

DANIA BEACH
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The City of Dania Beach, Florida

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended September 30, 2022



BROWARD'S FIRST CITY
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**City of Dania Beach, Florida
Annual Comprehensive Financial Report
Fiscal Year Ended September 30, 2022
Prepared by the Finance Department**

City of Dania Beach, Florida

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INTRODUCTORY SECTION



April 26, 2023

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

Honorable Mayor and City Commissioners:

The Annual Comprehensive Financial Report of the City of Dania Beach ("City") for the year ended September 30, 2022, is hereby submitted in compliance with the City Charter and Florida Statutes. The City is required to provide annually a report on its financial position and activities that is audited by an independent firm of certified public accountants. All disclosures necessary to enable the reader to gain an understanding of the City of Dania Beach's activities have been included.

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

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

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

PROFILE OF THE GOVERNMENT

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

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

The City's location and proximity to the beach, seaport, airport, railway, and major highway systems in South Florida has made Dania Beach a prime location for redevelopment. Major projects are currently underway such as Dania Pointe, a mixed-use commercial and residential development. This is a 102-acre premier development with nearly 1 million square feet of retail and restaurants in addition to luxury apartments, hotels, Class A offices and public event space. The site boasts 1,600 linear feet of frontage on Interstate 95 with three I-95 access points, along with immediate proximity to the Fort Lauderdale-Hollywood International Airport and the Port Everglades Cruise Port. The development continues with a mix of lifestyle retail, dining, and entertainment, along with a dual Marriott/AC Marriott branded hotel and 800 ground leased residential apartment units. In addition, Spirit Airlines is currently developing 9 acres of land at Dania Pointe for a new \$250 million global headquarters, which will house employees in a ground leased corporate training residence. The recent merger of JetBlue and Spirit Airlines has not impacted development of the Spirit HQ, and the City has demonstrated its continued support of the project and is working with various state and local stakeholders to keep it in Dania Beach.

In 2021, the City established a Development/Lease Agreement with LM Restaurants to demolish the Dania Beach Grill and construct Lucky Fish, an oceanfront tiki bar restaurant concept. Lucky Fish is a proven restaurant concept, as in Pompano Beach it is extremely popular and financially successful, providing beachgoers with casual full-service outdoor atmosphere and take away options for breakfast, lunch, and dinner. The Dania Beach location will incorporate both indoor and outdoor dining options with live entertainment at a family-friendly price. The restaurant is slated to open in late 2023/early 2024 and will undoubtedly enhance the beach atmosphere and complement the other existing amenities, including the Quarterdeck Restaurant and Fishing Pier.

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

SERVICES

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

During fiscal year 2021-22, the City reclassified its Parking Enforcement Officers as Beach Rangers. The Beach Rangers monitor the conditions of the beach, pier, marina, City structures, and parking areas to ensure the beach is always in pristine condition. This includes patrol of the entire Ocean Park campus informing patrons about beach rules and regulations, the result of which is an increased quality of experience for all beachgoers.

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

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

FACTORS AFFECTING FINANCIAL CONDITION

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

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

According to the Broward County Property Appraiser's Office, the final taxable value of the City for the year ended September 30, 2022 reflected an increase of 6.08% over the prior year. The City continues to see increases in property values as well as sustained success in its redevelopment efforts, indicating a full recovery from the previous economic downturn. Current economic forecasts indicate property values are expected to increase moderately over the next few years, aided by the redevelopment activity. As the world has emerged from the throws of the Covid-19 pandemic, the outlook is strong, and the City is poised for a continuance of the growth seen in the years prior.

In 2004, the State of Florida and Broward County passed a referendum for the operation of slot machines in four pari-mutuel sites, which includes the Casino at Dania Beach. A major reconstruction of the casino was completed in 2016 complete with full entertainment options, including a casino, jai alai, dining, music, and comedy club. This has generated new revenues to the City from the slot machine gaming area.

In 2010, the Florida Legislature approved a compact with the Seminole Tribe of Florida, Inc. authorizing blackjack and other card games at five Seminole casinos, including the Seminole Hard Rock Hollywood Casino, adjacent to the City border. The City was allocated a small portion of the net earnings attributed to the Hard Rock Casino, distributed in March/April each year, based on the previous year's annual earnings through September 30th. In 2021, Florida Governor Ron Desantis signed a new gaming compact with the Seminole Tribe of Florida, Inc. that was to include both in-person and mobile sports betting. The compact was invalidated due to technical legal issues around the mobile aspect, and the Seminole Tribe halted compact payments. The City has not received revenues since 2020 but is hopeful that some form of revenue sharing will commence.

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

As mentioned earlier, the City has recovered from the effects of the Covid-19 pandemic. Since 2020, the City has received financial relief from several key legislative efforts, including the Cares Act (\$449k), FEMA (estimated \$150k), the Department of Justice (\$45.7k), and the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Fund (SLFRF). The ARPA-SLFRF provides an award of just over \$16 million, and the City has allocated the funding across several significant initiatives, with the goal of maximizing the overall economic impact of the funding and achieving necessary and beneficial results in the community.

LONG-TERM FINANCIAL PLANNING

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

Additionally, the City focuses its long-term financial planning efforts on accomplishing strategic objectives that better position the City in terms of its future financial sustainability, which also includes non-capital initiatives.

During the past year, the City has undertaken the following capital projects and strategic initiatives:

- Successfully negotiated a three-year collective bargaining agreement with AFSCME that included new employee benefits such as City paid credit protection, City paid long-term disability, increased deferred compensation from 1.8% to 3% match, and provided discounted summer child care and use of City gym
- Successfully managed the COVID strategy and response plan to align with the changing CDC guidelines, to ensure employee safety
- Implemented a robust organizational development training program for the City team, with extensive course offerings
- Completed the Dania Cove and Ocean Park drainage improvement projects
- Completed the SE 2nd Avenue Water main replacement project
- Coordinated installation of an additional 100 Florida Power and Light streetlights city wide
- Upgraded speed humps at forty locations
- Resurfaced three miles of roadway city wide
- Completed design for IT Parker Center renovations
- Issued \$18.1 million bank loan for Parks Masterplan Phase I and began design on CW Thomas Park and selected Construction Manager at Risk (CMaR)
- Designed Frank C. "Tootie" Adler Park FRDAP grant project and entered bid/construction phase

- Negotiated with School Board of Broward County for shared use agreement at Olsen Middle School vacant property
- Implemented Internal Services Funds for Fleet Services, Facilities Maintenance, and Information Technology to enhance the delivery of its internal services
- Began network infrastructure reconfiguration and the installation of standardized network switches
- Engaged a consultant to begin the Information Technology Master Plan
- Executed the Lucky Fish Restaurant development agreement
- Pursued annexation of .2 acres from Hollywood for Ocean Park Development
- Settled 75% of all outstanding tort litigation claims
- Entered into stipulated agreements and settlement agreements with code violators and pursued tax deed sale surplus of over \$351,100.
- Created and launched the City's first Public Art Advisory Board
- Submitted Future Land Use Amendment application to Broward County for the replenishment of dwelling units in the Regional Activity Center
- Successfully implemented sea turtle lighting monitoring program ensuring full compliance with City, County and State regulations
- Amended City regulations on Bulk Trash and associated violation fees
- Processed and adopted Property Rights Element to the City's Comprehensive Plan, fulfilling a state mandate
- Processed several text amendments updating the City's Land Development Code

RELEVANT FINANCIAL POLICIES

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

Revenue Policy

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

Cash Management and Investment Policy

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

For fiscal year 2022, idle cash was invested in banks and local government investment pools, including the Florida Prime Local Government Surplus Trust Fund and FLCLASS. Additionally, the City procured the services of Public Trust Advisors to manage the City's reserves and establish investment portfolios that take advantage of the current interest rate environment and maximize returns with a comprehensive strategy that focuses primarily on preservation of principal.

Debt Policy

The City seeks to maintain the highest potential bond rating to minimize borrowing costs. Debt is issued when necessary to finance capital projects but is never used for current operations. The City reviews and evaluates its existing obligations and future borrowing needs regularly. The City continues to evaluate the market for bond refinancing opportunities that could potentially provide an economic gain to the City. During fiscal year 2022, the completed financing phase I of the Parks

Masterplan, beginning with reconstruction of CW Thomas Park, through issuance of an \$18.1 million bank loan. The City also issued a \$1.3 million bank loan for a comprehensive street lighting project.

Fund Balance and Reserves Policy

The City adopted a target fund balance policy for the City’s General Fund, establishing 25% of annual budgeted expenditures as a minimum unassigned fund balance to maintain. The City established this policy to ensure adequate cash flow is available for general cash flow needs, competitive borrowing rates, significant or unknown economic uncertainties or revenue shortfalls, and for unforeseen emergency expenditures. The City Commission has placed several commitments and assignments using the General Fund to provide resources for an array of items including capital projects and emergency disaster recovery.

Sustainability

Located in coastal South Florida, the City is vulnerable to the effects of climate change and sea level rise. The City has spent the past several years focusing system-wide improvements to its stormwater and drainage infrastructure. The City is currently preparing a Stormwater Master Plan which will provide a roadmap for future drainage projects and investments that will protect public and private property, ensuring minimal disruption to the community.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dania Beach for its Annual Comprehensive Financial Report for the year ended September 30, 2021. This was the thirty-second (32nd) consecutive year that the City has received this prestigious award. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized Annual Comprehensive Financial Report (ACFR). This report satisfied both US GAAP and applicable legal requirements.

A Certificate of Achievement is valid for one year only. The Finance Department believes that the September 30, 2022 ACFR continues to meet the award program’s requirements, and will be submitted to the GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,



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



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Dania Beach
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morill

Executive Director/CEO



CITY OFFICIALS

CITY COMMISSION

Mayor: Tamara James

Vice Mayor: Marco Salvino, Sr.

Commissioner: Joyce L. Davis

Commissioner: Lori Lewellen

Commissioner: Lauren Odman

CITY MANAGER

Ana M. Garcia, ICMA-CM

CITY ATTORNEY

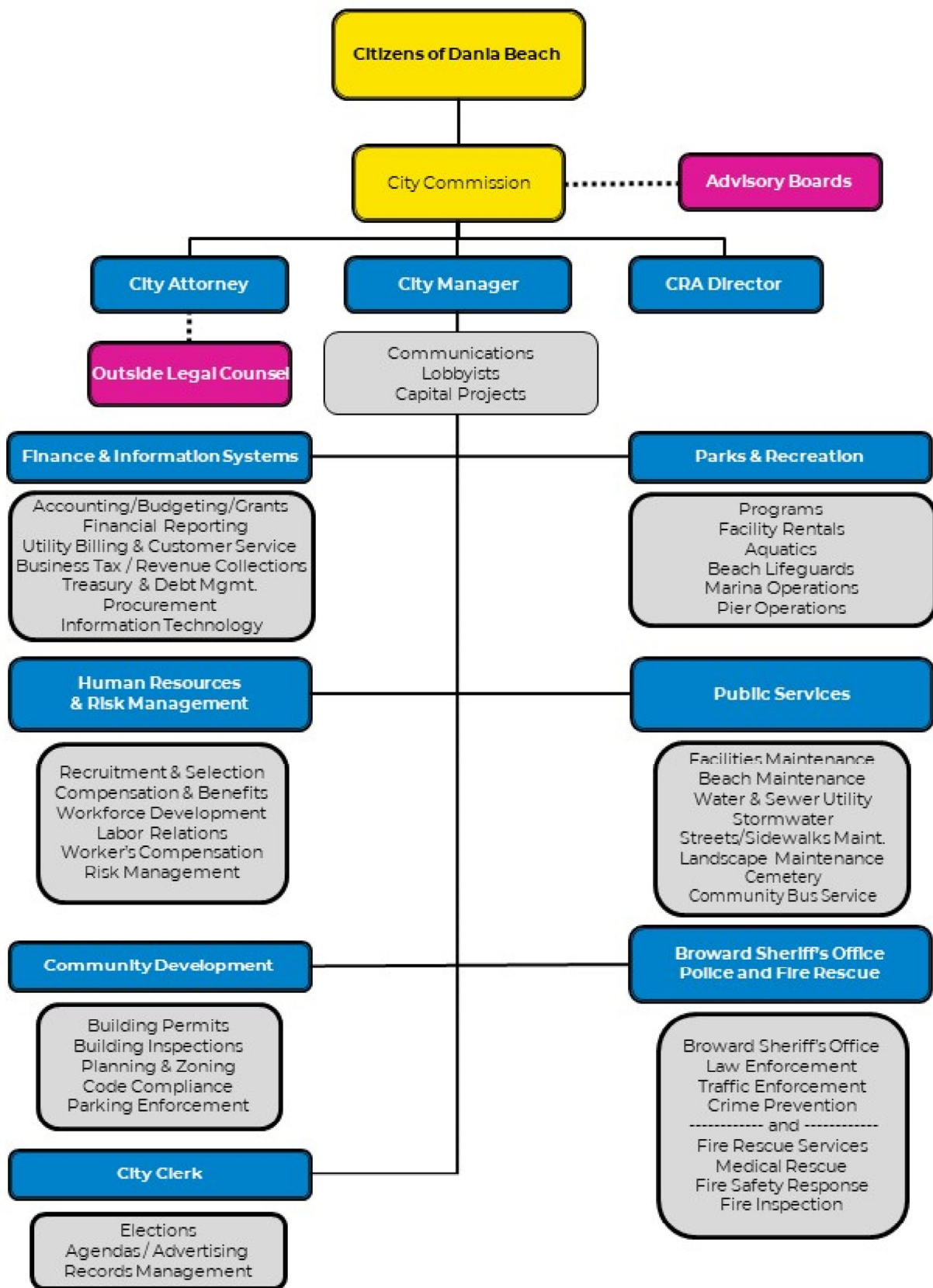
Eve A. Boutsis

CHIEF FINANCIAL OFFICER

Frank DiPaolo CPA, CGMA, SHRM-CP

DEPUTY FINANCE DIRECTOR

Adam Segal CPA, FCCA, CFE



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Dania Beach, Florida (the "City"), as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2022, 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.

We did not audit the financial statements of the City's Police and Firefighters' Pension Fund, which represent 67%, 67%, and 69%, respectively, of the assets, net position, and additions of the Fiduciary Funds as of September 30, 2022. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City's Police and Firefighters' Pension Fund, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standard 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

CPA's + Trusted Advisors

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually, or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, budgetary comparison schedules, and the schedules related to pensions and other post-employment benefits on pages 5 through 19 and 83 through 103, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 statement. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The accompanying combining and individual nonmajor fund financial statements, budgetary comparison schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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, budgetary comparison schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

City of Dania Beach, Florida

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2023, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control over financial reporting and compliance.



KEEFE MCCULLOUGH

Fort Lauderdale, Florida
April 26, 2023

As management of the City of Dania Beach, we offer readers this overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2022. The City's financial statements are designed to provide readers with easy to understand information and analysis of the City's financial activities based on currently known facts, decisions and conditions. This section is specifically designed to assist the reader in focusing on significant financial issues, changes in the City's financial position, and material deviations from the approved budget, and also to identify each individual funds issues and concerns. We encourage the reader to consider the information presented here in conjunction with the information provided in the letter of transmittal which can be found at the beginning this report.

Financial Highlights

- The City's net position at the close of the fiscal year is \$152.6m. Of this amount, \$92.8m is unrestricted net position to be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$28m as a result of this year's operations.
- At the end of the current fiscal year, governmental funds reported a combined ending fund balance of \$89.5m. Approximately 29.1% of that amount or \$26m, is unassigned and available for spending at the City's discretion.
- The City's total debt increased by \$17.7m (108%) during the current fiscal year.
- The City's business-type activities reported total net position of \$59.6m which is an increase of \$5m or 9.1%, in comparison to the prior year. Approximately 49.4% of the total or \$29.4m is unrestricted.
- City-wide depreciation expense recorded during the year amounted to \$5.0m. Total net investment in capital assets was \$42.9m at year-end, reflecting a net decrease of \$17.3m from 2021.

Overview of the Financial Statements

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

City of Dania Beach, Florida
Management’s Discussion and Analysis (Unaudited)
September 30, 2022

Components of the Financial Section

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

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

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

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

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

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

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

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

The City maintains fifteen (15) individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet, Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the major funds: General Fund, Grants Fund, Community Redevelopment Agency Fund, Building Fund, Debt Service Fund, and the Capital Projects Fund. Information from the other (non-major) governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these other governmental funds is provided in the form of combining statements.

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

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

The City also uses internal service funds (the other component of proprietary funds) to report the City's internal costs, which provide services between departments on a cost reimbursement basis. The City uses internal service funds to account for its Facilities Maintenance activities that provides equipment and maintenance services to other departments, Fleet Maintenance to service the City's vehicles, and Information Technology (I.T) to provide I.T services to the various departments within the City.

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

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

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

City of Dania Beach, Florida
Management's Discussion and Analysis (Unaudited)
September 30, 2022

The following schedule is a summary of the fiscal year 2022 Statement of Net Position with comparative information for fiscal year 2021. The schedule presents net position, defined as the difference between the City's assets and deferred outflows and liabilities and deferred inflows, as a way to measure the City's overall financial health.

Comparative Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 113,736,684	\$ 62,429,006	\$ 43,666,057	\$ 40,175,465	\$ 157,402,741	\$ 102,604,471
Capital assets	<u>40,991,001</u>	<u>42,330,864</u>	<u>36,008,512</u>	<u>34,336,939</u>	<u>76,999,513</u>	<u>76,667,803</u>
Total assets	<u>154,727,685</u>	<u>104,759,870</u>	<u>79,674,569</u>	<u>74,512,404</u>	<u>234,402,254</u>	<u>179,272,274</u>
Total deferred outflows of resources	<u>6,383,389</u>	<u>11,469,181</u>	<u>1,677,345</u>	<u>2,001,452</u>	<u>8,060,734</u>	<u>13,470,633</u>
Current liabilities	10,021,962	11,940,453	2,220,380	2,620,851	12,242,342	14,561,304
Long-term liabilities:						
Due in less than one year	1,306,358	915,569	1,177,761	1,160,640	2,484,119	2,076,209
Due in more than one year	<u>37,268,992</u>	<u>19,919,517</u>	<u>11,430,167</u>	<u>13,275,288</u>	<u>48,699,159</u>	<u>33,194,805</u>
Total liabilities	<u>48,597,312</u>	<u>32,775,539</u>	<u>14,828,308</u>	<u>17,056,779</u>	<u>63,425,620</u>	<u>49,832,318</u>
Total deferred inflows of resources	<u>19,545,052</u>	<u>13,407,409</u>	<u>6,908,420</u>	<u>4,831,164</u>	<u>26,453,472</u>	<u>18,238,573</u>
Net position:						
Net investment in capital assets	16,064,312	36,130,161	26,846,684	24,116,355	42,910,996	60,246,516
Restricted	13,630,990	9,682,079	3,330,626	3,291,443	16,961,616	12,973,522
Unrestricted	<u>63,273,408</u>	<u>24,233,863</u>	<u>29,437,876</u>	<u>27,218,115</u>	<u>92,711,284</u>	<u>51,451,978</u>
Total net position	<u>\$ 92,968,710</u>	<u>\$ 70,046,103</u>	<u>\$ 59,615,186</u>	<u>\$ 54,625,913</u>	<u>\$ 152,583,896</u>	<u>\$ 124,672,016</u>

The overall financial position of the City increased by \$28.0m to \$153m during fiscal year 2022. Unrestricted net position increased by \$41.3m due to an increase to the net pension asset, a decrease in the net other post-employment benefits (OPEB) liability, and an overall increase in cash due to the results of operations. The change in net position over time is a good and useful indicator of financial position. Key elements of the reconciliation of the statements are that the government-wide statement of activities reports the issuance of debt as a liability, the purchases of capital assets as assets, which are then charged to expense over their useful lives through annual depreciation charges and changes in long-term liabilities as adjustments of expenses. Conversely, the governmental fund statements report the issuance of debt as an other financing source of funds, the repayment of debt and the purchase of capital assets as expenditures, and changes in long-term liabilities are not reported in the fund financial statements.

The majority of the City's total net position (28.1%) is in capital assets, such as land, construction in progress, buildings and improvements, and infrastructure such as roads, parks and utility, furniture, fixtures and equipment, less any related debt outstanding that was used to acquire those assets. This capital investment decreased significantly in the current year, since the City issued \$19.4 million in related debt. The City uses capital assets to provide basic services to residents and foster a vibrant business climate. Although City investments in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources because it is unlikely that these capital assets would be sold or liquidated.

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

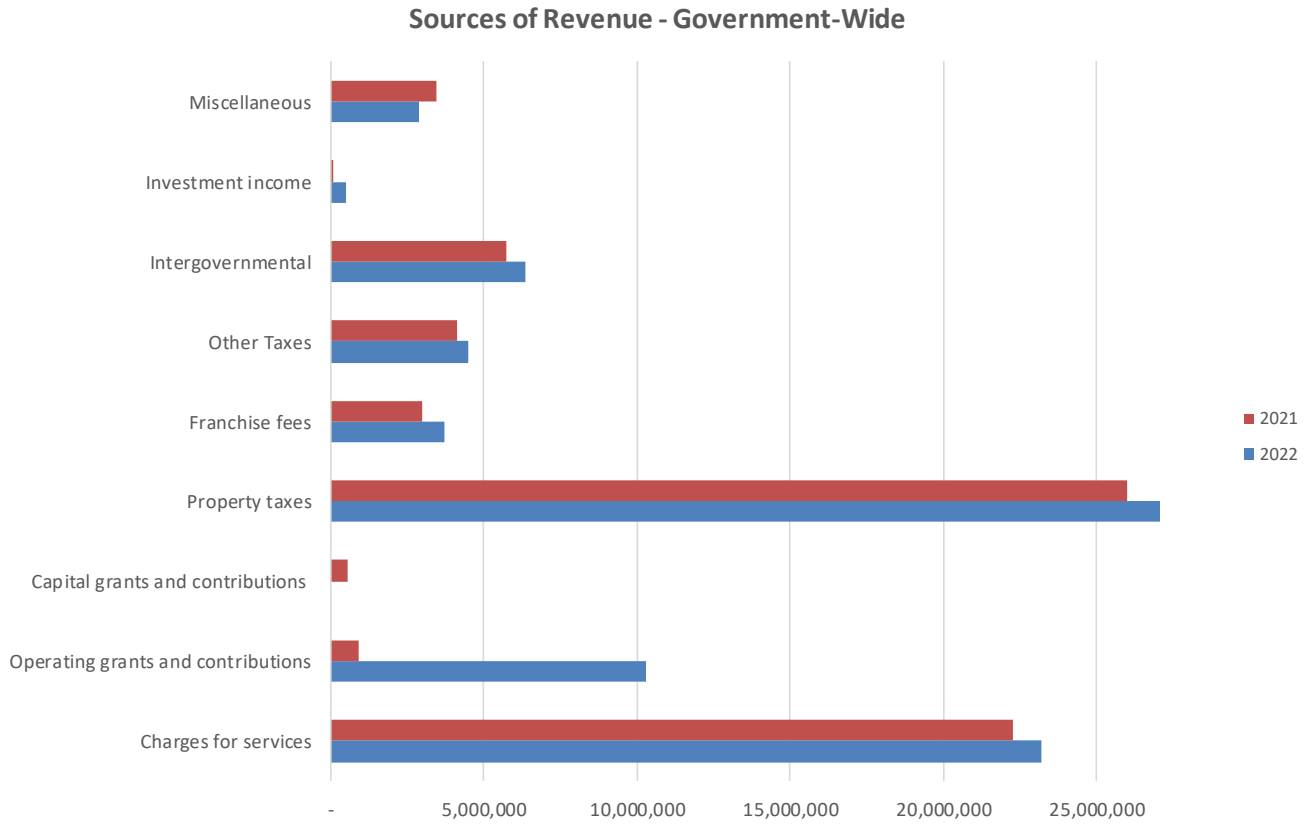
The following schedule is a summary of the fiscal year 2022 Statement of Activities compared to 2021.

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 23,176,084	\$ 22,247,535	\$ 19,340,834	\$ 17,523,408	\$ 42,516,918	\$ 39,770,943
Operating grants and contributions	10,275,331	904,290	-	-	10,275,331	904,290
Capital grants and contributions	-	538,960	180,753	-	180,753	538,960
General revenues:						
Property taxes	27,419,983	26,015,122	-	-	27,419,983	26,015,122
Franchise fees	3,722,150	2,997,119	-	-	3,722,150	2,997,119
Utility taxes	4,472,143	4,115,707	-	-	4,472,143	4,115,707
Intergovernmental	6,362,622	5,708,915	-	-	6,362,622	5,708,915
Miscellaneous	2,875,210	3,467,303	1,272,044	1,789,113	4,147,254	5,256,416
Investment income	515,117	86,292	109,320	68,416	624,437	154,708
Total revenues	78,818,640	66,081,243	20,902,951	19,380,937	99,721,591	85,462,180
Expenses:						
Program Expenses:						
General government	11,497,112	6,807,756	-	-	11,497,112	6,807,756
Public safety	33,610,952	34,699,279	-	-	33,610,952	34,699,279
Highway and streets	3,473,010	773,140	-	-	3,473,010	773,140
Physical environment	4,734,204	2,872,389	-	-	4,734,204	2,872,389
Community redevelopment	1,793,884	4,046,214	-	-	1,793,884	4,046,214
Culture and recreation	3,859,131	629,444	-	-	3,859,131	629,444
Interest on long-term debt	219,432	165,373	-	-	219,432	165,373
Water	-	-	3,788,629	6,662,228	3,788,629	6,662,228
Sewer	-	-	5,833,831	4,466,630	5,833,831	4,466,630
Stormwater	-	-	1,012,388	1,537,868	1,012,388	1,537,868
Marina	-	-	497,043	785,320	497,043	785,320
Parking	-	-	515,581	1,052,650	515,581	1,052,650
Pier operations	-	-	974,514	398,172	974,514	398,172
Total expenses	59,187,725	49,993,595	12,621,986	14,902,868	71,809,711	64,896,463
Change in net position before transfers	19,630,915	16,087,648	8,280,965	4,478,069	27,911,880	20,565,717
Transfers	3,291,692	3,216,613	(3,291,692)	(3,216,613)	-	-
Increase in net position	22,922,607	19,304,261	4,989,273	1,261,456	27,911,880	20,565,717
Net position-beginning	70,046,103	50,741,842	54,625,913	53,364,457	124,672,016	104,106,299
Net position-ending	\$ 92,968,710	\$ 70,046,103	\$ 59,615,186	\$ 54,625,913	\$ 152,583,896	\$ 124,672,016

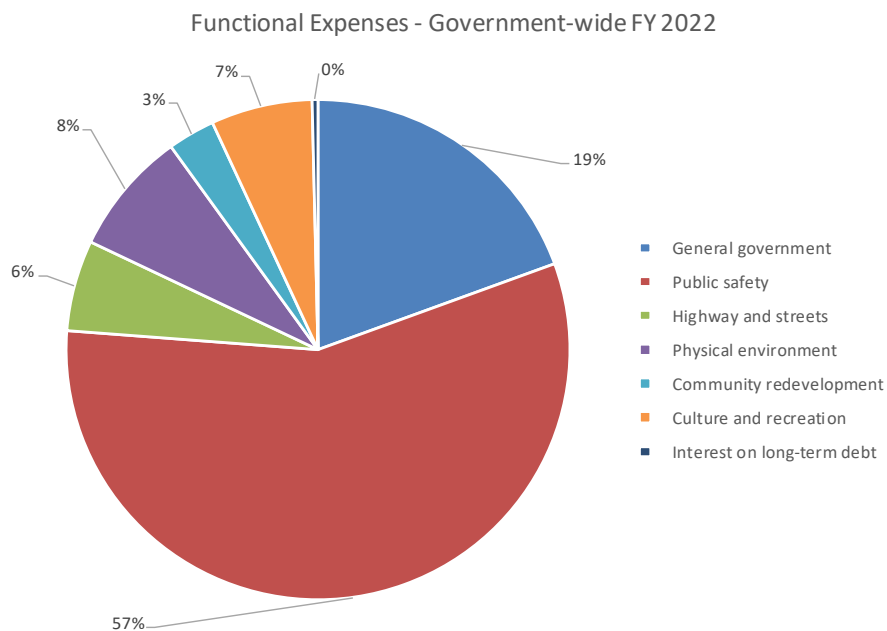
GOVERNMENTAL ACTIVITIES

Governmental activities increased the City's net position by a total of \$19.6m for the fiscal year on an operating basis, before transfers. Governmental revenues increased by \$12.7m over the prior year, primarily due to the recognition of \$10 million in American Rescue Plan Act (ARPA) grant revenues. Expenses also increased by a total of \$9.1m from the prior year as the net effect of fluctuations across all functions. The overall increase in net position is also the result of recording a net pension asset of \$9.2m and broadly positive results of operations within the individual funds.

The chart below illustrates the distribution of program and general revenues for governmental activities for fiscal year 2022 and 2021:



The pie chart below illustrates the program expenses for governmental activities for the year ended September 30, 2022:



BUSINESS-TYPE ACTIVITIES

The City operates six business-type activity funds. The combined result of these funds shows positive operating income of approximately \$8.2m, which was an increase of \$3.6m from the prior year, primarily due to the following reasons:

- Water Fund operations reflect an increase of approximately \$969k in net position. Operating income increased to \$2.5m. Unrestricted net position of the Water Fund shows a balance of approximately \$2.6m reflecting a slight increase of approximately \$300k from the prior year due to a decrease in the OPEB and net pension liabilities. Investments in other capital infrastructure improvements, net of debt, increased from the prior year slightly to a total \$9.5m as the value of newly constructed or acquired assets exceeds depreciation of existing assets, along with a decrease in the debt used to finance those assets.
- The Sewer Fund experienced an increase in net position of approximately \$464k as a result of positive operating results. Unrestricted net position of the Sewer Fund totaled approximately \$15.1m reflecting an increase of approximately \$163k from the prior year due to an increase in the net investment in capital assets.
- The Stormwater Fund experienced an increase in net position of approximately \$1.7m, primarily due to an increase in the assessment rate to provide funding for capital improvements. Unrestricted net position of the Stormwater Fund increased by approximately \$460k due to a reduction in both current and long-term liabilities.
- The Pier Operations Fund had operating revenues of approximately \$987k. The Pier Fund also accounts for rental income from the pier restaurant, which has continued to perform well since the Covid-19 mandated closures in 2020 have been removed.
- The Marina Fund, one of the City's two nonmajor business-type funds, is operated by Westrec Marinas (now a wholly owned subsidiary of Suntex Marinas) and income before transfers decreased from \$430k to \$336k due to higher operating expenses than the prior year.
- The Parking Fund, the other nonmajor business-type fund, continues to experience strong collections with operating revenues totaling nearly \$2.1m. Revenues are derived almost entirely from beach parking fees and fines from enforcement, and both were higher than the prior year. The City has recently seen explosive growth in beach visitors and continues to strategize its effective management of this economic engine. Downtown development initiatives by the City and CRA continue to work toward developing demand and use of the downtown parking garage. Operating costs for both the beach and downtown garage areas are reflected in this fund.

Financial Analysis of the City's Funds

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

City of Dania Beach, Florida
Management’s Discussion and Analysis (Unaudited)
September 30, 2022

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

As of September 30, 2022, the City’s governmental funds reported combined ending fund balances of \$89.5m, an increase of \$38.9m from the prior year. Approximately 29.1% or \$26m of the ending balance is unassigned, and available for spending at the City’s discretion, with \$8.8m assigned by City management for disaster recovery uses. A balance of \$31.4m is committed for capital projects, \$1.3m for community redevelopment, \$1.8m for City cemetery and tree preservation use, and \$6.3m for various other committed purposes. The remaining restrictions (\$13.6m) are restricted for specific use by laws, debt covenants, and grant agreements.

In addition, \$239k is non-spendable.

Below is the analysis of the fund balance for fiscal year 2022:

	General Fund	Capital Projects Fund	Other Governmental Funds	Total
Fund balances,				
September 30, 2021	\$ 39,797,912	\$ 1,814,426	\$ 8,959,901	\$ 50,572,239
Revenues	67,836,919	130,287	10,851,434	78,818,640
Expenditures	(48,375,388)	(1,148,605)	(8,829,742)	(58,353,735)
Other financing sources (uses)	(15,198,814)	31,718,202	1,923,437	18,442,825
Fund balances,				
September 30, 2022	44,060,629	32,514,310	12,905,030	89,479,969
Nonspendable	(238,563)	-	-	(238,563)
Restricted	(7,082,598)	-	(6,548,392)	(13,630,990)
Committed	(1,899,497)	(32,514,310)	(6,356,638)	(40,770,445)
Assigned	(8,812,126)	-	-	(8,812,126)
Unassigned	\$ 26,027,845	\$ -	\$ -	\$ 26,027,845

General Fund: The General Fund is the chief operating fund of the City. As of September 30, 2022, the fund balance of the General Fund increased by \$4.3m to a total of \$44m. Total General Fund revenues increased by approximately \$12.7m to a total of \$67.8m, primarily due to a significant increase in grant revenues. Expenditures decreased by \$4.8m from fiscal year 2021 to a total of \$48.4m in 2022, reflecting significant decreases in public safety pension costs and other expenditures.

City of Dania Beach, Florida
Management's Discussion and Analysis (Unaudited)
September 30, 2022

Revenues

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

	Current year 9/30/22	1 year ago 9/30/21	2 Years Ago 9/30/20	3 Years Ago 9/30/19	Change Over Past 3 Years	Change Percentage
General Fund Revenues:						
Ad valorem taxes	\$ 27,419,983	\$ 26,015,122	\$ 25,434,453	\$ 24,372,949	\$ 3,047,034	12.50%
Special assessments	6,937,076	6,789,857	6,333,454	6,316,109	620,967	9.83%
Franchise taxes	3,478,818	2,997,119	2,841,162	2,936,311	542,507	18.48%
Utility taxes	4,472,143	4,115,707	4,065,872	4,108,466	363,677	8.85%
Licenses and permits	2,916,771	2,893,578	1,573,630	1,982,035	934,736	47.16%
Intergovernmental	6,938,527	6,252,155	5,268,361	5,748,048	1,190,479	20.71%
Charges for services	2,779,296	2,432,158	4,648,344	4,649,862	(1,870,566)	(40.2%)
Fines and forfeitures	265,719	296,523	453,882	496,691	(230,972)	(46.5%)
Investment income	120,760	73,653	456,670	1,025,022	(904,262)	(88.2%)
Grants	10,230,366	558,184	2,090,112	-	10,230,366	100.00%
Miscellaneous	2,277,460	2,675,238	1,827,197	2,024,377	253,083	12.50%
Total revenues	\$ 67,836,919	\$ 55,099,294	\$ 54,993,137	\$ 53,659,870	\$ 14,177,049	26.42%

The increase in ad valorem taxes has been steady due to sustained increases in property values and new development coming on to the tax roll. For the current and last three fiscal years the City adopted a millage rate of 5.9998 mils. Property values continue to grow and are the highest ever seen in the City's history, as construction and development activity continues. Projects continue to move forward; however, license and permit revenues have leveled off as the City is currently seeking authorization from both Broward County and the State of Florida for additional Regional Activity Center (RAC) development units. Non-ad valorem assessment rates for fire rescue services increased for fiscal year 2022 primarily due to the increase in the fire rescue contract with Broward Sheriff's Office, as well as a revision to the rate methodology that resulted in a more equitable sharing of costs between property types. Grant revenues increase by \$9.7 million due to the recognition of \$10 million in Federal ARPA grant revenue, as previously mentioned. Intergovernmental revenues increased as a result of continued growth of State Shared Revenues and Half Cent Sales Tax. Franchise and utility taxes also increased as continued development of higher density commercial and residential properties is increasing the utility customer base. Investment income increased slightly but is still far below levels seen before the Federal Reserve cut its target for the Federal Funds Rate in response to the Covid-19 pandemic, seeking to increase liquidity in the lending markets. It is anticipated that interest rates will be increased during FY2023 resulting in stronger returns on City investments as interest rates have been on the rise and the City has engaged the services of a qualified investment advisor to manage its reserve portfolio.

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

	Current Year 9/30/22	1 Year Ago 9/30/21	2 Years Ago 9/30/20	3 Years Ago 9/30/19	Change Over Past 3 Years	Change Percentage
General Fund Expenditures:						
General government	\$ 7,876,515	\$ 8,757,497	\$ 8,349,044	\$ 7,321,171	\$ 555,344	7.59%
Public safety	30,882,505	35,105,459	34,883,422	33,616,978	(2,734,473)	(8.1%)
Highways and streets	2,961,279	2,112,637	2,041,909	2,361,886	599,393	25.38%
Physical environment	2,015,743	3,051,208	5,282,627	5,127,398	(3,111,655)	(60.7%)
Community development	567,034	576,034	629,069	733,420	(166,386)	(22.7%)
Culture and recreation	4,072,312	3,606,710	3,213,951	3,448,266	624,046	18.10%
Total expenditures	\$ 48,375,388	\$ 53,209,545	\$ 54,400,022	\$ 52,609,119	\$ (4,233,731)	-8.05%

General Government decreased due to a reduction in operating expenditures.

- Public safety costs were lower than the prior year due to a significant decrease in public safety pension costs.
- Highways and streets increased due to larger investments in both maintenance and capital expenditures.
- Community development decreased only slightly from the prior year reflective of stability in operations.
- Culture and recreation costs increased from the prior year due to an increase in personnel and capital expenditures.

Other Major Governmental Funds: The Capital Projects Fund received inter-fund net transfers of \$13.7m during fiscal year 2022 for use on various governmental capital purchases and improvements approved by the City Commission. Capital expenditures totaled approximately \$1.15m, which included funding from projects approved in the prior year. Expenditures were made for an array of approved projects including the traffic calming and beautification on NW 1st Street, expenditures to energize City light poles for holiday lighting displays, and renovations to the City Hall West Wing.

The CRA Fund received net transfers of approximately \$1.0m from the General Fund. Typically, Community Redevelopment Agencies receive tax increment financing from both the County and City. However, upon its inception, the City's CRA was not approved by the County to receive any tax increment financing and therefore, receives nearly all of its operational funding from City General Fund transfers. Expenditures of the CRA totaled \$1.3m, which included all personnel of the CRA, operations of the Patch neighborhood garden, and the promotion of the local business economy through various means, such as matching grants for local business improvements. The CRA conducts monthly Dania After Dark events and the annual Arts and Seafood Celebration that attracts thousands of people over two days at Frost Park.

The Grant Fund reported expenditures of \$352k during fiscal year 2022 related to the FEMA grant for hardening Fire Station 1 and CDBG 45th Year streetscape improvements.

The Debt Service Fund received approximately \$852k in transfers from the General Fund to pay down various debt obligations.

The Building Fund reported \$6.2m in revenues and had expenditures of \$3.3m during fiscal year 2022, including inter-fund net transfers of \$(1.2m), in accordance with the City's cost allocation program.

Proprietary Funds: The fund financial statements for the proprietary funds provide essentially the same type of information found in the government-wide financial statements, only in more detail. There are six proprietary funds for fiscal year 2022: Water, Sewer, Stormwater, Pier Operations, Parking and Marina Fund. The net changes in these funds have already been addressed in the discussion of the City's business-type activities.

At the end of fiscal year 2022 the City's internal service funds had assets of \$1.9 million, as well as liabilities of \$282 thousand. Ending net position was \$1.6 million.

General Fund Budgetary Highlights

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

The adopted budget included appropriation of General Fund reserves totaling \$566k for several projects and initiatives. During the year, reserves in the amount of \$2.98m were appropriated to cover the City’s match for FEMA hardening grants (\$872k), funding for a Citywide speed hump project (\$88k), to cover costs related to the Jai Alai litigation (\$175k), funding to cover an increase in the cost for security services at City facilities (\$137k), additional funding for the “Tootie” Adler Park FRDAP grant project (\$434k), and the rollover of encumbrances and capital project funding from the prior year (\$1.08m). Finally, the City Commission also approved appropriating funding to cover several other purposes and initiatives totaling (\$189k).

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

Capital Assets and Debt Administration

Capital assets: The City of Dania Beach total capital assets for Governmental and Business-Type Activities as of September 30, 2022 amount to approximately \$77m (net of accumulated depreciation), representing an increase of \$332k from last year’s balance (depreciation of existing assets exceeded new asset additions). The City's investment in capital assets includes land, construction in progress, buildings and improvements, infrastructure, utility system, furniture, fixtures and equipment.

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

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 16,184,221	\$ 16,184,221	\$ 220,976	\$ 220,976	\$ 16,405,197	\$ 16,405,197
Utility system	-	-	26,483,178	27,829,888	26,483,178	27,829,888
Buildings	9,019,477	9,985,286	2,336,277	2,584,426	11,355,754	12,569,712
Equipment	1,622,353	1,716,769	2,559,923	1,382,338	4,182,276	3,099,107
Infrastructure	12,851,174	13,669,079	-	-	12,851,174	13,669,079
Construction in progress	1,313,776	775,509	4,408,158	2,319,311	5,721,934	3,094,820
Total	\$ 40,991,001	\$ 42,330,864	\$ 36,008,512	\$ 34,336,939	\$ 76,999,513	\$ 76,667,803

In the governmental funds, major additions included completion of the multimodal improvements at NW 1st Street, a number of replacement fleet vehicles, replacement of an aging lifeguard tower, and SE 5th Avenue crosswalk improvements.

Long-term debt: As of September 30, 2022, the City had a total outstanding debt of approximately \$34.1m. This debt consists of general obligation bonds secured by ad valorem revenues, as well as other debt secured by sales tax, non-ad valorem revenues, utility revenues and various other sources.

City of Dania Beach, Florida
Management’s Discussion and Analysis (Unaudited)
September 30, 2022

The City’s debt total increased by a net amount of \$17.7m during FY2022 due to the issuance of \$19.4m in a bank loan and revenue note for capital projects, less the regular pay down of existing debt. Additional information on the City’s debt and other long-term liabilities can be found in Note 7 of the notes section of this report.

Outstanding Long Term Debt at Year-End

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Sales tax bonds	\$ 175,000	\$ 345,000	\$ -	\$ -	\$ 175,000	\$ 345,000
General obligation bonds	5,346,689	5,855,703	-	-	5,346,689	5,855,703
Revenue note	1,345,000	-	-	-	1,345,000	-
Bank loan payable	18,060,000	-	1,230,000	1,380,000	19,290,000	1,380,000
State revolving loan	-	-	7,931,828	8,840,584	7,931,828	8,840,584
Total	\$ 24,926,689	\$ 6,200,703	\$ 9,161,828	\$ 10,220,584	\$ 34,088,517	\$ 16,421,287

Economic Factors and Next Year’s Budgets and Rates

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

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

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

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

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

The City is also investing in its own facilities, ensuring not only that buildings are safe for occupancy by its employees and the public, but provide a clean and desirable space to conduct City business and hold public events. The City has undertaken hardening projects at several major facilities through the FEMA Hazard Mitigation Grant Program (HMGP). The City has also invested in the West Wing area of City Hall, providing an additional 2,500 square feet utilized by the City Commission and Department of Human Resources. All parks continue to see improvements, including smaller updates like replacement of play equipment as well as the major reconstruction of CW Thomas Park. Lastly, the creation of internal service funds for its management of its Facilities Maintenance, Fleet Services, and Information Technology has solidified its commitment to ensuring that resources are available for the maintenance and improvement of its critical infrastructure.

The City continues to undertake projects that aim to rehabilitate or improve its water, sewer, and stormwater systems. The Public Services Division works to identify areas of the water distribution system that are either aging or cannot provide the water pressure needed to service customers. The City has undertaken one such project involving an 8,000 linear foot section that was replaced at a cost of approximately \$2 million. The City also received a \$3.9 million FEMA grant to rehabilitate a number of its sewer lift stations. Drainage is a significant concern throughout the City and it has recently completed projects at Ocean Park and Dania Cove, is making progress in the Southeast area of the City, and several other streets in the Southwest area are completed or underway including SW 37th Terrace, SW 54th Court, SW 43rd Terrace, SW 37th Terrace, and SW 34th Terrace.

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

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

The economy has continued to improve, and City property values increased by 12.52% for the fiscal year 2022-23 budget. The City has adopted the same millage rate of 5.9998 and therefore, received an increase in ad valorem tax revenues. This is a result of the increase in private development and a growing property tax base. A cautious approach to additional City infrastructure improvements is warranted to ensure funds are generally being used from annual recurring resources without depleting unassigned fund balance. Examining funding levels for annual economic development initiatives, capital improvements and prudent fiscal restraint in discretionary costs will aid Dania Beach in maintaining a stable financial position in coming years.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

City of Dania Beach, Florida
Statement of Net Position
September 30, 2022

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Assets:			
Cash, cash equivalents, and investments	\$ 97,327,476	\$ 37,586,984	\$ 134,914,460
Receivables			
Franchise, utility and other taxes	785,077	-	785,077
Customer/other, net	445,798	2,373,565	2,819,363
Lease	3,686,037	3,749,345	7,435,382
Internal balances	917,623	(917,623)	-
Due from other governments	1,200,940	-	1,200,940
Inventory and prepaid items	107,056	120,302	227,358
Property held for resale	90,199	-	90,199
Restricted cash, cash equivalents and investments	-	509,513	509,513
Net pension asset	9,176,478	243,971	9,420,449
Capital assets not being depreciated	17,497,997	4,629,134	22,127,131
Capital assets being depreciated	23,493,004	31,379,378	54,872,382
	<u>154,727,685</u>	<u>79,674,569</u>	<u>234,402,254</u>
Deferred Outflows of Resources:			
OPEB related	912,862	372,548	1,285,410
Pension related	5,470,527	1,304,797	6,775,324
	<u>6,383,389</u>	<u>1,677,345</u>	<u>8,060,734</u>
Liabilities:			
Accounts payable and accrued liabilities	2,494,940	1,147,344	3,642,284
Accrued interest payable	85,462	77,401	162,863
Due to other governments	104,746	15,346	120,092
Deposits	374,116	621,578	995,694
Unearned revenue	6,962,698	225,680	7,188,378
Other liabilities	-	133,031	133,031
Due within one year:			
Compensated absences	242,341	79,674	322,015
Current portion of long-term debt	1,064,017	1,098,087	2,162,104
Due in more than one year:			
Compensated absences	1,373,267	451,486	1,824,753
Long-term debt	23,862,672	8,063,741	31,926,413
Other post-employment benefits (OPEB)	2,012,672	862,573	2,875,245
Net pension liability	10,020,381	2,052,367	12,072,748
	<u>48,597,312</u>	<u>14,828,308</u>	<u>63,425,620</u>

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

City of Dania Beach, Florida
Statement of Net Position
(Continued)
September 30, 2022

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Deferred Inflows of Resources:			
Lease related	3,607,029	3,660,054	7,267,083
OPEB related	5,785,257	2,313,713	8,098,970
Pension related	10,152,766	934,653	11,087,419
Total deferred inflows of resources	<u>19,545,052</u>	<u>6,908,420</u>	<u>26,453,472</u>
Net Position:			
Net investment in capital assets	16,064,312	26,846,684	42,910,996
Restricted for:			
Impact fees:			
Water and sewer	-	2,821,113	2,821,113
General government	529,827	-	529,827
Recreation	3,328,052	-	3,328,052
Public safety	3,224,719	-	3,224,719
Law enforcement	73,945	-	73,945
Transportation mitigation	88,329	-	88,329
Building code costs	5,460,836	-	5,460,836
Community redevelopment	37,700	-	37,700
Grants	834,998	-	834,998
Debt service	52,584	509,513	562,097
Unrestricted	<u>63,273,408</u>	<u>29,437,876</u>	<u>92,711,284</u>
Total net position	<u>\$ 92,968,710</u>	<u>\$ 59,615,186</u>	<u>\$ 152,583,896</u>

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

City of Dania Beach, Florida
Statement of Activities
For the Year Ended September 30, 2022

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/Programs:							
Primary government:							
Governmental activities:							
General government	\$ 11,497,112	\$ 8,318,149	\$ 163,518	\$ -	\$ (3,015,445)	\$ -	\$ (3,015,445)
Public safety	33,610,952	10,218,198	10,066,848	-	(13,325,906)	-	(13,325,906)
Highways and streets	3,473,010	-	-	-	(3,473,010)	-	(3,473,010)
Physical environment	4,734,204	2,960,409	-	-	(1,773,795)	-	(1,773,795)
Community redevelopment	1,793,884	7,580	44,965	-	(1,741,339)	-	(1,741,339)
Culture and recreation	3,859,131	1,671,748	-	-	(2,187,383)	-	(2,187,383)
Interest on long-term debt	219,432	-	-	-	(219,432)	-	(219,432)
Total governmental activities	<u>59,187,725</u>	<u>23,176,084</u>	<u>10,275,331</u>	<u>-</u>	<u>(25,736,310)</u>	<u>-</u>	<u>(25,736,310)</u>
Business-type activities:							
Water	3,788,629	5,916,496	-	-	-	2,127,867	2,127,867
Sewer	5,833,831	7,144,638	-	-	-	1,310,807	1,310,807
Stormwater	1,012,388	2,896,067	-	180,753	-	2,064,432	2,064,432
Pier operations	497,043	309,066	-	-	-	(187,977)	(187,977)
Parking	515,581	1,779,288	-	-	-	1,263,707	1,263,707
Marina	974,514	1,295,279	-	-	-	320,765	320,765
Total business-type activities	<u>12,621,986</u>	<u>19,340,834</u>	<u>-</u>	<u>180,753</u>	<u>-</u>	<u>6,899,601</u>	<u>6,899,601</u>
Total primary government	<u>\$ 71,809,711</u>	<u>\$ 42,516,918</u>	<u>\$ 10,275,331</u>	<u>\$ 180,753</u>	<u>(25,736,310)</u>	<u>6,899,601</u>	<u>(18,836,709)</u>
General revenues:							
Property taxes					27,419,983	-	27,419,983
Franchise fees					3,722,150	-	3,722,150
Utility taxes					4,472,143	-	4,472,143
Unrestricted intergovernmental revenue					6,362,622	-	6,362,622
Investment income					515,117	109,320	624,437
Miscellaneous					2,875,210	1,272,044	4,147,254
Transfers					3,291,692	(3,291,692)	-
Total general revenues and transfers					<u>48,658,917</u>	<u>(1,910,328)</u>	<u>46,748,589</u>
Change in net position					22,922,607	4,989,273	27,911,880
Net position - beginning					<u>70,046,103</u>	<u>54,625,913</u>	<u>124,672,016</u>
Net position - ending					<u>\$ 92,968,710</u>	<u>\$ 59,615,186</u>	<u>\$ 152,583,896</u>

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

City of Dania Beach, Florida
Balance Sheet - Governmental Funds
September 30, 2022

	<u>Special Revenue Funds</u>				<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Grants</u>	<u>Community Redevelopment Agency</u>	<u>Building</u>				
Assets:								
Cash, cash equivalents and investments	\$ 49,106,709	\$ 1,550,332	\$ 1,462,440	\$ 5,856,153	\$ 52,584	\$ 32,636,250	\$ 4,925,920	\$ 95,590,388
Receivables, net								
Franchise, utility and other taxes	785,077	-	-	-	-	-	-	785,077
Customer/other	440,395	-	-	-	-	-	5,403	445,798
Lease	3,686,037	-	-	-	-	-	-	3,686,037
Due from other funds	936,599	-	-	-	-	-	-	936,599
Due from other governments	1,200,940	-	-	-	-	-	-	1,200,940
Inventory and prepaid items	107,056	-	-	-	-	-	-	107,056
Property held for sale	52,499	-	37,700	-	-	-	-	90,199
	<u>56,315,312</u>	<u>1,550,332</u>	<u>1,500,140</u>	<u>5,856,153</u>	<u>52,584</u>	<u>32,636,250</u>	<u>4,931,323</u>	<u>102,842,094</u>
Total assets	<u>\$ 56,315,312</u>	<u>\$ 1,550,332</u>	<u>\$ 1,500,140</u>	<u>\$ 5,856,153</u>	<u>\$ 52,584</u>	<u>\$ 32,636,250</u>	<u>\$ 4,931,323</u>	<u>\$ 102,842,094</u>
Liabilities:								
Accounts payable and accrued liabilities	\$ 1,310,915	\$ 62,158	\$ 53,918	\$ 280,902	\$ -	\$ 121,940	\$ 471,013	\$ 2,300,846
Due to other funds	-	-	2,600	9,669	-	-	421	12,690
Due to other governments	-	-	-	104,746	-	-	-	104,746
Deposits	374,041	-	75	-	-	-	-	374,116
Unearned revenue	6,962,698	-	-	-	-	-	-	6,962,698
	<u>8,647,654</u>	<u>62,158</u>	<u>56,593</u>	<u>395,317</u>	<u>-</u>	<u>121,940</u>	<u>471,434</u>	<u>9,755,096</u>
Total liabilities	<u>8,647,654</u>	<u>62,158</u>	<u>56,593</u>	<u>395,317</u>	<u>-</u>	<u>121,940</u>	<u>471,434</u>	<u>9,755,096</u>
Deferred Inflows of Resources:								
Deferred amount on lease receivables	\$ 3,607,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,607,029

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

City of Dania Beach, Florida
Balance Sheet - Governmental Funds
(Continued)
September 30, 2022

	<u>Special Revenue Funds</u>					<u>Capital Projects</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Grants</u>	<u>Community Redevelopment Agency</u>	<u>Building</u>	<u>Debt Service</u>			
Fund Balances:								
Nonspendable:								
Inventory and prepaid items	107,056	-	-	-	-	-	-	107,056
Property held for sale	52,499	-	-	-	-	-	-	52,499
Leases	79,008	-	-	-	-	-	-	79,008
Restricted for:								
General government impact fees	529,827	-	-	-	-	-	-	529,827
Recreational impact fees	3,328,052	-	-	-	-	-	-	3,328,052
Public safety impact fees	3,224,719	-	-	-	-	-	-	3,224,719
Law enforcement	-	-	-	-	-	-	73,945	73,945
Transportation mitigation	-	-	-	-	-	-	88,329	88,329
Building code costs	-	-	-	5,460,836	-	-	-	5,460,836
Debt service	-	-	-	-	52,584	-	-	52,584
Grants	-	834,998	-	-	-	-	-	834,998
Property held for sale	-	-	37,700	-	-	-	-	37,700
Committed to:								
Community redevelopment	-	-	1,328,609	-	-	-	-	1,328,609
Maintenance of cemeteries	-	-	-	-	-	-	406,449	406,449
Capital projects	-	-	-	-	-	29,214,475	2,169,751	31,384,226
Solid waste	-	-	-	-	-	-	320,868	320,868
Tree preservation	-	-	-	-	-	-	1,383,442	1,383,442
Sponsorships	-	-	-	-	-	-	3,140	3,140
Affordable Housing	1,000,000	-	-	-	-	-	-	1,000,000
Other committed funds	899,497	653,176	77,238	-	-	3,299,835	13,965	4,943,711
Assigned to:								
Disaster recovery	8,812,126	-	-	-	-	-	-	8,812,126
Unassigned	26,027,845	-	-	-	-	-	-	26,027,845
Total fund balances	<u>44,060,629</u>	<u>1,488,174</u>	<u>1,443,547</u>	<u>5,460,836</u>	<u>52,584</u>	<u>32,514,310</u>	<u>4,459,889</u>	<u>89,479,969</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 56,315,312</u>	<u>\$ 1,550,332</u>	<u>\$ 1,500,140</u>	<u>\$ 5,856,153</u>	<u>\$ 52,584</u>	<u>\$ 32,636,250</u>	<u>\$ 4,931,323</u>	<u>\$ 102,842,094</u>

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

City of Dania Beach, Florida
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
September 30, 2022

Fund Balances - Total Governmental Funds \$ 89,479,969

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

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

Governmental capital assets	\$ 101,477,182	
Less: accumulated depreciation	<u>(60,486,181)</u>	40,991,001

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

Deferred outflows of resources related to:		
Other post-employment benefits		912,862
Pensions		5,470,527

Deferred inflows of resources related to:		
Other post-employment benefits		(5,785,257)
Pensions		(10,152,766)

Net pension asset is not an available resource and, therefore, is not reported in the governmental funds. 9,176,478

Interest payable, not reported in the governmental funds (85,462)

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

Long-term debt		(24,926,689)
Net OPEB Liability		(2,012,672)
Net pension liability		(10,020,381)
Compensated absences		(1,615,608)

Internal service funds are used by managers to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position other than capital assets and long term liabilities already included above.

1,536,708

Net Position of Governmental Activities \$ 92,968,710

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

City of Dania Beach, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
For the Year Ended September 30, 2022

	<u>Special Revenue Funds</u>						<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Grants</u>	<u>Community Redevelopment Agency</u>	<u>Building</u>	<u>Debt Service</u>	<u>Capital Projects</u>		
Revenues:								
Property taxes	\$ 27,419,983	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,419,983
Special assessments	6,937,076	-	-	-	-	-	-	6,937,076
Franchise fees	3,478,818	-	-	-	-	-	243,332	3,722,150
Utility taxes	4,472,143	-	-	-	-	-	-	4,472,143
Licenses and permits	2,916,771	-	-	6,123,315	-	-	29,594	9,069,680
Intergovernmental	6,938,527	-	-	-	-	-	-	6,938,527
Charges for services	2,779,296	-	-	-	-	-	2,885,810	5,665,106
Fines and forfeitures	265,719	-	-	-	-	-	33,706	299,425
Investment income	120,760	-	1,982	8,517	21	130,287	6,059	267,626
Grants	10,230,366	-	44,965	-	-	-	-	10,275,331
Miscellaneous	2,277,460	-	96,488	27,821	-	-	1,349,824	3,751,593
Total revenues	67,836,919	-	143,435	6,159,653	21	130,287	4,548,325	78,818,640
Expenditures:								
Current operating:								
General government	7,876,515	10,350	-	-	-	751,498	-	8,638,363
Public safety	30,882,505	180,748	-	3,331,013	-	-	54,772	34,449,038
Highways and streets	2,961,279	100,664	-	-	-	260,657	-	3,322,600
Physical environment	2,015,743	-	-	-	-	-	2,824,829	4,840,572
Community redevelopment	567,034	-	1,334,259	-	-	-	34,000	1,935,293
Culture and recreation	4,072,312	60,661	-	-	-	94,151	-	4,227,124
Capital outlay	-	-	-	-	-	42,299	-	42,299
Debt service:								
Principal payments	-	-	-	-	679,014	-	-	679,014
Interest and other	-	-	-	-	219,432	-	-	219,432
Total expenditures	48,375,388	352,423	1,334,259	3,331,013	898,446	1,148,605	2,913,601	58,353,735
Excess (deficiency) of revenues over expenditures	19,461,531	(352,423)	(1,190,824)	2,828,640	(898,425)	(1,018,318)	1,634,724	20,464,905

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

City of Dania Beach, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
(Continued)
For the Year Ended September 30, 2022

	<u>Special Revenue Funds</u>					Other Nonmajor Governmental Funds	Total Governmental Funds
	General	Grants	Community Redevelopment Agency	Building	Debt Service		
Other Financing Sources (Uses):							
Transfers in	14,325,263	1,671,066	1,541,626	-	851,947	13,931,207	32,321,109
Transfers out	(30,869,077)	-	(521,935)	(1,159,308)	-	(273,005)	(33,283,284)
Debt proceeds	1,345,000	-	-	-	-	18,060,000	19,405,000
Total other financing sources (uses)	<u>(15,198,814)</u>	<u>1,671,066</u>	<u>1,019,691</u>	<u>(1,159,308)</u>	<u>851,947</u>	<u>31,718,202</u>	<u>18,442,825</u>
Net change in fund balances	4,262,717	1,318,643	(171,133)	1,669,332	(46,478)	30,699,884	38,907,730
Fund Balances - Beginning	<u>39,797,912</u>	<u>169,531</u>	<u>1,614,680</u>	<u>3,791,504</u>	<u>99,062</u>	<u>1,814,426</u>	<u>50,572,239</u>
Fund Balances - Ending	<u>\$ 44,060,629</u>	<u>\$ 1,488,174</u>	<u>\$ 1,443,547</u>	<u>\$ 5,460,836</u>	<u>\$ 52,584</u>	<u>\$ 32,514,310</u>	<u>\$ 89,479,969</u>

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

City of Dania Beach, Florida
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2022

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

Net change in fund balances - total governmental funds	\$ 38,907,730
Capital outlays, reported as expenditures in governmental funds, are shown as capital assets in the statement of net position.	1,357,286
Provision for depreciation on governmental capital assets is included in the governmental activities in the statement of net position.	(2,697,149)
The issuance of long-term debt provides current financial resources to governmental funds, however, has no effect on net position.	(19,405,000)
Repayment of debt is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position.	679,014
Certain items reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds:	
Change in net pension asset	9,176,478
Change in OPEB liability and deferral amounts	3,727,419
Change in pension liability and deferral amounts	(10,386,197)
Change in accrued interest	(1,776)
Change in compensated absences	28,094
Internal service funds are used by management to charge the costs of certain activities to individuals. The change in net position of the internal service funds is reported with the governmental funds. This does not include the change in capital assets and long-term liabilities already reported above.	<u>1,536,708</u>
Change in Net Position of Governmental Activities	\$ <u><u>22,922,607</u></u>

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

City of Dania Beach, Florida
Statement of Net Position
Proprietary Funds
September 30, 2022

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>	<u>Pier Operations</u>	<u>Nonmajor Funds</u>	<u>Total</u>	<u>Governmental Activities Internal Service Funds</u>
Assets:							
Current assets:							
Cash, cash equivalents and investments	\$ 7,565,064	\$ 16,052,955	\$ 6,889,672	\$ 1,913,733	\$ 5,165,560	\$ 37,586,984	\$ 1,737,088
Receivables, net:							
Customer/other	960,083	1,058,710	-	7,443	347,329	2,373,565	-
Lease	-	-	-	3,214,066	535,279	3,749,345	-
Inventory and prepaid items	108,991	4,342	6,969	-	-	120,302	-
Total current assets	<u>8,634,138</u>	<u>17,116,007</u>	<u>6,896,641</u>	<u>5,135,242</u>	<u>6,048,168</u>	<u>43,830,196</u>	<u>1,737,088</u>
Noncurrent assets:							
Restricted cash, cash equivalents and investments	351,263	118,318	39,932	-	-	509,513	-
Net pension asset	142,812	77,357	11,901	-	11,901	243,971	-
Capital assets not being depreciated	269,525	1,699,957	1,825,085	834,567	-	4,629,134	-
Capital assets being depreciated, net	14,912,391	3,772,304	7,723,453	583	4,970,647	31,379,378	136,504
Total noncurrent assets	<u>15,675,991</u>	<u>5,667,936</u>	<u>9,600,371</u>	<u>835,150</u>	<u>4,982,548</u>	<u>36,761,996</u>	<u>136,504</u>
Total assets	<u>24,310,129</u>	<u>22,783,943</u>	<u>16,497,012</u>	<u>5,970,392</u>	<u>11,030,716</u>	<u>80,592,192</u>	<u>1,873,592</u>
Deferred Outflows of Resources:							
OPEB related	231,595	64,271	51,195	-	25,487	372,548	-
Pension related	766,156	248,745	169,278	-	120,618	1,304,797	-
Total deferred outflows of resources	<u>997,751</u>	<u>313,016</u>	<u>220,473</u>	<u>-</u>	<u>146,105</u>	<u>1,677,345</u>	<u>-</u>
Liabilities:							
Current liabilities:							
Accounts payable and accrued liabilities	302,045	452,855	239,407	106,547	46,490	1,147,344	194,094
Accrued interest payable	43,589	11,137	3,451	-	19,224	77,401	-
Due to other funds	17,055	3,603	3,558	890,920	2,487	917,623	6,286
Due to other governments	6,519	-	-	2,518	6,309	15,346	-
Deposits	537,881	-	-	-	83,697	621,578	-
Unearned revenue	71,102	-	-	134,309	20,269	225,680	-
Other liabilities	106,627	26,404	-	-	-	133,031	-
Compensated absences	46,418	13,253	12,651	-	7,352	79,674	12,314
Current maturities of long-term debt	701,416	180,631	56,040	-	160,000	1,098,087	-
Total current liabilities	<u>1,832,652</u>	<u>687,883</u>	<u>315,107</u>	<u>1,134,294</u>	<u>345,828</u>	<u>4,315,764</u>	<u>212,694</u>

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

City of Dania Beach, Florida
Statement of Net Position
Proprietary Funds
(Continued)
September 30, 2022

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>	<u>Pier Operations</u>	<u>Nonmajor Funds</u>	<u>Total</u>	<u>Governmental Activities Internal Service Funds</u>
Noncurrent liabilities:							
Compensated absences	263,036	75,099	71,687	-	41,664	451,486	69,778
Long-term debt	4,958,045	1,338,355	697,341	-	1,070,000	8,063,741	-
Other post-employment benefits (OPEB)	488,792	143,762	143,762	-	86,257	862,573	-
Net pension liability	1,207,275	241,455	362,182	-	241,455	2,052,367	-
Total long-term liabilities	<u>6,917,148</u>	<u>1,798,671</u>	<u>1,274,972</u>	<u>-</u>	<u>1,439,376</u>	<u>11,430,167</u>	<u>69,778</u>
Total liabilities	<u>8,749,800</u>	<u>2,486,554</u>	<u>1,590,079</u>	<u>1,134,294</u>	<u>1,785,204</u>	<u>15,745,931</u>	<u>282,472</u>
Deferred Inflows of Resources:							
Lease related	-	-	-	3,133,664	526,390	3,660,054	-
OPEB related	1,492,805	404,949	288,970	-	126,989	2,313,713	-
Pension related	547,328	281,431	55,148	-	50,746	934,653	-
Total deferred inflows of resources	<u>2,040,133</u>	<u>686,380</u>	<u>344,118</u>	<u>3,133,664</u>	<u>704,125</u>	<u>6,908,420</u>	<u>-</u>
Net Position:							
Net investment in capital assets	9,522,455	3,953,275	8,795,157	835,150	3,740,647	26,846,684	136,504
Restricted for:							
Debt service	351,263	118,318	39,932	-	-	509,513	-
Impact fees	2,059,881	761,232	-	-	-	2,821,113	-
Unrestricted	2,584,348	15,091,200	5,948,199	867,284	4,946,845	29,437,876	1,454,616
Total net position	<u>\$ 14,517,947</u>	<u>\$ 19,924,025</u>	<u>\$ 14,783,288</u>	<u>\$ 1,702,434</u>	<u>\$ 8,687,492</u>	<u>\$ 59,615,186</u>	<u>\$ 1,591,120</u>

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

City of Dania Beach, Florida
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2022

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>	<u>Pier Operations</u>	<u>Nonmajor Funds</u>	<u>Total</u>	<u>Governmental Activities Internal Service Funds</u>
Operating Revenues:							
Charges for services	\$ 5,916,496	\$ 7,144,638	\$ 2,896,067	\$ 309,066	\$ 3,074,567	\$ 19,340,834	\$ -
Fines and forfeitures	-	-	-	-	270,894	270,894	-
Miscellaneous	184,667	48,575	20,728	678,068	69,112	1,001,150	17,300
Total operating revenues	<u>6,101,163</u>	<u>7,193,213</u>	<u>2,916,795</u>	<u>987,134</u>	<u>3,414,573</u>	<u>20,612,878</u>	<u>17,300</u>
Operating Expenses:							
Operations and maintenance	2,518,789	5,398,998	552,359	496,043	1,083,376	10,049,565	2,668,799
Depreciation	1,113,947	400,400	442,413	1,000	364,594	2,322,354	11,248
Total operating expenses	<u>3,632,736</u>	<u>5,799,398</u>	<u>994,772</u>	<u>497,043</u>	<u>1,447,970</u>	<u>12,371,919</u>	<u>2,680,047</u>
Operating income (loss)	<u>2,468,427</u>	<u>1,393,815</u>	<u>1,922,023</u>	<u>490,091</u>	<u>1,966,603</u>	<u>8,240,959</u>	<u>(2,662,747)</u>
Nonoperating Revenues (Expenses):							
Investment income	34,019	43,166	18,746	-	13,389	109,320	-
Interest (expense)	(155,893)	(34,433)	(17,616)	-	(42,125)	(250,067)	-
Total nonoperating revenues (expenses)	<u>(121,874)</u>	<u>8,733</u>	<u>1,130</u>	<u>-</u>	<u>(28,736)</u>	<u>(140,747)</u>	<u>-</u>
Income (loss) before transfers	<u>2,346,553</u>	<u>1,402,548</u>	<u>1,923,153</u>	<u>490,091</u>	<u>1,937,867</u>	<u>8,100,212</u>	<u>(2,662,747)</u>
Transfers and Other:							
Capital contributions (grants)	-	-	180,753	-	-	180,753	-
Transfers in	-	-	-	500,000	24,000	524,000	4,326,867
Transfers out	(1,377,488)	(938,707)	(407,977)	(104,224)	(987,296)	(3,815,692)	(73,000)
Total transfers	<u>(1,377,488)</u>	<u>(938,707)</u>	<u>(227,224)</u>	<u>395,776</u>	<u>(963,296)</u>	<u>(3,110,939)</u>	<u>4,253,867</u>
Change in net position	969,065	463,841	1,695,929	885,867	974,571	4,989,273	1,591,120
Net Position, Beginning	<u>13,548,882</u>	<u>19,460,184</u>	<u>13,087,359</u>	<u>816,567</u>	<u>7,712,921</u>	<u>54,625,913</u>	<u>-</u>
Net Position, Ending	<u>\$ 14,517,947</u>	<u>\$ 19,924,025</u>	<u>\$ 14,783,288</u>	<u>\$ 1,702,434</u>	<u>\$ 8,687,492</u>	<u>\$ 59,615,186</u>	<u>\$ 1,591,120</u>

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

City of Dania Beach, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2022

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>	<u>Pier Operations</u>	<u>Nonmajor Funds</u>	<u>Total</u>	<u>Governmental Activities Internal Service Funds</u>
Cash Flows from Operating Activities:							
Cash received from customers and users	\$ 6,025,608	\$ 7,122,960	\$ 2,916,795	\$ 663,209	\$ 3,389,907	\$ 20,118,479	\$ 17,300
Cash payments to suppliers	(1,452,194)	(5,085,062)	(512,824)	464,455	(1,413,353)	(7,998,978)	(2,468,419)
Cash payments to employees	(2,212,601)	(651,540)	(636,761)	-	(332,702)	(3,833,604)	82,092
Net cash provided by (used in) operating activities	<u>2,360,813</u>	<u>1,386,358</u>	<u>1,767,210</u>	<u>1,127,664</u>	<u>1,643,852</u>	<u>8,285,897</u>	<u>(2,369,027)</u>
Cash Flows from Noncapital Financing Activities:							
Transfers in	-	-	-	500,000	24,000	524,000	4,326,867
Transfers out	(1,377,488)	(938,707)	(407,977)	(104,224)	(987,296)	(3,815,692)	(73,000)
Net cash provided by (used in) noncapital financing activities	<u>(1,377,488)</u>	<u>(938,707)</u>	<u>(407,977)</u>	<u>395,776</u>	<u>(963,296)</u>	<u>(3,291,692)</u>	<u>4,253,867</u>
Cash Flows from Capital and Related Financing Activities:							
Proceeds from capital contributions	-	-	180,753	-	-	180,753	-
Acquisition and construction of capital assets, net	(1,115,666)	(493,902)	(1,625,539)	(664,118)	(94,702)	(3,993,927)	(147,752)
Lease payments received	-	-	-	(80,402)	(8,889)	(89,291)	-
Principal paid on long-term debt	(686,118)	(171,139)	(51,499)	-	(150,000)	(1,058,756)	-
Interest paid on long-term debt	(161,516)	(36,311)	(17,948)	-	(44,501)	(260,276)	-
Net cash provided by (used in) capital and related financing activities	<u>(1,963,300)</u>	<u>(701,352)</u>	<u>(1,514,233)</u>	<u>(744,520)</u>	<u>(298,092)</u>	<u>(5,221,497)</u>	<u>(147,752)</u>

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

City of Dania Beach, Florida
Statement of Cash Flows
Proprietary Funds
(Continued)
For the Year Ended September 30, 2022

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>	<u>Pier Operations</u>	<u>Nonmajor Funds</u>	<u>Total</u>	<u>Governmental Activities Internal Service Funds</u>
Cash Flows from Investing Activities:							
Investments on earnings	<u>34,019</u>	<u>43,166</u>	<u>18,746</u>	<u>-</u>	<u>13,389</u>	<u>109,320</u>	<u>-</u>
Net cash provided by (used in) investing activities	<u>34,019</u>	<u>43,166</u>	<u>18,746</u>	<u>-</u>	<u>13,389</u>	<u>109,320</u>	<u>-</u>
Net increase (decrease) in cash, cash equivalents and investments	<u>(945,956)</u>	<u>(210,535)</u>	<u>(136,254)</u>	<u>778,920</u>	<u>395,853</u>	<u>(117,972)</u>	<u>1,737,088</u>
Cash, Cash Equivalents and Investments at Beginning of Year	<u>8,862,283</u>	<u>16,381,808</u>	<u>7,065,858</u>	<u>1,134,813</u>	<u>4,769,707</u>	<u>38,214,469</u>	<u>-</u>
Cash, Cash Equivalents and Investments at End of Year	<u>\$ 7,916,327</u>	<u>\$ 16,171,273</u>	<u>\$ 6,929,604</u>	<u>\$ 1,913,733</u>	<u>\$ 5,165,560</u>	<u>\$ 38,096,497</u>	<u>\$ 1,737,088</u>
Reconciliation to Statement of Net Position:							
Cash, cash equivalents and investments	<u>\$ 7,565,064</u>	<u>\$ 16,052,955</u>	<u>\$ 6,889,672</u>	<u>\$ 1,913,733</u>	<u>\$ 5,165,560</u>	<u>\$ 37,586,984</u>	<u>\$ 1,737,088</u>
Restricted cash, cash equivalents and investments	<u>351,263</u>	<u>118,318</u>	<u>39,932</u>	<u>-</u>	<u>-</u>	<u>509,513</u>	<u>-</u>
	<u>\$ 7,916,327</u>	<u>\$ 16,171,273</u>	<u>\$ 6,929,604</u>	<u>\$ 1,913,733</u>	<u>\$ 5,165,560</u>	<u>\$ 38,096,497</u>	<u>\$ 1,737,088</u>

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

City of Dania Beach, Florida
Statement of Cash Flows
Proprietary Funds
(Continued)
For the Year Ended September 30, 2022

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>	<u>Pier Operations</u>	<u>Nonmajor Funds</u>	<u>Total</u>	<u>Governmental Activities Internal Service Funds</u>
Reconciliation of Operating Income to							
Net Cash Provided by Operating Activities:							
Operating income (loss)	\$ 2,468,427	\$ 1,393,815	\$ 1,922,023	\$ 490,091	\$ 1,966,603	\$ 8,240,959	\$ (2,662,747)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Provision for depreciation	1,113,947	400,400	442,413	1,000	364,594	2,322,354	11,248
(Increase) decrease in:							
Receivables, net	(104,554)	(70,253)	-	(7,443)	(33,564)	(215,814)	-
Net pension asset	(142,812)	(77,357)	(11,901)	-	(11,901)	(243,971)	-
Inventory and prepaid items	13,886	245	4,885	-	-	19,016	-
Deferred outflows related to OPEB	3,757	1,105	1,105	-	663	6,630	-
Deferred outflows related to pensions	73,573	(7,106)	109,174	-	141,836	317,477	-
Increase (decrease) in:							
Accounts payable and accrued liabilities	3,147	(7,734)	(254,971)	86,633	(9,255)	(182,180)	194,094
Interfund payable, net	2,090	(1,032)	(167)	873,920	(293,261)	581,550	6,286
Due to other governmental agencies	-	-	-	(55)	2,111	2,056	-
Deposits	28,999	-	-	-	9,031	38,030	-
Unearned revenue	-	-	-	(316,482)	(133)	(316,615)	-
Other liabilities	45,875	22,572	-	-	-	68,447	-
Compensated absences	52,156	1,227	21,055	-	(284)	74,154	82,092
Net pension liability	(34,984)	(223,118)	(48,839)	-	(48,598)	(355,539)	-
OPEB obligation	(349,407)	(89,071)	(42,505)	-	(6,876)	(487,859)	-
Deferred inflows related to OPEB	(594,838)	(174,952)	(174,951)	-	(104,971)	(1,049,712)	-
Deferred inflows related to pensions	(218,449)	217,617	(200,111)	-	(332,143)	(533,086)	-
Total adjustments	<u>(107,614)</u>	<u>(7,457)</u>	<u>(154,813)</u>	<u>637,573</u>	<u>(322,751)</u>	<u>44,938</u>	<u>293,720</u>
Net cash provided by (used in) operating activities	<u>\$ 2,360,813</u>	<u>\$ 1,386,358</u>	<u>\$ 1,767,210</u>	<u>\$ 1,127,664</u>	<u>\$ 1,643,852</u>	<u>\$ 8,285,897</u>	<u>\$ (2,369,027)</u>

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

City of Dania Beach, Florida
Statement of Net Position
Fiduciary Funds
September 30, 2022

	Pension and other Trust Funds
Assets:	
Cash	\$ 46,703
Investments, at fair value:	
Equity securities	69,748,975
Corporate and foreign bonds	5,320,774
Money market funds	2,602,921
Hedge funds	3,397,153
Real estate	17,172,381
Government securities	<u>11,601,290</u>
Total investments	<u>109,843,494</u>
Receivables:	
State contributions	477,476
Employee contributions	41,398
Employer contributions	291,708
Accrued interest receivable	185,692
Loans to DROP participants	<u>839,780</u>
Total receivables	<u>1,836,054</u>
Total assets	<u>111,726,251</u>
Liabilities:	
Accounts payable and accrued liabilities	54,520
Due to broker for securities purchased	<u>442,526</u>
Total liabilities	<u>497,046</u>
Net Position:	
Net position restricted for other post-employment benefits	10,970,519
Net position restricted for DROP benefits	1,918,717
Net position restricted for defined benefits	<u>98,339,969</u>
Total net position	<u>\$ 111,229,205</u>

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

City of Dania Beach, Florida
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended September 30, 2022

	Pension and other Trust Funds
	<u> </u>
Additions:	
Contributions:	
Employees	\$ 417,277
Employer	2,109,263
Buybacks	739,284
State	<u>477,476</u>
Total contributions	<u>3,743,300</u>
Investment Income (loss):	
Interest and dividends	2,328,754
Net change in fair value of investments	<u>(17,078,987)</u>
Total investment income (loss)	<u>(14,750,233)</u>
Less: Investment expenses	<u>(545,833)</u>
Net investment income (loss)	<u>(15,296,066)</u>
Other income	<u>9,743</u>
Total additions	<u>(11,543,023)</u>
Deductions:	
Benefit payments	8,275,222
Administrative expenses	<u>269,759</u>
Total deductions	<u>8,544,981</u>
Change in net position	<u>(20,088,004)</u>
Net Position - Beginning	<u>131,317,209</u>
Net Position - Ending	<u>\$ 111,229,205</u>

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

Note 1 - Organization and Operations

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

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

Note 2 - Summary of Significant Accounting Policies

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

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

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

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

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

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

The City reports the following major governmental funds:

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

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

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

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

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

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

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

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

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

Assets, liabilities and net position or fund balance:

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

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

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

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

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

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

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

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

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

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

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

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

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

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

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

Equity classification:

Government-Wide and Proprietary Fund Statements

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

Fund Equity

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

Deferred inflows and outflows of resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category. The items are related to leases, deferred outflows relating to the pension plans and the other post-employment benefits (OPEB) and they are discussed in further detail in Notes 8, 10, 11 and 14, respectively.

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

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

Note 3 - Deposits and Investments

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

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

At September 30, 2022, the carrying amount of the City's deposits was approximately \$ 18,960,000, with a bank balance of approximately \$ 19,047,000. Included in the carrying amount of deposits was approximately \$ 900 cash on hand.

Note 3 - Deposits and Investments (continued)

As of September 30, 2022, the carrying value of the City's cash, cash equivalents and investments, was as follows:

	Cash	Cash Equivalents	Investments	Total
Cash, cash equivalents, and investments	\$ 18,447,424	\$ 36,295,962	\$ 80,171,074	\$ 134,914,460
Restricted cash, cash equivalents and investments	509,513	-	-	509,513
Total	<u>\$ 18,956,937</u>	<u>\$ 36,295,962</u>	<u>\$ 80,171,074</u>	<u>\$ 135,423,973</u>

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

The City invests surplus funds in the Local Government Surplus Funds Trust Fund ("Florida PRIME"). Florida PRIME is administered by the Florida State Board of Administration ("SBA"), who provides regulatory oversight. The Florida PRIME has adopted operating procedures consistent with the requirement for a 2a7-like pool. The City's investment in the Florida PRIME is reported at amortized cost in accordance with GASB 79 "Certain External Investment Pools and Pool Participants." As a result, the Florida PRIME investment is exempt from GASB 72 fair value hierarchy disclosures. As of September 30, 2022 there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the City's daily access to 100 percent of the account value.

The City also invests surplus funds in the Florida Cooperative Liquid Assets Securities System ("FLCLASS"). FLCLASS which is an independent local government investment pool supervised by a Board of Trustees comprised of eligible Participants of the FLCLASS program. The City's investment in the FLCLASS is reported at amortized cost, as a result, the FLCLASS investments are exempt from GASB 72 fair value hierarchy disclosures as of September 30, 2022.

Investments - City: As of September 30, 2022, the City had the following investments and maturities:

Investment Type	Amortized Cost	Investment Maturities (in years)		S&P Credit Rating
		Less than 1	1 - 5	
U.S. Government Securities	\$ 22,394,261	\$ -	\$ 22,394,261	AAA through AA
Corporate bonds	1,063,512	-	1,063,512	AA through A
Florida PRIME	17,948,534	17,948,534	-	AAAm
FLCLASS	<u>38,764,767</u>	<u>38,764,767</u>	<u>-</u>	AAAm
Total investments	<u>\$ 80,171,074</u>	<u>\$ 56,713,301</u>	<u>\$ 23,457,773</u>	

Interest rate risk: The dollar weighted average days to maturity (WAM) of Florida PRIME and FLCLASS at September 30, 2022 is 21 and 26 days, respectively. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME and FLCLASS at September 30, 2022, is 72 and 67 days, respectively.

Note 3 - Deposits and Investments (continued)

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

Foreign currency risk: Florida PRIME and FLCLASS were not exposed to any foreign currency risk during the fiscal year ending September 30, 2022.

Investments - Fiduciary Funds: As of September 30, 2022, the City's fiduciary funds had the following investments:

Common stocks	\$ 53,792,359
Mutual funds	15,978,558
Corporate and foreign bonds	5,320,774
Money market funds	2,602,921
Hedge funds	3,397,153
Real estate funds	17,172,381
Government securities	<u>11,601,290</u>
	<u>\$ 109,865,436</u>

Interest rate risk: State law does not limit maturity term on fixed income holdings. The term "interest rate risk" refers to the portfolio's exposure to fair value losses arising from increasing interest rates. As of September 30, 2022, the Police and Firefighters' Pension Plan and General Employees' Pension Plan held fixed income securities with the following maturities:

Police and Firefighters' Pension Plan

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More Than 10</u>
U.S. Agencies	\$ 4,575,641	\$ 16,289	\$ 827,537	\$ 504,282	\$ 3,227,533
U.S. Treasuries	1,516,135	14,990	353,050	328,734	819,361
Corporate and foreign bonds	3,339,058	-	601,821	1,691,425	1,045,812
Municipal obligations	<u>2,211,011</u>	<u>-</u>	<u>1,252,543</u>	<u>637,587</u>	<u>320,881</u>
Total fixed income securities	<u>\$ 11,641,845</u>	<u>\$ 31,279</u>	<u>\$ 3,034,951</u>	<u>\$ 3,162,028</u>	<u>\$ 5,413,587</u>

Note 3 - Deposits and Investments (continued)

General Employees' Pension Plan

Investment Type	Fair Value	Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Agencies	\$ 474,178	\$ -	\$ 85,012	\$ 80,347	\$ 308,819
U.S. Treasuries	2,824,325	56,505	1,993,045	639,416	135,359
Corporate bonds	1,981,716	193,867	1,047,398	651,928	88,523
Total fixed income securities	\$ 5,280,219	\$ 250,372	\$ 3,125,455	\$ 1,371,691	\$ 532,701

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

As of September 30, 2022, the Police and Firefighters' Pension Plan and the General Employees' Pension Plan investments subject to credit risk were rated by Moody's Investors Services as follows:

Rating	Fair Value	
	Police and Firefighters	General Employees
Aaa	\$ 2,381,637	\$ 1,317,476
Aa1	1,249,157	-
Aa2	580,970	-
Aa3	331,289	-
A1	340,371	129,351
A2	1,044,908	142,054
A3	541,164	29,967
Baa1	59,742	-
Baa2	262,682	-
Unrated	4,849,925	3,661,371
Total	\$ 11,641,845	\$ 5,280,219

Note 3 - Deposits and Investments (continued)

The following are the adopted assets allocation policies for the General Employees' and Police and Firefighters' Plans as of September 30, 2022:

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

Concentration risk: The City's investments and fiduciary funds policy is to maintain a diversified portfolio to minimize the risk of loss resulting from concentration of assets in a specific issuer. Specific limits have been established which limit the percentage of portfolio assets that can be invested with a specific issuer. GASB Statement No. 40, Deposit and Investment Risk Disclosures, requires disclosure when the percentage is 5% or more of the total investments in any one issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investments pools, and other pooled investments are excluded from this disclosure requirement. At September 30, 2022, investment in the following funds represented more than 5% of the Police and Firefighters Plan's net position: Fidelity Mid Cap Index Fund (9.3%), Vanguard Russell 1000 Fund (9.7%) and Vanguard 500 Index Fund (7.2%) and ARA Core Property Fund (19.6%).

Foreign credit risk: For an investment, foreign currency risk is the risk that fluctuations in currency exchange rate may affect transactions conducted in currencies other than U.S. dollars as well as the carrying value of foreign investments. The exposure to foreign currency risk derives mainly from its investments in international equity funds and foreign bonds. The investment policy limits the foreign investments to no more than 25% of the fund's investment balance. As of September 30, 2022, foreign investments consisted of 13% of total investments for the Police and Firefighters' Pension Plan. The General Employees' plan contained no foreign investments. The FMLvT is not subject to foreign credit risk.

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

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

Note 3 - Deposits and Investments (continued)

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

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

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

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

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

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

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

Fair value of Investments held by the City's Police and Firefighters' Pension Plan Investment Funds are classified at September 30, 2022 as follows:

Investments	Totals at September 30, 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Common stocks	\$ 17,723,072	\$ 17,723,072	\$ -	\$ -
Mutual funds	22,377,036	22,377,036	-	-
U.S. Agency securities	4,575,641	-	4,575,641	-
Corporate and foreign bonds	3,339,058	-	3,339,058	-
U.S. Treasury securities	1,516,135	-	1,516,135	-
Municipal obligations	2,211,011	-	2,211,011	-
Total investments measured at fair value	51,741,953	\$ <u>40,100,108</u>	\$ <u>11,641,845</u>	\$ <u>-</u>
Investments measured at net asset value (NAV):				
Real estate funds	17,172,381			
Commingled trust fund	3,173,632			
Total assets valued at NAV	20,346,013			
Money market funds (exempt)	1,369,104			
Total investments	\$ 73,457,070			

City of Dania Beach, Florida
Notes to Financial Statements
September 30, 2022

Note 3 - Deposits and Investments (continued)

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

	Police and Firefighters	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Real estate funds (1)	\$ 14,623,978	\$ -	Quarterly	10 days
Real estate funds (2)	2,548,403	-	Quarterly	10 days
Commingled trust fund (3)	<u>3,173,632</u>	<u>-</u>	Quarterly	1 business day
Total investments measured at the NAV	<u>\$ 20,346,013</u>	<u>\$ -</u>		

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

As of September 30, 2022, the fair value of investments held by the City's General Employees' Pension Plan are classified as follows:

Investments Measured at Fair Value	Totals at September 30, 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market mutual funds	\$ 1,233,817	\$ -	\$ 1,233,817	\$ -
U.S. Treasury securities	2,824,324	-	2,824,324	-
U.S. Agency securities	474,179	-	474,179	-
Corporate and foreign bonds	1,981,716	-	1,981,716	-
Common stocks	13,692,251	13,692,251	-	-
Mutual funds	1,834,407	1,834,407	-	-
Hedge funds	<u>3,397,153</u>	<u>-</u>	<u>-</u>	<u>3,397,153</u>
Total investments measured at fair value	<u>\$ 25,437,847</u>	<u>\$ 15,526,658</u>	<u>\$ 6,514,036</u>	<u>\$ 3,397,153</u>
Money market funds (exempt)	<u>12,250</u>			
Total investments	<u>\$ 25,450,097</u>			

Note 3 - Deposits and Investments (continued)

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

As of September 30, 2022, the OPEB Plan Investments has the following required disclosures:

	<u>Fitch Rating</u>	<u>Amount</u>
Credit Risk:		
Fixed Income Funds:		
FMIvT Broad Market High Quality Bond Fund	AAf/S4	\$ 2,194,104
FMIvT Core Plus Fixed Income Fund	Not rated	2,117,310
Equity Portfolios:		
FMIvT Diversified Large Cap Equity	Not rated	2,161,192
FMIvT Diversified Small to Mid Cap Equity	Not rated	1,162,875
FMIvT International Equity	Not rated	1,612,666
FMIvT Core Real Estate Fund	Not rated	<u>1,700,430</u>
Cash:		<u>21,942</u>
		<u>\$ 10,970,519</u>
	<u>Duration</u>	<u>WAM</u>
Interest Rate Risk (In Years):		
Fixed Income Funds:		
FMIvT Broad Market High Quality Bond Fund	5.46	6.70
FMIvT Core Plus Fixed Income Fund	6.02	8.92

Rate of Return: For the year ended September 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (11.66%) and 6.40% for the Police and Firefighters’ and General Employees’ Pension Plans, respectively. The money weighted rate of return (loss) for the OPEB plan was (13.12%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Note 4 - Receivables

Receivables as of September 30, 2022 for the City’s individual funds in the aggregate including the allowances for uncollectible receivables are as follows:

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Water Fund</u>	<u>Sewer Fund</u>
Customers billed	\$ 288,563	\$ -	\$ 1,139,890	\$ 1,240,273
Franchise fees	585,884	-	-	-
Utility taxes	489,581	-	-	-
Other	151,832	5,403	20,242	-
Lease	<u>3,686,037</u>	<u>-</u>	<u>-</u>	<u>-</u>
Gross receivables	5,201,897	5,403	1,160,132	1,240,273
Less: allowance for uncollectible	<u>(290,388)</u>	<u>-</u>	<u>(200,049)</u>	<u>(181,563)</u>
Total receivables, net	<u>\$ 4,911,509</u>	<u>\$ 5,403</u>	<u>\$ 960,083</u>	<u>\$ 1,058,710</u>

City of Dania Beach, Florida
Notes to Financial Statements
September 30, 2022

Note 4 - Receivables (continued)

	Pier Operations	Nonmajor Enterprise Funds	Total
Customers billed	\$ 7,443	\$ 347,329	\$ 3,023,498
Franchise fees	-	-	585,884
Utility taxes	-	-	489,581
Other	-	-	177,477
Lease	3,214,066	535,279	7,435,382
Gross receivables	3,221,509	882,608	11,711,822
Less: allowance for uncollectible	-	-	(672,000)
Total receivables, net	\$ <u>3,221,509</u>	\$ <u>882,608</u>	\$ <u>11,039,822</u>

Note 5 - Interfund, Receivables, Payables and Transfers

The balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. The composition of net interfund balances as of September 30, 2022 is as follows:

Funds	Due From	Due To
General Fund	\$ 936,599	\$ -
CRA Fund	-	2,600
Building Fund	-	9,669
Nonmajor Governmental Funds	-	421
Water Fund	-	17,055
Sewer Fund	-	3,603
Stormwater Fund	-	3,558
Pier Operations Fund	-	890,920
Nonmajor Enterprise Funds	-	2,487
Internal Service Funds	-	6,286
	\$ <u>936,599</u>	\$ <u>936,599</u>

Note 5 - Interfund, Receivables, Payables and Transfers (continued)

The composition of interfund transfers for the year ended September 30, 2022 is as follows:

<u>Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 14,325,263	\$ 30,869,077
Grants Fund	1,671,066	-
CRA Fund	1,541,626	521,935
Building Fund	-	1,159,308
Debt Service Fund	851,947	-
Capital Projects Fund	13,931,207	273,005
Nonmajor Governmental Funds	-	459,959
Water Fund	-	1,377,488
Sewer Fund	-	938,707
Stormwater Fund	-	407,977
Pier Operations Fund	500,000	104,224
Nonmajor Enterprise Funds	24,000	987,296
Internal Service Funds	4,326,867	73,000
	<u>\$ 37,171,976</u>	<u>\$ 37,171,976</u>

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

City of Dania Beach, Florida
Notes to Financial Statements
September 30, 2022

Note 6 - Capital Assets

Capital asset activity for the year ended September 30, 2022 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 16,184,221	\$ -	\$ -	\$ 16,184,221
Construction in progress	775,509	538,267	-	1,313,776
Total capital assets, not being depreciated	<u>16,959,730</u>	<u>538,267</u>	<u>-</u>	<u>17,497,997</u>
Capital assets, being depreciated:				
Buildings and improvements	24,712,731	-	-	24,712,731
Furniture, fixtures and equipment	7,680,916	314,924	-	7,995,840
Infrastructure	50,766,519	504,095	-	51,270,614
Total capital assets, being depreciated	<u>83,160,166</u>	<u>819,019</u>	<u>-</u>	<u>83,979,185</u>
Less accumulated depreciation for:				
Buildings and improvements	14,727,445	965,809	-	15,693,254
Furniture, fixtures and equipment	5,964,147	409,340	-	6,373,487
Infrastructure	37,097,440	1,322,000	-	38,419,440
Total accumulated depreciation	<u>57,789,032</u>	<u>2,697,149</u>	<u>-</u>	<u>60,486,181</u>
Total capital assets, being depreciated, net	<u>25,371,134</u>	<u>(1,878,130)</u>	<u>-</u>	<u>23,493,004</u>
Governmental activities capital assets, net	<u>\$ 42,330,864</u>	<u>\$ (1,339,863)</u>	<u>\$ -</u>	<u>\$ 40,991,001</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 220,976	\$ -	\$ -	\$ 220,976
Construction in progress	2,319,311	2,088,847	-	4,408,158
Total capital assets, not being depreciated	<u>2,540,287</u>	<u>2,088,847</u>	<u>-</u>	<u>4,629,134</u>
Capital assets, being depreciated:				
Buildings and improvements	4,962,983	-	-	4,962,983
Furniture, fixtures and equipment	3,793,090	1,493,772	-	5,286,862
Utility system	60,846,697	411,308	-	61,258,005
Total capital assets, being depreciated	<u>69,602,770</u>	<u>1,905,080</u>	<u>-</u>	<u>71,507,850</u>
Less accumulated depreciation for:				
Buildings and improvements	2,378,557	248,149	-	2,626,706
Furniture, fixtures and equipment	2,410,752	316,186	-	2,726,938
Utility system	33,016,809	1,758,019	-	34,774,828
Total accumulated depreciation	<u>37,806,118</u>	<u>2,322,354</u>	<u>-</u>	<u>40,128,472</u>
Total capital assets, being depreciated, net	<u>31,796,652</u>	<u>(417,274)</u>	<u>-</u>	<u>31,379,378</u>
Business-type activities capital assets, net	<u>\$ 34,336,939</u>	<u>\$ 1,671,573</u>	<u>\$ -</u>	<u>\$ 36,008,512</u>

City of Dania Beach, Florida
Notes to Financial Statements
September 30, 2022

Note 6 - Capital Assets (continued)

Depreciation expense for the year ended September 30, 2022 was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 1,345,558
Public safety	517,065
Highways and streets	605,027
Physical environment	4,697
Community redevelopment	20,639
Culture and recreation	<u>192,915</u>
Subtotal	2,685,901
Capital assets held by government's internal service funds are charged to the various functions based on their usage of the assets	
	<u>11,248</u>
Total depreciation expense - governmental activities	\$ <u><u>2,697,149</u></u>
Business-type activities:	
Water Fund	\$ 1,113,947
Wastewater Fund	400,400
Stormwater Fund	442,413
Pier Fund	1,000
Nonmajor Funds	<u>364,594</u>
Total depreciation expense - business-type activities	\$ <u><u>2,322,354</u></u>

Note 7 - Long-Term Debt

The following is a summary of changes in long-term debt of the City for governmental activities for the year ended September 30, 2022:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Sales tax revenue refunding					
Bonds, Series 2012	\$ 345,000	\$ -	\$ (170,000)	\$ 175,000	\$ 175,000
General obligation refunding Bonds, Series 2015	4,045,703	-	(279,014)	3,766,689	279,017
General obligation refunding Bonds, Series 2016	1,810,000	-	(230,000)	1,580,000	230,000
Bank Loan, Series 2022		18,060,000	-	18,060,000	380,000
Capital Improvement Non-Ad Valorem Revenue Note, Series 2022B	-	1,345,000	-	1,345,000	-
Compensated absences	1,643,702	732,412	(760,506)	1,615,608	242,341
Other post-employment benefits liability	3,306,229	-	(1,293,557)	2,012,672	-
Net pension liability	<u>9,684,452</u>	<u>335,929</u>	<u>-</u>	<u>10,020,381</u>	<u>-</u>
Total governmental activities	\$ <u><u>20,835,086</u></u>	\$ <u><u>20,473,341</u></u>	\$ <u><u>(2,733,077)</u></u>	\$ <u><u>38,575,350</u></u>	\$ <u><u>1,306,358</u></u>

Note 7 - Long-Term Debt (continued)

Bonds Payable - Governmental Funds:

\$ 2,900,000 General Obligation Refunding Bond, Series 2016:

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

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

\$ 1,615,000 Sales Tax Revenue Refunding Bonds, Series 2012:

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

\$ 5,440,773 General Obligation Refunding Bond, Series 2015:

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

\$ 18,060,000 Bank Loan, Series 2022:

On March 24, 2022, the City entered into a tax-exempt loan agreement with a bank (Non-Ad Valorem Revenue Note, Series 2022) to fund the City's Park Master Plan Phase I - CW Thomas Park (the "Project") totaling \$ 18,100,000. The loan bears interest at a rate of 2.52% and is due on October 15, 2042.

\$ 1,345,000 Capital Improvement Non-ad Valorem Revenue Note, Series 2022B:

On June 26, 2022, the City entered into a tax-exempt loan agreement (Non-Ad Valorem Revenue Note, Series 2022B) with a bank to fund the installation of a solar lights project in the amount of \$ 1,345,000. The note bears interest at a rate of 3.133% and is due on October 15, 2032.

Note 7 - Long-Term Debt (continued)

Annual debt service requirements of the Sales Tax Revenue Refunding Bonds, Series 2012, the General Obligations Refunding Bonds, Series 2015, the General Obligations Refunding Bonds, Series 2016, Bank Loan, Series 2022, and the Capital Improvement Non-Ad Valorem Revenue Note, Series 2022B are as follows:

Year Ending September 30,	Principal	Interest	Total
2023	\$ 1,064,017	\$ 835,123	\$ 1,899,140
2024	1,324,011	609,811	1,933,822
2025	1,354,014	574,424	1,928,438
2026	1,994,014	531,313	2,525,327
2027	1,154,014	489,797	1,643,811
2028-2032	6,100,070	1,966,015	8,066,085
2033-2037	5,676,549	1,142,555	6,819,104
2038-2042	5,150,000	470,610	5,620,610
2043-2047	1,110,000	13,986	1,123,986
Total	\$ <u>24,926,689</u>	\$ <u>6,633,634</u>	\$ <u>31,560,323</u>

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Bank Loan, Series 2013	\$ 1,380,000	\$ -	\$ (150,000)	\$ 1,230,000	\$ 160,000
State revolving loans	8,840,584	-	(908,756)	7,931,828	938,087
Compensated absences	457,006	297,862	(223,708)	531,160	79,674
Other post-employment benefits liability	1,350,432	-	(487,859)	862,573	-
Net pension liability	2,407,906	-	(355,539)	2,052,367	-
Total business-type activities	\$ <u>14,435,928</u>	\$ <u>379,954</u>	\$ <u>(2,125,862)</u>	\$ <u>12,690,020</u>	\$ <u>1,193,041</u>

\$ 9,782,676 State Revolving Loans, Series 2007 to 2015:

In previous years, the City entered into various loan agreements with the Florida Department of Environmental Protection’s Clean Water State Revolving Fund Loan Program and Drinking Water State Revolving Fund Loan Program to borrow up to \$ 25,350,941. As of September 30, 2022, the City has a total of \$ 7,931,828 outstanding which it has borrowed to finance the planning, design and construction of water, wastewater and stormwater infrastructure improvements. The City is required to maintain rates and charges for the services furnished by the water, sewer, and stormwater systems which will be sufficient to provide revenues equal to or exceed 1.15 times the sum of the semiannual loan payments (debt service). The loans payable in semi-annual payments are calculated based on the actual amount of the principal drawn under the agreements.

Note 7 - Long-Term Debt (continued)

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

Fund	Rate	Amount
Water Fund	2.57%-2.75%	\$ 5,659,461
Sewer Fund	0.905%-1.355%	1,518,986
Stormwater Fund	1.125%-1.355%	<u>753,381</u>
		<u>\$ 7,931,828</u>

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

Year Ending September 30,	Principal	Interest	Total
2023	\$ 938,087	\$ 167,476	\$ 1,105,563
2024	962,396	146,221	1,108,617
2025	984,263	124,444	1,108,707
2026	1,006,666	102,130	1,108,796
2027	1,029,621	79,267	1,108,888
2028-2032	2,781,194	150,796	2,931,990
2033-2035	<u>229,601</u>	<u>3,821</u>	<u>233,422</u>
Total	<u>\$ 7,931,828</u>	<u>\$ 774,155</u>	<u>\$ 8,705,983</u>

\$ 2,400,000 Bank Loan, Series 2013:

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

Annual debt service requirements for the bank loan payable is as follows:

Year Ending September 30,	Principal	Interest	Total
2023	\$ 160,000	\$ 39,215	\$ 199,215
2024	165,000	33,674	198,674
2025	170,000	27,962	197,962
2026	175,000	22,080	197,080
2027	180,000	16,027	196,027
2028-2032	<u>380,000</u>	<u>13,129</u>	<u>393,129</u>
Total	<u>\$ 1,230,000</u>	<u>\$ 152,087</u>	<u>\$ 1,382,087</u>

Note 8 - Leases

For the year ended September 30, 2022, the financial statements include the adoption of GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The City is reporting Lease Receivables of \$ 7,435,382 at September 30, 2022. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discounted rate. For the year ended September 30, 2022, the City reported lease revenue of \$ 415,589 and interest revenue of approximately \$ 164,780 related to lease payments received. The leases have interest rates ranging from 1.36% to 2.70%. The leases are for buildings and land throughout the City.

As of September 30, 2022, future minimum lease payments are as follows:

Fiscal Year	Governmental Activities		Total Payments
	Principal Payments	Interest Payments	
2023	\$ 164,295	\$ 88,501	\$ 252,796
2024	169,946	84,828	254,774
2025	175,776	81,032	256,808
2026	181,791	77,108	258,899
2027	187,996	73,053	261,049
2028-2051	<u>2,806,233</u>	<u>648,287</u>	<u>3,454,520</u>
Total	\$ <u>3,686,037</u>	\$ <u>1,052,809</u>	\$ <u>4,738,846</u>

Fiscal Year	Business-Type Activities		Total Payments
	Principal Payments	Interest Payments	
2023	\$ 114,108	\$ 90,565	\$ 204,673
2024	121,635	87,817	209,452
2025	129,497	84,878	214,375
2026	146,841	81,676	228,517
2027	155,583	78,157	233,740
2028-2042	<u>3,081,681</u>	<u>612,848</u>	<u>3,694,529</u>
Total	\$ <u>3,749,345</u>	\$ <u>1,035,941</u>	\$ <u>4,785,286</u>

Note 9 - Commitments and Contingencies

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

Note 9 - Commitments and Contingencies (continued)

Interlocal Agreement with Broward County Sheriff’s Office for Police Services: A contract exists between the Broward County Sheriff’s Office (“BSO”) and the City, whereby the BSO provides police officers to serve the City which expires in September 2025, with an option to renew for five additional years. These police officers are paid on the BSO payroll. The City pays the BSO for the police services based on the contract. The City paid the BSO approximately \$ 14,900,000 for the year ended September 30, 2022.

Interlocal Agreement with Broward County Sheriff’s Office for Fire Rescue and Emergency Medical Services: The City has an Interlocal Agreement with the BSO to provide fire rescue and emergency medical services which expires in September 2025, with an option to renew for five additional years. All fire personnel are paid on the BSO payroll. The City pays the BSO for the fire rescue and emergency medical services based on the contract. The City paid the BSO approximately \$ 14,300,000 for the year ended September 30, 2022.

Interlocal Agreement with City of Hollywood: The City has an Interlocal Agreement with the City of Hollywood for utilization of a common area-wide wastewater collection, treatment and disposal facility. The City of Hollywood is required to provide the City of Dania Beach an estimate of all costs at the beginning of each fiscal year. The annual estimate is the basis for monthly billings and is adjusted annually based upon actual flows and actual costs when known. Charges for services provided by the City of Hollywood include operation, maintenance and administrative costs, debt service charges, depreciation charges and renewal replacement and improvement account contributions. For the year ended September 30, 2022, the City recognized expenses of approximately \$ 4,500,000 under this agreement. The agreement will continue in existence until modified by mutual consent or termination by one of the parties after giving one year’s notice. Should the City terminate the agreement, it would be required to pay all debt service charges which would otherwise have been chargeable to the City (based upon a weighted average for future years using projected flows) and a sum equal to the present value of five years of all other payments based on the annual payment in the year of termination. Management considers the chances of termination of this agreement to be remote. Future payments under this agreement cannot be estimated.

Construction Commitments: The City has numerous active construction projects as of September 30, 2022. The City’s significant commitments with contractors are as follows:

<u>Capital Projects Fund</u>	<u>Remaining Commitment</u>
Solar Lighting	\$ 1,305,462
Beach Revitalization II	428,256
C.W. Thomas Park	1,426,864
Roadway and Median Electrical Project	<u>85,938</u>
Total Capital Projects Fund	<u>\$ 3,246,520</u>

Note 9 - Commitments and Contingencies (continued)

Grant Fund

Oasis XIV - 45th Year - CDBG	\$	71,885
Solar Lighting - CDBG 47th Year		396,491
Fire Station - HMGP		69,254
City Hall - Wind Retrofit		211,950
Frank C. Tootie Adler Park		6,823
		<u>6,823</u>
Total Grant Fund	\$	<u>756,403</u>

Water, Sewer, Stormwater and Pier Funds

Lift Rehab Projects 5,7,10	\$	120,712
HMGP Lift Stations		65,000
Neighborhood drainage improvement		3,083,784
SE Stormwater Phrase II		290,680
Pier Refurbishing		1,439,354
		<u>1,439,354</u>
Total Water, Sewer, Stormwater, Pier Funds	\$	<u>4,999,530</u>

ENCUMBRANCES*

<u>Governmental Funds</u>		<u>Amount Encumbered</u>
General Fund	\$	899,497
Grants Fund		758,343
Debt Fund		52,550
Community Redevelopment Agency Fund		77,238
Capital Projects Fund		3,299,830
Nonmajor Funds		52,165
		<u>52,165</u>
Total Governmental Funds	\$	<u>5,139,623</u>

Enterprise Funds

Water	\$	471,920
Stormwater		4,765,408
Sewer		116,072
Nonmajor Funds		1,440,428
		<u>1,440,428</u>
Total Enterprise Funds	\$	<u>6,793,828</u>

Note 9 - Commitments and Contingencies (continued)

Internal Service Funds

Facilities Maintenance	\$	155,367
Fleet Services		344,822
Information Technology		<u>67,442</u>
Total Enterprise Funds	\$	<u><u>567,631</u></u>

* Encumbrances include construction commitments

Note 10 - Defined Benefit Pension Plans

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

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

Summary of Significant Accounting Policies:

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

At October 1, 2020, the date of the latest actuarial valuation, the Plan’s membership consisted of:

	<u>General Employees</u>	<u>Police and Firefighters</u>
Retirees and beneficiaries	83	76
Inactive, nonretired members	-	-
Active members	<u>11</u>	<u>12</u>
Total	<u><u>94</u></u>	<u><u>88</u></u>

Note 10 - Defined Benefit Pension Plans (continued)

Funding Policy

General Employees' Pension Plan:

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

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

Contributions: City ordinance establishes the contribution requirements of GEPP members and the City. City employee members are required to contribute 3.66% of their annual covered salary of which 16.08% is contributed by the City on behalf of the employee. City and employee contributions for the year ended September 30, 2022, were \$ 1,164,792 and \$ 153,951 respectively. The annual required contribution for the current year was determined based on an October 1, 2020, actuarial valuation date.

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

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

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

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

Note 10 - Defined Benefit Pension Plans (continued)

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

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

Police and Firefighters’ Plan:

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

Contributions: Firefighters currently make contributions to the Plan at a rate equal to 24.6% of earnings. Police Officers make contributions to the Plan at a rate equal to 7% of their annual covered salary. For fiscal year ending September 30, 2022, there were no active Police Officers in the Plan. Firefighters hired prior to September 30, 2001 and those hired on or after October 1, 2001 contribute 2% and 6.46%, respectively, of their earnings through payroll deductions. The remaining employee contributions are made by the City on behalf of the employee. Effective January 29, 2011, and amended September 25, 2013, the City and BSO agreed that for the year ending September 30, 2013, and for all future fiscal years as long as annual employer pension contributions are required, BSO will contribute \$ 513,354 to both the City Fire Pension and the City General Employee Pension. The contributed amount of \$ 513,354 will be divided between the Fire Pension and the General Employee Pension by \$ 497,927 and \$ 15,427, respectively. In the event the annual required employer pension is less than \$ 513,354 in any fiscal year, BSO’s annual required employer contribution shall be the lesser amount.

BSO refunds to the City of Dania Beach the amount that the Sheriff’s office would have paid to the Florida Retirement System (FRS) on behalf of those Police Officers who remained in the City Plan. For the year ended September 30, 2022, no active Police Officers were participants in the City Plan. The entire 7% contribution for the Police Officers would be made entirely by the City of Dania Beach on behalf of those employees if the City had any remaining active Officers in the City Plan. Additionally, the City/BSO is required to contribute an actuarially determined rate for Firefighters in the fiscal year. For active participants, BSO and City of Dania Beach make an annual contribution to the City Plan in a percentage of pensionable wages determined by the actuary by taking into consideration the amounts contributed by employees and the State of Florida (the “State”) under State law. BSO and Employer, Employee and State contributions for the year ended September 30, 2022, were \$ 1,483,755, \$ 263,326 and \$ 477,476 respectively.

Note 10 - Defined Benefit Pension Plans (continued)

Eligibility: Eligible for the Plan are Firefighters of the City and certain Police Officers that were formerly employed by the City but now are employed by BSO. As of October 1, 1988, the Police Officers of the City of Dania Beach became employees of BSO pursuant to a service agreement dated August 30, 1988, between the City of Dania Beach and the BSO. As of January 29, 2011, Firefighters of the City also became employees of BSO. The Plan became closed to new participants at that time. The Plan covers 12 active employees as well as 76 retirees and beneficiaries currently receiving benefits.

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

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

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

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

Note 10 - Defined Benefit Pension Plans (continued)

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

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

Net Pension Liability, Pension Expense and Deferred Outflows and Inflows of Resources: At September 30, 2022, the City reported a net pension liability (asset) of \$ (595,052) and \$ (8,825,397) in the GEPP and P&F Plans, respectively. The net pension liabilities for both plans were measured as of September 30, 2021, and the total pension liabilities used to calculate the net pension liabilities were determined by an actuarial valuation as of October 1, 2020.

Component of the Plans' expense for fiscal year ended September 30, 2022, (based on measurement period ended September 30, 2021) are as follows:

	General Employees	Police and Firefighters
Service cost	\$ 198,897	\$ 606,318
Current period benefit changes	-	-
Interest on the total plan liability	1,830,861	4,929,957
Employee contributions	(176,468)	(927,894)
Projected earnings on plan investments	(1,638,652)	(4,878,150)
Pension plan administrative expense	90,088	174,791
Other (Change in state and health insurance reserves and present value of buybacks)	-	849,423
Recognition of outflow (inflow) of resources due to liabilities	34,833	4,088,548
Recognition of outflow (inflow) of resources due to assets	(624,170)	(2,600,822)
Total pension expense (income)	\$ <u>(284,611)</u>	\$ <u>2,242,171</u>

Note 10 - Defined Benefit Pension Plans (continued)

For the fiscal year ended September 30, 2022, the City recognized pension expense (income) in the GEPP of \$ (284,611) and in the P&F Plan of \$ 2,242,171. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pension plans from the following sources.

<u>General Employees</u>		
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ -	(2,097,131)
City contributions subsequent to measurement date	<u>1,164,792</u>	<u>-</u>
Total	\$ <u><u>1,164,792</u></u>	\$ <u><u>(2,097,131)</u></u>
<u>Police and Firefighters</u>		
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (8,550,116)
Pension contributions subsequent to measurement date	<u>744,471</u>	<u>-</u>
Total	\$ <u><u>744,471</u></u>	\$ <u><u>(8,550,116)</u></u>

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

<u>Year Ended September 30,</u>	<u>General Employees</u>	<u>Police and Firefighters</u>
2023	\$ (478,718)	\$ (2,155,479)
2024	(415,188)	(1,919,912)
2025	(576,995)	(2,296,353)
2026	(626,230)	(2,178,372)
Thereafter	<u>-</u>	<u>-</u>
Total	\$ <u><u>(2,097,131)</u></u>	\$ <u><u>(8,550,116)</u></u>

Note 10 - Defined Benefit Pension Plans (continued)

Changes in Net Pension Liability (Asset)

Component	General Employees	Police and Firefighters
A. Total Pension Liability:		
Service cost	\$ 198,897	\$ 606,318
Interest	1,830,861	4,929,957
Benefit payments, including refunds of employee contributions	(1,845,989)	(5,111,362)
Difference between expected and actual experience	303,326	252,612
Change of assumptions	(268,493)	3,835,936
Change of benefit terms	-	-
Other	-	849,423
	218,602	5,362,884
Net change	218,602	5,362,884
Total pension liability, beginning	28,891,185	74,985,754
Total pension liability, ending	\$ 29,109,787	\$ 80,348,638
B. Plan Fiduciary Net Position		
Contributions - city	\$ 1,209,601	\$ 6,169,439
Contributions - state	-	459,093
Contributions - employee (includes buyback contributions and picked up member contributions)	176,468	927,894
Net investment income	4,769,806	15,770,010
Benefit payments, including refunds of employee contributions	(1,845,989)	(5,111,362)
Administrative expenses	(90,088)	(174,791)
	4,219,798	18,040,283
Net change	4,219,798	18,040,283
Plan fiduciary net position, beginning	25,485,041	71,133,752
Plan fiduciary net position, ending	\$ 29,704,839	\$ 89,174,035
C. Net Pension Liability (Asset)	\$ (595,052)	\$ (8,825,397)

Actuarial Assumptions: The total pension liability in the October 1, 2020, actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement date of September 30, 2021. Methods and assumptions used to determine the total pension liability:

Police and Firefighter:

Actuarial Cost Method: Entry Age Normal
Amortization Method: Level Dollar, Closed
Remaining Amortization Period: 5 years
Asset Valuation Method: 5-year smoothed fair value
Inflation: 2.25%
Salary Increases: 6.0%
Investment Rate of Return 6.25%
Retirement Age Experience-based table of rates that are specific to the type of eligibility condition.

Note 10 - Defined Benefit Pension Plans (continued)

Mortality: The mortality tables used are the same as those used in the July 1, 2020 Pension Actuarial Valuation of the Florida Retirement System (FRS) for Special Risk members. These tables are based on the PUB-2010 mortality tables with mortality improvements projected for healthy lives to all future years after 2010 using Scale MP-2018.

General Employees:

Actuarial Cost Method: Entry Age Normal
 Amortization Method: Fixed Dollar
 Remaining Amortization Period: 5 Years
 Asset Valuation Method: 5-year smoothed fair value
 Inflation: 2.40%
 Salary Increases: 4.00%
 Investment Rate of Return: 6.40%

Retirement Age Experience-based table of rates that are specific to the type of eligibility condition. The same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) for Regular (other than Special Risk or K-12 School Instructional Personnel) Class members in their July 1, 2019 actuarial valuation (with mortality improvements projected for nondisabled lives to all future years after 2010 using Scale MP-2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

Discount Rate: The discount rate used to measure the total pension liability was 6.40% and 6.25% for the GEPP and P&F plans, respectively. This single discount rate was based on the expected rate of return on Pension Plan investments of 6.40% and 6.25% for the GEPP and P&F plan, respectively. The projection of cash flows used to determine this single discount rate assumed that Plan member contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the Pension Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments (6.40% and 6.25% for the GEPP and P&F plan, respectively) was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s Proportionate Share of the Net Position Liability (Asset) to Changes in the Discount Rate: The following represents the City’s proportionate share of the net pension liability (asset) calculated using the discount rates of 6.40% and 6.25% for the GEP and P&F Plans, respectively, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate schedule of investment returns:

	1% Decrease (5.40%)	Current Discount Rate (6.40%)	1% Increase (7.40%)
General employees	\$ <u>2,309,834</u>	\$ <u>(595,052)</u>	\$ <u>(3,057,701)</u>

Note 10 - Defined Benefit Pension Plans (continued)

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Police and firefighters	\$ <u>(23,685)</u>	\$ <u>(8,825,397)</u>	\$ <u>(16,176,798)</u>

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

	Deferred Outflows	Deferred Inflows	Pension Expenses (Income)	Pension Liability	Pension Asset
Police and Firefighters' Plan	\$ 744,471	\$ 8,550,116	\$ 2,242,171	\$ -	\$ 8,825,397
General Employees' Plan	1,164,792	2,097,131	(284,611)	-	595,052
Florida Retirement System (Note 11)	3,983,831	-	5,322,269	9,306,100	-
Health Insurance Subsidy Program (Note 11)	<u>882,230</u>	<u>440,172</u>	<u>2,324,590</u>	<u>2,766,648</u>	<u>-</u>
	\$ <u>6,775,324</u>	\$ <u>11,087,419</u>	\$ <u>9,604,419</u>	\$ <u>12,072,748</u>	\$ <u>9,420,449</u>

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

	General Employees
Assets:	
Cash and cash equivalents	\$ 12,250
Receivables, net	405,019
Investments	<u>25,437,847</u>
Total assets	<u>25,855,116</u>
Liabilities	<u>414,448</u>
Net position restricted for pension benefits	\$ <u>25,440,668</u>

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

	General Employees
Additions:	
Contributions	\$ 1,318,743
Net investment income (loss)	(3,474,439)
Other income	<u>9,663</u>
Total additions	<u>(2,146,033)</u>
Deductions:	
Benefits payments	2,032,415
Administrative expenses	<u>85,723</u>
Total deductions	<u>2,118,138</u>
Change in net position	\$ <u>(4,264,171)</u>

Note 11 - Florida Retirement System

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

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

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

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

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

Note 11 - Florida Retirement System (continued)

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

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

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

Contributions: Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent (3.00%) of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2021 through June 30, 2022 and from July 1, 2022 through September 30, 2022, respectively, were as follows: Regular - 10.82% and 11.91%; Special Risk Administrative Support – 37.76% and 38.65%; Special Risk – 25.89% and 27.83%; Senior Management Service – 29.01% and 31.57%; Elected Officers – 51.42% and 57.00%; and DROP participants – 18.34% and 18.60%. These employer contribution rates include 1.66% HIS Plan subsidy and a 0.06% plan administrative and educational expense for the periods October 1, 2021 through June 30, 2022, and from July 1, 2022 through September 30, 2022, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At September 30, 2022, the City reported a liability of \$ 9,306,100 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The City's proportionate share of the net pension liability was based on the City's 2021-22 fiscal year contributions relative to the 2020-21 fiscal year contributions of all participating members. At June 30, 2022, the City's proportionate share was 0.02501%, which was an decrease of 0.00129% from its proportionate share measured as of June 30, 2021.

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

Note 11 - Florida Retirement System (continued)

For the fiscal year ended September 30, 2022, the City recognized pension expense of \$ 5,322,269. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 441,986	\$ -
Change in assumptions	1,146,085	-
Net difference between projected and actual earnings on pension plan investments	614,481	-
Employer-specific amounts due to changes in employer proportion	1,471,035	-
City contributions subsequent to the measurement date	<u>310,244</u>	<u>-</u>
Total	\$ <u><u>3,983,831</u></u>	\$ <u><u>-</u></u>

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

<u>Fiscal Year Ending September 30,</u>	<u>Amount</u>
2023	\$ 990,854
2024	628,893
2025	187,175
2026	1,750,653
2027	116,012
Thereafter	<u>-</u>
	\$ <u><u>3,673,587</u></u>

Actuarial Assumptions: The total pension liability in the July 1, 2022, actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.40%
Salary Increases	3.25%, average, including inflation
Investment rate of return	6.70%, net of pension plan investment expense, including inflation
Mortality	Mortality rates were based on the PUB-2010 with Projection Scale MP-2018

Note 11 - Florida Retirement System (continued)

The actuarial assumptions used in the July 1, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

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

Discount Rate: The discount rate used to measure the total pension liability was 6.70%. The Pension Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the City’s Proportionate Share of the Net Position Liability to Changes in the Discount Rate: The following represents the City’s proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70%) or one percentage point higher (7.70%) than the current rate:

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
City's proportionate share of the net pension liability	\$ <u>16,094,260</u>	\$ <u>9,306,100</u>	\$ <u>3,630,390</u>

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

HIS Plan

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

Benefits Provided: For the fiscal year ended September 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment of \$ 5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$ 30 and a maximum HIS payment of \$ 150 per month pursuant to section 112.363 Florida Statutes. To be eligible to receive these benefits, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Note 11 - Florida Retirement System (continued)

Contributions: The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2022, the HIS contribution for the period October 1, 2020 through June 30, 2021 and from July 1, 2021 through September 30, 2022 was 1.66%, respectively. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At September 30, 2022, the City’s reported a liability of \$ 2,766,648 for its proportionate share of the HIS Plan’s net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The City’s proportionate share of the net pension liability was based on the City’s 2021-22 fiscal year contributions relative to the 2020-21 fiscal year contributions of all participating members. At June 30, 2022, the City’s proportionate share was 0.02612%, which was an increase of 0.001311% from its proportionate share measured as of June 30, 2021.

For the fiscal year ended September 30, 2022, the City recognized pension expense of \$ 2,324,590. In addition, the City reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 83,974	\$ 12,173
Change in assumptions	158,586	427,999
Net difference between projected and actual earnings on pension plan investments	4,006	-
Employer-specific amounts due to changes in employer proportion	591,668	-
City contributions subsequent to the measurement date	<u>43,996</u>	<u>-</u>
Total	\$ <u><u>882,230</u></u>	\$ <u><u>440,172</u></u>

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

Note 11 - Florida Retirement System (continued)

Fiscal Year Ending September 30,	Amount
2023	\$ 99,135
2024	109,538
2025	118,241
2026	95,264
2027	(6,712)
Thereafter	<u>(17,404)</u>
	<u>\$ 398,062</u>

Actuarial Assumptions: The total pension liability in the July 1, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.25%, average, including inflation
Municipal bond rate	3.54%
Mortality	Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2022.

Discount Rate: The discount rate used to measure the total pension liability was 3.54%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the City’s Proportionate Share of the Net Position Liability to Changes in the Discount Rate: The following represents the City’s proportionate share of the net pension liability calculated using the discount rate of 3.54%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.54%) or one percentage point higher (4.54%) than the current rate:

	1% Decrease <u>2.54%</u>	Current Discount Rate <u>3.54%</u>	1% Increase <u>4.54%</u>
City's proportionate share of the net pension liability	\$ <u>3,165,272</u>	\$ <u>2,766,648</u>	\$ <u>2,436,794</u>

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

Note 11 - Florida Retirement System (continued)

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

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

Payables to the Pension Plan: The City reported no payables for outstanding contributions to the HIS Plan as of September 30, 2022.

Note 12 - Defined Contribution Plan

Eligible FRS members have the option of participating in the Florida Retirement System Investment Plan ("Investment Plan") which is a defined contribution plan or the Florida Retirement System Pension Plan ("Pension Plan") which is a defined benefit plan (Note 11). The Investment Plan is qualified under Section 401 (a) of the Internal Service Code. The employer and employee contributions for the Investment Plan are defined by law. Employees are required to contribute 3% of their salary. The amount contributed by the City is the same whether the employee participates in the Investment Plan or the Pension Plan (Note 11). The City contributed \$ 493,225 to the Investment Plan for the year ended September 30, 2022. The City does not exercise any control or fiduciary responsibility over the Plan's assets. Therefore, the assets, liabilities, and transactions are not included in the City's financial statements.

Note 13 - Deferred Compensation

The City offers its employees a deferred compensation plan (457b) with a financial institution. Upon employment, all full-time employees have a one-time benefit election to enroll in the plan and will receive a match of up to a maximum of 1.8% of their compensation by the City. For the year ended September 30, 2022, the City contributed a total of \$ 123,162 to the Plan.

Note 14 - Other Post-Employment Benefits

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

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

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

Note 14 - Other Post-Employment Benefits (continued)

As of September 30, 2020, the date of the latest actuarial valuation, employee membership data related to the Plan was as follows:

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

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

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

Funding Policy: The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to pre-fund benefits when earned and determined annually by the City’s actuary. For the year ended September 30, 2022, the City made contributions of \$ 200,000 to the OPEB plan. It is the City’s intent to base future OPEB Trust contributions on the actuarially determined annual required contribution (ARC) less pay-as-you-go financing; however, no future Trust contributions are legally or contractually required. The City shares the insurance premium costs by subsidizing two-thirds of the cost. Retiree plan members are responsible for the remaining portion. The contribution requirements of plan members are established and may be amended by the City Commission.

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

The following condensed statements represent the fiduciary net position restricted for OPEB benefits at September 30, 2022 and the changes in net fiduciary position for the year then ended:

Note 14 - Other Post-Employment Benefits (continued)

Condensed Statement of Fiduciary Net Position

	<u>OPEB Trust</u>
Assets:	
Cash and investments	\$ <u>10,970,519</u>
Total assets	<u>10,970,519</u>
Liabilities	<u>-</u>
Net position restricted for other post-employment benefits	\$ <u><u>10,970,519</u></u>

Condensed Statement of Changes in Fiduciary Net Position

	<u>OPEB Trust</u>
Additions:	
Employer contributions	\$ 200,000
Net investment income (loss)	<u>(1,667,816)</u>
Total additions	<u>(1,467,816)</u>
Deductions	<u>-</u>
Change in net position	\$ <u><u>(1,467,816)</u></u>

Net OPEB Liability of the City: The components of the net OPEB liability of the City at September 30, 2022 were as follows:

Total OPEB Liability	\$ 15,313,580
Plan fiduciary net position	<u>(12,438,335)</u>
Net OPEB liability	\$ <u><u>2,875,245</u></u>
Plan fiduciary net position as a percentage of total OPEB liability	81.2%

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

Note 14 - Other Post-Employment Benefits (continued)

Net OPEB Liability: The total OPEB liability was determined as of September 30, 2020 (the valuation date) with a measurement date of September 30, 2021 the date as of which the total OPEB liability is determined as follows:

The following table provides information concerning actuarial methods and assumptions:

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

Changes in the Total OPEB Liability:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Total OPEB Liability (a)-(b)
Balance at September 30, 2021	\$ 15,161,295	\$ 10,504,634	\$ 4,656,661
Changes for the year:			
Service cost	290,832	-	290,832
Interest	968,964	-	968,964
Economic/demographic gains or losses	-	-	-
Assumption changes	-	-	-
Benefit payments	(1,107,511)	(1,107,511)	-
Employer contributions	-	1,307,511	(1,307,511)
Net investment income (loss)	-	1,745,870	(1,745,870)
Administrative expense	-	(12,169)	12,169
Net changes	152,285	1,933,701	(1,781,416)
Balance at September 30, 2022	\$ 15,313,580	\$ 12,438,335	\$ 2,875,245

Money Weight of Return: For the year ended September 30, 2022, the net money weighted rate of return (loss) was (13.12)%. The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

Note 14 - Other Post-Employment Benefits (continued)

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

	<u>September 30, 2022</u>
Discount Rate	6.500%
Long-Term Expected Rate of Return, Net of Investment Expense	6.500%
20 Year Tax-Exempt Municipal Bond	2.260%

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

	<u>1% Decrease (5.50%)</u>	<u>Current Discount Rate (6.50%)</u>	<u>1% Increase (7.50%)</u>
Net OPEB Liability	\$ <u>4,384,878</u>	\$ <u>2,875,245</u>	\$ <u>1,591,789</u>

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

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Net OPEB Liability	\$ <u>1,357,979</u>	\$ <u>2,875,245</u>	\$ <u>4,678,907</u>

OPEB Expense and deferred outflows of resources and deferred inflows of resources related to OPEB: For the year ended September 30, 2022, the City recognized OPEB expense of \$ 3,972,950. At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 3,307,422
Changes in assumptions	-	3,732,671
Net difference between projected and actual earnings	5,347	1,064,224
Contributions subsequent to measurement date	<u>1,285,410</u>	<u>-</u>
Total	\$ <u>1,290,757</u>	\$ <u>8,104,317</u>

Note 14 - Other Post-Employment Benefits (continued)

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

Year Ended September 30,	
2023	\$ (4,174,260)
2024	(2,290,677)
2025	(816,127)
2026	(817,906)
2027	-
Thereafter	<u>-</u>
Total	\$ <u><u>(8,098,970)</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

City of Dania Beach, Florida

General Fund

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

For the Year Ended September 30, 2022

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Property taxes	\$ 27,957,523	\$ 27,957,523	\$ 27,419,983	\$ (537,540)
Special assessments	6,700,000	6,700,000	6,937,076	237,076
Franchise fees	2,743,024	2,743,024	3,478,818	735,794
Utility taxes	4,176,000	4,176,000	4,472,143	296,143
Licenses and permits	287,765	287,765	2,916,771	2,629,006
Intergovernmental	5,984,600	6,457,671	17,168,893	10,711,222
Charges for services	2,315,300	2,315,300	2,779,296	463,996
Fines and forfeitures	288,000	288,000	265,719	(22,281)
Investment income	300,000	300,000	120,760	(179,240)
Miscellaneous	1,692,880	1,721,602	2,277,460	555,858
	<u>52,445,092</u>	<u>52,946,885</u>	<u>67,836,919</u>	<u>14,890,034</u>
Total revenues				
Expenditures:				
General government:				
Legislative	833,443	1,122,829	866,552	256,277
Executive:				
City clerk	390,481	390,481	375,413	15,068
City manager	809,825	1,015,239	786,737	228,502
Finance and administration:				
Human resources	838,795	878,837	731,268	147,569
Finance and information systems	1,242,527	1,245,527	1,209,074	36,453
General services	4,743,210	5,013,111	3,136,483	1,876,628
Legal	820,440	1,038,141	770,988	267,153
	<u>9,678,721</u>	<u>10,704,165</u>	<u>7,876,515</u>	<u>2,827,650</u>
Total general government				
Public safety:				
Code enforcement	949,071	947,071	883,494	63,577
Police	15,292,674	15,596,329	15,261,392	334,937
Fire	14,555,057	14,724,473	14,737,619	(13,146)
	<u>30,796,802</u>	<u>31,267,873</u>	<u>30,882,505</u>	<u>385,368</u>
Total public safety				
Highways and streets	4,722,924	3,863,371	2,961,279	902,092
Physical environment	2,153,597	2,206,843	2,015,743	191,100
Community redevelopment	748,409	752,117	567,034	185,083
Culture and recreation	4,482,794	4,602,447	4,072,312	530,135
	<u>52,583,247</u>	<u>53,396,816</u>	<u>48,375,388</u>	<u>5,021,428</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>(138,155)</u>	<u>(449,931)</u>	<u>19,461,531</u>	<u>19,911,462</u>

City of Dania Beach, Florida
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
(Continued)
For the Year Ended September 30, 2022

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Other Financing Sources (Uses):				
Appropriations of prior year reserves	1,626,000	15,283,744	-	(15,283,744)
Debt proceeds	1,000,000	1,345,000	1,345,000	-
Transfers in	4,300,763	14,325,263	14,325,263	-
Transfers out	<u>(6,788,608)</u>	<u>(30,504,076)</u>	<u>(30,869,077)</u>	<u>(365,001)</u>
 Total other financing sources (uses)	 <u>138,155</u>	 <u>449,931</u>	 <u>(15,198,814)</u>	 <u>(15,648,745)</u>
 Net change in fund balances	 \$ <u><u>-</u></u>	 \$ <u><u>-</u></u>	 \$ <u><u>4,262,717</u></u>	 \$ <u><u>4,262,717</u></u>

City of Dania Beach, Florida
Community Redevelopment Agency Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2022

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Investment income	\$ 5,000	\$ 5,000	\$ 1,982	\$ (3,018)
Intergovernmental	-	-	44,965	44,965
Miscellaneous	<u>844,667</u>	<u>885,267</u>	<u>96,488</u>	<u>(788,779)</u>
Total revenues	<u>849,667</u>	<u>890,267</u>	<u>143,435</u>	<u>(746,832)</u>
Expenditures:				
Community redevelopment	<u>2,918,404</u>	<u>2,981,674</u>	<u>1,334,259</u>	<u>1,647,415</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,068,737)</u>	<u>(2,091,407)</u>	<u>(1,190,824)</u>	<u>900,583</u>
Other Financing Sources (Uses):				
Appropriations of prior year reserves	1,066,746	1,081,716	-	(1,081,716)
Transfers in	1,533,926	1,541,626	1,541,626	-
Transfers out	<u>(531,935)</u>	<u>(531,935)</u>	<u>(521,935)</u>	<u>10,000</u>
Total other financing sources (uses)	<u>2,068,737</u>	<u>2,091,407</u>	<u>1,019,691</u>	<u>(1,071,716)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (171,133)</u>	<u>\$ (171,133)</u>

City of Dania Beach, Florida

Building Fund

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

For the Year Ended September 30, 2022

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Licenses and permits	\$ 4,586,000	\$ 4,586,000	\$ 6,123,315	\$ 1,537,315
Investment income	10,000	10,000	8,517	(1,483)
Miscellaneous	5,000	5,000	27,821	22,821
	<u>4,601,000</u>	<u>4,601,000</u>	<u>6,159,653</u>	<u>1,558,653</u>
Expenditures:				
Public Safety	3,582,669	3,589,895	3,331,013	258,882
	<u>3,582,669</u>	<u>3,589,895</u>	<u>3,331,013</u>	<u>258,882</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,018,331</u>	<u>1,011,105</u>	<u>2,828,640</u>	<u>1,817,535</u>
Other Financing Sources (Uses):				
Appropriations of prior year reserves	140,977	148,203	-	(148,203)
Transfers out	(1,159,308)	(1,159,308)	(1,159,308)	-
	<u>(1,018,331)</u>	<u>(1,011,105)</u>	<u>(1,159,308)</u>	<u>(148,203)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,669,332</u>	<u>\$ 1,669,332</u>

City of Dania Beach, Florida
Required Supplementary Information
Notes To Budgetary Comparison Schedules
For the Year Ended September 30, 2022

Note 1 - Budgets and Budgetary Comparisons

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

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

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

Fiscal Year:	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Measurement Date:	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014*
Total pension liability									
Service cost	\$ 565,831	\$ 606,318	\$ 679,390	\$ 724,803	\$ 839,069	\$ 891,121	\$ 1,226,373	\$ 1,145,724	\$ 1,067,760
Interest	4,862,067	4,929,957	4,949,503	4,747,703	4,709,586	4,574,753	4,337,463	4,171,246	3,944,144
Differences between expected and actual experience	699,787	252,612	(67,164)	595,694	(922,961)	506,187	1,314,433	392,918	(23,067)
Changes of assumptions	4,155,047	3,835,936	(1,802,248)	-	-	1,869,158	(1,436,329)	1,666,373	2,894,544
Benefit payments	(6,242,807)	(5,111,362)	(4,671,185)	(4,291,509)	(4,497,632)	(4,299,948)	(3,122,665)	(3,803,361)	(2,922,426)
Benefit changes	4,525,764	-	(1,967)	-	-	-	-	-	-
Other (increase in State reserve)	1,024,815	849,423	917,260	1,448,186.00	447,835.00	1,027,652.00	1,994,483	435,428	210,585
Net change in total pension liability	9,590,504	5,362,884	3,589	3,224,877	575,897	4,568,923	4,313,758	4,008,328	5,171,540
Total pension liability - beginning	80,348,638	74,985,754	74,982,165	71,757,288	71,181,391	66,612,468	62,298,710	58,290,382	53,118,842
Total pension liability - ending (a)	<u>\$ 89,939,142</u>	<u>\$ 80,348,638</u>	<u>\$ 74,985,754</u>	<u>\$ 74,982,165</u>	<u>\$ 71,757,288</u>	<u>\$ 71,181,391</u>	<u>\$ 66,612,468</u>	<u>\$ 62,298,710</u>	<u>\$ 58,290,382</u>
Plan fiduciary net position									
Contributions - employer	\$ 744,471	\$ 6,169,439	\$ 6,798,153	\$ 6,736,911	\$ 6,728,480	\$ 6,723,558	\$ 5,537,300	\$ 3,776,003	\$ 2,795,542
Contributions - employer (from State)	477,476	459,092	463,157	429,236	395,992	448,880	446,780	441,891	466,381
Contributions - member	263,326	345,619	394,173	412,395	495,099	526,594	644,675	730,772	745,561
Net investment income (loss)	(10,153,731)	15,770,011	4,941,406	2,067,568	4,568,934	5,074,159	2,582,275	(197,718)	2,435,693
Benefit payments, including refunds of member contributions	(6,242,807)	(5,111,362)	(4,671,185)	(4,291,509)	(4,497,632)	(4,299,948)	(3,122,665)	(3,803,361)	(2,922,426)
Administrative expenses	(184,036)	(174,791)	(178,901)	(181,485)	(209,337)	(179,172)	(160,786)	(141,008)	(135,697)
Other (net of payments towards buyback balances)	739,284	582,275	646,048	1,210,895	185,895	(357,645)	966,824	58,192	173,969
Net change in plan fiduciary net position	(14,356,017)	18,040,283	8,392,851	6,384,011	7,667,431	7,936,426	6,894,403	864,771	3,559,023
Plan fiduciary net position - beginning	89,174,035	71,133,752	62,740,901	56,356,890	48,689,459	40,753,033	33,858,630	32,993,859	29,434,836
Plan fiduciary net position - ending (b)	<u>\$ 74,818,018</u>	<u>\$ 89,174,035</u>	<u>\$ 71,133,752</u>	<u>\$ 62,740,901</u>	<u>\$ 56,356,890</u>	<u>\$ 48,689,459</u>	<u>\$ 40,753,033</u>	<u>\$ 33,858,630</u>	<u>\$ 32,993,859</u>

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

Fiscal Year:	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Measurement Date:	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Net pension liability (asset) - ending (a) - (b) **	\$ <u>15,121,124</u>	\$ <u>(8,825,397)</u>	\$ <u>3,852,002</u>	\$ <u>12,241,264</u>	\$ <u>15,400,398</u>	\$ <u>22,491,932</u>	\$ <u>25,859,435</u>	\$ <u>28,440,080</u>	\$ <u>25,296,523</u>
Plan fiduciary net position as a percentage of the total pension liability	83.19%	110.98%	94.86%	83.67%	78.54%	68.40%	61.18%	54.35%	56.60%
Covered payroll	\$ 1,070,431	\$ 1,404,955	\$ 1,602,329	\$ 1,676,402	\$ 2,012,598	\$ 2,140,626	\$ 2,620,630	\$ 3,020,808	\$ 3,002,671
Net pension liability (asset) as percentage of covered payroll	1412.62%	-628.16%	240.40%	730.21%	765.20%	1050.72%	986.76%	941.47%	842.47%

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

** Under GASB 67 the net pension liability in this schedule reflects an October 1, 2021 valuation date and "rolled forward" to the measurement date, September 30, 2022. The GASB 68 net pension liability that appears on the Statement of Net Position reflects an October 1, 2020 valuation date and "rolled forward" to the measurement date, September 30, 2021. This methodology is acceptable under GASB standards and allows for timelier reporting at the end of the year.

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

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2022	\$ 868,526	\$ 936,416	\$ (67,890)	1,070,431	87.48%
2021	6,361,384	6,361,384	-	1,404,955	452.78%
2020	6,990,098	6,990,098	-	1,602,329	436.25%
2019	6,928,856	6,928,856	-	1,676,402	413.32%
2018	6,920,425	6,920,425	-	2,012,598	343.86%
2017	6,915,503	6,915,503	-	2,140,626	323.06%
2016	5,729,245	5,729,245	-	2,620,630	218.62%
2015	3,967,948	3,967,948	-	2,970,618	133.57%
2014	2,987,487	2,987,487	-	3,030,736	98.57%

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

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

Valuation date: October 1, 2020

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar, Closed
Remaining amortization period	Ten years
Asset valuation method	Five year smoothed fair value
Inflation	2.25%
Salary increases	6.00%
Investment rate of return	6.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The mortality tables used are the same as those used in the July 1, 2022 Pension Actuarial Valuation of the Florida Retirement System (FRS) for Special Risk Members. These tables are based on Pub-2010 Mortality Table with improvements projected for healthy lives to all future years after 2010 using Scale MP-2018

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Annual money-weighted rate of return (loss), net of investment expense	(11.66%)	21.32%	7.80%	3.35%	9.45%	12.67%	7.47%	(0.57%)	8.49%	11.69%

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

Fiscal Year:	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Measurement Date:	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Total pension liability									
Service cost	\$ 190,458	\$ 198,897	\$ 189,819	\$ 329,480	\$ 311,154	\$ 295,811	\$ 272,229	\$ 245,645	\$ 237,731
Interest	1,810,178	1,830,861	1,826,148	1,828,705	1,813,975	1,798,696	1,761,138	1,796,159	1,788,524
Differences between expected and actual experience	3,808	303,326	(86,190)	32,010	260,354	185,259	225,302	(648,964)	(46,534)
Changes of assumptions	-	(268,493)	-	-	-	-	1,148,450	604,864.00	593,408.00
Benefit payments	<u>(2,032,415)</u>	<u>(1,845,989)</u>	<u>(1,886,729)</u>	<u>(2,292,994)</u>	<u>(2,061,387)</u>	<u>(2,058,718)</u>	<u>(1,640,067)</u>	<u>(1,545,461)</u>	<u>(1,643,035)</u>
Net change in total pension liability	(27,971)	218,602	43,048	(102,799)	324,096	221,048	1,767,052	452,243	930,094
Total pension liability - beginning	<u>29,109,787</u>	<u>28,891,185</u>	<u>28,848,137</u>	<u>28,950,936</u>	<u>28,626,840</u>	<u>28,405,792</u>	<u>26,638,740</u>	<u>26,186,497</u>	<u>25,256,403</u>
Total pension liability - ending (a)	<u>\$ 29,081,816</u>	<u>\$ 29,109,787</u>	<u>\$ 28,891,185</u>	<u>\$ 28,848,137</u>	<u>\$ 28,950,936</u>	<u>\$ 28,626,840</u>	<u>\$ 28,405,792</u>	<u>\$ 26,638,740</u>	<u>\$ 26,186,497</u>
Plan fiduciary net position									
Contributions - employer	\$ 1,164,792	\$ 1,209,601	\$ 1,356,798	\$ 1,875,779	\$ 1,941,463	\$ 1,608,734	\$ 1,538,811	\$ 1,387,882	\$ 1,123,817
Contributions - member	153,951	176,468	154,407	266,554	268,632	273,005	241,501	218,073	214,524
Net investment income (loss)	(3,464,777)	4,769,806	1,338,270	749,289	1,903,704	2,055,278	1,191,779	(425,789)	1,330,113
Benefit payments	(2,032,415)	(1,845,989)	(1,886,729)	(2,292,994)	(2,061,387)	(2,058,718)	(1,640,067)	(1,545,461)	(1,643,035)
Other	-	-	-	-	(74,150)	(29,967)	-	-	-
Administrative and other expenses	<u>(85,724)</u>	<u>(90,088)</u>	<u>(83,127)</u>	<u>(85,525)</u>	<u>(227,014)</u>	<u>(83,809)</u>	<u>(84,542)</u>	<u>(77,849)</u>	<u>(90,200)</u>
Net change in plan fiduciary net position	(4,264,173)	4,219,798	879,619	513,103	1,751,248	1,764,523	1,247,482	(443,144)	935,219
Plan fiduciary net position - beginning	<u>29,704,839</u>	<u>25,485,041</u>	<u>24,605,422</u>	<u>24,092,319</u>	<u>22,341,071</u>	<u>20,576,548</u>	<u>19,329,066</u>	<u>19,772,210</u>	<u>18,836,991</u>
Plan fiduciary net position - ending (b)	<u>\$ 25,440,666</u>	<u>\$ 29,704,839</u>	<u>\$ 25,485,041</u>	<u>\$ 24,605,422</u>	<u>\$ 24,092,319</u>	<u>\$ 22,341,071</u>	<u>\$ 20,576,548</u>	<u>\$ 19,329,066</u>	<u>\$ 19,772,210</u>

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

Fiscal Year:	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Measurement Date:	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
City net pension liability (asset) - ending (a) - (b) **	\$ <u>3,641,150</u>	\$ <u>(595,052)</u>	\$ <u>3,406,144</u>	\$ <u>4,242,715</u>	\$ <u>4,858,617</u>	\$ <u>6,285,769</u>	\$ <u>7,829,244</u>	\$ <u>7,309,674</u>	\$ <u>6,414,287</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	87.48%	102.04%	88.21%	85.29%	83.22%	78.04%	72.44%	72.56%	75.51%
Covered payroll	\$ 779,894	\$ 893,961	\$ 782,204	\$ 1,271,226	\$ 1,282,631	\$ 1,223,738	\$ 1,223,409	\$ 1,108,089	\$ 1,086,708
Net pension liability (asset) as a percentage of covered payroll	466.88%	-66.56%	435.45%	333.75%	378.80%	513.65%	639.95%	659.66%	590.25%

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

** Under GASB 67 the net pension liability in this schedule reflects an October 1, 2021 valuation date and "rolled forward" to the measurement date, September 30, 2022. The GASB 68 net pension liability that appears on the Statement of Net Position reflects an October 1, 2020 valuation date and "rolled forward" to the measurement date, September 30, 2020. This methodology is acceptable under GASB standards and allows for timelier reporting at the end of the year.

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

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2022	\$ 1,164,792	\$ 1,164,792	\$ -	779,894	149.35%
2021	1,209,601	1,209,601	-	893,961	135.31%
2020	1,356,798	1,356,798	-	782,204	173.46%
2019	1,815,438	1,875,779	(60,341)	1,271,226	147.56%
2018	1,894,959	1,894,959	-	1,282,631	147.74%
2017	1,608,604	1,608,734	(130)	1,223,738	131.46%
2016	1,538,811	1,538,811	-	1,223,409	125.78%
2015	1,387,882	1,387,882	-	1,108,089	125.25%
2014	1,123,817	1,123,817	-	1,086,708	103.41%

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

Valuation date: October 1, 2020

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-Age Normal
Amortization method	Fixed Dollar
Remaining amortization period	Ten years
Asset valuation method	Five year smoothed fair value
Inflation	2.40%
Salary increases	4.00%
Investment rate of return	6.40%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) for Regular (other than Special Risk or K-12 School Instructional Personnel) Class members in their July 1, 2019 actuarial valuation (with mortality improvements projected for nondisabled lives to all future years after 2010 using Scale MP-2018). Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return (loss), net of investment expense	6.40%	6.50%	6.23%	2.98%	8.06%	10.20%	6.31%	(2.35%)	7.25%

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

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Proportion of the net pension liability	0.02501%	0.02372%	0.02057%	0.01781%	0.01602%	0.01467%	0.01387	0.01444%	-
Proportionate share of the net pension liability	\$ 9,306,100	\$ 1,791,433	\$ 8,913,291	\$ 6,132,936	\$ 4,824,802	\$ 4,338,181	\$ 3,503,415	\$ 1,865,110	\$ 1,341,034
Covered payroll	\$ 6,107,080	\$ 6,041,747	\$ 5,273,239	\$ 4,969,544	\$ 4,350,123	\$ 4,086,957	\$ 3,676,377	\$ 3,518,245	\$ 2,863,691
Proportionate share of the net pension liability as a percentage of its covered payroll	152.38%	29.65%	169.03%	123.41%	110.91%	106.15%	95.30%	53.01%	46.83%
Plan fiduciary net position as a percentage of total pension liability	96.40%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

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

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

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions In Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a percentage of covered payroll</u>
2022	\$ 780,551	\$ 780,551	\$ -	\$ 6,073,084	12.85%
2021	658,184	658,184	-	6,082,847	10.82%
2020	683,293	683,293	-	5,980,590	11.43%
2019	552,201	552,201	-	5,129,222	10.77%
2018	456,509	456,509	-	4,462,931	10.23%
2017	381,368	381,368	-	4,165,705	9.15%
2016	338,361	338,361	-	3,976,972	8.51%
2015	352,058	352,058	-	3,543,934	9.93%
2014	283,505	283,505	-	2,936,276	9.66%

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

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Proportion of the net pension liability	0.02612%	0.02481%	0.02204%	0.01867%	0.01814%	0.01788%	0.01716%	0.01600%	0.01492%
Proportionate share of the net pension liability	\$ 2,766,648	\$ 3,042,779	\$ 2,691,126	\$ 2,111,000	\$ 1,919,895	\$ 1,912,155	\$ 1,999,651	\$ 1,631,743	\$ 1,395,192
Covered payroll	\$ 6,107,080	\$ 6,041,747	\$ 5,273,239	\$ 4,969,544	\$ 4,350,123	\$ 4,086,957	\$ 3,676,377	\$ 3,518,245	\$ 2,863,691
Proportionate share of the net pension liability as a percentage of its covered payroll	45.30%	50.36%	51.03%	42.48%	44.13%	46.79%	54.39%	46.38%	46.38%
Plan fiduciary net position as a percentage of total pension liability	3.56%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

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

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

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a percentage of covered payroll</u>
2022	\$ 161,637	\$ 161,637	\$ -	\$ 6,073,084	2.66%
2021	148,022	148,022	-	6,082,847	2.43%
2020	99,278	127,010	(27,732)	5,980,590	2.12%
2019	85,145	104,765	(19,620)	5,129,222	2.04%
2018	74,085	98,370	(24,285)	4,462,931	2.20%
2017	69,151	94,643	(25,492)	4,165,705	2.27%
2016	66,018	87,944	(21,926)	3,976,972	2.21%
2015	58,829	61,162	(2,333)	3,543,934	1.73%
2014	36,997	51,116	(14,119)	2,936,276	1.74%

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

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

Fiscal Year:	9/30/2023	9/30/2022	9/30/2021
Measurement Date:	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>
Total OPEB liability			
Service cost	\$ 302,465	\$ 290,832	\$ 225,162
Interest on total OPEB liability	980,323	968,964	1,155,942
Effect of economic/demographic (gains) or losses	-	-	(2,504,895)
Effect of assumption changes or inputs	-	-	(1,134,089)
Benefits payments	<u>(1,085,410)</u>	<u>(1,107,511)</u>	<u>(274,443)</u>
Net change in total OPEB liability	197,378	152,285	(2,532,323)
Total OPEB liability - beginning	<u>15,313,580</u>	<u>15,161,295</u>	<u>17,693,618</u>
Total OPEB liability - ending (a)	15,510,958	15,313,580	15,161,295
Fiduciary Net Position			
Employer contributions	1,285,410	1,307,511	474,443
Net investment income	(1,654,950)	1,745,870	626,879
Benefit payments	(1,085,410)	(1,107,511)	(274,443)
Administrative expenses	<u>(12,866)</u>	<u>(12,169)</u>	<u>(10,240)</u>
Net change in fiduciary net position	(1,467,816)	1,933,701	816,639
Fiduciary net position, beginning	<u>12,438,335</u>	<u>10,504,634</u>	<u>9,687,995</u>
Fiduciary net position, ending (b)	10,970,519	12,438,335	10,504,634
Net OPEB liability (asset), ending = (a)-(b)	<u>\$ 4,540,439</u>	<u>\$ 2,875,245</u>	<u>\$ 4,656,661</u>
Fiduciary net position as a percentage of the total OPEB liability	70.7%	81.2%	69.3%
Covered payroll	\$ 8,393,649	\$ 8,340,663	\$ 8,365,123
Net OPEB liability (asset) as a percentage of covered payroll	184.9%	290.1%	179.6%

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

	<u>9/30/2020</u> <u>9/30/2019</u>	<u>9/30/2019</u> <u>9/30/2018</u>	<u>9/30/2018</u> <u>9/30/2017</u>
\$	771,852 993,212	\$ 842,806 1,179,145	\$ 1,507,395 1,056,799
	-	(7,935,537)	-
	(6,538,332) <u>(1,034,066)</u>	(1,750,814) <u>(765,029)</u>	(3,164,379) <u>(1,033,310)</u>
	(5,807,334)	(8,429,429)	(1,633,495)
	<u>23,500,952</u> 17,693,618	<u>31,930,381</u> 23,500,952	<u>33,563,876</u> 31,930,381
	1,034,066 820,877 <u>(1,034,066)</u> (9,587)	765,029 497,974 <u>(765,029)</u> (9,079)	- 898,862 - <u>(8,280)</u>
	811,290	488,895	890,582
	<u>8,876,705</u> 9,687,995	<u>8,387,810</u> 8,876,705	<u>7,497,228</u> 8,387,810
\$	<u><u>8,005,623</u></u>	<u><u>14,624,247</u></u>	<u><u>23,542,571</u></u>
	54.8%	37.8%	26.3%
\$	8,076,850	\$ 8,616,155	\$ 3,454,112
	100.9%	58.9%	14.7%

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

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2022	\$ 584,353 **	\$ 1,285,410	\$ (701,057)	8,393,649	15.31%
2021	1,051,558 ***	1,307,511	(255,953)	8,340,663	15.68%
2020	474,433	474,433	-	8,365,123	5.67%
2019	1,034,066	1,034,066	-	8,076,850	12.80%
2018	765,029	765,029	-	8,616,155	8.88%
2017	1,806,102	1,033,310	772,792	3,454,112	29.92%
2016	1,036,853	982,376	54,477	3,914,405	25.10%

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

** Includes \$ 200,000 in cash contributions and \$ 1,085,410 in retiree benefit payments.

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

Valuation date: September 30, 2020

Methods and assumptions used to determine contribution rates:

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

Effective with the 2020 valuation, the City has adopted a written funding policy that will allow Fiduciary Net Position to grow with both employer contribution and investment return for a 10 year period. During the same 10 year period the City will not draw down Trust assets to offset retirement benefits.

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Annual money-weighted rate of return (loss), net of investment expense	-13.12%	16.32%	6.35%	9.25%	5.94%

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

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

Public Art Fund - Accounts for donations and contributions from contractors and other entities for the promotion of the arts and support of efforts to procure and install art in public places.

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

Sponsorship Fund - Accounts for sponsorships (to obtain recognition) for special events put on by the parks and recreation department.

**City of Dania Beach, Florida
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2022**

	<u>Donations</u>	<u>Perpetual Care</u>	<u>Tree Preservation</u>	<u>Law Enforcement Trust</u>	<u>RAC Traffic Mitigation</u>	<u>Payment In-Lieu of Parking</u>	<u>Public Art</u>	<u>Solid Waste</u>	<u>Sponsorship</u>	<u>Total</u>
Assets:										
Cash, cash equivalents, and investments	\$ 17,760	\$ 406,449	\$ 1,397,407	\$ 68,542	\$ 88,329	\$ 667,275	\$ 1,738,716	\$ 538,302	\$ 3,140	\$ 4,925,920
Receivables, net										
Customer/other, net	-	-	-	5,403	-	-	-	-	-	5,403
Total assets	<u>\$ 17,760</u>	<u>\$ 406,449</u>	<u>\$ 1,397,407</u>	<u>\$ 73,945</u>	<u>\$ 88,329</u>	<u>\$ 667,275</u>	<u>\$ 1,738,716</u>	<u>\$ 538,302</u>	<u>\$ 3,140</u>	<u>\$ 4,931,323</u>
Liabilities:										
Accounts payable and other liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 254,000	\$ 217,013	\$ -	\$ 471,013
Due to other funds	-	-	-	-	-	-	-	421	-	421
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>254,000</u>	<u>217,434</u>	<u>-</u>	<u>471,434</u>
Fund Balances:										
Restricted for:										
Law enforcement	-	-	-	73,945	-	-	-	-	-	73,945
Transportation mitigation	-	-	-	-	88,329	-	-	-	-	88,329
Committed to:										
Maintenance of cemeteries	-	406,449	-	-	-	-	-	-	-	406,449
Capital projects	17,760	-	-	-	-	667,275	1,484,716	-	-	2,169,751
Solid waste	-	-	-	-	-	-	-	320,868	-	320,868
Tree preservation	-	-	1,383,442	-	-	-	-	-	-	1,383,442
Sponsorships	-	-	-	-	-	-	-	-	3,140	3,140
Other committed costs	-	-	13,965	-	-	-	-	-	-	13,965
Total fund balances	<u>17,760</u>	<u>406,449</u>	<u>1,397,407</u>	<u>73,945</u>	<u>88,329</u>	<u>667,275</u>	<u>1,484,716</u>	<u>320,868</u>	<u>3,140</u>	<u>4,459,889</u>
Total liabilities and fund balances	<u>\$ 17,760</u>	<u>\$ 406,449</u>	<u>\$ 1,397,407</u>	<u>\$ 73,945</u>	<u>\$ 88,329</u>	<u>\$ 667,275</u>	<u>\$ 1,738,716</u>	<u>\$ 538,302</u>	<u>\$ 3,140</u>	<u>\$ 4,931,323</u>

City of Dania Beach, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2022

	<u>Donations</u>	<u>Perpetual Care</u>	<u>Tree Preservation</u>	<u>Law Enforcement Trust</u>	<u>RAC Traffic Mitigation</u>	<u>Payment In-Lieu of Parking</u>	<u>Public Art</u>	<u>Solid Waste</u>	<u>Sponsorship</u>	<u>Total</u>
Revenues:										
Franchise fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 243,332	\$ -	\$ 243,332
Licenses and permits	-	-	-	-	14,819	14,775	-	-	-	29,594
Charges for services	-	62,900	-	-	-	-	-	2,822,910	-	2,885,810
Fines and forfeitures	-	-	-	33,706	-	-	-	-	-	33,706
Investment income	-	4,024	1,403	632	-	-	-	-	-	6,059
Miscellaneous	-	-	305,372	-	-	-	903,812	137,500	3,140	1,349,824
Total revenues	-	66,924	306,775	34,338	14,819	14,775	903,812	3,203,742	3,140	4,548,325
Expenditures:										
Public safety	-	-	-	54,772	-	-	-	-	-	54,772
Community redevelopment	-	-	-	-	-	-	34,000	-	-	34,000
Physical environment	-	450	10,535	-	-	-	-	2,813,844	-	2,824,829
Total expenditures	-	450	10,535	54,772	-	-	34,000	2,813,844	-	2,913,601
Excess (deficiency) of revenues over expenditures	-	66,474	296,240	(20,434)	14,819	14,775	869,812	389,898	3,140	1,634,724
Other Financing Sources (Uses):										
Transfers out	-	(139,959)	(245,000)	-	-	-	-	(75,000)	-	(459,959)
Net change in fund balances	-	(73,485)	51,240	(20,434)	14,819	14,775	869,812	314,898	3,140	1,174,765
Fund Balances, Beginning	17,760	479,934	1,346,167	94,379	73,510	652,500	614,904	5,970	-	3,285,124
Fund Balances, Ending	\$ 17,760	\$ 406,449	\$ 1,397,407	\$ 73,945	\$ 88,329	\$ 667,275	\$ 1,484,716	\$ 320,868	\$ 3,140	\$ 4,459,889

City of Dania Beach, Florida
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2022

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Investment income	\$ -	\$ -	\$ 21	\$ 21
Total revenues	<u>-</u>	<u>-</u>	<u>21</u>	<u>21</u>
Expenditures:				
Debt Service:				
Principal	679,014	679,014	679,014	-
Interest and fiscal charges	<u>165,433</u>	<u>264,483</u>	<u>219,432</u>	<u>45,051</u>
Total expenditures	<u>844,447</u>	<u>943,497</u>	<u>898,446</u>	<u>45,051</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(844,447)</u>	<u>(943,497)</u>	<u>(898,425)</u>	<u>45,072</u>
Other Financing Sources (Uses):				
Transfers in	844,447	844,447	851,947	7,500
Appropriations of prior year reserves	<u>-</u>	<u>99,050</u>	<u>-</u>	<u>(99,050)</u>
Total other financing sources (uses)	<u>844,447</u>	<u>943,497</u>	<u>851,947</u>	<u>(91,550)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (46,478)</u>	<u>\$ (46,478)</u>

City of Dania Beach, Florida

Solid Waste Fund

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

For the Year Ended September 30, 2022

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Franchise fees	\$ 125,000	\$ 125,000	\$ 243,332	\$ 118,332
Charges for services	2,747,500	2,747,500	2,822,910	75,410
Investment income	4,000	4,000	-	(4,000)
Miscellaneous	290,000	290,000	137,500	(152,500)
Total revenues	<u>3,166,500</u>	<u>3,166,500</u>	<u>3,203,742</u>	<u>37,242</u>
Expenditures:				
Physical environment	<u>3,091,500</u>	<u>3,091,500</u>	<u>2,813,844</u>	<u>277,656</u>
Total expenditures	<u>3,091,500</u>	<u>3,091,500</u>	<u>2,813,844</u>	<u>277,656</u>
Excess (deficiency) of revenues over (under) expenditures	<u>75,000</u>	<u>75,000</u>	<u>389,898</u>	<u>314,898</u>
Other Financing Sources (Uses):				
Transfers out	<u>(75,000)</u>	<u>(75,000)</u>	<u>(75,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(75,000)</u>	<u>(75,000)</u>	<u>(75,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 314,898</u>	<u>\$ 314,898</u>

NON-MAJOR ENTERPRISE FUNDS

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

The City maintains two non-major enterprise funds:

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

Marina Fund: to account for revenues and expenses of the City's marina. The Marina Fund accounts for the operations and maintenance of a 92 slip marina facility on the opposite side of Dania Beach Ocean Park and the Dania Beach Pier. The marina is owned by the City and operated by a third party contractor.

City of Dania Beach, Florida
Nonmajor Proprietary Funds
Combining Statement of Net Position
September 30, 2022

	<u>Parking</u>	<u>Marina</u>	<u>Total Nonmajor Proprietary Funds</u>
Assets:			
Current assets:			
Cash, cash equivalents and investments	\$ 3,932,722	\$ 1,232,838	\$ 5,165,560
Receivables, net:			
Customer/other	41,880	305,449	347,329
Lease	535,279	-	535,279
Total current assets	<u>4,509,881</u>	<u>1,538,287</u>	<u>6,048,168</u>
Non-current assets:			
Net pension asset	11,901	-	11,901
Capital assets being depreciated, net	150,049	4,820,598	4,970,647
Total non-current assets	<u>161,950</u>	<u>4,820,598</u>	<u>4,982,548</u>
Total assets	<u>4,671,831</u>	<u>6,358,885</u>	<u>11,030,716</u>
Deferred Outflows of Resources:			
OPEB related	25,487	-	25,487
Pension related	120,618	-	120,618
Total deferred outflows of resources	<u>146,105</u>	<u>-</u>	<u>146,105</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	35,315	11,175	46,490
Accrued interest payable	-	19,224	19,224
Due to other funds	2,487	-	2,487
Due to other governments	-	6,309	6,309
Deposits	10,579	73,118	83,697
Unearned revenue	6,892	13,377	20,269
Compensated absences	7,352	-	7,352
Current maturities of long-term debt	-	160,000	160,000
Total current liabilities	<u>62,625</u>	<u>283,203</u>	<u>345,828</u>
Non-current liabilities:			
Compensated absences	41,664	-	41,664
Long-term debt	-	1,070,000	1,070,000
Other post-employment benefits (OPEB)	86,257	-	86,257
Net pension liability	241,455	-	241,455
Total non-current liabilities	<u>369,376</u>	<u>1,070,000</u>	<u>1,439,376</u>
Total liabilities	<u>432,001</u>	<u>1,353,203</u>	<u>1,785,204</u>
Deferred Inflows of Resources:			
Lease related	526,390	-	526,390
OPEB related	126,989	-	126,989
Pension related	50,746	-	50,746
Total deferred inflows of resources	<u>704,125</u>	<u>-</u>	<u>704,125</u>
Net Position:			
Net investment in capital assets	150,049	3,590,598	3,740,647
Unrestricted	3,531,761	1,415,084	4,946,845
Total net position	<u>\$ 3,681,810</u>	<u>\$ 5,005,682</u>	<u>\$ 8,687,492</u>

City of Dania Beach, Florida
Nonmajor Proprietary Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
September 30, 2022

	<u>Parking</u>	<u>Marina</u>	<u>Total Nonmajor Proprietary Funds</u>
Operating Revenues:			
Charges for services	\$ 1,779,288	\$ 1,295,279	\$ 3,074,567
Fines and forfeitures	270,894	-	270,894
Miscellaneous	54,249	14,863	69,112
	<u>2,104,431</u>	<u>1,310,142</u>	<u>3,414,573</u>
Operating Expenses:			
Operations and maintenance	484,885	598,491	1,083,376
Depreciation	30,696	333,898	364,594
	<u>515,581</u>	<u>932,389</u>	<u>1,447,970</u>
Total operating expenses	<u>515,581</u>	<u>932,389</u>	<u>1,447,970</u>
Operating income	<u>1,588,850</u>	<u>377,753</u>	<u>1,966,603</u>
Nonoperating Revenues (Expenses):			
Investment income	12,747	642	13,389
Interest (expense)	-	(42,125)	(42,125)
	<u>12,747</u>	<u>(41,483)</u>	<u>(28,736)</u>
Total nonoperating revenues (expenses)	<u>12,747</u>	<u>(41,483)</u>	<u>(28,736)</u>
Income before transfers	<u>1,601,597</u>	<u>336,270</u>	<u>1,937,867</u>
Transfers:			
Transfers in	24,000	-	24,000
Transfers out	(814,544)	(172,752)	(987,296)
	<u>(790,544)</u>	<u>(172,752)</u>	<u>(963,296)</u>
Total transfers	<u>(790,544)</u>	<u>(172,752)</u>	<u>(963,296)</u>
Change in net position	811,053	163,518	974,571
Net Position, Beginning of Year	<u>2,870,757</u>	<u>4,842,164</u>	<u>7,712,921</u>
Net Position, End of Year	<u>\$ 3,681,810</u>	<u>\$ 5,005,682</u>	<u>\$ 8,687,492</u>

City of Dania Beach, Florida
Nonmajor Proprietary Funds
Combining Statement of Cash Flows
September 30, 2022

	<u>Parking</u>	<u>Marina</u>	<u>Total Nonmajor Funds</u>
Cash Flows from Operating Activities:			
Receipts from customers and users	\$ 2,092,722	\$ 1,297,185	\$ 3,389,907
Payments to suppliers	(518,496)	(894,857)	(1,413,353)
Payments to employees	(332,702)	-	(332,702)
	<u>1,241,524</u>	<u>402,328</u>	<u>1,643,852</u>
Net cash provided by (used in) operating activities			
Cash Flows from Non-Capital Financing Activities:			
Transfers in	24,000	-	24,000
Transfers out	(814,544)	(172,752)	(987,296)
	<u>(790,544)</u>	<u>(172,752)</u>	<u>(963,296)</u>
Net cash provided by (used in) non-capital financing activities			
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets, net	(94,702)	-	(94,702)
Lease payments received	(8,889)	-	(8,889)
Principal paid on long-term debt	-	(150,000)	(150,000)
Interest paid on long-term debt	-	(44,501)	(44,501)
	<u>(103,591)</u>	<u>(194,501)</u>	<u>(298,092)</u>
Net cash provided by (used in) capital and related financing activities			
Cash Flows from Investing Activities:			
Investment earnings	12,747	642	13,389
	<u>12,747</u>	<u>642</u>	<u>13,389</u>
Net cash provided by (used in) investing activities			
Net increase (decrease) in cash, cash equivalents and investments	360,136	35,717	395,853
Cash, Cash Equivalents and Investments, Beginning of Year	<u>3,572,586</u>	<u>1,197,121</u>	<u>4,769,707</u>
Cash, Cash Equivalents and Investments, End of Year	<u>\$ 3,932,722</u>	<u>\$ 1,232,838</u>	<u>\$ 5,165,560</u>

City of Dania Beach, Florida
Nonmajor Proprietary Funds
Combining Statement of Cash Flows
(Continued)
September 30, 2022

	<u>Parking</u>	<u>Marina</u>	<u>Total Nonmajor Funds</u>
Reconciliation of Operating Income to Net Cash Provided by (Used In)			
Operating Activities:			
Operating income	\$ 1,588,850	\$ 377,753	\$ 1,966,603
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:			
Provision for depreciation	30,696	333,898	364,594
(Increase) decrease in:			
Receivables, net	(11,640)	(21,924)	(33,564)
Net pension asset	(11,901)	-	(11,901)
Deferred outflows related to OPEB	663	-	663
Deferred outflows related to pensions	141,836	-	141,836
(Increase) decrease in:			
Accounts payable and accrued liabilities	(4,167)	(5,088)	(9,255)
Due to other governmental agencies	-	2,111	2,111
Interfund payable, net	128	(293,389)	(293,261)
Deposits	184	8,847	9,031
Unearned revenue	(253)	120	(133)
Compensated absences	(284)	-	(284)
Net pension liability	(48,598)	-	(48,598)
OPEB obligation	(6,876)	-	(6,876)
Deferred inflows related to OPEB	(104,971)	-	(104,971)
Deferred inflows related to pensions	(332,143)	-	(332,143)
Total adjustments	<u>(347,326)</u>	<u>24,575</u>	<u>(322,751)</u>
Net cash provided by operating activities	<u>\$ 1,241,524</u>	<u>\$ 402,328</u>	<u>\$ 1,643,852</u>

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

The City has three Internal Service Funds:

Facilities Maintenance Fund - To account for the costs of operating the Facilities Maintenance Division and the maintenance and improvement of City facilities, and to accumulate resources for future improvements.

Fleet Services Fund – To account for the costs of operating the Fleet Management Division and the maintenance and replacement of City vehicles, and to accumulate resources for future needs.

Information Technology Fund – To account for the costs of operating the Information Systems Division and the distribution of costs associated with the acquisition and maintenance of information systems, equipment, networks, software, and support, and to accumulate resources for future needs.

City of Dania Beach, Florida
Internal Service Funds
Combining Statement of Net Position
September 30, 2022

	<u>Facilities Maintenance</u>	<u>Fleet Services</u>	<u>Information Technology</u>	<u>Total</u>
Assets:				
Current assets:				
Cash, cash equivalents and investments	\$ 756,446	\$ 389,767	\$ 590,875	\$ 1,737,088
Total current assets	<u>756,446</u>	<u>389,767</u>	<u>590,875</u>	<u>1,737,088</u>
Non-current assets:				
Capital assets being depreciated, net	-	136,504	-	136,504
Total assets	<u>756,446</u>	<u>526,271</u>	<u>590,875</u>	<u>1,873,592</u>
Liabilities:				
Current liabilities:				
Accounts payable and accrued liabilities	46,939	17,783	129,372	194,094
Due to other funds	1,955	1,391	2,940	6,286
Compensated absences	6,177	308	5,829	12,314
Total current liabilities	<u>55,071</u>	<u>19,482</u>	<u>138,141</u>	<u>212,694</u>
Non-current liabilities:				
Compensated absences	35,000	1,747	33,031	69,778
Total liabilities	<u>90,071</u>	<u>21,229</u>	<u>171,172</u>	<u>282,472</u>
Net Position:				
Net investment in capital assets	-	136,504	-	136,504
Unrestricted	666,375	368,538	419,703	1,454,616
Total net position	<u>\$ 666,375</u>	<u>\$ 505,042</u>	<u>\$ 419,703</u>	<u>\$ 1,591,120</u>

City of Dania Beach, Florida
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
September 30, 2022

	<u>Facilities Maintenance</u>	<u>Fleet Services</u>	<u>Information Technology</u>	<u>Total</u>
Operating Revenues:				
Miscellaneous	\$ 17,300	\$ -	\$ -	\$ 17,300
Operating Expenses:				
Operations and maintenance	970,858	382,997	1,314,944	2,668,799
Depreciation	-	11,248	-	11,248
Total operating expenses	<u>970,858</u>	<u>394,245</u>	<u>1,314,944</u>	<u>2,680,047</u>
Operating income (loss)	<u>(953,558)</u>	<u>(394,245)</u>	<u>(1,314,944)</u>	<u>(2,662,747)</u>
Income (loss) before transfers	<u>(953,558)</u>	<u>(394,245)</u>	<u>(1,314,944)</u>	<u>(2,662,747)</u>
Transfers:				
Transfers in	1,692,933	899,287	1,734,647	4,326,867
Transfers out	<u>(73,000)</u>	<u>-</u>	<u>-</u>	<u>(73,000)</u>
Total transfers	<u>1,619,933</u>	<u>899,287</u>	<u>1,734,647</u>	<u>4,253,867</u>
Change in net position	666,375	505,042	419,703	1,591,120
Net Position, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position, End of Year	<u>\$ 666,375</u>	<u>\$ 505,042</u>	<u>\$ 419,703</u>	<u>\$ 1,591,120</u>

City of Dania Beach, Florida
Internal Service Funds
Combining Statement of Cash Flows
September 30, 2022

	<u>Facilities Maintenance</u>	<u>Fleet Services</u>	<u>Information Technology</u>	<u>Total</u>
Cash Flows from Operating Activities:				
Receipts from customers and users	\$ 17,300	\$ -	\$ -	\$ 17,300
Payments to suppliers	(921,964)	(363,823)	(1,182,632)	(2,468,419)
Payments to employees	41,177	2,055	38,860	82,092
	<u>(863,487)</u>	<u>(361,768)</u>	<u>(1,143,772)</u>	<u>(2,369,027)</u>
Net cash provided by (used in) operating activities				
Cash Flows from Non-Capital Financing Activities:				
Transfers in	1,692,933	899,287	1,734,647	4,326,867
Transfers out	(73,000)	-	-	(73,000)
	<u>1,619,933</u>	<u>899,287</u>	<u>1,734,647</u>	<u>4,253,867</u>
Net cash provided by (used in) non-capital financing activities				
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets, net	-	(147,752)	-	(147,752)
	<u>-</u>	<u>(147,752)</u>	<u>-</u>	<u>(147,752)</u>
Net cash provided by (used in) capital and related financing activities				
Net increase (decrease) in cash, cash equivalents and investments	756,446	389,767	590,875	1,737,088
Cash, Cash Equivalents and Investments, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash, Cash Equivalents and Investments, End of Year	<u>\$ 756,446</u>	<u>\$ 389,767</u>	<u>\$ 590,875</u>	<u>\$ 1,737,088</u>

City of Dania Beach, Florida
Internal Service Funds
Combining Statement of Cash Flows
(Continued)
September 30, 2022

	<u>Facilities Maintenance</u>	<u>Fleet Services</u>	<u>Information Technology</u>	<u>Total</u>
Reconciliation of Operating Income (loss) to Net Cash Provided by (Used In) Operating Activities:				
Operating income (loss)	\$ (953,558)	\$ (394,245)	\$ (1,314,944)	\$ (2,662,747)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Provision for depreciation	-	11,248	-	11,248
Increase (decrease) in:				
Accounts payable and accrued liabilities	46,939	17,783	129,372	194,094
Interfund payable, net	1,955	1,391	2,940	6,286
Compensated absences	41,177	2,055	38,860	82,092
Total adjustments	<u>90,071</u>	<u>32,477</u>	<u>171,172</u>	<u>293,720</u>
Net cash provided by operating activities	<u>\$ (863,487)</u>	<u>\$ (361,768)</u>	<u>\$ (1,143,772)</u>	<u>\$ (2,369,027)</u>

FIDUCIARY FUNDS

FIDUCIARY FUNDS

Pension and Other Trust Funds

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

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

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

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

City of Dania Beach, Florida
Fiduciary Funds
Combining Statement of Fiduciary Net Position
September 30, 2022

	<u>General Employees' Pension</u>	<u>Police and Firefighters' Pension</u>	<u>Other Post- Employment Benefits</u>	<u>Total</u>
Assets:				
Cash	\$ 12,250	\$ 12,511	\$ 21,942	\$ 46,703
Investments, at fair value:				
Equity securities	15,526,658	43,273,740	10,948,577	69,748,975
Corporate and foreign bonds	1,981,716	3,339,058	-	5,320,774
Money market funds	1,233,817	1,369,104	-	2,602,921
Hedge funds	3,397,153	-	-	3,397,153
Real estate funds	-	17,172,381	-	17,172,381
Government securities	3,298,503	8,302,787	-	11,601,290
Total investments	<u>25,437,847</u>	<u>73,457,070</u>	<u>10,948,577</u>	<u>109,843,494</u>
Receivables:				
State contributions	-	477,476	-	477,476
Employee contributions	41,398	-	-	41,398
Employer contributions	291,708	-	-	291,708
Accrued interest receivable	71,913	113,779	-	185,692
Loans to DROP participants	-	839,780	-	839,780
Total receivables	<u>405,019</u>	<u>1,431,035</u>	<u>-</u>	<u>1,836,054</u>
Total assets	<u>25,855,116</u>	<u>74,900,616</u>	<u>10,970,519</u>	<u>111,726,251</u>
Liabilities:				
Accounts payable and accrued liabilities	-	54,520	-	54,520
Due to broker for securities purchased	414,448	28,078	-	442,526
Total liabilities	<u>414,448</u>	<u>82,598</u>	<u>-</u>	<u>497,046</u>
Net Position:				
Net position restricted for other post-employment benefits	-	-	10,970,519	10,970,519
Net position restricted for DROP benefits	304,729	1,613,988	-	1,918,717
Net position restricted for defined benefits	25,135,939	73,204,030	-	98,339,969
Total net position	<u>\$ 25,440,668</u>	<u>\$ 74,818,018</u>	<u>\$ 10,970,519</u>	<u>\$ 111,229,205</u>

City of Dania Beach, Florida
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
September 30, 2022

	<u>General Employees' Pension</u>	<u>Police and Firefighters' Pension</u>	<u>Other Post- Employment Benefits</u>	<u>Total</u>
Additions:				
Contributions:				
Employees	\$ 153,951	\$ 263,326	\$ -	\$ 417,277
Employer	1,164,792	744,471	200,000	2,109,263
Buybacks	-	739,284	-	739,284
State	-	477,476	-	477,476
	<u>1,318,743</u>	<u>2,224,557</u>	<u>200,000</u>	<u>3,743,300</u>
Total contributions				
Investment income (loss):				
Interest and dividends	600,692	1,728,062	-	2,328,754
Net change in fair value of investments	<u>(3,913,651)</u>	<u>(11,497,520)</u>	<u>(1,667,816)</u>	<u>(17,078,987)</u>
	<u>(3,312,959)</u>	<u>(9,769,458)</u>	<u>(1,667,816)</u>	<u>(14,750,233)</u>
Total investment income (loss)				
Less: Investment expenses	<u>(161,480)</u>	<u>(384,353)</u>	<u>-</u>	<u>(545,833)</u>
	<u>(3,474,439)</u>	<u>(10,153,811)</u>	<u>(1,667,816)</u>	<u>(15,296,066)</u>
Net investment income (loss)				
Other income	<u>9,663</u>	<u>80</u>	<u>-</u>	<u>9,743</u>
	<u>(2,146,033)</u>	<u>(7,929,174)</u>	<u>(1,467,816)</u>	<u>(11,543,023)</u>
Total additions				
Deductions:				
Benefit payments	2,032,415	6,242,807	-	8,275,222
Administrative expenses	<u>85,723</u>	<u>184,036</u>	<u>-</u>	<u>269,759</u>
	<u>2,118,138</u>	<u>6,426,843</u>	<u>-</u>	<u>8,544,981</u>
Total deductions				
Change in net position	(4,264,171)	(14,356,017)	(1,467,816)	(20,088,004)
Net Position, Beginning	<u>29,704,839</u>	<u>89,174,035</u>	<u>12,438,335</u>	<u>131,317,209</u>
Net Position, Ending	<u>\$ 25,440,668</u>	<u>\$ 74,818,018</u>	<u>\$ 10,970,519</u>	<u>\$ 111,229,205</u>

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

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

Contents	<u>Page</u>
Financial Trends	
<i>These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	118-124
Revenue Capacity	
<i>These tables contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	125-128
Debt Capacity	
<i>These tables present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.</i>	129-133
Demographic and Economic Information	
<i>These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.</i>	134-135
Operating Information	
<i>These tables contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	136-139

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

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
Net investment in capital assets	\$ 42,228,983	\$ 37,188,106	\$ 35,872,543	\$ 35,651,910	\$ 35,068,858	\$ 36,453,713	\$ 37,625,589	\$ 36,843,197	\$ 36,130,161	\$ 16,064,312
Restricted	3,242,162	2,496,639	3,218,810	2,761,211	2,866,963	3,545,448	6,837,576	5,621,643	9,682,079	13,630,990
Unrestricted (deficit)	<u>22,886,462</u>	<u>27,902,454</u>	<u>6,163,046</u>	<u>7,077,800</u>	<u>(11,743,455)</u>	<u>(29,521,847)</u>	<u>(20,771,508)</u>	<u>8,277,002</u>	<u>24,233,863</u>	<u>63,273,408</u>
Total governmental activities net position	<u>\$ 68,357,607</u>	<u>\$ 67,587,199</u>	<u>\$ 45,254,399</u>	<u>\$ 45,490,921</u>	<u>\$ 26,192,366</u>	<u>\$ 10,477,314</u>	<u>\$ 23,691,657</u>	<u>\$ 50,741,842</u>	<u>\$ 70,046,103</u>	<u>\$ 92,968,710</u>
Business-type activities:										
Net investment in capital assets	\$ 20,527,954	\$ 25,368,100	\$ 23,941,609	\$ 23,740,182	\$ 24,413,244	\$ 24,041,233	\$ 24,396,503	\$ 23,899,561	\$ 24,116,355	\$ 26,846,684
Restricted	3,195,927	2,557,073	4,300,285	2,027,747	2,315,284	2,698,432	3,061,428	3,119,693	3,291,443	3,330,626
Unrestricted	<u>9,774,194</u>	<u>16,455,631</u>	<u>16,768,701</u>	<u>21,253,404</u>	<u>17,111,228</u>	<u>15,066,192</u>	<u>18,166,941</u>	<u>26,345,203</u>	<u>27,218,115</u>	<u>29,437,876</u>
Total business-type activities net position	<u>\$ 33,498,075</u>	<u>\$ 44,380,804</u>	<u>\$ 45,010,595</u>	<u>\$ 47,021,333</u>	<u>\$ 43,839,756</u>	<u>\$ 41,805,857</u>	<u>\$ 45,624,872</u>	<u>\$ 53,364,457</u>	<u>\$ 54,625,913</u>	<u>\$ 59,615,186</u>
Primary government:										
Net investment in capital assets	\$ 62,756,937	\$ 62,556,206	\$ 59,814,152	\$ 59,392,092	\$ 59,482,102	\$ 60,494,946	\$ 62,022,092	\$ 60,742,758	\$ 60,246,516	\$ 42,910,996
Restricted	6,438,089	5,053,712	7,519,095	4,788,958	5,182,247	6,243,880	9,899,004	8,741,336	12,973,522	16,961,616
Unrestricted (deficit)	<u>32,660,656</u>	<u>44,358,085</u>	<u>22,931,747</u>	<u>28,331,204</u>	<u>5,367,773</u>	<u>(14,455,655)</u>	<u>(2,604,567)</u>	<u>34,622,205</u>	<u>51,451,978</u>	<u>92,711,284</u>
Total primary government net position	<u>\$ 101,855,682</u>	<u>\$ 111,968,003</u>	<u>\$ 90,264,994</u>	<u>\$ 92,512,254</u>	<u>\$ 70,032,122</u>	<u>\$ 52,283,171</u>	<u>\$ 69,316,529</u>	<u>\$ 104,106,299</u>	<u>\$ 124,672,016</u>	<u>\$ 152,583,896</u>

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

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
Governmental activities:										
General government	\$ 7,404,873	\$ 6,097,585	\$ 6,112,551	\$ 6,337,517	\$ 6,653,185	\$ 8,817,587	\$ 7,267,443	\$ 8,202,258	\$ 6,807,756	\$ 11,497,112
Public safety	22,673,356	24,070,777	25,400,964	28,314,440	28,842,274	30,850,159	27,349,962	29,250,346	34,699,279	33,610,952
Highways and streets	2,165,939	2,454,846	2,717,458	3,346,142	3,135,336	3,510,801	3,835,758	3,139,639	773,140	3,473,010
Physical environment	3,133,648	3,846,522	3,774,582	3,915,075	5,210,822	4,191,203	4,604,282	5,523,584	2,872,389	4,734,204
Community redevelopment	3,808,510	3,298,782	3,539,737	3,928,473	3,785,536	4,268,391	5,852,726	5,316,738	4,046,214	1,793,884
Culture and recreation	3,253,312	3,299,230	3,147,016	3,934,643	4,903,343	3,985,340	4,320,723	4,861,312	629,444	3,859,131
Interest expense	962,465	484,334	208,425	317,545	256,483	239,327	213,827	200,174	165,373	219,432
Total governmental activities	43,402,103	43,552,076	44,900,733	50,093,835	52,786,979	55,862,808	53,444,721	56,494,051	49,993,595	59,187,725
Business-type activities:										
Water	3,884,997	3,947,252	4,117,523	4,138,087	4,332,499	4,108,462	3,909,321	4,235,035	6,662,228	3,788,629
Sewer	5,345,282	4,422,730	3,693,787	4,561,554	4,496,988	4,689,446	4,840,610	4,443,108	4,466,630	5,833,831
Stormwater	1,010,648	904,203	877,269	1,052,413	1,244,627	1,097,556	1,114,442	1,144,655	1,537,868	1,012,388
Marina operations	169,614	351,774	718,044	827,467	833,373	804,092	802,576	842,432	785,320	974,514
Parking	273,966	340,574	548,092	573,544	633,638	736,788	819,848	895,556	1,052,650	515,581
Pier operations	330,729	275,754	415,719	463,596	459,381	449,187	466,893	458,501	398,172	497,043
Total business-type activities	11,015,236	10,242,287	10,370,434	11,616,661	12,000,506	11,885,531	11,953,690	12,019,287	14,902,868	12,621,986
Total expenses	\$ 54,417,339	\$ 53,794,363	\$ 55,271,167	\$ 61,710,496	\$ 64,787,485	\$ 67,748,339	\$ 65,398,411	\$ 68,513,338	\$ 64,896,463	\$ 71,809,711
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 3,714,622	\$ 3,440,054	\$ 4,550,523	\$ 3,370,035	\$ 4,703,252	\$ 5,333,266	\$ 7,726,310	\$ 3,898,704	\$ 8,071,722	\$ 8,318,149
Public safety	5,297,301	6,824,324	6,656,338	7,314,079	7,858,423	8,259,288	8,783,650	8,374,942	9,850,917	10,218,198
Highways and streets	-	-	957	2,998	13,000	78,000	-	-	-	-
Physical environment	2,037,219	2,012,046	2,064,089	2,512,473	2,561,659	2,589,596	2,641,273	2,741,314	2,841,636	2,960,409
Community redevelopment	-	-	-	57,120	17,858	19,672	20,856	15,241	5,846	7,580
Culture and recreation	128,635	121,649	240,469	164,541	208,602	250,727	257,089	385,464	1,477,414	1,671,748
Operating grants and contributions	265,678	486,672	1,001,165	395,138	-	2,506,200	2,225,732	2,293,337	904,290	10,275,331
Capital grants and contributions	603,553	4,895,611	205,326	136,075	175,491	135,492	-	368,600	538,960	-
Total governmental activities	12,047,008	17,780,356	14,718,867	13,952,459	15,538,285	19,172,241	21,654,910	18,077,602	23,690,785	33,451,415

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

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business-type activities:										
Charges for services:										
Water	5,479,402	5,518,175	5,619,733	5,550,941	5,783,284	6,085,312	5,969,968	5,591,899	5,717,061	5,916,496
Sewer	6,771,028	7,035,606	6,653,703	6,651,066	6,597,427	6,817,314	7,104,089	6,756,123	6,872,635	7,144,638
Stormwater	1,949,507	1,927,483	2,033,947	1,949,987	2,029,035	1,975,809	2,004,790	1,970,221	1,965,623	2,896,067
Marina operations	162,114	307,557	775,742	861,501	902,157	983,120	1,050,666	1,081,945	1,207,055	1,295,279
Parking	1,052,362	1,421,597	1,644,600	1,378,063	1,454,663	1,289,059	1,285,446	1,128,022	1,458,345	1,779,288
Pier operations	362,849	356,454	463,542	268,694	279,128	291,993	295,290	233,708	302,689	309,066
Capital grants and contributions	-	-	-	-	-	-	-	-	-	180,753
Total business-type activities program revenues	<u>15,777,262</u>	<u>16,566,872</u>	<u>17,191,267</u>	<u>16,660,252</u>	<u>17,045,694</u>	<u>17,442,607</u>	<u>17,710,249</u>	<u>16,761,918</u>	<u>17,523,408</u>	<u>19,521,587</u>
Total primary government program revenue	\$ <u>27,824,270</u>	\$ <u>34,347,228</u>	\$ <u>31,910,134</u>	\$ <u>30,612,711</u>	\$ <u>32,583,979</u>	\$ <u>36,614,848</u>	\$ <u>39,365,159</u>	\$ <u>34,839,520</u>	\$ <u>41,214,193</u>	\$ <u>52,973,002</u>
Net (Expense)/Revenue										
Governmental activities	\$ (31,355,095)	\$ (25,771,720)	\$ (30,181,866)	\$ (36,141,376)	\$ (37,248,694)	\$ (36,690,567)	\$ (31,789,811)	\$ (38,416,449)	\$ (26,302,810)	\$ (25,736,310)
Business-type activities	<u>4,762,026</u>	<u>6,324,585</u>	<u>6,820,833</u>	<u>5,043,591</u>	<u>5,045,188</u>	<u>5,557,076</u>	<u>5,756,559</u>	<u>4,742,631</u>	<u>2,620,540</u>	<u>6,899,601</u>
Total primary government net expense/revenue	\$ <u>(26,593,069)</u>	\$ <u>(19,447,135)</u>	\$ <u>(23,361,033)</u>	\$ <u>(31,097,785)</u>	\$ <u>(32,203,506)</u>	\$ <u>(31,133,491)</u>	\$ <u>(26,033,252)</u>	\$ <u>(33,673,818)</u>	\$ <u>(23,682,270)</u>	\$ <u>(18,836,709)</u>
General Revenues and Other										
Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 15,467,882	\$ 16,135,270	\$ 16,650,291	\$ 17,835,092	\$ 19,429,124	\$ 23,028,779	\$ 24,372,949	\$ 25,434,453	\$ 26,015,122	\$ 27,419,983
Franchise taxes	2,292,448	2,619,934	2,614,609	2,571,950	2,673,255	2,755,614	2,936,311	2,835,651	2,997,119	3,722,150
Utility taxes	4,617,269	3,543,297	3,582,609	3,627,385	3,834,189	3,909,123	4,108,466	4,065,872	4,115,707	4,472,143
Intergovernmental	3,669,786	5,165,694	5,379,885	5,428,609	5,567,441	5,537,821	5,555,190	5,268,361	5,708,915	6,362,622
Investment income	81,131	63,049	111,579	253,495	534,207	729,344	1,129,466	510,769	86,292	515,117
Miscellaneous	3,393,790	2,020,684	1,898,046	2,987,140	3,556,073	2,671,201	3,331,903	2,654,259	3,467,303	2,875,210
Transfers	<u>5,050,838</u>	<u>(4,546,616)</u>	<u>3,380,840</u>	<u>3,380,840</u>	<u>3,347,969</u>	<u>3,422,752</u>	<u>3,754,484</u>	<u>3,433,535</u>	<u>3,216,613</u>	<u>3,291,692</u>
Total governmental activities	<u>34,573,144</u>	<u>25,001,312</u>	<u>33,617,859</u>	<u>36,084,511</u>	<u>38,942,258</u>	<u>42,054,634</u>	<u>45,188,769</u>	<u>44,202,900</u>	<u>45,607,071</u>	<u>48,658,917</u>

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

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business-type activities:										
Investment income	13,261	11,528	24,821	67,555	161,320	581,905	894,958	399,569	68,416	109,320
Miscellaneous	-	-	-	573,819	517,550	807,539	921,982	473,254	1,789,113	1,272,044
Transfers	<u>(5,050,838)</u>	<u>4,546,616</u>	<u>(3,380,840)</u>	<u>(3,380,840)</u>	<u>(3,347,969)</u>	<u>(3,422,752)</u>	<u>(3,754,484)</u>	<u>(3,433,535)</u>	<u>(3,216,613)</u>	<u>(3,291,692)</u>
Total business-type activities	<u>(5,037,577)</u>	<u>4,558,144</u>	<u>(3,356,019)</u>	<u>(2,739,466)</u>	<u>(2,669,099)</u>	<u>(2,033,308)</u>	<u>(1,937,544)</u>	<u>(2,560,712)</u>	<u>(1,359,084)</u>	<u>(1,910,328)</u>
Total primary government	<u>\$ 29,535,567</u>	<u>\$ 29,559,456</u>	<u>\$ 30,261,840</u>	<u>\$ 33,345,045</u>	<u>\$ 36,273,159</u>	<u>\$ 40,021,326</u>	<u>\$ 43,251,225</u>	<u>\$ 41,642,188</u>	<u>\$ 44,247,987</u>	<u>\$ 46,748,589</u>
Change in Net Position:										
Governmental activities	\$ 3,218,049	\$ (770,408)	\$ 3,435,993	\$ (56,865)	\$ 1,693,564	\$ 5,364,067	\$ 13,398,958	\$ 5,786,451	\$ 19,304,261	\$ 22,922,607
Business-type activities	<u>(275,551)</u>	<u>10,882,729</u>	<u>3,464,814</u>	<u>2,304,125</u>	<u>2,376,089</u>	<u>3,523,768</u>	<u>3,819,015</u>	<u>2,181,919</u>	<u>1,261,456</u>	<u>4,989,273</u>
Total change in net position	<u>\$ 2,942,498</u>	<u>\$ 10,112,321</u>	<u>\$ 6,900,807</u>	<u>\$ 2,247,260</u>	<u>\$ 4,069,653</u>	<u>\$ 8,887,835</u>	<u>\$ 17,217,973</u>	<u>\$ 7,968,370</u>	<u>\$ 20,565,717</u>	<u>\$ 27,911,880</u>

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

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund:										
Nonspendable	\$ 936,147	\$ 124,952	\$ 36,549	\$ 29,499	\$ 109,914	\$ 119,840	\$ 72,060	\$ 70,856	\$ 115,080	\$ 238,563
Restricted	635,544	699,319	860,150	541,405	628,431	1,193,954	2,207,056	2,848,606	5,416,393	7,082,598
Committed	-	125,051	128,567	397,856	567,560	229,894	-	-	-	1,899,497
Assigned	2,884,649	2,966,278	2,732,145	2,246,576	4,227,115	8,607,252	11,006,815	8,439,874	8,329,879	8,812,126
Unassigned	<u>14,349,377</u>	<u>17,234,790</u>	<u>20,416,162</u>	<u>23,475,784</u>	<u>22,431,697</u>	<u>21,645,608</u>	<u>20,962,373</u>	<u>25,090,636</u>	<u>25,936,560</u>	<u>26,027,845</u>
Total General Fund	<u>\$ 18,805,717</u>	<u>\$ 21,150,390</u>	<u>\$ 24,173,573</u>	<u>\$ 26,691,120</u>	<u>\$ 27,964,717</u>	<u>\$ 31,796,548</u>	<u>\$ 34,248,304</u>	<u>\$ 36,449,972</u>	<u>\$ 39,797,912</u>	<u>\$ 44,060,629</u>
All Other Governmental Funds:										
Restricted	\$ 1,495,442	\$ 1,797,320	\$ 2,376,070	\$ 2,456,989	\$ 3,274,537	\$ 3,004,017	\$ 5,162,669	\$ 2,937,592	\$ 4,265,686	\$ 6,548,392
Committed	1,836,528	2,591,068	7,619,905	5,579,582	4,484,518	4,036,615	4,401,316	4,509,699	6,508,641	38,870,948
Assigned	6,367,074	4,618,785	-	-	-	-	-	-	-	-
Unassigned	<u>(2,983,873)</u>	<u>(180,049)</u>	<u>(88,798)</u>	<u>(178,991)</u>	<u>(63,348)</u>	<u>(112,306)</u>	<u>-</u>	<u>(68,048)</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 6,715,171</u>	<u>\$ 8,827,124</u>	<u>\$ 9,907,177</u>	<u>\$ 7,857,580</u>	<u>\$ 7,695,707</u>	<u>\$ 6,928,326</u>	<u>\$ 9,563,985</u>	<u>\$ 7,379,243</u>	<u>\$ 10,774,327</u>	<u>\$ 45,419,340</u>

Note: Information for fiscal year 2013 has not been restated for Governmental Accounting Standards Board (GASB) Statement No.54 classifications.

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

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues:										
Property taxes	\$ 15,467,882	\$ 16,135,270	\$ 16,650,291	\$ 17,835,092	\$ 19,429,124	\$ 23,028,779	\$ 24,372,949	\$ 25,434,453	\$ 26,015,122	\$ 27,419,983
Special assessments	4,065,279	5,052,071	5,081,535	5,821,427	6,356,104	6,249,500	6,316,109	6,333,454	6,789,857	6,937,076
Franchise fees	2,292,448	2,619,934	2,614,609	2,571,950	2,673,255	2,755,614	2,936,979	2,841,162	2,997,119	3,722,150
Utility taxes	4,617,269	3,543,297	3,582,609	3,627,385	3,834,189	3,909,123	4,108,466	4,065,872	4,115,707	4,472,143
Licenses and permits	3,280,797	3,301,706	4,195,456	3,380,233	4,824,367	5,832,071	8,403,419	4,351,890	8,723,712	9,069,680
Intergovernmental	3,669,786	5,165,694	5,379,885	5,428,609	5,567,441	5,537,821	5,748,048	5,268,361	6,252,155	6,938,527
Charges for services	3,455,651	3,582,482	3,669,894	4,219,586	4,162,467	4,429,307	4,688,126	4,709,569	5,205,274	5,665,106
Fines and forfeitures	376,050	461,816	565,491	512,683	538,478	386,951	554,902	459,442	328,499	299,425
Investment income	81,313	63,047	111,579	253,495	534,207	729,344	1,129,466	510,769	86,292	267,626
Grants	869,231	5,382,283	1,206,491	531,213	175,491	-	216	2,661,937	804,290	10,275,331
Miscellaneous	4,687,533	2,071,530	1,944,997	2,474,457	3,037,453	2,335,922	2,857,357	2,215,761	4,224,256	3,751,593
Total revenues	42,863,239	47,379,130	45,002,837	46,656,130	51,132,576	55,194,432	61,116,037	58,852,670	65,542,283	78,818,640
Expenditures:										
General government	6,541,309	5,917,429	5,787,355	9,262,106	7,257,708	8,145,004	7,363,525	8,623,394	8,795,388	8,638,363
Public safety	22,369,619	23,550,421	25,363,517	28,087,146	30,583,369	31,676,478	33,819,103	35,025,473	35,111,359	34,449,038
Highways and streets	3,190,349	1,621,968	1,599,671	2,684,886	1,790,893	2,237,310	2,662,387	3,192,578	2,250,211	3,322,600
Physical environment	2,857,462	3,502,300	3,697,428	4,689,865	4,754,850	4,931,826	5,127,398	5,282,627	5,962,750	4,840,572
Community redevelopment	6,671,194	3,288,017	3,534,196	3,754,678	3,625,693	4,394,759	5,977,655	5,915,890	5,105,430	1,935,293
Culture and recreation	3,154,702	6,297,054	2,897,830	3,424,775	2,585,809	2,993,706	3,448,266	3,213,951	3,606,710	4,227,124
Capital outlay	-	-	-	-	1,112,135	741,369	282,671	22,571	246,933	42,299
Debt service:										
Principal*	3,066,126	1,065,831	6,300,947	659,064	773,574	838,574	838,574	853,575	752,991	679,014
Interest and fiscal charges	597,424	500,815	457,262	181,798	367,170	246,820	225,827	204,774	184,100	219,432
Total expenditures	48,448,185	45,743,835	49,638,206	52,744,318	52,851,201	56,205,846	59,745,406	62,334,833	62,015,872	58,353,735
Excess (deficiency) of revenues over expenditures	(5,584,946)	1,635,295	(4,635,369)	(6,088,188)	(1,718,625)	(1,011,414)	1,370,631	(3,482,163)	3,526,411	20,464,905

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

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Financing Sources (Uses):										
Note proceeds	-	-	5,440,773	2,881,909	-	-	-	-	-	19,405,000
Debt issuance costs	-	-	(83,008)	-	-	-	-	-	-	-
Transfers in	13,145,974	10,642,062	8,548,499	9,299,410	7,250,819	11,252,069	8,827,844	7,773,159	8,573,259	32,321,109
Transfers out	<u>(8,095,137)</u>	<u>(9,323,778)</u>	<u>(5,167,659)</u>	<u>(5,918,570)</u>	<u>(3,902,850)</u>	<u>(7,829,317)</u>	<u>(5,073,360)</u>	<u>(4,311,770)</u>	<u>(5,356,646)</u>	<u>(33,283,284)</u>
Total other financing sources (uses)	<u>5,050,837</u>	<u>1,318,284</u>	<u>8,738,605</u>	<u>6,262,749</u>	<u>3,347,969</u>	<u>3,422,752</u>	<u>3,754,484</u>	<u>3,461,389</u>	<u>3,216,613</u>	<u>18,442,825</u>
Net change in fund balances	<u>\$ (534,109)</u>	<u>\$ 2,953,579</u>	<u>\$ 4,103,236</u>	<u>\$ 174,561</u>	<u>\$ 1,629,344</u>	<u>\$ 2,411,338</u>	<u>\$ 5,125,115</u>	<u>\$ (20,774)</u>	<u>\$ 6,743,024</u>	<u>\$ 38,907,730</u>
Debt Service as a Percentage of Noncapital Expenditures	8.18%	3.55%	16.16%	1.70%	2.29%	2.01%	1.85%	1.73%	1.53%	1.58%

* In 2016 the City refunded debt in the amount of \$ 2,935,000 which is included in the debt service fund general government expenditures and is not included under the principal line item. The balance is included in the above calculation.

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

<u>Fiscal Year Ended September 30,</u>	<u>Taxable Value of Personal and Real Property For Operating Purposes (1)</u>	<u>Taxable Value of Centrally Assessed Property for Operating Purposes</u>	<u>Gross Taxable Value</u>	<u>Less Tax Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Millage Rate</u>
2013	\$ 3,172,675,082	\$ 2,244,996	\$ 3,174,920,078	\$ 575,693,985	\$ 2,599,226,093	6.2678
2014	3,312,446,134	2,562,196	3,315,008,330	565,619,140	2,749,389,190	6.2688
2015	3,477,989,835	3,044,295	3,481,034,130	588,004,832	2,893,029,298	6.2593
2016	3,661,796,706	3,721,620	3,665,518,326	572,809,972	3,092,708,354	6.2432
2017	3,992,030,478	4,024,741	3,996,055,219	575,164,817	3,420,890,402	6.2462
2018	4,702,225,529	4,165,263	4,706,390,792	603,201,053	4,103,189,739	6.1909
2019	4,950,622,924	4,283,788	4,954,906,712	622,397,462	4,332,509,250	6.1758
2020	5,118,533,284	5,310,142	5,123,843,426	626,566,853	4,497,276,573	6.1688
2021	5,253,039,886	6,182,994	5,259,222,880	646,201,575	4,613,021,305	6.1618
2022	5,489,388,010	6,289,835	5,495,677,845	668,258,727	4,827,419,118	6.1439

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

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

A millage of 6.1439 which is the current rate in effect of the City of Dania Beach is equal to \$ 6.1439 per each \$1,000 of taxable value on real property.

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

Estimated Actual Value (Just Value) obtained from the Broward County Appraiser.

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

Fiscal Year	Basic Rate	Voted Debt Service	Total Direct	Broward County	Broward County Schools	Children's Services Council	South Florida Water Management District	Florida Inland Navigation District	South Broward Hospital District	Total Direct and Overlapping
2013	5.9998	0.2680	6.2678	5.5530	7.4560	0.4902	0.4289	0.0345	0.6000	20.8304
2014	5.9998	0.2690	6.2688	5.7230	7.4800	0.4882	0.4110	0.0345	0.4000	20.8055
2015	5.9998	0.2595	6.2593	5.7230	7.4380	0.4882	0.3842	0.0345	0.1863	20.5135
2016	5.9998	0.2434	6.2432	5.7230	7.2740	0.4882	0.3551	0.0320	0.1737	20.2892
2017	5.9998	0.2464	6.2462	5.6690	6.9063	0.4882	0.3307	0.0320	0.1615	19.8339
2018	5.9998	0.1911	6.1909	5.6690	6.5394	0.4882	0.3100	0.0320	0.1496	19.3791
2019	5.9998	0.1760	6.1758	5.6690	6.4029	0.4882	0.2936	0.0320	0.1414	19.2029
2020	5.9998	0.1690	6.1688	5.6690	6.7393	0.4882	0.2795	0.0320	0.1260	19.5028
2021	5.9998	0.1620	6.1618	5.6690	6.5052	0.4882	0.2675	0.0320	0.1199	19.2436
2022	5.9998	0.1441	6.1439	5.6690	6.4621	0.4699	0.2572	0.0320	0.1144	19.1485

Source: Broward County Property Appraiser

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

A millage of 6.1439 which is the current rate in effect of the City of Dania Beach is equal to \$ 6.1439 per each \$1,000 of taxable value on real property.

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

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Florida Power & Light Co.	\$ 476,512,509	1	9.9%	\$ 311,489,299	1	12.1%
Dania Live 1748 II LLC	116,484,970	2	2.4%	-	-	-
Dania Live 1748 LLC	80,200,860	3	1.7%	-	-	-
Dania Entertainment Center LLC	54,215,370	4	1.1%	-	-	-
DCOTA Development Co., LP	49,391,140	5	1.0%	66,540,660	2	2.6%
Beach Walk at Sheridan LP	37,803,300	6	0.8%	-	-	-
SCG Atlas Sheridan Ocean Club LLC	35,307,950	7	0.7%	-	-	-
Dawson Johnson Operations LLC	34,011,830	8	0.7%	-	-	-
Aqua Isles Apartments Owner LLC	28,824,050	9	0.6%	-	-	-
EV 2281 LLC	28,401,900	10	0.6%	-	-	-
Interstone/CGL Partners LP	-	-	-	23,461,990	3	0.9%
EQR - Paradise Pointe Vistas, Inc	-	-	-	20,310,100	4	0.8%
SLT Dania LLC	-	-	-	19,076,110	5	0.7%
Inland Southeast Dania, LLC	-	-	-	17,934,600	6	0.7%
Southern Bell Tel Co	-	-	-	17,394,600	7	0.7%
Dania Jai Alai Palace Inc	-	-	-	13,109,375	8	0.5%
Trafalgar Assocs of Sheridan L	-	-	-	11,940,540	9	0.5%
Broward International Commerce	-	-	-	11,159,690	10	0.4%
Totals	\$ <u>941,153,879</u>		<u>19.5%</u>	\$ <u>512,416,964</u>		<u>19.8%</u>

Source: Broward County Revenue Collection Division

Note: Property values shown above assessed as of January 1, 2022 and January 1, 2013

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

Fiscal Year Ended September 30,	Taxes Levied for the Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 16,141,294	14,886,515	92.2%	581,367	15,467,882	95.8%
2014	16,850,215	15,617,070	92.7%	518,200	16,135,270	95.8%
2015	17,474,301	16,124,560	92.3%	525,731	16,650,291	95.3%
2016	18,530,248	17,273,014	93.2%	562,078	17,835,092	96.2%
2017	20,150,609	18,916,142	93.9%	511,982	19,428,124	96.4%
2018	23,987,957	22,551,633	94.0%	477,146	23,028,779	96.0%
2019	25,481,959	23,566,015	92.5%	806,933	24,372,949	95.6%
2020	26,374,031	24,490,470	92.9%	943,983	25,434,453	96.4%
2021	27,043,207	25,424,205	94.0%	590,917	26,015,122	96.2%
2022	28,529,691	26,798,646	93.9%	621,337	27,419,983	96.1%

Source: Broward County Revenue Collector

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

Fiscal Year	Governmental Activities					Business-Type Activities		Total Government	Per Capita for Government Activities*	Per Capita for Business Activities**
	Sales Tax Revenue Bonds	General Obligation Bonds	Capital Imp. Non-Ad Valorem Revenue Note	Notes Payable	Capital Leases Payable	Notes/Bonds Payable	State Revolving Loan Payable			
2013	\$ 1,615,000	\$ 8,595,000	\$ -	\$ 5,944,144	\$ 1,415,894	\$ 2,673,790	\$ 13,648,761	\$ 33,892,589	581	3,473
2014	1,455,000	8,295,000	-	5,585,553	1,226,334	2,598,790	13,754,837	32,915,514	546	3,479
2015	1,305,000	8,375,773	-	5,243,729	1,036,775	2,478,790	14,547,371	32,987,438	525	3,623
2016	1,150,000	8,273,866	-	5,069,234	847,216	2,353,790	13,532,157	31,226,263	493	3,380
2017	995,000	7,831,759	-	5,069,234	657,657	2,223,790	12,624,541	29,401,981	462	3,159
2018	835,000	7,342,745	-	2,868,824	468,098	1,815,000	11,698,548	25,028,215	363	2,920
2019	675,000	6,853,731	-	621,876	278,539	1,675,000	10,756,542	20,860,688	263	2,645
2020	510,000	6,354,717	-	538,960	88,977	1,530,000	9,782,675	18,805,329	233	2,357
2021	345,000	5,855,703	-	-	-	1,380,000	8,840,584	16,421,287	192	2,092
2022	175,000	5,346,689	1,345,000	18,060,000	-	1,230,000	7,931,828	34,088,517	776	1,913

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

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

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

<u>Fiscal Year Ended September 30,</u>	<u>General Obligation Bonds</u>	<u>Total</u>	<u>Percentage of Actual Taxable Value</u>	<u>Per Capita</u>
	\$	\$	\$	
2013	8,595,000	8,595,000	0.3307%	284
2014	8,295,000	8,295,000	0.3017%	273
2015	8,375,773	8,375,773	0.2942%	278
2016	8,260,773	8,260,773	0.2671%	266
2017	7,831,759	7,831,759	0.2289%	249
2018	7,342,745	7,342,745	0.1790%	231
2019	6,853,731	6,853,731	0.1582%	216
2020	6,354,717	6,354,717	0.1413%	197
2021	5,845,703	5,845,703	0.1267%	184
2022	5,346,689	5,346,689	0.1108%	166

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

Table 11
City of Dania Beach, Florida
Direct and Overlapping Governmental Activities Debt
As of September 30, 2022

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Broward County General Obligation Debt	\$ 72,314,000	2.077%	\$ 1,502,041
Other debt:			
Broward County Revenue Bonds	3,864,311,000	2.077%	80,265,954
Broward County Other Debt	1,309,638,000	2.077%	27,202,609
School Board of Broward County COP Debt	1,378,183,000	1.936%	26,679,585
School Board of Broward County Other Debt	883,744,000	1.936%	<u>17,107,977</u>
Subtotal, overlapping debt			152,758,166
City direct debt	24,926,689	100.000%	<u>24,926,689</u>
Total direct and overlapping debt			\$ <u><u>177,684,855</u></u>

Source: Broward County and the School Board of Broward County

(1) The percentage of overlapping debt applicable is using taxable assessed property values.

Taxable value that is within the City's boundaries is divided by the county and School Board's total taxable assessed value (source: Form DR-420)

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

<u>Fiscal Year Ended September 30,</u>	<u>Electric Utility Tax</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service Coverage</u>	<u>Debt Coverage</u>
2013	\$ 2,497,523	\$ 119,382	\$ 20,014	\$ 139,397	16.4%
2014	2,744,101	126,309	13,049	139,358	17.9%
2015	2,750,822	133,637	5,698	139,335	19.7%

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

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

<u>Fiscal Year Ended September 30,</u>	<u>Electric Utility Tax</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service Coverage</u>	<u>Debt Coverage</u>
2013	\$ 1,949,911	\$ 34,975	\$ 865	\$ 35,841	54.4%

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

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

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal (2)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rate (4)</u>
2013	30,233	\$ 80,525,783	\$ 43,792	1,627	7.3%
2014	30,351	80,905,552	43,283	1,603	6.1%
2015	30,644	85,167,498	44,429	1,503	5.6%
2016	31,093	89,572,271	46,906	1,576	4.9%
2017	31,473	94,239,376	48,680	1,540	4.1%
2018	31,755	98,087,689	50,269	1,485	3.3%
2019	31,768	102,145,579	52,308	1,484	2.2%
2020	32,215	109,473,926	55,908	1,435	6.7%
2021	31,837	124,458,321	64,453	1,372	3.7%
2022	32,140	N/A	N/A	1,343	2.1%

Sources:

- (1) Bureau of Economic and Business Research, University of Florida
 - (2) Bureau of Economic Analysis, U.S. Department of Commerce. Information was not available at the City level.
Totals are for all of Broward County.
 - (3) School Board of Broward County. APDX F: Historic Benchmark Day Enrollment
 - (4) Bureau of Labor Statistics, U.S. Department of Labor.
Miami - Ft. Lauderdale - Pompano Beach, FL Metropolitan Statistical Area (Not Seasonally Adjusted)
- N/A Information is not available

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

<u>Taxpayer</u>	<u>2022</u>			<u>2013</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
First Service Residential	4,869	1	58.620%	-	-	-
JetBlue/JetBlue Travel	2,298	2	27.667%	-	-	-
Chiquita Brands	385	3	4.635%	-	-	-
School Board of Broward County	307	4	3.696%	224	3	1.426%
Cross Pointe Care Center	249	5	2.998%	-	-	-
Akam Onsite	208	6	2.504%	-	-	-
City of Dania Beach	167	7	2.011%	129	8	0.821%
Publix Supermarkets	150	8	1.806%	247	2	1.572%
Dania Entertainment Center, LLC	146	9	1.758%	-	-	-
Closets By Us	140	10	1.686%	-	-	-
Bass Pro Shops - Outdoor World	-	-	-	424	1	2.699%
Dania Jai-Alai	-	-	-	173	4	1.101%
Boomers	-	-	-	156	5	0.993%
Uniweld Products, Inc.	-	-	-	150	6	0.955%
American Maritime Officers	-	-	-	150	7	0.955%
Kenan Transport	-	-	-	126	9	0.802%
Sheraton Ft. Lauderdale Airport	-	-	-	125	10	0.796%
Total	8,919		107.381%	1,904		12.120%

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

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function/Program:										
General government:										
Management	15.50	16.50	16.50	16.50	16.50	18.00	18.50	22.50	20.50	21.00
Finance	9.00	9.00	10.00	10.00	10.00	10.00	10.00	10.00	11.00	9.00
Human Resources	2.50	2.50	2.50	3.00	3.00	3.00	3.00	3.00	3.50	4.00
Information Systems	-	-	-	-	-	-	-	-	-	2.00
Facilities Maintenance	-	-	-	-	-	-	-	-	-	4.00
Fleet Management	-	-	-	-	-	-	-	-	-	2.00
Community development	10.00	10.00	10.00	11.75	11.65	11.75	16.80	16.10	16.10	16.10
Public safety / code	9.00	10.50	10.50	11.75	11.85	11.75	12.70	12.80	12.80	13.30
Highways and streets	8.00	8.00	8.00	9.00	9.00	10.00	10.00	10.00	11.00	10.00
Physical environment	11.45	12.45	14.45	14.90	14.90	18.90	20.15	20.15	20.15	20.06
Culture and recreation	22.09	21.09	22.10	23.22	23.22	25.42	28.30	30.30	30.10	33.86
Water	16.95	16.95	17.95	17.50	17.50	17.50	18.95	19.90	19.70	19.95
Sewer	5.05	5.05	4.05	5.20	5.20	4.20	5.85	6.05	5.65	5.90
Stormwater	6.55	5.55	5.55	6.65	6.65	3.65	5.30	5.50	5.10	5.69
Total	116.09	118.59	121.60	129.47	129.47	134.17	149.55	156.30	155.60	166.86

Source: City of Dania Beach

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Function/Program:					
Police:					
Physical arrests	1,343	1,492	1,240	935	799
Parking violations	69	N/A	46	466	9
Traffic violations	3,377	4,541	5,659	5,428	2,439
Fire protection/prevention:					
Emergency responses	6,249	6,176	6,338	6,617	4,666
Fires extinguished (approx.)	7,352	N/A	47	69	75
Fire inspections	1,830	3,124	1,647	2,514	2,704
Community development:					
Building permits issued	2,758	2,514	2,546	2,840	1,860
Building permits construction value	89,945,041	37,857,133	101,960,569	27,498,593	202,768,230
Number of cited code violations	538	1,642	663	1,729	1,663
Parking violations	-	-	-	-	7,293
Public works:					
Miles of roads resurfaced	-	-	4	5	4
Potholes repaired	823	560	250	316	16,000
Parks and recreation:					
Facility rentals	9,000	10,500	140	175	155
Parks/sports attendance	58,398	71,048	4,500	8,500	6,500
Programs attendance	15,060	14,385	11,850	16,297	16,809
Water:					
Average daily consumption (thousands of gallons)	1,926	1,889	1,891	1,937	2,035
Peak daily consumption (thousands of gallons)	2,640	2,235	2,361	2,333	2,805
Sewer:					
Average daily sewage treatment (thousands of gallons)	3,325	3,417	3,200	3,200	3,200

Note: City issues majority of parking violations

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

2018	2019	2020	2021	2022
1,110	1,035	859	1,002	1,002
-	-	-	-	-
2,267	5,359	1,240	2,541	2,541
4,636	6,416	4,875	7,761	5,586
82	74	72	73	68
862	4,652	2,454	-	2,674
2,200	2,406	1,617	1,819	1,989
128,199,228	237,511,151	101,380,338	253,181,881	328,643,344
1,786	1,738	1,273	1,647	865
7,723	6,520	4,957	9,833	10,671
4	3	4	2	3
16,000	30	83	20	75
195	480	120	-	33
3,725	8,000	24,000	15,000	30,000
8,995	3,675	42,250	5,096	13,868
2,041	2,020	1,958	2,059	2,300
2,491	2,470	2,467	2,233	2,800
3,200	3,300	3,300	3,300	3,300

Table 18
City of Dania Beach, Florida
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function/Program:										
Police:										
Stations	2	2	2	2	2	2	2	2	2	2
Fire Protection:										
Stations	2	2	2	2	2	2	2	2	2	2
Rescue units	4	4	2	2	2	2	2	2	2	2
Public works:										
Streets (miles)	97.0	97.0	97.0	97.0	97.0	97.0	97.3	97.3	97.3	97.3
Length of sidewalks	86	86	87	88	89	89	63	88	88	63
Parks and recreation:										
Park acreage	56.50	60.56	60.00	60.20	60.20	60.90	128.00	128.00	128.00	128.00
Baseball diamonds	5	6	6	6	6	4	6	6	6	6
Community centers	5	5	5	5	5	5	4	4	4	4
Water:										
Length of water mains (miles)	76.06	76.00	76.00	76.00	77.00	77.00	81.00	81.00	81.00	81.00
Sewer/stormwater:										
Length of sewer mains (miles)	46.00	46.00	46.00	45.00	47.00	47.00	62.00	62.00	62.00	62.00
Length of storm drains (miles)	15.00	15.00	15.00	15.00	15.00	15.00	15.50	15.50	15.50	15.50

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

COMPLIANCE SECTION

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dania Beach, Florida (the "City") as of and for the year ended September 30, 2022, and the related notes to the financial statements which collectively comprise the City's basic financial statements and have issued our report thereon dated April 26, 2023. Our report includes a reference to other auditors who audited the financial statements of the City of Dania Beach Police and Firefighters Retirement System, as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida
April 26, 2023

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Dania Beach, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

City of Dania Beach, Florida

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida
April 26, 2023

INDEPENDENT AUDITOR'S REPORT TO CITY MANAGEMENT

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

Report on the Financial Statements

We have audited the financial statements of the City of Dania Beach, Florida (the "City"), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated April 26, 2023.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Accountant's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Florida Auditor General*. Disclosures in those reports and schedule which are dated April 26, 2023, 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 report.

Official Title and Legal Authority

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

Financial Condition

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

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

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

Special District Component Units

Section 10.554(1)(i)5.c, Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district to provide the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554 (1)(i)6, Rules of the Auditor General, the City reported the specific information in Exhibit 1 accompanying this report. The information for compliance with Section 218.39(3)(c), Florida Statutes and Section 10.554(1)(i)6, Rules of the Auditor General, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Additional Matters

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

Purpose of this Letter

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida
April 26, 2023

City of Dania Beach, Florida

Exhibit 1

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

Data Element	Dania Beach Community Redevelopment Agency
Number of district employees compensated at 9/30/2022	-
Number of independent contractors compensated in September 2022	5
Employee compensation for FYE 9/30/2022 (paid/accrued)	\$513,646
Independent contractor compensation for FYE 9/30/2022 (paid/accrued)	\$32,703
Each construction project to begin on or after October 1; (>\$65K)	NA
Budget variance report	Page 85

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

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

We have examined the City of Dania Beach, Florida's (the "City") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2022. Management is responsible for the City's compliance with the specific requirements. Our responsibility is to express an opinion on the City's compliance with the specific requirements based on our examination.

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

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

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

Keefe McCullough

KEEFE McCULLOUGH

Fort Lauderdale, Florida
April 26, 2023

CPA's + Trusted Advisors

City of Dania Beach, Florida
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2022

<u>Federal Grantor/Pass-Through Grantor Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Contract/Grant Number</u>	<u>Expenditures</u>	<u>Transfers to Subrecipients</u>
Federal Awards:				
<u>U.S. Department of Homeland Security:</u>				
Pass-through State of Florida Division of Emergency Management				
Hazard Mitigation Grant	97.039	H0237	\$ 96,614	\$ -
Hazard Mitigation Grant	97.039	H0423	352,200	-
		97.039 Total	<u>448,814</u>	<u>-</u>
<u>U.S. Department of the Treasury:</u>				
Pass-through State of Florida Division of Emergency Management				
Coronavirus State and Local Fiscal Recovery Funds	21.027	Y5067	10,066,848	-
<u>U.S. Department of Housing and Urban Development:</u>				
Pass-through Broward County Community Development Block Grant Program CDBG Year 45th (Oasis XIV)	14.218	N/A	<u>100,664</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 10,616,326</u>	<u>\$ -</u>

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the City for the year ended September 30, 2022. The information in the Schedule of Expenditures of Federal Awards is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, (Uniform Guidance). Because the Schedule presents only a selected portion of the operations, it is not intended to and does not present the financial position, change in net assets, or cash flows of the City.

Note 2 - Summary of Significant Accounting Policies

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

Note 3 - Indirect Cost Rate

The City did not elect to use the 10% de minimis indirect cost rate.

Note 4 - Contingency

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

**City of Dania Beach, Florida
 Schedule of Findings and Questioned Costs
 For the Year Ended September 30, 2022**

SECTION I - SUMMARY AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:

Unmodified Opinion

Internal control over financial reporting:

Material weakness(es) identified?

_____ yes X no

Significant deficiency(ies) identified?

_____ yes X none reported

Noncompliance material to financial statements noted?

_____ yes X no

Federal Programs

Internal control over major federal programs:

Material weakness(es) identified?

_____ yes X no

Significant deficiency(ies) identified?

_____ yes X none reported

Type of auditor's report issued on compliance for major federal programs?

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____ yes X no

Identification of major federal program:

<u>CFDA No.</u>	<u>Federal Program</u>
21.027	U.S. Department of the Treasury Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs/projects:

\$ 750,000 Federal programs

Auditee qualified as low-risk auditee?

_____ yes X no

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

SECTION IV - PRIOR YEAR AUDIT FINDINGS

None reported.



IMPACT FEE AFFIDAVIT

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

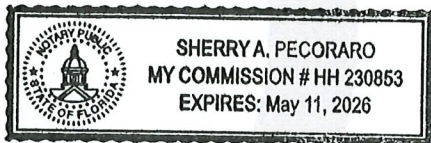
- 1. I am the Chief Financial Officer of the City of Dania Beach which is a local governmental entity of the State of Florida; and
- 2. The governing body of the City of Dania Beach adopted Ordinance Nos. 2010-020, 2010-023, 2011-035, 2014-004, and 2014-005 implementing impact fees; and
- 3. The City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

FURTHER AFFIANT SAYETH NAUGHT.

(Chief Financial Officer of the Entity)

STATE OF FLORIDA
COUNTY OF BROWARD

SWORN TO AND SUBSCRIBED before me this 10 day of May, 2023.



NOTARY PUBLIC

Print Name Sherry Pecoraro

Personally known X or produced identification _____

Type of identification produced: _____

My Commission Expires:

05/11/2026