

TOWN OF SOUTHWEST RANCHES, FLORIDA



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



**TOWN OF
SOUTHWEST RANCHES, FLORIDA
Annual Comprehensive Financial Report
Fiscal Year Ended September 30, 2021**



*2021 Town of Southwest Ranches Rural Public Arts and Design Advisory Board Photo Contest
Submitted by: Sandra Matthews*

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

**Richard E. Strum
Controller**

**Venessa Redman
Senior Procurement and Budget Officer**

**Gina Lawrence
Accountant**

TOWN OF SOUTHWEST RANCHES

MOTTO:

“PRESERVING OUR RURAL LIFESTYLE”

VISION STATEMENT:

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

MISSION STATEMENT:

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



Town of Southwest Ranches, Florida

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Town of Southwest Ranches, Florida

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INTRODUCTORY SECTION



2021 Town of Southwest Ranches Rural Public Arts and Design Advisory Board Photo Contest
Submitted by: Debbie Morris



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

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

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

March 4, 2022

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

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the Town of Southwest Ranches, Florida (the Town), for the fiscal year ended September 30, 2021. Although Florida Statutes requires that every general-purpose local government publish within nine months of the close of each fiscal year a complete set of audited financial statements, the Government Finance Officers' Association (GFOA) recommends that local governments publish same within six months. Therefore, in addition to meeting legal requirements, the report represents the Town's continued strong support of full financial disclosure in the timeliest manner. This philosophy is reflected by the informative financial analysis provided by the Town's Finance & Budget Department and the exhibits and statistical tables included herein. The financial statements have been audited by Keefe McCullough, Certified Public Accountants. The independent auditor has issued an unmodified opinion that this report fairly represents the financial position of the Town in conformity with generally accepted accounting principles (GAAP).

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

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

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

As previously mentioned, Keefe McCullough CPA, independent auditors, have issued unmodified opinions on the Town of Southwest Ranches financial statements for the fiscal year ended September 30, 2021. The independent auditor's report is located at the

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

ACCOUNTING AND INTERNAL CONTROLS

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

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

PROFILE OF THE GOVERNMENT

The Town comprises approximately thirteen (13) square miles, with a 2020 census population estimate of 7,951 and is located in the southwest portion of Broward County, a major metropolitan area. The Town motto since its establishment is "Preserving our Rural Lifestyle" but is located between the three major urban cities: Davie (population estimate of 105,691), Pembroke Pines (population estimate of 171,178) and Weston (population estimate of 68,107). The neighboring cities provide a wealth of attractions, business and amenities for use by the residents of the Town. Accordingly, the residents benefit from this close association with these urban neighbors because the Town does not need to provide for these services.

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

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

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

SERVICES PROVIDED

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

FACTORS AFFECTING FINANCIAL CONDITION

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

The Town has real estate sales and values with an increase as most other governments in Florida and in the nation; however, the Town has a better than average business cycle than other communities due to the composition of its economy. Specifically, the Town primarily consists of an affluent residential housing stock of 2,656 units with a minimum one-acre and larger single-family estates.

In 2020, the Town experienced a 4.67% increase in total taxable assessed value and a 5.72% increase in 2021. Accordingly, the 2021 total taxable assessed values exceed the 2020 former record highest total taxable assessed valuation.

The Town has made it a policy to establish reserves to offset unanticipated expenses and ensure that a funding source exists in the event of a setback in the continuation of positive economic conditions. The General Fund has an unassigned fund balance equal to 38.6% of the adopted FY 2022 General Fund operating budget.

On a long-term financial perspective, the Town has identified all capital asset and infrastructure projects under a five-year capital improvement plan (CIP). This five-year CIP serves as a quick reference for a project timeline and identifies current and future funding requirements. Commencing in FY 2015, the Town implemented a Transportation Surface and Drainage Ongoing Rehabilitation (TSDOR) program with the goal of preserving and extending the life of the Town's paved streets. The TSDOR program addresses improvements for every Town road over a 25+ year period. Seven new capital projects, not including TSDOR due to the fact its proposed funding is subject to future transportation municipal rehabilitation and maintenance surtax priority funding, have been fully or partially funded during the fiscal year 2021 budget process.

In the 2022 Session, the Florida Legislature is considering reducing or eliminating local business and communication service taxes as well as pushing additional costs down to

local governments as unfunded mandates. The Town is closely monitoring these proposals and their potential impacts and limitations to Florida municipalities. The consequences of a combination of several of the proposals being considered could have a significant impact on the Town's ability to maintain and/or improve services to residents.

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

Budgetary Policy:

Annual appropriated budgets are adopted for the General Fund, the Transportation Fund, the Capital Projects Fund and the Debt Service Fund on a basis consistent with accounting principles generally accepted in the United States of America. The Volunteer Fire Department Fund's budget is not legally adopted by the Town Council. In accordance with state laws, the Approved Budget is posted on the Town's website within 30 days of adoption.

During July of each year, the Town Administrator and Town Financial Administrator submits to the Town Council a proposed operating budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the means of funding them. Subsequently, Public hearings are conducted to obtain taxpayer comments and prior to October 1, the budget is legally enacted through passage of an ordinance. Upon request of the Town Administrator or Town Financial Administrator, the Town Council, in the form of a resolution, may amend the budget, make changes between funds or from a reserve, and increase or decrease a fund. The Town Administrator or Town Financial Administrator may make changes within a department. Therefore, the legal level of control is at the department level. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the fund from which it was appropriated and is subject to future appropriations.

Revenue Policy:

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

Debt Policy:

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

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

and FDEM and was appropriately utilized to pay down the outstanding balance to \$1.8 million. During FY 2020, slightly over \$1.8 million was also received from both FEMA and FDEM and was also utilized to fully pay down the outstanding balance to zero. Throughout FY 2020 and FY 2021 as well as during the current Covid-19 pandemic there were no emergency line of credit draws activated or deemed necessary.

During FY 2021, the Town refinanced the subsequent mentioned Series 2016 note payable at a 1.92% interest rate saving \$666,529 in loan interest expense over 10 years or \$746,587 over the entire 15-year amortization term if a bank call provision is not exercised. In 2016, the Town originally obtained financing for the purchase of \$8,100,000 in public purpose Land at a 3.25% interest rate and practically simultaneously retired \$1,640,000 of Series 2001 debt which carried a 5% interest rate utilizing general fund unassigned fund balance. In 2015, the Town obtained financing for the purchase of a \$206,500 Commercial Chassis Volunteer Fire Pumper vehicle while, during 2013, the Town refinanced a portion of its 2001 debt at a lower interest rate resulting in receiving over \$300,000 in present value cash savings for parks, recreation and open spaces capital improvements. The Town also borrowed \$439,139 and \$360,860 in 2010 and 2012, respectively from a line of credit subsequently converted to a fixed note, to fund roadway and drainage improvements. Finally, the Town entered into a \$2,500,000 note with a financial institution for the purpose of refunding an existing pooled commercial loan and to fund the move to a new permanent Town Hall building during 2012. All the aforementioned fixed rate loans, except for the retired Series 2001 and refinanced Series 2016, are still outstanding at September 30, 2021.

LONG RANGE FINANCIAL PLANNING

The Town Council has adopted a five-year Capital Improvement Program (CIP) to guide in the development of the annual capital budget as well as assist in its associated operating maintenance to achieve the long-term goal of a financially sound Town. The CIP is prepared and presented to the Town Council as part of the annual budget and update process in accordance with a comprehensive plan. The projects represent the Town's plan for infrastructure improvements for the next five years. The approved CIP also includes funding for Public Safety, Transportation, Drainage, and Parks, Recreation and Open Space.

AWARDS

The Town has applied for and was awarded the Certificate of Achievement for Excellence in Financial Reporting awarded by the Governmental Finance Officers Association (GFOA) of the United States and Canada for the Town's first ever ACFR in 2003 and again in 2005, and 2007 through 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents conform to program standards. This report must satisfy both GAAP and applicable legal requirements.

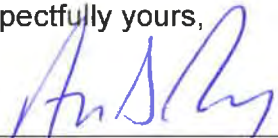
A Certificate of Achievement is valid for a period of one year only. We believe that our current report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

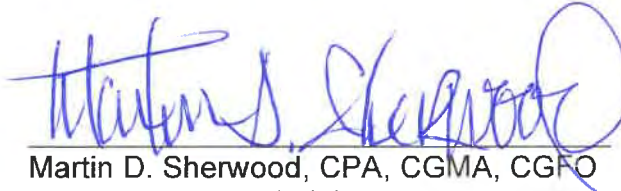
The preparation of this report could not have been accomplished without the efficient and dedicated efforts of the entire staff of the Finance & Budget Department. Accordingly, special thanks must be given to Rich Strum, Venessa Redman, and Gina Lawrence for their dedication in the creation and compilation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

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

Respectfully yours,



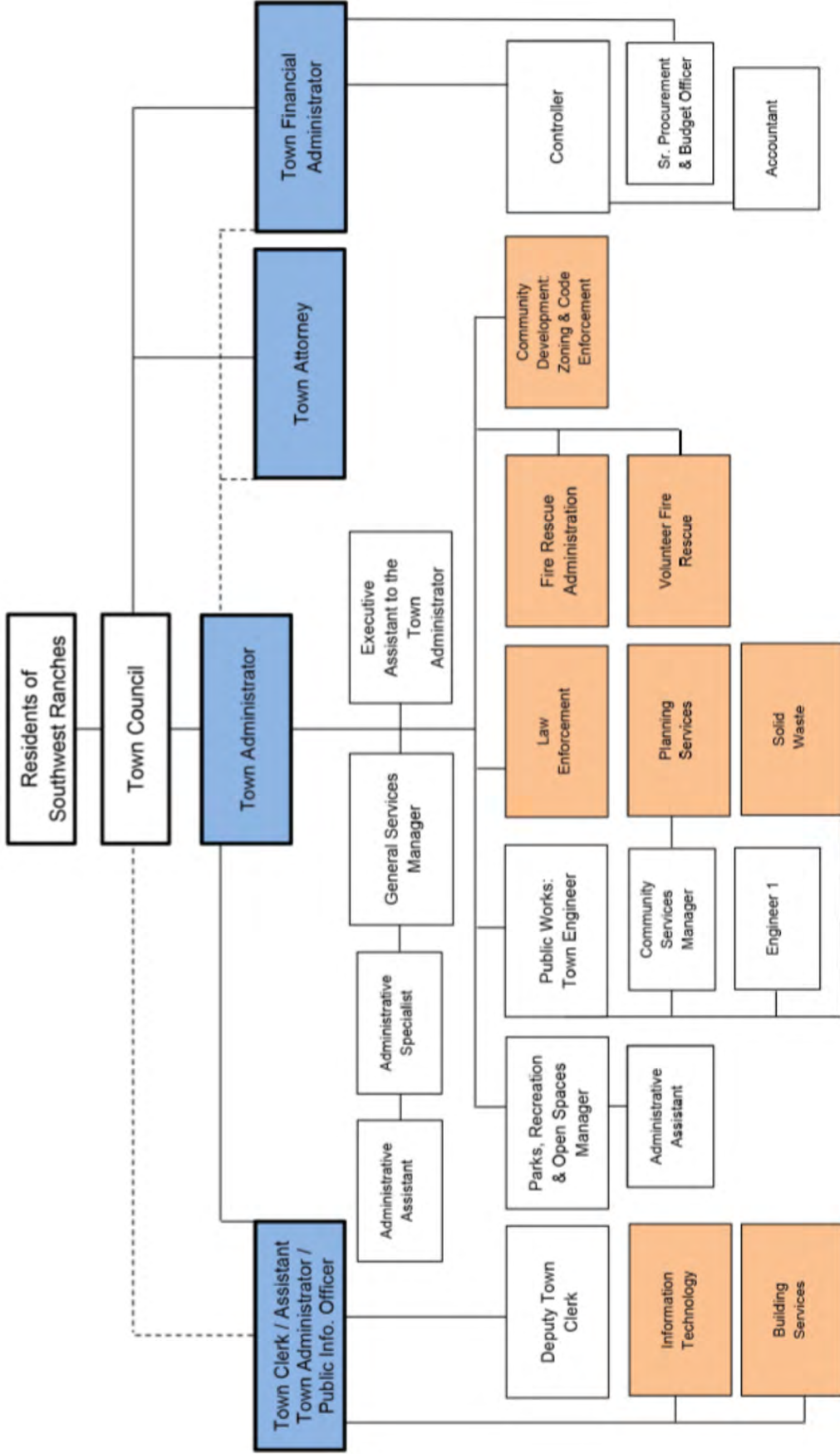
Andrew D. Berns, MPA
Town Administrator



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



TOWN OF SOUTHWEST RANCHES ORGANIZATIONAL CHART Fiscal Year 2020\2021



Positions appointed by the Town Council
 Contracted Services
 Indirect Relationship

**Town of Southwest Ranches, Florida
Council/Administrator Form of Government
List of Principal Officials
as of September 30, 2021**

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



STEVE BREITKREUZ
Mayor



BOB HARTMANN
Vice Mayor



JIM ALLBRITTON
Council Member



GARY JABLONSKI
Council Member



DAVID S. KUCZENSKI
Council Member

TOWN ADMINISTRATOR
Andrew D. Berns, MPA

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

TOWN ATTORNEY
Keith Poliakoff, Esq.

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

INDEPENDENT AUDITORS
Keefe McCullough & Co., LLP
Certified Public Accountants



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Southwest Ranches
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



2021 Town of Southwest Ranches Rural Public Arts and Design Advisory Board Photo Contest
Submitted by: Alfredo Avella Jr.

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison information on pages 4-15 and 43-45, 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 Town of Southwest Ranches, Florida's basic financial statements. The introductory section, combining and individual nonmajor fund statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Town of Southwest Ranches, Florida

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 4, 2022, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Town's internal control over financial reporting and compliance.



KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 4, 2022

**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

Within this section of the annual comprehensive financial report for the Town of Southwest Ranches (the Town), the Town's management is pleased to provide this narrative discussion and analysis of the financial activities of the Town for the fiscal year ended September 30, 2021. The Town's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

2021 FINANCIAL HIGHLIGHTS

- The Town's assets and deferred outflows of resources exceeded its liabilities by \$60,696,623 (total net position) as of September 30, 2021.
- Total net position increased \$2,055,480 even with including a full fiscal year impact of Covid-19 pandemic expenditures and is comprised of the following:
 - (1) Net investment in capital assets of \$50,876,586 includes property and equipment, net of accumulated depreciation and related debt.
 - (2) Net position of \$933,900 is restricted by constraints imposed on the Town in the amount of \$550,549 for transportation, \$91,977 and \$33,524 for fire control and the volunteer fire department, \$253,675 for building, and \$4,175 for public safety, respectively, all from outside the Town such as grantors, laws, or regulations.
 - (3) The Town's total debt decreased \$607,042 (net) to a total of \$9,052,904 due to normal amortization. Total debt includes loans as well as notes payable.
 - (4) Unrestricted net position consists of \$8,886,137 that may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's governmental funds reported total ending fund balance of \$9,094,097 at September 30, 2021. This compares to the prior year total ending fund balance of \$7,927,315 showing an increase of \$1,166,782 during the current year.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$5,525,870 or 39% of total General Fund expenditures and net transfers for 2021. The unassigned fund balance for the General Fund was \$4,153,041 or 31% of total General Fund expenditures and net transfers for 2020.
- Overall, the Town continues to maintain a healthy financial position despite continued effects of a worldwide Covid-19 pandemic.

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

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

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

The government-wide financial statements are presented on pages 16 and 17 of this report.

Fund Financial Statements

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

The Town has two types of funds:

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

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

The basic governmental fund financial statements are presented on pages 18 and 20 of this report.

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

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

The basic proprietary fund financial statements are presented on pages 22 - 24 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 25 of this report.

Required Supplementary Information

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

Supplementary Information

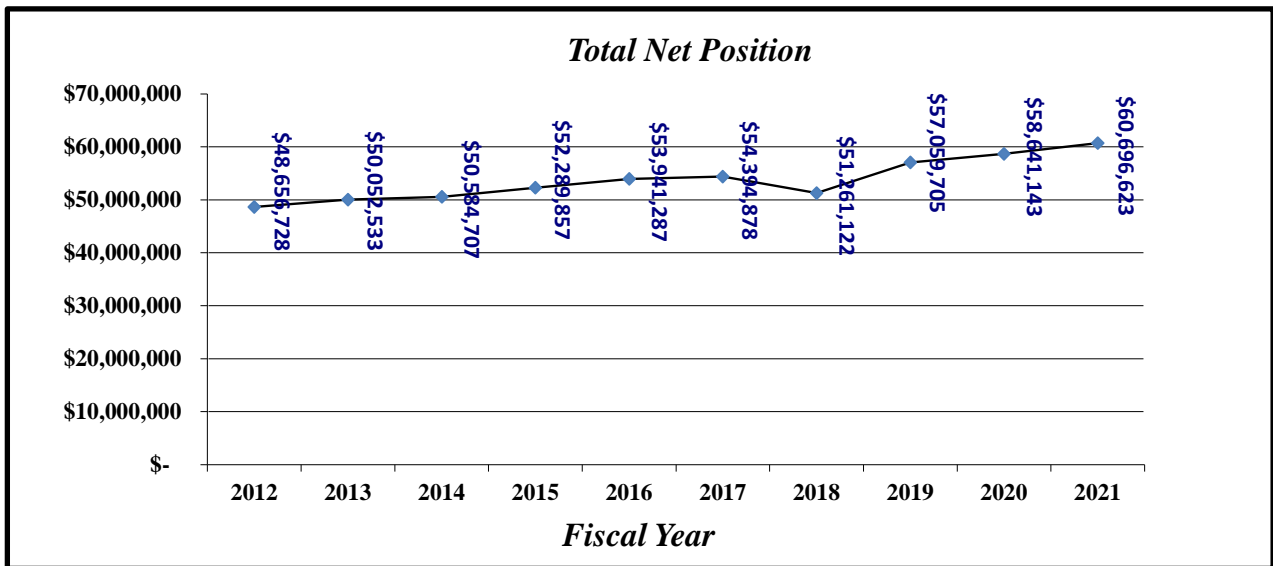
As discussed, the Town reports major funds in the basic financial statements. Combining and individual fund statements and schedules for nonmajor funds are presented in a supplementary information section of this report beginning on page 46.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

The Town's net position at fiscal year-end is \$60,696,623. The following table provides a summary of the Town's net position:

	Summary of Net Position					
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets:						
Current assets	\$ 12,353,763	\$ 8,545,380	\$ 915,435	\$ 876,931	\$ 13,269,198	\$ 9,422,311
Non-current assets:						
Other	359,210	359,210	-	-	359,210	359,210
Capital assets	59,906,454	59,708,055	-	-	59,906,454	59,708,055
Total assets	<u>72,619,427</u>	<u>68,612,645</u>	<u>915,435</u>	<u>876,931</u>	<u>73,534,862</u>	<u>69,489,576</u>
Deferred Outflows of Resources:						
Deferred amount on refunding	23,036	28,794	-	-	23,036	28,794
Liabilities:						
Current liabilities	3,688,301	1,099,672	120,070	117,609	3,808,371	1,217,281
Long-term liabilities	9,052,904	9,659,946	-	-	9,052,904	9,659,946
Total liabilities	<u>12,741,205</u>	<u>10,759,618</u>	<u>120,070</u>	<u>117,609</u>	<u>12,861,275</u>	<u>10,877,227</u>
Net position:						
Net investment in capital assets	50,876,586	50,076,903	-	-	50,876,586	50,076,903
Restricted	933,900	948,304	-	-	933,900	948,304
Unrestricted	8,090,772	6,856,614	795,365	759,322	8,886,137	7,615,936
Total net position	<u>\$ 59,901,258</u>	<u>\$ 57,881,821</u>	<u>\$ 795,365</u>	<u>\$ 759,322</u>	<u>\$ 60,696,623</u>	<u>\$ 58,641,143</u>

The following chart reports the Town's total net position balances from fiscal year 2012-2021.



Note over the last ten years, the total net positions have increased \$12,039,895 even with impacts during fiscal years 2018 and 2019 of two separate Hurricanes named Irma and Dorian as well as a Pandemic known as Covid-19 currently.

Current assets in governmental activities and business-type activities increased in fiscal year September 30, 2021. Cash, investments, and receivables increased \$3,808,383 and \$38,504 for governmental and business-type activities, respectively.

The Town continues to maintain high current ratios. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 3.4 to 1 as compared to 7.8 to 1 at September 30, 2020. The current ratio for business-type activities is 7.6 to 1 as compared to 7.5 to 1 at September 30, 2020. Overall, the total current ratio at September 30, 2021 decreased to 3.5 to 1 as compared to 7.7 to 1 at September 30, 2020. The decrease was primarily due to an increase in the amount of unearned revenues received in advance from the federal government under the American Rescue Plan Act as well as an increase in accounts payable due to a greater amount of capital project construction in process at fiscal year-end.

The Town reported a positive balance in net position for both governmental and business-type activities. During 2021, changes in net position increased \$2,019,437 and \$36,043 for governmental activities and business-type activities, respectively. The former is primarily due to continued strong and increased building and permitting and code compliance revenues combined with a reduction in interest expenses from normal amortization and other fiscal charges and expenses including events, non-essential travel and training resulting from the Covid-19 pandemic. Accordingly, the Town's overall financial position is healthy at fiscal year-end 2021 and it has remained strong even under continued economic uncertainties from Covid-19.

Note that approximately 82.5% of the governmental activities' total assets are tied up in capital assets. The Town uses these capital assets to provide services to its citizens. The business-type activities do not have capital assets. By combining governmental activities with business-type activities, the Town has invested approximately 81.5% of its total assets in capital assets, as presented in the government-wide statement of net position.

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

	Summary of Changes in Net Position						Percentage of Total
	Governmental Activities		Business-type Activities		Total		
	2021	2020	2021	2020	2021	2020	
Revenues:							
Program:							
Charges for services	\$ 5,998,964	\$ 4,146,292	\$ 1,732,833	\$ 1,714,527	\$ 7,731,797	\$ 5,860,819	44.0%
Solid waste emergency services	-	-	39	70,612	39	70,612	0.0%
Operating grants and contributions	113,029	12,143	-	-	113,029	12,143	0.6%
Capital grants and contributions	367,465	560,206	-	-	367,465	560,206	2.1%
General:							
Ad valorem taxes	6,402,259	6,633,543	-	-	6,402,259	6,633,543	36.4%
Other taxes	1,968,494	1,889,816	-	-	1,968,494	1,889,816	11.2%
Intergovernmental	843,802	757,808	-	-	843,802	757,808	4.8%
Investment earnings	24,456	106,353	3,936	20,098	28,392	126,451	0.2%
Miscellaneous	130,113	165,179	195	65	130,308	165,244	0.7%
Total revenues	<u>15,848,582</u>	<u>14,271,340</u>	<u>1,737,003</u>	<u>1,805,302</u>	<u>17,585,585</u>	<u>16,076,642</u>	<u>100.0%</u>
Program Expenses:							
General government	2,455,138	2,343,760	-	-	2,455,138	2,343,760	15.8%
Public safety	6,988,834	6,784,682	-	-	6,988,834	6,784,682	45.0%
Community services and development	2,302,502	1,731,518	-	-	2,302,502	1,731,518	14.8%
Parks and recreation	733,192	700,734	-	-	733,192	700,734	4.7%
Transportation	1,274,391	1,165,497	-	-	1,274,391	1,165,497	8.2%
Emergency services	39,066	12,094	-	16,590	39,066	28,684	0.3%
Interest and other fiscal charges	299,939	321,442	-	-	299,939	321,442	1.9%
Solid waste	-	-	1,437,043	1,418,887	1,437,043	1,418,887	9.3%
Total expenses	<u>14,093,062</u>	<u>13,059,727</u>	<u>1,437,043</u>	<u>1,435,477</u>	<u>15,530,105</u>	<u>14,495,204</u>	<u>100.0%</u>
Changes in net position before transfers	1,755,520	1,211,613	299,960	369,825	2,055,480	1,581,438	
Transfers	<u>263,917</u>	<u>221,292</u>	<u>(263,917)</u>	<u>(221,292)</u>	-	-	
Changes in net position	2,019,437	1,432,905	36,043	148,533	2,055,480	1,581,438	
Beginning net position	<u>57,881,821</u>	<u>56,448,916</u>	<u>759,322</u>	<u>610,789</u>	<u>58,641,143</u>	<u>57,059,705</u>	
Ending net position	<u>\$ 59,901,258</u>	<u>\$ 57,881,821</u>	<u>\$ 795,365</u>	<u>\$ 759,322</u>	<u>\$ 60,696,623</u>	<u>\$ 58,641,143</u>	

Governmental Activity Revenues

The Town is heavily reliant on Ad valorem (property) taxes to support governmental operations. Property taxes provided 40.4% of the Town's total governmental revenues as compared to 46.5% in fiscal year 2020. Other taxes, which includes franchise and utility taxes, provided 12.4% and 13.2% of the Town's total governmental revenues for fiscal years 2021 and 2020, respectively. Additionally, because of the Town's healthy financial position, we have been able to earn \$24,456 in investment earnings even under a low interest rate environment to support governmental activities.

Note that program revenues covered 46.0% of governmental operating expenditures as compared to 36.1% in fiscal year 2020. This means that the government's taxpayers and the Town's other general revenues normally fund 54.0% of the governmental activities, primarily from property taxes, other taxes, and unrestricted intergovernmental revenue. As a result, the general economy has a major impact on the Town's revenue streams.

Governmental Activity Expenses

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

	Governmental Activities			
	Total Cost of Services	Percentage of Total	Net Cost of Services	Percentage of Total
General government	\$ 2,455,138	17.4%	\$ (2,455,138)	32.2%
Public safety	6,988,834	49.6%	(3,207,808)	42.1%
Community services and development	2,302,502	16.3%	174,861	-2.3%
Parks and recreation	733,192	5.2%	(732,127)	9.6%
Transportation	1,274,391	9.0%	(1,054,387)	13.8%
Emergency services	39,066	0.3%	(39,066)	0.5%
Interest and other fiscal charges	299,939	2.1%	(299,939)	3.9%
Total	\$ 14,093,062	100.0%	\$ (7,613,604)	100.0%

The public safety expenses total gross about 49.6% while net of program revenues total 42.1% of costs. The public safety function generated \$3,520,536 in user charges, \$113,029 in operating grant revenues and \$147,461 in capital grants and contributions, which offsets program costs. The community services and development expenditures total gross of 16.3% while net of program revenues total -2.3%. The community services and development function generated \$2,477,363 in user charges, primarily from building permits, planning/zoning, engineering, fire review fees and code compliance of \$2,424,969 ultimately resulting in a net program cost of a positive \$174,861. The transportation expenses total gross of 9.0% while net of program revenues total 13.8%. The transportation function, which includes the seventh year of TSDOR capital improvements, was aided by capital grant revenues, including new transportation surtax of \$220,004 which also offsets capital program costs. Other total cost and net costs do not differ substantially by percentage or by dollars for each service.

Business-Type Activities

The Town reports one major enterprise fund, Solid Waste.

Total operating revenues increased \$18,306 or almost 1.1% primarily due to increased service delivery units as successful management and legal negotiations obtained a permanent reduced residential contract life bulk disposal generation factor. This factor combined with all the annual net collection element contract adjustments enabled Town Council to adopt and pass-through no changes in rates to any parcel lot size to customers while still retaining full cost recovery. Intergovernmental, non-capital grants, comprising the realization and reimbursement for FY 2017 and FY 2018 Hurricane Irma expenditures decreased \$70,573. Total operating expenses and all Hurricane Irma emergency services related expenses increased \$1,566 or almost 0.1% due to slightly higher contractual and recycling costs also primarily from increased service delivery units of \$18,156 offset by a \$16,590 reduction in and completion of all Hurricane Irma debris collection, disposal and monitoring expenses as compared to the prior year. The current year emergency line of credit interest totaled \$0 which was \$16,267 less than the prior year as the full outstanding line of credit was paid down with reimbursements received from federal (FEMA) and state (Florida Department of Emergency Management) authorities in the prior year. Other operating expenses decreased by \$57 in fiscal year 2021 as compared to fiscal year 2020 due to lower professional fees.

In total, the year-to-year change in operating income increased \$603 and net position increased \$36,043, respectively resulting in a current year ending surplus net position of \$795,365.

FUND ANALYSIS

Governmental Funds

Governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$9,094,097 compared to \$7,927,315 at September 30, 2020.

The total governmental revenues exceeded expenditures by \$902,865.

The General Fund revenues exceeded its expenditures by \$3,274,017 as compared to \$2,562,131 for fiscal year 2020. Transfers in from Solid Waste of \$263,917 as well as transfers to other funds totaling \$2,298,507 offset this excess. The details of the General Fund's financial operations are discussed below.

Governmental funds report total fund balance of \$9,094,097. Of this year-end total, \$933,900 is legally restricted for: transportation (\$550,549); fire control including volunteer fire operations (\$125,501); public safety (\$4,175); and building (\$253,675). \$1,475,860 is committed to various projects: capital projects (\$1,197,906); transportation (\$276,725); and tree preservation (\$1,229). \$757,923 is assigned for the following purposes - debt service (\$568,639); and capital projects (\$189,284). \$400,544 is considered non-spendable and \$5,525,870 is unassigned and available for future appropriation within the General Fund.

The total ending fund balances of governmental funds show an increase of \$1,166,782 or 14.7% increase over the prior year.

Major Governmental Funds

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

General Fund - The General Fund is the Town's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance of \$6,333,974 increased by \$1,239,427 or 24.3% as compared to an increase of \$195,083 or almost 4% in 2020. The ending unassigned fund balance is considered more than adequate, representing the equivalent of 45.5% of annual expenditures. This percentage compares to 37.9% at September 30, 2020.

Ad valorem (property) taxes decreased \$231,284 or almost 3.5%. This decrease is attributed to a combined operating and transportation surface and drainage ongoing rehabilitation (TSDOR) capital program millage rate decrease partly offset by an increase in the taxable value of property from the prior year. However, in total, all tax revenues were \$152,606 or 1.8% below those of 2020. Licenses and permits were \$780,437 or 46.0% higher than the 2020 amount due to increased building and zoning permitting activity.

Overall, total General Fund expenditures increased \$1,197,337 or 10.9% above the fiscal year 2020 level. The most significant changes, by department, from fiscal year 2020 are described below.

General government costs, consisting of legislative, legal, executive and clerk administration, finance & budget, and non-departmental departments were \$111,768 higher than the 2020 amount due to increased litigation activity (\$46,981) combined with overall increased personnel as well as operating expenses (\$64,787).

In total, public safety costs were up \$173,867 or 2.7% above the 2020 amount. This increase is due to a 4.5% annual contract escalator with the Town of Davie offset by a reduction in newly replaced police vehicles of 1.5% combined with coordinator personnel savings of .3%. attributable by a total increase in Southwest Ranches Volunteer Fire department expenses, including stipend payments.

Community services and development which consists of building, planning, code & zoning, and public works increased \$570,984 or 32.9% above those of 2020 primarily due to the aforementioned increased building, zoning permitting activity and application fee volume, resulting in significantly higher contractual service costs.

The 2021 parks and recreation amounts were \$34,691 higher than the 2020 amount of \$407,633. The major portion of this increase is due from a full year impact from higher grounds maintenance contract implemented toward the end of FY 2020. Additionally, it shall be noted that this increase includes a full year impact for Frontier Trails Park which became operational during 2020.

For 2021, Covid-19 pandemic emergency service expenditures totaled \$39,066 (or \$26,972 higher than FY 2020) resulting from the acquisition of safety improvements, personal protective as well as safety equipment which is still ongoing.

In this fiscal year, the General Fund transferred \$2,298,507 to other funds, which included \$752,310 to the Transportation Fund, \$22,107 to the Capital Projects Fund, \$1,304,655 to the Debt Service Fund, and \$219,435 to the Volunteer Fire Department Fund (a component unit). The Solid Waste Fund transferred \$263,917 to the General Fund.

Transportation Fund – This fund accounts for the Town’s share of the state gasoline and local option gas taxes, which are restricted to transportation purposes, a state transportation appropriation grant, and an ongoing long-term transportation surface and drainage ongoing rehabilitation (TSDOR) capital program. In fiscal year 2021 revenue of \$380,754 of intergovernmental revenue was earned as compared to \$719,891 in fiscal year 2020 primarily related to an decrease in state transportation appropriation grant. \$560,782 was expended on roadways including engineering, signage repairs and replacements and related personnel costs during 2021 and, \$984,789 on capital outlay comprising of: drainage improvements (\$218,551); guardrails (\$10,441); TSDOR (\$726,338) and striping/markers (\$29,459). The total legally restricted and committed transportation fund balance at fiscal year-end 2021 was \$550,549 and \$1,391,945, respectively.

Capital Projects Fund - This fund is primarily financed from transfers from the General Fund, as indicated above for both the current (\$22,107) and prior (\$72,000) fiscal year. However, in fiscal year 2021, the fund also received a contribution of \$30,000.

During fiscal year 2021, this fund spent \$65,095 on capital outlay, which includes:

- Buildings/Fire Control Modular safety improvements \$22,107
- Infrastructure improvements for Town Hall Safety \$14,895
- Public Safety Machinery & Equipment \$28,093

Committed and assigned fund balance was \$21,792 (primarily for Town Hall Safety) and \$189,284, respectively. The total capital project fund balance at fiscal year-end 2021 was \$211,076.

Proprietary Fund

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

GENERAL FUND BUDGETARY HIGHLIGHTS

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

Ad Valorem Taxes were over budget by \$86,372 or 1.4% higher due to an unanticipated combination of collection from prior-year, delinquent taxes (\$13,488) plus lower early payment discounts taken (\$72,884). Utility Taxes were over budget by \$78,429 or 6.6% higher from both higher and unanticipated electric and communication service revenue received. Licenses and permits were over budget by \$70,553 or 2.9% primarily due to overall higher building, permitting and engineering review fees than anticipated. Intergovernmental revenues were over budget by \$260,590 or 40.2% due to total unanticipated federal, covid-19 pandemic relief reimbursements (\$57,652) plus much greater state revenue sharing (\$202,938) received. Charges for services were over budget by \$52,381 primarily due to higher ambulance fees generated under the Covid-19 pandemic than anticipated. Fines and forfeitures were under budget by \$46,851 or 6.4% as a result of lower traffic court revenue (approximately \$51,748) as a result of less street traffic offset by higher false alarm and higher code enforcement and lien recoveries received (approximately \$4,897) also due to the Covid-19 pandemic. Investment income revenue were under budget by \$41,909 or 71.6% due to an unanticipated continued lower interest rate environment. All other revenue sources were slightly over budget but generally consistent with the adopted budget. Overall, we ultimately recognized \$494,605 or 103.3% of the revenue budget.

On the expenditure side, the Town's actual expenditures for each department or function were less than budgeted due to conservative budgeting and expenditure and/or supply chain limitations imposed by the Covid-19 pandemic, where noted below, except for those pertaining to Covid-19 pandemic personal protective and safety equipment (\$24,740), for its obvious reason. By function, general governmental was \$505,168 or 17.6% below the budget primarily due to lower than anticipated town operating events, training and education, total public safety was \$144,361 or 2.1% below the budget, community services and development was \$17,908 or less than 1% below the budget, parks and recreation was \$12,216 or 2.7% below the budget and capital outlay was \$85,576 or 19.9% below the budget primarily due to favorable competitive procurement pricing obtained along with the aforementioned supply chain capital outlay project delays as well as lower than anticipated fire well costs (\$8,981).

Overall, the total General Fund budget was underspent by \$740,489 or 5.7% specifically due to the above, aforementioned items and lower general government operating expenditures including contractual services, primarily due to the Covid-19 pandemic. Tight Departmental Director expenditure controls and monitoring throughout also contributed to the underspending.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets, net of accumulated depreciation, for governmental activities as of September 30, 2021 was \$59,906,454. The change in this net investment was a 0.3% increase for governmental activities. See Note 6 for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year.

The following table provides a summary of capital asset activity:

	Capital Assets	
	Governmental Activities	
	2021	2020
Non-depreciable assets:		
Land	\$ 42,341,811	\$ 42,341,811
Construction in progress	2,272,797	1,337,468
Total non-depreciable	<u>44,614,608</u>	<u>43,679,279</u>
Depreciable assets:		
Infrastructure	25,283,608	25,233,812
Improvements other than buildings	5,963,630	5,963,630
Buildings and building improvements	3,725,023	3,659,467
Furniture and equipment	2,205,632	1,921,667
Total depreciable assets	<u>37,177,893</u>	<u>36,778,576</u>
Less: accumulated depreciation	<u>21,886,047</u>	<u>20,749,800</u>
Net book value - depreciable assets	<u>15,291,846</u>	<u>16,028,776</u>
Percentage depreciated	<u>59%</u>	<u>56%</u>
Total Capital Asset Net Book Value	<u>\$ 59,906,454</u>	<u>\$ 59,708,055</u>

At September 30, 2021, the depreciable capital assets for governmental activities were 59% depreciated. This compares to the 56% at September 30, 2020.

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

- TSDOR Construction-in-progress \$726,338
- Drainage Projects Construction-in-progress \$213,550
- Guardrails Construction-in progress \$10,441
- Generators Construction-in-progress (net) (\$15,000)
- Drainage Infrastructure \$5,000
- Road Infrastructure \$29,459
- Fire Wells #198, #63, #342, #133 Infrastructure \$15,337
- Public Safety Modular Security Building Improvements \$37,108
- Town Hall Building Improvements \$28,448
- Town Hall Furniture and Equipment \$146,698
- Parks and Recreation Furniture & Equipment \$11,356
- Public Safety Furniture & Equipment (net) \$125,911

Debt

The series 2021 land acquisition note payable, series 2013 and 2011 revenue refunding notes payable as well as an equipment and other loan payable with financial institutions are in governmental activities only. The series 2016 was refinanced during and with the series 2021 which guaranteed to save the Town \$666,529 in loan interest expense over 10 years or \$746,587 over the entire 15-year amortization term if a bank call provision is not exercised. Overall, the Town of Southwest Ranches lowered its total debt by \$607,042 or 6.3% primarily through normal amortization. Additionally, the Town had no emergency line of credit draws during or outstanding at 9/30/2021 or 9/30/2020 and would report it solely attributable to and within its business-type activity. More detailed information on long-term debt activity to the relevant disclosures in the notes to the financial statements are found on pages 36-40.

The following table reports long-term debt balances at September 30, 2021 and 2020:

Outstanding Long-Term Debt		
Governmental Activities:	2021	2020
TD Note Payable, 2016	\$ -	\$ 7,750,000
TD Note Payable, 2021	7,750,000	-
TD Note Payable, 2013	1,117,800	1,324,900
TD Note Payable, 2011	71,159	350,949
TD Note Payable, Rosenbauer	56,779	84,111
Centennial Loan Payable	57,166	149,986
Grand Total	<u>\$ 9,052,904</u>	<u>\$ 9,659,946</u>

The Town provides an optional single-employer defined benefit post-employment health care plan to eligible employees. The Town does not make contributions to the Plan on behalf of retirees. In accordance with GASB Statement No. 75, the Town has evaluated and determined that it is not necessary to record the total OPEB liability of \$49,126 as it is insignificant to the Town.

A SUMMARY OF THE ECONOMIC CONDITIONS AFFECTING THE TOWN

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

During a Covid-19 pandemic significantly impacting South Florida economic, especially hospitality activity, the unemployment rate for Broward County residents as of September 2021 and 2020 was 4.4% and 7.8%, respectively, and compares favorably to the State's unemployment rate of 4.8% for September 2021 but unfavorably at 7.2% for September 2020. However, the Town's residents would expect to have a lower unemployment rate than is reported for the county. Inflationary trends in the region, except for housing costs, continue to also compare favorably to national indices, which is a positive sign. In addition, according to the U.S. Census Bureau (2015-2019), the Town's median household income of \$124,591 compares favorably to the Nation's and State's as well as the County's median household income of \$62,843, \$55,660, and \$59,547, respectively.

In the 2021-2022 adopted budget, we continue operating in a conservative economic environment due to the Covid-19 pandemic. There are indications of a continued marginal increase in housing values and related taxable values due to new residential development, improvements and rehabilitation. Additionally, inflationary trends in the region compare more favorably to national indices.

Some of the key elements affecting the fiscal year 2021-2022 budget include:

- Relatively modest change in taxable values but expected to ellipse the 2021 record all-time highest due to a primarily residential composition.
- Continued shift in funding for Transportation infrastructure to a new County shared sales surtax.
- Continuance of an extremely low interest yield environment.
- Modest growth rates of building construction and rehabilitation.
- A slight decline in State of Florida shared revenues, especially from sales and gas taxes.

All of these factors result in many budget challenges in fiscal year 2021-2022 and beyond. Additionally, the Town carefully monitors Florida Legislative initiatives and their future impact on the Town's ability to function at its present level.

The millage rate for fiscal year 2022 was retained at 4.2500 representing the Town's regular operating rate of 4.2500 plus .0000 for the eighth year of a major transportation related capital improvement project (TSDOR) and which is identical to fiscal year 2021, resulting in an anticipated net revenue increase of \$ 482,124 due to an increase in total taxable assessed values. Additionally, during the current fiscal year, unassigned General Fund fund balance increased \$1,372,829 to \$5,525,870.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

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

BASIC FINANCIAL STATEMENTS

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

Town of Southwest Ranches, Florida
Statement of Net Position
September 30, 2021

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	\$ 9,867,492	\$ 911,920	\$ 10,779,412
Investments	1,403,843	-	1,403,843
Receivables	600,737	825	601,562
Intergovernmental receivables	440,357	2,690	443,047
Prepaid items	41,334	-	41,334
Assets held for resale	359,210	-	359,210
Capital assets not being depreciated	44,614,608	-	44,614,608
Capital assets being depreciated, net	15,291,846	-	15,291,846
Total Assets	72,619,427	915,435	73,534,862
Deferred Outflows of Resources			
Deferred charge on refunding	23,036	-	23,036
Liabilities			
Accounts payable and accrued liabilities	1,560,862	120,070	1,680,932
Accrued interest payable	69,425	-	69,425
Unearned revenues	2,058,014	-	2,058,014
Noncurrent liabilities:			
Due within one year	819,660	-	819,660
Due in more than one year	8,233,244	-	8,233,244
Total Liabilities	12,741,205	120,070	12,861,275
Net Position			
Net investment in capital assets	50,876,586	-	50,876,586
Restricted for:			
Transportation	550,549	-	550,549
Fire control and rescue services	125,501	-	125,501
Public safety	4,175	-	4,175
Building	253,675	-	253,675
Unrestricted	8,090,772	795,365	8,886,137
Total Net Position	\$ 59,901,258	\$ 795,365	\$ 60,696,623

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

Town of Southwest Ranches, Florida
Statement of Activities
For the Fiscal Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
General government	\$ 2,455,138	\$ -	\$ -	\$ -	\$ (2,455,138)	\$ -	\$ (2,455,138)
Public safety	6,988,834	3,520,536	113,029	147,461	(3,207,808)	-	(3,207,808)
Community services and development	2,302,502	2,477,363	-	-	174,861	-	174,861
Parks and recreation	733,192	1,065	-	-	(732,127)	-	(732,127)
Transportation	1,274,391	-	-	220,004	(1,054,387)	-	(1,054,387)
Emergency services	39,066	-	-	-	(39,066)	-	(39,066)
Interest and fiscal charges	299,939	-	-	-	(299,939)	-	(299,939)
Total Governmental Activities	14,093,062	5,998,964	113,029	367,465	(7,613,604)	-	(7,613,604)
Business-type Activities							
Solid waste	1,437,043	1,732,833	-	-	-	295,790	295,790
Solid waste emergency services	-	-	39	-	-	39	39
Total Business-type Activities	1,437,043	1,732,833	39	-	-	295,829	295,829
Total Primary Government	\$ 15,530,105	\$ 7,731,797	\$ 113,068	\$ 367,465	(7,613,604)	295,829	(7,317,775)
General Revenues							
Ad valorem taxes					6,402,259	-	6,402,259
Franchise fees based on gross receipts					702,961	-	702,961
Unrestricted intergovernmental revenue					843,802	-	843,802
Utility taxes					1,265,533	-	1,265,533
Unrestricted investment earnings					24,456	3,936	28,392
Miscellaneous					130,113	195	130,308
Transfers					263,917	(263,917)	-
Total General Revenues and Transfers					9,633,041	(259,786)	9,373,255
Change in Net Position					2,019,437	36,043	2,055,480
Net Position - Beginning of Year					57,881,821	759,322	58,641,143
Net Position - End of Year					\$ 59,901,258	\$ 795,365	\$ 60,696,623

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

Town of Southwest Ranches, Florida
Balance Sheet - Governmental Funds
September 30, 2021

	General Fund	Transportation Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash	\$ 6,895,299	\$ 2,137,894	\$ 211,076	\$ 623,223	\$ 9,867,492
Investments	1,403,843	-	-	-	1,403,843
Receivables	600,737	-	-	-	600,737
Intergovernmental receivables	277,686	162,671	-	-	440,357
Due from other funds	-	-	-	6,253	6,253
Prepaid items	36,944	-	-	4,390	41,334
Assets held for resale	<u>359,210</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>359,210</u>
Total Assets	<u>\$ 9,573,719</u>	<u>\$ 2,300,565</u>	<u>\$ 211,076</u>	<u>\$ 633,866</u>	<u>\$ 12,719,226</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable and accrued liabilities	\$ 1,228,346	\$ 305,203	\$ -	\$ 27,313	\$ 1,560,862
Due to other funds	6,253	-	-	-	6,253
Unearned revenues	<u>2,005,146</u>	<u>52,868</u>	<u>-</u>	<u>-</u>	<u>2,058,014</u>
Total Liabilities	<u>3,239,745</u>	<u>358,071</u>	<u>-</u>	<u>27,313</u>	<u>3,625,129</u>
Fund Balances					
Non-spendable:					
Prepaid items	36,944	-	-	4,390	41,334
Assets held for resale	359,210	-	-	-	359,210
Restricted for:					
Transportation	-	550,549	-	-	550,549
Fire control and rescue services	91,977	-	-	33,524	125,501
Public safety	4,175	-	-	-	4,175
Building	253,675	-	-	-	253,675
Committed for:					
Capital projects	60,894	1,115,220	21,792	-	1,197,906
Transportation	-	276,725	-	-	276,725
Tree preservation	1,229	-	-	-	1,229
Assigned for:					
Debt service	-	-	-	568,639	568,639
Capital projects	-	-	189,284	-	189,284
Unassigned	<u>5,525,870</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,525,870</u>
Total Fund Balances	<u>6,333,974</u>	<u>1,942,494</u>	<u>211,076</u>	<u>606,553</u>	<u>9,094,097</u>
Total Liabilities and Fund Balances	<u>\$ 9,573,719</u>	<u>\$ 2,300,565</u>	<u>\$ 211,076</u>	<u>\$ 633,866</u>	<u>\$ 12,719,226</u>

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

Town of Southwest Ranches, Florida
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
September 30, 2021

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

Fund Balances - Total Governmental Funds (Page 18)	\$	9,094,097
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital assets	\$	81,792,501	
Accumulated depreciation		<u>(21,886,047)</u>	59,906,454

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

Long-term debt	\$	(9,052,904)	
Accrued interest payable		(69,425)	
Deferred charge on refunding (amortized as interest expense)		<u>23,036</u>	<u>(9,099,293)</u>

Net Position of Governmental Activities (Page 16)	\$	<u><u>59,901,258</u></u>
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The accompanying notes to basic financial statements are an integral part of these statements.

Town of Southwest Ranches, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Year Ended September 30, 2021

	General Fund	Transportation Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Ad valorem taxes	\$ 6,402,259	\$ -	\$ -	\$ -	\$ 6,402,259
Utility taxes	1,265,533	-	-	-	1,265,533
Franchise fees	702,961	-	-	-	702,961
Licenses and permits	2,477,363	-	-	-	2,477,363
Intergovernmental	908,165	380,754	-	-	1,288,919
Charges for services	2,840,638	-	-	-	2,840,638
Fines and forfeitures	680,963	-	-	-	680,963
Investment income	16,613	6,406	705	732	24,456
Miscellaneous	130,113	-	30,000	5,377	165,490
Total Revenues	15,424,608	387,160	30,705	6,109	15,848,582
Expenditures					
Current:					
General government	2,364,678	-	-	-	2,364,678
Public safety:					
Law enforcement	2,916,143	-	-	-	2,916,143
Fire control and rescue services	3,742,316	-	-	230,265	3,972,581
Total public safety	6,658,459	-	-	230,265	6,888,724
Community services and development	2,302,502	-	-	-	2,302,502
Parks and recreation	442,324	-	-	-	442,324
Transportation	-	560,782	-	-	560,782
Emergency services	39,066	-	-	-	39,066
Capital outlay	343,562	984,789	65,095	-	1,393,446
Debt service:					
Principal	-	-	-	607,042	607,042
Interest and fiscal charges	-	-	-	299,733	299,733
Bond issuance costs	-	-	-	47,420	47,420
Total Expenditures	12,150,591	1,545,571	65,095	1,184,460	14,945,717
Excess (deficiency) of revenues over expenditures	3,274,017	(1,158,411)	(34,390)	(1,178,351)	902,865
Other Financing Sources (Uses)					
Payment to refunded bond escrow agent	-	-	-	(7,750,000)	(7,750,000)
Refunding bond issued	-	-	-	7,750,000	7,750,000
Transfers in	263,917	752,310	22,107	1,524,090	2,562,424
Transfers out	(2,298,507)	-	-	-	(2,298,507)
Total Other Financing Sources (Uses)	(2,034,590)	752,310	22,107	1,524,090	263,917
Change in Fund Balances	1,239,427	(406,101)	(12,283)	345,739	1,166,782
Fund Balances - Beginning of Year	5,094,547	2,348,595	223,359	260,814	7,927,315
Fund Balances - End of Year	\$ 6,333,974	\$ 1,942,494	\$ 211,076	\$ 606,553	\$ 9,094,097

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

Town of Southwest Ranches, Florida
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Fiscal Year Ended September 30, 2021

Amounts Reported for Governmental Activities in the Statement of Activities (Page 17) are Different Because:

Net changes in fund balance - total governmental funds (Page 20) \$ 1,166,782

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

Expenditures for capital outlay	\$ 1,393,446	
Less: current year provision for depreciation expense	<u>(1,195,047)</u>	198,399

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

This detail of the difference is as follows:

Repayment of principal	607,042
Issuance of refunding bonds	(7,750,000)
Payment to escrow agent	7,750,000

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

Amortization of deferred amount on refunding	(5,758)
Change in accrued interest payable	<u>52,972</u>

Change in Net Position of Governmental Activities (Page 17) \$ 2,019,437

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

Town of Southwest Ranches, Florida
Statement of Net Position - Proprietary Fund
September 30, 2021

	<u>Solid Waste Fund</u>
Assets	
Current Assets	
Cash	\$ 911,920
Accounts receivable	825
Intergovernmental receivables	<u>2,690</u>
Total Assets	<u>915,435</u>
Liabilities	
Current Liabilities	
Accounts payable and accrued liabilities	<u>120,070</u>
Total Liabilities	<u>120,070</u>
Net Position	
Unrestricted	<u>795,365</u>
Total Net Position	\$ <u><u>795,365</u></u>

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

Town of Southwest Ranches, Florida
Statement of Revenues, Expenses and Change in Net Position - Proprietary Fund
For the Fiscal Year Ended September 30, 2021

	<u>Solid Waste Fund</u>
Operating Revenues	
Charges for services	\$ 1,732,833
Miscellaneous	195
	<hr/>
Total Operating Revenues	1,733,028
	<hr/>
Operating Expenses	
Contractual services	1,329,118
Recycling	107,579
Other	346
	<hr/>
Total Operating Expenses	1,437,043
	<hr/>
Operating Income	295,985
	<hr/>
Nonoperating Revenues (Expenses)	
Intergovernmental, non-capital grants	39
Investment income	3,936
	<hr/>
Total Nonoperating Revenues (Expenses)	3,975
	<hr/>
Income Before Transfers	299,960
	<hr/>
Transfers:	
Transfers out	(263,917)
	<hr/>
Total net transfers	(263,917)
	<hr/>
Change in Net Position	36,043
	<hr/>
Net Position - Beginning of Year	759,322
	<hr/>
Net Position - End of Year	\$ <u><u>795,365</u></u>

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

Town of Southwest Ranches, Florida
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended September 30, 2021

	Solid Waste Fund
Cash Flows from Operating Activities	
Cash received from customers and users	\$ 1,741,203
Cash paid to suppliers	<u>(1,434,582)</u>
Net Cash Provided by (Used in) Operating Activities	<u>306,621</u>
Cash Flows from Non-Capital Financing Activities	
Proceeds from grants, non-capital	26,814
Transfers out	<u>(263,917)</u>
Net Cash Provided by (Used in) Non-Capital Financing Activities	<u>(237,103)</u>
Cash Flows from Investing Activities	
Interest received	<u>3,936</u>
Net Increase (Decrease) in Cash	73,454
Cash - Beginning	<u>838,466</u>
Cash - Ending	<u>\$ 911,920</u>
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities	
Operating income	\$ <u>295,985</u>
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:	
Changes in operating assets and liabilities:	
Decrease (Increase) in accounts receivable	8,175
Increase (Decrease) in accounts payable and accrued liabilities	<u>2,461</u>
Total adjustments	<u>10,636</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 306,621</u>

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

**NOTES TO BASIC
FINANCIAL STATEMENTS**

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

A. FINANCIAL REPORTING ENTITY

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

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

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

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

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

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

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

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

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

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

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

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The Town reports the following major governmental funds:

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

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

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

The Town reports the following major proprietary fund:

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

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

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as *program revenues*. The general revenues include all taxes whose purpose has not been restricted to a specific program.

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

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. DEPOSITS AND INVESTMENTS

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

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

E. PREPAID ITEMS

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

F. CAPITAL ASSETS

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

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

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

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

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. IMPAIRMENT OF LONG-LIVED ASSETS

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

H. LONG-TERM OBLIGATIONS

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

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

I. DEFERRED OUTFLOWS/ INFLOWS OF RESOURCES

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

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

J. UNEARNED REVENUE

Unearned revenue represents increases in assets prior to the eligibility criteria being met for recognition of revenue. Included in the balance is approximately \$2,000,000 relating to the American Rescue Plan Act (ARPA) funding.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. FUND BALANCE

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

The following are the fund balance classifications:

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

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

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

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

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

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. NET POSITION

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

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

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

M. FLOW ASSUMPTIONS

Net Position Flow Assumption

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

Fund Balance Flow Assumption

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

N. USE OF ESTIMATES

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

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 2 – DEPOSITS AND INVESTMENTS

DEPOSITS

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

INVESTMENTS

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

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

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

The Town had the following investments as of September 30, 2021:

Investments	<u>Value</u>	<u>Weighted Average Maturity</u>
Florida PRIME	\$ <u><u>1,403,843</u></u>	49 days

INTEREST RATE RISK

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

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

CREDIT RISK

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

CONCENTRATION OF CREDIT RISK

Disclosure is required when the percentage of investments is 5% or more of total investments. At September 30, 2021, the Town only invests in an external investment pool, the Florida PRIME.

INVESTMENT POOLS AND POOL PARTICIPANTS

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

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

As of September 30, 2021, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 3 – PROPERTY TAXES

Property values are assessed as of January 1 of each year, at which time taxes become an enforceable lien on property. Tax bills are mailed for the Town by Broward County on or about October 1 of each year and are payable with discounts of up to 4% offered for early payment. Taxes become delinquent on April 1 of the year following the year of assessment and state law provides for enforcement of collection of property taxes by seizure of the personal property or by the sale of interest-bearing tax certificates to satisfy unpaid property taxes. Assessed values are established by the Broward County Property Appraiser. In November 1992, a Florida constitutional amendment was approved by the voters which provides for limiting the increases in homestead property valuations for ad valorem tax purposes to a maximum of 3% annually and also provides for reassessment of market values upon changes in ownership. The County bills and collects all property taxes and remits them to the Town. Procedures for the collection of delinquent taxes by Broward County are provided for in the Laws of Florida. There were no material delinquent property taxes at September 30, 2021.

State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The tax levy of the Town is established by the Town Council and the Broward County Property Appraiser, who incorporates the Town’s millage into the total tax levy, which includes the County, County School Board and other agencies tax requirements. The total millage rate assessed by the Town for the fiscal year ended September 30, 2021 was 4.2500 mills (includes operating and TSDOR millage).

NOTE 4 - RECEIVABLES

Receivables as of September 30, 2021 for the Town’s funds are as follows:

		Taxes and Fees
General Fund	\$	600,737
Solid Waste Fund		825
Total Receivables	\$	601,562

NOTE 5 – INTERFUND TRANSFERS

Interfund transfers during fiscal year ended September 30, 2021 are as follows:

		Transfers In		Transfers Out
General Fund	\$	263,917	\$	2,298,507
Transportation Fund		752,310		-
Capital Projects Fund		22,107		-
Volunteer Fire Department Fund		219,435		-
Debt Service Fund		1,304,655		-
Solid Waste Fund		-		263,917
Total Interfund Transfers	\$	2,562,424	\$	2,562,424

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 5 – INTERFUND TRANSFERS (CONTINUED)

General Fund Transfers In consisted of \$263,917 from the Town’s Solid Waste Fund providing an annual subsidy to the General Fund for administrative, finance and contractual compliance management and legal expenses.

General Fund Transfers Out consisted of \$752,310 to the Transportation Fund to fund capital projects including the Transportation and Surface Drainage On-Going Rehabilitation (TSDOR), drainage and operating needs; \$22,107 to the Capital Projects Fund to primarily fund capital projects pertaining to the Town Public Safety Modular complex; \$219,435 to the Volunteer Fire Department Fund to fund volunteer fire operations; and \$1,304,655 to the Debt Service Fund as debt service principal and interest payments become due in accordance with debt service arrangements, as well as to increase fund balance.

NOTE 6 – CAPITAL ASSETS

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

	Balance October 1, 2020	Increases	Decreases	Transfers	Balance September 30, 2021
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 42,341,811	\$ -	\$ -	\$ -	\$ 42,341,811
Construction in progress	1,337,468	950,329	-	(15,000)	2,272,797
Total capital assets, not being depreciated	<u>43,679,279</u>	<u>950,329</u>	<u>-</u>	<u>(15,000)</u>	<u>44,614,608</u>
Capital assets, being depreciated:					
Infrastructure	25,233,812	49,796	-	-	25,283,608
Improvements other than buildings	5,963,630	-	-	-	5,963,630
Buildings and building improvements	3,659,467	50,556	-	15,000	3,725,023
Furniture and equipment	1,921,667	342,765	(58,800)	-	2,205,632
Total capital assets being depreciated	<u>36,778,576</u>	<u>443,117</u>	<u>(58,800)</u>	<u>15,000</u>	<u>37,177,893</u>
Total capital assets	<u>80,457,855</u>	<u>1,393,446</u>	<u>(58,800)</u>	<u>-</u>	<u>81,792,501</u>
Less: accumulated depreciation for:					
Infrastructure	15,090,632	726,056	-	-	15,816,688
Improvements other than buildings	3,773,577	251,656	-	-	4,025,233
Buildings and building improvements	498,913	78,385	-	-	577,298
Furniture and equipment	1,386,678	138,950	(58,800)	-	1,466,828
Total accumulated depreciation	<u>20,749,800</u>	<u>1,195,047</u>	<u>(58,800)</u>	<u>-</u>	<u>21,886,047</u>
Total capital assets, being depreciated, net	<u>16,028,776</u>	<u>(751,930)</u>	<u>-</u>	<u>15,000</u>	<u>15,291,846</u>
Governmental activities					
Capital assets, net	<u>\$ 59,708,055</u>	<u>\$ 198,399</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,906,454</u>

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 6 – CAPITAL ASSETS (CONTINUED)

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

General Government	\$	90,460
Public Safety		100,110
Parks and Recreation		290,868
Transportation		<u>713,609</u>
Total Depreciation - Governmental Activities	\$	<u>1,195,047</u>

NOTE 7 – LONG-TERM DEBT

The following is a summary of changes in long-term liabilities of the Town for the fiscal year ended September 30, 2021.

	Balance October 1, 2020	Additions	Reductions	Balance September 30, 2021	Due Within One Year
Governmental Activities:					
<i>Notes from Direct Borrowing and Private Placements:</i>					
Note Payable Series 2013	\$ 1,324,900	\$ -	\$ (207,100)	\$ 1,117,800	\$ 213,300
Note Payable Series 2011	350,949	-	(279,790)	71,159	71,159
Note Payable Series 2016	7,750,000	-	(7,750,000)	-	-
Note Payable Series 2021	-	7,750,000		7,750,000	450,003
Rosenbauer Payable	84,111	-	(27,332)	56,779	28,032
Loan Payable	<u>149,986</u>	<u>-</u>	<u>(92,820)</u>	<u>57,166</u>	<u>57,166</u>
Total Governmental Activities	\$ <u>9,659,946</u>	\$ <u>7,750,000</u>	\$ <u>(8,357,042)</u>	\$ <u>9,052,904</u>	\$ <u>819,660</u>

REVENUE REFUNDING NOTE, SERIES 2013

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

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 7 – LONG-TERM DEBT (CONTINUED)

The annual requirements to pay principal and interest on this obligation as of September 30, 2021 are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2022	\$ 213,300	\$ 24,167	\$ 237,467
2023	218,900	19,002	237,902
2024	224,000	14,468	238,468
2025	228,700	6,369	235,069
2026	232,900	6,254	239,154
Total	\$ 1,117,800	\$ 70,260	\$ 1,188,060

REVENUE REFUNDING NOTE, SERIES 2011

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

The annual requirements to pay principal and interest on this obligation as of September 30, 2021 are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2022	\$ 71,159	\$ 485	\$ 71,644
Total	\$ 71,159	\$ 485	\$ 71,644

IMPROVEMENT REVENUE REFUNDING BOND, TAXABLE SERIES 2021

In April 2021, the Town issued \$ 7,750,000 Improvement Revenue Refunding Bond, Taxable Series 2021 for the purpose of currently refunding the Improvement Revenue Bond, Series 2016. The retirement of the Series 2016 Bonds will reduce the Town’s debt service payments by \$ 666,529 in loan interest expense over 10 years (call option) and to provide an economic gain of \$ 746,587 (difference between the present value of the debt service payments on the old and new debt; \$ 9,953,896 - \$ 9,207,309) over the 15-year term of the bond.

Unless early redeemed, the Bond is expected to be repaid by March 1, 2036; at a fixed interest rate of 1.92%. Assuming that the Bond is not tendered by the financial institution on May 1, 2031, total interest paid over the life of the Bond is estimated to be \$1,206,030. The Bond may be prepaid in whole or in part upon thirty (30) days prior written notice by the Town, with no prepayment penalty. Principal and interest is payable semiannually on the first day of May and November, respectively.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 7 – LONG-TERM DEBT (CONTINUED)

The Bond shall not be or constitute a general obligation or bonded indebtedness of the Town within the meaning of the Constitution of Florida and the Charter of the Town but shall be payable from and secured solely by the covenant of the Town to budget and appropriate Legally Derived or Available Non-Ad Valorem Revenues. Nothing in the Bond or its agreement shall be deemed to pledge ad valorem tax revenues or to permit or constitute a mortgage or lien upon any assets owned by the Town. The debt holder acknowledges that it shall have no lien upon any real or tangible personal property of the Town.

The annual requirements to pay principal and interest on this obligation as of September 30, 2021 are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2022	\$ 450,003	\$ 147,066	\$ 597,069
2023	459,102	137,967	597,069
2024	467,959	129,110	597,069
2025	476,987	120,082	597,069
2026	486,189	110,880	597,069
2027-2031	2,575,311	410,031	2,985,342
2032-2036	2,834,449	150,894	2,985,343
Total	\$ 7,750,000	\$ 1,206,030	\$ 8,956,030

The Series 2013, 2011 and 2021 arrangements discussed previously include other financial provisions as follows: 1) a 6% late charge on overdue payments in excess of fifteen days; 2) events of defaults such as violation of covenants, payment defaults, bankruptcy, insolvency, and uncured final non-appealable judgements may declare any unpaid principal and interest (acceleration of maturity) due immediately and bearing a default rate equal to the interest rate on the Note at the time of such default plus an additional spread ranging from 4% to 6% but never to exceed the maximum rate permitted by law; and 3) an anti-dilution test of 1.30X and 1.50X as defined in the respective debt agreements – See the Debt Service Anti-Dilution Coverage table in the Statistical Section of this report.

ROSENBAUER PAYABLE

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

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

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 7 – LONG-TERM DEBT (CONTINUED)

The annual requirements to pay principal and interest on this obligation as of September 30, 2021 are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2022	\$ 28,032	\$ 1,454	\$ 29,486
2023	28,747	736	29,483
Total	\$ 56,779	\$ 2,190	\$ 58,969

LOAN PAYABLE

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

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

The annual requirements to pay principal and interest on this obligation as of September 30, 2021 are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2022	\$ 57,166	\$ 730	\$ 57,896
Total	\$ 57,166	\$ 730	\$ 57,896

EMERGENCY LINE OF CREDIT

On May 23, 2018, the Town entered into a revolving line of credit agreement with a financial institution in an amount not to exceed \$10,000,000 for the purpose of expenditures for extraordinary, nonrecurring items the Town desires or needs to undertake subsequent to and as a result of a natural, technological or civil emergencies. The line of credit bears a variable interest rate calculated at 80.25% of the prime rate less 125 basis points (1.6050% as of September 30, 2021). Payments of accrued interest are due on the first day of each February, May, August and November, beginning on November 1, 2018, based on the amount drawn and repaid by the Town from time to time. The outstanding principal of this Line of Credit and any accrued and unpaid interest is payable on the maturity date unless renewed. The maturity date of the line of credit is May 23, 2023. The Town had no outstanding balance and available balance was \$10,000,000 at September 30, 2021.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 7 – LONG-TERM DEBT (CONTINUED)

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

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

NOTE 8 – RISK MANAGEMENT

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

NOTE 9 – COMMITMENTS AND CONTINGENCIES

INTERLOCAL AGREEMENT FOR PUBLIC SAFETY SERVICES

In June 2017, the Town entered into an agreement with the Town of Davie for public safety services, including emergency medical, fire protection, fire and life safety, and police service effective October 1, 2017 through September 30, 2022. The Town paid approximately \$6,545,000 under this agreement for the fiscal year ended September 30, 2021.

AGREEMENT FOR PLANS REVIEW AND BUILDING INSPECTION SERVICES

In 2012, the Town entered a service agreement through March 2015 for plan review and building inspection services. The agreement was last extended on April 12, 2021 for one additional year with similar terms and conditions. The amount of compensation is based on rates and schedules set forth in the agreement with a maximum percentage of 75% of actual revenue received by the Town. For the fiscal year ended September 30, 2021, the Town paid approximately \$1,523,000 for these services.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 9 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

AGREEMENT FOR PLANNING SERVICES

In 2014, the Town entered into a renegotiated agreement with a consultant to provide planning, zoning and land use services on an hourly rate fee structure. This agreement, which was set to expire September 30, 2017, was extended through September 30, 2020, and was renewable upon the consent of both parties. The current agreement is now effective/renewed through September 30, 2023. The current arrangement is with a new professional corporation, which acquired the prior service provider. For the fiscal year ended September 30, 2021, the Town paid approximately \$125,000 for these services.

AGREEMENT FOR CODE COMPLIANCE AND ZONING SERVICES

The Town entered into a service agreement with a provider for the provision of code compliance and zoning, including services, as the Code Compliance Official. This agreement is in effect through September 2022. Either party may terminate this agreement upon providing 90 days written notice. For the fiscal year ended September 30, 2021, the Town paid approximately \$373,000 for code compliance and zoning services.

LITIGATION

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

GRANTS AND AWARDS

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

NOTE 10 – DEFINED CONTRIBUTION PLAN

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

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

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
For the Fiscal Year Ended September 30, 2021

NOTE 10 – DEFINED CONTRIBUTION PLAN (CONTINUED)

Under the Plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. There was a total of 14 employees for both personnel groups participating under the Plan throughout fiscal year 2021. The assets of the Plan are held in trust and are the sole property of the participants; therefore, no balances or financial information is reported in the Town’s basic financial statements. For the fiscal year ended September 30, 2021, the employer pension expense was approximately \$85,000.

NOTE 11 – DEFERRED COMPENSATION PLAN

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

NOTE 12 – RISKS AND UNCERTAINTIES

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

NOTE 13 - DATE OF MANAGEMENT REVIEW

The Town’s management has evaluated subsequent events through March 4, 2022, the date which the financial statements were available for issuance.

REQUIRED SUPPLEMENTARY INFORMATION



2021 Town of Southwest Ranches Rural Public Arts and Design Advisory Board Photo Contest
Submitted by: Teri Bennett

Town of Southwest Ranches, Florida
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
For the Fiscal Year Ended September 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Ad valorem taxes	\$ 6,315,887	\$ 6,315,887	\$ 6,402,259	\$ 86,372
Utility taxes	1,187,104	1,187,104	1,265,533	78,429
Franchise fees	662,822	662,822	702,961	40,139
Licenses and permits	1,183,663	2,406,810	2,477,363	70,553
Intergovernmental	480,114	647,575	908,165	260,590
Charges for services	2,788,257	2,788,257	2,840,638	52,381
Fines and forfeitures	219,900	727,814	680,963	(46,851)
Investment income	58,522	58,522	16,613	(41,909)
Miscellaneous	115,337	135,212	130,113	(5,099)
Total Revenues	<u>13,011,606</u>	<u>14,930,003</u>	<u>15,424,608</u>	<u>494,605</u>
Expenditures				
Current:				
General government	<u>2,520,645</u>	<u>2,869,846</u>	<u>2,364,678</u>	<u>505,168</u>
Public safety:				
Law enforcement	3,034,177	3,034,177	2,916,143	118,034
Fire control	3,763,556	3,768,643	3,742,316	26,327
Total public safety	<u>6,797,733</u>	<u>6,802,820</u>	<u>6,658,459</u>	<u>144,361</u>
Community services and development	1,405,767	2,320,410	2,302,502	17,908
Parks and recreation	449,427	454,540	442,324	12,216
Emergency services	670	14,326	39,066	(24,740)
Capital outlay	<u>104,708</u>	<u>429,138</u>	<u>343,562</u>	<u>85,576</u>
Total Expenditures	<u>11,278,950</u>	<u>12,891,080</u>	<u>12,150,591</u>	<u>740,489</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,732,656</u>	<u>2,038,923</u>	<u>3,274,017</u>	<u>1,235,094</u>
Other Financing Sources (Uses)				
Transfers in	263,917	263,917	263,917	-
Transfers out	<u>(2,036,073)</u>	<u>(2,302,840)</u>	<u>(2,298,507)</u>	<u>4,333</u>
Total Other Financing Sources (Uses)	<u>(1,772,156)</u>	<u>(2,038,923)</u>	<u>(2,034,590)</u>	<u>4,333</u>
Change in Fund Balance	<u>\$ (39,500)</u>	<u>\$ -</u>	<u>\$ 1,239,427</u>	<u>\$ 1,239,427</u>
Appropriated (Reserve) Fund Balance	<u>\$ 39,500</u>	<u>\$ -</u>		

Town of Southwest Ranches, Florida
Required Supplementary Information
Budgetary Comparison Schedule - Transportation Fund
For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 640,978	\$ 1,200,080	\$ 380,754	\$ (819,326)
Investment income	<u>5,000</u>	<u>5,000</u>	<u>6,406</u>	<u>1,406</u>
Total Revenues	<u>645,978</u>	<u>1,205,080</u>	<u>387,160</u>	<u>(817,920)</u>
Expenditures				
Current:				
Transportation	537,088	525,364	560,782	(35,418)
Capital outlay	<u>962,580</u>	<u>2,915,696</u>	<u>984,789</u>	<u>1,930,907</u>
Total Expenditures	<u>1,499,668</u>	<u>3,441,060</u>	<u>1,545,571</u>	<u>1,895,489</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(853,690)</u>	<u>(2,235,980)</u>	<u>(1,158,411)</u>	<u>1,077,569</u>
Other Financing Sources				
Transfers in	<u>507,650</u>	<u>752,310</u>	<u>752,310</u>	<u>-</u>
Total Other Financing Sources	<u>507,650</u>	<u>752,310</u>	<u>752,310</u>	<u>-</u>
Change in Fund Balance	<u>\$ (346,040)</u>	<u>\$ (1,483,670)</u>	<u>\$ (406,101)</u>	<u>\$ 1,077,569</u>
Appropriated (Reserve) Fund Balance	<u>\$ 346,040</u>	<u>\$ 1,483,670</u>		

Town of Southwest Ranches, Florida
Required Supplementary Information
Note to Budgetary Comparison Schedules
For the Fiscal Year Ended September 30, 2021

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

NOTE 1 - BUDGETS AND BUDGETARY ACCOUNTING

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

SUPPLEMENTARY INFORMATION



2021 Town of Southwest Ranches Rural Public Arts and Design Advisory Board Photo Contest
Submitted by: Matthew Morris

**COMBINING AND INDIVIDUAL FUND STATEMENTS
AND SCHEDULES**

Town of Southwest Ranches, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2021

	Volunteer Fire Department	Debt Service Fund	Total Nonmajor Governmental Funds
Assets			
Cash	\$ 54,584	\$ 568,639	\$ 623,223
Due from other funds	6,253	-	6,253
Prepaid items	4,390	-	4,390
Total Assets	\$ 65,227	\$ 568,639	\$ 633,866
Liabilities and Fund Balances			
Liabilities:			
Accounts payable and accrued liabilities	\$ 27,313	\$ -	\$ 27,313
Total Liabilities	27,313	-	27,313
Fund Balances			
Non-spendable:			
Prepaid items	4,390	-	4,390
Restricted for:			
Fire control and rescue services	33,524	-	33,524
Assigned for:			
Debt service	-	568,639	568,639
Total Fund Balances	37,914	568,639	606,553
Total Liabilities and Fund Balances	\$ 65,227	\$ 568,639	\$ 633,866

Town of Southwest Ranches, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended September 30, 2021

	Volunteer Fire Department	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues			
Investment income	\$ 176	\$ 556	\$ 732
Miscellaneous	5,377	-	5,377
Total Revenues	<u>5,553</u>	<u>556</u>	<u>6,109</u>
Expenditures			
Current:			
Fire and rescue services	230,265	-	230,265
Debt service:			
Principal	-	607,042	607,042
Interest and fiscal charges	-	299,733	299,733
Bond issuance costs	-	47,420	47,420
Total Expenditures	<u>230,265</u>	<u>954,195</u>	<u>1,184,460</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(224,712)</u>	<u>(953,639)</u>	<u>(1,178,351)</u>
Other Financing Sources (Uses)			
Payment to refunded bond escrow agent	-	(7,750,000)	(7,750,000)
Refunding bond issued	-	7,750,000	7,750,000
Transfers in	219,435	1,304,655	1,524,090
Total Other Financing Sources (Uses)	<u>219,435</u>	<u>1,304,655</u>	<u>1,524,090</u>
Change in Fund Balances	(5,277)	351,016	345,739
Fund Balances - Beginning	<u>43,191</u>	<u>217,623</u>	<u>260,814</u>
Fund Balances - Ending	\$ <u><u>37,914</u></u>	\$ <u><u>568,639</u></u>	\$ <u><u>606,553</u></u>

Town of Southwest Ranches, Florida
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Debt Service Fund
For the Fiscal Year Ended September 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ -	\$ -	\$ 556	\$ 556
Total Revenues	<u>-</u>	<u>-</u>	<u>556</u>	<u>556</u>
Expenditures				
Debt service:				
Principal	607,001	607,001	607,042	(41)
Interest and fiscal charges	300,642	300,642	299,733	909
Bond issuance costs	-	-	47,420	(47,420)
Total Expenditures	<u>907,643</u>	<u>907,643</u>	<u>954,195</u>	<u>(46,552)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(907,643)</u>	<u>(907,643)</u>	<u>(953,639)</u>	<u>(45,996)</u>
Other Financing Sources (Uses)				
Payment to refunded bond escrow agent	-	-	(7,750,000)	7,750,000
Refunding bond issued	-	-	7,750,000	(7,750,000)
Transfers in	1,304,655	1,304,655	1,304,655	-
Total Other Financing Sources (Uses)	<u>1,304,655</u>	<u>1,304,655</u>	<u>1,304,655</u>	<u>-</u>
Change in Fund Balance	<u>\$ 397,012</u>	<u>\$ 397,012</u>	<u>\$ 351,016</u>	<u>\$ (45,996)</u>
Appropriated (Reserve) Fund Balance	<u>\$ (397,012)</u>	<u>\$ (397,012)</u>		

Town of Southwest Ranches, Florida
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Capital Projects Fund
For the Fiscal Year Ended September 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenues				
Investment income	\$ -	\$ -	\$ 705	\$ 705
Intergovernmental	180,039	180,039	-	(180,039)
Miscellaneous	-	30,000	30,000	-
Total Revenues	<u>180,039</u>	<u>210,039</u>	<u>30,705</u>	<u>(179,334)</u>
Expenditures				
Capital outlay	<u>240,039</u>	<u>308,041</u>	<u>65,095</u>	<u>242,946</u>
Total Expenditures	<u>240,039</u>	<u>308,041</u>	<u>65,095</u>	<u>242,946</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(60,000)</u>	<u>(98,002)</u>	<u>(34,390)</u>	<u>63,612</u>
Other Financing Sources				
Transfers in	<u>-</u>	<u>22,107</u>	<u>22,107</u>	<u>-</u>
Total Other Financing Sources	<u>-</u>	<u>22,107</u>	<u>22,107</u>	<u>-</u>
Change in Fund Balance	<u>\$ (60,000)</u>	<u>\$ (75,895)</u>	<u>\$ (12,283)</u>	<u>\$ 63,612</u>
Appropriated (Reserve) Fund Balance	<u>\$ 60,000</u>	<u>\$ 75,895</u>		

STATISTICAL SECTION



2021 Town of Southwest Ranches Rural Public Arts and Design Advisory Board Photo Contest
Submitted by: Cathy Simmons

Town of Southwest Ranches, Florida
Introduction to Statistical Section (Unaudited)
For the Fiscal Year Ended September 30, 2021

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

Contents	<u>Page</u>
Financial Trends	
These tables contain trend information that may assist the reader in assessing the Town's current financial performance by placing it in historical perspective.	50-65
Revenue Capacity	
These tables contain information that may assist the reader in assessing the Town's most significant local revenue source, the property taxes.	66-72
Debt Capacity	
These tables contain information that may assist the reader in analyzing the affordability of the Town's current levels of outstanding debt and the Town's ability to issue debt in the future.	73-75
Demographic and Economic Information	
These tables present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the Town operates and (2) to provide information that facilitates comparisons of financial statement information over time and among towns.	76-78
Operating Information	
These tables contain service and infrastructure indicators that can inform one's understanding how the information in the Town's financial statements relates to the services the Town provides and the activities it performs.	79-80

Data Source:

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

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

	For the Fiscal Year Ended September 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
General government	\$ 1,897,921	\$ 1,837,205	\$ 1,885,010	\$ 1,943,608	\$ 2,074,739	\$ 2,736,901	\$ 2,904,188	\$ 2,190,153	\$ 2,343,760	\$ 2,455,138
Public safety	5,136,515	4,971,275	5,688,914	5,363,076	5,372,525	5,471,550	6,428,569	6,417,516	6,784,682	6,988,834
Community services and development	887,750	719,489	777,301	859,056	1,020,328	936,647	1,258,271	1,451,377	1,731,518	2,302,502
Parks and recreation	419,249	497,374	482,289	825,673	672,817	656,412	638,991	668,951	700,734	733,192
Transportation	730,440	744,296	767,872	641,501	907,415	592,730	553,546	1,132,102	1,165,497	1,274,391
Emergency services ¹	-	-	-	-	-	-	51,742	4,244	12,094	39,066
Interest and fiscal charges	299,696	279,615	240,636	188,650	237,838	383,975	353,162	439,232	321,442	299,939
Total Expenses	9,371,571	9,049,254	9,842,022	9,821,564	10,285,662	10,778,215	12,188,469	12,303,575	13,059,727	14,093,062
Program Revenues:										
Charges for services:										
General government	109,180	-	-	-	-	-	-	-	-	-
Public safety	1,848,333	1,836,977	2,031,296	2,140,874	2,013,942	2,133,982	2,396,108	2,636,628	2,446,458	3,520,536
Community services and development	635,692	1,185,269	1,001,627	975,302	1,121,522	759,959	1,175,057	1,345,851	1,696,926	2,477,363
Parks and recreation	-	-	-	-	11,047	10,197	11,317	10,210	2,908	1,065
Operating grants and contributions	48,197	35,683	28,003	13,049	22,694	18,842	58,116	124,974	12,143	113,029
Capital grants and contributions	181,015	382,033	161,293	328,924	649,412	343,013	450,950	157,173	560,206	367,465
Total Program Revenues	2,822,417	3,439,962	3,222,219	3,458,149	3,818,617	3,265,993	4,091,548	4,274,836	4,718,641	6,479,458
Net (Expense) Revenue	(6,549,154)	(5,609,292)	(6,619,803)	(6,363,415)	(6,467,045)	(7,512,222)	(8,096,921)	(8,028,739)	(8,341,086)	(7,613,604)
General Revenues:										
Taxes:										
Ad valorem taxes	4,105,338	4,146,677	4,245,717	4,788,463	5,106,037	5,495,085	5,847,614	6,549,630	6,633,543	6,402,259
Utility taxes	1,092,624	1,147,616	1,169,184	1,212,320	1,226,602	1,234,734	1,238,664	1,200,916	1,221,282	1,265,533
Franchise fees based on gross receipts	593,888	571,399	616,559	621,659	614,039	643,968	642,005	676,184	668,534	702,961
Unrestricted intergovernmental revenues	689,697	720,491	734,438	771,930	777,914	777,213	824,180	830,865	757,808	843,802
Unrestricted investment earnings	30,789	17,725	5,598	19,660	20,640	48,853	102,685	170,060	106,353	24,456
Miscellaneous	97,064	134,736	94,659	89,589	91,794	129,202	2,430	148,308	165,179	130,113
Total General Revenues	6,609,400	6,738,644	6,866,155	7,503,621	7,837,026	8,329,055	8,657,578	9,575,963	9,552,699	9,369,124
Net Transfers	128,701	174,492	183,327	168,833	185,828	205,427	225,765	141,060	221,292	263,917
Total General Revenues, Net of Transfers	6,738,101	6,913,136	7,049,482	7,672,454	8,022,854	8,534,482	8,883,343	9,717,023	9,773,991	9,633,041
Change in Net Position	\$ 188,947	\$ 1,303,844	\$ 429,679	\$ 1,309,039	\$ 1,555,809	\$ 1,022,260	\$ 786,422	\$ 1,688,284	\$ 1,432,905	\$ 2,019,437

Notes:

¹ Emergency services comprise expenditures resulting from Hurricane Irma for 2018, Hurricane Dorian for 2019 and Covid-19 pandemic for 2020 and 2021. The Town implemented GASB Statement No. 63 during the fiscal year ended September 30, 2013 and utilized the new terminology for all years presented.

Data Source:

Applicable years' annual comprehensive financial report.

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

	For the Fiscal Year Ended September 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
General government	20.3%	20.3%	19.2%	19.8%	20.2%	25.4%	23.8%	17.8%	17.9%	17.4%
Public safety	54.8%	54.9%	57.8%	54.6%	52.2%	50.8%	52.7%	52.2%	52.0%	49.6%
Community services and development	9.5%	8.0%	7.9%	8.7%	9.9%	8.7%	10.3%	11.8%	13.3%	16.3%
Parks and recreation	4.5%	5.5%	4.9%	8.4%	6.5%	6.1%	5.2%	5.4%	5.4%	5.2%
Transportation	7.8%	8.2%	7.8%	6.5%	8.8%	5.5%	4.5%	9.2%	8.9%	9.0%
Emergency services ¹	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%	0.1%	0.3%
Interest and fiscal charges	3.2%	3.1%	2.4%	1.9%	2.3%	3.6%	2.9%	3.6%	2.5%	2.1%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Program Revenues:										
Charges for services:										
General government	3.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Public safety	65.5%	53.4%	63.0%	61.9%	52.7%	65.3%	58.6%	61.7%	51.8%	54.3%
Community services and development	22.5%	34.5%	31.1%	28.2%	29.4%	23.3%	28.7%	31.5%	36.0%	38.2%
Parks and recreation	0.0%	0.0%	0.0%	0.0%	0.3%	0.3%	0.3%	0.2%	0.1%	0.0%
Operating grants and contributions	1.7%	1.0%	0.9%	0.4%	0.6%	0.6%	1.4%	2.9%	0.3%	1.7%
Capital grants and contributions	6.4%	11.1%	5.0%	9.5%	17.0%	10.5%	11.0%	3.7%	11.9%	5.7%
Total Program Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
General Revenues:										
Taxes:										
Ad valorem taxes	62.1%	61.5%	61.8%	63.8%	65.2%	66.0%	67.5%	68.4%	69.4%	68.3%
Utility taxes	16.5%	17.0%	17.0%	16.2%	15.7%	14.8%	14.3%	12.5%	12.8%	13.5%
Franchise fees based on gross receipts	9.0%	8.5%	9.0%	8.3%	7.8%	7.7%	7.4%	7.1%	7.0%	7.5%
Unrestricted intergovernmental revenues	10.4%	10.7%	10.7%	10.3%	9.9%	9.3%	9.5%	8.7%	7.9%	9.0%
Unrestricted investment earnings	0.5%	0.3%	0.1%	0.3%	0.3%	0.6%	1.2%	1.8%	1.1%	0.3%
Miscellaneous	1.5%	2.0%	1.4%	1.2%	1.2%	1.6%	0.0%	1.5%	1.7%	1.4%
Total General Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

¹ Emergency services comprise expenditures resulting from Hurricane Irma for 2018, Hurricane Dorian for 2019 and Covid-19 pandemic for 2020 and 2021.

Data Source:

Applicable years' annual comprehensive financial report.

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

	For the Fiscal Year Ended September 30,									
Source	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Solid waste	\$ 1,401,456	\$ 966,722	\$ 781,764	\$ 761,680	\$ 776,993	\$ 782,436	\$ 1,313,812	\$ 1,388,587	\$ 1,418,887	\$ 1,437,043
Solid waste emergency services ¹	-	-	-	-	-	655,340	3,699,068	126,668	16,590	-
	<u>1,401,456</u>	<u>966,722</u>	<u>781,764</u>	<u>761,680</u>	<u>776,993</u>	<u>1,437,776</u>	<u>5,012,880</u>	<u>1,515,255</u>	<u>1,435,477</u>	<u>1,437,043</u>
Program Revenues:										
Charges for services:										
Solid waste	1,539,737	1,097,252	1,050,476	1,045,547	1,053,295	1,064,311	1,309,516	1,795,973	1,714,527	1,732,833
Solid waste emergency services ¹	-	-	-	-	-	-	-	3,949,263	70,612	39
Operating grants and contributions	-	113,914	-	-	-	-	-	-	-	-
	<u>1,539,737</u>	<u>1,211,166</u>	<u>1,050,476</u>	<u>1,045,547</u>	<u>1,053,295</u>	<u>1,064,311</u>	<u>1,309,516</u>	<u>5,745,236</u>	<u>1,785,139</u>	<u>1,732,872</u>
Net Revenue (Loss)	<u>138,281</u>	<u>244,444</u>	<u>268,712</u>	<u>283,867</u>	<u>276,302</u>	<u>(373,465)</u>	<u>(3,703,364)</u>	<u>4,229,981</u>	<u>349,662</u>	<u>295,829</u>
General Revenues:										
Investment earnings	2,121	564	476	1,498	5,147	10,223	8,951	21,248	20,098	3,936
Miscellaneous	-	21,445	16,634	279,579	-	-	-	130	65	195
	<u>2,121</u>	<u>22,009</u>	<u>17,110</u>	<u>281,077</u>	<u>5,147</u>	<u>10,223</u>	<u>8,951</u>	<u>21,378</u>	<u>20,163</u>	<u>4,131</u>
Income (Expense) Before Transfers	<u>140,402</u>	<u>266,453</u>	<u>285,822</u>	<u>564,944</u>	<u>281,449</u>	<u>(363,242)</u>	<u>(3,694,413)</u>	<u>4,251,359</u>	<u>369,825</u>	<u>299,960</u>
Net Transfers	<u>(128,701)</u>	<u>(174,492)</u>	<u>(183,327)</u>	<u>(168,833)</u>	<u>(185,828)</u>	<u>(205,427)</u>	<u>(225,765)</u>	<u>(141,060)</u>	<u>(221,292)</u>	<u>(263,917)</u>
Change in Net Position	<u>\$ 11,701</u>	<u>\$ 91,961</u>	<u>\$ 102,495</u>	<u>\$ 396,111</u>	<u>\$ 95,621</u>	<u>\$ (568,669)</u>	<u>\$ (3,920,178)</u>	<u>\$ 4,110,299</u>	<u>\$ 148,533</u>	<u>\$ 36,043</u>

Notes:

¹ Solid waste emergency services comprise expenditures & revenues resulting from Hurricane Irma for 2018, Hurricane Dorian for 2019 and Covid-19 pandemic for 2020 and 2021.

Data Source:

Applicable years' annual comprehensive financial report.

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

	For the Fiscal Year Ended September 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Governmental activities ¹	\$ 9,371,571	\$ 9,049,254	\$ 9,842,022	\$ 9,821,564	\$ 10,285,662	\$ 10,778,215	\$ 12,188,469	\$ 12,303,575	\$ 13,059,727	\$ 14,093,062
Business-type activities ²	1,401,456	966,722	781,764	761,680	776,993	1,437,776	5,012,880	1,515,255	1,435,477	1,437,043
Total Expenses	10,773,027	10,015,976	10,623,786	10,583,244	11,062,655	12,215,991	17,201,349	13,818,830	14,495,204	15,530,105
Program Revenues:										
Governmental activities ¹	2,822,417	3,439,962	3,222,219	3,458,149	3,818,617	3,265,993	4,091,548	4,274,836	4,718,641	6,479,458
Business-type activities ²	1,539,737	1,211,166	1,050,476	1,045,547	1,053,295	1,064,311	1,309,516	5,745,236	1,785,139	1,732,872
Total Program Revenues	4,362,154	4,651,128	4,272,695	4,503,696	4,871,912	4,330,304	5,401,064	10,020,072	6,503,780	8,212,330
Net (Expense) Revenue	(6,410,873)	(5,364,848)	(6,351,091)	(6,079,548)	(6,190,743)	(7,885,687)	(11,800,285)	(3,798,758)	(7,991,424)	(7,317,775)
General Revenues and Transfers:										
Governmental activities ¹	6,738,101	6,913,136	7,049,482	7,672,454	8,022,854	8,534,482	8,883,343	9,717,023	9,773,991	9,633,041
Business-type activities ²	(126,580)	(152,483)	(166,217)	112,244	(180,681)	(195,204)	(216,814)	(119,682)	(201,129)	(259,786)
Total General Revenues and Transfers	6,611,521	6,760,653	6,883,265	7,784,698	7,842,173	8,339,278	8,666,529	9,597,341	9,572,862	9,373,255
Change in Net Position	\$ 200,648	\$ 1,395,805	\$ 532,174	\$ 1,705,150	\$ 1,651,430	\$ 453,591	\$ (3,133,756)	\$ 5,798,583	\$ 1,581,438	\$ 2,055,480

Notes:

¹ See Exhibit I

² See Exhibit III

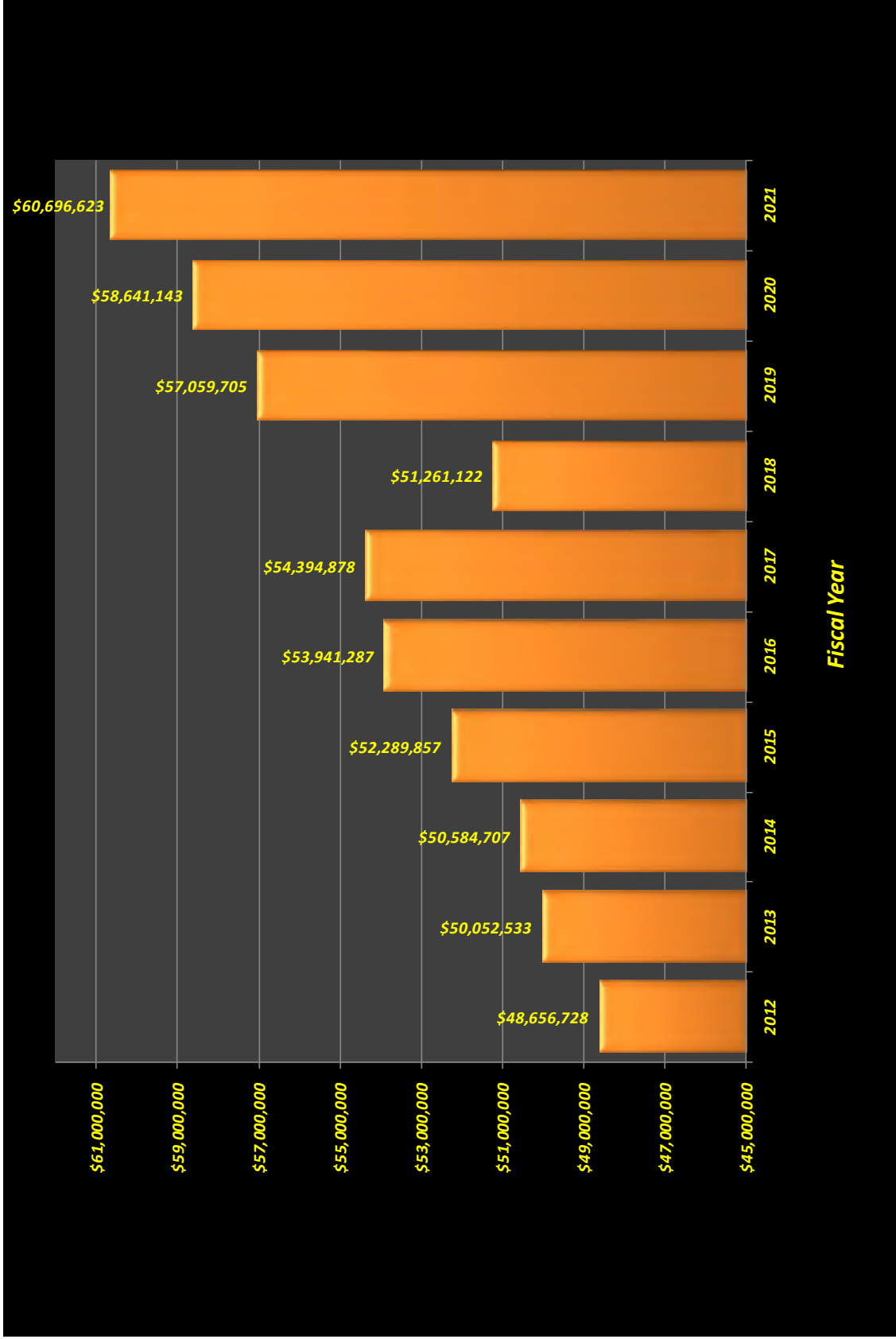
Town of Southwest Ranches, Florida
Government-wide Net Position by Category¹ (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities:										
Net investment in capital assets	\$ 44,421,400	\$ 44,642,297	\$ 44,619,097	\$ 45,134,927	\$ 48,086,199	\$ 48,346,598	\$ 49,262,430	\$ 49,695,775	\$ 50,076,903	\$ 50,876,586
Restricted	582,907	370,921	599,649	935,161	1,349,124	1,378,035	1,444,305	1,305,241	948,304	933,900
Unrestricted	3,349,272	4,644,205	4,868,356	5,326,053	3,516,627	4,249,577	4,053,897	5,447,900	6,856,614	8,090,772
Subtotal Governmental Activities Net Position	48,353,579	49,657,423	50,087,102	51,396,141	52,951,950	53,974,210	54,760,632	56,448,916	57,881,821	59,901,258
Business-type Activities:										
Unrestricted	303,149	395,110	497,605	893,716	989,337	420,668	(3,499,510)	610,789	759,322	795,365
Primary Government:										
Net investment in capital assets	44,421,400	44,642,297	44,619,097	45,134,927	48,086,199	48,346,598	49,262,430	49,695,775	50,076,903	50,876,586
Restricted	582,907	370,921	599,649	935,161	1,349,124	1,378,035	1,444,305	1,305,241	948,304	933,900
Unrestricted	3,652,421	5,039,315	5,365,961	6,219,769	4,505,964	4,670,245	554,387	6,058,689	7,615,936	8,886,137
Total Primary Government Net Position	\$ 48,656,728	\$ 50,052,533	\$ 50,584,707	\$ 52,289,857	\$ 53,941,287	\$ 54,394,878	\$ 51,261,122	\$ 57,059,705	\$ 58,641,143	\$ 60,696,623

Notes:

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

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



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

Revenue Source	For the Fiscal Year Ended September 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Taxes	\$ 5,791,850	\$ 5,865,692	\$ 6,031,460	\$ 6,622,442	\$ 6,946,678	\$ 7,373,787	\$ 7,728,283	\$ 8,426,730	\$ 8,523,359	\$ 8,370,753
Licenses and permits	521,830	517,697	604,935	757,924	939,212	759,959	1,175,057	1,345,851	1,696,926	2,477,363
Intergovernmental	689,697	683,355	707,938	758,881	721,220	399,969	730,464	814,601	752,045	808,425
Charges for services	1,848,333	1,763,472	1,939,651	1,984,906	1,912,887	1,920,617	2,204,001	2,322,379	2,155,792	2,840,638
Fines and forfeitures	109,180	741,077	488,337	373,346	302,296	213,365	212,231	350,639	306,019	680,963
Physical and economic charges	113,862	-	-	-	-	-	-	-	-	-
Grants	229,212	417,716	189,296	341,973	672,106	686,428	509,066	285,147	572,349	480,494
Investment income	30,789	17,725	5,598	19,660	20,640	48,853	102,685	170,060	106,353	24,456
Miscellaneous	97,064	171,872	178,460	102,638	140,603	192,070	87,339	135,392	158,497	165,490
Total Revenues	\$ 9,431,817	\$ 10,178,606	\$ 10,145,675	\$ 10,961,770	\$ 11,655,642	\$ 11,595,048	\$ 12,749,126	\$ 13,850,799	\$ 14,271,340	\$ 15,848,582
% Change from Prior Year	-2.3%	7.9%	-0.3%	8.0%	6.3%	-0.5%	10.0%	8.6%	3.0%	11.1%

Percentage of Total

Taxes	61.4%	57.6%	59.4%	60.4%	59.6%	63.6%	60.6%	60.8%	59.7%	52.8%
Licenses and permits	5.5%	5.1%	6.0%	6.9%	8.1%	6.6%	9.2%	9.7%	11.9%	15.6%
Intergovernmental	7.3%	6.7%	7.0%	6.9%	6.2%	3.4%	5.7%	5.9%	5.3%	5.1%
Charges for services	19.6%	17.3%	19.1%	18.1%	16.4%	16.6%	17.3%	16.8%	15.1%	17.9%
Fines and forfeitures	1.2%	7.3%	4.8%	3.4%	2.6%	1.8%	1.7%	2.5%	2.1%	4.3%
Physical and economic charges	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants	2.4%	4.1%	1.9%	3.1%	5.8%	5.9%	4.0%	2.1%	4.0%	3.0%
Investment income	0.3%	0.2%	0.1%	0.2%	0.2%	0.4%	0.8%	1.2%	0.7%	0.2%
Miscellaneous	1.0%	1.7%	1.8%	0.9%	1.2%	1.7%	0.7%	1.0%	1.1%	1.0%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

¹ Includes all governmental fund types.

Data Source:

Applicable years' annual comprehensive financial report.

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

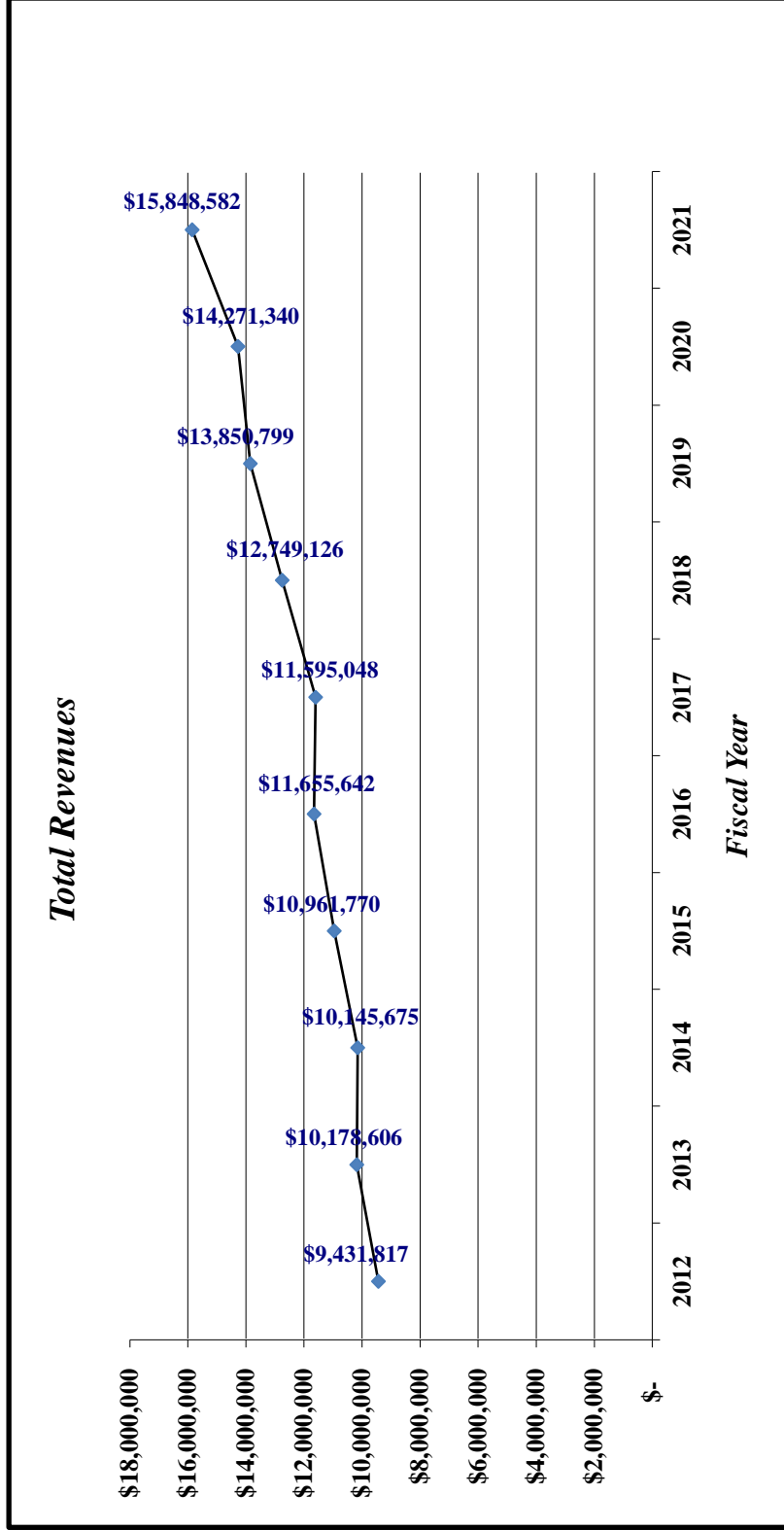


Exhibit VII

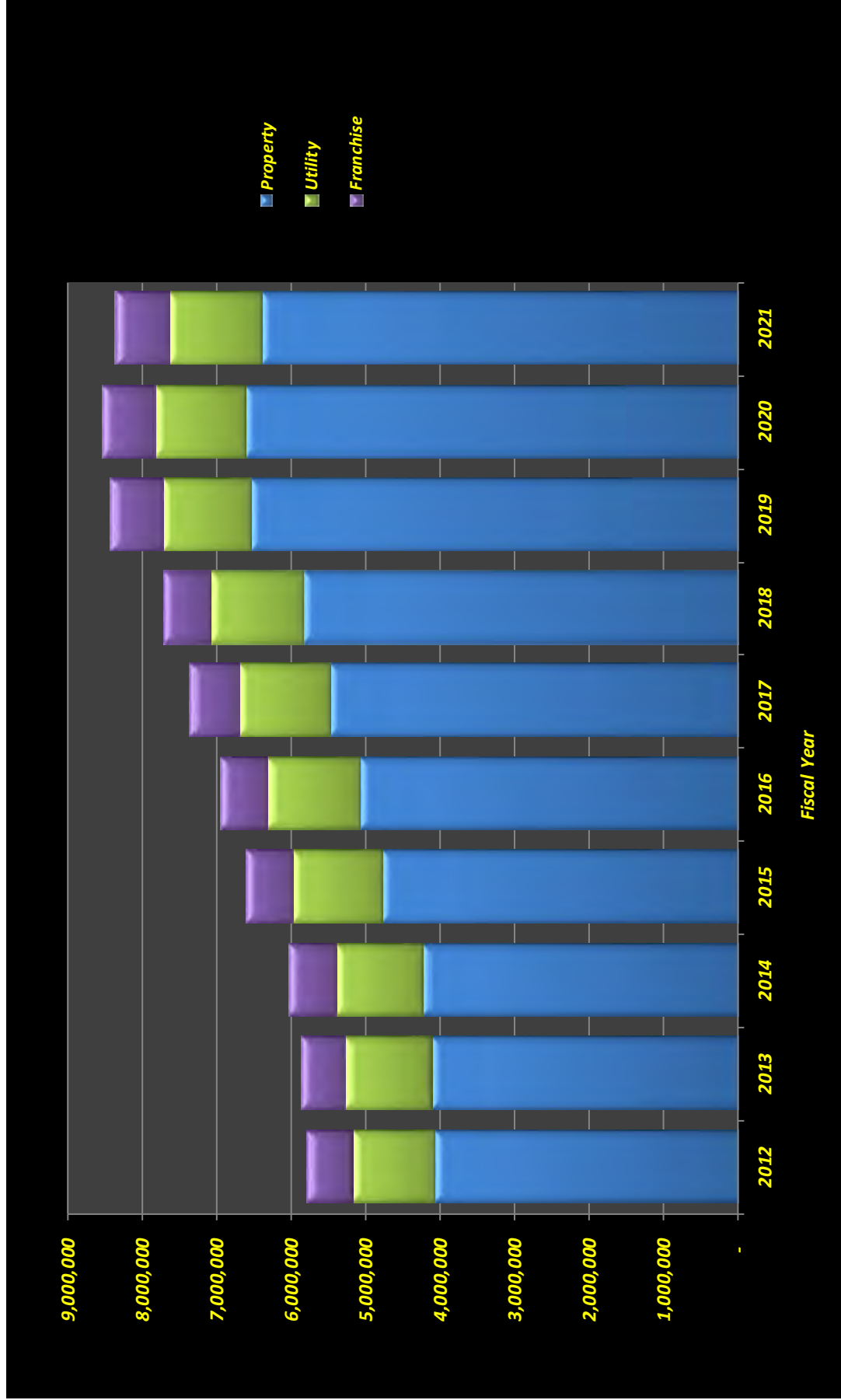
**Town of Southwest Ranches, Florida
Tax Revenues by Source - Governmental Funds (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)**

For The Fiscal Year Ended September 30,	Amounts				Total
	Property	Utility	Franchise	Total	
2012	\$ 4,105,338	\$ 1,092,624	\$ 593,888	\$ 5,791,850	
2013	\$ 4,146,677	\$ 1,147,616	\$ 571,399	\$ 5,865,692	
2014	\$ 4,245,717	\$ 1,169,184	\$ 616,559	\$ 6,031,460	
2015	\$ 4,788,463	\$ 1,212,320	\$ 621,659	\$ 6,622,442	
2016	\$ 5,106,037	\$ 1,226,602	\$ 614,039	\$ 6,946,678	
2017	\$ 5,495,085	\$ 1,234,734	\$ 643,968	\$ 7,373,787	
2018	\$ 5,847,614	\$ 1,238,664	\$ 642,005	\$ 7,728,283	
2019	\$ 6,549,630	\$ 1,200,916	\$ 676,184	\$ 8,426,730	
2020	\$ 6,633,543	\$ 1,221,282	\$ 668,534	\$ 8,523,359	
2021	\$ 6,402,259	\$ 1,265,533	\$ 702,961	\$ 8,370,753	
% Change in Dollars Over 10 Years	55.9%	15.8%	18.4%	44.5%	
	Percentage of Total				
2012	70.9%	18.9%	10.3%	100.0%	
2013	70.7%	19.6%	9.7%	100.0%	
2014	70.4%	19.4%	10.2%	100.0%	
2015	72.3%	18.3%	9.4%	100.0%	
2016	73.5%	17.7%	8.8%	100.0%	
2017	74.5%	16.7%	8.7%	100.0%	
2018	75.7%	16.0%	8.3%	100.0%	
2019	77.7%	14.3%	8.0%	100.0%	
2020	77.8%	14.3%	7.8%	100.0%	
2021	76.5%	15.1%	8.4%	100.0%	

Data Source:

Applicable years' annual comprehensive financial report.

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



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

	For the Fiscal Year Ended September 30,									
Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Current:										
General government	\$ 1,837,472	\$ 1,796,001	\$ 1,807,017	\$ 1,866,731	\$ 1,994,770	\$ 2,103,392	\$ 2,253,537	\$ 2,105,598	\$ 2,252,910	\$ 2,364,678
Public safety	5,045,887	4,821,836	5,542,038	5,204,208	5,240,374	5,399,088	6,048,944	6,330,072	6,685,048	6,888,724
Community services and development	887,750	719,489	777,301	859,056	1,020,328	936,647	1,258,271	1,451,377	1,731,518	2,302,502
Parks and recreation	177,921	223,462	195,826	286,489	357,602	403,085	391,142	386,366	407,633	442,324
Transportation	222,031	254,809	239,077	327,491	342,722	439,493	426,294	451,249	467,192	560,782
Emergency services ²	-	-	-	-	-	-	51,742	4,244	12,094	39,066
Total Current	8,171,061	7,815,597	8,561,259	8,543,975	8,955,796	9,281,705	10,429,930	10,728,906	11,556,395	12,598,076
% Change From Prior Year	-0.4%	-4.4%	9.5%	-0.2%	4.8%	3.6%	12.4%	2.9%	7.7%	9.0%
Capital Outlay	959,417	1,070,505	606,880	1,059,565	9,854,607	818,929	1,925,534	811,561	980,344	1,393,446
% Change From Prior Year	17.1%	11.6%	-43.3%	74.6%	830.1%	-91.7%	135.1%	-57.9%	20.8%	42.1%
Debt Service:										
Principal	332,506	2,691,917	502,068	509,226	2,164,128	545,808	623,585	650,965	588,432	607,042
Interest, fiscal charges and issuance costs	302,092	410,639	219,162	215,478	235,814	379,352	344,898	333,432	317,535	347,153
Total Debt Service	634,598	3,102,556	721,230	724,704	2,399,942	925,160	968,483	984,397	905,967	954,195
% Change From Prior Year	61.3%	388.9%	-76.8%	0.5%	231.2%	-61.5%	4.7%	1.6%	-8.0%	5.3%
Ratio of Total Debt Service to Total Non-Capital Expenditures	7.2%	28.4%	7.8%	7.8%	21.1%	9.1%	8.5%	8.4%	7.3%	7.0%
Total Expenditures	\$ 9,765,076	\$ 11,988,658	\$ 9,889,369	\$ 10,328,244	\$ 21,210,345	\$ 11,025,794	\$ 13,323,947	\$ 12,524,864	\$ 13,442,706	\$ 14,945,717
% Change From Prior Year	3.7%	22.8%	-17.5%	4.4%	105.4%	-48.0%	20.8%	-6.0%	7.3%	11.2%

Notes:

¹ Includes all governmental fund types.

² Emergency services comprise expenditures resulting from Hurricane Irma for 2018, Hurricane Dorian for 2019 and Covid-19 pandemic for 2020 and 2021.

Data Source:

Applicable years' annual comprehensive financial report.

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

Function	For the Fiscal Year Ended September 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Current:										
General government	\$ 1,837,472	\$ 1,796,001	\$ 1,807,017	\$ 1,866,731	\$ 1,994,770	\$ 2,103,392	\$ 2,253,537	\$ 2,105,598	\$ 2,252,910	\$ 2,364,678
Public safety	5,045,887	4,821,836	5,542,038	5,204,208	5,240,374	5,399,088	6,048,944	6,330,072	6,685,048	6,888,724
Community services and development	887,750	719,489	777,301	859,056	1,020,328	936,647	1,258,271	1,451,377	1,731,518	2,302,502
Parks and recreation	177,921	223,462	195,826	286,489	357,602	403,085	391,142	386,366	407,633	442,324
Transportation	222,031	254,809	239,077	327,491	342,722	439,493	426,294	451,249	467,192	560,782
Emergency services ²	-	-	-	-	-	-	51,742	4,244	12,094	39,066
Total Current	\$ 8,171,061	\$ 7,815,597	\$ 8,561,259	\$ 8,543,975	\$ 8,955,796	\$ 9,281,705	\$ 10,429,930	\$ 10,728,906	\$ 11,556,395	\$ 12,598,076
	Percentage of Total									

Current:										
General government	22.5%	23.0%	21.1%	21.8%	22.3%	22.7%	21.6%	19.6%	19.5%	18.8%
Public safety	61.8%	61.7%	64.7%	60.9%	58.5%	58.2%	58.0%	59.0%	57.8%	54.7%
Community services and development	10.9%	9.2%	9.1%	10.1%	11.4%	10.1%	12.1%	13.5%	15.0%	18.3%
Parks and recreation	2.2%	2.9%	2.3%	3.4%	4.0%	4.3%	3.8%	3.6%	3.5%	3.5%
Transportation	2.7%	3.3%	2.8%	3.8%	3.8%	4.7%	4.1%	4.2%	4.0%	4.5%
Emergency services ²	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	0.1%	0.3%
Total Current	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

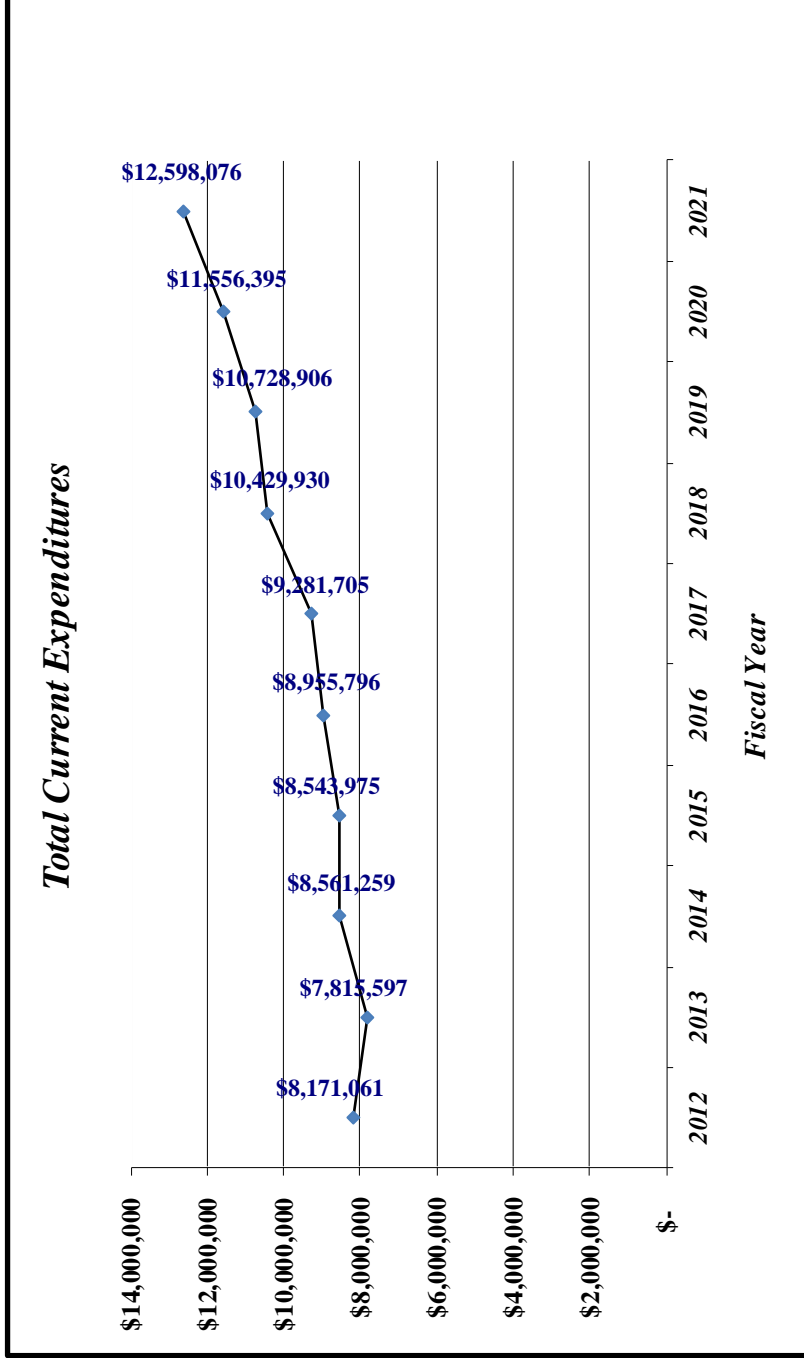
¹ Includes all governmental fund types.

² Emergency services comprise expenditures resulting from Hurricane Irma for 2018, Hurricane Dorian for 2019 and Covid-19 pandemic for 2020 and 2021.

Data Source:

Applicable years' annual comprehensive financial report.

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



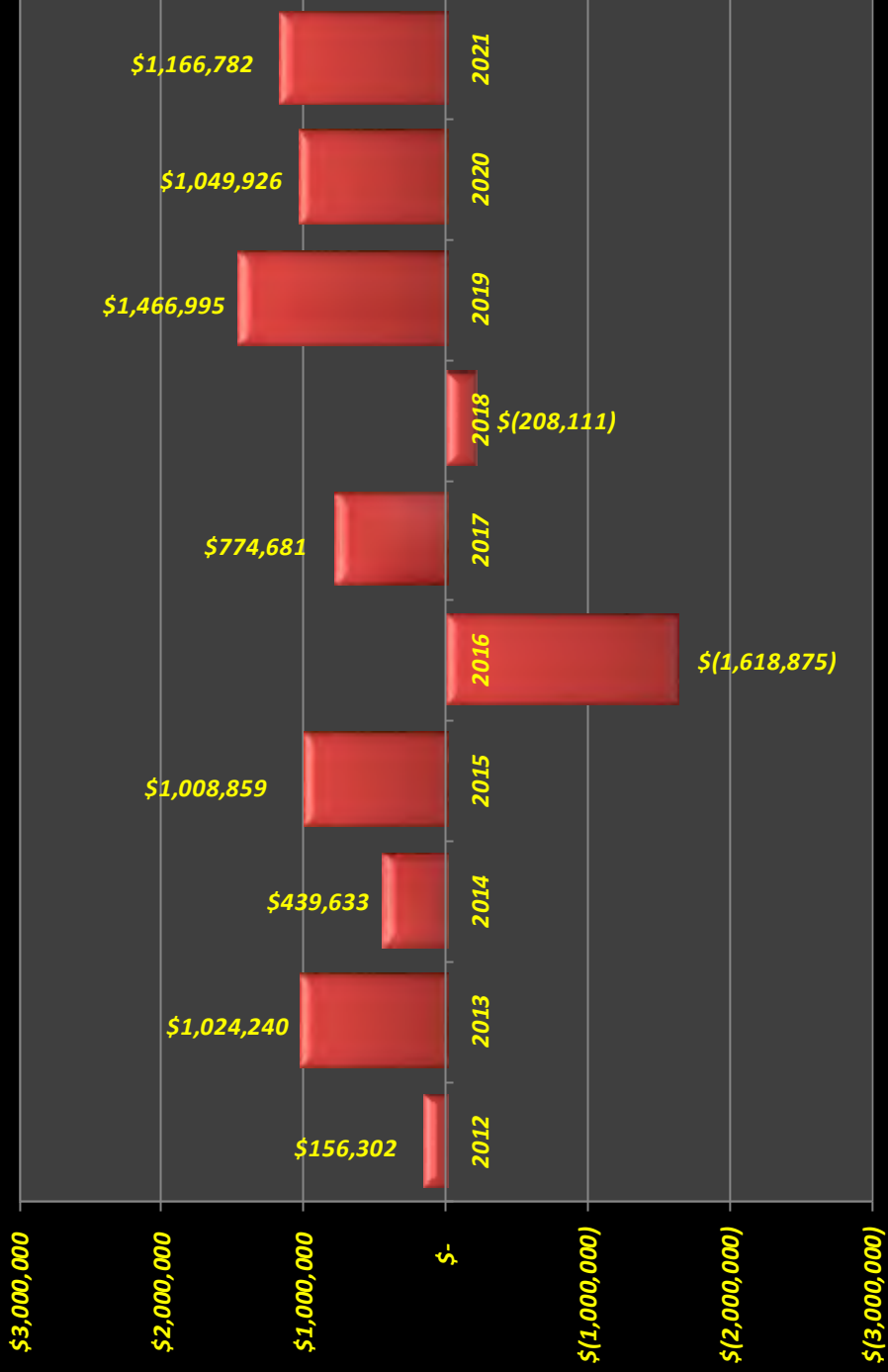
Town of Southwest Ranches, Florida
Summary of Changes in Fund Balances - Governmental Funds (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Year Ended September 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total Revenues	\$ 9,431,817	\$ 10,178,606	\$ 10,145,675	\$ 10,961,770	\$ 11,655,642	\$ 11,595,048	\$ 12,749,126	\$ 13,850,799	\$ 14,271,340	\$ 15,848,582
Total Expenditures	9,765,076	11,988,658	9,889,369	10,328,244	21,210,345	11,025,794	13,323,947	12,524,864	13,442,706	14,945,717
Excess (Deficiency) of Revenues Over Expenditures	(333,259)	(1,810,052)	256,306	633,526	(9,554,703)	569,254	(574,821)	1,325,935	828,634	902,865
Other Financing Sources (Uses):										
Other items, net	360,860	2,659,800	-	206,500	7,750,000	-	140,945	-	-	-
Transfers in	1,394,191	1,410,644	1,557,874	1,938,626	4,287,055	2,346,797	2,697,346	2,643,210	2,869,368	2,562,424
Transfers out	(1,265,490)	(1,236,152)	(1,374,547)	(1,769,793)	(4,101,227)	(2,141,370)	(2,471,581)	(2,502,150)	(2,648,076)	(2,298,507)
Total Other Financing Sources (Uses)	489,561	2,834,292	183,327	375,333	7,935,828	205,427	366,710	141,060	221,292	263,917
Net Change in Fund Balances	\$ 156,302	\$ 1,024,240	\$ 439,633	\$ 1,008,859	\$ (1,618,875)	\$ 774,681	\$ (208,111)	\$ 1,466,995	\$ 1,049,926	\$ 1,166,782

Data Source:

Applicable years' annual comprehensive financial report.

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



Town of Southwest Ranches, Florida
Fund Balances - Governmental Funds (Unaudited)
Fiscal Year 2021 and Nine Years Prior
(modified accrual basis of accounting)

	September 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund:										
Nonspendable:										
Prepaid items	\$ 207,568	\$ 25,222	\$ 27,058	\$ 28,763	\$ 28,382	\$ 29,569	\$ 30,250	\$ 30,858	\$ 48,517	\$ 36,944
Inventory/assets held for resale	138,848	482,720	482,720	482,720	482,720	482,720	359,210	359,210	359,210	359,210
Total nonspendable	346,416	507,942	509,778	511,483	511,102	512,289	389,460	390,068	407,727	396,154
Restricted for:										
Fire control and rescue services	-	-	128,291	308,982	363,897	484,719	423,679	335,061	292,113	91,977
Public safety	6,445	10,933	11,020	12,550	6,470	7,579	7,579	8,553	8,553	4,175
Town Hall brick program Building	18,200	-	-	-	181,033	178,979	196,796	204,859	210,004	253,675
Total restricted	24,645	10,933	139,311	321,532	551,400	671,277	628,054	548,473	510,670	349,827
Committed to:										
Tree preservation	20,877	3,086	3,086	3,086	-	-	1,229	1,229	1,229	1,229
Capital projects	-	9,850	-	-	-	20,324	20,324	20,324	4,380	60,894
Total committed	20,877	12,936	3,086	3,086	-	20,324	21,553	21,553	5,609	62,123
Assigned for:										
Capital projects	-	-	-	-	-	-	-	-	17,500	-
Total assigned	-	-	-	-	-	-	-	-	17,500	-
Unassigned	2,494,249	3,458,623	3,830,892	4,365,118	2,484,910	2,704,947	2,790,184	3,939,370	4,153,041	5,525,870
Total General Fund	\$ 2,886,187	\$ 3,990,434	\$ 4,483,067	\$ 5,201,219	\$ 3,547,412	\$ 3,908,837	\$ 3,829,251	\$ 4,899,464	\$ 5,094,547	\$ 6,333,974
General Fund % Change From Prior Year	11.1%	38.3%	12.3%	16.0%	-31.8%	10.2%	-2.0%	27.9%	4.0%	24.3%
All Other Governmental Funds:										
Nonspendable:										
Prepaid items	\$ 3,349	\$ 3,654	\$ 3,857	\$ 1,574	\$ 2,242	\$ 2,534	\$ 2,613	\$ 3,574	\$ 4,167	\$ 4,390
Total nonspendable	3,349	3,654	3,857	1,574	2,242	2,534	2,613	3,574	4,167	4,390
Restricted for:										
Transportation	517,455	312,740	389,361	331,973	636,587	537,821	758,804	710,632	398,610	550,549
Fire control and rescue services	40,807	47,248	70,977	281,656	161,137	168,937	37,036	46,136	39,024	33,524
Capital projects	-	-	-	-	-	-	20,411	-	-	-
Total restricted	558,262	359,988	460,338	613,629	797,724	706,758	816,251	756,768	437,634	584,073
Committed for:										
Capital projects	150,000	60,376	209,053	359,943	149,213	224,661	217,088	458,204	64,738	1,137,012
Transportation	-	-	-	-	129,678	593,825	291,955	522,639	1,922,934	276,725
Total committed	150,000	60,376	209,053	359,943	278,891	818,486	509,043	980,843	1,987,672	1,413,737
Assigned to:										
Debt service	37,548	15,069	28,448	36,534	12,079	25,266	168,819	124,143	217,623	568,639
Capital projects	354,621	584,686	269,077	249,800	205,476	156,624	84,417	112,597	185,672	189,284
Total assigned	392,169	599,755	297,525	286,334	217,555	181,890	253,236	236,740	403,295	757,923
Total All Other Governmental Funds	\$ 1,103,780	\$ 1,023,773	\$ 970,773	\$ 1,261,480	\$ 1,296,412	\$ 1,709,668	\$ 1,581,143	\$ 1,977,925	\$ 2,832,768	\$ 2,760,123
All Other Governmental Funds % Change From Prior Year	-10.7%	-7.2%	-5.2%	29.9%	2.8%	31.9%	-7.5%	25.1%	43.2%	-2.6%
Total Governmental Funds	\$ 3,989,967	\$ 5,014,207	\$ 5,453,840	\$ 6,462,699	\$ 4,843,824	\$ 5,618,505	\$ 5,410,394	\$ 6,877,389	\$ 7,927,315	\$ 9,094,097
All Governmental Funds % Change From Prior Year	4.1%	25.7%	8.8%	18.5%	-25.0%	16.0%	-3.7%	27.1%	15.3%	14.7%

Data Source:

Applicable years' annual comprehensive financial report.

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

Fiscal Year	Real Property			Other ¹	Personal Property	Less: Tax Exemptions	Total Taxable Assessed Value	Total Annual Percentage Change	Town Direct Tax Rate ²	Total Estimated Market Value	Total Taxable Assessed Value as a Percentage of Market Value
	Residential Property	Commercial Property	Agricultural Property								
2012	\$ 967,580,110	\$ 44,081,160	\$ 130,689,460	\$ 160,579,690	\$ 45,941,532	\$ 259,862,760	\$ 1,089,009,192	-3.32%	3.9404	\$ 1,779,105,372	61.21%
2013	\$ 973,702,090	\$ 47,545,710	\$ 127,729,960	\$ 159,741,230	\$ 45,560,922	\$ 258,013,175	\$ 1,096,266,737	0.67%	3.9042	\$ 1,723,189,712	63.62%
2014	\$ 1,000,893,470	\$ 46,589,150	\$ 121,841,100	\$ 164,026,390	\$ 45,912,186	\$ 260,832,475	\$ 1,118,429,821	2.02%	3.9404	\$ 1,730,622,616	64.63%
2015	\$ 1,051,905,200	\$ 49,605,590	\$ 113,472,180	\$ 176,639,690	\$ 42,117,640	\$ 253,470,692	\$ 1,180,269,608	5.53%	4.2719	\$ 1,813,245,860	65.09%
2016	\$ 1,115,305,220	\$ 47,143,840	\$ 103,491,530	\$ 185,956,010	\$ 45,036,741	\$ 266,153,221	\$ 1,230,780,120	4.28%	4.3354	\$ 1,880,663,050	65.44%
2017	\$ 1,173,456,760	\$ 49,986,360	\$ 109,225,190	\$ 178,296,050	\$ 48,718,150	\$ 274,686,748	\$ 1,284,995,762	4.40%	4.4629	\$ 2,048,999,020	62.71%
2018	\$ 1,226,324,800	\$ 52,081,760	\$ 120,626,080	\$ 186,344,830	\$ 52,742,316	\$ 277,947,879	\$ 1,360,171,907	5.85%	4.4629	\$ 2,207,484,810	61.62%
2019	\$ 1,275,280,790	\$ 50,405,780	\$ 131,012,770	\$ 184,158,150	\$ 58,308,572	\$ 289,659,456	\$ 1,409,506,606	3.63%	4.8311	\$ 2,284,562,510	61.70%
2020	\$ 1,351,611,690	\$ 48,184,430	\$ 126,926,360	\$ 183,769,350	\$ 56,521,526	\$ 291,616,499	\$ 1,475,396,857	4.67%	4.6564	\$ 2,331,197,510	63.29%
2021	\$ 1,402,057,710	\$ 51,034,590	\$ 150,030,100	\$ 185,377,390	\$ 63,033,998	\$ 291,732,929	\$ 1,559,800,859	5.72%	4.2500	\$ 2,420,182,200	64.45%
*	\$ 1,153,811,784	\$ 48,665,837	\$ 123,504,473	\$ 176,488,878	\$ 50,389,358	\$ 272,397,583	\$ 1,280,462,747			\$ 2,021,925,266	63.33%
**	44.9%	15.8%	14.8%	15.4%	37.2%	12.3%	43.2%				

* Dollar average for ten years.

** Percentage change in dollars over ten years.

Notes:

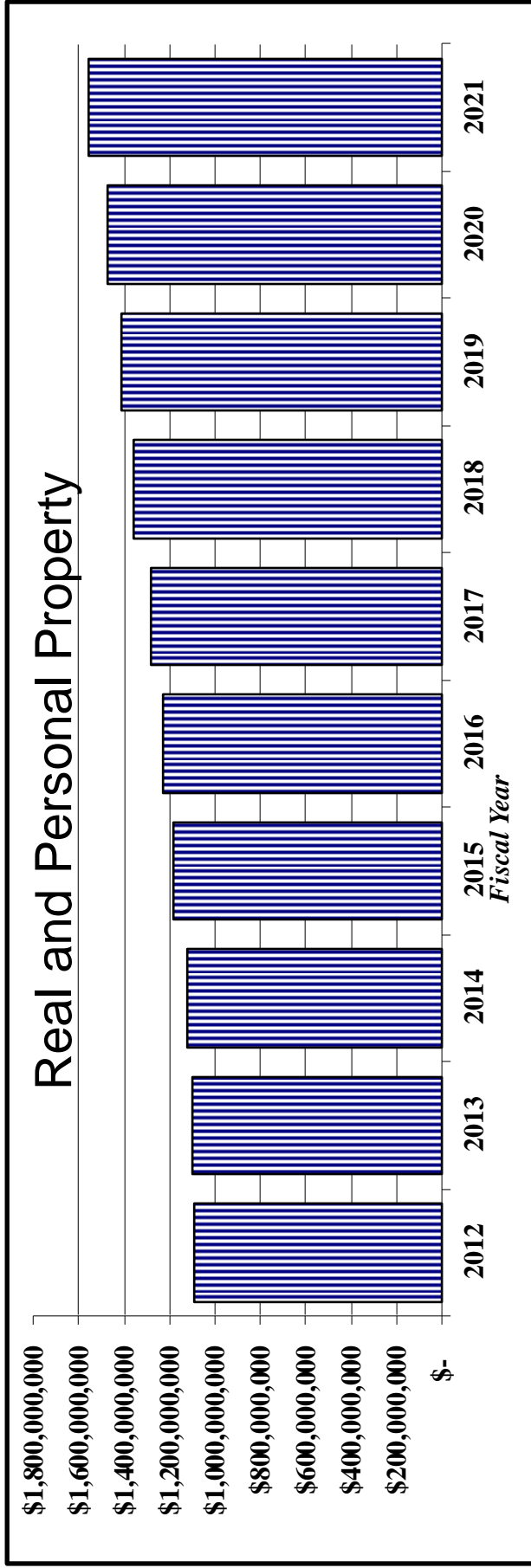
¹ Other includes: industrial, institutional, government, and miscellaneous.

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

Data Source:

Broward County Property Appraiser's Office.

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



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

Fiscal Year	Overlapping Rates ¹										Total Direct and Overlapping Millage			
	Town of Southwest Ranches			Broward County			Broward County School Board			South Florida				
	Operating Millage	TSDOR Millage ²	Total Millage	Operating Millage	Debt Service Millage	Total Millage	Operating Millage	Debt Service Millage	Total Millage	Water Management District		FIN District ³		
2012	3.9404	-	3.9404	5.1860	0.3670	5.5530	7.4180	-	7.4180	0.4363	0.0345	0.4789	0.7500	18.6111
2013	3.9042	-	3.9042	5.2576	0.2954	5.5530	7.4560	-	7.4560	0.4289	0.0345	0.4902	0.6000	18.4668
2014	3.9404	-	3.9404	5.4400	0.2830	5.7230	7.4800	-	7.4800	0.4110	0.0345	0.4882	0.4000	18.4771
2015	3.9404	0.3315	4.2719	5.4584	0.2646	5.7230	7.4380	-	7.4380	0.3842	0.0345	0.4882	0.1863	18.5261
2016	3.9404	0.3950	4.3354	5.4741	0.2489	5.7230	7.2740	0.0710	7.2740	0.3551	0.0320	0.4882	0.1737	18.3814
2017	4.0579	0.4050	4.4629	5.4474	0.2216	5.6690	6.9063	0.0703	6.9063	0.3307	0.0320	0.4882	0.1615	18.0506
2018	4.1017	0.3612	4.4629	5.4623	0.2067	5.6690	6.5394	0.0654	6.5394	0.3100	0.0320	0.4882	0.1496	17.6511
2019	4.4969	0.3342	4.8311	5.4792	0.1898	5.6690	6.4029	0.1279	6.4029	0.2936	0.0320	0.4882	0.1414	17.8582
2020	4.2125	0.4439	4.6564	5.4878	0.1812	5.6690	6.7393	0.1043	6.7393	0.2795	0.0320	0.4882	0.1260	17.9904
2021	4.2500	-	4.2500	5.4999	0.1691	5.6690	6.5052	0.0912	6.5052	0.2675	0.0320	0.4882	0.1199	17.3318

Notes:

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

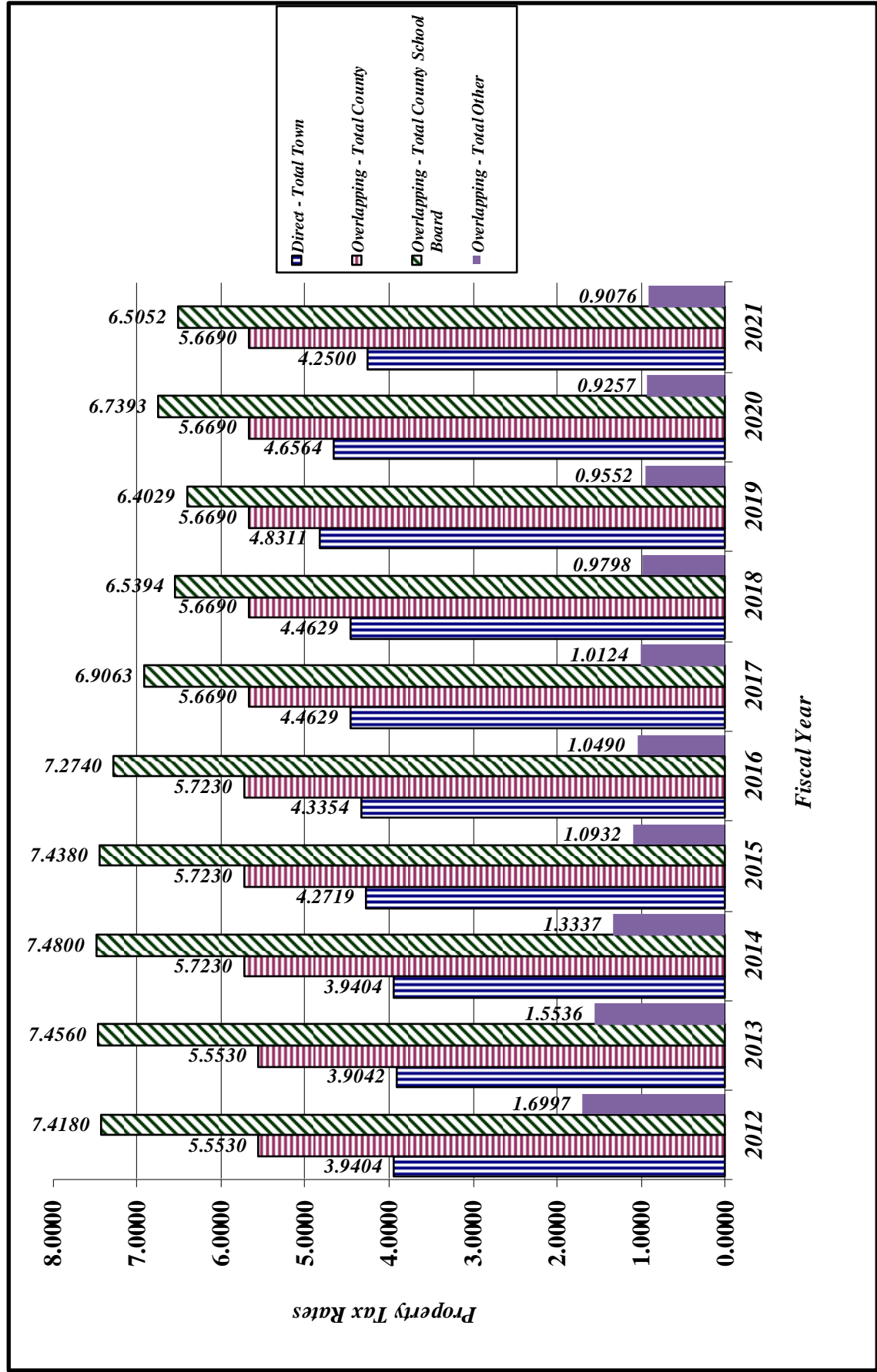
² TSDOR = Transportation Surface and Drainage Ongoing Rehabilitation Capital Improvement Project commenced in FY 2015.

³ Florida Inland Navigational District.

Data Source:

Broward County Property Appraiser Office.

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



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

Fiscal Year	Total Taxes Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy ¹		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount Collected	Percentage of Levy
2012	\$ 4,318,983	\$ 4,131,352	95.66%	\$ 124,971	\$ 4,256,323	98.55%
2013	\$ 4,323,515	\$ 4,256,493	98.45%	\$ 64,519	\$ 4,321,012	99.94%
2014	\$ 4,433,004	\$ 4,389,935	99.03%	\$ (9,075)	\$ 4,380,860	98.82%
2015	\$ 5,142,216	\$ 4,964,524	96.54%	\$ 4,778	\$ 4,969,302	96.64%
2016	\$ 5,412,895	\$ 5,285,675	97.65%	\$ 7,547	\$ 5,293,222	97.79%
2017	\$ 5,800,986	\$ 5,687,676	98.05%	\$ 17,984	\$ 5,705,660	98.36%
2018	\$ 6,181,457	\$ 6,045,637	97.80%	\$ 20,070	\$ 6,065,707	98.13%
2019	\$ 6,832,483	\$ 6,783,089	99.28%	\$ 23,238	\$ 6,806,327	99.62%
2020	\$ 6,913,163	\$ 6,838,577	98.92%	\$ 6,741	\$ 6,845,318	99.02%
2021	\$ 6,667,117	\$ 6,624,273	99.36%	\$ -	\$ 6,624,273	99.36%

Notes:

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

Data Source:

Broward County Property Appraisal Office.

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

FY 2021		FY 2012	
Principal Taxpayer	Taxable Assessed Value	Principal Taxpayer	Taxable Assessed Value
	Rank		Rank
	Percentage of Total Taxable Assessed Value		Percentage of Total Taxable Assessed Value
Coquina Station LLC	\$ 19,695,360	Lowes Home Centers, Inc.	\$ 14,696,110
Lowes Home Centers, Inc.	10,500,000	US Retail Income Fund	10,988,400
Cubsmart LP	8,488,650	Raymond and Baidwatte Moses	4,869,840
Pintaluga, Eric & Robyn	5,850,300	YSI LLC	4,809,640
Moses, Raymond & Baidwatte	5,489,400	Wayne Peta, Gay & Reginald	4,665,220
M-N-C Property Holdings LLC	4,984,400	Marshall, Brandon	4,130,070
Mandalay Estates	4,792,410	Florida Power & Light	3,832,260
Necuze, Gerrardo, & Marcia	4,723,280	MGT Southwest Ranches	3,681,030
Chandy, Samuel	4,662,910	Nathan & Jacqueline Finkel	3,460,020
Berkshire Court Tr Scott, Russell,Trstee	4,368,650	Sci Funeral Services of Fla	3,453,090
Total Principal Taxpayers	73,555,360	Total Principal Taxpayers	58,585,680
All Other Taxpayers	1,423,211,501	All Other Taxpayers	984,481,980
Total Taxable Assessed Value	\$ 1,496,766,861	Total Taxable Assessed Value	\$ 1,043,067,660

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

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

FY 2021		FY 2012		
Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Principal Taxpayer
Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value
Florida Power and Light Co.	\$ 51,245,211	1	81.30%	Florida Power and Light Co.
Publix Supermarkets # 619	1,275,818	2	2.02%	Bellsouth Telecommunications
Kelly Tractor	1,072,269	3	1.70%	FPL Fibernet LLC
AT&T Florida (formally Bellsouth Tele)	1,062,546	4	1.69%	Lowes Home Centers
Comcast	1,011,629	5	1.60%	Publix Supermarkets # 619
Sprint Spectrum	983,821	6	1.56%	AT&T Mobility
Lowes Home Centers, Inc.	701,311	7	1.11%	Shell
TIAA Commercial Finance Inc	682,913	8	1.08%	Applebees
AT&T Mobility	623,262	9	0.99%	Apple Tree Montessori School
Draft Pros	600,198	10	0.95%	Landwork Depot
Total Principal Taxpayers	59,258,978		94.01%	Total Principal Taxpayers
All Other Taxpayers	3,775,020		5.99%	All Other Taxpayers
Total Taxable Assessed Value	\$ 63,033,998		100.00%	Total Taxable Assessed Value
				\$ 45,941,532
				83.64%
				16.36%
				100.00%

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

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

Governmental Activity Debt:

September 30,	Florida Municipal Loan Council		Florida Local Government Finance Commission Loans		TD Note Series 2013	Centennial Loan Payable	Capital Lease	TD Note Payable	TD Note Series 2016	TD Note Series 2021	TD LOC Series 2018		Percentage of Personal Income ¹	Total Debt Per Capita
	Series 2001	Series 2011	Series 2011	Series 2013							SW Fund & Gov't Funds	Total		
2012	\$ 4,077,574	\$ -	\$ 2,335,175	\$ -	\$ 766,019	\$ 47,638	\$ -	\$ -	\$ -	\$ -	\$ 7,226,406	0.0092%	\$ 979	
2013	\$ 1,640,000	\$ -	\$ 2,110,125	\$ 2,659,800	\$ 704,261	\$ 32,529	\$ -	\$ -	\$ -	\$ -	\$ 7,146,715	0.0089%	\$ 966	
2014	\$ 1,640,000	\$ -	\$ 1,878,854	\$ 2,475,100	\$ 634,217	\$ 16,476	\$ -	\$ -	\$ -	\$ -	\$ 6,644,647	0.0082%	\$ 866	
2015	\$ 1,640,000	\$ -	\$ 1,641,204	\$ 2,292,900	\$ 561,316	\$ -	\$ 206,500	\$ -	\$ -	\$ -	\$ 6,341,920	0.0074%	\$ 817	
2016	\$ -	\$ -	\$ 1,397,000	\$ 2,108,500	\$ 485,506	\$ -	\$ 186,786	\$ 7,750,000	\$ -	\$ -	\$ 11,927,792	0.0137%	\$ 1,519	
2017	\$ -	\$ -	\$ 1,146,061	\$ 1,917,300	\$ 406,540	\$ -	\$ 162,082	\$ 7,750,000	\$ -	\$ -	\$ 11,381,983	0.0125%	\$ 1,442	
2018	\$ -	\$ -	\$ 888,201	\$ 1,724,500	\$ 324,526	\$ -	\$ 136,746	\$ 7,750,000	\$ 75,370	\$ -	\$ 10,899,343	0.0114%	\$ 1,370	
2019	\$ -	\$ -	\$ 623,229	\$ 1,525,400	\$ 238,988	\$ -	\$ 110,761	\$ 7,750,000	\$ -	\$ -	\$ 10,248,378	0.0100%	\$ 1,284	
2020	\$ -	\$ -	\$ 350,949	\$ 1,324,900	\$ 149,986	\$ -	\$ 84,111	\$ 7,750,000	\$ -	\$ -	\$ 9,659,946	0.0088%	\$ 1,214	
2021	\$ -	\$ -	\$ 71,159	\$ 1,117,800	\$ 57,166	\$ -	\$ 56,779	\$ -	\$ 7,750,000	\$ -	\$ 9,052,904	{i}	\$ 1,139	

Business-Type Activity Debt:²

2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,655,855	0.0038%	\$ 459
2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,761,698	0.0017%	\$ 221
2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -
2021	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -

Notes:

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

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

Data Source:

Applicable years' annual comprehensive financial report.

{i} Information not available from County.

Town of Southwest Ranches, Florida
Debt Service Anti-Dilution Coverages (Unaudited)
(Amounts in thousands)
Fiscal Years 2021, 2020, 2019, 2018, 2017, 2016, 2015, 2014, 2013 and 2012

TD 2021 Note Payable, 2018 Emergency Line of Credit, Notes Payable Series 2013 and 2011
Test of Prior Two Year Average of Non Advalorem Revenues:

2021	\$	7,952	\$	2,338	\$	5,614	\$	907	Total Annual Debt Service	Debt Service Coverage Ratio	6.19 %	Coverage Required	1.30 %	Excess Coverage	4.89 %	Total Max Annual Debt Service	998	\$	4,616	Net Cash Flow	Debt Service Coverage Ratio	5.63 %	Coverage Required	1.50 %	Excess Coverage	4.13 %

*****/Maximum Additional Bond Test/*****

TD 2018 Emergency Line of Credit, Notes Payable Series 2016, 2013 and 2011
Test of Prior Two Year Average of Non Advalorem Revenues:

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

*****/Maximum Additional Bond Test/*****

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

2015	\$	1,937	\$	723	\$	1,214	\$	2.68 %	Debt Service Coverage Ratio	Coverage Required	1.30 %	Excess Coverage	1.38 %	Total Max Annual Debt Service	734	\$	1,203	Net Cash Flow	Debt Service Coverage Ratio	2.64 %	Coverage Required	1.50 %	Excess Coverage	1.14 %
2014	\$	1,524	\$	720	\$	804	\$	2.12 %	Debt Service Coverage Ratio	Coverage Required	1.30 %	Excess Coverage	0.82 %	Total Max Annual Debt Service	723	\$	801	Net Cash Flow	Debt Service Coverage Ratio	2.11 %	Coverage Required	1.50 %	Excess Coverage	0.61 %
2013	\$	1,842	\$	712	\$	1,130	\$	2.59 %	Debt Service Coverage Ratio	Coverage Required	1.30 %	Excess Coverage	1.29 %	Total Max Annual Debt Service	723	\$	1,119	Net Cash Flow	Debt Service Coverage Ratio	2.55 %	Coverage Required	1.50 %	Excess Coverage	1.05 %
2012	\$	1,315	\$	609	\$	706	\$	2.16 %	Debt Service Coverage Ratio	Coverage Required	1.30 %	Excess Coverage	0.86 %	Total Max Annual Debt Service	723	\$	592	Net Cash Flow	Debt Service Coverage Ratio	1.82 %	Coverage Required	1.50 %	Excess Coverage	0.32 %

*****/Maximum Additional Bond Test/*****

FMLC Loan Payable Series 2001 - retired during FY 2016

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

2015	\$	5,792	\$	2,488	\$	3,304	\$	734	Total Annual Debt Service	Debt Service Coverage Ratio	4.50 %	Coverage Required	150.00 %	Excess Coverage	300.12 %
2014	\$	5,362	\$	2,526	\$	2,836	\$	723	Total Annual Debt Service	Debt Service Coverage Ratio	3.92 %	Coverage Required	150.00 %	Excess Coverage	242.19 %
2013 ¹	\$	4,970	\$	2,368	\$	2,602	\$	723	Total Annual Debt Service	Debt Service Coverage Ratio	3.59 %	Coverage Required	150.00 %	Excess Coverage	209.89 %

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

2015	\$	11,376	\$	734	Maximum Allowed Percentage	20.00 %	Excess Percentage	13.55 %
2014	\$	10,192	\$	723	Maximum Allowed Percentage	20.00 %	Excess Percentage	12.91 %
2013 ¹	\$	9,369	\$	723	Maximum Allowed Percentage	20.00 %	Excess Percentage	12.28 %

Notes:

¹ 2013 is the oldest data readily available.

Data Source:

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

**Town of Southwest Ranches, Florida
Overlapping Governmental Activities Debt (Unaudited)
September 30, 2021**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ¹</u>	<u>Estimated Share of Underlying Debt</u>
Overlapping Debt^{1, 2}			
Broward County	\$ 102,733,000	0.683111%	\$ 701,780
Broward County School Board	2,086,894,000	0.006925%	<u>144,514</u>
Sub-Total Overlapping Debt			846,294
Town Direct Debt			<u>9,052,904</u>
Total Direct and Overlapping Debt			<u><u>\$ 9,899,198</u></u>

Notes:

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

Data Source:

² Each specific government.

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

Calendar Year	Population ¹	(in \$1,000) Total Personal Income ²	Per Capita Personal Income ³	Unemployment Rate		
				County ²	State of Florida ⁴	United States ⁵
2012	7,385	\$ 78,687,882	\$ 44,429	7.5%	8.1%	7.8%
2013	7,396	\$ 80,525,783	\$ 45,120	5.6%	6.7%	7.3%
2014	7,676	\$ 80,905,552	\$ 44,850	5.2%	6.0%	5.7%
2015	7,761	\$ 85,167,498	\$ 46,607	4.9%	5.3%	5.0%
2016	7,852	\$ 86,987,787	\$ 46,906	4.6%	5.0%	4.9%
2017	7,892	\$ 91,224,860	\$ 48,680	3.3%	3.8%	4.2%
2018	7,958	\$ 95,409,356	\$ 50,269	2.8%	3.5%	3.7%
2019	7,981	\$ 102,145,579	\$ 51,820	2.8%	3.2%	3.5%
2020	7,957	\$ 109,473,926	\$ 56,303	7.8%	7.2%	7.9%
2021	7,951	\$ {i}	\$ {i}	4.4%	4.8%	4.8%

Notes:

There are no public schools located within the Town.

Data Sources:

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

² Broward County annual comprehensive financial reports.

³ Broward County total personal income divided by the Broward County population.

⁴ Real Estate Center, <http://recenter.tamu.edu/data/emp/emps/st12.asp>.

⁵ U.S. Department of Labor, Bureau of Labor Statistics, <http://data.bls.gov/cgi-bin/surveymost> & US Census Quick Facts.

{i} Information not available from County

Town of Southwest Ranches, Florida
Principal Employers (Unaudited)
For the Fiscal Year Ended September 30, 2021 and 2012

2021			
Employer	Type of Business	Number of Employees	Rank
Lowe's Home Centers, Inc.	Retail	165	1
Archbishop McCarthy High School	Private School	139	2
Publix Supermarkets	Retail	131	3
Romeus Cuban Restaurant	Restaurant	35	4
McDonald's	Restaurant	35	5
Starbucks Coffee Company	Restaurant	29	6
Walgreens	Retail	22	7
Original Pancake House	Restaurant	22	8
Apple Montessori School	Private School	14	9
Crazy Crab Restaurant	Restaurant	9	10
Total Principal Employers		601	

2012			
Employer	Type of Business	Number of Employees	Rank
Lowe's Home Centers, Inc.	Retail	122	1
Publix Supermarkets	Retail	105	2
Archbishop McCarthy High School	Private School	74	3
McDonald's	Restaurant	70	4
Apple Montessori School	Private School	44	5
Applebee's Neighborhood Grill	Restaurant	42	6
Romeus Cuban Restaurant	Restaurant	32	7
Original Pancake House	Restaurant	27	8
Starbucks Coffee Company	Restaurant	25	9
Walgreens	Retail	17	10
Total Principal Employers		558	

Data Source:
Town records.

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

<u>Function/program</u>	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<i>Town Commission</i>	5	5	5	5	5	5	5	5	5	5
<i>General Government:</i>										
Town management	5	3	3	3	3	3	3	3	3	3
Community services ¹	10	14	13	13	15	13	13	13	13	13
<i>Total General Government</i>	15	17	16	16	18	16	16	16	16	16
<i>Contracted Employees:</i>										
General government, management services	4	4	4	4	4	4	4	4	4	4
Fire rescue	43	50	50	44	44	46	46	50	50	50
Emergency medical services	4	15	15	15	15	15	15	15	15	15
Police protection	15	15	16	16	16	16	16	16	16	16
<i>Total Contracted Employees</i>	66	84	85	79	79	81	81	85	85	85
Total	<u>86</u>	<u>106</u>	<u>106</u>	<u>100</u>	<u>102</u>	<u>102</u>	<u>102</u>	<u>106</u>	<u>106</u>	<u>106</u>
<i>Percentage Change From Prior Year</i>	0.0%	23.3%	0.0%	-5.7%	2.0%	0.0%	0.0%	3.9%	0.0%	0.0%

Notes:

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

Data Source:

Town of Southwest Ranches Community Services and Finance & Budget Departments.

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

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
GENERAL GOVERNMENT:										
Building Permits Issued ²	422	403	407	377	531	566	636	609	625	692
Building Permits Closed ²	-	-	-	-	475	396	533	611	656	567
Building Inspections Conducted:										
Electrical ²	366	440	417	471	472	683	732	1087	1674	1589
Fire ²	19	11	17	19	5	8	29	21	231	198
Mechanical ²	126	169	134	246	249	251	201	264	643	663
Plumbing ²	300	332	414	538	482	590	527	843	1618	1647
Structural ²	1457	1410	1526	1818	1624	1965	2282	2824	4425	4928
Zoning ²	7	11	74	75	104	153	213	246	573	520
Other ²	2	3	28	24	20	39	109	83	332	205
Total building inspections	2,277	2,376	2,610	3,191	2,956	3,689	4,093	5,368	9,496	9,750
Certificates of Use Registrations ³	23	11	14	2	4	17	1	20	14	13
Planning & Zoning Permits Issued ³	177	153	148	196	230	318	238	317	279	574
FIRE:										
Emergency Responses ⁴	437	685	747	791	912	789	799	648	546	658
Station 112 Average Response Time ⁴	-	5:58	6:13	5:52	5:10	5:17	5:57	6:42	7:19	7:03
Inspections	31	98	98	165	84	146	185	202	170	61
POLICE: ⁵										
Physical arrests	77	54	43	43	33	29	33	43	38	38
Parking violations	-	2	-	-	-	3	-	-	71	-
Traffic violations	1,225	1,011	2,174	2,416	1,773	1,369	1,673	1,824	1,568	1,571
REFUSE COLLECTION: ⁶										
Residential SW- mo. avg in tons	26.45	287.54	262.29	258.71	257.34	344.16	261.58	257.77	282.79	275.39
Residential Recycling - mo. avg in tons	8.51	36.54	51.20	62.98	64.01	67.46	78.41	76.79	76.35	66.28
Residential Bulk - mo. avg in tons	70.11	593.63	698.53	790.07	719.54	1,283.00	707.96	687.68	736.01	662.29
OTHER PUBLIC WORKS:										
Street resurfacing (in miles)	0.95	-	-	-	2.28	-	2.95	-	-	2.50
Potholes repaired	112	88	93	107	222	224	255	183	164	207
WATER: ⁷										
New connections	1	-	1	3	4	3	10	5	3	4
Average daily consumption (thousands of gallons)	12.02	11.52	10.26	10.66	12.16	13.63	13.26	14.46	13.52	-
Peak monthly consumption (thousands of gallons)	440	419	428	417	420	483	502	526	485	-
General Government Tax Rates:										
Utility Services:										
Electric	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Communication Services	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%
Gas	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Franchises:										
Electric	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
Solid Waste (commercial)	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Towing	13%	13%	13%	15%	15%	15%	15%	18%	18%	18%

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

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

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
FIRE:										
Stations ¹	1	1	1	1	1	1	1	1	1	1
Vehicles owned ¹	3	3	3	3	3	3	3	3	3	3
POLICE:										
Stations ¹	-	-	-	-	-	-	-	-	-	-
Patrol units	15	15	16	16	16	16	16	16	16	16
OTHER PUBLIC WORKS:										
Streets (miles)	82	82	82	82	82	82	82	82	82	82
Streetlights ²	13	13	13	13	13	13	13	13	13	13
Vehicles owned ¹	-	-	-	-	2	2	2	2	2	2
PARKS AND RECREATION:										
Acreage	149.01	149.01	149.01	149.01	149.01	149.01	149.01	149.01	149.01	149.01
Community Center	-	-	-	1	1	1	1	1	1	1
Playgrounds	1	2	2	2	2	3	3	3	3	3
Equestrian ring	2	2	2	2	2	2	2	2	2	2
Picnic pavilion	1	1	1	2	2	4	4	5	5	5
Restroom facilities	1	1	1	3	3	3	3	3	3	3
Nature trails (miles)	1.5	1.5	1.5	1.5	5	5	5	5	5	5
Multi-use trails (miles)	17.35	17.35	17.35	17.35	17.35	17.35	17.35	17.35	17.35	17.35
Vehicles owned ¹	-	-	-	-	1	1	1	1	1	1
WATER:										
Water mains (miles) ³	12	12	12	12	12	12	12	12	12	12
Fire wells	285	285	286	286	286	286	284	284	291	291
Fire hydrants ⁴	-	-	-	-	-	95	95	95	117	117
Lakes (acres) ⁵	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Canals (miles) ⁶	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0

Data Sources:

Various Town departments unless otherwise noted.

Notes:

¹ Items not presented, provided by a contractor.

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

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

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

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

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

REPORTING SECTION



2021 Town of Southwest Ranches Rural Public Arts and Design Advisory Board Photo Contest
Submitted by: Trace Moyers

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Southwest Ranches, Florida (the "Town"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated March 4, 2022.

Internal Control over Financial Reporting

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

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

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

Town of Southwest Ranches, Florida

Compliance and Other Matters

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

Purpose of this Report

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



KEEFE McCULLOUGH

Fort Lauderdale, FL
March 4, 2022

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

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

Report on the Financial Statements

We have audited the financial statements of the Town of Southwest Ranches, Florida (the “Town”), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated March 4, 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 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 4, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Town of Southwest Ranches, Florida

Financial Condition and Management

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

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

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

Additional Matters

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

Purpose of this Letter

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



KEEFE McCULLOUGH

Fort Lauderdale, FL
March 4, 2022

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

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

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

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

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

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

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

Keefe McCullough

KEEFE McCULLOUGH

Fort Lauderdale, FL
March 4, 2022



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