

Annual Comprehensive Financial Report

City of Oakland Park, Florida

A City on the Move!



*For Fiscal Year Ended
September 30, 2021*

ENGAGED • INSPIRED • UNITED



Annual Comprehensive Financial Report

of the



Fiscal Year Ended September 30, 2021

Prepared by the

Financial Services Department

CITY OF OAKLAND PARK, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

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INTRODUCTORY SECTION



March 31, 2022

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

It is our pleasure to submit the Annual Comprehensive Financial Report of the City of Oakland Park, Florida (the “City” or “Oakland Park”), for the fiscal year ended September 30, 2021, pursuant to Section 218.39 of the Florida Statutes and City Charter. The financial statements included in this report conform to the generally accepted accounting principles in the United States (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. The financial statements have been audited by BCA Watson Rice LLP, Certified Public Accountants. The independent auditor has issued an unmodified opinion that provides a reasonable basis for an opinion that the City's basic financial statements are materially and fairly presented and complies with all reporting standards noted above.

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

The Reporting Entity and Services

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

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

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

Economic Condition and Outlook

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

According to the most recent estimates from the U.S. Census Bureau, Oakland Park, is home to an estimated 44,229 residents. The City is diverse, 37.1% of our residents are White, 26.6% are Black, 3.2% are Asians, Hispanic and Latino residents of any race are 30.0%, and remaining population reports other races (e.g. Native American). Approximately 34.1% of the population was born outside the United States. Close to 57% of our residents are under the age of 45 with the median age being approximately 41. Although Oakland Park is primarily a residential community with slightly over 40% of land use dedicated to residences, the City also has a relatively high proportion devoted to commercial, light industrial and community facility uses, close to 20%. Further, a significant amount of land use, nearly 40%, is dedicated to parks, roads, waterways, canals, and lakes.

The unemployment rate in Broward County at the end of FY 21 was at 4.4% or a decrease of 3.3 percentage points from FY 20's rate of 7.7%. The South Florida region's jobless rate was 1.1 percentage points lower at 3.7% than the State rate of 4.8%. The improvement in the unemployment rates as of the end of FY 2021 reflect the recovery from the historically high rates noted in the past year due to the pandemic. The Building Division of the Engineering and Building Services Department processed 3,805 permit applications of which 3,360 permits were issued despite the COVID -19 pandemic. The job construction value of permits issued was **\$186.89 million, an increase of approximately 256% from last year.** Job value increased greatly due to large residential, commercial, and mixed-use projects that sought permits in 2021. It is anticipated that job construction values will remain high into the near future.

The real property taxable value high growth trend was unaffected by the pandemic. and has reached the highest point in the City's history. The City's tax base is comprised of 63.7% residential, 20.4% commercial, 14.4% industrial use and 1.51% miscellaneous. The value of new construction, together with the taxable value of the property located within Oakland Park, over the past fifteen (15) years is shown below:

<u>Year</u>	<u>(\$ millions)</u> <u>Construction Value</u>	<u>(\$ billions)</u> <u>Property Taxable Value</u>
2007	107.2	3.2
2008	62.3	3.5
2009	47.7	3.2
2010	34.8	2.8
2011	22.3	2.3

Economic Condition and Outlook (continued)

<u>Year</u>	<u>(\$ millions)</u> <u>Construction Value</u>	<u>(\$ billions)</u> <u>Property Taxable Value</u>
2012	40.6	2.1
2013	39.7	2.1
2014	34.4	2.2
2015	39.4	2.3
2016	84.3	2.5
2017	107.3	2.7
2018	64.5	3.0
2019	71.3	3.3
2020	52.5	3.5
2021	186.9	3.8*

* As shown above, the City's property tax base is now at the highest level on record, at \$3.8 billion.

Major Initiatives

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

The 2021 fiscal year budget was developed within the context of financial stability continuing to be the lodestone for navigating the City into the future. The importance of financial prudence was of even greater salience given the realities and uncertainties of the global COVID-19 pandemic. The City prepared and implemented a budget that continued to reduce operating millage, reduced operating costs, but while continuing to provide critical services to residents and businesses and investing in the City’s future.

The City’s largest initiatives were related to the ongoing capital improvement program. The largest components of the capital program relate to Oakland Park’s *Building Our Second Century* program. This program’s objective is to rebuild and modernize the City’s facilities before the 2029 100-Year anniversary of Oakland Park’s founding. The program is funded by the \$40 million General Bond funding approved by voters in 2018, grants, and other sources. This program is matched by other major capital efforts, including the consolidation of all Public Works functions into a new facility, freeing up vital space in the City’s core which will be converted into community parks and greenspace. A major component of these efforts is to create sustainable and resilient municipal facilities that are ready to face the challenges of sea-level rise and hurricanes, in addition to providing the opportunity to create a unique architectural style to establish a sense of place for Oakland Park.

The Capital Improvement Program (CIP) provides projects that promote a sustainable future through enhancements in our City parks and other above ground beautification improvements that promote walkable, bicycle friendly and landscaped streetscapes such as the following, with many mobility improvements funded through grants and Broward County Surtax proceeds.

Changes to Financial Policies and Long-Term Financial Planning

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

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

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

On June 4, 2021, the City entered into a loan agreement with Wells Fargo Capital Strategies, LLC and issued a 10-year promissory note for \$9,337,980 at 1.45% interest to refund the balance of the Branch Banking & Trust (BB&T) loan, series 2010. On the same date, the outstanding balance of the BB&T loan of \$9,159,815 was retired. The reduction in the interest rate creates a debt service payment savings of approximately \$930,000 over the remaining years of the loan.

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

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

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

Six of the performance areas reflect updated versions of older elements, whereas the Environmental Stewardship and Sustainability performance area is a brand new addition. Each of the above-mentioned areas has its performance goals and key intended results. The actions taken by the City reflects progress toward these goals. To effectuate the strategic plan, a business plan is developed as part of the budget to focus on furthering these strategic goals. In FY 2021, the City committed to a little over one hundred (100) business plan initiative (BPI) activities at a cost of approximately \$2.5 million. Major components of the program included a study for railroad crossing safety, continued funding of the smart meter solutions, mobility study, credit card convenience fee waiver program, outdoor storage regulations, business development and marketing, and funding for non-profits among others.

The City has seen transformational change in recent years. Before the COVID-19 pandemic hit in March 2020, the effects of the recession of 2007 continue to subside as the market recovered and Oakland Park's tax base reached full recovery, exceeding the peak tax base before the recession by 6%. Broward County Property Appraiser data shows that Oakland Park's growth in taxable value is strong, with 2021 tax year data showing almost 7% increase over 2020. The City's Community Redevelopment Agency (CRA)'s activities have continued to succeed in attracting new investments and as of the 2021 tax year, the total tax base for the CRA was at 123% of the pre-recession peak value. These positive trends are expected to continue as the City is increasingly seeing larger proposed development and redevelopment projects that are anticipated to bring mixed-use buildings to the City's downtown area and along major corridors, in addition to expanding the City's tax base. There are currently over 1,000 new residential units that are currently permitted, under construction, or have their site plans approved.

The development trend is expected to continue for Oakland Park, particularly in the City's downtown area. Investment in the downtown area is accelerating, with two mixed-use projects currently in development. The downtown area was also recommended as one of the potential stops for the Tri-Rail Coastal Link passenger service in the 2019 Regional Planning Council Station Area Master Plan. In August 2020, the City Commission adopted a resolution to express support for a commuter rail platform to be located in the downtown, which would positively enhance City's economy, encouraging investment and attracting more interest in development. The City is directly promoting the downtown through the strategic use of City properties in the area. Long vacant lots along Dixie Highway owned by the City are now part of an approved public private partnership that will see the development of a two-building mixed use development linked by a bridge. The new development, dubbed "Sky" will bring structured parking, office, commercial, and residential to the downtown. The City will also relocate City Hall operations into the 1st and 5th stories of the south building. The land housing City Hall at present is also located in the downtown area; with the movement of City operations to the Sky Building, this land will be freed up for additional redevelopment. This area for redevelopment is immediately adjacent to the area identified as future commuter rail stop along the Florida East Coast Railway line.

As outlined earlier, the main focus of the City's activities is the implementation of a comprehensive facilities program. In November of 2018, City residents approved a \$40 million general obligation bond to replace and modernize the City's aged facilities, including fire stations, community centers, and the City's municipal library. The City intends to strategically implement the bond projects in a way that will maintain continuity of services, maximize value & utilize resources judiciously, optimize opportunities, and be consistent with the strategic vision for the City as set by the City Commission. As previously mentioned, the City issued the first tranche of the G.O. Bonds in the amount of \$26 million in June 2020. The new program provides an opportunity to reshape how and where services are delivered to the community for the next generation. The City has engaged with residents, expert consultants, and local businesses to ensure the plan adopted promotes economic development and sustainability, is grounded in fiscal responsibility, addresses long-term needs, and realizes the highest and best use of City property. Some results of these efforts include the development of a centralized "City Park" using land currently hosting Public Works

operations and Fire Station, both of which will be relocated. The City's existing municipal library will be relocated to the City Park site, which will also feature a community center, splash pad, pickleball, basketball, urban forest, and other amenities. To maximize the leverage of bond dollars, the City has been aggressively seeking grant dollars for projects. The City has committed to completing the bond program in 2029 to coincide with Oakland Park's centennial anniversary.

Even as economic conditions have been severely affected due to the COVID-19 pandemic, the City remains dedicated to a culture of service and efficiency. The City continues to examine the ways it does its business; City services transitioned to online delivery and remote work was implemented for many positions. 2020 was an atypical year, as the focus of the City was not just how to deliver normal services safely, but also to meet the needs of the community during these difficult times. Oakland Park collaborated with Broward County on residential and small business assistance programs, mobilized staff to provide food deliveries for at-risk residents, and opened the first municipal vaccination site in Broward County. As the worst and most disruptive periods of the pandemic subside, the City remains committed to maintaining the delivery of services online and exploring new options to provide additional convenience.

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

Independent Audit

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

Awards

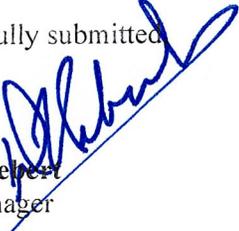
The Governmental Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles in the United States and applicable legal requirements.

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

Acknowledgments

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

Respectfully submitted,



David Hebert
City Manager

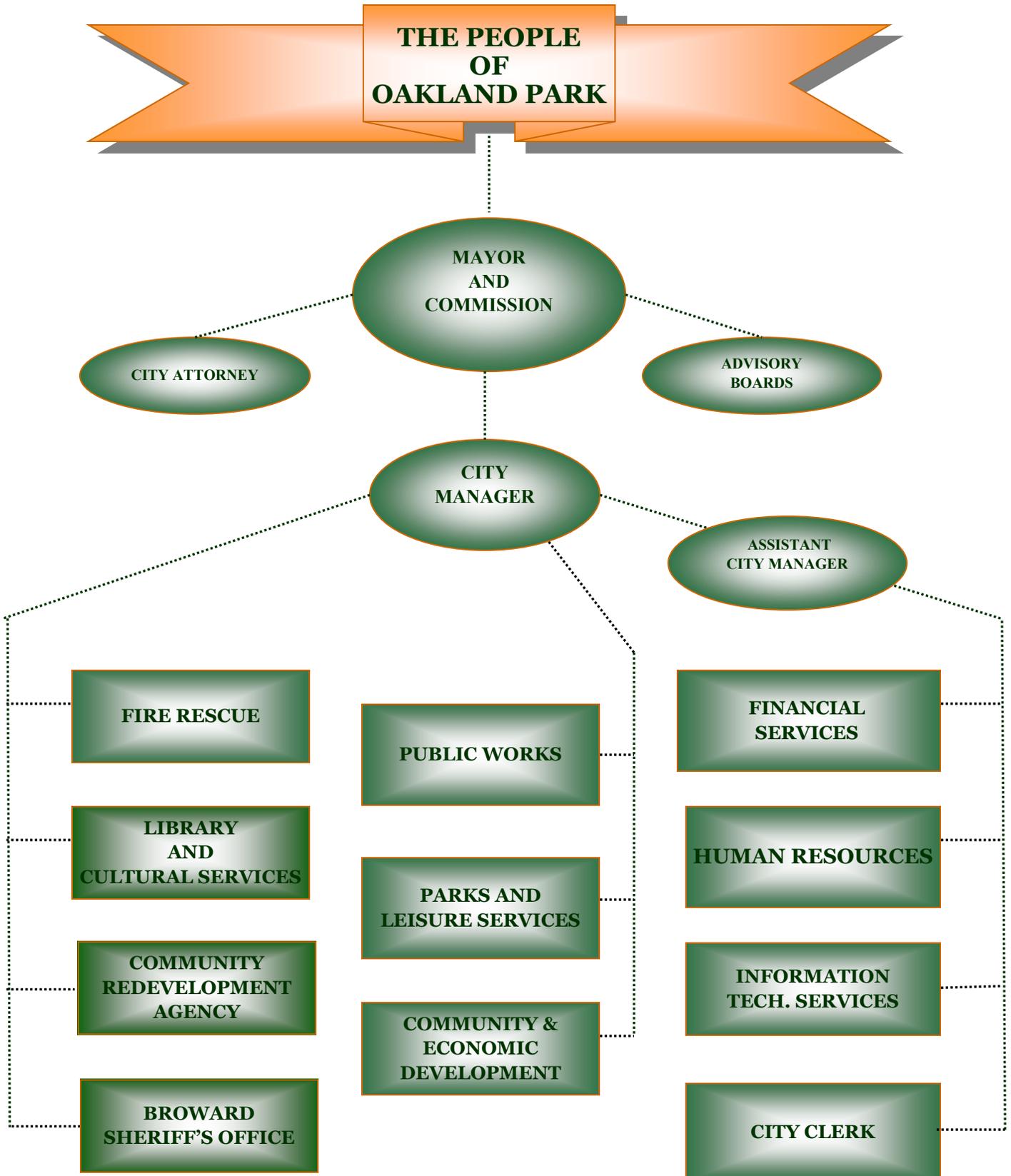


Jennifer Frastai
Assistant City Manager



Andrew Thompson
Chief Financial Officer

CITY OF OAKLAND PARK ORGANIZATIONAL CHART



CITY OF OAKLAND PARK, FLORIDA

COMMISSION - MANAGER FORM OF GOVERNMENT LIST OF CURRENT PRINCIPAL OFFICIALS

CITY COMMISSION

MICHAEL E. CARN
Mayor

AISHA GORDON
Vice Mayor

JANE F. BOLIN
Commissioner

MITCH ROSENWALD
Commissioner

MATTHEW SPARKS
Commissioner

SENIOR EXECUTIVE TEAM

DAVID HEBERT
City Manager

DONALD J. DOODY
City Attorney

JENNIFER FRASTAI
Assistant City Manager

RENEE SHROUT
City Clerk

LORI DAY
Human Resources Director

ANDREW THOMPSON, CGFO
Chief Financial Officer

HEIDI BURNETT
Library & Cultural Services Director

STEPHEN KRIVJANIK
Fire Chief

BRYNT JOHNSON
Engineering and Building Services Director

ALBERT CARBON
Public Works Director

PETER SCHWARZ
Community and Economic Development Director

BRAD OSTROFF
Parks & Leisure Services Interim Director

TAMMY MCNEAL
Police Chief - BSO



Government Finance Officers Association

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

Presented to

**City of Oakland Park
Florida**

For its Annual Comprehensive
Financial Report
for the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

Executive Director/CEO



OUR VISION

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

OUR MISSION

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

OUR VALUES

Our actions are guided by the following principles:

RESPECT

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

INTEGRITY

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

SERVICE

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

EXCELLENCE

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



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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Pension Trust Funds for the Police and Firefighters Pension Plan, which represent 60%, 59% and 55%, respectively, of the assets, net position, and additions of the total pension trust funds. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules for the general fund and the schedules related to the pension and other post-employment benefits plans, on pages 4 through 23, 118 through 121 and 122 through 137, respectively be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements, and statistical tables and the Schedule of Expenditure of Federal Awards, as required by the audit 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), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory section and other accompanying information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 31, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

Fort Lauderdale, Florida
March 31, 2022

BCA Watson Rice LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

Rounding Disclaimer:

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

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

The management of the City of Oakland Park (the "City") has included this section in the Annual Comprehensive Financial Report (ACFR) in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34. It is intended to provide readers of this report with a general overview of the financial activities of the City during fiscal year 2021. The information in this section should be considered in conjunction with additional information that is furnished in the letter of transmittal, the City's financial statements, the notes to financial statements and other required supplemental information.

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

FINANCIAL HIGHLIGHTS

The following are the highlights of financial condition and activities as of and for the fiscal year ended September 30, 2021:

- At the close of FY 2021, the City's total assets plus deferred outflows of resources exceeded its total liabilities plus deferred inflows of resources by \$183.7 million. This amount represents the City's combined net position and it reflects an increase of \$13.6 million over last year as a result of the positive operating performance in both governmental and business-type activities. Inversely related to the increase in net position is the decrease in liability and decrease in deferred inflows of resources. It is worth noting that the City's Net Pension Liability (NPL) decreased by \$26.4 million. On the other hand, the deferred inflow related to pensions increased by \$19.8 million. These significant changes in the pension accounts are attributable to the excellent performance of the investment instruments of the Pension Funds, both at the level of the State-sponsored Florida Retirement System to which the City is contributing to, and the City-sponsored General Employees' Pension Plan and Police & Fire Retirement System Pension Plan. Further, the City successfully converted the remaining balance of the Redevelopment Capital Program (RCP) loans with the County to grants, providing another \$3.0 million reduction in long-term liabilities. Of the total net position of \$183.7 million, \$25.9 million is unrestricted and may be used to meet the ongoing obligations of the City.
- For governmental activities, the City's \$60.2 million revenues exceeded the \$48.5 million expenses resulting in a positive change in net position of \$11.7 million representing 86.6% of the \$13.6 million change at the city-wide level, as mentioned above. In contrast, FY 2020 saw a negative change in net position of about \$1.3 million. The change in the operating results is due to a combination of factors such as the receipt of about \$2.0 million of Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funds; the recognition of \$3.0 million capital contributions from the conversion of RCP loans; \$2.6 million more in tax revenues due to the levy of debt service millage for payment of the \$26.0 million General Obligation (G.O.) bonds issued in FY 2020. In addition, FY 2021 saw a historically high building permit revenues of about \$4.3 million due to the growth of housing development projects in the City. These increases in revenue are discussed further on page 12. The FY 2021 budget also called for limited spending due the uncertain economic impacts of COVID-19.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

FINANCIAL HIGHLIGHTS (continued)

- The City's business-type activities recognized \$30.9 million revenues against \$29.1 million expenses posting a positive \$1.8 million or 13.4% of the \$13.6 million change in net position government-wide, as mentioned in the preceding page. Due to the uncertainty of COVID-19's continued impact on revenues, the FY 2021 budget for enterprise funds provided for lower levels of expenditures. As the economy re-opened during FY 2021 and businesses operated at the new normal, retail, restaurants, and other commercial and industrial operations within the City increased their demand for water, wastewater and commercial solid waste services. With more volume, coupled with rate adjustments relating to consumer price index (CPI) and an automatic pass-through adjustment to reflect changes in the water and wastewater rates being charged to the City by Ft. Lauderdale and Broward County for water purchase and wastewater treatment, plus an \$8 increase in the residential solid waste special assessment fee, the total revenues of the business-type activities for the year posted about \$830 thousand more than last year. Expenses, on the other hand, decreased by \$706 thousand due to COVID-19 related budget reductions and due to the recognition of negative pension expense of about \$185 thousand which, as mentioned previously, came about from the outstanding performance of the investments in the Pension Funds.
- At the General Fund level, revenues surpassed expenditures by about \$5.0 million, an increase of \$3.6 million over last year's change in fund balance. Among other things, this resulted from the consistent growth in the taxable values of the properties in the City which grew by 7.43% translating to \$692 thousand more in total Ad Valorem Tax revenues even though the operating millage rate for FY 2021 was decreased by 3.23%, from 6.0880 mills in FY 2020 to 5.8910 mills. The City also experienced a historic high building permit revenues generating \$3.5 million more than last year's for a total of \$4.3 million; building permit revenues can only be utilized to fund permitting and building inspection-related costs. In addition, Broward County CARES Act-related funds of about \$2.0 million provided reimbursement for the cost of different eligible uses that qualified under the CARES Act guidelines. At the end of the fiscal year, the fund balance of the General Fund was \$23.8 million, of which \$17.2 million is unassigned and is available for new spending pursuant to the City Commission's financial policies.
- The Oakland Park Community Redevelopment Agency's (OPCRA's) fund balance decreased by \$35 thousand. This is due to the City's conscious decision to reduce transfers to the CRA given that the component unit has built up its reserves from unused transfers over the years. Historically, the CRA is funded annually by transfers from the City's General Fund. For FY 2021, the total transfers-in from General Fund was \$309 thousand or \$38 thousand less compared to the transfers of about \$347 in FY 2020.
- Fund balance of the Capital Projects Fund ended up being \$2 million less than prior year at \$31.9 million due to utilization of fund balance for various capital improvement projects. For FY 2021, the total transfers-in from General Fund and from Impact Fee Fund for various capital projects was \$930 thousand.

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CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

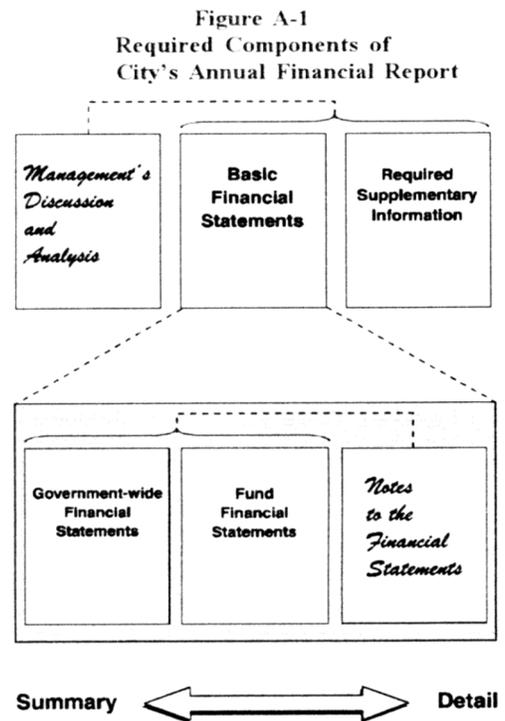
OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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



CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

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

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

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

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

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

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

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

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

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

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

Proprietary funds: The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, solid waste and stormwater operations.

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

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

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 33 to 34 of this report.

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

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*, which includes information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 118 to 137 of this report.

The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 139 to 145 of this report.

Our analysis of the financial statements of the City begins below. The Statement of Net Position and the Statement of Activities report information about the City's activities that will help answer questions about the position of the City. Both fiscal years 2021 and 2020 are presented for comparison.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position:

As noted earlier, net position may serve as a useful indicator over time of a government's financial strength. The table below summarizes Oakland Park's net position as of September 30, 2021 and 2020:

City of Oakland Park, Florida Net Position (In Thousands)						
	2021			2020		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets						
Current and other assets	\$ 73,526	\$ 25,743	\$ 99,269	\$ 58,096	\$ 26,423	\$ 84,519
Capital assets	88,751	122,944	211,695	88,511	124,789	213,300
Total assets	<u>162,277</u>	<u>148,687</u>	<u>310,964</u>	<u>146,607</u>	<u>151,212</u>	<u>297,819</u>
Deferred outflows of resources	<u>13,224</u>	<u>2,140</u>	<u>15,364</u>	<u>15,434</u>	<u>2,747</u>	<u>18,181</u>
Liabilities						
Accounts payable and other liabilities	17,011	5,374	22,385	5,053	6,793	11,846
Long-term liabilities	52,309	43,129	95,438	79,531	49,595	129,126
Total liabilities	<u>69,320</u>	<u>48,503</u>	<u>117,823</u>	<u>84,584</u>	<u>56,388</u>	<u>140,972</u>
Deferred inflows of resources	<u>21,387</u>	<u>3,383</u>	<u>24,770</u>	<u>4,406</u>	<u>450</u>	<u>4,856</u>
Net Position						
Net investment in capital assets	75,028	81,130	156,158	72,333	79,555	151,888
Restricted	1,264	1,095	2,359	1,057	1,494	2,551
Unrestricted	8,502	16,716	25,218	(339)	16,072	15,733
Total net position	<u>\$ 84,794</u>	<u>\$ 98,941</u>	<u>\$ 183,735</u>	<u>\$ 73,051</u>	<u>\$ 97,121</u>	<u>\$ 170,172</u>

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

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

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Net Position: (continued)

The City's combined net position was \$183.7 million as of the end of FY 2021; \$84.8 million for governmental activities and \$98.9 million for business-type activities. This reflects a \$13.6 million or 7.9% increase from the net position of last fiscal year. As previously mentioned, this significant increase is due to very positive results of operations city-wide, more so on the governmental side, such as due to the consistent growth in the taxable values of the properties in the City which grew by 7.43% providing about \$700 thousand more in Ad Valorem Tax revenues despite the operating millage rate being reduced by 3.23%, from 6.0880 mills from the year prior to 5.8910 mills in FY 2021. Also, the City had seen a spike in property development projects as evidenced by the unprecedented level of building permit revenues amounting to \$4.3 million in FY 2021 from only \$744 thousand in FY 2020. The City also received its share of the CARES Act-related funds of about \$2.0 million from the County. In addition, the County approved the conversion of \$3.0 million RCP loans which flowed through as capital contributions.

It can be noted that the City's accounts payable and other liabilities increased by about \$12.0 million. This is due to the \$11.3 million American Rescue Plan Act (ARPA) received by the City towards the end of FY 2021 which is 50% of the City's allocation as a non-entitlement unit. As of the end of FY 2021, the City did not expend any of the ARPA funds received and they are thus recognized as unearned revenue.

Despite various capital improvement spending and other capital asset acquisitions during the year which amounted to \$4.8 million, net capital assets posted a decrease of \$1.6 million. This is due to the related depreciation of the capital assets that amounted to \$6.2 million during the year.

The decrease in deferred outflow of resources by \$2.8 million or 15.5% and the increase in deferred inflow of resources by \$19.9 million or 410.0%, are primarily driven by the actuarial valuation changes of the City's proportionate share of pension items with the Florida Retirement System and the City-sponsored General Employees Pension Plan & Police & Firefighters Retirement System.

Accounts payable and other liabilities increased by \$10.5 million due to the unspent ARPA funds that is recognized as liability, as mentioned above. Long-term liabilities significantly decreased by \$33.7 million primarily because of the reduction of the City's net pension liability (\$26.4 million) and the conversion of the Broward County loan to grant (\$3.0 million). The City has been diligent in complying with its debt service schedule for loans and other financial obligations.

The City's net position is heavily weighted on its investment in capital assets such as lands, buildings, equipment and infrastructure. For fiscal year 2021, the net position in this category is 85.0% or \$156.2 million. The City uses these capital assets to provide services to residents. Consequently, these assets are *not* available for future spending. It should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of the City's combined net position of \$2.4 million or 1.3% that represents resources of the government that are not spendable or subject to external restrictions on how they may be used. The remaining balance in *unrestricted net position* of \$25.2 million or 13.7% may be used to meet the government's ongoing obligations and projects to residents and creditors.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Activities:

The following table reflects the City's revenues and expenses for fiscal year 2021 compared to fiscal year 2020, with the resulting change in net position:

City of Oakland Park, Florida Changes in Net Position (In Thousands)						
	2021			2020		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 14,231	\$ 30,873	\$ 45,104	\$ 11,017	\$ 30,044	\$ 41,061
Operating grants/contributions	2,549	9	2,558	258	115	373
Capital grants/contributions	3,389	-	3,389	606	-	606
General revenues						
Property taxes	23,182	-	23,182	20,616	-	20,616
Franchise fees	2,656	-	2,656	2,601	-	2,601
Utility taxes	4,944	-	4,944	4,876	-	4,876
Communication service taxes	1,388	-	1,388	1,435	-	1,435
Other taxes	1,774	-	1,774	1,784	-	1,784
Intergovernmental	5,067	-	5,067	4,320	-	4,320
Investment earnings	91	28	119	327	413	740
Miscellaneous revenue	975	-	975	835	-	835
Total revenues	<u>60,246</u>	<u>30,910</u>	<u>91,156</u>	<u>48,675</u>	<u>30,572</u>	<u>79,247</u>
Expenses:						
General government	1,824	-	1,824	1,356	-	1,356
Public safety	28,256	-	28,256	29,498	-	29,498
Public works	7,582	-	7,582	7,725	-	7,725
Engineering & community development	5,714	-	5,714	6,104	-	6,104
Culture/recreation	3,740	-	3,740	4,223	-	4,223
Water & Sewer	-	18,861	18,861	-	20,317	20,317
Solid Waste	-	6,443	6,443	-	6,554	6,554
Stormwater	-	3,785	3,785	-	3,827	3,827
Interest on long-term debt	1,388	-	1,388	1,068	-	1,068
Total expenses	<u>48,503</u>	<u>29,089</u>	<u>77,592</u>	<u>49,974</u>	<u>30,698</u>	<u>80,672</u>
Increase in net position	11,743	1,821	13,564	(1,299)	(126)	(1,425)
Net position, beginning	<u>73,051</u>	<u>97,120</u>	<u>170,171</u>	<u>74,350</u>	<u>97,247</u>	<u>171,597</u>
Net position, end of year	<u>\$ 84,794</u>	<u>\$ 98,941</u>	<u>\$ 183,735</u>	<u>\$ 73,051</u>	<u>\$ 97,121</u>	<u>\$ 170,172</u>

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Activities: (continued)

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

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

Other factors that may impact the expenses are presented below:

- 1) **Introduction of new programs or increase in the City's boundary** can have a substantial impact on property, non-ad valorem assessments, sales, gas, or other tax revenues as well as consumer spending habits for building permits, user fees and consumption.
- 2) **Changes in service demand levels** can cause the City to increase or decrease authorized staffing. Staffing costs (salary and related benefits) represent 32.6% of the City's operating costs.
- 3) **Salary increases** such as cost of living, performance increases and market adjustments can impact personal service costs.
- 4) **While inflation** appears to be reasonably modest, the City is a major consumer of certain commodities such as chemicals, supplies, fuels and parts. Some functional expenses may experience unusual commodity specific increases.

As can be noted on the chart on the next page, there are two primary contributors to governmental revenues (exclusive of transfers) – which are the property taxes and charges for services. For FY 2021, operating and debt service property taxes together at \$23.2 million represent 38.5% of governmental revenues while charges for services at \$14.2 million represent 23.6% of revenues. Operating grants and capital contributions revenues realized during the year are \$5.9 million or 9.9% of the total revenues.

In governmental activities, an increase of \$11.7 million in gross revenues can be noted as compared to FY 2020. As mentioned in the financial highlights, this is due to the City realizing about \$6.0 million in operating grants and contributions from the Broward County CARES Act-related funding (\$2.0 million), the RCP loan conversion (\$3.0 million) and various grants from FEMA and other funding agencies (\$1.0 million). Property taxes posted an increase of about \$2.6 million which included about \$1.9 million for debt service of the \$26.0 million General Obligation (G.O.) bonds that were issued in FY 2020. The remaining \$700 thousand is the additional revenue resulting from the 7.43% increase in the value of taxable properties within the City. Nationwide, there has been a shortage of inventory in the housing market. Property developers have found the opportunity to build residential units and commercial spaces

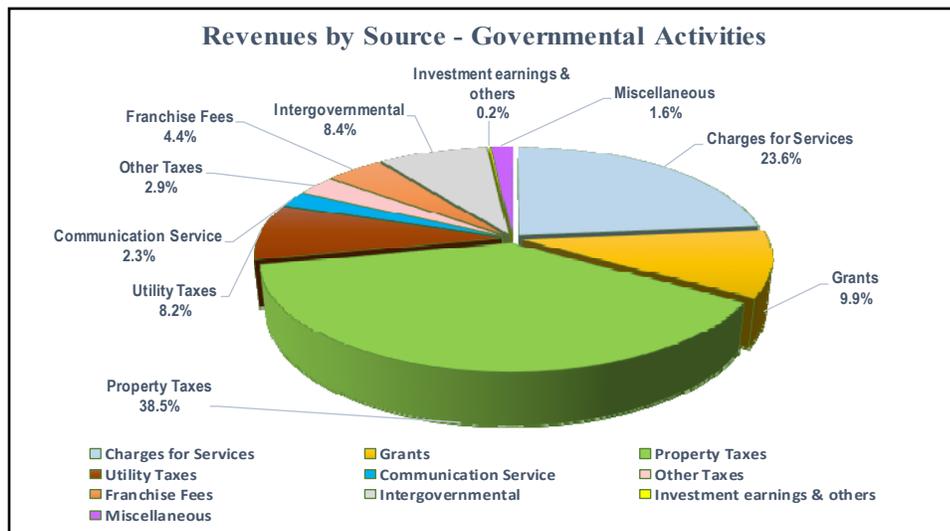
CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

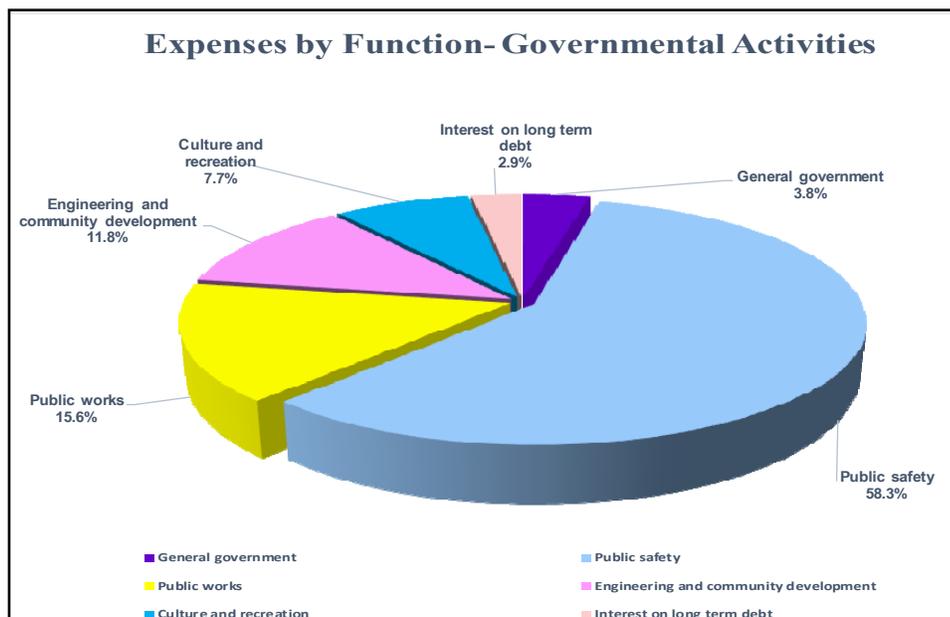
GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Activities: (continued)

in the City which translated to a historic high of \$4.3 million in building permit revenues, a \$3.5 million increase over last year's. As noted previously, building permit revenue can only be utilized to support costs related to the permitting and building inspection functions.



During 2021, total expenses in governmental activities decreased by about \$1.5 million while business-type activities decreased by \$1.6 million. As shown on the chart below, governmental expenses are largely weighted in one function, public safety which consists of police (provided by Broward Sheriff's Office) and fire rescue services. At \$28.3 million, public safety is 58.3% of total governmental activities expenses.



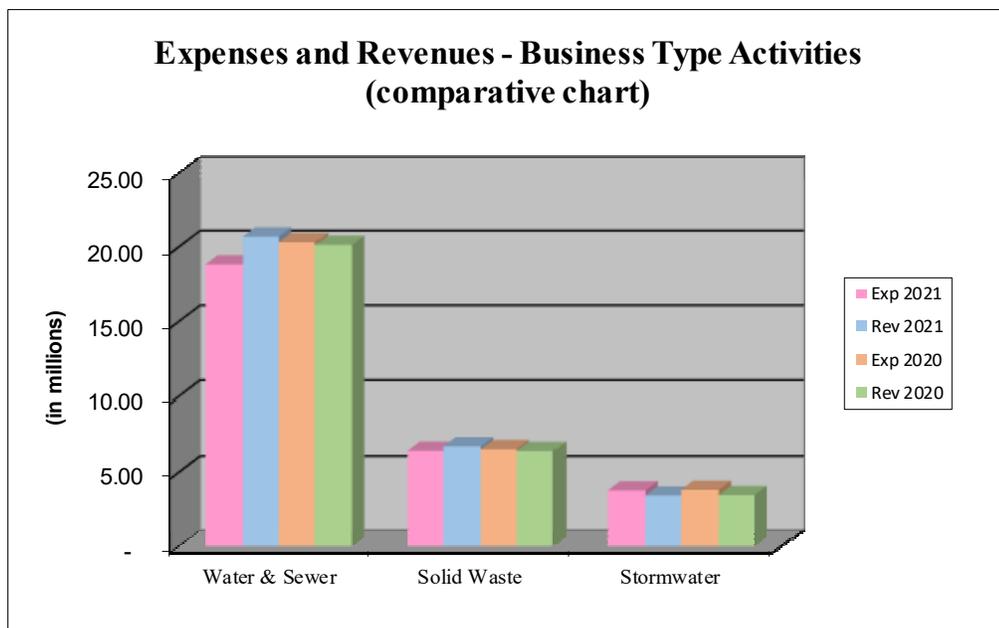
CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Activities: (continued)

In business-type activities, a net increase of \$337.7 thousand in total revenues (increase of \$829.1 thousand for operating revenues and decrease of \$491.4 thousand for non-operating revenues) can be noted as compared to FY 2020. This increase is due to the increased demand for goods and services coupled with the rate adjustments for consumer price index (CPI) and automatic pass-through pricing to reflect changes in the water and wastewater rates being charged to the City by Ft. Lauderdale and Broward County for water purchase and wastewater treatment, as already mentioned in the financial highlights. The revenues generated by the business-type activities are derived primarily from one source, which is the charges for sales and services totaling \$30.9 million which is 99.8% of the total. The charges for services represent the fees charged by each of the City's enterprise funds, as follows: \$20.7 million for Water and Sewer, \$6.7 million for Solid Waste and \$3.4 million for Storm water. Further discussion is provided on page 16.



This year's \$29.1 million expenses of the business-type activities which consists of \$18.9 million for Water and Sewer, \$6.4 million for Solid Waste and \$3.8 million for Storm water, is \$1.6 million less than FY 2020's total expenses of \$30.7 million. The significant decrease in the business-type activities expenses is primarily attributable to the impact of the negative economic pension expense recognized relative to the measurement of net pension liability (asset) under GASB 68 standards and budgetary conservatism due to the COVID-19 pandemic..

As mentioned previously, the City's results of operations in governmental activities and business-type activities caused a combined increase of \$13.6 million in the City's net position. Further analysis is provided in the government fund financial analysis section on the next page.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

Governmental Funds

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

The City Commission has adopted a fiscal policy establishing minimum fund balance requirements. All fund balances in governmental funds are classified based on the level of the resource spending constraints and their purposes. As the City completed the year, the governmental funds reported combined fund balances of \$56.7 million which includes an increase of \$3.2 million from the operating results. As discussed in the governmental activities section, this net change in fund balance as it relates to governmental funds, is driven largely by the following: a) receipt of about \$2.0 million CARES Act funds; b) \$700 thousand increment from property tax revenues resulting from the 7.43% increase in taxable property values; and the c) spike in building permit revenues by \$3.5 million over last year.

The \$56.7 million governmental fund balance is made up of \$612.5 thousand is non-spendable in General Fund and about \$1.7 million are restricted fund balance (\$1.2 million for General Fund and \$497.0 thousand for non-major governmental funds). Committed funds amounted to \$31.9 million for capital projects. Funds assigned amounted to about \$5.4 million of which \$4.9 million is assigned for General Fund's subsequent year's budget, \$279 thousand for debt service and \$103.5 thousand for community development in OPCRA. The \$17.2 million unassigned fund balance is available for any purpose as allowed by the City Commission's adopted fiscal policies.

In the General Fund, expenditures of \$52.4 million, excluding transfers out, were \$2.6 million below the revised budget of about \$55.0 million due to savings and unspent funds. *Please refer to the General Fund Budget Highlights section in the next page for further information.*

As it relates to OPCRA, its expenditures exceeded revenues and other financing sources by \$35.0 thousand due to reduced transfers from the General Fund. The OPCRA operations, as a component unit of the City, is primarily funded by annual transfers from the City's General Fund. During the FY 2021 budget development, reserves in the OPCRA was utilized as funding source to reduce transfers from the City.

In the Capital Projects Fund (CPF), total expenditures of \$3.4 million exceeded revenues of \$1.4 million (inclusive of transfers in) by \$2.0 million. The funds in the CPF are largely from the proceeds of the G.O. Bonds issued in FY 2020 for facility and related improvement projects. As these projects progress, the funds are expended, which explains the decrease in fund balance at the end of the year.

The fund balance of non-major governmental funds increased by \$287.6 thousand resulting from the recognition of impact fee revenues that were collected from new residential units at the time of building permit applications to be used for parks development. As noted, building permit revenues were \$3.5 million more than last year.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

GOVERNMENTAL FUNDS' FINANCIAL ANALYSIS (continued)

Proprietary Funds

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

For fiscal year 2021, a combined \$98.9 million net position was reported, of which \$16.3 million was unrestricted. Among the City's three enterprise funds, Water and Sewer and the Stormwater Funds have significant investments in capital assets which are required to run the daily operations. The Water and Sewer represents the bulk of the unrestricted net position at \$10.5 million. The combined net position of the enterprise funds increased by \$1.8 million during the year. This increase is explained by for each enterprise fund below:

Water and Sewer (W&S) Fund - Total revenues exceeded total expenses by \$1.8 million. This change in net position resulted from a combination of increase in revenues by approximately \$217.5 thousand and decrease in expenses by \$1.5 million. The increase is due to the price adjustments relating to automatic pass-through to reflect changes in the water and wastewater rates being charged to the City by Ft. Lauderdale and Broward County for water purchase and wastewater treatment, as well as adjustment for Consumer Price Index (CPI). The decrease of \$611.2 thousand in operating expenses, as mentioned, is primarily due to recognizing a negative economic pension expense of \$302.0 thousand and a conservative budget due COVID-19 uncertainties.

Solid Waste Fund – Total revenues exceeded total expenses by \$313.4 thousand. Similar to the W&S Fund, this change in net position resulted from a combination of increase in revenues and decrease in expenses due to COVID-19, including the deferral of planned vehicle purchases. Total revenues increased by \$259.2 thousand and operating expenses decreased by \$111.9 thousand compared to prior year. The increase in revenue is due to a 3.5% or \$8 increase in the residential assessment rate, from \$227 in FY 2020 to \$235 in FY 2021. Commercial solid waste rates were also increased by 6%. Both rate charges are intended to stabilize the fund and maintain fund balance above the minimum level of reserves set by Commission policy; the rates for both residential and commercial services remain below the City's 2012 rates for these services. Operating expenses of the Solid Waste Fund for the year reflected a decrease despite the increases in salaries and wages (minimum 3%) and solid waste and recycling costs. These costs increases were offset by the recognition of a negative economic pension expense of \$322.0 thousand, as described in the previous sections.

Stormwater Fund – Total expenses exceeded total revenues by \$339.6 thousand or a negative change in net position due to the decrease in revenues. Although the stormwater special assessment rate remained unchanged at \$84 per equivalent residential unit (ERU), the stormwater fees realized during the year is less than last year by \$32.7 thousand. Further, the interest income earned during the year was only about \$5.1 thousand compared to about \$42.0 thousand last year due to the low interest rates. In addition, FY 2020 had a \$70.0 thousand grant for vulnerability assessment from FEMA while there was none in FY 2021. In all, revenues in the stormwater fund is \$139.0 thousand less than last year's. On the plus side, the operating and non-operating expenses for stormwater for FY 2021 was \$41.9 thousand or 1.1% less than last year. The reduction of total expenses in Stormwater Fund is attributable to the recognition of negative economic pension expense of \$234.0 thousand, as similarly noted in the other enterprise funds.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

GENERAL FUND BUDGETARY HIGHLIGHTS

As the adopted budget for the FY 2021 was formulated and approved with COVID-19 still very much at the forefront. The FY 2021 budget was developed during the height of the pandemic and in the period during which lockdown measures, high unemployment, and an official recession all were having major impacts of revenue forecasting. Without any precedent and high levels of uncertainty, the budget approved by the City Commission for FY 2021 exercised significant fiscal prudence to ensure the long-term financial stability of the City in the face of a worldwide pandemic. Actual performance during FY 2021 was favorable as the rollout of vaccines, the opening of the economy, and the reduction in unemployment resulted improvements in the economy, with strong local indicators such as building permits revenues continuing to surpass the budget and the eighth expansion of the property tax base since 2008.

The FY 2021 adopted budget of the General Fund was approximately \$54.5 million, representing a decrease of approximately \$0.5 million (0.9%) versus the FY 20 adopted budget of approximately \$55.0 million. Property tax continued to represent the largest source of revenue for the General Fund, providing 35.3% of all revenues. Property tax is based on two main elements: 1) the assessed property tax base, and 2) the millage rate set by Commission. The certified data provided by the Property Appraiser shows that the City's property tax base has expanded for the eighth time since 2007, increasing by \$259 million (7.43%) over last year. The City's property tax base was \$3.8 billion, which is 6.42% above the peak tax base prior to the Great Recession. An operating millage rate of 5.8910 mills was adopted for FY 2021, a decrease of 0.1970 mills (3.2%) from FY 20. The FY 2021 millage rate is the lowest rate adopted in ten years and the sixth millage rate reduction within a seven-year period. Such millage rate generated \$21.3 million (including penalties for late payment). City taxes only comprise a small portion of what appears on residents' tax bills; about 31% of the tax bill represents the City levy and the rest is paid to other taxing authorities, such as Broward County, the School Board, and other special taxing districts.

Overall, revenue performance compared to the final budget was favorable. Actual total revenue was \$60.3 million, up \$6.6 million from the final budget or a favorable variance of 12.3%, an indication of economic rebound for the state, regional, and local economies. The following revenues posted favorable variances against the final budget:

- licenses and permit fees provided \$3.1 million or 109.9% over budget due to emerging residential and commercial construction projects within the City;
- intergovernmental revenues were \$1.7 million or 49.3% over budget due to increased collection of sales and fuel taxes;
- utility taxes were \$529.4 thousand or 12.0% over budget relative due to the increased volume utilities sold;
- grants were \$369.0 thousand or 17.5% over budget due to receipt of Broward County CARES Act-related funds;
- franchise fees were \$232.3 thousand or 9.6% over budget relative rebound of economic activities;
- communications service taxes were \$222.4 thousand or 19.1% over budget relative increased demand for communication services including internet and broadband as some workers continued to work from home;
- other taxes were \$209.9 thousand or 13.4% over budget;
- property taxes were \$90.3 thousand over budget due to collection of delinquent taxes;
- investment earnings were \$20.0 thousand or 99.8% over budget due to better than anticipated returns; and

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

GENERAL FUND BUDGETARY HIGHLIGHTS (continued)

- other revenues at \$405.8 thousand or 77.1% over budget primarily due to sale of voluntary cleanup tax certificate.

There were only two revenue categories which experienced decrease compared to last year. Firstly, charges for services posted a 5.2% or \$735.1 thousand decrease due to the absence of revenues from special events because of COVID-19. In comparison to FY 2020, the City generated revenues of about \$150 thousand from special events. In addition, the City's revenue from ambulance transport services was lesser by about \$463.0 thousand primarily due to Medicaid adjustments. Secondly, fines and forfeitures ended up \$138.4 thousand less than FY 2020 or a decrease of 30.8%. This is primarily due to lesser collection of code enforcement fines for which the underlying activities were affected by the restrictions related to COVID-19.

All departments/divisions, except for Risk Management Division under the Human Resources Department, had positive variances in their expenditures when compared to the FY 2021 final budget. The negative variance in Risk Management under Human Resources Department is discussed in the Required Supplementary Section of this annual comprehensive financial report. Overall, actual expenditures were \$2.6 million less than the final budget, a positive variance of 4.7%.

The Public Works Department, as a whole, posted a total positive variance of \$735 thousand or 9.31% against their final budget. The positive variance is explained as follows:

- Administration had savings of \$7.8 thousand mainly due to slightly lower personnel costs;
- Parks Maintenance had savings of \$85.3 thousand primarily attributed to reduced operating expenditures for other services;
- Building Maintenance had savings of \$216.9 thousand due to lower operating expenditures for repair and maintenance and operating supplies;
- Fleet had savings of about \$71.0 thousand mainly due to operating supplies for repair and maintenance, auto parts, and oil and fuel, and
- Streets Maintenance Division had \$354.2 thousand in savings from repairs and maintenance and electricity.

Engineering & Building Services (EBS) Department which is made up of two (2) divisions had a total favorable variance of \$513.0 thousand or 11.78% against their total budget. Savings are due to the following:

- EBS's Engineering and Construction Management Division had savings of about \$290.0 thousand mainly due to lower personnel costs due to vacancies and reduced operating expenditures for professional services; and
- EBS's Building and Permitting Division had savings of \$223.1 thousand primarily due to lower personnel costs due to vacancies and reduced operating expenditures for professional services and other services.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

GENERAL FUND BUDGETARY HIGHLIGHTS (continued)

Community and Economic Development (CED) Department, also made up of two (2) Divisions, had a total positive variance of \$330.8 thousand or 13.93% against their total budget. Savings are due to the following:

- CED's Planning and Zoning Division had savings of \$208.2 thousand mainly due to lower personnel costs and reduced operating expenditures for professional services; and
- CED's Community Enhancement Division had savings of \$122.6 thousand mainly due to lower personnel costs, professional services, other services and grants and aids.

General government expenditures had a favorable variance of \$542.7 thousand due to the following:

- City Commission had savings of \$17.4 thousand mainly due reduced operating expenditures for promotional activities and subscriptions, memberships and training;
- City Manager had savings of \$72.8 thousand mainly due lower personnel costs and reduced operating expenditures for professional services;
- City Clerk had savings of \$28.8 thousand attributable to lower personnel costs, other services, rentals and leases, and advertising;
- Human Resources exceeded budget by \$5.2 thousand mainly due to increased insurance costs;
- Legal had savings of \$82.4 thousand stemming from a reduction of professional legal services;
- Financial Services had savings of \$32.2 thousand primarily due to reduced operating expenditures for professional services;
- Information Technology Services had \$266.6 thousand in savings primarily due to reduced operating expenditures including, other services, annual support, communication services, and operating supplies for equipment; and
- Non-departmental had savings of \$47.7 thousand due reduced operating expenditures for repair and maintenance, other services, operating supplies, and other uses – special item.

Culture and recreation related activities had a favorable variance of \$330.8 thousand resulting from the following:

- Library had \$78.6 thousand savings mainly due to lower personnel costs, reduced operating expenditures in promotional activities and books, memberships and subscriptions; and
- Parks and recreation had savings of \$261.8 thousand mainly due to the suspension of special events, lower personnel costs as well as reduced operating expenditures in several areas including, professional services, other services annual support, operating supplies for recreation, and other grants and aids.

As mentioned above, actual revenues exceeded budget by \$6.6 million and expenditures before transfers were lower than budget by \$2.6 million. These favorable variances reduced the utilization of unassigned general fund balance.. Actual excess of revenues before transfers stands at approximately \$9.2 million. After transfers-in and out of \$100 thousand and \$3.0 million, respectively, the positive net change in fund balance is about \$5.0 million. It should be noted that the above variances only reflect actual expenditures of the General Fund, *i.e. payments that were made during the 2021 fiscal year plus accrued liabilities related to goods and services received but not yet paid by the end of the year.* During fiscal year 2021, purchase orders were entered for goods and services, encumbering funds. The value of these purchases

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

GENERAL FUND BUDGETARY HIGHLIGHTS (continued)

order, or encumbrances, are not reflected in the above analysis if the receipt of these goods and services did not occur by September 30, 2021. For example, the Public Works Street Maintenance Division shows savings of \$354.2 thousand in FY 2021, but \$101.4 thousand of these savings reflected encumbered funds that are anticipated to be expended during FY 2022.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets:

The City's investment in capital assets, *net of accumulated depreciation*, for its governmental and business-type activities as of September 30, 2021 decreased from \$213.3 million of the previous year to \$211.7 million at the end of FY 2021 or a decrease of \$1.6 million. This decrease is the net effect between the additions during the year amounting to \$4.8 million and the recognition of depreciation expense totaling \$6.2 million. The City's net capital assets for its governmental and business-type activities as of the end of FY 2021 and 2020, are shown on the table below:

	Capital Assets (Net of Depreciation) (In Thousands)					
	2021			2020		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Land and easements	\$ 18,372	\$ 436	\$ 18,808	\$ 17,775	\$ 436	\$ 18,211
Construction in progress	4,600	8,914	13,514	2,297	14,547	16,844
Intangible	19	-	19	26	-	26
Buildings	9,936	-	9,936	10,259	-	10,259
Improvements other than buik	9,333	22	9,355	10,353	20	10,373
Machinery and equipment	2,653	3,638	6,292	3,400	4,138	7,538
Infrastructure	43,838	109,934	153,772	44,401	105,647	150,048
Total	\$ 88,751	\$ 122,944	\$ 211,695	\$ 88,511	\$ 124,788	\$ 213,299

During the year, the City continued with its projects that were started in prior years. Total additions to construction in progress (CIP) amounted to \$3.4 million for both governmental and business-type activities while the completed projects amounted to \$1.6 million.

The City's adopted capital budget for fiscal year 2021 provided \$12.7 million spending for capital improvement projects with \$5.1 million allocated for streetscapes, \$193.4 thousand for parks, \$4.9 million for facilities, \$300.0 thousand for water & sewer system improvements, and \$1.9 million for storm water system improvements. The City uses, loan proceeds, internal funds as well as grant funds to finance these projects. Additional information on the City's capital assets can be found in Note 6 starting on page 62.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

Debt Administration:

Between the governmental activities and business-type activities, the City had a total debt of \$77.5 million as of September 30, 2021. This balance reflects the loan payments during the year of \$16.0 million, inclusive of the refunded 2010 Bonds Series. The balances are reflected on the table below:

	Outstanding Debt					
	(In Thousands)					
	2021			2020		
	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>		<u>Activities</u>	<u>Activities</u>	
Loans payable	\$ 3,500	\$ 4,548	\$ 8,049	\$ 7,111	\$ 2,062	\$ 9,173
General obligation bonds	25,475	-	25,475	26,000	-	26,000
Revenue bonds	6,565	36,254	42,819	6,963	40,527	47,490
Capital lease payable	<u>575</u>	<u>543</u>	<u>1,118</u>	<u>736</u>	<u>754</u>	<u>1,490</u>
Total	<u>\$ 36,115</u>	<u>\$ 41,345</u>	<u>\$ 77,461</u>	<u>\$ 40,810</u>	<u>\$ 43,343</u>	<u>\$ 84,153</u>

More detailed information about the City's liabilities is presented in Note 7, Capital Lease Obligations and Note 8, Long-term debt, beginning on page 64 of the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

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

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

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

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

The City continues to emphasize a disciplined and strategic allocation of resources and fiscal prudence to ensure long-term financial sustainability while implementing the Commission's strategic vision for the community. Major emphasis continues to be placed on two elements: 1) aggressive efforts related to business attraction, redevelopment, and capital improvement, and; 2) the continuation of emphasis on community appearance, and community enhancement, community facilities, and quality development. The adopted fiscal year 2022 budget includes about 170 specific business plan initiatives (BPI) valued at \$7.4 million.

The highest appropriations in the FY 2022 BPI is for public safety and security at \$2.5 million; closely followed by infrastructure needs at \$2.4 million which, in the past couple years, was consistently the highest; smart growth, redevelopment and community appearance at \$1.2 million ranked third; parks, leisure facilities and activities at \$882.9 thousand made fourth; them focus on Oakland Park's Image at \$322 thousand; and financial stability at \$79 thousand.

The adopted FY 2022 budget addresses key priorities identified by the City Commission and the City continues to show improvement which is representative of the economic stabilization and steady, positive growth occurring in the local and state economy. For instance, property tax values in the City continued to increase - from \$3.75 billion in FY 2021 to about \$4.0 billion currently or 6.81% increase. Despite the economic challenges that were anticipated in FY 2022 due to the pandemic, the City Commission continued to reduce the operating millage rate, going down from 5.8910 mills in FY 2021 to 5.8890 in FY 2022. The decrease in the operating millage rate was also intended in part to help reduce the impact of the City's debt service millage, which was levied beginning in 2021. The debt service millage rate was set at 0.5198 mills, which will generate the revenue needed to fund the debt service of about \$2 million for the \$26 million General Obligation Bonds issued in 2020. Combined with the increase in property values, the gross property tax revenues for FY22 operations is estimated to be \$22.4 million while the gross property tax revenues for debt service is about \$2.0 million. The expected additional Ad Valorem revenue will help to fund the cost increase for the police services contract with Broward Sheriff's Office, projected increases in personnel costs, and increased maintenance costs associated with new projects.

As part of the budget development for FY 2022, the City conducted a new fire assessment study. Based on the recommendations from this study, the residential fire assessment rate was increased to \$251. This is the first since 2017, at which time the residential rate was increased from \$196 to \$199 per residential unit. The rates adopted will continue to fund approximately 91% of the applicable fire suppression costs of the Fire-Rescue Department. The new rate of \$251 per residential unit remains below the countywide average of \$311. As part of the implementation of the new rate, the City also introduced new fire assessment exemptions for properties with low-income senior and disability property tax exemptions that completely remove the fire assessment from the annual tax bill for qualifying properties.

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

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2021

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

In 2017, a comprehensive review of the City's solid waste operations, including an analysis of service rates charged to residents and commercial customers was performed and included recommended adjustments to both the residential assessment and the commercial rates to help stabilize the Solid Waste Fund. Consequently, various rate increases in both residential and commercial solid waste collections rates were approved by the City Commission since FY 2018. The residential solid waste assessment fee was increased from \$235 in FY 2021 to \$255 for FY 2022. The residential rates remain below Oakland Park's FY 12 assessment rate of \$300. Commercial rates were increased by 5% for FY 2022. As the economics of solid waste disposal and recycling remain in a state of instability internationally, the rates in the solid waste fund require regular review regularly to ensure the long-term stability of the fund. The FY 2022 budget includes funding for a new solid waste rate study, which will be presented as part of the FY 2023 budget development.

The City's storm water management assessment remained unchanged at \$84 per equivalent residential unit. The City's stormwater master plan that is currently underway includes a rate analysis component and it is anticipated that the rate will adjust in the future to reflect on operational and capital needs of the program. A revised rate structure is planned to be presented as part of the FY 2023 budget's development.

REQUESTS FOR INFORMATION

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

BASIC FINANCIAL STATEMENTS

Rounding Disclaimer:

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

CITY OF OAKLAND PARK, FLORIDA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2021

	<u>Governmental</u> <u>Activities</u>	<u>Business Type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 23,903,121	\$ 18,018,701	\$ 41,921,822
Accounts receivable - net	4,304,626	2,700,993	7,005,619
Inventories	69,939	366,784	436,723
Prepayments and other assets	542,569	161,287	703,856
Internal balances	(1,224,740)	1,224,740	-
Temporarily restricted:			
Cash and cash equivalents	45,930,951	3,270,317	49,201,268
Capital assets, not being depreciated	22,970,996	9,350,168	32,321,164
Capital assets, being depreciated - net	<u>65,780,330</u>	<u>113,593,947</u>	<u>179,374,277</u>
Total Assets	<u>162,277,792</u>	<u>148,686,937</u>	<u>310,964,729</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow related to pensions	13,140,902	1,968,389	15,109,291
Deferred outflow related to OPEB	34,611	9,344	43,955
Deferred charge on refunding	<u>47,969</u>	<u>162,652</u>	<u>210,621</u>
Total Deferred Outflows of Resources	<u>13,223,482</u>	<u>2,140,385</u>	<u>15,363,867</u>
LIABILITIES			
Accounts payable and accrued expenses	4,471,371	3,636,541	8,107,912
Customer deposits	-	1,501,570	1,501,570
Accrued interest payable	310,809	228,086	538,895
Other liabilities	583,088	-	583,088
Unearned revenues	11,645,977	7,839	11,653,816
Noncurrent liabilities:			
Due within one year			
Bonds and notes payable	2,043,313	2,119,543	4,162,856
Compensated absences	342,975	33,641	376,616
Due in more than one year			
Bonds and notes payable	39,456,947	40,349,827	79,806,774
Compensated absences	965,070	153,257	1,118,327
Net pension liability	8,538,934	208,907	8,747,841
Other post-employment benefits liability	<u>961,476</u>	<u>263,946</u>	<u>1,225,422</u>
Total Liabilities	<u>69,319,960</u>	<u>48,503,157</u>	<u>117,823,117</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow related to pensions	21,006,509	3,284,436	24,290,945
Deferred inflow related to OPEB	<u>381,211</u>	<u>98,297</u>	<u>479,508</u>
Total Deferred Inflows of Resources	<u>21,387,720</u>	<u>3,382,733</u>	<u>24,770,453</u>
NET POSITION			
Net investment in capital assets	75,028,076	81,129,518	156,157,594
Restricted for:			
Education	390,994	-	390,994
Transportation improvement	1,783	-	1,783
Public safety	117,104	-	117,104
Library	48,170	-	48,170
Parks and recreation	332,830	-	332,830
Grant match	373,017	-	373,017
Debt covenants	-	1,095,579	1,095,579
Unrestricted	<u>8,501,620</u>	<u>16,716,335</u>	<u>25,217,955</u>
Total Net Position	<u>\$ 84,793,594</u>	<u>\$ 98,941,432</u>	<u>\$ 183,735,026</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Functions/Programs</u>							
Primary Government:							
Governmental activities:							
General government	\$ 1,823,642	\$ 242,481	\$ 112,811	\$ 346,308	(1,122,042)	\$ -	\$ (1,122,042)
Public safety	28,255,602	7,271,256	2,324,190	-	(18,660,156)	-	(18,660,156)
Public works	7,582,368	-	-	38,685	(7,543,683)	-	(7,543,683)
Engineering and community development	5,713,696	6,209,908	-	3,004,223	3,500,435	-	3,500,435
Culture and recreation	3,740,102	507,736	112,242	-	(3,120,124)	-	(3,120,124)
Interest and debt issue cost	1,387,803	-	-	-	(1,387,803)	-	(1,387,803)
Total governmental activities	<u>48,503,213</u>	<u>14,231,381</u>	<u>2,549,243</u>	<u>3,389,216</u>	<u>(28,333,373)</u>	<u>-</u>	<u>(28,333,373)</u>
Business-type activities:							
Water and sewer	18,861,136	20,691,582	-	-	-	1,830,446	1,830,446
Solid waste	6,442,505	6,740,576	9,246	-	-	307,317	307,317
Stormwater	3,785,381	3,440,611	-	-	-	(344,770)	(344,770)
Total business-type activities	<u>29,089,022</u>	<u>30,872,769</u>	<u>9,246</u>	<u>-</u>	<u>-</u>	<u>1,792,993</u>	<u>1,792,993</u>
Total primary government	<u>\$ 77,592,235</u>	<u>\$ 45,104,150</u>	<u>\$ 2,558,489</u>	<u>\$ 3,389,216</u>	<u>(28,333,373)</u>	<u>1,792,993</u>	<u>(26,540,380)</u>
General Revenues:							
Taxes:							
Property taxes					23,181,851	-	23,181,851
Franchise fees					2,655,853	-	2,655,853
Utility taxes					4,943,903	-	4,943,903
Communication service taxes					1,387,448	-	1,387,448
Other taxes					1,774,254	-	1,774,254
Unrestricted investment earnings					90,500	27,893	118,393
Intergovernmental revenue - unrestricted					5,067,035	-	5,067,035
Miscellaneous					975,138	-	975,138
Total general revenues and transfers					<u>40,075,982</u>	<u>27,893</u>	<u>40,103,875</u>
Change in net position					11,742,609	1,820,886	13,563,495
Net position, beginning					<u>73,050,985</u>	<u>97,120,546</u>	<u>170,171,531</u>
Net position, ending					<u>\$ 84,793,594</u>	<u>\$ 98,941,432</u>	<u>\$ 183,735,026</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

**BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	Major Funds			Other	Total	
	General	Special Revenue		Non-Major		Governmental
		Oakland Park CRA	Capital Project	Funds		
ASSETS						
Cash and cash equivalents	\$ 23,364,043	\$ 261,021	\$ -	\$ 278,057	\$ 23,903,121	
Accounts receivable - net	3,878,120	56,983	369,523	-	4,304,626	
Inventories	69,939	-	-	-	69,939	
Prepayments and other assets	542,569	-	-	-	542,569	
Temporarily restricted assets:						
Cash and cash equivalents	11,451,114	-	33,911,534	568,303	45,930,951	
Total Assets	<u>\$ 39,305,785</u>	<u>\$ 318,004</u>	<u>\$ 34,281,057</u>	<u>\$ 846,360</u>	<u>\$ 74,751,206</u>	
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	\$ 3,184,444	\$ 92,607	\$ 1,194,320	\$ -	\$ 4,471,371	
Compensated absences	131,130	-	-	-	131,130	
Other liabilities	577,088	6,000	-	-	583,088	
Unearned revenues	11,500,998	-	-	71,230	11,572,228	
Advances from other funds	-	-	1,224,740	-	1,224,740	
Total Liabilities	<u>15,393,660</u>	<u>98,607</u>	<u>2,419,060</u>	<u>71,230</u>	<u>17,982,557</u>	
Deferred Inflow of Resources:						
Unavailable revenue	73,748	-	-	-	73,748	
Total Deferred Inflow of Resources	<u>73,748</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,748</u>	
Fund Balances:						
Non-spendable (not in spendable form)						
Inventories	69,939	-	-	-	69,939	
Prepayments and other assets	542,569	-	-	-	542,569	
Restricted for:						
Education	390,994	-	-	-	390,994	
Transportation improvement	1,783	-	-	-	1,783	
Public safety	-	-	-	101,477	101,477	
Library	-	-	-	48,170	48,170	
Tree preservation	1,031	-	-	11,696	12,727	
Fire station facility	-	-	-	15,627	15,627	
Park development	-	-	-	260,463	260,463	
Parks and recreation	-	-	-	59,640	59,640	
Grant match	373,017	-	-	-	373,017	
Florida Building Code Enforcement	419,204	-	-	-	419,204	
Committed						
Capital projects	-	-	31,861,997	-	31,861,997	
Assigned to:						
Community redevelopment	-	99,169	-	-	99,169	
Debt service	-	-	-	278,057	278,057	
Subsequent year's budget	4,852,822	120,228	-	-	4,973,050	
Unassigned	17,187,018	-	-	-	17,187,018	
Total Fund Balances	<u>23,838,377</u>	<u>219,397</u>	<u>31,861,997</u>	<u>775,130</u>	<u>56,694,901</u>	
Total Liabilities, Deferred Inflow and Fund Balances	<u>\$ 39,305,785</u>	<u>\$ 318,004</u>	<u>\$ 34,281,057</u>	<u>846,360</u>	<u>\$ 74,751,206</u>	

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION GOVERNMENTAL FUNDS SEPTEMBER 30, 2021

Fund balances - total governmental funds (Page 26)		\$ 56,694,901
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		88,751,326
Net pension liability		(8,538,934)
Other post-employment benefit (OPEB) obligation		(961,476)
Accrued interest payable not reported in the governmental funds		(310,809)
Long-term liabilities such as bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Governmental notes and capital lease payables	(41,500,260)	
Deferred charges on refunding to be amortized over the life of the bonds	<u>47,969</u>	(41,452,291)
Compensated absences		(1,176,915)
Deferred inflows/outflows of resources not reported in the governmental funds to pay for current period's expenditures, but the funds exclude those assets.		
Deferred outflows related to OPEB		34,611
Deferred inflows related to OPEB		(381,211)
Deferred outflows related to pension		13,140,902
Deferred inflows related to pension		<u>(21,006,509)</u>
Net position of governmental activities (Page 24)		<u>\$ 84,793,594</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Major Funds</u>			<u>Other</u>	<u>Total</u>
	<u>General</u>	<u>Special Revenue Oakland Park CRA</u>	<u>Capital Project</u>	<u>Non-Major Governmental Funds</u>	<u>Governmental Funds</u>
Revenues:					
Taxes:					
Property	\$ 21,308,558	\$ -	\$ -	\$ 1,873,293	\$ 23,181,851
Franchise fees	2,655,853	-	-	-	2,655,853
Utility taxes	4,943,903	-	-	-	4,943,903
Communications service taxes	1,387,448	-	-	-	1,387,448
Other taxes	1,774,254	-	-	-	1,774,254
Licenses and permits	5,975,355	-	-	274,651	6,250,006
Intergovernmental	5,067,035	-	-	-	5,067,035
Charges for services	13,421,835	-	-	-	13,421,835
Fines and forfeitures	311,367	-	-	30,558	341,925
Investment earnings	39,964	-	49,954	583	90,501
Grants and contributions	2,473,753	-	384,993	75,490	2,934,236
Miscellaneous	932,207	42,931	-	-	975,138
Total revenues	<u>60,291,532</u>	<u>42,931</u>	<u>434,947</u>	<u>2,254,575</u>	<u>63,023,985</u>
Expenditures:					
Current:					
General government	7,175,924	-	-	-	7,175,924
Public safety	28,785,112	-	-	-	28,785,112
Public works	7,063,208	-	-	-	7,063,208
Engineering and community development	5,887,107	387,013	-	-	6,274,120
Culture and recreation	3,368,513	-	-	7,249	3,375,762
Debt service:					
Principal	-	-	-	1,816,768	1,816,768
Interest	-	-	-	1,848,471	1,848,471
Debt issuance cost	-	-	-	103,410	103,410
Capital outlay	106,231	-	3,419,777	-	3,526,008
Total expenditures	<u>52,386,095</u>	<u>387,013</u>	<u>3,419,777</u>	<u>3,775,898</u>	<u>59,968,783</u>
Excess (deficiency) of revenues over expenditures	7,905,437	(344,082)	(2,984,830)	(1,521,323)	3,055,202
Other Financing Sources (Uses):					
Issuance of refunding debt	-	-	-	6,564,600	6,564,600
Payment to refunded debt	-	-	-	(6,439,350)	(6,439,350)
Transfers in	100,000	309,034	929,900	1,814,784	3,153,718
Transfers out	(3,022,618)	-	-	(131,100)	(3,153,718)
Total other financing sources (uses)	<u>(2,922,618)</u>	<u>309,034</u>	<u>929,900</u>	<u>1,808,934</u>	<u>125,250</u>
Net change in fund balances	4,982,819	(35,048)	(2,054,930)	287,611	3,180,452
Fund balances, beginning	<u>18,855,558</u>	<u>254,445</u>	<u>33,916,927</u>	<u>487,519</u>	<u>53,514,449</u>
Fund balances, ending	<u>\$ 23,838,377</u>	<u>\$ 219,397</u>	<u>\$ 31,861,997</u>	<u>\$ 775,130</u>	<u>\$ 56,694,901</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

RECONCILIATION OF THE CHANGE IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2021

Amounts reported for governmental activities in the Statement of Activities (Page 25) are different because:

Net change in fund balances - total governmental funds (page 28)	\$ 3,180,452
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.	
Expenditures for capital outlays	3,526,008
Less current depreciation	(3,275,396)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Issuance of refunding debt	(6,564,600)
Payment to refunded debt	6,439,350
Principal payments of bonds/notes payable and capital leases	1,816,768
Amortization of deferred charges related to loans	282,804
Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds. These activities consist of:	
Compensated absences	65,608
Net increase in accrued interest payable	281,274
The net effect of pension and retirement contribution decrease resulting from GASB 68 & 71 implementation	3,005,089
The net effect of OPEB expense resulting from GASB 75 implementation	(18,971)
Some revenues reported in the statement of activities do not provide current financial resources and are not reported as revenues in the funds.	<u>3,004,223</u>
Change in net position of governmental activities (Page 25)	<u>\$ 11,742,609</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

**STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021**

	Business-type Activities - Enterprise Funds			Total
	Water and Sewer	Solid Waste	Stormwater	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 11,755,984	\$ 3,981,550	\$ 2,281,167	\$ 18,018,701
Accounts receivable, net	2,164,830	529,264	6,899	2,700,993
Inventories	366,784	-	-	366,784
Prepayments and other assets	63,628	30,045	67,614	161,287
Total Current Assets	14,351,226	4,540,859	2,355,680	21,247,765
Noncurrent assets:				
Restricted cash and cash equivalents	2,165,602	431,547	673,168	3,270,317
Advances to other funds	595,000	-	629,740	1,224,740
Capital assets, not being depreciated	8,946,228	-	403,940	9,350,168
Capital assets, being depreciated - net	57,788,413	2,001,101	53,804,433	113,593,947
Net pension asset	-	48,902	308,113	357,015
Total Noncurrent Assets	69,495,243	2,481,550	55,819,394	127,796,187
Total Assets	83,846,469	7,022,409	58,175,074	149,043,952
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pension	994,183	693,540	280,666	1,968,389
Deferred outflow related to other post-employment benefits	3,845	3,969	1,530	9,344
Deferred charges on refunding	92,146	-	70,506	162,652
Total Deferred Outflow of Resources	1,090,174	697,509	352,702	2,140,385
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	2,933,299	580,050	123,192	3,636,541
Customer deposits	1,070,023	431,547	-	1,501,570
Accrued interest payable	186,490	3,786	37,810	228,086
Compensated absences	13,440	15,596	4,605	33,641
Unearned revenues	7,839	-	-	7,839
Current portion of bonds/loans payable	1,190,357	411,599	517,587	2,119,543
Total Current Liabilities	5,401,448	1,442,578	683,194	7,527,220
Noncurrent liabilities:				
Bonds payable	30,515,571	-	8,027,465	38,543,036
Loans payable	775,000	1,031,791	-	1,806,791
Compensated absences	61,231	71,047	20,979	153,257
Net pension liability	565,922	-	-	565,922
Other post-employment benefits liability	110,008	110,018	43,920	263,946
Total Noncurrent Liabilities	32,027,732	1,212,856	8,092,364	41,332,952
Total Liabilities	37,429,180	2,655,434	8,775,558	48,860,172
DEFERRED INFLOW OF RESOURCES				
Deferred inflow related to pension	1,261,656	1,253,054	769,726	3,284,436
Deferred inflow related to OPEB	45,008	38,243	15,046	98,297
Total Deferred Inflow of Resources	1,306,664	1,291,297	784,772	3,382,733
NET POSITION				
Net investment in capital assets	34,164,812	557,711	46,406,995	81,129,518
Restricted for:				
Debt covenants	1,095,579	-	-	1,095,579
Unrestricted	10,940,408	3,215,476	2,560,451	16,716,335
Total Net Position	\$ 46,200,799	\$ 3,773,187	\$ 48,967,446	\$ 98,941,432

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Business-type Activities - Enterprise Funds</u>			
	<u>Water and Sewer</u>	<u>Solid Waste</u>	<u>Stormwater</u>	<u>Total</u>
Operating revenues:				
Charges for sales and services:				
Metered water sales (pledged)	\$ 11,304,655	\$ -	\$ -	\$ 11,304,655
Sewer fees (pledged)	9,376,306	-	-	9,376,306
Residential solid waste service	-	2,384,080	-	2,384,080
Commercial solid waste service	-	4,268,970	-	4,268,970
Other charges for services	10,621	584	-	11,205
Stormwater fees (pledged)	-	-	3,440,611	3,440,611
Other revenues	-	86,942	-	86,942
Total operating revenues	<u>20,691,582</u>	<u>6,740,576</u>	<u>3,440,611</u>	<u>30,872,769</u>
Operating expenses:				
Water system operation	5,356,455	-	-	5,356,455
Sewer collection and maintenance	8,301,811	-	-	8,301,811
Solid waste collection	-	4,160,078	-	4,160,078
Stormwater system operation	-	-	1,049,912	1,049,912
Administrative support	2,741,136	1,740,260	1,279,572	5,760,968
Depreciation/amortization	1,342,787	499,748	1,098,470	2,941,005
Total operating expenses	<u>17,742,189</u>	<u>6,400,086</u>	<u>3,427,954</u>	<u>27,570,229</u>
Operating income	2,949,393	340,490	12,657	3,302,540
Non-operating revenues (expenses)				
Investment earnings	16,639	6,088	5,166	27,893
Interest and fiscal charges	(1,118,947)	(42,419)	(357,427)	(1,518,793)
Grants and contributions	-	9,246	-	9,246
Total non-operating revenues (expenses)	<u>(1,102,308)</u>	<u>(27,085)</u>	<u>(352,261)</u>	<u>(1,481,654)</u>
Changes in net position	1,847,085	313,405	(339,604)	1,820,886
Net position, beginning	<u>44,353,714</u>	<u>3,459,782</u>	<u>49,307,050</u>	<u>97,120,546</u>
Net position, ending	<u>\$ 46,200,799</u>	<u>\$ 3,773,187</u>	<u>\$ 48,967,446</u>	<u>\$ 98,941,432</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Business-type Activities - Enterprise Funds			
	Water and Sewer	Solid Waste	Stormwater	Total
Cash flows from operating activities:				
Cash received from customers	\$ 20,734,940	\$ 6,666,856	\$ 3,461,450	\$ 30,863,246
Cash paid to suppliers	(13,272,781)	(2,681,959)	(283,801)	(16,238,541)
Cash paid to employees	(2,045,521)	(1,905,934)	(1,035,878)	(4,987,333)
Cash paid for interfund services used	(2,741,136)	(1,740,260)	(1,279,572)	(5,760,968)
Net cash provided by operating activities	<u>2,675,502</u>	<u>338,703</u>	<u>862,199</u>	<u>3,876,404</u>
Cash flows from noncapital financing activities:				
Grants available for operating purpose	-	9,246	-	9,246
Net cash provided by noncapital financing activities	<u>-</u>	<u>9,246</u>	<u>-</u>	<u>9,246</u>
Cash flows from capital and related financing activities:				
Acquisition/construction of capital assets	(995,236)	(101,418)	-	(1,096,654)
Principal paid on bonds and loans payable	(1,212,476)	(401,906)	(446,915)	(2,061,297)
Interest paid on capital debt	(1,076,251)	(43,439)	(396,337)	(1,516,027)
Net cash provided by (used in) capital and related financing activities	<u>(3,283,963)</u>	<u>(546,763)</u>	<u>(843,252)</u>	<u>(4,673,978)</u>
Cash flows from investing activities:				
Interest on investments	16,639	6,088	5,166	27,893
Net cash provided by investing activities	<u>16,639</u>	<u>6,088</u>	<u>5,166</u>	<u>27,893</u>
Net increase (decrease) in pooled cash and cash equivalents	(591,822)	(192,726)	24,113	(760,435)
Pooled cash and cash equivalents, beginning	14,513,408	4,605,823	2,930,222	22,049,453
Pooled cash and cash equivalents, ending	<u>\$ 13,921,586</u>	<u>\$ 4,413,097</u>	<u>\$ 2,954,335</u>	<u>\$ 21,289,018</u>
Displayed as:				
Unrestricted	\$ 11,755,984	\$ 3,981,550	\$ 2,281,167	\$ 18,018,701
Restricted	2,165,602	431,547	673,168	3,270,317
Total, September 30	<u>\$ 13,921,586</u>	<u>\$ 4,413,097</u>	<u>\$ 2,954,335</u>	<u>\$ 21,289,018</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 2,949,393	\$ 340,490	\$ 12,657	\$ 3,302,540
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation and amortization	1,342,787	499,748	1,098,470	2,941,005
Non-cash pension expense	(302,017)	(322,004)	(234,010)	(858,031)
Non-cash OPEB expense	2,058	2,089	730	4,877
Change in assets and liabilities:				
(Increase) decrease in accounts receivables	18,838	(106,133)	20,839	(66,456)
(Increase) decrease in inventories	12,160	-	-	12,160
(Increase) decrease in prepaid expenses	(14,656)	(5,503)	(5,356)	(25,515)
Increase (decrease) in accounts payable and other liabilities	(1,350,207)	(91,874)	(23,261)	(1,465,342)
Increase (decrease) in customers' deposits	24,520	32,413	-	56,933
Increase (decrease) in compensated absences	(7,374)	(10,523)	(7,870)	(25,767)
Net cash provided by operating activities	<u>\$ 2,675,502</u>	<u>\$ 338,703</u>	<u>\$ 862,198</u>	<u>\$ 3,876,403</u>
Supplemental Schedule of Noncash Operating, Investing, Capital and Financing Activities:				
Deferred outflows related to pension	\$ 994,183	\$ 693,540	\$ 280,666	\$ 1,968,389
Deferred outflows related to OPEB	3,845	3,969	1,530	9,344
Deferred inflows related to pension	1,261,656	1,253,054	769,726	3,284,436
Deferred inflows related to OPEB	45,008	38,243	15,046	98,297
Net pension liability (asset)	565,922	(48,902)	(308,113)	208,907
OPEB liability	110,008	110,018	43,920	263,946

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021**

	Pension Trust Funds
Assets	
Cash and short-term investments	\$ <u>3,850,584</u>
Receivables:	
Contributions	1,008,108
Accrued interest and dividends	<u>45,957</u>
Total receivables	<u>1,054,065</u>
Investments, at fair value:	
Money market funds	45,397,768
Corporate bonds and notes	1,947,932
U.S. Government and agency securities	7,053,998
Mutual funds	54,270,286
Real estate funds	<u>7,551,067</u>
Total investments	<u>116,221,051</u>
Prepaid benefit payments	<u>7,273</u>
 Total Assets	 <u>121,132,973</u>
Liabilities	
Accounts payable and accrued expenses	358,711
Payable for securities sold	<u>466,004</u>
Total Liabilities	<u>824,715</u>
 Net Position Restricted for Pension Benefits	 \$ <u>120,308,258</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Pension Trust Funds
Additions:	
Contributions:	
Plan members	\$ 103,971
City	3,454,813
State of Florida	664,049
Broward Sheriff's Office	133,353
Total contributions	<u>4,356,186</u>
Investment income:	
Investment earnings	10,861,676
Net appreciation in fair value of investments	<u>9,667,366</u>
Total investment income	20,529,042
Less: Investment expenses	<u>(383,072)</u>
Net investment income	20,145,970
Miscellaneous income	<u>8,205</u>
Total additions	<u>24,510,361</u>
Deductions:	
Pension benefits paid	9,837,589
Administrative expenses	<u>196,467</u>
Total deductions	<u>10,034,056</u>
Change in net position	14,476,305
Net position held in trust for pension benefits, beginning	<u>105,831,953</u>
Net position held in trust for pension benefits, ending	<u><u>\$ 120,308,258</u></u>

See notes to basic financial statements.



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NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

a. Reporting Entity

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

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

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

Blended Component Units

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a. Reporting Entity (continued)

Blended Component Units (continued)

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

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

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

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

Discretely Presented Component Units

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

b. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's utilities function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned and approximate the value of services provided.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

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

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

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

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

The City reports the following major governmental funds:

- The **general fund** is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenue is derived primarily from property taxes, utility taxes and other intergovernmental revenues.
- The **special revenue fund** accounts for revenue sources that are legally restricted or committed to expenditures for specific purposes other than debt service or capital projects. The Oakland Park Community Redevelopment Agency fund (CRA), one of the City's special revenue fund, is not funded by tax increment financing (TIF). It is mainly funded by transfers from the General Fund along with other financing sources such as loans and grants.

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

- **Capital Projects Fund** - is used to account for and report the financial resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities such as general and roadway improvement projects; and public parks and plazas.
- **Debt Service Fund** - is used to account for and report the financial resources that are restricted, committed, or assigned for the periodic payment of principal and interest, and expenditures on long-term debt of governmental funds.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The City reports the following major proprietary funds:

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

Additionally, the City reports **pension trust funds** which accounts for the activities of the City's General Employees Pension Plan and the City's Police and Firefighters Retirement System. These fiduciary funds are not included in the government-wide financial statement because the resources of those funds are not available to support the City's own programs.

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

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

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

Use of Resources

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

1. Deposits and Investments

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

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

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

2. Receivables and Payables

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

Operating revenues in the water and sewer fund are generally recognized on the basis of cycle billings rendered monthly. Revenues for services delivered during the last month of the fiscal year that have not been read by September 30 are accrued based on meter readings for the applicable consumption period and billed in October.

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

All trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivables in excess of 60 days comprise the trade accounts receivable allowance for uncollectibles.

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

3. Inventories and Prepaid Costs

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

4. Restricted Assets

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

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

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

5. Capital Assets

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

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

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

5. *Capital Assets (continued)*

Estimated Useful Life:

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

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

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

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

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

7. *Unearned Revenues*

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

8. *Long-Term Obligations*

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

8. Long-Term Obligations (continued)

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

9. Compensated Absences

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

In 2009, the Commission fixed the vacation payout rates as of September 30, 2009 for Federated union members; and as of September 30, 2008, for all other city employees except for firefighters.

10. Pollution Remediation Obligation

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

11. *Deferred Outflows/Inflows of Resources*

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

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

12. *Net Position and Fund Balance*

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

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

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

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

12. Net Position and Fund Balance (continued)

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

13. Minimum Fund Balance Policy

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Revenues and Expenditures/Expenses

1. Property Taxes

Property values are assessed as of January 1 of each year, at which time taxes become an enforceable lien on property. Tax bills are mailed for the City by Broward County on or about October 1 of each year and are payable with discounts of up to 4% offered for early payment. Taxes become delinquent on April 1 of the year following the year of assessment and State law provides for enforcement of collection of property taxes by seizure of the personal property or by the sale of interest-bearing tax certificates to satisfy unpaid property taxes.

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

State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The tax levy of the City is established by the City Commission and the Broward County Property Appraiser incorporates the City's millage into the total tax levy, which includes the County and the County School Board tax requirements. The millage rate assessed by the City for the year ended September 30, 2021 was 5.8910 mills (\$5.8910 per \$1,000 of taxable assessed valuation).

2. Capital Contributions

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

3. Operating versus Non-operating Income

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues of the City's Enterprise Funds are charges to customers for sales and services. Operating revenues for the Enterprise Funds include water and sewer, solid waste and storm water service fees.

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f. Use of Estimates

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

g. New Accounting Pronouncements Implemented

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

- **GASB Statement No. 84, *Fiduciary Activities***, is effective for reporting periods beginning after December 15, 2019. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and post-employment benefit arrangements that are fiduciary activities.
- **GASB Statement No. 91, *Conduit Debt Obligation***, is effective for reporting periods beginning after December 15, 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying 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 commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.
- **GASB Statement No. 93, *Replacement of Interbank Offered Rates***, is effective for reporting periods beginning after June 15, 2020. The objective of this statement is to address accounting and financial reporting implications that results from the replacement of an interbank offered rate (IBOR) – most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate.

Also, the City is early implementing:

GASB Statement No. 98, *The Annual Comprehensive Financial Report*, which is effective for reporting periods beginning after December 15, 2021.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

In addition to insurance provided by the Federal Depository Insurance Corporation, cash deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires every qualified public depository to deposit with the Treasurer eligible collateral. Statutes provide that if a loss to a public depository is not covered by deposit insurance and the proceeds from the sale of securities pledged by the defaulting depository, the difference will be provided by an assessment levied against other public depositories of the same type as the depository in default.

The carrying amounts of the City's cash deposits were \$4,036,647 as of September 30, 2021. Bank balance before reconciling items were \$4,204,371 at that date, the total of which is collateralized or insured with securities held by the State under the Florida Statutes Chapter 280, Florida Security for Public Deposits Act.

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

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

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

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

The following was the City's investments as of September 30, 2021:

	<u>Total</u>	<u>Weighted Average</u>	<u>S&P</u>
	<u>Value</u>	<u>Maturity (WAM)</u>	<u>Rating</u>
Florida Prime	\$ 89,790,926	49 days	AAAm

As of September 30, 2021, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit the City's daily access to 100% of its account value in Florida Prime.

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

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

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

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

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

Fiduciary Funds – Pension Funds

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

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

The GEPP’s investment policy does not set a parameter on the duration of its fixed income securities. However, as of the September 30, 2021, the weighted average maturity (WAM) of the fixed portfolio is presented below. Investments of the GEPP in common stocks, mutual funds, corporate bonds and government securities are valued at quoted market prices while investments in money market funds are valued at cost. As of September 30, 2021, the following fixed income investments were held for GEPP:

	Fair Value	Weighted Average Maturity
Broad Market High Quality Bonds	\$ 5,664,939	6.30 years
Core Plus Fixed Income Fund	<u>4,883,568</u>	8.21 years
Total fixed income investment	<u>\$ 10,548,507</u>	

Investment Risks

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

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

Concentration of Credit Risk: The GEPP’s investment policy places investment limitations and provides target allocations to its investment managers to limit credit risk due to concentration. As of September 30, 2021, other than mutual funds, the Plan does not currently hold any securities that exceed 5% of total assets of the portfolio.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

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

Fiduciary Funds – Pension Funds (continued)

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

Credit Risk: Credit risk exists when there is a possibility the issuer, or other counterparty to an investment, may be unable to fulfill its obligations. The credit risk of a debt instrument is measured by nationally recognized statistical rating organizations (NRSRO) such as Fitch Investor Services (Fitch), Moody’s, and S&P. The Plan limits its credit risk by limiting its investments in fixed income securities to U.S. Government and agency securities or corporate bonds which meet or exceed a credit rating of “BBB” or higher. As of September 30, 2021, the GEPP’s investments on Broad Market High Quality Bond rating is AA. GASB 40 requires disclosure of credit quality ratings for investments in debt securities as well as investments in external investment pools, money market funds, and other pooled investments of fixed-income securities.

Credit Risk for FMIvT Funds

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

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect an investments fair value. The Plan limits its interest rate risk by diversifying the fixed income portfolio. The GEPP’s investment policy does not set a parameter on the duration of its fixed income securities. As of September 30, 2021, the weighted average maturity (WAM) of the fixed income portfolio is as indicated in the previous page.

Foreign currency risk: This risk refers to the risk that fluctuations in currency exchange rate may affect transactions conducted in foreign currencies as well as the carrying value of foreign investments. The GEPP’s investment policy limits the foreign investments to no more than 24% of its investment balance. The Plan has invested in international equity funds. As of September 30, 2021, the Plan’s foreign investments were 23.6% of total investments or \$11,525,221; while in 2020, the foreign investments were 18.9% of total investments or \$7,974,196. Participating Employers’ investments in the FMIvT are not subject to foreign currency risk.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 2. DEPOSITS AND INVESTMENTS

Fiduciary Funds – Pension Funds (continued)

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

Investment Fair Value

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

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

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

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The table on the next page presents the fair value measurements of assets recognized in the accompanying statements of fiduciary net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at September 30, 2021:

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

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

<i>Investment Type By Fair Value Level</i>	Fair Value Measurements using			Total
	Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Fixed Income Portfolio:				
Broad market high quality bond fund	\$ -	\$ 5,664,939	\$ -	\$ 5,664,939
Core plus fixed income	-	-	4,883,568	4,883,568
Total fixed income portfolio	-	5,664,939	4,883,568	10,548,507
Equity Portfolio				
Diversified value portfolio	-	15,041,390	-	15,041,390
Diversified small cap portfolio	-	7,667,202	-	7,667,202
International equity portfolio	-	11,525,221	-	11,525,221
Core real estate fund	-	-	3,858,019	3,858,019
Total equity portfolio	-	34,233,813	3,858,019	38,091,832
Total investments by fair value level	\$ -	\$ 39,898,752	\$ 8,741,587	\$ 48,640,339

FMIvT Broad Market – High Quality Bond Fund

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

FMIvT Core Plus Fixed Income Fund

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

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

FMIvT High Quality Growth Portfolio

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

FMIvT Large Cap Diversified Portfolio

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

FMIvT Russell 1000 Enhanced Index Portfolio

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

FMIvT Diversified Small to Mid Cap Equity Portfolio

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

FMIvT International Equity Portfolio

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

FMIvT Core Real Estate Fund

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

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

The RSP&F’s investment policy is established and may be amended by the Board of Trustees as regards to the allocation of investment assets. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully-funded status for the benefit provided through the Plan. The Board is authorized to acquire and retain every kind of property, real and personal or mixed, and every kind of investment specifically including, but not limited to bonds and other corporate obligations, and stocks – preferred or common. The investment policy statement was last amended in October 2013. The following was the Board’s adopted asset allocation policy as of September 30, 2021:

	Target Allocation Range	
	Min	Max
Domestic equity	40%	50%
Foreign equity	10%	20%
Fixed income	20%	30%
Treasury inflation-protected securities	0%	10%
Global bond	0%	10%
Real estate	0%	15%
Cash and cash equivalents	Minimal	

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

Information about the sensitivity of the fair values of the RSP&F’s investment to market interest rate fluctuations is provided by the table on the next page that shows the distribution of the RSP&F’s investment by maturity as at September 30, 2021:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More Than 10</u>
Corporate Bonds	\$ 1,947,932	\$ -	\$ -	\$ 1,947,932	\$ -
U.S. Treasuries	4,321,857	489,978	1,329,463	2,102,975	399,441
Fixed Income Funds	5,629,948	48,761	1,939,565	2,038,078	1,603,544
U.S. Agencies	2,732,141	292	-	-	2,731,849
Total Fixed Income Securities	<u>\$ 14,631,878</u>	<u>\$ 539,031</u>	<u>\$ 3,269,028</u>	<u>\$ 6,088,985</u>	<u>\$ 4,734,834</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

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

Credit Risk: The RSP&F’s investment policy utilizes portfolio diversification in order to control this risk. The following table discloses credit ratings by investment type, at September 30, 2021, as applicable:

	<u>Fair Value</u>	<u>% of Portfolio</u>
Quality rating of credit securities		
Aaa*	\$ 7,047,478	48%
Aa	96,103	1%
A	184,902	1%
A1	652,470	4%
A2	941,991	6%
A3	353,471	2%
Bbb	587,131	4%
Bb	660,741	5%
B	491,321	3%
Unrated government securities	<u>3,616,270</u>	<u>25%</u>
Total Fixed Income Securities	<u>\$ 7,047,478</u>	<u>100%</u>

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

Concentration of Credit Risk: The investment guidelines provide for the appropriate diversification of the portfolio. Investments have been diversified to the extent practicable to control risk of loss resulting from over-concentration of a specific maturity, issuer, instrument, dealer or bank through which financial instruments are bought and sold.

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

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

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

Investment Valuation

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following recurring fair value measurements as of September 30, 2021:

<i>Investment Type By Fair Value Level</i>	<u>Fair Value Measurements using</u>			<u>Total</u>
	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	
Equity securities				
Domestic common stock	\$ 29,003,543		\$ -	\$ 29,003,543
International common stock	4,232,998		-	4,232,998
Equity mutual funds	<u>12,161,227</u>	<u>-</u>	<u>-</u>	<u>12,161,227</u>
Total equity securities	<u>45,397,768</u>	<u>-</u>	<u>-</u>	<u>45,397,768</u>
Debt Securities:				
Corporate bonds	-	1,947,932	-	1,947,932
U.S. treasury securities	3,922,416	399,441	-	4,321,857
U.S. agency securities	-	2,732,141	-	2,732,141
Fixed income mutual funds	<u>5,629,948</u>	<u>-</u>	<u>-</u>	<u>5,629,948</u>
Total debt securities	<u>9,552,364</u>	<u>5,079,514</u>	<u>-</u>	<u>14,631,878</u>
Total investments by fair value level	<u>\$ 54,950,132</u>	<u>\$ 5,079,514</u>	<u>\$ -</u>	60,029,646
<i>Investments measured at the net asset value (NAV) *</i>				
Real estate fund				<u>7,551,067</u>
Total investments measured at NAV				<u>7,551,067</u>
Money market funds (exempt)				<u>3,655,241</u>
Total investments				<u>\$ 71,235,954</u>

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

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

Investment Valuation (continued)

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

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

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

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

- Common stocks: Valued at the closing price reported on the New York Stock Exchange. Mutual funds: Valued at the daily closing price as reported by the Plan. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (“NAV”) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.
- Government securities: Valued using pricing models maximizing the use of observable inputs for similar securities.
- Corporate bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yield of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote, if available.
- Real estate funds: Valued at the net asset value of shares held by the Plan at year end. The Plan has investments in private market real estate investments for which no liquid public market exists.
- Money market funds: Valued at the floating net asset value of shares held by the Plan at year end.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

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

Investment Valuation (continued)

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

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

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if currently eligible)</u>	<u>Redemption Notice Period</u>
Real estate fund **	\$ 7,551,067	\$ -	Quarterly	One Quarter
Total investments measured at NAV	<u>\$ 7,551,067</u>	<u>\$ -</u>		

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

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

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

International equities are valued based upon quoted foreign market prices and translated into U.S. dollar at the exchange rate in effect at September 30, 2021. Securities which are not traded on a national security exchange are valued by the respective fund manager or other third parties based on yields currently available on comparable securities of issuers with similar credit ratings.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 3. RECEIVABLES AND PAYABLES

Accounts receivable balances as at September 30, 2021, were as follows:

	<u>Accounts</u>	<u>Taxes</u>	<u>Other Government</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net</u>
Government Activities					
General fund	\$ 15,250,770	\$ 1,737,230	\$ 287,537	\$ (13,397,417)	\$ 3,878,120
CRA	56,983	-	-	-	56,983
CIP	-	-	369,523	-	369,523
Total Government Activities	<u>\$ 15,307,753</u>	<u>\$ 1,737,230</u>	<u>\$ 287,537</u>	<u>\$ (13,397,417)</u>	<u>\$ 4,304,626</u>
Business-type Activities					
Water & sewer	\$ 3,155,829	\$ -	\$ -	\$ (990,998)	\$ 2,164,830
Solidwaste	1,064,699	-	945	(536,380)	529,264
Stormwater	251,113	-	-	(244,214)	6,899
Total Business-type Activities	<u>\$ 4,471,641</u>	<u>\$ -</u>	<u>\$ 945</u>	<u>\$ (1,771,593)</u>	<u>\$ 2,700,993</u>

Accounts payable and accrued liabilities balances at September 30, 2021, were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Other Governments</u>	<u>Total</u>
Government Activities				
General fund	\$ 2,338,518	\$ 817,346	\$ 28,580	\$ 3,184,444
Major special revenue fund	86,791	5,629	187	92,607
Capital projects fund	1,194,320	-	-	1,194,320
Total Government Activities	<u>\$ 3,619,629</u>	<u>\$ 822,975</u>	<u>\$ 28,767</u>	<u>\$ 4,471,371</u>
Business-type Activities				
Water & sewer	\$ 2,885,911	\$ 47,388	\$ -	\$ 2,933,299
Solidwaste	542,646	37,405	-	580,051
Stormwater	109,892	13,299	-	123,191
Total Business-type Activities	<u>\$ 3,538,449</u>	<u>\$ 98,092</u>	<u>\$ -</u>	<u>\$ 3,636,541</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 4. INTERFUND BALANCES AND TRANSFERS

The composition of interfund balances at September 30, 2021 consisted of the following:

Advances To/From Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
Water and Sewer fund	Capital Projects fund	\$ 595,000	Property purchase
Stormwater fund	Capital Projects fund	<u>629,739</u>	Property remediation
		<u>\$ 1,224,739</u>	

Interfund transfers for the year ended September 30, 2021, consisted of the following:

	<u>Transfers Out:</u>			<u>Purpose</u>
	<u>General Fund</u>	<u>Non-Major Funds</u>	<u>Total</u>	
Transfer In:				
General fund	\$ -	\$ 100,000	\$ 100,000	Reimbursement of capital expenditures
CRA fund	309,034	-	309,034	For program expenditures
Capital Projects fund	898,800	31,100	929,900	For capital expenditures
Non-Major funds	<u>1,814,784</u>	<u>-</u>	<u>1,814,784</u>	For debt service expenditures
Total	<u>\$ 3,022,618</u>	<u>\$ 131,100</u>	<u>\$ 3,153,718</u>	

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 5. RESTRICTED ASSETS

The City's restricted assets as of September 30, 2021, are as follows:

<u>Nature</u>	<u>Government Activities</u>			<u>Total</u>
	<u>General Fund</u>	<u>Capital Project Fund</u>	<u>Non-Major Governmental Funds</u>	
BSO* agreement for Police Officers paid time off	\$ 131,130	\$ -	\$ -	\$ 131,130
American Rescue Plan Act (ARPA) funds	11,319,984	-	-	11,319,984
General Obligation bond & other capital project funds	-	33,911,534	-	33,911,534
Park improvement funds	-	-	260,463	260,463
Tree preservation funds	-	-	11,696	11,696
Fire station facility funds	-	-	15,627	15,627
Public safety grant funds	-	-	106,022	106,022
Library grant funds	-	-	114,855	114,855
Parks and recreation grant funds	-	-	59,640	59,640
Total Government Activities	<u>\$ 11,451,114</u>	<u>\$ 33,911,534</u>	<u>\$ 568,303</u>	<u>\$ 45,930,951</u>

* Broward Sheriff Office

	<u>Business-type Activities</u>			<u>Total</u>
	<u>Water & Sewer Fund</u>	<u>Solidwaste Fund</u>	<u>Stormwater Fund</u>	
Customers deposits	\$ 1,070,023	\$ 431,547	\$ -	\$ 1,501,570
Renewal and replacement reserve	1,095,579	-	-	1,095,579
Unspent bond proceeds for capital projects	-	-	673,168	673,168
Total Business-type Activities	<u>\$ 2,165,602</u>	<u>\$ 431,547</u>	<u>\$ 673,168</u>	<u>\$ 3,270,317</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 6. CAPITAL ASSETS

The following is a summary of changes in capital assets for the fiscal year ended September 30, 2021, in the governmental activities:

	<u>Balance</u> <u>Oct. 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>Sept. 30, 2021</u>
Capital assets not being depreciated:				
Land and easements	\$ 17,775,434	\$ 596,843	\$ -	\$ 18,372,277
Construction in progress	<u>2,295,323</u>	<u>3,419,777</u>	<u>(1,116,381)</u>	<u>4,598,719</u>
Total assets not being depreciated	<u>20,070,757</u>	<u>4,016,620</u>	<u>(1,116,381)</u>	<u>22,970,996</u>
Intangible - software	250,989	-	-	250,989
Buildings	16,605,242	-	-	16,605,242
Improvements other than buildings	23,698,951	72,475	-	23,771,426
Machinery and equipment	14,445,616	57,573	(150,208)	14,352,981
Infrastructure	<u>60,073,502</u>	<u>485,818</u>	<u>-</u>	<u>60,559,320</u>
Total other capital assets at historical cost	<u>115,074,300</u>	<u>615,866</u>	<u>(150,208)</u>	<u>115,539,958</u>
Less accumulated depreciation for:				
Intangible - software	(225,121)	(7,303)	-	(232,424)
Buildings	(6,346,015)	(322,815)	-	(6,668,830)
Improvements other than buildings	(13,346,105)	(1,092,337)	-	(14,438,442)
Machinery and equipment	(11,045,051)	(803,955)	150,100	(11,698,906)
Infrastructure	<u>(15,672,040)</u>	<u>(1,048,986)</u>	<u>-</u>	<u>(16,721,026)</u>
Total accumulated depreciation and amortization	<u>(46,634,332)</u>	<u>(3,275,396)</u>	<u>150,100</u>	<u>(49,759,628)</u>
Other capital assets, net	<u>68,439,968</u>	<u>(2,659,530)</u>	<u>(108)</u>	<u>65,780,330</u>
Governmental activities capital assets, net	<u>\$ 88,510,725</u>	<u>\$ 1,357,090</u>	<u>\$ (1,116,489)</u>	<u>\$ 88,751,326</u>

Depreciation expense charged by governmental function are as follows:

General Government	\$ 159,813
Public Safety	557,159
Public Works	1,590,328
Engineering and Community Development	13,294
Parks and Leisure Services	<u>954,801</u>
Total depreciation expense - Governmental Activities	<u>\$ 3,275,396</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 6. CAPITAL ASSETS (continued)

The following is a summary of changes in capital assets for the fiscal year ended September 30, 2021, in the business-type activities:

	<u>Balance</u> <u>Oct. 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>Sept. 30, 2021</u>
Capital assets not being depreciated:				
Land and easements	\$ 435,982	\$ -	\$ -	\$ 435,982
Construction in progress	14,546,653	850,724	(6,483,191)	8,914,186
Total assets not being depreciated	<u>14,982,635</u>	<u>850,724</u>	<u>(6,483,191)</u>	<u>9,350,168</u>
Capital assets being depreciated:				
Intangible - software	15,446	-	-	15,446
Buildings	92,394	-	-	92,394
Improvements other than buildings	33,501	-	-	33,501
Machinery and equipment	8,827,242	430,758	(274,467)	8,983,533
Infrastructure	142,959,347	6,483,191	-	149,442,538
Total capital assets being depreciated	<u>151,927,930</u>	<u>6,913,949</u>	<u>(274,467)</u>	<u>158,567,412</u>
Less accumulated depreciation for:				
Intangible - software	(15,446)	-	-	(15,446)
Buildings	(92,394)	-	-	(92,394)
Improvements other than buildings	(9,664)	(2,274)	-	(11,938)
Machinery and equipment	(4,692,269)	(742,842)	89,639	(5,345,472)
Infrastructure	(37,312,326)	(2,195,889)	-	(39,508,215)
Total accumulated depreciation	<u>(42,122,099)</u>	<u>(2,941,005)</u>	<u>89,639</u>	<u>(44,973,465)</u>
Capital assets being depreciated, net	<u>109,805,831</u>	<u>3,972,944</u>	<u>(184,828)</u>	<u>113,593,947</u>
Business-type activities capital assets, net	<u>\$ 124,788,466</u>	<u>\$ 4,823,668</u>	<u>\$ (6,668,019)</u>	<u>\$ 122,944,115</u>

Depreciation expense in each enterprise fund are as follows:

Water and sewer	\$ 1,342,787
Solidwaste	499,748
Stormwater	1,098,470
Total depreciation expense - Business-type Activities	<u>\$ 2,941,005</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 7. CAPITAL LEASE OBLIGATIONS

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

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

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

The following is the schedule of the future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of September 30, 2021:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Year ending September 30:		
2022	\$ 180,633	\$ 223,363
2023	180,633	223,363
2024	180,242	112,449
2025	<u>64,015</u>	<u>-</u>
Total minimum lease payments	605,522	559,175
Less: amount representing interest	<u>(30,928)</u>	<u>(15,889)</u>
Present value of minimum lease payments	<u>\$ 574,594</u>	<u>\$ 543,286</u>

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Asset type:		
Machinery and Equipment	\$ 2,048,379	\$ 1,595,370
Less: Accumulated Depreciation	<u>(1,344,521)</u>	<u>(919,015)</u>
Net book value	<u>\$ 703,858</u>	<u>\$ 676,355</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT

Bank Loans

a. Capital One – Series 2007 Term Loan

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

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

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

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

Fiscal Year Ending September 30:	Principal	Interest	Total
2022	\$ 225,346	\$ 91,917	\$ 317,264
2023	235,419	79,407	314,827
2024	245,943	66,338	312,281
2025	256,936	52,685	309,621
2026	268,421	38,422	306,843
2027-2028	573,375	31,475	604,850
	<u>\$ 1,805,440</u>	<u>\$ 360,244</u>	<u>\$ 2,165,685</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT (continued)

Bank Loans (continued)

b. SunTrust–2014 Term Loan

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

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

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

Fiscal Year Ending September 30:	Principal	Interest	Total
2022	\$ 100,000	\$ 29,050	\$ 129,050
2023	100,000	25,730	125,730
2024	105,000	22,410	127,410
2025	110,000	18,924	128,924
2026	110,000	15,272	125,272
2027-2029	350,000	23,406	373,406
	<u>\$ 875,000</u>	<u>\$ 134,792</u>	<u>\$ 1,009,792</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT (continued)

Bank Loans (continued)

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

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

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

Fiscal Year Ending September 30:	Principal	Interest	Total
2022	\$ 110,000	\$ 4,318	\$ 114,318
2023	110,000	2,591	112,591
2024	110,000	864	110,864
	<u>\$ 330,000</u>	<u>\$ 7,772</u>	<u>\$ 337,772</u>

d. Florida Community Bank Loan 2018

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

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

Fiscal Year Ending September 30:	Principal	Interest	Total
2022	\$ 155,000	\$ 40,556	\$ 195,556
2023	155,000	35,674	190,674
2024	160,000	30,713	190,713
2025	165,000	25,594	190,594
2026	175,000	20,239	195,239
2027 - 2029	555,000	26,540	581,540
	<u>\$ 1,365,000</u>	<u>\$ 179,316</u>	<u>\$ 1,544,316</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT (continued)

Bank Loans (continued)

e. JP Morgan Chase Loan 2019

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

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

Fiscal Year Ending September 30:	Principal	Interest	Total
2022	\$ 197,458	\$ 24,387	\$ 221,845
2023	203,484	18,361	221,845
2024	209,694	12,151	221,845
2025	289,468	6,214	295,682
	<u>\$ 900,104</u>	<u>\$ 61,113</u>	<u>\$ 961,217</u>

f. Wells Fargo Capital Strategies – Series 2021

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

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT (continued)

Bank Loans (continued)

The following table shows the debt service requirements of the Series 2021 loan with Wells Fargo Capital Strategies as of September 30, 2021:

Fiscal Year Ending September 30:	Governmental Activities		Business-type Activities		Total Payments	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 542,013	\$ 82,532	\$ 228,987	\$ 34,868	\$ 771,000	\$ 117,400
2023	629,665	82,762	266,018	34,965	895,683	117,726
2024	641,146	73,549	270,868	31,073	912,014	104,621
2025	651,093	64,180	275,070	27,115	926,163	91,294
2026	659,483	54,679	278,615	23,100	938,098	77,779
2027-2031	3,441,200	126,097	1,453,822	53,273	4,895,022	179,370
	<u>\$ 6,564,600</u>	<u>\$ 483,799</u>	<u>\$ 2,773,380</u>	<u>\$ 204,394</u>	<u>\$ 9,337,980</u>	<u>\$ 688,190</u>

Intergovernmental Loan

g. Broward County Redevelopment Capital Program (BCRCP) Loans

On various dates from March 2011 to April 2017, the City and the Oakland Park Community Redevelopment Agency (OPCRA) entered into several loan agreements and promissory notes with Broward County and obtained the Redevelopment Capital Program (RCP) in several tranches. Under the program, the City obtained a total of \$4,852,729 in unsecured loans that were used to purchase different properties located in the City's downtown area for redevelopment purposes.

The loans were convertible to grants, in part or in full, after five years from when the loan tranches were obtained. Under the terms of the loan agreement, the loan value that would be converted to grant is based on the Ad Valorem revenues generated by the County from the redevelopment projects within the OPCRA.

In September 2018, RCP loans amounting to \$1,405,418 were converted to grants, as approved by the Board of County Commissioners, after the City fully satisfied the loan-to-grant conversion requirements. In April 2021, the Board of County Commissioners also approved the City's request to amend the loan agreements to extend by ten (10) years, the period within which Ad Valorem revenues from the redevelopment projects within the CRA, can be recognized as basis for additional loan conversions. During the year, the City fully satisfied all the loan-to-grant conversion requirements for the outstanding RCP loans and was able to convert the remaining \$3,004,223, in addition to the principal and interest payments of \$209,308. As of September 30, 2021, there were no outstanding BCRCP loans.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT (continued)

General Obligation Bonds, Series 2020

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

The Series 2020 Bonds have an outstanding balance of \$25,475,000 due in varying installments through 2040 which bear interest rates from 4.0% to 5.0% with interest payable semi-annually on February 1 and August 1 of each year, beginning in February 2021. The bonds maturing prior to February 1, 2031 are not subject to optional redemption prior to maturity while the bonds maturing on or after February 1, 2031 are subject to redemption prior to maturity, at the option of the City from any funds legally available for such purpose, on or after February 1, 2030, in whole or in part on any date, and if in part in any order of maturity selected by the City, and by lot within a maturity if less than an entire maturity is to be redeemed, at the redemption price of par plus accrued interest to the redemption date.

Following is the debt service requirements as of September 30, 2021:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 845,000	\$ 1,132,625	\$ 1,977,625
2023	890,000	1,089,250	1,979,250
2024	935,000	1,043,625	1,978,625
2025	980,000	995,750	1,975,750
2026	1,030,000	945,500	1,975,500
2027-2031	5,970,000	3,881,750	9,851,750
2032-2036	7,570,000	2,263,175	9,833,175
2037-2040	7,255,000	594,500	7,849,500
	<u>\$ 25,475,000</u>	<u>\$ 11,946,175</u>	<u>\$ 37,421,175</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

a. Water and Sewer Revenue Bonds, Series 2010

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

The Series 2010A Bonds are composed of serial and term bonds. The serial bonds are due in varying annual installments from the year 2011 through 2020 and the term bonds are due in 2025. Series 2010A Bond interest rates vary from 2.0% to 4.0% with interest payable semi-annually. Series 2010B Bonds are term bonds, due in varying installments from the year 2025 through 2040, with interest payable semi-annually at interest rates varying from 5.451% to 6.243%. Interest payments are due on March 1 and September 1 of each year, beginning in 2011. The Series 2010 Bonds are limited obligations of the City, payable solely from water and sewer revenues of the Utility system. Net revenues are defined as the excess of the system's gross revenues over the operating costs.

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

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

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

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

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

Annual principal and interest payments on the remaining Series 2010A bonds are expected to require less than 20% of net revenues. Payments for principal and interest made during the year for the remaining 2010A amounted to \$44,200. Customer net revenues for the year were \$7,033,316.

The debt service for the remaining 2010A Series as of September 30, 2021 is as follows:

	Principal	Interest	Total
Fiscal Year Ending			
2022	\$ 45,000	\$ 7,800	\$ 52,800
2023	50,000	6,000	56,000
2024	50,000	4,000	54,000
2025	50,000	2,000	52,000
	\$ 195,000	\$ 19,800	\$ 214,800

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

b. Water and Sewer Revenue Bonds, Series 2012

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

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

The covenants of the Series 2012 Bond Ordinance require certain accounts be maintained, as follows:

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

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

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

Annual principal and interest payments on the bonds are expected to require less than 15% of net revenues. Principal and interest paid for the current year were \$823,175. Customer net revenues for the year were \$7,033,316.

Following is the debt service requirements as of September 30, 2021:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 290,000	\$ 534,775	\$ 824,775
2023	310,000	526,075	836,075
2024	330,000	515,225	845,225
2025	345,000	505,325	850,325
2026	415,000	494,975	909,975
2027-2031	2,465,000	2,239,325	4,704,325
2032-2036	3,265,000	1,745,863	5,010,863
2037-2041	5,190,000	1,051,869	6,241,869
2042	1,885,000	73,044	1,958,044
	<u>\$ 14,495,000</u>	<u>\$ 7,686,475</u>	<u>\$ 22,181,475</u>

c. Water and Sewer Revenue Bonds, Series 2017

On October 19, 2017, the City issued \$6,511,296 Water and Sewer Revenue Bonds, Series 2017, a single issue. The proceeds of the bonds are used to pay a major portion of the cost to improve the City's water and wastewater system. The term of the bond is 15 years at an interest rate of 2.02% with interest payable semi-annually on April 1 and October 1 of each year and principal due October 1 of each year. The final principal payment is due on October 1, 2032. An average of \$508,945 in water and sewer revenues is not being available for other uses by the City each for the next fifteen (15) years. Total principal and interest paid during the year was \$504,981.

The following table shows the debt service requirements of the Water and Sewer Bond 2017 Series as of September 30, 2021:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 400,357	\$ 104,545	\$ 504,901
2023	408,444	96,376	504,820
2024	416,694	88,042	504,736
2025	425,112	79,540	504,652
2026	433,699	70,896	504,595
2027-2031	2,303,498	217,960	2,521,458
2032	987,856	20,055	1,007,911
	<u>\$ 5,375,660</u>	<u>\$ 677,414</u>	<u>\$ 6,053,073</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

Stormwater Assessment Bonds, Series 2011

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

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

The covenants of Series 2011 Bond Ordinance require that certain accounts be maintained as follows:

- The 2011 Reserve Sub-account is to be funded in an amount equal to the least of (i) 10% of the aggregate initial principal amount of the Series 2011 Bonds secured by the 2011 Reserve Subaccount, (ii) the maximum amount of principal of and interest on the Series 2011 Bonds becoming due in the current or any succeeding fiscal year and (iii) 125% of the average annual amount of principal and interest becoming due on the Series 2011 Bonds. In connection with the issuance of the Series 2011 Bonds, the City deposited a debt service reserve insurance policy issued by Assured Guaranty Municipal Corp. in the amount of \$340,350 in the 2011 Reserve Subaccount. The City is in compliance with this requirement.
- The City has covenanted in the Ordinance that it will, to the extent permitted by law, fix, establish and maintain and collect such assessments, and revise the same to the extent necessary, as will always provide in each fiscal year net revenues which are at least equal to 110% of the debt service requirement on the Bonds for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for the amounts owing thereto. The City is in compliance with this requirement.

Annual principal and interest payments on the bonds are expected to require less than 20% of net revenues. Principal and interest paid for the current year were \$339,575. Customer net revenues for the fiscal year were \$2,390,699.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

d. Stormwater Assessment Bonds, Series 2011 (continued)

Following is the debt service requirements as of September 30, 2021:

Fiscal Year Ending September 30:	Principal	Interest	Total
2022	\$ 150,000	\$ 190,225	\$ 340,225
2023	155,000	185,350	340,350
2024	160,000	180,313	340,313
2025	165,000	174,713	339,713
2026	170,000	168,938	338,938
2027-2031	955,000	732,700	1,687,700
2032-2036	1,180,000	426,350	1,606,350
2037-2041	1,480,000	291,975	1,771,975
	<u>\$ 4,415,000</u>	<u>\$ 2,350,563</u>	<u>\$ 6,765,563</u>

e. Storm water Assessment Bond, Series 2015

On August 7, 2015, the City issued \$2,145,530 of Series 2015 Stormwater Assessment Bond, a single issue. The proceeds of the bonds were used to (1) reimburse capital expenditures incurred for drainage improvement and (2) pay costs of issuance. The term of the bond is 15 years at an interest rate of 2.64% with interest payable semi-annually. Principal and interest paid for the current year were \$175,237.

The following table shows the debt service requirements of the BB&T Stormwater Assessment Bond as of September 30, 2021:

Fiscal Year Ending September 30:	Principal	Interest	Total
2022	\$ 138,600	\$ 36,632	\$ 175,232
2023	142,260	32,973	175,233
2024	146,020	29,218	175,238
2025	149,870	25,363	175,233
2026-2030	810,840	65,334	876,174
	<u>\$ 1,387,590</u>	<u>\$ 189,520</u>	<u>\$ 1,577,110</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

f. Water and Sewer Revenue Bonds, Series 2019

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

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

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

Annual principal and interest payments on the bonds are expected to require less than 15% of net revenues. Principal and interest payments for the current year were \$788,100. Customer net revenues for the current year were \$7,033,316.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

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

The following table shows the debt service requirements of the Water & Sewer Revenue Bonds, Series 2019, as of September 30, 2021:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 355,000	\$ 425,850	\$ 780,850
2023	370,000	408,100	778,100
2024	390,000	389,600	779,600
2025	410,000	370,100	780,100
2026	430,000	349,600	779,600
2027-2031	1,955,000	1,402,000	3,357,000
2032-2036	2,315,000	806,550	3,121,550
2037-2040	4,160,000	218,100	4,378,100
	<u>\$ 10,385,000</u>	<u>\$ 4,369,900</u>	<u>\$ 14,754,900</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT (continued)

Changes in Long-term Debt

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

	<u>Balance</u>			<u>Balance</u>	<u>Due Within</u>
	<u>Beginning</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u>	<u>One Year</u>
Governmental activities:					
Bonds and notes payable					
Capital lease 2014	\$ 318,406	\$ -	\$ (76,772)	\$ 241,634	\$ 78,756
Capital lease 2018	417,575	-	(84,615)	332,960	87,198
Note payable 2007 (Capital One)	2,021,145	-	(215,705)	1,805,440	225,346
Note payable 2016 (BB&T)	435,000	-	(105,000)	330,000	110,000
Note payable 2018 (FCB)	1,515,000	-	(150,000)	1,365,000	155,000
Refunding bonds 2010 (BB&T)	6,963,284	-	(6,963,284)	-	-
Refunding loan 2021 (Wells Fargo)	-	6,564,600	-	6,564,600	542,013
Gen. Obligation Bonds series 2020	26,000,000	-	(525,000)	25,475,000	845,000
CRA RCP loan (Broward County)	3,139,965	-	(3,139,965)	-	-
Total bonds and notes payable	40,810,375	6,564,600	(11,260,341)	36,114,634	2,043,313
Add: bond premium	5,673,712	-	(288,086)	5,385,626	-
Net bonds and notes payable	46,484,087	6,564,600	(11,548,427)	41,500,260	2,043,313
Other liabilities					
Compensated absences	1,373,653	1,319,533	(1,385,141)	1,308,045	342,975
Net pension liability	30,633,270	-	(22,094,337)	8,538,933	-
OPEB liability	1,040,139	-	(78,663)	961,476	-
Total other liabilities	33,047,062	1,319,533	(23,558,141)	10,808,454	342,975
Total	<u>\$ 79,531,149</u>	<u>\$ 7,884,133</u>	<u>\$ (35,106,568)</u>	<u>\$ 52,308,714</u>	<u>\$ 2,386,288</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. LONG-TERM DEBT (continued)

Changes in Long-term Debt (continued)

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

	<u>Balance</u>			<u>Balance</u>	<u>Due Within</u>
	<u>Beginning</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u>	<u>One Year</u>
Business-type activities:					
Bonds and notes payable					
Capital lease 2014 (US Bank)	\$ 213,130	\$ -	\$ (51,388)	\$ 161,742	\$ 52,504
Capital lease 2017 (US Bank)	540,412	-	(158,868)	381,544	161,637
Water & Sewer loan 2014 (SunTrust)	970,000	-	(95,000)	875,000	100,000
Water & Sewer refunding series 2010 A	230,000	-	(35,000)	195,000	45,000
Water & Sewer bonds series 2012	14,775,000	-	(280,000)	14,495,000	290,000
Water & Sewer bonds series 2017	5,768,090	-	(392,430)	5,375,660	400,357
Water & Sewer refunding bonds 2019	10,730,000	-	(345,000)	10,385,000	355,000
Solidwaste loan 2019 (Chase Bank)	1,091,753	-	(191,649)	900,104	197,458
Stormwater bonds series 2010	2,941,814	-	(2,941,814)	-	-
Stormwater bonds series 2011	4,560,000	-	(145,000)	4,415,000	150,000
Stormwater bonds series 2015	1,522,630	-	(135,040)	1,387,590	138,600
Stormwater refunding loan 2021 (Wells Fargo)	-	2,773,380	-	2,773,380	228,987
Total bonds and notes payable	<u>43,342,829</u>	<u>2,773,380</u>	<u>(4,771,189)</u>	<u>41,345,020</u>	<u>2,119,543</u>
Add: bond premium	1,187,838	-	(63,488)	1,124,350	-
Net bonds and notes payable	<u>44,530,667</u>	<u>2,773,380</u>	<u>(4,834,677)</u>	<u>42,469,370</u>	<u>2,119,543</u>
Other liabilities					
Compensated absences	212,665	218,182	(243,949)	186,898	33,642
Net pension liability	4,567,480	-	(4,358,573)	208,907	-
OPEB liability	284,167	-	(20,221)	263,946	-
Total other liabilities	<u>5,064,312</u>	<u>218,182</u>	<u>(4,622,743)</u>	<u>659,751</u>	<u>33,642</u>
Total	<u>\$ 49,594,979</u>	<u>\$ 2,991,562</u>	<u>\$ (9,457,420)</u>	<u>\$ 43,129,121</u>	<u>\$ 2,153,185</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS

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

Significant Accounting Policies

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

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

Defined Benefit Pension Plans

a. Florida Retirement System Pension Plan

General Information

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

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

General Information (continued)

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

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

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

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

Plan Description

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

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

Benefits Provided

Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular and Senior Management Service. Also, the final average compensation for all these members will be based on the eight (8) highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent (3%) per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent (3%) determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

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

Contributions

Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent (3%) of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2020 through June 30, 2021 and from July 1, 2021 through September 30, 2021, respectively, were as follows: Regular – 10.00% and 10.87%; Senior Management Service – 27.29% and 29.01%; and Special Risk – 24.45% and 25.89%. These employer contribution rates include 1.66% HIS Plan subsidy for the periods October 1, 2020 through June 30, 2021 and 1.66% from July 1, 2021 through September 30, 2021, respectively.

The City's contributions to the Pension Plan totaled \$1,670,681 for the fiscal year ended September 30, 2021 with covered payroll of \$16,485,084.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

Net Pension Liability

At September 30, 2021, the City reported a liability of \$3,312,735 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The City's proportionate share of the net pension liability was based on the City's 2020-21 fiscal year contributions relative to the contributions of all participating members. At September 30, 2021, the City's proportionate share was 0.043854856 percent, which was an increase of 0.001792594 percent from its proportionate share measured as of June 30, 2021.

The components of the City's proportionate share in the net pension liability as of September 30, 2021, were as follows:

	<u>Amount</u>
Total pension liability	\$ 91,935,586
Plan fiduciary net position	<u>(88,622,851)</u>
Total net pension liability	<u>\$ 3,312,735</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>96.40%</u>

The fiduciary net position used by the actuary to determine the collective net pension liability was determined on the same basis used by the plan. Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Actuarial Assumptions

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

Valuation date	July 1, 2021
Measurement date	June 30, 2021
Actuarial cost method	Individual entry age normal
Inflation	2.40 %
Salary increases	3.25%, average, including inflation
Investment rate of return	6.80%, net of pension plan investment expense, including inflation
Mortality rate	PUB 2010 base table varies by member category and sex, projected generationally with Scale MP-2018

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

Actuarial Assumptions (continued)

The long-term expected rate of return assumption of 6.80 percent consists of two building block components: 1) a real (in excess of inflation) return of 4.30 percent, consistent with the capital market outlook model developed during 2020 by the outside investment consultant to the Florida State Board of Administration; and 2) a long-term average annual inflation assumption of 2.40 percent as adopted in the June 2021 by the FRS Actuarial Assumption Conference. In the opinion of the FRS consulting actuary, Milliman, both components and the overall 6.80 percent return assumption were determined to be reasonable and appropriate per Actuarial Standards of Practice. The 6.80 percent reported investment return assumption differs from the 6.80 percent investment return assumption chosen by the 2020 FRS Actuarial Assumption Conference for funding policy purposes, as allowable under governmental accounting and reporting standards.

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

<u>Asset class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual Return</u>	<u>Standard Deviation</u>
Cash	1.0%	2.1%	2.1%	1.1%
Fixed income	20.0%	3.8%	3.7%	3.3%
Global equity	54.2%	8.2%	6.7%	17.8%
Real estate (property)	10.3%	7.1%	6.2%	13.8%
Private equity	10.8%	11.7%	8.5%	26.4%
Strategic investments	3.7%	5.7%	5.4%	8.4%
Assumed inflation - mean			2.4%	1.2%

Discount Rate

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

Changes in the Net Pension Liability

	Total pension liability	Fiduciary net position	Net pension liability
	(A)	(B)	(A)-(B)
Balances, beginning of the year	\$ 89,862,871	\$ 70,855,530	\$ 19,007,341
Changes for the year:			
Service cost	1,161,482	-	1,161,482
Interest on total pension liability	6,013,889	-	6,013,889
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	153,395	-	153,395
Effect of assumption changes or inputs	-	-	-
Benefit payments & refunds	(5,256,051)	(5,256,051)	-
Employer contributions	-	1,670,681	(1,670,681)
Member contributions	-	331,775	(331,775)
Net investment income	-	21,030,450	(21,030,450)
Administrative expenses	-	(9,534)	9,534
Net changes	<u>2,072,715</u>	<u>17,767,321</u>	<u>(15,694,606)</u>
Balances, end of the year	<u>\$ 91,935,586</u>	<u>\$ 88,622,851</u>	<u>\$ 3,312,735</u>

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

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 6.80%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.80%) or one percentage point higher (7.80%) than the current rate:

	1% Decrease	Current	1% Increase
	(5.80%)	Discount Rate	(7.80%)
	(5.80%)	(6.80%)	(7.80%)
City's proportionate share of the net pension liability (asset)	<u>\$ 14,814,777</u>	<u>\$ 3,312,735</u>	<u>\$ (6,301,681)</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

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

For the fiscal year ended September 30, 2021, the City recognized pension expense of \$1,106,537, as shown below. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Pension Expense	Deferred Outflows of Resources	Deferred Inflows of Resources
Service cost	\$ 1,161,482	\$ -	\$ -
Interest cost	6,013,889	-	-
Member contributions	(331,775)	-	-
Expected investment return, net	(4,709,054)	-	-
Administrative expenses	9,534	-	-
Recognition of deferred inflows/outflows of resources:			
Recognition of economic/demographic gains or losses	313,036	-	-
Recognition of assumption changes or inputs	1,174,195	-	-
Recognition of investment gains or losses	(3,632,377)	-	-
Net amortization of employer-specific amounts due to changes in employer proportion	1,107,607	3,675,125	-
Net difference between projected and actual earnings		-	11,557,303
Difference between expected and actual experience	-	567,808	-
Effect of changes in assumptions/ inputs	-	2,266,738	-
Contribution subsequent to measurement date	-	505,097	-
Total	<u>\$ 1,106,537</u>	<u>\$ 7,014,768</u>	<u>\$ 11,557,303</u>

The City's contributions to the Pension Plan made subsequent to the measurement date amounting to \$505,097 which is treated as deferred outflow of resources and will be recognized as a reduction of the net pension liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense in the following years:

<u>Year Ending September 30:</u>	<u>Amount</u>
2022	\$ (451,751)
2023	(770,547)
2024	(1,420,578)
2025	(2,492,402)
2026	87,646
Total	<u>\$ (5,047,632)</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

Payables to the Pension Plan

At the end of the fiscal year, the City reported a payable in the amount of \$286,570 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2021.

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

Plan Description

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

Benefits Provided

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

Contributions

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

The City's total contributions to the HIS Plan totaled \$200,518 for the fiscal year ended September 30, 2021 with covered payroll of \$12,078,291.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

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

Net Pension Liability

At September 30, 2021, the City reported a liability of \$4,184,509 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The City's proportionate share of the net pension liability was based on the City's 2020-21 fiscal year contributions relative to the contributions of all participating members. At September 30, 2021, the City's proportionate share was 0.0003411330 percent, which was an increase of 0.000037323297 percent from its proportionate share measured as of June 30, 2021.

The components of the City's proportionate share in the net pension liability as of September 30, 2021, were as follows:

	<u>Amount</u>
Total pension liability	\$ 4,338,912
Plan fiduciary net position	<u>(154,403)</u>
Net pension liability	<u>\$ 4,184,509</u>
 Plan fiduciary net position as a percentage of the total pension liability	 <u>3.56%</u>

Actuarial Assumptions

The total pension liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	July 1, 2021
Measurement date	June 30, 2021
Actuarial cost method	Individual entry age
Inflation	2.40 %
Salary increases	3.25%, average, including inflation
Mortality rates	Generational PUB-2010 with Projection Scale MP-2018

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

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

Discount Rate

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

Changes in the Net Pension Liability

	Total pension liability (A)	Fiduciary net position (B)	Net pension liability (A)-(B)
Balances, beginning of the year	\$ 4,294,216	\$ 129,037	\$ 4,165,179
Changes for the year:			
Service cost	95,742	-	95,742
Interest on total pension liability	95,089	-	95,089
Effect of assumption changes or inputs	29,330	-	29,330
Benefit payments & refunds	(175,465)	(175,465)	-
Employer contributions	-	200,518	(200,518)
Member contributions	-	19	(19)
Net investment income	-	360	(360)
Administrative expenses	-	(66)	66
Net changes	44,696	25,366	19,330
Balances, end of the year	\$ 4,338,912	\$ 154,403	\$ 4,184,509

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

Pension Plan Fiduciary Net Position

The fiduciary net position used by the actuary to determine the collective net pension liability of the HIS Program was determined on the same basis used by the plan. Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

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

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following shows the City's proportionate share of the net pension liability calculated using the discount rate of 2.16%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage lower (1.16%) or one percentage higher (3.16%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	<u>(1.21%)</u>	<u>(2.21%)</u>	<u>(3.21%)</u>
City's proportionate share of the net pension liability	<u>\$ 4,837,698</u>	<u>\$ 4,184,509</u>	<u>\$ 3,649,367</u>

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

For the fiscal year ended September 30, 2021, the City recognized pension expense of \$630,044. In addition, the City reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

<u>Description</u>	<u>Pension Expense</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Service cost	\$ 95,742	\$ -	\$ -
Interest cost on total pension liability	95,090	-	-
Member contributions	(19)	-	-
Expected investment return	(3,127)	-	-
Administrative expenses	66	-	-
Difference between expected and actual experience	-	140,024	1,753
Effect of assumptions changes	-	328,809	172,412
Net difference between projected and actual earnings		4,362	-
Recognition of deferred (inflows) outflows of resources:			
Recognition of economic/demographic (gains) or losses	28,896	-	-
Recognition of assumption changes	78,620	-	-
Recognition of investment (gains) or losses	1,730		
Net amortization of employer-specific amounts due to changes in employer proportion	333,045	1,268,232	-
Contribution subsequent to measurement date	-	56,884	-
Total	<u>\$ 630,043</u>	<u>\$ 1,798,311</u>	<u>\$ 174,165</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

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

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

The City's contributions to the HIS Plan made subsequent to the measurement date amounting to \$56,884 which is treated as deferred outflow of resources will be recognized as a reduction of the net pension liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense in the following years, as shown on the table below:

<u>Year Ending September 30:</u>	<u>Amount</u>
2022	\$ 399,425
2023	323,075
2024	315,054
2025	300,374
2026	184,198
Thereafter	<u>45,136</u>
Total	<u>\$ 1,567,262</u>

Payables to the Pension Plan

At the end of the fiscal year, the City reported a payable in the amount of \$4,837 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2021.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

c. General Employees' Pension Plan

General Information

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

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

Benefits provided

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

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

Contribution

The employer's annual required contributions to the Plan are determined as part of the most recent actuarial valuation. Members of the Plan do not contribute since the Plan is closed. The actual contributions from the City based on actuarial determination for the fiscal year amounted to \$1,107,594 with covered payroll of \$2,286,981.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

c. General Employees' Pension Plan (continued)

Net Pension Liability (Asset)

The components of the net pension liability of the City as at September 30, 2021, were as follows:

	<u>Amount</u>
Total pension liability	\$ 44,001,833
Plan fiduciary net position	<u>(48,835,681)</u>
Net pension liability (asset)	<u>\$ (4,833,848)</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>110.99%</u>

Actuarial assumptions

The City's net pension liability for the GEPP is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the plan is measured as of September 30, 2021 using an annual actuarial valuation of October 1, 2020. The actuarial valuation used the following actuarial assumptions:

Valuation date	October 1, 2020
Measurement date	September 30, 2021
Actuarial cost method	Entry age normal
Inflation	2.76% long term
Salary increases	5% per annum
Investment rate of return	7.50% compounded
Mortality Basis	Sex-distinct rates set in PUB-2010 Headcount-weighted below median employee mortality for general employees
Retirement age	Earlier of age 62 or 30 years of service

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

c. General Employees' Pension Plan (continued)

Actuarial assumptions (continued)

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

<u>Asset class</u>	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>
Core bonds	10%	1.60%
Core plus	10%	2.10%
U.S. large cap equity	30%	4.60%
U.S. small cap equity	16%	5.50%
Non-U.S. equity	24%	6.70%
Core real estate	<u>10%</u>	<u>5.00%</u>
Total or Weighted Arithmetic Average	<u>100%</u>	<u>4.25%</u>
Membership as of actuarial valuation date:		
Receiving Benefits	176	
Deferred Vested	38	
Active participants	<u>57</u>	
	<u>271</u>	

Discount rate

The discount rate used to measure the total pension liability was 7.50% for 2021. The projection of cash flows used to determine the discount rate assumed that contributions from the City will be made at statutorily required amount, actuarially determined. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of Plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

c. General Employees' Pension Plan (continued)

Changes in the Net Pension Liability (Asset)

	Total pension liability (A)	Fiduciary net position (B)	Net pension liability (asset) (A)-(B)
Balances, beginning of the year	\$ 45,292,747	\$ 42,191,516	\$ 3,101,231
Changes during the year:			
Expected interest growth	3,250,614	3,067,545	183,069
Unexpected investment income	-	6,205,996	(6,205,996)
Demographic experience	(235,092)	-	(235,092)
Employer contributions	-	1,107,595	(1,107,595)
Benefit payments & refunds	(3,659,708)	(3,659,708)	-
Administrative expense	-	(77,263)	77,263
Assumption changes	(646,728)	-	(646,728)
Balances, end of the year	<u>\$ 44,001,833</u>	<u>\$ 48,835,681</u>	<u>\$ (4,833,848)</u>

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

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

The following presents the net pension liability of the City calculated using the discount rate of 7.5% for 2021, as well as what the employer net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Total Pension Liability	\$ 47,994,665	\$ 44,001,833	\$ 40,585,598
Less: Fiduciary Net Position	<u>(48,835,681)</u>	<u>(48,835,681)</u>	<u>(48,835,681)</u>
Net Pension Liability (Asset)	<u>\$ (841,016)</u>	<u>\$ (4,833,848)</u>	<u>\$ (8,250,083)</u>

Payables to the Pension Plan

At September 30, 2021, the City had no reported payable for outstanding contributions to the Plan required for the fiscal year 2021.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Defined Benefit Pension Plans (continued)

c. General Employees' Pension Plan (continued)

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

For the fiscal year ended September 30, 2021, the City recognized pension expense of -\$1,550,174 as shown on the table below. The City also reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Pension Expense	Deferred Outflows of Resources	Deferred Inflows of Resources
Balances, beginning of the year	\$ -	\$ 2,270,536	\$ 834,421
Changes during the year:			
Service cost	-	-	-
Other recognized changes:			
Expected growth	183,069	-	-
Investment gain (loss)	(1,655,557)	-	6,205,996
Demographic gain (loss)	(50,684)	-	235,092
Effect of economic/demographic gain (loss)	-	-	-
Administrative expenses	77,263	-	-
Assumption changes	(104,265)	-	646,728
Net amortization	-	(784,235)	(2,594,741)
Net changes	<u>(1,550,174)</u>	<u>(784,235)</u>	<u>4,493,075</u>
Balances, end of the year	<u>\$ (1,550,174)</u>	<u>\$ 1,486,301</u>	<u>\$ 5,327,496</u>

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

<u>Year Ending September 30:</u>	<u>Amount to be recognized</u>
2022	\$ (844,851)
2023	(558,447)
2024	(1,196,697)
2025	<u>(1,241,200)</u>
Total	<u>\$ (3,841,195)</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

d. Retirement System for Police and Firefighters

General Information

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

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

Benefits provided

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

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters

Benefits provided (continued)

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

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

For firefighters who are hired on or after March 1, 2013 and firefighters who, on March 1, 2013, are not within 7 years of the normal retirement date, the amount of benefit payable at normal retirement shall be the members' accrued benefit as of March 1, 2013, and 2.25% of the member's average monthly earnings for each year of continuous service after March 1, 2013, subject to a maximum benefit of 70% of average monthly earnings. Provided in no event the benefit of any member employed prior to March 1, 2013 be less than the member's accrued benefit percentage as of March 1, 2013.

Deferred Retirement Option Plan (DROP)

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters

Contributions

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

The actual contributions from the City for the fiscal year ended September 30, 2021, amounted to \$2,480,571 and the amount of covered payroll was \$1,118,56. Members' contributions were \$103,971 while County and State contributions were \$- and \$664,049, respectively.

Pursuant to Chapters 175 and 185 of the Florida Statutes, premium taxes on certain property and casualty insurance contracts written on City properties is collected by the State and is remitted to the Plan. The amounts of \$224,010 and \$420,039 from property insurance and casualty premium were recognized as revenues and expenditures during the year.

Net Pension Liability

The components of the net pension liability of the City at September 30, 2021, were as follows:

	<u>Amount</u>
Total pension liability	\$ 77,557,022
Plan fiduciary net position	<u>(71,472,577)</u>
Net pension liability	<u>\$ 6,084,445</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>92.15%</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters

Actuarial assumptions

The City's net pension liability for the RSP&F plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the plan is measured as of September 30, 2021, using an annual actuarial valuation as of October 1, 2020 with the following assumptions:

Actuarial cost method	Entry age normal
Inflation	3.00%
Salary increases	5.00%
Investment rate of return	7.125% compounded
Mortality	Female: PUB-2010 Headcount Weighted Safety Healthy Retiree Female Table Male: PUB-2010 Headcount Weighted Safety Healthy Retiree Male Table

Estimates of long-term rate of return for each major asset class included in the Plan's target asset allocation as of the valuation date of October 1, 2020, are summarized in the following table:

<u>Asset class</u>	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>
Domestic equity	45%	8.80%
International equity	15%	9.30%
Domestic bonds	25%	3.50%
International bonds	5%	5.00%
Real estate	<u>10%</u>	6.45%
Total or weighted arithmetic average	<u>100%</u>	7.125%

Membership as of Actuarial Valuation Date

Receiving Benefits	127
Terminated Vested	23
Active members	10
Drop participants	<u>5</u>
Total	<u>165</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters

Discount rate

The discount rate used to measure the total pension liability was 7.125% for 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from the City will be made at statutorily required rates, actuarially determined. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the discount rate was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Total pension liability (A)	Fiduciary net position (B)	Net pension liability (A)-(B)
Balances, end of the year	\$ 73,800,084	\$ 63,640,438	\$ 10,159,646
Changes during the year:			
Service cost	145,986	-	145,986
Interest	5,363,578	-	5,363,578
Investment income	-	10,872,429	(10,872,429)
Difference between expected and actual experience	508,498	-	508,498
Employer contributions	-	3,144,620	(3,144,620)
Employee contributions	-	103,971	(103,971)
Benefit payments & refunds	(6,169,677)	(6,169,677)	-
Assumption changes	3,908,553	-	3,908,553
Administrative expense	-	(119,204)	119,204
Net changes	3,756,938	7,832,139	(4,075,201)
Balances, end of the year	\$ 77,557,022	\$ 71,472,577	\$ 6,084,445

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters

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

The following presents the net pension liability of the City calculated using the discount rate of 7.125% for 2021, as well as what the employer net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	<u>(6.125%)</u>	<u>(7.125%)</u>	<u>(8.125%)</u>
Net pension liability	<u>\$ 130,036,315</u>	<u>\$ 6,084,445</u>	<u>\$ 238,941</u>

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

For the fiscal year ended September 30, 2021, the City recognized pension expense of \$2,193,077 for the Retirement System of Police and Firefighters, as shown in the table below. The City also reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources.

Description	Pension Expense	Deferred Outflows of Resources	Deferred Inflows of Resources
Balances, beginning of the year	\$ -	\$ 4,155,173	\$ 3,453,585
Service cost	145,986	-	-
Changes during the year:			
Expected interest growth	5,363,578	-	-
Expected investment (gain)/loss	(4,426,071)	-	6,446,358
Demographic gain (loss)	-	508,498	-
Employee contributions	(103,971)	-	-
Administrative expenses	119,204	-	-
Assumption changes	-	3,908,553	-
Net amortization payments	-	(3,762,313)	(2,667,962)
Recognition of outflow (inflow) of resources	(1,416,807)	-	-
Recognition of outflow (inflow) of resources	2,511,158	-	-
Net changes	<u>2,047,091</u>	<u>654,738</u>	<u>3,778,396</u>
Balances, end of the year	<u>\$ 2,193,077</u>	<u>\$ 4,809,911</u>	<u>\$ 7,231,981</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters

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

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

<u>Year Ending</u> <u>September 30:</u>	<u>Amounts to be</u> <u>recognized</u>
2022	\$ 443,433
2023	268,357
2024	(1,844,590)
2025	<u>(1,289,270)</u>
Total	<u>\$ (2,422,070)</u>

Payables to the Pension Plan

As at September 30, 2021, the City's outstanding contributions payable to the Plan as required for the fiscal year 2021 was \$0.

e. Aggregate Amount for all Pension Plans

	<u>Net Pension</u> <u>Liabilities</u> <u>(Assets)</u>	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>	<u>(Negative)</u> <u>Pension</u> <u>Expenses</u>
Florida Retirement System	\$ 3,312,735	\$ 7,014,768	\$ 11,557,303	\$ 1,106,537
Florida Retirement System - HIS	4,184,509	1,798,311	174,165	630,043
General Employees Pension Plan	(4,833,848)	1,486,301	5,327,496	(1,550,174)
Police & Firefighters Pension Plan	<u>6,084,445</u>	<u>4,809,911</u>	<u>7,231,981</u>	<u>2,193,077</u>
Grand Total	<u>\$ 8,747,841</u>	<u>\$ 15,109,291</u>	<u>\$ 24,290,945</u>	<u>\$ 2,379,483</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Contribution Pension Plans

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

Plan Description

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

Funding Policy

The City contributed 10% to 27.8% per contract with each 401(a) Executive Plan participant. The senior management is required to contribute 3%. The City contribution to 401(a) General Employee Plan is determined annually by the City Commission which generally follows the contribution rates set by the FRS Retirement System. Contributions are directed to individual member accounts and the individual members allocate contributions and account balances among various approved investment choices. For FY20, the 401(a) General Employee Plan contribution rates for the City and the employees are 8.46% and 3%, respectively. Total contribution including employees’ share for FY21 were \$106,809 for the executive plan and \$360,407 for the general employee plan, respectively.

b. FRS Investment Plan

Plan Description

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

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

Funding Policy

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Contribution Pension Plans (continued)

b. FRS Investment Plan (continued)

Funding Policy (continued)

The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Senior Management, etc.), as the Pension Plan. Contributions are directed to individual member accounts who will allocate the contributions among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts based on a percentage of gross compensation by class, October 1, 2020 through June 30, 2021 and from July 1, 2021 through September 30, 2021, respectively, were as follows: Regular - 10.00% and 10.82%; Senior Management Service – 27.29% and 29.01%; and Special Risk – 24.45% and 25.89%; as established by Sec. 121.72, Fl Statutes. Total contributions including employees share for FY 2021 were \$344,558.

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

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Contribution Pension Plans (continued)

Contribution

For the fiscal year ended September 30, 2021, the City's and employees' contributions for all defined contribution plans were as follows:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contribution requirement	\$ 811,774	\$ 654,876	\$ 571,886
Contributions made by the City (100%)			
401 (a) Plan	\$ 353,348	\$ 308,666	\$ 320,842
FRS Investment Plan	277,399	200,584	115,762
Contributions made by employees (100%)			
401 (a) Plan	113,868	95,045	102,043
FRS Investment Plan	67,160	50,581	33,239
Total contributions made	<u>\$ 811,774</u>	<u>\$ 654,876</u>	<u>\$ 571,886</u>
Total covered payroll	<u>\$ 4,854,196</u>	<u>\$ 4,854,196</u>	<u>\$ 4,509,410</u>
% of contribution to total covered payroll	<u>16.72%</u>	<u>13.49%</u>	<u>12.68%</u>

Deferred Compensation Plan

An optional deferred compensation plan is offered to employees in addition to the defined benefit and defined contribution plans. The City adopted provisions of IRS Code 457(g) and GASB Statement No. 32, Accounting and Financial Reporting for IRS Code Section 457 Deferred Compensation Plans. All assets and income of the Plan are held in trust for the exclusive benefit of participants. The City makes no investment decisions and has no fiduciary responsibilities regarding the Plan, therefore, the assets and liabilities of the Plan are not included in the City's financial statements at September 30, 2021. The City currently contributes to the plan for executive management ranging from 3.0% to 6.0% of salaries. For fiscal year 2021, the amount contributed by the City was \$4,384. Members may make voluntary contributions to 457(b) up to the maximum annual contribution allowed by law.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB)

General Information

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

Plan Description

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

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

Benefits provided

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

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

Covered Individuals

At September 30, 2021, the following number of individuals were covered by the benefit terms:

Inactive employees entitled to but not receiving benefits	-
Inactive employees and beneficiaries receiving benefits	10
Active employees	<u>225</u>
Total	<u>235</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

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

Contributions

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

Total OPEB Liability

The components of the City's OPEB liability as of September 30, 2021 were as follows:

	<u>Amount</u>
Total OPEB liability	\$ 1,225,422
Plan fiduciary net position	-
Net OPEB liability	<u>\$ 1,225,422</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.00%</u>

Actuarial Assumptions and Other Inputs

The City's OPEB liability as of September 30, 2021 was determined using the following actuary assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	January 1, 2021
Measurement date	September 30, 2021
Discount rate	1.93%
Salary increases	3% per annum
Cost of living increases	Retiree contributions, health insurance premiums, and the implied subsidy have been assumed to increase in accordance with the healthcare cost trend rates.
Healthcare cost trend rates	Increases in healthcare costs are assumed to be 6.5% for FY2021 graded down by 0.5% per year to an ultimate rate of 5.0% for FY2024 and later years.
Retirees' share of benefit-related costs	Must contribute an amount equal to 100% of the applicable health insurance premium determined periodically by the insurance carrier; there are no minimum required employer contributions.

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

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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

Changes in OPEB Liability

	Total OPEB Liability	OPEB Net Position	Net OPEB Liability
Balances, beginning of the year	\$ 1,324,306	\$ -	\$ 1,324,306
Changes during the year			
Service cost	106,963	-	106,963
Expected interest growth	45,367	-	45,367
Demographic experience	(186,107)	-	(186,107)
Benefit payments & refunds	(79,899)	-	(79,899)
Assumption changes	<u>14,792</u>	<u>-</u>	<u>14,792</u>
Net changes	<u>(98,884)</u>	<u>-</u>	<u>(98,884)</u>
Balances, end of the year	<u>\$ 1,225,422</u>	<u>\$ -</u>	<u>\$ 1,225,422</u>

Sensitivity Analysis

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

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

	1% Decrease <u>(0.93%)</u>	Discount Rate <u>(1.93%)</u>	1% Increase <u>(2.93%)</u>
Net OPEB liability	<u>\$ 1,359,533</u>	<u>\$ 1,225,422</u>	<u>\$ 1,152,566</u>

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

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

	Trend Rate <u>(- 1%)</u>	Cost Trend Rate <u>(6.5% graded down to 5%)</u>	Trend Rate <u>(+ 1%)</u>
Net OPEB liability	<u>\$ 1,117,459</u>	<u>\$ 1,225,422</u>	<u>\$ 1,408,418</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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

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

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

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

For the fiscal year ended September 30, 2021, the City recognized OPEB expense of \$23,848. In addition, the City reported deferred outflows of resources related to OPEB from the following sources:

<u>Description</u>	<u>OPEB Expense</u>	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflows of Resources</u>
Balances, beginning of the year	\$ -	\$ 36,711	\$ 349,531
Changes during the year:			
Service cost	106,963	-	
Other recognized changes in OPEB liability	-	-	-
Expected interest growth	45,367	-	-
Demographic gain(loss)	(20,019)	-	186,107
Benefit payments and refunds	(79,899)	-	-
Amortization payments	-	(7,547)	(56,130)
Assumption changes	(28,564)	14,791	-
Net changes	<u>23,848</u>	<u>7,244</u>	<u>129,977</u>
Balances, end of the year	<u>\$ 23,848</u>	<u>\$ 43,955</u>	<u>\$ 479,508</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

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

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

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

<u>Year Ending September 30:</u>	<u>Amount to be Recognized</u>
2023	\$ (48,583)
2024	(48,583)
2025	(48,583)
2026	(48,583)
2027	(48,826)
2028-2030	<u>238,287</u>
Total	<u>\$ (4,871)</u>

There are no financial statements for the OPEB plan.

NOTE 11. POLLUTION REMEDIATION OBLIGATIONS

As of September 30, 2021, the City is involved in two (2) pollution remediation events as follows:

West Dixie Lots - The City owned property at 3869 N. Dixie Highway in Oakland Park (the northern lot of the commonly referred "Dixie Lots") has environmental issues requiring remediation based on site assessments conducted by environmental engineering consultants. Under GASB 49, outlays for pollution remediation to prepare a property for sale can be capitalized. On October 2018, the City entered into a Purchase and Sale and Development Agreement with an investor for the redevelopment of the West Dixie Lots. The terms of the Purchase and Sale Agreement provided for the remediation of the contamination. In August 2019, the City engaged the services of environmental engineers to perform contamination remedial actions. Work began during fiscal year 2020 for which outlays amounted to \$483,443. For the year ended September 30, 2021, the cost of the remediation outlays amounted to \$113,198. Pollution remediation liability for this site is not recorded as they are being capitalized as incurred.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 11. POLLUTION REMEDIATION OBLIGATIONS (continued)

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

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

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

Following the response received from the County at the beginning of the fiscal year, the City immediately contracted in April 2021 the services of environmental engineers who can perform contamination remedial activities. The cost of the remediation activities which are currently performed relative to the construction and development of this property for the new City Park recreation area and library is \$276,595. No pollution remediation liability for this site is recorded as they are being capitalized as incurred.

NOTE 12. COMMITMENTS AND CONTINGENCIES

a. Police Services

On October 1, 2005, the City entered into a five-year contract with the Broward Sheriff’s Office (BSO) for police services. The contract was last renewed in February 2020 for another five (5) years and will expire on September 30, 2025. The original contract called for the City to pay BSO approximately \$841,593 per month for the first year, plus actual fuel usage charged by the City. Annual future increases will be based on BSO’s budgeted costs but in no event will the increase be more than 5% over the budgeted costs for the preceding year. BSO is obligated to reimburse the City for any staffing shortages. The City recorded expenses of \$16,035,706, *net of vacancy credits*, under the contract for the fiscal year ended September 30, 2021.

At the date of the contract in August 2000, the City had eleven police officers that were eligible for retirement. The accrued compensated absence amount for these officers was approximately \$131,130 at September 30, 2021, which remains the responsibility of the City. This liability is recorded in the General Fund as accrued compensated absences with the funds maintained in a separate bank account. The compensated absences liability for the remaining officers was transferred to BSO.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 12. COMMITMENTS AND CONTINGENCIES (continued)

b. Wastewater Services Interlocal Agreement

On April 20, 1982 and November 2, 1988, the City entered into an agreement with Broward County, Florida and the City of Fort Lauderdale, respectively, for the transmission, treatment and disposal of wastewater. The charges for service provided by the County include operating, maintenance and debt service charges for the facilities and the County Improvement, Repair, and Replacement Fund Surcharge. The charges are adjusted annually based on actual costs incurred in the prior year. For the fiscal year ended September 30, 2021, the City recorded expenses of \$1,117,648 and \$5,359,604 under the Broward County and the Fort Lauderdale contracts, respectively. These agreements will continue in existence and cannot be cancelled on any condition except by mutual agreement between the City, Broward County and City of Fort Lauderdale.

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

c. Construction and Other Encumbrances

Purchase Orders are issued throughout any given fiscal year to encumber funds and are liquidated upon the payment of the related invoice(s) for the delivery of the good or services ordered. The significant construction and other encumbrances outstanding as of September 30, 2021, which rolled over to the next fiscal year were as follows:

<u>Fund</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
General fund	\$ 367,706	\$ -
Capital projects fund	7,938,760	-
CRA	56,872	-
Water and Sewer fund	-	1,247,458
Solid Waste fund	-	23,893
Stormwater fund	-	134,766
Total Commitments	<u>\$ 8,363,338</u>	<u>\$ 1,406,117</u>

d. Litigation

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 12. COMMITMENTS AND CONTINGENCIES (continued)

e. Federally Assisted Programs – Compliance Audits

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

NOTE 13. SUBSEQUENT EVENTS

Series 2011 Stormwater Assessment Bond Refunding

On November 5, 2021, the City signed a loan agreement with Sterling National Bank (SNB) in the amount of \$4,511,056 to refund the Series 2011 Stormwater Assessment Bonds. The refunded bonds were structured with variable interest rates ranging from 3.25% to 4.625% whereas the new loan with SNB has a flat interest rate of 2.19% for the 20-year life of the loan. The reduction in the interest rates would create debt service payment savings of approximately \$1.122 million over the remaining 20 years of the loan, which is the equivalent of over \$56,000 in savings a year for the next 20 years. The new loan will fully mature on August 1, 2041, the same date as the refunded 2011 bonds.

Vehicle Financing Loan

On November 23, 2021, the City signed a loan agreement with Sterling National Bank (SNB) in the amount of \$2,922,400 to finance the purchase of vehicles for the Fire Rescue Department and the replacement of fourteen (14) vehicles in various departments of the City. The loan bears interest of 1.31% per annum and is payable for seven (7) years to fully mature on July 1, 2028.

General Obligation Bond Issuance

On February 8, 2022, the City issued the second and final tranche of the voter-approved General Obligation (G.O.) bonds. With this issuance, the City have drawn down all forty million (\$40) dollars authorized by voters in 2018.

The bond will fund the modernization of the City's three fire-rescue stations, the municipal library and community centers and City park. The full buildout is anticipated to be completed within a decade and will be structured in order to ensure minimal disruption to City operations while also maximizing opportunities for securing other potential funding and revenue generating sources to support city development.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 14. RISK MANAGEMENT

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

NOTE 15. NEW ACCOUNTING STANDARDS NOT YET IMPLEMENTED

The effective dates of the following GASB pronouncements, which were issued prior to May 2020, are based on the revised dates on GASB Statement 95. The City of Oakland Park will implement new GASB pronouncements no later than the required effective date. Since the City has not elected early implementation, it has not determined the financial statement impact to the financial statements, if any, of these new pronouncements:

- GASB Statement No. 87, *Leases*, which is effective for reporting periods beginning after June 15, 2021;
- GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which is effective for reporting periods beginning after December 15, 2020;
- GASB Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*, which is effective for reporting periods beginning after December 15, 2020;
- GASB Statement No. 92, *Omnibus 2020*, which is effective for reporting periods beginning after June 15, 2021;
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which is effective for reporting periods beginning after June 15, 2022;
- GASB Statement No. 96, *Subscription-based Information Technology Arrangements*, which is effective for reporting periods beginning after June 15, 2022; and
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, which is effective for reporting periods beginning after June 15, 2021, except for the requirement in (1) paragraph 4 of this Statement as it applies to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans and (2) paragraph 5 of this Statement are effective immediately.



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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF OAKLAND PARK, FLORIDA

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenues:				
Taxes:				
Property	\$ 21,218,215	\$ 21,218,215	\$ 21,308,558	\$ 90,343
Franchise fees	2,423,603	2,423,603	2,655,853	232,250
Utility taxes	4,414,458	4,414,458	4,943,903	529,445
Communications service taxes	1,165,070	1,165,070	1,387,448	222,378
Other taxes	1,241,872	1,564,309	1,774,254	209,945
Licenses and permits <i>(includes restricted use building permit revenues)</i>	2,400,929	2,846,641	5,975,355	3,128,714
Intergovernmental	3,394,965	3,394,965	5,067,035	1,672,070
Charges for services	13,391,963	13,535,598	13,421,835	(113,763)
Fines and forfeitures	453,000	453,000	311,367	(141,633)
Investment earnings	20,000	20,000	39,964	19,964
Grants	197,221	2,104,792	2,473,753	368,961
Other	526,439	526,439	932,207	405,768
Total revenues	<u>50,847,735</u>	<u>53,667,090</u>	<u>60,291,532</u>	<u>6,624,442</u>
Expenditures:				
General government:				
City commission	262,323	269,823	252,395	17,428
City manager	874,075	1,105,526	1,032,733	72,793
City clerk	702,912	639,665	610,905	28,760
Human resources	1,307,618	1,508,176	1,513,371	(5,195)
Legal	510,000	490,000	407,646	82,354
Financial services	1,323,767	1,408,289	1,376,080	32,209
Information technology service	1,180,786	1,375,427	1,108,822	266,605
Non-departmental	423,394	921,698	873,972	47,726
Total general government	<u>6,584,875</u>	<u>7,718,604</u>	<u>7,175,924</u>	<u>542,680</u>
Public safety:				
Police	16,955,956	16,901,909	16,901,908	-
Fire rescue	11,778,487	12,015,372	11,883,204	132,168
Total public safety	<u>28,734,443</u>	<u>28,917,281</u>	<u>28,785,112</u>	<u>132,168</u>
Public works:				
Administration	128,206	139,206	131,389	7,817
Parks maintenance	2,048,336	2,080,558	1,995,232	85,326
Street maintenance	2,165,960	2,323,281	1,969,102	354,179
Building and maintenance	1,630,344	1,565,788	1,348,910	216,878
Fleet	1,596,487	1,788,487	1,717,492	70,995
Total public works	<u>7,569,333</u>	<u>7,897,320</u>	<u>7,162,125</u>	<u>735,195</u>
Community and economic development (CED):				
Planning and zoning	992,190	1,147,791	939,574	208,217
Community enhancement	1,360,878	1,226,470	1,103,843	122,627
Total CED	<u>2,353,068</u>	<u>2,374,261</u>	<u>2,043,417</u>	<u>330,844</u>
Engineering and building services (EBS):				
Engineering and construction management	1,047,428	1,632,549	1,342,592	289,957
Building and permitting	2,195,051	2,724,166	2,501,098	223,068
Total EBS	<u>3,242,479</u>	<u>4,356,715</u>	<u>3,843,690</u>	<u>513,025</u>
Culture/recreation:				
Library	856,812	834,587	755,944	78,643
Parks and recreation	2,820,681	2,881,681	2,619,883	261,798
Total culture/recreation	<u>3,677,493</u>	<u>3,716,268</u>	<u>3,375,827</u>	<u>340,441</u>
Total expenditures	<u>52,161,691</u>	<u>54,980,449</u>	<u>52,386,095</u>	<u>2,594,353</u>
Excess of revenues over expenditures	(1,313,956)	(1,313,359)	7,905,437	9,218,795
Other financing sources (uses):				
Other sources	3,555,090	4,235,977	-	(4,235,977)
Transfers in	100,000	100,000	100,000	-
Transfers (out)	(2,341,134)	(3,022,618)	(3,022,618)	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>4,982,819</u>	<u>\$ 4,982,818</u>
Fund balance, beginning			<u>18,855,558</u>	
Fund balance, end			<u>\$ 23,838,377</u>	

See notes to budgetary comparison schedule.

CITY OF OAKLAND PARK, FLORIDA

**BUDGETARY COMPARISON SCHEDULE
OAKLAND PARK COMMUNITY REDEVELOPMENT AGENCY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other revenues	\$ 42,228	\$ 42,228	\$ 42,861	\$ 633
Miscellaneous income	<u>-</u>	<u>-</u>	<u>70</u>	<u>70</u>
Total revenues	<u>42,228</u>	<u>42,228</u>	<u>42,931</u>	<u>703</u>
Expenditures:				
Current:				
Community redevelopment	<u>351,262</u>	<u>590,125</u>	<u>387,013</u>	<u>203,112</u>
Total expenditures	<u>351,262</u>	<u>590,125</u>	<u>387,013</u>	<u>203,112</u>
Deficiency of revenues over expenditures	(309,034)	(547,897)	(344,082)	203,815
Other financing sources (uses):				
Other sources	-	238,863	-	(238,863)
Transfers in (out)	<u>309,034</u>	<u>309,034</u>	<u>309,034</u>	<u>-</u>
Total other financing sources	<u>309,034</u>	<u>547,897</u>	<u>309,034</u>	<u>(238,863)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(35,048)	<u>\$ (35,048)</u>
Fund balance, beginning			<u>254,445</u>	
Fund balance, end			<u>\$ 219,397</u>	

See notes to budgetary comparison schedule.

CITY OF OAKLAND PARK, FLORIDA

**BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 49,954	\$ 49,954
Grants and contributions	<u>5,226,256</u>	<u>6,120,905</u>	<u>384,993</u>	<u>(5,735,912)</u>
Total revenues	<u>5,226,256</u>	<u>6,120,905</u>	<u>434,947</u>	<u>(5,685,958)</u>
Expenditures:				
Capital outlay	<u>10,158,132</u>	<u>17,091,706</u>	<u>3,419,777</u>	<u>13,671,929</u>
Total expenditures	<u>10,158,132</u>	<u>17,091,706</u>	<u>3,419,777</u>	<u>13,671,929</u>
Deficiency of revenues over expenditures	(4,931,876)	(10,970,801)	(2,984,830)	7,985,971
Other financing sources (uses):				
Other sources	4,714,560	10,040,901	-	(10,040,901)
Transfers in (out)	<u>217,316</u>	<u>929,900</u>	<u>929,900</u>	<u>-</u>
Total other financing sources	<u>4,931,876</u>	<u>10,970,801</u>	<u>929,900</u>	<u>(10,040,901)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(2,054,930)	<u>\$ (2,054,930)</u>
Fund balance, beginning			<u>33,916,927</u>	
Fund balance, end			<u>\$ 31,861,997</u>	

See notes to budgetary comparison schedule.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO BUDGETARY COMPARISON SCHEDULE FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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

Budgetary Information

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

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

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

For the fiscal year ended September 30, 2021, General Fund supplemental appropriations amounted to about \$3.5 million while CRA had a budget increase of about \$238 thousand. Individual type amendments were not material in relation to the original appropriations.

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

Budget/GAAP Reconciliation

There are no reconciling items between GAAP and Budget.

Excess of Expenditure over Appropriations

Expenditures of the Human Resources (HR) Department which is within the General Fund exceeded the final budget for the fiscal year at the departmental level, which is the legally-controlled level of appropriations, by the amount shown below:

	<u>Final Budget</u>	<u>Actual</u>	<u>Amount in Excess of Final Budget</u>
Human Resources(HR) Department	\$1,508,176	\$1,513,371	(\$5,195)

The City's insurance premium for various insurance coverages ended up costing slightly more than the budget due to adjustments made by the provider after the final budget has been approved by the Commission.

CITY OF OAKLAND PARK, FLORIDA

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

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

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

CITY OF OAKLAND PARK, FLORIDA

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

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

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

CITY OF OAKLAND PARK, FLORIDA

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

	2021	2020	2019
Total Pension Liability (TPL):			
Beginning balance	\$ 89,862,871	\$ 83,288,467	\$ 70,087,522
Changes during the year			
Service cost	1,161,482	1,113,580	924,306
Interest on total pension liability	6,013,889	5,661,130	4,833,841
Effect of plan changes	-	-	4,178
Effect of economic/demographic gains or losses	153,395	188,711	90,663
Effect of assumption changes or inputs	-	731,101	580,881
Benefit payments and refunds	<u>(5,256,051)</u>	<u>(4,793,317)</u>	<u>(3,981,235)</u>
Net change in total pension liability	<u>2,072,715</u>	<u>2,901,205</u>	<u>2,452,634</u>
Ending balance (a)	<u>91,935,586</u>	<u>86,189,672</u>	<u>72,540,156</u>
Plan Fiduciary Net Position:			
Beginning balance	70,855,530	68,803,205	59,053,123
Changes during the year			
Benefit payments and refunds	(5,256,051)	(4,793,317)	(3,981,235)
Employer contributions	1,670,681	1,397,543	1,135,923
Member contributions	331,775	314,817	275,787
Net investment income	21,030,450	2,246,086	3,447,436
Administrative expenses	<u>(9,534)</u>	<u>(9,067)</u>	<u>(7,173)</u>
Net change in fiduciary net position	<u>17,767,321</u>	<u>(843,938)</u>	<u>870,738</u>
Ending balance (b)	<u>88,622,851</u>	<u>67,959,267</u>	<u>59,923,861</u>
Employer Net Pension Liability, ending (a)-(b)	<u>\$ 3,312,735</u>	<u>\$ 18,230,405</u>	<u>\$ 12,616,295</u>
Covered payroll	<u>\$ 16,485,084</u>	<u>\$ 15,520,218</u>	<u>\$ 13,031,210</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>96.40%</u>	<u>78.85%</u>	<u>82.61%</u>
Net pension liability as a percentage of covered payroll	<u>20.10%</u>	<u>117.46%</u>	<u>96.82%</u>

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

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

CITY OF OAKLAND PARK, FLORIDA

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

	2021	2020	2019
Total Pension Liability (TPL):			
Beginning balance	\$ 4,294,216	\$ 3,491,091	\$ 2,974,776
Changes during the year			
Service cost	95,742	80,668	63,837
Interest on total pension liability	95,089	122,347	115,002
Effect of economic/demographic gains or losses	-	137,487	-
Effect of assumption changes or inputs	29,330	146,385	141,933
Benefit payments and refunds	<u>(175,465)</u>	<u>(153,591)</u>	<u>(135,280)</u>
Net change in total pension liability	<u>44,696</u>	<u>333,296</u>	<u>185,492</u>
Ending balance (a)	<u>4,338,912</u>	<u>3,824,387</u>	<u>3,160,268</u>
Plan Fiduciary Net Position:			
Beginning balance	129,037	91,764	63,932
Changes during the year			
Benefit payments and refunds	(175,465)	(153,591)	(135,280)
Employer contributions	200,518	175,071	152,716
Member contributions	19	112	54
Net investment income	360	1,615	1,700
Administrative expenses	<u>(66)</u>	<u>(52)</u>	<u>(54)</u>
Net change in fiduciary net position	<u>25,366</u>	<u>23,155</u>	<u>19,136</u>
Ending balance (b)	<u>154,403</u>	<u>114,919</u>	<u>83,068</u>
Employer Net Pension Liability, ending (a)-(b)	<u>\$ 4,184,509</u>	<u>\$ 3,709,468</u>	<u>\$ 3,077,200</u>
Covered payroll	<u>\$ 12,078,291</u>	<u>\$ 10,546,873</u>	<u>\$ 9,200,147</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>3.56%</u>	<u>3.00%</u>	<u>2.63%</u>
Net pension liability as a percentage of covered payroll	<u>34.64%</u>	<u>35.17%</u>	<u>33.45%</u>

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

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

CITY OF OAKLAND PARK, FLORIDA

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

	2021	2020	2019
Total Pension Liability (TPL):			
Beginning balance	\$ 45,292,747	\$ 45,547,838	\$ 47,292,370
Changes during the year			
Expected interest growth	3,250,614	3,271,551	3,412,120
Demographic changes	(235,092)	173,456	(1,691,558)
Changes in assumptions	(646,728)	-	-
Benefit payments	<u>(3,659,708)</u>	<u>(3,700,098)</u>	<u>(3,465,094)</u>
Net change in total pension liability	<u>(1,290,914)</u>	<u>(255,091)</u>	<u>(1,744,532)</u>
Ending balance (a)	<u>44,001,833</u>	<u>45,292,747</u>	<u>45,547,838</u>
Plan Fiduciary Net Position:			
Beginning balance	42,191,516	41,531,792	41,181,250
Changes during the year			
Employer contributions	1,107,595	1,612,366	1,789,505
Expected interest growth	3,067,545	3,035,010	3,023,540
Unexpected investment income	6,205,996	(206,087)	(906,290)
Benefit payments	(3,659,708)	(3,700,098)	(3,465,094)
Administrative expenses	<u>(77,263)</u>	<u>(81,467)</u>	<u>(91,119)</u>
Net change in fiduciary net position	<u>6,644,165</u>	<u>659,724</u>	<u>350,542</u>
Ending balance (b)	<u>48,835,681</u>	<u>42,191,516</u>	<u>41,531,792</u>
Net Pension Liability (Asset), ending (a)-(b)	<u>\$ (4,833,848)</u>	<u>\$ 3,101,231</u>	<u>\$ 4,016,046</u>
Covered payroll	<u>\$ 2,286,981</u>	<u>\$ 2,552,847</u>	<u>\$ 2,877,185</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>110.99%</u>	<u>93.15%</u>	<u>91.18%</u>
Net pension liability as a percentage of covered payroll	<u>N/A</u>	<u>121.48%</u>	<u>139.58%</u>

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

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

CITY OF OAKLAND PARK, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN EMPLOYER NET PENSION LIABILITY
POLICE AND FIREFIGHTERS RETIREMENT SYSTEM
LAST EIGHT FISCAL YEARS
(Unaudited)**

	2021	2020	2019
Total Pension Liability (TPL):			
Beginning balance	\$ 73,800,084	\$ 73,647,947	\$ 74,945,653
Changes during the year			
Service cost	145,986	118,175	111,884
Expected interest growth	5,363,578	5,512,965	5,949,655
Differences between expected and actual experience	508,498	209,512	(1,097,380)
Changes in assumptions	3,908,553	931,133	-
Benefit payments	<u>(6,169,677)</u>	<u>(6,619,648)</u>	<u>(6,261,865)</u>
Net change in total pension liability	<u>3,756,938</u>	<u>152,137</u>	<u>(1,297,706)</u>
Ending balance (a)	<u>77,557,022</u>	<u>73,800,084</u>	<u>73,647,947</u>
Plan Fiduciary Net Position:			
Beginning balance	63,640,438	61,357,225	62,823,563
Changes during the year			
Employer contributions	3,144,620	2,486,752	2,912,789
Employee contributions	103,971	102,966	119,816
Investment income	10,872,429	4,564,967	5,136,667
Unexpected investment income	-	1,862,123	(3,257,464)
Benefit payments	(6,169,677)	(6,619,648)	(6,261,865)
Administrative expenses	<u>(119,204)</u>	<u>(113,947)</u>	<u>(116,281)</u>
Net change in fiduciary net position	<u>7,832,139</u>	<u>2,283,213</u>	<u>(1,466,338)</u>
Ending balance (b)	<u>71,472,577</u>	<u>63,640,438</u>	<u>61,357,225</u>
Employer Net Pension Liability, ending (a)-(b)	<u>\$ 6,084,445</u>	<u>\$ 10,159,646</u>	<u>\$ 12,290,722</u>
Covered payroll	<u>\$ 1,118,456</u>	<u>\$ 1,273,939</u>	<u>\$ 1,218,521</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>92.15%</u>	<u>86.23%</u>	<u>83.31%</u>
Net pension liability as a percentage of covered payroll	<u>544.00%</u>	<u>797.50%</u>	<u>1008.66%</u>

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

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

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CITY OF OAKLAND PARK, FLORIDA

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

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

Note:

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

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM - HEALTH INSURANCE SUBSIDY PROGRAM
LAST EIGHT FISCAL YEARS
(Unaudited)

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

Note:

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

CITY OF OAKLAND PARK, FLORIDA

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

<u>Year Ended</u>	<u>Employer Contributions</u>	<u>Actuarially Determined Contributions</u>	<u>Contribution Excess (Deficiency)</u>	<u>City's Covered Payroll</u>	<u>Percent of Payroll Covered</u>
2021	\$ 1,107,595	\$ 1,107,595	\$ -	\$ 2,286,981	48.43%
2020	1,612,366	1,612,366	-	2,552,847	63.16%
2019	1,789,505	1,846,600	(57,095)	2,877,185	64.18%
2018	1,962,213	1,835,540	126,673	3,333,110	55.07%
2017	1,709,600	1,709,600	-	3,616,327	47.27%
2016	1,868,141	1,868,141	-	4,067,102	45.93%
2015	2,326,446	2,230,002	96,444	4,547,339	49.04%
2014	2,423,532	2,519,977	(96,445)	4,757,815	52.97%
2013	2,295,850	2,295,850	-	5,152,927	44.55%
2012	1,871,345	1,871,345	-	5,386,307	34.74%

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

Measurement date : September 30, 2021

Actuarial valuation date : October 1, 2020

Actuarial assumptions:

Actuarial cost method : Entry age normal level percentage of pay

Discount rate : 7.50% per annum (2.89% per annum is attributable to long-term inflation). This rate was used to discount all future benefit payments

Projected salary increases : 5% per annum

Cost-of-living adjustments : None assumed

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

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

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

CITY OF OAKLAND PARK, FLORIDA

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

<u>Year Ended</u>	<u>Employer Contributions</u>	<u>Actuarially Determined Contributions</u>	<u>Contribution Deficiency</u>	<u>City's Covered Payroll</u>	<u>Percent of Payroll Covered</u>
2021	\$ 3,068,561	\$ 3,068,561	\$ -	\$ 1,273,939	240.87%
2020	2,158,556	2,158,556	-	1,218,521	177.15%
2019	2,481,476	2,481,476	-	4,317,687	57.47%
2018	2,368,831	2,368,831	-	3,880,334	61.05%
2017	2,154,993	2,154,993	-	4,233,012	50.91%
2016	1,893,776	1,893,776	-	4,143,754	45.70%
2015	2,169,212	2,169,212	-	4,568,578	47.48%
2014	2,399,739	2,399,739	-	4,560,724	52.62%
2013	2,733,956	2,733,956	-	5,086,610	53.75%
2012	2,992,829	2,992,829	-	5,323,729	56.22%

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

Measurement date : September 30, 2021

Actuarial valuation date : October 1, 2020

Actuarial assumptions:

Actuarial cost method : Entry age normal level percentage of pay

Discount rate : 7.125% per annum (2.50% per annum is attributable to long-term inflation). This rate was used to discount all future benefit payments

Projected salary increases : 5% per annum

Cost-of-living adjustments : None assumed

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

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

CITY OF OAKLAND PARK, FLORIDA

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

	Florida Retirement System	General Employees Pension Plan	Police & Fire Retirement System
Annual money-weighted rate of return, net of investment expense for fiscal year ended:			
2021	30.41%	22.69%	17.60%
2020	3.35%	6.99%	7.70%
2019	5.98%	7.62%	3.30%
2018	9.28%	8.91%	9.10%
2017	13.59%	14.97%	11.90%
2016	57.00%	8.76%	8.10%
2015	3.77%	0.48%	2.10%
2014	17.57%	9.72%	10.90%

Note: 10-year historical information on annual money-weighted rate of return is not available since this is only the 4th year of GASB 67 implementation.

CITY OF OAKLAND PARK, FLORIDA

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

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

Note: This schedule is intended to have ten (10) years of data. Data is not available for years prior to FY 2018.



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**COMBINING AND INDIVIDUAL FUND
STATEMENTS**

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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

DEBT SERVICE FUND

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

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

CITY OF OAKLAND PARK, FLORIDA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	Special Revenue		Debt Service <u>Fund</u>	Total Nonmajor Governmental <u>Funds</u>
	<u>Grant Fund</u>	<u>Impact Fee Fund</u>		
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 278,057	\$ 278,057
Cash and cash equivalents, temporarily restricted	280,517	287,786	-	568,303
Total Assets	\$ 280,517	\$ 287,786	\$ 278,057	\$ 846,360
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Unearned revenue	\$ 71,230	\$ -	\$ -	\$ 71,230
Total Liabilities	71,230	-	-	71,230
 Fund Balances:				
Restricted for:				
Public safety	101,477	-	-	101,477
Library	48,170	-	-	48,170
Park development	-	260,463	-	260,463
Parks and recreation	59,640	-	-	59,640
Tree preservation	-	11,696	-	11,696
Fire station facility	-	15,627	-	15,627
Assigned to:				
Debt service	-	-	278,057	278,057
Total Fund Balances	209,287	287,786	278,057	775,130
Total Liabilities and Fund Balances	\$ 280,517	\$ 287,786	\$ 278,057	\$ 846,360

CITY OF OAKLAND PARK, FLORIDA

COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Special Revenue</u>		<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Grant Fund</u>	<u>Impact Fee Fund</u>		
Revenues:				
Ad Valorem - debt service	\$ -	\$ -	\$ 1,873,293	\$ 1,873,293
Grants	75,490	-	-	75,490
Interest income (loss)	367	216	-	583
Licenses and permits	-	274,651	-	274,651
Fines and forfeitures	30,558	-	-	30,558
Total revenues	<u>106,415</u>	<u>274,867</u>	<u>1,873,293</u>	<u>2,254,575</u>
Expenditures:				
Current:				
Culture and recreation	7,249	-	-	7,249
Debt service:				
Principal	-	-	1,816,768	1,816,768
Interest	-	-	1,848,471	1,848,471
Debt issuance cost	-	-	103,410	103,410
Total expenditures	<u>7,249</u>	<u>-</u>	<u>3,768,649</u>	<u>3,775,898</u>
Excess (deficiency) of revenues over expenditures	99,166	274,867	(1,895,356)	(1,521,323)
Other financing sources (uses):				
Issuance of refunding debt	-	-	6,564,600	6,564,600
Payment to refunded debt	-	-	(6,439,350)	(6,439,350)
Transfers in	-	-	1,814,784	1,814,784
Transfers out	(100,000)	(31,100)	-	(131,100)
Total other financing sources	<u>(100,000)</u>	<u>(31,100)</u>	<u>1,940,034</u>	<u>1,808,934</u>
Net change in fund balance	(834)	243,767	44,678	287,611
Fund balance, beginning	<u>210,121</u>	<u>44,019</u>	<u>233,379</u>	<u>487,519</u>
Fund balance, ending	<u>\$ 209,287</u>	<u>\$ 287,786</u>	<u>\$ 278,057</u>	<u>\$ 775,130</u>

CITY OF OAKLAND PARK, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GRANT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues:				
Grants	\$ 33,500	\$ 33,500	\$ 75,490	\$ 41,990
Investment earnings (loss)	-	-	367	367
Fines and forfeitures	-	-	30,558	30,558
Total revenues	33,500	33,500	106,415	72,915
Expenditures:				
Current:				
Culture and recreation	36,000	39,000	7,249	31,751
Total expenditures	36,000	39,000	7,249	31,751
Deficiency of revenues over expenditures	(2,500)	(5,500)	99,166	104,666
Other financing sources (uses):				
Other sources	102,500	105,500	-	(105,500)
Transfers out	(100,000)	(100,000)	(100,000)	-
Total other financing sources	2,500	5,500	(100,000)	(105,500)
Net change in fund balance	\$ -	\$ -	(834)	\$ (834)
Fund balance, beginning			210,122	
Fund balance, end			\$ 209,287	

CITY OF OAKLAND PARK, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - IMPACT FEE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Grants	\$ -	\$ -	\$ -	\$ -
Investment earnings (loss)	-	-	216	216
Licenses and permits	-	31,100	274,651	243,551
Total revenues	-	31,100	274,867	243,767
Expenditures:				
Current:				
Culture and recreation	-	-	-	-
Total expenditures	-	-	-	-
Deficiency of revenues over expenditures	-	31,100	274,867	243,767
Other financing sources (uses):				
Transfers out	-	(31,100)	(31,100)	-
Total other financing sources	-	(31,100)	(31,100)	-
Net change in fund balance	\$ -	\$ -	243,767	\$ 243,767
Fund balance, beginning			44,019	
Fund balance, end			\$ 287,786	

CITY OF OAKLAND PARK, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Ad Valorem - debt service	\$ 1,855,764	\$ 1,855,764	\$ 1,873,293	\$ 17,529
Total revenues	<u>1,855,764</u>	<u>1,855,764</u>	<u>1,873,293</u>	<u>17,529</u>
Expenditures:				
Debt service:				
Principal	1,856,204	1,816,768	1,816,768	-
Interest	1,814,344	1,875,620	1,848,471	27,149
Debt issuance cost	-	103,410	103,410	-
Total expenditures	<u>3,670,548</u>	<u>3,795,798</u>	<u>3,768,649</u>	<u>27,149</u>
Deficiency of revenues over expenditures	(1,814,784)	(1,940,034)	(1,895,356)	44,678
Other financing sources (uses):				
Issuance of refunding debt	-	125,250	6,564,600	6,439,350
Payment of refunded debt	-	-	(6,439,350)	(6,439,350)
Transfers in	<u>1,814,784</u>	<u>1,814,784</u>	<u>1,814,784</u>	<u>-</u>
Total other financing sources	<u>1,814,784</u>	<u>1,940,034</u>	<u>1,940,034</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	44,678	<u>\$ 44,678</u>
Fund balance, beginning			<u>233,379</u>	
Fund balance, end			<u>\$ 278,057</u>	

FIDUCIARY FUND TYPES

PENSION TRUST FUNDS

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

CITY OF OAKLAND PARK, FLORIDA

COMBINING STATEMENT OF FIDUCIARY NET POSITION PENSION TRUST FUNDS SEPTEMBER 30, 2021

	<u>General Employees Pension Fund</u>	<u>Police and Firefighters Pension Fund</u>	<u>Total</u>
Assets			
Cash and short-term investments	\$ 195,343	\$ 3,655,241	\$ 3,850,584
Receivables:			
Contributions and others	-	1,008,108	1,008,108
Accrued interest and dividends	-	45,957	45,957
Total receivables	-	1,054,065	1,054,065
Investments, at fair value:			
Money market funds	-	45,397,768	45,397,768
Corporate bonds and notes	-	1,947,932	1,947,932
U.S. Government and agency securities	-	7,053,998	7,053,998
Fixed income funds	48,640,338	5,629,948	54,270,286
Real estate fund	-	7,551,067	7,551,067
Total investments	48,640,338	67,580,713	116,221,051
Prepayments	-	7,273	7,273
Total assets	48,835,681	72,297,292	121,132,973
Liabilities			
Accounts payable and accrued expenses	-	358,711	358,711
Payable for securities purchased	-	466,004	466,004
Total liabilities	-	824,715	824,715
Net Position Restricted for Pensions	\$ 48,835,681	\$ 71,472,577	\$ 120,308,258

CITY OF OAKLAND PARK, FLORIDA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>General Employees Pension Fund</u>	<u>Police and Firefighters Pension Fund</u>	<u>Total</u>
Additions			
Contributions:			
Plan members	\$ -	\$ 103,971	\$ 103,971
City	974,242	2,480,571	3,454,813
State of Florida	-	664,049	664,049
Broward Sheriff's Office	133,353	-	133,353
Total contributions	1,107,595	3,248,591	4,356,186
Investment income:			
Investment earnings	9,273,541	1,588,135	10,861,676
Net appreciation in fair value of investments	-	9,667,366	9,667,366
Total	9,273,541	11,255,501	20,529,042
Less: Investment expenses	-	(383,072)	(383,072)
Net investment income	9,273,541	10,872,429	20,145,970
Miscellaneous income	8,205	-	8,205
Total additions	10,389,341	14,121,020	24,510,361
Deductions:			
Pension benefits paid	3,667,912	6,169,677	9,837,589
Administrative expenses	77,263	119,204	196,467
Total deductions	3,745,175	6,288,881	10,034,056
Change in net position	6,644,166	7,832,139	14,476,305
Net position held in trust for pension benefits, beginning	42,191,515	63,640,438	105,831,953
Net position held in trust for pension benefits, ending	\$ 48,835,681	\$ 71,472,577	\$ 120,308,258

STATISTICAL SECTION

CITY OF OAKLAND PARK, FLORIDA

STATISTICAL SECTION

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

Contents	Page No.
Financial Trends – These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Net Position by Component	146 - 147
Changes in Net Position	148 - 151
Fund Balances, Governmental Funds	152 - 153
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Revenue Capacity – These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	
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Direct and Overlapping Property Tax Rates	157
Principal Property Taxpayers	158
Property Tax Levies and Collections	159
Debt Capacity - These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
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Direct and Overlapping Governmental Activities Debt	163
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Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
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CITY OF OAKLAND PARK, FLORIDA
STATISTICAL SECTION

Contents	Page No.
Operating Information – these schedules contain service and infrastructure data to help the reader the information understand how in the City’s financial report relates to the services the City provides and the activities it performs.	
Operating Indicators by Function/Program	170 - 171
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Sources:

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

CITY OF OAKLAND PARK, FLORIDA

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

	2012	2013	2014	2015
Governmental activities				
Net investment in capital assets	\$ 65,134,366	\$ 66,684,747	\$ 67,984,473	\$ 67,127,854
Restricted for:				
Special revenue	987,573	684,139	2,487,168	713,729
Capital projects	2,279,506	-	-	224,139
Grant match	-	-	-	-
Unrestricted	12,004,977	13,993,521	13,170,502	4,308,851
Total governmental activities net position	<u>\$ 80,406,422</u>	<u>\$ 81,362,407</u>	<u>\$ 83,642,143</u>	<u>\$ 72,374,573</u>
Business-type activities				
Net investment in capital assets	\$ 65,033,304	\$ 62,752,703	\$ 65,115,434	\$ 70,090,827
Restricted for:				
Capital projects	-	-	-	-
Grant match	-	-	-	-
Debt service & debt covenants	-	-	-	1,065,461
Unrestricted	11,020,934	17,709,020	16,987,819	15,551,504
Total business-type activities net position	<u>\$ 76,054,238</u>	<u>\$ 80,461,723</u>	<u>\$ 82,103,253</u>	<u>\$ 86,707,792</u>
Primary Government				
Net investment in capital assets	\$ 130,167,670	\$ 129,180,247	\$ 133,099,907	\$ 137,218,681
Restricted for:				
Special revenue	987,573	684,139	2,487,168	713,729
Capital projects	2,279,506	-	-	224,139
Debt service & debt covenants	-	-	-	1,065,461
Grant match	-	-	-	-
Unrestricted	23,025,911	31,702,541	30,158,321	19,860,355
Total primary government net position	<u>\$ 156,460,660</u>	<u>\$ 161,566,927</u>	<u>\$ 165,745,396</u>	<u>\$ 159,082,365</u>

Source: City of Oakland Park Financial Services Department

Fiscal Years					
2016	2017	2018	2019	2020	2021
\$ 68,813,605	\$ 69,559,837	\$ 70,518,249	\$ 72,489,283	\$ 72,332,872	\$ 75,028,076
481,583	368,948	477,673	577,956	574,832	890,881
-	-	-	-	-	-
-	-	565,985	878,366	482,396	373,017
3,874,904	3,989,503	3,168,756	404,191	(339,115)	8,501,620
<u>\$ 73,170,092</u>	<u>\$ 73,918,288</u>	<u>\$ 74,730,663</u>	<u>\$ 74,349,796</u>	<u>\$ 73,050,985</u>	<u>\$ 84,793,594</u>
\$ 77,348,537	\$ 77,642,349	\$ 75,002,190	\$ 80,460,347	\$ 79,554,947	\$ 81,129,518
-	-	-	400,000	-	-
-	-	-	-	400,000	-
1,023,200	1,034,314	1,054,148	1,081,054	1,093,876	1,095,579
12,059,270	15,717,833	20,494,333	15,304,838	16,071,725	16,716,335
<u>\$ 90,431,007</u>	<u>\$ 94,394,496</u>	<u>\$ 96,550,671</u>	<u>\$ 97,246,239</u>	<u>\$ 97,120,548</u>	<u>\$ 98,941,432</u>
\$ 146,162,143	\$ 147,202,186	\$ 145,520,439	\$ 152,949,630	\$ 151,887,819	\$ 156,157,594
481,583	368,948	477,673	577,956	574,832	890,881
-	-	-	-	-	-
1,023,200	1,034,314	1,054,148	1,081,054	1,093,876	1,095,579
-	-	565,985	878,366	882,396	373,017
15,934,174	19,707,336	23,663,089	15,709,029	15,732,610	25,217,955
<u>\$ 163,601,100</u>	<u>\$ 168,312,784</u>	<u>\$ 171,281,334</u>	<u>\$ 171,196,035</u>	<u>\$ 170,171,533</u>	<u>\$ 183,735,026</u>

CITY OF OAKLAND PARK, FLORIDA

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

	2012	2013	2014	2015
Expenses				
Governmental activities:				
General government	\$ 997,799	\$ 337,068	\$ 469,137	\$ 296,421
Public safety	21,819,794	21,923,435	23,437,947	23,147,659
Public works	5,139,923	4,651,117	5,034,095	4,130,236
Eng. & Community development	3,641,854	3,600,636	3,188,050	3,117,032
Culture and recreation	5,854,059	5,372,980	5,892,221	6,178,785
Interest on long term debt	554,176	532,350	555,710	511,576
Total governmental activities expenses	<u>38,007,605</u>	<u>36,417,586</u>	<u>38,577,160</u>	<u>37,381,709</u>
Business type activities				
Water and sewer	14,038,761	\$ 14,034,929	\$ 15,903,626	\$ 16,126,887
Solid waste	6,356,474	6,319,981	5,497,740	5,360,148
Stormwater	3,250,247	3,151,444	2,978,161	2,631,128
Total business type activities expenses	<u>23,645,482</u>	<u>23,506,354</u>	<u>24,379,527</u>	<u>24,118,163</u>
Total primary government expenses	<u>\$ 61,653,087</u>	<u>\$ 59,923,940</u>	<u>\$ 62,956,687</u>	<u>\$ 61,499,872</u>
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 665,305	\$ 639,536	\$ 580,917	\$ 608,883
Public safety	5,866,561	6,533,279	7,094,092	7,612,745
Eng. & Community development	1,243,449	1,297,196	1,462,295	703,407
Culture/Recreation	525,175	517,130	1,031,871	1,649,195
Operating grants and contributions	350,691	104,729	44,590	52,689
Capital grants and contributions	462,974	1,356,205	2,141,441	466,870
Total governmental activities program revenues	<u>9,114,155</u>	<u>10,448,075</u>	<u>12,355,206</u>	<u>11,093,790</u>
Business type activities				
Charges for services:				
Water and sewer	15,232,281	16,399,284	16,684,366	18,555,649
Solid waste	6,527,762	7,303,375	5,544,291	6,654,671
Stormwater	3,129,533	3,154,975	3,081,078	3,161,747
Operating grants and contributions	413,722	764,026	224,967	224,724
Capital grants and contributions	2,541,022	196,520	937,730	2,485,283
Total business type activities program revenues	<u>27,844,320</u>	<u>27,818,180</u>	<u>26,472,432</u>	<u>31,082,074</u>
Total primary government program revenues	<u>\$ 36,958,475</u>	<u>\$ 38,266,255</u>	<u>\$ 38,827,638</u>	<u>\$ 42,175,864</u>
Net (Expense)/Revenue				
Governmental activities	\$ (28,893,450)	\$ (25,969,511)	\$ (26,221,954)	\$ (26,287,919)
Business type activities	4,198,838	4,311,826	2,092,905	6,963,911
Total primary government net expense	<u>\$ (24,694,612)</u>	<u>\$ (21,657,685)</u>	<u>\$ (24,129,049)</u>	<u>\$ (19,324,008)</u>

Fiscal Years					
2016	2017	2018	2019	2020	2021
\$ 533,871	\$ 1,117,467	\$ 1,474,358	\$ 1,596,733	\$ 1,356,283	\$ 1,823,642
22,779,946	25,710,343	26,184,629	28,763,597	29,497,937	28,255,602
5,209,646	4,845,675	8,120,139	7,681,229	7,724,735	7,582,368
4,621,904	5,174,156	5,565,711	5,389,927	6,103,528	5,713,696
6,477,191	7,217,705	4,621,007	4,809,098	4,223,347	3,740,102
495,864	546,959	556,959	547,224	1,068,199	1,387,803
40,118,422	44,612,305	46,522,803	48,787,808	49,974,029	48,503,213
\$ 16,892,145	\$ 16,557,929	\$ 18,452,247	\$ 21,810,139	\$ 20,316,249	\$ 18,861,136
5,788,497	6,651,441	7,012,329	5,357,114	6,554,379	6,442,505
2,918,272	3,220,532	3,570,048	3,771,114	3,827,287	3,785,381
25,598,914	26,429,902	29,034,624	30,938,367	30,697,915	29,089,022
\$ 65,717,336	\$ 71,042,207	\$ 75,557,427	\$ 79,726,175	\$ 80,671,944	\$ 77,592,235
\$ 471,490	\$ 355,277	\$ 306,617	\$ 310,896	\$ 196,996	\$ 242,481
7,385,928	7,372,365	7,487,042	7,815,440	7,887,246	7,271,256
2,368,887	3,010,117	2,155,813	2,200,576	2,145,981	6,209,908
880,861	746,651	835,254	729,070	787,117	507,736
61,435	574,004	444,746	221,310	257,581	2,549,243
926,016	1,102,931	2,082,492	947,984	606,426	3,389,216
12,094,617	13,161,345	13,311,964	12,225,276	11,881,347	20,169,840
18,007,209	19,495,458	19,798,530	21,036,346	20,135,698	20,691,582
5,511,260	5,624,963	5,988,644	6,172,819	6,435,078	6,740,576
3,578,013	3,645,281	3,634,621	3,475,698	3,472,884	3,440,611
225,936	225,694	1,975,796	237,392	114,966	9,246
3,359,516	1,144,635	-	100,000	-	-
30,681,934	30,136,031	31,397,591	31,022,255	30,158,626	30,882,015
\$ 42,776,551	\$ 43,297,376	\$ 44,709,555	\$ 43,247,531	\$ 42,039,973	\$ 51,051,855
\$ (28,023,805)	\$ (31,450,960)	\$ (33,210,839)	\$ (36,562,532)	\$ (38,092,682)	\$ (28,333,373)
5,083,020	3,706,129	2,362,967	83,888	(539,289)	1,792,993
\$ (22,940,785)	\$ (27,744,831)	\$ (30,847,872)	\$ (36,478,644)	\$ (38,631,971)	\$ (26,540,380)

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CITY OF OAKLAND PARK, FLORIDA

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

	2012	2013	2014	2015
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Ad valorem	\$ 12,150,587	\$ 12,831,277	\$ 13,566,402	\$ 14,128,644
Franchise fees	2,457,781	2,424,270	2,631,913	2,663,154
Utility taxes	3,760,525	4,059,906	4,364,202	4,510,535
Communication service taxes	1,935,672	1,803,813	1,636,717	1,662,895
Other taxes	1,668,976	1,674,677	1,706,931	1,768,768
Unrestricted investment earnings	83,304	49,793	22,405	62,991
Intergovernmental revenue - unrestricted	3,446,807	3,713,871	3,907,222	4,138,359
Miscellaneous	256,975	367,889	665,899	487,374
Transfers - net	-	-	-	-
Special item	-	-	-	-
Total governmental activities	25,760,627	26,925,496	28,501,691	29,422,720
Business type activities:				
Unrestricted investment earnings	104,015	95,659	55,830	86,456
Transfers	-	-	-	-
Special item	-	-	-	-
Total business type activities	104,015	95,659	55,830	86,456
Total primary government	\$ 25,864,642	\$ 27,021,155	\$ 28,557,521	\$ 29,509,176
Change in Net Position				
Governmental activities	\$ (3,132,823)	\$ 955,985	\$ 2,279,737	\$ 3,134,801
Business type activities	4,302,853	4,407,485	2,148,735	7,050,367
Total primary government	\$ 1,170,030	\$ 5,363,470	\$ 4,428,472	\$ 10,185,168

Source: City of Oakland Park Financial Services Department

Fiscal Years						
2016	2017	2018	2019	2020	2021	
\$ 15,064,291	\$ 16,185,976	\$ 17,518,760	\$ 18,987,785	\$ 20,616,499	\$ 23,181,851	
2,616,140	2,723,389	2,700,264	2,671,496	2,600,936	2,655,853	
4,566,369	4,697,743	4,870,984	4,972,469	4,876,392	4,943,903	
1,503,326	1,613,895	1,412,591	1,352,718	1,434,626	1,387,448	
1,730,203	1,854,639	1,921,986	1,938,173	1,783,997	1,774,254	
117,100	250,116	459,792	588,002	326,804	90,500	
4,304,238	4,461,100	4,650,307	4,752,294	4,319,726	5,067,035	
707,533	503,116	633,168	918,728	834,891	975,138	
1,110,000	-	-	-	-	-	
-	(90,818)	-	-	-	-	
31,719,200	32,199,156	34,167,852	36,181,665	36,793,871	40,075,982	
163,525	257,360	518,745	611,680	413,599	27,893	
(1,110,000)	-	-	-	-	-	
-	-	(628,450)	-	-	-	
(946,475)	257,360	(109,705)	611,680	413,599	27,893	
\$ 30,772,725	\$ 32,456,516	\$ 34,058,147	\$ 36,793,345	\$ 37,207,470	\$ 40,103,875	
\$ 3,695,395	\$ 748,196	\$ 957,013	\$ (380,867)	\$ (1,298,811)	\$ 11,742,609	
4,136,545	3,963,489	2,253,262	695,568	(125,690)	1,820,886	
\$ 7,831,940	\$ 4,711,685	\$ 3,210,275	\$ 314,701	\$ (1,424,501)	\$ 13,563,495	

(concluded)

CITY OF OAKLAND PARK, FLORIDA

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

	2012	2013	2014	2015
General Fund				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:				
General fund, designated for:				
Subsequent year expenditures	-	-	-	-
Fiscal contingency*	-	-	-	-
Grant matching	-	-	-	-
General fund, unreserved, undesignated	-	-	-	-
Nonspendable				
Inventories	67,971	61,410	74,129	76,838
Prepaid Costs	48,927	118,598	137,841	157,601
Interfund loan	112,971	112,971	1,726,848	1,726,848
Restricted for				
Grant match	839,952	586,551	-	224,139
Education	102,538	113,535	128,846	153,920
Transportation improvement	-	-	-	-
Tree preservation	-	-	-	-
Florida Building Code Enforcement	-	-	-	-
Committed to:				
Grant match	-	-	-	-
Assigned to				
Subsequent year's budget	2,558,680	2,700,369	2,089,752	2,017,430
Unassigned	12,214,133	12,343,763	11,986,648	14,440,351
Total general fund	15,945,172	16,037,197	16,144,064	18,797,127
All Other Governmental Funds				
Reserved				
Special Revenue Funds	-	-	-	-
Capital Project Funds	-	-	-	-
Debt service	-	-	-	-
Other	-	-	-	-
Unreserved, designated - sub. Year expend.				
Special Revenue Funds	-	-	-	-
Un reserved, Undesignated:				
Special revenue fund	-	-	-	-
Nonspendable				
Prepaid Costs	-	-	-	-
Restricted for:				
Public safety	521,195	477,321	364,529	270,587
Library	28,792	28,172	30,031	28,709
Tree preservation	229,821	102,832	5,788	6,204
Fire station facility	131,114	42,491	208	809
Park development	17,521	18,483	18,949	19,061
Parks and recreation	10,777	14,840	18,006	23,849
Grant match	-	-	-	-
Committed to:				
Capital Projects	2,009,326	1,841,393	1,861,862	2,710,817
Public safety	-	-	-	-
Streets and resurfacing	-	-	-	-
Assigned to:				
Community redevelopment	(555,584)	-1,497,314	-1,772,516	-1,788,828
Debt Service	11,087	11,516	11,516	11,516
Subsequent year's budget				
Total all other governmental funds	2,404,049	1,039,734	538,373	1,282,724
Total governmental funds	\$ 18,349,221	\$ 17,076,931	\$ 16,682,437	\$ 20,079,851

Source: City of Oakland Park, Financial Services Department

Note: The City implemented GASB54 fund balance reporting prospectively from F unassigned fund balance was changed in Sept. 20

Fiscal Years						
2016	2017	2018	2019	2020	2021	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
70,068	74,786	86,448	79,657	75,168	69,939	
1,219,525	751,773	1,285,025	1,083,302	479,853	542,569	
1,751,356	1,591,356	185,938	185,938	-	-	
-	-	-	331,300	482,396	373,017	
162,577	211,380	235,484	283,844	317,878	390,994	
-	-	35,818	35,818	1,783	1,783	
-	-	-	1,031	1,031	1,031	
-	-	-	-	-	419,204	
-	-	-	-	-	-	
2,625,518	5,548,817	3,171,683	2,741,280	4,085,977	4,852,822	
15,540,356	12,358,935	11,473,344	12,693,316	13,411,470	17,187,018	
21,369,400	20,537,047	16,473,740	17,435,486	18,855,556	23,838,377	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
2,388	113,554	110,063	117,346	-	-	
209,510	31,521	80,210	89,002	102,226	101,477	
29,251	30,038	16,731	39,327	48,340	48,170	
33,653	33,973	34,556	35,337	11,679	11,696	
1,439	1,604	1,632	1,669	1,868	15,627	
19,724	22,385	27,789	35,872	30,471	260,463	
25,428	38,047	45,453	56,056	59,556	59,640	
-	-	565,985	547,066	-	-	
2,554,954	3,028,902	5,140,006	2,677,856	33,916,927	31,861,997	
-	-	-	-	-	-	
-	-	-	-	-	-	
(2,604,011)	(1,599,830)	6,645	205,512	138,583	99,169	
29,573	26,656	74,482	71,449	233,379	278,057	
-	-	-	-	115,863	120,228	
301,909	1,726,850	6,103,552	3,876,492	34,658,892	32,856,524	
\$ 21,671,309	\$ 22,263,897	\$ 22,577,292	\$ 21,311,978	\$ 53,514,449	\$ 56,694,901	

12 to 25% of next year's appropriations.

CITY OF OAKLAND PARK, FLORIDA

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

	2012	2013	2014
Revenues			
Taxes:			
Ad Valorem	\$ 12,150,587	\$ 12,831,277	\$ 13,566,402
Utility taxes	3,760,525	4,059,906	4,364,202
Communication Service	1,935,672	1,803,813	1,636,717
Other Taxes	1,668,976	1,674,676	1,735,031
Franchise fees	2,457,781	2,424,270	2,631,913
Licenses and permits	1,159,311	1,251,212	1,875,880
Intergovernmental	3,446,807	3,713,871	3,879,122
Charges for service	10,625,666	11,479,964	11,806,480
Fines and forfeitures	742,431	472,778	928,123
Grants	1,055,355	1,313,380	1,224,032
Investment earnings	83,304	49,793	22,405
Other	350,710	495,174	687,553
Total revenues	39,437,125	41,570,114	44,357,859
Expenditures			
Current:			
General government	4,772,781	4,463,378	4,885,134
Public safety	21,374,664	21,572,490	23,066,104
Public works	3,635,786	3,298,663	3,572,735
Eng. and Community development	3,583,745	3,530,597	3,154,231
Culture and recreation	4,982,035	4,797,349	5,132,554
Debt service:			
Principal	689,118	553,439	659,442
Interest	557,495	533,841	523,303
Debt issuance cost	-	-	-
Capital outlay	3,551,425	4,790,041	4,362,130
Total expenditures	43,147,049	43,539,798	45,355,633
Excess (deficiency) of revenues over expenditures	(3,709,924)	(1,969,684)	(997,774)
Other Financing Sources (Uses)			
Issuance of debt	1,056,300	697,394	603,280
Transfers in	3,560,200	3,536,298	5,153,487
Transfers out	(3,560,200)	(3,536,298)	(5,153,487)
Insurance recoveries	-	-	-
Total other financing sources (uses)	1,056,300	697,394	603,280
Special Item			
Return of Federal Equitable Sharing Funds	-	-	-
Net change in fund balances	\$ (2,653,624)	\$ (1,272,290)	\$ (394,494)
Debt service as a percentage of noncapital expenditures	<u>3.1%</u>	<u>2.8%</u>	<u>2.9%</u>

Source: City of Oakland Park, Financial Services Department

Fiscal Years						
2015	2016	2017	2018	2019	2020	2021
\$ 14,128,644	\$ 15,064,291	\$ 16,185,976	\$ 17,518,760	\$ 18,987,785	\$ 20,616,499	\$ 23,181,851
4,510,535	4,566,369	4,697,743	4,870,984	4,972,469	4,876,392	4,943,903
1,662,895	1,503,326	1,613,895	1,412,591	1,352,718	1,434,626	1,387,448
1,768,768	1,730,203	1,854,639	1,921,986	1,938,173	1,783,997	1,774,254
2,663,154	2,616,140	2,723,389	2,700,264	2,671,496	2,600,936	2,655,853
1,403,593	2,081,632	2,687,258	1,856,793	1,726,823	2,183,510	6,250,006
4,138,359	4,304,238	4,461,100	4,650,307	4,752,294	4,319,726	5,067,035
13,162,629	13,454,340	13,389,381	13,873,238	13,795,959	14,156,962	13,421,835
927,519	839,130	625,707	516,038	578,543	459,253	341,925
1,895,104	869,908	1,160,268	1,160,006	1,015,872	1,579,747	2,934,236
62,991	117,100	250,116	455,845	588,001	326,803	90,501
489,070	707,532	503,116	642,204	786,013	834,892	975,138
46,813,261	47,854,209	50,152,588	51,579,016	53,166,146	55,173,343	63,023,985
4,628,450	4,838,863	5,309,188	5,846,636	5,638,239	5,994,332	7,175,924
23,762,084	23,470,455	25,019,649	25,811,454	27,336,150	27,724,899	28,785,112
3,667,082	3,763,159	3,839,996	7,193,874	7,227,845	6,724,606	7,063,208
3,288,485	4,635,561	4,973,013	5,402,587	5,118,910	5,884,861	6,274,120
5,548,883	5,674,756	6,119,304	3,578,865	3,593,849	3,152,660	3,375,762
758,660	774,938	805,236	951,978	1,178,349	1,388,990	1,816,768
509,776	490,058	531,902	540,535	546,627	528,950	1,848,471
-	40,150	15,000	41,500	-	270,789	103,410
2,030,942	4,429,810	3,934,647	4,157,803	3,924,208	3,062,524	3,526,008
44,194,362	48,117,750	50,547,935	53,525,232	54,564,177	54,732,611	59,968,783
2,618,899	(263,541)	(395,347)	(1,946,216)	(1,398,031)	440,732	3,055,202
778,515	745,000	1,078,752	2,259,611	-	31,761,739	-
-	-	-	-	-	-	6,564,600
-	-	-	-	-	-	(6,439,350)
2,140,495	5,198,688	3,437,407	7,119,564	2,192,813	3,740,111	3,153,718
(2,140,495)	(4,088,688)	(3,437,407)	(7,119,564)	(2,192,813)	(3,740,111)	(3,153,718)
-	-	-	-	132,718	-	-
778,515	1,855,000	1,078,752	2,259,611	132,718	31,761,739	125,250
-	-	(90,818)	-	-	-	-
\$ 3,397,414	\$ 1,591,459	\$ 592,587	\$ 313,395	\$ (1,265,313)	\$ 32,202,471	\$ 3,180,452
<u>3.0%</u>	<u>2.9%</u>	<u>2.9%</u>	<u>3.0%</u>	<u>3.4%</u>	<u>3.7%</u>	<u>6.5%</u>

CITY OF OAKLAND PARK, FLORIDA

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

(dollars in thousands)

Fiscal Year	Assessment Value				Total Assessed Property Value(1)	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Residential Property	Commercial Property	Industrial Property	Personal & Other Property				
2012	1,649,147	961,225	317,364	129,776	3,057,512	934,497	2,123,015	6.0138
2013	1,658,054	948,483	307,548	132,881	3,046,966	949,832	2,097,134	6.3142
2014	1,818,424	941,357	321,619	139,965	3,221,365	1,017,908	2,203,457	6.3995
2015	2,144,707	937,752	367,699	143,705	3,593,863	1,215,085	2,378,778	6.2744
2016	2,379,158	950,629	384,570	154,484	3,868,841	1,338,149	2,530,692	6.1995
2017	2,639,069	1,016,255	430,673	157,475	4,243,472	1,516,389	2,727,083	6.1555
2018	3,000,946	1,082,394	473,489	161,014	4,717,843	1,733,069	2,984,774	6.0985
2019	3,305,524	1,107,337	526,733	175,012	5,114,606	1,823,124	3,291,482	5.9985
2020	3,605,855	1,147,615	592,205	175,304	5,520,979	1,991,370	3,529,609	6.0880
2021	3,785,184	1,175,205	595,387	185,852	5,741,628	1,976,907	3,764,721	5.8910

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

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

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

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

CITY OF OAKLAND PARK, FLORIDA

Direct and Overlapping Property Tax Rates Last Ten Fiscal Years

Fiscal Year	City Direct Rate	Overlapping Rates						Total Direct & Overlapping Rates
	Oakland Park Operating Rate	Broward County	Broward County School Board	Florida Water Mgmt District	North Broward Hospital District	Florida Inland Navigation District	Children Services Council	
2012	6.0138	5.5530	7.4180	0.4363	1.8750	0.0345	0.4789	21.8095
2013	6.3142	5.2576	7.4560	0.4289	1.8564	0.0345	0.4902	21.8378
2014	6.3995	5.4400	7.4800	0.4110	1.7554	0.0345	0.4882	22.0086
2015	6.2744	5.4584	7.4380	0.3842	1.5939	0.0345	0.4882	21.6716
2016	6.1995	5.4741	7.2030	0.3551	1.4425	0.0320	0.4882	21.1944
2017	6.1555	5.4474	6.8360	0.3307	1.3462	0.0320	0.4882	20.6360
2018	6.0985	5.4623	6.4740	0.3100	1.2483	0.0320	0.4882	20.1133
2019	5.9985	5.4878	6.4029	0.2936	1.0855	0.0320	0.4882	19.7885
2020	6.0880	5.4878	6.6350	0.2795	1.0324	0.0320	0.4882	20.0429
2021	5.8910	5.4999	6.4140	0.2675	1.1469	0.0320	0.4882	19.7395

Source: Broward County Property Appraiser

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

CITY OF OAKLAND PARK, FLORIDA

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

Taxpayer	2021			2012		
	Taxable Assessed Value (a)	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value (a)	Rank	Percentage of Total City Taxable Assessed Value
WRI JT Northridge LP	\$49,463	1	1.31%	\$ 28,359	1	1.34%
Alliance HTFL LP	\$26,442	2	0.70%	18,612	2	0.88%
Northland Greentree LLC	\$26,163	3	0.69%	10,941	7	0.52%
Brookwood CP II LLC	\$23,487	4	0.62%			
Shores Behavioral Hospital LLC	\$23,260	5	0.62%			
SSC Property Holdings Inc	\$19,756	6	0.52%	10,078	9	0.47%
Jorken Crystal Lake LLC	\$17,166	7	0.46%			
Set Point Associates LTD PRTNR	\$16,071	8	0.43%			
Oakland Commerce Center LLC	\$14,843	9	0.39%			
NGP V Broward LLC	\$13,559	10	0.36%			
Western Natl Life Insurance Co				15,108	3	0.71%
Florida Power & Light Co.				15,036	4	0.71%
Lowe's Home Centers Inc.				14,975	5	0.71%
Bridgewater Place Assoc LTD				11,905	6	0.56%
Mederos Crystal Lake Condos LLC				10,868	8	0.51%
Robert Lipton Inc				9,995	10	0.47%
Total	<u>\$230,210</u>		<u>6.11%</u>	<u>\$ 145,877</u>		<u>6.88%</u>

Source: Broward County Revenue Collection

CITY OF OAKLAND PARK, FLORIDA

Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year	Taxes Levied for Fiscal Year (from BCPA)	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	12,844,598	12,186,893	94.88%	(7,297)	12,179,597	94.82%
2013	13,274,836	12,784,619	96.31%	(53,851)	12,730,768	95.90%
2014	14,147,792	13,563,259	95.87%	(66,774)	13,496,485	95.40%
2015	14,930,547	14,168,828	94.90%	17,036	14,185,865	95.01%
2016	15,689,028	15,024,930	95.77%	16,075	15,041,005	95.87%
2017	16,786,562	16,132,394	96.10%	15,382	16,147,776	96.19%
2018	18,202,649	17,486,037	96.06%	29,935	17,515,973	96.23%
2019	19,578,834	18,944,914	96.76%	1,497	18,946,411	96.77%
2020	21,335,400	20,604,060	96.57%	28,909	20,632,969	96.71%
2021	22,068,515	21,268,762	96.38%	-	21,268,762	96.38%

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

CITY OF OAKLAND PARK, FLORIDA

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Governmental Activities										
Fiscal Year	2021		CapitalOne Series 2007 Note	CRA RCP Loan	Capital Leases	Note Payable 2016	FCB Bank Loan 2018	General Obligation Bonds 2020	2010 Utility Bonds	2012 Utility Bonds
	Refunding Bonds BB&T	Refunding Bonds Wells Fargo								
2012	10,536,890	-	3,445,652	3,141,743	-	-	-	-	14,345,000	16,982,710
2013	10,143,268	-	3,293,623	3,141,743	689,606	-	-	-	14,065,000	16,881,137
2014	9,737,029	-	3,134,798	3,745,023	595,216	-	-	-	13,780,000	16,420,565
2015	9,314,072	-	2,968,874	3,773,977	1,174,998	-	-	-	13,470,000	16,136,992
2016	8,878,506	-	2,795,533	3,773,977	1,008,965	745,000	-	-	13,145,000	15,853,420
2017	8,423,846	-	2,614,444	4,852,729	839,479	745,000	-	-	12,810,000	15,559,847
2018	7,954,313	-	2,425,261	3,447,321	1,245,829	645,000	1,660,000	-	12,465,000	15,415,000
2019	7,468,464	-	2,227,620	3,313,745	982,986	540,000	1,660,000	-	12,110,000	15,100,000
2020	6,963,283	-	2,021,145	3,139,967	735,981	435,000	1,515,000	26,000,000	230,000	14,775,000
2021	-	6,564,600	1,805,440	-	574,594	330,000	1,365,000	25,475,000	195,000	14,495,000

Source: City of Oakland Park, Financial Services Department

Business-Type Activities

2019 Utility Refunding Bonds	2011 Stormwater Assessment Bonds	Stormwater Refunding Bonds BB&T	2021 Stormwater Refunding Bonds		2017 Water & Sewer JPMorgan	SunTrust 2014 Loan	Stormwater 2015 Bonds	2019 Solid-waste JP Morgan		Total Primary Government	Percent. of Personal Income	Per Capita
			Wells Fargo	Chase Loan				Capital Leases				
	5,614,949	4,451,574	-	-	-	-	-	-	625,805	60,674,323	5.71%	1,444
	5,411,610	4,285,278	-	-	-	-	-	-	410,953	59,812,218	5.55%	1,396
	5,293,169	4,113,653	-	-	1,495,000	-	-	-	189,588	58,504,041	5.41%	1,352
	5,174,728	3,934,964	-	-	1,415,000	2,145,530	-	-	452,433	59,961,568	5.53%	1,382
	5,051,287	3,750,948	-	-	1,330,000	2,028,920	-	-	406,832	58,768,388	5.46%	1,333
	4,927,846	3,558,865	-	-	1,245,000	1,907,250	-	-	1,460,128	58,944,434	5.46%	1,327
	4,835,000	3,360,500	-	6,511,296	1,155,000	1,782,370	-	-	1,162,327	64,064,217	6.05%	1,478
	4,700,000	3,155,240	-	5,768,090	1,065,000	1,654,190	1,262,453	-	959,864	61,967,652	2.96%	1,367
10,730,000	4,560,000	2,941,814	-	5,768,090	970,000	1,522,630	1,091,753	-	753,542	84,153,205	5.40%	1,841
10,385,000	4,415,000	-	2,773,380	5,375,660	875,000	1,387,590	900,104	-	543,286	77,459,654	6.35%	1,749

CITY OF OAKLAND PARK, FLORIDA

Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Bonded Debt Outstanding</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>
2012	-	0.00%	-
2013	-	0.00%	-
2014	-	0.00%	-
2015	-	0.00%	-
2016	-	0.00%	-
2017	-	0.00%	-
2018	-	0.00%	-
2019	-	0.00%	-
2020	\$26,000,000	100.00%	\$568.82
2021	\$25,475,000	100.00%	\$575.11

Source: City of Oakland Park, Financial Services Department

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

CITY OF OAKLAND PARK, FLORIDA

Direct and Overlapping Governmental Activities Debt As of September 30, 2021

Governmental Unit	Debt Outstanding (in thousands)	Estimated Percentage Applicable	Estimated Share of Overlapping Debt (in thousands)
Debt repaid with property taxes			
Broward County Debt Service *	\$ 102,733	1.782%	\$ 1,831
Broward Public Schools Debt Service **	605,165	1.660%	<u>10,045</u>
Subtotal, overlapping debt			11,877
Oakland Park direct debt (in thousands)			<u>36,115</u>
Total direct and overlapping debt			<u><u>\$ 47,992</u></u>

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

Sources:

- City of Oakland Park, Financial Services Department
- * Broward County Accounting Division
- ** School Board of Broward County Financial Reporting Division

CITY OF OAKLAND PARK, FLORIDA

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

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed value (in thousands)		\$ 3,764,721
Bonded debt limit - 15% of assessed value		\$ 564,708
Debt applicable to limit		
General Obligation Bonds	\$ 25,475	
Less: Amount set aside for repayment of general obligation debt	-	
Total net debt applicable to limit		25,475
Legal debt margin		\$ 539,233

	<u>2012</u>	<u>2013</u>	<u>2014</u>
Debt Limit	\$ 318,452	\$ 314,570	\$ 330,519
Total net debt application to limit	-	-	-
Legal debt margin	\$ 318,452	\$ 314,570	\$ 330,519
Total net debt applicable to the limit as a % of debt limit	0%	0%	0%

Source: City of Oakland Park, Financial Services Department

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

Fiscal Years						
2015	2016	2017	2018	2019	2020	2021
\$ 356,817	\$ 379,453	\$ 408,900	\$ 447,543	\$ 492,621	\$ 503,441	\$ 539,233
-	-	-	-	-	-	-
\$ 356,817	\$ 379,453	\$ 408,900	\$ 447,543	\$ 492,621	\$ 503,441	\$ 539,233
0%	0%	0%	0%	0%	0%	0%

CITY OF OAKLAND PARK, FLORIDA

Pledged-Revenue Coverage

Last Ten Fiscal Years

(dollars in thousands)

Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
General - 2007 CapitalOne Loan						
2012	\$ 25,916	\$ 23,917	\$ 1,999	\$ 146	\$ 158	\$ 6.58
2013	27,213	24,979	2,234	152	150	7.40
2014	28,970	26,060	2,910	159	144	9.60
2015	30,604	26,697	3,907	166	136	12.94
2016	31,588	27,482	4,106	173	129	13.60
2017	32,620	28,379	4,241	181	121	14.04
2018	32,729	30,627	2,102	189	113	6.96
2019	33,090	30,077	3,013	198	126	9.30
2020	32,488	28,504	3,984	206	115	12.41
2021	36,509	30,971	5,538	216	104	17.31
Utility System Revenue Bonds, 2010A series						
2012	\$ 15,232	\$ 10,960	\$ 4,272	\$ 270	\$ 775	\$ 4.09
2013	16,399	10,455	5,944	280	770	5.66
2014	16,684	10,882	5,802	285	764	5.53
2015	18,556	11,189	7,367	310	759	6.89
2016	18,007	11,774	6,233	325	752	5.79
2017	19,495	11,736	7,759	335	743	7.20
2018	19,798	12,882	6,916	345	735	6.40
2019	21,036	16,319	4,717	355	725	4.37
2020	20,136	14,257	5,879	365	714	5.45
2021	20,692	13,658	7,033	35	9	159.85
Stormwater Assessment Bonds, 2011 series						
2012	\$ 3,130	\$ 1,113	\$ 2,017	\$ 195	\$ 141	6.00
2013	3,154	1,002	2,152	115	221	6.40
2014	3,081	1,042	2,039	120	219	6.01
2015	3,161	868	2,293	120	217	6.80
2016	3,578	965	2,613	125	214	7.71
2017	3,645	1,103	2,542	125	210	7.59
2018	3,113	1,087	2,026	130	207	6.01
2019	3,476	1,023	2,453	135	203	7.26
2020	3,472	1,093	2,379	140	199	7.02
2021	3,441	1,050	2,391	145	195	7.03
Water and Sewer Revenue Bonds, 2012 series						
2012	\$ 15,232	\$ 10,960	\$ 4,272	\$ -	\$ -	-
2013	16,399	10,455	5,944	275	607	6.74
2014	16,684	10,882	5,802	300	607	6.40
2015	18,556	11,189	7,367	290	598	8.30
2016	18,007	11,774	6,233	290	589	7.09
2017	19,495	11,736	7,759	300	580	8.82
2018	19,798	12,882	6,916	305	572	7.89
2019	21,036	16,319	4,717	315	562	5.38
2020	20,136	14,257	5,879	325	553	6.70
2021	20,692	13,658	7,033	280	543	8.55
Water and Sewer 2014 loan - refunding						
2015	\$ 18,556	\$ 11,189	\$ 7,367	\$ 80	\$ 44	59.41
2016	18,007	11,774	6,233	85	41	49.47
2017	19,495	11,736	7,759	85	38	63.08
2018	19,798	12,882	6,916	90	36	54.89
2019	21,036	16,319	4,717	90	33	38.35
2020	20,136	14,257	5,879	95	35	45.22
2021	20,692	13,658	7,033	95	32	55.38

CITY OF OAKLAND PARK, FLORIDA

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

Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
Stormwater Assessment Bonds, 2015 series						
2015	\$ 30,604	\$ 26,697	\$ 3,907	\$ -	\$ -	-
2016	31,588	27,482	4,106	117	56	23.74
2017	32,620	28,379	4,241	122	53	24.23
2018	32,729	30,627	2,102	125	50	12.01
2019	33,090	30,077	3,013	128	47	17.22
2020	32,488	28,504	3,984	132	44	22.64
2021	36,509	30,971	5,538	135	40	31.65
Water and Sewer Bonds, 2017 series						
2018	\$ 19,798	\$ 12,882	\$ 6,916	\$ -	\$ 59	117.22
2019	21,036	16,319	4,717	359	128	9.69
2020	20,136	14,257	5,879	385	120	11.64
2021	20,692	13,658	7,033	392	112	13.95
Water and Sewer Bonds, 2019 series refunding						
2021	\$ 20,692	\$ 13,658	\$ 7,033	\$ 345	\$ 443	8.93
General - 2021 Wells Fargo Refunding Bonds						
2021	36,509	30,971	5,538	-	-	-
Stormwater - 2021 Wells Fargo Refunding Bonds						
2021	36,509	30,971	5,538	-	-	-

Source: City of Oakland Park, Financial Services Department

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
Gross revenues exclude grants and restricted revenues. Operating expenses exclude depreciation and administrative support fees.
2000B bonds were defeased in 2011 and removed from City's balance sheet
2004A FMLC loan was defeased in 2014 and removed from the City's balance sheet

CITY OF OAKLAND PARK, FLORIDA

Demographic and Economic Statistics Last Ten Fiscal Years

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

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

CITY OF OAKLAND PARK, FLORIDA

Principal Employers Current Year and Ten Years Ago

2021

Employer	Employees	Rank	Percentage of Total City Employment
Sunshine Cleaning Services	439	1	2.42%
Publix Supermakets	336	2	1.85%
Behavioral Shores	296	3	1.63%
US Dept of Veterans	285	4	1.57%
City of Oakland Park	277	5	1.53%
GMRI	228	6	1.26%
Atlas Apex Roofing	225	7	1.24%
Home Depot	193	8	1.06%
Concrete Protection Restoration	169	9	0.93%
Lowes	151	10	0.83%

2012

Employer	Employees	Rank	Percentage of Total City Employment
Ngu Nations Group USA	300	1	1.59%
Home Depot	300	2	1.59%
City of Oakland Park	241	3	1.28%
Treatment Center of the Palm	200	4	1.06%
Agency Workforce Innovation	172	5	0.91%
Lauderhill Middle Community School	165	6	0.87%
H Lamm Industries	140	7	0.74%
Broward Paper & Packaging	135	8	0.71%
Publix Supermarkets	130	9	0.69%
Gateway Insurance	110	10	0.58%
Warranty USA	110	10	0.58%

CITY OF OAKLAND PARK, FLORIDA

Operating Indicators by Function/Program Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015
Police				
Physical arrests	1,926	1,881	2,389	1,675
Parking violations	139	74	280	243
Traffic violations	5,844	5,595	8,071	10,520
Fire Rescue				
Emergency responses	7,512	7,541	7,780	7,976
Fires extinguished	87	141	104	105
Inspections	3,116	2,656	2,953	5,585
Refuse collection				
Refuse collected (tons per day)	144	137	142	138
Recyclables collected (tons per day)	8	11	15	13
Other public works				
Street resurfacing (miles)	2	-	2	3
Potholes repaired	1,578	1,643	2,228	1,705
Parks and Leisure				
Athletic field permits issued	404	448	461	403
Community center admissions	57,937	63,580	69,700	70,000
Library				
Volumes in collection	48,462	47,825	51,676	55,170
Total volumes borrowed	106,200	98,695	82,965	73,334
Water				
New connections	32	23	26	23
Water main breaks	50	46	57	70
Average daily consumption (thousands of gallons)	3,084	3,039	3,190	3,236
Sewer				
Avg. daily sewage treatment by other (in thousands)	6,129	7,431	6,560	5,703

Source: Various City departments

**Includes 57 resulting from Hurricane Wilma, 10/05

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

2016	2017	2018	2019	2020	2021
997	1,491	1,614	1,237	1,046	1,150
309	32	52	33	46	22
7,348	6,176	8,657	6,450	4,235	9,606
8,427	9,123	9,032	8,346	8,368	9,094
130	160	134	129	123	134
5,890	4,385	5,953	5,281	3,680	7,149
159	141	140	140	180	191
15	13	13	13	18	16
2	2	2	6	0	0
2,032	2,228	1,991	1,812	1,494	1,737
355	400	432	436	198	52
72,100	73,500	74,500	75,300	56,328	0
59,225	71,770	50,594	43,856	44,383	44,108
73,719	63,307	60,354	49,732	25,040	12,102
57	260	40	73	57	85
27	12	6	8	21	15
2,530	2,262	2,478	2,971	3,297	3,247
5,778	6,328	11,861	9,731	12,256	5,646

CITY OF OAKLAND PARK, FLORIDA

Capital Asset Statistics by Function/Program Last Ten Fiscal Years

Function/Program	Fiscal		
	2012	2013	2014
Police			
Stations	1	1	1
Zone offices	1	1	1
Patrol units	68	63	65
Fire stations	3	3	3
Refuse Collection			
Collection trucks	10	10	13
Other public works			
Streets (miles)	134	134	134
Highways (miles)	(a) -	(a) -	(a) -
Streetlights	* 2,383	* 2,406	* 2,466
Traffic signals	(a) -	(a) -	(a) -
Parks and Leisure			
Acreage	198	199	199
Playgrounds	10	10	10
Baseball/softball diamonds	9	9	7
Soccer/football fields	3	3	4
Tennis courts	14	14	14
Community centers	4	4	4
Basketball Courts	5	5	5
Handball/Racquetball Courts	4	4	4
Bocce Courts	2	2	2
Dog Park	1	1	1
Exercise Trail with Exercise Stations	3	3	3
Boat Ramp	1	1	1
Canoe/Kayak Launch	1	1	1
Water			
Water mains (miles)	197	197	197
Fire hydrants	1,135	785	791
Storage capacity (thousand of gallons)	** -	** -	** -
Sewer			
Sanitary sewers (miles)	100	100	100
Storm sewers (miles)	62	62	62
Treatment capacity (thousand of gallons)	*** -	*** -	*** -
Transit - minibuses	-	-	-

Source: Various City departments

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

**No water storage tanks owned by the City

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

Note: Data prior to 2006 are not available

(a) None owned by the City

Years		2015	2016	2017	2018	2019	2020	2021
		1	1	1	1	1	1	1
		1	1	1	1	1	1	1
		69	69	69	69	88	88	59
		3	3	3	3	3	3	3
		10	10	8	8	8	8	10
		134	134	134	134	134	134	134
		- (a)	- (a)	- (a)	- (a)	- (a)	- (a)	- (a)
		2,596 *	2,646 *	2,677 *	- *	- *	- *	- *
		- (a)	- (a)	- (a)	- (a)	- (a)	- (a)	- (a)
		199	199	201	201	201	201	201
		10	10	10	10	10	10	10
		7	4	4	4	4	4	4
		4	3	3	3	3	3	3
		14	14	14	14	14	14	14
		4	4	4	4	4	4	4
		5	5	5	5	5	5	5
		4	4	4	4	4	4	4
		2	2	2	2	2	2	2
		1	1	1	1	1	1	1
		3	3	3	3	3	3	3
		1	1	1	1	1	1	1
		1	1	1	1	1	1	1
		197	197	197	197	197	197	197
		811	851	855	896	910	910	940
		- **	- **	- **	- **	- **	- **	- **
		100	100	100	100	100	100	92
		62	62	63.8	62	62	62	99.4
		- ***	- ***	- ***	- ***	- ***	- ***	- ***
		-	-	-	-	-	-	-

CITY OF OAKLAND PARK, FLORIDA

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

Full-time Equivalent Employees as of September 30

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government	22	24	24	22	25	28	28	24	23	28
Broward Sheriff's Office*	97	98	99	98	99	99	99	99	99	99
Fire Rescue	65	63	69	73	67	67	67	67	68	66
Public Works	14	14	15	14	15	16	16	16	20	27
Engineering	8	8	10	9	8	7	7	4	7	7
Community Development	15	16	9	11	24	28	28	26	28	30
Library	7	7	6	7	6	6	6	6	6	6
Parks and Leisure	40	42	40	42	36	14	14	20	14	14
Parks Maintenance	0	0	0	0	0	23	23	22	13	12
Water & Sewer	25	20	22	22	25	26	26	25	24	23
Solid Waste	23	24	22	20	23	23	23	23	21	20
Storm Water	10	10	10	10	10	11	11	10	9	9
Total	326	326	326	328	338	346	346	342	332	341

*Staffing level set by contract

Source: City of Oakland Park, Financial Services Department