

Annual Comprehensive Financial Report

City of Oakland Park, Florida

A City on the Move!



*For Fiscal Year Ended
September 30, 2022*

ENGAGED • INSPIRED • UNITED



Annual Comprehensive Financial Report

of the



Fiscal Year Ended September 30, 2022

Prepared by the

Financial Services Department

CITY OF OAKLAND PARK, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

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INTRODUCTORY SECTION



March 31, 2023

The Honorable Mayor, City Commissioners, and
Citizens of the City of Oakland Park:

It is our pleasure to submit the Annual Comprehensive Financial Report of the City of Oakland Park, Florida (the “City” or “Oakland Park”), for the fiscal year ended September 30, 2022, according to Section 218.39 of the Florida Statutes and City Charter. The financial statements included in this report conform to the generally accepted accounting principles in the United States (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. The financial statements have been audited by BCA Watson Rice LLP, Certified Public Accountants. The independent auditor has issued an unmodified opinion that provides a reasonable basis for an opinion that the City's basic financial statements are materially and fairly presented and complies with all reporting standards noted above.

The contents of the financial report have been influenced by compliance with GASB pronouncements, including GASB Statement 34 which requires the preparation of government-wide financial statements on a full accrual basis of accounting for all funds as well as the Management’s Discussion and Analysis (MD&A). The MD&A can be found immediately following the independent auditor’s report.

The Reporting Entity and Services

The City was originally incorporated as the Town of Floranada in 1925 and was reincorporated as the City of Oakland Park on June 7, 1929. The City’s Charter was adopted by the State Legislature on July 15, 1959. The City operates under the Commission-Manager form of government wherein five members, one of whom is the Mayor, are elected at large. The City Commission determines the policies that guide the City’s operations by hiring a City Manager to implement and administer these policies on a full-time basis.

Per GASB Statement No. 14, as amended by GASB No. 61, the City has included the Oakland Park Community Redevelopment Agency (CRA), a blended component unit, in its report since the City is financially accountable for and can impose its will on the agency or there is a potential for the agency to provide specific financial benefits to, or impose specific financial burdens on, the City. The nature and significance of its relationship with the City are such that exclusion of the CRA would cause the City’s financial statements to be misleading or incomplete.

Oakland Park provides a full range of municipal services including fire, emergency medical, and police services (contracted through the Broward Sheriff’s Office), parks and leisure facilities, solid waste collection, water/wastewater, and stormwater management. Oakland Park is one of the few cities in Broward County that operates its own library, a wonderful resource for City residents. Oakland Park is also home to many wonderful parks, such as Royal Palm Park, Jaco Pastorius Park and Veterans Park which overlooks beautiful Blue Heron Lake. In addition, Oakland Park has many beautiful lakes, waterways and canals running through the City, making it an attractive place to live, work, and play.

Economic Condition and Outlook

The City of Oakland Park comprises approximately eight square miles and is located in the eastern portion of central Broward County, a major metropolitan area. Numerous major attractions are situated near the City, such as the Broward Center for Performing Arts and the Broward Convention Center, with the Atlantic Ocean less than three miles away. Local businesses benefit from the sizeable tourist trade the region generates. Residents and visitors have many transportation resources available, access to all major airlines at three nearby international airports, as well as access to rail service, shipping ports, and interstate highways. The new Major League Soccer team Inter Miami CF's practice stadium and training facility has just finished construction and the team's first match was played in March 2020; this stadium is located directly across from Oakland Park's northwestern city limits in Fort Lauderdale and is expected to further enrich local business. Residents and visitors have many transportation resources available, access to all major airlines at three nearby international airports, as well as access to rail service, shipping ports, and interstate highways. Oakland Park is one of the stops under consideration for a new passenger rail station that is anticipated to be located in the heart of the City's downtown and culinary arts district.

According to the most recent estimates from the U.S. Census Bureau, Oakland Park, is home to an estimated 44,229 residents. The City is diverse, 37.0% of our residents are White, 28.6% are Black, 2.3% are Asians, Hispanic and Latino residents of any race are 30.2%, and the remaining population reports other races (e.g. Native American). Approximately 34.1% of the population was born outside the United States. Close to 56% of our residents are under the age of 45 with the median age being approximately forty-one (41) years old. Although Oakland Park is primarily a residential community with slightly over 40% of land use dedicated to residential uses, the City also has a relatively high proportion devoted to commercial, light industrial, and community facility uses close to 20%. Further, a significant amount of land use, nearly 40%, is dedicated to parks, roads, waterways, canals, and lakes.

The unemployment rate in Broward County at the end of FY 22 was at 2.6% or a decrease of 4.1 percentage points from FY 21's rate of 4.4%. The South Florida region's jobless rate was 2.2 percentage points lower at 2.1% than the State rate of 2.7%. The improvement in the unemployment rates as of the end of FY 2022 reflects the continued recovery from the historically unemployment high rates noted in the past year due to the pandemic. The Building Division of the Engineering and Building Services Department processed 4,823 permit applications of which 4,070 permits were issued despite the COVID-19 pandemic. The job construction value of permits issued was **\$236.21** million, an increase of approximately 26.4% from last year. Job value increased greatly due to large residential, commercial, and mixed-use projects that sought permits in 2022. It is anticipated that job construction values will remain high into the near future.

The real property taxable value high growth trend was unaffected by the pandemic, and has reached the highest point in the City's history. The City's tax base is comprised of 65.4% residential, 19.3% commercial, 14.0% industrial use, and 1.3% miscellaneous. The value of new construction, together with the taxable value of the property located within Oakland Park, over the past ten (10) years is shown below:

<u>Year</u>	<u>(\$ millions)</u> <u>Construction Value</u>	<u>(\$ billions)</u> <u>Property Taxable Value</u>
2013	39.7	2.1
2014	34.4	2.2
2015	39.4	2.3
2016	84.3	2.5
2017	107.3	2.7
2018	64.5	3.0

Economic Condition and Outlook (continued)

<u>Year</u>	<u>(\$ millions)</u> <u>Construction Value</u>	<u>(\$ billions)</u> <u>Property Taxable Value</u>
2019	71.3	3.3
2020	52.5	3.5
2021	186.9	3.8
2022	236.2	4.3*

* As shown above, the City's property tax base is now at the highest level on record, at \$4.3 billion.

Major Initiatives

The City of Oakland Park has been aggressively pursuing funds to continue its revitalization program over the past several years. From drainage to street, park improvements and redevelopment, “A City on the Move” embraces the City Commission’s direction of an “Engaged, Inspired and United” community. The City is continuing its revitalization program which addresses major improvements to roadways within the City, landscape enhancements, recreational amenities and infrastructure upgrades to water distribution and wastewater collection systems, in addition to drainage improvements.

The FY 2022 budget was developed to meet the City Commission’s strategic vision and maintains a steady pace of progress on a path to redefine, revitalize, and rebuild Oakland Park. The leadership of the City has consistently balanced the commitment to new initiatives and investments with an equal commitment to fiscal sustainability and stability that allows the City to continue to maintain taxes and rates at lower levels than its peer cities in Broward County. The City prepared and implemented a budget that not only continued to reduce operating millage but reduced operating costs while continuing to provide critical services to residents and businesses and investing in the City’s future.

The City’s largest initiatives were related to the ongoing capital improvement program. The largest components of the capital program relate to Oakland Park’s *Building Our Second Century* program. This program’s objective is to rebuild and modernize the City’s facilities before the 100th year anniversary of Oakland Park’s founding in 1929. The program is funded by the \$40 million General Bond funding approved by voters in 2018, grants, and other sources. This program is matched by other major capital efforts, including the consolidation of all Public Works functions into a new facility, freeing up vital space in the City’s core which will be converted into community parks and greenspace. A major component of these efforts is to create sustainable and resilient municipal facilities that are ready to face the challenges of sea-level rise and hurricanes, in addition to providing the opportunity to create a unique architectural style to establish a sense of place for Oakland Park.

The Capital Improvement Program (CIP) provides projects that promote a sustainable future through enhancements in our City parks and other above-ground beautification improvements that promote walkable, bicycle-friendly, and landscaped streetscapes with many mobility improvements funded through grants and Broward County Surtax proceeds. In May 2022, the City completed its Stormwater System Master Plan (SSMP), identifying numerous capital improvements that are included in the City’s CIP budget for the next years. The City’s SSMP incorporates climate change and sea level changes through 2060 into project improvements to address the issues that are considered part of the City’s long-term capital improvement plan. As the City’s 100th year anniversary nears, the community remains committed to funding and making the capital investments needed to keep the City thriving for another 100 years.

Changes to Financial Policies and Long-Term Financial Planning

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

As a recipient of federal, state and local financial assistance, the government is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management. In addition, the City maintains extensive budgetary controls and maintains an encumbrance accounting system. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Commission. A five-year capital improvement plan is also provided to City Commission with the current year of the capital plan appropriated by the City Commission, similar to the other funds.

The City Commission has adopted financial policies that have an ongoing impact on City-wide operations and has established the framework for sound financial management. These policies are presented to the Commission for review as part of the final budget hearing. These fiscal policies provide guidelines for budgeting, fund balance, accounting records, investment and debt management.

It can be recalled that during the general election in November 2018, about two-thirds of the residents approved the issuance of a \$40-million General Obligation (G.O.), an indebtedness that is payable from ad valorem taxes on all taxable real and tangible personal properties within the City. On February 24, 2022, the final tranche of the bonds for \$14 million following the first tranche issued in June 2020 for \$26 million. The G.O. Bonds are to be used to fund the modernization of the City facilities such as the three (3) fire rescue stations, the municipal library, the community centers and the City park.

On November 5, 2021, the City entered into a loan agreement with Webster Bank, N.A. (formerly Sterling National Bank) and issued a promissory note to refund the balance of the Stormwater Assessment Bonds Series 2011. The loan was issued for \$4,511,056 at an interest rate of 2.19% with an approximate term of 20 years maturing at the same time as the refunded Stormwater Assessment Bonds Series 2011. The bonds were refunded to reduce the interest rate which creates a debt service payment savings of \$1,122,588 or an average of \$56,839.90 each year for approximately 19.75 years, the remaining years of the debt.

On April 21, 2022, the City entered into three (3) loan agreements with Webster Bank, N.A. and issued 16-year promissory notes with a total value of \$16.03 million bearing an interest rate of 2.28%. The loans will finance the construction of a Public Works building.

The costs of these two loans were contemplated as part of stormwater and solid waste rate studies that occurred during FY 2022, which resulted in adjustments of rates for FY 2023 and plans for further adjustments as appropriate to ensure the financial well-being of both enterprise funds.

Changes to Financial Policies and Long-Term Financial Planning (continued)

The City's long-term planning is largely rooted in the Commission's strategic plan. In FY 2021, the City Commission committed to holding a workshop to review the Strategic Plan's Strategic Performance Areas. After some delays related to COVID-19, the workshop was held in October 2021 and based on the input from the public and Commission, the City's Strategic Performance Areas were revised, updated, and expanded in the Spring of 2022.

Under the City Commission's guidance, seven (7) Strategic Performance Areas (SPAs) have been identified:

- Financial Stability and Sustainability
- Infrastructure Needs
- Smart Growth and Development
- Community Wellness and Recreation
- Public Safety and Community Integrity
- Oakland Park's Identity
- Environmental Stewardship and Sustainability

Six of the performance areas reflect updated versions of older elements, whereas the Environmental Stewardship and Sustainability performance area is a brand-new addition. Each of the above-mentioned areas has its performance goals and key intended results. The actions taken by the City reflect progress toward these goals. To effectuate the strategic plan, a business plan is developed as part of the budget to focus on furthering these strategic goals. In FY 2022, the City committed to over one hundred and fifty (150) business plan initiative (BPI) activities at a cost of approximately \$7.4 million. Major components of the program included an ambitious replacement of City vehicles, continued funding of the smart meter solutions, updates to the City's comprehensive plan, a new Community Redevelopment Plan, a West Oakland Park redevelopment study, new Fire Rescue apparatuses, credit card convenience fee waiver program, outdoor storage regulations, business development and marketing, and funding for non-profits among others.

The City has seen transformational changes in recent years. While COVID-19 is still in our midst, the economic downturn that it caused subsided in FY 2022, the market recovered and Oakland Park's tax base reached full recovery, exceeding the peak tax base before the recession by 13.2%. Broward County Property Appraiser data shows that Oakland Park's growth in taxable value is strong, with 2022 tax year data showing an almost steady 7% increase in the last couple of years.

The City's Community Redevelopment Agency (CRA)'s activities have continued to succeed in attracting new investments and as of the 2022 tax year, the total tax base for the CRA was at 123% of the pre-recession peak value. These positive trends are expected to continue as the City is increasingly seeing larger proposed development and redevelopment projects that are anticipated to bring mixed-use buildings to the City's downtown area and along major corridors, in addition to expanding the City's tax base. There are currently over 1,000 new residential units that are currently permitted, under construction, or have their site plans approved.

Changes to Financial Policies and Long-Term Financial Planning
(continued)

The development trend is expected to continue for Oakland Park, particularly in the City’s downtown area. Investment in the downtown area is accelerating, with two mixed-use projects currently in development. The downtown area was also recommended as one of the potential stops for the Tri-Rail Coastal Link passenger service in the 2019 Regional Planning Council Station Area Master Plan. In August 2020, the City Commission adopted a resolution to express support for a commuter rail platform to be located in the downtown area, which would positively enhance City’s economy, encouraging investment and attracting more interest in development. The City is directly promoting the downtown through the strategic use of City properties in the area. Long-time vacant lots along Dixie Highway owned by the City are now part of an approved public-private partnership that will see the development of a two-building mixed-use development linked by a bridge. The new development, dubbed “Sky” will bring structured parking, office, commercial, and residential to the downtown. The City will also relocate City Hall operations into the 1st floor and the top story of the South building. The land housing City Hall at present is also located in the downtown area; with the movement of City operations to the Sky Building, this land will be freed up for additional redevelopment. This area for redevelopment is immediately adjacent to the area identified as a future commuter rail stop along the Florida East Coast Railway line. In 2022, the City Commission approved a development agreement that provides for the sale of City property on this site to create a new downtown mixed-use development. This development, dubbed “Horizon of Oakland Park” includes residential and commercial uses, entertainment space, a Woonerf (living street), commuter rail platform enhancements, and more. Existing park amenities will not be lost, as the current Greenleaf Park will be recreated immediately adjacent to the new development.

As outlined earlier, the main focus of the City’s activities is the implementation of a comprehensive facilities program made possible with the approval of the \$40 million general obligation (G.O.) bonds which were fully issued as of September 30, 2022, enabling the City to take advantage of the low-interest rates before the Federal Reserve started increasing the rates in the latter part of the year. The G.O. bonds will finance the replacement and modernization of the City’s aged facilities, including fire stations, community centers, and the City’s municipal library. The City intends to strategically implement the bond projects in a way that will maintain continuity of services, maximize value & utilize resources judiciously, optimize opportunities, and be consistent with the strategic vision for the City as set by the City Commission. The new program provides an opportunity to reshape how and where services are delivered to the community for the next generation. The City has engaged with residents, expert consultants, and local businesses to ensure the plan adopted promotes economic development and sustainability, is grounded in fiscal responsibility, addresses long-term needs, and realizes the highest and best use of City property. Some results of these efforts include the completion of a centralized “City Park” using land currently hosting Public Works operations and a Fire Station, both of which are relocated. The City’s existing municipal library will be relocated to the City Park site, which will also feature a community center, splash pad, pickleball, basketball, urban forest, and other amenities. To maximize the leverage of bond dollars, the City has been aggressively seeking grant dollars for projects. The City has committed to completing the bond program in 2029 to coincide with Oakland Park’s centennial anniversary.

Through careful planning and investments, the City is prepared to go the distance needed to achieve its goals: Oakland Park is truly a City on the Move.

Independent Audit

In accordance with Florida Statutes Section 218.39, the City has engaged the firm of BCA Watson Rice LLP to perform the independent audit of the City's financial statements. The Independent Certified Public Accountant's report is included in the financial section of this Annual Comprehensive Financial Report.

Awards

The Governmental Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2021. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles in the United States and applicable legal requirements.

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

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Financial Services Department and the City's audit firm, BCA Watson Rice LLP. We express our appreciation to them for their support in planning, conducting, and attesting to the financial operations of the City responsibly and progressively. We would also like to thank the various operating departments for their timely contributions in the writing of this report.

Respectfully submitted,

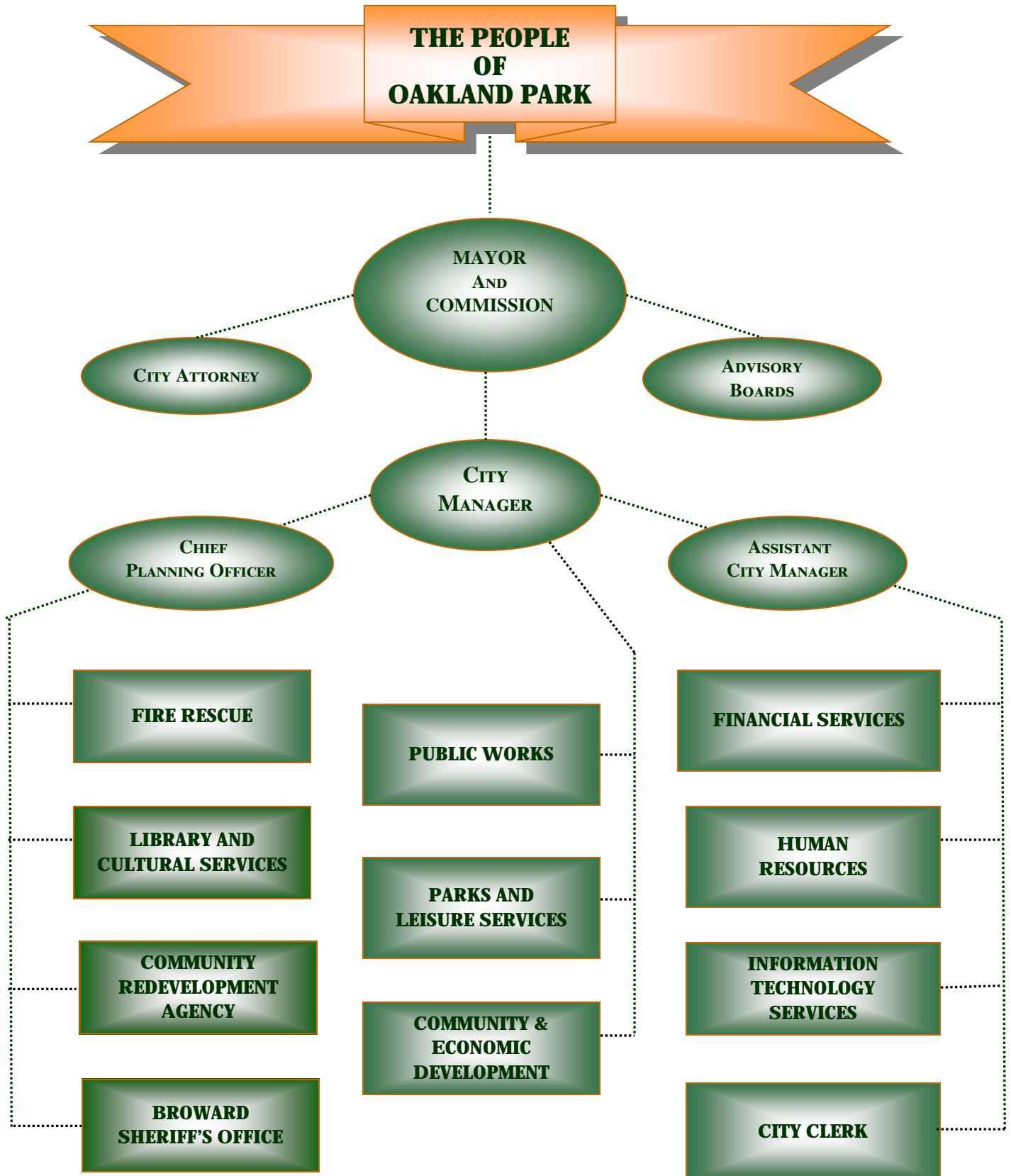


David Hebert
City Manager



Andrew Thompson, CGFO
Chief Financial Officer

CITY OF OAKLAND PARK ORGANIZATIONAL CHART



CITY OF OAKLAND PARK, FLORIDA

Commission - Manager Form of Government

LIST OF CURRENT PRINCIPAL OFFICIALS

CITY COMMISSION

AISHA GORDON

Mayor

MITCH ROSENWALD

Vice Mayor

STEVEN ARNST

Commissioner

TIM LONERGAN

Commissioner

LETITIA NEWBOLD

Commissioner

SENIOR EXECUTIVE TEAM

DAVID HEBERT

City Manager

DONALD J. DOODY

City Attorney

JENNIFER FRASTAI

Assistant City Manager

ANDREW THOMPSON, CGFO

Chief Financial Officer

Ana Alvarez

Chief Planning Officer

RENEE SHROUT

City Clerk

STEPHEN SCOTT

Human Resources Director

STEPHEN KRIVJANIK

Fire Chief

HEIDI BURNETT

Library & Cultural Services Director

ALBERT CARBON

Public Works Director

BRYNT JOHNSON

Engineering and Building Services Director

BRAD OSTROFF

Parks & Leisure Services Interim Director

PETER SCHWARZ

Community and Economic Development Director

TAMMY MCNEAL

Police Chief - BSO



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Oakland Park
Florida**

For its Annual Comprehensive
Financial Report
for the Fiscal Year Ended

September 30, 2021

Christopher P. Morill

Executive Director/CEO



OUR VISION

Oakland Park – A hometown choice for excellence in people, public service, and community.

OUR MISSION

We strive every day to deliver – in a friendly, courteous, reliable, and responsive manner – a diverse set of efficient and effective City services that exceed the expectations of our residents, businesses, and employees.

OUR VALUES

Our actions are guided by the following principles:

RESPECT

We value all members of our diverse community and will treat everyone with the highest respect.

INTEGRITY

The highest standards of honesty and fairness are the foundations of all policies and decisions.

SERVICE

We work together to satisfy the needs of our entire community in the most effective and efficient way possible.

EXCELLENCE

We are committed to excellence through hard work, innovation, creativity, and continuous improvement.

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the City Commission
City of Oakland Park, Florida

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 Oakland Park, Florida, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Oakland Park, Florida'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 of Oakland Park, Florida, 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 Pension Trust Funds for the Police and Firefighters Pension Plan, , which represent 60 percent, 59 percent, and 60 percent, respectively, of the assets, net position, and additions of the total Pension Trust Funds as of September 30, 2022, and the respective changes in financial position for the year then ended. 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 Pension Trust Funds for the Police and Firefighters Pension Plan are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 of Oakland Park, Florida, 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.

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 of Oakland Park, Florida'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 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, 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 of Oakland Park, Florida'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 of Oakland Park, Florida'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 and budgetary comparison information 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 statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Oakland Park, Florida's basic financial statements. The combining and individual nonmajor fund financial statements 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 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

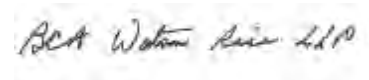
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2023 on our consideration of the City of Oakland Park’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 of Oakland Park’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 of Oakland Park’s internal control over financial reporting and compliance.

Miramar, Florida
March 31, 2023



MANAGEMENT'S DISCUSSION AND ANALYSIS

Rounding Disclaimer:

Due to rounding, numbers presented in the succeeding pages may not add up precisely to the totals provided, and percentages may not precisely reflect the absolute figures.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

The management of the City of Oakland Park (the "City") has included this section in the Annual Comprehensive Financial Report (ACFR) in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34. It is intended to provide readers of this report with a general overview of the financial activities of the City during fiscal year 2022. The information in this section should be considered in conjunction with additional information that is furnished in the letter of transmittal, the City's financial statements, the notes to financial statements and other required supplemental information.

This discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position, (d) identify any material deviations from the financial plan, and (e) identify individual fund issues or concerns. The information contained within this section should be considered only a part of a greater whole. Due to rounding, minor differences may appear between the numbers used in the analyses and the condensed financial information.

FINANCIAL HIGHLIGHTS

The following are the highlights of financial condition and activities as of and for the fiscal year ended September 30, 2022:

- At the close of FY 2022, the City's total assets plus deferred outflows of resources exceeded its total liabilities plus deferred inflows of resources by \$192.6 million. This amount represents the City's combined net position and it reflects an increase of \$8.9 million over last year as a result of the positive operating performance in both governmental and business-type activities.
- For governmental activities, the City's \$63.8 million revenues exceeded the \$58.0 million expenses resulting in a positive change in net position of \$5.8 million contributing a bigger portion to the \$8.9 million change in net position at the government-wide level, as mentioned above.
- The City's business-type activities recognized \$33.1 million in revenues against about \$29.9 million in expenses posting a positive \$3.2 million change in net position.
- At the General Fund level, revenues surpassed expenditures by \$7.7 million which is about \$2.8 million or 55.5% higher than last year's \$5.0 million. Included in this fiscal year's net change in fund balance is about \$3.0 million in other financing sources relative to the debt issuance for the purchase of fire rescue and other vehicles.
- The Oakland Park Community Redevelopment Agency's (OPCRA's) fund balance increased by about \$0.2 million. The City's operating contributions to the CRA during the fiscal year were about \$0.3 million more than last year.
- Net change in the fund balance of the Capital Projects Fund is about \$14.6 million. This includes the issuance of the second and final tranche of the General Obligation bonds amounting to \$14.0 million which was issued at a premium of \$2.7 million. In addition, the Capital Projects Fund also recognized \$3.2 million loan proceeds for the construction of the City's Public Works facility.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

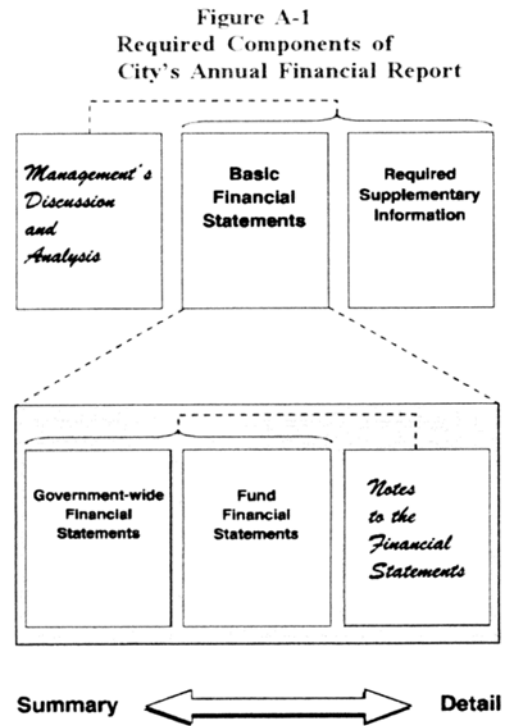
OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—*management's discussion and analysis* (this section), the *basic financial statements and the notes to the financial statements, required supplementary information* and an additional section that presents *combining statements* for nonmajor governmental funds and capital assets used in the operations of governmental activities. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are *government-wide financial statements* that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the City government and reports the City's operations in more detail than the government-wide statements.
 - *Governmental funds* statements tell how general government services, such as parks and recreation, were financed in the short term as well as what remains for future spending.
 - *Proprietary funds* statements offer short-term and long-term financial information about the activities the government operates like businesses, such as utilities (water and sewer), solid waste and stormwater systems.
 - *Fiduciary funds* statements report assets held in a trustee capacity for others and, therefore, cannot be used to support the government's own programs.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* which further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and are related to one another.

In addition to these required elements, we have included a section with combining statements that provide details about our nonmajor governmental funds, each of which is added together and presented in single columns in the basic financial statements.



CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Government-wide financial statements: The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) and from other functions that are intended to recover all or a significant portion of their costs through user fees and charges for services (*business-type activities*). The government activities of the City of Oakland Park include public works, engineering, parks and recreation, library, community development, fire rescue, community enhancement, police services provided by the Broward's Sheriff Office, and general administration services. The business-type activities of the City include the water and sewer systems, the solid waste operations and the stormwater system. The government-wide financial statements are on pages 24 and 25 of this report.

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Oakland Park, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds: Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds and governmental activities*.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

The City of Oakland Park maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund which is always considered to be a major fund. The CRA Fund, although non-major, is presented as a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. Budgetary comparison statements have been provided for the General Fund and the CRA Special Revenue Funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 26 to 29 of this report.

Proprietary funds: The City maintains one type of proprietary fund. *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 and sewer, solid waste and stormwater operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the water and sewer, solid waste and stormwater operations, all of which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 30 to 32 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected 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. The basic fiduciary fund financial statements can be found on pages 33 to 34 of this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35 to 117 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*, which includes information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 118 to 136 of this report.

The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 137 to 145 of this report.

Our analysis of the financial statements of the City begins below. The Statement of Net Position and the Statement of Activities report information about the City's activities that will help answer questions about the position of the City. Both fiscal years 2022 and 2021 are presented for comparison.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position:

As noted earlier, net position may serve as a useful indicator over time of a government's financial strength. The table below summarizes Oakland Park's net position as of September 30, 2022 and 2021:

City of Oakland Park, Florida Net Position (In Thousands)						
	2022			2021		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets						
Current and other assets	\$ 107,796	\$ 40,975	\$ 148,771	\$ 73,472	\$ 25,743	\$ 99,215
Capital assets	94,047	120,982	215,029	88,751	122,944	211,695
Total assets	<u>201,843</u>	<u>161,957</u>	<u>363,800</u>	<u>162,223</u>	<u>148,687</u>	<u>310,910</u>
Deferred outflows of resources	<u>30,564</u>	<u>4,660</u>	<u>35,224</u>	<u>13,224</u>	<u>2,140</u>	<u>15,364</u>
Liabilities						
Accounts payable and other liabilities	28,039	4,911	32,950	17,011	5,374	22,385
Long-term liabilities	105,256	58,160	163,416	52,309	43,129	95,438
Total liabilities	<u>133,295</u>	<u>63,071</u>	<u>196,366</u>	<u>69,320</u>	<u>48,503</u>	<u>117,823</u>
Deferred inflows of resources	<u>8,607</u>	<u>1,430</u>	<u>10,037</u>	<u>21,387</u>	<u>3,383</u>	<u>24,770</u>
Net Position						
Net investment in capital assets	73,773	80,465	154,238	75,028	81,130	156,158
Restricted	5,605	1,105	6,710	1,683	1,095	2,778
Unrestricted	<u>11,127</u>	<u>20,546</u>	<u>31,673</u>	<u>8,029</u>	<u>16,716</u>	<u>24,745</u>
Total net position	<u>\$ 90,505</u>	<u>\$ 102,116</u>	<u>\$ 192,621</u>	<u>\$ 84,740</u>	<u>\$ 98,941</u>	<u>\$ 183,681</u>

There are six (6) basic transactions that will affect the comparability of the Statement of Net Position summary presentation:

- 1) Net results of activities will impact current assets and unrestricted net position;
- 2) Borrowing for capital will increase current assets and long-term debt;
- 3) Spending or lack of spending of borrowed proceeds will affect current assets and capital assets;
- 4) Spending of non-borrowed current assets on new capital will reduce current assets, increase capital assets, reduce unrestricted net position, and increase net investment in capital assets;
- 5) Principal payment on debt will reduce current assets, long-term debt, reduce unrestricted net position and increase net investment in capital assets; and
- 6) Depreciation will reduce capital assets and the net investment in capital assets.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FISCAL YEAR 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Net Position: (continued)

As can be noted on the table of the previous page, the City's combined net position is \$192.6 million as of the end of FY 2022; \$90.5 million for governmental activities and \$102.1 million for business-type activities. The growth of the combined net position by about \$8.9 million or 4.8% over last fiscal year is more apparent on the governmental activities side at about \$5.8 million compared to about \$3.2 million of the business-type activities. This will be explained further under the Statement of Activities section.

The City's total assets increased by \$52.8 million or about 17.0% over last year. Of this increase, cash and cash equivalents reflects an increase of \$46.8 million which is attributable to the inflow of additional funds from the American Rescue Plan Act (ARPA) grant for \$11.6 million, proceeds of various loans issued during the year to finance various capital improvements for \$22.9 million, as further discussed below, among others. Capital assets increased by \$3.3 million with the continued spending to rebuild and modernize the City's facilities which are partly funded by the issuance of G.O. bonds. Prepayments and other assets reflect an increase of \$2.8 million which includes an advance payment for a fire ladder truck. Meanwhile, accounts receivable and inventories reflect a combined decrease of \$0.1 million reflecting better collection efficiency and utilization of supplies inventory.

The increase in deferred outflow of resources by \$19.9 million, or 129.3%, and the decrease in deferred inflow of resources by \$14.7 million, or 59.5%, are both primarily driven by the changes to actuarial valuation of the City's proportionate share of pension items with the Florida Retirement System and the City-sponsored General Employees Pension Plan & Police & Firefighters Retirement System.

The City's total liabilities increased by about \$78.5 million or 66.7% despite loan payments amounting to \$9.5 million during the year. The increase is significantly accounted for the spike of the Net Pension Liability increasing by \$37.1 million from \$8.6 million in FY 21 to \$45.9 million at the end the fiscal year. In addition, the City issued the final \$14.0 million tranche of the \$40 million voter-approved General Obligation (G.O.) Bonds with a premium of \$2.7 million; obtained loans for the construction a Public Works Campus for \$16.0 million; and a loan for the replacement of vehicles of about \$3.0 million. The increase in liabilities is further accounted for by the receipt of the additional ARPA funds of \$11.5 million. Meanwhile, accounts payable and accrued expenses decreased by about \$1.0 million simply due to timing.

The City's net position is heavily weighted on its investment in capital assets such as lands, buildings, equipment and infrastructure. For fiscal year 2022, the net position in this category is 80.1% of the total or \$154.2 million. The City uses these capital assets to provide services to residents. Consequently, these assets are *not* available for future spending. It should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of the City's combined net position are resources of the government that are not spendable or subject to external restrictions on how they may be used. This amounted to \$6.7 million and represents 3.5% of the combined net position. The remaining balance is *unrestricted net position* of about \$31.7 million or 16.5% which may be used to meet the government's ongoing obligations and projects to residents and creditors.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Activities:

The following table reflects the City's revenues and expenses for fiscal year 2022 compared to fiscal year 2021, with the resulting change in net position:

City of Oakland Park, Florida Changes in Net Position (In Thousands)						
	2022			2021		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 17,167	\$ 32,865	\$ 50,032	\$ 14,231	\$ 30,873	\$ 45,104
Operating grants/contributions	1,833	2	1,835	2,549	9	2,558
Capital grants/contributions	774	-	774	3,389	-	3,389
General revenues						
Property taxes	24,665	-	24,665	23,182	-	23,182
Franchise fees	3,144	-	3,144	2,656	-	2,656
Utility taxes	5,214	-	5,214	4,944	-	4,944
Communication service taxes	1,330	-	1,330	1,388	-	1,388
Local option gas taxes	792	-	792	735	-	735
Local business taxes	519	-	519	375	-	375
Premium taxes	659	-	659	664	-	664
Transportation surtax	226	-	226	-	-	-
Intergovernmental	5,983	-	5,983	5,067	-	5,067
Investment earnings	806	249	1,055	90	28	118
Miscellaneous revenue	643	-	643	975	-	975
Total revenues	<u>63,755</u>	<u>33,117</u>	<u>96,872</u>	<u>60,245</u>	<u>30,910</u>	<u>91,155</u>
Expenses:						
General government	2,694	-	2,694	1,824	-	1,824
Public safety	32,434	-	32,434	28,256	-	28,256
Public works	8,804	-	8,804	7,582	-	7,582
Engineering & community development	7,094	-	7,094	5,714	-	5,714
Culture/recreation	5,313	-	5,313	3,740	-	3,740
Water & Sewer	-	19,157	19,157	-	18,861	18,861
Solid Waste	-	7,076	7,076	-	6,443	6,443
Stormwater	-	3,708	3,708	-	3,785	3,785
Interest on long-term debt	1,651	-	1,651	1,388	-	1,388
Total expenses	<u>57,990</u>	<u>29,942</u>	<u>87,932</u>	<u>48,503</u>	<u>29,089</u>	<u>77,592</u>
Increase in net position	5,765	3,175	8,940	11,742	1,821	13,563
Net position, beginning - as adjusted	<u>84,740</u>	<u>98,941</u>	<u>183,681</u>	<u>72,997</u>	<u>97,120</u>	<u>170,117</u>
Net position, end of year	<u>\$ 90,505</u>	<u>\$ 102,116</u>	<u>\$ 192,621</u>	<u>\$ 84,740</u>	<u>\$ 98,941</u>	<u>\$ 183,681</u>

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Activities: (continued)

The following information is presented to assist the reader in understanding the different types of factors that can affect the results from operation. Examples of events that may impact the revenues are as follows:

- 1) **Economic condition** can reflect a declining, stable or growing environment and has a substantial impact on property, non-ad valorem assessments, sales, gas, or other tax revenues as well as consumer spending habits.
- 2) The City Commission has significant authority to set **increases or decreases in City's rates** (water, wastewater, stormwater, solid waste, fire assessment, permitting, , user fees, etc.).
- 3) **Changing patterns in intergovernmental and grant revenues** (both recurring and non-recurring) can significantly change and impact the annual comparisons.
- 4) **Market impacts on investment income** may cause investment revenues to fluctuate from the prior year.

Other factors that may impact the expenses are presented below:

- 1) **Introduction of new programs or increase in the City's boundary** can have a substantial impact on property, non-ad valorem assessments, sales, gas, or other tax revenues as well as consumer spending habits for building permits, user fees and consumption.
- 2) **Changes in service demand levels** can cause the City to increase or decrease authorized staffing. Staffing costs (salary and related benefits) represent 32.5% of the City's operating costs.
- 3) **Salary increases** such as cost of living, performance increases and market adjustments can impact personal service costs.
- 4) **Inflation** can impact the cost of goods and services. The City is a major consumer of certain commodities such as chemicals, supplies, fuels and parts. Some functional expenses may experience unusual commodity specific increases not reflected in the Consumer Price Index measure of inflation.

As can be noted on the chart on the next page, there are two primary contributors to governmental revenues (exclusive of transfers) – the property taxes and charges for services. Total revenues from governmental activities increased by \$3.5 million or 5.8% when compared to last fiscal year. For FY 2022, operating and debt service property taxes together at approximately \$24.7 million represent 38.7% of governmental revenues. Property taxes posted an increase of about \$1.5 million over last year even as the City reduced the operating millage rate from 5.8910 mills to 5.8890 mills. This is mainly due to the 6.3% increase in property values.

Charges for services of governmental revenues at \$17.2 million represent 26.9% of revenues. This revenue stream include various fees for different government services such as for fire protection, building permit reviews, among others. The biggest chunk of charges of services that continued to grow in recent years is building permit revenues. New developments are incorporating a variety of property uses throughout the City. This translated to a new historic high of \$5.5 million in building permit revenues which surpassed last year's \$4.3 million. As noted previously, building permit revenues are restricted and can only be utilized to support costs related to the permitting and building inspection functions.

CITY OF OAKLAND PARK, FLORIDA

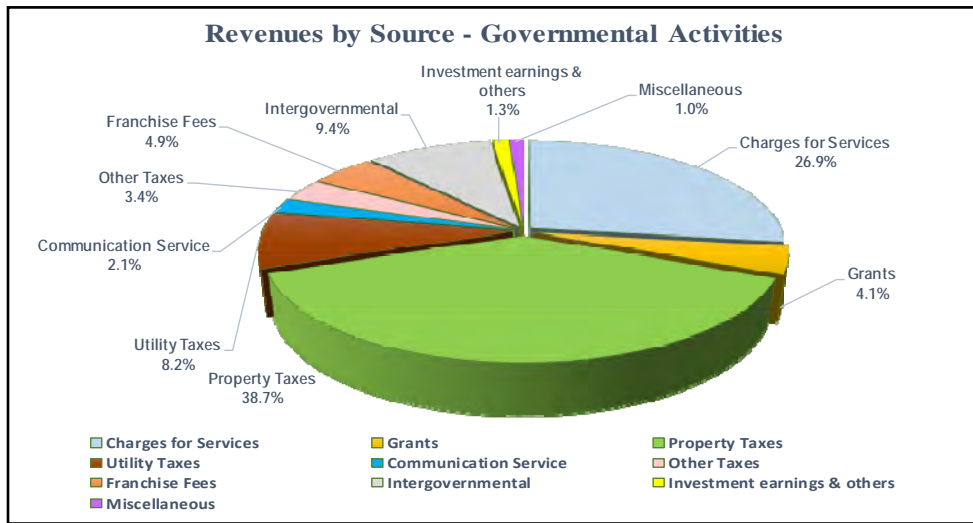
MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

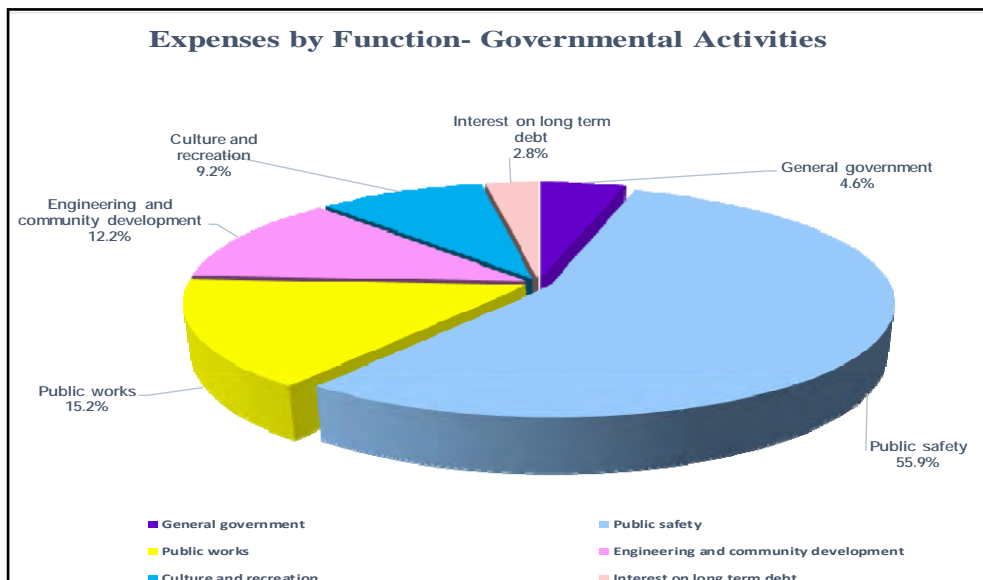
Statement of Activities: (continued)

It can also be noted that during the year, an additional \$1.0 million was generated from the fire protection fee with the fee increased to cover growing Fire Rescue costs.

Operating grants and capital contributions revenues realized during the year are \$2.6 million or 4.1% of the total revenues.



During 2022, total expenses in governmental activities increased by about \$9.5 million while business-type activities increased by \$0.9 million. On the chart below, governmental expenses are largely weighted in one function, public safety which consists of police (provided by Broward Sheriff's Office) and fire rescue services. At \$32.4 million, public safety is 55.9% of total governmental activities.



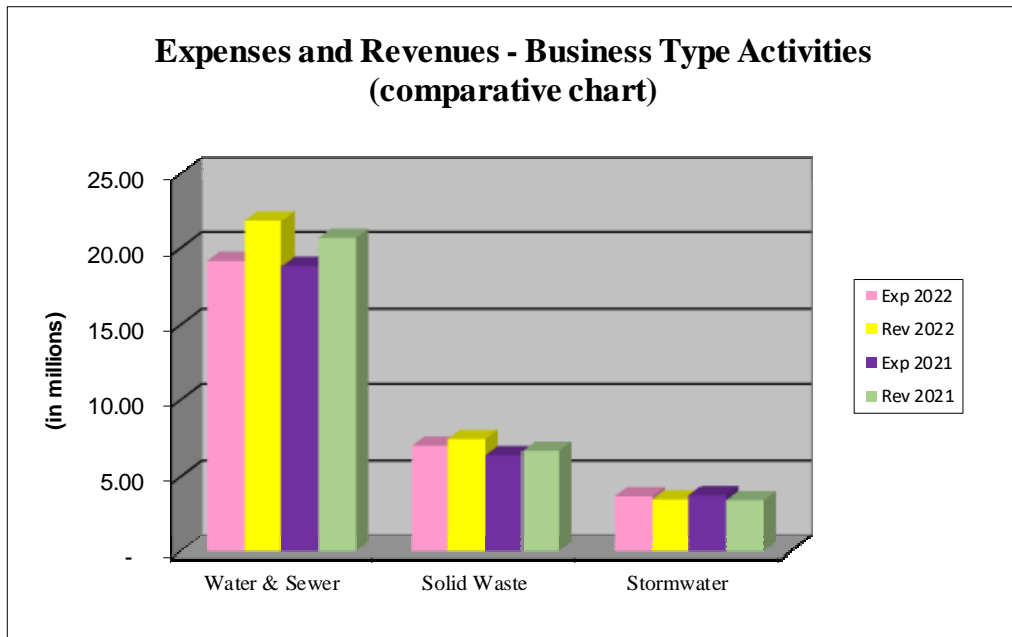
CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Activities: (continued)

The revenues generated by the business-type activities are derived primarily from one source, which is the charges for sales and services totaling \$32.9 million. The charges for services represent the fees charged by each of the City's enterprise funds, as follows: \$21.8 million for Water and Sewer, \$7.5 million for Solid Waste and \$3.5 million for Storm water. Charges for services for all three (3) enterprise funds had a combined increase of about \$2.0 million over last fiscal year. Factors attributing to the revenue performance of the enterprise funds are discussed on page 15 under the Proprietary funds section.



The combined operating and non-operating expenses of the business-type activities for the fiscal year is \$29.9 million expenses for which \$19.2 million or 64.0% is Water and Sewer; \$7.1 million or 23.7% is Solid Waste; and \$3.7 million or 12.3% is Stormwater. Average operating cost increase for providing utilities, solid waste and stormwater maintenance services is 3.5% which is primarily attributable to the labor cost increase coupled with the inflationary increases of purchased goods and contracted services.

As mentioned previously, the City's results of operations in governmental activities and business-type activities caused a combined increase of \$8.9 million in the City's net position. Further analysis is provided in the governmental fund financial analysis section on the next page.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

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.

The City Commission has adopted a fiscal policy establishing minimum fund balance requirements. All fund balances in governmental funds are classified based on the level of the resource spending constraints and their purposes. As the City completed the year, the governmental funds reported combined fund balances of about \$79.4 million which reflects an increase of \$22.7 million from last year. It has to be noted that included in FY 22 net change in fund balance are the proceeds of different capital outlay-financing loans such as Series 2022 General Obligation Bonds with premium (\$16.7 million), a vehicle replacement loan (\$3.0 million) and a construction loan for the Public Works Facility (\$3.2 million). Before recognizing the \$22.9 million loans, total governmental funds posted a deficiency of revenues over expenditures by about \$0.2 million. The deficiency is driven by the \$8.0 million spending on capital projects which translated to an excess of expenditures over revenue (exclusive of transfers in) of \$6.7 million within the Capital Project Fund. The General Fund revenues, *from restricted and unrestricted sources*, were over its expenditures by approximately \$8.7 million for the reasons discussed, in greater detail, in the General Fund Budgetary Highlights section on page 16.

The governmental fund balance of \$79.4 million, as mentioned in the previous paragraph, is made up of \$2.1 million in non-spendable funds, about \$7.2 million in restricted funds, \$46.4 million in committed funds for capital projects, \$9.1 million in funds assigned (primarily for next year's budget) and the balance of \$14.6 million is available for any purpose as allowed by the City Commission's adopted fiscal policies.

The General Fund expenditures of \$57.2 million, excluding transfers out, were about \$6.0 million below the final budget of about \$63.2 million. Much of this variance is due to the timing of the expenditure recognition when some of the good and services procured in FY 22 are yet to be delivered in the next fiscal year. *Please refer to the General Fund Budget Highlights section for further details.*

As it relates to OPCRA, its revenues and other financing sources exceeded expenditures by about \$0.2 million due to savings and unspent funds. The OPCRA being a fiscally-dependent component unit of the City, is primarily funded by annual transfers from the City's General Fund.

During the fiscal year, Capital Projects Fund (CPF) expended about \$8.1 million posting a deficiency of \$6.7 million before transfers and other financing sources. The large capital projects spending is mostly out of the proceeds of the G.O. bonds issued for the City's "Building our Second Century Program" to rehabilitate some of the City's aging facilities.

At the end of the day, the fund balance of non-major governmental funds increased by about \$0.3 million. This increase resulted from the receipt of grants, the recognition of impact fees for parks development, and some savings within the Debt Service Fund due to advantageous interest rates resulting in lower debt service costs than budgeted.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS (continued)

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, for business-type activities, but in more detail.

As previously discussed in the Statement of Net Position section, combined net position for the enterprise funds is \$102.1 million, of which \$20.5 million is unrestricted. Among the City's three enterprise funds, the Water and Sewer and the Stormwater funds have significant investments in capital assets which are required to run the daily operations. The Water and Sewer Fund represents the bulk of the unrestricted net position at \$13.9 million while Solid Waste Fund had \$3.7 million and Stormwater Fund had \$2.9 million for a total of \$20.5 million. This amount reflects an increase of \$3.1 million from the prior fiscal year. The operating result for each fund is discussed below:

Water and Sewer (W&S) Fund - Total operating and non-operating revenues exceeded both operating and non-operating expenses by \$2.8 million. While the current year operating expenses of \$18.0 million (inclusive of non-cash depreciation) increased by \$0.3 million or 1.8% over last year, the increase in revenues was more significant leaving the positive change in net position. At \$21.8 million in operating revenues which reflects a \$1.1 million or 5.5% increase over prior year, the excess of operating income over operating expenses at the end of the day is \$3.8 million. This increase is partly due to the rate adjustments imposed by the City to cover for Consumer Price Index (CPI) and for automatic pass-through cost changes of the water and wastewater purchased from the City of Fort Lauderdale and Broward County.

Solid Waste Fund - Total operating and non-operating revenues exceeded both operating and non-operating expenses by about \$0.5 million. Operating revenues increased by about \$0.8 million while operating expenses increased by about \$0.6 million compared to prior year. Such revenue growth is due to an 8.5 % rate increase of the residential solid waste assessment, increasing from \$235 per residence in FY 21 to \$255 per residence in FY 22. This is coupled by a 10% rate increase for commercial solid waste services. Both rate charges were intended to stabilize the fund and maintain fund balance above the minimum level of reserves set by Commission policy. Despite the increases, the rates for both residential and commercial services remain below the City's 2012 rates for these services. Operating expenses of the Solid Waste Fund for the year reflected an increase of 9.7%. This is attributable to the increase in personnel costs especially overtime which can be seen as more than double of the previous fiscal year due to staffing shortages. The increase in operating expenses is also attributable to the fact that in prior year, the solid waste fund had a negative economic pension expense of \$0.3 million based on pension valuation.

Stormwater Fund - Total operating and non-operating expenses exceeded total operating and non-operating revenues resulting in a negative change in net position of about \$0.2 million,. This outcome was anticipated during the budget development process since the City decided to keep the same stormwater special assessment rate of \$84 per equivalent residential unit (ERU) even as personnel and other operating costs were expected to increase. Rate adjustments to the fund were not contemplated for FY 2022 as the City was engaged in the completion of the Stormwater Master Plan, including a financial analysis of the fund with accompanying rate recommendations.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

GENERAL FUND BUDGETARY HIGHLIGHTS

The adopted budget for FY 2022 was formulated and approved with a more optimistic outlook compared to the past year when the uncertainties from the pandemic still lingered. The FY 2022 budget included funding for the return of special events which were previously suspended. It also included debt funding for the purchase of replacement vehicles which were deferred in the past years due to fiscal uncertainty regarding the economic impacts of COVID-19.

The FY 2022 adopted budget of the General Fund was approximately \$63.0 million, representing an increase of about \$8.5 million (15.5%) over FY 21 adopted budget. Supplemental appropriations during the year amounted to \$4.2 million, bringing the final budget to \$67.1 million.

Property tax continued to represent the largest source of revenue for the General Fund, providing 34.4% of all revenues. Property tax is based on two main elements: 1) the assessed property tax base, and 2) the millage rate set by Commission. The certified data provided by the Property Appraiser shows that the City's property tax base has expanded for the ninth time since 2007, increasing by \$259 million (6.91%) over last year. The City's property tax base was \$4.0 billion, which is 13.2% above the peak tax base prior to the Great Recession. An operating millage rate of 5.8890 mills was adopted for FY 2022, a decrease of 0.002 mills (.03%) from FY 21. The FY 2022 millage rate is the lowest rate adopted in eleven (11) years and the seventh millage rate reduction within an eight-year period. This operating millage rate generated \$22.7 million (including penalties for late payment). City taxes only comprise a small portion of what appears on residents' tax bills; about 31% of the tax bill represents the City's levies and the rest is paid to other taxing authorities, such as Broward County, the School Board, and other special taxing districts.

Overall, revenue performance compared to the final budget is favorable. Actual total revenue is \$65.9 million, up by \$8.0 million against the final budget or a favorable variance of 13.8%, an indication of continued economic recovery for the state, regional, and local economies. The largest portion of this increase is related to permit fees, which are a restricted revenue. Majority of the City revenues performed better over the past year and posted favorable variances against the final budget:

- licenses and permit fees provided \$4.1 million, or 115.6%, over budget due to continued emergence of residential and commercial construction projects within the City (these revenues are restricted by State law and can only be utilized and qualifying expenditures related to permitting and building code enforcement);
- intergovernmental revenues were \$1.2 million or 24.4% over budget due to increased collection of sales and fuel taxes;
- grants were about \$1.3 million or 341.4% over budget relative to the recognition of some of the American Rescue Plan Act (ARPA) funds that were expended during the fiscal year;
- franchise fees, which is primarily from electricity sales, were \$0.6 million or 22.8% over budget relative to FPL's increased rates and increase in sales volume as the economy fully re-opened;
- investment earnings were over budget, posting \$0.4 million due to interest rate increases implemented by the Federal Reserve;

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

GENERAL FUND BUDGETARY HIGHLIGHTS (continued)

- property taxes were \$0.3 million over budget due to better collection efficiency of delinquent taxes;
- utility taxes were \$0.1 million or 2.3% over budget relative to the increase in utility revenues; and
- other taxes such as local option gas taxes, local business taxes were \$.01million or 8.4% over budget due to increased economic activity.

On the expenditure side, all departments/divisions were in check with their final budgets and posted positive variances. Overall, actual expenditures were about \$6.0 million less than the final budget, a positive variance of 9.5%.

Of the approximately \$6.0 million positive variance between the final budget and actual expenditures, *as mentioned in the previous paragraph*, \$2.4 million is attributable to the Fire Rescue Department. This is due mainly to unspent funds of about \$1.9 million for the purchase of fire rescue vehicles that could not be supplied by the vendor. These unspent funds will be utilized in FY 23 to purchase the vehicles required by the Department. The rest of the variances is accounted for by savings in the cost of operating supplies, repairs and maintenance, communication services, among others.

Public Works Department which is composed of several divisions posted a total positive variance of \$1.6 million or 16.9% against their final budget. The positive variance is explained as follows:

- Streets Maintenance Division: \$0.7 million savings from road resurfacing outlays and road repairs and maintenance costs;
- Parks Maintenance Division: \$0.6 million primarily due to unspent funds for the purchase of replacement vehicles which could not be supplied by the vendor;
- Building Maintenance Division: \$0.2 million due to overall lower operating expenditures related to city facilities maintenance and repairs;
- Fleet Division: \$0.1 million mainly due to savings from operating supplies and repair and maintenance costs, and

Engineering & Building Services (EBS) Department which is made up of two (2) divisions had a total favorable variance of \$0.6 million or 13.3% against the final budget. Savings are due to the following:

- EBS's Engineering and Construction Management Division: about \$0.2 million largely due to savings in professional services cost and vacancy savings; and
- EBS's Building and Permitting Division: \$0.4 million due to lower than anticipated contracted cost for building plan and permit reviews.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

GENERAL FUND BUDGETARY HIGHLIGHTS (continued)

Community and Economic Development (CED) Department, which includes Community Enhancement (Code Enforcement) and Planning had a total positive variance of \$0.5 million or 18.64% against the final budget. Savings are due to the following:

- CED's Planning and Zoning Division: \$0.4 million due to lower than anticipated professional services costs related to planning and surveying; and
- CED's Community Enhancement Division: \$0.1 million mainly due to unspent funds for vehicle purchase which could not be supplied by the vendor as well.

General government which covers various departments had a favorable variance against the final budget of \$0.5 million. The breakdown by department is shown and discussed below:

- City Commission: \$0.02 million mainly attributable to savings in promotional activities, subscriptions, memberships and training;
- City Manager's Office: \$0.04 million mainly attributable to savings in professional services;
- City Clerk: \$0.1 million attributable to savings in advertising, professional services and software subscription fees;
- Human Resources: \$0.08 million attributable to savings from vacancy and software subscription fees;
- Legal: \$0.01 million for lower legal cost;
- Financial Services: \$0.03 million due to vacancy savings as well as savings in professional services, freight and postage;
- Information Technology Services: \$0.2 million due to savings from annual subscription for computer software, and professional services; and
- Non-departmental: \$0.03 million due unspent contingency funds.

Culture and recreation related activities had a favorable variance of \$0.3 million resulting from the following:

- Library Department: \$0.07 million due to lower personnel costs, reduced operating expenditures in promotional activities and operating supplies; and
- Parks and Recreation Department: \$0.2 million due to savings in the cost of professional services, other services annual support, operating supplies for recreation and field trips, and special events.

The favorable outcomes described above resulted in an excess of revenues over expenditures before transfers and other financing sources of \$8.5 million. After transfers-out of \$3.9 million and about \$3.0 million in proceeds from the issuance of debt, the positive net change in fund balance is about \$7.6 million. While this may seem to indicate a very strong operating results, a big portion of this amount, about \$4.2 million is restricted for building code enforcement. In addition, the approximately \$3.0 million loan proceeds for vehicle purchase is not available for spending other than its purpose.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets:

The City's investment in capital assets, *net of accumulated depreciation*, for its governmental and business-type activities, as of September 30, 2022, increased by \$3.3 million, from \$211.7 million of the previous year to \$215.0 million at the end of FY 2022. This net increase reflects total additions during the year of \$9.5 million and the recognition of depreciation expense of about \$6.2 million. The City's net capital assets for its governmental and business-type activities as of the end of FY 2022 and 2021, are shown on the table below:

	Capital Assets (Net of Depreciation) (In Thousands)					
	2022			2021		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Land and easements	\$ 18,372	\$ 436	\$ 18,808	\$ 18,372	\$ 436	\$ 18,808
Construction in progress	3,712	8,392	12,104	4,600	8,914	13,514
Intangible	11	-	11	19	-	19
Buildings	11,340	-	11,340	9,936	-	9,936
Improvements other than buildings	14,439	19	14,458	9,333	22	9,355
Machinery and equipment	2,472	3,271	5,742	2,653	3,638	6,292
Infrastructure	43,702	108,864	152,565	43,838	109,934	153,773
Total	<u>\$ 94,047</u>	<u>\$ 120,982</u>	<u>\$ 215,029</u>	<u>\$ 88,751</u>	<u>\$ 122,943</u>	<u>\$ 211,695</u>

The City's adopted capital budget for FY 2022 was \$27.4 million which provided for \$8.3 million spending for streetscapes, \$0.2 million for parks, \$17.5 million for facilities, \$0.9 million for water & sewer system improvements, and \$0.5 million for stormwater system improvements. The City uses loan proceeds, internal funds as well as grant funds to finance these projects. Completed projects for governmental activities amounted to \$8.9 million while the business-type activities reported \$1.2 million of completed projects.

Additional information on the City's capital assets can be found in Note 6 starting on page 64.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

Debt Administration:

Between the governmental activities and business-type activities, the City had a total debt of \$114.7 million (including unamortized bond premium/discount) as of the end of the fiscal year. This balance reflects the principal payments, additional indebtedness, and refundings made during the year. Comparative balances between FY 22 and FY 21 are reflected on the table below:

	Outstanding Debt (In Thousands)					
	2022			2021		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Loans payable	\$ 14,827	\$ 21,166	\$ 35,993	\$ 3,500	\$ 4,548	\$ 8,048
General obligation bonds	38,630	-	38,630	25,475	-	25,475
Revenue bonds	-	30,459	30,459	6,565	36,254	42,819
Capital lease payable	409	329	738	575	543	1,118
Bond premium (discount)	7,750	1,090	8,840	5,386	1,124	6,510
Total	\$ 61,616	\$ 53,045	\$ 114,661	\$ 41,501	\$ 42,470	\$ 83,970

More detailed information about the City's liabilities is presented in Note 7, Capital Lease Obligations and Note 8, Long-term debt, beginning on page 66 of the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The State of Florida, by constitution, does not have a State personal income tax and, therefore, the State operates primarily using sales, gasoline, and corporate income taxes. Local governments (cities, counties, school boards, and special districts) primarily rely on property and a limited array of other permitted taxes (telecommunication, gasoline, utilities, business, etc.) and fees (franchise, building permits, charges for services, etc.) to fund their governmental activities. There are a limited number of State-shared revenues and recurring and one-time grants from the state, local and federal governments. For the business-type and certain governmental activities (building inspections, recreational programs, etc.), the user pays a related fee or charge associated with the service.

The Florida legislature continues to consider various proposals relating to property tax relief and communications services taxes rate reductions that could have a significant impact on a local government's ability to maintain and/or improve services to residents. The City is carefully monitoring these initiatives and their future impact on the City's ability to function at its present levels. Furthermore, the City is committed to build a diversified and stable revenue system to minimize the dependence on property taxes.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES (continued)

The City continues to emphasize a disciplined and strategic allocation of resources and fiscal prudence to ensure long-term financial sustainability while implementing the Commission's strategic vision for the community. Major emphasis continues to be placed on two elements: 1) aggressive efforts related to business attraction, redevelopment, and capital improvement, and; 2) the continuation of emphasis on community appearance, and community enhancement, community facilities, and quality development. The adopted fiscal year 2023 budget includes about 216 specific business plan initiatives (BPI) valued at \$7.7 million.

The highest appropriations in the FY 2023 BPI is for non-capital improvement program infrastructure needs at \$3.8 million, which is consistently the highest for a few years except FY 22; closely followed by public safety and security at \$1.2 million; community wellness and recreation at \$0.9 million ranked third; smart growth, redevelopment and community appearance at \$0.8 million made forth; followed by Oakland Park's identity at \$0.4 million ; then environmental stewardship and sustainability at \$0.4 million; and last but certainly not the least important is financial stability at \$.2 million .

The adopted FY 2023 budget addresses key priorities identified by the City Commission and the City continues to show improvement which is representative of the economic stabilization and steady, positive growth occurring in the local and state economy. For instance, property tax values in the City continued to increase - from \$4.0 billion in FY 2022 to \$4.5 billion currently, or 12.25% net increase. Despite the economic challenges that were anticipated in the past years due to the pandemic, the City Commission continued to reduce the operating millage rate, going down from 5.8890 mills in FY 2022 to 5.8550 in FY 2023. The decrease in the operating millage rate was also intended in part to help reduce the impact of the City's debt service millage, which was levied beginning in 2021. The total debt service millage rate for FY 23 was set at 0.6972 mills, an increase of 0.1774 from FY 22 due to the issuance of the remaining \$14 million G.O. Bonds in the past year. The debt service millage will generate the revenue needed to fund the debt service of about \$3 million for the \$40 million General Obligation Bonds issued in 2020 and 2022. Combined with the increase in property values, the gross property tax revenues for FY23 operations is estimated to be \$25.0 million while the gross property tax revenues for debt service is about \$3.0 million. The expected additional Ad Valorem revenue will help to fund the cost increase for the police services contract with Broward Sheriff's Office, projected increases in personnel costs, and increased maintenance costs associated with new projects.

In FY 22, a \$52 increase in the residential fire assessment rate was implemented in response to the fire assessment rate study. The residential rate of \$251 remains unchanged for FY 23. The expected revenue generated by the assessment will continue to fund approximately 91% of the applicable fire suppression costs of the Fire-Rescue Department. The remaining suppression costs will continue to be funded by other available General Fund revenues. Oakland Park's fire assessment rates remain low compared to the other jurisdictions in Broward County. The average residential rate for FY 22 was \$307.94 in Broward County.

In FY 2022 the City conducted solid waste and stormwater rate studies, the results of which were considered in the FY 2023 budget development. Based on the recommendations from the studies, the residential solid waste assessment rate was increased from \$255 to \$280.50 per residence while the stormwater rate per equivalent residential unit was increased from \$84 to \$114. Future increases will continue as needed.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2022

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES (continued)

The City's solid waste rates remain well below 2011 levels (\$300 per residential unit) even as operating costs for the solid waste fund has increased over the years. It remains well below the countywide average of \$344 per year for residential service. The residential increase for FY 2023 is also paired with an approximately 10% increase in the City's commercial solid waste rate structure.

As part of the long-term efforts to address drainage and stormwater issues in the City, a Stormwater Master Plan was also prepared simultaneously with the stormwater rate study. As a result of both exercises, the stormwater special assessment rate was adjusted to ensure fiscal stability of the fund to meet current and future projects. The stormwater rate increase for FY 23 is only the second rate increase over a 20 year period.

In accordance with the City's water/sewer rate ordinance, water and sewer rates are subject to an annual change based on an automatic pass-through adjustment to reflect changes in the water and wastewater rates being charged to the City by Ft. Lauderdale and Broward County for water purchase and wastewater treatment. An annual consumer price index adjustment is also applied. The City uses a tiered consumption structure for water residential rates.

REQUESTS FOR INFORMATION

The City's financial statements are designed to present users (citizens, customers, investors and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. The financial statements are available on the City's website at www.oaklandparkfl.gov. If you have questions about the report or need additional financial information, contact Andrew Thompson, Chief Financial Officer, City of Oakland Park, 3650 NE 12 Avenue, Oakland Park, Florida 33334.



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BASIC FINANCIAL STATEMENTS

Rounding Disclaimer:

Due to rounding, numbers presented in the succeeding pages may not add up precisely to the totals provided, and percentages may not precisely reflect the absolute figures.

CITY OF OAKLAND PARK, FLORIDA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2022

	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 33,571,036	\$ 20,035,064	\$ 53,606,100
Accounts receivable - net	4,221,968	2,731,238	6,953,206
Inventories	58,045	318,050	376,095
Prepayments and other assets	2,952,416	606,785	3,559,201
Internal balances	(1,224,740)	1,224,740	-
Temporarily restricted:			
Cash and cash equivalents	68,217,739	16,059,389	84,277,128
Capital assets, not being depreciated	22,083,239	8,827,722	30,910,961
Capital assets, being depreciated - net	<u>71,963,591</u>	<u>112,154,559</u>	<u>184,118,150</u>
Total Assets	<u>201,843,294</u>	<u>161,957,547</u>	<u>363,800,841</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow related to pensions	30,471,213	4,331,589	34,802,802
Deferred outflow related to other post-employment benefits (OPEB)	50,325	13,273	63,598
Deferred charge on refunding	<u>42,687</u>	<u>314,849</u>	<u>357,536</u>
Total Deferred Outflows of Resources	<u>30,564,225</u>	<u>4,659,711</u>	<u>35,223,936</u>
LIABILITIES			
Accounts payable and accrued expenses	3,626,426	3,134,272	6,760,698
Customer deposits	-	1,546,043	1,546,043
Accrued interest payable	720,604	222,566	943,170
Other liabilities	521,209	-	521,209
Unearned revenues	23,170,595	7,839	23,178,434
Noncurrent liabilities:			
Due within one year			
Bonds and notes payable	3,210,458	2,974,033	6,184,491
Compensated absences	352,202	38,316	390,518
Due in more than one year			
Bonds and notes payable	58,405,465	50,070,878	108,476,343
Compensated absences	1,007,107	174,551	1,181,658
Net pension liability	41,251,759	4,621,061	45,872,820
Other post-employment benefits liability	<u>1,029,467</u>	<u>280,944</u>	<u>1,310,411</u>
Total Liabilities	<u>133,295,292</u>	<u>63,070,503</u>	<u>196,365,795</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow related to pensions	8,199,582	1,339,349	9,538,931
Deferred inflow related to OPEB	351,498	90,868	442,366
Deferred inflow related to leases	<u>56,228</u>	<u>-</u>	<u>56,228</u>
Total Deferred Inflows of Resources	<u>8,607,308</u>	<u>1,430,217</u>	<u>10,037,525</u>
NET POSITION			
Net investment in capital assets	73,772,906	80,465,159	154,238,065
Restricted for:			
Education	444,690	-	444,690
Transportation improvement	111,341	-	111,341
Public safety	184,221	-	184,221
Library	48,008	-	48,008
Parks and recreation	356,051	-	356,051
Florida building code enforcement	4,460,265	-	4,460,265
Debt covenants	-	1,104,907	1,104,907
Unrestricted	<u>11,127,437</u>	<u>20,546,472</u>	<u>31,673,909</u>
Total Net Position	<u>\$ 90,504,919</u>	<u>\$ 102,116,538</u>	<u>\$ 192,621,457</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Functions/Programs							
Primary Government:							
Governmental activities:							
General government	\$ 2,693,855	\$ 281,971	\$ 314,125	\$ 220,560	(1,877,199)	\$ -	\$ (1,877,199)
Public safety	32,434,371	8,559,368	1,222,944	-	(22,652,059)	-	(22,652,059)
Public works	8,803,909	-	-	173,145	(8,630,764)	-	(8,630,764)
Engineering and community development	7,094,081	7,917,040	-	324,683	1,147,642	-	1,147,642
Culture and recreation	5,313,098	408,225	295,514	56,012	(4,553,347)	-	(4,553,347)
Interest and debt issue cost	1,650,810	-	-	-	(1,650,810)	-	(1,650,810)
Total governmental activities	<u>57,990,124</u>	<u>17,166,604</u>	<u>1,832,582</u>	<u>774,400</u>	<u>(38,216,538)</u>	<u>-</u>	<u>(38,216,538)</u>
Business-type activities:							
Water and sewer	19,156,903	21,839,813	-	-	-	2,682,910	2,682,910
Solid waste	7,076,272	7,521,917	2,310	-	-	447,955	447,955
Stormwater	3,708,454	3,503,754	-	-	-	(204,700)	(204,700)
Total business-type activities	<u>29,941,629</u>	<u>32,865,484</u>	<u>2,310</u>	<u>-</u>	<u>-</u>	<u>2,926,165</u>	<u>2,926,165</u>
Total primary government	<u>\$ 87,931,753</u>	<u>\$ 50,032,088</u>	<u>\$ 1,834,892</u>	<u>\$ 774,400</u>	<u>(38,216,538)</u>	<u>2,926,165</u>	<u>(35,290,373)</u>
General Revenues:							
Taxes:							
Property taxes					24,665,509	-	24,665,509
Franchise taxes					3,143,649	-	3,143,649
Utility taxes					5,213,691	-	5,213,691
Communication service taxes					1,330,045	-	1,330,045
Local option gas taxes					791,837	-	791,837
Local business taxes					518,939	-	518,939
Premium taxes					658,862	-	658,862
Transportation surtax					226,950	-	226,950
Unrestricted investment earnings					805,847	248,940	1,054,787
Intergovernmental revenue - unrestricted					5,983,032	-	5,983,032
Miscellaneous					642,846	-	642,846
Total general revenues and transfers					<u>43,981,207</u>	<u>248,940</u>	<u>44,230,147</u>
Change in net position					<u>5,764,669</u>	<u>3,175,105</u>	<u>8,939,774</u>
Net position, beginning							
As previously stated					84,793,594	98,941,432	183,735,026
Adjustment					(53,344)	-	(53,344)
As restated					<u>84,740,250</u>	<u>98,941,432</u>	<u>183,681,682</u>
Net position, ending					<u>\$ 90,504,919</u>	<u>\$ 102,116,537</u>	<u>\$ 192,621,456</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

**BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	Major Funds			Other	Total	
	General	Special Revenue		Non-Major		Governmental
		Oakland Park CRA	Capital Project	Funds		
ASSETS						
Cash and cash equivalents	\$ 27,683,934	\$ 370,118	\$ 5,491,822	\$ 25,162	\$ 33,571,036	
Accounts receivable - net	3,516,020	59,943	577,055	68,950	4,221,968	
Due from other funds	44,046	-	-	-	44,046	
Inventories	58,045	-	-	-	58,045	
Prepayments and other assets	1,614,801	-	-	437,616	2,052,417	
Temporarily restricted assets:						
Cash and cash equivalents	23,446,724	-	43,125,508	1,645,507	68,217,739	
Total Assets	<u>\$ 56,363,570</u>	<u>\$ 430,061</u>	<u>\$ 49,194,385</u>	<u>2,177,235</u>	<u>\$ 108,165,251</u>	
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	\$ 2,272,204	\$ 38,479	\$ 1,306,545	\$ 9,198	\$ 3,626,426	
Due to other funds	-	-	-	44,046	44,046	
Compensated absences	131,130	-	-	-	131,130	
Other liabilities	515,209	6,000	-	-	521,209	
Unearned revenues	21,762,472	-	-	1,074,799	22,837,271	
Advances from other funds	-	-	1,224,740	-	1,224,740	
Total Liabilities	<u>24,681,015</u>	<u>44,479</u>	<u>2,531,285</u>	<u>1,128,043</u>	<u>28,384,822</u>	
Deferred Inflows of Resources:						
Deferred inflow related to leases	-	56,228	-	-	56,228	
Unavailable revenue	97,671	-	235,655	-	333,326	
Total Deferred Inflows of Resources	<u>97,671</u>	<u>56,228</u>	<u>235,655</u>	<u>-</u>	<u>389,554</u>	
Fund Balances:						
Non-spendable (not in spendable form)						
Inventories	58,045	-	-	-	58,045	
Prepayments and other assets	1,614,801	-	-	437,616	2,052,417	
Restricted for:						
Florida building code enforcement	4,460,265	-	-	-	4,460,265	
Education	444,690	-	-	-	444,690	
Transportation improvement	111,341	-	-	-	111,341	
Tree preservation	1,031	-	-	11,778	12,809	
Library	-	-	-	48,008	48,008	
Park development	-	-	-	268,480	268,480	
Parks and recreation	-	-	-	74,762	74,762	
Public safety	-	-	-	136,755	136,755	
Fire station facility	-	-	-	47,466	47,466	
Vehicle replacement	1,551,231	-	-	-	1,551,231	
Committed for:						
Capital projects	-	-	46,427,445	-	46,427,445	
Assigned to:						
Community redevelopment	-	152,593	-	-	152,593	
Debt service	-	-	-	24,327	24,327	
Subsequent year's budget	8,749,831	176,761	-	-	8,926,592	
Unassigned	<u>14,593,649</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,593,649</u>	
Total Fund Balances	<u>31,584,884</u>	<u>329,354</u>	<u>46,427,445</u>	<u>1,049,192</u>	<u>79,390,875</u>	
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 56,363,570</u>	<u>\$ 430,061</u>	<u>\$ 49,194,385</u>	<u>2,177,235</u>	<u>\$ 108,165,251</u>	

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION GOVERNMENTAL FUNDS SEPTEMBER 30, 2022

Fund balances - total governmental funds (Page 26) \$ 79,390,875

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	146,943,777	
Less accumulated depreciation	<u>(52,896,947)</u>	94,046,830

Other non-current assets in governmental activities are not financial resources and, therefore, are not reported in the governmental funds 900,000

Long-term liabilities such as bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Governmental notes and capital lease payables	(61,615,923)	
Deferred charges on refunding amortized over the life of the bonds	42,687	
Accrued interest payable not reported in the governmental funds	(720,604)	
Compensated absences	(1,228,179)	
Net pension liability	(41,251,759)	
Other post-employment benefit (OPEB) obligation	<u>(1,029,467)</u>	(105,803,245)

Deferred inflows/outflows of resources not reported in the governmental funds to pay for current period's expenditures, but the funds exclude those assets.

Deferred outflows related to OPEB		50,325
Deferred inflows related to OPEB		(351,498)
Deferred outflows related to pension		30,471,213
Deferred inflows related to pension		<u>(8,199,582)</u>

Net position of governmental activities (Page 24) \$ 90,504,919

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Major Funds			Other Non-Major Governmental Funds	Total Governmental Funds
	General	Special Revenue Oakland Park CRA	Capital Project		
Revenues:					
Taxes:					
Property taxes	\$ 22,666,305	\$ -	\$ -	\$ 1,999,205	\$ 24,665,510
Franchise taxes	3,143,649	-	-	-	3,143,649
Utility taxes	5,213,691	-	-	-	5,213,691
Communications service taxes	1,330,045	-	-	-	1,330,045
Local option gas taxes	791,837	-	-	-	791,837
Local business taxes	518,939	-	-	-	518,939
Premium taxes	658,862	-	-	-	658,862
Transportation surtax	-	-	226,950	-	226,950
Licenses and permits	7,693,766	-	-	31,539	7,725,305
Intergovernmental	5,983,032	-	-	-	5,983,032
Charges for services	14,852,896	-	-	3,415	14,856,311
Fines and forfeitures	345,542	-	-	21,830	367,372
Investment earnings	391,549	2,352	401,385	10,561	805,847
Grants and contributions	1,702,013	-	777,527	127,442	2,606,982
Miscellaneous	601,412	41,434	-	-	642,846
Total revenues	<u>65,893,538</u>	<u>43,786</u>	<u>1,405,862</u>	<u>2,193,992</u>	<u>69,537,178</u>
Expenditures:					
Current:					
General government	7,354,793	-	-	-	7,354,793
Public safety	31,070,119	-	-	-	31,070,119
Public works	7,803,033	-	-	-	7,803,033
Engineering and community development	6,351,759	437,051	-	-	6,788,810
Culture and recreation	4,113,608	-	-	104,611	4,218,219
Debt service:					
Principal	-	-	-	2,419,387	2,419,387
Interest	-	-	-	1,415,580	1,415,580
Debt issuance cost	15,000	-	171,062	-	186,062
Capital outlay	478,279	-	7,959,543	-	8,437,822
Total expenditures	<u>57,186,591</u>	<u>437,051</u>	<u>8,130,605</u>	<u>3,939,578</u>	<u>69,693,825</u>
Excess (deficiency) of revenues over expenditures	8,706,947	(393,265)	(6,724,743)	(1,745,586)	(156,647)
Other Financing Sources (Uses):					
Issuance of debt	2,992,400	-	19,913,565	-	22,905,965
Transfers in	-	556,566	1,376,626	2,019,647	3,952,839
Transfers out	(3,952,839)	-	-	-	(3,952,839)
Total other financing sources (uses)	<u>(960,439)</u>	<u>556,566</u>	<u>21,290,191</u>	<u>2,019,647</u>	<u>22,905,965</u>
Net change in fund balances	7,746,508	163,301	14,565,448	274,061	22,749,318
Fund balances, beginning					
As previously stated	23,838,376	219,397	31,861,997	775,131	56,694,901
Adjustment	-	(53,344)	-	-	(53,344)
As restated	<u>23,838,376</u>	<u>166,053</u>	<u>31,861,997</u>	<u>775,131</u>	<u>56,641,557</u>
Fund balances, ending	<u>\$ 31,584,884</u>	<u>\$ 329,354</u>	<u>\$ 46,427,445</u>	<u>\$ 1,049,192</u>	<u>\$ 79,390,875</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

RECONCILIATION OF THE CHANGE 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 (Page 25) are different because:

Net change in fund balances - total governmental funds (page 28)	\$ 22,749,318
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.	
Expenditures for capital outlays	8,437,822
Less current depreciation	(3,137,320)
The net effect of a transaction involving other non-current assets	900,000
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Issuance of debt	(22,905,965)
Principal payments of bonds/notes payable and capital leases	2,419,387
Amortization of deferred charges related to loans	365,632
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds. These activities consist of:	
Change in long-term compensated absences	(51,260)
Change in accrued interest payable	(414,798)
Adjustment for pension expense	(2,575,582)
Adjustment for OPEB expense	(22,565)
Change in net position of governmental activities (Page 25)	<u>\$ 5,764,669</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

**STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2022**

	Business-type Activities - Enterprise Funds			Total
	Water and Sewer	Solid Waste	Stormwater	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 12,802,526	\$ 4,591,593	\$ 2,640,945	\$ 20,035,064
Accounts receivable, net	2,284,537	444,788	1,913	2,731,238
Inventories	318,050	-	-	318,050
Prepayments and other assets	537,548	48,635	20,602	606,785
Total Current Assets	15,942,661	5,085,016	2,663,460	23,691,137
Noncurrent assets:				
Restricted cash and cash equivalents	10,408,757	2,946,839	2,703,793	16,059,389
Advances to other funds	595,000	-	629,740	1,224,740
Capital assets, not being depreciated	8,266,553	-	561,169	8,827,722
Capital assets, being depreciated - net	57,863,884	1,556,824	52,733,851	112,154,559
Total Noncurrent Assets	77,134,194	4,503,663	56,628,553	138,266,410
Total Assets	93,076,855	9,588,679	59,292,013	161,957,547
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pension	1,822,177	1,583,424	925,988	4,331,589
Deferred outflow related to other post-employment benefits	5,613	5,344	2,316	13,273
Deferred charges on refunding	86,675	-	228,174	314,849
Total Deferred Outflow of Resources	1,914,465	1,588,768	1,156,478	4,659,711
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	2,467,970	564,536	101,766	3,134,272
Customer deposits	1,106,266	439,777	-	1,546,043
Accrued interest payable	165,543	12,082	44,941	222,566
Compensated absences	14,206	19,096	5,014	38,316
Unearned revenues	7,839	-	-	7,839
Current portion of bonds/loans payable	1,693,431	561,156	719,446	2,974,033
Total Current Liabilities	5,455,255	1,596,647	871,167	7,923,069
Noncurrent liabilities:				
Bonds payable	36,886,504	-	9,580,346	46,466,850
Loans payable	675,000	2,929,028	-	3,604,028
Compensated absences	64,719	86,989	22,843	174,551
Net pension liability	2,239,108	1,663,272	718,681	4,621,061
Other post-employment benefits liability	117,657	115,967	47,320	280,944
Total Noncurrent Liabilities	39,982,988	4,795,256	10,369,190	55,147,434
Total Liabilities	45,438,243	6,391,903	11,240,357	63,070,503
DEFERRED INFLOW OF RESOURCES				
Deferred inflow related to pension	472,473	477,693	389,183	1,339,349
Deferred inflow related to OPEB	41,665	35,643	13,560	90,868
Total Deferred Inflow of Resources	514,138	513,336	402,743	1,430,217
NET POSITION				
Net investment in capital assets	33,984,402	573,702	45,907,055	80,465,159
Restricted for:				
Debt covenants	1,104,907	-	-	1,104,907
Unrestricted	13,949,630	3,698,506	2,898,336	20,546,472
Total Net Position	\$ 49,038,939	\$ 4,272,208	\$ 48,805,391	\$ 102,116,538

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Business-type Activities - Enterprise Funds</u>			
	<u>Water and Sewer</u>	<u>Solid Waste</u>	<u>Stormwater</u>	<u>Total</u>
Operating revenues:				
Charges for sales and services:				
Metered water sales (pledged)	\$ 11,693,811	\$ -	\$ -	\$ 11,693,811
Sewer fees (pledged)	9,702,425	-	-	9,702,425
Residential solid waste service	-	2,690,592	-	2,690,592
Commercial solid waste service	-	4,738,724	-	4,738,724
Other charges for services	20,352	1,298	-	21,650
Stormwater fees (pledged)	-	-	3,503,754	3,503,754
Other revenues	423,225	91,303	-	514,528
Total operating revenues	<u>21,839,813</u>	<u>7,521,917</u>	<u>3,503,754</u>	<u>32,865,484</u>
Operating expenses:				
Water system operation	6,086,553	-	-	6,086,553
Sewer collection and maintenance	7,787,364	-	-	7,787,364
Solid waste collection	-	4,786,289	-	4,786,289
Stormwater system operation	-	-	1,076,494	1,076,494
Administrative support	2,741,136	1,740,260	1,279,572	5,760,968
Depreciation/amortization	1,449,302	492,018	1,105,240	3,046,560
Total operating expenses	<u>18,064,355</u>	<u>7,018,567</u>	<u>3,461,306</u>	<u>28,544,228</u>
Operating income	3,775,458	503,350	42,448	4,321,256
Non-operating revenues (expenses)				
Investment earnings	155,230	51,066	42,645	248,941
Interest and fiscal charges	(1,092,548)	(57,705)	(247,148)	(1,397,401)
Grants and contributions	-	2,310	-	2,310
Total non-operating revenues (expenses)	<u>(937,318)</u>	<u>(4,329)</u>	<u>(204,503)</u>	<u>(1,146,150)</u>
Changes in net position	2,838,140	499,021	(162,055)	3,175,106
Net position, beginning	<u>46,200,799</u>	<u>3,773,187</u>	<u>48,967,446</u>	<u>98,941,432</u>
Net position, ending	<u>\$ 49,038,939</u>	<u>\$ 4,272,208</u>	<u>\$ 48,805,391</u>	<u>\$ 102,116,538</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Business-type Activities - Enterprise Funds			
	Water and Sewer	Solid Waste	Stormwater	Total
Cash flows from operating activities:				
Cash received from customers	\$ 21,756,349	\$ 7,614,623	\$ 3,508,740	\$ 32,879,712
Cash paid to suppliers	(12,671,827)	(2,711,464)	(256,180)	(15,639,471)
Cash paid to employees	(2,029,804)	(2,040,584)	(790,398)	(4,860,786)
Cash paid for interfund services used	(2,741,136)	(1,740,260)	(1,279,572)	(5,760,968)
Net cash provided by operating activities	<u>4,313,582</u>	<u>1,122,315</u>	<u>1,182,590</u>	<u>6,618,487</u>
Cash flows from noncapital financing activities:				
Grants available for operating purpose	-	2,310	-	2,310
Net cash provided by noncapital financing activities	<u>-</u>	<u>2,310</u>	<u>-</u>	<u>2,310</u>
Cash flows from capital and related financing activities:				
Acquisition/construction of capital assets	(845,098)	(47,741)	(191,887)	(1,084,726)
Principal paid on bonds and loans payable	6,774,007	2,046,794	1,754,740	10,575,541
Interest paid on capital debt	(1,108,024)	(49,409)	(397,685)	(1,555,118)
Net cash provided by (used in) capital and related financing activities	<u>4,820,885</u>	<u>1,949,644</u>	<u>1,165,168</u>	<u>7,935,697</u>
Cash flows from investing activities:				
Interest on investments	155,230	51,066	42,645	248,941
Net cash provided by investing activities	<u>155,230</u>	<u>51,066</u>	<u>42,645</u>	<u>248,941</u>
Net increase (decrease) in pooled cash and cash equivalents	9,289,697	3,125,335	2,390,403	14,805,435
Pooled cash and cash equivalents, beginning	<u>13,921,586</u>	<u>4,413,097</u>	<u>2,954,335</u>	<u>21,289,018</u>
Pooled cash and cash equivalents, ending	<u>\$ 23,211,283</u>	<u>\$ 7,538,432</u>	<u>\$ 5,344,738</u>	<u>\$ 36,094,453</u>
Displayed as:				
Unrestricted	\$ 12,802,526	\$ 4,591,593	\$ 2,640,945	\$ 20,035,064
Restricted	10,408,757	2,946,839	2,703,793	16,059,389
Total, September 30	<u>\$ 23,211,283</u>	<u>\$ 7,538,432</u>	<u>\$ 5,344,738</u>	<u>\$ 36,094,453</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 3,775,458	\$ 503,350	\$ 42,448	\$ 4,321,256
Adjustments not affecting cash:				
Depreciation and amortization	1,449,302	492,018	1,105,240	3,046,560
(Increase) decrease in assets and deferred outflows and increase (decrease) in liabilities and deferred inflows:				
Accounts receivables	(119,707)	84,476	4,986	(30,245)
Inventories	48,734	-	-	48,734
Prepaid expenses	(473,920)	(18,590)	47,012	(445,498)
Deferred outflows and inflows related to pensions	(1,617,177)	(1,665,245)	(1,025,865)	(4,308,287)
Deferred outflows and inflows related to OPEB	(5,111)	(3,975)	(2,272)	(11,358)
Accounts payable and other liabilities	(465,329)	(15,514)	(21,426)	(502,269)
Customers' deposits	36,243	8,230	-	44,473
Compensated absences	4,254	19,442	2,273	25,969
Net pension liability	1,673,186	1,712,174	1,026,794	4,412,154
OPEB liability	7,649	5,949	3,400	16,998
Net cash provided by operating activities	<u>\$ 4,313,582</u>	<u>\$ 1,122,315</u>	<u>\$ 1,182,590</u>	<u>\$ 6,618,487</u>
Supplemental Schedule of Noncash Operating, Investing, Capital and Financing Activities:				
Deferred outflow due to refundings	\$ 5,471	-	\$ 157,668	\$ 163,139

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2022**

	<u>Pension Trust Funds</u>
Assets	
Cash and short-term investments	\$ <u>3,527,421</u>
Receivables:	
Contributions	1,353,675
Accrued interest and dividends	<u>56,155</u>
Total receivables	<u>1,409,830</u>
Investments, at fair value:	
Equity securities	56,263,331
Corporate bonds and notes	989,121
U.S. Government and agency securities	7,504,400
Mutual funds	12,261,198
Real estate funds	<u>15,867,820</u>
Total investments	<u>92,885,870</u>
Prepaid benefit payments	<u>6,030</u>
 Total Assets	 <u>97,829,151</u>
Liabilities	
Accounts payable and accrued expenses	386,438
Payable for securities sold	<u>1,376,860</u>
Total Liabilities	<u>1,763,298</u>
 Net Position Restricted for Pension Benefits	 \$ <u>96,065,853</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Pension Trust Funds</u>
Additions:	
Contributions:	
Plan members	\$ 109,742
City	3,401,857
State of Florida	658,862
Broward Sheriff's Office	-
Total contributions	4,170,461
Investment income:	
Investment earnings	(4,652,898)
Net appreciation in fair value of investments	(13,588,105)
Total investment income	(18,241,003)
Less: Investment expenses	(368,818)
Net investment income	(18,609,821)
Miscellaneous income	4,021
Total additions	(14,435,339)
Deductions:	
Pension benefits paid	9,590,899
Administrative expenses	216,168
Total deductions	9,807,067
Change in net position	(24,242,406)
Net position held in trust for pension benefits, beginning	120,308,259
Net position held in trust for pension benefits, ending	\$ 96,065,853

See notes to basic financial statements.



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NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of the City of Oakland Park, Florida's (the "City") significant accounting policies is presented to assist the reader in interpreting the basic financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying basic financial statements.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. This report, the accounting systems, and the classification of accounts conform to the standards of the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

a. Reporting Entity

The City of Oakland Park, Florida is a political subdivision of the State of Florida. The City, which was incorporated on June 7, 1929, is located in Broward County and operates under the Commission-Manager form of government. The legislative branch of the City is composed of a five-member elected Commission, including a rotating mayor. The City Commission is governed by the City Charter and by State and Local laws and regulations.

The financial statements were prepared in accordance with GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements Nos. 39 and 61, which establishes standards for defining and reporting on the financial reporting entity. The financial reporting entity consists of the City, organizations for which the City is financially accountable and ultimately responsible to repay the outstanding debts of the component unit(s), and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The City is financially accountable for a component unit if it appoints a voting majority of the organization's governing board and it can impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City. The City may also be financially accountable for organizations that are fiscally dependent on the City if there is a potential for the organizations to provide specific financial benefits to the City or impose specific financial burdens on the City, regardless of whether the organizations have separate elected governing boards, governing boards appointed by higher levels of government, or jointly appointed boards.

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same, or substantially the same, and 1) there is a financial benefit or burden relationship between the primary government and the component unit or 2) management below the level of the governing board of the primary government has operational responsibility for a component unit.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a. Reporting Entity (continued)

Blended Component Units (continued)

The Oakland Park Community Redevelopment Agency (OPCRA) is a dependent special district established by the City Commission under authority granted by Florida Statute 163, Section III. The OPCRA is a legally separate entity governed by a five-member board appointed by the City Commission, currently comprised of the City Commission itself, and its sole purpose is to finance and redevelop the City's designated redevelopment areas. The CRA can provide services and financial benefits to or impose financial burdens on the City.

The CRA Board adopted ordinance # O-2005-037 on December 7, 2005, to establish a trust fund that was intended to be financed through tax increments based on Ad Valorem taxes. However, Broward County discontinued the granting of tax increment financing. Alternatively, the City entered into an interlocal agreement by Resolution R-2007-001 with Broward County to finance the CRA operations through a Broward County Redevelopment Capital Program (RCP) grant.

The CRA activities have been minimal since the establishment of its trust fund. There are no significant revenues other than the transfers from the General Fund and the expenditures have been budgeted in the City's annual budget. Debt incurred by the unit is solely payable by the City.

Although the OPCRA activities did not meet the major fund criteria, the CRA's financial data is presented within the City's major governmental funds. Separate financial statements are issued by the CRA.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above, but do not meet the criteria for blending. Currently, the City has no discretely presented component units.

b. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's utility 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 and approximate the value of services provided.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Government-wide and Fund Financial Statements (continued)

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 support.

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

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

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. One exception in the fiduciary fund type is an agency fund that cannot be said to have a measurement focus since it does not report equity. The City does not report any agency funds. For the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, when the primary eligibility requirement under a grant is incurring an eligible expenditure, the City recognizes revenue at the time the expenditure is incurred. The City considers the availability period of grant revenues susceptible to accrual to be a year.

Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. *Measurement Focus, Basis of Accounting, and Financial Statement Presentation* (continued)

Property taxes, sales taxes, utility taxes, franchise taxes, licenses, and interest 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. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to reconcile the governmental fund-based financial statements to the governmental activities column of the government-wide presentation.

The City reports the following major governmental funds:

- The **General Fund** is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenue is derived primarily from property taxes, utility taxes, and other intergovernmental revenues.
- **Capital Projects Fund** – is used to account for and report the financial resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities such as general and roadway improvement projects; and public parks and plazas.

Additionally, the City reports the following other non-major governmental funds:

- **Special Revenue Funds** – account for revenue sources that are legally restricted or committed to expenditures for specific purposes other than debt service or capital projects.

All of the City's special revenue (grants and impact fee) funds are non-major funds and are reported in the aggregate, except for the City's *Community Redevelopment Agency (OPCRA)*. Although the CRA's revenues and expenditures, assets and liabilities are not at least ten percent (10%) of the totals for all governmental funds and at least five percent (5%) of the aggregate amount for all governmental and enterprise funds, it is being presented as a major fund. Government officials believe that the OPCRA is particularly important to the financial statement users.

- **Debt Service Fund** – is used to account for and report the financial resources that are restricted, committed, or assigned for the periodic payment of principal and interest, and expenditures on long-term debt of governmental funds.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The City reports the following major proprietary funds:

- The **Water and Sewer fund** is used to account for the provision of water and sewer services to the residents and the commerce of the City.
- The **Solid Waste fund** is used to account for the provision of solid waste collection, disposal, and recycling for all residential and commercial customers within the City.
- The **Stormwater fund** is used to account for the provision of stormwater management and drainage services to the residents and businesses of the City.

Additionally, the City reports **pension trust funds** which account for the activities of the City's General Employees' Pension Plan and the City's Police and Firefighters Retirement System. These 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 programs.

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, whose purpose has not been restricted to a specific program.

The principal operating revenues of the City's water and sewer, solid waste, and stormwater enterprise funds, are charges to customers for sales and services.

The enterprise 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 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.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Assets, Deferred Outflows, Liabilities, Deferred Inflows, Fund Balance or Net Position

1. Deposits and Investments

The City maintains a pooled cash account for all funds. This enables the City to invest large amounts of idle cash for short periods and to optimize earnings potential. Equity in pooled cash and cash equivalents represents the amount owned by each fund of the City. Interest earned on pooled cash is allocated monthly based on the equity balances of the respective funds.

The City's investments are reported at fair value. The City's investment in the State Board of Administration Investment Pool – Local Government Surplus Funds Trust Fund (Florida Prime), a 2A-7 pool, is permitted to be reported at its amortized cost which is the fair value of its position in the pool, which is maintained at a constant value same as its value of the pool shares.

For the purpose of the Statement of Cash Flows for the Proprietary Fund, cash and cash equivalents mean short-term, highly liquid investments with an original maturity of three months or less. In addition, GASB Statement 31, "Accounting and Financial Reporting for Certain Investments and External Investment Pools", requires disclosure of investments at fair value and recognition of unrealized gain or losses, if material, for investments with remaining maturities of more than one year at the time of purchase. Investments with remaining maturities of one year or less at the time of purchase are recorded at amortized cost.

2. Receivables and Payables

All receivables are reported net of an allowance for uncollectible amounts. Receivables are analyzed for their collectibility based on the terms of the agreement and the financial assessment of the creditor.

Operating revenues in the water and sewer fund are generally recognized on the basis of cycle billings rendered monthly. 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 readings for the applicable consumption period and billed in October.

Revenues and the associated receivable balances are accrued for taxes, franchise fees, and other utility services based on collections within 60 days of year-end.

All trade receivables are shown net of an allowance for uncollectible accounts. Trade account receivables over 60 days comprise the allowance for uncollectible accounts.

The City's contracted service provider processes receivables associated with Emergency Medical Services (EMS). An allowance account is established for EMS receivables based on historical collection rates.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Assets, Deferred Outflows, Liabilities, Deferred Inflows, Fund Balance or Net Position (continued)

3. Inventories and Prepaid Costs

Inventories are valued at cost using the first-in, first-out (FIFO) method. The costs of governmental fund-type inventories and prepaid items are recorded as expenditures when consumed rather than when purchased (consumption method). Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs.

4. Restricted Assets

Certain proceeds from the City's enterprise fund revenue bonds and the Florida Municipal Loan Council loans, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by the applicable bond covenants.

The City's enterprise fund revenue bonds require certain reserves. The "revenue bonds reserve" account requirement is met by depositing an insurance policy to cover potential deficiencies in the City's operations that could adversely affect debt service payments.

The "renewal and replacement" account is used to account for those funds available to pay for the cost of extensions, improvements and additions to, or renewals and replacements of the capital assets of, or repairs of the system.

5. Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, machinery and equipment, and infrastructure assets (e.g., roads, sidewalks, culverts, pump stations, stormwater lines, catch basins, and similar items), are reported in the applicable governmental or business-type activities columns in government-wide financial statements. A capital asset is defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life over one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as they are completed. Capital assets are depreciated using the straight-line method over the estimated useful lives, as shown on the table on the next page.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Assets, Deferred Outflows, Liabilities, Deferred Inflows, Fund Balance or Net Position (continued)

5. Capital Assets (continued)

Estimated Useful Life:

<u>Asset Type</u>	<u>Years</u>
Buildings	50
Improvements other than buildings	20
Machinery and equipment	5 - 20
Infrastructure	50 - 65
Intangibles	3 - 5

6. Inter-fund Transactions/ Due to/from Other Funds

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” or “advances to/from other funds.” Any residual balances outstanding between the governmental activities and business activities are reported in the government-wide financial statements as “internal balances”.

Transactions among City funds that would be treated as revenues and expenditures/expenses if they involved organizations external to City government are accounted for as revenues and expenditures/expenses in the funds involved.

Transactions that constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

7. Unearned Revenues

Unearned revenues include amounts collected before revenue recognition criteria are met and receivables, which, under the modified accrual basis of accounting, are measurable, but not yet available. The items consist primarily of license and permit revenues and special assessment revenues.

8. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported net of the applicable premium or discount. These premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are expensed in the year they are incurred.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Assets, Deferred Outflows, Liabilities, Deferred Inflows, Fund Balance or Net Position (continued)

8. Long-Term Obligations (continued)

In the fund financial statements, governmental fund types recognize bond proceeds, premiums, and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued and the premiums are reported as other financing sources. 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.

9. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits up to certain limits and paid upon retirement or termination. A liability for these amounts is reported in the governmental funds only if they have matured – for instance, employee retirements or resignations. On the governmental activities of the government-wide statements and the proprietary fund statements, compensated absences are recognized as liability and expense in the period these are earned by the employees. Therefore, amounts not expected to be liquidated with expendable available financial resources are reported as reconciling items between the governmental fund financial statements and the government-wide presentation.

10. Pollution Remediation Obligation

Governmental Accounting Standards Board (GASB) Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, does not require the City to search for pollution remediation obligation but it does require the City to reasonably estimate and report a remediation liability when the obligating events defined in GASB 49 has occurred. The Statement also allows pollution remediation outlays to be capitalized in government-wide and proprietary fund financial statements under certain criteria. When pollution remediation outlays are capitalized, no pollution remediation liability is recognized as they are being capitalized as incurred.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. *Assets, Deferred Outflows, Liabilities, Deferred Inflows, Fund Balance or Net Position (continued)*

11. *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of Net Position will sometimes report a separate section below Total Assets, for *Deferred Outflows of Resources*. This represents the consumption of net assets applicable to future periods and will not be recognized as expenditures until the future period it applies. Items in this category include deferred items related to pension and the deferred charge on refunding reported on the Government-wide Statement of Net Position. A deferred charge is the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section below Total Liabilities, for *Deferred Inflows of Resources*. This represents the acquisition of net assets applicable to future periods and will not be recognized as revenue until the future period it applies. In the governmental funds, this category includes unavailable revenue, whereas in the government-wide and proprietary fund statements, it includes resources related to pension, which will be recognized as inflows of resources in the period that the amounts become available.

12. *Net Position and Fund Balance*

Net Position. Net position of the government-wide and proprietary funds are categorized as net investment in capital assets, restricted or unrestricted. The first category represents net position related to investment in property, plant, equipment, and infrastructure reduced by depreciation and outstanding debt used to construct or purchase capital assets and deferred inflow/outflow of resources attributable to the acquisition of those assets or related debt. The restricted category represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by enabling legislation in excess of the related liabilities payable from restricted assets. All remaining amounts are considered to be unrestricted.

Fund Balance. In the fund financial statements, governmental funds report fund balance in categories as non-spendable, restricted, committed, assigned, and unassigned. These categories are based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in fund balances can be spent. Within the foregoing five (5) categories, the committed, assigned, and unassigned are considered unrestricted fund balances.

The City's fund balance classification policies and procedures are as follows:

- *Non-spendable fund balances* include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Assets, Deferred Outflows, Liabilities, Deferred Inflows, Fund Balance or Net Position (continued)

12. Net Position and Fund Balance (continued)

- *Restricted fund balances* are amounts that are constricted to specific purposes either by a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balances* are amounts that can only be used for specific purposes pursuant to constraints imposed by the highest level of decision-making authority, the City Commission, through an ordinance (the highest form of action) or resolution. Resolutions and ordinances are considered an equally binding form of the City's highest level of formal action. The passage of a resolution or ordinance must take place before September 30th of the applicable fiscal year but the amount can be determined at a later date. A resolution or ordinance would also be required to modify or rescind the specific use or amount.
- *Assigned funds* are amounts that have constraints placed on their use by the City Manager. The authority to assign fund balance has been delegated by the Commission in the fiscal policy via a resolution to the City Manager or the Financial Services Director. Thus, the City Manager has the authority to set aside funds for the intended use of a specific purpose. This act would be as part of the annual budget process or in the form of a written notification to the Finance Director. Any modifications or rescissions would be in a written notification to the Finance Director. Upon passage of a budget ordinance where fund balance is used as a source to balance the budget, that amount shall be recorded as Assigned Fund Balance.
- *Unassigned fund balance* is the residual amount of fund balance in the General Fund and deficit unassigned fund balance of other governmental funds. It represents the resources available for future spending when the amount is not a deficit.

13. Minimum Fund Balance Policy

The City's fiscal policy is to maintain an adequate General Fund balance and enterprise fund net position to provide liquidity in the event of an economic downturn or natural disaster. The City Commission has adopted the fiscal policy via a Resolution to maintain a minimum of twenty percent (20%) unassigned fund balance for the General Fund and a minimum of ten percent (10%) of unrestricted net position for enterprise operating funds.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Revenues and Expenditures/Expenses

1. Property Taxes

Property values are assessed as of January 1 of each year, at which time taxes become an enforceable lien on property. Tax bills are mailed for the 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 the enforcement of collection of property taxes by seizure of personal property or by the sale of interest-bearing tax certificates to satisfy unpaid property taxes.

Assessed values are established by the Broward County Property Appraiser. In November 1992, a Florida constitutional amendment was approved by the voters which provides for limiting the increases in homestead property valuations for ad valorem tax purposes to a maximum of 3% annually and also provides for a reassessment of market values upon changes in ownership. The County bills and collects all property taxes and remits them to the City. Procedures for the collection of delinquent taxes by Broward County are provided for in the Laws of Florida.

State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The tax levy of the City is established by the City Commission and the Broward County Property Appraiser incorporates the City's millage into the total tax levy, which includes the County and the County School Board tax requirements. The operating millage rate assessed by the City for the year ended September 30, 2022, was 5.8890 mills (\$5.8890 per \$1,000 of taxable assessed valuation).

2. Capital Contributions

Capital contributions are recorded in certain proprietary funds and consist primarily of capital donations from private sources or other governmental entities.

3. Operating versus Non-operating Income

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 the fund's principal ongoing operations. The principal operating revenues of the City's Enterprise Funds are charges to customers for sales and services. Operating revenues for the Enterprise Funds include water and sewer, solid waste, and stormwater service fees.

Operating expenses for the Enterprise Funds include costs of sales and services, administrative fees, and depreciation. All revenues and expenses not meeting this definition are considered non-operating items.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f. Use of Resources

When both restricted and unrestricted resources (committed, assigned, and unassigned) are available for use, it is the City's policy to use restricted resources first, unless there are legal contracts that prohibit doing so, then unrestricted resources as they are needed. When committed, assigned and unassigned resources are available for use, the City Commission has adopted a fiscal policy to use committed resources first, assigned resources second, and unassigned resources third.

g. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

h. New Accounting Pronouncements

Following are the new pronouncements issued by the Government Accounting Standards Board (GASB) that became effective during the year. However, these statements did not have a material impact on the City's financial statements:

- **GASB Statement No. 87, *Leases***, is effective for reporting periods beginning after June 15, 2021, as amended. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational 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, thereby enhancing the relevance and consistency of information about governments' leasing activities.
- **GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period***, is effective for reporting periods beginning after December 15, 2020. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

h. New Accounting Pronouncements (continued)

- **GASB Statement No. 92, *Omnibus 2020***, is effective for reporting periods beginning after June 15, 2021. This Statement addresses a variety of topics and includes specific provisions about the following:
 - Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan;
 - The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits;
 - The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements;
 - Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition;
 - Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers;
 - Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature; and
 - Terminology used to refer to derivative instruments.

- **GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—***an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32, which is, for the most part, effective for reporting periods beginning after June 15, 2021. This Statement requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution OPEB plan, or an other employee benefit plan (for example, certain Section 457 plans), the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform.

The following new GASB pronouncements, which were issued after October 1, 2022, will be implemented by the City no later than the required effective date. Since the City has not elected early implementation, it has not determined the financial statement impact to the financial statements, if any, of these new pronouncements:

- **GASB Statement No. 100, *Accounting Changes and Error Corrections—***an amendment of GASB Statement No. 62, which is effective for reporting periods beginning after June 15, 2023; and

- **GASB Statement No. 101, *Compensated Absences***, which is effective for reporting periods beginning after December 15, 2023.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

The City maintains a cash and investment pool for use by all City funds. This gives the City the ability to invest large amounts of idle cash for short periods and to maximize earning potential. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and cash equivalents and investments. Income earned on pooled cash and investments is allocated to the respective funds based on monthly ending balances.

In addition to insurance provided by the Federal Depository Insurance Corporation, cash 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 every qualified public depository to deposit with the Treasurer eligible collateral. Statutes provide that if a loss to a public depository is not covered by deposit insurance and the proceeds from the sale of securities pledged by the defaulting depository, the difference will be provided by an assessment levied against other public depositories of the same type as the depository in default.

The carrying amounts of the City's cash deposits were \$8,595,161 as of September 30, 2022. Bank balance before reconciling items was \$9,175,496 at that date, the total of which is collateralized or insured with securities held by the State under the Florida Statutes Chapter 280, Florida Security for Public Deposits Act.

The City's cash equivalents include the Florida Prime, a Local Government Surplus Funds Trust Fund (LGSTF) administered by the State Board of Administration (SBA), an investment pool managed by the Florida Municipal Investment Trust, and other highly liquid institutional money market funds offered through Florida qualified public depositories and pre-approved regional banks. The institutional funds must be registered with the Securities and Exchange Commission with the highest credit quality rating from a nationally recognized statistical rating organization.

Cash equivalents in external investment pools and open-end mutual funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. These investments are also excluded from the concentration of credit risk disclosure requirement. The City may maintain a maximum exposure of up to 50% cash deposit with a bank and up to 75% of the cash equivalents portfolio balance in one investment pool to limit the credit risk due to concentration.

Investments are reported at fair value except for the position in Florida State Board Administration's LGSTF ("Florida Prime"). Florida Prime is governed by Chapter 19-7 of the Florida Administrative Code and Chapter 215 and 218 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of Florida Prime. The LGSTF is not a registrant with the Securities and Exchange Commission, but the SBA Board has adopted operating procedures consistent with the requirements for a 2A-7 Fund, which permits money market funds to use amortized cost to maintain a constant net asset value (NAV) of \$1 per share.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

The following is the City's investments as of September 30, 2022:

	Total	Weighted Average	S&P
	<u>Value</u>	<u>Maturity (WAM)</u>	<u>Rating</u>
Florida Prime	\$ 86,492,438	72 days	AAAm

As of September 30, 2022, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit the City's daily access to 100% of its account value in Florida Prime.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in interest rates. The City's investment policy limits that no security purchases shall cause the City investment portfolio to have a duration of greater than five years.

Credit risk is the possibility that an issuer of a fixed income security will not fulfill its obligation to the holder of the investment. The City's investment policy limits the investments with authorized investment service providers and required securities purchased to meet specific credit quality criteria.

The City's investment primary objectives are safety, liquidity, and yield. Under the provisions of the City's investment policy, and in accordance with Florida Statutes, the following types of investments are authorized:

	Maximum	Individual
	<u>(%)</u>	<u>Issue (%)</u>
United States Treasury	100	5
United States Agency	100	5
Government-sponsored Enterprise (GSE)	75	5
State & Local Government	30	5
Bank Deposits	50	50
Certificate of Deposit	30	5
Local Government Investment Pools	75	25
The State Board Administration Pool (SBA)	75	25
Money Market Mutual Funds	50	25
Repurchase Agreements	50	25

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds

City of Oakland Park General Employees’ Pension Plan (GEPP)

The GEPP’s investment policy, as authorized by the Board of Trustees, provided for the following guidelines: (a) investment in all equity securities shall be limited to those listed on a major U.S. stock exchange and no more than 70% (at market) of the GEPP’s total asset value; (b) no more than 3% of the GEPP’s assets invested in the bonds of any one issuing company; (c) repurchase agreement may not exceed 6-month average maturity; (d) fixed income portfolio shall be comprised of securities rated A or higher by the major rating services; (e) small cap stocks are limited to no more than 10% and mid cap stocks are limited to no more than 30% of the value at cost of the fund; and (f) all stocks at purchase must have a minimum market capitalization of \$5 million.

The GEPP’s investment policy does not set a parameter on the duration of its fixed income securities. However, as of the September 30, 2022, the weighted average maturity (WAM) of the fixed portfolio is presented below. Investments of the GEPP in common stocks, mutual funds, corporate bonds and government securities are valued at quoted market prices while investments in money market funds are valued at cost. As of September 30, 2022, the following fixed income investments were held for GEPP:

	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Broad Market High Quality Bonds	\$ 3,962,134	6.70 years
Core Plus Fixed Income Fund	<u>3,726,760</u>	8.92 years
Total fixed income investment	<u>\$ 7,688,894</u>	

Investment Risks

The Plan’s investments may be subject to various risks. Among these risks are credit risk, concentration of credit risk, custodial credit risk, interest rate risk, and foreign currency risk. Due to the level of risk associated with certain investments, it is possible that changes in the values of investments may occur in the near term and that such changes could materially affect the amounts reported in the Statements of Plan Net Position.

Custodial Credit Risk: Investments in external investment pools and open-end mutual funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. These investments are also excluded from the concentration of credit risk disclosure requirement.

Concentration of Credit Risk: The GEPP’s investment policy places investment limitations and provides target allocations to its investment managers to limit credit risk due to concentration. As of September 30, 2022, other than mutual funds, the Plan does not currently hold any securities that exceed 5% of total assets of the portfolio.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park General Employees’ Pension Plan (GEPP)

Credit Risk: Credit risk exists when there is a possibility the issuer, or other counterparty to an investment, may be unable to fulfill its obligations. The credit risk of a debt instrument is measured by nationally recognized statistical rating organizations (NRSRO) such as Fitch Investor Services (Fitch), Moody’s, and S&P. The Plan limits its credit risk by limiting its investments in fixed income securities to U.S. Government and agency securities or corporate bonds which meet or exceed a credit rating of “BBB” or higher. As of September 30, 2022, the GEPP’s investments on Broad Market High Quality Bond rating is AA. GASB 40 requires disclosure of credit quality ratings for investments in debt securities as well as investments in external investment pools, money market funds, and other pooled investments of fixed-income securities.

Credit Risk for FMIvT Funds

	<u>Fitch Rating</u>
<i>Fixed Income Fund:</i>	
FMIvT Broad Market High Quality Bond Fund	Aaf/ S4
FMIvT Core Plus Fixed Income Fund	Not rated
<i>Equity Portfolios:</i>	
FMIvT Diversified Large Cap Equity Portfolio	Not rated
FMIvT Diversified Small to Mid Cap Equity Portfolio	Not rated
FMIvT International Equity Portfolio	Not rated
FMIvT Core Real Portfolio	Not rated

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect an investments fair value. The Plan limits its interest rate risk by diversifying the fixed income portfolio. The GEPP’s investment policy does not set a parameter on the duration of its fixed income securities. As of September 30, 2022, the weighted average maturity (WAM) of the fixed income portfolio is as indicated in the previous page.

Foreign currency risk: This risk refers to the risk that fluctuations in currency exchange rate may affect transactions conducted in foreign currencies as well as the carrying value of foreign investments. The GEPP’s investment policy limits the foreign investments to no more than 24% of its investment balance. The Plan has invested in international equity funds. As of September 30, 2022, the Plan’s foreign investments were 19.9% of total investments or \$7,806,581; while in 2021, the foreign investments were 23.6% of total investments or \$11,525,221. Participating Employers’ investments in the FMIvT are not subject to foreign currency risk.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 2. DEPOSITS AND INVESTMENTS

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park General Employees’ Pension Plan (GEPP) (continued)

Investment Fair Value

GASB 72 establishes a hierarchal disclosure framework which prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the specific characteristics of the investment. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments with readily available actively quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and lesser degree of judgment used in measuring fair value.

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

- Level 1 – Investments traded in active market with available quoted prices for identical assets as of the reporting date. When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy. When quoted prices in active markets are not available, fair values are based on evaluated prices received by the City’s asset manager from third party service providers.
- Level 2 – Investments not traded or active market but for which observable market inputs are available for an asset, either directly or indirectly, as of the reporting date.
- Level 3 – Investments not traded in an active market and for which no significant observable inputs are available as of the reporting date.

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The table on the next page presents the fair value measurements of assets recognized in the accompanying statements of fiduciary net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at September 30, 2022:

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park General Employees’ Pension Plan (continued)

<i>Investment Type By Fair Value Level</i>	Fair Value Measurements using			<u>Total</u>
	Active Markets for Identical Assets <u>(Level 1)</u>	Significant Other Observable Inputs <u>(Level 2)</u>	Significant Unobservable Inputs <u>(Level 3)</u>	
<i>Fixed Income Portfolio:</i>				
Broad market high quality bond fund	\$ -	\$ 3,962,134	\$ -	\$ 3,962,134
Core plus fixed income	-	-	3,726,760	3,726,760
Total fixed income portfolio	-	3,962,134	3,726,760	7,688,894
<i>Equity Portfolio</i>				
Diversified value portfolio	-	10,748,760	-	10,748,760
Diversified small cap portfolio	-	5,923,587	-	5,923,587
International equity portfolio	-	7,806,581	-	7,806,581
Core real estate fund	-	-	6,747,396	6,747,396
Total equity portfolio	-	24,478,928	6,747,396	31,226,324
Total investments by fair value level	\$ -	\$ 28,441,062	\$ 10,474,156	\$ 38,915,218

FMIvT Broad Market – High Quality Bond Fund

This fund invests mainly in US government and agency securities, asset-backed securities and corporate bonds and notes. The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs. While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted.

FMIvT Core Plus Fixed Income Fund

This fund invests in two (2) underlying funds, the Franklin Templeton Global Multi-Sector Plus Fund, LP and the Pioneer Institutional Multi-Sector Fixed Income Portfolio, LLC. Shares of these funds are not publicly-quoted. These underlying funds invest in a variety of financial instruments, including equity investments, asset-backed securities, debt securities, swaps, forward exchange contracts, credit-linked notes, escrow accounts, litigations trusts for both U.S. and foreign companies and governments.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park General Employees’ Pension Plan (continued)

FMIvT High Quality Growth Portfolio

This portfolio invests mainly in domestic stocks. The majority of the underlying securities have observable level 1 quoted pricing units. While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted.

FMIvT Large Cap Diversified Portfolio

This portfolio invests mainly in domestic stocks. The majority of the underlying securities have observable level 1 quoted pricing units. While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted.

FMIvT Russell 1000 Enhanced Index Portfolio

This portfolio invests in a single underlying fund, the Intech U.S. Broad Enhanced Plus Fund, LLC (Intech Fund), shares of which are not publicly quoted. The Intech Fund invests mainly in domestic stocks, all of which have observable level 1 quoted pricing inputs. The value of the portfolio’s shares of the Intech Fund investment are determined based on the net asset value provided by Intech Fund, which was calculated in accordance with generally accepted accounting principles.

FMIvT Diversified Small to Mid Cap Equity Portfolio

This portfolio invests mainly in domestic stocks. The majority of the underlying securities have observable level 1 quoted pricing units. While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted.

FMIvT International Equity Portfolio

This portfolio invests in a single underlying fund, the Investec Dynamic Equity Fund, LLC (Investec Fund) and the Wells Capital Management 525 Market Street Fund, LLC (Wells Fund), shares of which are not publicly quoted. Both Funds invest in stocks sold on U.S. and international exchanges, all of which have observable level 1 quoted pricing inputs. The value of the portfolio’s shares of the Investec Fund investment and Wells Fund investment are determined based on the net asset value provided by the Funds, which were calculated in accordance with generally accepted accounting principles.

FMIvT Core Real Estate Fund

This portfolio invests in a single underlying fund, the Morgan Stanley Prime Property Fund (Morgan Stanley Fund), shares of which are not publicly quoted. The Morgan Stanley Fund invests in core real estate in the U.S. The value of the Morgan Stanley Fund investments were determined based on quarterly real estate appraisals, which were calculated in accordance with generally accepted accounting principles.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park Retirement System for Police and Firefighters (RSP&F)

The RSP&F’s investment policy is established and may be amended by the Board of Trustees as regards to the allocation of investment assets. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully-funded status for the benefit provided through the Plan. The Board is authorized to acquire and retain every kind of property, real and personal or mixed, and every kind of investment specifically including, but not limited to bonds and other corporate obligations, and stocks – preferred or common. The investment policy statement was last amended in October 2013. The following was the Board’s adopted asset allocation policy as of September 30, 2022:

	Target Allocation Range	
	Min	Max
Domestic equity	40%	50%
Foreign equity	10%	20%
Fixed income	20%	30%
Treasury inflation-protected securities	0%	10%
Global bonds	0%	10%
Real estate	0%	20%
Cash and cash equivalents	Minimal	

Interest Rate Risk: As a means of limiting its exposure to interest rate risk, the RSP&F diversify its investment by security type and institution, and limits holdings in any one type of investment with any one issuer with various duration and maturities. The RSP&F’s investment policy does not set a parameter on the duration of its investment.

Information about the sensitivity of the fair values of the RSP&F’s investment to market interest rate fluctuations is provided by the table on the next page that shows the distribution of the RSP&F’s investment by maturity as of September 30, 2022:

<u>Investment Type</u>	<u>Fair Value</u>	Investment Maturities (in years)			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More Than 10</u>
Corporate Bonds	\$ 989,121	\$ -	\$ 176,672	\$ 812,449	\$ -
U.S. Treasuries	5,025,682	-	595,540	4,430,142	-
Fixed Income Funds	4,572,304	14,379	1,831,804	1,605,590	1,120,531
U.S. Agencies	2,478,718	-	-	-	2,478,718
Total Fixed Income Securities	\$ 13,065,825	\$ 14,379	\$ 2,604,016	\$ 6,848,181	\$ 3,599,249

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park Retirement System for Police and Firefighters (RSP&F)

Credit Risk: The RSP&F’s investment policy utilizes portfolio diversification in order to control this risk. The following table discloses credit ratings by investment type, at September 30, 2022, as applicable:

	<u>Fair Value</u>	<u>% of Portfolio</u>
Quality rating of credit securities		
Aaa*	\$ 7,882,381	60%
Aa	80,505	1%
A	170,366	1%
A1	176,672	1%
A2	156,046	1%
A3	656,403	5%
Bbb	466,711	4%
Bb	414,491	3%
B	294,822	2%
Unrated government securities	<u>2,767,428</u>	<u>21%</u>
Total Fixed Income Securities	<u>\$ 13,065,825</u>	<u>100%</u>

* Aaa securities are U.S Treasury securities guaranteed by the U.S. government.

Concentration of Credit Risk is the risk of losses that may occur from having a large portion of the Plan’s holding in a particular investment relative to the overall portfolio. GASB Statement 40 and GASB Statement 67, require disclosure of investments (other than those issued or guaranteed by the U.S. Government) in any one organization that represent 5% or more of total investments or fiduciary net position. At September 30, 2022, investment in the following mutual funds represented more than 5% of the Plan’s net position: Euro Pacific Growth Fund (14.3%). At September 30, 2022, investment in the following real estate fund represented more than 5% of the Plan’s net position: Prime Property Fund (16.0%). The investment guidelines provide for the appropriate diversification of the portfolio. Investments have been diversified to the extent practicable to control risk of loss resulting from over-concentration of a specific maturity, issuer, instrument, dealer or bank through which financial instruments are bought and sold.

Custodial Credit Risk: Consistent with the RSP&F’s investment policy, the investments are held by custodial bank and registered in the RSP&F’s name. All of the RSP&F’s deposits are insured and or collateralized by a financial institution separate from the RSP&F’s depository financial institution. The Plan is only exposed to custodial credit risk for uncollateralized cash and cash equivalents that are not covered by federal depository insurance.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park Retirement System for Police and Firefighters (RSP&F) (continued)

Investment Valuation

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following recurring fair value measurements as of September 30, 2022:

<i>Investment Type By Fair Value Level</i>	<u>Fair Value Measurements using</u>			<u>Total</u>
	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	
Equity securities				
Domestic common stock	\$ 21,243,298		\$ -	\$ 21,243,298
International common stock	2,399,544		-	2,399,544
Equity mutual funds	8,141,561	-	-	8,141,561
Total equity securities	<u>31,784,403</u>	<u>-</u>	<u>-</u>	<u>31,784,403</u>
Debt Securities:				
Corporate bonds	-	989,121	-	989,121
U.S. treasury securities	5,025,682	-	-	5,025,682
U.S. agency securities	-	2,478,718	-	2,478,718
Fixed income mutual funds	4,572,304	-	-	4,572,304
Total debt securities	<u>9,597,986</u>	<u>3,467,839</u>	<u>-</u>	<u>13,065,825</u>
Total investments by fair value level	<u>\$ 41,382,389</u>	<u>\$ 3,467,839</u>	<u>\$ -</u>	44,850,228
<i>Investments measured at the net asset value (NAV) *</i>				
Real estate fund				<u>9,120,424</u>
Total investments measured at NAV				<u>9,120,424</u>
Money market funds (exempt)				<u>3,213,589</u>
Total investments				<u>\$ 57,184,241</u>

**As required by GAAP, certain investment that are measured at net asset value (NAV) have not been classified in the fair value hierarchy. The fair value amounts present in the table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the statement of fiduciary net position.*

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park Retirement System for Police and Firefighters (RSP&F) (continued)

Investment Valuation (continued)

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market as follows:

Level 1- Inputs to the valuation methodology are based upon quoted prices for identical assets in active markets.

Level 2- Inputs to the valuation methodology are based upon observable inputs for the assets either directly or indirectly, other than those considered Level 1 inputs, which may include quoted prices for identical assets in markets that are not considered to be active, and quoted prices of similar assets in active or inactive markets.

Level 3- Inputs to the valuation methodology are based upon unobservable inputs. The following is a description of the valuation methodologies used for assets measured at fair value.

- Common stocks: Valued at the closing price reported on the New York Stock Exchange.
- Mutual funds: Valued at the daily closing price as reported by the Plan. Mutual funds held by the Plan 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.
- Government securities: Valued using pricing models maximizing the use of observable inputs for similar securities.
- Corporate 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: Valued at the net asset value of shares held by the Plan at year end. The Plan has investments in private market real estate investments for which no liquid public market exists.
- Money market funds: Valued at the floating net asset value of shares held by the Plan at year end.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park Retirement System for Police and Firefighters (RSP&F) (continued)

Investment Valuation (continued)

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

*Investment Measured at the net asset value (NAV) **

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if currently eligible)</u>	<u>Redemption Notice Period</u>
Real estate fund **	\$ 9,120,424	\$ -	Quarterly	One Quarter
Total investments measured at NAV	<u>\$ 9,120,424</u>	<u>\$ -</u>		

** *Real estate fund: The fund is an open-end, real estate investment fund investing primarily in core office, apartment, mall, and resort properties located through the United States. The investment is valued at NAV and may be redeemed quarterly with notice provided a quarter in advance.*

Debt securities: Debt securities consist primarily of negotiable obligations of the U.S. government and U.S. government-sponsored agencies, corporations, securitized offerings backed by residential and commercial mortgages, Treasury Inflation Protected Securities (TIPS) and foreign debt securities. These securities can typically be valued using the close or last traded price on a specific date (quoted prices in active markets). When quoted prices are not available, fair value is determined based on valuation models that use inputs that include market observable inputs. These inputs included on valuation models that use quotes, cash flows, maturity, credit ratings, and other assumptions based upon the specifics of the investment’s type.

Equity securities: These include domestic and international equities. Domestic securities traded on a national securities exchange are valued at the last reported sale price on the last business day of the fiscal year. Securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the last reported bid price.

International equities are valued based upon quoted foreign market prices and translated into U.S. dollar at the exchange rate in effect at September 30, 2022. Securities which are not traded on a national security exchange are valued by the respective fund manager or other third parties based on yields currently available on comparable securities of issuers with similar credit ratings.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 3. RECEIVABLES AND PAYABLES

Accounts receivable balances as of September 30, 2022, were as follows:

	<u>Accounts</u>	<u>Taxes</u>	<u>Other Government</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net</u>
Government Activities					
General fund	\$ 15,222,033	\$ 2,044,557	\$ 187,569	\$ (13,938,139)	\$ 3,516,020
Community Redevelopment Agency	113,287	-	-	(53,344)	59,943
Capital projects fund	-	-	577,055	-	577,055
Non-major funds	-	-	68,950	-	68,950
Total Government Activities	<u>\$ 15,335,320</u>	<u>\$ 2,044,557</u>	<u>\$ 764,624</u>	<u>\$ (13,991,483)</u>	<u>\$ 4,221,968</u>
Business-type Activities					
Water & sewer	\$ 3,275,535	\$ -	\$ -	\$ (990,998)	\$ 2,284,537
Solidwaste	985,068	-	3,255	(543,535)	444,788
Stormwater	246,127	-	-	(244,214)	1,913
Total Business-type Activities	<u>\$ 4,506,731</u>	<u>\$ -</u>	<u>\$ 3,255</u>	<u>\$ (1,778,748)</u>	<u>\$ 2,731,238</u>

Accounts payable and accrued liabilities balances as of September 30, 2022, were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Other Governments</u>	<u>Total</u>
Government Activities				
General fund	\$ 1,387,210	\$ 830,499	\$ 54,495	\$ 2,272,204
Community Redevelopment Agency	35,425	2,868	186	38,479
Capital projects fund	1,306,545	-	-	1,306,545
Non-major funds	3,334	5,864	-	9,198
Total Government Activities	<u>\$ 2,732,514</u>	<u>\$ 839,231</u>	<u>\$ 54,681</u>	<u>\$ 3,626,426</u>
Business-type Activities				
Water & sewer	\$ 2,419,270	\$ 48,700	\$ -	\$ 2,467,970
Solidwaste	515,856	48,679	-	564,536
Stormwater	85,020	16,746	-	101,766
Total Business-type Activities	<u>\$ 3,020,146</u>	<u>\$ 114,125</u>	<u>\$ -</u>	<u>\$ 3,134,272</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 4. INTERFUND BALANCES AND TRANSFERS

The composition of interfund balances as of September 30, 2022 consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
<i>Advances From/ To Other Funds:</i>			
Water and Sewer fund	Capital Projects fund	\$ 595,000	Property purchase
Stormwater fund	Capital Projects fund	<u>629,740</u>	Property remediation
		<u>\$ 1,224,740</u>	
<i>Due From/ To Other Funds:</i>			
General fund	Grant fund	\$ 44,046	Interim financing of program expenditures
		<u>\$ 44,046</u>	

Interfund transfers for the year ended September 30, 2022, consisted of the following:

		<u>Transfers Out:</u>	
		<u>General Fund</u>	<u>Purpose</u>
Transfer In:			
CRA fund	\$ 556,566		For program expenditures
Capital Projects fund	1,376,626		For capital expenditures
Non-Major funds	<u>2,019,647</u>		For debt service expenditures
Total	<u>\$ 3,952,839</u>		

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 5. RESTRICTED ASSETS

The City's restricted assets as of September 30, 2022, are as follows:

<u>Nature</u>	Government Activities			<u>Total</u>
	<u>General Fund</u>	<u>Capital Project Fund</u>	<u>Non-Major Governmental Funds</u>	
BSO* agreement for Police Officers paid time off	\$ 131,130	\$ -	\$ -	\$ 131,130
American Rescue Plan Act (ARPA) funds	21,764,363	-	-	21,764,363
Vehicle purchase funds	1,551,231	-	-	1,551,231
Public Works facility funds	-	3,190,806	-	3,190,806
Capital projects funds	-	39,451,545	-	39,451,545
Surtax funds	-	483,157	-	483,157
Park improvement funds	-	-	1,252,855	1,252,855
Tree preservation funds	-	-	11,778	11,778
Fire station facility funds	-	-	47,466	47,466
Public safety grant funds	-	-	141,302	141,302
Library grant funds	-	-	132,049	132,049
Parks and recreation grant funds	-	-	60,057	60,057
Total Government Activities	\$ 23,446,724	\$ 43,125,508	\$ 1,645,507	\$ 68,217,739

* *Broward Sheriffs Office*

<u>Nature</u>	Business-type Activities			<u>Total</u>
	<u>Water & Sewer Fund</u>	<u>Solidwaste Fund</u>	<u>Stormwater Fund</u>	
Customers deposits	\$ 1,106,266	\$ 439,777	\$ -	\$ 1,546,043
Renewal and replacement reserve	1,104,907	-	-	1,104,907
Public Works facility funds	8,197,583	2,507,062	2,703,793	13,408,439
Total Business-type Activities	\$ 10,408,757	\$ 2,946,839	\$ 2,703,793	\$ 16,059,389

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 6. CAPITAL ASSETS – GOVERNMENTAL ACTIVITIES

The following is a summary of changes in capital assets for the fiscal year ended September 30, 2022, in the governmental activities:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land and easements	\$ 18,372,277	\$ -	\$ -	\$ 18,372,277
Construction in progress	<u>4,598,719</u>	<u>7,990,833</u>	<u>(8,878,590)</u>	<u>3,710,962</u>
Total assets not being depreciated	<u>22,970,996</u>	<u>7,990,833</u>	<u>(8,878,590)</u>	<u>22,083,239</u>
Capital assets being depreciated:				
Intangible - software	250,989	-	-	250,989
Buildings	16,605,242	1,747,665	-	18,352,907
Improvements other than buildings	23,771,426	6,206,009	-	29,977,435
Machinery and equipment	14,352,981	441,991	-	14,794,972
Infrastructure	<u>60,559,320</u>	<u>924,916</u>	<u>-</u>	<u>61,484,236</u>
Total other capital assets at historical cost	<u>115,539,958</u>	<u>9,320,581</u>	<u>-</u>	<u>124,860,539</u>
Less accumulated depreciation for:				
Intangible - software	(232,424)	(7,303)	-	(239,727)
Buildings	(6,668,830)	(344,297)	-	(7,013,127)
Improvements other than buildings	(14,438,442)	(1,100,386)	-	(15,538,828)
Machinery and equipment	(11,698,906)	(623,947)	-	(12,322,853)
Infrastructure	<u>(16,721,026)</u>	<u>(1,061,387)</u>	<u>-</u>	<u>(17,782,413)</u>
Total accumulated depreciation and amortization	<u>(49,759,628)</u>	<u>(3,137,320)</u>	<u>-</u>	<u>(52,896,948)</u>
Other capital assets, net	<u>65,780,330</u>	<u>6,183,261</u>	<u>-</u>	<u>71,963,591</u>
Governmental activities capital assets, net	<u>\$ 88,751,326</u>	<u>\$ 14,174,094</u>	<u>\$ (8,878,590)</u>	<u>\$ 94,046,830</u>

Depreciation expense charged by governmental function are as follows:

General government	\$ 149,522
Public safety	452,676
Public works	1,563,662
Engineering and community development	11,709
Culture and recreation	<u>959,751</u>
Total depreciation expense - Governmental Activities	<u>\$ 3,137,320</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 6. CAPITAL ASSETS – BUSINESS TYPE ACTIVITIES

The following is a summary of changes in capital assets for the fiscal year ended September 30, 2022, in the business-type activities:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land and easements	\$ 435,982	\$ -	\$ -	\$ 435,982
Construction in progress	8,914,186	721,223	(1,243,669)	8,391,740
Total assets not being depreciated	<u>9,350,168</u>	<u>721,223</u>	<u>(1,243,669)</u>	<u>8,827,722</u>
Capital assets being depreciated:				
Intangible - software	15,446	-	-	15,446
Buildings	92,394	-	-	92,394
Improvements other than buildings	33,501	-	-	33,501
Machinery and equipment	8,983,533	363,503	-	9,347,036
Infrastructure	149,442,538	1,243,669	-	150,686,207
Total capital assets being depreciated	<u>158,567,412</u>	<u>1,607,172</u>	<u>-</u>	<u>160,174,584</u>
Less accumulated depreciation for:				
Intangible - software	(15,446)	-	-	(15,446)
Buildings	(92,394)	-	-	(92,394)
Improvements other than buildings	(11,938)	(2,274)	-	(14,212)
Machinery and equipment	(5,345,472)	(730,696)	-	(6,076,168)
Infrastructure	(39,508,215)	(2,313,590)	-	(41,821,805)
Total accumulated depreciation/amortization	<u>(44,973,465)</u>	<u>(3,046,560)</u>	<u>-</u>	<u>(48,020,025)</u>
Capital assets being depreciated, net	<u>113,593,947</u>	<u>(1,439,388)</u>	<u>-</u>	<u>112,154,559</u>
Business-type activities capital assets, net	<u>\$ 122,944,115</u>	<u>\$ (718,165)</u>	<u>\$ (1,243,669)</u>	<u>\$ 120,982,281</u>

Depreciation expense in each enterprise fund are as follows:

Water and sewer	\$ 1,449,302
Solidwaste	492,018
Stormwater	1,105,240
Total depreciation expense - Business-type Activities	<u>\$ 3,046,560</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 7. LEASE OBLIGATIONS

Financed Lease

In November 2014, the City entered into the first amendment to the lease agreement for the purchase of three (3) fire ambulances, one (1) truck and two (2) solid waste front loaders in the amount of \$1,251,291 with interest rate at 2.392%. Upon final payment of the lease expiring in 2024, title to the capital assets will revert to the City.

In January 2017, the City entered into the second amendment to the lease agreement for the purchase of four (4) solid waste trucks in the amount of \$1,100,000 with interest rate at 1.79%. Upon final payment of the lease expiring in 2024, title to the capital assets will revert to the City.

On June 15, 2018, the City entered into the third amendment to the lease agreement for the purchase of a firetruck in the amount of \$599,611 with interest rate at 3.01%. Upon final payment of the lease expiring in 2025, title to the capital assets will revert to the City.

The following is the schedule of the future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of September 30, 2022:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Year ending September 30:		
2023	\$ 170,519	\$ 218,358
2024	180,242	117,327
2025	<u>74,257</u>	<u>-</u>
Total minimum lease payments	425,018	335,685
Less: amount representing interest	<u>(16,250)</u>	<u>(6,667)</u>
Present value of minimum lease payments	<u>\$ 408,768</u>	<u>\$ 329,018</u>

The asset type and amounts as of September 30, 2022, are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Asset type:		
Machinery and equipment	\$ 2,048,379	\$ 1,595,370
Less: Accumulated depreciation	<u>(1,488,015)</u>	<u>(1,118,781)</u>
Net book value	<u>\$ 560,364</u>	<u>\$ 476,589</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 8. LONG-TERM DEBT

The various bank loans and bonds were issued to finance vehicle purchases and capital outlay projects, and to refund outstanding loans and other obligations of the City. Following are the various long-term indebtedness of the City:

Bank Loans

a. Capital One – Series 2007 Term Loan

On October 19, 2007, the City entered into a loan agreement with Wachovia Bank and issued a 20-year promissory note for \$4,000,000. The loan was used as partial reimbursement of the acquisition of the new municipal building, which will house the Oakland Park Division of the Broward Sheriff's Office and various City offices.

Principal payments are due on October 1st of each year with interest payments due on October 1st and April 1st, and the final payment is due on October 1, 2027. The loan bears interest at a fixed rate of 4.47% per annum. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget the amounts of legally available non-ad valorem revenues attributable to the General Fund sufficient to satisfy its annual debt service requirements under the loan agreement. In February 2015, the loan was assigned to Capital One Bank.

The loan agreement contains a provision that when the maximum federal corporate rate (MFCR) becomes less than 35%, the interest rate is adjusted to reflect the effect based on the margin rate factor. Relative to the decrease in the MFCR from 35% to 21% on January 1, 2018, the effective interest rate of this loan was adjusted from 4.47% to 5.43% effective April 1, 2018.

The following table shows the debt service requirements of the above loan as of September 30, 2022:

Fiscal Year Ending September 30:	Principal	Interest	Total
2023	\$ 235,419	\$ 79,407	\$ 314,827
2024	245,943	66,338	312,281
2025	256,936	52,685	309,621
2026	268,420	38,422	306,842
2027	280,420	23,521	303,941
2028	292,955	7,954	300,909
	<u>\$ 1,580,093</u>	<u>\$ 268,327</u>	<u>\$ 1,848,420</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 8. LONG-TERM DEBT (continued)

Bank Loans (continued)

b. Truist Bank – 2014 Term Loan

In June 2014, the City entered into a loan with SunTrust and issued a 15-year promissory note for \$1,495,000 at 2.88% interest to refund the balance of Florida Municipal Loan Council (FMLC) Revenue bonds, Series 2004A. The outstanding balance of the FMLC loan of \$1,445,000 was retired on July 3, 2014. The new loan principal payments are due on July 1st of each year with interest payments due on July 1st and January 1st. The final principal payment is due on July 1, 2029. As security for the loan, the City covenants and agrees to appropriate in its annual budget amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement.

The loan agreement contains a provision that when the maximum federal corporate rate (MFCR) becomes less than 35%, the interest rate is adjusted to reflect the effect based on the margin rate factor. Relative to the decrease in the MFCR from 35% to 21% on January 1, 2018, the effective interest rate was adjusted to the maximum of 3.32% from 2.88%.

The following table shows the debt service requirements of the above loan as of September 30, 2022:

Fiscal Year Ending	Principal	Interest	Total
<u>September 30:</u>			
2023	\$ 100,000	\$ 25,730	\$ 125,730
2024	105,000	22,410	127,410
2025	110,000	18,924	128,924
2026	110,000	15,272	125,272
2027	115,000	11,620	126,620
2028-2029	235,000	11,786	246,786
	<u>\$ 775,000</u>	<u>\$ 105,742</u>	<u>\$ 880,742</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 8. LONG-TERM DEBT (continued)

Bank Loans (continued)

c. Branch Banking & Trust Company (BB&T) Loan 2016

On July 22, 2016, the City entered into a loan with Branch Banking & Trust (BB&T) and issued a 7-year promissory note for \$745,000 at 1.57% interest for the purchase of firefighting equipment including a ladder truck. The new loan principal payments are due on October 1st of each year with interest payments due on April 1st. The final principal payment is due on October 1, 2023. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget the amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement.

The following table shows the debt service requirements of the above loan as of September 30, 2022:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 110,000	\$ 2,591	\$ 112,591
2024	110,000	864	110,864
	<u>\$ 220,000</u>	<u>\$ 3,454</u>	<u>\$ 223,454</u>

d. Florida Community Bank Loan 2018

On August 3, 2018, the City entered into a loan with Florida Community Bank (FCB) and issued a 10-year promissory note for \$1,660,000 at 3.15% interest for the acquisition of a piece of land for municipal purposes. The new loan principal payments are due every December 1st of the year with interest payments due on December 1st and June 1st. The final principal payment is due on December 1, 2028. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget the amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements.

The following table shows the debt service requirements of the above loan as of September 30, 2022:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 155,000	\$ 35,674	\$ 190,674
2024	160,000	30,713	190,713
2025	165,000	25,594	190,594
2026	175,000	20,239	195,239
2027	180,000	14,648	194,648
2028 - 2029	<u>375,000</u>	<u>11,892</u>	<u>386,892</u>
	<u>\$ 1,210,000</u>	<u>\$ 138,760</u>	<u>\$ 1,348,760</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 8. LONG-TERM DEBT (continued)

Bank Loans (continued)

e. JP Morgan Chase Loan 2019

On January 10, 2019, the City entered into a loan agreement with JP Morgan Chase and issued a 7-year promissory note for \$1,399,700 at 3.01% interest for the purchase of solid waste trucks. Loan principal and interest payments are due on the 1st day of each month for the next seven years with the final principal payment due on January 1, 2026. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget the amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement. Following is the remaining debt service requirements as of September 30, 2022:

Fiscal Year Ending	Principal	Interest	Total
2023	\$ 203,484	\$ 18,361	\$ 221,845
2024	209,694	12,151	221,845
2025	289,444	6,214	295,658
	<u>\$ 702,622</u>	<u>\$ 36,726</u>	<u>\$ 739,348</u>

f. Wells Fargo Capital Strategies – Series 2021

On June 4, 2021, the City entered into a loan agreement with Wells Fargo Capital Strategies, LLC and issued a 10-year promissory note for \$9,337,980 at 1.45% interest to refund the balance of the original Stormwater loan Series 2010 with Branch Banking & Trust (BB&T). On the same date, the outstanding balance of the BB&T loan of \$9,159,815 was retired and the liability for the 2010 loan had been removed from the balance sheet. The reduction in the interest rate creates a debt service payment savings of \$929,773 over the remaining years of the loan. The new loan principal payments are due every November 1st of the year with interest payments due on November 1st and May 1st. The final principal payment is due on November 1, 2030. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget the amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement.

Following is the remaining debt service requirements as of September 30, 2022:

Fiscal Year Ending September 30:	Governmental Activities		Business-type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 629,665	\$ 82,762	\$ 266,018	\$ 34,965	\$ 895,683	\$ 117,726
2024	641,146	73,549	270,868	31,073	912,014	104,621
2025	651,093	64,180	275,070	27,115	926,163	91,294
2026	659,483	54,679	278,615	23,100	938,098	77,779
2027	669,810	45,041	282,978	19,029	952,788	64,070
2028-2031	2,771,390	81,056	1,170,844	34,244	3,942,234	115,300
	<u>\$ 6,022,587</u>	<u>\$ 401,267</u>	<u>\$ 2,544,393</u>	<u>\$ 169,526</u>	<u>\$ 8,566,980</u>	<u>\$ 570,790</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 8. LONG-TERM DEBT (continued)

Bank Loans (continued)

g. Webster Bank, National Association (N.A.) – Series 2021 Refunding Loan

On November 5, 2021, the City entered into a loan agreement with Webster Bank, N.A. (formerly Sterling National Bank) and issued a promissory note for \$4,511,056 at an interest rate of 2.19% with an approximate term of 20 years. The loan was issued to refund the balance of the Series 2011 Stormwater Assessment Bonds and its maturity is at the same time as the refunded Stormwater Assessment Bonds Series 2011. The loan principal payments are due every August 1st of the year with interest payments due every February 1st and August 1st through 2041.

Annual principal and interest payments on the bonds are expected to require less than 20% of net revenues. Principal and interest paid for the current year were \$243,764. Customer net revenues for the fiscal year were \$2,427,260.

The following table shows the debt service requirements of the Series 2021 loan as of September 30, 2022:

Fiscal Year Ending	Principal	Interest	Total
2023	\$ 188,425	\$ 95,052	\$ 283,477
2024	192,520	90,926	283,446
2025	196,236	86,710	282,946
2026	199,889	82,412	282,301
2027	202,767	78,035	280,801
2028-2032	1,083,809	321,384	1,405,194
2033-2037	1,208,648	197,618	1,406,266
2038-2041	1,067,997	59,229	1,127,225
	<u>\$ 4,340,290</u>	<u>\$ 1,011,366</u>	<u>\$ 5,351,656</u>

h. Webster Bank, National Association (N.A.) – Series 2021 Vehicle Loan

On November 23, 2021, the City entered into a loan agreement with Webster Bank, N.A. (formerly Sterling National Bank) and issued a six and half-year promissory note for \$2,992,400 at an interest rate of 1.31%. The loan is to replace Fire Rescue and other City vehicles. The loan principal and interest payments are due on the first day of each month beginning January 1, 2022 through July 1, 2028. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget the amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 8. LONG-TERM DEBT (continued)

Bank Loans (continued)

h. Webster Bank, National Association (N.A.) – Series 2021 Vehicle Loan (continued)

The following table below shows the debt service requirements of the Series 2021 loan with Webster Bank as of September 30, 2022.

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 442,547	\$ 32,263	\$ 474,810
2024	448,379	26,430	474,810
2025	454,289	20,521	474,810
2026	460,276	14,534	474,810
2027	466,342	8,468	474,810
2028	393,308	2,365	395,673
	<u>\$ 2,665,141</u>	<u>\$ 104,581</u>	<u>\$ 2,769,722</u>

i. Webster Bank, National Association (N.A.) – Series 2022

On April 21, 2022, the City entered into three (3) loan agreements with Webster Bank, N.A. and issued 16-year promissory notes with a total value of \$16,030,00 bearing an interest rate of 2.28%. The loans will finance the construction of a Public Works building. The principal payments are due every August 1st of the year with interest payments due on August 1st and February 1st through the final principal payment of August 1, 2037. As security for the loan payable by the governmental funds, the City covenants and agrees to appropriate in its annual budget the amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements while net revenues and pledge accounts secured the portions payable by Water and Sewer and Stormwater Funds.

The table below shows the debt service requirements of the Series 2022 loan with Webster Bank as of September 30, 2022.

<u>Fiscal Year Ending</u> <u>September 30:</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 177,308	\$ 71,343	\$ 717,044	\$ 288,513	\$ 894,353	\$ 359,854
2024	181,351	67,300	733,393	272,164	914,744	339,464
2025	185,486	63,165	750,114	255,443	935,600	318,608
2026	189,715	58,936	767,217	238,340	956,932	297,276
2027	194,040	54,611	784,709	220,848	978,750	275,458
2028-2032	1,038,616	204,638	4,200,217	827,569	5,238,833	1,032,207
2033-2037	1,162,542	80,713	4,701,380	326,406	5,863,922	407,119
	<u>\$ 3,129,058</u>	<u>\$ 600,705</u>	<u>\$ 12,654,075</u>	<u>\$ 2,429,283</u>	<u>\$ 15,783,133</u>	<u>\$ 3,029,987</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 8. LONG-TERM DEBT (continued)

General Obligation Bonds, Series 2020 and Series 2022

On June 11, 2020, the City issued \$26,000,000 of the \$40-million General Obligation (G.O.) Bonds which was approved by the residents at the general election in November 2018. Subsequently on February 24, 2022, the remaining \$14,000,000 G.O. Bonds were issued. The proceeds of G.O. Bonds are to be used to fund the modernization of the City facilities such as the three (3) fire rescue stations, the municipal library, the community centers and the City park. The G.O. Bonds of the City are payable from ad valorem taxes on all taxable real and tangible personal property within the City. There is no direct limitations imposed by the Florida Constitution or the Florida Statutes on the amount of debt that the City can issue.

The Series 2020 Bonds have an outstanding balance of \$24,630,000 due in varying installments through 2040 which bear interest rates from 4.0% to 5.0% with interest payable semi-annually on February 1 and August 1 of each year, beginning in February 2021. The bonds maturing prior to February 1, 2031 are not subject to optional redemption prior to maturity while the bonds maturing on or after February 1, 2031 are subject to redemption prior to maturity, at the option of the City from any funds legally available for such purpose, on or after February 1, 2030, in whole or in part on any date, and if in part in any order of maturity selected by the City, and by lot within a maturity if less than an entire maturity is to be redeemed, at the redemption price of par plus accrued interest to the redemption date.

The Series 2022 Bonds have an outstanding balance of \$14,000,000 due in varying installments through 2042 which bear interest rates from 4.0% to 5.0% with interest payable semi-annually on February 1 and August 1 of each year, beginning on February 1, 2023. The bonds maturing prior to February 1, 2033 are not subject to optional redemption prior to maturity while the bonds maturing on or after February 1, 2033 are subject to redemption prior to maturity, at the option of the City from any funds legally available for such purpose, on or after February 1, 2032, in whole or in part on any date, and if in part in any order of maturity selected by the City, and by lot within a maturity if less than an entire maturity is to be redeemed, at the redemption price of par plus accrued interest to the redemption date.

The debt service requirements of the G.O. Bonds as of September 30, 2022, are as follows:

Fiscal Year Ending	Series 2020		Series 2022		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 890,000	\$ 1,089,250	\$ 400,000	\$ 602,622	\$ 1,290,000	\$ 1,691,871
2024	935,000	1,043,625	450,000	623,750	1,385,000	1,667,374
2025	980,000	995,750	470,000	601,250	1,450,000	1,596,999
2026	1,030,000	945,500	495,000	577,750	1,525,000	1,523,250
2027	1,080,000	892,750	520,000	553,000	1,600,000	1,445,750
2028-2032	6,270,000	3,575,750	3,025,000	2,347,500	9,295,000	5,923,250
2033-2037	7,900,000	1,932,425	3,865,000	1,511,000	11,765,000	3,443,425
2038-2042	5,545,000	338,500	4,775,000	587,800	10,320,000	926,300
	<u>\$ 24,630,000</u>	<u>\$ 10,813,550</u>	<u>\$ 14,000,000</u>	<u>\$ 7,404,672</u>	<u>\$ 38,630,000</u>	<u>\$ 18,218,218</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

Revenue Bonds

a. Water and Sewer Revenue Bonds, Series 2010

On August 23, 2010, the City issued \$3,370,000 tax-exempt bonds of Series 2010A taxable bonds, Water and Sewer Revenue Bonds. The proceeds of the bonds and other funds made available through the refunding program are to be used to (1) pay capital expenditures of water and wastewater system improvements, (2) to refund and defease the Utility System Revenue Refunding and Improvement Bonds, Series 1994, totaling \$1,533,024, (3) to purchase a debt service reserve and insurance policies for the Series 2010 bonds, and (4) to pay the costs of issuance. The portion of the net proceeds from the issuance of the bonds attributed to the defeasance were deposited with an escrow agent to provide for the interest and principal payments on the old bonds. All of the defeased bonds were subsequently called in October 2010.

The Series 2010A Bonds are composed of serial and term bonds. The serial bonds are due in varying annual installments from the year 2011 through 2020 and the term bonds are due in 2025. Series 2010A Bond interest rates vary from 2.0% to 4.0% with interest payable semi-annually. Interest payments are due on March 1 and September 1 of each year, beginning in 2011. The Series 2010 Bonds are limited obligations of the City, payable solely from water and sewer revenues of the Utility system. Net revenues are defined as the excess of the system's gross revenues over the operating costs.

The covenants of the Series 2010 Bond Ordinance require that certain accounts be maintained as follows:

- Reserve Fund – Deposits sufficient to restore in not more than 12 equal monthly payments the funds on deposit therein to an amount equal to the reserve fund requirement. In lieu of this fund the City has purchased with Assured Guaranty Municipal Corporation, surety bond for 2010A series to meet the reserve requirement and a bond insurance policy to guarantee the principal and interest payments.
- Renewal and Replacement Fund – The Ordinance requires that the City establish a renewal and replacement fund equal to 5% of the gross revenue of the preceding fiscal year or such other greater or lesser sum recommended by the consulting engineer. Whenever the balance is less than the requirement, the City shall deposit into or credit to the fund the lesser of the balance of all moneys remaining in the revenue fund or 2% of the deposits to the revenue fund during the current month, to the extent necessary to equal the renewal and replacement fund requirement. Excess moneys in the fund may be withdrawn by the City and deposited in the revenue fund. The City is in compliance with the renewal and replacement fund requirement.

The City had covenanted in the Ordinance to fix, establish and maintain and collect such rates and/or impact fees, and to revise the same to the extent necessary, so that the rates and/or impact fees will always provide in each fiscal year either (i) net revenues which are at least equal to 110% of the debt service requirement of the Bonds for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for amounts owing thereto or (ii) net revenues which are at least equal to 100% of the debt service requirement for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 8. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

a. Water and Sewer Revenue Bonds, Series 2010 (continued)

amounts owing thereto plus, and which, together with the expansion project percentage of impact fees, are at least equal to 120% of the debt service requirement for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for amounts owing thereto. The City is in compliance with this requirement.

The City is required by the bond resolution to establish, maintain and collect reasonable charges for the services furnished by the Utility System and it will adjust such charges as needed so that the gross revenues in each fiscal year will always be sufficient to pay 115% of the debt service requirements becoming due in the fiscal year on all bonds, in addition to the requirements to cover the cost of operations and maintenance and pay 100% of all reserve requirements set forth above. The City is in compliance with this requirement.

Annual principal and interest payments on the remaining Series 2010A bonds are expected to require less than 20% of net revenues. Payments for principal and interest made during the year for the remaining 2010A amounted to \$52,800. Customer net revenues for the year were \$7,965,896.

The debt service for the remaining 2010A Series as of September 30, 2022 is as follows:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 50,000	\$ 6,000	\$ 56,000
2024	50,000	4,000	54,000
2025	50,000	2,000	52,000
	<u>\$ 150,000</u>	<u>\$ 12,000</u>	<u>\$ 162,000</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 8. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

b. Stormwater Assessment Bonds, Series 2011

On December 15, 2011, the City issued \$5,765,000 of Series 2011 Stormwater Assessment Bonds. The proceeds of the bonds will be used to (1) pay capital expenditures and refinance a loan incurred to pay such expenditures with respect to the stormwater runoff management system of the City (the “2011 Project”), (2) purchase a debt service reserve insurance policy and bond insurance policy for the 2011 bonds and (3) pay costs of issuance.

The Series 2011 Bonds are composed of serial and term bonds. The serial bonds are due in varying annual installments from the year 2012 through 2026 and the term bonds are due in varying installments from the year 2023 through 2041. Interest rates on the serial bonds vary from 2.0% to 4.0% with interest payable semi-annually. The term bonds carry interest rates varying from 3.25% to 4.625% with interest payable semi-annually. The Series 2011 bonds are not general obligations of the City but are payable solely from and secured by the net revenues and pledged accounts. Net revenues are defined as the excess of the stormwater system’s gross revenues over the operating costs.

Defeased Debt

On February 1, 2022, the City defeased the Series 2011 Stormwater bonds through the proceeds of the loan with Webster Bank Series 2021 for \$4,511,056. The net proceeds of \$4,415,000 (after payment of \$48,500 issuance costs and \$47,556 escrow payment) were placed in an irrevocable trust to provide for the debt service payment for the Series 2011 bonds on February 1, 2022. As a result, the outstanding balance of the Stormwater Series 2011 bonds of \$4,415,000 bonds are considered to be in-substance defeased and the liability for these bonds have been removed from the balance sheet. The Series 2011 Stormwater bonds were refunded to reduce its interest rate which creates a debt service payment savings of \$1,122,588 or an average of \$56,839.90 each year for approximately 19.75 years, the remaining years of the debt.

c. Water and Sewer Revenue Bonds, Series 2012

On September 6, 2012, the City issued \$17,175,000 of Series 2012 Water and Sewer Revenue Bonds. The proceeds of the bonds are used to pay capital expenditures of water and wastewater improvements and to pay costs of issuance. The 2012 Bonds are issued on parity with the City’s outstanding Water and Sewer Revenue Bonds, Series 2010.

The Series 2012 Bonds are composed of serial and term bonds. The serial bonds are due in varying annual installments from the year 2013 through 2025 and the term bonds are due in varying installments from the year 2032 through 2042. Interest rates on the serial bonds vary from 3.0% to 3.5% with interest payable semi-annually. The term bonds carry interest rates varying from 3.5% to 3.875% with interest payable semi-annually. The Series 2012 Bonds are limited obligations of the City, payable solely from water and sewer revenues of the Utility system. Net revenues are defined as the excess of the system’s gross revenues over the operating costs.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 8. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

c. Water and Sewer Revenue Bonds, Series 2012 (continued)

The 2012 Bonds were issued on parity with the Series 2010 Bonds. The City had covenanted in the Ordinance to fix, establish and maintain and collect such rates and/or impact fees, and to revise the same to the extent necessary, so that the rates and/or impact fees will always provide in each fiscal year either (i) net revenues which are at least equal to 110% of the debt service requirement of the Bonds for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for amounts owing thereto or (ii) net revenues which are at least equal to 100% of the debt service requirement for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for amounts owing thereto plus, and which, together with the expansion project percentage of impact fees, are at least equal to 120% of the debt service requirement for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for amounts owing thereto. The City is in compliance with this requirement.

Annual principal and interest payments on the bonds are expected to require less than 15% of net revenues. Principal and interest paid for the current year were \$824,775. Customer net revenues for the year were \$7,965,896.

Following is the debt service requirement as of September 30, 2022:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 310,000	\$ 526,075	\$ 836,075
2024	330,000	515,225	845,225
2025	345,000	505,325	850,325
2026	415,000	494,975	909,975
2027	440,000	480,450	920,450
2028-2032	2,605,000	2,153,050	4,758,050
2033-2037	3,460,000	1,624,875	5,084,875
2038-2042	6,300,000	851,725	7,151,725
	<u>\$ 14,205,000</u>	<u>\$ 7,151,700</u>	<u>\$ 21,356,700</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 8. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

d. Storm water Assessment Bond, Series 2015

On August 7, 2015, the City issued \$2,145,530 of Series 2015 Stormwater Assessment Bond, a single issue. The proceeds of the bonds were used to (1) reimburse capital expenditures incurred for drainage improvement and (2) pay costs of issuance. The term of the bond is 15 years at an interest rate of 2.64% with interest payable semi-annually. Principal and interest paid for the current year were \$175,232.

The following table shows the debt service requirements of the BB&T Stormwater Assessment Bond as of September 30, 2022:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 142,260	\$ 32,973	\$ 175,233
2024	146,020	29,218	175,238
2025	149,870	25,363	175,233
2026	153,830	21,406	175,236
2027	157,890	17,345	175,235
2028-2030	499,120	26,582	525,702
	<u>\$ 1,248,990</u>	<u>\$ 152,888</u>	<u>\$ 1,401,878</u>

e. Water and Sewer Revenue Bonds, Series 2017

On October 19, 2017, the City issued \$6,511,296 Water and Sewer Revenue Bonds, Series 2017, a single issue. The proceeds of the bonds are used to pay a major portion of the cost to improve the City's water and wastewater system. The term of the bond is 15 years at an interest rate of 2.02% with interest payable semi-annually on April 1 and October 1 of each year and principal due October 1 of each year. The final principal payment is due on October 1, 2032. An average of \$508,945 in water and sewer revenues is not being available for other uses by the City each for the next fifteen (15) years. Total principal and interest paid during the year was \$504,901.

The following table shows the debt service requirements of the Water and Sewer Bond 2017 Series as of September 30, 2022:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 408,444	\$ 96,376	\$ 504,820
2024	416,694	88,042	504,736
2025	425,112	79,540	504,652
2026	433,699	70,896	504,595
2027	442,460	62,017	504,477
2028-2032	2,848,894	175,998	3,024,892
	<u>\$ 4,975,303</u>	<u>\$ 572,869</u>	<u>\$ 5,548,172</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 8. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

f. Water and Sewer Revenue Bonds, Series 2019

On October 16, 2019, the City issued \$10,730,000 of Series 2019 Water and Sewer Revenue Bonds to refund the Build America Bonds (BABs), Series 2010B. The outstanding balance of the BABs Series 2010B of \$11,515,000 was retired on September 1, 2020. The Series 2010B bonds were considered defeased as of the date of retirement and the liability for those bonds had been removed from the balance sheet. The advance refunding generated a net benefit of \$1,564,638 in cash flow savings and \$1,212,564 in economic gain.

The Series 2019 Bonds were issued on parity with the City's outstanding Water and Sewer Revenue Bonds - Series 2010A, Series 2012 and Series 2017 Bonds and are composed of serial and term bonds. The serial bonds are due in varying annual installments from the year 2021 through 2030 and the term bonds are due in varying installments from the year 2032 through 2040. Interest rate on the serial bonds is 5% payable semi-annually while the term bonds carry interest rates varying from 3% to 4% with interest also payable semi-annually. The Series 2019 Bonds are limited obligations of the City, payable solely from water and sewer revenues of the Utility system. Net revenues are defined as the excess of the system's gross revenues over the operating costs.

The City had covenanted in the Ordinance to fix, establish and maintain and collect such charges the services of the System, and to revise the same to the extent necessary, as will always provide in each fiscal year either (i) Net Revenues which are at least equal to 110% of the Debt Service Requirement of the Bonds for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of Reserve Fund Insurance Policies or Letters of Credit for amounts owing thereto or (ii) Net Revenues which are at least equal to 100% of the Debt Service Requirement on the Bonds for such fiscal year plus 100% of the amount required to restore any deficiency in the Reserve Fund and to reimburse all providers of Reserve Fund Insurance Policies or Letters of Credit for amounts owing thereto and Net Revenues plus the Expansion Percentage of Impact Fees which are at least equal to 120% of the debt service requirement on the bonds for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of Reserve Fund Insurance Policies or Letters of Credit for amounts owing thereto. The City is in compliance with this requirement.

Annual principal and interest payments on the bonds are expected to require less than 15% of net revenues. Principal and interest payments for the current year were \$780,850. Customer net revenues for the current year were \$7,965,896.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 8. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

f. Water and Sewer Revenue Bonds, Series 2019 (continued)

The following table shows the debt service requirements of the Water & Sewer Revenue Bonds, Series 2019, as of September 30, 2022:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 370,000	\$ 408,100	\$ 778,100
2024	390,000	389,600	779,600
2025	410,000	370,100	780,100
2026	430,000	349,600	779,600
2027	455,000	328,100	783,100
2028-2032	2,615,000	1,282,450	3,897,450
2033-2037	2,495,000	683,950	3,178,950
2038-2040	2,865,000	132,150	2,997,150
	<u>\$ 10,030,000</u>	<u>\$ 3,944,050</u>	<u>\$ 13,974,050</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 8. LONG-TERM DEBT (continued)

Changes in Long-term Debt – Governmental Activities

Long-term liability activities for governmental activities during the year were as follows:

	<u>Beginning</u>			<u>Ending</u>	<u>Due Within</u>
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>	<u>One Year</u>
Capital leases:					
US Bank 2014	\$ 241,634	-	\$ (78,628)	\$ 163,006	\$ 80,660
US Bank 2018	332,960	-	(87,198)	245,762	89,859
Notes payable:					
Series 2007 Capital One	1,805,440	-	(225,347)	1,580,093	235,419
Series 2016 Branch Banking & Trust Co.	330,000	-	(110,000)	220,000	110,000
Series 2018 Florida Community Bank	1,365,000	-	(155,000)	1,210,000	155,000
Series 2021 Wells Fargo (Refunding loan)	6,564,600	-	(542,013)	6,022,587	629,665
Series 2021 Webster Bank	-	2,992,400	(327,259)	2,665,141	442,547
Series 2022 Webster Bank	-	3,178,000	(48,942)	3,129,058	177,308
General Obligations:					
Series 2020	25,475,000	-	(845,000)	24,630,000	890,000
Series 2022	-	14,000,000	-	14,000,000	400,000
Total capital leases and notes payable	36,114,634	20,170,400	(2,419,387)	53,865,647	3,210,458
Add: bond premium	5,385,626	2,735,565	(370,915)	7,750,276	-
Net notes and bonds payable	41,500,260	22,905,965	(2,790,302)	61,615,923	3,210,458
Other liabilities:					
Compensated absences	1,308,045	137,756	(86,492)	1,359,309	352,202
Net pension liability	8,538,933	32,712,826	-	41,251,759	-
Other post-employment benefits (OPEB) liability	961,476	67,991	-	1,029,467	-
Total other liabilities	10,808,454	32,918,573	(86,492)	43,640,535	352,202
Total	<u>\$ 52,308,714</u>	<u>\$ 55,824,538</u>	<u>\$ (2,876,794)</u>	<u>\$ 105,256,458</u>	<u>\$ 3,562,660</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 8. LONG-TERM DEBT (continued)

Changes in Long-term Debt – Business-type Activities

Long-term liability activities for business-type activities during the year were as follows:

	<u>Beginning</u>			<u>Ending</u>	
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>	<u>One Year</u>
Capital leases:					
Series 2014 Solid Waste (US Bank)	\$ 161,742	\$ -	\$ (52,631)	\$ 109,111	\$ 53,904
Series 2017 Solid Waste (US Bank)	381,544	-	(161,637)	219,907	164,454
Notes payable:					
Series 2010 Water & Sewer refunding (US Bank)	195,000	-	(45,000)	150,000	50,000
Series 2014 Water & Sewer (Truist Bank)	875,000	-	(100,000)	775,000	100,000
Series 2019 Solidwaste (Chase Bank)	900,104	-	(197,482)	702,622	203,484
Series 2021 Stormwater refunding loan (Wells Fargo)	2,773,380	-	(228,987)	2,544,393	266,018
Series 2022 Stormwater refunding loan (Webster Bank)	-	4,511,057	(170,767)	4,340,290	188,425
Series 2022 WS/S/S PW Campus (Webster Bank)	-	12,852,000	(197,925)	12,654,075	717,044
Bonds payable:					
Series 2012 Water & Sewer bonds	14,495,000	-	(290,000)	14,205,000	310,000
Series 2017 Water & Sewer bonds	5,375,660	-	(400,357)	4,975,303	408,444
Series 2019 Water & Sewer refunding bonds	10,385,000	-	(355,000)	10,030,000	370,000
Series 2011 Stormwater bonds	4,415,000	-	(4,415,000)	-	-
Series 2015 Stormwater bonds	1,387,590	-	(138,600)	1,248,990	142,260
Total bonds and notes payable	41,345,020	17,363,057	(6,753,386)	51,954,691	2,974,033
Add: bond premium	1,124,350	-	(34,130)	1,090,220	-
Net notes and bonds payable	42,469,370	17,363,057	(6,787,516)	53,044,911	2,974,033
Other liabilities:					
Compensated absences	186,898	30,997	(5,028)	212,867	38,316
Net pension liability	208,907	4,412,151	-	4,621,058	-
Other post-employment benefits (OPEB) liability	263,946	16,998	-	280,944	-
Total other liabilities	659,751	4,460,146	(5,028)	5,114,869	38,316
Total	<u>\$ 43,129,121</u>	<u>\$ 21,823,203</u>	<u>\$ (6,792,544)</u>	<u>\$ 58,159,780</u>	<u>\$ 3,012,349</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS

The City's employee retirement plans include two (2) single-employer defined benefit plans, namely: the General Employees' Pension Plan (GEPP) and the Retirement System for Police and Firefighters (RSP&F), a cost-sharing multi-employer defined benefit plan, the Florida Retirement System Pension Plan (FRS PP) and three (3) defined contribution plans, the 401(a) Executive Plan, the General Employee 401(a) Plan and the FRS Investment Plan. Employees of the City must participate in the Plan appropriate to their positions.

Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the GEPP, the RSP&F, the FRS PP and the FRS Health Insurance Subsidy Program (HIS) and additions to/deduction from the FRS PP and FRS HIS fiduciary net position have been determined on the same basis as they are reported by FRS PP and HIS. The plans are accounted for on the accrual basis of accounting.

Plan member contributions are recognized in the period in which the contributions are due. City contributions are recognized when due pursuant to the actuarial valuation. State contributions to the RSP&F are recognized as revenue in the period in which they are approved by the State. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The preparation of these schedules requires estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and changes therein, including appropriate disclosures at the date of the financial statements. Actual results could differ from those estimates.

Defined Benefit Pension Plans

a. Florida Retirement System Pension Plan

General Information

In October 2007, the City joined the FRS to provide retirement and survivor benefits to all new hired general employees. On that date, the employees that were in the GEPP plan had the option of making a one-time election of remaining in the GEPP plan or transferring to the FRS plan. The City's general employees hired after October 2007 participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two (2) cost-sharing, multiple-employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension") and the Retiree Health Insurance Subsidy ("HIS Plan").

Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a State agency, County government, District school board, State university, Community college, or a participating City or special district within the State

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

General Information (continued)

of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the website:

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

As required by Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions, this report includes the City's share of the collective net pension liability and associated pension expense, deferred outflows of resources and deferred inflows of resources in the system's cost-sharing, multiple employer defined benefit plans.

Plan Description

The FRS Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") for eligible employees. The general classes of membership are as follows:

- Regular Class
- Special Risk Class
- Elected Officials Class
- Senior Management Service Class

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. 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 highest years of salary for each year of credited service.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (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 and Senior Management Service. Also, the final average compensation for all these members will be based on the eight (8) 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 (3%) 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 (3%) 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 a 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%) 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%; Senior Management Service – 29.01% and 31.57%; and Special Risk – 25.89% and 27.83%. These employer contribution rates include 1.66% HIS Plan subsidy for the periods October 1, 2021 through June 30, 2022 and 1.66% from July 1, 2022 through September 30, 2022, respectively.

The City's contributions to the Pension Plan totaled \$1,991,936 for the fiscal year ended September 30, 2022 with covered payroll of \$18,055,872.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

Net Pension Liability (NPL)

At September 30, 2022, the City reported a liability of \$17,368,847 for its proportionate share of the Pension Plan's NPL which was measured as of June 30, 2022, and the total pension liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of June 30, 2022. The City's proportionate share of the NPL was based on the City's 2021-22 fiscal year contributions relative to the contributions of all participating members. At September 30, 2022, the City's proportionate share was 0.0466803656014614 percent, which was an increase of 0.000028255094479147 percent from its proportionate share measured as of June 30, 2022.

The components of the City's proportionate share in the NPL as of September 30, 2022, were as follows:

	<u>Amount</u>
Total pension liability	\$ 101,499,192
Plan fiduciary net position	<u>(84,130,345)</u>
Total net pension liability	<u>\$ 17,368,847</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>82.89%</u>

The fiduciary net position used by the actuary to determine the collective net pension liability was determined on the same basis used by the plan. 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.

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:

Valuation date	July 1, 2022
Measurement date	June 30, 2022
Actuarial cost method	Individual entry age normal
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 rate	PUB 2010 base table varies by member category and sex, projected generationally with Scale MP-2018

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

Long-Term Expected Rate of Return

The long-term expected rate of return assumption of 6.70 percent consists of two building block components: 1) an inferred real (in excess of inflation) return of 4.20 percent, which is consistent with the 4.38 percent real return from the capital market outlook model developed by the FRS consulting actuary, Milliman; and 2) a long-term average annual inflation assumption of 2.40 percent as adopted in October 2022 by the FRS Actuarial Assumption Conference. In the opinion of the FRS consulting actuary, both components and the overall 6.70 percent return assumption were determined to be reasonable and appropriate per Actuarial Standards of Practice. The 6.70 percent reported investment return assumption is the same as investment return assumption chosen by the 2022 FRS Actuarial Assumption Conference for funding policy purposes.

For reference, the table below contains a summary of the Pension actuarial assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

<u>Asset class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual Return</u>	<u>Standard Deviation</u>
Cash	1.0%	2.6%	2.6%	1.1%
Fixed income	19.8%	4.4%	4.4%	3.2%
Global equity	54.1%	8.8%	7.3%	17.8%
Real estate (property)	10.3%	7.4%	6.3%	15.7%
Private equity	11.1%	12.0%	8.9%	26.3%
Strategic investments	3.8%	6.2%	5.9%	7.8%
Assumed inflation - mean			2.4%	1.3%

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. The 6.70 percent rate of return assumption used in the June 30, 2022, calculations was determined by the consulting actuary, Milliman, to be reasonable and appropriate per Actuarial Standard of Practice Number 27 (ASOP 27). For additional information regarding the depletion date projection, refer to the 2022 GASB 67 Supplement to the FRS Actuarial Valuation on the Publications page of the Division of Retirement's website at www.frs.myflorida.com.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

Changes in the Net Pension Liability

	Total pension liability (A)	Fiduciary net position (B)	Net pension liability (A)-(B)
Balances, beginning of the year	\$ 97,858,873	\$ 94,332,702	\$ 3,526,171
Changes for the year:			
Service cost	1,230,341	-	1,230,341
Interest on total pension liability	6,540,916	-	6,540,916
Effect of plan changes	46,347	-	46,347
Effect of economic/demographic gains or losses	580,320	-	580,320
Effect of assumption changes or inputs	1,137,898	-	1,137,898
Benefit payments & refunds	(5,895,503)	(5,895,503)	-
Employer contributions	-	1,991,936	(1,991,936)
Member contributions	-	359,079	(359,079)
Net investment income	-	(6,647,368)	6,647,368
Administrative expenses	-	(10,501)	10,501
Net changes	<u>3,640,319</u>	<u>(10,202,357)</u>	<u>13,842,676</u>
Balances, end of the year	<u>\$ 101,499,192</u>	<u>\$ 84,130,345</u>	<u>\$ 17,368,847</u>

The schedule of changes in the City's NPL and related ratios, and the schedule of contributions which are presented as required supplementary information following the notes to the financial statements, are shown in multi-year trend information.

Sensitivity of the City's Proportionate Share of the NPL to Changes in the Discount Rate

The following represents the City's proportionate share of the NPL calculated using the discount rate of 6.70%, as well as the City's proportionate share of the NPL 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	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability (asset)	<u>\$ 30,038,227</u>	<u>\$ 17,368,847</u>	<u>\$ 6,775,738</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

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

For the fiscal year ended September 30, 2022, the City recognized pension expense of \$3,664,566, as shown below. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Pension Expense	Deferred Outflows of Resources	Deferred Inflows of Resources
Service cost	\$ 1,230,342	\$ -	\$ -
Interest cost	6,540,916	-	-
Effect of plan changes	46,347		
Administrative expenses	10,501	-	-
Member contributions	(359,078)	-	-
Expected investment return, net	(6,295,742)	-	-
Recognition of deferred inflows/outflows of resources:			
Recognition of economic/demographic gains or losses	359,792	-	-
Recognition of assumption changes or inputs	1,411,633	-	-
Recognition of investment gains or losses	(505,678)	-	-
Net amortization of employer-specific amounts due to changes in employer proportion	1,225,533	3,225,022	-
Net difference between projected and actual earnings		1,146,863	-
Difference between expected and actual experience	-	824,920	-
Effect of changes in assumptions/ inputs	-	2,139,046	-
Contribution subsequent to measurement date	-	595,530	-
Total	<u>\$ 3,664,566</u>	<u>\$ 7,931,381</u>	<u>\$ -</u>

The City's contributions to the Pension Plan made subsequent to the measurement date amounting to \$595,530 which is treated as deferred outflow of resources and will be recognized as a reduction of the NPL in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense in the following years:

<u>Year Ending September 30:</u>	<u>Amount</u>
2023	\$ 2,156,044
2024	1,468,546
2025	353,694
2026	3,130,872
2027	226,695
Total	<u>\$ 7,335,851</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

Payables to the Pension Plan

At the end of the fiscal year, the City reported a payable in the amount of \$189,783 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2022.

b. Florida Retirement System - Health Insurance Subsidy (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.

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 was 1.66% for the period October 1, 2021 through June 30, 2022 and 1.66% from July 1, 2022 through September 30, 2022. 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 cancelled.

The City's total contributions to the HIS Plan totaled \$227,660 for the fiscal year ended September 30, 2022 with covered payroll of \$13,714,765.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

b. Florida Retirement System - Health Insurance Subsidy (HIS) Plan (continued)

Net Pension Liability (NPL)

At September 30, 2022, the City reported a liability of \$\$3,985,034 for its proportionate share of the HIS Plan's net pension liability. The NPL was measured as of June 30, 2022, and the total pension liability used to calculate the NPL was determined by an actuarial valuation as of July 1, 2022. The City's proportionate share of the NPL was based on the City's 2021-22 fiscal year contributions relative to the contributions of all participating members. At September 30, 2022, the City's proportionate share was .000376244820006005 percent, which was an increase of 0.00003511181percent from its proportionate share measured as of June 30, 2022.

The components of the City's proportionate share in the NPL as of September 30, 2022, were as follows:

	<u>Amount</u>
Total pension liability	\$ 4,186,464
Plan fiduciary net position	<u>(201,430)</u>
Net pension liability	<u>\$ 3,985,034</u>
 Plan fiduciary net position as a percentage of the total pension liability	 <u>4.81%</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:

Valuation date	July 1, 2022
Measurement date	June 30, 2022
Actuarial cost method	Individual entry age
Inflation	2.40 %
Salary increases	3.25%, average, including inflation
Mortality rates	Generational PUB-2010 with Projection Scale MP-2018

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

b. Florida Retirement System - Health Insurance Subsidy (HIS) Plan (continued)

Discount Rate

The discount rate used to measure the TPL was 3.54%. In general, the discount rate for calculating the TPL 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.

Changes in the Net Pension Liability

	<u>Total Pension Liability (A)</u>	<u>Fiduciary Net Position (B)</u>	<u>Net Pension Liability (A)-(B)</u>
Balances, beginning of the year	\$ 4,785,505	\$ 170,295	\$ 4,615,210
Changes for the year:			
Service cost	109,421	-	109,421
Interest on total pension liability	103,612	-	103,612
Effect of plan changes	1,962	-	1,962
Effect of economic/demographic gains or losses	(20,400)	-	(20,400)
Effect of assumption changes or inputs	(596,482)	-	(596,482)
Benefit payments & refunds	(197,154)	(197,154)	-
Employer contributions	-	227,660	(227,660)
Member contributions	-	18	(18)
Net investment income	-	682	(682)
Administrative expenses	-	(71)	71
Net changes	<u>(599,041)</u>	<u>31,135</u>	<u>(630,176)</u>
Balances, end of the year	<u>\$ 4,186,464</u>	<u>\$ 201,430</u>	<u>\$ 3,985,034</u>

The schedule of changes in the City's NPL and related ratios, and the schedule of contributions which are presented as required supplementary information following the notes to the financial statements, are shown in multi-year trend information.

Pension Plan Fiduciary Net Position

The fiduciary net position used by the actuary to determine the collective NPL of the HIS Program was determined on the same basis used by the plan. 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.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

b. Florida Retirement System - Health Insurance Subsidy (HIS) Plan (continued)

Sensitivity of the City's Proportionate Share of the NPL to Changes in the Discount Rate

The following shows the City's proportionate share of the NPL calculated using the discount rate of 3.54%, as well as the City's proportionate share of the NPL if it were calculated using a discount rate that is one percentage lower (2.54%) or one percentage higher (4.54%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net pension liability	<u>\$ 4,559,206</u>	<u>\$ 3,985,034</u>	<u>\$ 3,509,918</u>

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

For the fiscal year ended September 30, 2022, the City recognized pension expense of \$595,216. In addition, the City reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

Description	Pension Expense	Deferred Outflows of Resources	Deferred Inflows of Resources
Service cost	\$ 109,421	\$ -	\$ -
Interest cost on total pension liability	103,612	-	-
Effect of plan changes	1,962	-	-
Member contributions	(18)	-	-
Expected investment return	(4,006)	-	-
Administrative expenses	71	-	-
Difference between expected and actual experience	-	120,955	17,534
Effect of assumptions changes	-	228,425	616,484
Net difference between projected and actual earnings	-	5,769	-
Recognition of deferred (inflows) outflows of resources:			
Recognition of economic/demographic (gains) or losses	28,683	-	-
Recognition of assumption changes	(35,931)	-	-
Recognition of investment (gains) or losses	2,366	-	-
Net amortization of employer-specific amounts due to changes in employer proportion	389,056	1,288,604	-
Contribution subsequent to measurement date	-	62,995	-
Total	\$ 595,216	\$ 1,706,748	\$ 634,018

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

b. Florida Retirement System - Health Insurance Subsidy (HIS) Plan (continued)

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

The City's contributions to the HIS Plan made subsequent to the measurement date amounting to \$62,995 which is treated as deferred outflow of resources will be recognized as a reduction of the net pension liability in the next 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 in the following years, as shown on the table below:

<u>Year Ending September 30:</u>	<u>Amount</u>
2023	\$ 292,540
2024	287,391
2025	274,535
2026	156,494
2027	12,336
Thereafter	<u>(13,561)</u>
Total	<u><u>\$ 1,009,735</u></u>

Payables to the Pension Plan

At the end of the fiscal year, the City reported a payable in the amount of \$18,317 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2022.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

c. General Employees' Pension Plan

General Information

The City of Oakland Park General Employees' Pension Plan is a single employer defined benefit pension plan. It was established by Referendum on May 1, 1963 (collectively known as the "Referendum") as amended on September 1, 1968, as amended by Ordinances O-76-5 and O-76-25 effective April 1, 1976 and Ordinance O-77-11 effective August 13, 1977. The City amended the plan in August 2011 by ordinance O-2011-21 freezing the accrued benefits on all active participants effective October 1, 2011 and moved those participants to a 401(a) defined contribution plan. At which time, the active participants are considered 100% vested for their accrued credit as of that date. The Plan is administered by a governing board which comprises three members which comprises of City staff, to provide pension, disability, and death benefits for its employees and beneficiaries.

The GEPP Plan issues a publicly available financial report that includes financial statements and required supplementary information. These financial reports may be obtained by writing to the Board of Trustees c/o City of Oakland Park, 3650 N.E. 12th Avenue, Oakland Park, Florida 33334.

Benefits provided

Benefits under the GEPP Plan are computed on the basis of age, average final compensation, and service credit. The pension benefits is computed as 3.5% of average earnings times up to 20 years of service + 0.50% of average earnings times next 10 years of service payable at normal retirement age of 62 years old. In addition to regular retirement benefits, the Plan also provides for disability pension and pre-retirement death benefits. The disability pension is a temporary life annuity equal to two-thirds of base salary offset by social security disability benefit and worker's compensation. The pre-retirement death benefit is a lump sum payment equal to either 100% of base pay if less than 15 years of service, or 150% of base pay if at least 15 years of service. Maximum preretirement death benefit under the Plan is \$30,000.

The basic pension is computed as 3.5% of average earnings times up to 20 years of service + 0.50% of average earnings times next 10 years of service payable at normal retirement age of 62 years old. The normal date for retirement is the first day of the calendar month coinciding with or next following the participant's sixty-second birthday. Additionally, a participant may elect to retire, without reduction of benefits, after 30 years of continuous service, regardless of age. Participants may also elect retirement, with reduced benefits, within a ten-year period immediately preceding normal retirement age.

Contribution

The employer's annual required contributions to the Plan are determined as part of the most recent actuarial valuation. Members of the Plan do not contribute since the Plan is closed. The actual contributions from the City based on actuarial determination for the fiscal year amounted to \$639,896 with covered payroll of \$2,246,140.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

c. General Employees' Pension Plan (continued)

Net Pension Liability

The components of the net pension liability of the City as of September 30, 2022, were as follows:

	<u>Amount</u>
Total pension liability	\$ 42,678,036
Plan fiduciary net position	<u>(39,229,050)</u>
Net pension liability	<u>\$ 3,448,986</u>
Plan fiduciary net position as a percentage of the total pension liability	 <u>91.92%</u>

Actuarial assumptions

The City's net pension liability for the GEPP is measured as the total pension liability less the pension plan's fiduciary net position. The net pension liability of the plan is measured as of September 30, 2022 using an annual actuarial valuation of October 1, 2021. The actuarial valuation used the following actuarial assumptions:

Valuation date	October 1, 2021
Measurement date	September 30, 2022
Actuarial cost method	Entry age normal
Inflation	2.76% long term
Salary increases	5% per annum
Investment rate of return	7.50% compounded
Mortality Basis	Sex-distinct rates set in PUB-2010 Headcount-weighted below median employee mortality for general employees
Retirement age	Earlier of age 62 or 30 years of service

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

c. General Employees' Pension Plan (continued)

Actuarial assumptions (continued)

Estimates of long term rates of return for each major asset class included in the Plan's target asset allocation as of the valuation date of October 1, 2021, are summarized in the following table:

Asset class	Target Allocation	Long-term expected real rate of return
Core bonds	10%	1.60%
Core plus	10%	2.10%
U.S. large cap equity	30%	4.60%
U.S. small cap equity	16%	5.50%
Non-U.S. equity	24%	6.70%
Core real estate	<u>10%</u>	5.00%
Total or Weighted Arithmetic Average	<u>100%</u>	<u>4.74%</u>
Membership as of actuarial valuation date:		
Receiving Benefits	175	
Deferred Vested	40	
Active participants	<u>51</u>	
	<u>266</u>	

Discount rate

The discount rate used to measure the total pension liability was 7.50% for 2022. The projection of cash flows used to determine the discount rate assumed that contributions from the City will be made at statutorily required amount, actuarially determined. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of Plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

c. General Employees' Pension Plan (continued)

Changes in the Net Pension Liability (Asset)

	<u>Total pension liability</u> <u>(A)</u>	<u>Fiduciary net position</u> <u>(B)</u>	<u>Net pension liability (asset)</u> <u>(A)-(B)</u>
Balances, beginning of the year	\$ 44,001,833	\$ 48,835,681	\$ (4,833,848)
Changes during the year:			
Expected interest growth	3,155,977	3,546,362	(390,385)
Unexpected investment income (loss)	-	(9,994,172)	9,994,172
Demographic experience	(769,176)	-	(769,176)
Employer contributions	-	639,896	(639,896)
Benefit payments & refunds	(3,710,598)	(3,710,598)	-
Administrative expense	-	(88,119)	88,119
Assumption changes	-	-	-
Balances, end of the year	<u>\$ 42,678,036</u>	<u>\$ 39,229,050</u>	<u>\$ 3,448,986</u>

The schedule of changes in the City's net pension liability and related ratios, and the schedule of contributions which are presented as required supplementary information following the notes to the financial statements, are shown in multi-year trend information.

Sensitivity of the City's Net Position Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability of the City calculated using the discount rate of 7.5% for 2022, as well as what the employer net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total Pension Liability	\$ 46,484,441	\$ 42,678,036	\$ 39,414,139
Less: Fiduciary Net Position	<u>(39,229,050)</u>	<u>(39,229,050)</u>	<u>(32,229,050)</u>
Net Pension Liability (Asset)	<u>\$ 7,255,391</u>	<u>\$ 3,448,986</u>	<u>\$ 7,185,089</u>

Payables to the Pension Plan

At September 30, 2022, the City had no payable for contributions to the Plan required for the fiscal year 2022.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Defined Benefit Pension Plans (continued)

c. General Employees' Pension Plan (continued)

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

For the fiscal year ended September 30, 2022, the City recognized pension expense of \$146,051 as shown on the table below. The City also reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Pension Expense</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Balances, beginning of the year	\$ -	\$ 1,486,301	\$ 5,327,496
Changes during the year:			
Service cost	-	-	-
Other recognized changes:			
Expected growth	(390,385)	-	-
Investment gain (loss)	864,212	9,994,172	-
Demographic gain (loss)	(675,414)	-	769,176
Effect of economic/demographic gain (loss)	-	-	-
Administrative expenses	88,119	-	-
Assumption changes	259,519	-	-
Net amortization	-	(2,731,765)	(2,283,448)
Net changes	<u>146,051</u>	<u>7,262,407</u>	<u>(1,514,272)</u>
Balances, end of the year	<u>\$ 146,051</u>	<u>\$ 8,748,708</u>	<u>\$ 3,813,224</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Plan will be recognized in pension expense in the following years:

<u>Year Ending September 30:</u>	<u>Amount to be recognized</u>
2023	\$ 1,376,877
2024	802,137
2025	757,634
2026	<u>1,998,836</u>
Total	<u>\$ 4,935,484</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

d. Retirement System for Police and Firefighters

General Information

The City of Oakland Park Retirement System for Police and Firefighters (RSP&F) is a single employer defined benefit pension plan which provides pension, disability, and death benefits for its employees and beneficiaries. It was established on December 3, 1975 by Ordinance O-75-15, and amended by Ordinance O-76-23 dated September 15, 1976, Ordinance O-83-23 dated December 21, 1983, Ordinance O-95-10 adopted July 5, 1995 and Ordinance O-2005-030 adopted September 7, 2005, (collectively known as the "Ordinances"). On July 5, 1995, the City passed O-95-10 that amended and restated the retirement system for police, firefighters and public safety officers of the City and repealed prior ordinances related to the RSP&F Plan. The City further amended the Plan by Ordinance O-2018-018 freezing the membership effective September 1, 2018 and members as at such date had the option to move to the Florida Retirement System (FRS). Firefighters hired on or after that date become compulsory members of FRS.

The Plan is administered by a governing board comprised of five members and issues publicly available financial reports which may be obtained by writing to the Board of Trustees c/o City of Oakland Park, 3650 N.E. 12th Avenue, Oakland Park, Florida 33334.

Benefits provided

The Plan provides for monthly pension benefits to members, police officers and firefighters, who on March 1, 2013 are within 7 years of their normal retirement date, beginning at normal retirement age of 42 with 20 years continuous service or age 55 with 10 years of continuous service or age 58 regardless of length of service. The Plan permits early retirement on the first day of any month following the earlier of the member's 50th birthday and the completion of 10 years of continuous service or 20 years of continuous service. The Plan also provides certain disability and death benefits. For firefighters hired on or after March 1, 2013 and firefighters who, on March 1, 2013 are not within 7 years of the normal retirement date, the normal retirement date shall be 52 with 25 years continuous service or age 55 with 10 years of continuous service.

For firefighters who retired prior to June 20, 2007 and police officers, the normal monthly retirement benefit will be equal to 3% of the member's average monthly earnings for each year of continuous service, subject to a maximum benefit of 75% of average monthly earnings. Average monthly earnings is defined as the higher of the monthly average of the member's compensation for the best thirty-six (36) consecutive month period out of the last 120 consecutive months, or the average of the best five (5) of the last ten (10) years of service. Average monthly earnings include base pay and longevity pay and do not include overtime, bonuses, holiday premiums, vacation premiums, and any other non-regular payments. Effective October 1, 2003, up to three hundred (300) hours of overtime pay per year shall be included in final average earnings for police officers. For members who complete more than 37½ years of service, accrual of benefits shall recommence at the rate of 2% for each year of creditable service.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters

Benefits provided (continued)

For firefighters who are actively employed on or after June 20, 2007 and firefighters who, on March 1, 2013 are within 7 years of the normal retirement date, the amount of benefit payable at the normal retirement date shall be 3% of the member's average monthly earnings for the first 10 years of continuous service and 4% of average monthly earnings for the next 10 years of service, and 3% of average monthly earnings for the next 5 years of continuous service, subject to a maximum benefit of 85% of average monthly earnings.

For firefighters who complete more than 42 1/2 years of service, accrual of benefits shall recommence at the rate of 2% for each year of creditable service.

Firefighters who, on March 1, 2013, are not within 7 years of the normal retirement date, the amount of benefit payable at normal retirement shall be the members' accrued benefit as of March 1, 2013, and 3% of the member's average monthly earnings for each year of continuous service after March 1, 2013 through September 30, 2018, subject to a maximum benefit of 70% of average monthly earnings. Thereafter, the amount of benefit payable at normal retirement for said firefighters shall be 2.25% of the member's average monthly earnings for each year of continuous service.

Deferred Retirement Option Plan (DROP)

Effective January 3, 2001, the Plan implemented a Deferred Retirement Option Plan ("DROP") for police officers and firefighters who are eligible for normal service retirement at age 42 and have at least 20 years creditable service. Participation in the DROP for firefighters who on March 1, 2013 are within 7 years of the normal retirement date and police officers is limited to a maximum 60 months prior to termination of employment. Participation in the DROP for firefighters hired on or after March 1, 2013 and firefighters who, on March 1, 2013, are not within 7 years of the normal retirement date is limited to a maximum 36 months prior to termination of employment. The DROP is administered by the Plan's actuary and earns interest based upon the earnings and losses of the retirement plan. Once a member enters the DROP, their monthly retirement benefit is frozen, and their monthly benefit is paid into their DROP account. Upon termination of employment, the balance in the member's DROP account, including interest, is payable to them and they also begin to receive their (frozen) monthly retirement benefit.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters

Contributions

The Plan is funded by member contributions from police officers of 8.5% and from firefighters of 8% for members hired after March 1, 2013 and 10.0% for members hired before such date, plus allowable contributions from the State of Florida under Chapters 175 and 185, Florida Statutes, and the actuarially-determined required employer contribution.

The actual contributions from the City for the fiscal year ended September 30, 2022, amounted to \$2,761,961 and the amount of covered payroll was \$1,121,717. Members' contributions were \$109,742 while County and State contributions were \$- and \$658,862, respectively.

Pursuant to Chapters 175 and 185 of the Florida Statutes, premium taxes on certain property and casualty insurance contracts written on City properties is collected by the State and is remitted to the Plan. The amounts of \$237,462 and \$421,400 from property insurance and casualty premium were recognized as revenues and expenditures during the year.

Net Pension Liability

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

	<u>Amount</u>
Total pension liability	\$ 77,906,756
Plan fiduciary net position	<u>(56,836,803)</u>
Net pension liability	<u>\$ 21,069,953</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>72.95%</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters

Actuarial assumptions

The City's net pension liability for the RSP&F plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the plan is measured as of September 30, 2022, using an annual actuarial valuation as of October 1, 2021 with the following assumptions:

Actuarial cost method	Entry age normal
Inflation	2.50%
Salary increases	5.00%
Investment rate of return	7.0% compounded
Mortality	Female: PUB-2010 Headcount Weighted Safety Healthy Retiree Female Table Male: PUB-2010 Headcount Weighted Safety Healthy Retiree Male Table

Best estimates of long-term rate of return for each major asset class included in the Plan's target asset allocation as of the valuation date are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>
Domestic equity	45%	8.50%
Foreign equity	15%	8.80%
Domestic bonds	25%	3.80%
International bonds	5%	5.00%
Real estate	<u>10%</u>	6.55%
	<u>100%</u>	

Membership as of Actuarial Valuation Date

Receiving benefits	127
Terminated vested	21
Active members	10
Drop participants	<u>5</u>
Total	<u>163</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters

Discount rate

The discount rate used to measure the total pension liability was 7.00% for FY 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from the City will be made at statutorily required rates, actuarially determined. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the discount rate was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Total pension liability (A)	Fiduciary net position (B)	Net pension liability (A)-(B)
Balances, beginning of the year	\$ 77,557,022	\$ 71,472,577	\$ 6,084,445
Changes during the year:			
Service cost	145,739	-	145,739
Interest	5,289,025	-	5,289,025
Investment income	-	(12,158,744)	12,158,744
Difference between expected and actual experience	(17,005)	-	(17,005)
Employer contributions	-	3,420,823	(3,420,823)
Employee contributions	-	109,742	(109,742)
Benefit payments & refunds	(5,879,546)	(5,879,546)	-
Assumption changes	811,521	-	811,521
Administrative expense	-	(128,049)	128,049
Net changes	<u>349,734</u>	<u>(14,635,774)</u>	<u>14,985,508</u>
Balances, end of the year	<u>\$ 77,906,756</u>	<u>\$ 56,836,803</u>	<u>\$ 21,069,953</u>

The Schedules of Changes in the City's Net Pension Liability and related ratios and Schedule of Contributions are presented in multiyear trend information within the required supplementary information section following the notes to the financial statements.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters

Sensitivity of the City's Net Position Liability to Changes in the Discount Rate (continued)

The following presents the net pension liability of the City calculated using the discount rate of 7.00% for 2022, as well as what the employer net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability	\$ 27,924,046	\$ 21,069,953	\$ 15,252,871

Pension Expense, Deferred Outflows of Resources (DOR) and Deferred Inflows of Resources (DIR) Related to Pensions

For the fiscal year ended September 30, 2022, the City recognized pension expense of \$4,695,985 for the Retirement System of Police and Firefighters, as shown in the table below. The City also reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources.

<u>Description</u>	<u>Pension Expense</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Balances, beginning of the year	\$ -	\$ 4,809,911	\$ 7,231,981
Service cost	145,739	-	-
Changes during the year:			
Expected interest growth	5,289,025	-	-
Expected investment (gain)/loss	(4,916,384)	17,075,128	-
Demographic gain (loss)	-	-	17,005
Employee contributions	(109,742)	-	-
Administrative expenses	128,049	-	-
Assumption changes	-	811,521	-
Net amortization payments	-	(6,280,595)	(2,157,297)
Recognition of outflow (inflow) of resources	2,341,797	-	-
Recognition of outflow (inflow) of resources	1,781,501	-	-
Net changes	<u>4,514,246</u>	<u>11,606,054</u>	<u>(2,140,292)</u>
Balances, end of the year	<u>\$ 4,659,985</u>	<u>\$ 16,415,965</u>	<u>\$ 5,091,689</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters

Pension Expense, Deferred Outflows of Resources (DOR) and Deferred Inflows of Resources (DIR) Related to Pensions (continued)

Amounts reported as deferred outflows and deferred inflows of resources related to the Plan will be recognized in pension expense in the following fiscal years, as shown below:

<u>Year Ending</u> <u>September 30:</u>	<u>Amounts to be</u> <u>recognized</u>
2023	\$ 3,948,222
2024	1,835,274
2025	2,125,756
2026	<u>3,415,024</u>
Total	<u>\$ 11,324,276</u>

Payables to the Pension Plan

As of September 30, 2022, the City's outstanding contributions payable to the Plan as required for the fiscal year 2022 was \$0.

e. Aggregate Amount for all Pension Plans

	<u>Net Pension</u> <u>Liabilities</u>	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>	<u>Pension</u> <u>Expenses</u>
Florida Retirement System	\$ 17,368,847	\$ 7,931,381	\$ -	\$ 3,664,566
Florida Retirement System - HIS	3,985,034	1,706,748	634,018	595,216
General Employees Pension Plan	3,448,986	8,748,708	3,813,224	146,051
Police & Firefighters Pension Plan	<u>21,069,953</u>	<u>16,415,965</u>	<u>5,091,689</u>	<u>4,659,985</u>
Grand Total	<u>\$ 45,872,820</u>	<u>\$ 34,802,802</u>	<u>\$ 9,538,931</u>	<u>\$ 9,065,818</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Contribution Pension Plans

a. 401(a) Executive Plan and the 401(a) General Employee Plan

Plan Description

The City established two (2) defined contribution plans, titled the “401(a) Executive Plan”, is offered to senior management and the ‘401(a) General Employee Plan’ is offered to those employees that did not elect to move to the FRS Retirement System in 2007 when the GEPP Plan was closed to new entrants. The 401(a) Executive Plan is administered by International City Management Association Retirement Corporation (ICMA) and the 401(a) General Employee Plan is administered by the Florida Municipal Pension Trust Fund.

Funding Policy

The City contributed between 12.0% to 29.1% per contract with each 401(a) Executive Plan participant. The senior management is required to contribute 3%. The City contribution to 401(a) General Employee Plan is determined annually by the City Commission which generally follows the contribution rates set by the FRS Retirement System. Contributions are directed to individual member accounts and the individual members allocate contributions and account balances among various approved investment choices. For FY 2022, the 401(a) General Employee Plan contribution rates for the City and the employees are 10.82% and 3%, respectively. Total contribution including employees’ share for FY22 were \$109,391 for the executive plan, and \$364,338 for the general employee plan, respectively.

b. FRS Investment Plan

Plan Description

The Florida Retirement System Investment Plan is a defined contribution retirement plan qualified under Section 401(a) of the Internal Revenue Code. The Florida Legislature enacted the Plan during the 2000 legislative session, and amendments to the Plan can only be made by an act of the Florida Legislature.

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The investment Plan is reported in the SBA’s annual financial statements and in the State of Florida’s Annual Comprehensive Financial Report.

Funding Policy

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member’s accounts are defined by law but the ultimate benefit depends on the performance of the investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established by the Florida Legislature.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Contribution Pension Plans (continued)

b. FRS Investment Plan (continued)

Funding Policy (continued)

The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Senior Management, etc.), as the Pension Plan. Contributions are directed to individual member accounts who will allocate the contributions among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts based on a percentage of gross compensation by class, 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%; Senior Management Service – 29.01% and 31.57%; and Special Risk – 25.89% and 27.83%; as established by Sec. 121.72, Fl Statutes. Total contributions including employees share for FY 2022 were \$412,806.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2021, the information for the amount of forfeitures was unavailable from the SBA. However, management believes that these amounts, if any, would be immaterial to the City.

After termination and after an application to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lumpsum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Contribution Pension Plans (continued)

Contribution

For the fiscal year ended September 30, 2022, the City's and employees' contributions for all defined contribution plans were as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contribution requirement	\$ 886,536	\$ 811,774	\$ 654,876
Contributions made by the City (100%)			
401 (a) Plan	\$ 378,864	\$ 353,348	\$ 308,666
FRS Investment Plan	332,980	277,399	200,584
Contributions made by employees (100%)			
401 (a) Plan	94,865	113,868	95,045
FRS Investment Plan	79,826	67,160	50,581
Total contributions made	<u>\$ 886,536</u>	<u>\$ 811,774</u>	<u>\$ 654,876</u>
Total covered payroll	<u>\$ 5,683,685</u>	<u>\$ 4,854,196</u>	<u>\$ 4,854,196</u>
% of contribution to total covered payroll	<u>15.60%</u>	<u>16.72%</u>	<u>13.49%</u>

Deferred Compensation Plan

An optional deferred compensation plan is offered to employees in addition to the defined benefit and defined contribution plans. The City adopted provisions of IRS Code 457(g) and GASB Statement No. 32, Accounting and Financial Reporting for IRS Code Section 457 Deferred Compensation Plans. All assets and income of the Plan are held in trust for the exclusive benefit of participants. The City makes no investment decisions and has no fiduciary responsibilities regarding the Plan, therefore, the assets and liabilities of the Plan are not included in the City's financial statements at September 30, 2022. During the fiscal year, the City contributes to the optional deferred compensation plan for only one member of the executive management at 3.0% of salaries. For fiscal year 2022, the amount contributed by the City was \$3,500. Members may make voluntary contributions to 457(b) up to the maximum annual contribution allowed by law.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB)

General Information

Under Florida State Law, the City is required to offer retirees health and other insurance on the same basis as employees, provided that the retiree pays the full premium, for the relevant coverage; other OPEB may be eliminated at any time by the employer. The City has no formal plan that administers the City's post-employment healthcare, dental and life insurance coverage to eligible individuals that includes all regular employees of the City who retire from active service and are eligible for retirement or disability benefits. The City subsidizes implicitly by allowing the retirees to participate in the plan.

Plan Description

The retiree health, dental and other insurance program is a single-employer (unfunded) OPEB plan. Retirees, their spouses and dependents pay 100% of the blended premium rates to obtain their elected benefits. The blended rates provide an implicit subsidy to them because on an actuarial basis, retiree healthcare costs and future claims are generally expected to result in higher costs to the employer. Retirees must make an election to participate in the Plan within 60 days of the effective date of retirement or the termination date to continue in the Plan as a retiree. The Plan does not provide for a cost of living allowance increase.

The OPEB Plan operates on a pay-as-you-go basis based on the budget and there are no assets accumulated in the Plan.

Benefits provided

The City provides post-employment benefits to retirees, the same healthcare benefits as those provided to active employees. Spouses and dependents of eligible retirees are also eligible for medical coverage. All full-time equivalent employees of the City are eligible to receive postemployment health care benefits. Four types of health plans are offered to eligible participants:

- Standard Preferred Provider Organization (PPO) Plan
- High Deductible PPO Plan
- Standard Health Maintenance Organization (HMO) Plan
- High Deductible HMO Plan

Covered Individuals

At September 30, 2022, the following number of individuals were covered by the benefit terms:

Inactive employees entitled to but not receiving benefits	-
Inactive employees and beneficiaries receiving benefits	13
Active employees	<u>223</u>
Total	<u>236</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB) (continued)

Contributions

The retirees and their spouses and dependents must contribute an amount determined periodically by the insurance carrier equal to 100% of the premium rates of their elected health, dental and other insurance benefits. The City implicitly subsidizes the healthcare premium rates paid by retirees by allowing them to participate in the same health plan offered to active employees.

Total OPEB Liability

The components of the City's OPEB liability as of September 30, 2022 were as follows:

	<u>Amount</u>
Total OPEB liability	\$ 1,310,411
Plan fiduciary net position	-
Net OPEB liability	<u>\$ 1,310,411</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.00%</u>

Actuarial Assumptions and Other Inputs

The City's OPEB liability as of September 30, 2022 was determined using the following actuary assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	January 1, 2022
Measurement date	September 30, 2022
Discount rate	2.25%
Salary increases	3.0% per annum
Cost of living increases	Retiree contributions, health insurance premiums, and the implied subsidy have been assumed to increase in accordance with the healthcare cost trend rates.
Healthcare cost trend rates	Increases in healthcare costs are assumed to be 8% for FY2022 graded down by 0.5% per year to an ultimate rate of 5.0% for FY 2028 and later years.
Retirees' share of benefit-related costs	Must contribute an amount equal to 100% of the applicable health insurance premium determined periodically by the insurance carrier; there are no minimum required employer contributions.

The discount rate was based on the return on the S&P Municipal Bond 20-year High Grade Index as of the measurement date.

The mortality rates were based on PUB-2010 Mortality Table (without income adjustments) for general and public safety employees, with full generational improvements in mortality using Scale MP-2017.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB) (continued)

Changes in OPEB Liability

	Total OPEB Liability	OPEB Net Position	Net OPEB Liability
Balances, beginning of the year	\$ 1,225,422	\$ -	\$ 1,225,422
Changes during the year			
Service cost	124,031	-	124,031
Expected interest growth	25,339	-	25,339
Demographic experience	(21,072)	-	(21,072)
Benefit payments & refunds	(73,479)	-	(73,479)
Assumption changes	<u>30,170</u>	<u>-</u>	<u>30,170</u>
Net changes	<u>84,989</u>	<u>-</u>	<u>84,989</u>
Balances, end of the year	<u>\$ 1,310,411</u>	<u>\$ -</u>	<u>\$ 1,310,411</u>

Sensitivity Analysis

Sensitivity of the total OPEB liability to changes in the health care cost trends:

The following presents the net pension liability of the City calculated using the current healthcare cost trend rate, as well as what the OPEB liability would be using a discount rates that are one percentage point lower (-1) or one percentage point higher (+1) than the current rate:

	1% Decrease <u>(1.25%)</u>	Discount Rate <u>(2.25%)</u>	1% Increase <u>(3.25%)</u>
Net OPEB liability	<u>\$ 1,416,581</u>	<u>\$ 1,310,411</u>	<u>\$ 1,214,593</u>

Sensitivity of the total OPEB liability to changes in the health care cost trends:

The following presents the net pension liability of the City calculated using the current healthcare cost trend rate, as well as what the OPEB liability would be using healthcare cost trend rate that are one percentage point lower (-1) or one percentage point higher (+1) than the current rate:

	Trend Rate <u>(- 1%)</u>	Cost Trend Rate <u>(8 % graded down to 5%)</u>	Trend Rate <u>(+ 1%)</u>
Net OPEB liability	<u>\$ 1,181,139</u>	<u>\$ 1,310,411</u>	<u>\$ 1,462,881</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB) (continued)

OPEB Expense, Deferred Outflow of Resources and Deferred Inflow of Resources Related to OPEB

In accordance with GASB 75, paragraphs 157 and 158, changes in the total OPEB liability and costs incurred by the employer related to the administration of OPEB are recognized in expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in expense in the current measurement period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors – amortized over the average expected remaining service life of all employees who are provided with benefits through the OPEB Plan (active and inactive employees).
- Changes of assumptions or other inputs – amortized over the average expected remaining service life of all employees who are provided with benefits through the OPEB Plan (active and inactive employees).

For the fiscal year ended September 30, 2022, the City recognized OPEB expense of \$28,207. In addition, the City reported deferred outflows of resources related to OPEB from the following sources:

<u>Description</u>	<u>OPEB Expense</u>	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflows of Resources</u>
Balances, beginning of the year	\$ -	\$ 43,955	\$ 479,508
Changes during the year:			
Service cost	124,031	-	
Other recognized changes in OPEB liability			
Expected interest growth	25,339	-	-
Demographic gain(loss)	(22,101)	-	21,072
Benefit payments and refunds	(73,479)	-	-
Amortization payments	-	(10,528)	(58,212)
Assumption changes	(25,583)	30,170	-
Net changes	<u>28,207</u>	<u>19,642</u>	<u>(37,140)</u>
Balances, end of the year	<u>\$ 28,207</u>	<u>\$ 63,597</u>	<u>\$ 442,368</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB) (continued)

OPEB Expense, Deferred Outflow of Resources and Deferred Inflow of Resources Related to OPEB (continued)

Amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in the following fiscal years, as shown below:

<u>Year Ending September 30:</u>	<u>Amount to be Recognized</u>
2023	\$ (47,684)
2024	(47,684)
2025	(47,684)
2026	(47,684)
2027	(47,684)
2028-2032	(140,351)
Total	<u>\$ (378,771)</u>

There are no financial statements for the OPEB plan.

NOTE 11. POLLUTION REMEDIATION OBLIGATIONS

As of September 30, 2022, the City is involved in two (2) pollution remediation events as follows:

West Dixie Lots - The City owned property at 3869 N. Dixie Highway in Oakland Park (the northern lot of the commonly referred "Dixie Lots") has environmental issues requiring remediation based on site assessments conducted by environmental engineering consultants. Under GASB 49, outlays for pollution remediation to prepare a property for sale can be capitalized. In October 2018, the City entered into a Purchase and Sale and Development Agreement with an investor for the redevelopment of the West Dixie Lots. The terms of the Purchase and Sale Agreement provided for the remediation of the contamination. In August 2019, the City engaged the services of environmental engineers to perform contamination remedial actions. Work began during fiscal year 2020 for which outlays amounted to \$625,772. For the year ended September 30, 2022, the cost of the remediation outlays amounted to \$19,915. Pollution remediation liability for this site is not recorded as they are being capitalized as incurred relative to the sale of the property. The final closing date for the sale of the property is scheduled in the first quarter of 2023.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

NOTE 11. POLLUTION REMEDIATION OBLIGATIONS (continued)

3801 NE 5th Avenue – This property, while currently is the City’s fueling station, will become the site of the new City park and new City library that is funded by the General Obligation (G.O.) bonds approved by voters in 2018 for Oakland Park’s “Building our Second Century Program”.

In April 1987, the City applied with Florida Department of Environmental Protection (FDEP) Early Detection Incentive (EDI) Program. FDEP deemed the site eligible to participate in the EDI program on July 10, 1987. In 1991, the City voluntarily removed three (3) 4,000-gallon diesel fuel and one 2,000-gallon underground storage tanks (USTs). No liability was recognized for such event because the EDI program allowed for funding and cleanup assistance for the site.

Furthermore in September 2016, FDEP completed the soil and groundwater assessment of the same site which detected concentrations of petroleum hydrocarbons above groundwater cleanup target levels on the southeast side of the USTs. A two-part environmental site assessments, which included soil and groundwater sampling, were performed to identify potential areas of environmental concern based on the history and uses of the property. On August 24, 2020, the Site Assessment Report and Remedial Action Plan resulting from the site assessments were submitted to the Environmental Engineering and Permitting Division of the Broward County Environmental Protection and Growth Management Department for review and approval. The response from the County was received on October 13, 2020.

Following the response received from the County in October 2020, the City immediately contracted in April 2021, the services of environmental engineers who can perform contamination remedial activities. The cost of the remediation activities which are currently performed relative to the construction and development of this property for the new City Park recreation area and library is \$200,893. No pollution remediation liability for this site is recorded as they are being capitalized as incurred as part of the construction cost of the City park and library.

NOTE 12. COMMITMENTS AND CONTINGENCIES

a. Police Services

On October 1, 2005, the City entered into a five-year contract with the Broward Sheriff’s Office (BSO) for police services. The contract was last renewed in February 2020 for another five (5) years and will expire on September 30, 2025. The original contract called for the City to pay BSO approximately \$841,593 per month for the first year, plus actual fuel usage charged by the City. Annual future increases will be based on BSO’s budgeted costs but in no event will the increase be more than 5% over the budgeted costs for the preceding year. BSO is obligated to reimburse the City for any staffing shortages. The City recorded expenses of \$17,114,189, *net of vacancy credits*, under the contract for the fiscal year ended September 30, 2022.

At the date of the contract in August 2000, the City had eleven police officers that were eligible for retirement. The accrued compensated absence amount for these officers was approximately \$131,130 at September 30, 2022, which remains the responsibility of the City. This liability is recorded in the General Fund as accrued compensated absences with the funds maintained in a separate bank account. The compensated absences liability for the remaining officers was transferred to BSO.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 12. COMMITMENTS AND CONTINGENCIES (continued)

b. Wastewater Services Interlocal Agreement

On April 20, 1982 and November 2, 1988, the City entered into an agreement with Broward County, Florida and the City of Fort Lauderdale, respectively, for the transmission, treatment and disposal of wastewater. The charges for service provided by the County include operating, maintenance and debt service charges for the facilities and the County Improvement, Repair, and Replacement Fund Surcharge. The charges are adjusted annually based on actual costs incurred in the prior year. For the fiscal year ended September 30, 2022, the City recorded expenses of \$958,019 and \$4,932,692 under the Broward County and the Fort Lauderdale contracts, respectively. These agreements will continue in existence and cannot be cancelled on any condition except by mutual agreement between the City, Broward County and City of Fort Lauderdale.

Management's consideration to cancel this agreement is remote. In addition, future payments under this agreement cannot be estimated.

c. Construction and Other Encumbrances

Purchase Orders are issued throughout any given fiscal year to encumber funds and are liquidated upon the payment of the related invoice(s) for the delivery of the good or services ordered. The significant construction and other encumbrances outstanding as of September 30, 2022, which rolled over to the next fiscal year were as follows:

<u>Fund</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
General fund	\$ 1,796,798	\$ -
Capital projects fund	8,629,040	-
CRA	96,761	-
Water and Sewer fund	-	1,343,236
Solid Waste fund	-	326,251
Stormwater fund	-	236,437
Total Commitments	<u>\$ 10,522,599</u>	<u>\$ 1,905,923</u>

d. Litigation

During the ordinary course of its operations, the City is party to various claims, legal actions and complaints. The City is aggressively defending each action. The ultimate liability related to these claims is not presently determinable. Furthermore, it is the opinion of the City's management and legal counsel that the final resolution of these claims and legal proceedings would not have a material adverse effect on the financial condition of the City.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 12. COMMITMENTS AND CONTINGENCIES (continued)

e. Federally Assisted Programs – Compliance Audits

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the City. The amount of expenditures which could be disallowed by the grantor, *if any*, cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

NOTE 13. SUBSEQUENT EVENT

Vehicle Financing Loan

On October 201, 2022, the City signed a loan agreement with Truist Bank for \$1,504,314 to finance the purchase of vehicles to replace the aging Solid Waste trucks. The loan bears interest of 3.21% per annum and is payable for seven (7) years to fully mature on October 5, 2029.

NOTE 14. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters for which the City carries commercial insurance. The City purchases commercial insurance for all types of claims with nominal deductible amount. There has not been any significant change in insurance coverage. Settled claims have not exceeded commercial coverage limitations in any of the past three fiscals.

NOTE 15. PRIOR PERIOD ADJUSTMENT

The Fund Balance and Net Position of the Oakland Park Community Redevelopment Agency (OPCRA), a blended component unit, is restated to correct an accounting error affecting the allowance for doubtful accounts. While the amount is not material to the City, it is significant at the OPCRA level whose financial statements are consolidated with the City.

The effect of the restatement on the governmental Fund Balance and governmental activities' Net Position of the City are as follows:

	Governmental	Governmental
	Fund Balance	Activities
	<u>Fund Balance</u>	<u>Net Position</u>
Beginning balance, as previously stated	\$ 56,694,901	\$ 84,793,594
Adjustment	<u>(53,344)</u>	<u>(53,344)</u>
Beginning balance, as restated	<u>\$ 56,641,557</u>	<u>\$ 84,740,250</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF OAKLAND PARK, FLORIDA

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Taxes:				
Property	\$ 22,384,775	\$ 22,384,775	\$ 22,666,305	\$ 281,530
Franchise fees	2,560,000	2,560,000	3,143,649	583,649
Utility taxes	5,094,517	5,094,517	5,213,691	119,174
Communications service taxes	1,430,000	1,442,385	1,330,045	(112,340)
Other taxes	1,500,468	1,817,718	1,969,638	151,920
Licenses and permits <i>(includes restricted use building permit revenues)</i>	3,508,241	3,568,241	7,693,766	4,125,525
Intergovernmental	4,293,370	4,810,931	5,983,032	1,172,101
Charges for services	14,975,830	14,927,830	14,852,896	(74,934)
Fines and forfeitures	364,500	364,500	345,542	(18,958)
Investment earnings	200	200	391,549	391,349
Grants	61,000	385,629	1,702,013	1,316,384
Other	525,297	529,174	601,412	72,238
Total Revenues	<u>56,698,198</u>	<u>57,885,900</u>	<u>65,893,538</u>	<u>8,007,638</u>
Expenditures				
General Government:				
City commission	294,588	350,965	328,709	22,256
City manager	1,353,601	1,510,601	1,471,433	39,168
City clerk	687,083	712,163	578,140	134,023
Human resources	1,468,995	1,600,669	1,522,728	77,941
Legal	575,000	600,000	586,787	13,213
Financial services	1,343,799	1,493,619	1,439,483	54,136
Information technology service	1,404,826	1,414,435	1,264,983	149,452
Non-departmental	383,634	208,147	177,529	30,618
Total General Government:	<u>7,511,526</u>	<u>7,890,599</u>	<u>7,369,792</u>	<u>520,807</u>
Public Safety				
Police	17,411,948	17,561,683	17,536,105	25,577
Fire rescue	14,845,656	16,306,331	13,875,255	2,431,076
Total Public Safety	<u>32,257,604</u>	<u>33,868,014</u>	<u>31,411,360</u>	<u>2,456,653</u>
Public Works				
Administration	133,001	173,376	147,260	26,116
Parks maintenance	2,520,230	2,615,994	2,053,423	562,571
Street maintenance	2,585,295	3,021,112	2,311,371	709,741
Building and maintenance	1,534,084	1,606,183	1,437,756	168,427
Fleet	1,816,886	2,082,886	1,944,503	138,383
Total Public Works	<u>8,589,496</u>	<u>9,499,551</u>	<u>7,894,313</u>	<u>1,605,238</u>
Community and Economic Development				
Planning and zoning	1,247,953	1,556,531	1,175,987	380,544
Community enhancement	1,403,951	1,316,909	1,161,703	155,206
Total Community and Economic Development	<u>2,651,904</u>	<u>2,873,440</u>	<u>2,337,690</u>	<u>535,750</u>
Engineering and Building Services				
Engineering and construction management	1,675,322	1,670,937	1,448,277	222,660
Building and permitting	2,487,941	2,989,479	2,589,974	399,505
Total Engineering and Building Services	<u>4,163,263</u>	<u>4,660,416</u>	<u>4,038,251</u>	<u>622,165</u>
Culture and Recreation				
Library	935,225	919,725	846,188	73,537
Parks and recreation	3,449,637	3,466,315	3,288,997	177,318
Total Culture and Recreation	<u>4,384,862</u>	<u>4,386,040</u>	<u>4,135,185</u>	<u>250,855</u>
Total Expenditures	<u>59,558,655</u>	<u>63,178,060</u>	<u>57,186,591</u>	<u>5,991,469</u>
Excess of revenues over expenditures	(2,860,457)	(5,292,160)	8,706,947	13,999,107
Other financing sources (uses):				
Issuance of debt	2,500,000	2,992,177	2,992,400	223
Other sources	3,776,606	6,252,822	-	(6,252,822)
Transfers (out)	(3,416,149)	(3,952,839)	(3,952,839)	-
Net change in fund balance	\$ -	\$ -	7,746,508	\$ 7,746,508
Fund balance, beginning			23,838,376	
Fund balance, end			<u>\$ 31,584,884</u>	

See notes to budgetary comparison schedule.

CITY OF OAKLAND PARK, FLORIDA

**BUDGETARY COMPARISON SCHEDULE
OAKLAND PARK COMMUNITY REDEVELOPMENT AGENCY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other revenues	\$ 42,228	\$ 42,228	\$ 41,367	\$ (861)
Miscellaneous income	-	-	2,419	2,419
Total revenues	42,228	42,228	43,786	1,558
Expenditures:				
Current:				
Community redevelopment	659,150	719,022	437,051	281,971
Total expenditures	659,150	719,022	437,051	281,971
Deficiency of revenues over expenditures	(616,922)	(676,794)	(393,265)	283,529
Other financing sources (uses):				
Other sources	60,356	120,228	-	(120,228)
Transfers in (out)	556,566	556,566	556,566	-
Total other financing sources	616,922	676,794	556,566	(120,228)
Net change in fund balance	\$ -	\$ -	163,301	\$ 163,301
Fund balance, beginning				
As previously stated			219,397	
Adjustment			(53,344)	
As restated			166,053	
Fund balance, end			\$ 329,354	

See notes to budgetary comparison schedule.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO BUDGETARY COMPARISON SCHEDULE FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

The following procedures are used to establish the budgetary data reflected in the financial statements:

Budgetary Information

Annual appropriated budgets are adopted for the General fund, Oakland Park Community Redevelopment Agency (OPCRA, a component unit), Capital Projects fund, Grants and Impact Fee funds (special revenue funds), and Debt Service fund on a basis consistent with accounting principles generally accepted in the United States of America (GAAP), except for encumbrances which are reported as expenditures for budgetary purposes. In addition, the City prepares annual operating budgets for the enterprise funds.

Sometime in July of each year, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing October 1. This budget includes proposed expenditures as well as the expected means of financing them. The Commission holds public hearings and a final budget must be prepared and adopted no later than October 1.

The appropriated budget is prepared by fund, function, and department. Only the General Fund is subject to budgetary control on a departmental level. The City Manager is authorized to transfer budgeted amounts between expenditure categories within individual departments but transfers between departments and revisions that alter the department totals must be approved by the City Commission. The Special Revenue funds, Debt Service fund, Capital Projects fund, and Enterprise funds are subject to budgetary control on an individual fund basis.

For the fiscal year ended September 30, 2022, General Fund supplemental appropriations amounted to about \$4.2 million while OPCRA had a budget increase of about \$60 thousand. Individual-type amendments were not material relative to the original appropriations.

Encumbrance accounting is employed in governmental funds. All unencumbered appropriations lapse at year-end and are re-budgeted in the next fiscal year.

Budget/GAAP Reconciliation

There are no reconciling items between GAAP and Budget.

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (NPL)
FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST NINE FISCAL YEARS
(Unaudited)

<u>Year Ended</u>	<u>City's Proportion of NPL</u>	<u>City's Proportionate Share of NPL</u>	<u>City's Covered Payroll</u>	<u>% of NPL to Covered Payroll</u>	<u>% of Fiduciary Net Position to TPL</u>
2022	0.00046680366	\$ 17,368,847	\$ 18,055,872	96.20%	82.89%
2021	0.00043854856	3,312,735	16,485,084	20.10%	96.40%
2020	0.00042062262	18,230,404	15,520,218	117.46%	78.85%
2019	0.00036634160	12,616,295	13,031,210	96.82%	82.61%
2018	0.00017638560	5,312,826	6,116,174	86.87%	84.26%
2017	0.00015685038	4,639,529	5,297,747	87.58%	83.89%
2016	0.00011984992	3,026,220	3,980,721	76.02%	84.88%
2015	0.00010863684	1,403,190	3,555,253	39.47%	92.00%
2014	0.00009752654	559,055	2,411,204	23.19%	96.09%

Note: This schedule is intended to have ten (10) years of data. For years prior to 2014, data are not available. Additional years will be presented as they become available. The amounts presented for each fiscal year were determined as of the June 30 measurement date. The Plan's fiduciary net position as a percentage of the total pension liability is published in the Plan's Annual Comprehensive Financial Report.

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (NPL)
FLORIDA RETIREMENT SYSTEM - HEALTH INSURANCE SUBSIDY PROGRAM
LAST NINE FISCAL YEARS
(Unaudited)

<u>Year Ended</u>	<u>City's Proportion of NPL</u>	<u>City's Proportionate Share of NPL</u>	<u>City's Covered Payroll</u>	<u>% of NPL to Covered Payroll</u>	<u>% of Fiduciary Net Position to TPL</u>
2022	0.00037624482	\$ 3,985,034	\$ 13,714,768	29.06%	4.81%
2021	0.00034113301	4,184,509	12,078,291	34.64%	3.56%
2020	0.00030380971	3,709,468	10,546,873	35.17%	3.00%
2019	0.00027502017	3,077,200	9,200,147	33.45%	2.63%
2018	0.00019527954	2,066,861	6,379,962	32.40%	2.15%
2017	0.00017349410	1,855,079	5,531,969	33.53%	1.67%
2016	0.00014467970	1,686,182	4,467,025	37.75%	0.97%
2015	0.00012782764	1,303,641	3,878,348	33.61%	0.50%
2014	0.00011727468	1,096,547	3,480,283	31.51%	0.99%

Note: This schedule is intended to have ten (10) years of data. For years prior to 2014, data are not available. Additional years will be presented as they become available. The amounts presented for each fiscal year were determined as of the June 30 measurement date. The Plan's fiduciary net position as a percentage of the total pension liability is published in the Plan's Annual Comprehensive Financial Report.

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN EMPLOYER NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST NINE FISCAL YEARS
(Unaudited)

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total Pension Liability (TPL):			
Beginning balance	\$ 97,858,873	\$ 89,862,871	\$ 83,288,467
Changes during the year			
Service cost	1,230,341	1,161,482	1,113,580
Interest on total pension liability	6,540,916	6,013,889	5,661,130
Effect of plan changes	46,347	-	-
Effect of economic/demographic gains or losses	580,320	153,395	188,711
Effect of assumption changes or inputs	1,137,898	-	731,101
Benefit payments and refunds	<u>(5,895,503)</u>	<u>(5,256,051)</u>	<u>(4,793,317)</u>
Net change in total pension liability	<u>3,640,319</u>	<u>2,072,715</u>	<u>2,901,205</u>
Ending balance (a)	<u>101,499,192</u>	<u>91,935,586</u>	<u>86,189,672</u>
Plan Fiduciary Net Position:			
Beginning balance	94,332,702	70,855,530	68,803,205
Changes during the year			
Benefit payments and refunds	(5,895,503)	(5,256,051)	(4,793,317)
Employer contributions	1,991,936	1,670,681	1,397,543
Member contributions	359,079	331,775	314,817
Net investment income	(6,647,368)	21,030,450	2,246,086
Administrative expenses	<u>(10,501)</u>	<u>(9,534)</u>	<u>(9,067)</u>
Net change in fiduciary net position	<u>(10,202,357)</u>	<u>17,767,321</u>	<u>(843,938)</u>
Ending balance (b)	<u>84,130,345</u>	<u>88,622,851</u>	<u>67,959,267</u>
Employer Net Pension Liability, ending (a)-(b)	<u>\$ 17,368,847</u>	<u>\$ 3,312,735</u>	<u>\$ 18,230,405</u>
Covered payroll	<u>\$ 18,055,872</u>	<u>\$ 16,485,084</u>	<u>\$ 15,520,218</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>82.89%</u>	<u>96.40%</u>	<u>78.85%</u>
Net pension liability as a percentage of covered payroll	<u>96.20%</u>	<u>20.10%</u>	<u>117.46%</u>

Note: This schedule is intended to have ten (10) years of data. Data for years prior to 2014 are not available.

2019	2018	2017	2016	2015	2014
\$ 70,087,522	\$ 32,390,144	\$ 26,198,876	\$ 19,340,270	\$ 16,959,923	\$ 14,655,911
924,306	427,556	325,269	255,629	229,663	220,092
4,833,841	2,266,190	1,958,146	1,451,276	1,273,394	1,120,572
4,178	-	14,459	3,872	-	-
90,663	97,861	221,545	117,476	176,085	(43,772)
580,881	394,337	1,630,984	123,525	-	122,498
<u>(3,981,235)</u>	<u>(1,830,455)</u>	<u>(1,546,438)</u>	<u>(1,273,396)</u>	<u>(1,108,259)</u>	<u>(849,871)</u>
<u>2,452,634</u>	<u>1,355,489</u>	<u>2,603,966</u>	<u>678,382</u>	<u>570,884</u>	<u>569,519</u>
<u>72,540,156</u>	<u>33,745,633</u>	<u>28,802,842</u>	<u>20,018,652</u>	<u>17,530,807</u>	<u>15,225,430</u>
59,053,123	27,170,986	22,238,391	17,792,247	16,297,079	12,977,045
(3,981,235)	(1,830,455)	(1,546,438)	(1,273,396)	(1,108,259)	(849,871)
1,135,923	502,685	408,320	292,273	264,866	213,624
275,787	131,649	116,828	85,179	75,862	66,563
3,447,436	2,461,502	2,949,088	98,347	600,032	2,224,803
<u>(7,173)</u>	<u>(3,559)</u>	<u>(2,877)</u>	<u>(2,218)</u>	<u>(1,963)</u>	<u>(1,790)</u>
<u>870,738</u>	<u>1,261,822</u>	<u>1,924,922</u>	<u>(799,815)</u>	<u>(169,462)</u>	<u>1,653,330</u>
<u>59,923,861</u>	<u>28,432,808</u>	<u>24,163,313</u>	<u>16,992,432</u>	<u>16,127,616</u>	<u>14,630,375</u>
<u>\$ 12,616,295</u>	<u>\$ 5,312,826</u>	<u>\$ 4,639,529</u>	<u>\$ 3,026,220</u>	<u>\$ 1,403,190</u>	<u>\$ 595,055</u>
<u>\$ 13,031,210</u>	<u>\$ 6,116,174</u>	<u>\$ 5,297,747</u>	<u>\$ 3,980,721</u>	<u>\$ 3,555,253</u>	<u>\$ 2,411,204</u>
<u>82.61%</u>	<u>84.26%</u>	<u>83.89%</u>	<u>84.88%</u>	<u>92.00%</u>	<u>96.09%</u>
<u>96.82%</u>	<u>86.87%</u>	<u>87.58%</u>	<u>76.02%</u>	<u>39.47%</u>	<u>24.68%</u>

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN EMPLOYER NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM - HEALTH INSURANCE SUBSIDY PROGRAM (HIS)
LAST NINE FISCAL YEARS
(Unaudited)

	2022	2021	2020
Total Pension Liability (TPL):			
Beginning balance	\$ 4,785,505	\$ 4,294,216	\$ 3,491,091
Changes during the year			
Service cost	109,421	95,742	80,668
Interest on total pension liability	103,612	95,089	122,347
Effect of plan changes	1,962	-	-
Effect of economic/demographic gains or losses	(20,400)	-	137,487
Effect of assumption changes or inputs	(596,482)	29,330	146,385
Benefit payments and refunds	<u>(197,154)</u>	<u>(175,465)</u>	<u>(153,591)</u>
Net change in total pension liability	<u>(599,041)</u>	<u>44,696</u>	<u>333,296</u>
Ending balance (a)	<u>4,186,464</u>	<u>4,338,912</u>	<u>3,824,387</u>
Plan Fiduciary Net Position:			
Beginning balance	170,295	129,037	91,764
Changes during the year			
Benefit payments and refunds	(197,154)	(175,465)	(153,591)
Employer contributions	227,660	200,518	175,071
Member contributions	18	19	112
Net investment income	682	360	1,615
Administrative expenses	<u>(71)</u>	<u>(66)</u>	<u>(52)</u>
Net change in fiduciary net position	<u>31,135</u>	<u>25,366</u>	<u>23,155</u>
Ending balance (b)	<u>201,430</u>	<u>154,403</u>	<u>114,919</u>
Employer Net Pension Liability, ending (a)-(b)	<u>\$ 3,985,034</u>	<u>\$ 4,184,509</u>	<u>\$ 3,709,468</u>
Covered payroll	<u>\$ 13,714,768</u>	<u>\$ 12,078,291</u>	<u>\$ 10,546,873</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>4.81%</u>	<u>3.56%</u>	<u>3.00%</u>
Net pension liability as a percentage of covered payroll	<u>29.06%</u>	<u>34.64%</u>	<u>35.17%</u>

Note: This schedule is intended to have ten (10) years of data. Data for years prior to 2014 are not available.

	2019	2018	2017	2016	2015	2014
\$	2,974,776	\$ 2,122,839	\$ 2,041,756	\$ 1,482,851	\$ 1,207,157	\$ 1,039,551
	63,837	50,470	52,835	37,141	27,805	22,326
	115,002	76,101	58,552	56,535	51,827	48,072
	-	-	-	-	-	-
	-	36,746	-	(4,460)	-	-
	141,933	(77,916)	(186,283)	195,673	77,681	45,313
	<u>(135,280)</u>	<u>(95,986)</u>	<u>(80,845)</u>	<u>(65,085)</u>	<u>(54,338)</u>	<u>(47,763)</u>
	<u>185,492</u>	<u>(10,583)</u>	<u>(155,741)</u>	<u>219,804</u>	<u>102,974</u>	<u>67,947</u>
	<u>3,160,268</u>	<u>2,112,256</u>	<u>1,886,015</u>	<u>1,702,655</u>	<u>1,310,131</u>	<u>1,107,498</u>
	63,932	34,820	19,754	7,346	11,937	18,521
	(135,280)	(95,986)	(80,845)	(65,085)	(54,338)	(47,763)
	152,716	105,901	91,818	74,158	48,888	40,174
	54	46	-	-	-	-
	1,700	647	239	82	27	26
	<u>(54)</u>	<u>(33)</u>	<u>(31)</u>	<u>(27)</u>	<u>(24)</u>	<u>6</u>
	<u>19,136</u>	<u>10,575</u>	<u>11,182</u>	<u>9,127</u>	<u>(5,447)</u>	<u>(7,557)</u>
	<u>83,068</u>	<u>45,395</u>	<u>30,936</u>	<u>16,473</u>	<u>6,490</u>	<u>10,964</u>
\$	<u>3,077,200</u>	<u>2,066,861</u>	<u>1,855,079</u>	<u>1,686,182</u>	<u>1,303,641</u>	<u>1,096,534</u>
\$	<u>9,200,147</u>	<u>6,379,962</u>	<u>5,531,969</u>	<u>4,467,025</u>	<u>3,878,348</u>	<u>3,480,283</u>
	<u>2.63%</u>	<u>2.15%</u>	<u>1.64%</u>	<u>0.97%</u>	<u>0.50%</u>	<u>0.99%</u>
	<u>33.45%</u>	<u>32.40%</u>	<u>33.53%</u>	<u>37.75%</u>	<u>33.61%</u>	<u>31.51%</u>

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN EMPLOYER NET PENSION LIABILITY GENERAL EMPLOYEES PENSION PLAN LAST NINE FISCAL YEARS (Unaudited)

	2022	2021	2020
Total Pension Liability (TPL):			
Beginning balance	\$ 44,001,833	\$ 45,292,747	\$ 45,547,838
Changes during the year			
Expected interest growth	3,155,977	3,250,614	3,271,551
Demographic changes	(769,176)	(235,092)	173,456
Changes in assumptions	-	(646,728)	-
Benefit payments	<u>(3,710,598)</u>	<u>(3,659,708)</u>	<u>(3,700,098)</u>
Net change in total pension liability	<u>(1,323,797)</u>	<u>(1,290,914)</u>	<u>(255,091)</u>
Ending balance (a)	<u>42,678,036</u>	<u>44,001,833</u>	<u>45,292,747</u>
Plan Fiduciary Net Position:			
Beginning balance	48,835,681	42,191,516	41,531,792
Changes during the year			
Employer contributions	639,896	1,107,595	1,612,366
Expected interest growth	3,546,362	3,067,545	3,035,010
Unexpected investment income (loss)	(9,994,172)	6,205,996	(206,087)
Benefit payments	(3,710,598)	(3,659,708)	(3,700,098)
Administrative expenses	<u>(88,119)</u>	<u>(77,263)</u>	<u>(81,467)</u>
Net change in fiduciary net position	<u>(9,606,631)</u>	<u>6,644,165</u>	<u>659,724</u>
Ending balance (b)	<u>39,229,050</u>	<u>48,835,681</u>	<u>42,191,516</u>
Net Pension Liability (Asset), ending (a)-(b)	<u>\$ 3,448,986</u>	<u>\$ (4,833,848)</u>	<u>\$ 3,101,231</u>
Covered payroll	<u>\$ 2,246,140</u>	<u>\$ 2,286,981</u>	<u>\$ 2,552,847</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>91.92%</u>	<u>110.99%</u>	<u>93.15%</u>
Net pension liability as a percentage of covered payroll	<u>153.55%</u>	<u>N/A</u>	<u>121.48%</u>

Note: This schedule is intended to have ten (10) years of data. Data for years prior to 2014 are not available.

2019	2018	2017	2016	2015	2014
\$ 47,292,370	\$ 47,095,099	\$ 44,993,140	\$ 44,027,314	\$ 40,770,051	\$ 40,731,647
3,412,120	3,403,524	3,246,037	3,178,167	2,934,291	3,283,975
(1,691,558)	145,358	(206,608)	879,003	(248,412)	-
-	-	2,201,333	-	3,584,856	-
<u>(3,465,094)</u>	<u>(3,351,611)</u>	<u>(3,138,803)</u>	<u>(3,091,344)</u>	<u>(3,013,472)</u>	<u>(3,245,571)</u>
<u>(1,744,532)</u>	<u>197,271</u>	<u>2,101,959</u>	<u>965,826</u>	<u>3,257,263</u>	<u>38,404</u>
<u>45,547,838</u>	<u>47,292,370</u>	<u>47,095,099</u>	<u>44,993,140</u>	<u>44,027,314</u>	<u>40,770,051</u>
41,181,250	39,088,389	35,489,764	33,876,392	34,476,947	32,014,820
1,789,505	1,962,213	1,610,387	1,868,141	2,326,446	2,423,532
3,023,540	2,984,127	2,602,502	2,492,646	2,557,604	2,659,281
(906,290)	579,490	2,604,679	426,556	(2,393,198)	453,926
(3,465,094)	(3,351,611)	(3,138,803)	(3,091,344)	(3,013,472)	(2,999,689)
<u>(91,119)</u>	<u>(81,358)</u>	<u>(80,140)</u>	<u>(82,627)</u>	<u>(77,935)</u>	<u>(74,923)</u>
<u>350,542</u>	<u>2,092,861</u>	<u>3,598,625</u>	<u>1,613,372</u>	<u>(600,555)</u>	<u>2,462,127</u>
<u>41,531,792</u>	<u>41,181,250</u>	<u>39,088,389</u>	<u>35,489,764</u>	<u>33,876,392</u>	<u>34,476,947</u>
<u>\$ 4,016,046</u>	<u>\$ 6,111,120</u>	<u>\$ 8,006,710</u>	<u>\$ 9,503,376</u>	<u>\$ 10,150,922</u>	<u>\$ 6,293,104</u>
\$ 2,877,185	\$ 3,333,110	\$ 3,616,327	\$ 4,067,102	\$ 4,547,339	\$ 4,757,815
<u>91.18%</u>	<u>87.08%</u>	<u>83.00%</u>	<u>78.88%</u>	<u>76.94%</u>	<u>84.56%</u>
<u>139.58%</u>	<u>183.35%</u>	<u>221.40%</u>	<u>233.66%</u>	<u>223.23%</u>	<u>132.27%</u>

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN EMPLOYER NET PENSION LIABILITY POLICE AND FIREFIGHTERS RETIREMENT SYSTEM LAST NINE FISCAL YEARS

(Unaudited)

	2022	2021	2020
Total Pension Liability (TPL):			
Beginning balance	\$ 77,557,022	\$ 73,800,084	\$ 73,647,947
Changes during the year			
Service cost	145,739	145,986	118,175
Expected interest growth	5,289,025	5,363,578	5,512,965
Differences between expected and actual experience	(17,005)	508,498	209,512
Changes in assumptions	811,521	3,908,553	931,133
Benefit payments	(5,879,546)	(6,169,677)	(6,619,648)
Net change in total pension liability	<u>349,734</u>	<u>3,756,938</u>	<u>152,137</u>
Ending balance (a)	<u>77,906,756</u>	<u>77,557,022</u>	<u>73,800,084</u>
Plan Fiduciary Net Position:			
Beginning balance	71,472,577	63,640,438	61,357,225
Changes during the year			
Employer contributions	3,420,823	3,144,620	2,486,752
Employee contributions	109,742	103,971	102,966
Investment income	(12,158,744)	10,872,429	4,564,967
Unexpected investment income			1,862,123
Benefit payments	(5,879,546)	(6,169,677)	(6,619,648)
Administrative expenses	(128,049)	(119,204)	(113,947)
Net change in fiduciary net position	<u>(14,635,774)</u>	<u>7,832,139</u>	<u>2,283,213</u>
Ending balance (b)	<u>56,836,803</u>	<u>71,472,577</u>	<u>63,640,438</u>
Employer Net Pension Liability, ending (a)-(b)	<u>\$ 21,069,953</u>	<u>\$ 6,084,445</u>	<u>\$ 10,159,646</u>
Covered payroll	<u>\$ 1,121,717</u>	<u>\$ 1,118,456</u>	<u>\$ 1,273,939</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>72.95%</u>	<u>92.15%</u>	<u>86.23%</u>
Net pension liability as a percentage of covered payroll	<u>1878.37%</u>	<u>544.00%</u>	<u>797.50%</u>

Note: This schedule is intended to have ten (10) years of data. Data for years prior to 2014 are not available.

2019	2018	2017	2016	2015	2014
\$ 74,945,653	\$ 74,437,099	\$ 69,803,871	\$ 71,184,117	\$ 68,911,765	\$ 66,605,338
111,884	381,535	362,043	516,314	518,137	557,925
5,949,655	6,033,930	6,034,650	5,629,161	5,727,406	5,780,261
(1,097,380)	(611,388)	1,469,830	(1,847,492)	(398,244)	1,074,801
-	546,026	3,643,950	-	1,878,441	-
<u>(6,261,865)</u>	<u>(5,841,549)</u>	<u>(6,877,245)</u>	<u>(5,678,229)</u>	<u>(5,453,388)</u>	<u>(5,106,560)</u>
<u>(1,297,706)</u>	<u>508,554</u>	<u>4,633,228</u>	<u>(1,380,246)</u>	<u>2,272,352</u>	<u>2,306,427</u>
<u>73,647,947</u>	<u>74,945,653</u>	<u>74,437,099</u>	<u>69,803,871</u>	<u>71,184,117</u>	<u>68,911,765</u>
62,823,563	60,448,233	58,294,508	57,128,247	58,645,609	55,001,663
2,912,789	2,739,615	2,350,995	2,175,763	2,449,834	2,708,484
119,816	353,882	368,038	368,419	394,574	404,467
5,136,667	4,956,027	6,434,826	4,419,539	1,199,339	5,738,765
(3,257,464)	315,125	-	-	-	-
(6,261,865)	(5,841,549)	(6,877,245)	(5,678,229)	(5,453,388)	(5,106,560)
<u>(116,281)</u>	<u>(147,770)</u>	<u>(122,889)</u>	<u>(119,231)</u>	<u>(107,721)</u>	<u>(101,210)</u>
<u>(1,466,338)</u>	<u>2,375,330</u>	<u>2,153,725</u>	<u>1,166,261</u>	<u>(1,517,362)</u>	<u>3,643,946</u>
<u>61,357,225</u>	<u>62,823,563</u>	<u>60,448,233</u>	<u>58,294,508</u>	<u>57,128,247</u>	<u>58,645,609</u>
<u>\$ 12,290,722</u>	<u>\$ 12,122,090</u>	<u>\$ 13,988,866</u>	<u>\$ 11,509,363</u>	<u>\$ 14,055,870</u>	<u>\$ 10,266,156</u>
<u>\$ 1,218,521</u>	<u>\$ 4,317,687</u>	<u>\$ 3,880,334</u>	<u>\$ 4,233,012</u>	<u>\$ 4,143,754</u>	<u>\$ 4,568,578</u>
<u>83.31%</u>	<u>83.83%</u>	<u>81.21%</u>	<u>83.51%</u>	<u>80.25%</u>	<u>85.10%</u>
<u>1008.66%</u>	<u>280.75%</u>	<u>360.51%</u>	<u>271.90%</u>	<u>339.21%</u>	<u>224.71%</u>

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST NINE FISCAL YEARS
(Unaudited)

<u>Year Ended</u>	<u>Contractually Required Contribution</u>	<u>City's Contribution</u>	<u>Contribution Excess (Deficiency)</u>	<u>City's Covered Payroll</u>	<u>% of City Contributions to Covered Payroll</u>
2022	\$ 1,991,936	\$ 1,991,936	-	\$ 13,815,692	14.42%
2021	1,670,681	1,670,681	-	12,486,327	13.38%
2020	1,397,543	1,397,543	-	10,932,892	12.78%
2019	1,135,923	1,135,923	-	10,224,419	11.11%
2018	502,685	502,685	-	6,338,429	7.93%
2017	408,320	408,320	-	5,913,348	6.91%
2016	292,273	292,273	-	4,549,574	6.42%
2015	264,866	264,866	-	3,878,095	6.83%
2014	213,625	213,625	-	3,347,833	6.38%

Note:

This schedule is intended to have ten (10) years of data. For years prior to 2014, data are not available. Additional years will be presented as they become available. The amounts presented for each fiscal year were determined as of the June 30 measurement date.

CITY OF OAKLAND PARK, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM - HEALTH INSURANCE SUBSIDY PROGRAM
LAST NINE FISCAL YEARS**

(Unaudited)

<u>Year Ended</u>	<u>Contractually Required Contribution</u>	<u>City's Contribution</u>	<u>Contribution Excess (Deficiency)</u>	<u>City's Covered Payroll</u>	<u>% of City Contributions to Covered Payroll</u>
2022	\$ 227,660	\$ 227,660	\$ -	\$ 13,815,692	1.65%
2021	200,518	200,518	-	12,486,327	1.61%
2020	175,071	175,071	-	10,932,892	1.60%
2019	152,716	152,716	-	10,224,419	1.49%
2018	105,901	105,901	-	6,338,429	1.67%
2017	91,818	91,818	-	5,913,348	1.55%
2016	74,158	74,158	-	4,549,574	1.63%
2015	48,864	48,864	-	3,878,095	1.26%
2014	40,174	40,174	-	3,347,833	1.20%

Note:

This schedule is intended to have ten (10) years of data. For years prior to 2014, data are not available. Additional years will be presented as they become available. The amounts presented for each fiscal year were determined as of the June 30 measurement date.

CITY OF OAKLAND PARK, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
GENERAL EMPLOYEES PENSION PLAN
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Year Ended</u>	<u>Employer Contributions</u>	<u>Actuarially Determined Contributions</u>	<u>Contribution Excess (Deficiency)</u>	<u>City's Covered Payroll</u>	<u>Percent of Payroll Covered</u>
2022	\$ 639,896	\$ 655,637	\$ (15,741)	\$ 2,246,140	29.19%
2021	1,107,595	1,107,595	-	2,286,981	48.43%
2020	1,612,366	1,612,366	-	2,552,847	63.16%
2019	1,789,505	1,846,600	(57,095)	2,877,185	64.18%
2018	1,962,213	1,835,540	126,673	3,333,110	55.07%
2017	1,605,846	1,610,387	(4,541)	3,616,327	44.53%
2016	1,868,141	1,863,600	4,541	4,067,102	45.82%
2015	2,326,446	2,230,002	96,444	4,547,339	49.04%
2014	2,423,532	2,519,977	(96,445)	4,757,815	52.97%
2013	2,295,850	2,295,850	-	5,152,927	44.55%

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation is as follows:

Measurement date : September 30, 2022

Actuarial valuation date : October 1, 2021

Actuarial assumptions:

Actuarial cost method : Entry age normal level percentage of pay

Discount rate : 7.50% per annum (2.76% per annum is attributable to long-term inflation). This rate was used to discount all future benefit payments

Projected salary increases : 5% per annum

Cost-of-living adjustments : None assumed

Mortality basis : Sex-distinct rates set forth in the RP-2000 Mortality Table for annuitants and non-annuitants using Scale BB

Future generational improvements in mortality have not been reflected in the calculations.

Retirement : Retirement is assumed to occur upon the earlier of age 62 or 30 years of service.

CITY OF OAKLAND PARK, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE AND FIREFIGHTERS RETIREMENT SYSTEM
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Year Ended</u>	<u>Employer Contributions</u>	<u>Actuarially Determined Contributions</u>	<u>Contribution Deficiency</u>	<u>City's Covered Payroll</u>	<u>Percent of Payroll Covered</u>
2022	\$ 3,014,175	\$ 3,014,175	\$ -	\$ 1,121,717	268.71%
2021	3,282,512	3,282,512	-	1,118,456	293.49%
2020	3,068,561	3,068,561	-	1,273,939	240.87%
2019	2,158,556	2,158,556	-	1,218,521	177.15%
2018	2,481,476	2,481,476	-	4,317,687	57.47%
2017	2,368,831	2,368,831	-	3,880,334	61.05%
2016	2,154,993	2,154,993	-	4,233,012	50.91%
2015	1,893,776	1,893,776	-	4,143,754	45.70%
2014	2,169,212	2,169,212	-	4,568,578	47.48%
2013	2,399,739	2,399,739	-	4,560,724	52.62%

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation is as follows:

Measurement date : September 30, 2022

Actuarial valuation date : October 1, 2021

Actuarial assumptions:

Actuarial cost method : Entry age normal level percentage of pay

Discount rate : 7.00% per annum (3.00% per annum is attributable to long-term inflation). This rate was used to discount all future benefit payments

Projected salary increases : 5% per annum

Cost-of-living adjustments : None assumed

Mortality basis : RP 2000 Generational, 100% Annuitant White Collar, Scale BB with separate rates for males and females. No future improvements in mortality are assumed.

Retirement : Retirement is assumed to occur upon the earlier of age 58 or 25 years of service.

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
LAST TEN FISCAL YEARS
(Unaudited)

	<u>Florida Retirement System</u>	<u>General Employees Pension Plan</u>	<u>Police & Fire Retirement System</u>
Annual money-weighted rate of return, net of investment expense for fiscal year ended:			
2022	-7.20%	-13.65%	-17.20%
2021	30.41%	22.65%	17.60%
2020	3.35%	6.99%	11.10%
2019	5.98%	7.62%	3.30%
2018	9.28%	8.91%	9.10%
2017	13.59%	14.97%	11.90%
2016	57.00%	8.76%	8.10%
2015	3.77%	0.48%	2.10%
2014	17.57%	9.72%	10.90%
2013	Not Available	Not Available	9.60%

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN OTHER POST-EMPLOYMENT
BENEFIT (OPEB) LIABILITY AND RELATED RATIOS
LAST FIVE FISCAL YEARS
(Unaudited)

	2022	2021	2020	2019	2018
Total OPEB Liability:					
Beginning balance	\$ 1,225,422	\$ 1,324,306	\$ 1,480,578	\$ 1,539,544	\$ 1,363,727
Changes during the year					
Service cost	124,031	106,963	119,881	119,881	130,377
Expected interest growth	25,339	45,367	56,745	58,891	46,334
Demographic changes	(21,072)	(186,107)	(43,393)	(47,476)	55,188
Benefit payments	(73,479)	(79,899)	(83,831)	(83,831)	(56,082)
Assumption changes	<u>30,170</u>	<u>14,792</u>	<u>(205,674)</u>	<u>(106,431)</u>	<u>-</u>
Net change in pension liability	<u>84,989</u>	<u>(98,884)</u>	<u>(156,272)</u>	<u>(58,966)</u>	<u>175,817</u>
Ending balance (a)	<u>1,310,411</u>	<u>1,225,422</u>	<u>1,324,306</u>	<u>1,480,578</u>	<u>1,539,544</u>
OPEB Net Position (b)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OPEB Liability, ending (a)-(b)	<u>\$ 1,310,411</u>	<u>\$ 1,225,422</u>	<u>\$ 1,324,306</u>	<u>\$ 1,480,578</u>	<u>\$ 1,539,544</u>
Covered-employee payroll	<u>\$ 15,228,101</u>	<u>\$ 14,579,761</u>	<u>\$ 13,878,362</u>	<u>\$ 13,529,498</u>	<u>\$ 13,679,407</u>
Plan fiduciary net position as a percentage of the net OPEB liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
OPEB liability as a percentage of covered payroll	<u>8.61%</u>	<u>8.40%</u>	<u>9.54%</u>	<u>10.94%</u>	<u>11.25%</u>

Notes to Schedule:

This schedule is intended to have ten (10) years of data. Additional years will be displayed as data become available.

Plan Assets. No assets are accumulated in a trust that meets all the criteria of GASB No. 75, paragraph 4, to pay benefits.



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**COMBINING AND INDIVIDUAL FUND
STATEMENTS**

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for proceeds of resources that are legally restricted or committed for particular purposes and comprise of substantial inflow reported in the funds.

Grants Fund – to account for all grant monies and related program income from various grants such as firefighter’s assistance, law enforcement, federal equitable sharing, library, etc.

Impact Fee Fund – to account for impact fee related revenues from developer contributions, Downtown Mixed Use and the Federal Highway Overlay pursuant to City Ordinances.

DEBT SERVICE FUND

Debt Service funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.

Debt Service Fund – to account for the accumulation of transfers from other funds for the debt services of various loan agreements.

CITY OF OAKLAND PARK, FLORIDA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	<u>Special Revenue</u>		<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Grant Fund</u>	<u>Impact Fee Fund</u>		
ASSETS				
Cash and cash equivalents	\$ -	835	\$ 24,327	\$ 25,162
Accounts receivable	68,950	-	-	68,950
Prepaid expenses	-	-	437,616	437,616
Cash and cash equivalents, temporarily restricted	333,408	1,312,099	-	1,645,507
Total Assets	<u>\$ 402,358</u>	<u>\$ 1,312,934</u>	<u>\$ 461,943</u>	<u>\$ 2,177,235</u>
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 9,198	\$ -	\$ -	\$ 9,198
Due to other funds	44,046	-	-	44,046
Unearned revenue	89,589	985,210	-	1,074,799
Total Liabilities	<u>142,833</u>	<u>985,210</u>	<u>-</u>	<u>1,128,043</u>
 Fund Balances:				
Non-spendable				
Prepayments	-	-	437,616	437,616
Restricted for:				
Public safety	136,755	-	-	136,755
Library	48,008	-	-	48,008
Park development	-	268,480	-	268,480
Parks and recreation	74,762	-	-	74,762
Tree preservation	-	11,778	-	11,778
Fire station facility	-	47,466	-	47,466
Assigned to:				
Debt service	-	-	24,327	24,327
Total Fund Balances	<u>259,525</u>	<u>327,724</u>	<u>461,943</u>	<u>1,049,192</u>
Total Liabilities and Fund Balances	<u>\$ 402,358</u>	<u>\$ 1,312,934</u>	<u>\$ 461,943</u>	<u>\$ 2,177,235</u>

CITY OF OAKLAND PARK, FLORIDA

COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Special Revenue</u>		<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Grant Fund</u>	<u>Impact Fee Fund</u>		
Revenues:				
Ad Valorem - debt service	\$ -	\$ -	\$ 1,999,205	\$ 1,999,205
Grants	127,442	-	-	127,442
Charges for services	3,415	-	-	3,415
Interest income (loss)	2,162	8,399	-	10,561
Licenses and permits	-	31,539	-	31,539
Fines and forfeitures	21,830	-	-	21,830
Total revenues	<u>154,849</u>	<u>39,938</u>	<u>1,999,205</u>	<u>2,193,992</u>
Expenditures:				
Current:				
Culture and recreation	104,611	-	-	104,611
Debt service:				-
Principal	-	-	2,419,387	2,419,387
Interest	-	-	1,415,580	1,415,580
Total expenditures	<u>104,611</u>	<u>-</u>	<u>3,834,967</u>	<u>3,939,578</u>
Excess (deficiency) of revenues over expenditures	50,238	39,938	(1,835,762)	(1,745,586)
Other financing sources (uses):				
Transfers in	-	-	2,019,647	2,019,647
Transfers out	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>2,019,647</u>	<u>2,019,647</u>
Net change in fund balance	50,238	39,938	183,885	274,061
Fund balance, beginning	<u>209,287</u>	<u>287,786</u>	<u>278,058</u>	<u>775,131</u>
Fund balance, ending	<u>\$ 259,525</u>	<u>\$ 327,724</u>	<u>\$ 461,943</u>	<u>\$ 1,049,192</u>

CITY OF OAKLAND PARK, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GRANT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues:				
Grants	\$ 36,000	\$ 146,622	\$ 127,442	\$ (19,180)
Charges for services	-	-	3,415	3,415
Investment earnings (loss)	-	-	2,162	2,162
Fines and forfeitures	-	-	21,830	21,830
Total revenues	36,000	146,622	154,849	8,227
Expenditures:				
Current:				
Culture and recreation	36,000	156,622	104,611	52,011
Total expenditures	36,000	156,622	104,611	52,011
Deficiency of revenues over expenditures	-	(10,000)	50,238	60,238
Other financing sources (uses):				
Other sources	-	10,000	-	(10,000)
Total other financing sources	-	10,000	-	(10,000)
Net change in fund balance	\$ -	\$ -	50,238	\$ 50,238
Fund balance, beginning			209,287	
Fund balance, end			\$ 259,525	

CITY OF OAKLAND PARK, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - IMPACT FEE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues:				
Grants	\$ -	\$ -	\$ -	\$ -
Investment earnings (loss)	-	-	8,399	8,399
Licenses and permits	-	-	31,539	31,539
Total revenues	-	-	39,938	39,938
Expenditures:				
Current:				
Culture and recreation	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	\$ -	\$ -	39,938	\$ 39,938
Fund balance, beginning			287,786	
Fund balance, end			\$ 327,724	

CITY OF OAKLAND PARK, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad Valorem - debt service	\$ 1,977,625	\$ 1,977,625	\$ 1,999,205	\$ 21,580
Total revenues	1,977,625	1,977,625	1,999,205	21,580
Expenditures:				
Debt service:				
Principal	2,577,496	2,577,496	2,419,387	158,109
Interest	1,419,776	1,419,776	1,415,580	4,196
Total expenditures	3,997,272	3,997,272	3,834,967	162,305
Deficiency of revenues over expenditures	(2,019,647)	(2,019,647)	(1,835,762)	183,885
Other financing sources (uses):				
Transfers in	2,019,647	2,019,647	2,019,647	-
Total other financing sources	2,019,647	2,019,647	2,019,647	-
Net change in fund balance	\$ -	\$ -	183,885	\$ 183,885
Fund balance, beginning			278,058	
Fund balance, end			\$ 461,943	

CAPITAL PROJECTS FUND

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

Capital Projects Fund – to account for the acquisition and construction of major capital projects that are financed from general government resources and intergovernmental grants.

CITY OF OAKLAND PARK, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Transportation surtax	\$ -	\$ -	\$ 226,950	\$ 226,950
Investment earnings	60,000	60,000	401,385	341,385
Grants and contributions	<u>8,972,724</u>	<u>9,022,724</u>	<u>777,527</u>	<u>(8,245,197)</u>
Total revenues	<u>9,032,724</u>	<u>9,082,724</u>	<u>1,405,862</u>	<u>(7,676,862)</u>
Expenditures:				
Debt issuance cost	-	-	171,062	(171,062)
Capital outlay	<u>26,038,660</u>	<u>36,902,688</u>	<u>7,959,543</u>	<u>28,943,145</u>
Total expenditures	<u>26,038,660</u>	<u>36,902,688</u>	<u>8,130,605</u>	<u>28,772,083</u>
Deficiency of revenues over expenditures	(17,005,936)	(27,819,964)	(6,724,743)	21,095,221
Other financing sources (uses):				
Issuance of debt	16,166,000	26,443,338	19,913,565	(6,529,773)
Transfers in (out)	<u>839,936</u>	<u>1,376,626</u>	<u>1,376,626</u>	<u>-</u>
Total other financing sources	<u>17,005,936</u>	<u>27,819,964</u>	<u>21,290,191</u>	<u>(6,529,773)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	14,565,448	<u>\$ 14,565,448</u>
Fund balance, beginning			<u>31,861,997</u>	
Fund balance, end			<u>\$ 46,427,445</u>	

See notes to budgetary comparison schedule.

FIDUCIARY FUNDS

PENSION TRUST FUNDS

EMPLOYEE RETIREMENT FUNDS – TO ACCOUNT FOR THE ACCUMULATION OF RESOURCES TO BE USED FOR RETIREMENT BENEFITS FOR THE CITY'S GENERAL EMPLOYEES AND POLICE OFFICERS AND FIREFIGHTERS.

CITY OF OAKLAND PARK, FLORIDA

COMBINING STATEMENT OF FIDUCIARY NET POSITION PENSION TRUST FUNDS SEPTEMBER 30, 2022

	<u>General Employees Pension Fund</u>	<u>Police and Firefighters Pension Fund</u>	<u>Total</u>
Assets			
Cash and short-term investments	\$ 313,832	\$ 3,213,589	\$ 3,527,421
Receivables:			
Contributions and others	-	1,353,675	1,353,675
Accrued interest and dividends	-	56,155	56,155
Total receivables	-	1,409,830	1,409,830
Investments, at fair value:			
Equity securities	24,478,928	31,784,403	56,263,331
Corporate bonds and notes	-	989,121	989,121
U.S. Government and agency securities	-	7,504,400	7,504,400
Fixed income funds	7,688,894	4,572,304	12,261,198
Real estate fund	6,747,396	9,120,424	15,867,820
Total investments	38,915,218	53,970,652	92,885,870
Prepayments	-	6,030	6,030
Total assets	39,229,050	58,600,101	97,829,151
Liabilities			
Accounts payable and accrued expenses	-	386,438	386,438
Payable for securities purchased	-	1,376,860	1,376,860
Total liabilities	-	1,763,298	1,763,298
Net Position Restricted for Pensions	\$ 39,229,050	\$ 56,836,803	\$ 96,065,853

CITY OF OAKLAND PARK, FLORIDA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>General Employees Pension Fund</u>	<u>Police and Firefighters Pension Fund</u>	<u>Total</u>
Additions			
Contributions:			
Plan members	\$ -	\$ 109,742	\$ 109,742
City	639,896	2,761,961	3,401,857
State of Florida	-	658,862	658,862
Total contributions	<u>639,896</u>	<u>3,530,565</u>	<u>4,170,461</u>
Investment income:			
Investment earnings (loss)	(6,447,810)	1,794,912	(4,652,898)
Net appreciation in fair value of investments	-	<u>(13,588,105)</u>	<u>(13,588,105)</u>
Total	(6,447,810)	(11,793,193)	(18,241,003)
Less: Investment expenses	-	<u>(368,818)</u>	<u>(368,818)</u>
Net investment income	<u>(6,447,810)</u>	<u>(12,162,011)</u>	<u>(18,609,821)</u>
Miscellaneous income	<u>754</u>	<u>3,267</u>	<u>4,021</u>
Total additions	<u>(5,807,160)</u>	<u>(8,628,179)</u>	<u>(14,435,339)</u>
Deductions:			
Pension benefits paid	3,711,353	5,879,546	9,590,899
Administrative expenses	<u>88,119</u>	<u>128,049</u>	<u>216,168</u>
Total deductions	<u>3,799,472</u>	<u>6,007,595</u>	<u>9,807,067</u>
Change in net position	(9,606,632)	(14,635,774)	(24,242,406)
Net position held in trust for pension benefits, beginning	<u>48,835,682</u>	<u>71,472,577</u>	<u>120,308,259</u>
Net position held in trust for pension benefits, ending	<u>\$ 39,229,050</u>	<u>\$ 56,836,803</u>	<u>\$ 96,065,853</u>

STATISTICAL SECTION

CITY OF OAKLAND PARK, FLORIDA

STATISTICAL SECTION

This part of the City of Oakland Park’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	Page No.
Financial Trends – These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
Net Position by Component	146 - 147
Changes in Net Position	148 - 151
Fund Balances, Governmental Funds	152 - 153
Changes in Fund Balance, Governmental Funds	154 - 155
Revenue Capacity – These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.	
Assessed Value and Estimated Actual Value of Taxable Property	156
Direct and Overlapping Property Tax Rates	157
Principal Property Taxpayers	158
Property Tax Levies and Collections	159
Debt Capacity - These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Ratios of Outstanding Debt by Type	160 - 161
Ratios of General Bonded Debt Outstanding	162
Direct and Overlapping Governmental Activities Debt	163
Legal Debt Margin Information	164 - 165
Pledged Revenue Coverage	166 - 167
Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
Demographic and Economic Statistics	168
Principal Employers	169

CITY OF OAKLAND PARK, FLORIDA
STATISTICAL SECTION

Contents	Page No.
Operating Information – these schedules contain service and infrastructure data to help the reader the information understand how in the City’s financial report relates to the services the City provides and the activities it performs.	
Operating Indicators by Function/Program	170 - 171
Capital Asset Statistics by Function/Program	172 - 173
Full-time Equivalent City Government Employees by Function/Program	174

Sources:

Unless otherwise noted, the information in theses schedules is derived from the annual comprehensive financial reports for the relevant year. The City implemented Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning that year.

CITY OF OAKLAND PARK, FLORIDA

Net Position by Component
Last Ten Fiscal Years
(Accrual Basis)

	2013	2014	2015
Governmental activities			
Net investment in capital assets	\$ 66,684,747	\$ 67,984,473	\$ 67,127,854
Restricted for:			
Special revenue	684,139	2,487,168	713,729
Capital projects	-	-	224,139
Grant match	-	-	-
Florida building code enforcement	-	-	-
Unrestricted	13,993,521	13,170,502	4,308,851
Total governmental activities net position	<u>\$ 81,362,407</u>	<u>\$ 83,642,143</u>	<u>\$ 72,374,573</u>
Business-type activities			
Net investment in capital assets	\$ 62,752,703	\$ 65,115,434	\$ 70,090,827
Restricted for:			
Capital projects	-	-	-
Grant match	-	-	-
Debt service & debt covenants	-	-	1,065,461
Unrestricted	17,709,020	16,987,819	15,551,504
Total business-type activities net position	<u>\$ 80,461,723</u>	<u>\$ 82,103,253</u>	<u>\$ 86,707,792</u>
Primary Government			
Net investment in capital assets	\$ 129,180,247	\$ 133,099,907	\$ 137,218,681
Restricted for:			
Special revenue	684,139	2,487,168	713,729
Capital projects	-	-	224,139
Debt service & debt covenants	-	-	1,065,461
Grant match	-	-	-
Florida building code enforcement	-	-	-
Unrestricted	31,702,541	30,158,321	19,860,355
Total primary government net position	<u>\$ 161,566,927</u>	<u>\$ 165,745,396</u>	<u>\$ 159,082,365</u>

Source: City of Oakland Park Financial Services Department

Fiscal Years						
2016	2017	2018	2019	2020	2021	2022
\$ 68,813,605	\$ 69,559,837	\$ 70,518,249	\$ 72,489,283	\$ 72,332,872	\$ 75,028,076	\$ 73,772,906
481,583	368,948	477,673	577,956	574,832	890,881	1,144,311
-	-	-	-	-	-	-
-	-	565,985	878,366	482,396	373,017	-
-	-	-	-	-	419,204	4,460,265
3,874,904	3,989,503	3,168,756	404,191	(339,115)	8,029,072	11,127,437
<u>\$ 73,170,092</u>	<u>\$ 73,918,288</u>	<u>\$ 74,730,663</u>	<u>\$ 74,349,796</u>	<u>\$ 73,050,985</u>	<u>\$ 84,740,250</u>	<u>\$ 90,504,919</u>
\$ 77,348,537	\$ 77,642,349	\$ 75,002,190	\$ 80,460,347	\$ 79,554,947	\$ 81,129,518	\$ 80,465,159
-	-	-	400,000	-	-	-
-	-	-	-	400,000	-	-
1,023,200	1,034,314	1,054,148	1,081,054	1,093,876	1,095,579	1,104,907
12,059,270	15,717,833	20,494,333	15,304,838	16,071,725	16,716,335	20,546,472
<u>\$ 90,431,007</u>	<u>\$ 94,394,496</u>	<u>\$ 96,550,671</u>	<u>\$ 97,246,239</u>	<u>\$ 97,120,548</u>	<u>\$ 98,941,432</u>	<u>\$ 102,116,538</u>
\$ 146,162,143	\$ 147,202,186	\$ 145,520,439	\$ 152,949,630	\$ 151,887,819	\$ 156,157,594	\$ 154,238,065
481,583	368,948	477,673	577,956	574,832	890,881	1,144,311
-	-	-	-	-	-	-
1,023,200	1,034,314	1,054,148	1,081,054	1,093,876	1,095,579	1,104,907
-	-	565,985	878,366	882,396	373,017	-
-	-	-	-	-	419,204	4,460,265
15,934,174	19,707,336	23,663,089	15,709,029	15,732,610	24,745,407	31,673,909
<u>\$ 163,601,100</u>	<u>\$ 168,312,784</u>	<u>\$ 171,281,334</u>	<u>\$ 171,196,035</u>	<u>\$ 170,171,533</u>	<u>\$ 183,681,682</u>	<u>\$ 192,621,457</u>

CITY OF OAKLAND PARK, FLORIDA

Changes in Fund Net Position
Last Ten Fiscal Years
 (Accrual Basis)

	2013	2014	2015	2016
Expenses				
Governmental activities:				
General government	\$ 337,068	\$ 469,137	\$ 296,421	\$ 533,871
Public safety	21,923,435	23,437,947	23,147,659	22,779,946
Public works	4,651,117	5,034,095	4,130,236	5,209,646
Engineering & Community development	3,600,636	3,188,050	3,117,032	4,621,904
Culture and recreation	5,372,980	5,892,221	6,178,785	6,477,191
Interest on long term debt	532,350	555,710	511,576	495,864
Total governmental activities expenses	<u>36,417,586</u>	<u>38,577,160</u>	<u>37,381,709</u>	<u>40,118,422</u>
Business type activities				
Water and sewer	\$ 14,034,929	\$ 15,903,626	\$ 16,126,887	\$ 16,892,145
Solid waste	6,319,981	5,497,740	5,360,148	5,788,497
Stormwater	3,151,444	2,978,161	2,631,128	2,918,272
Total business type activities expenses	<u>23,506,354</u>	<u>24,379,527</u>	<u>24,118,163</u>	<u>25,598,914</u>
Total primary government expenses	<u>\$ 59,923,940</u>	<u>\$ 62,956,687</u>	<u>\$ 61,499,872</u>	<u>\$ 65,717,336</u>
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 639,536	\$ 580,917	\$ 608,883	\$ 471,490
Public safety	6,533,279	7,094,092	7,612,745	7,385,928
Engineering & Community development	1,297,196	1,462,295	703,407	2,368,887
Culture/Recreation	517,130	1,031,871	1,649,195	880,861
Operating grants and contributions	104,729	44,590	52,689	61,435
Capital grants and contributions	1,356,205	2,141,441	466,870	926,016
Total governmental activities program revenues	<u>10,448,075</u>	<u>12,355,206</u>	<u>11,093,790</u>	<u>12,094,617</u>
Business type activities				
Charges for services:				
Water and sewer	16,399,284	16,684,366	18,555,649	18,007,209
Solid waste	7,303,375	5,544,291	6,654,671	5,511,260
Stormwater	3,154,975	3,081,078	3,161,747	3,578,013
Operating grants and contributions	764,026	224,967	224,724	225,936
Capital grants and contributions	196,520	937,730	2,485,283	3,359,516
Total business type activities program revenues	<u>27,818,180</u>	<u>26,472,432</u>	<u>31,082,074</u>	<u>30,681,934</u>
Total primary government program revenues	<u>\$ 38,266,255</u>	<u>\$ 38,827,638</u>	<u>\$ 42,175,864</u>	<u>\$ 42,776,551</u>
Net (Expense)/Revenue				
Governmental activities	\$ (25,969,511)	\$ (26,221,954)	\$ (26,287,919)	\$ (28,023,805)
Business type activities	4,311,826	2,092,905	6,963,911	5,083,020
Total primary government net expense	<u>\$ (21,657,685)</u>	<u>\$ (24,129,049)</u>	<u>\$ (19,324,008)</u>	<u>\$ (22,940,785)</u>

Fiscal Years					
2017	2018	2019	2020	2021	2022
\$ 1,117,467	\$ 1,474,358	\$ 1,596,733	\$ 1,356,283	\$ 1,823,642	\$ 2,693,855
25,710,343	26,184,629	28,763,597	29,497,937	28,255,602	32,434,371
4,845,675	8,120,139	7,681,229	7,724,735	7,582,368	8,803,909
5,174,156	5,565,711	5,389,927	6,103,528	5,713,696	7,094,081
7,217,705	4,621,007	4,809,098	4,223,347	3,740,102	5,313,098
546,959	556,959	547,224	1,068,199	1,387,803	1,650,810
44,612,305	46,522,803	48,787,808	49,974,029	48,503,213	57,990,124
\$ 16,557,929	\$ 18,452,247	\$ 21,810,139	\$ 20,316,249	\$ 18,861,136	\$ 19,156,903
6,651,441	7,012,329	5,357,114	6,554,379	6,442,505	7,076,272
3,220,532	3,570,048	3,771,114	3,827,287	3,785,381	3,708,454
26,429,902	29,034,624	30,938,367	30,697,915	29,089,022	29,941,629
\$ 71,042,207	\$ 75,557,427	\$ 79,726,175	\$ 80,671,944	\$ 77,592,235	\$ 87,931,753
\$ 355,277	\$ 306,617	\$ 310,896	\$ 196,996	\$ 242,481	\$ 281,971
7,372,365	7,487,042	7,815,440	7,887,246	7,271,256	8,559,368
3,010,117	2,155,813	2,200,576	2,145,981	6,209,908	7,917,040
746,651	835,254	729,070	787,117	507,736	408,225
574,004	444,746	221,310	257,581	2,549,243	1,832,582
1,102,931	2,082,492	947,984	606,426	3,389,216	774,400
13,161,345	13,311,964	12,225,276	11,881,347	20,169,840	19,773,586
19,495,458	19,798,530	21,036,346	20,135,698	20,691,582	21,839,813
5,624,963	5,988,644	6,172,819	6,435,078	6,740,576	7,521,917
3,645,281	3,634,621	3,475,698	3,472,884	3,440,611	3,503,754
225,694	1,975,796	237,392	114,966	9,246	2,310
1,144,635	-	100,000	-	-	-
30,136,031	31,397,591	31,022,255	30,158,626	30,882,015	32,867,794
\$ 43,297,376	\$ 44,709,555	\$ 43,247,531	\$ 42,039,973	\$ 51,051,855	\$ 52,641,380
\$ (31,450,960)	\$ (33,210,839)	\$ (36,562,532)	\$ (38,092,682)	\$ (28,333,373)	\$ (38,216,538)
3,706,129	2,362,967	83,888	(539,289)	1,792,993	2,926,165
\$ (27,744,831)	\$ (30,847,872)	\$ (36,478,644)	\$ (38,631,971)	\$ (26,540,380)	\$ (35,290,373)

(continued)

CITY OF OAKLAND PARK, FLORIDA

Changes in Fund Net Position
Last Ten Fiscal Years
 (Accrual Basis)

	2013	2014	2015	2016
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Ad valorem	\$ 12,831,277	\$ 13,566,402	\$ 14,128,644	\$ 15,064,291
Franchise fees	2,424,270	2,631,913	2,663,154	2,616,140
Utility taxes	4,059,906	4,364,202	4,510,535	4,566,369
Communication service taxes	1,803,813	1,636,717	1,662,895	1,503,326
Other taxes	1,674,677	1,706,931	1,768,768	1,730,203
Unrestricted investment earnings	49,793	22,405	62,991	117,100
Intergovernmental revenue - unrestricted	3,713,871	3,907,222	4,138,359	4,304,238
Miscellaneous	367,889	665,899	487,374	707,533
Transfers - net	-	-	-	1,110,000
Special item	-	-	-	-
Total governmental activities	26,925,496	28,501,691	29,422,720	31,719,200
Business type activities:				
Unrestricted investment earnings	95,659	55,830	86,456	163,525
Transfers	-	-	-	(1,110,000)
Special item	-	-	-	-
Total business type activities	95,659	55,830	86,456	(946,475)
Total primary government	\$ 27,021,155	\$ 28,557,521	\$ 29,509,176	\$ 30,772,725
Change in Net Position				
Governmental activities	\$ 955,985	\$ 2,279,737	\$ 3,134,801	\$ 3,695,395
Business type activities	4,407,485	2,148,735	7,050,367	4,136,545
Total primary government	\$ 5,363,470	\$ 4,428,472	\$ 10,185,168	\$ 7,831,940

Source: City of Oakland Park Financial Services Department

Fiscal Years						
2017	2018	2019	2020	2021	2022	
\$ 16,185,976	\$ 17,518,760	\$ 18,987,785	\$ 20,616,499	\$ 23,181,851	\$ 24,665,509	
2,723,389	2,700,264	2,671,496	2,600,936	2,655,853	3,143,649	
4,697,743	4,870,984	4,972,469	4,876,392	4,943,903	5,213,691	
1,613,895	1,412,591	1,352,718	1,434,626	1,387,448	1,330,045	
1,854,639	1,921,986	1,938,173	1,783,997	1,774,254	2,196,588	
250,116	459,792	588,002	326,804	90,500	805,847	
4,461,100	4,650,307	4,752,294	4,319,726	5,067,035	5,983,032	
503,116	633,168	918,728	834,891	975,138	642,846	
-	-	-	-	-	-	
(90,818)	-	-	-	-	-	
<u>32,199,156</u>	<u>34,167,852</u>	<u>36,181,665</u>	<u>36,793,871</u>	<u>40,075,982</u>	<u>43,981,207</u>	
257,360	518,745	611,680	413,599	27,893	248,941	
-	-	-	-	-	-	
-	(628,450)	-	-	-	-	
<u>257,360</u>	<u>(109,705)</u>	<u>611,680</u>	<u>413,599</u>	<u>27,893</u>	<u>248,941</u>	
<u>\$ 32,456,516</u>	<u>\$ 34,058,147</u>	<u>\$ 36,793,345</u>	<u>\$ 37,207,470</u>	<u>\$ 40,103,875</u>	<u>\$ 44,230,148</u>	
\$ 748,196	\$ 957,013	\$ (380,867)	\$ (1,298,811)	\$ 11,742,609	\$ 5,764,669	
3,963,489	2,253,262	695,568	(125,690)	1,820,886	3,175,105	
<u>\$ 4,711,685</u>	<u>\$ 3,210,275</u>	<u>\$ 314,701</u>	<u>\$ (1,424,501)</u>	<u>\$ 13,563,495</u>	<u>\$ 8,939,774</u>	

(concluded)

CITY OF OAKLAND PARK, FLORIDA

Fund Balances, Governmental Funds
Last Ten Fiscal Years
 (Modified accrual basis)

	2013	2014	2015	2016
General Fund				
Nonspendable				
Inventories	\$ 61,410	\$ 74,129	\$ 76,838	\$ 70,068
Prepaid Costs	118,598	137,841	157,601	1,219,525
Interfund loan	112,971	1,726,848	1,726,848	1,751,356
Restricted for				
Grant match	586,551	-	224,139	-
Education	113,535	128,846	153,920	162,577
Transportation improvement	-	-	-	-
Tree preservation	-	-	-	-
Florida Building Code Enforcement	-	-	-	-
Vehicle replacement	-	-	-	-
Assigned to				
Subsequent year's budget	2,700,369	2,089,752	2,017,430	2,625,518
Unassigned	12,343,763	11,986,648	14,440,351	15,540,356
Total general fund	16,037,197	16,144,064	18,797,127	21,369,400
All Other Governmental Funds				
Nonspendable				
Prepaid Costs	-	-	-	2,388
Restricted for:				
Public safety	477,321	364,529	270,587	209,510
Library	28,172	30,031	28,709	29,251
Tree preservation	102,832	5,788	6,204	33,653
Fire station facility	42,491	208	809	1,439
Park development	18,483	18,949	19,061	19,724
Parks and recreation	14,840	18,006	23,849	25,428
Grant match	-	-	-	-
Committed to:				
Capital Projects	1,841,393	1,861,862	2,710,817	2,554,954
Public safety	-	-	-	-
Streets and resurfacing	-	-	-	-
Assigned to:				
Community redevelopment	-1,497,314	-1,772,516	-1,788,828	(2,604,011)
Debt Service	11,516	11,516	11,516	29,573
Subsequent year's budget	-	-	-	-
Total all other governmental funds	1,039,734	538,373	1,282,724	301,909
Total governmental funds	\$ 17,076,931	\$ 16,682,437	\$ 20,079,851	\$ 21,671,309

Source: City of Oakland Park, Financial Services Department

Fiscal Years						
2017	2018	2019	2020	2021	2022	
\$ 74,786	\$ 86,448	\$ 79,657	\$ 75,168	\$ 69,939	\$ 58,045	
751,773	1,285,025	1,083,302	479,853	542,569	1,614,801	
1,591,356	185,938	185,938	-	-	-	
-	-	331,300	482,396	373,017	-	
211,380	235,484	283,844	317,878	390,994	444,690	
-	35,818	35,818	1,783	1,783	111,341	
-	-	1,031	1,031	1,031	1,031	
-	-	-	-	419,204	4,460,265	
-	-	-	-	-	1,551,231	
5,548,817	3,171,683	2,741,280	4,085,977	4,852,822	8,749,831	
12,358,935	11,473,344	12,693,316	13,411,470	17,187,018	14,593,649	
20,537,047	16,473,740	17,435,486	18,855,556	23,838,377	31,584,884	
113,554	110,063	117,346	-	-	437,616	
31,521	80,210	89,002	102,226	101,477	136,755	
30,038	16,731	39,327	48,340	48,170	48,008	
33,973	34,556	35,337	11,679	11,696	11,778	
1,604	1,632	1,669	1,868	15,627	47,466	
22,385	27,789	35,872	30,471	260,463	268,480	
38,047	45,453	56,056	59,556	59,640	74,762	
-	565,985	547,066	-	-	-	
3,028,902	5,140,006	2,677,856	33,916,927	31,861,997	46,427,445	
-	-	-	-	-	-	
-	-	-	-	-	-	
(1,599,830)	6,645	205,512	138,583	99,169	152,593	
26,656	74,482	71,449	233,379	278,057	24,327	
-	-	-	115,863	120,228	176,761	
1,726,850	6,103,552	3,876,492	34,658,892	32,856,524	47,805,991	
\$ 22,263,897	\$ 22,577,292	\$ 21,311,978	\$ 53,514,449	\$ 56,694,901	\$ 79,390,875	

CITY OF OAKLAND PARK, FLORIDA

Changes in Fund Balances, Governmental Funds Last Ten Fiscal Years (Modified accrual basis)

	2013	2014	2015
Revenues			
Taxes:			
Ad Valorem	\$ 12,831,277	\$ 13,566,402	\$ 14,128,644
Utility taxes	4,059,906	4,364,202	4,510,535
Communication Service	1,803,813	1,636,717	1,662,895
Other taxes	1,674,676	1,735,031	1,768,768
Franchise fees	2,424,270	2,631,913	2,663,154
Licenses and permits	1,251,212	1,875,880	1,403,593
Intergovernmental	3,713,871	3,879,122	4,138,359
Charges for service	11,479,964	11,806,480	13,162,629
Fines and forfeitures	472,778	928,123	927,519
Grants	1,313,380	1,224,032	1,895,104
Investment earnings	49,793	22,405	62,991
Other	495,174	687,553	489,070
Total revenues	41,570,114	44,357,859	46,813,261
Expenditures			
Current:			
General government	4,463,378	4,885,134	4,628,450
Public safety	21,572,490	23,066,104	23,762,084
Public works	3,298,663	3,572,735	3,667,082
Eng. and Community development	3,530,597	3,154,231	3,288,485
Culture and recreation	4,797,349	5,132,554	5,548,883
Debt service:			
Principal	553,439	659,442	758,660
Interest	533,841	523,303	509,776
Debt issuance cost	-	-	-
Capital outlay	4,790,041	4,362,130	2,030,942
Total expenditures	43,539,798	45,355,633	44,194,362
Excess (deficiency) of revenues over expenditures	(1,969,684)	(997,774)	2,618,899
Other Financing Sources (Uses)			
Issuance of debt	697,394	603,280	778,515
Issuance of refunding debt	-	-	-
Payment to refunded debt	-	-	-
Transfers in	3,536,298	5,153,487	2,140,495
Transfers out	(3,536,298)	(5,153,487)	(2,140,495)
Insurance recoveries	-	-	-
Total other financing sources (uses)	697,394	603,280	778,515
Special Item			
Return of Federal Equitable Sharing Funds	-	-	-
Net change in fund balances	\$ (1,272,290)	\$ (394,494)	\$ 3,397,414
Debt service as a percentage of noncapital expenditures	<u>2.8%</u>	<u>2.9%</u>	<u>3.0%</u>

Source: City of Oakland Park, Financial Services Department

Fiscal Years						
2016	2017	2018	2019	2020	2021	2022
\$ 15,064,291	\$ 16,185,976	\$ 17,518,760	\$ 18,987,785	\$ 20,616,499	\$ 23,181,851	\$ 24,665,510
4,566,369	4,697,743	4,870,984	4,972,469	4,876,392	4,943,903	5,213,691
1,503,326	1,613,895	1,412,591	1,352,718	1,434,626	1,387,448	1,330,045
1,730,203	1,854,639	1,921,986	1,938,173	1,783,997	1,774,254	2,196,588
2,616,140	2,723,389	2,700,264	2,671,496	2,600,936	2,655,853	3,143,649
2,081,632	2,687,258	1,856,793	1,726,823	2,183,510	6,250,006	7,725,305
4,304,238	4,461,100	4,650,307	4,752,294	4,319,726	5,067,035	5,983,032
13,454,340	13,389,381	13,873,238	13,795,959	14,156,962	13,421,835	14,856,311
839,130	625,707	516,038	578,543	459,253	341,925	367,372
869,908	1,160,268	1,160,006	1,015,872	1,579,747	2,934,236	2,606,982
117,100	250,116	455,845	588,001	326,803	90,501	805,847
707,532	503,116	642,204	786,013	834,892	975,138	642,846
47,854,209	50,152,588	51,579,016	53,166,146	55,173,343	63,023,985	69,537,178
4,838,863	5,309,188	5,846,636	5,638,239	5,994,332	7,175,924	7,354,793
23,470,455	25,019,649	25,811,454	27,336,150	27,724,899	28,785,112	31,070,119
3,763,159	3,839,996	7,193,874	7,227,845	6,724,606	7,063,208	7,803,033
4,635,561	4,973,013	5,402,587	5,118,910	5,884,861	6,274,120	6,788,810
5,674,756	6,119,304	3,578,865	3,593,849	3,152,660	3,375,762	4,218,219
774,938	805,236	951,978	1,178,349	1,388,990	1,816,768	2,419,387
490,058	531,902	540,535	546,627	528,950	1,848,471	1,415,580
40,150	15,000	41,500	-	270,789	103,410	186,062
4,429,810	3,934,647	4,157,803	3,924,208	3,062,524	3,526,008	8,437,822
48,117,750	50,547,935	53,525,232	54,564,177	54,732,611	59,968,783	69,693,825
(263,541)	(395,347)	(1,946,216)	(1,398,031)	440,732	3,055,203	(156,647)
745,000	1,078,752	2,259,611	-	31,761,739	-	22,905,965
-	-	-	-	-	6,564,600	-
-	-	-	-	-	(6,439,350)	-
5,198,688	3,437,407	7,119,564	2,192,813	3,740,111	3,153,718	3,952,839
(4,088,688)	(3,437,407)	(7,119,564)	(2,192,813)	(3,740,111)	(3,153,718)	(3,952,839)
-	-	-	132,718	-	-	-
1,855,000	1,078,752	2,259,611	132,718	31,761,739	125,250	22,905,965
-	(90,818)	-	-	-	-	-
\$ 1,591,459	\$ 592,587	\$ 313,395	\$ (1,265,313)	\$ 32,202,471	\$ 3,180,453	\$ 22,749,318
<u>2.9%</u>	<u>2.9%</u>	<u>3.0%</u>	<u>3.4%</u>	<u>3.7%</u>	<u>6.5%</u>	<u>6.3%</u>

CITY OF OAKLAND PARK, FLORIDA

Assessed Value and Actual Value of Taxable Property Last Ten Fiscal Years

(dollars in thousands)

Fiscal Year	Assessment Value				Total Assessed Property Value ⁽¹⁾	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Residential Property	Commercial Property	Industrial Property	Personal & Other Property				
2013	1,658,054	948,483	307,548	132,881	3,046,966	949,832	2,097,134	6.3142
2014	1,818,424	941,357	321,619	139,965	3,221,365	1,017,908	2,203,457	6.3995
2015	2,144,707	937,752	367,699	143,705	3,593,863	1,215,085	2,378,778	6.2744
2016	2,379,158	950,629	384,570	154,484	3,868,841	1,338,149	2,530,692	6.1995
2017	2,639,069	1,016,255	430,673	157,475	4,243,472	1,516,389	2,727,083	6.1555
2018	3,000,946	1,082,394	473,489	161,014	4,717,843	1,733,069	2,984,774	6.0985
2019	3,305,524	1,107,337	526,733	175,012	5,114,606	1,823,124	3,291,482	5.9985
2020	3,605,855	1,147,615	592,205	175,304	5,520,979	1,991,370	3,529,609	6.0880
2021	3,785,184	1,175,205	595,387	185,852	5,741,628	1,976,907	3,764,721	5.8910
2022	4,067,559	1,206,134	637,647	190,106	6,101,446	2,100,271	4,001,175	5.8890

Source: *Broward County Property Appraiser DR403, 420 & real estate use code summary report.*

Note: (1) State Law requires that assessed values be established at 100% of current fair market value.

(2) As of December 31st of each year listed.

Tax rates are per \$1,000 of taxable assessed value.

CITY OF OAKLAND PARK, FLORIDA

Direct and Overlapping Property Tax Rates Last Ten Fiscal Years

Fiscal Year	<u>City Direct Rate</u>	<u>Overlapping Rates</u>						Total Direct & Overlapping Rates
	Oakland Park Operating Rate	Broward County	Broward County School Board	Florida Water Mgmt District	North Broward Hospital District	Florida Inland Navigation District	Children Services Council	
2013	6.3142	5.2576	7.4560	0.4289	1.8564	0.0345	0.4902	21.8378
2014	6.3995	5.4400	7.4800	0.4110	1.7554	0.0345	0.4882	22.0086
2015	6.2744	5.4584	7.4380	0.3842	1.5939	0.0345	0.4882	21.6716
2016	6.1995	5.4741	7.2030	0.3551	1.4425	0.0320	0.4882	21.1944
2017	6.1555	5.4474	6.8360	0.3307	1.3462	0.0320	0.4882	20.6360
2018	6.0985	5.4623	6.4740	0.3100	1.2483	0.0320	0.4882	20.1133
2019	5.9985	5.4878	6.4029	0.2936	1.0855	0.0320	0.4882	19.7885
2020	6.0880	5.4878	6.6350	0.2795	1.0324	0.0320	0.4882	20.0429
2021	5.8910	5.4999	6.4140	0.2675	1.1469	0.0320	0.4882	19.7395
2022	5.8890	5.5134	6.3180	0.2572	1.2770	0.0320	0.4699	19.7565

Source: Broward County Property Appraiser

Note: Tax rates are per \$1,000 of taxable assessed value.
 The city's basic property tax rate may be increased only by a majority vote of the city's residents.
 Overlapping rates are those of local and county governments that apply to property owners within the city.

CITY OF OAKLAND PARK, FLORIDA

Principal Property Tax Payers Current Year and Ten Years Ago (Dollars in thousands)

Taxpayer	2022			2013		
	Taxable Assessed Value (a)	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value (a)	Rank	Percentage of Total City Taxable Assessed Value
WRIJT Northridge LP	\$ 49,253	1	1.23%	\$ 28,359	1	1.35%
Village At Eastpointe Apartments LP	28,779	2	0.72%			
Alliance HTFL LP	26,373	3	0.66%	18,612	2	0.89%
Brookwood CP II LLC	25,689	4	0.64%	10,941	7	0.52%
SSC Property Holdings Inc	21,732	5	0.54%	10,078	9	0.48%
Shores Behavioral Hospital LLC	21,336	6	0.53%			
Jorcken Crystal Lake LLC	18,071	7	0.45%			
Set Point Associates LTD PRTNR	16,413	8	0.41%			
River Oaks	13,664	9	0.34%			
NGP V Broward LLC	13,557	10	0.34%			
Western Natl Life Insurance Co				15,108	3	0.72%
Florida Power & Light Co.				15,036	4	0.72%
Lowe's Home Centers Inc.				14,975	5	0.71%
Bridgewater Place Assoc LTD				11,905	6	0.57%
Mederos Crystal Lake Condos LLC				10,868	8	0.52%
Robert Lipton Inc				9,995	10	0.48%
Total	\$ 234,867		5.87%	\$ 145,877		6.96%

Source: Broward County Revenue Collection

CITY OF OAKLAND PARK, FLORIDA

Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year	Taxes Levied for Fiscal Year (from BCPA)	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	13,274,836	12,784,619	96.31%	(53,851)	12,730,768	95.90%
2014	14,147,792	13,563,259	95.87%	(66,774)	13,496,485	95.40%
2015	14,930,547	14,168,828	94.90%	17,036	14,185,865	95.01%
2016	15,689,028	15,024,930	95.77%	16,075	15,041,005	95.87%
2017	16,786,562	16,132,394	96.10%	15,382	16,147,776	96.19%
2018	18,202,649	17,486,037	96.06%	29,935	17,515,973	96.23%
2019	19,578,834	18,944,914	96.76%	1,497	18,946,411	96.77%
2020	21,335,400	20,604,060	96.57%	28,909	20,632,969	96.71%
2021	22,068,515	21,268,762	96.38%	-	21,268,762	96.38%
2022	23,401,167	22,622,049	96.67%	-	22,622,049	96.67%

Source: Broward County Property Appraiser (BCPA) and City of Oakland Park, Financial Services Department

CITY OF OAKLAND PARK, FLORIDA

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Governmental Activities												
Fiscal Year	Capital Leases	2007 Capital One Note	2021 Refunding Bonds (Wells Fargo)	2016 Note Payable	2018 Bank Loan (Florida Community Bank)	Series 2020 & 2022 General Obligation Bonds	2022 Vehicle Financing (Webster Bank)	2022 CBA Promissory Note (Webster Bank)	Issuance Discounts/ Premiums	2010 Water & Sewer refunding loan	Capital Leases	loan
2013	\$ 689,606	\$ 3,293,623	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 410,953	\$ 14,065,000	
2014	595,216	3,134,798	-	-	-	-	-	-	-	189,588	13,780,000	
2015	1,174,998	2,968,874	-	-	-	-	-	-	-	452,433	13,470,000	
2016	1,008,965	2,795,533	-	745,000	-	-	-	-	-	406,832	13,145,000	
2017	839,479	2,614,444	-	745,000	-	-	-	-	-	1,460,128	12,810,000	
2018	1,245,829	2,425,261	-	645,000	1,660,000	-	-	-	-	1,162,327	12,465,000	
2019	982,986	2,227,620	-	540,000	1,660,000	-	-	-	-	959,864	12,110,000	
2020	735,981	2,021,145	-	435,000	1,515,000	26,000,000	-	26,000,000	-	753,542	230,000	
2021	574,594	1,805,440	6,564,600	330,000	1,365,000	25,475,000	-	25,475,000	-	543,286	195,000	
2022	408,768	1,580,093	6,022,587	220,000	1,210,000	38,630,000	2,665,141	3,129,058	7,750,276	329,018	150,000	

Source: City of Oakland Park, Financial Services Department

Business-type Activities

2014 Bank Loan (Truist Loan)	2019 Solidwaste Loan (JP Morgan Chase)	2021	2022	2012 Utility Bonds	2017 Water & Sewer (JPMorgan Chase)	2019 Utility Refunding Bonds	2015	2022		Total Primary Government	Percent. of Personal Income	Per Capita
		Stormwater Refunding Bonds (Wells Fargo)	Water/Sewer Solid waste/ Stormwater Loan		Stormwater Bonds		Stormwater Refunding (Webster Bank)	Issuance Discounts/ Premiums				
\$ -	\$ -	\$ -	\$ -	\$ 16,881,137	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,812,218	5.55%	1,396
1,495,000	-	-	-	16,420,565	-	-	-	-	-	58,504,041	5.41%	1,352
1,415,000	-	-	-	16,136,992	-	-	2,145,530	-	-	59,961,568	5.53%	1,382
1,330,000	-	-	-	15,853,420	-	-	2,028,920	-	-	58,768,388	5.46%	1,333
1,245,000	-	-	-	15,559,847	-	-	1,907,250	-	-	58,944,434	5.46%	1,327
1,155,000	-	-	-	15,415,000	6,511,296	-	1,782,370	-	-	64,064,217	6.05%	1,478
1,065,000	1,262,453	-	-	15,100,000	5,768,090	-	1,654,190	-	-	61,967,652	2.96%	1,367
970,000	1,091,753	-	-	14,775,000	5,768,090	10,730,000	1,522,630	-	-	110,153,205	7.07%	2,410
875,000	900,104	2,773,380	-	14,495,000	5,375,660	10,385,000	1,387,590	-	-	102,934,654	8.44%	2,324
775,000	702,622	2,544,393	12,654,075	14,205,000	4,975,303	10,030,000	1,248,990	4,340,290	1,090,220	114,660,834	7.83%	2,527

CITY OF OAKLAND PARK, FLORIDA

Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2013	\$ -	0.00%	-
2014	-	0.00%	-
2015	-	0.00%	-
2016	-	0.00%	-
2017	-	0.00%	-
2018	-	0.00%	-
2019	-	0.00%	-
2020	\$26,000,000	100.00%	\$568.82
2021	\$25,475,000	100.00%	\$575.11
2022	\$38,630,000	100.00%	\$859.40

Source: City of Oakland Park, Financial Services Department

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

CITY OF OAKLAND PARK, FLORIDA

Direct and Overlapping Governmental Activities Debt As of September 30, 2022

Governmental Unit	Debt Outstanding (in thousands)	Estimated Percentage Applicable	Estimated Share of Overlapping Debt (in thousands)
Debt repaid with property taxes			
Broward County Debt Service *	\$ 72,314	1.805%	\$ 1,305
Broward Public Schools Debt Service **	884,660	1.687%	<u>14,924</u>
Subtotal, overlapping debt			16,230
Oakland Park direct debt (in thousands)			<u>9,441</u>
Total direct and overlapping debt			<u><u>\$ 25,671</u></u>

Note: Overlapping governments are those that coincide with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Oakland Park. The estimated percentage is determined by dividing the city's taxable assessed value by each overlapping unit's total taxable assessed value. Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Sources:

City of Oakland Park, Financial Services Department

* *Broward County Accounting Division*

** *School Board of Broward County Financial Reporting Division*

CITY OF OAKLAND PARK, FLORIDA

Legal Debt Margin Information Last Ten Fiscal Years (dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2022

Assessed value (in thousands)	\$ 4,001,175
Bonded debt limit - 15% of assessed value	\$ 600,176
Debt applicable to limit	
General Obligation Bonds	\$ 38,630
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	<u>38,630</u>
Legal debt margin	<u>\$ 561,546</u>

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt Limit	\$ 314,570	\$ 330,519	\$ 356,817	\$ 379,453
Total net debt application to limit	-	-	-	-
Legal debt margin	<u>\$ 314,570</u>	<u>\$ 330,519</u>	<u>\$ 356,817</u>	<u>\$ 379,453</u>
Total net debt applicable to the limit as a % of debt limit	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Source: City of Oakland Park, Financial Services Department

Fiscal Years					
2017	2018	2019	2020	2021	2022
\$ 408,900	\$ 447,543	\$ 492,621	\$ 503,441	\$ 539,233	\$ 561,546
-	-	-	-	-	-
\$ 408,900	\$ 447,543	\$ 492,621	\$ 503,441	\$ 539,233	\$ 561,546
0%	0%	0%	0%	0%	0%

CITY OF OAKLAND PARK, FLORIDA

Pledged-Revenue Coverage

Last Ten Fiscal Years

(dollars in thousands)

Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
General - 2007 CapitalOne Loan						
2013	\$ 27,213	\$ 24,979	\$ 2,234	\$ 152	\$ 150	7.40
2014	28,970	26,060	2,910	159	144	9.60
2015	30,604	26,697	3,907	166	136	12.94
2016	31,588	27,482	4,106	173	129	13.60
2017	32,620	28,379	4,241	181	121	14.04
2018	32,729	30,627	2,102	189	113	6.96
2019	33,090	30,077	3,013	198	126	9.30
2020	32,488	28,504	3,984	206	115	12.41
2021	36,509	30,971	5,538	216	104	17.31
2022	42,234	29,913	12,321	225	92	38.87
Utility System Revenue Bonds, 2010A series						
2013	\$ 16,399	\$ 10,455	\$ 5,944	\$ 280	\$ 770	5.66
2014	16,684	10,882	5,802	285	764	5.53
2015	18,556	11,189	7,367	310	759	6.89
2016	18,007	11,774	6,233	325	752	5.79
2017	19,495	11,736	7,759	335	743	7.20
2018	19,798	12,882	6,916	345	735	6.40
2019	21,036	16,319	4,717	355	725	4.37
2020	20,136	14,257	5,879	365	714	5.45
2021	20,692	13,658	7,033	35	9	159.85
2022	21,840	13,874	7,966	45	8	150.30
Water and Sewer Revenue Bonds, 2012 series						
2012	\$ 15,232	\$ 10,960	\$ 4,272	\$ -	\$ -	-
2013	16,399	10,455	5,944	275	607	6.74
2014	16,684	10,882	5,802	300	607	6.40
2015	18,556	11,189	7,367	290	598	8.30
2016	18,007	11,774	6,233	290	589	7.09
2017	19,495	11,736	7,759	300	580	8.82
2018	19,798	12,882	6,916	305	572	7.89
2019	21,036	16,319	4,717	315	562	5.38
2020	20,136	14,257	5,879	325	553	6.70
2021	20,692	13,658	7,033	280	543	8.55
2022	21,840	13,874	7,966	290	535	9.66
Water and Sewer 2014 loan - refunding						
2015	\$ 18,556	\$ 11,189	\$ 7,367	\$ 80	\$ 44	59.41
2016	18,007	11,774	6,233	85	41	49.47
2017	19,495	11,736	7,759	85	38	63.08
2018	19,798	12,882	6,916	90	36	54.89
2019	21,036	16,319	4,717	90	33	38.35
2020	20,136	14,257	5,879	95	35	45.22
2021	20,692	13,658	7,033	95	32	55.38
2022	21,840	13,874	7,966	100	29	61.75
Stormwater Assessment Bonds, 2015 series						
2015	\$ 30,604	\$ 26,697	\$ 3,907	\$ -	\$ -	-
2016	31,588	27,482	4,106	117	56	23.74
2017	32,620	28,379	4,241	122	53	24.23
2018	32,729	30,627	2,102	125	50	12.01
2019	33,090	30,077	3,013	128	47	17.22
2020	32,488	28,504	3,984	132	44	22.64
2021	36,509	30,971	5,538	135	40	31.65
2022	42,234	29,913	12,321	139	37	70.00

CITY OF OAKLAND PARK, FLORIDA

Pledged-Revenue Coverage
Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
Water and Sewer Bonds, 2017 series						
2018	\$ 19,798	\$ 12,882	\$ 6,916	\$ -	\$ 59	117.22
2019	21,036	16,319	4,717	359	128	9.69
2020	20,136	14,257	5,879	385	120	11.64
2021	20,692	13,658	7,033	392	112	13.95
2022	21,840	13,874	7,966	400	105	15.77
Water and Sewer Bonds, 2019 series refunding						
2021	\$ 20,692	\$ 13,658	\$ 7,033	\$ 345	\$ 443	8.93
2022	21,840	13,874	7,966	355	426	10.20
General - 2021 Wells Fargo Refunding Bonds						
2021	\$ 36,509	\$ 30,971	\$ 5,538	\$ -	\$ -	-
2022	42,234	29,913	12,321	542	83	19.71
Stormwater - 2021 Wells Fargo Refunding Bonds						
2021	\$ 36,509	\$ 30,971	\$ 5,538	\$ -	\$ -	-
2022	42,234	29,913	12,321	229	35	46.67
Stormwater - 2022 Webster Bank Refunding loan						
2022	\$ 3,504	\$ 1,076	2,428	188	95	8.58

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Gross revenues exclude grants and restricted revenues. Operating expenses exclude depreciation and administrative support fees.

Source: City of Oakland Park, Financial Services Department

CITY OF OAKLAND PARK, FLORIDA

Demographic and Economic Statistics Last Ten Fiscal Years

Year	Population*	Personal Income*	Per Capita Personal income*	Unemployment Rate**
2012	42,020	\$ 1,062,013,480	25,274	5.80%
2013	42,832	\$ 1,077,438,960	25,155	4.50%
2014	43,286	\$ 1,080,894,706	24,971	4.10%
2015	43,390	\$ 1,083,491,690	24,971	4.30%
2016	44,090	\$ 1,076,854,160	24,424	3.90%
2017	44,409	\$ 1,079,760,426	24,314	3.10%
2018	43,347	\$ 1,058,707,128	24,424	2.80%
2019	45,339	\$ 2,091,740,645	26,611	2.60%
2020	45,709	\$ 1,558,814,027	34,103	8.50%
2021	44,296	\$ 1,220,133,320	27,545	4.10%
2022	44,950	\$ 1,449,997,100	32,258	2.50%

Source: **City Engineering and Community Development
Department **Florida Agency for Workforce Innovation*

CITY OF OAKLAND PARK, FLORIDA

Principal Employers Current Year and Ten Years Ago

2022

Employer	Employees	Rank	Percentage of Total City Employment
Sunshine Cleaning Services	495	1	2.25%
Publix Supermarket	319	2	1.45%
Behavioral Health Facility	292	3	1.33%
Atlas Apex Roofing	282	4	1.28%
City of Oakland Park	276	5	1.25%
US Department of Veterans Affairs	257	6	1.17%
Home Depot	218	7	0.99%
Lowes	170	8	0.77%
US Post Office	163	9	0.74%
Concrete Protection Restoration	125	10	0.57%

2013

Employer	Employees	Rank	Percentage of Total City Employment
Home Depot	300	1	1.53%
Advanced Roofing	300	2	1.53%
City of Oakland Park	252	3	1.29%
Treatment Center of the Palm	200	4	1.02%
Agency Workforce Innovation	172	5	0.88%
Lauderhill Middle Community School	165	6	0.84%
H Lamm Industries	140	7	0.72%
Broward Paper & Packaging	135	8	0.69%
Lipton Toyota	130	9	0.66%
Publix Supermarkets	130	10	0.66%

CITY OF OAKLAND PARK, FLORIDA

Operating Indicators by Function/Program Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016
Police				
Physical arrests	1,881	2,389	1,675	997
Parking violations	74	280	243	309
Traffic violations	5,595	8,071	10,520	7,348
Fire Rescue				
Emergency responses	7,541	7,780	7,976	8,427
Fires extinguished	141	104	105	130
Inspections	2,656	2,953	5,585	5,890
Refuse collection				
Refuse collected (tons per day)	137	142	138	159
Recyclables collected (tons per day)	11	15	13	15
Other public works				
Street resurfacing (miles)	-	2	3	2
Potholes repaired	1,643	2,228	1,705	2,032
Parks and Leisure				
Athletic field permits issued	448	461	403	355
Community center admissions	63,580	69,700	70,000	72,100
Library				
Volumes in collection	47,825	51,676	55,170	59,225
Total volumes borrowed	98,695	82,965	73,334	73,719
Water				
New connections	23	26	23	57
Water main breaks	46	57	70	27
Average daily consumption (thousands of gallons)	3,039	3,190	3,236	2,530
Sewer				
Avg. daily sewage treatment by other (in thousands)	7,431	6,560	5,703	5,778

**The City does not have a wastewater treatment facility

Source: Various City departments

2017	2018	2019	2020	2021	2022
1,491	1,614	1,237	1,046	1,150	1,168
32	52	33	46	22	72
6,176	8,657	6,450	4,235	9,606	6,132
9,123	9,032	8,346	8,368	9,094	9,177
160	134	129	123	134	146
4,385	5,953	5,281	3,680	7,149	8,108
141	140	140	180	191	185
13	13	13	18	16	14
2	2	6	0	0	0
2,228	1,991	1,812	1,494	1,737	908
400	432	436	198	52	47
73,500	74,500	75,300	56,328	0	0
71,770	50,594	43,856	44,383	44,108	43,683
63,307	60,354	49,732	25,040	12,102	27,193
260	40	73	57	85	202
12	6	8	21	15	7
2,262	2,478	2,971	3,297	3,247	3,238
6,328	11,861	9,731	12,256	5,646	5,848

CITY OF OAKLAND PARK, FLORIDA

Capital Asset Statistics by Function/Program Last Ten Fiscal Years

Function/Program	Fiscal Years			
	2013	2014	2015	2016
Police				
Stations	1	1	1	1
Zone offices	1	1	1	1
Patrol units	63	65	69	69
Fire stations	3	3	3	3
Refuse Collection				
Collection trucks	10	13	10	10
Other public works				
Streets (miles)	134	134	134	134
Highways (miles)	- (a)	- (a)	- (a)	- (a)
Streetlights	2,406 *	2,466 *	2,596 *	2,646 *
Traffic signals	- (a)	- (a)	- (a)	- (a)
Parks and Leisure				
Acreage	199	199	199	199
Playgrounds	10	10	10	10
Baseball/softball diamonds	9	7	7	4
Soccer/football fields	3	4	4	3
Tennis courts	14	14	14	14
Community centers	4	4	4	4
Basketball Courts	5	5	5	5
Handball/Racquetball Courts	4	4	4	4
Bocce Courts	2	2	2	2
Dog Park	1	1	1	1
Exercise Trail with Exercise Stations	3	3	3	3
Boat Ramp	1	1	1	1
Canoe/Kayak Launch	1	1	1	1
Water				
Water mains (miles)	197	197	197	197
Fire hydrants	785	791	811	851
Storage capacity (thousand of gallons)	- **	- **	- **	- **
Sewer				
Sanitary sewers (miles)	100	100	100	100
Storm sewers (miles)	62	62	62	62
Treatment capacity (thousand of gallons)	- ***	- ***	- ***	- ***
Transit - minibuses	-	-	-	-

Notes:

*Majority are owned by FPL; the City pays a maintenance fee

**No water storage tanks owned by the City

***The City does not have a wastewater treatment facility

(a) None owned by the City

(b) The number of City owned streetlights based on FY 2021 count.

Source: Various City departments

2017	2018	2019	2020	2021	2022
1	1	1	1	1	1
1	1	1	1	1	1
69	69	88	88	59	62
3	3	3	3	3	3
8	8	8	8	10	25
134	134	134	134	134	134
- (a)	- (a)	- (a)	- (a)	- (a)	- (a)
2,677 *	*	*	*	183 (b)	183 (b)
- (a)	- (a)	- (a)	- (a)	- (a)	- (a)
201	201	201	201	201	201
10	10	10	10	10	10
4	4	4	4	4	4
3	3	3	3	3	3
14	14	14	14	14	14
4	4	4	4	4	4
5	5	5	5	5	5
4	4	4	4	4	4
2	2	2	2	2	2
1	1	1	1	1	1
3	3	3	3	3	3
1	1	1	1	1	1
1	1	1	1	1	1
197	197	197	197	197	197
855	896	910	910	940	910
- **	- **	- **	- **	- **	**
100	100	100	100	92	62
63.8	62	62	62	99.4	99.4
- ***	- ***	- ***	- ***	- ***	- ***
-	-	-	-	-	-

CITY OF OAKLAND PARK, FLORIDA

Full-time Equivalent City Government Employees by Function/Program Last Ten Fiscal Years

Full-time Equivalent Employees as of September 30

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	24	24	22	25	28	28	24	23	28	25
Broward Sheriff's Office*	98	99	98	99	99	99	99	99	99	99
Fire Rescue	63	69	73	67	67	67	67	68	66	70
Public Works	14	15	14	15	16	16	16	20	27	26
Engineering	8	10	9	8	7	7	4	7	7	10
Community Development	16	9	11	24	28	28	26	28	30	27
Library	7	6	7	6	6	6	6	6	6	6
Parks and Leisure	42	40	42	36	14	14	20	14	14	14
Parks Maintenance	0	0	0	0	23	23	22	13	12	13
Water & Sewer	20	22	22	25	26	26	25	24	23	20
Solid Waste	24	22	20	23	23	23	23	21	20	20
Storm Water	10	10	10	10	11	11	10	9	9	8
Total	326	326	328	338	346	346	342	332	341	338

*Staffing level set by contract

Source: City of Oakland Park, Financial Services Department

COMPLIANCE SECTION

CITY OF OAKLAND PARK, FLORIDA

**Schedule of Expenditures of Federal Awards
For The Fiscal Year Ended September 30, 2022**

<u>Federal Agency/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Contract Identifying Number</u>	<u>Expenditures</u>
Department of Homeland Security			
<i>Pass-Through Federal Emergency Management Agency (FEMA)</i>			
Hazard Mitigation Grant Program (HMGP)	97.039	H0194	\$ 108,979
Hazard Mitigation Grant Program (HMGP)	97.039	H0378	20,771
Public Assistance Funding Agreement - COVID 19 Vaccination	97.036	Z1873	58,858
Staffing for Adequate Fire & Emergency Response (SAFER) Grant	97.083	EMW-2018-FH-00486	<u>132,415</u>
Total Department of Homeland Security			<u>321,023</u>
U.S. Department of Justice			
<i>Pass-Through Broward County Sheriff's Office (City of Pompano Beach)</i>			
	16.738	2018-DJ-BX0884	<u>14,700</u>
Total U.S. Department of Justice			<u>14,700</u>
U.S. Department of Housing and Urban Development			
<i>Pass-Through Broward County</i>			
Community Development Block Grant - 43rd and 44th Years (Park Place)	14.218	14-129.35	324,681
Community Development Block Grant - 46th Year (Guisti Heart Parcours)	14.218	B-21-UC-12-001	<u>956</u>
Total U.S. Department of Housing and Urban Development			<u>325,637</u>
U.S. Office of Museum an Library Services			
<i>Pass-Through Florida Department of State</i>			
Grants to States	45.310	21-ARPA-05	<u>30,146</u>
Total U.S. Office of Museum and Library Services			<u>30,146</u>
U.S. Department of Agriculture			
<i>Pass-Through State of Florida Department of Agriculture</i>			
Urban and Community Forestry Grant	10.664	20DG-11083112-001	<u>20,000</u>
Total U.S. Department of Agriculture			<u>20,000</u>
U.S. Department of Treasury			
<i>Pass-Through State of Florida Department of State</i>			
Coronavirus State and Local Fiscal Recovery Funds (CSFRF-ARPA)	21.027	Y5237	<u>1,003,146</u>
Total U.S. Department of Treasury			<u>1,003,146</u>
U.S. Department of Health and Human Services			
<i>Pass-Through Early Learning Coalition of Broward County</i>			
Childcare and Development Block Grant - Coronavirus Response and Relief Supplemental Appropriations (CRRSA, Phase 6)	93.575	Phase 6	<u>24,672</u>
Total U.S. Department of Health and Human Services			<u>24,672</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,739,324</u>

See Notes to Schedule of Expenditures of Federal Awards.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Oakland Park, Florida and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulation CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

NOTE 2. INDIRECT COST RATE

The City has not elected to use the ten percent de minimus indirect cost rate.

NOTE 3. LOAN BALANCES

The City does not have any outstanding loan or loan guarantee balances at the end of the fiscal year.

NOTE 4. SUB-RECIPIENTS

No federal award amounts have been passed through to sub-recipients during the fiscal year.

**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***

Honorable Mayor and
Members of the City Commission
City of Oakland Park, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Oakland Park, Florida, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Oakland Park, Florida’s basic financial statements, and have issued our report thereon dated March 31, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Oakland Park, Florida’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 of Oakland Park, Florida’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Oakland Park, Florida’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 of Oakland Park, Florida’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Miramar, Florida
March 31, 2023

BCA Water River LLP

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

Honorable Mayor and
Members of the City Commission
City of Oakland Park, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Oakland Park, Florida’s 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 of Oakland Park, Florida’s major federal programs for the year ended September 30, 2022. The City of Oakland Park, Florida’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 of Oakland Park, Florida 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 of Oakland Park, Florida 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 of Oakland Park, Florida’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 the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Oakland Park, Florida’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 of Oakland Park, Florida’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 of Oakland Park, Florida'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 of Oakland Park, Florida'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 of Oakland Park, Florida'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 City of Oakland Park, Florida'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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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.

Miramar, Florida
March 31, 2023

BCA Watson Rice LLP

CITY OF OAKLAND PARK, FLORIDA
SEPTEMBER 30, 2022
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I: Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

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 Awards

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	
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 programs:		
CFDA Number(s)	Name of Federal Program or Cluster	
21.027	Coronavirus State and Local Fiscal Recovery Funds	
Dollar threshold used to distinguish between type A and type B programs:	\$750,000	
Auditee qualified as a low-risk auditee?	_X_ Yes	___ No

CITY OF OAKLAND PARK, FLORIDA

SEPTEMBER 30, 2022

**SCHEDULE OF FINDINGS AND
QUESTIONED COSTS**

Section II: Financial Statement Findings

None

Section III: Federal Awards Findings

None

CITY OF OAKLAND PARK, FLORIDA
SEPTEMBER 30, 2022
SUMMARY OF PRIOR YEAR
FINDINGS

None

MANAGEMENT LETTER

To the Honorable Mayor and
City Commissioners of the
City of Oakland Park, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Oakland Park, Florida, as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated March 31, 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 for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report(s) on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 31, 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 financial audit report. There were no findings or recommendations made in the preceding financial audit report.

Official Title and Legal Authority

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

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City of Oakland Park, Florida met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City of Oakland Park, Florida 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 of Oakland Park, Florida. It is management's responsibility to monitor the City of Oakland Park, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

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

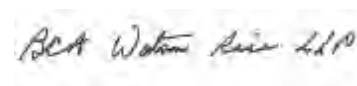
Additional Matters

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

Purpose of this Letter

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

Miramar, Florida
March 31, 2023

Handwritten signature in cursive script that reads "BCA Watson".

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE
PURSUANT TO SECTION 218.415 FLORIDA STATUTES**

Honorable Mayor and
Members of the City Commission of the
City of Oakland Park, Florida


We have examined the City of Oakland Park, Florida (the "City's") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2022. Management is responsible for the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

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

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

Miramar, Florida
March 31, 2023

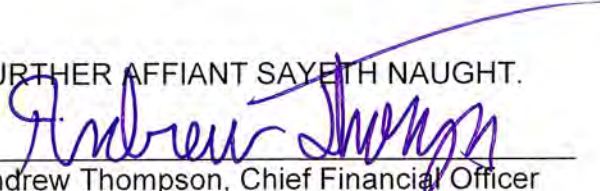


IMPACT FEE AFFIDAVIT

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

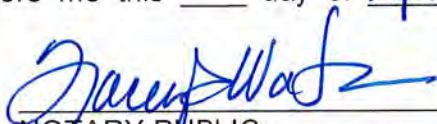
1. I am the Chief Financial Officer¹ of the City of Oakland Park, FL which is a local governmental entity of the State of Florida.
2. The governing body of the City of Oakland Park, FL adopted Ordinance No. 2005-2006 implementing an impact fee.
3. The City of Oakland Park, FL has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.


Andrew Thompson, Chief Financial Officer

STATE OF FLORIDA
COUNTY OF BROWARD

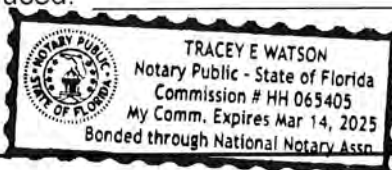
SWORN TO AND SUBSCRIBED before me this 26 day of April,
2023.


NOTARY PUBLIC
Print Name TRACEY WATSON

Personally known or produced identification _____

Type of identification produced: _____

My Commission Expires: _____



¹ Pursuant to Section 163.31801(8), Florida Statutes, if there is no chief financial officer, the executive officer must sign the affidavit.



End