

THE CITY OF WESTON

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2020 COMPREHENSIVE ANNUAL FINANCIAL REPORT
City of Weston, Florida

*Prepared for the
Next Generation*



POLICE



RECREATION



FIRE



City of Weston | Bonaventure Development District
Indian Trace Development District

Fiscal Year Ending September 30, 2020



COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
CITY OF WESTON, FLORIDA
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2020

PREPARED BY
THE FINANCE DEPARTMENT

THE CITY OF WESTON

Margaret Brown
Mayor

Byron Jaffe
Commissioner

Mary Molina-Macfie
Commissioner

Chris Eddy
Commissioner

Henry Mead
Commissioner

Donald P. Decker
City Manager/CEO

Weiss Serota Helfman Cole & Bierman
City Attorney

Darrel L. Thomas
Assistant City Manager/CFO

Karl C. Thompson, P.E.
Assistant City Manager/COO

Patricia A. Bates, MMC
City Clerk

Cindy M. Tao
Accounting Manager

City of Weston, Florida

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INTRODUCTORY SECTION



Margaret Brown
Mayor

Byron L. Jaffe
Commissioner

Mary Molina-Macfie
Commissioner

Chris Eddy
Commissioner

Henry Mead
Commissioner

Donald P. Decker
City Manager/CEO

23 March 2021

To the Honorable Mayor and Commissioners, and the residents of the City of Weston, Florida:

The Annual Report of the City of Weston, Florida (the "City") for the fiscal year ended September 30, 2020, is hereby submitted as mandated by Florida Statutes. These statutes require that the City annually issue a report on its financial position and activity within nine months of the close of each fiscal year, and that this report be audited by an independent firm of certified public accountants. Financial statements in this Report are presented in conformity with the generally accepted accounting principles ("GAAP") and Governmental Accounting Standards Board ("GASB") Statement Number 34 and audited in accordance with the generally accepted auditing standards.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Since the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurances that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this Report is complete and reliable in all material respects and that it is reported in a manner that presents fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's activities have been included.

The City's financial statements have been audited by Keefe, McCullough & Co LLP, a licensed certified public accountant firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Weston for the fiscal year ended September 30, 2020, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2020, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component section of this report.



GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). The letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City MD&A can be found immediately following the report of the independent auditors.

City Profile and Governmental Structure

The City of Weston is located in the southeastern part of the state of Florida and is considered to be one of the largest master planned communities in the United States. The City has a land area of approximately 25 square miles, a population estimated at 67,438 and is empowered to levy a property tax on real property located within its boundaries.

The City has operated under the Commission-Manager form of government since incorporation in 1996. Policymaking and legislative authority are vested in the City Commission, which consists of a Mayor and four Commissioners and is the legislative branch of the City's government. The City Commission is responsible for, among other things, enacting ordinances, adopting the budget, appointing boards, and hiring the City Manager and the City Attorney. The Commission is elected on a non-partisan basis. The four Commissioners are elected to four-year staggered terms and must reside within their respective residential seat area; they are, however, elected at large. The Mayor is elected to a four-year term and is elected at large. The City Manager is the Chief Executive Officer of the City and leads the executive branch of the City's government. The City Manager is responsible for carrying out the policies and ordinances of the City Commission, preparing the City budget, overseeing the day-to-day operations of the City, and appointing the heads of the City's departments.

The City provides a full range of services to its residents and businesses through contracts with the public and private sectors. Contracted services include but are not limited to police services through the Broward Sheriff's Office Department of Law Enforcement; emergency medical, fire protection, and fire prevention services through the Broward Sheriff's Office Department of Fire Rescue and Emergency Services; legal services through Weiss Serota Helfman Cole & Bierman, P.L.; building code services through C.A.P. Government, Inc.; solid waste and recycling collection through All Service Refuse; planning, zoning, engineering, parks and recreation, public works and utilities services through Calvin, Giordano and Associates, Inc.; and information technology, finance and administration services through Municipal Technologies, LLC.

The City is financially accountable for component units consisting of two legally separate development districts, the Indian Trace Development District and the Bonaventure Development District, both of which are reported separately within the City's financial statements. Additional information on these two development districts can be found in Note 2 of the notes to the financial statements.



The annual budget serves as the foundation of the City's financial planning and control. All departments responsible for City and component unit operations are required to submit their requests for appropriations to the Budget Director for inclusion in the draft budget by the end of April. The City Manager, assisted by the Assistant City Manager/CFO and the Budget Director, uses these requests as the starting point for developing a proposed budget. The City Manager then presents the tentative budget to the City Commission and the public at two public hearings. The City's annual budget is adopted through the passage of a resolution at the second public hearing which occurs not later than September 30th of each year. The level of budgetary control at which expenditures may not exceed the budget is the fund level. The General Fund is the lone exception because its budgetary controls are set at the department level. Any transfers within the funds of the City and the funds of its component units are permissible if the total level of expenditures does not exceed the total budgeted amount. Budget-to-actual comparisons are provided in this report for each individual government fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented on pages 64 through 65 as part of the required supplementary information.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when considered from the broader perspective of the specific environment within which the City of Weston operates.

COVID-19. The 2019 coronavirus referred to as COVID-19, played a significant role in the City's financial condition over the second half of Fiscal Year 2020 and first half of Fiscal 2021 thus far. City buildings have been closed to the public since March 18, 2020 and remain closed at this time. City offices have been limited to staff members deemed as essential workers and infrequent onsite activity from administrative staff. Administrative staff continues to operate primarily virtually from home. City parks were closed for several months until at first reopening for passive use and then later over the summer for active use. Playgrounds at City parks recently re-opened in February 2021. City Commission meetings initially were held virtually; however, have begun to be held in a hybrid format with the City Commission in-person in the Commission Chambers, but the public participating virtually.

The impacts the City's financial condition have been significant, yet better than initially expected. Initial estimates about real estate valuations impacting taxable values, sales and use taxes receipts, gas tax receipts, and similar revenues were very dire. Federal programs, moratoriums on mortgage foreclosures and rental evictions, as well as record low interest rates have kept people in their homes and made homes more affordable which has limited erosion in real property values and therefore limited impacts to taxable values. In most areas, home values rose during the pandemic despite record high levels of unemployment. Sales tax receipts have fallen, but as sales shifted to online methods, tax receipts rebounded better and earlier than expected. Gas taxes initially fell in the early stages of the shutdown, but have also recovered as travelers have shifted their travel mode from airline and train to cars and recreational vehicles.



Other impacts to the City's financial conditions have been zero revenue from Community Center programs as the City's Community Center remains closed to the public; reduced rescue transport fees due to fewer accidents during the shutdown; reduced fines and fees due to fewer violations; reduced utility taxes as utility usage has fallen especially in the commercial areas; and reduced business tax receipts as businesses closed during the pandemic.

Employment. According to the Florida Department of Economic Opportunity, Florida's December 2020 seasonally adjusted unemployment rate was 6.1%, an increase of 3.2% from a year ago. The state of Florida lost 419,200 jobs over the previous twelve months, a decrease of 4.6%. The leisure and hospitality industry lost the most jobs, with -197,000 jobs. Other industries that lost jobs included professional and business services; government; trade, transportation, and utilities; education and health services; other services; information; construction; manufacturing; and financial activities.

Broward County's not seasonally adjusted unemployment rate increased 0.7% more than the State of Florida. In addition, the State had a lower unemployment rate than Broward County. In December 2020, Florida's not seasonally adjusted unemployment rate was 5.8%, an increase of 3.3% compared to December 2019. Broward County's not seasonally adjusted unemployment rate in December 2020 was 6.6%, an increase of 4.0% from December 2019. According to Bureau of Labor Statistics, Weston's preliminary not seasonally adjusted unemployment rate in December 2020 was 4.0%, an increase of 1.7% from December 2019. This shows that while the labor market data in Weston performed poorly, it did not perform as poorly as the County and the State during the pandemic.

Housing. While Broward County recent home sales prices may be lagging in growth relative to the State, Broward County's December 2020 year-over-year median sales price remains higher than the State of Florida's median sales price. According to the Broward Council of the Miami Association of Realtors, the statewide median sales price for single-family existing homes in December 2020 was \$309,000, an increase of 14.4% from the previous December. Broward County's median sales price for single-family existing homes in February 2020 was \$430,000, an increase of 13.2% from December 2019. According to the Broward County Property Appraiser, Weston's average market value for single-family existing homes in 2019 was \$506,666, an increase of 0.9% from the previous year. This data highlights Weston's housing market was not as strong as the County and State, but the home values in Weston continue to grow and continue to be among the highest values countywide.

Furthermore, sales in Broward County increased in December 2020 due to lower interest rates. According to the Broward Council of the Miami Association of Realtors, Broward single-family home sales increased from 1,321 in December 2019 to 1,645 in December 2020, an increase of 24.5%. Statewide sales of existing single-family homes totaled 30,478 in December 2020 according to Florida Realtors, an increase of 21.0% compared to last December. According to the Broward County Property Appraiser, Weston's single-family existing homes sales in December 2020 totaled 17,575, an increase of 0.2% from prior year. Despite very



minimal new construction, the growth in the volume of closed sales outperformed the County and the State. Weston continues to be a highly desirable place to live.

Legislative. In Fiscal Year 2019, the State Legislature passed several bills of financial significance to the City. One of which was House Joint Resolution 369, which amends the state constitution to increase the period, from two to three years, when accrued Save-Our-Homes benefits may be transferred from a prior homestead to a new homestead. The financial impact of this bill to the City is unknown as the estimated migration of homestead property owners is unknown.

Another bill was Senate Bill 644, requiring all public employers and their contractors and subcontractors to register and use the E-Verify system to verify the work authorization status of all newly hired employees beginning January 1, 2021. A public employer, contractor or subcontractor may not enter into a contract unless each party registers with and uses the E-Verify system. The bill directs public employers who believe that a contractor has knowingly violated the E-Verify requirement to terminate the contract. The financial impact of the bill solely to the City of Weston is unknown; however, it will certainly impact the City's operating contractors and possibly the corresponding agreements.

House Bill 7097 is the "tax package" for the 2020 Legislative Session and includes several tax reductions and other tax-related modifications. Of note, the bill includes two sales tax holidays: a three-day back-to-school holiday and a seven-day disaster preparedness holiday. The financial impact of this bill to the City is unknown as the City's share of sales taxes is based on statewide collections and a population distribution formula.

House Joint Resolution 877 amends the Florida Constitution to allow the same ad valorem tax discount on homestead property for combat-disabled veterans age 65 or older to carry over to the surviving spouse of a veteran receiving the discount if the surviving spouse holds legal title to the homestead and permanently resides there. The financial impact of this bill to the City is unknown as the does not have this type of demographic data; however, the financial impact is expected to be relatively low.

A major bill that failed was Senate Bill 126 and House Bill 159 which would have required retailers with no physical presence in Florida to collect Florida's sales tax on sales of taxable items delivered to purchasers in Florida if the retailer makes a substantial number of sales into Florida or provides for the taxation of sales facilitated through a marketplace provider. The bills would have also deleted a provision that exempts an out-of-state dealer that makes retail sales into this state from collecting and remitting any local discretionary surtax. The bills died in committee. The financial impact of this bill to the City is unknown; however, it is likely the bill would have a positive impact of statewide sales tax collections and therefore a positive impact on the City's distribution of statewide sales tax collections.

Another major bill that failed was House Bill 701 and Senate Bill 1174 which would have reformed the communications services tax (CST) to clarify that certain streaming services are subject to the tax and create uniform rates. The bills would



have reduced the local CST rate to 5% or less by January 1, 2021, and 4% or less by January 1, 2022. The bills also reduced the state CST rate from 4.92% to 4.9% and the noncharter county CST rate to 2% by January 1, 2022. The bills would have repealed the local option sales surtax conversion that is levied on communications services. The Revenue Estimating Conference estimated the bills would have negatively impacted local government revenues by \$190 million each year. The bills died in committee. The financial impact to the City is unknown; however, a broadening of the tax base and a reduction in the tax rate in an effort to maintain the communications services tax as revenue neutral would be a positive impact to the City. Any legislation that reduces the revenue source would be unfavorable for the City.

And lastly, House Joint Resolution 477 proposed an amendment to the Florida Constitution that would have required that any local tax or fee that is imposed, authorized or raised by a local jurisdiction, including municipalities, be approved by two-thirds of the membership of the jurisdiction. The bill died in committee. The financial impact to the City is unknown as it cannot be calculated; however, any legislation making it more difficult to exercise home rule powers related to local taxation would be unfavorable for the City.

There were several other bills which were introduced during the legislative session that would have restructured, capped, limited the use of, or eliminated local government revenues. Fortunately for local governments these bills failed or were vetoed by the Governor for a variety of reasons.

Long-term Financial Planning. In Fiscal Year 2018, the City completed its Fiscal Year 2028 Strategic Value and Business Plan to provide a long-term strategic policy document, an operating and financial guide and a financial modeling mechanism for the City of Weston. The plan included updated financial revenue, expense and fund balance projections for all the City's funds, affirmed existing financial policies and added new financial policies to support the City in the future. The major result from this document was the City established an ad valorem tax rate of 3.3464 that was intended to sustain the City for Fiscal Years 2019 through 2021. During this three-year period, the City continues monitoring the economy, the real estate market and the state legislative sessions for possible impacts.

During Fiscal Year 2022, the City will begin work on its next 10-year Strategic Value and Business Plan to update the previous Plan with recent historical activity and expected short-term events of significant impact. The updated Plan is expected to be completed by Fiscal Year 2023.

Significant Financial Policies. The 2028 Strategic Value and Business Plan affirmed the existing financial policies and some new financial policies were added. Of these financial policies, several were of note in the City's financial operations during the fiscal year.

Strategic Policy #3 maintains a Disaster Management Reserve adjusted annually for the change in CPI and a Credit Reserve to maintain a AAA and Aaa credit rating with Standard and Poor's and Moody's respectively. This policy helps the City segregate which funds would be available for response to a disaster, which funds



would be available to preserve the City's credit ratings by creating a shock absorber against unforeseen financial events, and which funds would be available for stabilization of the ad valorem tax rate.

Strategic Policy #8 develops an Infrastructure Reserve for annual contributions to be set aside each year for ongoing capital maintenance and equipment. This policy helps the City accrue small pro rata amounts to fund future maintenance and equipment expenses instead of funding the entire amount in that fiscal year. By spreading the financial responsibility equally across multiple fiscal years, no one fiscal year or set of taxpayers will be overburdened.

Strategic Policy #9 establishes guidelines and specific rules necessary in carrying out the City's use of debt. Whenever practical and possible the City will attempt to match the length of financing with the useful life of the asset being financed. The City also will utilize borrowing to finance capital improvements or projects instead of City's Excess Revenue Capture Balances and whenever possible, use special assessment debt instead of general obligation debt.

Strategic Policy #10 provides framework for the investment activities of the City of Weston and establishes an operational guideline for its investment staff to follow. This applies to the City's short-term and long-term funds but does not include bond proceeds which may be subject to restrictive covenants.

In Fiscal Year 2020 the City focused on executing its "Prepared for the Next Generation" theme. The theme encouraged the preparation for the next generation as the City experienced the passing of the first generation. The theme was utilized in the City's budgets and in the City's continuous communications outreach. Furthermore, the City strove to meet the expectations of our residents, businesses and stakeholders that our elected officials and staff would maintain the foundations upon which the City was built: the maintenance of infrastructure; funding adequate public safety levels; maintaining quality parks and recreation programs; and exercising fiscal responsibility.

Awards and Acknowledgement

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Weston, Florida for its Annual Report for the fiscal year ended September 30, 2019. This was the twenty-second consecutive year that the City of Weston received this award. To be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized Annual Report, which satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid only for a period of one year. 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.



In addition, the City of Weston has also received the GFOA's Distinguished Budget Presentation Award for the Fiscal Year 2020. This was the eighteenth consecutive year the City received this award. To qualify for the Distinguished Budget Presentation Award, the government's budget document is judged to be proficient in four categories, as: a policy document; a financial plan; an operations guide; and a communications device.

The City also continues to receive numerous awards as one of the best places to live in America.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the many professionals contracted with to provide services to the City. We would like to express our appreciation to Accounting Manager Cindy Tao, and all those who assisted and contributed to the preparation of this report. Appreciation is given to the Mayor and the Commissioners for their interest and support in planning and conducting the operations of the City in a responsible, progressive and business-like manner.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Donald P. Decker", written over a horizontal line.

Donald P. Decker
City Manager/CEO

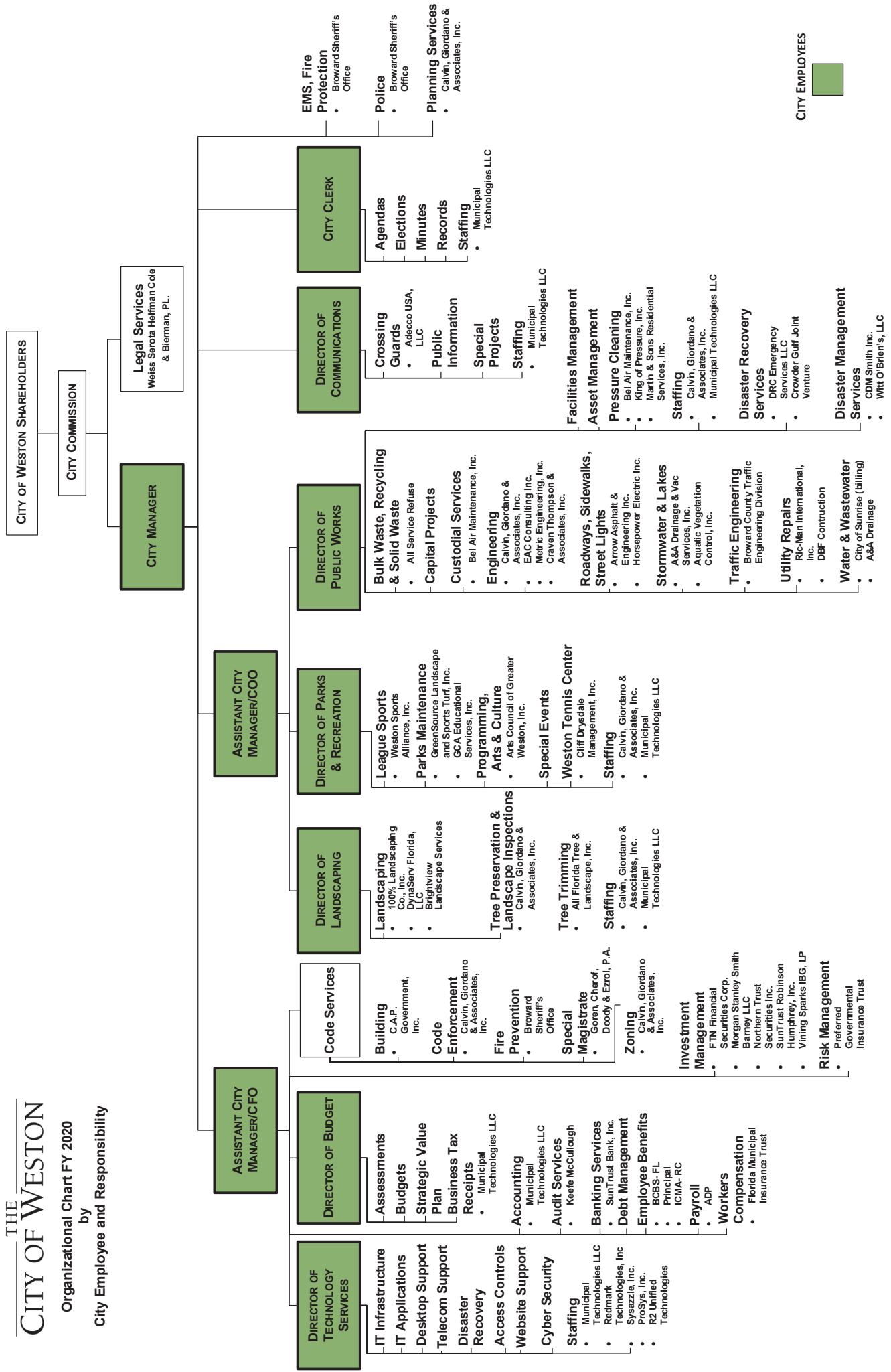
A handwritten signature in blue ink, appearing to read "Darrel L. Thomas", written over a horizontal line.

Darrel L. Thomas
Assistant City Manager/CFO

#75348 v3

THE CITY OF WESTON

Organizational Chart FY 2020
by
City Employee and Responsibility



CITY EMPLOYEES





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**The City of Weston
Florida**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor,
City Commissioners and City Manager
City of Weston, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Weston, Florida (the "City"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 19 and the budgetary comparison schedules, schedule of the City's proportionate share of the net pension liability, and schedule of contributions on pages 64 through 74, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

City of Weston, Florida

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

Other Reports Required by *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 23, 2021

As management of the City of Weston, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the Fiscal Year ended September 30, 2020. We encourage the readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-viii of this report.

This report consists of government - wide statements, fund financial statements, notes to the financial statements, combining statements and schedules of nonmajor funds and required supplementary information. The first several statements are highly condensed and present a government-wide view of the City's finances. Within this view, all City operations are categorized and reported as either governmental or business-type activities. Governmental activities include basic services such as management and administration, legal, police, fire and emergency medical services, community development, recreation and public works. Business-type activities for the City are comprised of the water and sewer operations. These government-wide statements are designed to be more corporate-like in that all activities are consolidated into a total for the City.

Financial Highlights

- The City of Weston's net position at the close of the Fiscal Year is \$ 357.78 million. Of this amount, \$ 106.38 million is unrestricted net position to be used to meet the government's ongoing obligations to citizens and creditors.
- During the Fiscal Year, revenues exceeded expenses by \$ 8.42 million which is the amount of increase in the City's net position.
- As of the close of the Fiscal Year, the City of Weston's governmental funds reported a combined ending fund balance of \$ 151.31 million. Approximately 18.4% of that amount, or \$ 27.80 million, is unassigned and available for spending at the City's discretion.
- At the end of the Fiscal Year, the fund balance in the General Fund was \$ 89.65 million or 188.9% of total General Fund expenditures. This amount includes \$ 46.97 million committed to Disaster Response.
- The City of Weston's total outstanding debt decreased by \$ 9.84 million or 16.9% from prior year due to scheduled principal redemptions.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Weston's basic financial statements. The financial section is one component of the Annual Report. This report also includes the introductory section containing the letter of transmittal, GFOA certificate of achievement, City organizational chart, listing of City elected and appointed officials; and the statistical section which includes financial and non-financial information useful in assessing the City.

The financial section consists of: management's discussion and analysis, basic financial statements, required supplementary information and an additional section that presents combining statements for non-major governmental funds and budgetary comparison schedules. The basic financial statements include components that present different views on 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 by reporting the City's operations in more detail.
 - The *governmental funds* statements illustrate how general governmental functions and services are financed in the short-term and what remains for future spending.
 - The *proprietary funds* statements offer short-term and long-term financial information about activities that the government operates like a business, such as the water and sewer system.
- In addition to the government-wide and fund financial statements, basic financial statements also include notes to the financial statements that explain the numerical information in more detail.

The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Lastly, this report also provides a section of other financial information including combining statements and schedules that detail the City's non-major governmental funds.

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 that of a private business. The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position 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 may result in cash flows during future fiscal periods (e.g., uncollected taxes, capital projects).

Both of the government-wide financial statements distinguish functions of the City of Weston that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that merely provide cost recovery through usage fees and charges (business-type activities). The governmental activities of the City of Weston include general government, public safety, public works, parks and recreation and community development. The business-type activities of the City of Weston include the water and sewer operations.

The government-wide financial statements include not only the City of Weston itself, known as the primary government, but also two legally separate development districts for which the City of Weston is financially responsible. These units function as sub units of the City of Weston, and therefore have been included as an integral part of the primary government.

The government-wide financial statements are reported on pages 20 and 21 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. The City of Weston, like other state and local governments, uses fund accounting to provide compliance with the laws of the State of Florida. All of the funds of the City of Weston can be divided into two categories: governmental or proprietary.

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

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

The City of Weston maintains seven major 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 following major funds: General Fund, Indian Trace Development District Special Revenue Fund, Bonaventure Development District Special Revenue Fund, Fire District Special Revenue Fund, Indian Trace Development District Debt Service Fund, Bonaventure Development District Debt Service Fund, and Community Facilities Construction Capital Projects 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 and schedules elsewhere in this report.

The City of Weston adopts an annual appropriated budget for all governmental and proprietary funds. A budgetary comparison schedule has been provided for the General Fund, Indian Trace Development District Special Revenue Fund, Bonaventure Development District Special Revenue Fund, Fire District Special Revenue Fund, Indian Trace Development District Debt Service Fund, and Bonaventure Development District Debt Service Fund to demonstrate compliance with the budget in addition to the non-major special revenue funds, capital project fund and disaster management fund presented in the combining section.

The basic governmental funds financial statements can be found on pages 22 through 27 of this report.

Proprietary Fund: The City of Weston maintains one proprietary fund, the Indian Trace Development District Water and Sewer Enterprise Fund. Enterprise funds are used to report business-type activities in the government-wide financial statements. The City uses its enterprise fund to account for water and sewer activities and services within the Indian Trace Development District. The City has no internal service funds, which are funds used to accumulate and internally allocate costs between various government departments.

Proprietary funds provide the same type of information as the government-wide financial statements, but in more detail. The City of Weston's Indian Trace Development District Water and Sewer Enterprise Fund is considered a major fund and the basic financial statements for the fund are provided on pages 28 through 31 of this report.

Notes to the Financial Statements: The notes provide additional information that is essential for 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 32 through 63 of this report.

Other Information: In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City of Weston's adopted, amended and actual budgetary data for the General Fund and major special revenue funds. Required supplementary information can be found starting on page 64 of this report.

The combining statements referred to earlier in connection with the non-major governmental funds are presented immediately following the required supplementary information and budgetary comparisons. Combining and individual fund statements and schedules can be found starting on page 75 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. There are six basic transactions that affect the comparability of the Statement of Net Position summary presentation as reflected below:

1. **Net results of activities** will increase or decrease current assets and total net position.
2. **Borrowing for capital** will increase current assets and long-term debt.
3. **Spending borrowed proceeds on new capital** will reduce current assets and increase capital assets. Concurrently, an increase in investment in capital assets and an increase in net related debt will not change the net investment in capital assets of the City.
4. **Spending of non-borrowed current assets on new capital** will reduce current assets and increase capital assets. This will also reduce unrestricted net position and increase net investment in capital assets.
5. **Principal payment on debt** will reduce current assets and reduce long-term debt and also reduce unrestricted net position and increase net investment in capital assets.
6. **Reduction of capital assets through depreciation** will reduce capital assets and net investment in capital assets.

TABLE 1
CITY OF WESTON NET POSITION
(in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	FY 20	FY 19	FY 20	FY 19	FY 20	FY 19
Assets:						
Current and other assets	\$ 192,223	\$ 192,841	\$ 17,925	\$ 17,676	\$ 210,148	\$ 210,517
Capital assets	<u>154,778</u>	<u>155,028</u>	<u>50,590</u>	<u>53,107</u>	<u>205,368</u>	<u>208,135</u>
Total assets	<u>347,001</u>	<u>347,869</u>	<u>68,515</u>	<u>70,783</u>	<u>415,516</u>	<u>418,652</u>
Total deferred outflows of resources	<u>106</u>	<u>119</u>	<u>-</u>	<u>-</u>	<u>106</u>	<u>119</u>
Liabilities:						
Other liabilities	6,535	7,381	2,453	2,487	8,988	9,868
Long-term liabilities outstanding	<u>48,827</u>	<u>59,519</u>	<u>-</u>	<u>-</u>	<u>48,827</u>	<u>59,519</u>
Total liabilities	<u>55,362</u>	<u>66,900</u>	<u>2,453</u>	<u>2,487</u>	<u>57,815</u>	<u>69,387</u>
Total deferred inflows of resources	<u>31</u>	<u>27</u>	<u>-</u>	<u>-</u>	<u>31</u>	<u>27</u>
Net position:						
Net investment in capital assets	109,947	106,332	50,590	53,107	160,537	159,439
Restricted	90,860	54,550	-	-	90,860	54,550
Unrestricted	<u>90,907</u>	<u>120,179</u>	<u>15,472</u>	<u>15,189</u>	<u>106,379</u>	<u>135,368</u>
Total net position	<u>\$ 291,714</u>	<u>\$ 281,061</u>	<u>\$ 66,062</u>	<u>\$ 68,296</u>	<u>\$ 357,776</u>	<u>\$ 349,357</u>

As illustrated in Table 1, at the close of the Fiscal Year, assets and deferred outflows of resources of the City of Weston exceeded its liabilities and deferred inflows of resources by \$ 357.78 million. The largest portion of the City of Weston's net position, \$ 160.54 million or 44.9%, is invested in capital assets (land, buildings, etc.); less any related debt used to acquire those assets that is still outstanding. Although the City of Weston's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to repay the liabilities.

The unrestricted net position in an amount of \$ 106.38 million or 29.7% of total net position represents the resources that are available to provide services and/or additional capital assets for the City and also to meet the City's obligations to its creditors. The City also has approximately \$ 90.86 million or 25.4% of total net position in restricted net position; resources that have externally enforced limitations on use.

At the end of the Fiscal Year, the City of Weston is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental activities. Business-type activities have positive balances in net investment in capital assets and unrestricted net position, with zero balance in restricted net position.

The government's net position increased by approximately \$ 8.42 million during the Fiscal Year.

Generally, the following impacts can significantly affect annual revenues and by extension change net position:

1. **Economic conditions** can reflect a growing, stable or declining overall economic environment and those conditions can have a significant impact on the underlying drivers of ad valorem taxes, non-ad valorem assessments, sales and use taxes, fees and other revenues derived from the community, as well as those received from other governments.
2. **Changes in tax, assessment and fee rates by the elected officials** directly affect the most fundamental revenue streams and have the most immediate impact of all changes.
3. **Changing patterns in grant and state revenue sharing calculations** may cause significant deviations to City intergovernmental revenues and put added pressure on City-generated revenues.
4. **Market impact on investment income** might cause investment revenues to fluctuate widely from year to year.

Some other basic impacts are responsible for potential changes in annual expenses:

1. **Introduction of new programs** can have substantial impact on department/program expenses by requiring new personnel, capital and operating funds.
2. **Changes in service levels** impacts expenses by changing the levels of already appropriated expenses.
3. **Salary/contract pricing increases** can contribute to increased expenses. Most contracts entered into by the City of Weston have provisions for increases, either automatic or negotiated each year.
4. While **inflation** generally appears to be moderate, it still always impacts the prices the City pays for commodities, supplies, fuels, parts and miscellaneous services it requires through the year.

Governmental Activities: As illustrated by Table 2, the City's revenues from governmental activities during Fiscal Year 2020 were \$ 100.08 million and exceeded expenses by \$ 10.65 million. Expenses from governmental activities represent approximately 30.7% of net position from governmental activities and 89.4% of total revenues from governmental activities.

TABLE 2
CITY OF WESTON NET POSITION
(in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	FY 20	FY 19	FY 20	FY 19	FY 20	FY 19
Revenues:						
Program Revenues:						
Charges for services	\$ 42,848	\$ 42,363	\$ 35,289	\$ 34,938	\$ 78,137	\$ 77,301
Operating grants and contributions	3,339	3,004	-	-	3,339	3,004
Capital grants and contributions	-	-	-	4	-	4
General Revenues:						
Property taxes	28,666	27,623	-	-	28,666	27,623
Franchise taxes and utility taxes	14,015	13,545	-	-	14,015	13,545
Intergovernmental	5,634	6,249	-	-	5,634	6,249
Investment income	4,072	7,402	328	703	4,400	8,105
Other revenues	1,508	1,270	-	-	1,508	1,270
Total revenues	100,082	101,456	35,617	35,645	135,699	137,101
Expenses:						
General government	8,085	8,727	-	-	8,085	8,727
Public safety	43,604	41,955	-	-	43,604	41,955
Public works	21,166	19,542	-	-	21,166	19,542
Parks and recreation	9,801	9,897	-	-	9,801	9,897
Community development	4,459	5,339	-	-	4,459	5,339
Interest on long-term debt	2,314	2,537	-	-	2,314	2,537
Water and sewer operations	-	-	37,851	38,969	37,851	38,969
Total expenses	89,429	87,997	37,851	38,969	127,280	126,966
Change in net position	10,653	13,459	(2,234)	(3,324)	8,419	10,135
Net Position, Beginning of Year	281,061	267,602	68,296	71,620	349,357	339,222
Net Position, End of Year	\$ 291,714	\$ 281,061	\$ 66,062	\$ 68,296	\$ 357,776	\$ 349,357

Revenues from governmental activities were comprised primarily of charges for services at \$ 42.85 million or approximately 42.8% of total revenues from governmental activities, taxes at \$ 42.68 million or 42.7% of total revenues from governmental activities, intergovernmental revenues at \$ 5.63 million or 5.6% of total revenues from governmental activities, investment income at \$ 4.07 million or 4.1% of total revenues from governmental activities and several other sources.

Expenses from governmental activities totaled \$ 89.43 million and were comprised of public safety at \$ 43.60 million or 48.7% of total expenses from governmental activities, public works at \$ 21.17 million or 23.7% of total expenses from governmental activities, parks and recreation at \$ 9.80 million or 11.0% of total expenses from governmental activities, general government at \$ 8.09 million or 9.0% of total expenses from governmental activities, and several other sources.

FIGURE A
REVENUES BY SOURCE - GOVERNMENTAL ACTIVITIES

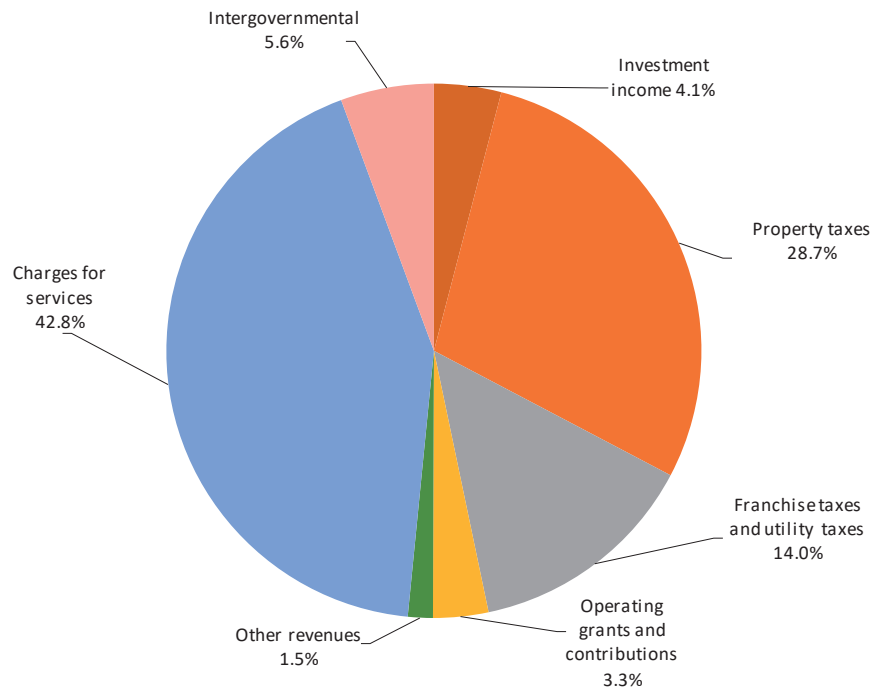
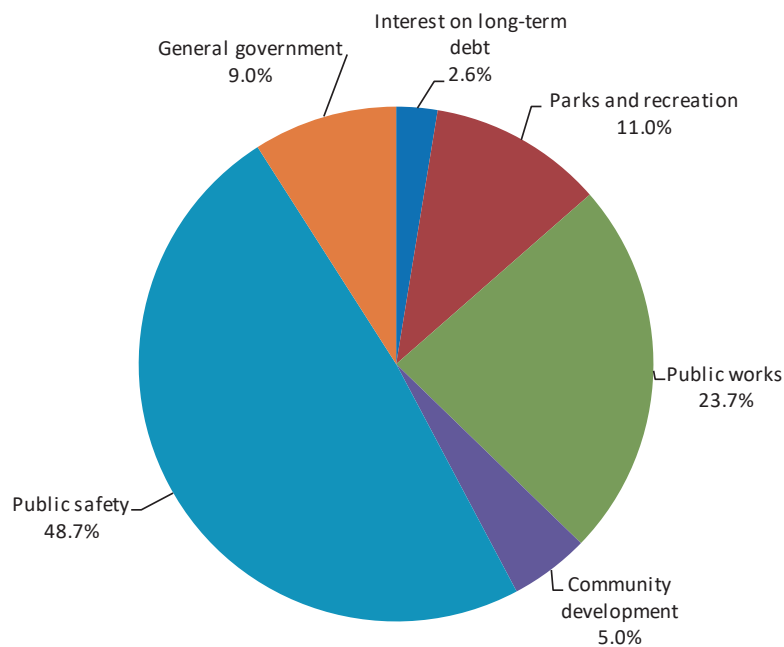
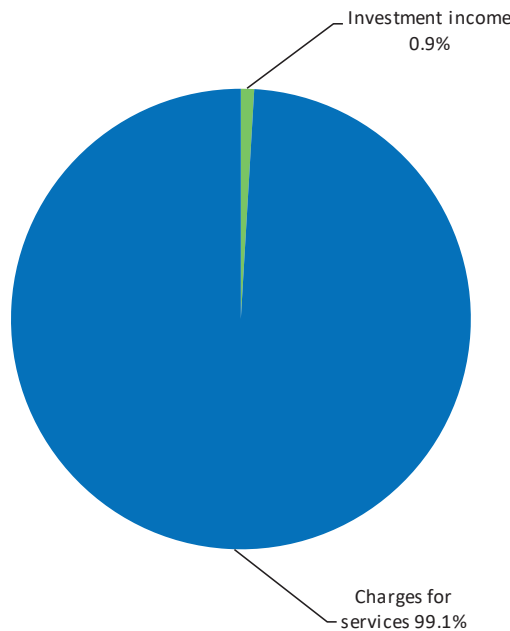


FIGURE B
EXPENSES BY FUNCTION - GOVERNMENTAL ACTIVITIES



Business-type Activities: Business-type activities decreased the City’s net position by \$ 2.23 million from the prior period. At the end of Fiscal Year 2020, net position from business-type activities composed 18.5% of total government-wide net position. For the Fiscal Year, revenues totaled \$ 35.62 million and included operating revenues and non-operating revenues in the form of water and sewer fees, meter use fees, connection fees and investment income. The City operates the water and sewer utility system in a “charge-for-services” manner which should generate minimal annual surpluses or deficits; however, the Proprietary Fund shows an operating loss of \$ 2.56 million. The business-type capital assets created a depreciation expense of \$ 2.52 million in the current fiscal year, therefore the water and sewer utility system had an operating loss of approximately \$ 42,464 if depreciation is excluded. When the total operating and nonoperating activities are adjusted for the depreciation expense a total income of \$ 285,560 is realized.

FIGURE C
BUSINESS BY SOURCE - BUSINESS-TYPE ACTIVITIES



Financial Analysis of the Government’s Funds

Governmental Funds: The focus of the City of Weston’s governmental funds statements is to provide information on near-term inflows, outflows and balances of expendable 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 a fiscal year.

As of the end of the Fiscal Year, the City of Weston's governmental funds reported a combined ending fund balance of \$ 151.31 million, an increase of \$ 3.81 million over the prior fiscal year. Approximately \$1.19 million, or 0.8% of the total ending fund balance, is nonspendable fund balance for prepaid expenses. The restricted fund balance totaled \$ 60.37 million or 39.9% of total governmental fund balances to indicate that it has externally enforceable limitations restricted to: 1) pay for District operations and maintenance (\$ 39.26 million); 2) pay for street maintenance (\$ 8.70 million); 3) provide for roadway projects (\$ 373,861); 4) provide for law enforcement non-recurring activities (\$ 202,049); 5) pay for tree preservation (\$2,311); 6) pay for building code enforcement (\$ 469,906); 7) provide for building code services contract (\$ 2.73 million); 9) provide for telecommunications maintenance (\$ 25,000); 10) pay for capital projects (\$ 3.42 million) and 11) pay for debt service (\$ 5.19 million). The committed fund balance totaled \$ 61.33 million or 40.5% of total governmental fund balances to indicate that it has self-imposed limitations set in place prior to the end of the period committed to: 1) pay for disaster response (\$ 46.97 million); 2) pay for credit reserve (\$ 10.20 million); and 3) provide for infrastructure (\$ 4.16 million). The assigned fund balance amounted to \$ 613,687 to indicate that it has limitation resulting from intended use assigned to: 1) pay for compensated absences (\$ 243,835); 2) pay for solid waste services (\$ 169,852); and 3) provide for subsequent year's expenditures (\$ 200,000). The remainder of the fund balance of \$ 27.80 million is unassigned and available for new spending.

The General Fund is the chief operating fund of the City of Weston. At the end of Fiscal Year 2020, total fund balance was \$ 89.65 million, with \$ 895,247 of that nonspendable, \$ 25,000 restricted for telecommunications maintenance, \$ 60.32 million committed for specific purposes such as disaster response, and \$ 613,687 assigned for other purposes.

The fund balance of the City of Weston's General Fund increased by \$ 7.34 million during the Fiscal Year with total revenues increasing by \$ 176,402 from prior year to \$ 59.49 million and total expenditures increasing by \$ 1.42 million from prior year to \$ 47.47 million. Table 3 shows the comparison of actual revenues and expenditures for the General Fund for Fiscal Years 2019 and 2020.

The major changes in the General Fund revenue and expenditure levels between Fiscal Years 2019 and 2020 were:

Revenues:

- Investment income revenues have decreased by \$ 1.88 million or 44.5% from prior year as a result of maturities and reinvestments in lower yielding securities.
- Fines and forfeitures have increased by \$ 49,322 or 20.7% from prior year to \$ 290,697 due to revenue from the commercial vehicle fines and Covid-19 code enforcement.
- Charges for services have decreased by \$ 373,513 or 20.3% from prior year to \$ 1.47 million as a result of the decrease in revenue for development fees, emergency medical service transport fees and recreation fees.
- Permits and fees have decreased by \$ 128,312 or 25.0% from prior year to \$ 384,279 due to decrease in revenue from engineering permit fees during the last year.

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Expenditures:

- Capital Outlay expenditures decreased by \$ 781,496 or 67.5% from prior year to \$ 377,347 due to the completion of Fire Station #55 renovations and Fire Station #67 renovations in Fiscal Year 2019.
- Public works expenditures increased by \$ 850,040 or 26.0% from prior year to \$ 4.12 million due to increased expenditures in solid waste services.
- General government expenditures increased by \$ 1.07 million or 16.4% from prior year to \$ 7.59 million as a result of expenditures related to Covid-19 and increased expenditures in information technology supplies due to the lockdown.

TABLE 3
COMPARISON OF GENERAL FUND REVENUES & EXPENDITURES
(in thousands of dollars)

	<u>Year Ended September 30,</u>		<u>Increase (Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Dollars</u>	<u>Percentage</u>
Revenues:				
Taxes and assessments	\$ 45,723	\$ 43,625	\$ 2,098	4.8%
Business tax receipts	1,203	1,280	(77)	-6.0%
Permits and fees	384	512	(128)	-25.0%
Intergovernmental	7,317	7,006	311	4.4%
Charges for services	1,470	1,844	(374)	-20.3%
Fines and forfeitures	291	241	50	20.7%
Investment Income	2,351	4,234	(1,883)	-44.5%
Other revenues	754	574	180	31.4%
Total revenues	59,493	59,316	177	0.3%
Expenditures:				
Current:				
General government	7,588	6,518	1,070	16.4%
Public safety	25,632	24,946	686	2.7%
Public works	4,120	3,270	850	26.0%
Parks and recreation	8,263	8,410	(147)	-1.7%
Community development	1,490	1,744	(254)	-14.6%
Capital outlay	377	1,159	(782)	-67.5%
Total expenditures	47,470	46,047	\$ 1,423	3.1%
Excess of revenues over expenditures	12,023	13,269		
Other financing sources (uses):				
Transfers in	122	-		
Transfers out	(4,806)	(3,469)		
Total other financing sources (uses)	(4,684)	(3,469)		
Net change in fund balance \$	7,339	\$ 9,800		

The Indian Trace Development District Special Revenue Funds increased its fund balance by \$ 715,650 or approximately 2.6% of fund balance at beginning of the year, to a total of \$ 28.60 million with all of the fund balance restricted. The fund accounts for restricted resources used to provide stormwater management and right-of-way services other than roads to the District.

The Bonaventure Development District Special Revenue Funds increased its fund balance by \$ 88,374, or approximately 1.5% of fund balance at beginning of the year, to a total of \$ 6.01 million with all of the fund balance restricted. The fund accounts for restricted resources used to provide stormwater management and right-of-way services other than roads to the District.

The Fire Services District Special Revenue Fund decreased its fund balance by \$ 169,325, or approximately 3.3% of fund balance at beginning of the year, to a total of \$ 4.92 million with all of the fund balance restricted. The fund accounts for restricted resources used to provide fire protection and prevention services.

The Bonaventure Development District Debt Service Funds decreased their fund balances by \$ 44,474, or 2.1% of fund balances at beginning of the year, to a total of \$ 2.09 million with the cumulative fund balances restricted. The funds account for financial resources that are restricted for principal and interest.

The Indian Trace Development District Debt Service Funds increased their fund balances by \$ 42,233, or 1.4% of fund balances at beginning of the year, to a total of \$ 3.10 million with the cumulative fund balances restricted. The funds account for financial resources that are restricted for principal and interest.

The Community Facilities Construction Capital Projects Fund accounts for City-wide capital project needs, such as public safety and parks and recreation. The Fund experienced a decrease in fund balance of \$ 5.18 million, or 53.9% of fund balance at beginning of the year, to a total of \$ 4.43 million.

The City also maintains several non-major funds which are special revenue funds that are used to account for street and right-of-way maintenance, transportation, building permitting, law enforcement, and tree preservation. The non-major funds of the City increased their cumulative fund balances during Fiscal Year 2020 by \$ 1.01 million or approximately 8.8% of the cumulative fund balances at beginning of the year, to a total of \$ 12.50 million.

Proprietary funds. The City of Weston maintains only a single proprietary fund that is used to account for the operations of the Indian Trace Development District water and sewer system. The statements of proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the Indian Trace Development District Water and Sewer Enterprise Fund decreased by \$ 2.23 million, or 3.3%, to a total of \$ 66.06 million. Other factors concerning the finances of this fund have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

As required by Section 4.04 of the City Charter and Florida Statutes Section 166.241, the City Commission adopts the annual budget and any amendments.

The Annual Report states funds committed for disaster response in the General Fund; however, the adopted, amended and final budgets report funds committed for disaster response in a separate fund. Therefore, when comparing the General Fund results to the budget, it is best to use the combined budget comparison schedule located on pages 64 and 65 in this annual report.

The original and final adopted General Fund budget anticipated a current resources surplus of \$ 1.69 million and \$ 383,730 respectively. The actual operating results of the City's General Fund resulted in a current resources surplus of \$ 5.42 million.

Actual revenues exceeded final budget revenues by \$ 1.34 million and the main differences can be summarized as follows:

- Net investment income exceeded the original and final budget by \$ 1.01 million as a result of an unexpected increase in unrealized market value due to falling interest rates.
- Property taxes exceeded the original and final budget by \$ 303,695 as a primary result of increase in revenue from delayed ad valorem tax receipts.

Actual expenditures were lower than the final budget projections by \$ 3.68 million. The budget-to-actual variations were due to several factors.

- Public safety expenditures were lower than the final budget by \$ 1.70 million due to vacancy credits for police and fire, reimbursements for School Resource Officers from the School Board of Broward County, and reduced expenditures on crossing guard services due to the temporary transition of public schools from onsite to virtual learning.
- Community development expenditures were lower than the final budget by \$ 689,752 due to fewer development permit applications and the reduced services associated with processing fewer applications.
- General government expenditures were lower than the final budget by \$ 644,663 as a result of reduced expenditures from building repairs and maintenance, office supplies, and conferences and seminars due to the closing of City buildings to the public and the temporary transition of City staff to a virtual work environment.
- Capital outlay expenditures were lower than the final budget by \$ 529,460 as a result of projects that were delayed.

Capital Asset and Debt Administration

Capital Assets: The City of Weston's capital assets for its governmental and business-type activities totals \$ 205.37 million or 57.4% of total net position. This investment in capital assets includes land, buildings and improvements, land improvements, machinery and equipment, infrastructure and construction in progress. Table 4 presents the governmental and business-type capital assets, net of accumulated depreciation, by category for Fiscal Years 2019 and 2020.

During Fiscal Year 2020, the City constructed or acquired several capital assets. Major capital asset events during the Fiscal Year 2020 included the following:

- Completed the construction of Bonaventure Park, continuation of the City-wide LED parking lot lighting upgrades, the implementation of the City's Enterprise Resource Planning (ERP) financial system, and the purchase of new Emergency Management Services vehicles.

TABLE 4
CAPITAL ASSETS
(in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 73,588	\$ 73,588	\$ -	\$ -	\$ 73,588	\$ 73,588
Construction in progress	3,125	5,970	-	223	3,125	6,193
Infrastructure, net	31,401	33,765	50,243	52,408	81,644	86,173
Buildings and improvements, net	31,354	30,645	238	268	31,592	30,913
Land improvements, net	11,031	7,496	-	-	11,031	7,496
Machinery and equipment, net	4,279	3,564	109	208	4,388	3,772
Total capital assets	\$ 154,778	\$ 155,028	\$ 50,590	\$ 53,107	\$ 205,368	\$ 208,135

Additional information on the City's capital assets can be found in Note 6 on pages 45 to 47 of this report.

Long-term debt. At the end of the Fiscal Year, the City of Weston's total outstanding debt was \$ 48.25 million in bonds payable, notes payable, and loan payable secured by certain revenues of the City, including local option fuel taxes, local business tax revenues, electric franchise revenues, fire assessments, electric utility service taxes, non-ad valorem revenues, and communication tax revenues. The City acts as an agent in the collection of assessments and remittance of debt service payments for no-obligation special assessment bonds held by the Indian Trace Development District and Bonaventure Development District. As of the fiscal year end, the two districts held a total of \$ 34.73 million in special assessment debt. The City has no general obligation debt or debt that is backed by the full faith and credit of the City of Weston. The City of Weston's total long-term debt decreased by \$ 9.84, or 16.9%, from the prior fiscal year.

TABLE 5
NOTES PAYABLE & REVENUE BONDS
(in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Bond payable	\$ 34,725	\$ 38,910	\$ -	\$ -	\$ 34,725	\$ 38,910
Notes payable	8,030	9,978	-	-	8,030	9,978
Loans payable	5,495	9,201	-	-	5,495	9,201
Totals	\$ 48,250	\$ 58,089	\$ -	\$ -	\$ 48,250	\$ 58,089

More detailed information about the City's long-term liabilities is presented in Note 7 on pages 47 to 50 of this report.

Impact of Economic Factors on This Year's and Next Year's Budgets

During Fiscal year 2020, the World was stricken by a novel coronavirus named "COVID-19". On January 31, 2020, the Secretary of the U.S. Department of Health and Human Service declared a Determination of Public Health Emergency. Subsequently on March 13, 2020, the President of the U.S. declared a National Health Emergency. For varying periods of time, all levels of government issued "stay at home" orders. Non-essential segments of the economy were shut down. A broad number of businesses closed both temporarily and permanently, while terminating or furloughing employees. Several phases of economic stimulus have been approved through the U.S. Congress via multiple Federal agencies. The U.S. Treasury, the Federal Reserve Bank, the Federal Emergency Management Agency, the Department of Justice, the Department of Housing and Urban Development, the Center for Disease Control, and the Department of Health and Human Services, just to name a few agencies, have all provided funding, supplies, equipment, guidance, and recommendations to assist in dealing with the COVID-19 event.

The City continues to manage the impacts of the COVID-19 pandemic as of this publication; now over one year later. Certain reduced revenues shown in the financial statements highlight the impact of shutdowns and changes in past activities. The City incurred some costs related to the COVID-19; however, the largest financial impacts were observed in the reductions to revenues received. The most recent Federal legislation enacted in March 2021 provides assistance to local governments in the form of lost revenue replacement. To date, all financial assistance had been limited to expense reimbursement, so this version of financial assistance is very much needed and appreciated. Currently in Florida, vaccinations have begun, the unemployment rate continues to fall, buildings and services continue to reopen, and our hope is that our economy and our City operations will be fully functional by Summer of 2021.

In Fiscal Year 2020, the City's Adopted Budget theme was "Prepared for the Next Generation" which placed emphasis on the next generation in government. The budget also continues the commitment to sustaining a stable and sound financial environment that will enable the City to maintain and enhance the physical and operating infrastructures.

The City's Fiscal Year 2021 budget theme is "Responding to Change". This theme is meant to respond to changes encountered by unprecedented and unpredictable change from the Covid-19 pandemic. The Fiscal Year 2021 budget maintains services at their current levels or increases services, provides for continuing improvements in the City's infrastructures, and maintains the City's Aaa credit rating from Moody's and AAA rating from Standard and Poor's that are valuable in obtaining the most favorable borrowing rates and terms for proposed borrowings.

The Fiscal Year 2021 budget maintained the ad valorem millage rate at 3.3464 mils. The City's gross taxable value increased by 3.47% above the Fiscal Year 2020 gross taxable value to \$ 9,231,257,552 inclusive of any new construction and improvements to existing properties appearing on the tax roll for the first time.

The Fiscal Year 2021 budget revenues are \$ 138,815,601 and budget expenditures are \$ 148,296,552 with a projected net decrease in fund balance at \$ 9,480,924 before budgeted note proceeds. The General Fund budget revenues are \$ 51,124,200 and budget expenditures are \$ 46,733,300 with a projected excess revenue of \$ 289,200 and an additional \$ 4,101,700 transferred out to pay down debt. Fiscal year 2021 revenues and expenditures will most certainly be impacted by the COVID-19 event and the impact to excess revenue and existing fund balances remains to be seen. The COVID-19 event will also have a significant impact on planning and analysis for the Fiscal Year 2022 budget as the City evaluates the impacts to revenues, services and costs.

Requests for Information

This financial report is designed to provide a general overview of the City of Weston's finances for all those with an interest in this government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Weston, 17200 Royal Palm Boulevard, Weston, Florida 33326.

BASIC FINANCIAL STATEMENTS

City of Weston, Florida
Statement of Net Position
September 30, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 71,325,254	\$ 7,122,579	\$ 78,447,833
Investments	71,189,908	4,555,755	75,745,663
Restricted assets:			
Restricted cash and cash equivalents	8,606,722	-	8,606,722
Restricted investments	-	2,126,038	2,126,038
Assessments receivable, current	4,355,000	-	4,355,000
Receivables:			
Accounts receivable, net	2,676,400	3,982,360	6,658,760
Interest receivable	403,393	52,878	456,271
Advance to other governments	2,104,391	-	2,104,391
Prepaid costs	1,191,394	38,324	1,229,718
Inventories	-	47,364	47,364
Total current assets	<u>161,852,462</u>	<u>17,925,298</u>	<u>179,777,760</u>
Noncurrent assets:			
Assessments receivable, restricted	30,370,000	-	30,370,000
Nondepreciable capital assets	76,712,365	-	76,712,365
Depreciable capital assets, net	<u>78,065,717</u>	<u>50,590,221</u>	<u>128,655,938</u>
Total noncurrent assets	<u>185,148,082</u>	<u>50,590,221</u>	<u>235,738,303</u>
Total assets	<u>347,000,544</u>	<u>68,515,519</u>	<u>415,516,063</u>
Deferred Outflows of Resources:			
FRS Pension	<u>106,460</u>	<u>-</u>	<u>106,460</u>
Total deferred outflows of resources	<u>106,460</u>	<u>-</u>	<u>106,460</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	3,634,003	327,145	3,961,148
Unearned revenues	536,354	-	536,354
Contracts and retainage payable	746,902	-	746,902
Deposits	798,462	-	798,462
Customer deposits, payable from restricted assets	-	2,126,038	2,126,038
Accrued interest payable, payable from restricted assets	818,946	-	818,946
Noncurrent liabilities due within one year	<u>7,434,400</u>	<u>-</u>	<u>7,434,400</u>
Total current liabilities	<u>13,969,067</u>	<u>2,453,183</u>	<u>16,422,250</u>
Noncurrent liabilities:			
Net pension liability	332,682	-	332,682
Due in more than one year	<u>41,059,840</u>	<u>-</u>	<u>41,059,840</u>
Total noncurrent liabilities	<u>41,392,522</u>	<u>-</u>	<u>41,392,522</u>
Total liabilities	<u>55,361,589</u>	<u>2,453,183</u>	<u>57,814,772</u>
Deferred Inflows of Resources:			
FRS pension	<u>31,306</u>	<u>-</u>	<u>31,306</u>
Total deferred inflows of resources	<u>31,306</u>	<u>-</u>	<u>31,306</u>
Net Position:			
Net investment in capital assets	109,947,396	50,590,221	160,537,617
Restricted for:			
Operations and maintenance	34,391,704	-	34,391,704
Fire protection services	4,872,322	-	4,872,322
Public transportation and road improvements	9,071,697	-	9,071,697
Law enforcement	202,049	-	202,049
Building code enforcement and services contract	3,200,219	-	3,200,219
Telecommunications maintenance	25,000	-	25,000
Debt service	39,096,912	-	39,096,912
Unrestricted	<u>90,906,810</u>	<u>15,472,115</u>	<u>106,378,925</u>
Total net position	<u>\$ 291,714,109</u>	<u>\$ 66,062,336</u>	<u>\$ 357,776,445</u>

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

City of Weston, Florida
Statement of Activities
For the Year Ended September 30, 2020

Functions/Programs	Expenses	Program Revenues			Net Revenue and (Expense)		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Changes in Net Position		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 8,084,809	\$ 4,652,830	\$ -	\$ -	\$ (3,431,979)	\$ -	\$ (3,431,979)
Public safety	43,603,858	14,317,220	59,110	-	(29,227,528)	-	(29,227,528)
Public works	21,166,270	17,276,459	1,516,724	-	(2,373,087)	-	(2,373,087)
Parks and recreation	9,800,688	416,991	1,762,835	-	(7,620,862)	-	(7,620,862)
Community development	4,458,851	4,235,201	-	-	(223,650)	-	(223,650)
Interest on long-term debt	2,314,386	1,949,492	-	-	(364,894)	-	(364,894)
Total governmental activities	<u>89,428,862</u>	<u>42,848,193</u>	<u>3,338,669</u>	<u>-</u>	<u>(43,242,000)</u>	<u>-</u>	<u>(43,242,000)</u>
Business-type activities:							
Water and sewer	<u>37,850,254</u>	<u>35,288,741</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,561,513)</u>	<u>(2,561,513)</u>
Total business-type activities	<u>37,850,254</u>	<u>35,288,741</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,561,513)</u>	<u>(2,561,513)</u>
Total primary government	<u>\$ 127,279,116</u>	<u>\$ 78,136,934</u>	<u>\$ 3,338,669</u>	<u>\$ -</u>	<u>(43,242,000)</u>	<u>(2,561,513)</u>	<u>(45,803,513)</u>
General revenues:							
Taxes:							
Property taxes					28,665,595	-	28,665,595
Franchise fees and utility taxes					14,015,200	-	14,015,200
Intergovernmental					5,634,176	-	5,634,176
Investment income					4,072,070	328,024	4,400,094
Other revenues					1,507,908	-	1,507,908
Total general revenues					<u>53,894,949</u>	<u>328,024</u>	<u>54,222,973</u>
Change in net position					10,652,949	(2,233,489)	8,419,460
Net position, beginning of year					<u>281,061,160</u>	<u>68,295,825</u>	<u>349,356,985</u>
Net position, end of year					<u>\$ 291,714,109</u>	<u>\$ 66,062,336</u>	<u>\$ 357,776,445</u>

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

City of Weston, Florida
Balance Sheet - Governmental Funds
September 30, 2020

	Major Funds			
	General Fund	Special Revenue Funds		
		Indian Trace Development District Fund	Bonaventure Development District Fund	Fire Services District Fund
Assets:				
Cash and cash equivalents	\$ 44,796,404	\$ 13,777,696	\$ 2,808,665	\$ 2,648,895
Investments	38,811,394	18,068,895	3,365,566	5,000,880
Restricted cash and cash equivalents	-	-	-	-
Receivables:				
Assessments receivable	-	-	-	-
Accounts receivable, net	2,588,688	100	-	34
Interest receivable	236,283	83,492	17,848	29,378
Advance to other governments	-	-	-	-
Prepaid costs	895,247	177,307	46,539	45,830
Due from other funds	6,022,568	-	-	-
Total assets	\$ 93,350,584	\$ 32,107,490	\$ 6,238,618	\$ 7,725,017
Liabilities:				
Accounts payable and accrued liabilities	\$ 1,891,162	\$ 1,271,893	\$ 131,038	\$ 28,002
Unearned revenues	536,354	-	-	-
Contracts and retainage payable	-	-	-	298,117
Due to other funds	-	2,231,108	98,830	2,480,746
Deposits	798,462	-	-	-
Total liabilities	3,225,978	3,503,001	229,868	2,806,865
Deferred Inflows of Resources:				
Unavailable revenues	470,838	-	-	-
Total deferred inflows of resources	470,838	-	-	-
Fund Balances:				
Non-spendable for prepaid costs	895,247	177,307	46,539	45,830
Restricted for:				
District operations and maintenance	-	28,427,182	5,962,211	4,872,322
Street maintenance	-	-	-	-
Roadway projects	-	-	-	-
Law enforcement	-	-	-	-
Tree preservation	-	-	-	-
Building code enforcement	-	-	-	-
Building code services contract	-	-	-	-
Telecommunications maintenance	25,000	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Committed to:				
Disaster assistance	46,969,550	-	-	-
Credit reserve	10,200,100	-	-	-
Infrastructure	3,149,081	-	-	-
Assigned to:				
Compensated absences	243,835	-	-	-
Solid waste services	169,852	-	-	-
Subsequent year's expenditures and contracts	200,000	-	-	-
Unassigned	27,801,103	-	-	-
Total fund balances	89,653,768	28,604,489	6,008,750	4,918,152
Total liabilities, deferred inflows of resources and fund balances	\$ 93,350,584	\$ 32,107,490	\$ 6,238,618	\$ 7,725,017

Bonaventure Development District Debt Service Fund	Indian Trace Development District Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 794,049	\$ 6,499,545	\$ 71,325,254
-	-	1,758,376	4,184,797	71,189,908
2,087,564	3,099,439	3,419,719	-	8,606,722
2,380,000	32,345,000	-	-	34,725,000
-	-	-	87,578	2,676,400
-	-	9,410	26,982	403,393
-	-	-	2,104,391	2,104,391
-	-	-	26,471	1,191,394
3,686	169	-	-	6,026,423
<u>\$ 4,471,250</u>	<u>\$ 35,444,608</u>	<u>\$ 5,981,554</u>	<u>\$ 12,929,764</u>	<u>\$ 198,248,885</u>
\$ -	\$ -	\$ 45,387	\$ 266,521	\$ 3,634,003
-	-	-	-	536,354
-	-	448,785	-	746,902
-	-	1,055,243	160,496	6,026,423
-	-	-	-	798,462
-	-	1,549,415	427,017	11,742,144
2,380,000	32,345,000	-	-	35,195,838
<u>2,380,000</u>	<u>32,345,000</u>	<u>-</u>	<u>-</u>	<u>35,195,838</u>
-	-	-	26,471	1,191,394
-	-	-	-	39,261,715
-	-	-	8,697,836	8,697,836
-	-	-	373,861	373,861
-	-	-	202,049	202,049
-	-	-	2,311	2,311
-	-	-	469,906	469,906
-	-	-	2,730,313	2,730,313
-	-	-	-	25,000
-	-	3,419,719	-	3,419,719
2,091,250	3,099,608	-	-	5,190,858
-	-	-	-	46,969,550
-	-	-	-	10,200,100
-	-	1,012,420	-	4,161,501
-	-	-	-	243,835
-	-	-	-	169,852
-	-	-	-	200,000
-	-	-	-	27,801,103
<u>2,091,250</u>	<u>3,099,608</u>	<u>4,432,139</u>	<u>12,502,747</u>	<u>151,310,903</u>
<u>\$ 4,471,250</u>	<u>\$ 35,444,608</u>	<u>\$ 5,981,554</u>	<u>\$ 12,929,764</u>	<u>\$ 198,248,885</u>

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

City of Weston, Florida
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
September 30, 2020

Fund Balance - Total Governmental Funds \$ 151,310,903

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 funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	\$ 274,207,362	
Accumulated depreciation	<u>(119,429,280)</u>	154,778,082

Assets that are not available to pay for current-period expenditures are unavailable in the governmental fund financial statements.		34,725,000
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Certain revenues are considered deferred inflows of resources in the fund financial statements due to availability of funds; under full accrual accounting they are considered revenues.		470,838
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The net pension liability is not reported as a liability in the fund financial statements, but is reported as a liability in the government-wide financial statements.		(332,682)
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Deferred outflows of resources related to the net pension liability are recorded in the statement of net position.		106,460
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Deferred inflows of resources related to the net pension liability are recorded in the statement of net position.		(31,306)
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Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term are reported in the government-wide financial statements.

Bonds payable		(34,725,000)
Notes and loans payable		(13,525,405)
Accrued interest payable		(818,946)
Compensated absences		<u>(243,835)</u>

Net Position of Governmental Activities \$ 291,714,109

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

City of Weston, Florida
Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds
For the Year Ended September 30, 2020

	Major Funds			
	General Fund	Special Revenue Funds		
		Indian Trace Development District Fund	Bonaventure Development District Fund	Fire Services District Fund
Revenues:				
Property taxes	\$ 28,665,595	\$ -	\$ -	\$ -
Franchise fees and utility taxes	13,624,362	-	-	-
Business tax receipts	1,202,892	-	-	-
Permits and fees	384,279	-	-	-
Intergovernmental	7,317,011	40,411	-	-
Charges for services	1,469,966	-	-	-
Fines and forfeitures	290,697	-	-	-
Investment income	2,350,691	912,362	172,274	256,457
Special assessments	3,433,044	14,872,416	2,404,043	14,317,220
Other revenues	754,092	104,112	3,898	47,543
Total revenues	59,492,629	15,929,301	2,580,215	14,621,220
Expenditures:				
Current:				
General government	7,588,462	-	-	-
Public safety	25,631,814	2,445,627	719,908	13,683,680
Public works	4,119,824	11,700,244	1,771,933	-
Parks and recreation	8,262,537	-	-	-
Community development	1,490,299	-	-	-
Capital outlay	377,347	1,067,780	-	672,109
Debt service:				
Principal	-	-	-	417,208
Interest	-	-	-	17,548
Total expenditures	47,470,283	15,213,651	2,491,841	14,790,545
Excess (deficiency) of revenues over expenditures	12,022,346	715,650	88,374	(169,325)
Other Financing Sources (Uses):				
Transfers in	122,465	-	-	-
Transfers out	(4,806,274)	-	-	-
Total other financing sources (uses)	(4,683,809)	-	-	-
Net changes in fund balances	7,338,537	715,650	88,374	(169,325)
Fund Balances, Beginning of Year	82,315,231	27,888,839	5,920,376	5,087,477
Fund Balances, End of Year	\$ 89,653,768	\$ 28,604,489	\$ 6,008,750	\$ 4,918,152

Bonaventure Development District Debt Service Fund	Indian Trace Development District Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 28,665,595
-	-	-	-	13,624,362
-	-	-	-	1,202,892
-	-	-	2,917,616	3,301,895
-	-	-	1,516,724	8,874,146
-	-	-	-	1,469,966
-	-	-	59,110	349,807
1,827	5,590	131,146	241,723	4,072,070
845,149	5,289,343	-	-	41,161,215
-	-	-	164,380	1,074,025
<u>846,976</u>	<u>5,294,933</u>	<u>131,146</u>	<u>4,899,553</u>	<u>103,795,973</u>
-	-	26,738	-	7,615,200
-	-	-	5,616	42,486,645
-	-	-	760,855	18,352,856
-	-	-	-	8,262,537
-	-	-	2,968,552	4,458,851
-	-	4,407,962	-	6,525,198
750,000	3,435,000	5,109,154	126,884	9,838,246
141,450	1,817,700	427,009	41,924	2,445,631
<u>891,450</u>	<u>5,252,700</u>	<u>9,970,863</u>	<u>3,903,831</u>	<u>99,985,164</u>
<u>(44,474)</u>	<u>42,233</u>	<u>(9,839,717)</u>	<u>995,722</u>	<u>3,810,809</u>
-	-	4,664,705	141,569	4,928,739
-	-	-	(122,465)	(4,928,739)
-	-	4,664,705	19,104	-
(44,474)	42,233	(5,175,012)	1,014,826	3,810,809
<u>2,135,724</u>	<u>3,057,375</u>	<u>9,607,151</u>	<u>11,487,921</u>	<u>147,500,094</u>
<u>\$ 2,091,250</u>	<u>\$ 3,099,608</u>	<u>\$ 4,432,139</u>	<u>\$ 12,502,747</u>	<u>\$ 151,310,903</u>

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

City of Weston, Florida
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities
For the Year Ended September 30, 2020

Net Changes in Fund Balances - Total Governmental Funds \$ 3,810,809

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

Capital assets are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of these assets are eliminated and capitalized as capital assets.	6,467,335
Revenues previously recorded in the statement of activities that were unavailable in the prior fiscal year became available in the current fiscal year and were recorded as revenues in the fund financial statements.	(4,185,000)
Revenues that are earned but not received within the availability period are recognized in the statement of activities when earned and subsequently recognized in the governmental fund financial statements as they become available. The net difference is recorded as a reconciling item.	470,838
Repayments of long-term liabilities are reported as expenditures in the governmental funds, but such repayments reduce liabilities in the statement of net position and are eliminated from the statement of activities.	9,838,246
The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities but not in the governmental fund financial statements.	131,245
Certain changes related to pension assets and liabilities are not reported in the net change in the governmental funds:	
Change in deferred outflows relating to FRS pension	(12,243)
Change in deferred inflows relating to FRS pension	(4,669)
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the fund financial statements. The details of the differences are as follows:	
Depreciation of capital assets	(6,717,407)
Change in compensated absences	881,284
Change in net pension liability	(27,489)

Change in Net Position of Governmental Activities \$ 10,652,949

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

City of Weston, Florida
Statement of Net Position
Proprietary Fund
September 30, 2020

	<u>Water and Sewer Fund</u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 7,122,579
Investments	4,555,755
Restricted investments	2,126,038
Receivables:	
Accounts receivable, net	3,982,360
Interest receivable	52,878
Prepaid costs	38,324
Inventories	47,364
	<u>17,925,298</u>
Total current assets	
Noncurrent assets:	
Capital Assets:	
Buildings and improvements	301,964
Infrastructure	114,741,430
Machinery and equipment	773,607
Less: accumulated depreciation	<u>(65,226,780)</u>
Net capital assets	<u>50,590,221</u>
Total noncurrent assets	<u>50,590,221</u>
Total assets	<u>68,515,519</u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	327,145
Customer deposits, payable from restricted assets	<u>2,126,038</u>
Total current liabilities	<u>2,453,183</u>
Total liabilities	<u>2,453,183</u>
Net Position:	
Net investment in capital assets	50,590,221
Unrestricted	<u>15,472,115</u>
Total net position	<u>\$ 66,062,336</u>

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

City of Weston, Florida
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For the Year Ended September 30, 2020

	<u>Water and Sewer Fund</u>
Operating Revenues:	
Water and sewer fees	\$ 34,477,507
Miscellaneous revenue	363,080
Other operating revenues	448,154
	<hr/>
Total operating revenues	35,288,741
	<hr/>
Operating Expenses:	
Personnel	242,428
Other operating expenses	32,446,325
General and administrative	2,642,452
Depreciation	2,519,049
	<hr/>
Total operating expenses	37,850,254
	<hr/>
Operating income (loss)	(2,561,513)
	<hr/>
Nonoperating Revenue:	
Investment income	328,024
	<hr/>
Total nonoperating revenue	328,024
	<hr/>
Change in net position	(2,233,489)
	<hr/>
Net Position, Beginning of Year	68,295,825
	<hr/>
Net Position, End of Year	\$ 66,062,336
	<hr/>

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

City of Weston, Florida
Statement of Cash Flows
Proprietary Fund
For the Year Ended September 30, 2020

	<u>Water and Sewer Fund</u>
Cash Flows from Operating Activities:	
Receipts from customers and users	\$ 35,090,116
Payments to suppliers	(35,156,302)
Payments to employees	<u>(231,293)</u>
Net cash provided by (used in) operating activities	<u>(297,479)</u>
Cash Flows from Capital and Related Financing Activities:	
Purchases of capital assets	<u>(52,650)</u>
Net cash provided by (used in) capital and related financing activities	<u>(52,650)</u>
Cash Flows from Investing Activities:	
Sales of investments	3,776,336
Interest received	<u>343,552</u>
Net cash provided by (used in) investing activities	<u>4,119,888</u>
Net increase (decrease) in cash and cash equivalents	3,769,759
Cash and Cash Equivalents, Beginning of Year	<u>3,352,820</u>
Cash and Cash Equivalents, End of Year	<u>\$ 7,122,579</u>

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

City of Weston, Florida
Statement of Cash Flows
Proprietary Fund
(continued)
For the Year Ended September 30, 2020

	<u>Water and Sewer Fund</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	
Operating income (loss)	\$ <u>(2,561,513)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	
Depreciation	2,519,049
Changes in assets and liabilities:	
(Increase) decrease in accounts receivables	(218,920)
(Increase) decrease in prepaid costs	(5,446)
(Increase) decrease in inventories	(47,364)
Increase (decrease) in accounts payable and accrued liabilities	(3,580)
Increase (decrease) in customer deposits payable from restricted assets	<u>20,295</u>
Total adjustments	<u>2,264,034</u>
Net cash provided by (used in) operating activities	\$ <u><u>(297,479)</u></u>
Noncash Transactions:	
Change in fair value of investments	\$ <u>140,724</u>
Total noncash transactions	\$ <u><u>140,724</u></u>

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

Note 1 - Organization and Operations

The City of Weston, Florida (the "City") is a municipal corporation governed by an elected Mayor and a four-member commission providing the following services: general government; public safety; community development; public works; and parks and recreation. Additional services provided by the City are subcontracted such as: water and sewer services; emergency medical services; fire protection and prevention services; police services; engineering services; building code services; code enforcement; and plan review and inspection services. The City was incorporated pursuant to the constitution and laws of the State of Florida in September 1996 when the qualified electors voted in favor of incorporation of the City and approved the Charter.

Note 2 - Summary of Significant Accounting Policies

A. Reporting Entity

The financial statements were prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") and in accordance with Government Accounting Standards, which establishes standards for defining and reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the City, organizations for which the City is financially accountable, 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 an organization's governing body and it is able to 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.

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 as, substantially the same as, or appointed by the City Commission. These units are in substance part of the City's operations, and so, data from these units is combined with data of the primary government.

Indian Trace Development District ("ITDD") is a blended component unit. ITDD was formed in 1975 by a Broward County Ordinance and in 1981 was reestablished pursuant to Chapter 190 of the Florida Statutes as an independent, special taxing district in Broward County, Florida, to provide facilities for water and sewer, stormwater management and control, roads and other public improvements. ITDD's boundaries exclude the community of Bonaventure. ITDD is governed by a board comprised of the City Commission and therefore the City has the ability to impose its will on ITDD. In addition, the City has operational responsibility for the District. ITDD has its own budget and taxing power. The operations and assets of ITDD are reflected in Indian Trace Development District Special Revenue Funds and Debt Service Funds. The component unit has a September 30 year end. There were no separately issued financial statements for this component unit.

Bonaventure Development District ("BDD") is a blended component unit. BDD was created on December 21, 1998; however, it was inactive until June 30, 2001 when the Florida Legislature dissolved West Lauderdale Water Control District and transferred all of the assets of the former to BDD. BDD provides stormwater management and control, roads and other public improvements. BDD is governed by a board comprised of the City Commission and therefore the City has the ability to impose its will on BDD. In addition, the City has operational responsibility for the District. BDD has its own budget and taxing power. The operations and assets of BDD are reflected in the Bonaventure Development District Special Revenue Funds and Debt Service Funds. The component unit has a September 30 year end. There were no separately issued financial statements for this component unit.

Note 2 - Summary of Significant Accounting Policies (continued)

B. Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) 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 non-fiduciary activities of the City. As a general rule, the effect of interfund services provided and used has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operation 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.

The net cost (by function) is normally covered by general revenues (i.e., property taxes, franchise taxes, unrestricted intergovernmental revenues, investment income, etc.).

Separate fund financial statements are provided for governmental funds and proprietary funds. The focus of fund financial statements is on major funds. Major individual governmental funds and the major individual enterprise fund are reported as separate columns in the fund financial statements. GASB Statement No. 34 sets forth minimum criteria (percentage of assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category for the governmental and enterprise, combined, or funds that management deems of public importance) for the determination of major funds. The nonmajor funds are combined and presented in a single column in the fund financial statements.

The government-wide-focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories, (by category). Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. 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 government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Note 2 - Summary of Significant Accounting Policies (continued)

Property taxes, franchise fees, utility taxes, permits and fees, other intergovernmental revenues, and investment income associated with the current fiscal period are all considered to be measurable and have been recognized as revenues of the current fiscal period, if available. 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 when cash is received by the City.

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 government's water and sewer function and various other functions of the government, if applicable. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

The City reports the following major governmental funds:

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.

The Special Revenue Funds (Indian Trace Development District, Bonaventure Development District, and Fire Services District) account for special assessments that are legally restricted to expenditure for District operations and maintenance. Indian Trace Development District and Bonaventure Development District account for the maintenance of the stormwater management infrastructure and the non-roadway portions of the public right of way within the boundaries of the Districts. The Fire District accounts for revenues generated by special assessments legally restricted to fund fire protection and prevention services in the City.

The Debt Service Funds (Indian Trace Development District and Bonaventure Development District) account for special assessments that are legally restricted to pay principal and interest expenditures.

The Capital Projects Fund (Community Facilities Construction) accounts for the acquisition of equipment and construction/rehabilitation of major capital projects not being financed by proprietary funds and to pay the debt service on previously financed capital projects.

The City reports the following major proprietary fund:

The Enterprise Fund is used to account for the water and sewer operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing services are generally recovered through user charges.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Deposits and Investments

Cash, cash equivalents, and equity in pooled cash are defined as demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition.

Note 2 - Summary of Significant Accounting Policies (continued)

In general, the City maintains pooled cash and investment accounts for all funds. This enables the City to invest large amounts of idle cash for short periods of time and to optimize earnings potential. Cash and cash equivalents and investments represent the amount owned by each City fund. Earnings on pooled cash and investments are allocated based on balances of the respective funds.

The City's investments are measured at amortized cost or recorded at estimated fair value. Unrealized gains and losses in fair value are recognized.

2. Receivables

Receivables include amounts due from other governments and others for services provided by the City. In addition, amounts owed from residents for the payment of District Bonds are reported as receivables - special assessments. Receivables are recorded and revenues are recognized as earned or as specific program expenditures/expenses are incurred based on the accounting basis required for that fund. Allowances for uncollectible receivables are based upon historical trends and the periodic aging of receivables.

Property taxes are levied and are recognized as receivables on October 1 of each year. Ad valorem property taxes are based on property value. Non ad valorem property taxes are based on per square footage/acre or per unit type. The tax bill may be paid at declining discounts from November through February. All unpaid taxes become delinquent on April 1 of the year following the year in which taxes were levied and are subject to the issuance of tax sale certificates as of June 1. Broward County bills and collects all property taxes for the City.

3. Interfund Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (the current portion of interfund loans) or "advances to/from other funds" (the noncurrent portions of interfund loans). Any residual balances outstanding between the governmental activities and business activities are reported in the government-wide financial statements as "internal balances."

4. Prepaid Costs

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

5. Inventories

Inventories of supplies are reported at cost using the weighted average method. Inventories are maintained on a consumption basis of accounting where items are purchased for inventory and charged as an expenditure/expense as items are consumed rather than when purchased.

6. Restricted Assets

Certain proceeds of the City's bonds and other long-term liabilities, as well as certain resources set aside for their repayment, are classified as restricted assets because the funds are segregated and their use is limited by applicable debt covenants. In addition, assessments receivable related to future payment of special benefit assessment bond debt service are considered restricted. Customer deposits are classified as restricted assets because they are held on behalf of the customer.

Note 2 - Summary of Significant Accounting Policies (continued)

7. Capital Assets

Capital assets which include land, construction in progress, infrastructure, buildings, land improvements and machinery and equipment are reported in the applicable governmental or business type activities columns in the government-wide financial statements. Capital assets purchased or acquired with an original individual cost of \$ 5,000 or more, and an estimated useful life in excess of one year, are reported at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business type activities is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. Other costs incurred for normal repairs and maintenance that do not add to the value of the asset or materially extend its useful life are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Infrastructure	10-50 years
Buildings and improvements	10-50 years
Land improvements	15-30 years
Machinery and equipment	5-15 years

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

8. Compensated Absences

It is the City's policy to permit its employees to accumulate amounts of earned but unused vacation and sick pay benefits. Accumulated compensated absences are recorded in the government-wide financial statements when earned. Expenditures for compensated absences have been recorded in the governmental funds only if they have matured, (e.g., resulting from employee resignations and retirements). Payments are generally made from of the General Fund.

As of September 30, 2020, the City reports accrued compensated absences amounting to \$ 243,835 in the statement of net position, which is expected to be liquidated from reserves set aside for this purpose.

9. Unearned Revenues

Governmental funds report unearned revenues in connection with resources that have been received, but not yet earned.

10. Long Term Obligations

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

11. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Furthermore, unavailable revenue, is reported only in the governmental funds balance sheet; these amounts are deferred and recognized as an inflow of resources in the period that the amount become available.

12. Net Position

Net position in the government-wide and proprietary funds is categorized as net investment in capital assets; restricted or unrestricted. Net investment in capital assets is the difference between the cost of capital assets, net accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets plus unspent debt proceeds. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position, if applicable.

Restricted net position is that portion of net position that has constraints from general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation. Net position restricted for operations and maintenance and fire protection services represent limitations placed on net position use by enabling legislation. Net position restricted for public transportation and road improvements represent limitations placed on net position use by state enabling legislation from proceeds distributed to the City from state revenue sharing and local option gas tax collections. Net position restricted for law enforcement is to be used only for certain non-recurring law enforcement related expenses. Net position restricted for building code enforcement and services contract is to assure compliance with the City's zoning code, the Florida Building Code, and the fire code. Certain other net position has been restricted for telecommunications maintenance and debt service in accordance with applicable arrangements. Unrestricted net position consists of all net position that does not meet the definition of either of the other two components.

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

Note 2 – Summary of Significant Accounting Policies (continued)

13. Fund Balance

The City follows GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions which requires that governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as long-term amount of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by resolution of the City Commission. These amounts cannot be used for any other purpose unless the Commission removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned: This classification includes amounts that are constrained by the City’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Commission or through resolution by the City Commission authorizing the responsibility to the City Manager. The City Commission may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s budget. Unlike commitments, assignments generally can only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed previously, an additional action is essential to either remove or revise a commitment.

Unassigned: This classification includes the residual fund balance for the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Note 2 – Summary of Significant Accounting Policies (continued)

14. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration.

Encumbrances are recorded at the time a purchase order or other commitment is entered into. Encumbrances outstanding at year-end represent the estimated amount of expenditures which would result if unperformed purchase orders and other commitments at year-end are completed.

15. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

16. Subsequent Events

Subsequent events are evaluated by management through March 23, 2021, the date the financial statements were available for issuance.

Note 3 - Deposits and Investments

A. Deposits

The City's cash balances, except for the balances in the debt service funds, were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits are insured or collateralized with securities held by the entity or its agent in the entity's name.

B. Investments

Chapter 33 of the City's Code of Ordinances governs the City's suitable and authorized investment of public funds. The City is highly risk averse in its investment strategy and as such will not purchase any individual security rated lower than the third highest tier (e.g., A-rated) by at least one nationally recognized rating agency in the United States (e.g., Moody's, S&P, Fitch's). U.S Treasury obligations which carry the full faith and credit of the United States Government, U.S. Government agency obligations, U.S. Government instrumentality obligations, or any other debt instrument which carries the full faith and credit of the United States Government or the Federal Deposit Insurance Corporation are exempt from the previously stated rating requirement. In addition, the City will only purchase securities with book yields exceeding the maturity-equivalent Municipal AAA yield, adjusted on a tax equivalent basis.

Note 3 – Deposits and Investments (continued)

Section 33.01(B) of the City's Code of Ordinances permits investment of the City's funds in: 33.01(B)(1), U.S. Treasury obligations which carry the full faith and credit of the United States Government and are considered to be the most secure instruments available; 33.01(B)(2), U.S. Government agency and instrumentality obligations that have a liquid market with a readily determinable market value; 33.01(B)(3), Obligations of state and local governments, including their agencies and authorities, either directly or indirectly; 33.01(B)(4), Commercial paper, rated in the highest tier (e.g., A-1, P-1, F-1, or D-1) by a nationally recognized rating agency; 33.01(B)(5), Repurchase agreements collateralized by U.S. Treasury or Government agency and instrumentality securities; 33.01(B)(6), Money market mutual funds regulated by the Securities and Exchange Commission rated in the highest tier by a nationally recognized rating agency and whose portfolios consist of only dollar denominated securities; 33.01(B)(7), Demand deposit accounts, interest bearing time deposits, money market accounts or savings accounts in qualified public depositories, including negotiable certificates of deposit, as defined in F.S. § 280.02; 33.01(B)(8), Obligations of any corporate institution (excluding life and casualty insurance companies); 33.01(B)(9), Mortgage-backed Securities (MBS), Collateralized Mortgage Obligations (CMO's) or Asset-backed Securities (ABS) containing fixed or adjustable-rate mortgages or assets issued by any U.S. Government agency or instrumentality or any corporate institution (excluding life and casualty insurance companies); 33.01(B)(10), Obligations of any sovereign government issued via the U.S. Agency for International Development and guaranteed by the full faith and credit of the U.S. Government.

Section 33.01(C) of the City's Code of Ordinances prohibits investment of the City's funds in derivative contracts as defined by the Governmental Accounting Standards Board (GASB), which defers to the Federal Accounting Standards Board (FASB) on its definition of a derivative security. The FASB definition of a derivative security, as provided in Statement 133, Paragraph 6-7, is provided in the Appendix preceding the Investment Policy glossary. This section also does not provide authorization for the purchase of private placement or 144A securities as defined by the Securities and Exchange Commission (SEC).

Investments as of September 30, 2020 were as follows:

<u>Investment Type</u>	<u>Fair Value</u>
U.S. Agency securities	\$ 26,109,332
Municipal bonds	26,060,243
Corporate bonds	22,878,004
Sovereign securities	<u>2,824,122</u>
Total investments, measured at fair value	77,871,701
Money market funds, measured at amortized cost *	<u>72,192,046</u>
Total	<u>\$ 150,063,747</u>

* Amounts are included in cash and cash equivalents.

Note 3 - Deposits and Investments (continued)

1. Credit Risk

The City’s investment policy was established to limit credit risk, the risk of loss due to default by the issuer, securities broker/dealer or financial institution, by:

- Limiting investments to investment grade securities as rated by any nationally recognized agency in the United States.
- Pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the City will do business.
- Diversifying the investment portfolio to reduce the impact of potential losses from any one type of security, or any individual issuer or backer.

The City’s investments have been rated by Standard and Poor’s or Moody’s as follows:

	RATINGS					
	AAA	AA+	AA	AA-	A+	A
Government and government sponsored bonds	\$ 2,824,122	\$ 14,202,762	\$ -	\$ -	\$ -	\$ -
Government mortgage backed securities	-	11,906,570	-	-	-	-
Corporate bonds	1,570,700	4,060,364	9,077,731	2,597,054	3,569,675	2,002,480
Municipal bonds	5,356,337	12,021,763	5,859,524	2,822,619	-	-
Total investments	\$ <u>9,751,159</u>	\$ <u>42,191,459</u>	\$ <u>14,937,255</u>	\$ <u>5,419,673</u>	\$ <u>3,569,675</u>	\$ <u>2,002,480</u>

2. Interest Rate Risk

The City’s investment policy was established to minimize the risk that the value of securities in the investment portfolio will fall due to changes in interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities to the open market prior to maturity.
- Investing operating funds primarily in short term securities, money market mutual funds, or similar investment pools and limiting the weighted average maturity of the portfolio.
- Limiting the price sensitivity (modified or effective duration) of the investments in the portfolio.

The City has an investment policy that, unless matched to a specific cash flow, limits the purchase of securities to maturities of no more than ten years from the date of purchase and additionally limits the purchase of any securities not rated in the highest tier to maturities of less than five years from the date of purchase.

Note 3 - Deposits and Investments (continued)

At fiscal year end, the weighted average life of the maturities is as follows:

	<u>Average Maturity (Years)</u>
Government and government sponsored bonds	1.22
Government mortgage backed securities	1.31
Corporate bonds	0.92
Municipal bonds	2.64

3. Concentration Credit Risk

The City’s investment policy limits its investments to no more than 5% of total assets valued at cost in any one security issue and no more than 60% of its total assets valued at cost in any one security type, with certain exceptions. Federal government and agency debt obligations are exempt from both restrictions and cash equivalent investments are exempt from the issuer restriction. GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires disclosure when the percentage is 5% or more in any one issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, or other pooled investments are excluded from this requirement. At September 30, 2020, the City is in compliance with its policy.

4. Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City would not recover the value of its investment or collateral securities that are in the possession of an outside party. The investment policy of the City minimizes this risk by establishing minimum standards for institutions and dealers used by the City. Consistent with the City’s investment policy, the investments are held by custodial banks/institutions in the City’s name, or in street name.

5. Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy as established in accordance with applicable GASB Statements. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable (direct and indirect) inputs; and Level 3 inputs are significant unobservable inputs.

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

Investments classified as Level 2, in the table below, are valued based on significant other observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, cash flows, maturity, and credit ratings), or other market corroborated inputs specific to the investment type.

The inputs or methodology used for valuing securities are not necessarily an indication of risk associated with investing in those securities.

Note 3 - Deposits and Investments (continued)

Fair values of investments held by the City are classified at September 30, 2020 as follows:

Investment Type	Fair Value	Level
U.S. Agency securities	\$ 26,109,332	2
Municipal bonds	26,060,243	2
Corporate bonds	22,878,004	2
Sovereign securities	2,824,122	2
	\$ 77,871,701	

Note 4 - Receivables and Unavailable Revenues

Receivable balances as of September 30, 2020 were as follows:

Receivables	Governmental Funds						Enterprise Fund
	General Fund	Indian Trace Development District Fund	Bonaventure Development District Fund	Fire Services Fund	Capital Projects Fund	Nonmajor Governmental Funds	Water and Sewer Fund
Accounts	\$ 230,396	\$ 100	\$ -	\$ 34	\$ -	\$ -	\$ 3,912,069
Interest receivable	236,283	83,492	17,848	29,378	9,410	26,982	52,878
Franchise fees and utility taxes	1,930,045	-	-	-	-	-	-
Intergovernmental	428,247	-	-	-	-	87,578	70,291
	2,824,971	83,592	17,848	29,412	9,410	114,560	4,035,238
Gross receivables							
Less allowance for uncollectibles	-	-	-	-	-	-	-
Net receivables	\$ 2,824,971	\$ 83,592	\$ 17,848	\$ 29,412	\$ 9,410	\$ 114,560	\$ 4,035,238

As of September 30, 2020, unavailable revenues (governmental funds) are comprised of the following items:

Unavailable revenues:	
Intergovernmental	\$ 80,000
Franchise fees and utility taxes	390,838
Special assessments *	34,725,000
	\$ 35,195,838

*Indian Trace and Bonaventure Development Districts Debt Service Funds report special assessments receivables for amounts owed from property owners for making debt service payments on the outstanding Bonds.

Additionally, in September 2017, the City entered into a locally funded agreement with the Florida Department of Transportation ("FDOT") to advance the funding necessary to expedite the design of certain improvements to the Royal Palm Boulevard and I-75 Exchange. The initial advance under the agreement was \$ 919,000. During the 2018 year, the advance funding agreement was amended and increased to \$ 2,104,391. Under the agreement, the City agrees to advance additional amounts as necessary for the project, whereas no additional amounts have been advanced subsequent to the 2018 year. FDOT will begin reimbursement to the City, during the State of Florida's fiscal year 2020-2021, subject to appropriation of funds by the Legislature. The City has agreed not to invoice any portion of the advancement to FDOT prior to July 1, 2020. At September 30, 2020, the City reported a receivable: advance to other governments, in nonmajor governmental funds relating to the advance funding of \$ 2,104,391.

Note 5 - Interfund Transactions

Interfund receivables and payables at September 30, 2020 were as follows:

	<u>Due To</u>	<u>Due From</u>
Indian Trace Development District Fund	\$ 169	\$ -
Indian Trace Development District Debt Service Fund	-	169
Bonaventure Development District Fund	3,686	-
Bonaventure Development District Debt Service Fund	-	3,686
	<u>\$ 3,855</u>	<u>\$ 3,855</u>

The outstanding balances between funds result primarily from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made. In the case of the City, the balances between the special revenue funds and the debt service funds relate to assessments collected that have not yet been transferred to the debt service funds.

Receivable and payable balances related to pooled cash amounts are as follows:

	<u>Due To</u>	<u>Due From</u>
General Fund	\$ -	\$ 6,022,568
Indian Trace Development District Fund	2,230,939	-
Bonaventure Development District Fund	95,144	-
Fire Services District Fund	2,480,746	-
Capital Projects Fund	1,055,243	-
Nonmajor governmental funds:		
Law Enforcement Fund	35,275	-
Tree Trust Fund	125,221	-
	<u>\$ 6,022,568</u>	<u>\$ 6,022,568</u>

Interfund transfers for the year ended September 30, 2020 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 122,465	\$ 4,806,274
Capital Projects Fund	4,664,705	-
Nonmajor governmental funds:		
Law Enforcement Trust Fund	141,569	-
Tree Trust Fund	-	122,465
	<u>\$ 4,928,739</u>	<u>\$ 4,928,739</u>

Transfers are generally used to move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them. Transfers from the general fund to the capital projects fund are for moving resources to fund capital expenditures and to provide for the debt service payments related to previously financed projects. Transfers from the general fund to the law enforcement trust fund are for moving resources to fund a public safety project. Transfers from the tree trust fund were made to the general fund to reimburse for tree preservation expenditures.

City of Weston, Florida
Notes to Financial Statements
September 30, 2020

Note 6 - Capital assets

A summary of changes in the governmental activities capital assets for the fiscal year ended September 30, 2020 is presented as follows:

	Balance at October 1, 2019	Additions and Transfers	Retirements and Transfers	Balance at September 30, 2020
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 73,587,610	\$ -	\$ -	\$ 73,587,610
Construction in progress	5,969,840	3,463,547	(6,308,632)	3,124,755
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total capital assets, not being depreciated	<u>79,557,450</u>	<u>3,463,547</u>	<u>(6,308,632)</u>	<u>76,712,365</u>
Capital assets, being depreciated:				
Infrastructure	115,192,718	817,631	-	116,010,349
Buildings and improvements	42,495,178	1,933,157	-	44,428,335
Land improvements	13,109,983	4,317,171	-	17,427,154
Machinery and equipment	17,600,816	2,244,461	(216,118)	19,629,159
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total capital assets, being depreciated	<u>188,398,695</u>	<u>9,312,420</u>	<u>(216,118)</u>	<u>197,494,997</u>
Less accumulated depreciation for:				
Infrastructure	(81,427,145)	(3,182,159)	-	(84,609,304)
Buildings and improvements	(11,850,574)	(1,223,677)	-	(13,074,251)
Land improvements	(5,613,883)	(781,564)	-	(6,395,447)
Machinery and equipment	(14,036,389)	(1,530,007)	216,118	(15,350,278)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total accumulated depreciation	<u>(112,927,991)</u>	<u>(6,717,407)</u>	<u>216,118</u>	<u>(119,429,280)</u>
Total capital assets, being depreciated, net	<u>75,470,704</u>	<u>2,595,013</u>	<u>-</u>	<u>78,065,717</u>
Governmental activities capital assets, net	<u>\$ 155,028,154</u>	<u>\$ 6,058,560</u>	<u>\$ (6,308,632)</u>	<u>\$ 154,778,082</u>

City of Weston, Florida
Notes to Financial Statements
September 30, 2020

Note 6 - Capital assets (continued)

A summary of changes in the business-type activities capital assets for the fiscal year ended September 30, 2020 is presented as follows:

	Balance October 1, 2019	Additions and Transfers	Retirements and Transfers	Balance September 30, 2020
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Business-Type Activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 223,491	\$ 2,240	\$ (225,731)	\$ -
Total capital assets, not being depreciated	<u>223,491</u>	<u>2,240</u>	<u>(225,731)</u>	<u>-</u>
Capital assets, being depreciated:				
Infrastructure	114,515,699	225,731	-	114,741,430
Buildings and improvements	301,964	-	-	301,964
Machinery and equipment	<u>773,607</u>	<u>-</u>	<u>-</u>	<u>773,607</u>
Total capital assets, being depreciated	<u>115,591,270</u>	<u>225,731</u>	<u>-</u>	<u>115,817,001</u>
Less accumulated depreciation for:				
Infrastructure	(62,108,407)	(2,389,650)	-	(64,498,057)
Buildings and improvements	(33,501)	(30,454)	-	(63,955)
Machinery and equipment	<u>(565,823)</u>	<u>(98,945)</u>	<u>-</u>	<u>(664,768)</u>
Total accumulated depreciation	<u>(62,707,731)</u>	<u>(2,519,049)</u>	<u>-</u>	<u>(65,226,780)</u>
Total capital assets, being depreciated, net	<u>52,883,539</u>	<u>(2,293,318)</u>	<u>-</u>	<u>50,590,221</u>
Business-type activities capital assets, net	<u>\$ 53,107,030</u>	<u>\$ (2,291,078)</u>	<u>\$ (225,731)</u>	<u>\$ 50,590,221</u>

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

Governmental activities:	
General government	\$ 1,248,629
Public safety	1,117,213
Public works	2,813,414
Parks and recreation	<u>1,538,151</u>
Total depreciation expense - governmental activities	<u>\$ 6,717,407</u>
Business-type activities:	
Water and sewer	<u>\$ 2,519,049</u>

Note 6 - Capital Assets (continued)

Construction Commitments

The City has several active construction projects as of September 30, 2020. The remaining amounts committed for these projects are as follows:

<u>Project</u>	<u>Spent-To-Date</u>	<u>Remaining Commitment</u>
Fire Station# 21 Construction	\$ 1,577,718	\$ 4,779,982
Architectural Services for Weston Community Center	579,549	277,851
Tennis Center Renovation	<u>312,839</u>	<u>741,932</u>
Total	<u>\$ 2,470,106</u>	<u>\$ 5,799,765</u>

Note 7 - Long-Term Liabilities

Bonds Payable

At September 30, 2020, Bond Issues were as follows:

<u>Bond Issue</u>	<u>Issue Date</u>	<u>Original Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Series 1997 ITDD	July 1997	\$ 41,635,000	4.00% - 5.00%	May 1, 2027
Series 2002 BDD	January 2002	\$ 12,790,000	1.75% - 5.125%	November 1, 2022
Series 2003 Isles at Weston	June 2003	\$ 9,330,000	5.50%	May 1, 2033
Series 2005 ITDD	February 2005	\$ 46,380,000	2.50% - 5.00%	May 1, 2027

These bonds were issued to finance the acquisition and construction of certain infrastructure facilities and improvements for the benefit of the Indian Trace Development District and Bonaventure Development District. The 2005 Bonds were issued by Indian Trace Development District for the purpose of currently refunding the then Series 1995A-1 Bonds and advance refunding and defeasing a portion of the then Series 1997 Bonds.

These bonds require interest is to be paid semiannually on each May 1 and November 1. The 1997 Bond requires principal payments to be paid each May 1, commencing May 1, 2022. The 2003 and 2005 Bonds require principal payments to be paid each May 1. The 2002 Bond requires principal payments to be paid each November 1.

All bonds are subject to optional redemption prior to maturity. The Series 1997, 2002 and 2003 Bonds are subject to extraordinary and mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

All bond Indentures established debt service reserve requirements. The 1997 and 2005 Bond Indenture provides for a surety bond to be obtained in place of funding for the debt service reserve fund (the "Reserve Fund"). The debt service reserve fund surety bond constitutes a debt service reserve fund insurance policy under the Bond Indenture. The City is in compliance with the reserve requirements for Series 1997, 2002, 2003 and 2005 Bonds.

Note 7 - Long-Term Liabilities (continued)

The Bond Indentures established certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed on assessments to property owners. The City agrees to levy special assessments in annual amounts adequate to provide payment of debt service. The City assessed sufficient revenues, along with other sources, to provide for the required debt service; therefore, it was in compliance with such requirement at September 30, 2020.

Notes Payable

At September 30, 2020, the City had notes as follows:

Previously, the City issued a \$ 7,450,000 Series 2013 promissory note, for the construction of the emergency operations center within the City, City park renovations and the purchase of emergency medical service vehicles. The note contains fixed interest rates ranging from 1.24% to 2.05%, subject to adjustments based on occurrence of a determination of taxability event, with quarterly principal and interest payments due through November 1, 2023. The note is collateralized by a pledge of the local business tax revenues and the electric franchise revenues, which totaled \$ 1,202,892 and \$ 3,389,554, respectively, for the current fiscal year. In the case of an event of default, the note, at the sole discretion of the holder, may be declared immediately due and payable.

Previously, the City issued a \$ 6,385,000 Series 2014 promissory note, for the construction of the emergency operations center within the City, certain information technology projects and the purchase of fire protection vehicles. The note contains fixed interest rates ranging from 1.07% to 2.23%, subject to adjustments based on occurrence of a determination of taxability event, with semiannual principal and interest payments due through November 1, 2024. The note is collateralized by a pledge of the electric franchise revenues and fire assessments, which totaled \$ 3,389,554 and \$ 14,317,220, respectively, for the current fiscal year. In the case of an event of default, the note, at the sole discretion of the holder, may be declared immediately due and payable.

Previously, the City issued a \$ 6,225,000 Series 2016 promissory note, for the financing of certain capital improvements to various parks within the City. The note contains a fixed interest rate of 2.26%, subject to adjustments based on occurrence of a determination of taxability event, with semiannual principal and interest payments due through May 1, 2026. The note is collateralized by pledged revenues from electric utility service taxes which totaled \$ 5,365,161 for the current fiscal year. In the case of an event of default, the note, at the sole discretion of the holder, may be declared immediately due and payable.

The City covenants that it will at all times maintain a certain coverage ratio as it relates to pledged revenues and annual debt service, for each of the notes stated above. As of September 30, 2020, the City was in compliance with these covenants.

Loans Payable

At September 30, 2020, the City had loans payable as follows:

Previously, the City issued a \$ 1,444,000 Series 2018A Loan, for financing capital improvements to the intersection of Royal Palm Boulevard/Weston Road. The loan contains a fixed interest rate of 3.23%, subject to adjustments based on occurrence of a determination of taxability event, with quarterly principal and interest payments due through November 1, 2028. The note is collateralized by pledged revenues from intergovernmental revenues of the Street Maintenance Fund which totaled \$ 1,445,353 for the current fiscal year.

Note 7 - Long-Term Liabilities (continued)

Previously, the City issued a \$ 7,056,000 Series 2018B Loan, for financing capital improvements to Bonaventure Park, Fire Station No. 21 and Phase 1 of the Community Center. The loan contains a fixed interest rate of 3.23%, subject to adjustments based on occurrence of a determination of taxability event, with quarterly principal and interest payments due through November 1, 2028. The note is collateralized by pledged revenues from communication tax revenues which totaled \$ 2,223,334 for the current fiscal year.

Previously, the City issued a \$ 1,500,000 Series 2018C Loan, for financing the purchase of emergency medical services vehicles. The loan contains a fixed interest rate of 2.98%, subject to adjustments based on occurrence of a determination of taxability event, with quarterly principal and interest payments due through November 1, 2023. The note is collateralized by pledged revenues from communication tax revenues which totaled \$ 2,223,334 for the current fiscal year.

Loans of each series are subject to optional prepayment on or after February 1, 2021. In the case of an event of default, the loans, at the sole discretion of the holder, may be declared immediately due and payable.

The City covenants that it will at all times maintain a certain coverage ratio as it relates to pledged revenues and annual debt service, for each of the loans stated above. As of September 30, 2020, the City was in compliance with these covenants.

Long-Term Liabilities Activity

The following is a summary of changes in long-term liabilities for the year ended September 30, 2020:

	Balance at October 1, 2019	Additions	Reductions	Balance at September 30, 2020	Due Within One Year
<u>Bonds payable:</u>					
Series 1997 ITDD	\$ 12,885,000	\$ -	\$ -	\$ 12,885,000	\$ -
Series 2002 BDD	3,130,000	-	(750,000)	2,380,000	760,000
Series 2003 Isles at Weston	5,850,000	-	(320,000)	5,530,000	320,000
Series 2005 ITDD	17,045,000	-	(3,115,000)	13,930,000	3,275,000
<u>Notes payable:</u>					
2013	2,680,771	-	(630,771)	2,050,000	630,769
2014	2,784,481	-	(715,738)	2,068,743	730,144
2016	4,512,599	-	(601,028)	3,911,571	616,288
<u>Loans payable:</u>					
2018A	1,345,049	-	(126,884)	1,218,165	131,037
2018B	6,572,485	-	(3,290,820)	3,281,665	640,305
2018C	1,283,266	-	(288,005)	995,261	296,321
<u>Other:</u>					
Compensated absences	1,125,119	222,395	(1,103,679)	243,835	34,536
	<u>\$ 59,213,770</u>	<u>\$ 222,395</u>	<u>\$ (10,941,925)</u>	<u>\$ 48,494,240</u>	<u>\$ 7,434,400</u>

Note 7 - Long-Term Liabilities (continued)

The aggregate annual debt service requirements estimated to maturity is as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 7,399,864	\$ 2,070,075	\$ 9,469,939
2022	7,464,536	1,772,975	9,237,511
2023	7,515,886	1,469,962	8,985,848
2024	6,261,381	1,181,717	7,443,098
2025	5,990,980	918,882	6,909,862
2026-2030	12,212,758	1,475,360	13,688,118
2031-2033	1,405,000	132,825	1,537,825
	<u>\$ 48,250,405</u>	<u>\$ 9,021,796</u>	<u>\$ 57,272,201</u>

Note 8 - Risk Management

The City is exposed to risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; illness of and injuries to employees; and natural disasters.

The City purchased an insurance policy that provided coverage of up to \$ 1,000,000 maximum for each general liability occurrence for the fiscal year ended September 30, 2020. Other insurance policies carried by City during the fiscal year included: automobile, crime, environmental liability, inland marine, property (building and contents), public officials liability/employment practices liability, crime coverage, cyber liability, and workers’ compensation. Deductible amounts ranged from \$ 0 to 5% of total insured value. Settlement amounts have not exceeded insurance coverage during the last three fiscal years.

Note 9 - Commitments and Contingencies

City of Sunrise - Water and Sewer Services Agreement

An agreement between the City of Sunrise and ITDD was executed on June 30, 1993, for a term of 30 years with an option to renew for an additional 30 years. The City of Sunrise agrees to supply water and sewer service to ITDD and provide the related billing and collection services to ITDD’s customers based on the City of Sunrise’s rate structure. The customers remain with ITDD, but ITDD is performing only certain services under the agreement.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government and the State of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds to the City. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

Note 9 - Commitments and Contingencies (continued)

Broward Sheriff's Office - Emergency Medical, Fire Protection and Prevention Services Agreement

On July 1, 2019, the City Commission approved an agreement with the Broward Sheriff's Office ("BSO") for emergency medical, fire protection and prevention services. The agreement term is from October 1, 2019 through September 30, 2024 and is renewable for one five-year term upon the City and BSO agreeing to a renewal and the terms and conditions related thereto. The agreement may be terminated by either party by giving no fewer than 90 days written notice to the other party in accordance with certain provisions contained within the contract. Under the agreement, the City provides certain facilities and vehicles for use by BSO. The City is responsible for the repairs and maintenance to the facilities while BSO is responsible for repairs and maintenance to the vehicles. Under the terms of the agreement, the City will pay \$ 2,025,676 per month from October 1, 2019 through September 30, 2024. The consideration for all services shall be subject to an annual increase based on BSO's budgeted costs for the following year. For costs other than health insurance premiums, workers' compensation premiums and pension contributions, the maximum increase calculated based on the consideration paid in the previous year, shall not exceed 5.00%. BSO's budgeted costs for health insurance premiums will be based on projected costs. The maximum increase for these costs shall be 9.00% of the budgeted costs in the preceding year. There is no limitation for the increase in the amount attributable to workers' compensation premiums and pension contributions. BSO's budgeted costs for these costs will be based on projected costs supported with third party documentation. The City is entitled to a credit for any vacancies that occur during the fiscal year subject to certain limitations as provided for in the agreement.

For the fiscal year ended September 30, 2020, the City had expenditures for emergency medical, fire protection and prevention services totaling \$ 24,243,582 (which includes a vacancy credit of \$ 64,528).

Broward Sheriff's Office - Police Services Agreement

On July 1, 2019, the City Commission approved an agreement with the Broward Sheriff's Office ("BSO") for police services. The agreement term is from October 1, 2019 through September 30, 2024 and is renewable for one five-year term upon the City and BSO agreeing to a renewal and the terms and conditions related thereto. The agreement may be terminated by either party by giving no fewer than 90 days written notice to the other party in accordance with certain provisions contained within the contract. Under this agreement, BSO provides all necessary labor, supervision, equipment, vehicles, communication facilities and supplies necessary for the purpose of performing the services. Per the agreement, the City provides a police district's office, for which the City is responsible for major improvements and repairs. BSO pays for all utility costs including, but not limited to, telephone, electric, and water services. Under the terms of the agreement, the City will pay \$ 1,579,719 per month for October 1, 2019 through September 30, 2024. The consideration for all services shall be subject to an annual increase based on BSO's budgeted costs for the following year. For costs other than health insurance premiums, workers' compensation premiums and pension contributions, the maximum increase calculated based on the consideration paid in the previous year, shall not exceed 5.00%. BSO's budgeted costs for health insurance premiums will be based on projected costs. The maximum increase for these costs shall be 9.00% of the budgeted costs in the preceding year. There is no limitation for the increase in the amount attributable to workers' compensation premiums and pension contributions. BSO's budgeted costs for these costs will be based on projected costs supported with third party documentation. The City is entitled to a credit for any vacancies that occur during the fiscal year subject to certain limitations as provided for in the agreement.

For the fiscal year ended September 30, 2020, the City had expenditures for police services totaling \$ 17,569,844 (which includes a vacancy credit of \$ 795,886 and School Resource Officer (SRO) credit of \$ 590,893).

Note 9 - Commitments and Contingencies (continued)

Calvin Giordano and Associates - Professional Services Agreement

On October 15, 2001, the City Commission approved an agreement with a contractor to provide for planning, zoning and engineering services. This agreement had no expiration date; however, it could be terminated without cause by the City within 120 days upon written notice prior to termination, and, with cause by either party within 5 days upon written notice prior to termination. The contractor was compensated under this contract based on a monthly standard fee and an hourly fee schedule structure, based on several service categories, for which both were subject to a maximum 3% annual increase. The costs for fixed monthly services ranged from \$ 8,333 per month to \$ 20,000 per month and hourly rates ranged from \$ 45 per hour to \$ 200 per hour.

On August 20, 2007, the City Commission approved an amendment to the agreement in order for the consulting firm to include provisions for supplemental services, transition and leased employees and to revise the provisions for indemnification, cost and attorney's fees, notice and governing law and consent to jurisdiction. Designated employees for certain supplemental services, such as: parks and recreation, rights of way and public works were included. The fee to be paid by the City for the supplemental services was 145% (120% for overtime compensation) of the actual salary paid to the employees of the consultant performing the services.

On April 7, 2008, the City Commission approved an amendment to the agreement to update the scope of services; to add services and further clarify the scope of services and to adjust the fee schedule accordingly. The contractor was compensated under this contract based on a monthly standard fee and an hourly fee schedule structure, based on several service categories, for which both were subject to a maximum 5% annual increase. The costs for fixed monthly services ranged from \$ 208 per month to \$ 50,717 per month and hourly rates ranged from \$ 70 per hour to \$ 350 per hour.

On September 21, 2009, the City Commission approved an amendment to the agreement to include the provision the code enforcement services at a fixed monthly cost of \$ 13,917.

On August 17, 2015, the City Commission approved an amendment to the agreement to update the scope of services, fees and to include provisions relating to the lease of City vehicles. The contractor was compensated under this contract based on a monthly standard fee and an hourly fee schedule structure, based on several service categories, for which both were subject to a maximum annual increase based on the twelve-month change in the consumer price index. The maximum annual increase was set not to exceed five percent nor be less than zero percent. The costs for fixed monthly services ranged from \$ 300 per month to \$ 36,628 per month and hourly rates ranged from \$ 90 per hour to \$ 451 per hour.

On August 15, 2016, the City Commission approved an amendment to the agreement to remove sections dealing with engineering, survey and wetlands management services as the City procured those services from other engineering firms via a request for qualifications.

On March 20, 2017, the City Commission approved an amendment to the agreement to remove section dealing with fixed fees and modify other sections of the agreement including and establishing a new and annually adjusted multiplier for designated employees performing supplemental services. The fee to be paid by the City for the supplemental services is 152.77% and 179.78% of the actual salary paid to the employees of the contractor performing the services for Tier One and Tier Two designated employees, respectively. The total base compensation will increase by 3% each year, subject to adjustment based on employee turnover. Additionally, multipliers will increase each year for the remainder of the agreement, which is in effect through September 30, 2022. Current hourly rates for professional services ranged from \$ 98 per hour to \$ 490 per hour.

Note 9 - Commitments and Contingencies (continued)

CAP Government - Building Code Services Agreement

The City entered into an agreement with a contractor on June 2, 2015 to provide for plan review and inspection services. The agreement was effective through March 31, 2020. On February 18, 2020, the City Commission approved an agreement with this contractor for the same services noted above. This new agreement is effective through March 31, 2025 and may be terminated by either party providing 60 days written notice. The consideration for all services is based on a standard schedule of fees and is subject to an annual increase by an amount equal to the Consumer Price Index increase, with a maximum annual increase not to exceed 5%. Payments to the contractor are made based on the following schedule: (1) for residential permits; 30% of the costs of service upon the issuance of a permit and 70% of the total costs of service upon issuance of a building permit, issuance of a certificate of occupancy or completion of final inspection; (2) for all other permits; 50% of the costs of service upon the issuance of a permit and 50% of the total costs of service upon issuance of a certificate of occupancy, or issuance of a certificate of completion, or completion of final inspection, or expiration. The City processes payments to the contractor on a monthly basis, paying all amounts that become due for the prior month in arrears.

For the year ended September 30, 2020, costs related to the services provided by the contractor amounted to approximately \$ 2,199,000.

Florida Department of Transportation (FDOT) Agreement

In September 2017, the City entered into a locally funded agreement with the Florida Department of Transportation (“FDOT”) to advance funding for the design of construction plans for improvements to the Royal Palm Boulevard and Weston Road intersection. Under the agreement, the City is responsible for all costs relating to the project. The agreement provided for an initial advance of \$ 210,000. During the 2019 fiscal year, FDOT requested an additional advance of \$ 88,915, for a total of \$ 298,915. If project costs exceed the advanced deposits, the City will provide additional amounts to FDOT. Under the agreement, if the final project cost is less than advanced amounts, the balance will be retained by FDOT towards future phases of the project.

Municipal Technologies Administrative and Technology Services Agreement

The City previously entered into an agreement with a contractor to provide for technology services as follows: desktop, server, application, telecom, infrastructure, document and records management, business process, procurement and additional City projects. This agreement had no expiration date; however, the City could terminate this contract with or without cause immediately upon written notice while the contractor could terminate this contract within 180 days upon written notice prior to termination.

On August 20, 2007, the City Commission approved an amendment to the agreement to provide for administrative services. The monthly base compensation to be paid by the City was approximately \$ 53,000 and \$ 75,000 for technology and administrative services, respectively, for which both were subject to the annual review and approval by City’s management. The fees for technology and administrative services was established at 145% (120% for overtime compensation) of the actual salaries paid to certain designated employees of the consultant performing the services.

Note 9 - Commitments and Contingencies (continued)

On March 6, 2017, the City Commission approved an amendment to the agreement to: change compensation from a fixed fee to an hourly fee, to adjust the multiplier based on the actual salaries paid, to include an overhead cost component and to add the expiration date of September 30, 2022. The total fee paid by the City for technology and administrative services is established at 140.06% of the actual salary paid to the employees of the contractor performing the services. The total base compensation will increase by 3% each year, subject to adjustment based on employee turnover. In addition, multipliers will increase each year by 0.7951%, for the remainder of the agreement. The initial monthly base compensation to be paid by the City, for the year ended September 30, 2020 was estimated at approximately \$ 214,000 for technology and administrative services. Additionally, an overhead cost of \$ 160,000 was established and is annually adjusted by the consumer price index not to exceed a 5% annual increase.

For the fiscal year ended September 30, 2020, costs related to the services provided by the consultant amounted to approximately \$ 3,239,000.

Republic Services of Florida - Solid Waste Services Agreement

The City entered into an agreement with a contractor on January 10, 2019 to provide solid waste, bulk waste and recycling collection services. The agreement is effective through March 31, 2024 and provides for a one optional five-year renewal term. The agreement may be terminated by the City within 30 days after written notice or by the contractor within 60 days after written notice. The contractor agrees to provide residential and commercial services to the City’s customers based on the negotiated contractor’s rate structure. The City is responsible for the billing and collection of payments for all residential service unit accounts, whereas the City shall remit these payments to the contractor for such services. Additionally, in consideration of the privilege granted to the contractor to use and occupy the streets, bridges, easements and other public places of the City, the contractor is obligated to pay the City a franchise fee for all services provided under the agreement.

Legal

Various claims and lawsuits, which arise in the normal course of operations, are pending against the City. It is management's opinion, based on the advice of the City Attorney, that the outcome of these actions, if any, will not have a material adverse effect on the financial statements of the City. Management also believes that any possible adverse effect of litigation against the City will be covered by insurance.

Encumbrances

At September 30, 2020, encumbrances outstanding are as follows:

Indian Trace Development District Fund	\$	221,013
Bonaventure Development District Fund		1,810
Fire Services District Fund		1,147,452
Capital Projects Fund		101,237
Water and Sewer Fund		39,699
Street Maintenance Fund - nonmajor fund		<u>60,772</u>
	\$	<u><u>1,571,983</u></u>

Note 10 - Employee Retirement Plans

Florida Retirement System

General Information: As provided by Chapters 121 and 112, Florida Statutes, the Florida Retirement System ("FRS") provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Membership in the FRS for the City includes only certain elected members of the City Commission as of September 30, 2020. 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 by calling (877) 377-1737 or by visiting the Web site: www.dms.myflorida.com/workforce_operations/retirement/publications.

Pension Plan

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

Benefits Provided: Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. Elected Officers' class members who retire at or after age 62 with at least six years of creditable service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% times the years of service times their final average compensation based on the five highest years of salary for each year of creditable service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of creditable service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Elected Officers' class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before August 1, 2011, the annual cost of living adjustment ("COLA") is three percent per year. The COLA formula for retirees with an effective retirement date or DROP begin date on or after August 1, 2011, will be the sum of the pre-July 2011 service credit divided by the total service credit at retirement multiplied by 3 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.

Note 10 – Employee Retirement Plans (continued)

Contributions: Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent 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 for the periods from October 1, 2019 through June 30, 2020 and from July 1, 2020 through September 30, 2020, respectively, were 48.82% and 49.18% for the Elected Officers' class. These employer contribution rates include 1.66% to the HIS Plan subsidy for the periods October 1, 2019 through September 30, 2020.

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, 2020, 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. 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, 2020, the HIS contribution was 1.66%. 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.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At September 30, 2020, the City reported a liability of \$ 313,934 for its proportionate share of the Pension Plan's net pension liability and \$ 18,748 for the HIS Plan's net pension liability for a total pension liability of \$ 332,682. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. At June 30, 2020, the City's proportionate share was .000724328 percent for the Pension Plan and .000153548 percent for the HIS Plan, which was a decrease of .0001066 percent and a decrease of .0000164 percent respectively, from the proportionate share measured as of June 30, 2019.

For the year ended September 30, 2020, the City recognized pension expense of \$ 68,416 for the Pension Plan and \$ 1,068 for the HIS Plan.

Note 10 – Employee Retirement Plans (continued)

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources		
	Pension Plan	HIS Plan	Total
Differences between expected and actual experience	\$ 12,015	\$ 767	\$ 12,782
Changes of assumptions	56,832	2,016	58,848
Net difference between projected and actual earnings on pension plan investments	18,692	15	18,707
Changes in proportion and differences between City contributions and proportionate share of contributions	9,152	653	9,805
City contributions subsequent to the measurement date	6,096	222	6,318
Total	\$ 102,787	\$ 3,673	\$ 106,460

Description	Deferred Inflows of Resources		
	Pension Plan	HIS Plan	Total
Differences between expected and actual experience	\$ -	\$ (14)	\$ (14)
Changes of assumptions	-	(1,090)	(1,090)
Changes in proportion and differences between City contributions and proportionate share of contributions	(28,056)	(2,146)	(30,202)
Total	\$ (28,056)	\$ (3,250)	\$ (31,306)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the subsequent reporting period ending September 30, 2021. The amounts reported as deferred outflows of resources and deferred inflows of resources related to the FRS Plan will be recognized in pension expense as follows:

Year Ending September 30,	Pension Plan	HIS Plan	Total
2021	\$ 14,034	\$ 98	\$ 14,132
2022	\$ 23,217	\$ 39	\$ 23,256
2023	\$ 20,404	\$ (173)	\$ 20,231
2024	\$ 11,295	\$ 76	\$ 11,371
2025	\$ (315)	\$ 172	\$ (143)
Thereafter	\$ -	\$ (11)	\$ (11)

Note 10 – Employee Retirement Plans (continued)

Actuarial Assumptions: The Florida Retirement System Actuarial Assumption Conference is responsible for setting the assumptions used in the funding valuations of both pension plans pursuant to section 216.136 (10), Florida Statutes. The Pension Plan’s valuation is performed annually. The HIS Plan has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the Pension Plan was completed in 2019 for the period July 1, 2013, through June 30, 2018. Because the HIS Plan is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the Pension Plan. The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Pension Plan	HIS Plan
Inflation	2.40%	2.40%
Salary increases	3.25%, average, including inflation	3.25%, average, including inflation
Investment rate of return	6.80%, net of pension plan investment expense, including inflation	N/A
Actuarial cost method	Individual entry age	Individual entry age
Mortality table	PUB-2010 with Projection Scale MP-2018	PUB-2010 with Projection Scale MP-2018

Long-term Expected Rate of Return: The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.2%	2.2%	1.2%
Fixed income	19.0%	3.0%	2.9%	3.5%
Global equity	54.2%	8.0%	6.7%	17.1%
Real estate (property)	10.3%	6.4%	5.8%	11.7%
Private equity	11.1%	10.8%	8.1%	25.7%
Strategic investments	4.4%	5.5%	5.3%	6.9%
Total	<u>100.0%</u>			
Assumed inflation - mean			2.4%	1.7%

(1) As outlined in the Plan's investment policy

Discount Rate: The discount rate used to measure the total pension liability was 6.80% for the Pension Plan. 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 calculating of the total pension liability is equal to the long-term expected rate of return.

Note 10 - Employee Retirement Plans (continued)

The discount rate used to measure the total pension liability was 2.21% for the HIS Plan. In general, the discount rate for calculating the HIS Plan's total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS Plan benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the municipal bond rate of 2.21% was used to determine the total pension liability. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate: The following table presents the sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. The sensitivity analysis, below, shows the impact to the City's proportionate share of the net pension liability if the discount rate was 1.00% lower or 1.00% higher than the current discount rate:

	<u>1% Decrease (5.80%)</u>	<u>Current Discount Rate Assumption (6.80%)</u>	<u>1% Increase (7.80%)</u>
City's proportionate share of the net pension liability for Pension Plan	\$ <u>501,301</u>	\$ <u>313,934</u>	\$ <u>157,445</u>
	<u>1% Decrease (1.21%)</u>	<u>Current Discount Rate Assumption (2.21%)</u>	<u>1% Increase (3.21%)</u>
City's proportionate share of the net pension liability for HIS Plan	\$ <u>21,672</u>	\$ <u>18,748</u>	\$ <u>16,355</u>

Investment Plan:

The SBA (State Board of Administration) administered 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 Comprehensive Annual Financial Report.

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 members' accounts, are defined by law, but the ultimate benefit depends, in part, on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class, as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment members' accounts during the 2019-2020 fiscal year, as established by Section 121.72, Florida Statutes, are based on percentage of gross compensation, by class, as follows:

<u>Class</u>	<u>Allocation Rate</u>
Elected Officials	11.34%

Note 10 - Employee Retirement Plans (continued)

For the elected officials class, members are immediately vested in their own contributions and are vested after required service years for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan vesting 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 these funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the member returns to FRS-Defined Benefit Plan within the five-year period, the member will regain control over his or her account. If the member does not return within the five-year period, the member will forfeit the accumulated account balance. For the fiscal year ended September 30, 2020, 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 applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum 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.

The City's contributions to for the Investment Plan totaled \$ 5,864 for the fiscal year ended September 30, 2020.

Deferred Compensation Plans

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participants' benefits that may be reallocated to such participant's account.

Pursuant to resolution number 97-20, the City adopted a pension plan and trust for the sole benefit of the employees of the City. The City contributes to a Money Purchase Plan ("MPP"), which is a defined contribution pension plan. The City's contributions and related earnings are 100% vested immediately after acceptance of employment. MPP participants are not required to contribute as a condition of participation in MPP.

During the fiscal year ended September 30, 2020, the City amended their MPP, whereas now the City is required to contribute 20% of each eligible employee's gross earnings. The contribution requirement and actual contributions made for the fiscal year ended September 30, 2020, was approximately \$ 322,000. Under MPP, all assets and income of MPP are held in trust for the exclusive benefit of the participants. The City does not exercise any control or fiduciary responsibility over the MPP assets. Accordingly, the assets and liabilities of MPP are not included in the City's financial statements.

Note 10 - Employee Retirement Plans (continued)

In addition, and pursuant to resolution 97-21, the City offers its employees an optional deferred compensation plan. The City has adopted the provisions of IRS Code Section 457(g) and GASB Statement No. 32, *“Accounting and Financial Reporting for IRS Code Section 457 Deferred Compensation Plans.”* Under these provisions, all assets and income of the plan are held in trust for the exclusive benefit of participants. The City does not exercise any control or fiduciary responsibility over the 457(g) assets. Accordingly, the assets and liabilities of the plan are not included in the City’s financial statements.

Both deferred compensation plans are administered by the ICMA Retirement Corporation.

Note 11 - Other Post-Employment Benefits (OPEB)

The City does not provide any post-retirement benefits to employees. In addition, the City assigns both eligible active employees and eligible retirees equal, age adjusted premiums and makes available to both groups the same plan options. Since both groups are assigned the same age adjusted premiums, there is no implicit City subsidy, and there is no remaining City liability to recognize under GASB Statement No. 75, *“Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions.”*

Note 12 - Risks and Uncertainties

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

Note 13 - Pronouncements Issued, But Not Yet Adopted

Statement No. 84, Fiduciary Activities, was issued in January 2017. This Statement improves guidance related to identifying fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. It also establishes criteria for identifying fiduciary activities of all state and local governments with a focus of the criteria on whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The provisions for this Statement are effective for fiscal year ending September 30, 2021.

Note 13 - Pronouncements Issued, But Not Yet Adopted (continued)

Statement No. 87, Leases, was issued in June 2017. The Statement will better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. It also increases the usefulness of the financial statements by requiring recognition of certain lease assets and liabilities previously classified as operating leases to be recognized as inflows of resources or outflows of resources based on contract payment provisions. 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. The provisions for this Statement are effective for fiscal year ending September 30, 2022.

Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period, was issued in June 2018. This Statement will enhance information about capital assets and the cost of borrowing for a reporting period by simplifying accounting requirements for interest costs incurred before the end of a construction period. The provisions for this Statement are effective for fiscal year ending September 30, 2022.

Statement No. 90, Majority Equity Interests - An Amendment of GASB Statements No. 14 and No. 61, was issued in August 2018. This Statement will improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization. It will also improve the relevance of financial statement information for certain component units. The provisions for this Statement are effective for fiscal year ending September 30, 2021.

Statement No. 91, Conduit Debt Obligations, was issued in May 2019. This Statement will provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice related to commitments extended by issues, arrangements associated with conduit debt obligations, and related note disclosures. This Statement will also clarify the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional/voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The provisions for this Statement are effective for fiscal year ending September 30, 2023.

Statement No. 92, Omnibus 2020, was issued in January 2020. This Statement will enhance comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Certain provisions for this Statement are effective for fiscal year ending September 30, 2022.

Statement No. 93, Replacement of Interbank Offered Rates, was issued in March 2020. The objective of this Statement is to address accounting and other financial reporting implications that result from the replacement of an interbank offered rate (IBOR). As a result of global reference rate reform, governments will need to replace certain rates, such as LIBOR by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The provisions for this Statement are effective for fiscal year ending September 30, 2022.

Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, was issued in March 2020. This Statement will improve financial reporting by addressing issues related to public-private and public-public partnership arrangements. In addition, the Statement provides guidance for accounting and financial reporting for availability payment arrangements. The provisions for this Statement are effective for fiscal year ending September 30, 2023.

Note 13 - Pronouncements Issued, But Not Yet Adopted (continued)

Statement No. 96, Subscription-Based Information Technology Arrangements, was issued in May 2020. This Statement will provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments) by defining a SBITA; establishing the asset as an intangible asset with a corresponding subscription liability; providing capitalization criteria; and requiring certain note disclosures related to a SBITA. To the extent relevant, the standards for SBITA, are based on the standards established in *Statement No. 87, Leases*, as amended. The provisions for this Statement are effective for fiscal year ending September 30, 2023.

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, was issued in June 2020. This Statement increases consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board would typically perform; mitigates costs associated with the reporting of certain defined contribution pension plans, defined contributions other post-employment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and enhances the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Codes (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Certain provisions for this Statement are effective for fiscal year ending September 30, 2022.

The City's management has not yet determined the effect these Statements will have on the City's financial statements.

Note 14 - Subsequent Event

In February 2021, the City issued a \$ 26,815,000 Water Management Refunding Special Benefit Assessment Note, Series 2021 and a \$ 5,510,000 Refunding Special Assessment Note (Isles of Weston), Series 2021 of the Indian Trace Development District; for the purpose of currently refunding the ITDD Series 1997 and 2005 bonds, as well as the Series 2003 Isles at Weston bond. The ITDD's Water Management Refunding Special Benefit Assessment Note bears an interest rate of 1.99% through maturity on February 1, 2027. Interest and principal payments are due quarterly, commencing on May 1st. The ITDD's Refunding Special Assessment Note bears interest of 2.39% through maturity on February 1, 2033. Interest and principal payments are due quarterly, commencing on May 1st.

REQUIRED SUPPLEMENTARY INFORMATION

City of Weston, Florida
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended September 30, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 28,361,900	\$ 28,361,900	\$ 28,665,595	\$ 303,695
Franchise fees and utility taxes	13,644,900	13,644,900	13,624,362	(20,538)
Business tax receipts	1,012,800	1,012,800	1,202,892	190,092
Permits and fees	505,000	505,000	384,279	(120,721)
Intergovernmental	5,975,700	5,975,700	5,832,514	(143,186)
Charges for services	1,717,000	1,717,000	1,469,966	(247,034)
Fine and forfeitures	324,900	324,900	290,697	(34,203)
Investment income	250,000	250,000	1,256,689	1,006,689
Special assessments	3,296,800	3,296,800	3,433,044	136,244
Other revenues	487,000	487,000	754,092	267,092
Total revenues	55,576,000	55,576,000	56,914,130	1,338,130
Expenditures:				
General government:				
City commission	271,500	271,500	252,620	18,880
Executive	1,358,600	1,931,405	1,840,510	90,895
Finance and administration	4,658,200	4,925,468	4,438,632	486,836
Legal counsel	696,500	696,500	648,448	48,052
Total general government	6,984,800	7,824,873	7,180,210	644,663
Public safety:				
Law enforcement	15,769,200	15,895,285	14,588,165	1,307,120
Ambulance and rescue service	10,720,600	10,780,380	10,693,483	86,897
Other	643,000	643,000	332,254	310,746
Total public safety	27,132,800	27,318,665	25,613,902	1,704,763
Public works:				
Operating expenditures	4,130,000	4,205,100	4,119,824	85,276
Total public works	4,130,000	4,205,100	4,119,824	85,276
Parks and recreation:				
Personal services	395,700	395,700	408,370	(12,670)
Operating expenditures	7,460,700	7,889,297	7,853,014	36,283
Total parks and recreation	7,856,400	8,284,997	8,261,384	23,613
Community Development:				
Operating expenditures	2,467,800	2,180,051	1,490,299	689,752
Total community development	2,467,800	2,180,051	1,490,299	689,752
Capital outlay				
Operating expenditures	506,800	676,310	146,850	529,460
Total capital outlay	506,800	676,310	146,850	529,460
Total expenditures	49,078,600	50,489,996	46,812,469	3,677,527
Excess (deficiency) of revenues over expenditures	6,497,400	5,086,004	10,101,661	5,015,657
Other Financing Sources (Uses):				
Transfers in	-	104,000	122,465	18,465
Transfers out	(4,806,274)	(4,806,274)	(4,806,274)	-
Total other financing sources (uses)	(4,806,274)	(4,702,274)	(4,683,809)	18,465
Net changes in fund balance	\$ 1,691,126	\$ 383,730	\$ 5,417,852	\$ 5,034,122

See accompanying notes to budgetary comparison schedules.

City of Weston, Florida
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
(continued)
For the Year Ended September 30, 2020

Explanation of Differences Between Net Changes in Fund Balance -
Budget to Actual and Statement of Revenues, Expenditures
and Changes in Fund Balances - General Fund

Net change in fund balance - budget to actual - General Fund	\$ 5,417,852
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Amounts reported for budget to actual are different because:

The net change in fund balance in the City's Disaster Management Fund is reported in the Disaster Management Fund for the budgetary purposes, but in the General Fund for the purpose of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds:

Net change in fund balance - Disaster Management Fund	2,177,874
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Net change in encumbrances - General Fund	<u>(257,189)</u>
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General Fund - Net Change in Fund Balance Per the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ <u><u>7,338,537</u></u>
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See accompanying notes to budgetary comparison schedules.

City of Weston, Florida
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Indian Trace Development District Fund
For the Year Ended September 30, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 449,000	\$ 449,000	\$ 40,411	\$ (408,589)
Investment income	207,400	207,400	912,362	704,962
Special assessments	14,720,700	14,720,700	14,872,416	151,716
Other revenues	-	-	104,112	104,112
Total revenues	<u>15,377,100</u>	<u>15,377,100</u>	<u>15,929,301</u>	<u>552,201</u>
Expenditures:				
Current:				
Public safety	2,535,100	2,535,100	2,445,627	89,473
Public works	12,983,300	13,369,648	11,631,040	1,738,608
Capital outlay	649,500	1,068,825	906,492	162,333
Total expenditures	<u>16,167,900</u>	<u>16,973,573</u>	<u>14,983,159</u>	<u>1,990,414</u>
Excess (deficiency) of revenues over expenditures	<u>(790,800)</u>	<u>(1,596,473)</u>	<u>946,142</u>	<u>2,542,615</u>
Other Financing Sources (Uses):				
Use of fund balance	<u>790,800</u>	<u>1,596,473</u>	<u>-</u>	<u>(1,596,473)</u>
Total other financing sources (uses)	<u>790,800</u>	<u>1,596,473</u>	<u>-</u>	<u>(1,596,473)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 946,142</u>	<u>\$ 946,142</u>

See accompanying notes to budgetary comparison schedules.

City of Weston, Florida
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Indian Trace Development District Fund
(continued)
For the Year Ended September 30, 2020

Explanation of Differences Between Net Changes in Fund Balance -
Budget to Actual and Statement of Revenues, Expenditures and
Changes in Fund Balances - Indian Trace Development District Fund

Net change in fund balance - budget to actual - Indian Trace Development District Fund	\$ 946,142
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Amounts reported for budget to actual are different because:

Net change in encumbrances - Indian Trace Development District Fund	<u>(230,492)</u>
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Indian Trace Development District Fund - Net Change in Fund Balance Per the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ <u><u>715,650</u></u>
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See accompanying notes to budgetary comparison schedules.

City of Weston, Florida
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Bonaventure Development District Fund
For the Year Ended September 30, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 56,100	\$ 56,100	\$ 172,274	\$ 116,174
Special assessments	2,538,400	2,538,400	2,404,043	(134,357)
Other revenues	-	-	3,898	3,898
Total revenues	<u>2,594,500</u>	<u>2,594,500</u>	<u>2,580,215</u>	<u>(14,285)</u>
Expenditures:				
Current				
Public safety	746,200	746,200	719,908	26,292
Public works	1,887,300	1,965,741	1,751,465	214,276
Capital outlay	203,500	203,500	-	203,500
Total expenditures	<u>2,837,000</u>	<u>2,915,441</u>	<u>2,471,373</u>	<u>444,068</u>
Excess (deficiency) of revenues over expenditures	<u>(242,500)</u>	<u>(320,941)</u>	<u>108,842</u>	<u>429,783</u>
Other Financing Sources (Uses):				
Use of fund balance	<u>242,500</u>	<u>320,941</u>	<u>-</u>	<u>(320,941)</u>
Total other financing sources (uses)	<u>242,500</u>	<u>320,941</u>	<u>-</u>	<u>(320,941)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 108,842</u>	<u>\$ 108,842</u>

See accompanying notes to budgetary comparison schedules.

City of Weston, Florida
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Bonaventure Development District Fund
(continued)
For the Year Ended September 30, 2020

Explanation of Differences Between Net Change in Fund Balance -
Budget to Actual and Statement of Revenues, Expenditures and
Changes in Fund Balances - Bonaventure Development District Fund

Net change in fund balance - budget to actual - Bonaventure Development District Fund	\$ 108,842
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Amounts reported for budget to actual are different because:

Net change in encumbrances - Bonaventure Development District Fund	<u>(20,468)</u>
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Bonaventure Development District Fund - Net Change in Fund Balance Per the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ <u><u>88,374</u></u>
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See accompanying notes to budgetary comparison schedules.

City of Weston, Florida
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Fire Services District Fund
For the Year Ended September 30, 2020

	Budgeted		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 87,800	\$ 87,800	\$ 256,457	\$ 168,657
Special assessments	14,085,500	14,085,500	14,317,220	231,720
Other revenues	-	-	47,543	47,543
Total revenues	14,173,300	14,173,300	14,621,220	447,920
Expenditures:				
Current				
Public safety	13,711,600	13,795,136	13,617,343	177,793
Capital outlay	26,800	1,788,614	1,819,562	(30,948)
Debt service:				
Principal	417,300	417,300	417,208	92
Interest	17,600	17,600	17,548	52
Total expenditures	14,173,300	16,018,650	15,871,661	146,989
Excess (deficiency) of revenues over expenditures	-	(1,845,350)	(1,250,441)	594,909
Other Financing Sources (Uses):				
Use of fund balance	-	1,845,350	-	(1,845,350)
Total other financing sources (uses)	-	1,845,350	-	(1,845,350)
Net change in fund balance	\$ -	\$ -	\$ (1,250,441)	\$ (1,250,441)

See accompanying notes to budgetary comparison schedules.

City of Weston, Florida
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Fire Services District Fund
(continued)
For the Year Ended September 30, 2020

Explanation of Differences Between Net Change in Fund Balance -
Budget to Actual and Statement of Revenues, Expenditures
and Changes in Fund Balance - Fire Services District Fund

Net change in fund balance - budget to actual - Fire Services District Fund	\$ (1,250,441)
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Amounts reported for budget to actual are different because:

Net change in encumbrances - Fire Services District Fund	<u>1,081,116</u>
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Fire Services District Fund - Net Change in Fund Balance	
Per the Statement of Revenues, Expenditures and Changes	
in Fund Balances - Governmental Funds	<u><u>\$ (169,325)</u></u>

See accompanying notes to budgetary comparison schedules.

Budgets and Budgetary Accounting:

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

Florida Statutes require that all City governments prepare, approve, adopt and execute an annual budget for such funds as may be required by law or by sound financial practices and generally accepted accounting principles. Accordingly, the City has established budgeting procedures.

Prior to August 15, management submits to the City Commission proposed operating budgets for the fiscal year commencing the following October 1. The operating budgets include proposed expenditures and the means of financing them. During September, public hearings are conducted to obtain citizen comments on the tentative budgets and proposed millage. The final budgets are prepared and legally adopted through passage of a resolution prior to September 30.

The City adopts the operating budgets on a basis of accounting other than GAAP for all governmental and proprietary funds. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds. See Note 9 for encumbrances outstanding at September 30, 2020.

Transfers of appropriations within a fund or a department can be performed by management. Only supplemental appropriations require the approval of the City Commission. The legal level of control is the fund level, except for the General Fund whose legal level of control is the department level.

City of Weston, Florida
Schedule of Proportionate Share of Net Pension Liability
Last 10 Fiscal Years*
(Unaudited)

**Schedule of the City's Proportionate Share of the Net Pension Liability -
Florida Retirement System Pension Plan
Last 10 Years (1)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the FRS net pension liability	0.000724%	0.000831%	0.000785%	0.000769%	0.000848%	0.000878%	0.000707%
City's proportionate share of the FRS net pension liability	\$ 313,934	\$ 286,173	\$ 236,461	\$ 227,456	\$ 214,036	\$ 113,341	\$ 43,115
City's covered payroll	\$ 53,283	\$ 46,342	\$ 43,000	\$ 46,333	\$ 53,000	\$ 53,000	\$ 53,000
City's proportion of the FRS net pension liability as a percentage of its covered payroll	589%	618%	550%	491%	404%	214%	81%
FRS plan fiduciary net position as a percentage of the total pension liability	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

**Schedule of the City's Proportionate Share of the Net Pension Liability -
Health Insurance Subsidy Pension Plan
Last 10 Years (1)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the HIS net pension liability	0.000154%	0.000170%	0.000162%	0.000161%	0.000172%	0.000175%	0.000178%
City's proportionate share of the HIS net pension liability	\$ 18,748	\$ 19,020	\$ 17,171	\$ 17,216	\$ 20,004	\$ 17,816	\$ 16,679
City's covered payroll liability	\$ 53,283	\$ 46,342	\$ 43,000	\$ 46,333	\$ 53,000	\$ 53,000	\$ 53,000
City's proportion of the HIS net pension liability as a percentage of its covered payroll	35.19%	41.04%	39.93%	37.16%	37.74%	33.62%	31.47%
HIS plan fiduciary net position as a percentage of the total pension liability	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

* This schedule is intended to present information for ten years. However, unit ten-year trend is compiled, the pension plan will present information for those years for which information is available.

(1) The amounts presented for each year were determined as of the measurement date, June 30.

City of Weston, Florida
Schedule of City Contributions
Last 10 Fiscal Years*
(Unaudited)

Schedule of the City Contributions -
Florida Retirement System Pension Plan
Last 10 Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required FRS contribution	\$ 24,189	\$ 21,529	\$ 19,080	\$ 18,880	\$ 23,154	\$ 22,822
FRS contributions in relation to the contractually required contribution	<u>(24,189)</u>	<u>(21,529)</u>	<u>(19,080)</u>	<u>(18,880)</u>	<u>(23,154)</u>	<u>(22,822)</u>
FRS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 53,447	\$ 45,742	\$ 43,000	\$ 46,333	\$ 53,000	\$ 53,000
FRS contributions as a percentage of covered payroll	45.26%	47.07%	44.37%	40.75%	43.69%	43.06%

Schedule of the City Contributions -
Health Insurance Subsidy Pension Plan
Last 10 Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required HIS contribution	\$ 887	\$ 759	\$ 714	\$ 769	\$ 880	\$ 774
HIS contributions in relation to the contractually required contribution	<u>(887)</u>	<u>(759)</u>	<u>(714)</u>	<u>(769)</u>	<u>(880)</u>	<u>(774)</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 53,447	\$ 45,742	\$ 43,000	\$ 46,333	\$ 53,000	\$ 53,000
HIS contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.66%	1.66%	1.46%

* This schedule is intended to present information for ten years. However, unit ten-year trend is compiled, the pension plan will present information for those years for which information is available.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

NON MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted for expenditures of particular purposes, activities or projects.

Street Maintenance Fund - This fund accounts for resources (state revenue sharing and certain local option gas taxes) whose expenditures are limited by law to transportation related operating, maintenance or capital costs.

Transportation Fund - This fund is used to account for resources (certain local option gas taxes), whose expenditures are limited by law to public transportation - mass transit.

Building Fee Fund - This fund accounts for revenues generated from fees charged for the review of building plans, issuance of permits and inspections, and expenditures associated with those services to administer the City's zoning code and the Florida Building Code.

Law Enforcement Trust Fund - This fund accounts for revenues generated from assets seized in the course of criminal activities occurring in the City. Expenditures from this fund are restricted to non - recurring law enforcement related goods or services.

Tree Trust Fund - This fund accounts for revenues generated from tree removal fees, replacement payments, contributions and penalty monies from violations of the City's Tree Preservation Code.

**City of Weston, Florida
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2020**

	Special Revenue Funds						Total Governmental Funds
	Street Maintenance Fund	Transportation Fund	Building Fee Fund	Law Enforcement Trust Fund	Tree Trust Fund		
Assets:							
Cash and cash equivalents	\$ 4,551,572	\$ 262,370	\$ 1,592,778	\$ 92,207	\$ 618	\$ 6,499,545	
Investments	2,002,929	111,824	1,800,920	142,594	126,530	4,184,797	
Receivables:							
Accounts receivable, net	80,689	5,696	-	1,193	-	87,578	
Interest receivable	19,190	561	5,517	1,330	384	26,982	
Advance to other governments	2,104,391	-	-	-	-	2,104,391	
Prepaid costs	-	-	26,471	-	-	26,471	
	<u>\$ 8,758,771</u>	<u>\$ 380,451</u>	<u>\$ 3,425,686</u>	<u>\$ 237,324</u>	<u>\$ 127,532</u>	<u>\$ 12,929,764</u>	
Liabilities:							
Accounts payable and accrued liabilities	\$ 60,935	\$ 6,590	\$ 198,996	\$ -	\$ -	\$ 266,521	
Due to other funds	-	-	-	35,275	125,221	160,496	
	<u>60,935</u>	<u>6,590</u>	<u>198,996</u>	<u>35,275</u>	<u>125,221</u>	<u>427,017</u>	
Fund Balances:							
Non-spendable for prepaid costs	-	-	26,471	-	-	26,471	
Restricted for:							
Street maintenance	8,697,836	-	-	-	-	8,697,836	
Roadway projects	-	373,861	-	-	-	373,861	
Law enforcement	-	-	-	202,049	-	202,049	
Tree preservation	-	-	-	-	2,311	2,311	
Building code enforcement	-	-	469,906	-	-	469,906	
Building code services contract	-	-	2,730,313	-	-	2,730,313	
	<u>8,697,836</u>	<u>373,861</u>	<u>3,226,690</u>	<u>202,049</u>	<u>2,311</u>	<u>12,502,747</u>	
Total fund balances							
	<u>\$ 8,758,771</u>	<u>\$ 380,451</u>	<u>\$ 3,425,686</u>	<u>\$ 237,324</u>	<u>\$ 127,532</u>	<u>\$ 12,929,764</u>	
Total liabilities and fund balances							

City of Weston, Florida
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2020

	Special Revenue Funds						
	Street Maintenance Fund	Transportation Fund	Building Fee Fund	Law Enforcement Trust Fund	Tree Trust Fund	Total Governmental Funds	
Revenues:							
Permits and fees	\$ -	\$ -	\$ 2,917,616	\$ -	\$ -	\$ -	\$ 2,917,616
Intergovernmental	1,445,353	71,371	-	-	-	-	1,516,724
Fines and forfeitures	-	-	-	59,110	-	-	59,110
Investment income	146,446	8,228	81,488	3,575	1,986	-	241,723
Other revenues	157,500	-	6,555	-	325	-	164,380
Total revenues	1,749,299	79,599	3,005,659	62,685	2,311	-	4,899,553
Expenditures:							
Current:							
Public safety	-	-	-	5,616	-	-	5,616
Public works	727,340	33,515	-	-	-	-	760,855
Community development	-	-	2,968,552	-	-	-	2,968,552
Debt service:							
Principal	126,884	-	-	-	-	-	126,884
Interest	41,924	-	-	-	-	-	41,924
Total expenditures	896,148	33,515	2,968,552	5,616	-	-	3,903,831
Excess (deficiency) of revenues over expenditures	853,151	46,084	37,107	57,069	2,311	-	995,722
Other Financing Sources (Uses):							
Transfers in	-	-	-	141,569	-	-	141,569
Transfers out	-	-	-	-	(122,465)	-	(122,465)
Total other financing sources (uses)	-	-	-	141,569	(122,465)	-	19,104
Net changes in fund balances	853,151	46,084	37,107	198,638	(120,154)	-	1,014,826
Fund Balances, Beginning of Year	7,844,685	327,777	3,189,583	3,411	122,465	-	11,487,921
Fund Balances, End of Year	\$ 8,697,836	\$ 373,861	\$ 3,226,690	\$ 202,049	\$ 2,311	\$ -	\$ 12,502,747

City of Weston, Florida
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual - Street Maintenance Fund
 For the Year Ended September 30, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,570,800	\$ 1,570,800	\$ 1,445,353	\$ (125,447)
Investment income	25,000	25,000	146,446	121,446
Other revenues	<u>2,104,400</u>	<u>2,304,400</u>	<u>157,500</u>	<u>(2,146,900)</u>
Total revenues	<u>3,700,200</u>	<u>3,900,200</u>	<u>1,749,299</u>	<u>(2,150,901)</u>
Expenditures:				
Current:				
Public works	772,000	1,011,473	786,612	224,861
Debt service:				
Principal	126,900	126,900	126,884	16
Interest	<u>42,000</u>	<u>42,000</u>	<u>41,924</u>	<u>76</u>
Total expenditures	<u>940,900</u>	<u>1,180,373</u>	<u>955,420</u>	<u>224,953</u>
Excess (deficiency) of revenues over expenditures	<u>2,759,300</u>	<u>2,719,827</u>	<u>793,879</u>	<u>(1,925,948)</u>
Net change in fund balance	<u>\$ 2,759,300</u>	<u>\$ 2,719,827</u>	<u>\$ 793,879</u>	<u>\$ (1,925,948)</u>

City of Weston, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Street Maintenance Fund
(continued)
For the Year Ended September 30, 2020

**Explanation of Differences Between Net Change in Fund Balance -
Budget to Actual and Statement of Revenues, Expenditures
and Changes in Fund Balances - Street Maintenance Fund**

Net change in fund balance - budget to actual - Street Maintenance Fund \$ 793,879

Amounts reported for budget to actual are different because:

Net change in encumbrances - Street Maintenance Fund 59,272

**Street Maintenance Fund - Net Change in Fund Balance Per
the Statement of Revenues, Expenditures and Changes in
Fund Balances - Governmental Funds** \$ 853,151

City of Weston, Florida
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual - Transportation Fund
 For the Year Ended September 30, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 84,600	\$ 84,600	\$ 71,371	\$ (13,229)
Investment income	-	-	8,228	8,228
Total revenues	84,600	84,600	79,599	(5,001)
Expenditures:				
Current:				
Public works	112,100	123,769	33,515	90,254
Total expenditures	112,100	123,769	33,515	90,254
Excess (deficiency) of revenues over expenditures	(27,500)	(39,169)	46,084	85,253
Other Financing Sources (Uses):				
Use of fund balance	27,500	39,169	-	(39,169)
Total other financing sources (uses)	27,500	39,169	-	(39,169)
Net change in fund balance	\$ -	\$ -	\$ 46,084	\$ 46,084

City of Weston, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Building Fee Fund
For the Year Ended September 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Permits and fees	\$ 3,407,200	\$ 3,407,200	\$ 2,917,616	\$ (489,584)
Investment income	9,700	9,700	81,488	71,788
Other revenues	-	-	6,555	6,555
Total revenues	<u>3,416,900</u>	<u>3,416,900</u>	<u>3,005,659</u>	<u>(411,241)</u>
Expenditures:				
Current:				
Community development	3,417,700	3,438,046	2,968,552	469,494
Capital outlay	<u>7,600</u>	<u>7,600</u>	<u>-</u>	<u>7,600</u>
Total expenditures	<u>3,425,300</u>	<u>3,445,646</u>	<u>2,968,552</u>	<u>477,094</u>
Excess (deficiency) of revenues over expenditures	<u>(8,400)</u>	<u>(28,746)</u>	<u>37,107</u>	<u>65,853</u>
Other Financing Sources (Uses):				
Use of fund balance	<u>8,400</u>	<u>28,746</u>	<u>-</u>	<u>(28,746)</u>
Total other financing sources (uses)	<u>8,400</u>	<u>28,746</u>	<u>-</u>	<u>(28,746)</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>37,107</u>	\$ <u>37,107</u>

City of Weston, Florida
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual - Law Enforcement Trust Fund
 For the Year Ended September 30, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 59,110	\$ 49,110
Investment income	100	100	3,575	3,475
Total revenues	10,100	10,100	62,685	52,585
Expenditures:				
Current:				
Public safety	30,100	30,100	5,616	24,484
Total expenditures	30,100	30,100	5,616	24,484
Excess (deficiency) of revenues over expenditures	(20,000)	(20,000)	57,069	77,069
Other Financing Sources (Uses):				
Transfers in	141,569	141,569	141,569	-
Use of fund balance	20,000	20,000	-	(20,000)
Total other financing sources (uses)	161,569	161,569	141,569	(20,000)
Net change in fund balance	\$ 141,569	\$ 141,569	\$ 198,638	\$ 57,069

City of Weston, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Tree Trust Fund
For the Year Ended September 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment income	\$ 100	\$ 100	\$ 1,986	\$ 1,886
Other revenues	<u>10,000</u>	<u>10,000</u>	<u>325</u>	<u>(9,675)</u>
Total revenues	<u>10,100</u>	<u>10,100</u>	<u>2,311</u>	<u>(7,789)</u>
Expenditures:				
Current:				
Public works	<u>10,100</u>	<u>10,100</u>	<u>-</u>	<u>10,100</u>
Total expenditures	<u>10,100</u>	<u>10,100</u>	<u>-</u>	<u>10,100</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>2,311</u>	<u>2,311</u>
Other Financing Sources (Uses):				
Transfers out	-	(104,000)	(122,465)	(18,465)
Use of fund balance	<u>-</u>	<u>104,000</u>	<u>-</u>	<u>(104,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(122,465)</u>	<u>(122,465)</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(120,154)</u>	\$ <u>(120,154)</u>

City of Weston, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Indian Trace Development District - Debt Service Fund
For the Year Ended September 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment income	\$ -	\$ -	\$ 5,590	\$ 5,590
Special assessments	<u>5,235,600</u>	<u>5,235,600</u>	<u>5,289,343</u>	<u>53,743</u>
Total revenues	<u>5,235,600</u>	<u>5,235,600</u>	<u>5,294,933</u>	<u>59,333</u>
Expenditures:				
Debt service:				
Principal	3,440,000	3,440,000	3,435,000	5,000
Interest	<u>1,820,600</u>	<u>1,820,600</u>	<u>1,817,700</u>	<u>2,900</u>
Total expenditures	<u>5,260,600</u>	<u>5,260,600</u>	<u>5,252,700</u>	<u>7,900</u>
Excess (deficiency) of revenues over expenditures	<u>(25,000)</u>	<u>(25,000)</u>	<u>42,233</u>	<u>67,233</u>
Other Financing Sources (Uses):				
Use of fund balance	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>
Total other financing sources (uses)	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>
Net change in fund balance	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>42,233</u></u>	\$ <u><u>42,233</u></u>

City of Weston, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Bonaventure Development District - Debt Service Fund
For the Year Ended September 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment income	\$ -	\$ -	\$ 1,827	\$ 1,827
Special assessments	<u>932,000</u>	<u>932,000</u>	<u>845,149</u>	<u>(86,851)</u>
Total revenues	<u>932,000</u>	<u>932,000</u>	<u>846,976</u>	<u>(85,024)</u>
Expenditures:				
Debt service:				
Principal	790,000	790,000	750,000	40,000
Interest	<u>142,000</u>	<u>142,000</u>	<u>141,450</u>	<u>550</u>
Total expenditures	<u>932,000</u>	<u>932,000</u>	<u>891,450</u>	<u>40,550</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(44,474)</u>	<u>(44,474)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (44,474)</u>	<u>\$ (44,474)</u>

City of Weston, Florida
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual - Capital Projects Fund
 For the Year Ended September 30, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 53,500	\$ 53,500	\$ 131,146	\$ 77,646
Total revenues	53,500	53,500	131,146	77,646
Expenditures:				
Current:				
General government	-	-	26,738	(26,738)
Capital outlay	1,125,000	5,230,735	2,848,655	2,382,080
Debt service:				
Principal	2,438,400	5,109,214	5,109,154	60
Interest	425,800	425,800	427,009	(1,209)
Total expenditures	3,989,200	10,765,749	8,411,556	2,354,193
Excess (deficiency) of revenues over expenditures	(3,935,700)	(10,712,249)	(8,280,410)	2,431,839
Other Financing Sources (Uses):				
Transfers in	4,664,705	4,664,705	4,664,705	-
Use of fund balance	-	6,047,544	-	(6,047,544)
Total other financing sources (uses)	4,664,705	10,712,249	4,664,705	(6,047,544)
Net change in fund balance	\$ 729,005	\$ -	\$ (3,615,705)	\$ (3,615,705)

City of Weston, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Capital Projects Fund
(continued)
For the Year Ended September 30, 2020

Explanation of Differences Between Net Change in Fund Balance -
Budget to Actual and Statement of Revenues, Expenditures
and Changes in Fund Balance - Capital Projects Fund

Net change in fund balance - budget to actual - Capital Projects Fund \$ (3,615,705)

Amounts reported for budget to actual are different because:

Net change in encumbrances - Capital Projects Fund (1,559,307)

Capital Projects Fund - Net Change in Fund Balance Per the
Statement of Revenues, Expenditures and Changes in
Fund Balances - Governmental Funds \$ (5,175,012)

City of Weston, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Disaster Management Fund
For the Year Ended September 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 1,484,497	\$ 1,484,497
Investment income	<u>800,000</u>	<u>800,000</u>	<u>1,094,002</u>	<u>294,002</u>
Total revenues	<u>800,000</u>	<u>800,000</u>	<u>2,578,499</u>	<u>1,778,499</u>
Expenditures:				
Current:				
General government	<u>1,000,000</u>	<u>1,000,000</u>	<u>400,625</u>	<u>599,375</u>
Total expenditures	<u>1,000,000</u>	<u>1,000,000</u>	<u>400,625</u>	<u>599,375</u>
Excess (deficiency) of revenues over expenditures	<u>(200,000)</u>	<u>(200,000)</u>	<u>2,177,874</u>	<u>2,377,874</u>
Other Financing Sources (Uses):				
Use of fund balance	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>(200,000)</u>
Total other financing sources (uses)	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>(200,000)</u>
Net changes in fund balance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>2,177,874</u>	\$ <u>2,177,874</u>

STATISTICAL SECTION

STATISTICAL SECTION

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

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

<u>Contents</u>	<u>Page</u>
Financial Trends	88-92
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
Revenue Capacity	93-96
These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.	
Debt Capacity	97-101
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.	
Demographic and Economic Information	102-103
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
Operating and Other Information	104-106
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant fiscal year.

Table 1

City of Weston, Florida
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities:										
Net investment in capital assets	\$ 144,551,678	\$ 141,207,361	\$ 138,689,946	\$ 149,179,975	\$ 93,465,505	\$ 88,508,796	\$ 93,013,715	\$ 98,379,808	\$ 106,331,589	\$ 109,947,396
Restricted	24,409,220	27,262,791	29,959,840	39,440,053	41,627,220	46,625,978	49,224,659	52,493,341	54,550,348	90,859,903
Unrestricted	64,408,184	69,260,974	72,751,236	64,959,030	126,340,256	130,074,839	124,333,660	116,728,675	120,179,223	90,906,810
Total governmental activities, net position	\$ 233,369,082	\$ 237,731,126	\$ 241,401,022	\$ 253,579,058	\$ 261,432,981	\$ 265,209,613	\$ 266,572,034	\$ 267,601,824	\$ 281,061,160	\$ 291,714,109
Business-type Activities:										
Net investment in capital assets	\$ 66,388,195	\$ 64,379,020	\$ 63,333,387	\$ 64,427,618	\$ 61,474,906	\$ 59,411,246	\$ 57,521,522	\$ 55,400,598	\$ 53,107,030	\$ 50,590,221
Unrestricted	21,527,549	21,034,674	19,097,332	19,012,722	17,920,122	17,793,805	16,977,088	16,219,525	15,188,795	15,472,115
Total business-type activities, net position	\$ 87,915,744	\$ 85,413,694	\$ 82,430,719	\$ 83,440,340	\$ 79,395,028	\$ 77,205,051	\$ 74,498,610	\$ 71,620,123	\$ 68,295,825	\$ 66,062,336
Primary Government:										
Net investment in capital assets	\$ 210,939,873	\$ 205,586,381	\$ 202,023,333	\$ 213,607,593	\$ 154,940,411	\$ 147,920,042	\$ 150,535,237	\$ 153,780,406	\$ 159,438,619	\$ 160,537,617
Restricted	24,409,220	27,262,791	29,959,840	39,440,053	41,627,220	46,625,978	49,224,659	52,493,341	54,550,348	90,859,903
Unrestricted	85,935,733	90,295,648	91,848,568	83,971,752	144,260,378	147,868,644	141,310,748	132,948,200	135,368,018	106,378,925
Total primary government, net position	\$ 321,284,826	\$ 323,144,820	\$ 323,831,741	\$ 337,019,398	\$ 340,828,009	\$ 342,414,664	\$ 341,070,644	\$ 339,221,947	\$ 349,356,985	\$ 357,776,445

Note: Net position was restated in 2014 and 2015 to account for prior period adjustments.

**City of Weston, Florida
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)**

Table 2

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
Governmental activities:										
General government	\$ 14,479,978	\$ 14,720,515	\$ 15,328,415	\$ 15,453,764	\$ 8,705,627	\$ 6,515,412	\$ 7,797,748	\$ 7,939,070	\$ 8,642,645	\$ 8,084,809
Public safety	31,259,379	30,000,624	30,257,585	32,331,049	32,387,901	34,050,728	36,439,774	42,119,082	42,059,911	43,603,858
Community development	3,562,247	4,063,861	3,979,269	4,439,038	4,589,251	3,867,527	3,826,619	3,764,668	5,338,763	4,458,851
Public works	19,448,387	19,423,235	19,796,874	18,405,486	19,667,919	21,477,701	20,850,757	18,248,879	19,521,053	21,166,270
Parks and recreation	6,499,557	6,488,400	6,814,089	6,842,681	7,122,360	8,742,871	8,505,171	8,920,720	9,896,874	9,800,688
Interest on long-term debt	476,920	474,391	434,448	1,386,322	2,831,842	2,947,039	3,013,679	2,576,140	2,537,323	2,314,386
Total governmental activities expenses	75,726,468	75,171,026	76,610,680	78,858,340	75,304,900	77,601,278	80,433,748	83,568,559	87,996,569	89,428,862
Business-type activities:										
Sewer System:										
Water and sewer	27,774,974	28,239,315	30,235,566	31,999,842	33,092,855	34,001,728	36,303,192	36,781,178	38,968,621	37,850,254
Total business-type activities expenses	27,774,974	28,239,315	30,235,566	31,999,842	33,092,855	34,001,728	36,303,192	36,781,178	38,968,621	37,850,254
Total primary government expenses	\$ 103,501,442	\$ 103,410,341	\$ 106,846,246	\$ 110,858,182	\$ 108,397,755	\$ 111,603,006	\$ 116,736,940	\$ 120,349,737	\$ 126,965,190	\$ 127,279,116
Program revenues:										
Governmental activities:										
Charges for services:										
Public safety	\$ 13,751,058	\$ 13,903,705	\$ 14,089,809	\$ 15,229,073	\$ 11,859,925	\$ 12,459,463	\$ 13,154,487	\$ 13,254,961	\$ 13,569,309	\$ 14,317,220
General government	11,148,540	12,142,210	12,373,841	12,703,086	4,390,510	3,723,104	3,715,763	3,759,075	3,748,117	4,652,830
Public works	16,421,301	15,326,696	16,687,298	15,790,123	17,374,843	16,708,344	16,174,154	17,508,127	17,394,360	17,276,459
Parks and recreations	502,994	555,680	551,413	610,857	676,958	695,733	701,900	706,305	689,089	416,991
Community development	2,183,929	2,446,512	2,850,164	4,166,866	4,156,502	3,952,197	4,527,971	5,121,258	4,737,294	4,235,201
Interest on long-term debt	-	-	-	-	2,884,277	2,742,481	2,607,009	2,402,296	2,225,225	1,949,492
Operating grants and contributions:										
Public safety	-	3,491	8,705	-	1,406,727	192,893	209,044	144,579	528,578	59,110
Parks and recreation	1,407,257	1,563,353	2,173,686	1,555,743	1,615,458	1,588,965	1,692,930	1,705,912	1,717,579	1,516,724
Capital grants and contributions:										
Public safety	594,600	-	-	283,686	284,520	-	-	-	-	-
Public works	168,800	64,201	21,676	140,399	-	-	-	-	757,563	-
Parks and recreation	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	46,178,479	46,005,848	48,756,592	50,479,833	44,649,720	41,563,180	42,783,258	44,602,513	45,367,114	46,186,862

Table 2

City of Weston, Florida
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(continued)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business-type activities:										
Charges for services:	24,323,304	24,727,624	26,852,447	28,054,542	30,622,285	31,460,835	33,299,747	33,753,182	34,937,953	35,288,741
Capital grants and contributions	1,637	19,875	11,404	11,771	136,574	129,247	245,401	150,546	3,998	-
Total business-type activities program revenues	24,324,941	24,747,499	26,863,851	28,066,313	30,758,859	31,590,082	33,545,148	33,903,728	34,941,951	35,288,741
Total primary government program revenues	\$ 70,503,420	\$ 70,753,347	\$ 75,620,443	\$ 78,546,146	\$ 75,408,579	\$ 73,153,262	\$ 76,328,406	\$ 78,506,241	\$ 80,309,065	\$ 81,475,603
Net (Expense)/Revenue:										
Governmental activities	\$ (29,547,989)	\$ (29,165,178)	\$ (27,854,088)	\$ (28,378,507)	\$ (30,655,180)	\$ (36,038,098)	\$ (37,650,490)	\$ (38,966,046)	\$ (42,629,455)	\$ (43,242,000)
Business-type activities	(3,450,033)	(3,491,816)	(3,371,715)	(3,933,529)	(2,333,996)	(2,411,646)	(2,758,044)	(2,877,450)	(4,026,670)	(2,561,513)
Total primary government net expense	\$ (32,998,022)	\$ (32,656,994)	\$ (31,225,803)	\$ (32,312,036)	\$ (32,989,176)	\$ (38,449,744)	\$ (40,408,534)	\$ (41,843,496)	\$ (46,656,125)	\$ (45,803,513)
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes	\$ 12,012,358	\$ 12,182,114	\$ 12,576,540	\$ 12,899,908	\$ 16,194,863	\$ 17,149,747	\$ 18,145,610	\$ 19,173,312	\$ 21,623,042	\$ 28,665,595
Franchise taxes and utility taxes	13,698,139	13,387,685	13,437,441	13,555,217	13,476,279	13,060,677	13,146,677	13,345,297	13,545,121	14,015,200
Intergovernmental	4,095,602	4,475,639	4,883,143	5,233,462	-	-	-	-	6,248,570	5,634,176
Investment income (loss)	2,043,278	2,860,056	(1,579,817)	2,660,971	1,900,100	1,760,997	775,425	22,758	7,402,029	4,072,070
Contributions not restricted to specific programs	-	-	-	-	5,600,328	5,775,780	5,904,373	6,165,139	-	-
Miscellaneous	985,162	621,728	2,206,677	654,299	1,396,769	2,067,529	1,043,826	1,289,330	1,270,029	1,507,908
Total governmental activities	32,834,539	33,527,222	31,523,984	35,003,857	38,568,339	39,814,730	39,012,911	39,995,836	56,088,791	53,894,949
Business-type activities:										
Investment income (loss)	481,575	592,027	(258,334)	423,116	288,684	221,669	51,603	(1,037)	702,372	328,024
Miscellaneous	431,593	397,739	647,074	777,719	-	-	-	-	-	-
Total business-type activities	913,168	989,766	388,740	1,200,835	288,684	221,669	51,603	(1,037)	702,372	328,024
Total primary government	\$ 33,747,707	\$ 34,516,988	\$ 31,912,724	\$ 36,204,692	\$ 38,857,023	\$ 40,036,399	\$ 39,064,514	\$ 39,994,799	\$ 56,791,163	\$ 54,222,973
Changes in Net Position:										
Governmental activities	\$ 3,286,550	\$ 4,362,044	\$ 3,669,896	\$ 6,625,350	\$ 7,913,159	\$ 3,776,632	\$ 1,362,421	\$ 1,029,790	\$ 13,459,336	\$ 10,652,949
Business-type activities	(2,536,865)	(2,502,050)	(2,982,975)	(2,732,694)	(2,045,312)	(2,189,977)	(2,706,441)	(2,878,487)	(3,324,298)	(2,233,489)
Total primary government	\$ 749,685	\$ 1,859,994	\$ 686,921	\$ 3,892,656	\$ 5,867,847	\$ 1,586,655	\$ (1,344,020)	\$ (1,848,697)	\$ 10,135,038	\$ 8,419,460

Note: Intergovernmental revenues was referred to as "Contributions not restricted to specific programs" in 2015 to 2018.

Table 3

City of Weston, Florida
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund:										
Nonspendable	\$ 119,742	\$ 430,842	\$ 24,788	\$ 185,855	\$ 50,649	\$ 76,320	\$ 35,769	\$ 37,488	\$ 183,098	\$ 895,247
Restricted	-	-	-	-	-	-	-	25,000	25,000	25,000
Committed	49,694,689	51,367,202	51,151,093	52,030,265	53,823,857	55,131,058	56,663,983	56,657,198	57,192,357	60,318,731
Assigned	1,198,410	1,730,813	10,482,765	1,509,192	3,097,472	6,582,582	8,642,936	3,183,321	2,172,927	613,687
Unassigned	9,818,155	11,987,132	7,389,259	10,989,092	15,157,834	13,326,272	10,247,471	12,612,198	22,741,849	27,801,103
Total General Fund	\$ 60,830,996	\$ 65,515,989	\$ 69,047,905	\$ 64,714,404	\$ 72,129,812	\$ 75,116,232	\$ 75,590,159	\$ 72,515,205	\$ 82,315,231	\$ 89,653,768
All Other Governmental Funds:										
Nonspendable	\$ 74,079	\$ 356,543	\$ 13,396	\$ 86,732	\$ 18,990	\$ 82,918	\$ 11,116	\$ 2,122,543	\$ 327,026	\$ 296,147
Restricted	24,350,991	29,764,862	30,621,067	40,574,144	42,029,648	46,615,297	48,393,737	51,368,649	64,867,625	60,348,568
Committed	4,673,918	4,854,924	4,655,729	6,612,443	1,233,025	5,454,666	2,976,209	2,459,959	-	1,012,420
Assigned	-	-	-	-	609,400	1,012,500	2,000,000	-	-	-
Unassigned (deficit)	(226,690)	(278,442)	(154,925)	-	-	-	-	-	(9,788)	-
Total all other governmental funds	\$ 28,872,298	\$ 34,697,887	\$ 35,135,267	\$ 47,273,319	\$ 43,891,063	\$ 53,165,381	\$ 53,381,062	\$ 55,951,151	\$ 65,184,863	\$ 61,657,135

Note: 2014 amounts has been restated for prior period adjustments.

Table 4

City of Weston, Florida
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues:										
Taxes	\$ 54,956,105	\$ 54,578,503	\$ 55,891,712	\$ 57,403,734	\$ 29,671,142	\$ 30,210,424	\$ 31,292,287	\$ 32,518,609	\$ 41,168,163	\$ 42,289,957
Special Assessments	-	-	-	-	36,713,032	37,256,127	37,934,726	39,383,684	39,630,409	41,161,215
Business tax receipts	-	-	-	-	-	-	-	-	1,279,749	1,202,892
Permits and fees	3,213,133	2,374,029	2,704,681	4,043,669	4,156,502	3,952,197	4,527,971	5,121,258	3,457,545	3,301,895
Intergovernmental	6,283,356	6,124,337	7,104,593	7,238,930	8,693,210	7,364,745	7,594,303	7,871,051	8,723,712	8,874,146
Charges for services	11,124,164	12,095,130	13,139,980	12,642,730	1,949,189	1,627,277	1,754,820	1,769,712	1,739,316	1,469,966
Fines and forfeitures	407,820	555,227	495,050	554,314	998,364	653,614	527,811	451,947	769,953	349,807
Investment income (loss)	2,043,278	2,860,056	(1,579,817)	2,660,972	1,900,100	1,760,997	775,425	22,758	7,402,029	4,072,070
Other revenues	985,162	945,788	2,524,377	939,341	2,526,520	2,067,529	1,043,826	1,289,330	1,270,029	1,074,025
Total revenues	79,013,018	79,533,070	80,280,576	85,483,690	86,608,059	84,892,910	85,451,169	88,428,349	105,440,905	103,795,973
Expenditures:										
Current:										
General government	13,692,445	13,881,110	14,494,868	15,458,074	7,016,259	5,603,091	5,496,951	5,936,759	6,859,064	7,615,200
Public safety	30,764,415	29,500,203	29,751,058	31,821,657	31,343,493	32,954,393	34,880,602	40,935,612	41,093,229	42,486,645
Community development	3,551,789	4,059,861	3,975,269	4,435,038	4,585,918	3,864,028	3,826,619	3,764,668	5,338,763	4,458,851
Public works	15,333,068	15,052,335	15,467,250	13,459,368	15,840,604	17,460,093	17,786,604	15,243,083	16,629,116	18,352,856
Parks and recreation	5,306,959	5,314,952	5,672,729	5,694,169	5,851,839	7,409,180	7,179,855	7,523,888	8,410,204	8,262,537
Capital outlay	3,414,027	1,848,256	4,700,945	9,341,368	15,837,252	2,988,959	5,826,381	6,405,579	8,152,115	6,525,198
Debt service:										
Principal	2,241,545	1,895,912	1,791,261	9,923,832	5,438,382	5,630,626	6,435,687	6,457,790	7,311,461	9,838,246
Interest	506,186	469,859	457,900	329,969	3,046,161	2,946,802	2,917,500	2,665,835	2,606,715	2,445,631
Other debt service costs	-	-	-	-	-	-	-	-	6,500	-
Total expenditures	74,810,434	72,022,488	76,311,280	90,463,475	88,959,908	78,857,172	84,350,199	88,933,214	96,407,167	99,985,164
Excess (deficiency) of revenues over expenditures	4,202,584	7,510,582	3,969,296	(4,979,785)	(2,351,849)	6,035,738	1,100,970	(504,865)	9,033,738	3,810,809
Other Financing Sources (Uses):										
Bonds/notes issued	-	3,000,000	-	7,450,000	6,385,000	6,225,000	-	-	-	-
Transfers in	-	-	-	9,356,330	1,573,000	2,422,600	4,175,600	4,518,800	3,468,800	4,928,739
Transfers out	-	-	-	(9,356,330)	(1,573,000)	(2,422,600)	(4,175,600)	(4,518,800)	(3,468,800)	(4,928,739)
Repayment of Federal Funds	-	-	-	-	-	-	(411,362)	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-	10,000,000	-
Total other financing sources (uses)	-	3,000,000	-	7,450,000	6,385,000	6,225,000	(411,362)	-	10,000,000	-
Net change in fund balances	\$ 4,202,584	\$ 10,510,582	\$ 3,969,296	\$ 2,470,215	\$ 4,033,151	\$ 12,260,738	\$ 689,608	\$ (504,865)	\$ 19,033,738	\$ 3,810,809
Debt service as a percentage of noncapital expenditures	3.85%	3.37%	3.14%	12.47%	11.53%	11.31%	11.75%	10.98%	11.21%	13.14%

Note: It was recommended that we separate the Special Assessments Revenue from the Taxes Revenue in 2015 and going forward.
 Note 2: Business tax receipts were separated from permits and fees in 2019 and going forward.

Table 5

**City of Weston, Florida
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**

Fiscal Year	Residential		Commercial		Industrial		Other		Exemptions		Total Taxable Assessed Value		City Direct Tax Rate		Estimated Actual Taxable Value		Total Assessed Value as a % of Actual Taxable Value Total	
2011	\$	5,957,509,640	\$	701,624,650	\$	266,723,910	\$	528,046,740	\$	1,309,811,320	\$	6,144,093,620	2.0000	\$	6,212,789,585	98.89%		
2012		6,072,523,670		640,260,760		253,136,080		537,256,420		1,299,798,940		6,203,377,990	2.0000		6,289,202,350	98.64%		
2013		6,232,539,600		621,642,020		254,413,020		541,165,180		1,288,779,930		6,360,979,890	2.0000		6,463,574,357	98.41%		
2014		6,396,736,340		605,269,150		258,913,240		561,875,970		1,266,330,560		6,556,464,140	2.0000		6,661,485,397	98.42%		
2015		6,734,658,950		621,904,640		277,767,330		561,136,830		1,275,172,520		6,920,295,230	2.3900		7,026,703,993	98.49%		
2016		7,103,673,960		638,841,010		273,698,460		591,829,790		1,307,967,130		7,300,076,090	2.3900		7,437,993,866	98.15%		
2017		7,430,833,730		719,663,720		285,644,040		602,071,020		1,319,287,010		7,718,925,500	2.3900		7,860,167,040	98.20%		
2018		7,783,619,000		814,029,810		303,529,380		608,991,070		1,334,327,260		8,175,842,000	2.3900		8,309,228,070	98.39%		
2019		7,993,690,590		842,274,460		313,106,120		609,240,910		1,353,235,400		8,405,076,680	3.3464		8,551,106,087	98.29%		
2020		8,280,030,060		882,117,370		332,697,070		705,643,810		1,464,669,200		8,735,819,110	3.3464		8,878,016,594	98.40%		

Source: Broward County Property Appraiser.

Note: Other includes agricultural, institutional, government, miscellaneous and non-agricultural acreage

**City of Weston, Florida
Property Tax Rates (Per \$ 1,000)
Direct and Overlapping Governments
Last Ten Fiscal Years**

Table 6

Fiscal Year	City Operating Millage	City Debt Service Millage	Total City Millage	Overlapping County District Rates										Total Direct and Overlapping Rate
				South					Hospital District (either or)					
				Broward County	Broward School District	Florida Water Management District	Florida Inland Navigation District	Children's Services Council	North Broward Hospital District	South Broward Hospital District				
2011	2.0000	-	2.0000	5.5530	7.6310	0.6240	0.0345	0.4696	1.8750	1.2732	19.4603			
2012	2.0000	-	2.0000	5.5530	7.4180	0.4363	0.0345	0.4789	1.8750	0.7500	18.5457			
2013	2.0000	-	2.0000	5.5530	7.4560	0.4289	0.0345	0.4902	1.8564	0.6000	18.4190			
2014	2.0000	-	2.0000	5.7230	7.4800	0.4110	0.0345	0.4882	1.7554	0.4000	18.2921			
2015	2.3900	-	2.3900	5.7230	7.4380	0.3842	0.0345	0.4882	1.5939	0.1863	18.2381			
2016	2.3900	-	2.3900	5.7230	7.2740	0.3551	0.0320	0.4882	1.4425	0.1737	17.8785			
2017	2.3900	-	2.3900	5.6690	6.9063	0.3307	0.0320	0.4882	1.3462	0.1615	17.3239			
2018	2.3900	-	2.3900	5.6690	6.5394	0.3100	0.0320	0.4882	1.2483	0.1496	16.8265			
2019	3.3464	-	3.3464	5.6690	6.4029	0.2936	0.0320	0.4882	1.0855	0.1414	17.4590			
2020	3.3464	-	3.3464	5.6690	6.7393	0.2795	0.0320	0.4482	1.0324	0.1260	17.6728			

Source: Broward County Property Appraiser
 Note (1): All rates are per \$ 1,000 of assessed taxable value.

**City of Weston, Florida
Principal Property Taxpayers
Current Year and Ten Years Ago**

Table 7

Name of Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Madison-OFC Weston Pointe FL, LLC	\$ 102,374,010	1	1.15%	\$ -	-	-
Weston Apartments Corp.	63,472,340	2	0.71%	35,905,010	5	0.58%
Teachers Insurance and Annuity	60,174,630	3	0.67%	-	-	-
Fairlake at Weston, LP	51,203,160	4	0.57%	26,700,040	9	0.43%
Meridian Business Campus	50,923,500	5	0.57%	39,636,420	4	0.64%
TREA Weston, LLC	48,493,060	6	0.54%	40,312,910	3	0.65%
GK Weston Corporate Center	42,769,820	7	0.48%	-	-	-
Vacation Village at Bonaventure	41,856,650	8	0.47%	-	-	-
Liberty Property LP	41,803,390	9	0.47%	-	-	-
Cocowalk Development Inc.	41,671,940	10	0.47%	45,032,000	1	0.72%
RREEF Weston Broward Partners LP	-	-	-	43,443,860	2	0.70%
Weston Town Center LTD	-	-	-	35,116,150	6	0.56%
Estate of Swan Lake Corp.	-	-	-	33,030,960	7	0.53%
Berkley Vacation Resorts, Inc.	-	-	-	32,658,720	8	0.52%
Little Britain Holdings LLC	-	-	-	24,138,580	10	0.39%
Totals	\$ <u>544,742,500</u>		<u>6.10%</u>	\$ <u>355,974,650</u>		<u>5.72%</u>

Source: Broward County Property Appraiser

**City of Weston, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years**

Table 8

<u>Fiscal Year</u>	<u>Tax Levied</u>	<u>Collected Within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2011	\$ 50,547,590	\$ 47,450,130	93.87%	\$ -	\$ 47,450,130	93.87%
2012	40,129,000	40,077,789	99.87%	-	40,077,789	99.87%
2013	50,128,740	46,870,951	93.50%	-	46,870,951	93.50%
2014	51,530,436	49,367,106	95.80%	-	49,367,106	95.80%
2015	53,014,999	52,864,584	99.72%	-	52,864,584	99.72%
2016	57,388,512	54,364,816	94.73%	-	54,364,816	94.73%
2017	58,941,657	56,043,593	95.08%	-	56,043,593	95.08%
2018	61,756,974	59,285,311	96.00%	-	59,285,311	96.00%
2019	68,035,917	67,225,544	98.81%	-	67,225,544	98.81%
2020	74,438,948	69,826,810	93.80%	-	69,826,810	93.80%

Source: City of Weston budget documents and Comprehensive Annual Financial Reports

Note: Taxes levied column is exclusive of discounts. Amount column is inclusive of discounts.

City of Weston, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Table 9

<u>Fiscal Year</u>	<u>Community Facilities Construction Notes</u>	<u>Series 1997 ITDD, Series 2003 Isles at Weston, & Series 2005 ITDD</u>	<u>Series 2002 BDD</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Debt per Capita</u>
2011	\$ 12,628,602	\$ -	\$ -	\$ 12,628,602	0.48%	\$ 194
2012	13,732,690	-	-	13,732,690	0.50%	210
2013	11,941,429	-	-	11,941,429	0.45%	182
2014	9,467,597	50,670,000	6,615,000	66,752,597	2.50%	1,016
2015	13,804,215	47,945,000	5,950,000	67,699,215	2.55%	1,030
2016	17,913,589	45,115,000	5,265,000	68,293,589	2.54%	1,027
2017	15,132,902	42,155,000	4,570,000	61,857,902	2.33%	929
2018	12,505,112	39,050,000	3,845,000	55,400,112	1.96%	827
2019	19,178,651	35,780,000	3,130,000	58,088,651	2.01%	863
2020	13,525,405	32,345,000	2,380,000	48,250,405	1.54%	715

Source: Details regarding the City's outstanding debt can be found in the notes to the financial statements. See Table 14 for personal income and population data.

Note: The City began to report bond payable information in the financials in 2015.

**City of Weston, Florida
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years**

Table 10

The City currently has no general obligation debt.

**City of Weston, Florida
Direct and Overlapping
Governmental Activity Debt
As of September 30, 2020**

Table 11

<u>Government Unit</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to Weston ⁽¹⁾</u>	<u>Amount Applicable to Weston</u>
Broward County	\$ 164,580,000	4.46%	\$ 7,341,268
Broward County School Board	314,075,000	4.13%	<u>12,985,721</u>
Subtotal, overlapping debt			20,326,989
The City of Weston, direct debt			<u>48,250,405</u>
Total direct and overlapping debt ⁽²⁾			<u>\$ 68,577,394</u>

Source: Broward County 2019 Comprehensive Annual Financial Report, Broward County School Board 2019 Comprehensive Annual Financial Report, and Broward County Property Appraiser

- (1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of Broward County's taxable assessed value that is within City of Weston's boundaries and dividing it by the Broward County's total taxable assessed value.
- (2) Includes all governmental activities debt.

**City of Weston, Florida
Debt Margin Information
Last Ten Fiscal Years (in thousands of dollars)**

Table 12

	<u>2020</u>
Debt limit (based on per capita income)	\$ 156,766
Total net debt applicable to limit	<u>48,250</u>
Debt margin	<u><u>\$ 108,516</u></u>
 Total net debt applicable to the limit as a percentage of debt limit	 30.78%

* The above is a component of the debt limit which is set by the City's debt management policy. The City Charter does not set a legal debt margin.

** The City's debt management policy was adopted during fiscal year 2020.

Note: This schedule is intended to present information for ten years. However, until a ten-year trend is compiled, the table will present information for those years for which information is available.

**City of Weston, Florida
Pledged-Revenue Coverage
Last Ten Fiscal Years**

Table 13

Water and Sewer Revenue Bonds										
Fiscal Year	Utility Service Charges	Less: Operating Expenditures	Net Available Revenue	Debt Service		Coverage				
				Principal	Interest					
2011	\$ 24,754,897	\$ 27,774,974	\$ (3,020,077)	-	-	-				
2012	25,125,363	28,239,315	(3,113,952)	-	-	-				
2013	27,499,521	30,235,566	(2,736,045)	-	-	-				
2014	28,832,261	31,999,842	(3,167,581)	-	-	-				
2015	30,622,285	33,092,855	(2,470,570)	-	-	-				
2016	31,460,835	34,001,728	(2,540,893)	-	-	-				
2017	33,299,747	36,303,192	(3,003,445)	-	-	-				
2018	33,753,182	36,781,178	(3,027,996)	-	-	-				
2019	34,937,953	38,968,621	(4,030,668)	-	-	-				
2020	35,288,741	37,850,254	(2,561,513)	-	-	-				

Community Facilities Construction Notes										
Fiscal Year	Franchise Fees - Electricity	Simplified Communication Tax	Fire Assessments	6¢ Local Option Gas Taxes	Business Tax Revenue	Utility Tax Fee - Electric	Street Maintenance - Intergovernmental	Debt Service		
								Principal	Interest	Coverage
2011	\$ -	\$ 1,350,900	\$ 10,697,026	\$ -	\$ -	\$ -	\$ -	\$ 931,130	\$ 419,585	8.92
2012	-	1,350,900	10,407,320	-	-	-	-	965,463	385,252	8.71
2013	-	1,351,000	10,623,940	647,930	-	-	-	997,696	353,018	9.35
2014	4,006,946	-	11,476,161	658,377	992,395	-	-	9,107,186	248,168	1.83
2015	4,006,341	-	11,859,925	681,984	1,008,525	-	-	2,048,382	232,004	7.70
2016	3,838,753	2,668,130	12,459,463	647,589	1,111,450	5,040,267	-	2,115,626	267,210	10.81
2017	3,888,555	2,559,040	13,154,487	709,077	1,089,712	5,131,272	-	2,780,687	377,580	8.40
2018	3,845,196	2,535,774	13,254,961	710,781	1,268,736	5,273,918	-	2,627,790	310,803	9.15
2019	3,927,150	2,292,031	13,569,309	713,208	1,279,749	5,406,700	1,635,797	3,326,461	444,999	7.64
2020	3,389,554	2,223,334	14,317,220	632,756	1,202,892	5,365,161	1,445,353	5,653,246	486,481	4.65

Bond Payable										
Fiscal Year	Special Assessments	Series 2002 BDD Debt Service			Coverage	Series 1997, Series 2003 Isles at Weston, Series 2005 ITDD Debt Service			Coverage	
		Principal	Interest	Coverage		Principal	Interest	Coverage		
2014	\$ 1,158,357	\$ 580,000	\$ 342,364	1.26	\$ 5,352,629	\$ 2,610,000	\$ 2,596,250	1.03		
2015	996,772	665,000	314,381	1.02	5,277,505	2,725,000	2,499,775	1.01		
2016	983,707	685,000	283,191	1.02	5,273,774	2,830,000	2,396,401	1.01		
2017	974,957	695,000	251,120	1.03	5,287,052	2,960,000	2,288,800	1.01		
2018	923,343	725,000	215,469	0.98	5,308,953	3,105,000	2,139,563	1.01		
2019	920,981	715,000	178,991	1.03	5,289,244	3,270,000	1,982,725	1.01		
2020	845,149	750,000	141,450	0.95	5,289,343	3,435,000	1,817,700	1.01		

Note: The City began to report bond payable information on the financials in 2015.

**City of Weston, Florida
Demographic and Economics Statistics
Last Ten Fiscal Years**

Table 14

Calendar Year	Estimated Population	Estimated Personal Income (Thousands of Dollars)	Per Capita Personal Income	Median Household Income	Median Age	High School or Higher	Bachelor's Degree or Higher	Median Home Value	Unemployment Rate
2011	65,237	\$ 2,637,662	\$ 40,432	\$ 93,553	35.3	95.9	58.5	\$ 451,600	6.9%
2012	65,448	2,744,955	41,941	94,084	37.5	96.1	58.1	421,300	5.9%
2013	65,677	2,671,412	40,675	93,886	38.0	96.3	57.8	390,700	4.9%
2014	65,672	2,669,829	40,654	93,074	37.9	96.6	58.5	375,100	4.2%
2015	65,734	2,659,072	40,452	91,613	38.8	97.0	57.9	382,900	4.0%
2016	66,526	2,686,919	40,389	93,814	38.8	97.2	59.1	399,000	3.8%
2017	66,603	2,653,730	39,844	93,883	39.3	96.7	58.7	414,000	2.9%
2018	66,972	2,821,396	42,128	96,173	40.2	96.7	60.0	442,600	2.7%
2019	67,314	2,891,271	42,952	100,110	40.2	96.8	61.7	469,000	2.5%
2020	67,438	3,135,327	46,492	107,908	42.3	97.0	63.0	481,800	5.0%

Source: City population data from University of Florida, Bureau of Economic and Business Research; Per capita income data from the U.S. Department of Commerce, Bureau of Economic Analysis for Broward County; Unemployment data from U.S. Department of Labor, Bureau of Labor Statistics

The information was not available from the City's Chamber of Commerce and the City does not have a Department of Economic Development.

Table 16

**City of Weston, Florida
Full-Time Equivalent Government Positions by Function
Last Ten Fiscal Years**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
City Commission	5	5	5	5	5	5	5	5	5	5
City Management	9	9	9	9	9	10	10	10	10	10
Contracted employees:										
General government:										
Administrative services	6	6	10	10	10	11	11	11	13	12
Finance service	3	3	4	4	4	4	4	4	4	3
Community services*	29	26	23	23	23	27	27	30	27	31
Information technology services	5	7	7	7	7	7	7	7	7	7
Fire rescue and inspection	65	66	67	67	67	67	67	67	67	67
Emergency medical services	54	54	54	54	54	54	54	54	54	54
Police protection	103	101	101	101	101	101	103	112	114	114
Total	278.5	276.5	280	280	280	286	288	300	301	303

Source: City of Weston Finance Department and Communications Department.

* Community services includes public works and parks and recreation.

City of Weston, Florida
Operating Indicators by Function/Program
Last Ten Fiscal Years

Table 17

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government:										
Building permits issued	2,631	2,451	2,662	2,378	2,506	2,509	3,138	5,076	4,929	4,136
Building inspections conducted	11,249	10,576	11,810	11,943	13,495	12,139	12,897	14,957	16,309	15,343
Business tax receipts	4,547	3,826	3,249	3,153	3,264	3,124	3,262	3,209	3,210	1,142
Fire:										
Emergency responses	4,276	4,149	4,000	4,300	4,343	3,882	4,292	4,247	4,081	4,200
Inspections	3,525	3,784	3,115	3,182	2,247	2,246	3,011	2,122	6,832	1,663
Police:										
Physical arrests	492	562	411	479	410	380	501	604	618	357
Parking violations	560	436	410	331	432	487	493	475	155	24
Traffic violations	4,383	7,204	8,778	6,963	6,148	7,994	10,570	13,071	14,006	5,769
Refuse Collection:										
Refuse collected (tons per year)	27,998	31,870	32,147	36,451	35,427	19,976	20,449	20,143	19,644	21,960
Recyclables collected (tons per year)	3,582	3,795	3,324	4,335	4,641	4,470	4,545	4,560	4,155	4,395
Parks and Recreation:										
Athletic programs	12	11	11	12	11	14	15	17	22	16
Sports alliance registrants	6,596	6,165	6,463	6,428	6,869	7,961	8,817	8,224	8,100	5,192
Community center admissions (program participants)	1,021	1,163	1,452	1,063	1,152	1,032	892	785	726	393
Water:										
New connections	3	1	-	8	6	3	5	3	8	6
Water main breaks	1	-	-	-	-	-	-	2	2	7
Average daily consumption (thousands of gallons)	7,908	7,311	7,499	7,436	7,091	7,412	7,579	7,151	7,593	7,267
Peak monthly consumption (thousands of gallons) ¹	271,531	272,832	273,177	248,579	271,705	257,112	284,167	252,274	281,731	301,671
Wastewater:										
Average daily sewage treatment (thousands of gallons) ²	6,490	6,145	6,310	6,277	6,476	6,220	6,308	6,044	6,290	6,055

Source: City of Weston Public Works, Recreational Department, Information Technologies Department, and the City of Sunrise

Note:

1. Based on billed consumption generated through the City's utility billing system.
2. Based on metered water service along with the residential consumption caps that are in place.

**City of Weston, Florida
Capital Asset by Function
Last Ten Fiscal Years**

Table 18

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fire:										
Stations	3	3	3	3	3	3	3	3	3	3
Rescues units	4	4	4	4	4	4	4	4	4	4
Rescue/suppression units	4	4	4	4	4	4	4	4	4	4
Fire rescue personnel (full time equivalent)	119	120	121	121	121	121	121	121	121	121
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	85	74	74	74	74	76	76	85	85	75
Sworn personnel	73	74	74	78	78	80	81	93	93	93
Refuse Collection:										
Collection trucks	7	7	7	7	7	10	10	15	10	18
Other Public Works:										
Streets (miles)	49	49	49	53	53	51	51	51	51	51
Bike lanes (miles)	45	45	45	45	45	46	46	46	46	51
Highways (miles)	34	34	34	34	34	32	32	32	32	32
Streetlights ²	1,283	1,344	1,406	1,390	1,390	1,379	1,384	1,389	1,395	1,408
Traffic signals	156	156	156	156	156	156	156	156	169	164
Parks and Recreation:										
Acreage	245	245	245	245	245	245	245	245	245	245
Playgrounds	11	11	11	11	11	11	11	11	12	12
Baseball/softball diamonds	21	21	21	21	21	21	21	20	21	21
Soccer/football fields	18	18	18	18	18	18	18	19	18	18
Basketball courts	9	9	9	9	9	9	9	9	10	11
Roller hockey rinks	8	8	8	8	4	4	4	4	4	3
Turf soccer rinks	-	-	-	-	4	4	4	4	4	4
Tennis courts	18	18	18	18	18	18	18	18	18	18
Skate parks	1	1	1	1	1	1	1	1	1	1
Amphitheatre	1	1	1	1	1	1	1	1	1	1
Outdoor concert stage	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1	1	1	1
Water:										
Water mains (miles) ¹	210	210	212	212	212	214	214	214	214	214
Fire hydrants ¹	1,936	1,789	1,789	1,789	1,789	1,791	1,791	1,791	1,722	1,738
Storage capacity (mgd)	23.8	23.8	23.8	23.8	23.8	23.8	23.8	23.8	23.8	24
Lakes and canals (acres)	2,140	2,140	2,140	2,140	2,140	2,152	2,152	2,177	2,181	2,214
Wastewater:										
Sanitary sewers (miles)	182	182	182	196	196	198	198	198	198	198
Storm sewers (miles)	30	30	30	30	30	31	31	31	31	35
Treatment capacity (million gallons per day)	30.45	30.45	30.45	30.45	30.99	30.99	30.99	30.99	30.99	30.99

Source: City of Weston Public Works, Recreational Department, Information Technologies Department, and the City of Sunrise.

Note:

1. Fire hydrants and water mains only account for ITDD infrastructure
2. Owned and maintained by City of Weston

COMPLIANCE SECTION

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

To the Honorable Mayor, City Commissioners
and City Manger
City of Weston, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City Weston, Florida (the "City") as of and for the year ended September 30, 2020, and the related notes to the financial statements which collectively comprise the City's basic financial statements and have issued our report thereon dated March 23, 2021.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida

March 23, 2021

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

To the Honorable Mayor, City Commissioners
and City Manger
City of Weston, Florida

Report on Compliance for Each Major Federal Program

We have audited the City of Weston, Florida's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2020. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2020.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 23, 2021

INDEPENDENT AUDITOR'S REPORT TO CITY MANAGEMENT

To the Honorable Mayor, City Commissioners
and City Manger
City of Weston, Florida

Report on the Financial Statements

We have audited the basic financial statements of the City of Weston, Florida (the "City") as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated March 23, 2021.

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 on Internal Control over Compliance Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 23, 2021, 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. The finding made in the preceding annual financial audit has been corrected.

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. City of Weston, Florida was established pursuant to Chapter 96-472, Laws of Florida. Indian Trace Community Development District, a blended component unit of City of Weston, Florida, was established by Chapter 80-407, Laws of Florida. Bonaventure Development District, a blended component unit of City of Weston, Florida, was established by City of Weston Ordinance No. 98-61, Chapter 2001-303, Laws of Florida.

Financial Condition and Management

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

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

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

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 Members of the City Commission, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 23, 2021

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

To the Honorable Mayor, City Commissioners
and City Manger
City of Weston, Florida

We have examined the City of Weston, Florida's (the "City") compliance with the requirements of Section 218.415 Florida Statutes, Local Government Investment Policies, during the year ended September 30, 2020. Management is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

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

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

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

Keefe McCullough

KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 23, 2021

CPA's + Trusted Advisors

**City of Weston, Florida
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2020**

Federal Agency, Pass-through Entity, Federal Program	CFDA Number	Contract/ Grant Number	Expenditures	Transfers to Sub-recipients
Federal Agency Name:				
Direct Programs:				
United States Department of Housing and Urban Development -				
Community Development Block Grants/ Entitlement Grants	14.218	B-19-MC-12-0062	\$ 200,282	\$ -
	14.218	B-18-MC-12-0062	20,280	-
	14.218	B-17-MC-12-0062	57,776	-
		14.218 Total	<u>278,338</u>	<u>-</u>
Indirect Programs:				
United States Department of Homeland Security - Passed through the Florida Division of Emergency Management -				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Z1095	1,378,989	-
	97.036	Z1684	39,335	-
		97.036 Total	<u>1,418,324</u>	<u>-</u>
Total Expenditures of Federal Awards			\$ <u>1,696,662</u>	\$ <u>-</u>

See notes to the schedule of expenditures of federal awards.

City of Weston, Florida
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2020

Note 1 - Basis of Presentation

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

Note 2 - Summary of Significant Accounting Policies

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

Note 3 - Indirect Cost Rate

The City did not elect to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4 - Contingency

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

Note 5 – Prior Year Expenditures

The Schedule includes a substantial amount of expenditures from the prior year(s) relating to the contracts/grants from the U.S. Department of Homeland Security.

**City of Weston, Florida
 Schedule of Findings and Questioned Costs
 For the Year Ended September 30, 2020**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: *Unmodified Opinion*

Internal control over financial reporting:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major federal programs:

Material weaknesses(es) identified? yes X no

Significant deficiency(ies) identified? yes X none reported

Type of auditor's report issued on compliance for major federal programs: *Unmodified Opinion*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X no

Identification of major federal program:

<u>CFDA No.</u>	<u>Federal Program or Cluster</u>
97.036	U.S. Department of Homeland Security - Disaster Grants - Public Assistance

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? yes X no

SECTION II - FINANCIAL STATEMENT FINDINGS

None Reported.

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None Reported.

SECTION IV - PRIOR YEAR AUDIT FINDINGS

2019-01 Permit, Development Fees and Related Revenues and Deposits Procedures

Current Year Status: Finding has been resolved.





THE CITY OF WESTON

17200 Royal Palm Boulevard
Weston, FL 33326
www.WestonFL.org

The Nation's Premier Municipal CorporationSM