361,830
Intergovernmental, unrestricted	2,109,974	2,226,865	2,400,103	2,378,947	2,484,312	2,638,921	2,938,720	3,049,123	2,820,257	3,322,120
Special assessments	--	4,935,223	4,933,830	5,607,447	5,680,335	5,692,928	6,859,492	--	--	--
Investment earnings (loss)	614,233	(47,898)	188,876	215,569	248,905	308,926	491,696	1,188,447	967,078	511,233
Gain on disposal of capital assets	--	--	--	--	--	--	--	177,653	283,745	411,459
Miscellaneous	855,739	927,210	1,273,177	972,829	759,197	2,022,322	3,525,293	3,494,049	5,702,751	5,077,689
Transfers	11,155,338	10,286,077	10,391,739	11,030,255	10,482,829	9,608,044	9,740,787	10,107,756	10,726,555	11,362,435
Total Governmental Activities	<u>61,488,054</u>	<u>66,744,169</u>	<u>71,643,127</u>	<u>76,481,319</u>	<u>79,363,255</u>	<u>84,581,514</u>	<u>96,492,609</u>	<u>95,321,495</u>	<u>100,384,839</u>	<u>106,177,061</u>
Business-type activities:										
Investment earnings (loss)	1,104,858	(331,102)	614,598	715,946	697,288	314,624	54,395	1,434,870	793,731	126,888
Gain on disposal of capital assets	--	--	--	--	--	--	--	--	--	(212,861)
Miscellaneous	35,446	48,300	48,017	51,846	80,556	40,178	99,382	129,640	72,832	145,232
Transfers	(11,155,338)	(10,286,077)	(10,391,739)	(11,030,255)	(10,482,829)	(9,608,044)	(9,740,787)	(10,107,756)	(10,726,555)	(11,362,435)
Total Business-type Activities	<u>(10,015,034)</u>	<u>(10,568,879)</u>	<u>(9,729,124)</u>	<u>(10,262,463)</u>	<u>(9,704,985)</u>	<u>(9,253,242)</u>	<u>(9,587,010)</u>	<u>(8,543,246)</u>	<u>(9,859,992)</u>	<u>(11,303,176)</u>
Total Primary Government	<u>\$ 51,473,020</u>	<u>\$ 56,175,290</u>	<u>\$ 61,914,003</u>	<u>\$ 66,218,856</u>	<u>\$ 69,658,270</u>	<u>\$ 75,328,272</u>	<u>\$ 86,905,599</u>	<u>\$ 86,778,249</u>	<u>\$ 90,524,847</u>	<u>\$ 94,873,885</u>
Change in Net Position (Deficit)										
Governmental activities	1,327,917	66,744,169	2,734,113	1,795,569	4,831,572	10,856,370	9,286,459	13,566,972	9,676,196	23,723,881
Business-type activities	(5,344,903)	(10,568,879)	(2,443,173)	977,988	2,753,542	255,963	1,524,210	3,299,685	226,277	3,761,199
Total Primary Government	<u>\$ (4,016,986)</u>	<u>\$ 56,175,290</u>	<u>\$ 290,940</u>	<u>\$ 2,773,557</u>	<u>\$ 7,585,114</u>	<u>\$ 11,112,333</u>	<u>\$ 10,810,669</u>	<u>\$ 16,866,657</u>	<u>\$ 9,902,473</u>	<u>\$ 27,485,080</u>

CITY OF BOYNTON BEACH, FLORIDA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE

LAST TEN FISCAL YEARS

Fiscal Year	Property Taxes	Franchise Taxes	Public Service Taxes	Communications Services Taxes	Sales Taxes⁽¹⁾	Gas Taxes	Total
2012	\$ 28,331,033	\$ 4,287,510	\$ 5,928,449	\$ 2,583,369	\$ 4,462,768	\$ 1,159,641	\$ 46,752,770
2013	29,094,562	4,296,681	6,395,124	2,775,603	4,702,203	1,152,519	48,416,692
2014	32,102,705	4,636,483	6,987,760	2,494,978	5,033,943	1,199,533	52,455,402
2015	35,208,959	4,688,568	7,156,246	2,509,197	5,434,292	1,279,010	56,276,272
2016	39,228,218	4,669,059	7,352,212	2,383,974	4,760,885	1,313,329	59,707,677
2017	42,283,823	4,784,734	7,576,223	2,558,269	5,738,662	1,368,662	64,310,373
2018	45,596,082	4,715,685	7,735,274	2,325,012	11,162,782	1,401,786	72,936,621
2019	48,822,642	4,581,640	7,873,870	2,552,477	12,058,775	1,415,063	77,304,467
2020	52,421,658	4,503,615	7,817,800	2,747,866	11,091,619	1,301,895	79,884,453
2021	55,851,071	4,688,829	7,951,801	2,685,713	12,952,881	1,361,830	85,492,125

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

CITY OF BOYNTON BEACH, FLORIDA

FUND BALANCE OF GOVERNMENTAL FUNDS

**LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Funds										
Nonspendable										
Prepaid items	\$ 143,862	\$ 106,222	\$ 98,886	\$ 124,236	\$ 162,954	\$ 469,156	\$ 490,897	\$ 82,095	\$ 69,144	\$ 35,888
Committed to:										
Emergency purposes	6,882,152	7,126,713	7,254,011	7,651,856	7,940,131	8,324,107	8,324,107	8,324,107	8,324,107	8,324,107
Assigned to:										
Subsequent year's budget	2,897,849	2,420,738	461,356	450,645	1,006,726	118,100	--	1,286,655	923,613	923,613
Unassigned	2,906,439	1,541,293	3,463,775	6,852,818	6,895,157	7,439,695	7,118,719	7,782,240	8,128,675	6,590,424
Total General Fund	\$ 12,830,302	\$ 11,194,966	\$ 11,278,028	\$ 15,079,555	\$ 16,004,968	\$ 16,351,058	\$ 15,933,723	\$ 17,475,097	\$ 17,445,539	\$ 15,874,032
All Other Governmental Funds										
Nonspendable:										
Prepaid items	\$ 25,353	\$ 106,626	\$ 69,514	\$ 67,517	\$ 96,965	\$ 193,714	\$ 201,469	\$ 257,129	\$ 237,967	\$ 179,119
Restricted for:										
Economic development	--	--	--	--	--	88,123	--	--	--	--
Public safety	888,052	652,154	590,369	787,731	482,594	325,021	293,168	529,142	699,614	653,322
Grant programs	1,569,109	1,652,063	1,692,416	1,920,891	1,898,147	1,909,342	1,307,599	1,311,006	3,144,526	1,850,224
Debt service	3,118,504	1,607,500	827,500	--	--	--	91,183	109,356	116,097	120,621
Capital projects	237,690	288,138	316,121	423,693	237,145	3,407,924	7,564,049	9,609,894	3,300,787	2,847,093
Other purposes	371,074	572,527	391,409	202,330	417,853	479,104	558,157	481,922	350,815	1,582,126
Committed for:										
Economic development	467,783	336,446	707,515	160,412	1,022,417	1,196,851	658,307	1,425,909	1,425,909	874,999
Debt service	--	57,187	60,511	66,231	72,205	78,291	--	--	--	--
Capital projects	513,176	136,254	663,585	804,049	2,397,914	4,231,375	5,777,612	5,777,612	5,777,612	3,908,906
Assigned to:										
Economic development	3,117,712	2,563,918	2,496,123	2,825,016	2,843,502	2,839,349	1,598,959	1,295,949	1,553,024	2,852,349
Debt service	1,832,634	2,018,843	2,814,438	2,313,596	3,648,413	4,515,502	5,110,955	5,385,751	5,704,587	6,091,634
Public safety	66,557	110,462	45,348	--	350,738	859,078	1,346,197	2,042,635	2,003,275	2,821,213
Culture and recreation	919,538	825,207	731,849	616,944	612,470	467,358	529,558	797,811	534,249	617,535
Cemetery maintenance	4,117,895	4,056,731	3,989,764	3,857,723	3,636,060	3,453,801	3,272,915	3,204,862	3,132,484	2,991,802
Capital projects	5,750,493	6,329,544	5,341,477	6,490,977	6,307,610	6,850,038	8,220,118	7,402,095	8,421,017	10,293,644
Unassigned (deficit)	(431,343)	187,983	(367,163)	284,207	490,503	(303,770)	(219,251)	(254,364)	(876,309)	(835,941)
Total All Other Governmental Funds	\$ 22,564,227	\$ 21,501,583	\$ 20,370,776	\$ 20,821,317	\$ 24,514,536	\$ 30,591,101	\$ 36,310,995	\$ 39,376,709	\$ 35,525,654	\$ 36,848,646

CITY OF BOYNTON BEACH, FLORIDA
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

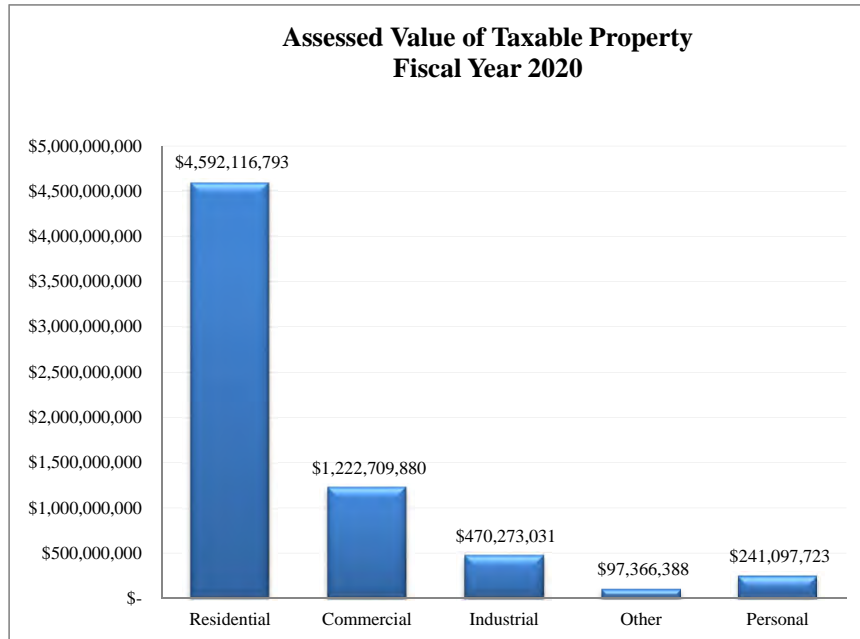
	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	\$ 39,365,949	\$ 40,767,941	\$ 44,217,234	\$ 47,748,292	\$ 51,917,489	\$ 55,449,182	\$ 58,760,618	\$ 62,408,417	\$ 66,080,142	\$ 69,273,439
Licenses and permits	6,415,141	6,712,501	6,848,006	7,445,570	7,580,666	7,614,649	8,665,143	9,832,377	7,899,485	9,089,989
Intergovernmental	10,905,362	10,924,332	11,373,452	11,824,905	10,464,412	14,616,730	17,480,482	18,659,804	19,382,807	21,106,664
Charges for services	7,120,281	7,334,438	7,484,480	8,810,314	8,428,918	9,559,547	9,267,679	9,874,846	9,500,539	10,221,178
Special assessments	4,904,844	4,935,223	4,933,831	5,607,447	5,680,334	5,692,928	6,859,493	6,773,585	6,883,199	7,033,880
Fines and forfeitures	1,904,061	1,727,138	1,834,271	1,985,878	2,384,364	1,512,195	1,928,363	2,433,096	2,591,600	2,984,896
Rents and royalties	331,689	336,908	345,242	364,343	404,255	413,386	437,947	477,669	261,296	550,081
Investment earnings (loss)	537,604	(20,813)	177,599	206,789	243,507	305,799	487,506	1,169,481	951,562	504,390
Donations	183,587	339,365	192,767	236,393	189,328	404,961	279,181	210,060	244,764	221,412
Miscellaneous	278,182	447,344	517,270	519,937	435,592	1,060,287	4,984,607	4,525,598	5,903,822	4,570,117
Total Revenues	71,946,700	73,504,377	77,924,152	84,749,868	87,728,865	96,629,664	109,151,019	116,364,933	119,699,216	125,556,046
Expenditures										
Current:										
General government	13,376,103	14,555,256	15,142,282	12,906,141	13,437,110	14,398,273	20,335,069	22,024,899	18,225,436	18,742,441
Public safety	47,143,279	48,947,953	49,594,033	53,227,085	56,329,759	58,359,234	60,736,128	62,628,820	64,151,946	69,537,493
Physical environment	1,029,639	1,156,818	1,303,407	1,320,137	1,292,729	1,347,505	1,324,885	1,271,199	1,297,408	1,444,533
Economic environment	1,756,329	2,838,375	2,164,536	2,973,379	4,114,899	4,025,651	6,477,579	8,837,599	11,308,172	8,312,746
Culture and recreation	7,612,261	7,997,433	8,968,951	8,905,292	8,956,644	8,823,549	8,886,654	9,554,915	9,665,155	10,644,968
Capital outlay	3,007,837	2,462,094	4,530,865	2,729,896	3,206,652	3,879,540	8,494,644	13,676,709	91,408,918	11,164,232
Debt service:										
Principal	2,527,960	2,790,006	2,888,390	2,675,595	2,697,762	3,525,000	4,477,617	6,390,366	8,977,634	7,928,796
Interest and other fiscal charges	2,614,668	3,252,592	2,039,375	1,650,092	1,027,118	959,828	930,787	1,169,990	3,978,665	3,566,298
Debt issuance costs	--	--	--	117,758	--	--	--	--	--	--
Total Expenditures	79,068,076	84,000,527	86,631,839	86,505,375	91,062,673	95,318,580	111,663,363	125,554,497	209,013,334	131,341,507
Revenues Over (Under) Expenditures	(7,121,376)	(10,496,150)	(8,707,687)	(1,755,507)	(3,333,808)	1,311,084	(2,512,344)	(9,189,564)	(89,314,118)	(5,785,461)
Other Financing Sources (Uses)										
Transfers in	27,695,921	22,002,164	23,653,669	24,565,411	25,344,133	25,698,050	28,239,670	27,479,594	35,812,024	33,988,849
Transfers out	(18,732,813)	(14,248,994)	(15,993,727)	(16,655,675)	(17,947,694)	(20,586,479)	(23,174,119)	(22,369,940)	(30,231,654)	(28,451,903)
Proceeds from the sale of capital assets	--	--	--	--	556,001	--	1,154,212	--	--	--
Issuance of capital lease agreements	--	--	--	--	--	--	--	--	79,853,165	--
Debt proceeds	--	16,185,000	--	29,720,947	--	--	1,595,140	8,686,998	--	--
Payment to refunded bond escrow agent	--	(16,140,000)	--	(31,623,108)	--	--	--	--	--	--
Total Other Financing Sources (Uses)	8,963,108	7,798,170	7,659,942	6,007,575	7,952,440	5,111,571	7,814,903	13,796,652	85,433,535	5,536,946
Net Change in Fund Balance	\$ 1,841,732	\$ (2,697,980)	\$ (1,047,745)	\$ 4,252,068	\$ 4,618,632	\$ 6,422,655	\$ 5,302,559	\$ 4,607,088	\$ (3,880,583)	\$ (248,515)
Debt Service as a Percentage of										
Non-Capital Expenditures	<u>6.76%</u>	<u>7.41%</u>	<u>6.00%</u>	<u>5.17%</u>	<u>4.24%</u>	<u>4.90%</u>	<u>5.24%</u>	<u>6.76%</u>	<u>11.02%</u>	<u>9.57%</u>

CITY OF BOYNTON BEACH, FLORIDA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

Fiscal Year	Property Types					Fiscal Year	Total Taxable Value ⁽¹⁾	Total Direct Tax Rate ⁽²⁾	Total Actual Value ⁽³⁾	Taxable Value as a % of Actual Value
	Residential	Commercial	Industrial	Other	Personal					
2012	\$ 2,372,668,214	\$ 746,944,112	\$ 348,003,702	\$ 55,371,557	\$ 240,255,636	2012	\$ 3,763,243,221	7.1941	\$ 5,195,441,429	72.43 %
2013	2,320,445,333	729,017,453	339,651,613	54,042,639	234,489,500	2013	3,677,646,538	7.6000	5,037,982,238	73.00
2014	2,436,467,599	810,364,696	342,148,867	53,926,467	241,430,308	2014	3,884,337,937	7.9000	5,353,496,813	72.56
2015	2,923,761,118	972,437,635	410,578,640	73,888,557	265,510,848	2015	4,646,176,798	7.9000	6,786,463,694	68.46
2016	3,159,914,754	1,085,753,914	439,319,144	79,060,755	257,206,056	2016	5,021,254,623	7.9000	7,389,490,524	67.95
2017	3,654,470,712	1,075,226,494	386,020,388	74,713,623	223,599,467	2017	5,414,030,684	7.9000	7,952,133,115	68.08
2018	3,938,326,539	1,135,743,874	408,311,796	83,097,704	226,176,763	2018	5,791,656,676	7.9000	8,411,325,671	68.86
2019	4,221,761,871	1,217,481,622	437,697,370	89,078,118	242,454,358	2019	6,208,473,339	7.9000	8,960,659,593	69.29
2020	4,592,116,793	1,222,709,880	470,273,031	97,366,388	241,097,723	2020	6,623,563,815	7.9000	9,342,102,055	70.90
2021	4,903,393,850	1,189,227,476	500,544,665	101,358,559	247,842,504	2021	6,942,367,053	7.8900	9,923,407,613	69.96



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

⁽²⁾ Includes debt service

⁽³⁾ Actual Value = Just Value

Source: Palm Beach County Property Appraiser

Source: Palm Beach County Property Appraiser

CITY OF BOYNTON BEACH, FLORIDA

PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS PER \$1,000 of ASSESSED VALUE)

Fiscal Year	City of Boynton Beach			Palm Beach County			Schools			Other ⁽¹⁾	Total
	Operating Millage	Debt Service	Total City	Operating Millage	Debt Service	Total County	Operating Millage	Debt Service	Total Schools		
2012	7.1941	0.0000	7.1941	4.7815	0.2110	4.9925	8.1800	0.0000	8.1800	2.3088	22.6754
2013	7.6000	0.0000	7.6000	4.7815	0.2087	4.9902	7.7780	0.0000	7.7780	2.3154	22.6836
2014	7.9000	0.0000	7.9000	4.7815	0.2037	4.9852	7.5860	0.0000	7.5860	2.2800	22.7512
2015	7.9000	0.0000	7.9000	4.7815	0.1914	4.9729	7.5940	0.0000	7.5940	2.1732	22.6401
2016	7.9000	0.0000	7.9000	4.7815	0.1327	4.9142	7.5120	0.0000	7.5120	2.0974	22.4236
2017	7.9000	0.0000	7.9000	4.7815	0.1210	4.9025	7.0700	0.0000	7.0700	1.8518	21.7243
2018	7.9000	0.0000	7.9000	4.7815	0.1208	4.9023	6.7690	0.0000	6.7690	1.7818	21.3531
2019	7.9000	0.0000	7.9000	4.7815	0.0765	4.8580	7.1640	0.0000	7.1640	1.6870	21.6090
2020	7.9000	0.0000	7.9000	4.7815	0.0309	4.8124	8.0654	0.0000	8.0654	1.6753	22.4531
2021	7.8900	0.0000	7.8900	4.7815	0.0334	4.8149	6.8750	0.0000	6.8750	1.6386	21.2185

Source: Palm Beach County Property Appraiser

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

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

CITY OF BOYNTON BEACH, FLORIDA

TEN PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2021				2012			
	City Tax Amount	Taxable Value			Taxable Value			
		Value	Rank	%	Value	Rank	%	
Florida Power & Light Co.	\$ 1,001,543	\$ 126,938,268	1	1.83%	\$ --	--	--	
Seabourn Cove Holdings LLC	891,469	112,987,166	2	1.63%	--	--	--	
CH Realty VII PSREG Boynton Beach Las Vegas	686,430	87,000,000	3	1.25%	--	--	--	
IMT Capital V Boynton Beach LLC	641,446	81,298,597	4	1.17%	--	--	--	
Duke PGC at Quantum 19 LLC	575,437	72,932,500	5	1.05%	--	--	--	
Northland Lugano LLC	514,397	65,196,106	6	0.94%	--	--	--	
RRPIV Cortina LLC	507,884	64,370,594	7	0.93%	--	--	--	
WSRE CP PAC Investors LLC	481,870	61,073,500	8	0.88%	--	--	--	
Avanti Residential 500 Ocean TIC I LLC	436,975	55,383,363	9	0.80%	--	--	--	
Morguard Boynton Town Center INC	354,337	44,909,609	10	0.65%	--	--	--	
Florida Power and Light Co	--	--	--	--	86,562,910	1	2.30%	
Boynton Waterways Investment Assoc. LLC	--	--	--	--	57,897,351	2	1.54%	
Las Ventanas at Boynton Beach Ltd.	--	--	--	--	47,000,000	3	1.25%	
Boynton JCP Associates	--	--	--	--	44,464,249	4	1.18%	
Duke PGC at Quantum 1 9 LLC	--	--	--	--	43,046,339	5	1.14%	
City National Bank of Florida	--	--	--	--	39,513,246	6	1.05%	
Morguard Boynton Town Center INC	--	--	--	--	33,284,443	7	0.88%	
Boynton Development Associates II LLC	--	--	--	--	33,103,283	8	0.88%	
EQR FREWAC 2008 Limited Partner	--	--	--	--	29,282,532	9	0.78%	
Villas at Quantum Lakes Inc.	--	--	--	0.00%	23,652,236	10	0.63%	
	6,091,788	772,089,703		11.13%	437,806,589		11.63%	
Other	46,043,439	6,170,277,350		88.87%	3,325,436,632		88.37%	
Total Tax and Final Taxable Value	\$ 52,135,227	\$ 6,942,367,053		100.00%	\$ 3,763,243,221		100.00%	

CITY OF BOYNTON BEACH, FLORIDA

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Total General Fund Property Tax Levied for Fiscal Year	General Fund Property Tax Collections				
		Current Property Taxes Collected		Delinquent Taxes (Refunds)	Total Property Taxes Collected	
		Amount	% of Levy ⁽¹⁾		Amount	% of Levy ⁽¹⁾
2012	\$ 27,109,849	\$ 26,858,653	99.1%	\$ 132,961	\$ 26,991,614	99.6%
2013	27,950,114	27,720,517	99.2%	176,046	27,896,563	99.8%
2014	29,736,500	29,372,243	98.8%	82,805	29,455,048	99.1%
2015	33,372,261	31,930,094	95.7%	142,652	32,072,746	96.1%
2016	36,619,390	35,249,544	96.3%	364,353	35,613,897	97.3%
2017	39,712,237	38,100,867	95.9%	266,011	38,366,878	96.6%
2018	41,458,358	41,175,720	99.3%	62,632	41,188,352	99.3%
2019	45,698,641	45,670,932	99.9%	15,903	45,686,835	100.0%
2020	49,100,107	48,896,218	99.6%	61,632	48,957,850	99.7%
2021	52,330,060	52,135,227	99.6%	--	52,135,227	99.6%

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

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

CITY OF BOYNTON BEACH, FLORIDA

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Governmental Activities					Business-type Activities	Total Primary Government	Per Capita
	CRA Promissory Notes*	CRA Tax Increment Revenue Bonds/Note*	Public Service Tax Bonds	Note Payable	Capital Lease / Installment Agreements	Water & Sewer Revenue Bonds		
2012	\$ 1,075,753	\$ 23,820,000	\$ 28,550,000	\$ --	\$ --	\$ 76,179,187	\$ 129,624,940	\$ 1,849
2013	828,747	23,162,000	27,185,000	--	--	73,671,656	124,847,403	1,781
2014	567,357	21,965,000	25,755,000	--	--	70,529,795	118,817,152	1,678
2015	290,762	20,031,000	24,850,000	--	--	67,258,586	112,430,348	1,570
2016	--	18,744,000	23,730,000	--	--	63,843,581	106,317,581	1,461
2017	--	17,119,000	21,830,000	--	--	83,275,514	122,224,514	1,617
2018	--	15,449,000	19,890,000	--	727,523	90,610,047	126,676,570	1,649
2019	--	13,738,000	17,920,000	4,350,000	2,355,155	86,707,553	125,070,708	1,610
2020	--	11,976,000	15,825,000	1,850,000	79,587,686	82,817,392	192,056,078	2,447
2021	--	10,169,000	13,695,000	--	--	77,895,000	101,759,000	1,266

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

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

CITY OF BOYNTON BEACH, FLORIDA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Population	Taxable Value of Property	General Obligation Debt (including CRA Debt)	Less: Amounts Available in Debt Service Funds	Net General Obligation Debt	Percentage of Actual Taxable Value of Property	Per Capita
2012	70,101	\$ 3,763,243,221	\$ 1,075,753	\$ --	\$ 1,075,753	0.029%	15.35
2013	70,101	3,677,646,538	828,747	--	828,747	0.023%	11.82
2014	70,800	3,884,337,937	567,357	--	567,357	0.015%	8.01
2015	71,608	4,646,176,798	290,762	--	290,762	0.006%	4.06
2016	72,784	5,021,254,623	--	--	--	0.000%	--
2017	75,569	5,414,030,684	--	--	--	0.000%	--
2018	76,800	5,791,656,676	--	--	--	0.000%	--
2019	77,696	6,208,473,339	--	--	--	0.000%	--
2020	78,495	6,623,563,815	--	--	--	0.000%	--
2021	80,380	6,942,367,053	--	--	--	0.000%	--

Source: City of Boynton Beach Financial Services Department

CITY OF BOYNTON BEACH, FLORIDA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2021

	Net Governmental Activities Debt	Estimated Percent Applicable	Direct and Overlapping Net General Obligation Debt
Direct:			
City of Boynton Beach:	\$ --	100.00%	\$ --
Overlapping:			
Palm Beach County:			
General obligation bonds	\$ 35,700,000	3.30%	1,179,384
Palm Beach County School District:			
General obligation bonds	5,379,000	3.30%	
Certificates of Participation	1,487,324,890	3.30%	49,135,208
Total direct and overlapping bonded debt payable from taxes	\$ 1,528,403,890		\$ 50,314,592
Boynton Beach estimated population			80,380
Direct and overlapping net debt per capita			\$ 625.96

Sources: Assessed value data used to estimate applicable percentages provided by Palm Beach County.
Debt outstanding data provided by Palm Beach County and Palm Beach County School Board.

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

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the county's total taxable assessed value.

CITY OF BOYNTON BEACH, FLORIDA

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Debt Limit	Total Net Debt Applicable to Debt Limit	Legal Debt Margin	% of Total Net Debt Applicable to Debt Limit
	(A)	(B)	(A) - (B)	(B) / (A)
2012	\$ 519,544,143	\$ 1,075,753	\$ 518,468,390	0.21%
2013	503,798,224	828,747	502,969,477	0.16%
2014	535,349,681	567,357	534,782,324	0.11%
2015	678,646,369	290,762	678,355,607	0.04%
2016	738,949,052	--	738,949,052	0.00%
2017	795,213,312	--	795,213,312	0.00%
2018	841,132,567	727,523	840,405,044	0.00%
2019	896,065,959	2,355,155	893,710,804	0.26%
2020	934,210,206	--	934,210,206	0.00%
2021	992,340,761	--	992,340,761	0.00%

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed valuations:	
Taxable value	\$ 6,942,367,053
Add back exempt property	<u>2,981,040,560</u>
Total assessed value for debt limit	<u>\$ 9,923,407,613</u>
Legal debt margin:	
Debt limitation - 10% of total assessed value for debt limit	<u>\$ 992,340,761</u>
Debt applicable to limitation:	
Total general obligation debt	--
Less: Amount available for repayment of general obligation debt	<u>--</u>
Total net debt applicable to debt limit	<u>--</u>
Legal debt margin	<u>\$ 992,340,761</u>

The City has established a maximum cap for long-term general obligation debt as 10% of the total assessed value of both real and personal property within the City limits. This cap shall be adjusted annually to reflect the annual changes in the assessed value.

CITY OF BOYNTON BEACH, FLORIDA

PLEDGED REVENUE COVERAGE - WATER & SEWER BONDS

LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Water and Sewer Revenue Bonds					
	Revenues ⁽¹⁾	Current Expenses ⁽¹⁾	Net Available Revenues	Debt Service Payments		Coverage ⁽²⁾
				Principal	Interest	
2012	\$ 39,219,086	\$ 22,145,529	\$ 17,073,557	\$ 2,685,000	\$ 2,397,740	3.36
2013	38,639,303	21,862,965	16,776,338	2,170,000	3,382,123	3.02
2014	42,291,880	22,397,705	19,894,175	2,810,000	3,289,266	3.26
2015	44,453,262	22,479,193	21,974,069	2,945,000	3,129,086	3.62
2016	45,867,901	21,809,615	24,058,286	3,095,000	2,976,734	3.96
2017	46,411,629	22,617,289	23,794,340	3,255,000	3,136,770	3.72
2018	46,548,876	22,331,704	24,217,172	3,425,000	3,261,374	3.62
2019	49,617,445	23,745,897	25,871,548	3,605,000	3,370,201	3.71
2020	49,450,187	24,672,816	24,777,371	4,215,000	3,192,714	3.34
2021	50,399,813	26,121,308	24,278,505	4,310,000	1,002,696	4.57

The following definitions are in accordance with the bond resolutions:

- (1) Revenues include operating and certain non-operating revenues and transfers. Current expenses include operating and non-operating expenses (excludes depreciation, amortization, and transfers for administrative expenses).
- (2) Coverage requirement is 110% of current debt service.

Source: City of Boynton Beach Financial Services Department

CITY OF BOYNTON BEACH, FLORIDA

PLEDGED REVENUE COVERAGE - PUBLIC SERVICE TAX BONDS

LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Public Service Tax Revenues	Debt Service		Coverage ⁽¹⁾
		Principal	Interest	
2012	\$ 8,511,818	\$ 1,300,000	\$ 1,329,165	3.24
2013	9,170,727	1,365,000	1,265,315	3.49
2014	9,482,738	1,430,000	1,198,709	3.61
2015	9,665,443	1,500,000	1,128,828	3.68
2016	9,736,186	1,120,000	466,455	6.14
2017	10,134,492	1,900,000	446,273	4.32
2018	10,060,286	1,940,000	406,770	4.29
2019	10,426,347	1,970,000	368,648	4.46
2020	10,637,514	2,130,000	287,820	4.40
2021	10,644,044	2,130,000	287,820	4.40

Coverage requirement is 110% of current debt service.

Source: City of Boynton Beach Financial Services Department

CITY OF BOYNTON BEACH, FLORIDA

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Population⁽¹⁾</u>	<u>Per Capita Personal Income⁽¹⁾</u>	<u>Total Average School Enrollment⁽²⁾</u>	<u>Unemployment Rate⁽³⁾</u>
2012	70,101	55,628	174,594	9.2%
2013	70,101	57,985	177,797	7.1%
2014	70,800	58,565	180,285	6.0%
2015	71,608	66,914	183,447	5.3%
2016	72,784	68,714	186,291	4.8%
2017	75,569	55,322	189,320	4.2%
2018	76,800	50,561	195,289	3.5%
2019	77,696	52,078	196,335	3.6%
2020	78,495	55,463	198,133	9.1%
2021	80,380	87,478	191,154	5.2%

(1) Source: University of Florida, Bureau of Business and Economic Research
Personal Income represents Palm Beach County (Revised)

(2) Source: School District of Palm Beach County - Enrollment Reports

(3) Source: Florida Department of Commerce, Division of Employment Security
Data is for Palm Beach County

CITY OF BOYNTON BEACH, FLORIDA

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Employer	2021			2012		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Palm Beach County School District	22,600	1	N/A	21,718	1	N/A
Tenet Coastal Division Palm Beach County	6,505	2	N/A	5,127	3	N/A
Palm Beach County	5,686	3	N/A	11,381	2	N/A
NextEra Energy, Inc	5,119	4	N/A	3,658	5	N/A
Florida Atlantic University	3,133	5	N/A	2,776	6	N/A
Boca Raton Regional Hospital	3,052	6	N/A			N/A
Veterans Health Administration	3,000	7	N/A	2,700	7	N/A
HCA Health Administration	2,806	8	N/A			N/A
The Breakers	2,300	9	N/A	2,300	8	N/A
Bethesda Hospital	2,282	10	N/A	2,282	9	N/A
Hospital Corp of America - HCA	--		N/A	4,150	4	N/A
Office Depot	--		N/A	2,200	10	N/A
Totals	<u>56,483</u>		<u>N/A</u>	<u>58,292</u>		<u>N/A</u>

Sources: InfoUSA (Reference USA Database) and the Greater Boynton Beach Chamber of Commerce
 Only partial information for 2020 and 2011 was available.
 N/A - Not available.

CITY OF BOYNTON BEACH, FLORIDA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

Function/Program	Full-Time Equivalent Employees as of September 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Management Services	19	19	17	17	19	18	18	18	21	23
Financial Services	13	13	13	13	14	14	15	15	15	16
Information Technology	15	15	15	15	14	14	15	15	15	15
Human Resources	7	7	7	6	6	6	6	6	5	5
Planning and Zoning	6	6	6	6	6	6	6	6	6	6
Facilities Management	10	11	11	11	11	11	12	12	11	11
Public Safety										
Police	177	185	191	222	211	211	214	220	222	221
Communications	23	23	23	--	--	--	--	--	--	--
Fire	143	142	142	149	147	147	147	147	147	147
Community Standards	--	--	--	--	22	22	23	23	22	22
Code Compliance	11	11	11	--	--	--	--	--	--	--
Animal Control	--	--	--	--	--	--	--	--	--	--
Building/Engineering/Licenses	28	31	31	30	34	30	32	32	32	34
Physical Environment										
Forestry & Grounds	9	--	--	--	--	--	20	20	23	23
Roads & Streets	4	4	5	5	5	5	5	4	4	4
Economic Environment										
Community Improvement	4	4	3	2	2	2	2	2	2	2
Grants	10	2	8	1	1	1	1	1	1	1
Culture/Recreation										
Library	28	28	28	27	27	27	27	28	28	28
Recreation and Parks	65	70	70	70	68	72	53	52	52	51
Public Art	1	1	1	1	1	1	1	2	2	2
Internal Service Funds										
Vehicle Service	11	11	11	11	12	12	12	12	16	16
Warehouse	4	4	4	4	4	4	5	5	6	6
Self Insurance	4	4	3	4	4	4	5	5	5	5
Enterprise Funds										
Water & Sewer Utility	129	128	130	133	133	133	134	138	141	141.25
Sanitation	38	38	40	40	44	44	44	46	47	47
Golf Course	26	26	26	24	21	21	21	21	21	21
Transportation	--	--	--	--	--	--	--	--	--	--
Total	<u>785</u>	<u>783</u>	<u>796</u>	<u>791</u>	<u>806</u>	<u>805</u>	<u>818</u>	<u>830</u>	<u>843</u>	<u>847</u>

Source: City of Boynton Beach Financial Services Department

CITY OF BOYNTON BEACH, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Planning and Zoning										
Number of inspections	22,405	15,079	16,077	17,000	17,143	19,125	20,361	23,313	25,908	25,096
Building permits issued	6,074	4,353	5,058	5,700	5,760	6,137	7,081	7,420	7,076	7,820
Public Safety										
Police										
Physical arrests	3,082	3,001	4,500	3,500	3,946	2,168	2,427	2,106	1,572	1,134
Parking violations	1,199	1,184	1,684	1,920	2,016	1,186	1,027	1,629	1,244	1,858
Traffic violations	12,491	12,316	13,325	11,500	13,142	4,694	5,050	7,970	2,749	5,161
Fire										
Number of calls	11,933	12,000	12,175	12,250	12,374	15,468	13,892	13,787	13,712	15,790
Inspections	8,123	8,126	8,373	8,350	8,421	9,240	10,502	8,601	10,002	9,016
Code Compliance										
Code enforcement violations	3,200	3,000	2,858	2,082	2,219	2,150	2,818	4,325	3,276	3,359
Public Works										
Street resurfacing (miles)	--	--	--	--	--	--	1.3	--	7.7	4.0
Culture/Recreation										
Library										
Circulation	356,454	374,287	267,381	269,688	271,152	214,142	201,415	114,897	89,487	136,763
Cardholders	44,030	44,910	43,888	38,936	39,121	30,298	24,143	19,933	14,883	18,334
Leisure Services										
Camp program participants	304	304	269	280	289	313	271	269	38	100
Class participants	5,647	5,600	4,531	4,800	4,864	3,216	2,981	2,850	1,719	2,353
Water System										
Total meters	34,990	34,918	34,918	35,259	35,746	36,210	35,848	37,072	36,770	37,317
Total living units served	56,385	55,859	57,176	58,000	58,873	59,415	60,783	62,282	60,880	64,418
Avg. daily water consumption (thousand of gallons)	13,184	13,000	13,210	13,500	13,520	14,280	14,520	13,980	14,300	13,220
Sewer System										
Total connections	32,699	32,677	33,083	33,300	33,542	34,170	34,265	34,766	34,820	34,996
Total living units served	54,450	53,664	55,489	55,500	55,712	56,814	57,476	58,623	57,570	59,314
Sanitation										
Refuse collected (tons)	62,312	67,384	67,500	68,000	68,214	85,418	68,957	183,510	188,202	90,237
Recyclables collected (tons)	5,097	5,765	6,000	6,300	6,376	5,097	4,139	4,097	4,197	3,767
Golf Course										
Rounds played (Starts-9 or 18 hole)	63,546	61,420	60,185	65,000	62,142	45,230	58,233	69,044	71,165	73,122

Sources: City Departments

CITY OF BOYNTON BEACH, FLORIDA

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	99	99	99	99	99	99	99	109	115	116
Fire										
Stations	5	5	5	5	5	5	5	5	5	5
Trucks	7	7	7	7	7	7	7	8	8	9
ALS rescue vehicles	7	7	7	7	7	7	7	7	10	11
Sanitation										
Garbage trucks	23	23	23	23	23	23	22	23	28	28
Trash trucks	7	7	7	7	7	7	9	10	10	10
Public Works										
Street lights	209	209	209	209	209	209	209	209	209	209
Lane miles	252	252	252	252	252	252	252	252	252	252
Culture/Recreation										
Library										
Books	143,888	151,081	141,832	138,473	141,214	135,552	128,977	128,584	107,446	106,634
Leisure Services										
Ballfields - lighted	6	6	6	6	6	6	6	6	8	8
Basketball courts	14	14	14	14	14	14	14	15	15	15
Shuffleboard courts	16	16	16	16	16	16	16	16	--	--
Racquetball courts	8	8	8	8	8	8	8	8	8	8
Tennis courts	31	31	31	29	29	29	29	29	29	29
Parks	29	29	29	29	29	29	29	31	32	32
Activity Centers	8	8	8	8	8	8	6	6	7	7
Water/Sewer Utility										
Water mains (miles)	400	410	410	410	410	410	449	459	463	460
Sanitary sewers (miles)	325	325	325	325	325	325	346	346	369	369
Storm sewers (miles)	73	73	73	73	73	73	73	86	86	86
Fire hydrants	3,900	3,915	3,915	3,920	3,920	3,920	4,045	4,224	4,250	4,231
Lift Stations	162	162	162	162	162	162	162	165	187	170

Sources: City Departments

N/A - Information not available.

REPORTING SECTION

**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 Commission and City Manager
City of Boynton Beach, Florida

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Boynton Beach, Florida (the "City"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Boynton Beach, Florida, and have issued our report thereon dated April 15, 2022. Our report includes a reference to other auditors who audited the financial statements of the Boynton Beach Community Redevelopment Agency, a major governmental fund of the City, and the City of Boynton Beach General Employees' Pension Fund, the City of Boynton Beach Police Officers' Pension Fund, and the City of Boynton Beach Firefighters' Pension Fund, fiduciary funds of the City, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the City of Boynton Beach Police Officers' Pension Fund and the City of Boynton Beach Firefighters' Pension Fund were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Marcus LLP

West Palm Beach, Florida
April 15, 2022

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

To the Honorable Mayor,
City Commission and City Manager
City of Boynton Beach, Florida

Report on Compliance for Each Major Federal Program

We have audited the City of Boynton Beach, 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 year ended September 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

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

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

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

Marcum LLP

West Palm Beach, Florida
April 15, 2022

CITY OF BOYNTON BEACH, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Assistance Listing Number	Grant Number/ Pass-through Entity Identifying Number	Federal Expenditures	Transfers to Subrecipients
U.S. Department of Housing and Urban Development				
Direct Awards				
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-12-0043	\$ 307,948	\$ 162,023
Community Development Block Grants (CDBG) Coronavirus Aid, Relief and Economic Security Act (CARES Act) (CDBF-CV 1)	14.218	B-20-MC-12-0043	142,305	
Community Development Block Grants (CDBG) Coronavirus Aid, Relief and Economic Security Act (CARES Act) (CDBF-CV 3)	14.218	B-19-MC-12-0043	<u>219,998</u>	<u>--</u>
Total Community Development Blocks Grants/Entitlement Grants Cluster			<u>670,251</u>	<u>162,023</u>
Total U.S. Department of Housing and Urban Development			670,251	162,023
U.S. Department of Justice				
Direct Awards				
Coronavirus Emergency Supplement Funding Program	16.034	2020-VD-BX-1108	75,811	--
Bulletproof Vest Partnership Program	16.607	18095819	2,556	--
Bulletproof Vest Partnership Program	16.607	19019359	10,897	--
Edward Byrne Memorial Justice Assistance Grant Program:				
JAG Real Time Crime Center Project	16.738	2018-DJ-BX-0424	33,743	--
JAG Community Engagement Software	16.738	2019-DJ-BX-0808	34,740	--
Pass-through Award from State of Florida, Department of Legal Affairs, Office of the Attorney General				
Crime Victim Assistance	16.575	VOCA-2020-City of Boynton Beach-00716	<u>76,389</u>	<u>--</u>
Total U.S. Department of Justice			234,136	--
U.S. Department of Transportation				
Pass-through Award from State of Florida, Florida Department of Transportation				
Highway Safety Cluster				
State and Community Highway Safety Program	20.600	G1R54	29,361	--
National Priority Safety Programs (Occupant Protection)	20.616	G1U16	<u>19,715</u>	<u>--</u>
Total Highway Safety Cluster			<u>49,076</u>	<u>--</u>
Total U.S. Department of Transportation			49,076	--

(Continued)

See notes to schedule of expenditures of federal awards.

CITY OF BOYNTON BEACH, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Assistance Listing Number	Grant Number/ Pass-through Entity Identifying Number	Federal Expenditures	Transfers to Subrecipients
U.S. Department of Treasury				
Direct Awards				
Equitable Sharing Program	21.016	N/A	\$ 1,106	\$ --
State and Local Fiscal Recovery Funds (American Rescue Plan Act)	21.027	N/A	132,363	--
Pass-through Award from State of Florida, Florida Housing Finance Corporation COVID-19 - Coronavirus Relief Fund	21.019	103-2020	<u>280,578</u>	<u>--</u>
Total U.S. Department of Treasury			414,047	--
U.S. Institute of Museum and Library Services				
Pass-through Award from State of Florida, Department of State, Division of Library and Information Services Grants to States - Library Services and Technology Act Grant				
	45.310	20-LSTA-B-01	<u>40,000</u>	<u>--</u>
Total U.S. Institute of Museum and Library Services			40,000	--
U.S. Department of Homeland Security				
Direct Awards				
Assistance to Firefighters Grant (AFG)	97.044	EMW-2018-FO-00546	481,165	--
Assistance to Firefighters Grant (AFG) (Covid-19 Supplemental)	97.044	EMW-2020-FG-01239	18,274	--
Pass-through Award from Florida Division of Emergency Management Disaster Grants - Public Assistance (Presidentially Declared Disasters - Hurricane Isaisas)				
Hazard Mitigation Grant	97.036	DR-3533 (Z2527)	79,246	--
	97.039	FEMA-DR-4337-121-R	55,500	--
Pass-through Award from Palm Beach County, Florida				
Homeland Security Grant Program (HSGP)	97.067	R0081	25,000	--
Homeland Security Grant Program (HSGP)	97.067	21-MIPMIP-10-007VO	<u>5,857</u>	<u>--</u>
Total U.S. Department of Homeland Security			<u>665,042</u>	<u>--</u>
Total Federal Awards			<u>\$ 2,072,552</u>	<u>\$ 162,023</u>

See notes to schedule of expenditures of federal awards.

CITY OF BOYNTON BEACH, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the Federal grant activity of the City of Boynton Beach, Florida (the "City"), under programs of the Federal government for the year ended September 30, 2021. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position or changes in net position, or cash flows of the City.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (a) Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Expenditure relating to U.S. Department of Homeland Security, Federal Emergency Management Agency ("FEMA") CFDA 97.036 – Disaster Grants - Public Assistance (Presidentially Declared Disasters - Hurricane Isaisas), are reported when 1) FEMA has approved the project worksheet, and 2) eligible expenditures have been incurred in accordance with FEMA regulations (See Note 5).
- (b) The City made subrecipient payments totaling \$162,023 from Federal awards to various local non-profit organizations for the year ended September 30, 2021.
- (c) Certain pass-through entity identifying numbers were not available for pass-through awards listed in the Schedule for the year ended September 30, 2021.

3. INDIRECT COST RATE

The City did not elect to charge the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

4. Expenditures Incurred in Prior Years

Amounts reported in the Schedule of Expenditures of Federal Awards for U.S. Department of Homeland Security, Disaster Grants - Public Assistance (Presidentially Declared Disasters - Hurricane Isaisas) include expenditures of \$79,246 that were incurred in a prior year.

CITY OF BOYNTON BEACH, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS-
FEDERAL AWARD PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial Statements audited were prepared in accordance with GAAP:	<i>Unmodified Opinion</i>
Internal control over financial reporting:	_____ Yes <u> X </u> No
Material weakness(es) identified?	
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes <u> X </u> None reported
	_____ Yes <u> X </u> No
Noncompliance material to financial statements noted?	

Federal Award Programs

Internal control over major Federal Programs:	
Material weakness(es) identified?	_____ Yes <u> X </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes <u> X </u> None reported

Type of auditor's report issued on compliance for major Federal Programs:	<i>Unmodified Opinion</i>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	_____ Yes <u> X </u> No

Identification of Major Federal Programs:

<u>Federal Program</u>	<u>Assistance Listing No.</u>
U.S. Department of Housing and Urban Development Community Development Block Grants/Entitlement Grants (Cluster)	14.218
U.S. Department of Homeland Security Assistance to Firefighters Grant (AFG)	97.044
Dollar threshold used to distinguish between Type A and Type B Federal programs:	<u> \$ 750,000 </u>
Auditee qualified as low-risk auditee?	<u> X </u> Yes _____ No

CITY OF BOYNTON BEACH, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS-
FEDERAL AWARD PROGRAMS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

SECTION II - FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD PROGRAMS FINDINGS AND QUESTIONED COSTS

None

SECTION IV – OTHER MATTERS

A summary schedule of prior audit findings was not prepared as there were no prior year findings. A Corrective Action Plan is not required in the current year because there were no audit findings reported.

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

To the Honorable Mayor,
City Commission and City Manager
City of Boynton Beach, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Boynton Beach, Florida (the “City”), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated April 15, 2022. We did not audit the financial statements of the Boynton Beach Community Redevelopment Agency (“CRA”), a major governmental fund of the City, and the City of Boynton Beach General Employees’ Pension Fund, the City of Boynton Beach Police Officers’ Pension Fund, and the City of Boynton Beach Firefighters’ Pension Fund, which are fiduciary funds of the City. This management letter does not include any matters reported on separately by those other auditors in their management letter, if any.

Auditor’s Responsibility

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

Other Reporting Requirements

We have issued our Independent 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*; Independent Auditors’ Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; and Independent 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 April 15, 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 prior year audit findings reported by the predecessor auditor.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 to the financial statements. Also, as discussed in Note 1, the City included the Boynton Beach Community Redevelopment Agency as a blended component unit of the City.

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures to the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. The results of our procedures disclosed no matters that are required to be reported. Our 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 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, and the City Commission and applicable management of the City of Boynton Beach, Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Marcum LLP

West Palm Beach, Florida
April 15, 2022

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE
PURSUANT TO SECTION 218.415 FLORIDA STATUTES**

To the Honorable Mayor,
City Commission and City Manager
City of Boynton Beach, Florida

We have examined the City of Boynton Beach, Florida (the "City") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies for the 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 specified requirements.

In our opinion, the City complied, in all material respects, with Section 218.415, Florida Statutes, as of and for the year ended September 30, 2021.

This report is intended to describe our testing of compliance with Section 218.415, Florida Statutes, and is not suitable for any other purpose.

Marcum LLP

West Palm Beach, Florida
April 15, 2022



CITY OF BOYNTON BEACH

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

1. I am the Chief Financial Officer of the City of Boynton Beach which is a local Municipality of the State of Florida;
2. City of Boynton Beach adopted Ord. 10-025, passed 12-7-10 (See Part III, Land Development Regulations, Chapter II. Article VI. Section 2). implementing an impact fee; and
3. City of Boynton Beach has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.


 (Chief Financial Officer of the Entity)

STATE OF FLORIDA
COUNTY OF Palm Beach

SWORN TO AND SUBSCRIBED before me this 5TH day of APRIL, 2022.


 NOTARY PUBLIC

Print Name LYNN M. SWANSON

Personally known or produced identification _____

Type of identification produced: _____

My Commission Expires: _____







CITY OF BOYNTON BEACH

Boynton Beach, FL 33435

[Boynton-beach-website](http://www.boynton-beach.com)