

DANIA BEACH
SEA IT. LIVE IT. LOVE IT.

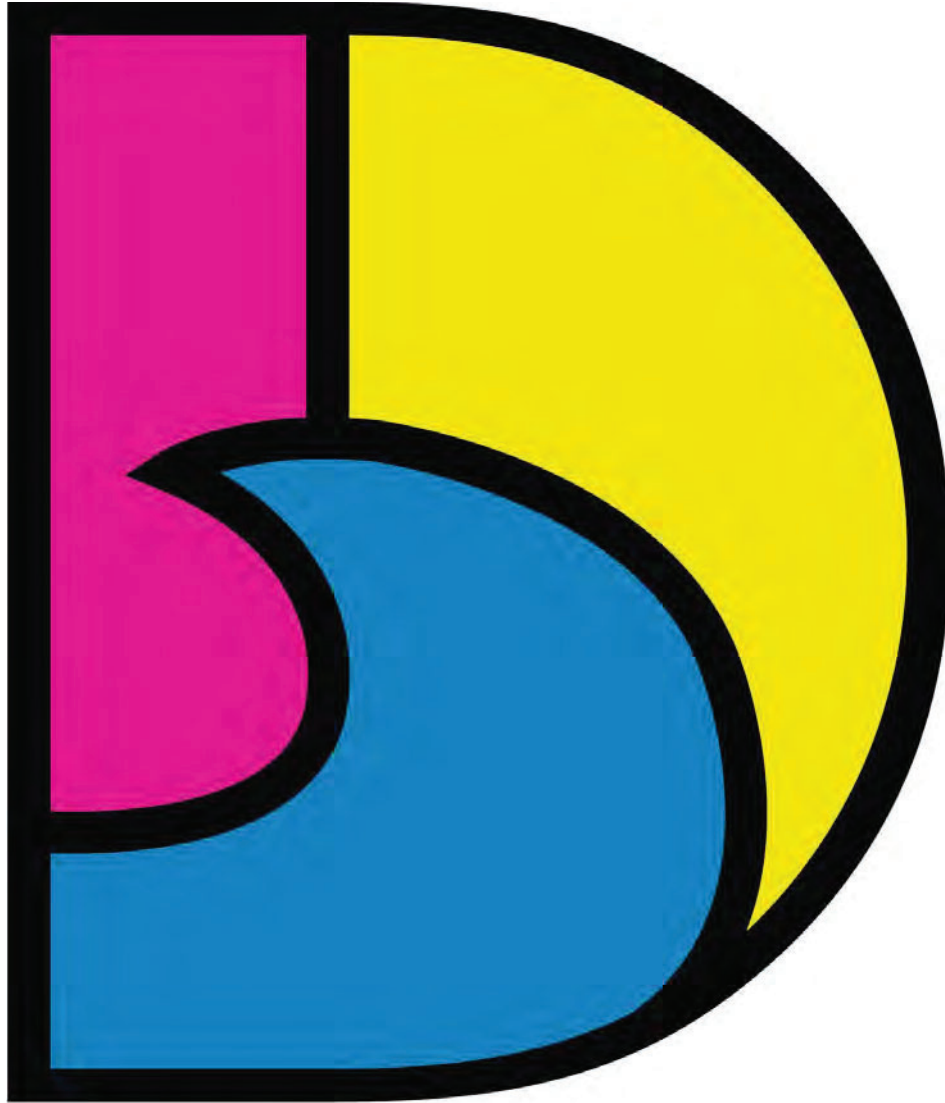
The City of Dania Beach, Florida

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended September 30, 2021



BROWARD'S FIRST CITY
daniabeachfl.gov



DANIA BEACH

SEA IT. LIVE IT. LOVE IT.

City of Dania Beach, Florida
Annual Comprehensive Financial Report
Fiscal Year Ended September 30, 2021
Prepared by the Finance Department

City of Dania Beach, Florida

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INTRODUCTORY SECTION



March 28, 2022

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

Honorable Mayor and City Commissioners:

The Annual Comprehensive Financial Report of the City of Dania Beach ("City") for the year ending September 30, 2021, is hereby submitted in compliance with the City Charter and Florida Statutes. The City is required to provide annually a report on its financial position and activities that is audited by an independent firm of certified public accountants. All disclosures necessary to enable the reader to gain an understanding of the City of Dania Beach's activities have been included.

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

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

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

PROFILE OF THE GOVERNMENT

The City of Dania Beach was incorporated in 1904 as Broward County's first city. The City is located immediately south of the Fort Lauderdale-Hollywood International Airport, Port Everglades, and the Broward County Convention Center. Dania Beach operates under a Commission-City Manager form of government and provides services to an estimated 32,000 residents. Five Commission Members are elected at large on a non-partisan basis for four-year terms. The candidate with the highest number of votes will serve as the Mayor. The Commission appoints the City Manager, who is the Chief Administrative Officer of the City and is responsible for implementing policies adopted by the City Commission. The City Commission determines policy, adopts legislation, approves the City's budget, levies taxes, and sets fees.

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

The City's location and proximity to the beach, seaport, airport, railway, and major highway systems in South Florida has made Dania Beach a prime location for redevelopment. Major projects are currently underway such as Dania Pointe, a mixed-use commercial and residential development. This is a 102-acre premier development with nearly 1 million square feet of retail and restaurants in addition to luxury apartments, hotels, Class A offices and public event space. The site boasts 1,600 linear feet of frontage on Interstate 95 with three I-95 access points, along with immediate proximity to the Fort Lauderdale-Hollywood International Airport and the Port Everglades Cruise Port. Phases II & III, opened in 2020, providing an additional 417,000 square feet of lifestyle retail, dining and entertainment, along with two ground leased Marriott hotels and 800 ground leased residential apartment units. In addition, Spirit Airlines is currently developing 9 acres of land at Dania Pointe for a new \$250 million global headquarters, which will house employees in a ground leased corporate training residence. The recent merger of Frontier and Spirit Airlines may impact further development of the Spirit HQ, however the City is working with various state and local stakeholders to keep the project in South Florida. Future development phases will incorporate additional premium retail tenants.

Following a competitive selection process, the City recently established a Development/Lease Agreement with LM Restaurants to demolish the Dania Beach Grill and construct Lucky Fish, an oceanfront tiki bar restaurant concept. LM Restaurants have established the concept in Pompano Beach, where it is extremely popular and financially successful, providing beachgoers with casual full-service outdoor atmosphere and take away options for breakfast, lunch, and dinner. The concept for Dania Beach will incorporate both indoor and outdoor dining options with live entertainment at a family-friendly price. Construction should begin in calendar year 2022 and the restaurant is slated to open in late 2022/early 2023. This restaurant will only serve to enhance the beach atmosphere and complement the other existing amenities, including the Quarterdeck Restaurant and Fishing Pier.

Lastly, FPL has completed construction of its Dania Beach Clean Energy Center, consisting of an \$888 million investment in a modern energy production facility, fueled by U.S.-produced natural gas, replacing the existing, aging power generating units on the site. The new energy center will incorporate key components of the existing infrastructure – a facility that was initially constructed in 1927 and FPL's first power plant. This project will generate a tremendous amount of tax and tangible personal property revenues for the City long into the future.

SERVICES

The City provides the full range of municipal services. The public safety program includes the full range of fire rescue/medical services and police services contracted through the Broward County Sheriff's Office. The City's expansive recreation program includes a vibrant beach and fishing pier, pools, tennis courts, neighborhood parks, community centers, and a wide variety of programs for youth, adults, and senior citizens. The Public Services Department provides essential street maintenance, roadway maintenance/beautification, general service operations, and oversees Community Development Block Grant (CDBG) improvement projects. Public Services also oversees operation of the City's water, sewer, and stormwater utilities and provides internal support for grounds maintenance, fleet management and City facility maintenance. The newly enacted Beautification Excellence and Maintenance (BEAM) Team, consisting of four staff, will cover the four geographical zones within the City, with the aim to proactively address litter, graffiti, illegal dumping, roadway and sidewalk deficiencies, as well as report landscaping issues and possible City Code violations. The Community Development Department provides planning, zoning, building inspection, and code compliance services.

In addition, during budget year 2021-22. the City will be reclassifying the Parking Enforcement Officers to become Beach Rangers. The Beach Rangers will monitor the conditions of the beach, pier, marina, City structures, and parking areas to

ensure the beach is pristine. This includes patrol of the entire Ocean Park campus informing patrons about beach rules and regulations, the result of which is an increased quality of experience for all beachgoers.

The Department of Human Resources provides a critical internal support service, responsible for recruitment, compensation and benefits, employee relations, workers' compensation, property, casualty, and liability insurance. The City has continued to enhance benefits provided to staff and cultivate a highly engaged and productive workforce, and Human Resources is responsible for executing the innovate programs that will result in higher employee retention through increased morale and job satisfaction. The Finance Department handles all financial-related functions, including the City's debt, revenue collections, annual budget planning and preparation, financial reporting, the annual financial audit, cash and investment management, capital assets accounting, payroll and other disbursements, water and sewer utility meter reading, billing, and collection, property lien research, and business tax receipts. Additional administrative services are provided by the City Clerk's Office, the custodian of all City records, and the City Attorney, who is appointed by and serves at the pleasure of the City Commission.

Finally, Information Technology is another critical internal services provider ensuring that all employees can work in a secure and productive manner and enhancing the customer experience by access to City services using innovative software and technology. Cybersecurity is one of the most important security aspects facing all municipalities and the City continues to make investments toward the goal of defending 100% of all cyber and ransomware attacks.

FACTORS AFFECTING FINANCIAL CONDITION

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

The Florida Legislature placed limits on the property tax levies of local governments in the State of Florida. Increases to the property tax rate is limited to the annual growth rate of per capita personal income plus the value of new construction. Therefore, to ensure property tax revenues are more resistant to declines in property values, the City has been seeking redevelopment opportunities within its boundary. Increased development has increased values over the past several years, and moderate growth is expected to continue in the coming years, as the economy has fully recovered from the last recession, and the City has been attractive to developers seeking opportunities. The City has seen a surge of development over the past few years, with the redevelopment of various commercial and mixed-use industries, including the aforementioned Dania Pointe mixed-use development located on the I-95 corridor, which continues to complete development projects on their site. The City has also seen significant development in hotel construction due to the immediate proximity to the Fort Lauderdale-Hollywood International Airport and the Port Everglades Cruise Port. Finally, there are several ongoing and planned multifamily residential construction projects throughout the City which will add thousands of new City residents over the next several years.

According to the Broward County Property Appraiser's Office, the final taxable value of the City for the year ended September 30, 2021 reflected an increase of 5.52% over the prior year. The City continues to see increases in property values as well as sustained success in its redevelopment efforts, indicating a full recovery from the previous economic downturn. Current economic forecasts indicate property values are expected to increase moderately over the next few years. Initially, it was projected that the Covid-19 pandemic would have a negative impact on property values, particularly commercial properties. However, as the world emerges from the throws of the pandemic, the outlook appears positive, and the City is poised for a continuance of the growth seen in the years prior.

In 2004, the State of Florida and Broward County passed a referendum for the operation of slot machines in four pari-mutuel sites, which includes the Casino at Dania Beach. A major reconstruction of the casino was completed in 2016

complete with full entertainment options, including a casino, jai alai, dining, music, and comedy club. This has generated new revenues to the City from the slot machine gaming area.

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

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

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

The City has received financial relief from several key legislative efforts, including the Cares Act (\$449k), FEMA (estimated \$150k), the Department of Justice (\$45.7k), and the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Fund (SLFRF). The ARPA-SLFRF provides an award of just over \$16 million, and the City is currently in the planning phase, with the goal of maximizing the overall economic impact of the funding and achieving a number of both necessary and beneficial initiatives and improvements.

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

LONG-TERM FINANCIAL PLANNING

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

During the past year, the City has undertaken several projects and initiatives, including the following:

- Order of a new Fire Rescue Unit, as part of the City's ongoing commitment to supporting public safety
- Opening of the Dania Point BSO Police Substation
- Adoption of the Public Art Plan and board providing a process and funding source for opportunities to install artwork throughout the City, for the incorporation of public art on both private and City property
- Enhanced 40-Year Building Safety Program procedures to ensure that every building 40 years of age or older in the City have submitted the mandatory building safety report and have completed any required repairs, with the goal of ensuring that all structures located in Dania Beach are properly maintained and safe to occupy
- Implementation of the Executime timekeeping system for FLSA compliance and employee payroll

- COVID leadership and successful telework program, with no known employee to employee exposures
- Received ARPA funding award of \$16m and hired consultant to begin working with City to maximize use of funds
- Began implementation of Parks Masterplan Phase I with reconstruction of CW Thomas Park via bank loan financing
- Integrated procurement card invoice processing with New World Systems ERP
- Deployed payment kiosks at City Hall
- Completed upgrade of all audio/video equipment in the City Commission Chamber
- Implemented Laserfiche and assisted in training all departments
- Hosted Summer Camp at all three Community Centers, Frost Park, CW Thomas Park and PJ Meli Park, for the first time ever, with two of the three camps sold out
- Resumed many programs and events that were previously suspended due to Covid-19
- Completed the drainage improvement projects for Dania Cove and Ocean Park, effectively mitigating flooding
- Successfully constructed the SE 2nd Av Water Main Replacement, effectively providing more reliable, high-quality service, at a cost of \$2.5 million
- Pole electrification for enhanced holiday lights – approximately 100 poles completed
- Refurbishing and modernization of three Sanitary Sewer Lift Stations, enhancing the reliability of this critical service at a cost of \$1.1 million
- Continued progress on design for the Southeast Drainage Improvement Project, with construction to begin in 2022

RELEVANT FINANCIAL POLICIES

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

Revenue Policy

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

Cash Management and Investment Policy

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

For fiscal year 2021, idle cash was invested in banks and local government investment pools, including the Florida Prime Local Government Surplus Trust Fund and FLCLASS.

Debt Policy

The City seeks to maintain the highest potential bond rating to minimize borrowing costs. Debt is issued when necessary to finance capital projects but is never used for current operations. The City reviews and evaluates its existing obligations and future borrowing needs regularly. The City continues to evaluate the market for bond refinancing opportunities that could potentially provide an economic gain to the City. During fiscal year 2021, the City authorized financing phase I of the Parks Masterplan, beginning with reconstruction of CW Thomas Park, through issuance of an \$18.1 million bank loan.

Fund Balance and Reserves Policy

The City adopted a target fund balance policy for the City's General Fund, establishing 25% of annual budgeted expenditures as a minimum unassigned fund balance to maintain. The City established this policy to ensure adequate cash flow is available

for general cash flow needs, competitive borrowing rates, significant or unknown economic uncertainties or revenue shortfalls, and for unforeseen emergency expenditures. The City Commission has placed several commitments and assignments using the General Fund to provide resources for an array of items including capital projects and emergency disaster recovery.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dania Beach for its Annual Financial Report for the year ended September 30, 2020. This was the thirty-first (31st) consecutive year that the City has received this prestigious award. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized Annual Comprehensive Financial Report. This report satisfied both US GAAP and applicable legal requirements.

A Certificate of Achievement is valid for one year only. The Finance Department believes that the September 30, 2021 Annual Financial Report continues to meet the award program's requirements, and will be submitted to the GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,



Frank L. DiPaolo CPA, CGMA, SHRM-CP
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Dania Beach
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

Executive Director/CEO



CITY OFFICIALS

CITY COMMISSION

Mayor: Tamara James

Vice Mayor: Marco Salvino

Commissioner: Joyce L. Davis

Commissioner: Lori Lewellen

Commissioner: Lauren Odman

CITY MANAGER

Ana M. Garcia, ICMA-CM

CITY ATTORNEY

Eve A. Boutsis

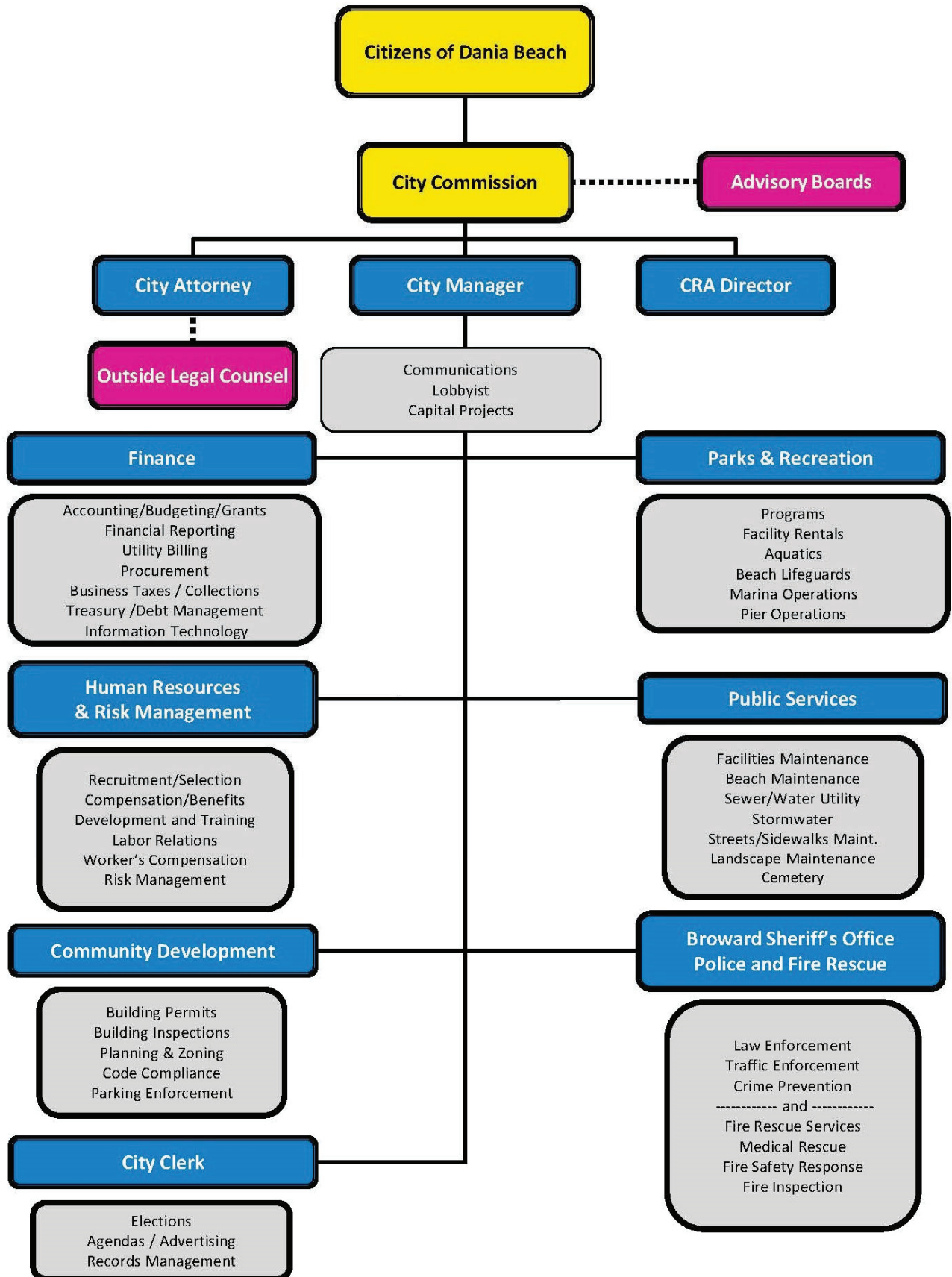
CHIEF FINANCIAL OFFICER

Frank DiPaolo CPA, CGMA, SHRM-CP

DEPUTY FINANCE DIRECTOR

Adam Segal CPA, FCCA, CFE

CITY OF DANIA BEACH ORGANIZATIONAL CHART



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Commission
City of Dania Beach, Florida
Dania 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 Dania Beach, Florida (the "City"), as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Dania Beach Police and Firefighters' Retirement System, which represents, 68%, 68%, and 74%, respectively of the assets, net position, and revenues of the Fiduciary Funds. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to those amounts included for the City of Dania Beach Police and Firefighters' Pension Plan, is 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 of material misstatement.

CPA's + Trusted Advisors

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City, as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and the schedules related to pensions and other post-employment benefits on pages 4 through 18 and 81 through 101, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reports Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2022, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



KEEFE MCCULLOUGH

Fort Lauderdale, Florida
March 28, 2022

As management of the City of Dania Beach, we offer readers this overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2021. The City's financial statements are designed to provide readers with easy to understand information and analysis of the City's financial activities based on currently known facts, decisions and conditions. This section is specifically designed to assist the reader in focusing on significant financial issues, changes in the City's financial position, and material deviations from the approved budget, and also to identify each individual funds issues and concerns. We encourage the reader to consider the information presented here in conjunction with the information provided in the letter of transmittal which can be found at the beginning this report.

Financial Highlights

- The City's net position at the close of the fiscal year is \$124.7m. Of this amount, \$51.4m is unrestricted net position to be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$20.6m as a result of this year's operations.
- At the end of the current fiscal year, governmental funds reported a combined ending fund balance of \$50.6m. Approximately 51.3% of that amount or \$25.9m, is unassigned and available for spending at the City's discretion.
- The City's total debt decreased by \$2.4m (12.7%) during the current fiscal year.
- The City's business-type activities reported total net position of \$54.6m which is an increase of \$1.3m or 2.4%, in comparison to the prior year. Approximately 49.8% of the total or \$27.2m is unrestricted.
- City-wide depreciation expense recorded during the year amounted to \$5.0m. This reflected a decrease of \$132k from the prior year. Total net investment in capital assets was \$60.2m at year-end, reflecting a net decrease of \$496k over 2020.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Plantation's basic financial statements. The City's basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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Components of the Financial Section

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

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

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

The Statement of Activities focuses on both the gross and net cost of various activities. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and the local taxing effort necessary to sustain each of those activities. The operations of City of Dania Beach are divided into two kinds of activities:

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

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

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

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

The City maintains twelve (14) individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet, Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the major funds: General Fund, Grants Fund, Community Redevelopment Agency Fund, Building Fund, Debt Service Fund, and the Capital Projects Fund. Information from the other (non-major) governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these other governmental funds is provided in the form of combining statements.

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

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

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

Notes to the financial statements: The notes to the financial statements provide additional information essential to a complete understanding of data provided in the government-wide and fund financial statements.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to employees, as well as other post-employment benefits.

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The following schedule is a summary of the fiscal year 2021 Statement of Net Position with comparative information for fiscal year 2020. The schedule presents net position, defined as the difference between the City's assets and deferred outflows and liabilities and deferred inflows, as a way to measure the City's financial health or position.

City of Plantation's Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 62,429,006	\$ 49,445,703	\$ 40,175,465	\$ 39,212,985	\$ 102,604,471	\$ 88,658,688
Capital assets	42,330,864	44,335,851	34,336,939	35,074,236	76,667,803	79,410,087
Total assets	104,759,870	93,781,554	74,512,404	74,287,221	179,272,274	168,068,775
Total deferred outflows of resources	11,469,181	1,624,079	2,001,452	-	13,470,633	1,624,079
Current liabilities	11,940,453	5,718,901	2,620,851	2,049,024	14,561,304	7,767,925
Long-term liabilities:						
Due in less than one year	915,569	1,028,624	1,160,640	1,193,542	2,076,209	2,222,166
Due in more than one year	19,919,517	37,916,266	13,275,288	16,686,592	33,194,805	54,602,858
Total liabilities	32,775,539	44,663,791	17,056,779	19,929,158	49,832,318	64,592,949
Total deferred inflows of resources	13,407,409	-	4,831,164	993,606	18,238,573	993,606
Net position:						
Net investment in capital assets	36,130,161	36,843,197	24,116,355	23,899,561	60,246,516	60,742,758
Restricted	9,682,079	5,621,643	3,291,443	3,119,693	12,973,522	8,741,336
Unrestricted	24,233,863	8,277,002	27,218,115	26,345,203	51,451,978	34,622,205
Total net position	\$ 70,046,103	\$ 50,741,842	\$ 54,625,913	\$ 53,364,457	\$ 124,672,016	\$ 104,106,299

The overall financial position of the City increased by \$20.6m to \$124.7m during fiscal year 2021. Unrestricted net position increased by \$16.8m due to decreases in both the net pension liability and the net other post-employment benefits (OPEB) liability. The change in net position over time is a good and useful indicator of financial position. Key elements of the reconciliation of the statements are that the government-wide statement of activities reports the issuance of debt as a liability, the purchases of capital assets as assets, which are then charged to expense over their useful lives through annual depreciation charges and changes in long-term liabilities as adjustments of expenses. Conversely, the governmental fund statements report the issuance of debt as an other financing source of funds, the repayment of debt and the purchase of capital assets as expenditures, and changes in long-term liabilities are not reported in the fund financial statements.

The majority of the City's total net position (48%) is in capital assets, such as land, construction in progress, buildings and improvements, and infrastructure such as roads, parks and utility, furniture, fixtures and equipment, less any related debt outstanding that was used to acquire those assets. This capital investment decreased slightly in the current year, an indication that the City depreciated or retired more capital assets than it acquired. The City uses capital assets to provide basic services to residents and foster a vibrant business climate. Although City investments in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources because it is unlikely that these capital assets would be sold or liquidated.

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

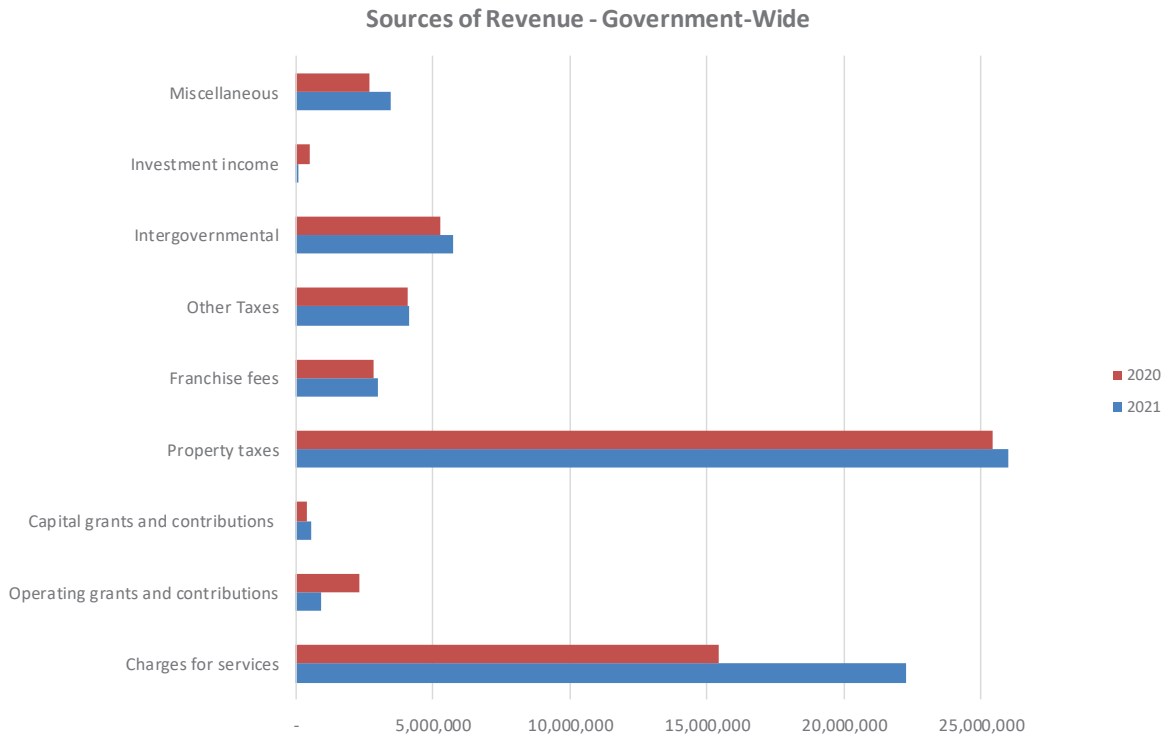
The following schedule is a summary of the fiscal year 2021 Statement of Activities compared to 2020.

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 22,247,535	\$ 15,415,665	\$ 17,523,408	\$ 16,761,918	\$ 39,770,943	\$ 32,177,583
Operating grants and contributions	904,290	2,293,337	-	-	904,290	2,293,337
Capital grants and contributions	538,960	368,600	-	-	538,960	368,600
General revenues:						
Property taxes	26,015,122	25,434,453	-	-	26,015,122	25,434,453
Franchise fees	2,997,119	2,835,651	-	-	2,997,119	2,835,651
Utility taxes	4,115,707	4,065,872	-	-	4,115,707	4,065,872
Intergovernmental	5,708,915	5,268,361	-	-	5,708,915	5,268,361
Miscellaneous	3,467,303	2,654,259	1,789,113	473,254	5,256,416	3,127,513
Investment income	86,292	510,769	68,416	399,569	154,708	910,338
Total revenues	66,081,243	58,846,967	19,380,937	17,634,741	85,462,180	76,481,708
Expenses:						
Program Expenses:						
General government	6,807,756	8,202,258	-	-	6,807,756	8,202,258
Public safety	34,699,279	29,250,346	-	-	34,699,279	29,250,346
Highway and streets	773,140	3,139,639	-	-	773,140	3,139,639
Physical environment	2,872,389	5,523,584	-	-	2,872,389	5,523,584
Community redevelopment	4,046,214	5,316,738	-	-	4,046,214	5,316,738
Culture and recreation	629,444	4,861,312	-	-	629,444	4,861,312
Interest on long-term debt	165,373	200,174	-	-	165,373	200,174
Water	-	-	6,662,228	4,235,036	6,662,228	4,235,036
Sewer	-	-	4,466,630	4,443,108	4,466,630	4,443,108
Stormwater	-	-	1,537,868	1,144,655	1,537,868	1,144,655
Marina	-	-	785,320	842,432	785,320	842,432
Parking	-	-	1,052,650	895,556	1,052,650	895,556
Pier operations	-	-	398,172	458,500	398,172	458,500
Total expenses	49,993,595	56,494,051	14,902,868	12,019,287	64,896,463	68,513,338
Change in net position before transfers	16,087,648	2,352,916	4,478,069	5,615,454	20,565,717	7,968,370
Transfers	3,216,613	3,433,535	(3,216,613)	(3,433,535)	-	-
Increase in net position	19,304,261	5,786,451	1,261,456	2,181,919	20,565,717	7,968,370
Net position-beginning	50,741,842	44,955,391	53,364,457	51,182,538	104,106,299	96,137,929
Net position-ending	\$ 70,046,103	\$ 50,741,842	\$ 54,625,913	\$ 53,364,457	\$ 124,672,016	\$ 104,106,299

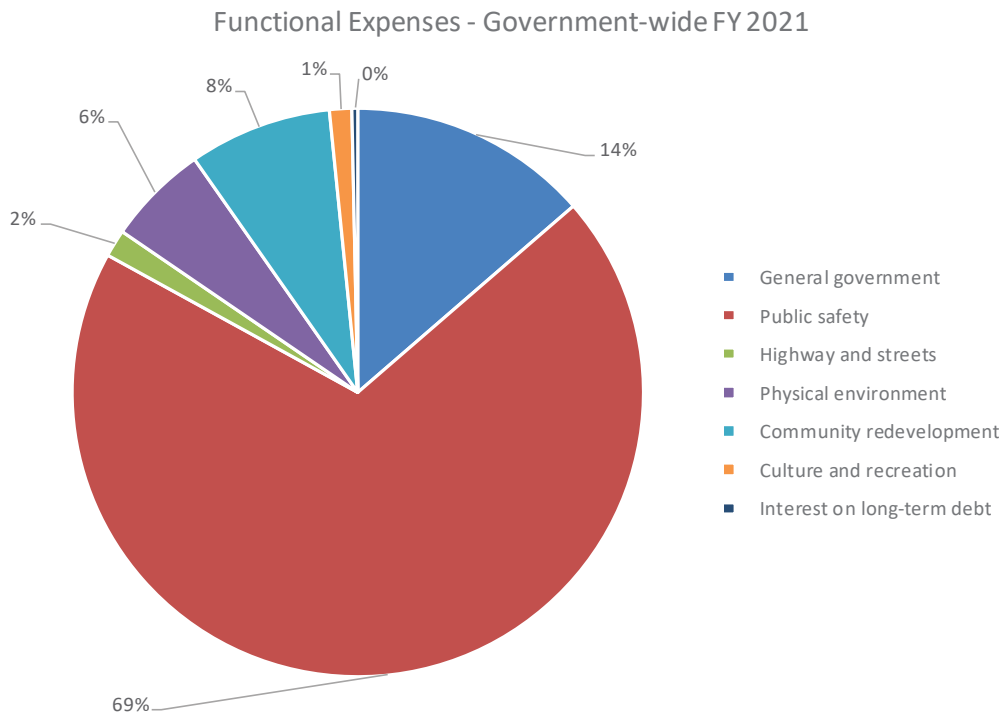
GOVERNMENTAL ACTIVITIES

Governmental activities increased the City's net position by a total of \$16.1m for the fiscal year on an operating basis, before transfers. Governmental revenues increased by \$7.2m over the prior year, primarily due to an increase in charges for services, which include building permits and impact fees, as the City's activities increased from the pandemic lows in 2020. Expenses decreased by a total of \$6.5m from the prior year as the net effect of fluctuations across all functions. The decrease is also the result of a change in the pension and OPEB liabilities due to favorable market conditions.

The chart below illustrates the distribution of program and general revenues for governmental activities for fiscal year 2021 and 2020:



The pie chart below illustrates the program expenses for governmental activities for the year ended September 30, 2021:



BUSINESS-TYPE ACTIVITIES

The City operates six business-type activity funds. The combined result of these funds shows positive operating income of approximately \$4.5m, which was a decrease of \$1.1m from the prior year, primarily due to the following reasons:

- Water Fund operations reflect a decrease of approximately \$1.8m in net position. Operating income decreased slightly to \$526k. Unrestricted net position of the Water Fund shows a balance of approximately \$2.3m reflecting a decrease of approximately \$1.7m from the prior year due to changes in long-term liabilities and an increase in various operating expenses. Investments in other capital infrastructure improvements, net of debt, decreased from the prior year slightly to a total \$8.8m as depreciation of existing assets exceeding the value of newly constructed or acquired assets.
- The Sewer Fund experienced an increase in net position of approximately \$1.8m due to increased operating revenue and expenses remaining flat. Unrestricted net position of the Sewer Fund totaled approximately \$14.9m reflecting an increase of approximately \$1.4m from the prior year due to positive operating results.
- The Stormwater Fund experienced an increase in net position of approximately \$545k, although the assessment rate did not change. The increase was due to increased operating revenues. Unrestricted net position of the Stormwater Fund increased by approximately \$330k due to a reduction in long-term liabilities.
- The Marina Fund improved under the continued management of Westrec Marinas and income before transfers increased from \$257k to \$430k due to increased activity while reducing expenses.
- The Parking Fund, one of the City's two nonmajor business-type funds, continues to experience strong collections with operating revenues totaling nearly \$1.7m. Revenues are derived almost entirely from beach parking fees and fines from enforcement, and both were higher than the prior year. The City's Beach was closed for several months during FY2020 due to Covid-19, which negatively impacted revenues. Downtown development initiatives by the CRA continue to work toward developing demand and use of the downtown parking garage. Operating costs for both the beach and downtown garage areas are reflected in this fund.
- The Pier Operations Fund, the other nonmajor business-type fund, had operating revenues of approximately \$952k, an increase of \$456k from the prior year, attributable to the impacts of Covid-19 and closure of the Pier in the prior year. The Pier Fund also accounts for rental income from the pier restaurant, which is higher than the prior year due to mandated closure in response to the Pandemic in the prior year. Following the three-month closure, business has been strong in the months since and are reflective of normal operations.

Financial Analysis of the City's Funds

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

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

As of September 30, 2021, the City's governmental funds reported combined ending fund balances of \$50.6m, an increase of \$6.7m from the prior year. Approximately 51% or \$25.9m of the ending balance is unassigned, and available for spending at the City's discretion, with \$8.3m assigned by City management for disaster recovery uses. A balance of \$3.1m is committed for capital projects, \$1.6m for community redevelopment, and \$1.8m for City cemetery and tree preservation use. The remaining restrictions are restricted for specific use by laws, debt covenants, and grant agreements.

Below is the analysis of the fund balance for fiscal year 2021:

	General Fund	Capital Projects Fund	Other Funds	Total
Fund balances, September 30, 2020	\$ 36,449,972	\$ 1,829,947	\$ 5,549,296	\$ 43,829,215
Revenues	55,099,294	3,772	10,439,217	65,542,283
Expenditures	(53,209,545)	(339,824)	(8,466,503)	(62,015,872)
Other financing sources (uses)	1,458,191	320,531	1,437,891	3,216,613
Fund balances, September 30, 2021	39,797,912	1,814,426	8,959,901	50,572,239
Nonspendable	(115,080)	-	-	(115,080)
Restricted	(5,416,393)	-	(4,265,686)	(9,682,079)
Committed	-	(1,814,426)	(4,694,215)	(6,508,641)
Assigned	(8,329,879)	-	-	(8,329,879)
Unassigned	<u>\$ 25,936,560</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,936,560</u>

General Fund: The General Fund is the chief operating fund of the City. As of September 30, 2021, the fund balance of the General Fund increased by \$3.3m to a total of \$39.8m. Total General Fund revenues increased by approximately \$106k to a total of \$55.1m, primarily due to increases in property taxes and offset by decreases in investment earnings. Expenditures decreased by \$1.2m from fiscal year 2020 to a total of \$53.2m in 2021, reflecting significant decreases in general government (pension costs) and other expenditures.

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Revenues

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

	Current year 9/30/21	1 year ago 9/30/20	2 Years Ago 9/30/19	3 Years Ago 9/30/18	Change Over Past 3 Years	Change Percentage
General Fund Revenues:						
Ad valorem taxes	\$ 26,015,122	\$ 25,434,453	\$ 24,372,949	\$ 23,028,779	\$ 2,986,343	12.97%
Special assessments	6,789,857	6,333,454	6,316,109	6,249,500	540,357	8.65%
Franchise taxes	2,997,119	2,841,162	2,936,311	2,755,614	241,505	8.76%
Utility taxes	4,115,707	4,065,872	4,108,466	3,909,123	206,584	5.28%
Licenses and permits	2,893,578	1,573,630	1,982,035	1,618,889	1,274,689	78.74%
Intergovernmental	6,252,155	5,268,361	5,748,048	5,537,821	714,334	12.90%
Charges for services	2,432,158	4,648,344	4,649,862	4,393,137	(1,960,979)	(44.6%)
Fines and forfeitures	296,523	453,882	496,691	382,418	(85,895)	(22.5%)
Investment income	73,653	456,670	1,025,022	659,470	(585,817)	(88.8%)
Grants	558,184	2,090,112	-	-	558,184	100.00%
Miscellaneous	2,675,238	1,827,197	2,024,377	2,137,962	537,276	25.13%
Total revenues	\$ 55,099,294	\$ 54,993,137	\$ 53,659,870	\$ 50,672,713	\$ 4,426,581	8.74%

The increase in ad valorem taxes has been steady due to sustained increases in property values and new development coming on to the tax roll. For the current and last three fiscal years the City adopted a millage rate of 5.9998 mils. Property values continue to grow and are the highest ever seen in the City's history, as construction and development activity continues. Most projects that were initially delayed due to the Covid-19 pandemic and the inherent economic uncertainty are now moving forward and the City anticipates continued future growth in the commercial and residential sectors evidenced by the increase in licenses and permits of \$1.27 million. Non-ad valorem assessment rates for fire rescue services increased for fiscal year 2021 primarily due to the increase in the fire rescue contract with Broward Sheriff’s Office. Grant revenues decreased by approximately \$1.53 million or 73% as the prior year saw the receipt of Federal and State grant funding as reimbursement of expenditures related to the recovery from Hurricane Irma in 2017. Intergovernmental revenues increased to beyond pre-pandemic levels as the easing of Covid-19 travel restrictions boosted State Shared Revenues and Half Cent Sales Tax. Franchise and utility taxes also bounced back to levels exceeding those before the pandemic, indicating that the economic effects of Covid-19 are behind the City. Interest revenues continued to decrease as the Federal Reserve cut its target for the Federal Funds Rate in response to the Covid-19 pandemic, seeking to increase liquidity in the lending markets. It is anticipated that interest rates will be increased during FY2022 resulting in stronger returns on City investments.

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

	Current Year 9/30/21	1 Year Ago 9/30/20	2 Years Ago 9/30/19	3 Years Ago 9/30/18	Change Over Past 3 Years	Change Percentage
General Fund Expenditures:						
General government	\$ 8,757,497	\$ 8,349,044	\$ 7,321,171	\$ 8,116,504	\$ 640,993	7.90%
Public safety	35,105,459	34,883,422	33,616,978	31,676,478	3,428,981	10.83%
Highways and streets	2,112,637	2,041,909	2,361,886	2,052,860	59,777	2.91%
Physical environment	3,051,208	5,282,627	5,127,398	4,931,826	(1,880,618)	(38.1%)
Community development	576,034	629,069	733,420	628,849	(52,815)	(8.4%)
Culture and recreation	3,606,710	3,213,951	3,448,266	2,993,706	613,004	20.48%
Total expenditures	\$ 53,209,545	\$ 54,400,022	\$ 52,609,119	\$ 50,400,223	\$ 2,809,322	5.57%

General Government increased due to higher costs of salary and benefits for City employees.

- Public safety costs were higher than the prior year due to increases in the cost of police and fire services provided by Broward Sheriff's Office (BSO) under the operating contract.
- Highways and streets increased due to larger investments in both maintenance and capital expenditures.
- Community development decreased from the prior year due to a reduction in operating expenditures resulting from the timing of planning and zoning activity.
- Culture and recreation costs increased from the prior year due to an increase in the number of full-time and part-time positions, resulting in higher personal services costs.

Other Major Governmental Funds: The Capital Projects Fund received inter-fund net transfers of \$320k during fiscal year 2021 for use on various governmental infrastructure projects approved by the City Commission. Capital project expenditures totaled approximately \$339k, which included funding from projects approved in the prior year. Expenditures were made for an array of approved projects including the traffic calming and beautification on NW 1st Street, expenditures to energize City light poles for holiday lighting displays, and renovations to the City Hall West Wing.

The CRA Fund received net transfers of nearly \$1.6m from the General Fund. Typically, Community Redevelopment Agencies receive tax increment financing from both the County and City. However, upon its inception, the City's CRA was not approved by the County to receive any tax increment financing and therefore, receives nearly all of its operational funding from City General Fund transfers. Expenditures of the CRA totaled \$1.3m, which included all personnel of the CRA, operations of the Patch neighborhood garden, and the promotion of the local business economy through various means, such as matching grants for local business improvements. Certain events, including the signature annual Arts and Seafood Festival event, were canceled due to Covid-19 restrictions on gatherings. The City and CRA anticipate a resumption of scheduled events and festivities during FY2022.

The Grant Fund reported \$246k in revenues and had expenditures of \$17k during fiscal year 2021 related to the completion of the State of Florida Transportation Alternatives Program (TAP) grant.

The Debt Service Fund received approximately \$1.0m in transfers from the General Fund to pay down various debt obligations

The Building Fund reported \$5.3m in revenues and had expenditures of \$3.2m during fiscal year 2021, including inter-fund net transfers of \$(1.0m) during fiscal year 2021, in accordance with the City's cost allocation program.

Proprietary Funds: The fund financial statements for the proprietary funds provide essentially the same type of information found in the government-wide financial statements, only in more detail. There are six proprietary funds for fiscal year 2021: Water, Sewer, Stormwater, Parking, Pier Operations, and Marina Fund. The net changes of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

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

General Fund reserves in the amount of \$1.2m were appropriated to cover traffic calming and beautification of NW 1st Street (\$ 250k), a mid-year budget amendment to energize City light poles for holiday lighting (\$200k), installation of an artificial underwater ocean reef (\$100k), to provide funding for professional financial advisory and bond counsel services for the parks masterplan financing (\$99.5k), to cover costs related to the Jai Alai litigation (\$80k) and the rollover of encumbrances and funds from the prior year (\$383k). Finally, the City Commission also approved appropriating funding to cover a number of small but necessary repairs and improvements to various City parks (\$61.3k).

Expenditures were amended in conjunction with the projects mentioned above, and as well as numerous other amendments approved by the City Commission and administrative amendments (approved at the department level).

Capital Assets and Debt Administration

Capital assets: The City of Dania Beach total capital assets for Governmental and Business-Type Activities as of September 30, 2021 amount to approximately \$76.7m (net of accumulated depreciation), representing a decrease of \$2.7m from last year's balance (depreciation of existing assets exceeded new asset additions). The City's investment in capital assets includes land, construction in progress, buildings and improvements, infrastructure, utility system, furniture, fixtures and equipment.

Capital Assets at Year-End
 (Net of accumulated depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 16,184,221	\$ 16,184,221	\$ 220,976	\$ 220,976	\$ 16,405,197	\$ 16,405,197
Utility system	-	-	27,829,888	28,908,151	27,829,888	28,908,151
Buildings	9,985,286	10,961,257	2,584,426	2,831,190	12,569,712	13,792,447
Equipment	1,716,769	1,769,328	1,382,338	1,444,030	3,099,107	3,213,358
Infrastructure	13,669,079	14,294,628	-	-	13,669,079	14,294,628
Construction in progress	775,509	1,126,417	2,319,311	1,669,889	3,094,820	2,796,306
Total	\$ 42,330,864	\$ 44,335,851	\$ 34,336,939	\$ 35,074,236	\$ 76,667,803	\$ 79,410,087

In the governmental funds, major additions included completion of the Oasis XV project at SW 25th Terrace, replacement air conditioners at several facilities, upgrades to the Southwest Community Center, City Hall breakroom, and Finance offices, purchase of several new vehicles for Public Services, replacement of the City Commission Chamber audio/video system, the purchase and installation of payment kiosks at City Hall, and various upgrades to the pool equipment at PJ Meli Aquatic Center.

Long-term debt: As of September 30, 2021, the City had a total outstanding debt of approximately \$16.4m. This debt consists of bonds, notes, and capital leases payable that are secured by non-ad valorem revenues or through covenants to budget and appropriation, and general obligation bonds secured by ad valorem revenues.

City of Dania Beach, Florida
Management’s Discussion and Analysis (Unaudited)
September 30, 2021

The City’s debt total decreased by a net amount of \$2.4 during FY2021 due to the regular pay down of existing debt and the forgiveness of the CRA parking garage loan from Broward County has been forgiven through a loan-to-grant agreement. Additional information on the City’s debt and other long-term liabilities can be found in Note 7 of the footnotes section of this report.

Outstanding Long Term Debt at Year-End

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Sales tax bonds	\$ 345,000	\$ 510,000	\$ -	\$ -	\$ 345,000	\$ 510,000
General obligation bonds	5,855,703	6,354,717	-	-	5,855,703	6,354,717
Revenue bonds	-	538,960	1,380,000	1,530,000	1,380,000	2,068,960
Capital leases	-	88,977	-	-	-	88,977
State revolving loan	-	-	8,840,584	9,782,675	8,840,584	9,782,675
Total	\$ 6,200,703	\$ 7,492,654	\$ 10,220,584	\$ 11,312,675	\$ 16,421,287	\$ 18,805,329

Economic Factors and Next Year’s Budgets and Rates

The City’s continuing investment in economic development, significant branding and marketing efforts, coupled with its proximity to attractive amenities and transportation hubs will continue to improve the tax base in future years. The City Commission and the Executive Leadership Team have completed the strategic planning process, which has marked the shift from a City that has largely operated in a reactive manner to one that is managed through proactive measures, adhering to a comprehensive set of goals and objectives. The strategic plan includes a framework for which the City's adopted FY2022 budget was focused, based on the efforts of the City Commission and City Administration investing in those initiatives that have been identified to best serve the community in the long term.

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

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

As private investment continues to flow into the community, the City is focused on infrastructure improvements, specifically those that support its economic engines, namely the Beach, Pier, and Ocean Park. The City has a full-service restaurant tenant at the Pier and is accumulating the rent payments and other Pier revenues in a fund for future rehabilitation and improvements of the beach amenities. The City recently was awarded a FRDAP grant to rehabilitate the Frank C. "Tootie" Adler Park at the Beach. In the fall of 2021, shortly after fiscal year end 2021, the City approved a Developer Agreement with LM Restaurants to redevelop the Dania Beach Grill, injecting new life into the Beach area along with a new revenue stream that will provide funding for continued improvements. The City continues development of the Beach Master Plan, and seeks to preserve the beach to the extent possible, as erosion has become an area of concern with the onset of king tides and the lack of natural sand deposits from the north. Therefore, additional beach improvements are being carefully planned to ensure erosion is taken into proper consideration before proceeding. This will include a complete re-visioning of the entire beach area that will reroute traffic and construct a parking garage, resulting in a larger beach that is more resistant to natural forces.

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

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

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

The City's Community Redevelopment Agency continues its initiatives to pursue economic development opportunities in support of its goals and objectives. The CRA does not receive tax increment financing (TIF) and is funded nearly entirely by transfer from the City's General Fund. In lieu of a TIF, Broward County provides support through other mechanisms, including loans and grants. The CRA received a five-year interest free loan from the County of over \$5 million tied to certain development goals. The funds were used for construction of a four-level parking garage adjacent to City Hall and the County Library in the downtown "City Center" area. As the CRA and City have met development goals over time, nearly all of this loan has been converted to a grant and the remaining \$539k has been forgiven as of September 30, 2021. Additionally, the County awarded the CRA a \$1 million grant for public improvements at the Soleste residential project on the corner of Federal Highway and Dania Beach Boulevard.

Notwithstanding this continued growth and expansion, the City is still faced with the challenge of balancing its limited revenue resources with continually increasing levels of service delivery costs. The City continues to manage and control costs in several areas, including: 1) repayment of existing debt and limiting additional debt, 2) continued investment in the City's infrastructure, 3) retirement funding costs, 4) public safety contractual costs, and 5) employee and retiree health care costs. The City is beginning to see increases in revenues related to private development, and therefore the City Commission and City Administration are working to establish priorities for the annual allocation of available funds among service delivery areas. The City has a healthy level of debt, considering its size and budget. However, the use of debt must be considered when financing long-term capital projects and infrastructure improvements; for example, the City adopted a Parks Master Plan, that will require a large investment, which cannot be funded by reserves. Similarly, the City has infrastructure needs that cannot be funded 100% on a pay-as-you-go basis. Annual required contributions to the City's legacy general employee and police/firefighter pension plans must also be funded. The costs of public safety services provided by the Broward Sheriff's Office (BSO) continue to increase each year, even if other City service levels are maintained. New private residential development projects are increasing the City's population, resulting in increased demand on public safety services. Finally, the City's successful effort to bid, share costs, and better control annual employee health and other benefit costs will be a significant help in controlling personal services and benefits expenditures in the coming years.

The economy has continued to improve and City property values increased by 6.37% for the fiscal year 2021-22 budget. The City has adopted the same millage rate of 5.9998 and therefore, received an increase in ad valorem tax revenues. This is a result of the increase in private development and a growing property tax base. A cautious approach to additional City infrastructure improvements is warranted to ensure funds are generally being used from annual recurring resources without depleting unassigned fund balance. Examining funding levels for annual economic development initiatives, capital improvements and prudent fiscal restraint in discretionary costs will aid Dania Beach in maintaining a stable financial position in coming years.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

City of Dania Beach, Florida
Statement of Net Position
September 30, 2021

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Assets:			
Cash, cash equivalents, and investments	\$ 59,632,598	\$ 37,567,859	\$ 97,200,457
Receivables			
Franchise, utility and other taxes	615,050	-	615,050
Customer/other, net	363,461	2,157,751	2,521,212
Internal balances	336,073	(336,073)	-
Due from other governments	1,329,044	-	1,329,044
Inventory and prepaid items	62,581	139,318	201,899
Property held for resale	90,199	-	90,199
Restricted cash, cash equivalents and investments	-	646,610	646,610
Capital assets not being depreciated	16,959,730	2,540,287	19,500,017
Capital assets being depreciated	25,371,134	31,796,652	57,167,786
	<u>104,759,870</u>	<u>74,512,404</u>	<u>179,272,274</u>
Deferred Outflows of Resources:			
OPEB related	928,333	379,178	1,307,511
Pension related	10,540,848	1,622,274	12,163,122
	<u>11,469,181</u>	<u>2,001,452</u>	<u>13,470,633</u>
Liabilities:			
Accounts payable and accrued liabilities	2,517,773	1,329,524	3,847,297
Accrued interest payable	83,686	87,610	171,296
Due to other governments	131,048	13,290	144,338
Deposits	287,488	583,548	871,036
Unearned revenue	8,920,458	542,295	9,462,753
Other liabilities	-	64,584	64,584
Due within one year:			
Compensated absences	246,555	68,551	315,106
Current portion of long-term debt	669,014	1,092,089	1,761,103
Due in more than one year:			
Compensated absences	1,397,147	388,455	1,785,602
Long-term debt	5,531,689	9,128,495	14,660,184
Other post-employment benefits (OPEB)	3,306,229	1,350,432	4,656,661
Net pension liability	9,684,452	2,407,906	12,092,358
	<u>32,775,539</u>	<u>17,056,779</u>	<u>49,832,318</u>

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

City of Dania Beach, Florida
Statement of Net Position
(Continued)
September 30, 2021

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Deferred Inflows of Resources:			
OPEB related	8,234,590	3,363,425	11,598,015
Pension related	5,172,819	1,467,739	6,640,558
Total deferred inflows of resources	<u>13,407,409</u>	<u>4,831,164</u>	<u>18,238,573</u>
Net Position:			
Net investment in capital assets	36,130,161	24,116,355	60,246,516
Restricted for:			
Impact fees:			
Water and sewer	-	2,644,840	2,644,840
General government	850,595	-	850,595
Recreation	1,855,973	-	1,855,973
Public safety	2,877,714	-	2,877,714
Building code costs	3,791,504	-	3,791,504
Community redevelopment	37,700	-	37,700
Grants	169,531	-	169,531
Debt service	99,062	646,603	745,665
Unrestricted	<u>24,233,863</u>	<u>27,218,115</u>	<u>51,451,978</u>
Total net position	<u>\$ 70,046,103</u>	<u>\$ 54,625,913</u>	<u>\$ 124,672,016</u>

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

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

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/Programs:							
Primary government:							
Governmental activities:							
General government	\$ 6,807,756	\$ 8,071,722	\$ 558,184	\$ -	\$ 1,822,150	\$ -	\$ 1,822,150
Public safety	34,699,279	9,850,917	-	-	(24,848,362)	-	(24,848,362)
Highways and streets	773,140	-	246,106	-	(527,034)	-	(527,034)
Physical environment	2,872,389	2,841,636	-	-	(30,753)	-	(30,753)
Community redevelopment	4,046,214	5,846	100,000	538,960	(3,401,408)	-	(3,401,408)
Culture and recreation	629,444	1,477,414	-	-	847,970	-	847,970
Interest on long-term debt	165,373	-	-	-	(165,373)	-	(165,373)
Total governmental activities	49,993,595	22,247,535	904,290	538,960	(26,302,810)	-	(26,302,810)
Business-type activities:							
Water	6,662,228	5,717,061	-	-	-	(945,167)	(945,167)
Sewer	4,466,630	6,872,635	-	-	-	2,406,005	2,406,005
Stormwater	1,537,868	1,965,623	-	-	-	427,755	427,755
Marina	785,320	1,207,055	-	-	-	421,735	421,735
Parking	1,052,650	1,458,345	-	-	-	405,695	405,695
Pier operations	398,172	302,689	-	-	-	(95,483)	(95,483)
Total business-type activities	14,902,868	17,523,408	-	-	-	2,620,540	2,620,540
Total primary government	\$ 64,896,463	\$ 39,770,943	\$ 904,290	\$ 538,960	(26,302,810)	2,620,540	(23,682,270)
General revenues:							
Property taxes					26,015,122	-	26,015,122
Franchise fees					2,997,119	-	2,997,119
Utility taxes					4,115,707	-	4,115,707
Unrestricted intergovernmental revenue					5,708,915	-	5,708,915
Investment income					86,292	68,416	154,708
Miscellaneous					3,467,303	1,789,113	5,256,416
Transfers					3,216,613	(3,216,613)	-
Total general revenues and transfers					45,607,071	(1,359,084)	44,247,987
Change in net position					19,304,261	1,261,456	20,565,717
Net position - beginning					50,741,842	53,364,457	104,106,299
Net position - ending					\$ 70,046,103	\$ 54,625,913	\$ 124,672,016

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

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

	Special Revenue Funds							Other Nonmajor Governmental Funds	Total Governmental Funds
	General	Grants	Community Redevelopment Agency	Building	Debt Service	Capital Projects			
Assets:									
Cash, cash equivalents and investments	\$ 47,685,014	\$ 228,462	\$ 1,606,552	\$ 4,363,408	\$ 99,462	\$ 1,880,321	\$ 3,769,379	\$ 59,632,598	
Receivables, net									
Franchise, utility and other taxes	615,050	-	-	-	-	-	-	615,050	
Customer/other, net	349,511	-	13,500	-	-	-	450	363,461	
Due from other funds	509,547	-	40,000	-	-	-	-	549,547	
Due from other governments	1,213,334	105,168	10,542	-	-	-	-	1,329,044	
Inventory and prepaid items	62,581	-	-	-	-	-	-	62,581	
Property held for sale	52,499	-	37,700	-	-	-	-	90,199	
	<u>\$ 50,487,536</u>	<u>\$ 333,630</u>	<u>\$ 1,708,294</u>	<u>\$ 4,363,408</u>	<u>\$ 99,462</u>	<u>\$ 1,880,321</u>	<u>\$ 3,769,829</u>	<u>\$ 62,642,480</u>	
Total assets									
Liabilities:									
Accounts payable and accrued liabilities	\$ 1,479,646	\$ -	\$ 51,853	\$ 435,872	\$ 400	\$ 65,895	\$ 484,107	\$ 2,517,773	
Due to other funds	-	164,099	41,686	7,091	-	-	598	213,474	
Due to other governments	2,107	-	-	128,941	-	-	-	131,048	
Deposits	287,413	-	75	-	-	-	-	287,488	
Unearned revenue	8,920,458	-	-	-	-	-	-	8,920,458	
	<u>10,689,624</u>	<u>164,099</u>	<u>93,614</u>	<u>571,904</u>	<u>400</u>	<u>65,895</u>	<u>484,705</u>	<u>12,070,241</u>	
Total liabilities									

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

**City of Dania Beach, Florida
Balance Sheet - Governmental Funds
(Continued)
September 30, 2021**

	General	Special Revenue Funds				Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
		Grants	Community Redevelopment Agency	Building					
Fund Balances:									
Nonspendable:									
Inventories	62,581	-	-	-	-	-	-	62,581	
Property held for sale	52,499	-	-	-	-	-	-	52,499	
Restricted for:									
General government impact fees	850,595	-	-	-	-	-	-	850,595	
Recreational impact fees	1,855,973	-	-	-	-	-	-	1,855,973	
Public safety impact fees	2,709,825	-	-	-	-	167,889	-	2,877,714	
Building code costs	-	-	-	3,791,504	-	-	-	3,791,504	
Debt service	-	-	-	-	99,062	-	-	99,062	
Grants	-	169,531	-	-	-	-	-	169,531	
Property held for sale	-	-	-	-	-	-	-	37,700	
Committed for:									
Community redevelopment	-	-	1,576,980	-	-	-	-	1,576,980	
Maintenance of cemeteries	-	-	-	-	-	-	479,934	479,934	
Capital projects	-	-	-	-	-	1,814,426	-	1,285,164	
Solid waste	-	-	-	-	-	-	5,970	5,970	
Tree preservation	-	-	-	-	-	-	1,346,167	1,346,167	
Assigned to:									
Disaster recovery	8,287,702	-	-	-	-	-	-	8,287,702	
Branding initiative	42,177	-	-	-	-	-	-	42,177	
Unassigned	25,936,560	-	-	-	-	-	-	25,936,560	
Total fund balances	39,797,912	169,531	1,614,680	3,791,504	99,062	1,814,426	3,285,124	50,572,239	
Total liabilities and fund balances	\$ 50,487,536	\$ 333,630	\$ 1,708,294	\$ 4,363,408	\$ 99,462	\$ 1,880,321	\$ 3,769,829	\$ 62,642,480	

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

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

Fund Balances - Total Governmental Funds \$ 50,572,239

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:

Governmental capital assets	\$ 100,119,896	
Less: accumulated depreciation	<u>(57,789,032)</u>	42,330,864

Certain funds related to pension assets and liabilities are not reported in the governmental funds:

Deferred outflows of resources related to:		
Other post-employment benefits		928,333
Pensions		10,540,848

Deferred inflows of resources related to:		
Other post-employment benefits		(8,234,590)
Pensions		(5,172,819)

Interest payable, not reported in the governmental funds		(83,686)
--	--	----------

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

Bonds payable		(6,200,703)
Net OPEB Liability		(3,306,229)
Net pension liability		(9,684,452)
Compensated absences		<u>(1,643,702)</u>

Net Position of Governmental Activities \$ 70,046,103

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

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

	General	Special Revenue Funds				Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
		Grants	Community Redevelopment Agency	Building					
Revenues:									
Property taxes	\$ 26,015,122	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,015,122
Special assessments	6,789,857	-	-	-	-	-	-	-	6,789,857
Franchise fees	2,997,119	-	-	-	-	-	-	-	2,997,119
Utility taxes	4,115,707	-	-	-	-	-	-	-	4,115,707
Licenses and permits	2,893,578	-	-	5,260,466	-	-	569,668	-	8,723,712
Intergovernmental	6,252,155	-	-	-	-	-	-	-	6,252,155
Charges for services	2,432,158	-	-	-	-	-	-	-	5,205,274
Fines and forfeitures	296,523	-	-	-	-	-	2,773,116	31,976	328,499
Investment income	73,653	-	1,250	4,819	12	3,772	2,786	-	86,292
Grants	558,184	246,106	-	-	-	-	-	-	804,290
Miscellaneous	2,675,238	-	494,317	4,038	-	-	1,050,663	-	4,224,256
Total revenues	55,099,294	246,106	495,567	5,269,323	12	3,772	4,428,209	-	65,542,283
Expenditures:									
Current operating:									
General government	8,757,497	-	-	-	-	37,891	-	-	8,795,388
Public safety	35,105,459	-	-	-	-	-	5,900	-	35,111,359
Highways and streets	2,112,637	17,338	-	-	-	55,000	65,236	-	2,250,211
Physical environment	3,051,208	-	-	-	-	-	2,911,542	-	5,962,750
Community redevelopment	576,034	-	1,322,073	3,207,323	-	-	-	-	5,105,430
Culture and recreation	3,606,710	-	-	-	-	-	-	-	3,606,710
Capital outlay	-	-	-	-	-	246,933	-	-	246,933
Debt service:									
Principal payments	-	-	-	-	752,991	-	-	-	752,991
Interest and other	-	-	-	-	184,100	-	-	-	184,100
Total expenditures	53,209,545	17,338	1,322,073	3,207,323	937,091	339,824	2,982,678	-	62,015,872
Excess (deficiency) of revenues over expenditures	1,889,749	228,768	(826,506)	2,062,000	(937,079)	(336,052)	1,445,531	-	3,526,411

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

City of Dania Beach, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
(Continued)
For the Year Ended September 30, 2021

	Special Revenue Funds							Other Nonmajor Governmental Funds	Total Governmental Funds
	General	Grants	Community Redevelopment Agency	Building	Debt Service	Capital Projects			
Other Financing Sources (Uses):									
Transfers in	4,655,883	8,811	2,022,424	-	1,036,141	850,000	-	8,573,259	
Transfers out	(3,197,692)	-	(372,287)	(1,043,533)	-	(529,469)	(213,665)	(5,356,646)	
Total other financing sources (uses)	1,458,191	8,811	1,650,137	(1,043,533)	1,036,141	320,531	(213,665)	3,216,613	
Net change in fund balances	3,347,940	237,579	823,631	1,018,467	99,062	(15,521)	1,231,866	6,743,024	
Fund Balances (Deficit) - Beginning	36,449,972	(68,048)	791,049	2,773,037	-	1,829,947	2,053,258	43,829,215	
Fund Balances - Ending	\$ 39,797,912	\$ 169,531	\$ 1,614,680	\$ 3,791,504	\$ 99,062	\$ 1,814,426	\$ 3,285,124	\$ 50,572,239	

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

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

Amounts Reported for Governmental Activities in the
Statement of Activities are Different Because:

Net change in fund balances - total governmental funds		\$	6,743,024
Capital outlays, reported as expenditures in governmental funds, are shown as capital assets in the statement of net position.			753,994
Provision for depreciation on governmental capital assets is included in the governmental activities in the statement of net position.			(2,758,981)
Repayment of debt is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position:			
Forgiveness of debt	\$	538,960	
Principal payments		<u>752,991</u>	1,291,951
Certain items reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds:			
Change in OPEB liability and deferral amounts			(4,384,814)
Change in pension liability and deferral amounts			17,822,893
Change in accrued interest			18,727
Change in compensated absences			<u>(182,533)</u>
Change in Net Position of Governmental Activities		\$	<u><u>19,304,261</u></u>

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

**City of Dania Beach, Florida
Statement of Net Position
Proprietary Funds
September 30, 2021**

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>	<u>Marina</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Assets:						
Current assets:						
Cash, cash equivalents and investments	\$ 8,374,895	\$ 16,262,518	\$ 7,025,926	\$ 1,197,121	\$ 4,707,399	\$ 37,567,859
Receivables, net	855,529	988,457	-	283,525	30,240	2,157,751
Inventory and prepaid items	122,877	4,587	11,854	-	-	139,318
Total current assets	<u>9,353,301</u>	<u>17,255,562</u>	<u>7,037,780</u>	<u>1,480,646</u>	<u>4,737,639</u>	<u>39,864,928</u>
Noncurrent assets:						
Restricted cash, cash equivalents and investments	487,388	119,290	39,932	-	-	646,610
Capital assets not being depreciated	269,525	1,347,757	752,556	-	170,449	2,540,287
Capital assets being depreciated, net	14,910,672	4,031,002	7,612,856	5,154,496	87,626	31,796,652
Total noncurrent assets	<u>15,667,585</u>	<u>5,498,049</u>	<u>8,405,344</u>	<u>5,154,496</u>	<u>258,075</u>	<u>34,983,549</u>
Total assets	<u>25,020,886</u>	<u>22,753,611</u>	<u>15,443,124</u>	<u>6,635,142</u>	<u>4,995,714</u>	<u>74,848,477</u>
Deferred Outflows of Resources:						
OPEB related	235,352	65,376	52,300	-	26,150	379,178
Pension related	839,729	241,639	278,452	-	262,454	1,622,274
Total deferred outflows of resources	<u>1,075,081</u>	<u>307,015</u>	<u>330,752</u>	<u>-</u>	<u>288,604</u>	<u>2,001,452</u>
Liabilities:						
Current liabilities:						
Accounts payable and accrued liabilities	298,898	460,589	494,378	16,263	59,396	1,329,524
Accrued interest payable	49,212	13,015	3,783	21,600	-	87,610
Due to other funds	14,965	4,635	3,725	293,389	19,359	336,073
Due to other governments	6,519	-	-	4,198	2,573	13,290
Deposits	508,882	-	-	64,271	10,395	583,548
Unearned revenue	71,102	-	-	13,257	457,936	542,295
Other liabilities	60,752	3,832	-	-	-	64,584
Compensated absences - current	38,595	13,069	9,492	-	7,395	68,551
Current maturities of long-term debt	724,353	167,393	50,343	150,000	-	1,092,089
Total current liabilities	<u>1,773,278</u>	<u>662,533</u>	<u>561,721</u>	<u>562,978</u>	<u>557,054</u>	<u>4,117,564</u>

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

**City of Dania Beach, Florida
Statement of Net Position
Proprietary Funds
(Continued)
September 30, 2021**

	Water	Sewer	Stormwater	Marina	Nonmajor Funds	Total
Noncurrent liabilities:						
Compensated absences	218,703	74,056	53,791	-	41,905	388,455
Long-term debt	5,621,226	1,522,732	754,537	1,230,000	-	9,128,495
Other post-employment benefits (OPEB)	838,199	232,833	186,267	-	93,133	1,350,432
Net pension liability	1,242,259	464,573	411,021	-	290,053	2,407,906
Total long-term liabilities	7,920,387	2,294,194	1,405,616	1,230,000	425,091	13,275,288
Total liabilities	9,693,665	2,956,727	1,967,337	1,792,978	982,145	17,392,852
Deferred inflows of Resources:						
OPEB related	2,087,643	579,901	463,921	-	231,960	3,363,425
Pension related	765,777	63,814	255,259	-	382,889	1,467,739
Total deferred inflows of resources	2,853,420	643,715	719,180	-	614,849	4,831,164
Net Position:						
Net investment in capital assets	8,834,618	3,688,634	7,560,532	3,774,496	258,075	24,116,355
Restricted for:						
Debt service	487,388	119,284	39,931	-	-	646,603
Impact fees	1,920,583	724,257	-	-	-	2,644,840
Unrestricted	2,306,293	14,928,009	5,486,896	1,067,668	3,429,249	27,218,115
Total net position	\$ 13,548,882	\$ 19,460,184	\$ 13,087,359	\$ 4,842,164	\$ 3,687,324	\$ 54,625,913

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

City of Dania Beach, Florida
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2021

	Water	Sewer	Stormwater	Marina	Nonmajor Funds	Total
Operating Revenues:						
Charges for services	\$ 5,717,061	\$ 6,872,635	\$ 1,965,623	\$ 1,207,055	\$ 1,761,034	\$ 17,523,408
Fines and forfeitures	-	-	-	-	259,467	259,467
Miscellaneous	244,877	247,076	310,801	7,928	681,264	1,491,946
Total operating revenues	5,961,938	7,119,711	2,276,424	1,214,983	2,701,765	19,274,821
Operating Expenses:						
Operations and maintenance	5,424,363	4,045,458	1,105,145	406,217	1,427,089	12,408,272
Depreciation	1,063,640	382,479	413,853	336,446	23,733	2,220,151
Total operating expenses	6,488,003	4,427,937	1,518,998	742,663	1,450,822	14,628,423
Operating income (loss)	(526,065)	2,691,774	757,426	472,320	1,250,943	4,646,398
Nonoperating Revenues (Expenses):						
Miscellaneous	4,400	1,100	32,200	-	-	37,700
Investment income	32,265	17,106	11,524	405	7,116	68,416
Interest (expense)	(174,225)	(38,693)	(18,870)	(42,657)	-	(274,445)
Total nonoperating revenues (expenses)	(137,560)	(20,487)	24,854	(42,252)	7,116	(168,329)
Income before transfers	(663,625)	2,671,287	782,280	430,068	1,258,059	4,478,069
Transfers:						
Transfers in	-	-	77,625	-	-	77,625
Transfers out	(1,170,966)	(816,389)	(314,502)	(253,650)	(738,731)	(3,294,238)
Total transfers	(1,170,966)	(816,389)	(236,877)	(253,650)	(738,731)	(3,216,613)
Change in net position	(1,834,591)	1,854,898	545,403	176,418	519,328	1,261,456
Net Position, Beginning	15,383,473	17,605,286	12,541,956	4,665,746	3,167,996	53,364,457
Net Position, Ending	\$ 13,548,882	\$ 19,460,184	\$ 13,087,359	\$ 4,842,164	\$ 3,687,324	\$ 54,625,913

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

**City of Dania Beach, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2021**

	Business-Type Activities					Total
	Water	Sewer	Stormwater	Marina	Nonmajor Funds	
Cash Flows from Operating Activities:						
Cash received from customers and users	\$ 5,911,578	\$ 7,028,913	\$ 2,276,424	\$ 1,190,415	\$ 3,012,891	\$ 19,420,221
Cash payments to suppliers	(3,044,407)	(4,223,251)	(391,340)	(438,016)	(763,345)	(8,860,359)
Cash payments to employees	(2,157,464)	(653,823)	(600,446)	-	(409,035)	(3,820,768)
Other receipts	4,400	1,100	32,200	-	-	37,700
Net cash provided by (used in) operating activities	714,107	2,152,939	1,316,838	752,399	1,840,511	6,776,794
Cash Flows from Noncapital Financing Activities:						
Transfers in	-	-	77,625	-	-	77,625
Transfers out	(1,170,966)	(816,389)	(314,502)	(253,650)	(738,731)	(3,294,238)
Net cash provided by (used in) noncapital financing activities	(1,170,966)	(816,389)	(236,877)	(253,650)	(738,731)	(3,216,613)
Cash Flows from Capital and Related Financing Activities:						
Acquisition and construction of capital assets, net	(72,908)	(656,597)	(578,904)	-	(174,445)	(1,482,854)
Principal paid on long-term debt	(724,355)	(167,394)	(50,342)	(150,000)	-	(1,092,091)
Interest paid on long-term debt	(179,911)	(40,055)	(19,104)	(49,616)	-	(288,686)
Net cash provided by (used in) capital and related financing activities	(977,174)	(864,046)	(648,350)	(199,616)	(174,445)	(2,863,631)

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

City of Dania Beach, Florida
Statement of Cash Flows
Proprietary Funds
(Continued)
For the Year Ended September 30, 2021

	Business-Type Activities - Enterprise Funds					Total
	Water	Sewer	Stormwater	Marina	Nonmajor Funds	
Cash Flows from Investing Activities:						
Investments on earnings	32,265	17,106	11,524	405	7,116	68,416
Net cash provided by (used in) investing activities	32,265	17,106	11,524	405	7,116	68,416
Net increase (decrease) in cash, cash equivalents and investments	(1,401,768)	489,610	443,135	299,538	934,451	764,966
Cash, Cash Equivalents and Investments at Beginning of Year	10,264,051	15,892,198	6,622,723	897,583	3,772,948	37,449,503
Cash, Cash Equivalents and Investments at End of Year	\$ 8,862,283	\$ 16,381,808	\$ 7,065,858	\$ 1,197,121	\$ 4,707,399	\$ 38,214,469
Reconciliation to Statement of Net Position:						
Cash, cash equivalents and investments	\$ 8,374,895	\$ 16,262,518	\$ 7,025,926	\$ 1,197,121	\$ 4,707,399	\$ 37,567,859
Restricted cash, cash equivalents and investments	487,388	119,290	39,932	-	-	646,610
	\$ 8,862,283	\$ 16,381,808	\$ 7,065,858	\$ 1,197,121	\$ 4,707,399	\$ 38,214,469

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

City of Dania Beach, Florida
Statement of Cash Flows
Proprietary Funds
(Continued)
For the Year Ended September 30, 2021

	Business-Type Activities - Enterprise Funds					Total
	Water	Sewer	Stormwater	Marina	Nonmajor Funds	
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:						
Operating income (loss)	\$ (526,065)	\$ 2,691,774	\$ 757,426	\$ 472,320	\$ 1,250,943	\$ 4,646,398
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Other nonoperating revenues	4,400	1,100	32,200	-	-	37,700
Provision for depreciation	1,063,640	382,479	413,853	336,446	23,733	2,220,151
(Increase) decrease in:						
Receivables, net	(70,228)	(90,798)	-	(36,704)	(30,220)	(227,950)
Inventory and prepaid items	29,735	11	(369)	-	-	29,377
Deferred outflows related to OPEB	(235,352)	(65,376)	(52,300)	-	(26,150)	(379,178)
Deferred outflows related to pensions	(839,729)	(241,639)	(278,452)	-	23,422	(1,336,398)
Increase (decrease) in:						
Accounts payable and accrued liabilities	(49,446)	(15,923)	304,384	(30,677)	(962)	207,376
Interfund payable, net	461	477	436	-	(315)	1,059
Due to other governmental agencies	-	-	-	(1,122)	110	(1,012)
Deposits	19,868	-	-	11,416	458	31,742
Unearned revenue	-	-	-	720	340,888	341,608
Other liabilities	4,435	1,919	-	-	-	6,354
Compensated absences	(2,274)	(16,282)	2,629	-	8,426	(7,501)
Net pension liability	(956,049)	(208,086)	(295,156)	-	(457,804)	(1,917,095)
OPEB obligation	(70,883)	(337,698)	(112,071)	-	93,133	(427,519)
Deferred inflows related to OPEB	2,087,643	579,901	463,921	-	231,960	3,363,425
Deferred inflows related to pensions	253,951	(528,920)	80,337	-	382,889	188,257
Total adjustments	1,240,172	(538,835)	559,412	280,079	589,568	2,130,396
Net cash provided by (used in) operating activities	\$ 714,107	\$ 2,152,939	\$ 1,316,838	\$ 752,399	\$ 1,840,511	\$ 6,776,794

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

City of Dania Beach, Florida
Statement of Net Position
Fiduciary Funds
September 30, 2021

	Pension Trust Funds
Assets:	
Cash	\$ 22,691
Receivables:	
State contributions	459,092
Employee contributions	39,783
Employer contributions	302,911
Other	57,044
Accrued interest receivable	193,574
Loans to DROP participants	765,345
	<u>1,817,749</u>
Total receivables	
Investments, at fair value:	
Equity securities	88,579,077
Corporate and foreign bonds	6,531,933
Money market funds	4,868,878
Partnership/joint venture	2,628,272
Real estate	12,662,061
Government securities	14,363,771
	<u>129,633,992</u>
Total investments	
Total assets	<u>131,474,432</u>
Liabilities:	
Accounts payable	108,396
Due to broker for securities purchased	48,827
	<u>157,223</u>
Total liabilities	
Net Position:	
Net position restricted for other post-employment benefits	12,438,335
Net position restricted for DROP benefits	2,581,246
Net position restricted for defined benefits	116,297,628
	<u>131,317,209</u>
Total net position	\$ <u>131,317,209</u>

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

City of Dania Beach, Florida
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended September 30, 2021

	Pension Trust Funds
Additions:	
Contributions:	
Employees	\$ 522,087
Employer	7,579,040
Buybacks	582,275
State	459,092
	<hr/>
Total contributions	9,142,494
	<hr/>
Investment Income:	
Interest and dividends	18,692,393
Net change in fair value of investments	4,226,495
	<hr/>
Total investment income	22,918,888
	<hr/>
Less: Investment expenses	(652,386)
	<hr/>
Net investment income	22,266,502
	<hr/>
Other income	7,016
	<hr/>
Total additions	31,416,012
	<hr/>
Deductions:	
Benefit payments	6,957,351
Administrative expenses	264,879
	<hr/>
Total deductions	7,222,230
	<hr/>
Change in net position	24,193,782
	<hr/>
Net Position - Beginning	107,123,427
	<hr/>
Net Position - Ending	\$ <u><u>131,317,209</u></u>

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

Note 1 - Organization and Operations

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

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

Note 2 - Summary of Significant Accounting Policies

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

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

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

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

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

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

The City reports the following major governmental funds:

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

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

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

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

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

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

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

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

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

Assets, liabilities and net position or fund balance:

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

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

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

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

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

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

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

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

The Building Fund's fund balance is restricted for costs associated with the administration and enforcement of the Florida Building Code.

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

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

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

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

Equity classification:

Government-Wide and Proprietary Fund Statements

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

Fund Equity

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

Deferred inflows and outflows of resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. The items are the deferred outflows relating to the pension plans and the other post-employment benefits (OPEB) and they are discussed in further detail in Notes 10, 11 and 14, respectively.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category. The items are the deferred inflows relating to the pension plans and the other post-employment benefits (OPEB) and they are discussed in further detail in Notes 10, 11 and 14, respectively.

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

Note 3 - Deposits and Investments

Deposits: GASB Statement No. 40, Deposit and Investment Risk Disclosures requires governments to disclose deposits and investments exposed to custodial credit risk. For deposits, this is the risk that, in the event of the failure of a depository financial institution, a government may not be able to recover deposits nor be able to recover collateral securities that are in the possession of an outside party.

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

At September 30, 2021, the carrying amount of the City's deposits was approximately \$ 13,910,000, with a bank balance of approximately \$ 14,419,000. Included in the carrying amount of deposits was approximately \$ 900 cash on hand.

Note 3 - Deposits and Investments (continued)

As of September 30, 2021, the carrying value of the City's cash, cash equivalents and investments, was as follows:

	<u>Cash</u>	<u>Cash Equivalents</u>	<u>Investments</u>	<u>Total</u>
Cash, cash equivalents, and investments	\$ 13,263,301	\$ 38,868,460	\$ 45,068,696	\$ 97,200,457
Restricted cash, cash equivalents and investments	<u>646,610</u>	<u>-</u>	<u>-</u>	<u>646,610</u>
Total	<u>\$ 13,909,911</u>	<u>\$ 38,868,460</u>	<u>\$ 45,068,696</u>	<u>\$ 97,847,067</u>

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

The City invests surplus funds in the Local Government Surplus Funds Trust Fund ("Florida PRIME"). Florida PRIME is administered by the Florida State Board of Administration ("SBA"), who provides regulatory oversight. The Florida PRIME has adopted operating procedures consistent with the requirement for a 2a7-like pool. The City's investment in the Florida PRIME is reported at amortized cost in accordance with GASB 79 "Certain External Investment Pools and Pool Participants." As a result, the Florida PRIME investment is exempt from GASB 72 fair value hierarchy disclosures. As of September 30, 2021 there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the City's daily access to 100 percent of the account value.

The City also invests surplus funds in the Florida Cooperative Liquid Assets Securities System ("FLCLASS"). FLCLASS which is an independent local government investment pool supervised by a Board of Trustees comprised of eligible Participants of the FLCLASS program. The City's investment in the FLCLASS is reported at amortized cost, as a result, the FLCLASS investments are exempt from GASB 72 fair value hierarchy disclosures as of September 30, 2021.

Investments - City: As of September 30, 2021, the City had the following investments and maturities:

<u>Investment Type</u>	<u>Amortized Cost</u>	<u>Investment Maturities (in years)</u>		<u>S&P Credit Rating</u>
		<u>Less than 1</u>	<u>Greater than 1</u>	
Florida PRIME	\$ 19,651,760	\$ 19,651,760	\$ -	AAAm
FLCLASS	<u>25,416,936</u>	<u>25,416,936</u>	<u>-</u>	AAAm
Total investments	<u>\$ 45,068,696</u>	<u>\$ 45,068,696</u>	<u>\$ -</u>	

Interest rate risk: The dollar weighted average days to maturity (WAM) of Florida PRIME and FLCLASS at September 30, 2021 is 49 and 47 days, respectively. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME and FLCLASS at September 30, 2021, is 64 and 84 days, respectively.

Note 3 - Deposits and Investments (continued)

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

Foreign currency risk: Florida PRIME and FLCLASS were not exposed to any foreign currency risk during the fiscal year ending September 30, 2021.

Investments - Fiduciary Funds: As of September 30, 2021, the City's fiduciary funds had the following investments:

Common stocks	\$ 68,150,202
Mutual funds	20,428,875
Corporate and foreign bonds	6,531,933
Money market funds	4,868,878
Hedge funds	2,628,272
Real estate funds	12,662,061
Government securities	<u>14,363,771</u>
	<u>\$ 129,633,992</u>

Interest rate risk: State law does not limit maturity term on fixed income holdings. The term "interest rate risk" refers to the portfolio's exposure to fair value losses arising from increasing interest rates. As of September 30, 2021, the Police and Firefighters' Pension Plan and General Employees' Pension Plan held fixed income securities with the following maturities:

Police and Firefighters' Pension Plan

Investment Type	Fair Value	Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Agencies	\$ 5,323,852	\$ 29,767	\$ 342,269	\$ 603,109	\$ 4,348,707
U.S. Treasuries	3,945,839	-	1,289,680	1,835,611	820,548
Corporate and foreign bonds	4,088,061	-	75,969	2,562,613	1,449,479
Municipal obligations	<u>2,445,701</u>	<u>-</u>	<u>770,058</u>	<u>1,187,024</u>	<u>488,619</u>
Total fixed income securities	<u>\$ 15,803,453</u>	<u>\$ 29,767</u>	<u>\$ 2,477,976</u>	<u>\$ 6,188,357</u>	<u>\$ 7,107,353</u>

Note 3 - Deposits and Investments (continued)

General Employees' Pension Plan

Investment Type	Fair Value	Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Agencies	\$ 1,869,882	\$ 85,266	\$ 1,082,617	\$ 490,583	\$ 211,416
U.S. Treasuries	778,497	150,033	93,724	93,774	440,966
Corporate and foreign bonds	<u>2,443,872</u>	<u>342,737</u>	<u>1,251,763</u>	<u>719,095</u>	<u>130,277</u>
Total fixed income securities	<u>\$ 5,092,251</u>	<u>\$ 578,036</u>	<u>\$ 2,428,104</u>	<u>\$ 1,303,452</u>	<u>\$ 782,659</u>

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

As of September 30, 2021, the Police and Firefighters' Pension Plan and the General Employees' Pension Plan investments subject to credit risk were rated by Moody's Investors Services as follows:

Rating	Fair Value	
	Police and Firefighters	General Employees
Aaa	\$ 4,521,627	\$ 1,134,825
Aa1	1,351,403	-
Aa2	579,953	-
Aa3	199,908	-
A1	651,845	143,575
A2	1,005,908	259,730
A3	537,788	61,300
Baa1	604,690	-
Baa2	322,411	-
Unrated	<u>6,027,920</u>	<u>3,492,821</u>
Total	<u>\$ 15,803,453</u>	<u>\$ 5,092,251</u>

Note 3 - Deposits and Investments (continued)

The following are the adopted assets allocation policies for the General Employees' and Police and Firefighters' Plans as of September 30, 2021:

Type of Investment	General Employee Target Allocation	Police and Firefighters Target Allocation
Large cap equity	7.5%-15%	15%-45%
Mid cap equity	0%-5%	7%-13%
Small cap equity	0%-5%	7%-13%
Developed markets equity	5%-10%	0%-18%
Emerging markets equity	5%-10%	0%-7%
Real estate	0%-15%	7%-20%
Hedge funds	0%-12%	0
Fixed income	20%-35%	15%-30%
Cash and cash equivalents	Minimum	Minimum

Concentration risk: The City's investments and fiduciary funds policy is to maintain a diversified portfolio to minimize the risk of loss resulting from concentration of assets in a specific issuer. Specific limits have been established which limit the percentage of portfolio assets that can be invested with a specific issuer. GASB Statement No. 40, Deposit and Investment Risk Disclosures, requires disclosure when the percentage is 5% or more of the total investments in any one issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investments pools, and other pooled investments are excluded from this disclosure requirement. There were no individual investments that represent 5% or more in any one issuer at September 30, 2021.

Foreign credit risk: For an investment, foreign currency risk is the risk that fluctuations in currency exchange rate may affect transactions conducted in currencies other than U.S. dollars as well as the carrying value of foreign investments. The exposure to foreign currency risk derives mainly from its investments in international equity funds and foreign bonds. The total amount of foreign investments as of September 30, 2021 was \$ 8,720,086 for the Police and Firefighters' Pension Plan. The investment policy limits the foreign investments to no more than 25% of the fund's investment balance. As of September 30, 2021, foreign investments consisted of 10% of total investments for the Police and Firefighters' Pension Plan. The General Employees' plan contained no foreign investments. The FMIvT is not subject to foreign credit risk.

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

Fair value measurements: GASB Statement No. 72, Fair Value Measurement and Application, establishes a hierarchy disclosure framework which prioritizes and ranks the level of market price observability used in measuring investment at fair value. Various inputs are used in determining the fair value of investments. These inputs are categorized into a fair value hierarchy consisting of three broad levels for financial statement purposes as follows:

Note 3 - Deposits and Investments (continued)

- Level 1 - investments reflect unadjusted quoted prices in active markets for identical assets.
- Level 2 - investments reflect prices that are based on a similar observable assets, either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 - investments reflect prices based upon unobservable sources.

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

Common stock: Valued at the closing price reported on the New York Stock Exchange.

Government securities: Valued using pricing models maximizing the use of observable inputs for similar securities.

Mutual funds: Valued at the daily closing price as reported by the Plan. Mutual funds are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Corporate and foreign bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yield of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote, if available.

Real estate funds and commingled trust fund: Valued at the net asset value of shares held by the Plan at year end.

Fair value of Investments held by the City's Police and Firefighters' Pension Plan Investment Funds are classified at September 30, 2021 as follows:

Investments	Totals at September 30, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Common stocks	\$ 22,085,332	\$ 22,085,332	\$ -	\$ -
Mutual funds	27,921,718	27,921,718	-	-
U.S. Agency securities	5,323,852	-	5,323,852	-
Corporate and foreign bonds	4,088,061	-	4,088,061	-
U.S. Treasury securities	3,945,839	2,534,513	1,411,326	-
Municipal obligations	2,445,701	-	2,445,701	-
Total investments measured at fair value	65,810,503	\$ 52,541,563	\$ 13,268,940	\$ -
Investments measured at net asset value (NAV):				
Real estate funds	12,662,061			
Commingled trust fund	5,155,151			
Total assets valued at NAV	17,817,212			
Money market funds (exempt)	4,277,931			
Total investments	\$ 87,905,646			

Note 3 - Deposits and Investments (continued)

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

	Police and Firefighters	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Real estate funds (1)	\$ 10,470,293	\$ -	Quarterly	10 days
Real estate funds (2)	2,191,768	-	Quarterly	10 days
Commingled trust fund (3)	<u>5,155,151</u>	<u>-</u>	Quarterly	1 business day
Total investments measured at the NAV	<u>\$ 17,817,212</u>	<u>\$ -</u>		

- (1) Real estate fund: The fund was formed as an open-end real estate fund consisting primarily of real estate properties in core stable institutional quality offices, retail, industrial and multi-family residential properties that are substantially leased and have minimal deferred maintenance or functional obsolescence. The investment is valued at NAV and redemption requests may be made at any time and are effective at the end of the calendar quarter in which the request is received.
- (2) Real estate fund: The fund was formed as an open-end real estate investment fund consisting of real estate property investments solely in the United States in specific product types including but not limited to multi-family, industrial, retail, office, hotel and other properties. The investment is valued at NAV and redemption requests may be made at any time and are effective at the end of the calendar quarter in which the request is received.
- (3) Commingled trust fund: The fund seeks to apply a systematic and disciplined approach designed to identify high-quality companies with forward-looking secular EPS growth of at least 10% per annum over the next three to five years when they are trading at an attractive valuation. The portfolio will invest in 20 to 30 companies located outside the United States, diversified by industry and country. The investment is valued at NAV and redemption requests may be made at any time and are effective on the next business day in which the request is received.

As of September 30, 2021, the fair value of investments held by the City's General Employees' Pension Plan are classified as follows:

Investments Measured at Fair Value	Totals at September 30, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market mutual funds	\$ 590,947	\$ 590,947	\$ -	\$ -
U.S. Treasury securities	1,869,881	-	1,869,881	-
U.S. Agency securities	778,498	-	778,498	-
Corporate and foreign bonds	2,443,872	-	2,443,872	-
Common stocks	18,143,152	18,143,152	-	-
Mutual funds	2,835,389	2,835,389	-	-
Hedge funds	<u>2,628,272</u>	<u>-</u>	<u>-</u>	<u>2,628,272</u>
Total investments measured at fair value	<u>\$ 29,290,011</u>	<u>\$ 21,569,488</u>	<u>\$ 5,092,251</u>	<u>\$ 2,628,272</u>

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

Note 3 - Deposits and Investments (continued)

As of September 30, 2021, the OPEB Plan Investments has the following required disclosures:

	<u>Fitch Rating</u>	<u>Amount</u>
Credit Risk:		
Fixed Income Funds:		
FMLvT Broad Market High Quality Bond Fund	AAf/S4	\$ 2,599,612
FMLvT Core Plus Fixed Income Fund	Not rated	2,587,174
Equity Portfolios:		
FMLvT Diversified Large Cap Equity	Not rated	2,723,995
FMLvT Diversified Small to Mid Cap Equity	Not rated	1,293,587
FMLvT International Equity	Not rated	2,251,339
FMLvT Core Real Estate Fund	Not rated	982,628
		<u>\$ 12,438,335</u>
	<u>Duration</u>	<u>WAM</u>
Interest Rate Risk (In Years):		
Fixed Income Funds:		
FMLvT Broad Market High Quality Bond Fund	5.39	6.30
FMLvT Core Plus Fixed Income Fund	3.98	8.21

Rate of Return: For the year ended September 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 21.32% and 6.50% for the Police and Firefighters' and General Employees' Pension Plans, respectively. The money weighted rate of return for the OPEB plan was 6.35%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Note 4 - Receivables

Receivables as of September 30, 2021 for the City's individual funds in the aggregate including the allowances for uncollectible receivables are as follows:

	<u>General Fund</u>	<u>Community Redevelopment Agency</u>	<u>Nonmajor Governmental Funds</u>	<u>Water Fund</u>
Customers billed	\$ 251,440	\$ -	\$ -	\$ 1,040,731
Franchise fees	467,533	-	-	-
Utility taxes	428,910	-	-	-
Other	98,071	13,500	450	20,668
Gross receivables	1,245,954	13,500	450	1,061,399
Less: allowance for uncollectible	(281,393)	-	-	(205,870)
Total receivables, net	<u>\$ 964,561</u>	<u>\$ 13,500</u>	<u>\$ 450</u>	<u>\$ 855,529</u>
	<u>Sewer Fund</u>	<u>Marina Fund</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>
Customers billed	\$ 1,200,051	\$ 283,525	\$ 30,240	\$ 2,805,987
Franchise fees	-	-	-	467,533
Utility taxes	-	-	-	428,910
Other	-	-	-	132,689
Gross receivables	1,200,051	283,525	30,240	3,835,119
Less: allowance for uncollectible	(211,594)	-	-	(698,857)
Total receivables, net	<u>\$ 988,457</u>	<u>\$ 283,525</u>	<u>\$ 30,240</u>	<u>\$ 3,136,262</u>

Note 5 - Interfund, Receivables, Payables and Transfers

The balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. The composition of net interfund balances as of September 30, 2021 is as follows:

<u>Funds</u>	<u>From</u>	<u>To</u>
General Fund	\$ 509,547	\$ -
Grants Fund	-	164,099
CRA Fund	40,000	41,686
Building Fund	-	7,091
Nonmajor Governmental Funds	-	598
Water Fund	-	14,965
Sewer Fund	-	4,635
Stormwater Fund	-	3,725
Marina Fund	-	293,389
Nonmajor Enterprise Funds	-	19,359
	<u>\$ 549,547</u>	<u>\$ 549,547</u>

The composition of interfund transfers for the year ended September 30, 2021 is as follows:

<u>Funds</u>	<u>Transfers in</u>	<u>Transfers out</u>
General Fund	\$ 4,655,883	\$ 3,197,692
Grants Fund	8,811	-
CRA Fund	2,022,424	372,287
Building Fund	-	1,043,533
Debt Service Fund	1,036,141	-
Capital Projects Fund	850,000	529,469
Nonmajor Governmental Funds	-	213,665
Water Fund	-	1,170,966
Sewer Fund	77,625	816,389
Stormwater Fund	-	314,502
Marina Fund	-	253,650
Nonmajor Enterprise Funds	-	738,731
	<u>\$ 8,650,884</u>	<u>\$ 8,650,884</u>

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

City of Dania Beach, Florida
Notes to Financial Statements
September 30, 2021

Note 6 - Capital Assets

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 16,184,221	\$ -	\$ -	\$ 16,184,221
Construction in progress	1,126,417	293,118	(644,026)	775,509
Total capital assets, not being depreciated	<u>17,310,638</u>	<u>293,118</u>	<u>(644,026)</u>	<u>16,959,730</u>
Capital assets, being depreciated:				
Buildings and improvements	24,712,731	-	-	24,712,731
Furniture, fixtures and equipment	7,350,183	330,733	-	7,680,916
Infrastructure	49,992,350	774,169	-	50,766,519
Total capital assets, being depreciated	<u>82,055,264</u>	<u>1,104,902</u>	<u>-</u>	<u>83,160,166</u>
Less accumulated depreciation for:				
Buildings and improvements	13,751,474	975,971	-	14,727,445
Furniture, fixtures and equipment	5,580,855	383,292	-	5,964,147
Infrastructure	35,697,722	1,399,718	-	37,097,440
Total accumulated depreciation	<u>55,030,051</u>	<u>2,758,981</u>	<u>-</u>	<u>57,789,032</u>
Total capital assets, being depreciated, net	<u>27,025,213</u>	<u>(1,654,079)</u>	<u>-</u>	<u>25,371,134</u>
Governmental activities capital assets, net	<u>\$ 44,335,851</u>	<u>\$ (1,360,961)</u>	<u>\$ (644,026)</u>	<u>\$ 42,330,864</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 220,976	\$ -	\$ -	\$ 220,976
Construction in progress	1,669,889	1,153,720	(504,298)	2,319,311
Total capital assets, not being depreciated	<u>1,890,865</u>	<u>1,153,720</u>	<u>(504,298)</u>	<u>2,540,287</u>
Capital assets, being depreciated:				
Buildings and improvements	4,962,983	-	-	4,962,983
Furniture, fixtures and equipment	3,601,297	191,793	-	3,793,090
Utility system	60,205,058	641,639	-	60,846,697
Total capital assets, being depreciated	<u>68,769,338</u>	<u>833,432</u>	<u>-</u>	<u>69,602,770</u>
Less accumulated depreciation for:				
Buildings and improvements	2,131,793	246,764	-	2,378,557
Furniture, fixtures and equipment	2,157,267	253,485	-	2,410,752
Utility system	31,296,907	1,719,902	-	33,016,809
Total accumulated depreciation	<u>35,585,967</u>	<u>2,220,151</u>	<u>-</u>	<u>37,806,118</u>
Total capital assets, being depreciated, net	<u>33,183,371</u>	<u>(1,386,719)</u>	<u>-</u>	<u>31,796,652</u>
Business-type activities capital assets, net	<u>\$ 35,074,236</u>	<u>\$ (232,999)</u>	<u>\$ (504,298)</u>	<u>\$ 34,336,939</u>

City of Dania Beach, Florida
Notes to Financial Statements
September 30, 2021

Note 6 - Capital Assets (continued)

Depreciation expense for the year ended September 30, 2021 was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 1,391,246
Public safety	545,812
Highways and streets	609,657
Physical environment	4,614
Community redevelopment	22,336
Culture and recreation	<u>185,316</u>
Total depreciation expense - governmental activities	<u>\$ 2,758,981</u>
Business-type activities:	
Water Fund	\$ 1,063,640
Wastewater Fund	382,479
Stormwater Fund	413,853
Marina Fund	336,446
Nonmajor Funds	<u>23,733</u>
Total depreciation expense - business-type activities	<u>\$ 2,220,151</u>

Note 7 - Long-Term Debt

The following is a summary of changes in long-term debt of the city for governmental activities for the year ended September 30, 2021:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Sales tax revenue bonds	\$ 510,000	\$ -	\$ (165,000)	\$ 345,000	\$ 170,000
General obligation bonds	6,354,717	-	(499,014)	5,855,703	499,014
Notes payable	538,960	-	(538,960)	-	-
Capital leases	88,977	-	(88,977)	-	-
Compensated absences	1,461,169	724,666	(542,133)	1,643,702	246,555
Other post-employment benefits liability	6,227,672	-	(2,921,443)	3,306,229	-
Net pension liability	<u>23,763,395</u>	<u>-</u>	<u>(14,078,943)</u>	<u>9,684,452</u>	<u>-</u>
Total governmental activities	<u>\$ 38,944,890</u>	<u>\$ 724,666</u>	<u>\$ (18,834,470)</u>	<u>\$ 20,835,086</u>	<u>\$ 915,569</u>

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

Note 7 - Long-Term Debt (continued)

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

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

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

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

Year Ending September 30,	Principal	Interest	Total
2022	\$ 669,014	\$ 165,432	\$ 834,446
2023	684,014	148,252	832,266
2024	519,014	132,632	651,646
2025	524,014	118,566	642,580
2026	1,144,014	97,374	1,241,388
2027-2031	1,395,070	309,496	1,704,566
2032-2035	1,265,563	95,647	1,361,210
Total	\$ <u>6,200,703</u>	\$ <u>1,067,399</u>	\$ <u>7,268,102</u>

As of September 30, 2021, the City has complied with all of the provisions outlined within its Series 2012 Sales Tax Revenue Bond Indenture Agreement.

Note 7 - Long-Term Debt (continued)

Notes Payable - Governmental Funds: On February 21, 2006, the City entered in to an interlocal agreement with Broward County to fund specific projects totaling \$ 6,345,866 which was amended in March 2011 for an amount not to exceed \$ 6,038,899. Between March 2009 and September 2013, the City entered into various loan agreements with the County under the interlocal agreement to borrow \$ 5,343,024 for eligible projects under the County Redevelopment Capital Program. The City received the first draw in March 2009 in the amount of \$ 2,334,200 for the purchase of Land Parcel 109. The City received its second draw in the amount of \$ 2,730,909 in September 2010 toward the construction of the Parking Garage Facility on Parcel 109. The loan was held to conditions requiring the City to complete the project within five years of the first draw and to demonstrate a net increase in the tax base of the Community Redevelopment Area. If the conditions are met the note is forgiven using a predetermined schedule. If the conditions are not met the note will be payable to the County over a fifteen-year period commencing at the end of the initial five-year interest free period (March 2019) with interest at the Municipal Market Data (MMD) "A" revenue bond rate in effect at the time repayment begins. As of September 30, 2021, the above conditions were met, and have formally been indicated as such by the County. The outstanding balance of \$ 538,960 was formally forgiven by the County during fiscal year 2021.

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Revenue bonds	\$ 1,530,000	\$ -	\$ (150,000)	\$ 1,380,000	\$ 150,000
State revolving loans	9,782,675	-	(942,091)	8,840,584	942,089
Compensated absences	464,507	180,612	(188,113)	457,006	68,551
Other post-employment benefits liability	1,777,951	-	(427,519)	1,350,432	-
Net pension liability	4,325,001	-	(1,917,095)	2,407,906	-
Total business-type activities	<u>\$ 17,880,134</u>	<u>\$ 180,612</u>	<u>\$ (3,624,818)</u>	<u>\$ 14,435,928</u>	<u>\$ 1,160,640</u>

State Revolving Loans Payable - Enterprise Funds: In previous years, the City entered into various loan agreements with the Florida Department of Environmental Protection’s Clean Water State Revolving Fund Loan Program and Drinking Water State Revolving Fund Loan Program to borrow up to \$ 25,350,941. As of September 30, 2021, the City has a total of \$ 8,840,584 outstanding which it has borrowed to finance the planning, design and construction of water, wastewater and stormwater infrastructure improvements. The City is required to maintain rates and charges for the services furnished by the water, sewer, and stormwater systems which will be sufficient to provide revenues equal to or exceed 1.15 times the sum of the semiannual loan payments (debt service). The loans payable in semi-annual payments are calculated based on the actual amount of the principal drawn under the agreements.

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

Fund	Rate	Amount
Water Fund	2.50%-2.82%	\$ 6,345,579
Sewer Fund	0.905%-1.355%	1,690,125
Stormwater Fund	1.125%-1.355%	804,880
		<u>\$ 8,840,584</u>

Note 7 - Long-Term Debt (continued)

Annual debt service requirements for the state revolving loans are as follows:

Year Ending September 30,	Principal	Interest	Total
2022	\$ 942,089	\$ 188,222	\$ 1,130,311
2023	941,053	167,476	1,108,529
2024	962,396	146,221	1,108,617
2025	984,263	124,444	1,108,707
2026	1,006,666	102,130	1,108,796
2027-2031	3,503,615	224,414	3,728,029
2032-2035	500,502	9,609	510,111
Total	\$ <u>8,840,584</u>	\$ <u>962,516</u>	\$ <u>9,803,100</u>

As of September 30, 2021, the City complied with all of its bond covenants associated with the State Revolving Fund Loan Program.

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

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

Year Ending September 30,	Principal	Interest	Total
2022	\$ 150,000	\$ 44,501	\$ 194,501
2023	160,000	39,215	199,215
2024	165,000	33,674	198,674
2025	170,000	27,962	197,962
2026	175,000	22,080	197,080
2027-2029	560,000	29,155	589,155
Total	\$ <u>1,380,000</u>	\$ <u>196,587</u>	\$ <u>1,576,587</u>

As of September 30, 2021, the City complied with all bond covenants associated with the Taxable Marina Revenue Bonds.

Note 8 - Leases

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

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

Note 8 - Leases (continued)

The pier restaurant lease payment is the greater of the base rent or 7% of the gross revenues for each lease year. The pier restaurant lease contains an option provision to extend the initial term for up to four separate, consecutive additional renewal terms of five years each. Total City rental income of approximately \$ 651,107 is included as revenue in the General Fund, \$ 30,240 in the Parking Fund, and \$ 500,282 in the Pier Fund.

The following is a schedule of minimum future rental income of non-cancelable operating leases as of September 30, 2021:

Year Ending September 30,	
2022	\$ 500,697
2023	445,885
2024	451,896
2025	458,092
2026	419,113
2027-2031	1,225,754
2032-2036	1,000,085
2037-2040	<u>800,068</u>
Total	<u>\$ 5,301,590</u>

As of September 30, 2021, leased assets consist of the following:

	Cost	Accumulated Depreciation	Net Book Value
Land	\$ 7,527,378	\$ -	\$ 7,527,378
Building	<u>1,907,300</u>	<u>1,076,543</u>	<u>830,757</u>
Total	<u>\$ 9,434,678</u>	<u>\$ 1,076,543</u>	<u>\$ 8,358,135</u>

Note 9 - Commitments and Contingencies

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

Note 9 - Commitments and Contingencies (continued)

Interlocal Agreement with Broward County Sheriff’s Office for Police Services: A contract exists between the Broward County Sheriff’s Office (“BSO”) and the City, whereby the BSO provides police officers to serve the City which expires in September 2025, with an option to renew for five additional years. These police officers are paid on the BSO payroll. The City pays the BSO for the police services based on the contract. The City paid the BSO approximately \$ 14,400,000 for the year ended September 30, 2021.

Interlocal Agreement with Broward County Sheriff’s Office for Fire Rescue and Emergency Medical Services: The City has an Interlocal Agreement with the BSO to provide fire rescue and emergency medical services which expires in September 2025, with an option to renew for five additional years. All fire personnel are paid on the BSO payroll. The City pays the BSO for the fire rescue and emergency medical services based on the contract. The City paid the BSO approximately \$ 13,600,000 for the year ended September 30, 2021.

Interlocal Agreement with City of Hollywood: The City has an Interlocal Agreement with the City of Hollywood for utilization of a common area-wide wastewater collection, treatment and disposal facility. The City of Hollywood is required to provide the City of Dania Beach an estimate of all costs at the beginning of each fiscal year. The annual estimate is the basis for monthly billings and is adjusted annually based upon actual flows and actual costs when known. Charges for services provided by the City of Hollywood include operation, maintenance and administrative costs, debt service charges, depreciation charges and renewal replacement and improvement account contributions. For the year ended September 30, 2021, the City recognized expenses of approximately \$ 3,600,000 under this agreement. The agreement will continue in existence until modified by mutual consent or termination by one of the parties after giving one year’s notice. Should the City terminate the agreement, it would be required to pay all debt service charges which would otherwise have been chargeable to the City (based upon a weighted average for future years using projected flows) and a sum equal to the present value of five years of all other payments based on the annual payment in the year of termination. Management considers the chances of termination of this agreement to be remote. Future payments under this agreement cannot be estimated.

Construction Commitments: The City has numerous active construction projects as of September 30, 2021. The City’s significant commitments with contractors are as follows:

<u>Capital Projects Fund</u>	<u>Remaining Commitment</u>
Beach Revitalization II	\$ 772,974
Oasis XIV - Planning and Design	47,149
Traffic Calming & Beautification Project	250,000
Roadway and Median Electrical Project	<u>90,000</u>
Total Capital Projects Fund	<u>\$ 1,160,123</u>
 <u>Grant Fund</u>	
Oasis XIV - 45th Year - CDBG	<u>\$ 172,549</u>

Note 9 - Commitments and Contingencies (continued)

Water, Sewer, Stormwater, Pier Funds

NW 1st Ave Water Main Stirling-City Hall	\$	375,767
Lift Rehab Projects 5,7,10		11,805
SE Stormwater Phase II		6,120,725
SW 43rd Terrace, SW 40th Court and SW 49th Street Project		540,511
Pier Refurbishing		<u>236,051</u>
Total Water, Sewer, Stormwater, Pier Funds	\$	<u><u>7,284,859</u></u>

ENCUMBRANCES*

<u>Governmental Funds</u>		<u>Amount Encumbered</u>
General Fund	\$	818,075
Community Redevelopment Agency Fund		8,638
Building Permit Operations Fund		7,226
Capital Projects Fund		280,937
Nonmajor Funds		<u>178,322</u>
Total Governmental Funds	\$	<u><u>1,293,198</u></u>

Enterprise Funds

Water	\$	527,311
Stormwater		1,525,297
Sewer		561,501
Nonmajor Funds		<u>114,730</u>
Total Enterprise Funds	\$	<u><u>2,728,839</u></u>

* Encumbrances include construction commitments

Note 10 - Defined Benefit Pension Plans

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

Note 10 - Defined Benefit Pension Plans (continued)

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

Summary of Significant Accounting Policies:

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

At October 1, 2019, the date of the latest actuarial valuation, the Plan’s membership consisted of:

	<u>General Employees</u>	<u>Police and Firefighters</u>
Retirees and beneficiaries	83	75
Inactive, nonretired members	-	-
Active members	<u>11</u>	<u>14</u>
Total	<u><u>94</u></u>	<u><u>89</u></u>

Funding Policy

General Employees’ Pension Plan:

Plan description: The Plan was established under the Code of Ordinances for the City of Dania Beach, Florida, Chapter 18, Article III, and was most recently amended under Ordinance No. 2014-001 passed and adopted on January 28, 2014. The Plan is also governed by certain provisions of Part VII, Chapter 112, Florida Statutes (F.S.) and the Internal Revenue Code. The Plan is a single-employer defined benefit pension plan.

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

Contributions: City ordinance establishes the contribution requirements of GEPP members and the City. City employee members are required to contribute 19.74% of their annual covered salary of which 16.08% is contributed by the City on behalf of the employee. City and employee contributions for the year ended September 30, 2021, were \$ 1,209,601 and \$ 176,468 respectively. The annual required contribution for the current year was determined based on an October 1, 2019, actuarial valuation date.

Note 10 - Defined Benefit Pension Plans (continued)

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

Benefits – Normal Retirement Benefit: A member may retire on the first day of the month coincident with or next following the earlier of age 50 with 25 years of credited service or age 55 with 6 years of Credited Service. The benefit is 3% of average monthly earnings (“AME”) multiplied by the years of credited service.

Early Retirement: A member may elect to retire earlier than the normal retirement eligibility upon attainment of age 50 with 10 years of credited service (8 years for elected officials). The normal retirement benefit is reduced by 6.0% for each year by which the early retirement date precedes what would have been the member’s normal retirement date.

Cost of Living Adjustment “COLA”: On April 1 of each year, a cost of living increase is given based on the actuarial gain realized in the prior fiscal year ending September 30 and upon the percentage of such gain attributable to retirees as a percentage of the total number of participants in the plan. If there is no actuarial gain in the prior fiscal year, then there is no cost of living adjustment the following April 1. The annual increase is limited to the annual increase in the Consumer Price Index for the preceding calendar year.

Deferred Retirement Option Plan “DROP”: Plan members are eligible for the DROP upon meeting the eligibility requirements for Early or Normal Retirement. The member’s Credited Service and AME are frozen upon entry into the DROP. The monthly retirement benefit as described under Early or Normal Retirement is calculated based upon the frozen Credited Service and AME. The maximum DROP period is 5 years for those who enter the DROP on or after March 1, 2006. The member's DROP account is credited or debited quarterly at a rate equal to the actual net rate of investment return realized by the Plan for that quarter. Upon termination, the options to receive the benefit include a lump sum, annual payments, or equal monthly installments.

Health Insurance Subsidy: Seventy-five percent of each year’s actuarial gain in excess of that used for the COLA would be used first to pay one-third of health insurance premiums for those whose benefits are in pay status. If any money remains after the first use, it would be used to pay the remaining two-thirds of health insurance premiums for those whose benefits are in pay status. If there is still money remaining, it will be accrued in a “future benefit reserve account” to be used to provide future benefits for retirees and survivors.

Police and Firefighters’ Plan:

Plan description: The Plan was first established on March 1, 1977 and later amended to provide retirement, disability and death benefits for all full-time firefighters of the City, and those police officers who elected to remain in the Plan prior to the transfer of the Police Department to the BSO. It is defined in Chapter 18 of the Code of Ordinances of the City, which is amended from time to time. The Plan is also governed by certain provisions of Part VII, Chapter 112, Chapter 175 and Chapter 185 of the Florida Statutes. There is a Board of Trustees in whom the general administration, management and responsibility for the proper operation of the system is vested.

Note 10 - Defined Benefit Pension Plans (continued)

Contributions: Firefighters currently make contributions to the Plan at a rate equal to 24.6% of earnings. Police Officers make contributions to the Plan at a rate equal to 7% of their annual covered salary. For fiscal year ending September 30, 2021, there were no active Police Officers in the Plan. Firefighters hired prior to September 30, 2001 and those hired on or after October 1, 2001 contribute 2% and 6.46%, respectively, of their earnings through payroll deductions. The remaining employee contributions are made by the City on behalf of the employee. Effective January 29, 2011, and amended September 25, 2013, the City and BSO agreed that for the year ending September 30, 2013, and for all future fiscal years as long as annual employer pension contributions are required, BSO will contribute \$ 513,354 to both the City Fire Pension and the City General Employee Pension. The contributed amount of \$ 513,354 will be divided between the Fire Pension and the General Employee Pension by \$ 497,927 and \$ 15,427, respectively. In the event the annual required employer pension is less than \$ 513,354 in any fiscal year, BSO's annual required employer contribution shall be the lesser amount.

BSO refunds to the City of Dania Beach the amount that the Sheriff's office would have paid to the Florida Retirement System (FRS) on behalf of those Police Officers who remained in the City Plan. For the year ended September 30, 2021, no active Police Officers were participants in the City Plan. The entire 7% contribution for the Police Officers would be made entirely by the City of Dania Beach on behalf of those employees if the City had any remaining active Officers in the City Plan. Additionally, the City/BSO is required to contribute an actuarially determined rate for Firefighters in the fiscal year. For active participants, BSO and City of Dania Beach make an annual contribution to the City Plan in a percentage of pensionable wages determined by the actuary by taking into consideration the amounts contributed by employees and the State of Florida (the "State") under State law. BSO and Employer, Employee and State contributions for the year ended September 30, 2021, were \$ 6,169,439, \$ 345,619 and \$ 459,092 respectively.

Eligibility: Eligible for the Plan are Firefighters of the City and certain Police Officers that were formerly employed by the City but now are employed by BSO. As of October 1, 1988, the Police Officers of the City of Dania Beach became employees of BSO pursuant to a service agreement dated August 30, 1988, between the City of Dania Beach and the BSO. As of January 29, 2011, Firefighters of the City also became employees of BSO. The Plan became closed to new participants at that time. The Plan covers 26 active employees as well as 63 retirees and beneficiaries currently receiving benefits.

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

Note 10 - Defined Benefit Pension Plans (continued)

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

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

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

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

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

Net Pension Liability, Pension Expense and Deferred Outflows and Inflows of Resources: At September 30, 2021, the City reported a net pension liability of \$ 3,406,144 and \$ 3,852,002 in the GEPP and P&F Plans, respectively. The net pension liabilities for both plans were measured as of September 30, 2020, and the total pension liabilities used to calculate the net pension liabilities were determined by an actuarial valuation as of October 1, 2019.

Note 10 - Defined Benefit Pension Plans (continued)

Component of the Plans' expense for fiscal year ended September 30, 2021, (based on measurement period ended September 30, 2020) are as follows:

	General Employees	Police and Firefighters
Service cost	\$ 189,819	\$ 679,390
Current period benefit changes	-	(1,967)
Interest on the total plan liability	1,826,148	4,949,503
Employee contributions	(154,407)	(1,040,221)
Projected earnings on plan investments	(1,584,446)	(4,351,497)
Pension plan administrative expense	83,127	178,901
Other (Change in state and health insurance reserves and present value of buybacks)	-	917,260
Recognition of outflow (inflow) of resources due to liabilities	(86,190)	(1,869,412)
Recognition of outflow (inflow) of resources due to assets	25,024	(434,702)
Total pension expense (income)	\$ <u>299,075</u>	\$ <u>(972,745)</u>

For the fiscal year ended September 30, 2021, the City recognized pension expense (income) in the GEPP of \$ 299,075 and in the P&F Plan of \$ (972,745). In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pension plans from the following sources.

General Employees		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 409,853	-
City contributions subsequent to measurement date	1,209,601	-
Total	\$ <u>1,619,454</u>	\$ <u>-</u>
Police and Firefighters		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 259,078
Pension contributions subsequent to measurement date	6,169,439	-
Total	\$ <u>6,169,439</u>	\$ <u>259,078</u>

Note 10 - Defined Benefit Pension Plans (continued)

The deferred outflows of resources related to City and State contributions paid subsequent to the measurement date, but before the end of the City's current reporting period, will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than the current fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Plans will be recognized in pension expense as follows:

Year Ended September 30,	General Employees	Police and Firefighters
2022	\$ 2,061	\$ (422,450)
2023	147,513	22,893
2024	211,043	258,460
2025	49,236	(117,981)
Thereafter	-	-
Total	\$ <u>409,853</u>	\$ <u>(259,078)</u>

Changes in Net Pension Liability

Component	General Employees	Police and Firefighters
A. Total Pension Liability:		
Service cost	\$ 189,819	\$ 679,390
Interest	1,826,148	4,949,503
Benefit payments, including refunds of employee contributions	(1,886,729)	(4,671,185)
Difference between expected and actual experience	(86,190)	(67,164)
Change of assumptions	-	(1,802,248)
Change of benefit terms	-	(1,967)
Other	-	917,260
Net change	43,048	3,589
Total pension liability, beginning	<u>28,848,137</u>	<u>74,982,165</u>
Total pension liability, ending	\$ <u>28,891,185</u>	\$ <u>74,985,754</u>
B. Plan Fiduciary Net Position		
Contributions - city	\$ 1,356,798	\$ 6,798,153
Contributions - state	-	463,157
Contributions - employee (includes buyback contributions and picked up member contributions)	154,407	1,040,221
Net investment income	1,338,270	4,941,406
Benefit payments, including refunds of employee contributions	(1,886,729)	(4,671,185)
Administrative expenses	(83,127)	(178,901)
Net change	879,619	8,392,851
Total pension liability, beginning	<u>24,605,422</u>	<u>62,740,901</u>
Total pension liability, ending	\$ <u>25,485,041</u>	\$ <u>71,133,752</u>
C. Net Pension Liability	\$ <u>3,406,144</u>	\$ <u>3,852,002</u>

Note 10 - Defined Benefit Pension Plans (continued)

Actuarial Assumptions: The total pension liability in the October 1, 2019, actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement date of September 30, 2020. Methods and assumptions used to determine the total pension liability:

Police and Firefighter:

Actuarial Cost Method: Entry Age Normal
Amortization Method: Level Dollar, Closed
Remaining Amortization Period: 5 years
Asset Valuation Method: 5-year smoothed market
Inflation: 2.50%
Salary Increases: 6.0%
Investment Rate of Return 6.75%
Retirement Age Experience-based table of rates that are specific to the type of eligibility condition.
Mortality: The mortality tables used are the same as those used in the July 1, 2019 Pension Actuarial Valuation of the Florida Retirement System (FRS) for Special Risk members. These tables are based on the PUB-2010 mortality tables with mortality improvements projected for healthy lives to all future years after 2010 using Scale MP-2018.

General Employees:

Actuarial Cost Method: Entry Age Normal
Amortization Method: Fixed Dollar
Remaining Amortization Period: 5 Years
Asset Valuation Method: 5-year smoothed market
Inflation: 2.50%
Salary Increases: 4.00%
Investment Rate of Return: 6.50%
Retirement Age Experience-based table of rates that are specific to the type of eligibility condition.
Mortality RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates currently in use for Regular Class members of the Florida Retirement System (FRS).

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

Note 10 - Defined Benefit Pension Plans (continued)

Sensitivity of the City's Proportionate Share of the Net Position Liability (Asset) to Changes in the Discount Rate: The following represents the City's proportionate share of the net pension liability (asset) calculated using the discount rates of 6.50% and 6.75% for the GEP and P&F Plans, respectively, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate schedule of investment returns:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Police and firefighters	\$ <u>11,907,381</u>	\$ <u>3,852,002</u>	\$ <u>(2,911,128)</u>
	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
General employees	\$ <u>6,407,819</u>	\$ <u>3,406,144</u>	\$ <u>872,874</u>

The aggregate amounts for all pension liabilities, expenditures, deferred outflows and inflows for all of the plans are as follows:

	Deferred Outflows	Deferred Inflows	Pension Expenses (Income)	Pension Liability
Police and Firefighters' Plan	\$ 6,169,439	\$ 259,078	\$ (972,745)	\$ 3,852,002
General Employees' Plan	1,619,454	-	299,075	3,406,144
Florida Retirement System (Note 11)	3,388,043	6,254,836	403,086	1,791,433
Health Insurance Subsidy Program (Note 11)	986,186	126,644	366,496	3,042,779
	<u>\$ 12,163,122</u>	<u>\$ 6,640,558</u>	<u>\$ 95,912</u>	<u>\$ 12,092,358</u>

Condensed Statement of Fiduciary Net Position for General Employees' Pension Plan

	General Employees
Assets:	
Cash and cash equivalents	\$ 10,157
Receivables, net	404,671
Investments	<u>29,290,011</u>
Total assets	<u>29,704,839</u>
Liabilities:	
Net position restricted for pension benefits	\$ <u>29,704,839</u>

Note 10 - Defined Benefit Pension Plans (continued)

Condensed Statement of Changes in Fiduciary Net Position for General Employees' Pension Plan

	<u>General Employees</u>
Additions:	
Contributions	\$ 1,386,069
Net investment gain	4,762,874
Other income	<u>6,932</u>
Total additions	<u>6,155,875</u>
Deductions:	
Benefits paid	1,845,989
Administrative expenses	<u>90,088</u>
Total deductions	<u>1,936,077</u>
Change in net position	<u>\$ 4,219,798</u>

Note 11 - Florida Retirement System

General Information: The City participates in the Florida Retirement System (FRS). The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan, and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan (Note 12). Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing, multiple-employer defined benefit pension plan, to assist retired members of any state administered retirement system in paying the costs of health insurance.

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

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

Note 11 - Florida Retirement System (continued)

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

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

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

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

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

Note 11 - Florida Retirement System (continued)

Contributions: Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent (3.00%) of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2020 through June 30, 2021 and from July 1, 2021 through September 30, 2021, respectively, were as follows: Regular - 10.00% and 10.82%; Special Risk Administrative Support - 35.84% and 37.76%; Special Risk - 24.45% and 25.89%; Senior Management Service - 27.29% and 29.01%; Elected Officers - 49.18% and 51.42%; and DROP participants - 16.98% and 16.98%. These employer contribution rates include 1.66% HIS Plan subsidy and a 0.06% plan administrative and educational expense for the periods October 1, 2020 through June 30, 2021, and from July 1, 2020 through September 30, 2021, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At September 30, 2021, the City reported a liability of \$ 1,791,433 for its proportionate share of the Pension Plan’s net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The City’s proportionate share of the net pension liability was based on the City’s 2020-21 fiscal year contributions relative to the 2019-20 fiscal year contributions of all participating members. At June 30, 2021, the City's proportionate share was 0.02372%, which was an increase of 0.00315% from its proportionate share measured as of June 30, 2020.

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

For the fiscal year ended September 30, 2021, the City recognized pension expense of \$ 403,086. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 307,055	\$ -
Change in assumptions	1,225,788	-
Net difference between projected and actual earnings on pension plan investments	-	6,249,861
Employer-specific amounts due to changes in employer proportion City contributions subsequent to the measurement date	1,585,115	4,975
	<u>270,085</u>	<u>-</u>
Total	\$ <u><u>3,388,043</u></u>	\$ <u><u>6,254,836</u></u>

Note 11 - Florida Retirement System (continued)

The deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer’s fiscal year end, will be recognized as a reduction of the net pension liability during the subsequent fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Plan will be recognized in pension expense as follows:

<u>Fiscal Year Ending September 30,</u>	<u>Amount</u>
2022	\$ (430,781)
2023	(575,218)
2024	(919,998)
2025	(1,341,988)
2026	131,107
Thereafter	<u>-</u>
	<u>\$ (3,136,878)</u>

Actuarial Assumptions: The total pension liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.40%
Salary Increases	3.25%, average, including inflation
Investment rate of return	6.80%, net of pension plan investment expense, including inflation
Mortality	Mortality rates were based on the PUB-2010 with Projection Scale MP-2018

The actuarial assumptions used in the July 1, 2021, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

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

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

Note 11 - Florida Retirement System (continued)

Sensitivity of the City’s Proportionate Share of the Net Position Liability (Asset) to Changes in the Discount Rate: The following represents the City’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80%, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.80%) or one percentage point higher (7.80%) than the current rate:

	1% Decrease 5.80%	Current Discount Rate 6.80%	1% Increase 7.80%
City's proportionate share of the net pension liability (asset)	\$ <u>8,011,410</u>	\$ <u>1,791,433</u>	\$ <u>(3,407,770)</u>

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

HIS Plan

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

Benefits Provided: For the fiscal year ended September 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$ 5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$ 30 and a maximum HIS payment of \$ 150 per month pursuant to section 112.363 Florida Statutes. To be eligible to receive these benefits, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions: The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2021, the HIS contribution for the period October 1, 2020 through June 30, 2021 and from July 1, 2021 through September 30, 2021 was 1.66%, respectively. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At September 30, 2021, the City’s reported a liability of \$ 3,042,779 for its proportionate share of the HIS Plan’s net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The City’s proportionate share of the net pension liability was based on the City’s 2020-21 fiscal year contributions relative to the 2019-20 fiscal year contributions of all participating members. At June 30, 2021, the City's proportionate share was 0.02481%, which was an increase of 0.00277% from its proportionate share measured as of June 30, 2020.

Note 11 - Florida Retirement System (continued)

For the fiscal year ended September 30, 2021, the City recognized pension expense of \$ 366,496. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 101,819	\$ 1,274
Change in assumptions	239,094	125,370
Net difference between projected and actual earnings on pension plan investments	3,172	-
Employer-specific amounts due to changes in employer proportion	602,105	-
City contributions subsequent to the measurement date	<u>39,996</u>	<u>-</u>
Total	\$ <u><u>986,186</u></u>	\$ <u><u>126,644</u></u>

The deferred outflows of resources related to City contributions subsequent to the measurement date, but before the end of the City’s current reporting period, will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred (inflows) of resources related to the HIS Plan will be recognized in pension expense as follows:

<u>Fiscal Year Ending September 30,</u>	<u>Amount</u>
2022	\$ 196,756
2023	141,166
2024	150,495
2025	158,514
2026	136,234
Thereafter	<u>36,381</u>
	\$ <u><u>819,546</u></u>

Actuarial Assumptions: The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.25%, average, including inflation
Municipal bond rate	2.16%
Mortality	Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018

Note 11 - Florida Retirement System (continued)

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

Discount Rate: The discount rate used to measure the total pension liability was 2.16%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the City’s Proportionate Share of the Net Position Liability to Changes in the Discount Rate: The following represents the City’s proportionate share of the net pension liability calculated using the discount rate of 2.16%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.16%) or one percentage point higher (3.16%) than the current rate:

	1% Decrease <u>1.16%</u>	Current Discount Rate <u>2.16%</u>	1% Increase <u>3.16%</u>
City's proportionate share of the net pension liability	\$ <u>3,517,747</u>	\$ <u>3,042,779</u>	\$ <u>2,653,649</u>

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

The system's ACFR and the actuarial valuation reports are available online at:

http://www.dms.myflorida.com/workforce_operations/retirement/publications

Payables to the Pension Plan: The City reported no payables for outstanding contributions to the HIS Plan as of September 30, 2021.

Note 12 - Defined Contribution Plan

Eligible FRS members have the option of participating in the Florida Retirement System Investment Plan (“Investment Plan”) which is a defined contribution plan or the Florida Retirement System Pension Plan (“Pension Plan”) which is a defined benefit plan (Note 11). The Investment Plan is qualified under Section 401 (a) of the Internal Service Code. The employer and employee contributions for the Investment Plan are defined by law. Employees are required to contribute 3% of their salary. The amount contributed by the City is the same whether the employee participates in the Investment Plan or the Pension Plan (Note 11). The City contributed \$ 391,263 to the Investment Plan for the year ended September 30, 2021.

Note 13 - Deferred Compensation

The City offers its employees a deferred compensation plan (457b) with a financial institution. Upon employment, all full-time employees have a one-time benefit election to enroll in the plan and will receive a match of up to a maximum of 1.8% of their compensation by the City. For the year ended September 30, 2021, the City contributed a total of \$ 112,407 to the Plan.

Note 14 - Other Post-Employment Benefits

GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions specifies that governments must recognize their total OPEB liability (asset) and related deferred outflows of resources, deferred inflows of resources, and OPEB expense in the financial statements based on the actuarial present value of projected benefit payments.

Pursuant to Section 112.081, Florida Statutes, the City is required to permit eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. The City does not provide retirees with any subsidy for this benefit.

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

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

Inactive employees:	
Retirees and beneficiaries currently receiving benefits	133
Active members	125
	<hr/>
Total	258
	<hr/> <hr/>

Actuarial Methods: The actuarial valuation of the calculation of OPEB involves estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

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

Note 14 - Other Post-Employment Benefits (continued)

Funding Policy: The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to pre-fund benefits when earned and determined annually by the City’s actuary. For the year ended September 30, 2021, the City made contributions of \$ 200,000 to the OPEB plan. It is the City’s intent to base future OPEB Trust contributions on the actuarially determined annual required contribution (ARC) less pay-as-you-go financing; however, no future Trust contributions are legally or contractually required. The City shares the insurance premium costs by subsidizing two-thirds of the cost. Retiree plan members are responsible for the remaining portion. The contribution requirements of plan members are established and may be amended by the City Commission.

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

The following condensed statements represent the fiduciary net position restricted for OPEB benefits at September 30, 2021 and the changes in net fiduciary position for the year then ended:

Condensed Statement of Fiduciary Net Position

	<u>OPEB Trust</u>
Assets:	
Investments	\$ <u>12,438,335</u>
Total assets	<u>12,438,335</u>
Liabilities	<u>-</u>
Net position restricted for other post-employment benefits	\$ <u><u>12,438,335</u></u>

Condensed Statement of Changes in Fiduciary Net Position

	<u>OPEB Trust</u>
Additions:	
Employer contributions	\$ 200,000
Net investment income	<u>1,733,701</u>
Total additions	<u>1,933,701</u>
Deductions	<u>-</u>
Change in net position	\$ <u><u>1,933,701</u></u>

Note 14 - Other Post-Employment Benefits (continued)

Net OPEB Liability of the City: The components of the net OPEB liability of the town at September 30, 2021 were as follows:

Total OPEB Liability	\$ 15,161,295
Plan fiduciary net position	<u>(10,504,634)</u>
Net OPEB liability	<u>\$ 4,656,661</u>
Plan fiduciary net position as a percentage of total OPEB liability	69.3%

The actuarial valuation for the calculation of OPEB involves estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information is designed to provide multi-year trend information to show whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Net OPEB Liability: The total OPEB liability was determined as of September 30, 2020 (the valuation date) with a measurement date of September 30, 2020, the date as of which the total OPEB liability is determined as follows:

The following table provides information concerning actuarial methods and assumptions:

Inflation	2.30% annual increase
Salary increases	4.00%, compounded annually
Discount rate	6.50%, compounded annually
Mortality	Healthy Pre-retirement – Pub-2010 General Employees Headcount - Weighted Mortality using MP 2021 Healthy Post-retirement - Pub-2010 General Retirees Headcount - Weighted Mortality using MP 2021 Disabled Retirement Participants - Pub-2010 General Disabled Retirees Headcount - Weighted Mortality using MP 2021 Mortality improvements are projected to all future years after 2010 using Scale MP-2021

Note 14 - Other Post-Employment Benefits (continued)

Changes in the Total OPEB Liability:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Total OPEB Liability (a)-(b)
Balance at September 30, 2019, measurement date	\$ 17,693,618	\$ 9,687,995	\$ 8,005,623
Changes for the year:			
Service cost	225,162	-	225,162
Interest	1,155,942	-	1,155,942
Economic/demographic gains or losses	(2,504,895)	-	(2,504,895)
Assumption changes	(1,134,089)	-	(1,134,089)
Benefit payments	(274,443)	(274,443)	-
Employer contributions	-	474,443	(474,443)
Net investment income (loss)	-	626,879	(626,879)
Administrative expense	-	(10,240)	10,240
Net changes	(2,532,323)	816,639	(3,348,962)
Balance at September 30, 2020, measurement date	\$ 15,161,295	\$ 10,504,634	\$ 4,656,661

Money Weight of Return: For the year ended September 30, 2021, the net money weighted rate of return was 6.35%. The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

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

	September 30, 2021
Discount Rate	6.500%
Long-Term Expected Rate of Return, Net of Investment Expense	6.500%
20 Year Tax-Exempt Municipal Bond	2.210%

Note 14 - Other Post-Employment Benefits (continued)

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

	<u>1% Decrease (5.50%)</u>	<u>Current Discount Rate (6.50%)</u>	<u>1% Increase (7.50%)</u>
Net OPEB Liability	\$ <u>6,157,612</u>	\$ <u>4,656,661</u>	\$ <u>3,380,148</u>

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

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Net OPEB Liability	\$ <u>3,270,526</u>	\$ <u>4,656,661</u>	\$ <u>6,301,788</u>

OPEB Expense and deferred outflows of resources and deferred inflows of resources related to OPEB: For the year ended September 30, 2021, the City recognized OPEB expense of \$ 4,070,362. At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 5,299,416
Changes in assumptions	-	5,824,635
Net difference between projected and actual earnings	-	473,964
Contributions subsequent to measurement date	<u>1,307,511</u>	<u>-</u>
Total	\$ <u>1,307,511</u>	\$ <u>11,598,015</u>

Note 14 - Other Post-Employment Benefits (continued)

The subsequent contributions made after the measurement date of the Net OPEB liability but before the City's reporting period will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period rather than the current fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

Year Ended September 30,	
2022	\$ (4,344,693)
2023	(3,962,848)
2024	(2,079,265)
2025	(604,715)
2026	(606,494)
Thereafter	<u>-</u>
Total	\$ <u><u>(11,598,015)</u></u>

Note 15 - Risks and Uncertainties

The coronavirus (COVID-19) outbreak has caused disruption in international and U.S. economies and markets. The City continues to evaluate and monitor the effect that this may have on the City's financial position and operations. The City was awarded \$ 16.2 million through the American Rescue Plan Act (ARPA) which includes \$ 10 million of revenue replacement funds to stabilize any potential revenue losses as a result of the pandemic.

Note 16 - Subsequent Events

In March 2022, the City issued a \$ 18,100,000 Capital Improvement Non-Ad Valorem Revenue Note, Series 2022 for the purpose of financing Phase I of the Parks Masterplan for construction at CW Thomas Park and Public Safety facility capital improvements. The note bears interest of 2.52% through maturity on October 15, 2042. Interest and principal payments begin on October 15, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

City of Dania Beach, Florida

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ended September 30, 2021

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Property taxes	\$ 26,482,264	\$ 26,482,264	\$ 26,015,122	\$ (467,142)
Special assessments	6,706,902	6,706,902	6,789,857	82,955
Franchise fees	2,935,740	2,935,740	2,997,119	61,379
Utility taxes	4,002,932	4,002,932	4,115,707	112,775
Licenses and permits	351,316	351,316	2,893,578	2,542,262
Intergovernmental	5,559,735	6,018,829	6,810,339	791,510
Charges for services	1,857,487	1,857,487	2,432,158	574,671
Fines and forfeitures	459,345	459,345	296,523	(162,822)
Investment income	725,000	725,000	73,653	(651,347)
Miscellaneous	1,552,311	1,634,217	2,675,238	1,041,021
	<u>50,633,032</u>	<u>51,174,032</u>	<u>55,099,294</u>	<u>3,925,262</u>
Total revenues				
Expenditures:				
General government:				
Legislative	801,495	954,015	653,177	300,838
Executive:				
City clerk	382,208	382,208	367,542	14,666
City manager	775,332	961,697	759,421	202,276
Finance and administration:				
Human resources	653,525	669,624	609,157	60,467
Finance and information systems	1,978,306	2,042,562	2,064,868	(22,306)
General services	2,743,427	2,855,145	3,339,592	(484,447)
Legal	881,575	983,849	963,740	20,109
Total general government	<u>8,215,868</u>	<u>8,849,100</u>	<u>8,757,497</u>	<u>91,603</u>
Public safety:				
Code enforcement	867,166	869,389	876,501	(7,112)
Police	15,744,719	16,026,628	15,375,421	651,207
Fire	18,706,904	18,821,546	18,853,537	(31,991)
Total public safety	<u>35,318,789</u>	<u>35,717,563</u>	<u>35,105,459</u>	<u>612,104</u>
Highways and streets	4,735,129	4,657,856	2,112,637	2,545,219
Physical environment	2,991,374	3,111,505	3,051,208	60,297
Community redevelopment	589,602	646,847	576,034	70,813
Culture and recreation	4,160,896	4,271,135	3,606,710	664,425
	<u>56,011,658</u>	<u>57,254,006</u>	<u>53,209,545</u>	<u>4,044,461</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>(5,378,626)</u>	<u>(6,079,974)</u>	<u>1,889,749</u>	<u>7,969,723</u>

City of Dania Beach, Florida
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
(Continued)
For the Year Ended September 30, 2021

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Other Financing Sources (Uses):				
Debt proceeds	2,200,000	2,200,000	-	(2,200,000)
Transfers in	4,546,313	4,566,971	4,655,883	88,912
Transfers out	(3,332,000)	(3,959,075)	(3,197,692)	761,383
Appropriation of prior year reserves	<u>1,964,313</u>	<u>3,272,078</u>	<u>-</u>	<u>(3,272,078)</u>
 Total other financing sources (uses)	 <u>5,378,626</u>	 <u>6,079,974</u>	 <u>1,458,191</u>	 <u>(4,621,783)</u>
 Net change in fund balances	 \$ <u>-</u>	 \$ <u>-</u>	 \$ <u>3,347,940</u>	 \$ <u>3,347,940</u>

City of Dania Beach, Florida
Community Redevelopment Agency Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2021

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Investment income	\$ 13,000	\$ 13,000	\$ 1,250	\$ (11,750)
Miscellaneous	585,820	604,320	494,317	(110,003)
Total revenues	<u>598,820</u>	<u>617,320</u>	<u>495,567</u>	<u>(121,753)</u>
Expenditures:				
Community redevelopment	<u>2,744,854</u>	<u>2,946,221</u>	<u>1,322,073</u>	<u>1,624,148</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,146,034)</u>	<u>(2,328,901)</u>	<u>(826,506)</u>	<u>1,502,395</u>
Other Financing Sources (Uses):				
Appropriations of prior year reserves	495,897	678,764	-	(678,764)
Transfers in	2,022,424	2,022,424	2,022,424	-
Transfers out	<u>(372,287)</u>	<u>(372,287)</u>	<u>(372,287)</u>	<u>-</u>
Total other financing sources (uses)	<u>2,146,034</u>	<u>2,328,901</u>	<u>1,650,137</u>	<u>(678,764)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 823,631</u>	<u>\$ 823,631</u>

City of Dania Beach, Florida
Building Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2021

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Licenses and permits	\$ 4,304,500	\$ 4,304,500	\$ 5,260,466	\$ 955,966
Investment income	30,000	30,000	4,819	(25,181)
Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>4,038</u>	<u>3,038</u>
Total revenues	<u>4,335,500</u>	<u>4,335,500</u>	<u>5,269,323</u>	<u>933,823</u>
Expenditures:				
Community redevelopment	<u>3,733,798</u>	<u>3,758,454</u>	<u>3,207,323</u>	<u>551,131</u>
Total expenditures	<u>3,733,798</u>	<u>3,758,454</u>	<u>3,207,323</u>	<u>551,131</u>
Excess (deficiency) of revenues over (under) expenditures	601,702	577,046	2,062,000	1,484,954
Other Financing Sources (Uses):				
Appropriations of prior year reserves	441,831	466,487	-	(466,487)
Transfers out	<u>(1,043,533)</u>	<u>(1,043,533)</u>	<u>(1,043,533)</u>	<u>-</u>
Total other financing	<u>(601,702)</u>	<u>(577,046)</u>	<u>(1,043,533)</u>	<u>(466,487)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,018,467</u>	<u>\$ 1,018,467</u>

City of Dania Beach, Florida
Required Supplementary Information
Notes To Budgetary Comparison Schedules
For the Year Ended September 30, 2021

Note 1 - Budgets and Budgetary Comparisons

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

- (a) The City Manager submits to the Commission a proposed operating budget for the ensuing fiscal year. The operating budget includes appropriations and the means of financing them with an explanation regarding each expenditure that is not of a routine nature.
- (b) Public hearings are conducted to obtain taxpayer comments.
- (c) Prior to October 1, the annual budget is legally adopted through passage of a resolution.
- (d) Formal budgetary integration is employed as a management control device for the General Fund.
- (e) The Annual Budgets for the General Fund, Building Fund, Community Redevelopment Agency Fund, Debt Service Fund, and Solid Waste Fund are legally adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).
- (f) Annual budgets are prepared when required for the Grants Fund, Capital Projects Fund, Donations Fund, Perpetual Care Fund, Tree Preservation Fund, Law Enforcement Fund, RAC Traffic Mitigation Fund, Payment In-Lieu of Parking Fund, Public Art Board Fund, but they are not legally adopted.
- (g) The City Manager is authorized to transfer part or all of an encumbered appropriation balance within departments within a fund; however, any revisions that alter the total appropriations of any department or fund must be approved by the City Commission. The classification detail at which expenditures may not legally exceed appropriations is at the departmental level.

**City of Dania Beach, Florida
Required Supplementary Information
(unaudited)
Police and Firefighters' Pension Fund
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
Last Ten Fiscal Years ***

	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014*
	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014*
Total pension liability									
Service cost	\$ 606,318	\$ 679,390	\$ 724,803	\$ 839,069	\$ 891,121	\$ 1,226,373	\$ 1,145,724	\$ 1,067,760	
Interest	4,929,957	4,949,503	4,747,703	4,709,586	4,574,753	4,337,463	4,171,246	3,944,144	
Differences between expected and actual experience	252,612	(67,164)	595,694	(922,961)	506,187	1,314,433	392,918	(23,067)	
Changes of assumptions	3,835,936	(1,802,248)	-	-	1,869,158	(1,436,329)	1,666,373	2,894,544	
Benefit payments	(5,111,362)	(4,671,185)	(4,291,509)	(4,497,632)	(4,299,948)	(3,122,665)	(3,803,361)	(2,922,426)	
Benefit changes	-	(1,967)	-	-	-	-	-	-	
Other (increase in State reserve)	849,423	917,260	1,448,186.00	447,835.00	1,027,652.00	1,994,483	435,428	210,585	
Net change in total pension liability	5,362,884	3,589	3,224,877	575,897	4,568,923	4,313,758	4,008,328	5,171,540	
Total pension liability - beginning	74,985,754	74,982,165	71,757,288	71,181,391	66,612,468	62,298,710	58,290,382	53,118,842	
Total pension liability - ending (a)	<u>\$ 80,348,638</u>	<u>\$ 74,985,754</u>	<u>\$ 74,982,165</u>	<u>\$ 71,757,288</u>	<u>\$ 71,181,391</u>	<u>\$ 66,612,468</u>	<u>\$ 62,298,710</u>	<u>\$ 58,290,382</u>	
Plan fiduciary net position									
Contributions - employer	\$ 6,169,439	\$ 6,798,153	\$ 6,736,911	\$ 6,728,480	\$ 6,723,558	\$ 5,537,300	\$ 3,776,003	\$ 2,795,542	
Contributions - employer (from State)	459,092	463,157	429,236	395,992	448,880	446,780	441,891	466,381	
Contributions - member	345,619	394,173	412,395	495,099	526,594	644,675	730,772	745,561	
Net investment income (loss)	15,770,011	4,941,406	2,067,568	4,568,934	5,074,159	2,582,275	(197,718)	2,435,693	
Benefit payments, including refunds of member contributions	(5,111,362)	(4,671,185)	(4,291,509)	(4,497,632)	(4,299,948)	(3,122,665)	(3,803,361)	(2,922,426)	
Administrative expenses	(174,791)	(178,901)	(181,485)	(209,337)	(179,172)	(160,786)	(141,008)	(135,697)	
Other (net of payments towards buyback balances)	582,275	646,048	1,210,895	185,895	(357,645)	966,824	58,192	173,969	
Net change in plan fiduciary net position	18,040,283	8,392,851	6,384,011	7,667,431	7,936,426	6,894,403	864,771	3,559,023	
Plan fiduciary net position - beginning	71,133,752	62,740,901	56,356,890	48,689,459	40,753,033	33,858,630	32,993,859	29,434,836	
Plan fiduciary net position - ending (b)	<u>\$ 89,174,035</u>	<u>\$ 71,133,752</u>	<u>\$ 62,740,901</u>	<u>\$ 56,356,890</u>	<u>\$ 48,689,459</u>	<u>\$ 40,753,033</u>	<u>\$ 33,858,630</u>	<u>\$ 32,993,859</u>	

**City of Dania Beach, Florida
 Required Supplementary Information
 (unaudited)
 Police and Firefighters' Pension Fund
 Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
 (Continued)
 Last Ten Fiscal Years ***

Fiscal Year:	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Measurement Date:	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014	
Net pension liability (asset) - ending (a) - (b) **	\$ (8,825,397)	\$ 3,852,002	\$ 12,241,264	\$ 15,400,398	\$ 22,491,932	\$ 25,859,435	\$ 28,440,080	\$ 25,296,523	
Plan fiduciary net position as a percentage of the total pension liability	110.98%	94.86%	83.67%	78.54%	68.40%	61.18%	54.35%	56.60%	
Covered payroll	\$ 1,404,955	\$ 1,602,329	\$ 1,676,402	\$ 2,012,598	\$ 2,140,626	\$ 2,620,630	\$ 3,020,808	\$ 3,002,671	
Net pension liability (asset) as percentage of covered payroll	-628.16%	240.40%	730.21%	765.20%	1050.72%	986.76%	941.47%	842.47%	

* Schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which information is available.

** Under GASB 67 the net pension liability in this schedule reflects an October 1, 2020 valuation date and "rolled forward" to the measurement date, September 30, 2021. The GASB 68 net pension liability that appears on the Statement of Net Position reflects an October 1, 2019 valuation date and "rolled forward" to the measurement date, September 30, 2020. This methodology is acceptable under GASB standards and allows for timelier reporting at the end of the year.

City of Dania Beach, Florida
Required Supplementary Information
(unaudited)
Police and Firefighters' Pension Fund
Schedule of Contributions
Last Ten Fiscal Years *

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2021	\$ 6,361,384	\$ 6,361,384	\$ -	1,404,955	452.78%
2020	6,990,098	6,990,098	-	1,602,329	436.25%
2019	6,928,856	6,928,856	-	1,676,402	413.32%
2018	6,920,425	6,920,425	-	2,012,598	343.86%
2017	6,915,503	6,915,503	-	2,140,626	323.06%
2016	5,729,245	5,729,245	-	2,620,630	218.62%
2015	3,967,948	3,967,948	-	2,970,618	133.57%
2014	2,987,487	2,987,487	-	3,030,736	98.57%

* Schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which information is available.

Notes: Covered payroll in 2021 was calculated by dividing total member contributions for the fiscal year (excluding buybacks) by the total member contribution rate of 24.6%

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

Valuation date: October 1, 2019

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar, Closed
Remaining amortization period	Five years
Asset valuation method	Five year smooth market
Inflation	2.50%
Salary increases	6.00%
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	Pub-2010 Mortality Table with improvements projected for healthy lives to all future years after 2010 using Scale MP-2018

City of Dania Beach, Florida
 Required Supplementary Information
 (unaudited)
 Police and Firefighters' Pension Fund
 Schedule of Investment Returns
 Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Annual money-weighted rate of return (loss), net of investment expense	21.32%	7.80%	3.35%	9.45%	12.67%	7.47%	(0.57%)	8.49%	11.69%	17.28%

City of Dania Beach, Florida
Required Supplementary Information
(unaudited)
General Employees' Pension Fund
Schedule of Changes in Net Position Liability (Asset) and Related Ratios
Last Ten Fiscal Years *

	9/30/2022		9/30/2021		9/30/2020		9/30/2019		9/30/2018		9/30/2017		9/30/2016		9/30/2015		9/30/2014	
	Fiscal Year:	Measurement Date:	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014	9/30/2013	9/30/2012	9/30/2011	9/30/2010	9/30/2009	9/30/2008	9/30/2007
Total pension liability																		
Service cost	\$	198,897	\$	189,819	\$	329,480	\$	311,154	\$	295,811	\$	272,229	\$	245,645	\$	237,731		
Interest		1,830,861		1,826,148		1,828,705		1,813,975		1,798,696		1,761,138		1,796,159		1,788,524		
Differences between expected and actual experience		303,326		(86,190)		32,010		260,354		185,259		225,302		(648,964)		(46,534)		
Changes of assumptions		(268,493.00)		-		-		-		-		1,148,450.00		604,864.00		593,408.00		
Benefit payments		(1,845,989)		(1,886,729)		(2,292,994)		(2,061,387)		(2,058,718)		(1,640,067)		(1,545,461)		(1,643,035.00)		
Net change in total pension liability		218,602		43,048		(102,799)		324,096		221,048		1,767,052		452,243		930,094		
Total pension liability - beginning		28,891,185		28,848,137		28,950,936		28,626,840		28,405,792		26,638,740		26,186,497		25,256,403		
Total pension liability - ending (a)	\$	29,109,787	\$	28,891,185	\$	28,848,137	\$	28,950,936	\$	28,626,840	\$	28,405,792	\$	26,638,740	\$	26,186,497		
Plan fiduciary net position																		
Contributions - employer	\$	1,209,601	\$	1,356,798	\$	1,875,779	\$	1,941,463	\$	1,608,734	\$	1,538,811	\$	1,387,882	\$	1,123,817		
Contributions - member		176,468		154,407		266,554		268,632		273,005		241,501		218,073		214,524		
Net investment income (loss)		4,769,806		1,338,270		749,289		1,903,704		2,055,278		1,191,779		(425,789)		1,330,113		
Benefit payments		(1,845,989)		(1,886,729)		(2,292,994)		(2,061,387)		(2,058,718)		(1,640,067)		(1,545,461)		(1,643,035)		
Other		-		-		-		(74,150)		(29,967)		-		-		-		
Administrative and other expenses		(90,088)		(83,127)		(85,525)		(227,014)		(83,809)		(84,542)		(77,849)		(90,200)		
Net change in plan fiduciary net position		4,219,798		879,619		513,103		1,751,248		1,764,523		1,247,482		(443,144)		935,219		
Plan fiduciary net position - beginning		25,485,041		24,605,422		24,092,319		22,341,071		20,576,548		19,329,066		19,772,210		18,836,991		
Plan fiduciary net position - ending (b)	\$	29,704,839	\$	25,485,041	\$	24,605,422	\$	24,092,319	\$	22,341,071	\$	20,576,548	\$	19,329,066	\$	19,772,210	\$	18,836,991

**City of Dania Beach, Florida
 Required Supplementary Information
 (unaudited)
 General Employees' Pension Fund
 Schedule of Changes in Net Position Liability (Asset) and Related Ratios
 (Continued)
 Last Ten Fiscal Years ***

Fiscal Year:	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Measurement Date:	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014	9/30/2014
City net pension liability (asset) - ending (a) - (b) **	\$ (595,052)	\$ 3,406,144	\$ 4,242,715	\$ 4,858,617	\$ 6,285,769	\$ 7,829,244	\$ 7,309,674	\$ 6,414,287	
Plan fiduciary net position as a percentage of the total pension liability (asset)	102.04%	88.21%	85.29%	83.22%	78.04%	72.44%	72.56%	75.51%	
Covered payroll	893,961	\$ 782,204	1,271,226	1,282,631	1,223,738	1,223,409	1,108,089	1,086,708	
Net pension liability (asset) as a percentage of covered payroll	-66.56%	435.45%	333.75%	378.80%	513.65%	639.95%	659.66%	590.25%	

* Schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which information is available.

** Under GASB 67 the net pension liability in this schedule reflects an October 1, 2020 valuation date and "rolled forward" to the measurement date, September 30, 2021. The GASB 68 net pension liability that appears on the Statement of Net Position reflects an October 1, 2019 valuation date and "rolled forward" to the measurement date, September 30, 2020. This methodology is acceptable under GASB standards and allows for timelier reporting at the end of the year.

City of Dania Beach, Florida
Required Supplementary Information
(unaudited)
General Employees' Pension Fund
Schedule of Contributions
Last Ten Fiscal Years*

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2021	\$ 1,209,601	\$ 1,209,601	\$ -	893,961	135.31%
2020	1,356,798	1,356,798	-	782,204	173.46%
2019	1,815,438	1,875,779	(60,341)	1,271,226	147.56%
2018	1,894,959	1,894,959	-	1,282,631	147.74%
2017	1,608,604	1,608,734	(130)	1,223,738	131.46%
2016	1,538,811	1,538,811	-	1,223,409	125.78%
2015	1,387,882	1,387,882	-	1,108,089	125.25%
2014	1,123,817	1,123,817	-	1,086,708	103.41%

* Schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which information is available.

Notes: Covered payroll for 2020 and later years was calculated by dividing total member contributions for the fiscal year by the total member contribution rate of 19.74%

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

Valuation date: October 1, 2019

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-Age Normal
Amortization method	Fixed Dollar
Remaining amortization period	Ten years
Asset valuation method	Five year smoothed market
Inflation	2.50%
Salary increases	4.00%
Investment rate of return	6.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2000 Combined Healthy Participant Mortality Table (for preretirement mortality) and the RP-2000 Mortality Table for Annuitants with mortality improvements projected to all future years after 2000 using Scale BB

City of Dania Beach, Florida
 Required Supplementary Information
 (unaudited)
 General Employees' Pension Fund
 Schedule of Investment Returns
 Last Ten Fiscal Years *

	2021	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return (loss), net of investment expense	6.50%	6.23%	2.98%	8.06%	10.20%	6.31%	(2.35%)	7.25%

* Schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which information is available.

City of Dania Beach, Florida
Required Supplementary Information
(unaudited)
Florida Retirement System Pension Plan
Schedule of Proportionate Share of Net Pension Liability
Last Ten Fiscal Years *

	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability	0.02372%	0.02057%	0.01781%	0.01602%	0.01467%	0.01387	0.01444%	-
Proportionate share of the net pension liability	\$ 1,791,433	\$ 8,913,291	\$ 6,132,936	\$ 4,824,802	\$ 4,338,181	\$ 3,503,415	\$ 1,865,110	\$ 1,341,034
Covered payroll	\$ 6,041,747	\$ 5,273,239	\$ 4,969,544	\$ 4,350,123	\$ 4,086,957	\$ 3,676,377	\$ 3,518,245	\$ 2,863,691
Proportionate share of the net pension liability as a percentage of its covered payroll	29.65%	169.03%	123.41%	110.91%	106.15%	95.30%	53.01%	46.83%
Plan fiduciary net position as a percentage of total pension liability	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

* Schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which information is available.

City of Dania Beach, Florida
Required Supplementary Information
(unaudited)
Florida Retirement System Pension Plan
Schedule of Contributions
Last Ten Fiscal Years *

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions In Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a percentage of covered payroll</u>
2021	\$ 658,184	\$ 658,184	\$ -	\$ 6,082,847	10.82%
2020	683,293	683,293	-	5,980,590	11.43%
2019	552,201	552,201	-	5,129,222	10.77%
2018	456,509	456,509	-	4,462,931	10.23%
2017	381,368	381,368	-	4,165,705	9.15%
2016	338,361	338,361	-	3,976,972	8.51%
2015	352,058	352,058	-	3,543,934	9.93%
2014	283,505	283,505	-	2,936,276	9.66%

* Schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which information is available.

City of Dania Beach, Florida
Required Supplementary Information
(unaudited)
Retiree Health Insurance Subsidy Program
Schedule of Proportionate Share of Net Pension Liability
Last Ten Fiscal Years *

	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability	0.02481	0.02204%	0.01867%	0.01814%	0.01788%	0.01716%	0.01600%	0.01492%
Proportionate share of the net pension liability	\$ 3,042,779	\$ 2,691,126	\$ 2,111,000	\$ 1,919,895	\$ 1,912,155	\$ 1,999,651	\$ 1,631,743	\$ 1,395,192
Covered payroll	\$ 6,041,747	\$ 5,273,239	\$ 4,969,544	\$ 4,350,123	\$ 4,086,957	\$ 3,676,377	\$ 3,518,245	\$ 2,863,691
Proportionate share of the net pension liability as a percentage of its covered payroll	50.36%	51.03%	42.48%	44.13%	46.79%	54.39%	46.38%	46.38%
Plan fiduciary net position as a percentage of total pension liability	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

* Schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which information is available.

City of Dania Beach, Florida
Required Supplementary Information
(unaudited)
Retiree Health Insurance Subsidy Program
Schedule of Contributions
Last Ten Fiscal Years *

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a percentage of covered payroll</u>
2021	\$ 148,022	\$ 148,022	\$ -	\$ 6,082,847	2.43%
2020	99,278	127,010	(27,732)	5,980,590	2.12%
2019	85,145	104,765	(19,620)	5,129,222	2.04%
2018	74,085	98,370	(24,285)	4,462,931	2.20%
2017	69,151	94,643	(25,492)	4,165,705	2.27%
2016	66,018	87,944	(21,926)	3,976,972	2.21%
2015	58,829	61,162	(2,333)	3,543,934	1.73%
2014	36,997	51,116	(14,119)	2,936,276	1.74%

* Schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which information is available.

City of Dania Beach, Florida
Required Supplementary Information
(unaudited)
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Five Fiscal Years *

Fiscal Year: Measurement Date:	9/30/2022 <u>9/30/2021</u>	9/30/2021 <u>9/30/2020</u>	9/30/2020 <u>9/30/2019</u>
Total OPEB liability			
Service cost	\$ 290,832	\$ 225,162	\$ 771,852
Interest on total OPEB liability	968,961	1,155,942	993,212
Effect of economic/demographic (gains) or losses	(2,734,543)	(2,504,895)	-
Effect of assumption changes or inputs	(1,153,194)	(1,134,089)	(6,538,332)
Benefits payments	<u>(1,107,511)</u>	<u>(274,443)</u>	<u>(1,034,066)</u>
Net change in total OPEB liability	(3,735,455)	(2,532,323)	(5,807,334)
Total OPEB liability - beginning	<u>15,161,295</u>	<u>17,693,618</u>	<u>23,500,952</u>
Total OPEB liability - ending (a)	11,425,840	15,161,295	17,693,618
Fiduciary Net Position			
Employer contributions	1,307,511	474,443	1,034,066
Net investment income	1,745,870	626,879	820,877
Benefit payments	(1,107,511)	(274,443)	(1,034,066)
Administrative expenses	<u>(12,169)</u>	<u>(10,240)</u>	<u>(9,587)</u>
Net change in fiduciary net position	1,933,701	816,639	811,290
Fiduciary net position, beginning	<u>10,504,634</u>	<u>9,687,995</u>	<u>8,876,705</u>
Fiduciary net position, ending (b)	12,438,335	10,504,634	9,687,995
Net OPEB liability (asset), ending = (a)-(b)	\$ <u><u>(1,012,495)</u></u>	\$ <u><u>4,656,661</u></u>	\$ <u><u>8,005,623</u></u>
Fiduciary net position as a percentage of the total OPEB liability	108.9%	69.3%	54.8%
Covered payroll	\$ 8,340,663	\$ 8,365,123	\$ 8,076,850
Net OPEB liability (asset) as a percentage of covered payroll	-823.8%	179.6%	100.9%

* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

	<u>9/30/2019</u> <u>9/30/2018</u>	<u>9/30/2018</u> <u>9/30/2017</u>
\$	842,806	\$ 1,507,395
	1,179,145	1,056,799
	(7,935,537)	-
	(1,750,814)	(3,164,379)
	<u>(765,029)</u>	<u>(1,033,310)</u>
	(8,429,429)	(1,633,495)
	<u>31,930,381</u>	<u>33,563,876</u>
	23,500,952	31,930,381
	765,029	-
	497,974	898,862
	(765,029)	-
	<u>(9,079)</u>	<u>(8,280)</u>
	488,895	890,582
	<u>8,387,810</u>	<u>7,497,228</u>
	8,876,705	8,387,810
\$	<u><u>14,624,247</u></u>	<u><u>23,542,571</u></u>
	37.8%	26.3%
\$	8,616,155	\$ 3,454,112
	58.9%	14.7%

City of Dania Beach, Florida
Required Supplementary Information
(unaudited)
Other Post-Employment Benefits (OPEB) Plan
Schedule of Contributions

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2021	\$ 1,051,558 **	\$ 1,307,511	\$ (255,953)	8,365,123	15.63%
2020	474,433	474,433	-	8,365,123	5.67%
2019	1,034,066	1,034,066	-	8,076,850	12.80%
2018	765,029	765,029	-	8,616,155	8.88%
2017	1,806,102	1,033,310	772,792	3,454,112	29.92%
2016	1,036,853	982,376	54,477	3,914,405	25.10%

* Schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the OPEB plan will present information for those years for which information is available.

** Includes \$ 200,000 in cash contributions and \$ 1,107,511 in retiree benefit payments.

Valuation date: September 30, 2020

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-Age Normal
Amortization method	Level Dollar
Remaining amortization period	20 years
Asset valuation method	Market Value
Inflation	2.30%
Salary increases	4.00%
Discount rate	6.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	Healthy Pre-retirement – Pub-2010 General Employees Headcount - Weighted Mortality using MP 2021 Healthy Post-retirement - Pub-2010 General Retirees Headcount - Weighted Mortality using MP 2021 Disabled Retirement Participants - Pub-2010 General Disabled Retirees Headcount - Weighted Mortality Mortality improvements are projected to all future years after 2010 using Scale MP-2021

Effective with the 2020 valuation, the City has adopted a written funding policy that will allow Fiduciary Net Position to grow with both employer contribution and investment return for a 10 year period. During the same

City of Dania Beach, Florida
Required Supplementary Information
(unaudited)
Other Post-Employment Benefits (OPEB) Plan
Schedule of Investment Returns

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Annual money-weighted rate of return (loss), net of investment expense	6.35%	9.25%	5.94%	12.00%

* Schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the OPEB plan will present information for those years for which information is available.

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for resources legally restricted for the financing of particular activities or projects.

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

Perpetual Care Fund - Accounts for funds received from the General Fund for the administration of the City's cemeteries.

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

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

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

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

Public Art Fund - Accounts for donations and contributions from contractors and other entities for the promotion of the arts and support of efforts to procure and install art in public places. To account for public safety, parks, library and other general projects. Revenues are derived from impact fees collected during the building permit process.

Solid Waste Fund - Accounts for all costs associated with the City's solid waste collection function. This function is funded primarily through a residential solid waste collection special assessment, paid by property owners on their annual property tax notice.

**City of Dania Beach, Florida
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2021**

	<u>Donations</u>	<u>Perpetual Care</u>	<u>Tree Preservation</u>	<u>Law Enforcement</u>	<u>RAC Traffic Mitigation</u>	<u>Payment In-Lieu of Parking</u>	<u>Public Art</u>	<u>Solid Waste</u>	<u>Total</u>
Assets:									
Cash, cash equivalents, and investments	\$ 17,760	\$ 479,484	\$ 1,346,167	\$ 100,279	\$ 73,510	\$ 652,500	\$ 864,904	\$ 234,775	\$ 3,769,379
Receivables, net	-	450	-	-	-	-	-	-	450
Customer/other, net	-	-	-	-	-	-	-	-	-
Total assets	\$ 17,760	\$ 479,934	\$ 1,346,167	\$ 100,279	\$ 73,510	\$ 652,500	\$ 864,904	\$ 234,775	\$ 3,769,829
Liabilities:									
Accounts payable and other liabilities	\$ -	\$ -	\$ -	\$ 5,900	\$ -	\$ -	\$ 250,000	\$ 228,207	\$ 484,107
Due to other funds	-	-	-	-	-	-	-	598	598
Total liabilities	-	-	-	5,900	-	-	250,000	228,805	484,705
Fund Balances:									
Restricted for:									
Public safety impact fees	-	-	-	94,379	73,510	-	-	-	167,889
Committed for:									
Maintenance of cemeteries	-	479,934	-	-	-	-	-	-	479,934
Capital projects	17,760	-	-	-	-	652,500	614,904	-	1,285,164
Solid waste	-	-	-	-	-	-	-	5,970	5,970
Tree preservation	-	-	1,346,167	-	-	-	-	-	1,346,167
Total fund balances	17,760	479,934	1,346,167	94,379	73,510	652,500	614,904	5,970	3,285,124
Total liabilities and fund balances	\$ 17,760	\$ 479,934	\$ 1,346,167	\$ 100,279	\$ 73,510	\$ 652,500	\$ 864,904	\$ 234,775	\$ 3,769,829

**City of Dania Beach, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2021**

	Donations	Perpetual Care	Tree Preservation	Law Enforcement	RAC Traffic Mitigation	Payment In-Lieu of Parking	Public Art	Solid Waste	Total
Revenues:									
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ 14,668	\$ 555,000	\$ -	\$ -	\$ 569,668
Charges for services	-	58,102	-	-	-	-	-	2,715,014	2,773,116
Fines and forfeitures	-	-	-	31,976	-	-	-	-	31,976
Investment income	-	1,610	886	290	-	-	-	-	2,786
Miscellaneous	-	-	196,215	-	-	-	591,950	262,498	1,050,663
Total revenues	-	59,712	197,101	32,266	14,668	555,000	591,950	2,977,512	4,428,209
Expenditures:									
Public safety	-	-	-	5,900	-	-	-	-	5,900
Highways and streets	-	-	65,236	-	-	-	-	-	65,236
Physical environment	-	-	-	-	-	-	-	2,911,542	2,911,542
Total expenditures	-	-	65,236	5,900	-	-	-	2,911,542	2,982,678
Excess (deficiency) of revenues over expenditures	-	59,712	131,865	26,366	14,668	555,000	591,950	65,970	1,445,531
Other Financing Sources (Uses):									
Transfers out	-	(123,665)	(30,000)	-	-	-	-	(60,000)	(213,665)
Net change in fund balances	-	(63,953)	101,865	26,366	14,668	555,000	591,950	5,970	1,231,866
Fund Balances, Beginning	17,760	543,887	1,244,302	68,013	58,842	97,500	22,954	-	2,053,258
Fund Balances, Ending	\$ 17,760	\$ 479,934	\$ 1,346,167	\$ 94,379	\$ 73,510	\$ 652,500	\$ 614,904	\$ 5,970	\$ 3,285,124

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

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Investment income	\$ -	\$ -	\$ 12	\$ 12
Total revenues	<u>-</u>	<u>-</u>	<u>12</u>	<u>12</u>
Expenditures:				
Debt Service:				
Principal	752,988	752,988	752,991	(3)
Interest and fiscal charges	<u>183,703</u>	<u>283,153</u>	<u>184,100</u>	<u>99,053</u>
Total expenditures	<u>936,691</u>	<u>1,036,141</u>	<u>937,091</u>	<u>99,050</u>
Excess (deficiency) of revenues over expenditures	<u>(936,691)</u>	<u>(1,036,141)</u>	<u>(937,079)</u>	<u>99,062</u>
Other Financing Sources (Uses):				
Transfers in	<u>936,691</u>	<u>1,036,141</u>	<u>1,036,141</u>	<u>-</u>
Total other financing sources (uses)	<u>936,691</u>	<u>1,036,141</u>	<u>1,036,141</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,062</u>	<u>\$ 99,062</u>

City of Dania Beach, Florida

Solid Waste Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ended September 30, 2021

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Charges for services	\$ 2,670,000	\$ 2,702,000	\$ 2,715,014	\$ 13,014
Investment income	7,500	7,500	-	(7,500)
Miscellaneous	270,000	270,000	262,498	(7,502)
	<u>2,947,500</u>	<u>2,979,500</u>	<u>2,977,512</u>	<u>(1,988)</u>
Expenditures:				
Physical environment	<u>2,887,500</u>	<u>2,919,500</u>	<u>2,911,542</u>	<u>7,958</u>
	<u>2,887,500</u>	<u>2,919,500</u>	<u>2,911,542</u>	<u>7,958</u>
Excess (deficiency) of revenues over expenditures	<u>60,000</u>	<u>60,000</u>	<u>65,970</u>	<u>5,970</u>
Other Financing Sources (Uses):				
Transfers out	<u>(60,000)</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>
	<u>(60,000)</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,970</u>	<u>\$ 5,970</u>

NON-MAJOR ENTERPRISE FUNDS

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

The City maintains two non-major enterprise funds:

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

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

City of Dania Beach, Florida
Nonmajor Proprietary Funds
Combining Statement of Net Position
September 30, 2021

	<u>Parking</u>	<u>Pier Operations</u>	<u>Total Nonmajor Proprietary Funds</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 3,572,586	\$ 1,134,813	\$ 4,707,399
Receivables, net	30,240	-	30,240
Total current assets	<u>3,602,826</u>	<u>1,134,813</u>	<u>4,737,639</u>
Non-current assets:			
Capital assets not being depreciated	-	170,449	170,449
Capital assets being depreciated, net	86,043	1,583	87,626
Total non-current assets	<u>86,043</u>	<u>172,032</u>	<u>258,075</u>
Total assets	<u>3,688,869</u>	<u>1,306,845</u>	<u>4,995,714</u>
Deferred Outflows of Resources:			
OPEB related	26,150	-	26,150
Pension related	262,454	-	262,454
Total deferred outflows of resources	<u>288,604</u>	<u>-</u>	<u>288,604</u>
Liabilities and Net Position:			
Current liabilities:			
Accounts payable and accrued liabilities	39,482	19,914	59,396
Due to other funds	2,359	17,000	19,359
Due to other governmental agencies	-	2,573	2,573
Deposits payable	10,395	-	10,395
Unearned revenue	7,145	450,791	457,936
Compensated absences	7,395	-	7,395
Total current liabilities	<u>66,776</u>	<u>490,278</u>	<u>557,054</u>
Non-current liabilities:			
Compensated absences	41,905	-	41,905
Other post-employment benefits (OPEB)	93,133	-	93,133
Net pension liability	290,053	-	290,053
Total non-current liabilities	<u>425,091</u>	<u>-</u>	<u>425,091</u>
Total liabilities	<u>491,867</u>	<u>490,278</u>	<u>982,145</u>
Deferred Inflows of Resources:			
OPEB related	231,960	-	231,960
Pension related	382,889	-	382,889
Total deferred inflows of resources	<u>614,849</u>	<u>-</u>	<u>614,849</u>
Net Position:			
Net investment in capital assets	86,043	172,032	258,075
Unrestricted	2,784,714	644,535	3,429,249
Total net position	<u>\$ 2,870,757</u>	<u>\$ 816,567</u>	<u>\$ 3,687,324</u>

City of Dania Beach, Florida
Nonmajor Proprietary Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
September 30, 2021

	<u>Parking</u>	<u>Pier Operations</u>	<u>Total Nonmajor Proprietary Funds</u>
Operating Revenues:			
Charges for services	\$ 1,458,345	\$ 302,689	\$ 1,761,034
Fines and forfeitures	259,467	-	259,467
Miscellaneous	31,440	649,824	681,264
	<u>1,749,252</u>	<u>952,513</u>	<u>2,701,765</u>
Operating Expenses:			
Operations and maintenance	1,029,917	397,172	1,427,089
Depreciation	22,733	1,000	23,733
	<u>1,052,650</u>	<u>398,172</u>	<u>1,450,822</u>
Total operating expenses	<u>1,052,650</u>	<u>398,172</u>	<u>1,450,822</u>
Operating income	<u>696,602</u>	<u>554,341</u>	<u>1,250,943</u>
Nonoperating Revenues (Expenses):			
Investment income	<u>7,116</u>	<u>-</u>	<u>7,116</u>
Total nonoperating revenues (expenses)	<u>7,116</u>	<u>-</u>	<u>7,116</u>
Income before transfers	<u>703,718</u>	<u>554,341</u>	<u>1,258,059</u>
Transfers:			
Transfers out	<u>(641,466)</u>	<u>(97,265)</u>	<u>(738,731)</u>
Total transfers	<u>(641,466)</u>	<u>(97,265)</u>	<u>(738,731)</u>
Change in net position	62,252	457,076	519,328
Net Position, Beginning of Year	<u>2,808,505</u>	<u>359,491</u>	<u>3,167,996</u>
Net Position, End of Year	<u>\$ 2,870,757</u>	<u>\$ 816,567</u>	<u>\$ 3,687,324</u>

City of Dania Beach, Florida
Nonmajor Proprietary Funds
Combining Statement of Cash Flows
September 30, 2021

	<u>Parking</u>	<u>Pier Operations</u>	<u>Total Nonmajor Funds</u>
Cash Flows from Operating Activities:			
Receipts from customers and users	\$ 1,724,200	\$ 1,288,691	\$ 3,012,891
Payments to suppliers	(372,997)	(390,348)	(763,345)
Payments to employees	(409,035)	-	(409,035)
Net cash provided by (used in) operating activities	<u>942,168</u>	<u>898,343</u>	<u>1,840,511</u>
Cash Flows from Non-Capital Financing Activities:			
Transfers out	<u>(641,466)</u>	<u>(97,265)</u>	<u>(738,731)</u>
Net cash provided by (used in) non-capital financing activities	<u>(641,466)</u>	<u>(97,265)</u>	<u>(738,731)</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets, net	<u>(3,996)</u>	<u>(170,449)</u>	<u>(174,445)</u>
Net cash provided by (used in) capital and related financing activities	<u>(3,996)</u>	<u>(170,449)</u>	<u>(174,445)</u>
Cash Flows from Investing Activities:			
Investment earnings	<u>7,116</u>	<u>-</u>	<u>7,116</u>
Net cash provided by (used in) investing activities	<u>7,116</u>	<u>-</u>	<u>7,116</u>
Net increase (decrease) in cash, cash equivalents and investments	303,822	630,629	934,451
Cash, Cash Equivalents and Investments, Beginning of Year	<u>3,268,764</u>	<u>504,184</u>	<u>3,772,948</u>
Cash, Cash Equivalents and Investments, End of Year	<u>\$ 3,572,586</u>	<u>\$ 1,134,813</u>	<u>\$ 4,707,399</u>

City of Dania Beach, Florida
Nonmajor Proprietary Funds
Combining Statement of Cash Flows
(Continued)
September 30, 2021

	<u>Parking</u>	<u>Pier Operations</u>	<u>Total Nonmajor Funds</u>
Reconciliation of Operating Income to Net Cash Provided by (Used In)			
Operating Activities:			
Operating income	\$ 696,602	\$ 554,341	\$ 1,250,943
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:			
Provision for depreciation	22,733	1,000	23,733
(Increase) decrease in:			
Receivables, net	(30,220)	-	(30,220)
Deferred outflows related to OPEB	(26,150)	-	(26,150)
Deferred outflows related to pensions	23,422	-	23,422
(Increase) decrease in:			
Accounts payable and accrued liabilities	(7,676)	6,714	(962)
Due to other governmental agencies	-	110	110
Interfund payable, net	(315)	-	(315)
Deposits	458	-	458
Unearned revenue	4,710	336,178	340,888
Compensated absences	8,426	-	8,426
Net pension liability	(457,804)	-	(457,804)
OPEB obligation	93,133	-	93,133
Deferred inflows related to OPEB	231,960	-	231,960
Deferred inflows related to pensions	382,889	-	382,889
	<u>245,566</u>	<u>344,002</u>	<u>589,568</u>
Total adjustments			
Net cash provided by operating activities	<u>\$ 942,168</u>	<u>\$ 898,343</u>	<u>\$ 1,840,511</u>

FIDUCIARY FUNDS

FIDUCIARY FUNDS

Pension Trust Funds

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

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

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

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

City of Dania Beach, Florida
Fiduciary Funds
Combining Statement of Fiduciary Net Position
September 30, 2021

	<u>General Employees' Pension</u>	<u>Police and Firefighters' Pension</u>	<u>Other Post- Employment Benefits</u>	<u>Total</u>
Assets:				
Cash	\$ 10,157	\$ 12,534	\$ -	\$ 22,691
Investments, at fair value:				
Equity securities	20,978,541	55,162,201	12,438,335	88,579,077
Corporate and foreign bonds	2,443,872	4,088,061	-	6,531,933
Money market funds	590,947	4,277,931	-	4,868,878
Hedge funds	2,628,272	-	-	2,628,272
Real estate funds	-	12,662,061	-	12,662,061
Government securities	2,648,379	11,715,392	-	14,363,771
Total investments	<u>29,290,011</u>	<u>87,905,646</u>	<u>12,438,335</u>	<u>129,633,992</u>
Receivables:				
State contributions	-	459,092	-	459,092
Employee contributions	39,783	-	-	39,783
Employer contributions	302,911	-	-	302,911
Other	2,728	54,316	-	57,044
Accrued interest receivable	59,249	134,325	-	193,574
Loans to DROP participants	-	765,345	-	765,345
Total receivables	<u>404,671</u>	<u>1,413,078</u>	<u>-</u>	<u>1,817,749</u>
Total assets	<u>29,704,839</u>	<u>89,331,258</u>	<u>12,438,335</u>	<u>131,474,432</u>
Liabilities:				
Accounts payable and accrued liabilities	-	108,396	-	108,396
Due for securities purchased	-	48,827	-	48,827
Total liabilities	<u>-</u>	<u>157,223</u>	<u>-</u>	<u>157,223</u>
Net Position:				
Net position restricted for other post-employment benefits	-	-	12,438,335	12,438,335
Net position restricted for DROP benefits	378,642	2,202,604	-	2,581,246
Net position restricted for defined benefits	29,326,197	86,971,431	-	116,297,628
Total net position	<u>\$ 29,704,839</u>	<u>\$ 89,174,035</u>	<u>\$ 12,438,335</u>	<u>\$ 131,317,209</u>

City of Dania Beach, Florida
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
September 30, 2021

	<u>General Employees' Pension</u>	<u>Police and Firefighters' Pension</u>	<u>Other Post- Employment Benefits</u>	<u>Total</u>
Additions:				
Contributions:				
Employees	\$ 176,468	\$ 345,619	\$ -	\$ 522,087
Employer	1,209,601	6,169,439	200,000	7,579,040
Buybacks	-	582,275	-	582,275
State	-	459,092	-	459,092
Total contributions	<u>1,386,069</u>	<u>7,556,425</u>	<u>200,000</u>	<u>9,142,494</u>
Investment income:				
Net appreciation in fair value of investments	4,374,170	14,442,077	(123,854)	18,692,393
Interest and dividends	547,087	1,821,853	1,857,555	4,226,495
Total investment income	4,921,257	16,263,930	1,733,701	22,918,888
Less: Investment expenses	<u>(158,383)</u>	<u>(494,003)</u>	<u>-</u>	<u>(652,386)</u>
Net investment income	<u>4,762,874</u>	<u>15,769,927</u>	<u>1,733,701</u>	<u>22,266,502</u>
Other income	6,932	84	-	7,016
Total additions	<u>6,155,875</u>	<u>23,326,436</u>	<u>1,933,701</u>	<u>31,416,012</u>
Deductions:				
Pension benefits paid	1,845,989	5,111,362	-	6,957,351
Administrative expenses	<u>90,088</u>	<u>174,791</u>	<u>-</u>	<u>264,879</u>
Total deductions	<u>1,936,077</u>	<u>5,286,153</u>	<u>-</u>	<u>7,222,230</u>
Change in net position	4,219,798	18,040,283	1,933,701	24,193,782
Net Position, Beginning	<u>25,485,041</u>	<u>71,133,752</u>	<u>10,504,634</u>	<u>107,123,427</u>
Net Position, Ending	<u>\$ 29,704,839</u>	<u>\$ 89,174,035</u>	<u>\$ 12,438,335</u>	<u>\$ 131,317,209</u>

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

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

Contents	<u>Page</u>
Financial Trends	
<i>These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	112-118
Revenue Capacity	
<i>These tables contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	119-122
Debt Capacity	
<i>These tables present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.</i>	123-127
Demographic and Economic Information	
<i>These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.</i>	128-129
Operating Information	
<i>These tables contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	130-133

Table 1
City of Dania Beach, Florida
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities:										
Net investment in capital assets	\$ 39,096,333	\$ 42,228,983	\$ 37,188,106	\$ 35,872,543	\$ 35,651,910	\$ 35,068,858	\$ 36,453,713	\$ 37,625,589	\$ 36,843,197	\$ 36,130,161
Restricted	2,534,322	3,242,162	2,496,639	3,218,810	2,761,211	2,866,963	3,545,448	6,837,576	5,621,643	9,682,079
Unrestricted (deficit)	23,978,864	22,886,462	27,902,454	6,163,046	7,077,800	(11,743,455)	(29,521,847)	(20,771,508)	8,277,002	24,233,863
Total governmental activities net position	\$ 65,609,519	\$ 68,357,607	\$ 67,587,199	\$ 45,254,399	\$ 45,490,921	\$ 26,192,366	\$ 10,477,314	\$ 23,691,657	\$ 50,741,842	\$ 70,046,103
Business-type activities:										
Net investment in capital assets	\$ 19,997,679	\$ 20,527,954	\$ 25,368,100	\$ 23,941,609	\$ 23,740,182	\$ 24,413,244	\$ 24,041,233	\$ 24,396,503	\$ 23,899,561	\$ 24,116,355
Restricted	2,911,547	3,195,927	2,557,073	4,300,285	2,027,747	2,315,284	2,698,432	3,061,428	3,119,693	3,291,443
Unrestricted	10,864,400	9,774,194	16,455,631	16,768,701	21,253,404	17,111,228	15,066,192	18,166,941	26,345,203	27,218,115
Total business-type activities net position	\$ 33,773,626	\$ 33,498,075	\$ 44,380,804	\$ 45,010,595	\$ 47,021,333	\$ 43,839,756	\$ 41,805,857	\$ 45,624,872	\$ 53,364,457	\$ 54,625,913
Primary government:										
Net investment in capital assets	\$ 59,094,012	\$ 62,756,937	\$ 62,556,206	\$ 59,814,152	\$ 59,392,092	\$ 59,482,102	\$ 60,494,946	\$ 62,022,092	\$ 60,742,758	\$ 60,246,516
Restricted	5,445,869	6,438,089	5,053,712	7,519,095	4,788,958	5,182,247	6,243,880	9,899,004	8,741,336	12,973,522
Unrestricted (deficit)	34,843,264	32,660,656	44,358,085	22,931,747	28,331,204	5,367,773	(14,455,655)	(2,604,567)	34,622,205	51,451,978
Total primary government net position	\$ 99,383,145	\$ 101,855,682	\$ 111,968,003	\$ 90,264,994	\$ 92,512,254	\$ 70,032,122	\$ 52,283,171	\$ 69,316,529	\$ 104,106,299	\$ 124,672,016

Table 2
City of Dania Beach, Florida
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Governmental activities:										
General government	\$ 8,741,494	\$ 7,404,873	\$ 6,097,585	\$ 6,112,551	\$ 6,337,517	\$ 6,653,185	\$ 8,817,587	\$ 7,267,443	\$ 8,202,258	\$ 6,807,756
Public safety	22,030,147	22,673,356	24,070,777	25,400,964	28,314,440	28,842,274	30,850,159	27,349,962	29,250,346	34,699,279
Highways and streets	1,795,574	2,165,939	2,454,846	2,717,458	3,346,142	3,135,336	3,510,801	3,835,758	3,139,639	773,140
Physical environment	2,905,797	3,133,648	3,846,522	3,774,582	3,915,075	5,210,822	4,191,203	4,604,282	5,523,584	2,872,389
Community redevelopment	1,513,049	3,808,510	3,298,782	3,539,737	3,928,473	3,785,536	4,268,391	5,852,726	5,316,738	4,046,214
Culture and recreation	3,663,648	3,253,312	3,299,230	3,147,016	3,934,643	4,903,343	3,983,340	4,320,723	4,861,312	629,444
Interest expense	620,546	962,465	484,334	208,425	317,545	256,483	239,327	213,827	200,174	165,373
Total governmental activities	41,270,255	43,402,103	43,552,076	44,900,733	50,093,835	52,786,979	55,862,808	53,444,721	56,494,051	49,993,595
Business-type activities:										
Water	4,086,778	3,884,997	3,947,252	4,117,523	4,138,087	4,332,499	4,108,462	3,909,321	4,235,035	6,662,228
Sewer	5,120,193	5,345,282	4,422,730	3,693,787	4,561,554	4,496,988	4,689,446	4,840,610	4,443,108	4,466,630
Stormwater	1,315,519	1,010,648	904,203	877,269	1,052,413	1,244,627	1,097,556	1,114,442	1,144,655	1,537,868
Marina operations	-	169,614	351,774	718,044	827,467	833,373	804,092	802,576	842,432	785,320
Parking	227,461	273,966	340,574	548,092	573,544	633,638	736,788	819,848	895,556	1,052,650
Pier operations	243,403	330,729	275,754	415,719	463,596	459,381	449,187	466,893	458,501	398,172
Total business-type activities	10,993,354	11,015,236	10,242,287	10,370,434	11,616,661	12,000,506	11,885,531	11,953,690	12,019,287	14,902,868
Total expenses	\$ 52,263,609	\$ 54,417,339	\$ 53,794,363	\$ 55,271,167	\$ 61,710,496	\$ 64,787,485	\$ 67,748,339	\$ 65,398,411	\$ 68,513,338	\$ 64,896,463
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 3,948,721	\$ 3,714,622	\$ 3,440,054	\$ 4,550,523	\$ 3,370,035	\$ 4,703,252	\$ 5,333,266	\$ 7,726,310	\$ 3,898,704	\$ 8,071,722
Public safety	5,286,026	5,297,301	6,824,324	6,656,338	7,314,079	7,858,423	8,259,288	8,783,650	8,374,942	9,850,917
Highways and streets	26,973	-	-	957	2,998	13,000	78,000	-	-	-
Physical environment	1,904,606	2,037,219	2,012,046	2,064,089	2,512,473	2,561,659	2,589,596	2,641,273	2,741,314	2,841,636
Community redevelopment	-	-	-	-	57,120	17,858	19,672	20,856	15,241	5,846
Culture and recreation	403,927	128,635	121,649	240,469	164,541	208,602	250,727	257,089	385,464	1,477,414
Operating grants and contributions	866,809	265,678	486,672	1,001,165	395,138	-	2,506,200	2,225,732	2,293,337	904,290
Capital grants and contributions	525,236	603,553	4,895,611	205,326	136,075	175,491	135,492	-	368,600	538,960
Total governmental activities	12,962,298	12,047,008	17,780,356	14,718,867	13,952,459	15,538,285	19,172,241	21,654,910	18,077,602	23,690,785

Table 2
City of Dania Beach, Florida
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(Continued)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-type activities:										
Charges for services:										
Water	5,335,472	5,479,402	5,518,175	5,619,733	5,550,941	5,783,284	6,085,312	5,969,968	5,591,899	5,717,061
Sewer	6,285,784	6,771,028	7,035,606	6,653,703	6,651,066	6,597,427	6,817,314	7,104,089	6,756,123	6,872,635
Stormwater	2,083,596	1,949,507	1,927,483	2,033,947	1,949,987	2,029,035	1,975,809	2,004,790	1,970,221	1,965,623
Marina operations	-	162,114	307,557	775,742	861,501	902,157	983,120	1,050,666	1,081,945	1,207,055
Parking	699,946	1,052,362	1,421,597	1,644,600	1,378,063	1,454,663	1,289,059	1,285,446	1,128,022	1,458,345
Pier operations	373,336	362,849	356,454	463,542	268,694	279,128	291,993	295,290	233,708	302,689
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities	14,778,334	15,777,262	16,566,872	17,191,267	16,660,252	17,045,694	17,442,607	17,710,249	16,761,918	17,523,408
Total primary government program revenue	\$ 27,740,632	\$ 27,824,270	\$ 34,347,228	\$ 31,910,134	\$ 30,612,711	\$ 32,583,979	\$ 36,614,848	\$ 39,365,159	\$ 34,839,520	\$ 41,214,193
Net (Expense)/Revenue	\$ (28,307,957)	\$ (31,355,095)	\$ (25,771,720)	\$ (30,181,866)	\$ (36,141,376)	\$ (37,248,694)	\$ (36,690,567)	\$ (31,789,811)	\$ (38,416,449)	\$ (26,302,810)
Governmental activities	3,784,980	4,762,026	6,324,585	6,820,833	5,043,591	5,045,188	5,557,076	5,756,559	4,742,631	2,620,540
Total primary government net expense	\$ (24,522,977)	\$ (26,593,069)	\$ (19,447,135)	\$ (23,361,033)	\$ (31,097,785)	\$ (32,203,506)	\$ (31,133,491)	\$ (26,033,252)	\$ (33,673,818)	\$ (23,682,270)
General Revenues and Other										
Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 15,604,005	\$ 15,467,882	\$ 16,135,270	\$ 16,650,291	\$ 17,835,092	\$ 19,429,124	\$ 23,028,779	\$ 24,372,949	\$ 25,434,453	\$ 26,015,122
Franchise taxes	2,238,321	2,292,448	2,619,934	2,614,609	2,571,950	2,673,255	2,755,614	2,936,311	2,835,651	2,997,119
Utility taxes	4,300,248	4,617,269	3,543,297	3,582,609	3,627,385	3,834,189	3,909,123	4,108,466	4,065,872	4,115,707
Intergovernmental	3,494,027	3,669,786	5,165,694	5,379,885	5,428,609	5,567,441	5,537,821	5,555,190	5,268,361	5,708,915
Investment income	183,364	81,131	63,049	111,579	253,495	534,207	729,344	1,129,466	510,769	86,292
Miscellaneous	1,029,975	3,393,790	2,020,684	1,898,046	2,987,140	3,556,073	2,671,201	3,331,903	2,654,259	3,467,303
Transfers	2,781,842	5,050,838	(4,546,616)	3,380,840	3,380,840	3,347,969	3,422,752	3,754,484	3,433,535	3,216,613
Total governmental activities	29,631,782	34,573,144	25,001,312	33,617,859	36,084,511	38,942,258	42,054,634	45,188,769	44,202,900	45,607,071

Table 2
City of Dania Beach, Florida
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(Continued)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-type activities:										
Investment earnings	20,729	13,261	11,528	24,821	67,555	161,320	581,905	894,958	399,569	68,416
Miscellaneous	-	-	-	-	573,819	517,550	807,539	921,982	473,254	1,789,113
Transfers	(2,781,842)	(5,050,838)	4,546,616	(3,380,840)	(3,380,840)	(3,347,969)	(3,422,752)	(3,754,484)	(3,433,535)	(3,216,613)
Total business-type activities	(2,761,113)	(5,037,577)	4,558,144	(3,356,019)	(2,739,466)	(2,669,099)	(2,033,308)	(1,937,544)	(2,560,712)	(1,359,084)
Total primary government	\$ 26,870,669	\$ 29,535,567	\$ 29,559,456	\$ 30,261,840	\$ 33,345,045	\$ 36,273,159	\$ 40,021,326	\$ 43,251,225	\$ 41,642,188	\$ 44,247,987
Change in Net Position:										
Governmental activities	\$ 1,323,825	\$ 3,218,049	\$ (770,408)	\$ 3,435,993	\$ (56,865)	\$ 1,693,564	\$ 5,364,067	\$ 13,398,958	\$ 5,786,451	\$ 19,304,261
Business-type activities	1,023,867	(275,551)	10,882,729	3,464,814	2,304,125	2,376,089	3,523,768	3,819,015	2,181,919	1,261,456
Total change in net position	\$ 2,347,692	\$ 2,942,498	\$ 10,112,321	\$ 6,900,807	\$ 2,247,260	\$ 4,069,653	\$ 8,887,835	\$ 17,217,973	\$ 7,968,370	\$ 20,565,717

Table 3
City of Dania Beach, Florida
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund:										
Nonspendable	\$ 906,147	\$ 936,147	\$ 124,952	\$ 36,549	\$ 29,499	\$ 109,914	\$ 119,840	\$ 72,060	\$ 70,856	\$ 115,080
Restricted	329,498	635,544	699,319	860,150	541,405	628,431	1,193,954	2,207,056	2,848,606	5,416,393
Committed	-	-	125,051	128,567	397,856	567,560	229,894	-	-	-
Assigned	3,375,944	2,884,649	2,966,278	2,732,145	2,246,576	4,227,115	8,607,252	11,006,815	8,439,874	8,329,879
Unassigned	11,040,070	14,349,377	17,234,790	20,416,162	23,475,784	22,431,697	21,645,608	20,962,373	25,090,636	25,936,560
Total General Fund	\$ 15,651,659	\$ 18,805,717	\$ 21,150,390	\$ 24,173,573	\$ 26,691,120	\$ 27,964,717	\$ 31,796,548	\$ 34,248,304	\$ 36,449,972	\$ 39,797,912
All Other Governmental Funds:										
Restricted	\$ 2,204,824	\$ 1,495,442	\$ 1,797,320	\$ 2,376,070	\$ 2,456,989	\$ 3,274,537	\$ 3,004,017	\$ 5,162,669	\$ 2,937,592	\$ 4,265,686
Committed	2,482,732	1,836,528	2,591,068	7,619,905	5,579,582	4,484,518	4,036,615	4,401,316	4,509,699	6,508,641
Assigned	7,686,301	6,367,074	4,618,785	-	-	-	-	-	-	-
Unassigned	(1,970,335)	(2,983,873)	(180,049)	(88,798)	(178,991)	(63,348)	(112,306)	-	(68,048)	-
Total all other governmental funds	\$ 10,403,522	\$ 6,715,171	\$ 8,827,124	\$ 9,907,177	\$ 7,857,580	\$ 7,695,707	\$ 6,928,326	\$ 9,563,985	\$ 7,379,243	\$ 10,774,327

Note: Information for fiscal years 2012 to 2013 have not been restated for Governmental Accounting Standards Board (GASB) Statement No.54 classifications.

Table 4
City of Dania Beach, Florida
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Property taxes	\$ 15,604,005	\$ 15,467,882	\$ 16,135,270	\$ 16,650,291	\$ 17,835,092	\$ 19,429,124	\$ 23,028,779	\$ 24,372,949	\$ 25,434,453	\$ 26,015,122
Special assessments	4,082,820	4,065,279	5,052,071	5,081,535	5,821,427	6,356,104	6,249,500	6,316,109	6,333,454	6,789,857
Franchise fees	2,238,321	2,292,448	2,619,934	2,614,609	2,571,950	2,673,255	2,755,614	2,936,979	2,841,162	2,997,119
Utility taxes	4,300,248	4,617,269	3,543,297	3,582,609	3,627,385	3,834,189	3,909,123	4,108,466	4,065,872	4,115,707
Licenses and permits	2,188,191	3,280,797	3,301,706	4,195,456	3,380,233	4,824,367	5,832,071	8,403,419	4,351,890	8,723,712
Intergovernmental	3,494,027	3,669,786	5,165,694	5,379,885	5,428,609	5,567,441	5,537,821	5,748,048	5,268,361	6,252,155
Charges for services	3,277,333	3,455,651	3,582,482	3,669,894	4,219,586	4,162,467	4,429,307	4,688,126	4,709,569	5,205,274
Fines and forfeitures	738,356	376,050	461,816	565,491	512,683	538,478	386,951	554,902	459,442	328,499
Investment income	183,364	81,313	63,047	111,579	253,495	534,207	729,344	1,129,466	510,769	86,292
Grants	1,736,388	869,231	5,382,283	1,206,491	531,213	175,491	-	216	2,661,937	804,290
Miscellaneous	2,313,528	4,687,533	2,071,530	1,944,997	2,474,457	3,037,453	2,335,922	2,857,357	2,215,761	4,224,256
Total revenues	40,156,581	42,863,239	47,379,130	45,002,837	46,656,130	51,132,576	55,194,432	61,116,037	58,852,670	65,542,283
Expenditures:										
General government	7,586,634	6,541,309	5,917,429	5,787,355	9,262,106	7,257,708	8,145,004	7,363,525	8,623,394	8,795,388
Public safety	21,664,048	22,369,619	23,550,421	25,363,517	28,087,146	30,583,369	31,676,478	33,819,103	35,025,473	35,111,359
Highways and streets	2,048,198	3,190,349	1,621,968	1,599,671	2,684,886	1,790,893	2,237,310	2,662,387	3,192,578	2,250,211
Physical environment	2,826,999	2,857,462	3,502,300	3,697,428	4,689,865	4,754,850	4,931,826	5,127,398	5,282,627	5,962,750
Community redevelopment	2,635,972	6,671,194	3,288,017	3,534,196	3,754,678	3,625,693	4,394,759	5,977,655	5,915,890	5,105,430
Culture and recreation	4,780,910	3,154,702	6,297,054	2,897,830	3,424,775	2,585,809	2,993,706	3,448,266	3,213,951	3,606,710
Capital outlay*	-	-	-	-	-	1,112,135	741,369	282,671	22,571	246,933
Debt service:										
Principal**	1,042,551	3,066,126	1,065,831	6,300,947	659,064	773,574	838,574	838,574	853,575	752,991
Interest and fiscal charges	621,236	597,424	500,815	457,262	181,798	367,170	246,820	225,827	204,774	184,100
Total expenditures	43,206,548	48,448,185	45,743,835	49,638,206	52,744,318	52,851,201	56,205,846	59,745,406	62,334,833	62,015,872
Excess (deficiency) of revenues over expenditures	(3,049,967)	(5,584,946)	1,635,295	(4,635,369)	(6,088,188)	(1,718,625)	(1,011,414)	1,370,631	(3,482,163)	3,526,411

Table 4
City of Dania Beach, Florida
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Continued)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Financing Sources (Uses):										
Note proceeds	-	-	-	5,440,773	2,881,909	-	-	-	-	-
Debt issuance costs	-	-	-	(83,008)	-	-	-	-	-	-
Transfers in	13,214,460	13,145,974	10,642,062	8,548,499	9,299,410	7,250,819	11,252,069	8,827,844	7,773,159	8,573,259
Transfers out	(10,432,618)	(8,095,137)	(9,323,778)	(5,167,659)	(5,918,570)	(3,902,850)	(7,829,317)	(5,073,360)	(4,311,770)	(5,356,646)
Total other financing sources (uses)	2,781,842	5,050,837	1,318,284	8,738,605	6,262,749	3,347,969	3,422,752	3,754,484	3,461,389	3,216,613
Net change in fund balances	\$ (268,125)	\$ (534,109)	\$ 2,953,579	\$ 4,103,236	\$ 174,561	\$ 1,629,344	\$ 2,411,338	\$ 5,125,115	\$ (20,774)	\$ 6,743,024
Debt Service as a Percentage of Noncapital Expenditures	4.26%	8.18%	3.55%	16.16%	1.70%	2.29%	2.01%	1.85%	1.73%	1.53%

*Note: Capital Outlay was no longer treated as a separate line item after 2011 but is included in the natural classification. Refer to footnote 6 for the number which is backed out of the total expenditures.
 ** In 2016 the City refunded debt in the amount of \$ 2,935,000 which is included in the debt service fund general government expenditures and is not included under the principal line item.
 The balance is included in the above calculation.

Table 5
City of Dania Beach, Florida
Value of Taxable Property
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year Ended September 30,	Taxable Value of Personal and Real Property For Operating Purposes (1)	Taxable Value of Centrally Assessed Property for Operating Purposes	Gross Taxable Value	Less Tax Exempt Property	Total Taxable Assessed Value	Millage Rate
2012	\$ 3,208,220,545	\$ 2,426,840	\$ 3,210,647,385	\$ 583,229,819	\$ 2,627,417,566	6.2507
2013	3,172,675,082	2,244,996	3,174,920,078	575,693,985	2,599,226,093	6.2678
2014	3,312,446,134	2,562,196	3,315,008,330	565,619,140	2,749,389,190	6.2688
2015	3,477,989,835	3,044,295	3,481,034,130	588,004,832	2,893,029,298	6.2593
2016	3,661,796,706	3,721,620	3,665,518,326	572,809,972	3,092,708,354	6.2432
2017	3,992,030,478	4,024,741	3,996,055,219	575,164,817	3,420,890,402	6.2462
2018	4,702,225,529	4,165,263	4,706,390,792	603,201,053	4,103,189,739	6.1909
2019	4,950,622,924	4,283,788	4,954,906,712	622,397,462	4,332,509,250	6.1758
2020	5,118,533,284	5,310,142	5,123,843,426	626,566,853	4,497,276,573	6.1688
2021	5,253,039,886	6,182,994	5,259,222,880	646,201,575	4,613,021,305	6.1618

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

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

A millage of 6.1618 which is the current rate in effect of the City of Dania Beach is equal to \$ 6.1618 per each \$1,000 of taxable value on real property.

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

Table 6
City of Dania Beach, Florida
Property Tax Rates
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year	Basic Rate	Voted Debt Service		Total Direct	Broward County	Broward County Schools	Children's Services Council	South Florida Water Management District		Florida Inland Navigation District	South Broward Hospital District	Total Direct and Overlapping
2012	5.9998	0.2509		6.2507	5.5530	7.4180	0.4696	0.4363	0.0345	0.7500	20.9214	
2013	5.9998	0.2680		6.2678	5.5530	7.4560	0.4789	0.4289	0.0345	0.6000	20.8304	
2014	5.9998	0.2690		6.2688	5.7230	7.4800	0.4902	0.4110	0.0345	0.4000	20.8055	
2015	5.9998	0.2595		6.2593	5.7230	7.4380	0.4882	0.3842	0.0345	0.1863	20.5135	
2016	5.9998	0.2434		6.2432	5.7230	7.2740	0.4882	0.3551	0.0320	0.1737	20.2892	
2017	5.9998	0.2464		6.2462	5.6690	6.9063	0.4882	0.3307	0.0320	0.1615	19.8339	
2018	5.9998	0.1911		6.1909	5.6690	6.5394	0.4882	0.3100	0.0320	0.1496	19.3791	
2019	5.9998	0.1760		6.1758	5.6690	6.4029	0.4882	0.2936	0.0320	0.1414	19.2029	
2020	5.9998	0.1690		6.1688	5.6690	6.7393	0.4882	0.2795	0.0320	0.1260	19.5028	
2021	5.9998	0.1620		6.1618	5.6690	6.5052	0.4882	0.2675	0.0320	0.1199	19.2436	

Source: Broward County Property Appraiser

Notes: The Millage Rate is the rate used in the calculation for property taxes. One mil equals \$1 per \$1,000 of taxable value.
A millage of 6.1618 which is the current rate in effect of the City of Dania Beach is equal to \$ 6.1618 per each \$1,000 of taxable value on real property.

Table 7
City of Dania Beach, Florida
Principal Property Taxpayers
Current Year and Ten Years Ago

	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Florida Power & Light Co.	\$ 547,213,334	1	12.0%	\$ -	-	-
Dania Live 1748 LLC	81,648,140	2	1.8%	-	-	-
SCG Atlas Sheridan Ocean Club LLC	81,009,770	3	1.8%	-	-	-
Dania Entertainment Center LLC	57,447,320	4	1.2%	-	-	-
DCOTA Development Co., LP	49,391,140	5	1.1%	29,927,130	4	1.1%
Dania Live 1748 II LLC	42,838,560	6	0.9%	-	-	-
City of Dania Beach	40,506,410	7	0.9%	-	-	-
Beach Walk at Sheridan LP	37,004,870	8	0.8%	-	-	-
Dawson Johnson Operations LLC	30,158,250	9	0.7%	-	-	-
Bre Polygon Property Owner LLC	28,652,836	10	0.6%	-	-	-
Design Center of the Americas	-	-	-	347,032,167	1	13.2%
South Florida Materials	-	-	-	64,593,180	2	2.5%
The Aragon Group, Inc.	-	-	-	43,859,267	3	1.7%
Inland Southeast Dania, LLC	-	-	-	24,435,720	5	0.9%
Ft. Lauderdale Owner, LLC	-	-	-	23,122,990	6	0.9%
Wilson Hollywood Showroom LLC	-	-	-	22,122,990	7	0.8%
EQR - Paradise Pointe Vistas, Inc	-	-	-	21,802,180	8	0.8%
HEI Ft. Lauderdale Airport, LLC	-	-	-	21,457,213	9	0.8%
Dania Jai-Alai	-	-	-	20,288,270	10	0.8%
Totals	\$ 995,870,630		21.7%	\$ 618,641,107		23.5%

Source: Broward County Revenue Collection Division

Note: Property values shown above assessed as of January 1, 2020 and January 1, 2011

Table 8
City of Dania Beach, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended September 30,	Taxes Levied for the Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 16,112,498	14,824,418	92.0%	779,588	15,604,005	96.8%
2013	16,141,294	14,886,515	92.2%	581,367	15,467,882	95.8%
2014	16,850,215	15,617,070	92.7%	518,200	16,135,270	95.8%
2015	17,474,301	16,124,560	92.3%	525,731	16,650,291	95.3%
2016	18,530,248	17,273,014	93.2%	562,078	17,835,092	96.2%
2017	20,150,609	18,916,142	93.9%	511,982	19,428,124	96.4%
2018	23,987,957	22,551,633	94.0%	477,146	23,028,779	96.0%
2019	25,481,959	23,566,015	92.5%	806,933	24,372,949	95.6%
2020	26,374,031	24,490,470	92.9%	943,983	25,434,453	96.4%
2021	27,043,207	25,424,205	94.0%	590,917	26,015,122	96.2%

Source: Broward County Revenue Collector

Table 9
City of Dania Beach, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities			Total Government	Per Capita for Government Activities*	Per Capita for Business Activities**
	Sales Tax Revenue Bonds	General Obligation Bonds	Notes Payable	Capital Leases Payable	Notes/Bonds Payable	State Revolving Loan Payable				
2012	\$ 1,970,000	\$ 9,232,000	\$ 6,438,646	\$ 1,605,454	\$ -	\$ 13,919,426	\$ 33,165,526	644	2,962	
2013	1,615,000	8,595,000	5,944,144	1,415,894	2,673,790	13,648,761	33,892,589	581	3,473	
2014	1,455,000	8,295,000	5,585,553	1,226,334	2,598,790	13,754,837	32,915,514	546	3,479	
2015	1,305,000	8,375,773	5,243,729	1,036,775	2,478,790	14,547,371	32,987,438	525	3,623	
2016	1,150,000	8,273,866	5,069,234	847,216	2,353,790	13,532,157	31,226,263	493	3,380	
2017	995,000	7,831,759	5,069,234	657,657	2,223,790	12,624,541	29,401,981	462	3,159	
2018	835,000	7,342,745	2,868,824	468,098	1,815,000	11,698,548	25,028,215	363	2,920	
2019	675,000	6,853,731	621,876	278,539	1,675,000	10,756,542	20,860,688	263	2,645	
2020	510,000	6,354,717	538,960	88,977	1,530,000	9,782,675	18,805,329	233	2,357	
2021	345,000	5,855,703	-	-	1,380,000	8,840,584	16,421,287	195	2,092	

* Total debt for Governmental Activities reflected as a percentage of personal income is 1.15%

** The majority of outstanding debt for Business-Type Activities is applicable to only 14.9% of the City's overall population.

Table 10
City of Dania Beach, Florida
Ratios of General Bonded Debt
Last Nine Fiscal Years

Fiscal Year Ended September 30,	General Obligation Bonds	Total	Percentage of Actual Taxable Value	Per Capita
2013	\$ 8,595,000	\$ 8,595,000	\$ 0.3307%	284
2014	8,295,000	8,295,000	0.3017%	273
2015	8,375,773	8,375,773	0.2942%	278
2016	8,260,773	8,260,773	0.2671%	266
2017	7,831,759	7,831,759	0.2289%	249
2018	7,342,745	7,342,745	0.1790%	231
2019	6,853,731	6,853,731	0.1582%	216
2020	6,354,717	6,354,717	0.1413%	197
2021	5,855,703	5,855,703	0.1269%	184

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

Table 11
City of Dania Beach, Florida
Direct and Overlapping Governmental Activities Debt
As of September 30, 2021

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Broward County General Obligation Debt	\$ 102,733,000	2.077%	\$ 2,133,764
Other debt:			
Broward County Revenue Bonds	3,864,311,000	2.077%	80,261,739
Broward County Other Debt	544,380,000	2.077%	11,306,773
School Board of Broward County COP Debt	1,319,468,000	1.936%	25,544,900
School Board of Broward County Other Debt	618,159,000	1.936%	11,967,557
Subtotal, overlapping debt			131,214,734
City direct debt	6,200,703	100.000%	6,200,703
Total direct and overlapping debt			\$ 137,415,437

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

Table 12
City of Dania Beach, Florida
Pledged Revenue Coverage - Electric Utility Tax
Last Ten Fiscal Years

Fiscal Year Ended September 30,	Electric Utility Tax	Principal	Interest	Total Debt Service Coverage	Debt Coverage
2012	\$ 2,284,368	\$ 112,835	26,560	\$ 139,395	16.39%
2013	2,497,523	119,382	20,014	139,397	16.4%
2014	2,744,101	126,309	13,049	139,358	17.9%
2015	2,750,822	133,637	5,698	139,335	19.7%

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

Table 13
City of Dania Beach, Florida
Pledged Revenue Coverage - Electric Franchise Fees
Last Ten Fiscal Years

Fiscal Year Ended September 30,	Electric Utility Tax	Principal	Interest	Total Debt Service Coverage	Debt Coverage
2012	\$ 1,950,481	\$ 275,608	6,473	\$ 282,081	6.91%
2013	1,949,911	34,975	865	35,841	54.4%

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

Table 14
City of Dania Beach, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal (2)	School Enrollment (3)	Unemployment Rate (4)
2012	29,873	\$ 78,687,882	\$ 43,351	1,778	7.7%
2013	30,233	80,525,783	43,792	1,627	7.3%
2014	30,351	80,905,552	43,283	1,603	6.1%
2015	30,644	85,167,498	44,429	1,503	5.6%
2016	31,093	89,572,271	46,906	1,576	4.9%
2017	31,473	94,239,376	48,680	1,540	4.1%
2018	31,755	98,087,689	50,269	1,485	3.3%
2019	31,768	102,145,579	52,308	1,484	2.2%
2020	32,215	N/A	N/A	1,435	6.7%
2021	31,837	N/A	N/A	1,372	3.7%

Sources:

- (1) Bureau of Economic and Business Research, University of Florida
 - (2) Bureau of Economic Analysis, U.S. Department of Commerce. Information was not available at the City level.
 - (3) School Board of Broward County, Florida, 20th day counts
 - (4) Bureau of Labor Statistics, U.S. Department of Labor. Unemployment rates, Bureau of Labor and Statistics.
- Miami - Ft. Lauderdale - Pompano Beach, FL Metropolitan Statistical Area (Not Seasonally Adjusted)
- N/A Information is not available

Table 15
City of Dania Beach, Florida
Principal Employers
Current Year and Ten Years Ago

Taxpayer	2021			2012		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
First Service Residential	641	1	7.717%	-	-	-
Chewy Inc	550	2	6.622%	-	-	-
Chiquita Brands	385	3	4.635%	-	-	-
Cross Pointe Care Center	249	4	2.998%	-	-	-
Akam Onsite	208	5	2.504%	-	-	-
Arrow Space ATC	180	6	1.999%	-	-	-
Apex Parks Group	180	7	2.167%	-	-	-
City of Dania Beach	166	8	2.167%	187	5	1.190%
American Maritime Office Safety	160	9	1.926%	-	-	-
Hull & Company LLC	150	10	1.806%	-	-	-
Bass Pro Shops - Outdoor World	-	-	-	359	1	2.285%
Publix Supermarkets, Inc.	-	-	-	257	2	1.636%
School Board of Broward County	-	-	-	231	3	1.470%
Boomers	-	-	-	197	4	1.254%
Dania Jai-Alai	-	-	-	183	6	1.165%
Uniweld Products, Inc.	-	-	-	163	7	1.037%
American Maritime Officers	-	-	-	160	8	1.018%
Kenan Transport	-	-	-	151	9	0.961%
Sheraton Ft. Lauderdale Airport	-	-	-	120	10	0.764%
Total	2,869		34.5%	2,008		12.8%

Table 16
City of Dania Beach, Florida
Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program:	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government:										
Management	15.50	15.50	16.50	16.50	16.50	16.50	18.00	18.50	22.50	20.50
Finance	8.00	9.00	9.00	10.00	10.00	10.00	10.00	10.00	10.00	11.00
Human Resources	2.50	2.50	2.50	2.50	3.00	3.00	3.00	3.00	3.00	3.50
Community development	10.00	10.00	10.00	10.00	11.75	11.65	11.75	16.80	16.10	16.10
Public safety / code	10.00	9.00	10.50	10.50	11.75	11.85	11.75	12.70	12.80	12.80
Highways and streets	7.00	8.00	8.00	8.00	9.00	9.00	10.00	10.00	10.00	11.00
Physical environment	12.45	11.45	12.45	14.45	14.90	14.90	18.90	20.15	20.15	20.15
Culture and recreation	20.19	22.09	21.09	22.10	23.22	23.22	25.42	28.30	30.30	30.10
Water	16.95	16.95	16.95	17.95	17.50	17.50	17.50	18.95	19.90	19.70
Sewer	5.05	5.05	5.05	4.05	5.20	5.20	4.20	5.85	6.05	5.65
Stormwater	6.55	6.55	5.55	5.55	6.65	6.65	3.65	5.30	5.50	5.10
Total	114.19	116.09	118.59	121.60	129.47	129.47	134.17	149.55	156.30	155.60

Source: City of Dania Beach

Table 17
City of Dania Beach, Florida
Operating Indicators by Function/ Program
Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Function/Program:					
Police:					
Physical arrests	3,700	1,343	1,492	1,240	935
Parking violations	40	69	N/A	46	466
Traffic violations	4,106	3,377	4,541	5,659	5,428
Fire protection/prevention:					
Emergency responses	4,844	6,249	6,176	6,338	6,617
Fires extinguished (approx.)	N/A	7,352	N/A	47	69
Fire inspections	1,802	1,830	3,124	1,647	2,514
Community development:					
Building permits issued	2,094	2,758	2,514	2,546	2,840
Building permits construction value	32,780,227	89,945,041	37,857,133	101,960,569	27,498,593
Number of cited code violations	612	538	1,642	663	1,729
Parking violations	-	-	-	-	-
Public works:					
Miles of roads resurfaced	-	-	-	4	5
Potholes repaired	680	823	560	250	316
Parks and recreation:					
Facility rentals	10,000	9,000	10,500	140	175
Parks/sports attendance	55,227	58,398	71,048	4,500	8,500
Programs attendance	6,730	15,060	14,385	11,850	16,297
Water:					
Average daily consumption (thousands of gallons)	1,875	1,926	1,889	1,891	1,937
Peak daily consumption (thousands of gallons)	3,600	2,640	2,235	2,361	2,333
Sewer:					
Average daily sewage treatment (thousands of gallons)	3,200	3,325	3,417	3,200	3,200

Note: City performs majority of parking violations

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

2017	2018	2019	2020	2021
799	1,110	1,035	859	1,002
9	-	-	-	-
2,439	2,267	5,359	1,240	2,541
4,666	4,636	6,416	4,875	7,761
75	82	74	72	73
2,704	862	4,652	2,454	-
1,860	2,200	2,406	1,617	1,819
202,768,230	128,199,228	237,511,151	101,380,338	253,181,881
1,663	1,786	1,738	1,273	1,647
7,293	7,723	6,520	4,957	9,833
4	4	3	4	2
16,000	16,000	30	83	20
155	195	480	120	-
6,500	3,725	8,000	24,000	15,000
16,809	8,995	3,675	42,250	5,096
2,035	2,041	2,020	1,958	2,059
2,805	2,491	2,470	2,467	2,233
3,200	3,200	3,300	3,300	3,300

Table 18
City of Dania 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
Police:										
Stations	2	2	2	2	2	2	2	2	2	2
Fire Protection:										
Stations	2	2	2	2	2	2	2	2	2	2
Rescue units	4	4	4	2	2	2	2	2	2	2
Public works:										
Streets (miles)	150.4	97.0	97.0	97.0	97.0	97.0	97.0	97.3	97.3	97.3
Length of sidewalks	62	86	86	87	88	89	89	63	88	88
Parks and recreation:										
Park acreage	56.63	56.50	60.56	60.00	60.20	60.20	60.90	128.00	128.00	128.00
Baseball diamonds	6	5	6	6	6	6	4	6	6	6
Community centers	4	5	5	5	5	5	5	4	4	4
Water:										
Length of water mains (miles)	76.00	76.06	76.00	76.00	76.00	77.00	77.00	81.00	81.00	81.00
Sewer/stormwater:										
Length of sewer mains (miles)	44.00	46.00	46.00	46.00	45.00	47.00	47.00	62.00	62.00	62.00
Length of storm drains (miles)	14.00	15.00	15.00	15.00	15.00	15.00	15.00	15.50	15.50	15.50

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

COMPLIANCE SECTION

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dania Beach, Florida (the "City") as of and for the year ended September 30, 2021, and the related notes to the financial statements which collectively comprise the City's basic financial statements and have issued our report thereon dated March 28, 2022. Our report includes a reference to other auditors who audited the financial statements of the City of Dania Beach Police and Firefighters Retirement System, as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 28, 2022

INDEPENDENT AUDITOR'S REPORT TO CITY MANAGEMENT

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

Report on the Financial Statements

We have audited the financial statements of the City of Dania Beach, Florida (the "City"), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated March 28, 2022.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Florida Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports which are dated March 28, 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. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City of Dania Beach, Florida was established as authorized in Florida Chapter 163, Part III, as amended. Dania Beach Community Redevelopment Agency was authorized under Resolution No. 2002-275.

Financial Condition

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

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

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

Special District Component Units

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.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554 (1)(i)6, Rules of the Auditor General, the City reported the specific information in Exhibit 1 accompanying this report. The information for compliance with Section 218.39(3)(c), Florida Statutes and Section 10.554(1)(i)6, Rules of the Auditor General, has 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 it.

Additional Matters

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

Purpose of this Letter

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 28, 2022

City of Dania Beach, Florida

Exhibit 1

Data Elements Required By Section 218.39(3)(c), Florida Statutes and
Sections 10.554(1)(i)6, Rules of the Auditor General
(Unaudited)

Data Element	Dania Beach Community Redevelopment Agency
Number of district employees compensated at 9/30/2021	-
Number of independent contractors compensated in September 2021	3
Employee compensation for FYE 9/30/2021 (paid/accrued)	-
Independent contractor compensation for FYE 9/30/2021 (paid/accrued)	\$251,370
Each construction project to begin on or after October 1; (>\$65K)	
Trion Project	\$666,667
Budget variance report	Page 83

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

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

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

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

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

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

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

Keefe McCullough

KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 28, 2022

CPA's + Trusted Advisors



IMPACT FEE AFFIDAVIT

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

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

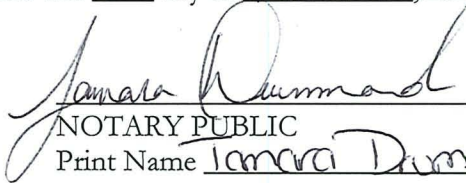
FURTHER AFFIANT SAYETH NAUGHT.



 (Chief Financial Officer of the Entity)

STATE OF FLORIDA
COUNTY OF BROWARD

SWORN TO AND SUBSCRIBED before me this 30th day of March, 2022.



 NOTARY PUBLIC
 Print Name Tamara Drummond

Personally known or produced identification _____

Type of identification produced: _____

My Commission Expires:

January 07, 2026

